Enterprise Companies:
Intranet decision time.
Should you build or buy?

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ENTERPRISE COMPANIES: INTRANET DECISION TIME. SHOULD YOU BUILD OR BUY?

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Foreword

Most decision-makers understand that the choice between building and buying an intranet is based on the internal needs of the enterprise. Paradoxically, rather than easing the process, this knowledge complicates it.

In the past, the intranet was a tool with one purpose, like a hammer – to drive nails. And the decision was straightforward: Get someone who makes these singular-purpose intranets to create one for us.

Today, the intranet represents so much more, leading experts from Gartner and Forrester to suggest that the term be abolished altogether and even to proclaim that traditional intranets are dead. But we'll address one problem at a time, "intranet" will work for the moment.

Perhaps the decision-making should start with a shift in perspective and an understanding that the modern enterprise requires an intranet that provides an adaptive rather than a technical solution.

In one of our recent surveys, we wanted to find out why intranets fail by asking nearly 1,000 practitioners an open-ended question to that effect. Our analysis revealed ten significant reasons, and at the head of the list, we heard from professionals from Comms, IT, and HR who said their intranet failed because it wasn't purposeful.

Couple that with other reasons given by the same people – poor governance, leadership doesn't buy in, search fails, content is outdated, etc. – and you begin to see the problem: The organization is trying to install a sophisticated system using hammer-procurement criteria.

Research done by Forrester found that the intranet is the least favorite application among employees. This is essentially (possibly wholly) because it is not well-configured given their needs, and/or it is hopelessly dated.

With technical problems, organizations can simply leave it to one person or department to fix. But adaptive challenges require a different approach. The decision-makers have to come together and ask, "What do we need?" and go back to the employees to say, "We found this solution, and this is how it will improve your life here."

So, start with a perspective shift. When your mindset gets to that point, the only question remains: Which option will allow us to achieve that adaptive goal more efficiently?

Purpose-built vs. IT-configured

What is the difference between buying a purpose-built intranet and building one? We understand that industry terminology can be confusing. "Building " means creating an IT-configured solution for your enterprise needs. You make it from scratch and maintain it through internal resources.

On the other hand, a purpose-built intranet is designed with the needs of the modern organization in mind. Providers have researched and continue to improve their offerings to fit the requirements of the current work environment so they can develop an out-of-the-box solution that only requires minimal customizations on the site. Updating and maintenance are also left to the provider.

So, on the one hand, you have a platform that can be created with your exact specifications based on the knowledge and experience of your internal team. On the other, you can have an out-of-the-box solution designed and managed by specialists, promising to handle all your unique needs—and keep pace with evolving technology.

We see how it can be hard to choose.

If your organization has left it up to one person to decide or the domain of a single department, you're already on your way to creating a flawed system. Typical intranet purchasing processes reveal that an overwhelming majority of companies leave this decision to IT, for example. And although this seems sound, it's a bad idea.

And suppose you're the head of IT in most organizations. In that case, you're accountable for the success or failure of the intranet, as well as the performance of other employee experience and general technology tools. In a recent survey examining How IT Delivers on the Promise of Employee Experience, 96% of respondents said the responsibility (and accountability) would fall to them.

It's a huge ask and ultimately doomed, as a successful implementation requires joint decision-making between internal communications (IC), HR and IT, and executive leadership.

This is because the modern intranet is an employee experience platform that needs to be inclusive not just after launch but also during decision-making. The immediate needs and fixes must be weighed against long-term costs and benefits to make the right decision.

Getting the traditional, clunky custom-builds out of the way, modern build and buy intranet providers have solid arguments for their respective solutions. Enterprises choose one or the other for various reasons.
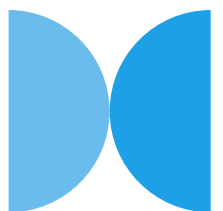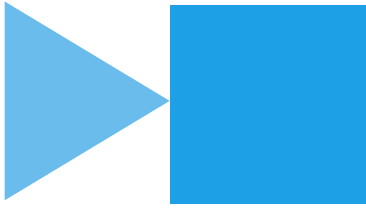
Reasons enterprises opt for IT-configured builds

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

The platform functions like a kit
The platform functions like a kit containing the essential parts needed to build an intranet. The builder (internal IT) then puts the components together per the organization's needs. This means there are no excesses in the feature list, and overall, it has a unique functionality.

Endless customizations
Customized to your internal requirements, the intranet is built to fit – whether it's your industry, size, or brand. The development team will also bake in a high level of security for the organization's data and people.

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

Implementation in stages, over years
Because it is 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 even 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 daily and monitor usage to provide the necessary innovations and improvements. A lack of attention can make attractive features such as customizations and security its most significant flaws.

Finally, the build option can be costly with all this in mind. For an enterprise 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.

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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 large enterprises across all industries are increasingly adopting it.

Some notable names on this route for the past several years include Zoom, Snowflake, Moderna, Eurostar, 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 an external standby 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 capability 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.

Reasonably customizable
Notably, modern purpose-built solutions are customizable to a great extent and allow organizations 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 enterprises want a faster time-to-value with their intranets, so the speed of deployment is crucial to them. Purpose-built intranets can be deployed in less than two months, even considering the required customizations.

AI-powered content governance
One of the leading concerns for employees is content relevance and freshness, which promotes disengagement and detachment. With AI-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 is democratized across the organization.
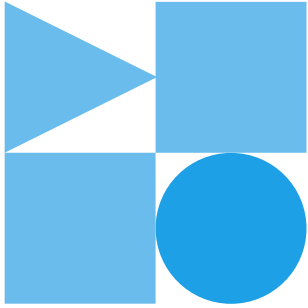
Adaptive personalization

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

With years of specialized experience and skills, the best providers can create a friendly, 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 essential features for today's organizations. It is 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 achieve the set goals.

Extensibility options

Leading providers offer continuous integrations and APIs to ensure that third-party collaboration and productivity tools are not locked out of the system. Simpplr, for instance, offers 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 absolutely necessary to build the intranet from the ground up, wait years for full deployment, and invest in ongoing maintenance, the intelligent option for enterprises is the purpose-built solution.

Perspective Shifts and Changes Capturing Stakeholders' Attention

In most organizations, the standing perception of an intranet is a content dispenser that doesn't even do that job very well. It's an out-of-style destination site offering content in an unregulated, rigid dumping ground. It has virtually no value addition to the employee's day, so most don't use it.

As long as this view persists, the new intranet doesn't have a chance of success. It will 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 be a virtual headquarters for your enterprise.

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 four areas is sure to capture the stakeholders' attention:

1

Mergers and acquisitions (M&A)

The M&A transition period can shake even the most resilient enterprises. Excitement, uncertainty, fear, and other feelings – coming from both the leaders and employees – cloud the work environment leading to instability and decreased productivity.

In addition, it is estimated that at least 7 out of 10 mergers fail, and acquired firms lose up to 40% of their managers within two years.

It's a delicate process. But this is precisely when a robust employee experience platform can prove its utility. The intranet can provide the much-needed bolster to ensure the cultures don't clash, the silos are broken down, and the workforce is aligned with the goals.

2

Diversity, equity, and inclusion (DEI)

Many organizations 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 enterprise's DEI efforts. First is ensuring that the course is clear for communication across all corners of the organization.

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.

3

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, this 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 enterprises 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 an employee experience platform that keeps everything and everyone together and engaged.

4

Digital transformation (DX)

DX isn't simply adopting technology but transforming the enterprise 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 excellent employee experience the leading cause of great 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 continues to evolve, 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.
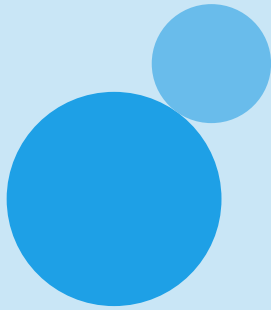
Budget: Revisiting the build vs. buy ROI

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 of your organization'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 enterprises, and you can also consult with them to discuss any special features you may need.

This means there are no additional costs for customization because your team can handle the rest through clicks, not code. For the buy option, this is where the work is taking up most of the implementation time, and any added feature costs money. This extended time-to-value can be factored in as a cost by itself.

Then there is the size of the enterprise 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 enterprise'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 to handle scaling.

Finally, 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 option.

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, allowing them to develop products that can be used immediately.

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, AI-powered analytics, and flexible delivery, custom-built intranets are much more complex to adopt than purpose-built solutions.

Technology: IT resource planning

With purpose-built intranets, the enterprise 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.

AI-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 onboarding and retention. At the same time, IC can concentrate on other aspects, such as employee communication and engagement. IT can deliver a personalized, engaging employee experience wherever and however the employees work.

All improvements and changes are quickly made with clicks rather than code, which makes all leaders equipped for the task. Generally, no additional IT resources are needed for a purpose-built intranet, while custom builds always require adjustments.

Bringing it all together
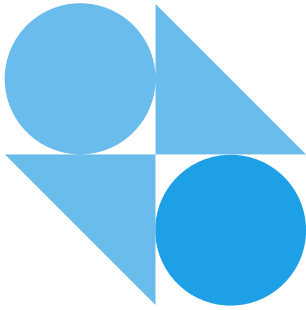
To help you compare custom-built and purpose-built intranets, here is a table for easier reference:

	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 enterprises, 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

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Choosing an intranet is a crucial decision that requires careful consideration. We hope this guide makes it easier for you. If you need further assistance, you can always consult with us.

And if you're ready to pick a purpose-built intranet, Simpplr is the leading AI-powered employee experience platform. Request a demo today!

About Simpplr

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 AI 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

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