How an Intranet Can Transform Your Corporate Culture

BONZAI INTRANET WHITE PAPER

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In the early days of intranets, a company's HR or corporate communications department used an internal website as a one-way communication vehicle to disseminate private company news and announcements. In most cases, it was a basic web portal that employees logged into at their own discretion, read a bit of news, and then forgot about. Now, corporate intranets have evolved to become the cultural communication hub for mid to large-sized organizations. Being so central to organizations, the intranet has become integral to transmitting company culture.
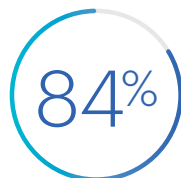
In rapidly changing business environments, corporate culture is the glue that holds organizations together. Top executives believe that corporate culture is a key force that drives value creation and the success or failure of an organizations. To corroborate this, here are a few quick stats from a research study[1] that interviewed 933 CEOs and CFOs across North America:

78%
of CEO's believe corporate culture is in the top 5 value drivers of their company

91%
believe improving corporate culture will increase the firm's value

84%
believe poor culture will increase chances of illegal or unethical behavior

Before we explain how an intranet can tangibly transform your corporate culture, it's important that we outline some rubrics for determining what a great corporate culture actually is.

Contents

cor·po·rate cul·ture

noun

Refers to the beliefs and behaviors that determine how a company's employees and management interact and handle outside business transactions. Often, corporate culture is implied, not expressly defined, and develops organically over time from the cumulative traits of the people the company hires.

sources:
1. Graham et al. (2014), Corporate Culture: Evidence from the Field

What is great corporate culture?

According to Harvard Professor, James L. Heskett, great company culture can improve business performance by up to 20-30% when compared to "culturally unremarkable competitors"[2]. Intuitive in nature, a positive environment equates to greater levels of employee satisfaction. When employees are passionate about the work they do, and the company they work for, it is no coincidence when these businesses come out on top.

In fact, strong work place culture is correlated to superior business performance. The Great Place to Work Institute ranked our World's 25 Best Multinational Workplaces so it makes sense that the list is comprised of market leading companies such as Google, Microsoft and American Express[3].

Surveying 933 North American CEOs and CFOs, a team of academics from Duke University found that executives agreed that corporate culture is characterized by a:

1. Belief system
2. Coordination mechanism
3. Invisible hand
4. Conduct of employee interaction
5. Standard of behavior
6. Work ethic, and ambience of the work environment
7. Operating style
8. Tone for what type of company this is

These same executives also agreed that there are common mechanisms at play in the creation of great workplace culture.

sources:

2. John Coleman (2013), Six Components of Great Corporate Culture

3. Great Place to Work (2015), 2015 World's Best Multinational Workplaces

4. Prescient DIgital Media (2009), Finding ROI: Measuring Intranet Investments

5. Susan Sorenson (2013), How Employee Engagement Drives Growth

6. Bitrix (2011), Evaluating the TCO and ROI of an Intranet Portal

7. Chui et al. (2012), The social economy: Unlocking value & productivity through social technologies

8. Infocom (2014), A Study of Trends, Costs, and Attitudes toward Business Travel and Teleconferencing, and their Impact on Productivity

4 Mechanisms of Great Culture

Leadership that promotes great culture

When influential leaders instill and make decisions that are aligned with a common belief system, it ripples throughout the entire organization. Leadership must deliver cultural messages and back them up with processes that filter these messages to every tip of the organization.

Coordination, trust & communication

83% of executives believe that trust between employees is a integral factor for great and effective company culture[1]. Following this, 73% of CEOs and CFOs believe that coordination among employees is key to positive corporate culture. In effect, when employees trust each other, they will coordinate and collaborate with ease. A large factor of trust, has to do with predictability. When employees can predict how their colleagues and superiors will respond or react in any given circumstance, effective communication will ensue.
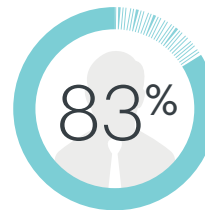
83% of executives believe that trust between employees is a integral factor for great and effective company culture

Engagement

Buy-in or engagement with corporate culture is without a doubt the most important factor of effective culture. If employees feel that culture is aspirational, rather than real, they will not engage. A strong narrative that enforces the culture story can be a powerful tool for getting culture to stick. CEOs interviewed during the research study recommend incorporating video, training material and face-to-face sessions to help indoctrinate the narrative.

Learning & Innovation

How organizations perceive failure is integral to corporate culture around learning and innovation. 55% of executives identified "the emergence of new ideas organically in a firm as a key factor in making their cultures effective". Companies that promote risk-taking on new ideas regardless of their success or failure tend to have more innovative cultures.

The Intranet Reinforces Your Corporate Culture

While an intranet is not the sole component of great company culture, it is proven tool to that aids in the permeation of it. Idealistically, the digital workspace is a reflection of the existing culture or a representation of what the culture could become. To promote great culture, an intranet efficiently aids in the four mechanisms of creation including:

- Leadership to employee communication via centralized channels like homepage news banners

- Collaboration, coordination and trust-building via social networking apps

- Engagement opportunities via event pages and content creation, coupled with analytics to track and monitor activity

- Opportunities to learn and share innovative ideas with the right people in your company

Let's dive-in and pick apart these culture creation mechanisms and how an intranet supports them a little further.

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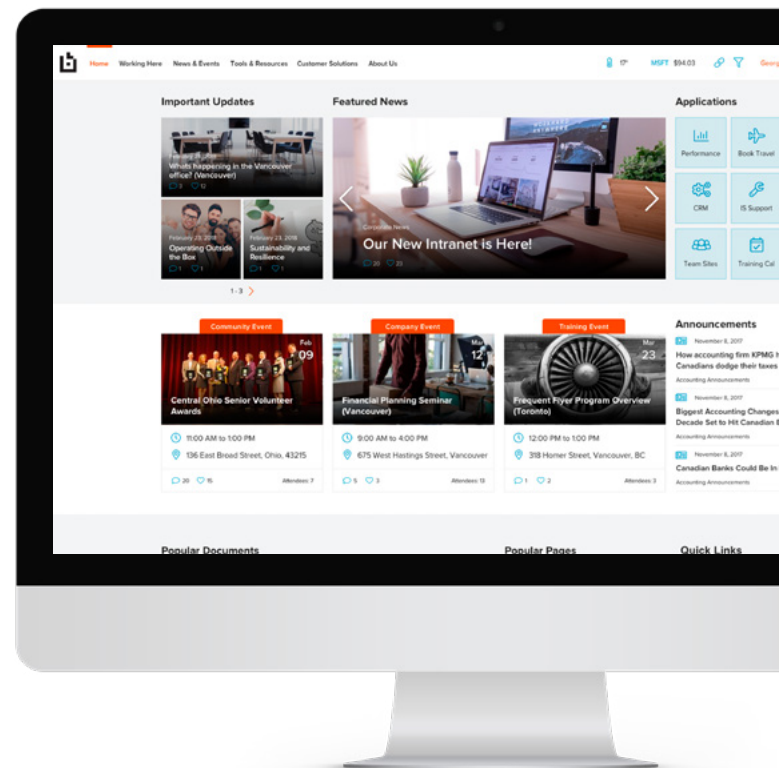
Using BONZAI has made a significant difference to my workday. Feeling connected and learning about other employees and events is a huge part of engagement

-Douglas College Surveyed Employee

Bring Employees Closer Together

In the modern business world, it can be trying to get in touch with the right people in your organization. Large, multinational organizations typically experience difficulties with cross-border communications.

But it is also true for organizations who have employees that work remotely.

Company directories and departmental pages are key to helping break down physical distance and barriers. When employees can easily search for the people they need to find within an organization, or find the information they need on departmental pages—it is much easier to collaborate.

Take Rogers Communications Corporation for example. Prior to implementing a single, centralized intranet, they operated with intranets for each business division. This resulted in duplication of content, poorly maintained content and pages, difficulty locating co-workers, and ineffective processes. After uniting other business divisions with a centralized intranet for all Rogers Communications employees, the national media company experienced a burst in cross-division communication and annual administration cost-savings of over $100,000[4].

Increase Engagement & Tracking Mechanisms

Gallap surveyed 193 companies and found that those who ranked in the top quartile of positive employee engagement operate better and enjoy 22% higher profits[5]. These companies also experienced a decline in employee turnover by 65%, had 48% fewer safety incidents and recorded 37% less sick days. For an organization of 500 employees, this averages in an increase of $3.3 million profitability over three years.

An intranet plays a key role in positive employee engagement as it provides opportunities for employees to do just that—engage. Whether that is engaging with other employees via your company directory, sharing stories on exciting project successes, registering for company events and learning opportunities, or reviewing mission critical process changes; an intranet helps employees engage with ease. Great for engagement, managers also love how these activities can be tracked and analyzed with built-in analytic capabilities. This way, you can reward those who are actively engaged, and motivate those who need some encouragement.

Xerox's newly implimented intranet resulted in:

350K
Technical Support requests processed

$15M
Annually saved

Leading companies in positive employee engagement experience:

⬆ 22% Better profits

⬇ 65% Decrease in turnover

⬆ 3.3m Increase in revenue

⬇ 48% Less safety incidents

⬇ 37% Less sick days

A Vibrant Culture Relies on Trust

A social intranet empowers employees to bring valuable content and thought to on-going discussions surrounding the business. Social intranets empower employees to contribute on a core level – for example by improving business processes and influencing product development based on what they're hearing from customers. These active contributions help elevate the corporate culture to a whole new, very collaborative level.

When Xerox implemented Eureka, an intranet for sharing Xerox' engineers' knowledge worldwide, they were able to process over 350,000 technical support requests in a single year[6]. Efficient data-exchange in Xerox's new system resulted in over $15,000,000 savings through accurate and timely decision-making. It also built a community of trust as customers knew they could rely on a support team that solved issues quickly and professionally.

Digital Workspace Communication & Collaboration

The digital workspace empowers employee collaboration like never before. Using an intranet like **BONZAI**, which works in tandem with your company's existing SharePoint network—employees have a full suite of file collaboration tools at their fingertips. All project files reside on the server and retain a history of edits, along with notes, team member tasks, web links, and ancillary documentation. A social intranet facilitates the creation of communities based around subject matter expertise and skill sets, forming ecosystems in which employees train and educate one another for the betterment of the company, while also increasing each member's visibility to other stakeholders seeking their expertise and skills for a specialized project.
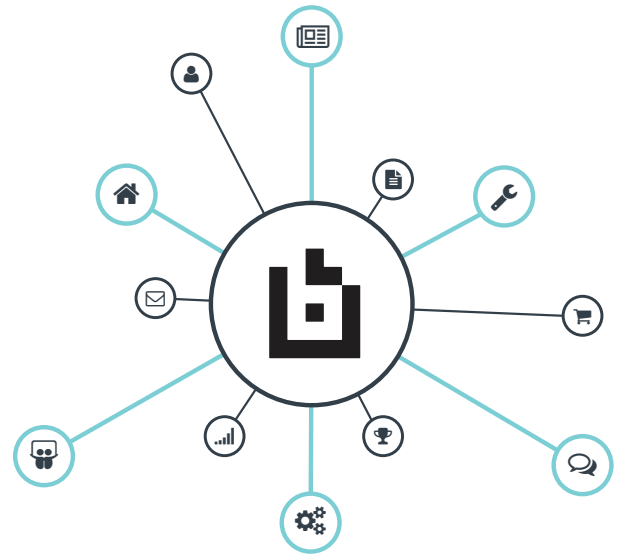
BONZAI Intranet facilitates employee collaboration and production

The average employee spends

17 HRS
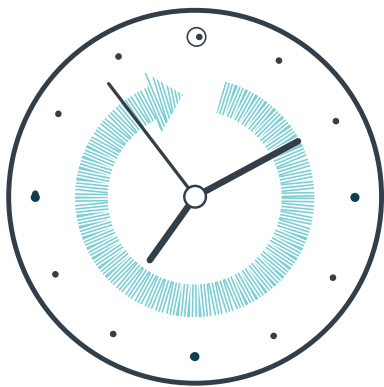
A week clarifying communications via **email**

Reclaim Wasted Time

According to the McKinsey Global Institute's study, The social economy: Unlocking value and productivity through social technologies, about 28 percent of the work week is spent on email[7]. Another study by Infocom, reported that employees spend 37% of their time on email[8]. The study also found that 70% of employees will react to an incoming email within 6 seconds, distracting them from the task at hand. On average, it will take them 64 seconds to refocus. Most frustrating, and detrimental to productivity, employees spend on average 17 hours a week clarifying communications via email. For companies with 100 employees, this equates to $528,443 in lost productivity per annum!

Simply put, email has become a burden – more time is spent navigating through and reading emails then on actual productivity.

The social aspects of an intranet, like those offered in **BONZAI**, have a direct impact on productivity and ❯
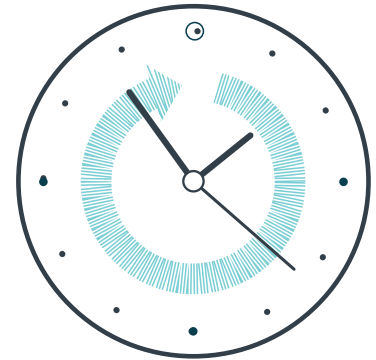
efficiency when fully employed. Employees are able to connect with one another in real-time, and search for information and file libraries with immediacy, reducing time wasted searching for documents and clarifying communications.

Referring back to the McKinsey Global Institute study, the implementation of internal social technologies such as **BONZAI Intranet** "could potentially contribute $900 billion to $1.3 trillion in annual value". Internal social technology has the power to eliminate a large portion of wasted time from the work week, including the 28% spent managing emails and another 20% spent searching for internal resources and colleagues with special skills.

Internal social technology can save

48%

of wasted time in your workplace

Sources:

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BONZAI The stress-free intranet.

A SKYVERA COMPANY

About BONZAI

BONZAI, a SkyVera company, is an award-winning intranet company that provides ready-to-roll intranets for SharePoint and Office 365. As a Microsoft Certified Gold Partner, BONZAI intranet software and services deliver a better means of communicating, collaborating and engaging with employees for Fortune 500 Enterprise Organizations as well as SMBs.

At BONZAI, believe that intranets should better connect and engage employees, but not at the expense of a long, drawn-out and often failed custom deployment. With our proven delivery methodologies and seasoned intranet consultants with deep expertise into both Microsoft SharePoint and Office 365, Bonzai gets users through objective setting, design, ownership, launch/roll out and support in as little as eight weeks.

See Your Stress-Free Intranet in Action Now!

Book a demo to see the rich features, functionality and flexibility of the BONZAI intranet platform for yourself today!

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SCHEDULE MY DEMO NOW!