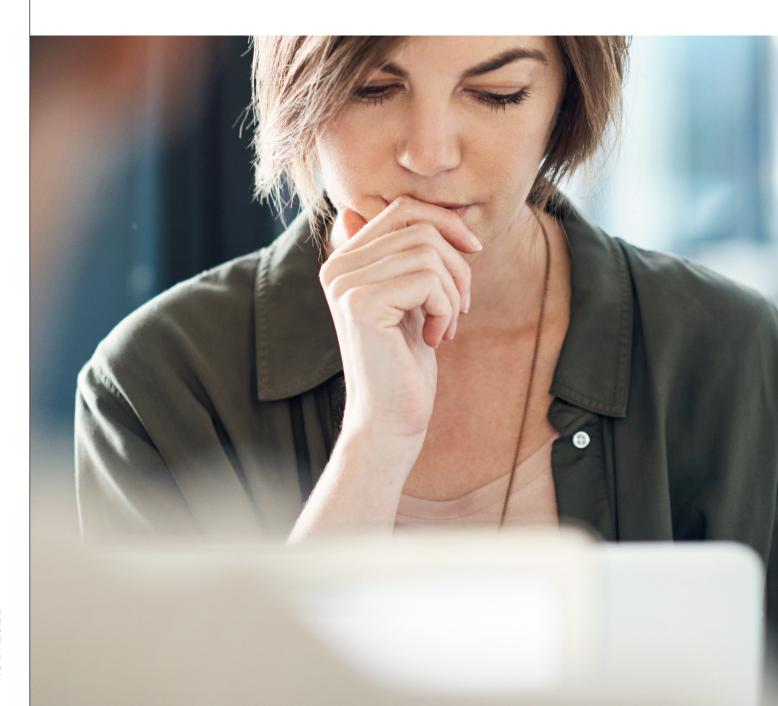
Commercial companies: Intranet decision time. Should you build or buy?



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Foreword

When you launch your brand's intranet, you certainly hope people will use it. So, it may be disheartening to know that, on average, only 10–15% of employees use their company's intranet regularly and that 90% of intranet implementation projects are destined to fail. This grim forecast by Gartner is founded on observations made over the last two decades.

However, with innovations coming from all directions and decision-makers being more aware and discerning in procurement, we're optimistic that this trend will not continue for long. To address it, various providers and the team at Simpplr in particular, have sought to reveal the causes of this high failure rate in the industry.

A recent study revealed the top 10 significant reasons why intranets are failing. And we are using the insight to help brands make better decisions as they replace or purchase their first (and hopefully only) intranets. Primarily, the root cause is a lack of purpose in implementation and, by extension, choosing the wrong intranet.

But, you'll be happy to know, despite the many failures, there are also many successes—and we can share a few:

Chris Lewis, Senior Manager of Applications at CrowdStrike, says their intranet is "easy to use, deploys quickly, and requires minimal training," adding that the platform is a necessity in the digital workplace that has "saved the organization time, money, and helped decrease CrowdStrike's IT tickets."

For Bay Federal Credit Union, an intranet engages, empowers, and improves the employee experience, says President and CEO Carrie Birkhofer. "By having an intranet that offers robust search capabilities, a user-friendly interface, and the ability to keep content fresh and engaging," she says, "we give our team members the tools and resources they need to work more effectively and efficiently."

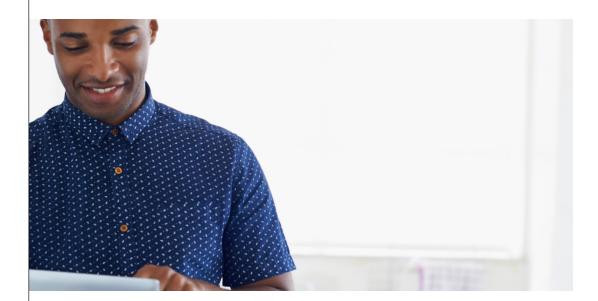
While most brands struggle to get 15% of their workforce to use the intranet, Datto has attained an impressive 100% employee adoption. We think that should be the standard. Listen to Jessica Anavim, Digital Workplace & Intranet Manager, explain the benefits:

Launching a new intranet platform just two days before our global workforce was required to work from home amidst the pandemic proved beneficial in ensuring that employees received timely, relevant information and had effective two-way communication during a time of great uncertainty.

Therefore, while the negative statistics are cautionary, don't let them slow you down. Instead, let them motivate your team to develop sound strategies and make a decision to see your brand join these and many other success stories.

Your first question on this journey shouldn't be "if" you need an intranet, but how to create it. Namely, should you build or buy?

Purpose-built vs. IT-configured



The choices you make when planning an intranet shouldn't be left to just one person or department. Otherwise, you risk investing in a platform that isn't suited for the complex needs of the modern brand. The first mistake many make is to view the intranet as a content and data repository.

And sure, that's what it was 20 years ago. But today, the intranet needs to bepart of an employee experience platform with far-reaching consequences. The platform is a communication center between employees and leadership and acts as the heart of any organization. It is a knowledge management system that is crucial to the employee's ability to perform their daily tasks and a place where their contributions are recognized and valued.

It is also a customer experience enabler. While it is an internally facing channel, its functionality directly affects the externally facing customer experience programs. For instance, it keeps the sales team updated on product and service information.

It also makes it easy for the employees at the point of contact to seek out the relevant people in cases of complex customer requests. Further, customer data is easily shared across individuals and departments, people can share innovation ideas more efficiently, and ultimately the team is more cohesive and productive when there are fewer bottlenecks.

With input from decision-makers across different departments – the C-suite, internal communications (IC), HR, and IT – you have a better chance of landing on the platform that will serve your sophisticated modern brand.

So, do you buy or build your intranet? Let's start by defining precisely what is meant by the different terminology.



Purpose-built is the "buy" option

The purpose-built intranet is the "buy" option. It simply means that your intranet is procured from a provider. Intranet providers design their solutions with the needs of the modern brand in mind. Through experience and continuous research, they can anticipate your company's needs and create a solution that will satisfy them.

The solution can be deployed out-of-the-box (OOTB) but also leaves room for minimal customization to fit your unique needs. After installation, because it is sold on a subscription model, the provider sticks around to maintain and provide regular updates as innovations happen.

IT-configured is the "build" option

On the other hand, the "build" option (IT-configured) means creating a solution that is uniquely yours from the ground up. The builder doesn't anticipate your needs. Instead, the process starts by assessing your company's requirements, and the solution is created based on that. And it's typically created in-house. It has to be, as there's fairly complex upkeep required.

After deployment, a specialist or team of IT experts is left in charge of the platform to monitor usage and provide updates and fixes.

And now for the conundrum: Do you choose the option that gives an OOTB solution designed and managed by a company of specialists but not precisely specific to your needs at the moment, or the alternative created to your exact specifications and laboriously managed by an in-house team?

Both options are compelling for various reasons. But one comes with a laundry list of challenges. We'll start with that option first.

Reasons brands opt for IT-configured builds

IT-configured builds are created on a platform. Hence, the build option is also commonly referred to as the platform approach. Some of the most popular platform providers in the market are Google (Google Sites), Microsoft (SharePoint), Salesforce (Salesforce Communities), and Atlassian (Confluence).



The platform functions like a kit

The platform is like a kit with the essential parts that are needed to build an intranet. The builder (internal IT) puts the components together per the company's requirements. This means you get a unique intranet with only the necessary features.

Endless customizations

Customized to your internal requirements, the intranet is built to fit your industry, size, and brand. The development team will also bake in a high level of security for the company data and users.

Additionally, the maintenance team can continue improving the platform as the brand evolves in size, employee needs, and other requirements.

Implementation in stages, over years

Because it's built from scratch, full deployment can take a lot of time, 12 months on average. Depending on the required functionality, such as integrations, workflow management, and cross-device optimization, it may take up to two years.

The implementation process requires multiple stages, including assessing the needs, customizing every aspect, testing before deployment, and tuning according to how people use it. As the intranet will be introduced to the work environment without having been proven elsewhere, more often than not, employees will find it complex, requiring extensive training and tweaking in areas such as UI and UX.

The management of the intranet will require a dedicated person or team of specialists to keep an eye on it day to day as well as monitor usage to provide the necessary innovations and improvements. A lack of attention can make the attractive features such as customizations and security its most significant flaws.

Finally, with all this in mind, the build option can't be cheap. For a company to go this route, its needs must be truly unique and worth the investment in resources. It should be willing to wait for full implementation and ready to dedicate much effort to ongoing maintenance.

This is rarely the case, and for many, the purpose-built alternative is proving more effective at meeting their needs.



Why buying purpose-built is an increasingly popular option

Experts from leading organizations like Gartner and Forrester recommend the purpose-built intranet (the buy option). Many companies across all industries are increasingly adopting it.

Some notable names on this route for the past several years include Zoom, Snowflake, Moderna, Eurostar, and AAA, and many others that you can find on Simpplr's website.

With a purpose-built intranet, you get a quick-to-deploy out-of-the-box solution with predefined best practices and a stand-by external team to maintain its functionality.

Expert-driven innovation with intuitive workflows

It's not as customizable as the IT-configured intranet because it doesn't need to be. Every need has been thought through, offering expert-driven innovation and research combined to build the most relevant automations and intuitive workflows for an exceptional employee experience, which has a direct impact on customer interactions.

Reasonably customizable

Notably, modern purpose-built solutions are customizable to a great extent and allow companies to own the branding and even name them to avoid the generic "intranet" when describing it.

This is important for employee engagement as the users feel a sense of ownership as opposed to using it as an externally-provided platform.

Rapid deployment

Most brands want a short time-to-value with their intranets; therefore, deployment speed is crucial. Purpose-built intranets can be deployed in less than two months, even considering the required customizations.

Al-powered content governance

Employees' leading concerns are content relevance and freshness, which promotes disengagement and detachment. With Al-powered content governance, the intranet goes from being a junk drawer to becoming the preferred source of information. While there are clearly-defined administrators, the burden is significantly reduced as content generation, and management are democratized across the company.



Adaptive personalization

Additionally, smart search empowers every user to find what they are looking for without help from the administrators.

With years of specialized experience and a combination of skills, the best providers can create a neat, intuitive, and engaging user interface. Adaptive personalization takes customization a step further, allowing the user to make the UI their own with enhanced content delivery, preferred aesthetics, and a search that gets smarter with every query.

Cross-device customization

Cross-device customization, especially mobile-based access, is one of the most important features for today's brands. It's necessary for the modern mobile-centered lifestyle and especially useful for the deskless workforce, which doesn't rely on PCs or other computer-dependent channels like email. The intranet comes out of the box, ready to fit the employee's preferences.

Prescriptive analytics

Advanced AI technology makes it easy for administrators to gather and understand sentiment and feedback, collect people analytics in real-time, and use the insights to improve the employee experience. Not only that, but prescriptive analytics will recommend actions to take in order to achieve the set goals.

Extensibility options

Leading providers offer endless integrations and APIs to ensure that third-party collaboration and productivity tools are not locked out of the system. Simpplr, for instance, provides the Extensibility Center that developers can tap into to extend the intranet's functionality. The question of security has also been addressed in the modern purpose-built intranet. The best providers have their proprietary security systems to which they add external and industry standards to ensure their customers are safe from cyber and legal troubles.

So, unless it's essential to build the intranet from the ground up, wait years for full deployment, and invest in ongoing maintenance, the wise option for enterprises is the purpose-built solution.

Perspective Shifts and Changes Capturing Stakeholders' Attention



As long as this view persists, the new intranet doesn't have a chance of success. All it will do is frustrate the employees even more, promote disengagement and detachment, and perpetuate the silos.

A shift in perspective is required. The intranet needs to be an employee experience platform that provides a knowledge center, a two-way communication channel, and a cohesive, collaborative work environment. It should essentially be a virtual headquarters for your company.

This shift in mindset has to start at the top to ensure that the leadership is bought in before everyone else. Whoever is leading the charge – be it IT, IC, or HR – should be able to communicate the purpose and potential benefits to the rest of the decision-makers in a language they can understand.

A modern intranet will revolutionize the workplace in a variety of ways. Specifically, its potential in the following five areas is sure to capture the stakeholders' attention:



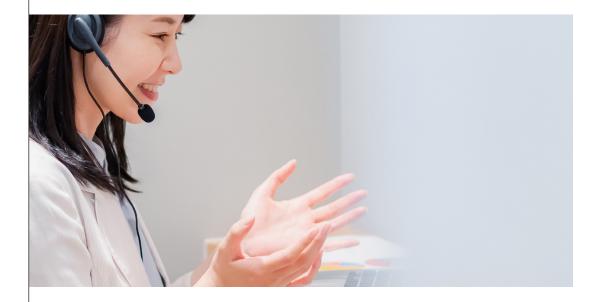
Flexible staffing

An intranet allows HR to monitor staffing needs seamlessly and adjust the workforce accordingly. The brand can have a mix of full-time, part-time, contract, and temporary workers to handle the fluctuating needs, e.g., during the holidays vs. during months of less business activity.

This can help the company avoid overspending on labor and maintain a high level of productivity all year long. It can also help the company attract and retain employees by offering a flexible schedule that matches their lifestyle.

The intranet can further address the challenges associated with flexible staffing, such as finding quality workers, managing temporary workers, and inefficiencies that may result from constant transitioning.

On finding quality workers, existing employees can recommend people they know if they are aware of the needs. The second challenge is easy to overcome as everyone is quickly oriented to the culture; thus, the brand suffers fewer inefficiencies.

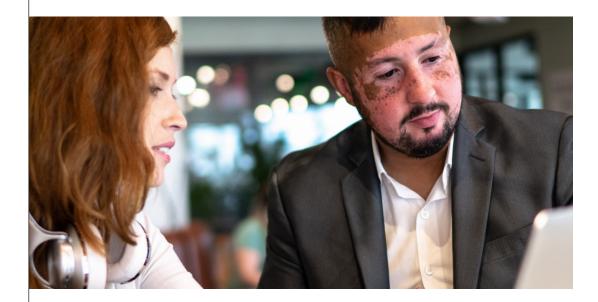


Customer service

The quality of service is vital to customer retention, and brands with an intranet can use the platform to get an edge over competitors in several ways. Firstly, the intranet supports customerfacing staff by providing the knowledge and company-wide access necessary for excellent customer service.

Secondly, data collected at the customer touchpoints can immediately be made available to other departments where it is processed and applied. Third, by connecting frontline/deskless workers to each other, they can better support each other, share ideas, and uphold the customer service culture.

Finally, the intranet can have "spikes" to connect extranets to critical customers, suppliers, and other partners that aren't part of the intranet. There are many instances where this could be useful, including sharing documents and securing regular or sensitive purchases.



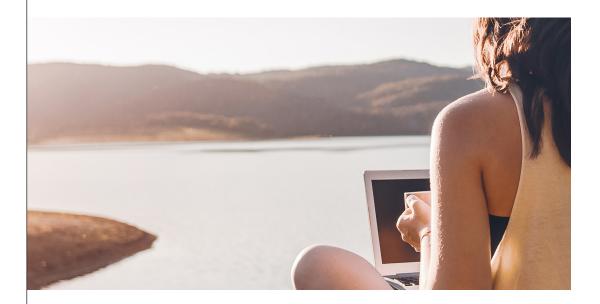
Diversity, equity, and inclusion (DEI)

Many brands are catching up to the times with their DEI efforts. It is not only the humane thing to do, but research has proved that it is the right move to have a diverse workforce and make everyone equal and included in the workplace.

In many ways, the intranet can become the primary tool for driving the brand's DEI efforts. First is ensuring that the course is clear for communication across all corners of the company.

With the way clear, leaders can be sensitized to the tenets of DEI while employees are made aware of what to expect and given a chance to express themselves openly and anonymously.

Having gotten everyone at the table and given a voice, it is also easier to measure the success of those efforts through various devices such as surveys and sentiment analysis.



Work from anywhere (WFA)

The freedom to work from anywhere is now almost a fundamental human right. Most employees are for it, and employers don't seem to mind as long as the work is done. In fact, in many instances, this flexibility leads to better results.

Through technology has been a natural evolution of the work environment. Not only that but attention has also been drawn to the deskless and frontline workforce – the vast majority of employees working out of the office all along.

While many brands have been able to make do with a combination of different technologies, the trailblazers have figured out that the best way to go is through a comprehensive employee experience platform that keeps everything and everyone together and engaged.



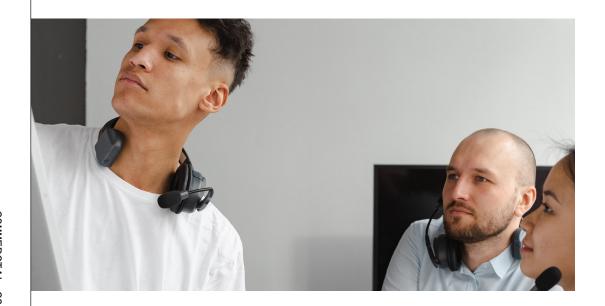
Digital transformation (DX)

DX isn't simply adopting technology but transforming the company so that all functions are driven or founded on a digital system. According to Salesforce's Marc Benioff, DX "is going to begin and end with the customer."

But isn't great employee experience the leading cause of excellent customer experience? Yes, it is. Hence, the intranet is a central piece of that puzzle. It connects employees to the customers, employees to the leaders, and employees to each other.

As the workplace evolves, the intranet will provide the environment for innovation and the roadmap to deliver those innovations to the customer.

Top three intranet considerations



Let's take the build vs. buy options through another round to make your decision even easier. This time, we'll consider the top three factors for picking an intranet solution: budget, culture, and technology.



Budget: Revisiting the build vs. buy ROI

When considering the cost of the intranet, the quote given by the provider is not it. It's better to view the total cost of ownership (TCO). This will factor in what you pay upfront, what is charged for maintenance, and the time-to-value.

Let's break it down, considering the factors affecting the TCO.

First is the infrastructure. The intranet can be hosted on the premises or the cloud. The build option will require hosting on the premises, which is more expensive than the purpose-built, which is sold on a SaaS basis and stored on the cloud.

Next is the configuration to your company's needs. Purpose-built intranet comes ready to install with the necessary features built in. The provider determines what's needed from experience with other brands. You can also consult them to discuss any special features you may need. This means there are no additional costs for customization because your Comms and HR can handle the rest through clicks, not code. For the buy option, this is where the project takes up most of the implementation time. Any feature that is added costs money. This extended time-to-value can be factored in as a cost by itself.

Then there is the size of the company or the number of users. Purpose-built intranets typically charge on a per-user-per-year/month basis with discounts as the number grows. This pricing model must fit your brand's growth expectations to ensure you're not blindsided. For IT-configured builds, the number of users has a comparatively lower impact on the cost, although it has to be designed for scalability.

Finally, consider the cost of ongoing upgrades and maintenance. Purpose-built solutions come with on-demand support from the provider, while custom builds require you to set aside resources for this purpose. In the end, the budget for the build option has to be many times higher than for the purpose-built intranet.



Culture: Understanding user adoption

Intranets have historically struggled to drive and maintain user adoption. There are many reasons for this. User experience has shown to be the most critical functional driver of intranet success. Custom developers often overlook the importance of design principles or lack this expertise internally.

On the other hand, purpose-built intranets have a whole team of specialists behind them, ensuring that the UX and UI are top-tier to encourage employees to use them and keep coming back. Additionally, they have access to other user experiences, which allows them to develop products that can be utilized OOTB.

Custom-builds, having been introduced to the work environment without the extensive testing and refinement that purpose-built solutions undergo, must be monitored for a long time before they can reach peak performance.

Overall, even if they managed to include all the advanced features such as federated search, people analytics, and flexible delivery, custom-built intranets are much less welcome in the workplace than purpose-built solutions.



Technology: IT resource planning

With purpose-built intranets, the company can free up IT resources to work on other mission-critical needs instead of monitoring the platform, which is done democratically with the technical aspects left to the provider.

Al-powered content governance allows other heads of departments to monitor what is relevant to them and provide the improvements they see fit.

For instance, HR can focus on how the platform is helping with employee retention. At the same time, IC can concentrate on other aspects, such as employee communication and engagement. IT can deliver a personalized and engaging employee experience wherever and however the employees work.

All improvements and changes are easily made with clicks rather than code, which means leaders in Comms and HR don't require help from IT. Generally, no additional IT resources are needed for a purpose-built intranet, while custom builds always require adjustments.

Bringing it all together



To help you compare custom-built and purposebuilt intranets, here is a table for easier reference:

	Custom-Built	Purpose-Built
Total cost of ownership	Hosted on the premises Each feature is customized Requires internal maintenance Takes much time to see results Not easy to determine upfront	Hosted on the cloud Rich feature list OOTB Maintenance left to provider Takes less time to see results Easy to determine upfront
Time to value	1 to 2 years	Less than 60 days
Functionality	Built to fit Governed by code	Built on best practices Governed by clicks
User adoption	Slow to adopt	Readily adopted
Maintenance	Dedicated internal team	External technical team
Flexibility	Allows integrations by code	Allows integrations OOTB and by code
Security	Top-notch	Top-notch

Vendor selection and checklist

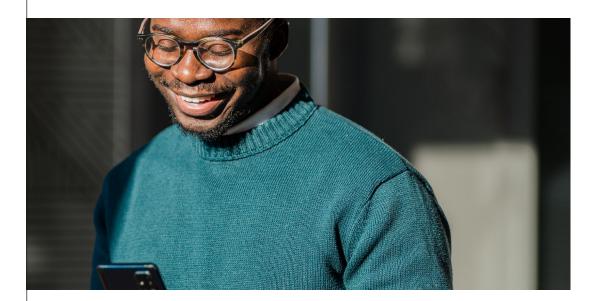
While the purpose-built option is the best for most brands, the market is crowded with vendors, making it an additional task to pick among them.

Truly purpose-built vendors are not easy to find. Many pretend as they've recognized the need to claim that they provide a purpose-built solution.

Here are the purpose-built capabilities to ask about, along with how to frame those questions, specifically:

- Without showing your preference, ask the vendor which category they belong to. If they say more than one, be skeptical.
- Seek customer and industry analyst references on a vendor's ability to meet your needs.
- Pay close attention to a vendor's commitment to deployment time. They likely require heavy customization if they can't go live in a couple of months. Also, ask your vendor for references from complex enterprise customers. You want your internal timelines to dictate the deployment, not the vendor's.
- Be skeptical during demos. Mentally take note of everything you see and immediately request to get your hands on a trial environment. Be concerned if the trial doesn't have the demo's functionality or if the vendor requires a long time to get you a trial.
- Take the trial seriously with acceptance criteria, end-user feedback, and user testing. Survey participants on their experience, log where training or support is needed, and calculate the time to create content.
- Ask your shortlisted vendors for a product roadmap presentation. Look for a track record of innovation, a strategic vision, and how they prioritize enhancements. Roadmap reviews will also tell you which vendors are playing catch-up.

Conclusion



Through its research team, Simpplr hopes to make brands aware and conversant with the capabilities of the intranet as well as the selection criteria. Over time, this will contribute to our goal to help decrease the failure rate of employee experience technology.

In the meantime, Simpplr remains the leading Al-powered employee experience platform empowering brands to attract, retain, and engage their employees. If you'd like to become a part of the success stories, connect with us for a demo today!

Who we are

Simpplr is the modern intranet that transforms the work experience for all employees — wherever and however they work. Simpplr is the only platform that unifies employee engagement, enablement and services, leveraging state-of-the-art Al models to deliver a seamless, cohesive and personalized employee experience.

Trusted by over 700 global brands, including Moderna, Snowflake, Splunk, Penske, Eurostar and AAA, Simpplr customers achieve significant improvement in their employees' productivity, retention and overall satisfaction. Headquartered in Silicon Valley, CA, Simpplr is backed by Norwest Venture Partners, Sapphire Ventures, Salesforce Ventures, Tola Capital and Still Venture Capital. Learn more at simpplr.com

Benefits

- ☐ Designed for the way you work
- ☑ Ready to use in weeks, not months
- ☑ Built for business users
- Unified, engaging experience across mobile and the web
- ☑ Powerful integration
- ✓ Secure and scalable platform

Trusted By





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