Original Research Paper

Marketing

A SUCCESSFUL ENGAGEMENT OPERATIONAL EXCELLENCE MODEL

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ABSTRACT   Engagement is the act or state of being involved with something. This involvement professionally is ones emotional commitment to keep the interest of the organization and all its stakeholders above all else.
The Engagement Operational Excellence Model (EOEM) developed, focuses on the Employees and the Customer, and not only on the Topline/Bottom-line. This model is based on and is all about collaboration between "The Customers" and "The Employees" who are the "Pillars of Engagement", the "Leadership" in the organization and the "Execution Engine" to achieve "Ongoing Excellence". This paper is based on our years of experience in various industries and has been conceptualized over those years of experience on the job. The success or failure of this model is based on the collaborative effort of every stakeholder associated with the organization. If this way of working is implemented by all the stakeholders at every level in the organization with emotional commitment, the Engagement Operational Excellence Model ensures that your organization has a bunch of delighted customers, motivated employees and happy shareholders.

KEYWORDS : Pillars of Engagement, Employee Engagement, Customer Engagement, Collaboration.

INTRODUCTION

Every organization strives to achieve Operational Excellence (OE). It is what organizations have to do to be able to give value back to its customers and the shareholders. Operational Excellence is a buzzword in all the CEO and CIO circles. Operational Excellence is been around for decades and yet why it is that many organizations are not able to deliver value. Is it the lack of awareness of OE. Or, is it the lack of skilled resources and competencies to excel in what we do. To understand it lets look at the definition of Operational excellence as defined in the Business dictionary.com. "A philosophy of the workplace where problem-solving, teamwork, and leadership results in the ongoing improvement in an organization. The process involves focusing on the customers' needs, keeping the employees positive and empowered, and continually improving the current activities in the workplace." From the definition above it is clear that we need to work to be on a continuous improvement path while focusing on our customer and the employees. During the tenure of my service in the industry, at every stage I learnt that to be able to have excellence and operational efficiency at the work place, I had to get everyone involved. Every relevant stake holder had to be part of the process at the right time. If even one of them was left out, it required a lot more energy and resources to get them on board to help you reach your destination successfully. It was during these years that I realized that there was something which I used to do which used to get out the best not only in me but also in the customer, the employees who worked with me and the management. What I used to do was engage all the stakeholders involved to achieve and complete the task or activities not only within the prescribed time but also with the quality that was required. This is what I continued to do all along and have over the last few years of my career have tried to put together a model which I call the "Engagement Operational Excellence Model. This model can be associated with what each one of you has in your organizations. But the key ingredient to this model is "Engagement". It is about engaging your employees and your customers. They are both the pillars of this model that I have referred to as the "Pillars of Engagement" in Fig. 3.

REVIEW OF LITERATURE

Over the years while developing this model and fine tuning it, we have looked up and read a lot of literature on Operational Excellence and Efficiency both on the references to which are given below in the references section below. We have referred to some of them to understand what the world thinks and expects from Operational

Excellence. While there is a lot of reading material on employee engagement and customer engagement, we have not been able to find any literature on Engagement Operational Excellence. What we have considered while developing this model is based on my twenty two plus years of experience. It is what we used to do on a daily basis like in any other organization. But, with the focus on what was done, why it was done, how it was done and what was to be achieved. All of this had the key ingredient "Engagement" at all levels and with all the stakeholders.

NEED/IMPORTANCE OF THE STUDY

Every organization has its own strategies, way of working or even its own Operational Excellence Model that it follows. They can use their own models but, should try to bring in the Engagement aspect of both the customer and the employees. The need of the study and development of this model is on how to engage every stakeholder in the value chain so that they can each play their parts in complete sync with the rest of the stakeholders to achieve the Operational Excellence that all organizations strive for. This model is about how to engage the two most important pillars of engagements, the "Employee" and the "Customer".

The model also tries to bring to perspective how important it is to focus on the employee and the customer and not only on the topline or bottom line.

STATEMENT OF THE PROBLEM

We all want to achieve Operational Excellence in our organizations, accounts, programs and projects. We would have even asked ourselves the following questions on several occasions:

• What is Operational Excellence for you as an individual and an organization?
• Why do we need Operational Excellence?
• What values does Operational Excellence bring to the table?
• Can Operational Excellence ever become outdated?

The challenge that every CEO, CIO, department head and Manager has is how can we achieve overall operational excellence while still being relevant to all the stakeholders. This is the problem statement that we would like to look at answering with the model that I have developed.

OBJECTIVES

There are two important objectives that this model should be able to deliver:

1. How to Engage your "Pillars of Engagement" the customer and the employees and all the relevant stakeholders to bring about Operational Excellence into the system that works for your organization.
2. How to get all the stakeholders to collaborate and work towards realizing the Vision, Mission and Goals of the organization

FINDINGS

This EOEM ensures that it creates a consistent image of the quality of the resources and the good work that they do which will make the customer want to come back and work with you for a very long time. This model's focus is to improve the operational excellence of an organization with the "Employee and the Customer" as the "Pillars of Engagement". The EOEM is not only about maintaining Process excellence or just about managing operations to achieve customer satisfaction. The EOEM looks at the overall operations to gain all round excellence. For this to happen, one needs to look at engaging the customer and the employees. Once we are able to engage the pillars of engagement, we shall have motivated employees who are willing to go the extra mile for you, delighted customers who for sure want to work with your organization for years to come and give you not only repeat businesses but also new businesses which will then lead to an increase in shareholder value.

The EOEM consists of the following main blocks (See Fig. 1)
• The Engagement Pillars (represented by the square)
• The Execution Engine (represented by the circle)
• The Leadership of the organization (represented by the triangle)

Fig. 1 – The different blocks of the Engagement Operational Excellence Model

For the EOEM to work like a symphony all these blocks have to collaborate and work together as seen in Fig. 2

The **leadership** in the organization cannot try to create a situation which disengages the employees and the customers. All stakeholders have to play their part in ensuring the **execution engine** functions and runs like a well-oiled machine. And the **pillars of engagement** need to be engaged at all times.

Fig. 2 – The Engagement Operational Excellence Model Collaboration.

We shall now look at the details of each of the blocks and what needs to be done for them to engage all the stakeholders.

ENGAGEMENT PILLARS
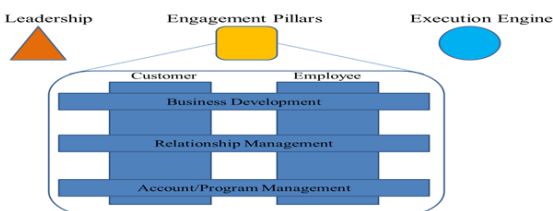
Fig. 3 – The Engagement Pillars

The reason why the customers and the employees are the pillars of engagement is because at the working level it is they who are interacting on a daily or even on an hourly basis with each other. That is why the focus has been given to these two pillars. It is only if they understand each other well, and are able to work with each other cordially will the projects be successfully delivered on time and with the best quality.

The three important interaction touch points with all our customers are:
• How we manage and run our projects, programs and accounts
• What is the relationship we have with our customers
• What is the business development that happens with this relationship We need to see how we can engage the employees and the customers throughout these phases of the interaction points.

CUSTOMER ENGAGEMENT

Customer engagement - we all do it to some extent, some of us better than others. The question is: "How do you best go about nurturing that engagement so that you can provide a consistently great customer experience?" We need to be flexible to support both scheduled and unscheduled interactions with customers. Your customer engagement should begin at the time of pitching a sale in order to maintain momentum and to achieve a first 'quick win'. Once the initial sales deal is closed, it is critical to keep the momentum going and to ensure that you aren't straying away from your customer's goals to reaching their objectives.

Customer engagement should also help keep you focused on answering these three key questions:
• Are we adding value to our customers?
• Are the customers achieving that value?
• Are we providing an engagement experience that will result in customer delight?

Your engagement with customers should help you understand:
• What the engagement 'moments' are for customers throughout their lifecycle;
• Who in your organization is responsible for interaction with customers at those moments;
• What the objective or expected outcome is for each of those moments.

A good understanding of the above should help you have a very good engagement with your customers. There are two important phases in the customer lifecycle that your engagement with them has to work across:
• The Startup(Honeymoon) phase and
• The Relationship phase

The Startup phase
Every new relationship will have its ups and downs. And we need to pay a lot of attention during this phase to listen very carefully to the customer and the feedback he gives. This for me is the infliction point of how well you will be able to engage with your customer going forward.

The startup phase meets the following objectives:
1. It ensures that you and your customers are taking the right steps in the right direction to achieve the desired results; and
2. It gives both you and your customer an opportunity to think about, understand, articulate, and agree on how you're going to measure and achieve value in the relationship phase.

If your sales cycle is value based, you have probably already begun identifying use cases, measurements, and customer ROI expectations. The bad news is that too many companies don't do any further measurement once the deal is closed. This is a deal breaker for engaging a customer. The startup phase also provides an opportunity for you to validate key assumptions with your customer on how they are going to measure value and how they're going to

quantify the success of the implementation of your solution or services. A good startup process not only ensures that a customer is adopting your product or services but positions you as a partner to help ensure they're making progress against their stated objectives.

Examples of early engagement moments during the startup phase:
• A kick-off meeting to ensure that the customer meets your team (either virtually or face-to-face, as appropriate)
• Initial product or services training or demos
• Preparation of a plan for the startup phase with regular review meetings to ensure that the progress is on schedule
• Identification of the key stakeholders in the relationship and assign the roles and responsibilities to each one
• Create the organization structure and the escalation matrix
• Preparation of key metrics report, management status reports
• Define with your team the "engagement moments" with your customer.

As an organization you will have many more examples that I am sure can be added to this list. It is important to note here that focus on what adds value, and is not tedious to follow or do and which creates a better engagement between you and your customer. It is also important to do things as quickly and efficiently as possible to keep the customer engagement momentum going in this phase.

The Relationship phase
The focus of the relationship phase is to ensure that your customer is getting what was promised by your sales team and what was agreed in the startup phase. You have to constantly keep an eye on the objectives set in the startup phase and measure the engagement moments during their experiences working with you.

Engagement moments in this phase can be categorized into one of two types:

• Time-based or
• Event-based

Time-based moments are ones that you can put on a calendar, such as a quarterly business review, monthly metrics review, annual account review, or even weekly meetings for your highest of high-touch customers. Time-based moments are great ways to keep your customers interacting with you for the duration of the lifecycle – as long as you clearly set expectations and provide valuable feedback to them during those engagement points. If you aren't continuously providing value to your customers during these moments, they'll lose interest and stop attending regular calls/meetings, so be careful not to over-schedule them, and be sure to provide relevant engaging content in each of these engagements. Event-based moments are ones that are triggered by the occurrence of an event (or non-event in some cases), such as a customer logging a high-severity case with your support desk; a new product release from your company; a change in leadership or executive sponsorship at your customer; a poor or mediocre survey response; an absence of support cases over a defined period of time; a decrease in overall usage; or a decrease in key usage metrics from a given customer.

The purpose of event-based triggers is to help you react quickly and appropriately to events that can influence the health of the customer relationship – for better or for worse. In either case, the sooner your team reacts to the event that triggered the engagement, the better off you'll be.

EMPLOYEE ENGAGEMENT
Are happy employees engaged employees? Are satisfied employees engaged employees? Not necessarily, while an employee may be happy at work, it does not mean they are working hard and productively on their job. While company game rooms, free massages and Friday keg parties are fun and may be beneficial for other reasons, making employees happy is different from getting them to be engaged.

A satisfied employee might show up daily for his or her job without complaint. But will this same "satisfied" employee put in any extra effort on their own to make a difference? They may jump to the first headhunter call that comes their way with a 10-15 % hike in pay. Therefore satisfied also isn't enough. During my working tenure and based on our industry experiences we would like to state the following definition:

"An Engaged Employee is one who is self-driven and motivated, and highly enthusiastic and proud about the work they do. He also takes proactive measures to further the organization's growth by engaging with the customers and delighting them".

Therefore, employee engagement is the emotional commitment the employee has to the organization and its goals. Engaged employees not only work for their pay or a raise, but they work because they love what they are doing and therefore enjoy what they do. When an employee enjoys what he does he makes sure that everyone around him also enjoys what they do. In this way he indirectly understands his customer better and to do so engages with them and involves them to deliver what was promised. As former Campbell's Soup CEO, Doug Conant, once said, "To win in the marketplace you must first win in the workplace." Employee engagement is the key to activating a high performing workforce.

Given below is data for Employee Engagement
Involvement
In some studies, high-involvement management practices were positively associated with employee morale, employee retention, and firm financial performance. Watson Wyatt found that high-commitment organizations (one with loyal and dedicated employees) out-performed those with low commitment by 47% in the 2000 study and by 200% in the 2002 study.

Commitment
Employees with the highest level of commitment perform 20% better and are 87% less likely to leave the organization, which indicates that engagement is linked to organizational performance.

Productivity
In a study of professional service firms, the Hay Group found that offices with engaged employees were up to 43% more productive. Job satisfaction is also linked to productivity.

Some additional points from research into drivers of engagement are listed below:

Employee perceptions of job importance - "...an employee's attitude toward the job's importance and the company had the greatest impact on loyalty and customer service than all other employee factors combined."

Employee clarity of job expectations - "If expectations are not clear and basic materials and equipment are not provided, negative emotions such as boredom or resentment may result, and the employee may then become focused on surviving more than thinking about how he can help the organization succeed."

Career advancement / improvement opportunities - "Plant supervisors and managers indicated that many plant improvements were being made outside the suggestion system, where employees initiated changes in order to reap the bonuses generated by the subsequent cost savings."

Regular feedback and dialogue with superiors - "Feedback is the key to giving employees a sense of where they're going, but many organizations are remarkably bad at giving it. "What I really wanted to hear was 'Thanks. You did a good job.' But all my boss did was hand me a check."

Quality of working relationships with peers, superiors, and

subordinates: "...if employees' relationship with their managers is fractured, then no amount of perks will persuade the employees to perform at top levels. Employee engagement is a direct reflection of how employees feel about their relationship with their superiors."

Perceptions of the ethos and values of the organization - "Inspiration and values' is the most important of the six drivers in our Engaged Performance model. Inspirational leadership is the ultimate perk. In its absence, [it] is unlikely to engage employees."

Effective Internal Employee Communications – one which conveys a clear description of "what's going on". "'
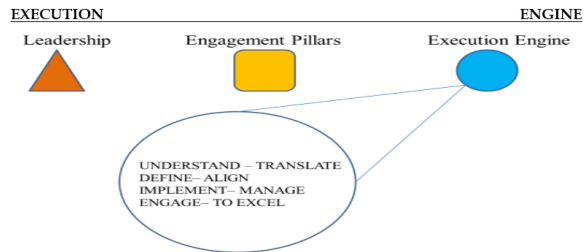
Fig. 4 – The Execution Engine

For the customer and the employees to be engaged the smooth functioning of the Execution engine is very important. We all have checklist, processes and what not to make sure we get the job done. But why is it that we do not deliver some projects on time, with the right quality and in line with customer expectations? The execution engine is what each and every company does in one form or the other or in one way or the other. But how it is done is what is important to achieve the desired results. What I did observe during my career was that it was very important to really listen, and understand what the customer was trying to tell us. Like I have always told my employees, "Listening is different from hearing". In the Execution engine the employee has to do the following steps along with the customer:

1) Understand – We need to listen to what the customer is telling us. We need to understand what he wants. If he is not clear please ask him to repeat it. He would be happier if you asked him one more time to understand his requirements well then, for you to not ask him and come back to him with something other than what he wanted. Once you have listened to him you need to *translate* what has been understood in your own words and write them down. If required go back to the customer and get them verified too.

2) Define – Once you have written down the customer require-ments you need to convert them and re-write them in the resources, templates or formats prescribed by your organizations. You also need to define the process, the plan and the measurement techniques you will use to complete your plan. Once done you need to go back to the customer share all these artifacts with him. Get him to review it and take his inputs. This we do to *Align* ourselves with what the customer wants.

3) Implement – A good plan is no good if it is not implemented on time and with the right quality. In this phase it is all about how you *manage* your resources. Be it people, hardware, software or even your customer. Why do I say customer over here? It's because you need to keep him in the loop every step of the way during the implementation of the plan. We always have the habit to leave things for the 11th hour and spring surprises on our customers. This just goes to show that you are not engaging your customer. If we are stuck up with something we need to tell them before it is too late. Remember just as you are anxious about delivering the project on time, your customer is anxious too, as he has to deliver it to his customers or the top management. And I am sure we do not want him to look bad in front of his boss.

4) Engage – This step as you would have noticed is to be done while doing all of the above three steps. You have to engage the customer for good or for bad. It is also his head on the chopping block. You therefore have to keep him informed at all times. Use your discretionary understanding of how many times and at what times you need to go to him and inform him. You also do not want to be seen as someone who cannot do his work and who always needs a nod from the customer. Going back and engaging with the customer is to give him the sense that we have everything under control and that he need not worry. Your interactions with the customer should make him feel that you are adding value to him and his organization and that he is the luckiest customer to have someone like your organization working for him. You have to engage to be able to *Excel* is what you do and thus delight your customer.
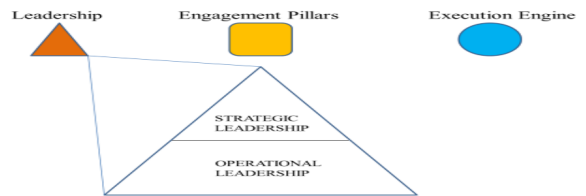
Fig. 5 – The Leadership

Leadership at all levels within the organization is very important to the organizational success. The interconnection between the strategic leadership and operational leadership is very critical to the entire chain of command and the proper functioning of each group, program, project or service in the organization.

STRATEGIC LEADERSHIP
Strategic leadership looks at the long term goals of the organization. Strategic leaders are always on the look out to create an organization that can run on its own and is not dependent on the top leadership always to take decisions that do not need their presence.

Strategic Leadership should focus on:
• Leading changes with the organization that can benefit the organization
• Creating sustainable value for all stakeholders through innovation and analyzing and navigating market ecosystems
• Building an agile organization that can move on its feet quickly to the rapid changes.

Strategic leadership will attract the right people to the organization when they have a very compelling vision and mission. They should provide a stimulating and challenging environment for people to grow and use their talents to the fullest in order to achieve the organizations goals.

OPERATIONAL LEADERSHIP
Operational leaders are the unsung heroes. They get the flak from the top management and the employees who report to them. But they are the ones who build and maintain the systems and the processes that allow the strategic leaders vision and mission to be accomplished. They are the ones who create a culture within the organization that is built on values that are important to achieve the objectives. Operational Leadership focuses on executing with speed, quality and efficiency. They look at building operational excellence which involves engaging the strategic and people leaders and getting them engaged with the customer. They are the glue that binds them along together. They help build a strategic partnership with all the stakeholders.

Operational Leadership:
1. Provides stability to the organization at all times
2. Devises systems with the help of the resources they have to run

things smoothly
3. Is the central nervous system of all the activity coordination within the organization
4. Shares the bad news when it has to be shared at the right place and the right time.
5. Creates new solutions to old problems
6. Complements the strategic leaders

It is important for the leadership to focus on nurturing employees within the organization who are committed to the long term goals and vision of the organization. If the leadership team engages with the employees, they will feel valued and will also safeguard the morale of the employees. They will feel that the leadership team has their best interest in mind and will go the entire mile to make things happen. Many managers feel that they are not getting the development they need from their organizations and managers. It is important to engage with the managers to get a sense of where they are at with respect to their role within the organization. To accelerate the identification and development of leadership talent the leadership should focus on these elements:

1. Manager assessment at regular intervals
2. Constructive feedback to motivate them
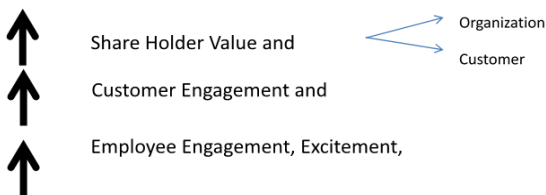3. Constant coaching and mentoring to better their skills

Leadership that engages with all levels in the organization will improve the effectiveness of the way things are done within the organization.

CONCLUSIONS
It is all about how you implement what works for you and your organization as a whole. Remembering to keep in mind that, Engaged employees and Engaged customers always increase the value of the organization, its customers and the shareholders. While this model has worked in the IT industry across the various segments mentioned, the author also feels that EOEM can be adapted to any industry or business by adapting to what works for you, your business and your customers. An organization that is engaged will all together move up the value chain. (See Fig. 6)

This is a long and hard journey. To reach our destination we have to start walking

• The journey will build…
    • "A very strong and solid foundation for the organization."
• The destination will have…
    • Engaged (Motivated) Employees
    • Delighted Customers and
    • Happy Shareholders

↑ Share Holder Value and   → Organization
↑ Customer Engagement and   → Customer
↑ Employee Engagement, Excitement,

Fig. 6 – Moving Up the Value Chain

RECOMMENDATIONS/SUGGESTIONS
1. Move around resources based on their aspirations and capabilities.
2. Make the employees and the customers feel a part of each other and the organization.
3. Drive initiatives to make this happen
4. Educate the customer and the associates
5. Identify other opportunities for those not utilized effectively by understanding their skill sets and giving them jobs that will help them excel.

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