

Corporate Intranets Best Practices Report

A User-Driven Web 2.0 Perspective



Razorfish

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Executive Summary

Over the years, Razorfish has designed and built enterprise-wide intranets for industry-leading companies across the United States. In defining the strategy, designing the user experience and building solutions that leverage enterprise strength software packages, Razorfish has observed not only how enterprise intranets are implemented and used but also how they are maturing over time.



These insights, gained by primary and secondary research, have been encapsulated into a proprietary framework, the Intranet Maturity Framework™, which shows how and why intranets grow over time and with what benefits to businesses. The Intranet Maturity Framework, described in this report, summarizes best practices for intranet sponsorship, governance, user needs, experience design, technology implementation, training, adoption and ROI metrics.

These best practices and takeaways cover future investments in the intranet, recommendations on incorporating consumer web innovations like podcasting and social search, trends that affect the intranet space, such as wikis and blogs, and insights from intranet managers who emphasize simplicity, user research and executive sponsorship.

Visit The Workplace blog (www.theworkplaceblog.com) to keep pace with news, trends, commentary and events affecting the enterprise workplace and corporate intranets. The blog provides a unique perspective on what's happening in the market and how companies are retooling their intranets to meet the needs of the evolving enterprise workplace.

Introduction

About this Report

As forecasted, the enterprise software market continues to consolidate. Mergers and acquisitions have decreased the number of software application and service providers supplying large companies. Fewer vendors mean easier choices for companies that want to improve employee efficiency and partner productivity. However, the most successful solutions continue to be the ones that sharply focus on end users and provide measurable, easily defined business value.



As the largest independent marketing and technology services firm in North America and a provider of solutions that help companies empower their employees and partners with the information they need to do their jobs efficiently and effectively, Razorfish brings a unique, business-oriented perspective on how these solutions are maturing. This report provides guidance to managers seeking to generate greater, quantifiable business value from their corporate intranets. Other employee and partner-facing enterprise solutions are not discussed in this report.

This report draws upon primary research with select industry-leading companies, each with 10,000 or more employees and a corporate intranet that is at least two years old. Findings from a survey on workplace technologies with 275 mid-level business managers in the Boston area were also incorporated where appropriate as well as secondary research from industry analyst firms, independent thought

leaders and innovative companies. Research was also conducted with Razorfish consulting teams with recent experience in delivering solutions of this kind.

Since corporate intranets are closed business tools through which companies generate competitive advantage, no intranet screenshots have been included.

Burgeoning Expectations

Web innovations are introduced to consumers at a breathtaking pace, and employees are demanding that their own intranets be as compelling, user-centric and accessible as the consumer innovations that they interact with in their personal time. For example, employees expect their intranets to include guided navigation systems that are common on websites such as Amazon and eBay, as well as Google-type search functionality.

It will always be difficult for company intranets to meet these burgeoning expectations. Budget limitations, security concerns, records management requirements, virus threats and Sarbanes-Oxley restrictions will limit what corporate technology departments can do. However, all is not lost. Some web technologies are easier to implement than others. Also, by allowing employees to more freely control their own desktops, corporate IT departments are realizing that, as employees search the web themselves, they will incorporate productivity-enhancing technologies into their workplace settings. This behavior benefits employers in the long run, even if it comes with short-term security risks.

But that, too, is not enough. In order to meet these burgeoning expectations and also increase employee productivity in a cost-effective fashion, employers need to understand the risks associated with the maturation of their existing corporate intranets. A company can then improve its intranet by studying how other companies address similar challenges. This is where the Corporate Intranets Best Practices Report – this document – fits in.

The Intranet Maturity Framework™

Why a Framework?

To assist in addressing intranet business questions, Razorfish has developed frameworks to determine the maturity level of a company's enterprise solutions. The frameworks are planning tools used to determine how best to evolve an enterprise solution in order to optimally meet specific business objectives.



Maturity frameworks are commonly used in the software industry to depict how processes, software and technologies mature over time. They enable teams to quickly recognize the maturity of a specific solution, grasp how it will mature from that point on and track the timeline for the maturity. Some examples of maturity models include the Organizational Project Management Maturity Model, the Information Process Maturity Model and the Capability Maturity Model published by the Software Engineering Institute.

In conducting the research for this report, Razorfish mapped several intranets to develop the Intranet Maturity Framework and used it to determine the challenges faced by intranets, how they mature and what would be required for them to better meet a business's objectives.

Describing the Intranet Maturity Framework

This framework is used to depict how intranets mature as they evolve from grassroots, department-driven efforts into enterprise-wide portal programs and beyond. In examining the framework, keep in mind that as intranets mature, they typically include *most* features of the stages they have left behind, while also incorporating features that leverage available new technologies. In other words, the intranets mature by evolving their focus *and* also optimizing what is already included in them. While most intranets go through the maturity cycles depicted, it is important to note that every intranet manager's goal isn't necessarily to move the intranet to a later stage. Optimizing within the context of a particular stage can also provide strategic benefits.

The Intranet Maturity Framework is applicable to US-based intranets only. In other parts of the world, cultural factors, organizational dynamics, investment priorities, technology deployments, languages and country variances change the order of the stages in the maturity framework. For example, open source technologies currently play a small role in intranet infrastructure in the US, but in Europe they are gaining wide acceptance.

The Corporate Intranets Best Practices Report analyzes intranets at different stages of maturity across the following dimensions:

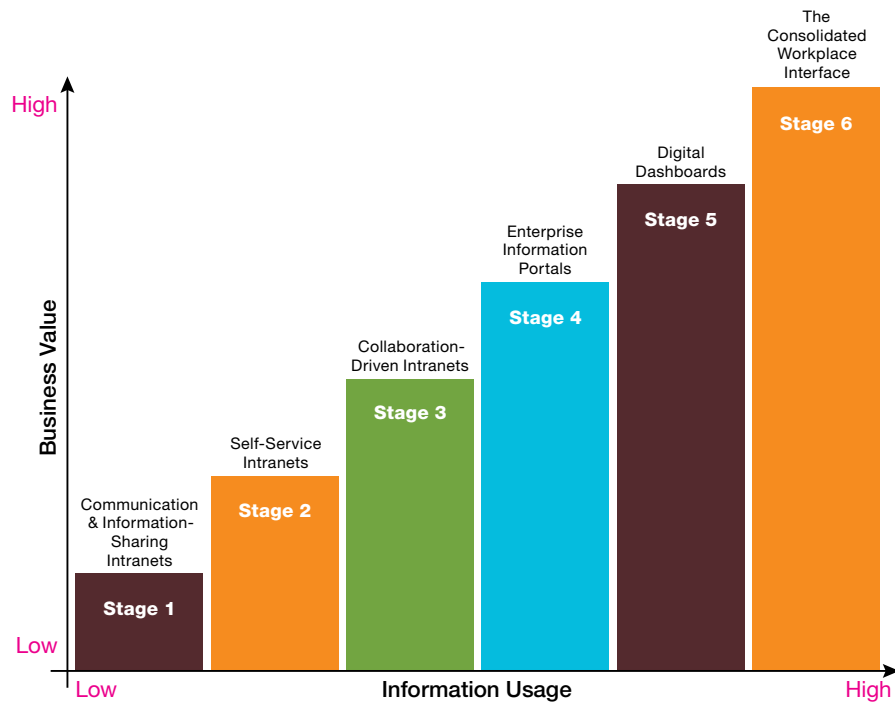
Current State

- **Sponsorship:** Funding and executive sponsorship that sustains the intranet
- **Governance:** Organizational structures, policies and procedures
- **User Needs:** Specific needs of users accessing the intranet
- **Experience Design:** Considerations driving the user experience
- **Technology:** Deployments of package or custom-built solutions
- **Training:** Typical training programs conducted for employees
- **Adoption:** Strategies used by intranet teams to fuel adoption and repeat usage
- **ROI Metrics:** Criteria established to measure ROI and usage

Key Takeaways

This report includes important lessons uncovered while running an intranet at a particular stage, as well as strategies and potential pitfalls to consider when evolving an intranet. The report covers these dimensions for each of the stages in the Intranet Maturity Framework. However, as there are few Stage 6 intranets, research on those was sparse.

What Does The Framework Look Like?



Intranets in each subsequent stage of maturity generally includes the features from the stages preceding it. For example, collaboration driven intranets also include employee self service and communication features.

Stage 1: Communication and Information-Sharing Intranets

First-generation department-level intranets are used primarily for communication and information sharing. Generally established by entrepreneurially-minded employees, they focus on communicating a department's purpose and activities to the rest of the company, and are usually sponsored by middle-level managers within the departments. These intranets are rarely enterprise-wide.

Stage 1 intranets rarely include significant functionality. They are usually built on homegrown, entry-level technology platforms and offer disparate user experiences. Most intranets in this stage are typically static HTML pages or are built with in-house content management solutions. Smaller companies are increasingly using wikis for communication and information sharing, but at this point, adoption among large organizations remains limited.



Current State

- **Sponsorship:** These intranets are chiefly sponsored at the department or team level and lack formal sponsorship. In some cases, sponsorship simply takes the form of the local technology support group, which provides server space and uploads files to it when necessary. As these intranets gain popularity, corporate communications departments take control of the intranet and use it to publish company news to employees.



- **Governance:** Stage 1 intranets lack formal governance models with few documented guidelines, policies and procedures. Governance, if it exists in any formal capacity at all, is restricted to a specific department, with little involvement from employees outside of it. Junior level employees typically manage the intranet in their free time and do not coordinate their activities with other groups. As a result, they use their own personal judgment when making governance decisions and rarely involve other employees.
- **User Needs:** These intranets focus primarily on meeting the most basic of employee needs. Some examples include:
 - Employee contact information and organizational charts
 - Department or team level objectives and orientation
 - Department or team level news and events
 - Department or team level accomplishments
 - Department or team level templates and guidelines
 - Department or team level best practices

Stage 1 intranets also serve employees visiting from other departments in the organization.

- **Experience Design:** Since communication and information sharing intranets are designed by “entrepreneurial employees” who have other jobs, they lack strong information architecture, visual design, usability and accessibility. Also, since they are an amalgamation of hundreds (in some cases, thousands) of department-level web pages, they lack a consistent look and feel, global and local navigation systems, standardized nomenclature and other publishing standards.
- **Technologies:** These homegrown intranets use entry-level technologies, such as the most basic content management systems. Other technologies used often include HTML, ASP, JSP, PHP and Flash. Corporate technology standards are ignored with these types of intranets. Many of them are built using first-generation web development tools like Microsoft Front Page and Dreamweaver from Macromedia.
- **Training:** Limited user training is conducted for communication and information sharing intranets. When training is conducted, emphasis is placed on making sure that every user has access and is viewing the intranet using company approved machines and web browsers. Publisher training is virtually unheard of with these intranets.

- **Adoption:** Stage 1 intranets gain adoption slowly, largely because they are disjointed and difficult for employees to use. They are also not marketed effectively and generally lack executive support.
- **ROI Metrics:** Since these intranets are not measured against clear business objectives, ROI analysis is rarely performed. But since Stage 1 intranets do not cost much, senior managers rarely worry about the ROI.

Key Takeaways

While communication and information-sharing intranets lack executive sponsorship, a unified user experience and clear objectives, their value is still significant, especially in relation to their cost. For a large company the benefits of being able to communicate daily with its employees in an inexpensive, electronic fashion are numerous. Furthermore, while the information sharing may happen in a haphazard fashion, the collaborative spirit of the information sharing should be recognized and encouraged.

These intranets typically evolve by consolidating user experiences, establishing publisher guidelines and instituting basic governance models to coordinate the activities of the various webmasters. This channel to deliver corporate messages should incorporate new technologies, such as internet video and podcasting as well as mobile devices.

One company interviewed uses its communication and information-sharing intranet to share company policies, sales strategies, UPC codes, vendor information and market share statistics with its sales force. Their intranet was redesigned with input from the sales force and subject matter experts who prioritized the content. Intranet usage shot up by over 800% after the redesign. Sales representatives now promote the intranet themselves by encouraging new employees to access it.

Do your employees encourage others to use the intranet?

Stage 2: Self-Service Intranets

Self-service intranets focus on delivering HR-, Finance- and Facilities-related services to employees within a department or a company. Examples include: taxation information, benefits forms, expense reporting, and meeting room bookings. Often these intranets also include personal information management tools, such as calendars and task lists. Whether they are centralized depends directly on how centralized the HR function is.

More advanced intranets in this stage integrate legacy HR and Finance systems for the display of personalized employee information, such as pay stub information, reporting lines and purchasing authority.



Current State

- **Sponsorship:** At this stage, sponsorship and control shifts from the Corporate Communication department to corporate-level Human Resources departments, which manage the more sophisticated self-service intranets deploying enterprise-wide services for company employees. Secondary sponsors of these intranets include the Finance and Legal departments.

- **Governance:** Formal governance models are first introduced with Stage 2 intranets. The governance layer manages the nuances tied to moving more complex business processes online and delivering them through a self-service model. Active participation from different departments is required to support the delivery of self-service functionality.
- **User Needs:** Self-service intranets focus on providing users with information and services that enable them to better manage their work and their personal lives. Some examples include:
 - Compensation information (stock, base salary, structure, other incentives)
 - Benefits information (pension, health, life insurance)
 - Pay stub information (latest stubs, format, delivery frequency)
 - Expense reporting (filing, deposits, policies, approval authorities)
 - Office services (stationery, cleaning, recycling, meeting rooms)
 - Compliance and security policies (access, retention, distribution)
 - Training information (courses available, skill sets, tuition reimbursement)
- **Experience Design:** These intranets are typically well-designed and successfully support repeat usage around core tasks. In large companies, these intranets are designed to replace offline processes, or even call centers, and, therefore, task studies are conducted to optimize their usability. However, since these intranets are centrally designed and managed, they often do not effectively incorporate the policy nuances of each office or region. By virtue of their top-down nature, they do not foster collaboration.
- **Technologies:** Self-service intranets typically use content management systems to publish content. The more advanced ones use portal platforms that incorporate functionality from enterprise HR systems like PeopleSoft or mySAP ERP Human Capital Management. The most advanced intranets incorporate financial information from systems like the Oracle Financial Systems and import employee directory information from the company's LDAP servers. The most challenging aspect of building these intranets has to do with single sign-on and existing system integration (e.g.. web services calls to SAP or Seibel). In some advanced cases, external benefits providers are placing 'portlets' on companies intranets.

- **Training:** User guides and contextual help screens are usually sufficient to educate users about the self-service tools on the intranet. Most users are familiar with the offline equivalent of these tools and do not require any prior knowledge or domain-specific expertise to use them though employees who need to administer the self-service tools on the intranet are often trained.
- **Adoption:** Because they provide easily understood benefits, users quickly adopt these intranets. When successfully designed, implemented and marketed, they save employees time by allowing them to fulfill basic HR, Finance and administrative requests on their own time. Automated expense report approval and pay stub delivery further accelerate the adoption of these intranets.
- **ROI Metrics:** Measuring the ROI is easiest with Stage 2 intranets. Companies can compare the cost of delivering a process offline or supporting employees in a call center to the cost involved in migrating the process or support to the intranet. In addition, task completion studies show that moving processes online saves not only money but employee time.

Key Takeaways

Historically, Stage 2 intranets have provided the greatest benefits to companies, and they continue to provide easily measurable benefits that reduce employee overhead, streamline business processes and result in a more paperless organization. But moving to a Stage 2 intranet is fraught with risks. Offline processes aren't always easily transferable online. Extensive training is sometimes required. Employees may resent having to complete forms online versus directly talking to a person in HR. And, while making the company paperless, the intranet also makes it more anonymous. As a result, companies moving in this direction should tread carefully, methodically and in a piecemeal fashion.

Over time, these intranets grow to include more self-service functionality. Once employees become comfortable performing tasks online, they're happy to take control and accomplish more self-service tasks. Here, consumer innovations have an impact on the enterprise environment. Just as ticket kiosks have replaced employee-staffed counters at airports, so, too, have intranets replaced in-person interaction. As the number of mobile workers in a company increases, self-service tools become even more important and mature from providing support services to including more business-oriented features.

Of companies surveyed, nearly one quarter plans on implementing a benefits portal in the next two years, according to a report on Benefit-News.com highlighting the research of Forrester (“Benefits Strategy and Technology Study,” EBN/Forrester Research, Inc., 2005). This report also concluded that for every two-percent increase in employee satisfaction, there is a one-percent increase in employee retention.

Do you measure employee satisfaction with your intranet?

Stage 3: Collaboration-Driven Intranets

As intranets enter this stage, they move their focus to collaboration while continuing to improve the communication, information-sharing and self-service components. These intranets address the needs of project and department teams required to collaborate around specific initiatives and serve as a home for the communities of practices in an organization. Interestingly, social networking concepts like wikis, blogs and tagging are changing the face of intranets entering this stage.

Stage 3 intranets typically incorporate collaboration and document management tools so that employees have a single interface through which they can communicate, collaborate and share knowledge with one another. These intranets include single sign-on functionality and integrate with document and media asset management systems and project management software. Companies with a high concentration of knowledge workers invest in collaboration intranets since these intranets benefit them the most.



Going beyond collaboration, we are starting to see companies invest in prediction market capabilities. In accordance with the belief that the CEO may not always be right, companies are asking diverse populations of employees to weigh in on key company decisions and forecasts. For example, Hewlett-Packard is already using prediction markets to help drive sales forecasts.

Current State

- **Sponsorship:** Stage 3 intranets are often the first to be sponsored at an executive level, usually by business units. They are introduced as an enterprise-wide initiative with each unit sharing the funding burden. Funding comes out of capital expenditures, and the investments are expected to provide business returns for at least four to five years.
- **Governance:** Like Stage 2 intranets, these intranets are also centrally managed. Typically, the HR department shares the ownership burden with the business unit heads, who strongly encourage their line managers to get involved. Given the cumbersome administrative overhead in managing the intranet, corporate IT departments play an important role in the governance as well.
- **User Needs:** Stage 3 intranets are “push” intranets. The users rarely demand or “pull” them, and they do not always fulfill any tangible business need. But organizations realize that for their employees to make the best decisions, they need to leverage the learnings of other project teams and departments within the company. To address these communication challenges, the companies set up matrix structures whereby employees performing similar roles, but in different geographical regions or product lines, are forced to collaborate with one another and share information. Once an imperative for collaboration has been established, the employees demand an electronic environment where they can manage the collaboration. That electronic environment is usually the Stage 3 intranet. Calendars, contacts, discussion databases, web conferencing, teamware and corporate instant messaging are some of the collaboration solutions in demand.
- **Experience Design:** Information architecture often maps to the company structure, which serves as the basis of the collaboration. This structure is not always a good idea because when company organizational structures change, changing the intranet can be difficult. More advanced collaboration intranets include spaces for communities of practices and allow employees to create new spaces based on specific topics. These intranets are common in research organizations where small teams work closely to solve a specific problem. What is clear, however, is that for a company to develop a successful Stage 3 intranet, it needs to have an enterprise-wide taxonomy in place.
- **Technologies:** The technologies used for these intranets vary dramatically from company to company. Choices are made based on the existing technology stack within the company, such as whether it is Java or .NET based. Software packages such as Documentum’s eRoom are common, though it’s fair to assume that IBM and Microsoft own this space. Increasingly, social software solutions like wikis are being used since they are

cheap, extensible and extremely easy to implement. Many wiki packages also interface successfully with existing network infrastructures and entitlements compliance.

- **Training:** Since the collaboration features are targeted at narrow audiences, training is relatively easy. Advanced collaboration features are rarely made available to an entire employee population. Some training is recommended for these intranets, but it can be conducted by a project or a team when the collaborative environment is established.
- **Adoption:** Adoption of these intranets can be slow, depending upon the company's learning culture. If the imperative to collaborate is strong, they are used as naturally and frequently as telephones. On the other hand, they may lie empty for years, waiting for a critical mass of employees to adopt and integrate them into their business lives. Extensive communication is required when launching these intranets, and employee incentives are needed to encourage employees to move their conversations online.
- **ROI Metrics:** Logical measures of the success for intranets in this stage are basic metrics, such as the number of messages posted, responses to a query, and the number of visits from specific departments or locations. Other metrics, such as user-driven ratings, can measure the value of specific contributions, or, on a broader scale, changes in time to market of a product or offering if the team behind the effort was collaborating through the intranet. For example, IBM includes a suggestion box on its intranet. The intranet team tracks the number of suggestions each month and, of those, the number that actually get realized as solutions. On the whole, though, according to industry analysts, measuring collaboration is difficult and can only be done with carefully selected activities.

Key Takeaways

Many companies struggle with collaboration, but the effort has little to do with how well or badly designed their intranets are. The key success factor is understanding the personality of the company and the existing communication flows. Only then can a company predict how successful the collaboration features will be. Intranets of this type need both executive champions as well as foot soldier champions to succeed.

Collaboration intranets have gotten a second life with the buzz around social media tools, such as wikis and blogs. The next generations of employees are growing up communicating and collaborating electronically far more than the current generation. As a result, collaboration has a bright future in the enterprise. The only question is whether employees will want to use company-administered and -directed tools to collaborate or whether they will gravitate to more informal, grassroots solutions that allow contributions from people outside the company as well.

“Enterprise 2.0 technologies have the potential to let an intranet become what the internet already is: an online platform with a constantly changing structure built by distributed, autonomous and largely self-interested peers. On this platform, authoring creates content; links and tags knit it together; and search, extensions, tags and signals make emergent structures and patterns in the content visible, and help people stay on top of it all. Enterprise 2.0 technologies are subject to network effects; as more people engage in authoring, linking and tagging, emergent structure becomes increasingly fine-grained.”

Andrew P. McAfee in *Enterprise 2.0: The Dawn of Emergent Collaboration* (*MIT Sloan Management Review*, Spring 2006)

Stage 4: Enterprise Information Portals

Stage 4 intranets aggregate information from legacy applications, disparate databases and external sources into a single view. Usually built on portal platforms from one of the major portal vendors, these intranets include significant customization and personalization so that employees are provided only the information and tools needed for them to do their jobs. These intranets also integrate search tools and provide users with the ability to set notifications alerting them to new content and data. These intranets truly serve as employee productivity tools that enable employees to perform key business tasks.

Intranets in this stage provide a personalized experience based on a user's region, department, role and access levels. They require mature governance models, explicitly defined policies and procedures and workflow processes to drive the publication of content.



Current State

- **Sponsorship:** Enterprise Information Portals are expensive and, as a result, are sponsored at the highest levels in a company. With development costs for a medium-sized company exceeding \$1 million, according to industry analysts, CEOs generally sign off on these expenditures. Because of their astronomical costs and the fact that they're support tools, these intranets are watched closely through their lifecycle—usually with CIOs being held responsible for their success.

- **Governance:** Enterprise Information Portals are complex solutions, both pre- and post-launch. They need mature governance models that require employees from all levels in the organizations to manage them. Steering, operating, content, design and technical committees are established to manage decision-making for different parts of the enterprise information portal program.
- **User Needs:** These intranets are supposed to meet every user's needs whether for corporate news, competitive intelligence, self-service, knowledge management or business processes. However, it is hard for enterprise information portals to fulfill their true promise, and, thus, the primary needs they meet are self-service, corporate news, and basic information sharing. While one can argue that these needs are met by intranets in Stage 1, 2 or 3 the true benefit is in the prioritization and aggregation of information for employees, based on certain identifying characteristics and preferences such as role, location, seniority, department, interests, etc.
- **Experience Design:** Most portal companies restrict how much their interfaces can be customized. As a result, most Stage 4 intranets end up looking quite similar and bare. They all have a series of gadgets (also referred to as portlets or widgets) on their home pages that provide access into information repositories, databases and business applications. Historically, these intranets have been adopted slowly, primarily because their interfaces were clunky and hard to customize.
- **Technologies:** Portal software from BEA, IBM, Vignette, Microsoft and others crowd this space. Significant consolidation is taking place among these software players, limiting the technology choices available. With the advancement and adoption of the JSR 168, JSR 17, and WSRP specifications, open source portal servers such as gridsphere, liferay and JBoss are gaining ground. Over the last few years, portal software has gotten easier to modify, resulting in a strong user experience. The major portal software providers are also including social media functionality to keep their packages relevant.
- **Training:** This is where things start to change. Depending upon the applications you have running on your Stage 4 intranet, you may need to conduct extensive training. Instructor-led training is most appropriate for mission-critical applications where high failure rates cannot be tolerated. Often, face-to-face training needs to be conducted by a manager to further explain how the intranet should be used in conjunction with other processes. It is also useful to publish online user guides and include contextual help within the application. Keep in mind that with the personalization functionality, it is easy to push specific training gadgets to specific audiences.

- **Adoption:** Historically, adoption of these intranets has been slow, simply because they often launch with few applications and little content. Companies have realized that for an enterprise information portal to have a successful launch, there must be buy-in from employees at all levels in the company. As a result, enterprise information portals are increasingly launched in a localized fashion, one department or one group of users at a time. This strategy has multiple benefits—it allows the IT department to scale the technical infrastructure in a methodical fashion and enables the intranet owners to promote and educate employees about the intranet in a more strategic, targeted way.
- **ROI Metrics:** A company must manage project costs very closely to get its expected ROI since projects that implement portal packages often run over budget. Tracked metrics include increased employee productivity, reduced head count, cost avoidance on the infrastructure side, reduced employee support costs and reduced IT investment costs. Most companies that deploy portals do see significant ROI benefits if the portals are designed and built around user needs.

Key Takeaways

Stage 4 intranets are built on software that is very expensive to purchase and integrate. Companies moving in this direction must plan carefully before deploying a portal package. Migrating content, managing the single sign-on issues, integrating with legacy applications, introducing personalization and customization, tagging content with the right metadata and getting the security issues ironed out can be challenging, to say the least. Companies that succeed in moving their intranets to Stage 4 are the ones that planned carefully, deployed adequate resources and introduced strong governance teams vested with the authority to make decisions in a timely fashion.

Stage 4 intranets have become extremely common in large companies, especially in the banking, healthcare and retail industries. In many cases, the technology infrastructure benefits of the portal platform are reason enough to migrate the intranet to it. Once a portal package has been implemented, new applications are built within the portal framework, furthering the value the portal provides to the organization. However, it is important to keep in mind that intranets should provide value to all employees, not simply the IT departments. If the primary reasons for including a portal package are technical versus user-driven, then the migration is likely to fail. Understanding how to leverage the portlet concept is critical to success when working within the portal framework.

Executives at one of the companies interviewed for this report communicate with employees via daily webcasts that are published on the intranet. The webcasts, which reach every employee across the company, are extremely popular. Why? Because they not only communicate company strategies but are also used to anonymously respond to employee queries and concerns. The more personal, two-way communication is seen as vital for the health of the company and is a way for employees to better understand their leaders. The success of the webcasts alone was reason enough for the executive team to continue funding the intranet.

Do you webcast via your company intranet?



Stage 5: Digital Dashboards

Digital dashboards take Stage 4 enterprise information portals a step further by integrating real-time or near real-time information from data warehouses and business intelligence systems into an intranet interface, usually one that is built on a portal package. Targeted toward senior members of an organization, these intranets highlight the key performance indicators with which a company or a business unit can be managed. But modern browser-based technologies have made business intelligence available to all levels within an organization. Successful companies have taken advantage of this capability and made sure that high-level metrics extend throughout the organization. Sharing data relevant outside of the senior members of an organization helps everyone in the organization align personal or department-level goals with corporate high-level goals. These intranets include all the features and functionality belonging to the preceding stages, but go beyond them with the digital dashboard functionality.



These intranets are mostly built on enterprise portals or business intelligence software packages. They are actively supported by Corporate IT departments and are seen in the largest and most dynamic companies. In fact, according to Forrester Research, 40% of the Fortune 2000 companies have digital dashboards in their enterprises.

Current State

- **Sponsorship:** Like Stage 4 intranets, dashboards are sponsored at the highest levels of a company—usually the CEO or the CIO. Executives should take this opportunity to make dashboards relevant to all levels in the organization and cascade key performance indicators (KPI's) throughout the organization. In some cases, we've witnessed this at every level, from regional managers to employees working on the factory floor. As the sponsors also form the primary audiences of the digital dashboard, getting funding is relatively easy.
- **Governance:** Digital dashboards target relatively small audiences, so the governance models needed to support them are quite basic. Invariably, new governance models aren't needed when intranets mature to include digital dashboard functionality.
- **User Needs:** Dashboards are fundamentally concerned with displaying business information through an intranet interface. More often than not, the information displayed is of a confidential nature and targeted towards specific users at specific levels in an organization. Employees that make on-the-spot decisions based on data-driven factors like inventory levels, pricing fluctuations, raw material costs or competitor pricing need dashboards the most. More advanced dashboards include green, orange and red performance indicators that enable the user to view real-time results against pre-established targets.
- **Experience Design:** Digital dashboards assimilate mission-critical information from a variety of sources into a single, easily understandable interface. Since the primary purpose of a dashboard is to provide critical indicators to senior level executives who have little time, they have to be extremely well-designed.
- **Technologies:** Three types of technologies are used to drive digital dashboards. Enterprise strength business intelligence software (i.e. business objects, cognos, etc.) is used to integrate and visualize the information, which is then delivered through portal software on the intranet or the dashboard functionality is custom-built into the portal platform itself. Niche dashboard applications are increasingly integrated into the portal environment. Lastly, extract transformation load (ETL) tools are critical to aggregating disparate data into a suitable reporting location and model.

- **Training:** As with Stage 4 intranets, formal training mechanisms aren't always called for with dashboards. The size of your audience may determine whether informal, face-to-face, manager-led training is enough, or whether formal, instructor-led training is required.
- **Adoption:** Dashboards meet the needs of a very small audience very well. In that respect, they're similar to custom-tailored suits. Because they are designed uniquely and precisely for their audiences, they are adopted fairly quickly. Since they provide key business metrics in an easily understandable fashion, senior level employees are excited to use the dashboards and view them as tools to make their work lives easier.
- **ROI Metrics:** Though ROI numbers are hard to come by, these solutions enable employees throughout the organization to make better business decisions. The popularity of dashboards alone is a sufficient indicator of their relevance. Sometimes the ability to quickly spot problems with products or sales in a particular region is enough to demonstrate value. In other cases, increasing the quality of the data behind the metrics provides enough ROI. In the first week after rolling out a digital dashboard, a large beverage manufacturer identified \$1M in cost savings through increased data quality.

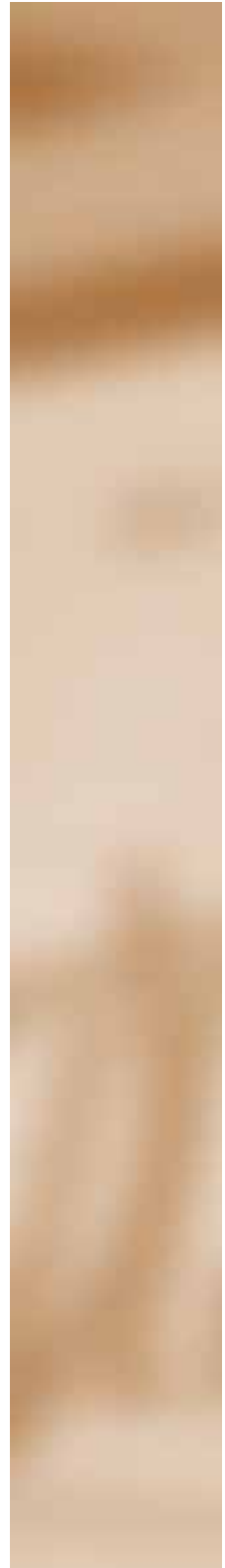
Key Takeaways

Since they depict the financial and operational performance of a business or a department in a visually compelling and easily understood manner, digital dashboards are considered critical by many companies. These dashboards can give new significance to an intranet since they let employees not only communicate, collaborate or conduct business tasks but assess the performance of their business units. The one downside to integrating dashboards into an intranet is their sheer power, which can overshadow the other features on an intranet.

Moving forward, expect to see more dashboard functionality integrated into intranets. When tied to employee directories, collaboration spaces and synchronous communication tools, dashboards will give executives not only views into the business health of a company but also insights into which employees to leverage to solve business issues

A February 13th, 2006, BusinessWeek article described dashboards as the ultimate CEO killer application. According to the article, dashboards are changing the very nature of management, taking it from an intuitive art to a science. For example, at General Electric, James P. Campbell, the chief of the Consumer & Industrial division, which makes appliances and lighting products, tracks the number of orders coming in from each customer every day and compares that with targets.

Does your CEO track the health of your business through a dashboard? If so, what tool does he use?



Stage 6: The Consolidated Workplace Interface

There are very few Stage 6 intranets at the moment. These intranets integrate legacy applications, interfaces and partner portals into a single, consolidated dynamic interface for employees. In the organizations where these exist, they're often not even called intranets. They also integrate email, voice (through VoIP), and contextual tools—in other words, every digital artifact in a company is presented through a single interface. Stage 6 intranets have strong mobile components, so that anything that is available on an employee's desktop is also available on a companion mobile device.



Current State

- **Sponsorship:** Given that a consolidated workplace interface requires dramatic organizational and technical changes within a company, these solutions obviously will have to be sponsored by the CEO. Developing these solutions is a mammoth task. They will be prototyped within more forward-looking business units and departments first or in those areas that either missed the last technological upgrade cycle or have a pressing need for a solution of this kind.

- **User Needs:** Unlike intranets in the earlier stages, these intranets don't simply address the communication, information and collaboration needs of employees. They respond to the way employees accomplish tasks in the workplace. As a result, they address the complexity that has arisen through the proliferation of technology.
- **Experience Design:** The workplace interface is fundamentally concerned with bringing simplicity to all the digital touch-points that an employee may have. It is not only incredibly usable but contextually aware through some degree of artificial intelligence. For example, these interfaces may include technology that "holds" less important emails when employees are accomplishing mission critical tasks and only delivers them upon completion of the tasks.
- **Technologies:** Some of the technologies seen in the consolidated workplace interface include VoIP, guided navigation, enterprise instant messaging, the semantic web, visualization, content analysis, mobile, RIA, AJAX and context aware portal software.
- **Training:** On the surface, these solutions may appear to require extensive training, but that may not necessarily be the case. They are completely different interfaces, in some cases breaking out of the browser metaphor. But at the same time, they're designed to better reflect the way employees interact with technology. Determine your training needs based on the technological savviness of your employees.
- **Adoption:** It is too early to tell how well these Stage 6 intranets are being adopted in most companies.
- **ROI Metrics:** Increased employee productivity is key to ROI metrics and, more specifically, in the ability of employees to complete tasks in a more timely fashion. With fewer visible disruptions, consolidated workplace interfaces allow employees to focus on the task at hand and accomplish more in a given day.

Key Takeaways

Consolidated workplace interfaces are just beginning to appear in companies across the country. While they take corporate intranets to a new level, many of them can barely be recognized as intranets. Technology companies from portal software providers to telecommunication players and application software providers, such as Microsoft with Office 12, are hoping to lead the way. Forrester Research refers to Stage 6 intranets as the information workplace, while IDC calls them the Enterprise Workplace, a new user experience platform. (“The Information Workplace: Who Wants It and When?” Forrester Research, Inc., April 27, 2006)

According to Forrester Research, Verizon is one of the few companies that has developed a consolidated workplace interface, which has been deployed to 65% of its 214,000 employees. (“Verizon’s Information Workplace,” Forrester Research, Inc., September 14, 2005.) The interface is based on a functionally-rich enterprise portal, speech portal, right-time communications platform, and a scrolling executive dashboard.

Trends That Will Change Your Intranet

1. All intranets are maturing through the stages

As intranets integrate into the organizations they serve, they are losing their independent identities. Why? Because IT departments are pushing to consolidate the interfaces, applications and data sources accessed everyday. The argument goes that fewer interfaces will mean less training, reduced usability issues, greater application stability and increased employee efficiency and satisfaction.



Moving forward, intranets will expand beyond communication, information sharing and employee self-service and will mature more quickly to Stage 4 or Stage 5 intranets. They will include process-specific business applications and personal information management tools like calendaring. As these intranets morph into Swiss Army knife-like systems that solve more employee problems, the lines between enterprise applications, department specific tools and employee intranets will blur considerably. We're already witnessing this. Expect the pace of this consolidation to quicken, especially as companies standardize their portal infrastructures and integrate Voice over IP and other Stage 6 functionality.

For example, corporate email, telephony, mobile warrior applications, virtual team rooms, executive dashboards, and enterprise intranets are currently distinct tools with independent owners, budgets and business cases behind them. However, in the not-too-distant future, you'll have a single, integrated voice and data interface that will combine these tools in a dynamic, natural and adaptive manner. Regard-

less of whether you call it the Enterprise Workplace or the information workplace, expect the trend to hit you in the next two to three years.

2. Intranet ROI will be pushed to the back burner

When was the last time that your management team asked you to create an ROI model for corporate email? It was probably quite some time ago. In contrast to email, intranet managers have often been asked to justify investments in their company intranet. Well, there's good news. In the future, senior executives will be less concerned about the tangible ROI of an intranet. It will be an assumed cost of doing business, just as corporate email.

Intranet maturity and its successes are driving this trend. Executives have seen how intranets can empower the workforce and increase employee productivity. They've surveyed their employees and understand how the intranets are being used and by whom. They've also discovered that intranets have become indispensable tools to support information sharing, knowledge management, sales-force automation and news dissemination.

Furthermore, these executives have recognized that to compete effectively against low-cost firms in China and India, they need a more knowledgeable, efficient and trained workforce. Intranets, especially those that incorporate third generation knowledge management tools in the form of blogs and wikis, are a key part of this competitive strategy. When viewed through the lens of a competitive game plan, the ROI justification becomes obvious.

The only exception to this rule is when major technology investments are required. For example, if a company is planning to jump from a Stage 2 intranet to a Stage 5 or a Stage 6 intranet, the intranet managers will need to create detailed ROI models depicting projected dollar returns.

3. Expect intranets to become even more pervasive

We've seen intranets gain momentum in corporate America. Most companies have sizeable intranets today. Many complement these intranets with department-specific ones that focus on unique business processes or functional needs. A good example of this is a marketing resource management intranet for the marketing department.

As a testimony to the success of intranets in the workplace, expect to see even more intranets in the future. At one end of the spectrum, intranets for company boards are surfacing. These intranets are designed for sharing, collaborating, brainstorming, and disseminating news and information to very small user populations—the board of directors only.

At the opposite end of the spectrum, farmers in India access a food company's intranet to get commodity prices, weather information and farm management knowledge as well as to sell their crops. Two million farmers use the intranet and every day more log on to use it. The food company's competitors are being forced to build similar tools.

Expect to see many more dynamic, innovative intranets in the near future, whether they're servicing the board members of a Fortune 500 company or farmers in a developing country. Also, expect to be challenged to deliver more dynamic and innovative intranet solutions for your employees and business partners. The intranet growth is mostly seen with intranets in the third stage as companies realize the power of collaboration in a shared electronic space.

4. User experience matters at last

In the past, employees have demanded more aesthetic experiences on their intranet. That has certainly been the case over the last year; however, we're seeing another trend surface as well. Employees are demanding simpler, more intuitive and more web-like intranet experiences.

We call this the "Google Effect." Time and again, employees repeatedly ask that their intranet user experience be as simple, efficient and satisfying as their Google experience. Employees don't care that integrating information from legacy databases and enterprise systems into a single interface can be challenging and expensive. In their minds, if Google can provide a quality user experience, then so should their company intranet.

IDC explains this trend as a new "user experience platform" emerging to improve the lives of information workers as existing intranets and transactional applications are integrated. And for intranet managers, this is good. A few years ago, employees barely cared about their company intranets. Today, they're using their intranets so much that they expect them to have the simplicity and usability of Google or Yahoo! Furthermore, in many large companies, the intranet serves as the official face of the company. Companies with unusable and complex intranets are doing their employees a huge disservice.

5. The Ajax revolution hits the intranet

There has been a lot of buzz about Ajax in recent months. Ajax is a loose collection of programming technologies that speeds up the web experience and brings greater interactivity to websites. Google Maps, which allow you to scroll around city maps as if it were a local application on your desktop, is an excellent example of an Ajax implementation.

Imagine a physical map of your office on your intranet. Also imagine that you can scroll around it, click on a graphic of a desk and get a person's name, designation and contact information. And imagine if by clicking on his or her name, you got a listing of all the recent emails sent to you by that person. Or imagine an application on your intranet that lets you quickly calculate your ideal monthly 401k contributions and depicts the results in a graph, without requiring several pages to load. And imagine the graph could be manipulated in real time. That's the power of Ajax.

As you can tell, the possibilities are endless with Ajax and other similar technologies and tools like Macromedia Flex and Microsoft's new Windows Presentation Framework. Expect to see nifty, task-oriented, highly interactive Ajax and flex-based applications on your intranet fueling the next wave of user adoption.

6. Blogs come and go but RSS will remain

Blogs were arguably the most significant web phenomenon of 2005. Everybody from presidential nominees to the local postman is blogging these days. Companies like Sun Microsystems, Google and Maytag have been caught in the hype and have enthusiastically set up both customer-facing blogs and internal-facing ones too. But will employee blogs last? Will there be even more blogs in the next year?

Some employee blogs will last, but, unfortunately, most won't. Many companies that enthusiastically set up employee blogs ignored the two most important ingredients for blogging success. The first is that the blogger needs to have something important and unique to say. According to a recent survey by America Online, the most popular blogs are the most personal and opinionated ones. Most organizations have cultures that subconsciously encourage information hoarding and group think. These organizations will find that their employees are reluctant to share their knowledge and personal insights unless they see tangible benefits to doing so. As a result, most employee blogs will be superficial and boring unless, of course, they are anonymous.

The other ingredient that drives blogging success is independence. The most successful bloggers are the ones who don't feel censored. Company cultures often force employees to be extremely self-aware and reluctant to say or do anything that may put them at odds with the official order. This, too, will limit the success of blogs in the enterprise workplace. The people who have something really important to say will be the ones most reluctant to say it.

The technology to watch is Really Simple Syndication (RSS) and Atom. Companies that embrace RSS as a content format and use it to publish information to employees will have far greater success than with blogging alone. Enabling employees to subscribe to subject and department specific RSS feeds and then view them through readers will enable more targeted, community-focused conversations in the workplace. And the ease with which postings can be viewed in an RSS reader will encourage more employees to participate. For RSS to be adopted, however,

companies will have to allow employees to subscribe to both internal and external RSS feeds. If this happens, then, in some companies, blogging combined with wide adoption of RSS readers will become even more relevant than the company intranet. Microsoft, Google, and Apple have far reaching visions for RSS and Atom, including the ability to syndicate calendar items or to-do items. Apple has leveraged RSS enclosures to make podcasts possible.

7. Wikis gain prominence and get integrated

Another frequently discussed web publishing phenomenon is wikis. Wikis enable users to easily edit or update an existing webpage. User-created wikis such as Wikipedia, the Wiki Encyclopedia, have been getting a lot of attention. The question is, will wikis invade the corporate workplace in 2006, as blogs did in 2005?

Several smaller companies have used wiki platforms to develop their corporate intranets. The technology is free, and it empowers employees to engage in information sharing more actively. However, not all companies want to empower their employees with the ability to edit the corporate intranet. To many companies, the intranet represents the corporate voice and therefore needs to be controlled tightly.

In a similar fashion to blogs, wikis have room in the workplace, but only if they're used for the right purpose and if they have the right culture to flourish in. Many smaller, less-structured companies have embraced wikis as their intranet technology platform. For these organizations with flatter, less formal hierarchies, the self-correcting mechanisms of a wiki create the right balance of empowering the employees to share and preventing things from spinning out of control. After all, each time a contributor edits or adds to a page, his or her name appears in the revisions list.

Larger organizations are taking a more cautious approach to wikis. In these organizations, wikis are being used to support small project teams that depend upon extensive collaboration, whether it is around a product or a research article. Expect to see a lot more mini-wikis in the workplace in the near future.

8. Social Networking

Social networking is a trend to connect employees "in the know" who have a passion for a topic. A company's internal systems and processes know what projects someone has worked on, what interests that person has and what documents/content/posts the person has shared. Leveraging this information allows employees to build ad hoc social networks around important business topics. Taking a cue from existing consumer social networking sites like wikipedia, squidoo or wikihow, the leveraging of internal system information can take knowledge management to the next level.

Ideas to Steal from the Consumer World

- **Google Maps:** Does your company have multiple locations around the world? Or maybe you own several buildings in downtown Manhattan? Then consider integrating Google Maps so that employees can find another employee's physical locations more easily.
- **Skype IP Telephony:** Maybe your company hasn't made the move to Voice over IP. Or maybe you have a significant number of mobile workers. In either case, think about introducing a Skype-type solution so that employees save on their personal phone bills.



- **EBay Auctions:** Most large companies have successful classified sections on their intranets. Why not take that a step further by integrating eBay-type auction functionality? Your employees will get a better deal on whatever they're purchasing, and they'll enjoy the chase.
- **Social Search:** Yahoo is experimenting with social search. They believe that most people are more interested in search results that are validated by their peer group. The same applies to corporate intranets. On intranets, it is hard to know which pages are most useful, especially when scanning a list of 900 search results. But what if the employee knew what everyone else in his or her department had found useful? That's the power of social search.

- **Podcasting:** We all love our iPods. And now there's an opportunity to use podcasting in the enterprise. Podcasting can be used for audio white papers, meeting recaps, product demos and virtual conferences. Your employees will be able to catch up on their work while driving into the office. They'll love it.
- **UPC Codes:** Save printing and mailing costs by moving information that needs to be distributed to different offices online. One company realized significant cost savings by publishing its UPC codes online for its sales force. Employees out in the field didn't mind printing the UPC codes because they were getting them sooner.
- **Blogging:** 2005 was most certainly the year for blogging, both outside and inside the enterprise. Employees are realizing that the best way to communicate and share information quickly and effortlessly is through internal-facing blogs. CEOs blog to the external world and to their employees. Managers write about product delivery schedules, and HR leads keep blogs to notify employees about new initiatives.
- **Social Tagging:** Most companies invest heavily in enterprise-wide taxonomy initiatives that then form the basis of the navigation system and search interface on the company intranet. But consider using social tagging concepts whereby employees tag content themselves based on words that they would use to describe the content. It will create "bottom up" taxonomy, which will be more user-centric.
- **Audience Rankings:** Every day, hundreds of news items are published on intranets for employees. As a result, it is sometimes difficult to know what is important. But if you ask employees to rate the importance of each news item, it will make it simpler for other employees to uncover what is important.
- **Prediction Markets:** Prediction markets capture group intelligence to drive decision making by aggregating individual opinion in a similar fashion to the way a stock market assigns a value to a company through a traded stock price. "Market predictions often outperform those of even the best-informed expert."—James Surowiecki, author of *The Wisdom of Crowds*. Companies are quickly adopting prediction markets in an attempt to leverage the collective wisdom of corporations.



A recent JupiterKagan survey shows that consumers use RSS reader applications and web services equally both in the home and at work. As noted in the report:

- 6% of online consumers said they use an RSS reader at home, while 5% of consumers said they use such an application at work.
- 6% of consumers said they use a web-based RSS service at home, while 5% of consumers use a service at work.

While the overall number of consumers who use RSS readers is small, this market is growing due to a wide variety of choice of content and sources, along with the increased awareness of the weblog phenomenon by mainstream consumers.

Insights from Intranet Managers

1. **Keep it simple:** Treat your intranet like Google. Don't make it any more complicated than it needs to be. Employees are busy people who don't use the intranet for entertainment. Give them exactly what they need to do their jobs. Do not distract them from their core business tasks; you'll lose your funding in a flash.
2. **Get executive sponsorship:** Intranets only succeed if they have executive sponsorship. Don't try to redesign your intranet if you don't have support from the highest levels in your company. Keep in mind that it is not enough to get executive support from your own boss. Your executive needs to convince his peers of the value; otherwise you'll hit roadblocks as soon as you do something that has an impact on another department's intranet.



3. **Don't over-complicate the governance:** Intranets need strong governance models to succeed, but they don't need complicated ones. If your governance model is burdened by too many layers, you'll get mired in bureaucracy. Your end users will be lost in the layers of management. Start simple; you can always extend governance when you see the need.



4. **Continuously validate with users:** Intranets are expensive to build, and if you build wrong, you'll lose goodwill and credibility. Don't design in a vacuum, and take the extra time to validate your designs. Shop them around with as many users as you can. Show them to every senior manager you can reach. Even publish them on your old intranet and invite feedback from employees across the company. You'll save time and money in the long run.
5. **Manage change through communication:** Recognize that changing an intranet can be a difficult process, both for existing intranet publishers and employees. Communicate frequently and sincerely about your intranet redesigns. Do a lot of handholding to mitigate the pain. Your employees may not be ready for the best practices that you're planning to introduce and your intranet designers may be fearful that they're going to lose their jobs.
6. **The intranet is not a silver bullet:** Intranets are essentially support tools. If page views do not quadruple after a redesign, don't lose faith. The applications that are linked from the intranet may be to blame, not the intranet itself. In some cases, there may be business processes that shouldn't be on the intranet at all. Just because the intranet exists, it doesn't mean you should try to move everything to it.
7. **Always consider channel integration:** Just as messages to customers are kept consistent across different channels, the intranet should support communications distributed to employees via email, company television, voicemail or print. Excessive duplication is not the answer, but continuing the message from email or an offline medium to the intranet will create a natural direct channel fulfillment model.

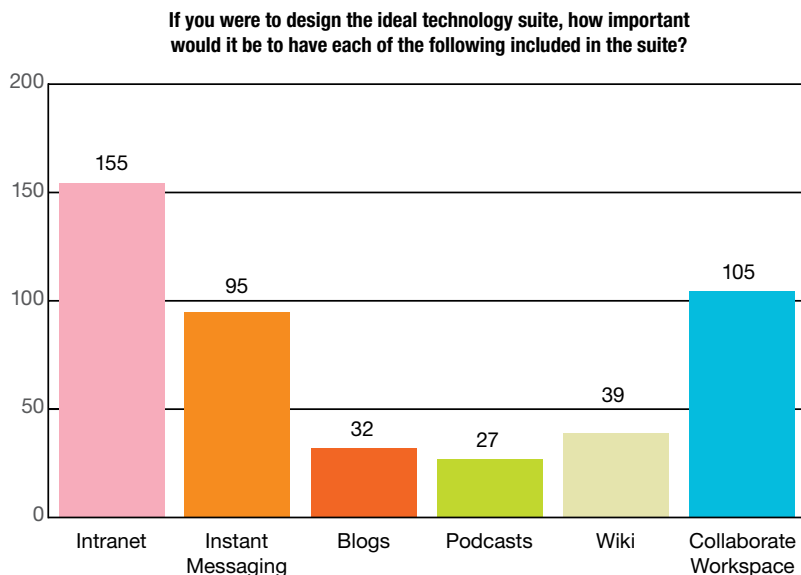
A Quantitative Perspective:

In partnership with Boston College MBA students, Razorfish recently conducted a survey in the Boston area with 274 mid-level managers on how technology is changing their workplace productivity. Some of the key findings of the survey include:

Intranet Usage

- 80.4% of the respondents use their intranets , and, of those, 60% of the survey respondents used them on a daily basis. However, most of these respondents also remarked that their company intranets were cumbersome, disjointed and difficult to navigate. In fact, many appear to be stuck somewhere between Stage 1 and Stage 2.
- The most important information needs met on the intranet in order of importance were:
 - corporate news
 - HR & benefits information
 - employee phone directory
 - file sharing
 - product and client information
 - industry information

These results are hardly surprising and reflect the importance of company news and the self service aspects of intranets.



Instant Messaging

- 49.6% of the respondents use instant messaging software within the enterprise, while nearly 70% felt that it was important to incorporate into a hypothetical perfect intranet suite. Increasingly, vendors that provide intranet solution — whether they are content management systems, enterprise wiki providers or portal providers — are integrating instant messaging into them.
- 28.9% of those that do use instant messaging were required to do so as a part of their job function. Of those that did not use instant messaging, 38.4% indicated that their company policies prohibited usage. This is a surprising statistic since the benefits of enterprise instant messaging have been talked about extensively over the last two to three years.

Collaborative Workspaces

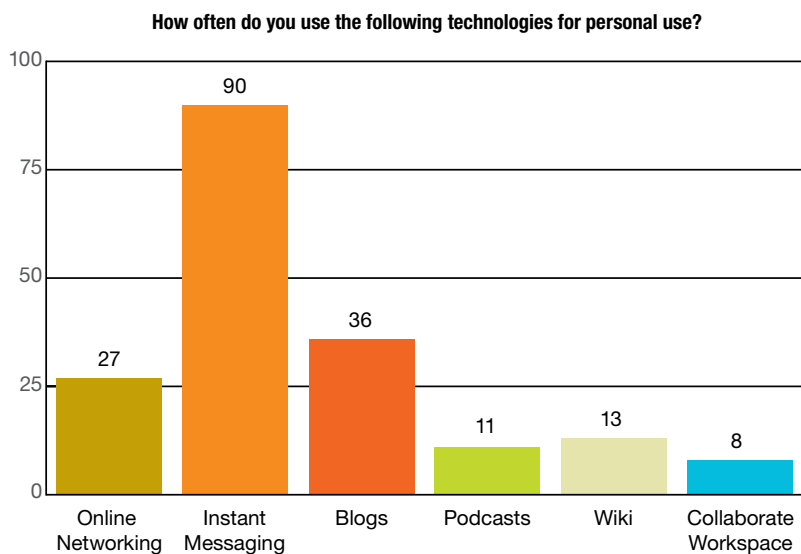
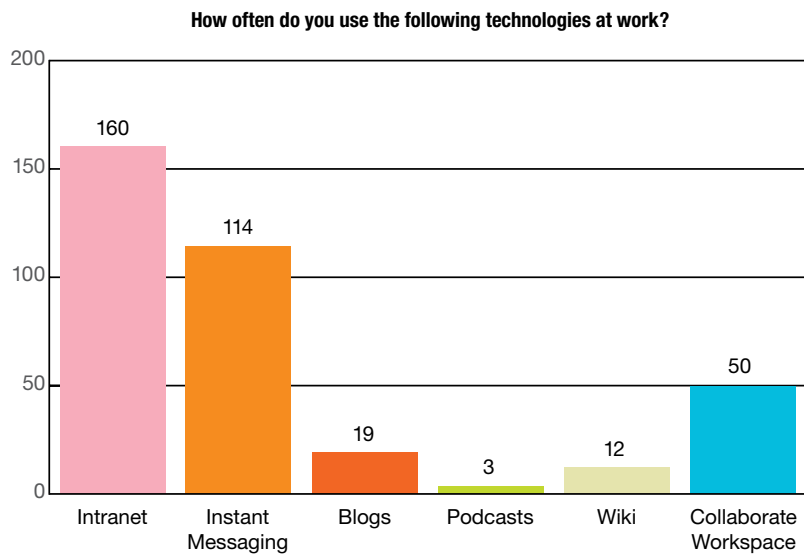
- The survey showed that employees extensively use collaborative workspaces (Documentum eRoom, eProject, Sharepoint etc.) to communicate with co-workers. 93.1% of the respondents surveyed said that they used a collaborative workspace though these were not always integrated with the intranet.
- On the flip side, only 53% of the respondents felt that it was easy to track changes made to projects or documents on the workspace and exactly 50% said that they were satisfied with the tool.
- The driving factors limiting greater usage were the lack of integration with other tools such as the intranet or Microsoft Outlook, the complexity of the tools and the lack of IT support.

Enterprise Podcasting

- A surprisingly high number of respondents answered “yes” when asked if they used podcasting in the workplace (21%). But further questions demonstrated that a lot of respondents treated audio and podcasting as synonymous tools. Podcasting usage was also concentrated among respondents in the Consulting (25%), Technology (18.8%) and Education (12.2%) industries.
- Podcasting usage was centered primarily around industry updates, client related communications, and training and recorded materials, while the primary devices used were PDAs (57%) and Portable MP3 players (35%).

Other Findings

- When asked about the barriers preventing or limiting the use of technology in the workplace, the primary reasons were not related to the person's job (35.1%), a lack of time (32.3%), limited training (24.2%), too many interfaces (22.6) and too many passwords (20.2%).
- Respondents who did not use instant messaging technology in the workplace were less likely to use other technologies at work. Over 70% of the respondents who did not use instant messaging at work did not use blogs, podcasts, wikis or collaborative spaces.





A Word on the ROI Question

In a controversial book titled, *Does IT Matter?*, journalist Nicholas G. Carr recently pointed out that information technology has a mixed track record in improving employee productivity. He argued that historically there have not been clear correlations between information technology investments and increased employee productivity. Some executives in large companies stretch this pessimism to include corporate intranets as well. As you look to enhance your intranet, expect to face some resistance.

Corporate intranets do improve an employee's ability to access information needed to do the job. They enable the employee to connect with other employees more easily. For large companies, they also serve as a cost-effective communication tool, saving employee time and employer dollars. But whether that extra time is used to conduct more business, make better decisions or simply to leave work early is hard to tell. No amount of intranet analysis or market research is going to change that.

That is why, when considering intranet investments, it is imperative to establish clear objectives and track the results as scientifically as possible. Do not upgrade your intranet just because you have the money to do so, or because a software vendor has sold you a new search, collaboration or portal package. Recognize that measuring intranet ROI will sometimes be difficult. The expected rate of return, the payout period, the investment's expected productive life and the risk in not making the investment or deferring can be difficult to determine.

Nevertheless, today every Fortune 2000 company has an intranet, and one that they continue to invest in and enhance. The expected payback for these companies depends on the intranet's purpose, its maturity stage, the company's industry and the company culture. But the Fortune 2000 companies continue to invest because they realize their knowledge workers need the intranets just as much as they need email and telephones. You can't place a numeric value on the telephone or the email; likewise, it is sometimes difficult to assign a monetary value to the intranet – which doesn't mean you shouldn't invest in it.

Conclusion

Information technology is transforming the business world. The most successful companies are increasingly the ones that efficiently use technology to manage data, information and knowledge flows across their organizations. Still, we are just at the beginning of this change.

As Peter Drucker explained in a 1984 Harvard Business Review article on knowledge management, companies will recognize that to succeed in the marketplace, they need to be information-driven, with the right employees having real-time access to the right data points in order to make the right decisions. These employees will be specialists who can quickly digest the information, make astute decisions and monitor the results of their actions.



Intranets play an important role in this vision by serving as the single, consolidated interface through which employees access a company's intellectual assets. But most intranets are bogged down in the first two stages of maturity, focusing on delivering the most basic of information to employees. Herein lies the opportunity. The company that is able to transform its intranet into a dynamic knowledge tool that enables employees to accomplish business and personal tasks in the workplace will be the one to realize strategic long-term competitive advantage.



About Razorfish

Razorfish (www.razorfish.com) is one of the largest interactive marketing and technology services firms in the world. Razorfish operates 12 offices located in major U.S. markets.

The Enterprise Solutions practice at Razorfish designs and builds enterprise intranet, extranet, and partner portal solutions that help organizations empower their employees and partners with the information and tools needed to do their jobs – efficiently and effectively. Leveraging our strengths in user-centric design and technology development, we work with Fortune 500 companies to build workplace solutions that meet user needs and map to business goals. The result: employees at companies like BellSouth, JPMorgan Chase, and Time Warner are able to communicate, collaborate, share knowledge, and perform business tasks more effectively, enabling significant revenue gains and cost savings throughout their organizations.

Visit The Workplace blog (www.theworkplaceblog.com) to keep pace with news, trends, commentary and events affecting the enterprise workplace and corporate intranets. The blog provides a unique perspective on what's happening in the market and how companies are retooling their intranets to meet the needs of the evolving enterprise workplace.

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