

This primer covers the essential elements of Enterprise Engagement, specific resources and EEA-sponsor vendors your organization can utilize to implement engagement efforts.



Enterprise Engagement Overview

The field of Enterprise Engagement focuses on achieving long-term financial results for organizations by strategically aligning the management of customers, distribution partners, employees, salespeople and all human capital. Enterprise Engagement is distinct from the fields of financial management, marketing, sales, operations and human resources in that it seeks to achieve long-term success by integrating these various business disciplines to continually focus the organization on identifying and meeting customer needs.

Organizations based on Enterprise Engagement work collaboratively across business units to find the best way to achieve long term financial results by maximizing human capital, both internally and externally. The goal is to unify the

organization to continually seek better ways to help customers and create new opportunities for the business rather than simply finding ways to improve processes. Enterprise Engagement looks at human capital in an integrated fashion, rather than separating customer and distribution partner engagement from sales or employee engagement. AstraZeneca, McDonald's, Southwest Airlines and Campbell Soup are examples of companies run on the basis Enterprise Engagement.

In contrast to organizations run under the principals of Enterprise Engagement, traditional businesses tend to use a siloed approach in which each department or division often works with significant independence, often with different, unrelated goals. This type of organization has a tendency to focus on maintaining and

improving processes as a way for each business unit to gain more resources and influence. Many companies are willing to sacrifice customer service to save money, such as instituting voice mail systems well known to annoy most people, because they are often unable to measure any financial cost to the dissatisfaction of customers. In the past, it was easier to measure the cost-savings than the value of customer engagement.

Background

Enterprise Engagement has its roots in research conducted in the 1990s connecting financial results in Sears stores to the engagement of employees. Additional research on the connection between customer and employee engagement began to emerge in the late 1990s, when Gallup began to publish studies on the cost of disengaged workers. Don Peppers and Martha Rogers, in their 1993 book *The One to One Future*, were among the early proponents of customer-focused rather than product- and process-focused marketing. They identified the necessity to address the human element of relationships between customers and an organization.

The concept was further developed in a collaboration between the Integrated Marketing Communications department at the Medill School of Journalism at Northwestern University and a community of businesses and trade associations in marketing. The Forum for People Performance Management and Measurement (www.performanceforum.org), founded in 1993 by Don Schultz and Frank Mulhern, professors at Northwestern University, and Bruce Bolger, principal of a target marketing and media company, was among the first groups in the U.S. to focus on conducting research into the connection between financial results and employee and customer engagement. The Forum has funded over a half-dozen studies related to the topic.

In the July/August 2005 issue of the *Harvard Business Review*, the concept of linking customer and employee engagement was the subject of an article by John H. Fleming, Curt Coffman and James K. Harter entitled "Manage Your Human Sigma." The authors outlined the process by which "it's possible to arrive at a single measure of effectiveness for the employee-customer encounter, [and] this measure has a high correlation with financial performance."

Financial Benefits

The benefits of Enterprise Engagement have significant support in research:

Research by **CLC-Genesee** and its parent, the **Corporate Executive Board**, shows that average three-year revenue growth for "high-performing companies" – meaning, in part, those that effectively manage employee engagement – was more than twice that of their industry peers. Other key findings: Engaged employees are more likely to stay with their employer than those who have a lower level of engagement, and the more engaged employees are, the lower the inventory "shrink."

Towers Perrin found that high-engagement firms experienced an earnings-per-share (EPS) growth rate of 28%, compared with an 11.2% *decline* for low-engagement firms. Happy employees can better handle workplace relationships, stress and change, according to the **Gallup Management Journal** survey. When respondents were asked how they would describe relationships with their coworkers, 86% of engaged employees said their interactions were always positive or mostly positive, vs. 72% of unengaged workers and just 45% of actively disengaged workers.

Gallup research indicates that 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.

Challenges

Research suggests that Enterprise Engagement only works over the long haul; it's of little use to executives seeking a short term result. Today's organizational structures are based on silos that obstruct Enterprise Engagement – it takes a CEO and committed to this business approach.

- Enterprise Engagement requires a level of leadership throughout the organization difficult to achieve in any larger company.

- Enterprise Engagement is overlooked in business schools and the business media, so executives get little exposure to it.

- Enterprise Engagement does not make a company immune to economics or poor financial management.

- Companies lack research documentation as to the merits of various types of engagement tactics, or the best ways to deploy them.

The Tactics of Engagement

Engagement involves:

- Leadership
- Communication
- Capability
- Buy-in
- Support
- Emotion
- Measurement and feedback.

These, in turn, require the use of:

- Leadership training and coaching
- Print, direct mail and electronic communications, media, meetings, and promotional products
- Training and professional development
- Recognition, reward, and incentive programs
- Statistical process controls.

The expertise, products and services related to these various practices comprise the emerging field of Enterprise Engagement.

EEA RESOURCES

About Us

The EEA is an outreach and education organization dedicated to helping enterprises of all sizes make the connection between customer loyalty, employee engagement, and financial results. Our primary activities involve the creation and promotion of a formal framework curriculum for the implementation of engagement throughout an organization, including all audiences that can affect performance; a portal and multi-media magazine that provides news, products, and case studies on all areas of engagement; engagement benchmarking tools; and training and consulting.

■ Enterprise Engagement Overview

A primer on Enterprise Engagement and available resources.

■ Economics of Engagement

A white paper covering the fundamental economics of Enterprise Engagement.

■ Curriculum and Webinar Schedule

A schedule of upcoming live curriculum sessions in conjunction with Marcus Evans as well as webinars on various aspects of the curriculum.

■ Recorded Curriculum and White Papers

Recorded webinars and white papers on different segments of the Enterprise Engagement Curriculum.

■ Benchmark Your Engagement Practices

A free, simple-to-use and anonymous tool that enables you to quickly benchmark your organization practices against an aggregate of other companies using the tool.

■ Benchmark Your Personal Engagement

A free, simple-to-use and anonymous tool that enables you to quickly benchmark your own personal level of engagement an aggregate of other individuals using the tool.

■ EEA Training and Consulting

The Enterprise Engagement Alliance provides training and consulting to organizations seeking to implement an enterprise approach to engagement within their own organizations, or to organizations that sell engagement products or services to their organizations.

Contact and Follow Us

■ **Tel.:** 914-591-7600, ext. 230

■ **E-mail:** info@theeea.org

■ **Web:** Enterpriseengagement.org

■ **Blog:** Enterpriseengagement.org/blog

■ **Twitter:** [EEA_org](https://twitter.com/EEA_org)

■ **Linked in:** [Enterprise Engagement Alliance](https://www.linkedin.com/company/EnterpriseEngagementAlliance)

EEA Engagement Suppliers



These organizations are highlighted for their financial contribution to the development of the first ever formal curriculum

on Enterprise Engagement. These companies are pioneers in advancing the development of a field that is quickly becoming an important part of the business strategy at many leading companies. For a larger list of suppliers, go to Enterpriseengagement.org. Please note that the categories are by nature arbitrary and that a company listed in one category may have services in another as well.

STRATEGIC ENGAGEMENT CONSULTING

These organizations provide different forms of strategic assistance with overall engagement design and implementation.

■ **Root (Emerald Sponsor)** — Root is a strategy execution company that helps organizations engage their people as the catalyst and driver for change. Root connects people with complex strategies using creative and visual methods, transformative insights, and consulting know-how on strategy deployment and sustainment. With 20 years of experience, Root has created a proven framework that consistently achieves clarity, ownership, and results.

Contact: aschambers@rootlearning.com

Web: rootlearning.com

■ **Engagement Partners (Platinum Sponsor)** Engagement Partners provides unbiased consulting and assessment services to help companies improve their engagement solutions and achieve increased business results, with a return-on-investment. It helps clients find specifically the right solutions for their objectives through a network of experts in leadership training, communication, learning, loyalty, incentive programs, rewards and recognition, collaboration, and measurement.

Contact: Irao@engagementpartners.com

Web: engagementpartners.com

■ **Enterprise Engagement Institute Consulting and Training** — The Enterprise Engagement Institute, the learning group of the Enterprise Engagement Alliance, has

developed a formal implementation process based on 20 years of research, dozens of case studies, and the input of over 40 people in all areas of engagement. We provide training on how to implement Enterprise Engagement as well as help organizations create Enterprise Engagement implementation plans.

Contact: bolger@theeea.org

Web: theeea.org/training

SURVEYS AND ASSESSMENT

These companies provide various forms of essential engagement and organizational assessment tools critical to implementing and maintaining engagement.

■ **HR Solutions International, Inc. (Platinum Sponsor)** — Our Employee Engagement Surveys, post-survey consulting, and action planning tools empower organizations to increase workplace engagement and improve business outcomes. ActionPro® provides an online reporting and action-planning system, and Personal Employee Engagement Report (PEER highlights an employee's level of Engagement and makes useful suggestions on how they can improve their engagement.

Contact: michaels@hrsolutionsinc.com

Web: www.hrsolutionsinc.com

■ **Hay Group (Emerald Sponsor)** — Our employee engagement experts partner with the world's largest organizations, developing more engaged and enabled workforces through strategic employee survey programs. By providing employee feedback and supporting strategy, our surveys and HR expertise help organizations achieve higher performance and lasting change. Hay Group has extensive experience conducting assessments on a worldwide basis.

Contact: imran.ladak@haygroup.com

Web: Haygroup.com

■ **The Horsepower System (Emerald Sponsor)** —

This employee assessment system helps your organization stay competitive in the 21st-century global marketplace by tapping into the passion and creativity of your workforce using our intuitive and affordable software. This human-performance software is being used by major corporations worldwide to: Improve leadership skills, Boost employee engagement and productivity, become a "best-place-to-work" in their industry, and

create an employer brand that attracts and retains top talent.

Contact: peherr@chorus.net

Web: www.horsepowersurvey.com

INTERNAL BRANDING

These types of agencies focus specifically on connecting an organization's internal brand to its external brand to ensure the consistently delivery of marketing promises.

■ **JWT Inside (Emerald Sponsor)** — A unit of JWT, the worldwide marketing conglomerate, JWT Inside specializes in internal and talent branding. It deploys a full suite of communications, technology, and social networking tools, along with extensive experiencing in branding, to help organizations not only connect the external and internal brands, but develop talent branding strategies to attract great talent.

Contact: jwindolph@jwtinside.com

Web: jwtinside.com

FULL SERVICE ENGAGEMENT, INCENTIVE & RECOGNITION FIRMS

These firms provide a full suite of services to help organizations design and implement strategies to achieve business goals through engagement, including incentive and loyalty programs, meetings and motivational events, marketing communications, and technology.

■ **Dittman Incentive Marketing (Founding Sponsor)** — Dittman helps organizations foster engagement through incentive, recognition, and rewards programs using travel, merchandise, gift cards, and more via easy-to-use, enterprise-wide or on-demand SaaS. It provides creative, technology, marketing, and sales savvy solutions for all types of audience engagement efforts.

Contact: jdittman@dittmanincentives.com

Web: dittmanincentives.com

■ **EGR (Founding Sponsor)** — EGR may be the first company in the field to define itself as an "engagement agency." For 40 years, it has led the industry in providing world-class engagement services that transform business relationships. It provides new thinking, new media and new portal technology in the area of enterprise engagement, including performance improvement strategies, integrated marketing communications, and meeting management.

Contact: rbearbower@egrinternational.com

Web: egrinternational.com

■ **ITAGroup (Founding Sponsor)** — ITA helps organizations drive loyalty through a combination of incentive programs, rewards and recognition, group travel and event management to engage employees, motivate channel partners and ignite customer devotion. We rely on proven concepts such as hard work, integrity and great customer service to ensure client success.

Contact: mtrue@itagroup.com

Web: www.itagroup.com

■ **Maritz (Founding Sponsor)** — Maritz taps into the power of your customers, channel partners, and salespeople and unleashes the human potential to advance your business. It helps organizations achieve goals by engaging, rewarding, and recognizing your people through motivation solutions, meetings, events and incentive travel programs, and offers innovative marketing research capabilities and other programs to can help improve your customer experience.

Contact: paula.godar@maritz.com

Web: maritz.com

■ **Fire Light Group (Platinum Sponsor)** — FIRE Light Group is a full service incentive marketing company focused on helping organizations motivate their workforce, distributors and/or customers. It consults with organizations to develop the right reward, recognition and/or incentive programs from strategy development through delivery and measurement of success. It offers state of the art engagement portal technology, meetings, motivational events, rewards, and more.

Contact: sandi@firelightgroup.com

■ **Marketing Innovators (Platinum Sponsor)** — Marketing Innovators helps clients maximize their people performance potential. Through a full suite of communications and reward solutions for every audience to improve loyalty, customer service, employee productivity, or incite a spurt in revenue, Marketing Innovators uses a zero-based approach to help organizations match the strategy and implementation with the opportunity or challenge.

Contact: cmielke@marketinginnovators.com

Web: marketinginnovators.com

■ **CPG (Coyningham Performance Group) (Emerald Sponsor)** — CPG develops engagement programs for Fortune 1000 organizations whose business success hinge on growing, inspiring and motivating employees, sales channel and customers. By impacting the behaviors that influence human performance, CPG drives measurable results

for both the organization and the individual. CPG specializes in sales and channel partner enhancement, customer loyalty, training and recognition.

Contact:

nconyngham@cperformancegroup.com

Web: cperformancegroupinc.com

■ **MotivAction (Emerald Sponsor)** — MotivAction provides solutions for companies that need people to do more, buy more, sell more or learn more, MotivAction specializes in giving people the will and skill to succeed. We know exactly how to use incentives, recognition and learning to drive behavior and achieve results from your salespeople, channel partners, employees and customers.

Contact: bballin@motivaction.com

Web: motivaction.com

■ **Spear One (Emerald Sponsor)** — Spear One's mission is to provide you with the industry's best marketing solutions to measurably drive engagement and performance improvements. Since 1994, Spear One has delivered successful sales incentive programs, recognition programs, group incentive travel, full-service event management, promotions, fulfillment, utilizing its full suite of strategic planning, communications, and technology solutions.

Contact: mmay@spearone.com

Web: spearone.com

LEARNING

■ **Qube (Emerald Sponsor)** — Qube Learning is a hosted solution that transforms how learning is accomplished and how information becomes knowledge. We use a revolutionary, deeply engaging game-based technology that optimizes the process, cost, effectiveness, enjoyment, motivation and permanence of learning for executives and students alike. Qube is a pioneer in Knowledge Chain Optimization and services that speed learning and improve retention.

Contact: akimball@qube.com

Web: qube.com

COMMUNICATION

■ **Selling Communications (Founding Organization)** — Selling Communications creates highly engaging content and portal technology for any type of internal or external engagement strategy, publication, or web site. It helps organizations understand how they can maximize engagement through communication, whether on the web, e-mail newsletters, blogs, books, or other social networking tools. It provides engagement

portal technology and content development and deployment.

Contact: nick@sellingcommunications.com

Web: sellingcommunications.com

RECOGNITION PROGRAMS

■ **Rideau (Emerald Sponsor)** — We help our clients inspire greatness in their people through the power of recognition and rewards solutions. Our services include social and instant recognition programs and solutions for career service; customer loyalty; sales and service; health, wellness and safety, and personal milestones. Rideau believes having a happy and healthy workplace leads to high morale, high productivity, higher engagement.

Contact: ron.eliakim@rideau.com

Web: rideau.com

REWARDS

■ **Canon (Platinum Sponsor)** — Canon is one of the nation's leading suppliers of innovative cameras and home office equipment for the rewards and recognition marketplace. Canon's products boost engagement by providing memorable rewards that keep paying off year after year. Its products are used in loyalty, incentive, recognition, fund-raising, and other types of programs to create excitement, fun, and long-lasting satisfaction.

Contact: kcarrette@cusa.canon.com

Web: canon.com

■ **Harco (Platinum Sponsor)** — Harco is a major distributor for the leading merchandise brands for premium, incentive, recognition, loyalty and all types of engagement programs. It provides merchandising, administration, fulfillment and customer service for leading companies and agency partners that sponsor incentive and engagement programs. It offers incentive catalogs and point systems that motivate and engage people to increase results.

Contact: saro@harcoweb.com

Web: premiumincentive.com

■ **Rymax (Emerald Sponsor)** — Rymax a full-service incentive, loyalty, recognition and rewards company with in-house program management, providing complete program customization. We offer thousands of reward choices through our partnerships with 250+ brand name manufacturers, as well as award catalog management software and unique reward concepts for every audience.

Contact: jrbrenner@rymaxinc.com

Web: rymaxinc.com