

Advancing Enterprise Fluency™

**Using Collaboration
Technologies to Drive
Business Value and
Enhance the Way We Work
Across the Global Enterprise**

This white paper focuses on how collaboration and collaboration-enabling technologies are fostering new ways of working across geographic boundaries which helps drive real business value throughout the global enterprise. It provides examples of how collaboration is being used in business and illustrates the tangible results being derived from these tools. Finally, this paper examines one of the key, but often unseen, barriers preventing global businesses from realizing the full potential of collaboration platforms—lack of Business English communication skills. When businesses tackle this issue—using collaboration tools to help them do so—they will gain substantial rewards in communication, collaboration, and operational effectiveness.



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Introduction:

The Importance of Collaboration to Today's Global Enterprises

As businesses of all sizes become increasingly global by expanding operations into multiple countries, reaching out into new international markets, and through mergers and acquisitions, it is increasingly difficult for them to confront the organizational challenges presented by today's global environment. In a McKinsey study¹ of global trends, companies around the world identified the top trends—and associated challenges to their organizations—that are most critical to their businesses.

Key Trends and Challenges Impacting Global Businesses

Today's global businesses are being challenged to become more nimble and to deal with geographic diversity more effectively. They must learn to create and capture value from their distributed enterprises in new ways to keep pace with the increasing demands of the market, their employees, and the rapid pace of technological change.

The latest class of enterprise collaboration tools are uniquely equipped to address the organizational challenges facing today's global companies. Their nimble and flexible design allows information, knowledge, and wisdom to be shared across boundaries, increasing the speed of decision-making and response time, and creating value throughout the enterprise. Companies who adopt these technologies—and ensure their employees have the requisite Business English skills to take full advantage of them—will be well positioned to meet the demands of today's globalized environment.

Key Trends Impacting Business	Organizational Challenges
47% - Competition for talent will intensify	Deal with shortages in specific skills
34% - Technological connectivity will increase	Develop ability to change organization/operating model quickly enough to keep pace with technological change
28% - Ubiquitous access to information will change economics of knowledge	Ensure information, knowledge, wisdom are shared across business as quickly, effectively as possible
22% - Population in developed economies will age	Recruit next generation of workers
18% - Organizations will become larger, more complex	Increase speed of decision making, and response to external changes
18% - New global industry structures will emerge	Create and capture value from networked businesses

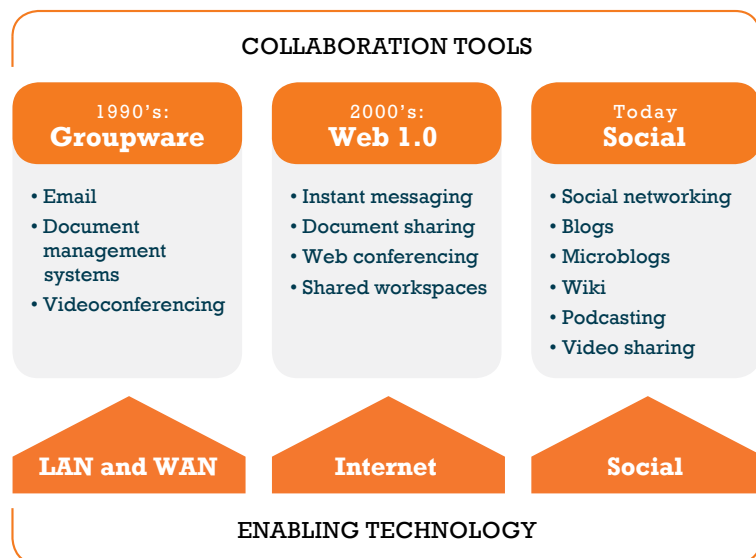
¹ McKinsey Quarterly, "The organizational challenges of global trends: A McKinsey Global Survey," December 2007, https://www.mckinseyquarterly.com/The_organizational_challenges_of_global_trends_A_McKinsey_Global_Survey_2091

Enterprise Collaboration Trends: The Emergence of Collaboration in the Workforce

Collaboration technologies have been an integral part of the workplace for several decades. They are, quite simply, tools that enable people to work together and share information more effectively. Fueled by LAN and WAN technology in the 1990's, and the Internet in the 2000's, collaboration technologies have evolved over the years as our technology capabilities—and our expectations—have matured. Email, video- and web conferencing, instant messaging, and shared workspaces all represent collaboration technologies that are widely prevalent in today's offices.

In the past few years, there has emerged a new class of collaboration technologies, based on social media paradigms, that promises to change yet again today's businesses and the way we work. Alternatively referred to as Enterprise 2.0, Web 2.0, social software, or even “social media,” these new collaboration technologies—which include social networking, blogs and microblogs, podcasts, wikis, and file sharing—are being brought into the enterprise to fundamentally shift the way employees communicate and share information with one another. This new class of tools is being fueled by three trends: the drive for greater transparency and the desire to leverage collective intelligence in the workplace, and the enabling technology paradigms of the Internet, particularly Cloud and SaaS (software-as-a-service) models.

The Evolution of Collaboration





How Collaboration Tools Work Together

The landscape of enterprise collaboration tools is quite diverse. As the SOVOS Group points out in a recent report, “today’s crowded enterprise social web technology (often called Enterprise 2.0) landscape ranges from complete platforms to ‘social software’ suites to hosted communities to point solution blogs, wikis, and on to the various free public internet services.²”

As is the case with so many technologies, collaboration tools are not limited to one type, nor even a single platform. Look at the well-established “Web 1.0” technologies: e-mail may be integrated with group calendaring, but document sharing is handled on a separate platform, with videoconferencing and web conferencing still conducted on different platforms. Especially given the variety of needs around collaboration, many enterprises are finding that specialized tools that are purpose-built are very useful accessories to more general—purpose systems while others have an array of point solutions, all of which serve a particular category of needs, users and/or applications particularly well.

Market Size and Growth

While the current market for—and perhaps more importantly, successful deployments of—enterprise collaboration is still relatively small, growth rates are rapidly on the rise. Gartner Group estimates that 2011 revenues for enterprise social software will total \$769.2 million, up 15.7% from 2010³. Forrester Research goes on to forecast that today’s relatively small global enterprise market for Web 2.0 technologies will take off substantially in the next few years, growing at a compound annual rate of 43% to reach \$4.6 billion by 2013⁴.

Research clearly shows that adoption of collaboration tools is beginning to take hold as well. McKinsey’s annual 2010 study on Web 2.0 use reports that two-thirds of respondents are using Web 2.0 in their organizations, and nearly two-thirds of them say they will increase future investments in these technologies⁵. This same report goes on to cite that

the number of employees using Web 2.0 is also continuing to rise. For example, in nearly half of companies that use “social networking” technologies, at least 51% of employees are using it. And Gartner Group predicts that by 2014, 20% of business users will have replaced e-mail with social networking services as the primary vehicle for interpersonal communications⁶. Increasingly, especially global businesses are viewing these technologies and applications as “must haves” that dramatically increase their organizational effectiveness and productivity.

Key Trends Driving Collaboration

There are several workplace, demographic, and economic forces driving the proliferation of collaboration tools in today’s business environments.

Today’s businesses operate in a global, highly distributed environment. As geographic and economic barriers are dissolving, organizations are becoming larger and more complex. They are tapping into a larger global talent pool, some by outsourcing operations, and others by expanding into international markets. Employee teams are becoming more geographically dispersed and companies are being forced to figure out how to manage people, ideas, and legacy technology systems across cultures, functions, and organizational boundaries.

The nature of work has changed. Work itself is no longer confined to four walls on a 9-5 schedule. An increasing number of employees conduct work from the office, the road, and at home, using PCs, laptops, and mobile devices. They need to be able to communicate with one another and access secure information from any location and any device.

2 SOVOS Group, “Accelerating Business Performance,” Spring 2010, <http://www.e2conf.com/whitepaper/>

3 “Gartner Says Worldwide Enterprise Social Software Revenue to Surpass \$769 Million in 2011,” Gartner Group press release, December 16, 2010, <http://www.gartner.com/it/page.jsp?id=1497215>

4 Forrester Research, Inc., “Global Enterprise Web 2.0 Spending Forecast,” June 23, 2008, http://www.forrester.com/rb/Research/global_enterprise_web_20_spending_forecast/q/id/46235/t/2

5 McKinsey Quarterly, “The rise of the networked enterprise: Web 2.0 finds its payday,” December 2010, https://www.mckinseyquarterly.com/The_rise_of_the_networked_enterprise_Web_20_finds_its_payday_2716

6 “Gartner Reveals Five Social Software Predictions for 2010 and Beyond,” Gartner Group press release, February 2, 2010, <http://www.gartner.com/it/page.jsp?id=1293114>



Demographically, **the Baby Boomer generation is starting to leave the workforce.** 40–60% of Boomers currently in senior management are expected to retire within the next 5 years, leaving a much smaller population of upper management resources to fill their shoes. Meanwhile, Generations X, Y, and beyond are coming up in the workforce, and they all use social media extensively in their personal lives—and expect those paradigms to extend into the workplace.

Present day economic realities are driving **today’s corporate mantra to “do more with less”**—both “more work with less people”, and “more output with less budget”. Employees in all walks of the organization are being pressured to work within constrained budgets and with limited resources, and cannot afford to waste time with inefficient business processes and communications channels. IT departments are being pressured to keep their corporations technologically up to date, but are constrained in how much they are able to spend. Internet-enabled technologies that focus on user-developed content and expertise represent a promising new arena for future expenditures.

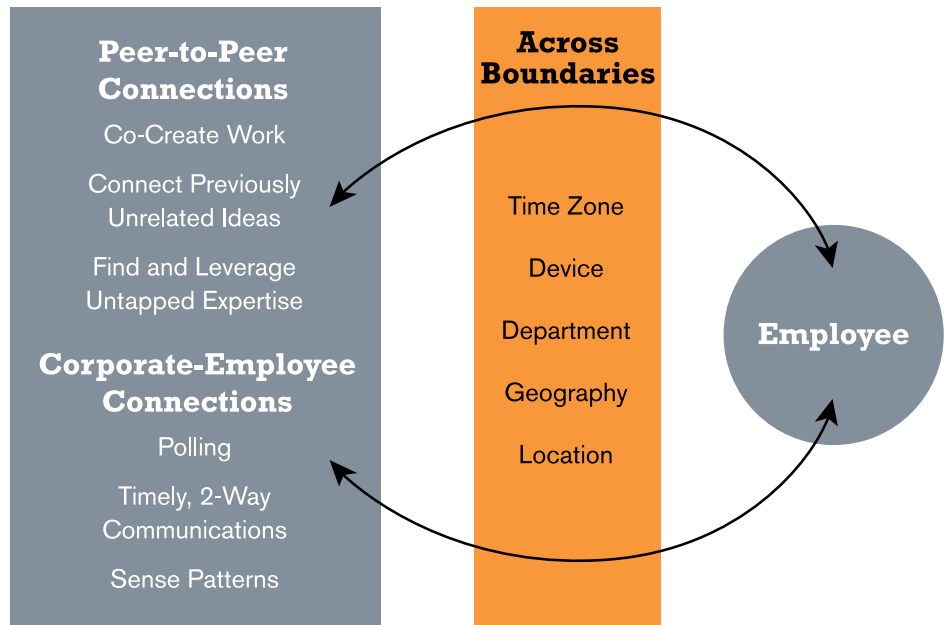
Employee expectations are also changing, particularly among younger employees, and **old models of corporate communication are not working anymore.** Influenced from their technology experiences at home, today’s employees want corporate communications to be fresh, delivered in context, and in a manner that is directly relevant to themselves and their jobs. They want more control over their communications experience by creating their own content, asking questions, posting comments, finding an appropriate expert, and learning others’ perspectives.

The message is clear: **today’s collaboration tools are not a passing fad.** Enterprises must get on board with incorporating these technologies into their operational environments in order to remain competitive and relevant. But what exactly are the benefits of collaboration to the enterprise, and how exactly is it changing the way we work?

The Promise of Next-Generation Collaboration Technologies: How Collaboration Is Changing the Way We Work

Collaboration tools represent a new way of working that promises powerful benefits to today's corporations. In an environment that is becoming increasingly distributed, collaboration promises to forge powerful and meaningful connections between employees, no matter where they are located. These connections are not about socializing—far from it. Collaboration technologies connect people to the expertise, information, and knowledge they need to do their jobs better, in the time and space that they need them.

Collaboration: Working Across Boundaries



Today's collaboration tools are flattening the organization, enabling faster knowledge transfer, decision making, and completion of work. Rather than relying on a formal, structured, top-down process, collaboration tools open the door for informal, user-directed interactions that immediately tap into a greater number of qualified resources, no matter where they reside. This in turn allows corporations to accelerate time to deliver new products and services, streamline existing processes and workflows, raise the overall talent level of employees, and bring distributed project teams together more effectively. At the same time, they are reducing overall communication, travel, and operational costs.



How Collaboration Tools Are Being Used in Today's Corporations

Collaboration technologies are being used in a myriad of ways in today's corporations. The most successful deployments center on the sharing of knowledge or ideas, enhancing skills such as Business English proficiency, working together across time and space, in driving innovation and idea sharing and in driving richer communications. When done successfully, they are tied to specific business practices.

Sharing of Knowledge/Best Practices. The ability to quickly find and leverage in-house expertise has a number of different applications. Customer service representatives can pose difficult questions to their peers and get an immediate response back to the customer, thereby decreasing the amount of time spent resolving a customer issue and improving the quality of the customer experience. Employees participating in their company's e-learning initiatives can access videos, presentations, and tutorials, and interact with instructors or peers when they have questions. Engineers or developers who are dispersed throughout the company can field and answer technical questions to improve the quality and speed the delivery of product and service development. Wikis can be used as a repository of company, product/service, or process knowledge, accessed by employees from all walks of the organization, including product development, operations, sales, and service. Companies can onboard new employees more efficiently with corporate videos and podcasts, or by pairing them up with "on-line mentors" who can help ensure they get up to speed.

Enhancing Skills. Especially thanks to audio and video technologies, participants in enterprise collaboration groups can record themselves, ask for feedback, practice new skills and share ideas in multi-media formats. In addition to the richness of multimedia, the immediate access to myriad people who can coach, critique, make suggestions and provide encouragement dramatically enhances the speed and efficiency of learning for many participants. It is particularly useful in cases such as practicing to deliver a presentation, asking for English language and jargon help and/or ensuring understanding of a particular assignment or task.

Innovation and Idea Sharing. Collaboration platforms are used to share and solicit ideas from employees, customers, and partners who have not traditionally been folded into the ideation process. Corporate marketing, HR, and executive leadership can quickly and easily poll the entire employee population to solicit input into new ideas, capturing the wisdom and insights of employees who are on the front line. Or, conversely, employees can also proactively offer suggestions and ideas to upper management. Marketing departments are reaching out to, and building communities with, their customers and using their input to guide product and service innovation and improvements. Thought leaders within the organization use blogs to share ideas and perspectives, and provide strategic context for the rest of the corporate community. Project, Sales, or Customer Service teams can use collaboration tools to quickly coalesce and brainstorm solutions to difficult or unexpected problems.

Completing Work Together. Work teams can use collaboration tools to communicate, coordinate, and work together more effectively, despite being geographically or organizationally distributed. Global sales teams can collaborate on proposals together, tapping into engineering, pricing, contract, or compliance expertise from throughout the company when necessary. Event planning teams can coordinate logistics among a distributed network of employees and partner providers. Product development teams can keep multi-disciplinary team members coordinated, on track, and apprised of all critical updates.

Rich communications. Collaboration platforms enable richer, more immediate and more relevant communication throughout the organization. Corporate communications can get messages out quickly to the rest of the company—to break exciting news or provide real-time updates to/instructions for a crisis situation. Collaboration platforms use video and audio in addition to text, allowing for a richer, more engaging multimedia experience. On a project team level, individual members can post quick status updates or reminders as to their whereabouts. The two-way nature of collaboration tools enables employees, partners and customers to share feedback and ask questions, making them feel more engaged with, and therefore more loyal to, the organization.



Benefits of Collaboration

This new way of working and interacting offers several benefits to the organization, which can be categorized along dimensions including the following.

Maximize use of existing resources distributed throughout the organization. Wikis and the ability to post questions and replies allow average performers and new employees to tap into the expertise of top performers and seasoned employees. This not only bridges the performance gap between employees, it reduces repetition of costly mistakes, thereby improving product quality and customer service delivery. When collaboration platforms are used to broaden the scope of input to idea generation and problem solving, corporations benefit from a wider variety of insights. They are able to take advantage of employees' direct, first-hand knowledge of products/services, customers, and processes—knowledge that often goes untapped.

Improve communications and employee engagement. Collaboration tools forge connections and relationships that transcend the boundaries of physical location or reporting structure. Collaboration connects groups of people working on similar problems who would not otherwise connect to each other due to disparate locations or reporting structures. It connects senior management with employees, allowing a two-way dialog that enriches the quality of feedback and allows employees to feel more connected to—and engaged with—their organizations. Younger employees in particular feel more engaged when they are given access to enterprise collaboration tools at work. They are able to get real-time feedback, visibility, and gratification, and feel a part of something larger than themselves and their immediate departments.

Employee engagement is not a “soft metric.” Research has shown that higher employee engagement drives bottom line results—the more engaged workers, the higher the sales and profits. Best Buy, for example, has calculated that a 2% increase in employee engagement at just one of its electronics stores corresponds, on average, to a \$100,000 annual rise in sales at that location⁷. Companies with higher employee engagement are 56% more likely to have higher-than-average customer loyalty, 50% more likely to have lower turnover, 38% more likely to have above average productivity, and 27% more likely to report higher profitability⁸.

Improve productivity. When employees are able to find information they need faster and in the immediate context of what they are trying to accomplish, they are able to increase efficiency and effectiveness, produce higher quality deliverables in a shorter amount of time, and react faster to marketplace conditions. Project teams are able to come together and complete projects faster, collaborating and sharing rich ideas, feedback, and suggestions, while still accommodating flexible, asynchronous work arrangements. Processes that rely on communication or coordination, such as supply chain management or manufacturing, are streamlined.

In addition to the benefits derived from streamlining business processes, collaboration technologies reduce costs. Internally-facing applications reduce communication, travel and operational costs, while customer-facing applications reduce marketing and support costs.

⁷ “Is Optimism a Competitive Advantage,” BusinessWeek, August 2009, http://www.businessweek.com/magazine/content/09_34

⁸ Gallup Consulting, “Q12 Meta-Analysis,” 2006



Collaboration Drives Real Business Results

The benefits of collaboration are not merely theoretical. Businesses that are deploying collaboration technologies are seeing real business results. The McKinsey Web 2.0 study⁹ reports that a majority of respondents using Web 2.0 technologies are enjoying measurable business benefits. For companies primarily using collaboration for internal purposes:

- 77% are seeing faster access to knowledge;
- 60% are reducing communication costs;
- 52% are seeing faster access to internal experts;
- 44% are cutting travel costs;
- 41% are seeing increased employee satisfaction.

Of those who use collaboration for customer-related purposes:

- 63% are seeing an increase in the effectiveness of marketing (awareness, consideration, conversion, and loyalty);
- 50% are seeing an increase in customer satisfaction;
- 45% are reducing marketing costs;
- 35% are reducing support costs

Enterprise Fluency: Bridging the Gap between the Promise and the Reality

Despite the clear promise and proven examples of the benefits of collaboration technology, many (if not most) organizations have thus far failed to realize the full potential of these tools. In fact, Gartner Group predicts that **through 2012, only 50% of business-led social media initiatives will succeed; and over 70% of IT-dominated social media initiatives will fail**¹⁰.

Several studies and experts have identified some common and important reasons for this failure: lack of clear business vision, not tying collaboration to an actual business process, and a poorly conceived internal rollout strategy. But for global corporations, there is another critical and often overlooked barrier holding them back—lack of adequate Business English skills.

⁹ McKinsey Quarterly, Spring 2011

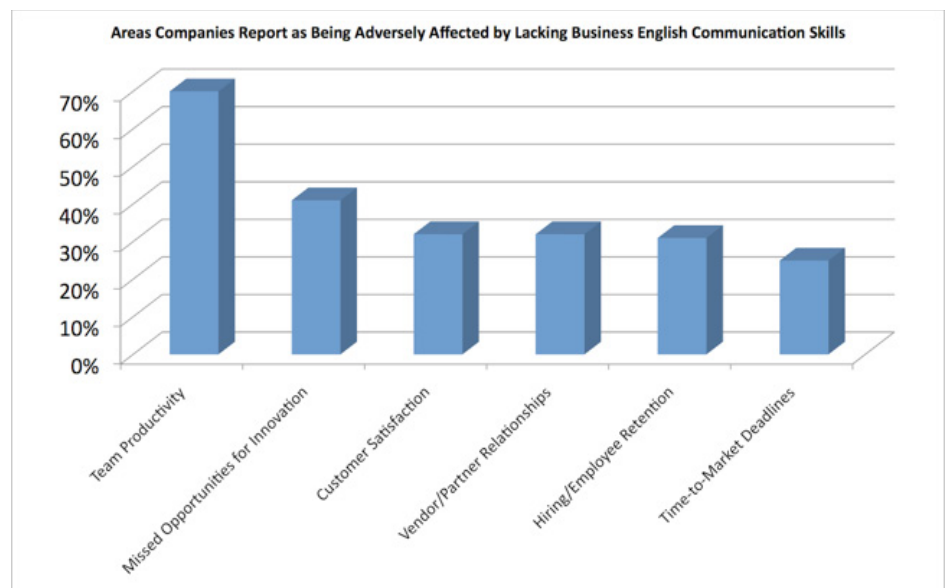
¹⁰ "Gartner Reveals Five Social Software Predictions for 2010 and Beyond," Gartner Group press release, February 2, 2010, <http://www.gartner.com/it/page.jsp?id=1293114>

The Unseen Barrier to Collaboration: Business English Skills

One of the major unseen barriers to fully harnessing the power of collaboration technologies is the lack of Business English communication skills throughout the enterprise. Business English has become the de facto language of global business, and the ability to communicate well among fellow employees, customers, and partners is critical to success. Yet consider this: **92% of non-native English speaking global employees report that English is critical or important to their jobs, yet only 7% of them feel their Business English is good enough to do their jobs**¹¹. Recruiting new talent represents a huge problem as well. Only 13% of university graduates from emerging or “low wage” countries are suitable for employment, and poor Business English skills is the #1 reason for this¹².

When Business English skills are poor, teams lack the ability to collaborate effectively, directions get misinterpreted, and individual team members feel frustrated or disengaged. Individuals who are not confident with their English hold back from sharing ideas and do not participate actively in group meetings or discussion threads.

In a study conducted by GlobalEnglish¹³ of hundreds of executives from multinational corporations, poor Business English skills were seen to have a negative impact on the bottom line in a number of different areas of the organization.



11 GlobalEnglish, "The Globalization of English Report: Globalization Accelerates Need for Business English Communication Skills," 2010, http://www.globalenglish.com/files/case_studies/GlobEng_ResearchSt_GlobEngRep_EN-US_FINAL.pdf

12 "The Emerging Global Labor Market: Part II – The Supply of Offshore Talent," McKinsey Global Institute, June 2005, http://www.mckinsey.com/mgi/publications/emerginggloballabormarket/Part2/executive_summary.asp

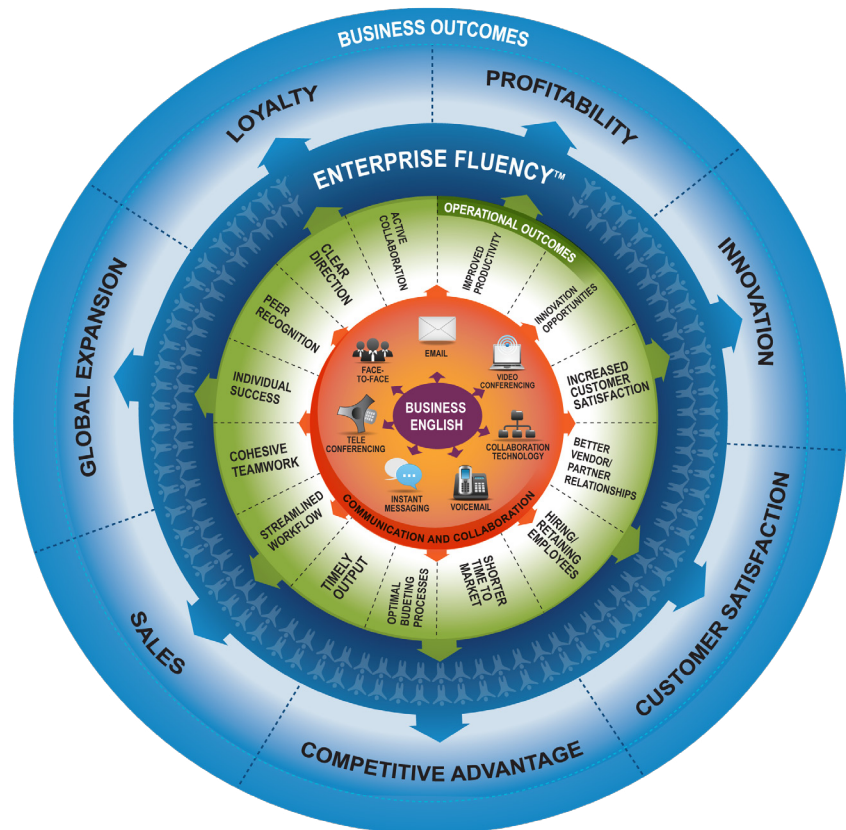
13 GlobalEnglish, "The Enterprise Fluency Dilemma: A 2011 Special Report," 2011, http://www.globalenglish.com/files/others/GlobEng_EnterFlueDilemma_report_A4_FINAL.pdf



Clearly, an organization's effectiveness is impacted by the overall quality of Business English, and for collaboration platforms to reach their true potential across a diverse workforce, the Business English gap must be narrowed. Notice that the top symptom of poor Business English cited by global companies is **the inability to collaborate virtually**. So how are businesses to overcome this barrier?


The Importance and Impact of Enterprise Fluency

The key to bridging the gap in English skills lies within the concept of Enterprise Fluency. Enterprise Fluency is the ability for multinational companies to communicate, collaborate and operate proficiently in today's global business economy. And at the core of Enterprise Fluency is effective Business English.



14 Towers Watson, "Communications ROI Study Report: Capitalizing on Effective Communication," 2009/2010, <http://www.towerswatson.com/research/670>

15 GlobalEnglish, "The Globalization of English Report"



When non-native English speakers are more confident with their Business English skills, they are better able to communicate in writing and on discussion threads, feel more confident to participate in meetings and virtual communities, and are better able to serve customers.

Businesses who invest in improving Enterprise Fluency by improving the quality of Business English within their organizations stand to reap tremendous rewards. A Towers Watson study concludes that companies that maintain a strategic focus on effective employee communications deliver a 47% higher shareholder return. To calculate productivity savings, consider the fact that on average, a person with low English skills loses a minimum of one hour of productivity per week. Assuming wages of \$15/hour, over the course of a year, this represents \$780,000 annual savings per 1,000 employees.

Using Collaboration to Improve Collaboration

Fittingly, a powerful paradigm for attacking this problem is to use the collaboration platform itself to help improve the overall quality of corporate communications. Collaboration platforms enable companies to extend learning from beyond the classroom and into the real-life working scenarios of their employees. Utilizing the power of experiential and social learning, collaboration tools can be used for native English speakers to assist their non-native speaking peers with the quality of their English writing, speaking, and pronunciation. Through use of the rich media supported by these platforms, learning content can include video and voice, as well as text, providing a richer learning environment.

For example, a call center manager could use a collaboration platform to improve the quality of English being spoken by call center representatives across a number of different countries. She could post answers to specific questions posed by an individual employee and then make that information available to the larger group; she could post video tutorials explaining misunderstood terms or audio correcting commonly mispronounced words; and she could microblog key phrases or pieces of information that will help her team deliver better quality service in Business English.

Collaboration platforms therefore serve a dual purpose: they can be the platform to accelerate learning and enhancement of business English skills and they can be the medium through which business English communications thrive. Fully harnessing this power can and does drive tangible and impressive business results



Conclusion:

Enterprise collaboration technologies represent the next wave of office productivity tools and offer great promise for today's corporations. They allow distributed employees to leverage in-house knowledge, forge connections, and share ideas with one another, thereby improving productivity, employee engagement, and customer loyalty. Companies should invest now in collaboration platforms, being sure to tie them to real business problems and processes.

Global corporations should frame their collaboration efforts in the context of Enterprise Fluency™, taking into consideration the impact of Business English communication skills on their organizational effectiveness. For these companies, collaboration platforms themselves can be used to raise the overall level of Business English skills, and therefore the effectiveness of their enterprise-wide collaboration efforts. This approach invites the entire targeted workforce into the dialog and raises the level of organizational efficiency and effectiveness for everyone. Native English speakers gain insights thanks to the knowledge and expertise of the non-native speakers and vice versa. Non-native speakers improve their skills, participate in the conversations and share in organizational learning and development. Only by leveraging this full compendium of workers, no matter where they reside or what is their native language can companies truly communicate, collaborate and bloom.

This paper was co-authored with Roberts Golden. Roberts Golden is a consulting firm specializing in organizational change and employee engagement with a special emphasis around helping organizations embrace enterprise social collaboration. It is headquartered in San Francisco with team members and clients all over the world. We partner with numerous companies in diverse industries to successfully implement and drive adoption of enterprise social networking as a key means to meeting their business objectives, and are a recognized leader in this area. Clients include companies like AAA, Alcatel-Lucent, Cisco Systems, Disney, FedEx, Hilton Hotels, Safeway and Virgin Media.

Sara Roberts, CEO of Roberts Golden, is a widely recognized leader in the areas of employee engagement and organizational culture change. Sara is the co-author of the best-selling book, *Light Their Fire: Using Internal Marketing to Ignite Employee Performance and Wow Your Customers* (Kaplan 2005) and is a frequent keynote speaker at leading events around the globe.

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