Employee development is a great business opportunity: Investment in people is the key to company growth

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Employee development is a great business opportunity

Investment in people is the key to company growth

Jonathan Broadhurst

The economic climate is challenging, so why do so many organizations continue to invest in employee development and engagement activities?

Altruism is not a word that springs to mind where business is concerned and the 2010 and 2011 Time to Train rights are unlikely to be key drivers.

Business is interested in bottom-line results. The quick wins in efficiency savings and productivity improvements have, by now, been made. Firms now need strategies and initiatives that will bring improvements through their greatest asset – their staff.

It is a well-worn adage, but true nonetheless. There is a constant stream of research indicating that developing people and giving them the opportunity to put their learning into practice to achieve something worthwhile delivers results.

McLeod (2009) concluded, in “Engaging for Success”, that disengaged employees have twice as many sick days as engaged employees, and engaged employees generate 43 percent more income and give 57 percent more discretionary effort than disengaged employees.

In 2006 Gallup examined 23,910 business units and compared top-quartile and bottom-quartile financial performance with engagement scores. It found that:

- those with engagement scores in the bottom quartile averaged 30-50 percent more employee turnover, 50 percent more inventory shrinkage and 62 percent more accidents; and
- those with engagement scores in the top quartile averaged 12 percent higher customer advocacy, 18 percent higher productivity and 12 percent higher profitability.

What would your business do with 18 percent higher productivity and 12 percent higher profitability?

Engagement is the emotional connection between an individual, the work he or she does and the contribution that makes to something worthwhile for that person. A great example is the open-source and free software available. No one is being paid to develop it, but people do it anyway. Often they have a full-time job and these projects are an extracurricular activity. Imagine if this energy, creativity, talent and passion could be harnessed within someone’s job.
As part of a five-year research study, Emenex Ltd has been helping to investigate what high performance looks like in organizations. This has resulted in the reaffirmation of the Top model, which sets out the relationship between three key factors that, when combined, create the engagement factor (see Figure 1).

Combining and developing an individual's talents and motives in the pursuit of organizations' goals provides both personal satisfaction and increased performance. Organizations that subscribe to this and other similar models create a capacity-building culture that transforms learning into business results and increased engagement. Molson Coors Brewing Company and Aspire-i have embraced these principles to great effect.

**Molson Coors seeks to lead in people development and engagement**

Molson Coors Brewing Company has a clear ambition to become a top-four global brewer. With people at the heart of this ambition, its executives recognize that being a leader in people development and engagement is critical to achieving the ambition.

In 2009 Molson Coors partnered Emenex to develop a program that focused on empowering people to take charge of their development and career. The initial focus was the organization's group of 150 “promotables” and it was important to Molson Coors that the program could be facilitated by its own in-house development team.

Emenex developed a tailored web-based 360-degree feedback tool and a complimentary structured-workshop program that could be rolled out through the internal team.

The first part of the program emphasized enabling an individual to identify his or her own talents and passions and build a development plan that gave ownership and responsibility for his or her career and contribution. The second part of the program focused on practicing holding an effective developmental dialog between an individual and his or her manager. The importance here is that the dialog is led by the individual and the manager plays a facilitative coaching role.

The initial feedback was excellent, with 100 percent of participants stating they would recommend the course to their colleagues. Subsequent developments happened quickly:

- the program was extended beyond the initial 150 participants and opened up to all managers in the UK;
- the program was extended to similar groups in Molson Coors Canada and USA;
- more train-the-trainer programs were held in order to train more facilitators to meet the demand;

**Figure 1 The Top model**

![The Top model diagram](image-url)
employee-engagement levels at Molson Coors (UK) increased to 89 percent from 86 percent in 2009, with much of the feedback including reference to the value and success of the career-development workshop; and

the program continued to attract participants in 2011, with a waiting list that now extends through 2012.

Molson Coors is on its way to achieving its vision of being a top-four player in the global brewing market. Since the program started, the company has seen significant improvements. The career-development program is seen as a significant factor supporting and inspiring employees to manage their personal development and organizational contribution.

Aspire-i lost a major local-government contract

The second case study shows how employee development and engagement can work to a common goal for the future growth and stability of an organization.

Aspire-i is a social enterprise, delivering a range of publicly funded services including employment services. It also has a commercial division that focuses on information-technology solutions and European careers-guidance information.

In 2010 Aspire-i lost a major local-government contract. Trevor Mason, the then-chief executive at Aspire-I, stated: “The fragile state of the organization made us consider how long we could survive like this, rather than how are we going to recover from this.

“That contract made us complacent. Whether we performed well or not, money still flowed into the organization, which helped to create a culture where there were no consequences for poor performance. The attitude pervaded all other contracts, leading to under-resourcing, lack of management control and a 20 percent shortfall in contract delivery. So, the loss of our main contract left us in a precarious position.”

It was at this point that discussions between Aspire-i and Emenex took place. Aspire’s senior-management team, with the help of Emenex, made clear that Aspire-i had to become more commercially focused, re-establish the company’s core competencies and develop a mindset of focusing on and valuing contribution.

To help Aspire-i to understand the link between development and performance, Emenex introduced it to the Four Stages of Contribution model (see Figure 2). Developed over a 30-year period, the model illustrates the behaviors associated with high performance for people at different points in their career and across all organizational roles.

“We knew we had to get better but what does better look and feel like, how do we measure it? The workshop enabled us to define it,” commented Trevor Mason.

The Four Stages of Contribution model (Dalton and Thompson, 1993) gave Trevor Mason and his senior-management team the framework that enabled them to clarify and communicate expectations and behaviors that would bring success to the company. The Four Stages model was used as the basis for a workshop program that, along with some powerful vision-building tools drawn from the concepts from Spencer Johnson’s Who Moved My Cheese? enabled the whole company to pull together (Johnson, 1998).
Since the development program, Aspire-1 has seen its best-ever out-turn. The company has increased turnover by 15.8 percent and now, unlike before, embraces challenge with enthusiasm and appetite to explore and capitalize on new opportunities and extract value from each piece of work. Divisional manager Nick Whiteside reflected: “At the time we saw the program as just another piece of training. Now, we realize it had a much deeper impact.”

More than ever, companies in the UK understand that their most valuable tool, in terms of business survival and growth, is employee development and engagement. In business, people deal with people, and businesses can only function if employees are both engaged with the company’s ideas and empowered to support and implement its plans.

Keywords: Organizational change, Leadership development, Engagement, Growth, Leadership, Employees development

References


Note

The Top™ model and the Four Stages™ of Contribution model are the property of Global Novations. For further information on Leeds and Reading-based Emenex, or to find out more about implementing an employee-development and engagement strategies and programs, telephone +44 (0)113 251 2202 or e-mail jonathan.broadhurst@emenex.co.uk
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