Global Business Communications

A Strategic Imperative in Today’s Borderless Workplace

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In This Report

Companies are always looking for competitive advantage – ways to be better than the rest in areas such as efficient processes, novel products and services, controlled cost structures, and deeper relationships with customers, to name a few. Of course, most of the ways in which companies can differentiate themselves are, in fact, quite difficult to address. Costs can be dictated by external forces; differentiated innovation and efficiency are often the products a very long-term focus on organization culture, talent and strategic investment in resource-related planning and process (think Toyota or Apple). If achieving competitive advantage in these areas was easy, it would not be much of an advantage.

But what if we told you that there was one area in which some organizations are achieving a clear advantage that is both:

1. Completely within the internal control of any organization to address; and,

2. Can be relatively straightforward to improve, provided that said organization gives it an enterprisewide, strategic level of attention?

What is this potential source of advantage?

Business communications.

Think about it. At the heart of business is the transfer of information or in other words – communications. Is it surprising then, that organizations with a strategic approach to enabling effective, global communications would be:

- Sixteen times more likely to be a relative high performer at controlling costs;

- Twenty-eight times more likely to be better than the rest at customer satisfaction; or,

- Eighty-six times more likely to reach the market faster than the competition?

Not really. We would assert it is more surprising that so few organizations treat communications as anything more than a skills issue for individual employees.
In this report, we will outline just how differentiating a strategic approach to global business communications can be. We will introduce you to the Enterprise Fluency™ Maturity Model designed by Bersin & Associates. (For more information, see the section later in the report entitled, “Maturity and Business Outcomes.”)

The primary purpose of the Maturity Model is to continue the dialogue started in a recent Bersin & Associates research bulletin that details the positive impact of a strategic approach to effective global communication.² The bulletin highlighted that organizations need to pay more attention to communications skills on an enterprisewide level, not just on an individual or tactical level. This point is particularly salient when talking about global organizations for which problems concerning communications skills take on magnitudes of complexity not seen to the same extent in smaller, less dispersed enterprises.

For companies operating on a global scale, there are frequent and often debilitating language, distance and cultural issues. For these businesses and for all of their inherent activities, poor communications are not just aggravations – they are strategic problems. Given today’s increasingly flat, fast-moving and borderless global business environment, organizations that refuse to address these issues strategically are not just failing to take every opportunity to get ahead, they are finding themselves at a significant disadvantage.

The Enterprise Fluency™ Maturity Model differentiates the level of attention given by global firms to addressing communications, and how this relative difference in focus affects their business success across a range of parameters, including financial growth, market share, customer satisfaction, agility, employee productivity and quality. From this report, you will learn:

¹ “Enterprise Fluency™ is a phrase coined by GlobalEnglish Corporation, and which is defined as “…the communication and collaboration proficiency required by global companies for operational efficiency in today’s global economy.” For more information, please visit http://www.globalenglish.com/enterprise_fluency.
Global Business Communications

- The communications challenges facing those engaged in global business;
- A description of the Enterprise Fluency™ Maturity Model, its four levels of development, and each level’s effectiveness, challenges and benefits;
- The relationship of maturity to business outcomes;
- The current state of market maturity; and,
- Strategies for improvement.
Introduction

Most global organizations do not think of communication issues as strategic, but rather as fundamentally individual problems. They hire for them. They develop for them individually, in pockets and small ways. Our initial research into what constitutes effective global communications showed that this approach is seriously flawed. We believed that the topic was important enough – and the implications of the results compelling enough – to justify further research to differentiate global organizations that approach business communications strategically from those which address the matter in a more cavalier manner.

To that end, we developed the Enterprise Fluency™ Maturity Model.

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This report is about this Maturity Model – what it is, what it means to be on one level of the Model versus another, and what being at the high end of the Model gets an organization in terms of benefits in the marketplace.

This Enterprise Fluency™ Maturity Model is not explicitly designed for all companies; it is most applicable to global organizations, which we define as companies operating in two or more global regions. Further, a floor was set for the size of the companies studied in establishing the model; those with less than 5,000 employees worldwide were not considered. That said, we assert that these issues apply to all organizations, regardless of size, whenever operations span global boundaries. *(For more information, see section, “Appendix III: Demographics.”)*

Before defining the Maturity Model in detail, it will be useful to consider the specific challenges with communications in today’s global business environment, as these shape the actions of the organizations studied and, ultimately, the form and substance of this tool.
Business Communications in a Borderless World

Philip G. Cerny, professor of global political economy at Rutgers University and one of the world’s noted authorities on the nuanced effects of globalization, spoke to the contradictions of this emerging dynamic.

“Globalization is not just about changing relations between the ‘inside’ of the nation-state and the ‘outside’ of the international system. It cuts across received categories, creating myriad multilayered intersections, overlapping playing fields, and actors skilled at working across these boundaries. People are at once rooted and rootless, local producers and global consumers, threatened in their identities yet continually remaking those identities.”

This is the description of a fluid landscape, one in which traditional boundaries have shifted or disappeared. Like the Berlin Wall, many of the traditional barriers that separated individuals or entities within organizations (such as cultural, geographic, generational or structural) have been knocked down, creating a business environment that is more open, fluid and free-flowing.

Technology has accelerated this development and continues to do so. The prevalence of the Internet, email, social networking, knowledge portals and mobile devices has speeded, extended and raised the expectations of communications. In addition to enabling greater interconnectivity and mobility, these technologies also promote increased transparency. The world’s workplace is increasingly without borders – and the world’s workforce is younger, more transitory and more greatly dispersed than at any time in history.

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In this volatile milieu, the priorities of organizations are evolving. Globalization and expansion into new markets are currently top of mind among business leaders, as is the need to innovate faster. Organizations are also facing significant market changes in addition to globalization, including greater environmental pressures, increased regulatory control and accelerating technological change.

The highest-performing global organizations are embracing these trends to drive competitive advantage. The best are able to meet their key personnel requirements from anywhere they have operations; others are improving business process efficiencies by removing language barriers between business units, creating common standards for communications and formally establishing a common language for business.

Leading global organizations take full responsibility for facilitating effective business communications and collaboration as an acknowledged corporate value and an ongoing process across the enterprise. Their executives seek ways to derive returns from all interactions, internal and external, across the value chain. To this end, they focus on IT and HR, as well as on learning and development (L&D) efforts, empowerment, knowledge-sharing, and collaboration across the extended enterprise. They leverage social networking for targeted recruiting, and develop communities of practice to drive innovation and cross-departmental collaboration. Importantly, they put on-demand communication and collaboration tools in the hands of their widely dispersed workforces, providing instant access to knowledge that is essential to completing projects, closing sales and meeting customer needs.

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7 For more information, Rethinking Recruiting: Modernizing the Way We Hire, Bersin & Associates / Steven Goldberg and Katherine Jones, March 9, 2011. Available to research members at www.bersin.com/library.
Communications: Its Barriers and Potential Problems

Claude Shannon, the father of modern information theory, defined the fundamental problem of communication in a way that applies directly to global business.

“The fundamental problem of communication is that of reproducing at one point, either exactly or approximately, a message selected at another point.”

In today’s borderless global business landscape, that problem has become more complex as “points” have become increasingly numerous and dispersed. Efficient communications occur when the maximum amount of a message is delivered and understood successfully at minimum cost. Effective business communications adds context to a message. Contexts can be as simple as how to write an effective email to ensure that a business task is correctly assigned and executed, or as complex as how to negotiate a billion-dollar business deal with a group of individuals from a culture different than your own. The implication of successful business communications goes beyond Shannon’s idea of reproducing a message by including the idea that some business purpose within a given context was achieved. Achieving successful communications and realizing those purposes are more complicated than Shannon’s definition projects.

Despite the fact that we start learning to communicate from birth, the reasons for communications failures are many and persistent over time. For the purposes of this study, six principal barriers were considered:

1. Language;
2. Physical or environmental;
3. Psychological;
4. Systemic;
5. Cultural; and,
6. Organizational

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9 Language barriers include lack of proficiency, lack of sufficient vocabulary, differences in accent or pronunciation, and poor or unclear word choice.
**Case in Point: Emerson**

Emerson is a leading global manufacturing and technology company. It employs more than 127,000 people in more than 240 manufacturing locations in North America, Latin America, Europe, Asia-Pacific, the Middle East and Africa. Like all global conglomerates, Emerson had quarterly reporting deadlines for the finance heads in each regional office. English as a common language is used in most, but not all, of its offices.

The former CFO for the Latin America region consistently received late finance reports from the Brazil office. When he looked into the problem, he found that the finance head was the only employee in the office who spoke English. This communication issue involved more than just the need for a common language. In this case, the open flow of communication was constricted through a single conduit. Specifically, English-based corporate communications were being funneled through the Brazil finance head who, in addition to his “day job,” was often performing his side job as “translator.”

Emerson worked with a partner to provide performance support in business English for the Brazil office. As expected, the Emerson office in Brazil is now seeing the tactical benefit of being able to submit its quarterly finance reports on a timely basis to the CFO. Further, the local head of finance was able to focus more specifically on his role and the business objectives given to him. More strategically, Emerson’s Brazilian operations are now more collectively prepared to be a source of value for the entire enterprise. Ideas are flowing back and forth more readily, and the local team can now be seen as a source of potential talent companywide.

- **Physical or environmental barriers** include proximity, physical impediments, noise or other environmental distractions, and threats to safety or other basic needs.

- **Psychological barriers** include stubborn mental models, emotions, inhibitions, denial, substitutions, passive aggressive behavior and dishonesty.
Systemic barriers include lack of feedback, poor or inactive listening, misinterpretation, mixed signals (e.g., when verbal and nonverbal messages do not match), poor choice of medium for the message, and information overload.

Cultural barriers include lack of awareness, bias or chauvinism, and competing values.

Organizational barriers include structural impediments, process or policy inefficiencies, unintended consequences, and lack of leadership or meaningful sponsorship.

Any of these barriers can result in a failure of communications that can lead to significant business problems, such as poor productivity, slow time to market, mistakes within internal projects, low customer satisfaction and employee dissatisfaction.

Most global organizations that have customers in different parts of the world who speak different languages have personnel in place to speak directly to those customers. But what about internal communications, such as those between the home office and regional offices? What happens when the message from the home office is not reproduced “exactly or approximately” at the regional office? What happens when the message delivered to the customer by the regional office is not exactly what the home office meant? This can lead to significant problems.

Although language is a key element of such problems, the list of barriers shows that their cause can also come from physical, psychological, systemic, structural or organizational issues.

For global companies, business functions in different areas of the world have to collaborate, working together to achieve common goals. Unless communications are efficient and effective, messages can get lost or be misinterpreted. These dispersed business units can grow less aligned and poorer performing over time, reducing their ability to support each other’s efforts, exchange ideas or feedback, or move in coordinated timeframes. This risk is fundamental and why global business communications is such an important issue.
Case in Point: Emerson (cont’d)

For global companies, moving parts in different areas of the world have to collaborate. Unless communications are efficient and effective, messages can get lost or be misinterpreted when people communicate with each other. This can make the parts of the business less aligned and poorer performing.
The Enterprise Fluency™ Maturity Model

Bersin & Associates conducted research and developed the Enterprise Fluency™ Maturity Model to look at the relationship between how a global organization approaches the problem of supporting effective global business communications and their performance relative to peers in the marketplace. The research data shows a clear differentiation—some organizations are better at communicating than others.

As with any maturity model, this Model is not meant to provide a precise picture of a specific organization. Organizations may straddle levels within the model. In global companies, divisions may be at different levels.

The Maturity Model is an analytical tool, providing a global organization with a framework for establishing a sense of overall current state and
guidance for identifying both opportunities for improvement and strategies for doing so. It is also a tool to help understand the likelihood of a company being more or less competitive in today’s borderless global competition.

We found an overall pattern in the data provided by companies in the study. Various aspects of organizational communications were segmented and ranked based on certain factors – relative difficulty, frequency of use and perceived importance to the business.

This pattern was compared to an organization’s relative performance in business outcomes (e.g., productivity, customer satisfaction) to further refine the Model. Four distinct levels of maturity emerged.

The Levels of Enterprise Fluency™ Maturity

- **Level 1**: Fragmented and Reactive Business Communications Awareness
- **Level 2**: Emerging but Inconsistent Business Communications Development
- **Level 3**: Coordinated and Consistent Business Communications Support
- **Level 4**: Strategic and Borderless Business Communications Enablement

### Level 1: Reactive and Fragmented Awareness

Most global organizations do not consider business communications a strategic issue; therefore, the majority of global businesses can be categorized as Level 1. These enterprises have little or no high-level recognition of the connection of effective global business communications to their long-term success. Any awareness or approach to enabling successful communications is sporadic, typically in reaction to a perceived individual or team-level problem. Solutions in these
organizations typically take the form of prepackaged training\textsuperscript{10} programs or locally focused initiatives, such as team-building.

The communications profile of Level 1 organizations is low and local; in such organizations, the likelihood of having an intentional common language for business is extremely low.

Level 1 organizations are effective at creating isolated pockets of effective communications. These companies are still working on raising common awareness of global business communications as an issue.

Not surprisingly, the benefits they seek and expect from communications efforts are quite limited – the development of individual and team-level communications skills and the adoption of communications tools.

**Figure 2: Enterprise Fluency™ Maturity Model Designed by Bersin & Associates – Level 1**

<table>
<thead>
<tr>
<th>Effective at ...</th>
<th>Still Working on ...</th>
</tr>
</thead>
</table>
| • Pockets of Effective Communications  
  • Occasional Silo’ed Success at Addressing Communications Barriers  
  • Local Use of Off-the-Shelf Training | • Raising Common Awareness of the Issue |

**Benefits Sought and Expected ...**

- Individual- and Team-Level Communications Skills  
- Communications Tools Adoption

\textit{Source: Bersin & Associates, 2012.}

**Level 2: Emerging but Inconsistent Development**

At Level 2, organizations may have an individual or individuals emerge in the home office who have decided that global business communications is an issue that needs attention. Typically, this emergence occurs either in HR departments, often arising out of training or recruiting functions, or within a specific operational unit that feels the pain of straddling global regions.

\textsuperscript{10} Not custom or bespoke.
Business communications at Level 2 organizations is a growing, high-level concern but, on a day-to-day basis, it is still treated as a local or individual problem. In Level 2 companies, you may see the beginnings of enterprisewide programmatic initiatives for the development of communications-related skills. Additionally, the organization likely has acquired organizationwide communications tools, albeit often without successful, enterprisewide deployment, as part of a clear, common communications strategy.

The communications profile of Level 2 organizations is high locally and beginning to emerge recognizably on an enterprise level. These organizations may have established a common language for global business, but development and support for competence in that language is likely to be erratic and inconsistent.

Level 2 organizations are effective at achieving broader communications at the individual level, using some common communications tools, and having some success in identifying and addressing communications barriers. More evolved from a communications perspective than their less mature counterparts, they are working on more initiatives, including:

- Implementing common communications standards;
- Implementing a common global business language;
- Using communications tools across the enterprise;
- Developing systematic support for business communications; and,
- Integrating a common approach to communications into the organization’s talent acquisition and learning culture strategies.

The benefits they seek and expect are broader and more defined than those of Level 1, such as enterprisewide basic communications skills, the adoption of communications tools across the enterprise, enhanced employee productivity at the local level and enhanced process quality at the local level.
Level 3: Coordinated and Consistent Support

At Level 3, organizations are finally starting to address business communications at the corporate level. For them, the value of a consistent and coordinated approach to supporting effective global business communications across the enterprise is increasingly clear. Local efforts at development and support have been consolidated or federated with strong governance processes in place. At this point, significant executive sponsorship is likely.

The communications profile of Level 3 organizations is high locally and with some core executives, particularly in the L&D and HR sectors. There is an explicit common language for business in these organizations, as well as an established and growing set of developmental supports for regional proficiency in that language. Business communications solutions are no longer simply training programs, but include substantial systemic approaches to identifying and removing communications barriers.

Level 3 organizations are effective at common communications standards, common business language training, and integrating approaches to support business communications into enterprisewide talent strategies and processes. These organizations continue to work on generating competitive advantage from business communications,
strengthening their learning culture, growing strong leadership in non-headquarters’ regions and connecting the common language to the company’s overall culture, particularly the learning culture.

At Level 3, significant benefits are sought and expected from business communications efforts, including:

- Organizationwide effective communications;
- Enhanced employee productivity across the organization;
- Enhanced process quality across the organization;
- Increased financial success on a local level;
- Increased customer success on a local level; and,
- Increased organization agility on a local level.

**Figure 4: Enterprise Fluency™ Maturity Model Designed by Bersin & Associates – Level 3**

<table>
<thead>
<tr>
<th>Effective at ...</th>
<th>Still Working on ...</th>
</tr>
</thead>
</table>
| Common Communications Standards  
Common Business Language Training  
Integrating the Approach to Supporting Business Communications into Organizationwide Talent Strategies and Processes | Generating Competitive Advantage from Business Communication  
Strengthening Learning Culture  
Growing Strong Leadership from Non-Headquarters Regions  
Connecting the Common Language to Company Culture, Learning Culture |

**Benefits Sought and Expected ...**

- Organizationwide Effective Business Communications
- Enhanced Employee Productivity Organizationwide
- Enhanced Process Quality Organizationwide
- Increased Financial Success Locally
- Increased Customer Success Locally
- Increased Organizational Agility Locally

Level 4: Strategic and Borderless Enablement

Level 4 organizations have learned to master the global “borderless workplace.” They have established a common business language that is well integrated into everyday communications, as well as business processes. In Level 4 organizations, building effective global business communications is a key driver behind employee engagement in talent mobility practices, including cross-functional assignments, job rotations and onsite visits. These activities feed the global talent pool for leadership and other critical roles.

The business communications profile has reached a strategic level for the C-suite at Level 4 organizations. Solutions for enabling borderless communications are strategic, not just tactical, and are composed of both programmatic and systematic efforts designed to drive essential business outcomes.

While Level 4 companies have achieved strategic and borderless business communications enablement, they continue to work on maximizing talent and leadership development and facilitating entrepreneurship in non-headquarters’ regions of the enterprise.

Benefits sought and expected from Level 4 business communications activity include increased financial performance, customer success, organizational agility across the enterprise and increased market share globally.

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**Figure 5: Enterprise Fluency™ Maturity Model Designed by Bersin & Associates – Level 4**

<table>
<thead>
<tr>
<th>Effective at …</th>
<th>Still Working on …</th>
</tr>
</thead>
</table>
| • Integrating Global Business Communications Strategy into Business Strategy  
  • Strong Learning Culture  
  • Global Talent Development as Differentiator | • Maximizing Talent and Leadership Development in Non-Headquarters Regions  
  • Growing Entrepreneurship in Non-Headquarters Regions |

**Benefits Sought and Expected …**

- Increased Financial Performance Organizationwide
- Increased Customer Success Organizationwide
- Increased Organizational Agility Organizationwide
- Increased Market Share

Maturity and Business Outcomes

Figures 6 through 11 show market maturity levels by various business outcomes:

- Financial performance;
- Market success;
- Customer success;
- Business agility;
- Employee productivity; and,
- Quality / process development.

Each of these outcomes is an aggregate of several common metrics or measures.

![Figure 6: Financial Success by Maturity Level](image)

Examples of measures included in this outcome are:

- Expenses;
- Revenue; and,
- Profits.

Figure 7: Market Success by Maturity Level

![Figure 7: Market Success by Maturity Level]

Examples of measures included in this outcome are:

- Sales;
- Market expansion; and,
- Replacing competitors in the market.

Examples of measures included in this outcome are:

- Customer loyalty; and,
- Customer satisfaction.
Examples of measures included in this outcome are:

- Speed to market;
- Ability to initiate new products or projects; and,
- Response to change.

**Figure 10: Employee Productivity by Maturity Level**

![Chart showing employee productivity by maturity level.]

Examples of measures included in this outcome are:

- Time on task; and,
- Production per employee.
Examples of measures included in this outcome are:

- Quality;
- Process completion; and,
- Process time to delivery.

Global business communications maturity is clearly related to certain categories of business performance outcomes (some stronger than others) and according to a definite pattern.

Companies moving from Level 1 to Level 2 should expect to see employee productivity-related gains. This makes sense because the organization is still not engaged in strategic or “big picture” business communications work, but individual communications issues are better addressed. As this happens, individual performance improves.

As companies move from Level 2 to Level 3e, a wider range of returns is evident. The largest gains are in employee productivity (where clearly there is still significant room for improvement from the prior level), customer success (as improvement at the individual level begins to pay larger dividends) and business agility. At Level 3, companies are just beginning to see some financial benefits.
Moving from Level 3 to Level 4 shows across-the-board benefits, albeit with the connection to some areas clearer than others. Employee productivity, customer success, and quality and process development are all very strong at this Level. For the first time, a significant connection to financial success is seen at Level 4. Business agility shows a powerful gain at this level. Clearly, adopting a strategic approach to business communications allows the organization to respond to the market faster.

It should be noted overall, while the research data indicated that improving communications has a strong connection to market measures such as market share, the actual statistical predictive relationship between reaching Level 4 and such market measures is not defined enough\(^\text{11}\) to make the sort of definitive call possible with the other business outcomes. Of the many factors go into these outcomes, the influence of business communications is easier to isolate with the other measures.

Essentially, at Level 4, organizations are “enterprise fluent,” a term coined by provider Global English and discussed in our recent research bulletin on business communication in the borderless workplace. Enterprise Fluency™ describes the effectiveness and ease with which global teams can communicate and collaborate with each other, and the resulting success with which a company can operate across country borders. An enterprise-fluent organization can communicate, collaborate and operate as one to achieve common business goals.

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\(^{11}\) Meaning the relationship does not pass the significance test.
Organizations that reach Level 4 are:

- Sixteen times more likely than Level 1 organizations to be high performers at financial success measures, such as competitive cost structures, increased revenue and increased profitability;

- Twenty-eight times more likely than Level 1 organizations to be high performers at customer success measures, such as improved customer interactions, customer loyalty and customer satisfaction;

- Thirty-five times more likely than Level 1 organizations to be high performers at employee productivity measures, such as saving time on tasks and per-employee productivity;

- Eighty-six times more likely than Level 1 organizations to be high performers at business agility measures, such as speed to market, ability to successfully launch new programs and initiatives, and responsiveness to change;
Twenty-eight times more likely than Level 1 organizations to be high performers at quality and process measures, such as overall quality of work, completion of projects with clear bottom-line impact and reducing operational time to delivery; and,

One hundred and thirteen times more likely than Level 1 organizations to be high performers at all these business outcomes.

The statistical evidence is overwhelming – those organizations that consider global business communications to be at the highest strategic levels are dramatically more likely to succeed across the broad spectrum of business outcomes, as well as at individual components of that spectrum.

**Case in Point: Vestas**

Denmark’s Vestas Wind Systems A/S (Vestas) is a global leader in delivering wind energy. In 2008, Vestas installed a new turbine every three hours worldwide, generating more than 60 million MWh a year, enough power to provide electricity for every household in a country the size of Spain with its population of 45 million.

Vestas’s core business comprises the development, manufacture, sale and maintenance of wind technology that uses the energy of the wind to generate electricity. The company specializes in planning, installation, operation and maintenance. Its competencies cover everything from site studies to service and maintenance.

Today, employees from more than 56 nationalities work at Vestas, making it extremely diverse from the perspectives of business culture, language and traditions. For example, the company found that workers in Asia, Europe and the U.S. each have very different ways of seeking the information they need to get their jobs done. Workers in the U.S. often feel empowered to seek information from co-workers outside their direct chain of command, whereas workers in Asia often feel duty-bound to wait for their direct manager to give them the information they need.
Vestas wanted to create a single business culture in which all employees feel empowered to share and seek knowledge from each other, and to have the skills and tools needed to get their jobs done. The company calls this global culture “One Vestas.”

By 2007, management recognized the need for a global onboarding program for the hundreds of new employees hired each year. The program was planned and designed to address the following strategic issues:

- Extremely high growth in the number of employees and rapid internationalization, making a global approach to new-hire onboarding very important and valuable;
- No existing unified approach to employee onboarding;
- Large challenges in shaping a unified business culture across business units and geographies;
- Limited internal experience with the development, distribution and support of e-learning programs; and,
- Local resistance to new global initiatives.

The impact measurements conducted to date have documented that the communications initiative has been very effective in delivering high-quality, high-impact learning. Approximately 1,700 new employees completed the onboarding program between June and September 2008. The pre-test showed a knowledge and skills level of 44 percent (in which the percentage equals the proportion of correct answers). The post-test showed a knowledge and skills level of 86 percent. The average satisfaction rate was 3.9 out of 5.0.
The Current State of Market Maturity

The Figure 13 shows the distribution of global organizations across the Enterprise Fluency™ Maturity Model.

Figure 13: Enterprise Fluency Maturity Model™ – Designed by Bersin & Associates™, Levels by Percentage

- Level 4: Strategic and Borderless Business Communications Enablement (34%)
- Level 3: Coordinated and Consistent Business Communications Support (11%)
- Level 2: Emerging and Inconsistent Business Communications Development (14%)
- Level 1: Fragmented and Reactive Business Communications Awareness (41%)


The distribution of companies across Maturity Model Levels may be surprising at first glance. While it is not to be expected that results would line up evenly across all Maturity Levels, the Maturity Model is distinctive in that the preponderance of organizations are at the bottom level, then the next largest group is at the top, with the smaller balance residing in the middle levels. Nonetheless, this pattern holds up statistically. The qualitative part of our research (the interviews and some of the other
sources of information used in the study) indicates that it is somewhat of an all-or-nothing concept\textsuperscript{12}. \textit{Companies either get it or they do not.}

The good news for companies following this Maturity Model is that, if you are committed to moving up, the statistics indicate that doing so is eminently possible. Given all the caveats of being a large, global conglomerate and what change management means in that situation, moving up in this Model is very possible. There are paths to follow. There are things to do. The fact that the second largest group by percentage is at the top is a reason for optimism. In the last section of this report, we will summarize some strategies for improvement.

\textbf{Figure 14: Respondent’s Region by Maturity Level}

\begin{figure}

\begin{tabular}{|l|c|c|c|c|}
\hline
Region & Level 1 & Level 2 & Level 3 & Level 4 \\
\hline
English Speaking (U.K., U.S., Canada) & 35.5% & 16.1% & 8.1% & 40.3% \\
China & 39.9% & 7.5% & 22.5% & 30.0% \\
Latin America & 43.0% & 25.0% & 7.1% & 25.0% \\
India & 11.8% & 5.8% & 82.3% & \\
Western Europe & 68.9% & 17.2% & 6.9% & 6.9% \\
\hline
\end{tabular}

\caption{Respondent’s Region by Maturity Level}

\textit{Source: Bersin & Associates, 2012.}

Figure 15 shows level distribution by the respondent’s region. Several variations are notable: the exceptionally high-level performance by India, and the surprisingly poor performance by Western Europe. Other regions tend to exhibit the low/high level split described previously. This distribution is consistent when the location of organization headquarters is considered.

\textsuperscript{12} Language barriers include lack of proficiency, lack of sufficient vocabulary, differences in accent or pronunciation, and poor or unclear word choice.
Again, Central and South Asia show top performance, influenced no doubt by the remarkably high-level performance of India; Western Europe also lags here.

When the Model is viewed according to the regions in which a company operates, as in Figure 16, the performance variations moderate and the characteristic low / high split predominates.
Finally, company size does not appear to be a powerful determinant of communications progress. The smallest and largest sectors are remarkably similar in their level distribution; midsize global enterprises have a slightly more positive ratio across the Levels, while still exhibiting a low/high likelihood of distribution.
Strategies for Improvement

Bersin & Associates has developed an assessment based on the Maturity Model data that can help organizations (either in self-service or more systemic ways) to determine what actions to take and where they fit in the Maturity Model. Because the assessment points to the Model, it not only provides a sense of current status but also what paths are best followed to achieve the desired development.

When it comes to specific problems, many independent assessment sources are available for issues from global language to culture to tool utilization. It is important for organizations to assess their current state, then go to the depth desired. The most likely scenario is to start with an overall, general assessment such as the one Bersin & Associates has developed; then, based on those results, dig deeper into specific areas of concern.

What solutions to pursue depend on where you are within the Model. If you are moving from Level 1 to Level 2, short-term solutions will involve making explicit decisions.

- Are you going to have one common language?
- If your company already has skills and competencies, is communications showing up there in a meaningful way?
- Is there a problem in certain regions of the world but not in others?
By beginning the assessment process, issues become evident. However, as they are not on everyone’s radar, the evidence alone is not enough to make communications an enterprise project. In the meantime, are there other types of coordinated activities that you could be doing in some regions but not all? Can you look at your current providers? Do you have language or communications skills training providers? Can you consolidate any of them or develop a common approach among them? Can you look at a common definition for language, for the kinds of skills you need or for understanding the problem?

Only when the communications perspective changes from the individual to the enterprise, from local to global, from tactical to strategic, can the organization effectively move toward long-term solutions. Be careful, though, that as you begin to make improvements you avoid unique, siloed solutions in specific regions or localities. Local improvements are useful, but overall maturity requires an enterprise approach.

**Figure 17: Improving Enterprise Fluency™ Maturity**

<table>
<thead>
<tr>
<th>1. Gain Awareness</th>
<th>Educate leaders and stakeholders across the organization as to the issues and implications of anything less than a strategic approach to global business communications.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Assess</td>
<td>Establish the current state, first at a high level then delve into the details of particular problem areas.</td>
</tr>
<tr>
<td>3. Standardize</td>
<td>Establish common approaches and structures, including a common language, common ways to talk about individual and organizational capabilities, and common solution sets.</td>
</tr>
<tr>
<td>4. Coordinate</td>
<td>While regions need the freedom and empowerment to affect locally relevant change, establish clear governance structures and processes to bring communication improvement efforts into enterprisewide alignment.</td>
</tr>
<tr>
<td>5. Thinking Systemic</td>
<td>Programmatic solutions (e.g., training) will be necessary to close specific gaps; however, lasting success will require process and infrastructure solutions that enable individuals and groups to solve in-the-moment problems and gain long-term capability.</td>
</tr>
<tr>
<td>6. Be Strategic</td>
<td>Effective global business communications have always been a critical success factor underlying all business success. Ensure that business strategies adequately account for and address potential risks. Give communications its full due within strategic workforce planning activities.</td>
</tr>
</tbody>
</table>

It should be noted that, even if your organization is in the envious position of being at Level 4, there are still opportunities for improvement which are worth attention. Are you maximizing the collective value available to you in the organization’s talent? When the whole organization can communicate as one, it makes transparent talent mobility much easier. It also makes accessing the potential entrepreneurship and innovation hiding in every corner of the enterprise possible. In other words, with Level 4 comes the ability to fully leverage the power of your talent wherever they are – a still difficult yet quite advantageous problem to have.
Conclusion

The world is changing. It is getting closer. It is becoming faster. The traditional boundaries that typically separate things (such as departments, divisions, companies, partners and customers) are disappearing or becoming transparent. Global commerce is increasingly borderless.

The notion of “borderless” is dramatically changing things in the commercial world, especially for global companies but, in actuality, for any company. In this new competition, communications takes on a new primacy. Of course communications has always been important. We are people. We talk to one another. This is how business gets done.

The degree to which an individual succeeds at communicating has always been differentiating. It is always been a part of how people get promoted and it is one of the sets of skills that determines future leaders. There are people who are naturally able to give instructions and have instructions carried out. These people can inspire, engage people, get them behind ideas and then get them to do the next thing. This is not new.

But as much as communications has been a source of inspiration, it has also been a starting point for obstacles. Communications can be the root of inefficiency and lack of effectiveness when there are issues. While this has always been the case, it has never been so influential as in the current borderless environment.

Today’s global organization can have the same team sitting in eight time zones. The notion of following the sun is passé; the sun never sets on today’s global organization. Therefore, it would seem that global organizations’ consideration of communications as strategic would be second nature. But the data says otherwise.

Enterprise Fluency™ Maturity Model designed by Bersin & Associates provides a compelling argument for taking communications to a strategic level – a means for understanding how evolved your communications are and an optimistic look at where better communications can lead your global enterprise. As with any tool, its ultimate utility depends on the skill and commitment of those who use it.
Appendix I

Maturity Model
Appendix I: Maturity Model

**Figure 1:** Enterprise Fluency Maturity Model™ – Designed by Bersin & Associates™

- **Level 4: Strategic and Borderless Business Communications Enablement**
  - Effective, Fluid Global Communication is Business Strategy
  - Strong Executive Sponsorship
  - Well-Supported Common Language
  - Integrated Solutions
  - Strategic Outcomes

- **Level 3: Coordinated and Consistent Business Communications Support**
  - Clear Recognition of Global Need
  - Some Executive Sponsorship
  - Common Language and Standards
  - Both Systemic and Programmatic Solutions
  - Desired Outcomes Mostly Tactical

- **Level 2: Emerging and Inconsistent Business Communications Development**
  - Growing Recognition of Global Need
  - Common Standards, Including Language Developing
  - Some Common Development Solutions (e.g., Personal Development Training and Leadership Development Programs)

- **Level 1: Fragmented and Reactive Business Communications Awareness**
  - No Leadership Engagement
  - Communications Seen as Individual- / Team-Problem
  - Silo’ed Solutions

Appendix II

Maturity Model – Overall
Appendix II: Maturity Model – Overall

**Figure 18: Overview**

**Level 1: Fragmented and Reactive Business Communications Awareness**

**Effective at …**
- Pockets of Effective Communications
- Occasional Silo’ed Success at Addressing Communications Barriers
- Local Use of Off-the-Shelf Training

**Still Working on …**
- Raising Common Awareness of the Issue

**Benefits Sought and Expected …**
- Individual- and Team-Level Communications Skills
- Communications Tools Adoption

**Level 2: Emerging and Inconsistent Business Communications Development**

**Effective at …**
- Broader Communications at Individual Level
- Some Broader Success at Addressing Communications Barriers
- Some Common Tools

**Still Working on …**
- Implementing Common Communications Standards
- Implementing a Common Language
- Enterprise-wide Communications Tools Use
- Systemic Support for Business Communications
- Integrating Approach to Communications into Talent and Learning Culture Strategies

**Benefits Sought and Expected …**
- Enterprise-wide Basic Communications Skills
- Communications Tools Adoption
- Enhanced Employee Productivity Locally
- Enhanced Process Quality Locally

### Figure 18: Overview

#### Level 3: Coordinated and Consistent Business Communications Support

<table>
<thead>
<tr>
<th>Effective at …</th>
<th>Still Working on …</th>
</tr>
</thead>
</table>
| • Common Communications Standards  
• Common Business Language Training  
• Integrating the Approach to Supporting Business Communications into Organizationwide Talent Strategies and Processes | • Generating Competitive Advantage from Business Communication  
• Strengthening Learning Culture  
• Growing Strong Leadership from Non-Headquarters Regions  
• Connecting the Common Language to Company Culture, Learning Culture |

**Benefits Sought and Expected …**

- Organizationwide Effective Business Communications
- Enhanced Employee Productivity Organizationwide
- Enhanced Process Quality Organizationwide
- Increased Financial Success Locally
- Increased Customer Success Locally
- Increased Organizational Agility Locally

#### Level 4: Strategic and Borderless Business Communications Enablement

<table>
<thead>
<tr>
<th>Effective at …</th>
<th>Still Working on …</th>
</tr>
</thead>
</table>
| • Integrating Global Business Communications Strategy into Business Strategy  
• Strong Learning Culture  
• Global Talent Development as Differentiator | • Maximizing Talent and Leadership Development in Non-Headquarters Regions  
• Growing Entrepreneurship in Non-Headquarters Regions |

**Benefits Sought and Expected …**

- Increased Financial Performance Organizationwide
- Increased Customer Success Organizationwide
- Increased Organizational Agility Organizationwide
- Increased Market Share

Appendix III
Demographics
Appendix III: Demographics

**Figure 14: Respondent’s Region by Maturity Level**

<table>
<thead>
<tr>
<th>Region</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Level 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>English Speaking (U.K., U.S., Canada)</td>
<td>35.5%</td>
<td>16.1%</td>
<td>8.1%</td>
<td>40.3%</td>
</tr>
<tr>
<td>China</td>
<td>39.9%</td>
<td>7.5%</td>
<td>22.5%</td>
<td>30.0%</td>
</tr>
<tr>
<td>Latin America</td>
<td>43.0%</td>
<td>25.0%</td>
<td>7.1%</td>
<td>25.0%</td>
</tr>
<tr>
<td>India</td>
<td>11.8%</td>
<td>0%</td>
<td>82.3%</td>
<td></td>
</tr>
<tr>
<td>Western Europe</td>
<td>68.9%</td>
<td></td>
<td>17.2%</td>
<td>6.9%</td>
</tr>
</tbody>
</table>


**Figure 15: Company Headquarters by Maturity Level**

<table>
<thead>
<tr>
<th>Region</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Level 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td>37.5%</td>
<td>25.0%</td>
<td>25.0%</td>
<td>12.5%</td>
</tr>
<tr>
<td>Central / South Asia</td>
<td>20.0%</td>
<td>6.7%</td>
<td></td>
<td>60.0%</td>
</tr>
<tr>
<td>Latin America</td>
<td>50.0%</td>
<td>20.8%</td>
<td>8.3%</td>
<td>20.8%</td>
</tr>
<tr>
<td>East / Southeast Asia</td>
<td>40.0%</td>
<td>5.7%</td>
<td>25.7%</td>
<td>28.6%</td>
</tr>
<tr>
<td>Western Europe</td>
<td>62.8%</td>
<td></td>
<td>16.7%</td>
<td>4.7%</td>
</tr>
<tr>
<td>U.S. / Canada</td>
<td>27.1%</td>
<td>14.6%</td>
<td>4.2%</td>
<td>54.2%</td>
</tr>
</tbody>
</table>

Figure 16: Regions of Operations by Maturity Level

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Bersin & Associates is the only research and advisory consulting firm focused solely on WhatWorks® research in enterprise learning and talent management. With more than 25 years of experience in enterprise learning, technology and HR business processes, Bersin & Associates provides actionable, research-based services to help learning and HR managers and executives improve operational effectiveness and business impact.

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