USE CASES

USE CASE 1: COMPANY A

COMPANY CHARACTERISTICS

Company A is a mid-size company that provides specialist services to a specific industry vertical. The workforce is made up of mostly highly educated colleagues who work for hundreds of clients.

BUSINESS CHALLENGES

A is a data driven company. They are engaged in high-quality service and innovation. In recent years, A has had to deal with tough market conditions. The most important of these are
- Significantly increased online activity.
- The very tight labor market for talented IT staff.

KPI DASHBOARD

Moving Average Critical Groups

Which groups deserve most attention?

WHY KEENCORP

Being fed up with conventional engagement surveys, A was looking for alternatives that fit their data driven nature. They are using a people model consisting of three parts: 'Want', 'Can' and 'Do'. It's important for A that the results would integrate with their model and could potentially be implemented in their existing dashboard, which is built around this model. While they were already sufficiently equipped for the 'Can' and 'Do' parts, they sensed the KeenCorp index could be a proxy for the 'Want'.

SCOPE OF MEASUREMENT
- # connected employees: 175
- Time period continuous measurement: 13 months
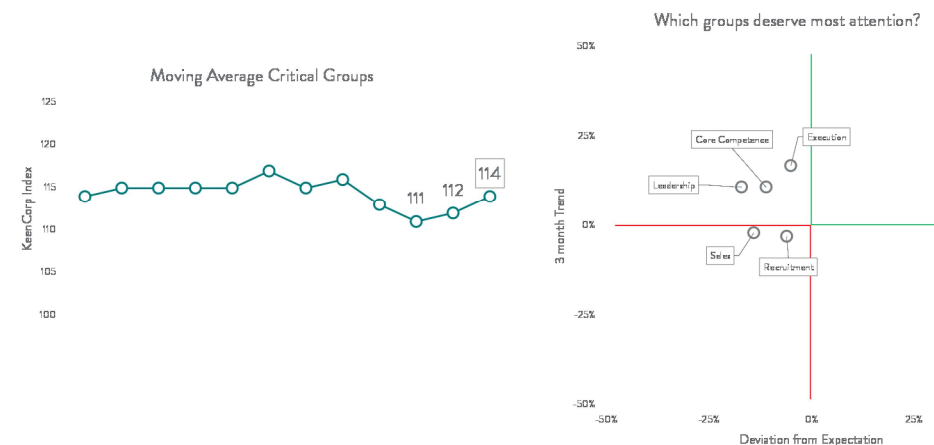
CRITICAL GROUPS
- Leadership; top two management echelons
- Sales
- Core competence; IT Development
- Recruitment; recently hired staff up to 2 years of tenure
- Execution; three critical operational teams

KEY FINDINGS AND ACTIONS TAKEN
- The KeenCorp Index will become an integrated part of the standard dashboard;
- The CEO fired one of the management team members who was detrimental to team spirit – faster than might have happened otherwise;
- The company devised a management program around the engagement drivers Purpose, Autonomy, Belonging, Competence and Decency. Managers will be working with their teams around these themes in the coming months;
- Every three months the results will be communicated with the entire company to keep everyone updated and connected.

USE CASE 2: ENRON

WHY KEENCORP

KeenCorp wanted to find out whether there was any evidence in the data that pointed to wrong doing or mismanagement before the well documented decline and ultimately collapse. KeenCorp has analyzed all email correspondence of Enron's 150 top management during the last 3 years before bankruptcy. This dataset was collected and prepared by the CALO Project. The corpus contains a total of about 0.5M messages. This data was originally made public and posted to the web by the Federal Energy Regulatory Commission during its investigation.

COMPANY CHARACTERISTICS

Enron Corporation was an American energy, commodities, and services company based in Houston, Texas. Before its bankruptcy on December 2, 2001, Enron employed approximately 20,000 staff and was one of the world's major electricity, natural gas, communications, and pulp and paper companies, with revenues of nearly $101 billion during 2000. Fortune named Enron "America's Most Innovative Company" for six consecutive years. At the end of 2001, it was revealed that it's reported financial condition was sustained by institutionalized, systematic, and creatively planned accounting fraud, known since as the Enron scandal.

SCOPE OF MEASUREMENT

- ⌒ # analyzed employees: 150 top managers
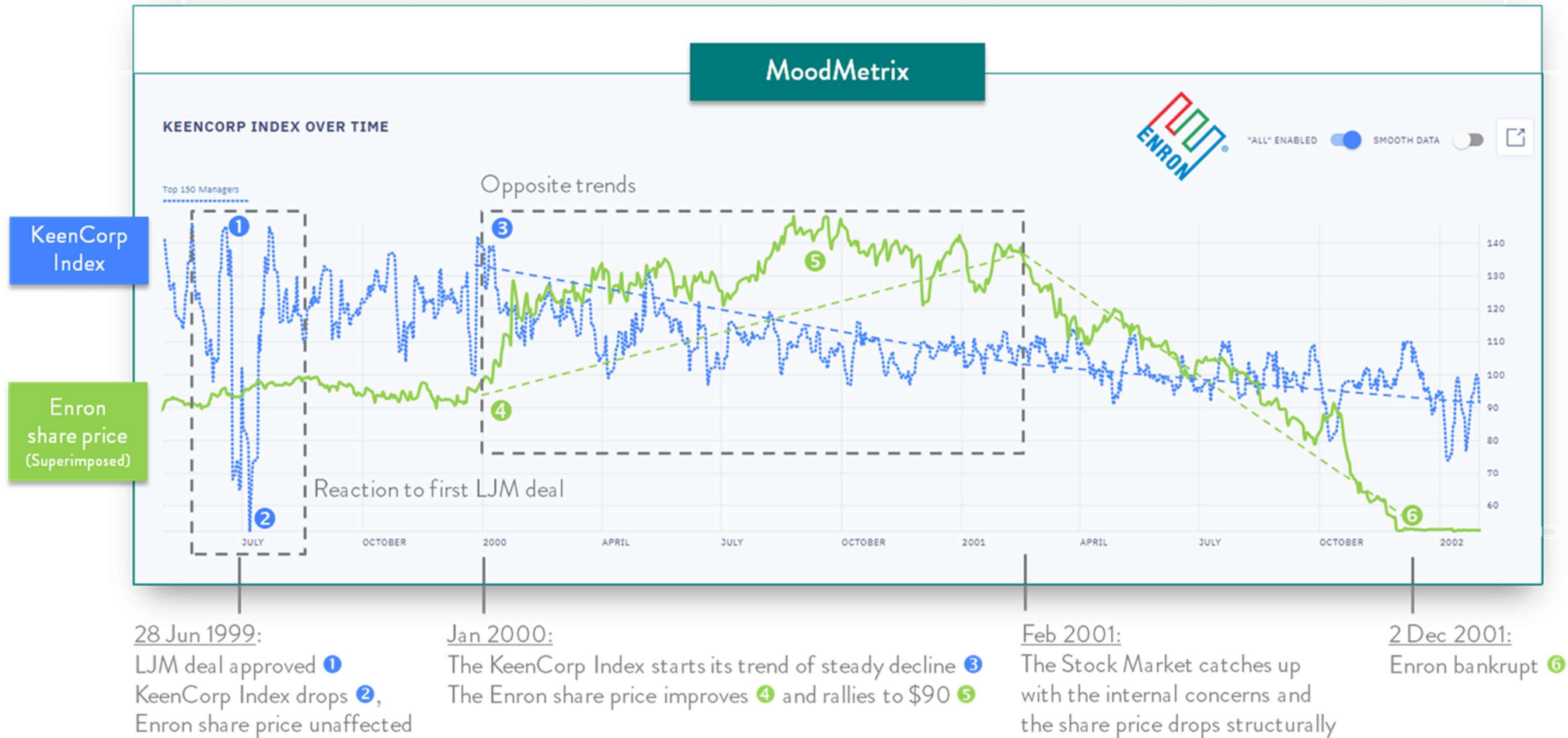- ⌒ Time period retrospective analysis: 06/'99 – 01/'01

CRITICAL GROUPS

- ⌒ 150 top managers

KEY FINDINGS AND ACTIONS TAKEN

- ⌒ KeenCorp spots Enron's problems 14 months before the Stock Market:
  - o A few days after the Enron board approves the first LJM deal in June 1999, Enron's top 150 managers are seen to react badly, as evidenced by their KeenCorp Index. This reaction is not openly voiced and therefore remains invisible to the Enron board.
  - o From January 2000 the KeenCorp Index starts its structural drop. At the same time the Enron share price steadily improves.
  - o It is during February 2001, almost 14 months later, that the stock market catches up with the dropping 'mood' of the managers.

BUSINESS CHALLENGES

From 1996 through to 2000 Enron showed remarkable growth in activities and revenues resulting from an ambitious expansion company strategy by its leadership.

- ⌒ Since its collapse and various legal investigations Enron has become a well-known example of willful corporate fraud and corruption.
- ⌒ The scandal also brought into question the accounting practices and activities of many corporations in the United States and was a factor in the enactment of the Sarbanes–Oxley Act of 2002.

MoodMetrix

KEENCORP INDEX OVER TIME

Top 150 Managers

Opposite trends

KeenCorp Index

Enron share price (Superimposed)

Reaction to first LJM deal

"ALL" ENABLED   SMOOTH DATA

28 Jun 1999:
LJM deal approved ❶
KeenCorp Index drops ❷,
Enron share price unaffected

Jan 2000:
The KeenCorp Index starts its trend of steady decline ❸
The Enron share price improves ❹ and rallies to $90 ❺

Feb 2001:
The Stock Market catches up
with the internal concerns and
the share price drops structurally

2 Dec 2001:
Enron bankrupt ❻

USE CASE 3: COMPANY C

COMPANY CHARACTERISTICS

C is a large, international company with over 50,000 employees in over 3 dozen countries. C's ITO department is responsible for IT Operations of the Group, as well as for expanding its solutions to third parties. Its workforce consists of highly skilled professionals, IT/tech oriented, innovative, with fairly high tenure.

BUSINESS CHALLENGES

- Employee productivity leaking away because of low engagement
- Tighter labor market and difficulty to attract young talent
- Need to establish new, innovative lines of business
- Commercial fire power
- Compliance; avoiding fraud and misconduct

KEENCORP DASHBOARD

Abstracted for purposes of client confidentiality

Group A ❺ +45%

100

Group B ❻ -25%
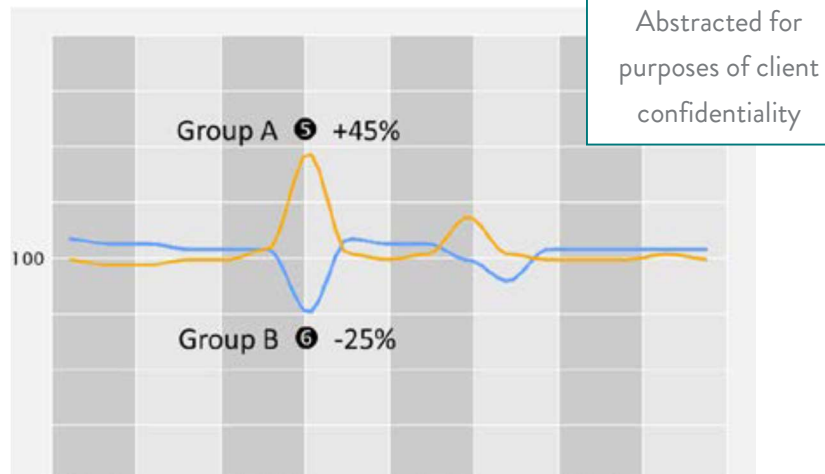
WHY KEENCORP

ITO approached KeenCorp because it is actively looking for new, innovative lines of business in the field of different AI applications.

The company recognized that working climate is crucial for success of their clients, especially since in their home market, employee engagement is extremely low and the new generation of relatively scarce talent to enter the labor market is demanding better treatment and working conditions.

SCOPE OF MEASUREMENT

- # connected employees: 4.500
- Time period retrospective analysis: 3 months

CRITICAL GROUPS

- Business Groups, Divisions, teams
- Leadership and (senior) management
- Recent hires, especially those with new, mission-critical skill-sets
- Sales force, business development
- Groups that close or work with large commercial contracts.

KEY FINDINGS AND ACTIONS TAKEN

- When a significant leadership change is announced, the situation appeared solid on the surface: the announcement provoked little visible reaction within the organization and leadership received only positive signals from staff
- But the KeenCorp Index showed an unexpected difference in reactions: For Group A, the KeenCorp Index increases by 45%. At that same moment, it drops by 25% for Group B.
- Although the effect is temporary, ITO leadership started a dialogue to look more closely at the reasons behind the negative response.

# USE CASE 4: COMPANY D

COMPANY CHARACTERISTICS

Company D is a long established company that ultimately grew to be an international player of note. It employed well over 20,000 staff across multiple continents. After external financial analysist became suspicious of its financial position and suspected fraud it eventually went bankrupt.

BUSINESS CHALLENGES

The government of the country of corporate residence asked the trustee dealing with the bankruptcy to experiment with innovative data analysis techniques. The key challenges formulated to KeenCorp were:

- ⮑ Is the KeenCorp solution able to detect a negative commitment within and around the people who committed fraud?
- ⮑ As a consequence, is the KeenCorp solution able to point the trustee organization into the right direction to assist its forensic research?

KEENCORP DASHBOARD
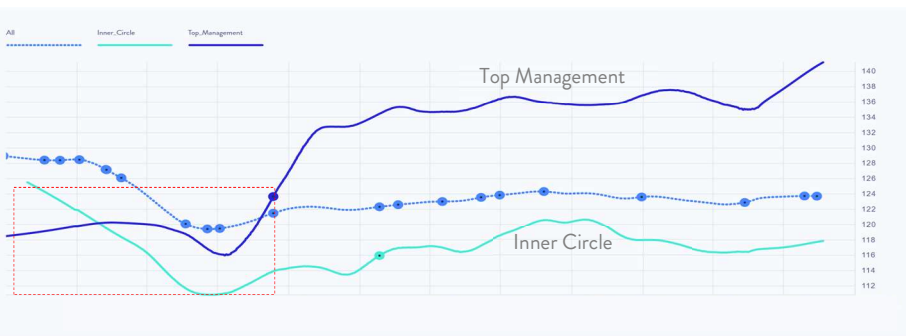
WHY KEENCORP

The trustees wanted to locate evidence in D's data that pointed to wrong-doing or mismanagement before the well-documented decline and ultimately collapse. They asked KeenCorp because of KeenCorp's credentials in the Enron case.

SCOPE OF MEASUREMENT

- ⮑ # connected employees: 120 managers, professionals and advisors from HQ
- ⮑ Time period retrospective analysis: 38 months

CRITICAL GROUPS

- ⮑ Top Management
- ⮑ The "Inner Circle": mostly financials who must have known in case of fraud

KEY FINDINGS AND ACTIONS TAKEN

- ⮑ KeenCorp algorithm spots D's problems as predicted – see the red box:
  - o The KeenCorp Index shows a decline after major fraud was committed, but not yet discovered or made public.
  - o The Top Management scores unusually low until they publicly admit to the first case of fraud. The CEO and CFO are replaced and the score returns to its high level – which is the level expected for top management.
  - o At the same time, the Inner Circle scores uncharacteristically low. The reason being that they are left to deal with the real damage to the company.
  - o The KeenCorp algorithm was able to help focus and narrow down the forensic research into 4 million emails to 5 specific groups and periods.