Can intranets take the next leap forward?

Though corporate intranets are still in their infancy, they're growing up fast. How are intranets changing the way enterprises operate, and how will these and other knowledge sharing tools affect companies in the future? IBM experts share their views.

IBM gathered a select group of IBM experts in organizational change, knowledge, content and document management and interactive marketing and design to discuss the exponential growth of corporate intranets and how they're fundamentally changing the way enterprises operate. They were asked to contribute their most advanced -- and controversial -- ideas, and they certainly kept their promise! We've adapted this Forward Thinking article from this fascinating conversation.

Corporate intranets and other knowledge sharing tools are poised to take an evolutionary step -- which will ultimately lead to an unprecedented level of worker collaboration within enterprises. Companies that make significant commitments to their intranets are streamlining internal processes and creating new conduits for knowledge -- leading to some unexpected competitive advantages.

"We are now at a point where we're very close to providing just about anything any [employee] wants, when they want it," says David Miron, managing principal in the IBM consulting group and a specialist in organizational change.

Moving toward "personal operating systems"
In many ways, the development of corporate intranets mirrors the growth of the Internet itself. The Internet has evolved from so-called "brochureware" to a platform where companies link directly with both suppliers and customers and is now poised to enable fundamental change in how companies are structured.

Likewise, intranets began as a common source of internal data for all employees in an enterprise -- providing information on the company's current stock price, products, benefits, etc. It has since evolved to become a platform where key internal administrative processes can be automated -- such as expense reports, benefits
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registration, etc. -- and is poised to become a tool that will change fundamental concepts of what it means to work within an enterprise.

While this trend is accelerating, Scott Smith, managing principal in the IBM knowledge and content management practice acknowledges, “That type of future environment, the future way to do work, really hasn’t evolved yet.”

“There’s a shortfall between some of the expectations we had as end users when we first thought that we were going to have access to all knowledge, and what is realistic and what we are getting,” agrees Paul Cathcart, a principal in IBM’s enterprise document management solutions practice. “What we really are moving to is the potential side of the equation.”

Brek Benson, interactive marketing and design executive with IBM’s Center for e-business Innovation in New York, calls the ideal intranet a “personal operating system.” Such a system allows workers to instantly connect to the information and resources they need to be most productive. This scenario naturally means accessing e-mail and relevant Web sites -- tasks that most existing corporate intranets and productivity tools already enable. It also includes the ability for customized information to be at the employee's fingertips -- whether it's the results of a client conversation held elsewhere in the company that impacts a project that employee is working on, a pitch or presentation that's been developed elsewhere that the employee can use immediately or instant messages from employees in other geographies or functional areas offering to help solve problems that the employee is encountering.

A return on investment model for intranets

So what are the key stumbling blocks keeping companies from investing in advanced intranet systems that can enable this kind of productivity? For some, it's the difficulty in judging whether significant investments in their intranets or other knowledge management tools are reaping rewards.

“Senior management is very comfortable with a direct cost model -- if I do this and I cut three seconds off of it, I can see the benefits,” Miron says. “The benefits of trust and knowledge sharing [are] a little harder to measure because it doesn't go into a process flow.” Miron believes that it will take a new generation of managers who were raised in more knowledge-oriented environments to force corporations to make these kinds of investments.

While agreeing that current managers are unnecessarily wary of making large investments in these platforms, Smith thinks that a change is already happening, led by new dot-coms that are maturing into established companies. “As these companies continue to grow and become more threatening, they’ll force people to change,” he says.
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The companies that do make a significant commitment to their intranets are at the same time developing innovative ways to gauge the return on their investments. The process of establishing these metrics helps companies discover what's most important to them when approaching their knowledge sharing and intranet programs. For example:

- Financial institutions are most concerned with realtime pricing of their financial products. Recognizing this objective, a major global bank has made it possible for its employees to tailor loan products for individual consumers based on information available through their intranet. Its key measurement is how its intranet is influencing those loan products, and they can compare the information they post to the actual loans that are written.

- Trading companies are concerned with ensuring that their employees are spending the bulk of their time actually trading, instead of handling internal administrative functions and sorting through e-mail. So a major commodities firm posts its most essential information and processes on the intranet and measures the amount of time freed for employees to make better trades.

- Multinational food and beverage companies are most concerned with building their brand by conveying consistent marketing and brand positioning ideas across global markets. That's why a major soft drink company measures the success of its intranet investments by reviewing how many workers take advantage of distance learning projects and by soliciting employee feedback on whether they're reading and incorporating the materials posted on their intranet.

Getting started

Employees are ready to take advantage of good intranets and other knowledge management tools if management provides them. "There is a tremendous desire on the part of associates in organizations to have a smart set of tools and a smart environment that makes them actually look intelligent and be able to meet the needs of their customers," Benson says. He believes if managers assign specific team projects and ask that they be completed in an intranet environment, employees will quickly identify the tools and systems they need to make it happen most effectively. Miron agrees. "People will always try to figure out a way to work together if there's an important enough reason to do it," he says. "The technology simply makes things faster." If there's been one constant in the evolution of technology, it's the rapid pace of change.

Corporations have been slow to recognize how the deployment of advanced intranets and knowledge management tools can radically improve how their employees work with each other. However, as the technology develops and upstart companies deploy it to create a competitive edge, the market will respond. While it may take some time before companies have the capability to offer a "personal operating system" to every employee, it's an
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inevitable destination of all the current trends in knowledge management technology and theory. And it'll probably happen sooner than most people think.

Companies looking to develop advanced intranet and knowledge management systems need look no further than IBM for their solutions provider. “We are so far ahead in our thinking as well as what we sell, it's astounding to me,” Miron said.