

The Emerging Field of Enterprise Engagement: Implications for Training

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The term, “engagement,” has become increasingly popular in human resources and marketing circles. Dozens of professional conferences produced by organizations as diverse as Marcus Evans, Human Capital Institute, and The Conference Board have focused on the topic over the last few years, and engagement will be the subject of several sessions at the upcoming Society of Human Resource Management conference in Las Vegas. The term is being used in reference to employees, customers, training, communications, and, most recently, in social networking circles. The emergence of engagement presents both opportunities and challenges for the training executive and human resources profession overall.

While it has always been possible to implement the principles of engagement at the tactical levels of human resources and marketing, what is changing is the increasing number of CEOs committed to implementing engagement at the strategic level. Organizations as diverse as McDonald’s, AstraZeneca, Hewlett-Packard, Best Buy, and Nationwide Insurance are in various stages of undertaking strategic engagement initiatives designed to align their brands across all of their audiences to maximize loyalty, engagement, and performance.

What this means is that engagement is moving from tactical to strategic: Organizations have recognized they can benefit from a strategic, enterprise-wide approach to engagement designed to become part of the organizational culture and values. And this presents significant opportunities for training professionals.

A Growing Priority

Engagement has emerged as a growing executive priority because it is now increasingly possible to measure the financial impact of engagement on an organization’s performance and brand equity.

Today, the financial benefits of engagement are too compelling to ignore.

- The average three-year revenue growth for “high-performing companies” (e.g., those that effectively manage employee engagement) was more than twice that of industry peers; engaged employees are more likely to stay with their employer than those with a lower level of engagement; and the more engaged employees are, the lower the inventory “shrink” (CLC-Genesee and the Corporate Executive Board; 2009).
- When workers were asked how they would describe relationships with their coworkers, 86 percent of engaged employees said their interactions were always positive or mostly positive vs. 72 percent of unengaged workers and just 45 percent of actively disengaged workers (Gallup Management Journal; 2009).
- High-engagement firms experienced an earnings-per-share (EPS) growth rate of 28 percent, compared with an 11.2 percent *decline* for firms with low levels of engagement (Towers Perrin survey; July 2008).
- Public organizations ranking in the top quartile of employee engagement had earnings per share (EPS) more than two-and-a-half times greater than organizations that were below average (Gallup Management Journal survey; January 12, 2006).

Knowledge & Skills

At a recent Marcus Evans conference, Rick DeMarco, director of Internal Brand Alignment for Hewlett-Packard, summarized the approach taken by H-P and other companies presenting their case studies: “The employee engagement framework is about creating brand ambassadors—informing everyone on the brand values, reinforcing the necessary knowledge and skills, and inspiring and empowering people.”

“Our surveys found huge gaps between the employees’ and customers’ views of the brands,” noted Gayle Deringer, director of the Global HR Design Group at McDonald’s. “The key is to simplify and focus on priorities, and to speak with one consistent message so that the employee can speak with the same message.” Training is a critical part of McDonald’s strategy to inform all of the critical audiences of the brand proposition and how to translate that into everyone’s day-to-day work activities.

Opportunities for Training

Engagement has the potential to drive considerable demand for training at multiple levels, starting at the top. Enterprise engagement strategies require:

- Management at all levels with a clear knowledge of the organization’s brand proposition and how each executive, manager, and employee can contribute.
- The ability of employees, distribution partners, and vendors to do what is asked of them to accomplish organizational goals.
- Highly informed distribution partners or customers who feel they have an emotional stake in the organization.

That said, training professionals don’t have to wait for corporate leaders to embrace enterprise engagement to profit from the basic premises and tools of engagement. The principles of enterprise engagement have a direct bearing on the effectiveness of learning programs. Andrew Kimball, president of Qube Learning, notes, “We can’t just rely on effective training materials anymore. We have to find techniques such as games and contests to engage people to participate and to reinforce critical messages.”

For Melanie Lewis, director of Commercial Engagement for AstraZeneca, assessment data continually identify the need for training as part of the company’s engagement efforts. “Often, the critical touchpoint for engagement occurs at the field level,” she says. “You can’t make that happen without significant and ongoing training of field level management, and the training won’t sink in unless it is truly engaging.”

Bruce Bolger, managing director of the Enterprise Engagement Alliance (www.enterpriseengagement.org), was an early proponent of integrated, targeted communication, marketing and sales programs to better engage customers and employees. He helped found the Forum for People Performance Management and Measurement at Northwestern University’s Medill School of Journalism and was one of the founders of the EEA, which is creating a formal curriculum and certification program on enterprise engagement. Bolger is also the author of two books, “Principles of Results-Based Incentive Program Design” and “Strategic Incentive Program Design: Critical Steps to Ensure an Effective Performance Improvement System.”