

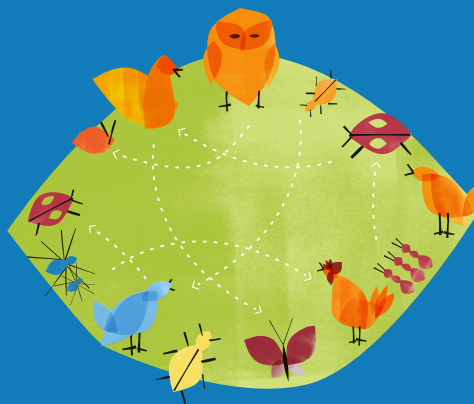


WHITE PAPER

# Social Intranets and Employee Engagement

AN HR SOLUTION FOR  
MEANINGFUL MORALE BUILDING

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ThoughtFarmer

Where Teams + Ideas Grow



# INTRODUCTION

Gallup Inc. and others have demonstrated beyond a reasonable doubt that engaged and happy employees are more productive than their unhappy counterparts. From this engagement, a raft of positive business outcomes follows.

Engaged employees work harder, are often willing to take on extra responsibilities and are a positive influence on other employees. *Unengaged* employees basically serve time and do no more and possibly less than required. The actively *disengaged* may work against the interests of the organization and tend to be a disruptive and morale-depleting influence on others. Unsurprisingly, where employee engagement is generally high, organizations reap the benefits from lower staff turnover to higher earnings per share.

“The world’s top-performing organizations understand that employee engagement is a force that drives business outcomes,” Gallup says.

Yet engagement levels remain cripplingly low in many organizations. In its 2011 *Trends in Global Employee Engagement*<sup>1</sup> research, corporate recruiter Aon Hewitt reported that the overall *average* employee engagement score in 2,900 organizations it tracks worldwide was 56% in 2010—down six percentage points from 2009 and at an all-time low.

Gallup, meanwhile, has estimated that lost productivity as a result of employees being actively disengaged costs the US economy \$370 billion annually.

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For example, high staff turnover, clearly correlated with low engagement levels, should be enough to focus the attention of every senior executive and especially those in HR. According to the Bureau of Labor Statistics, the 2010 staff turnover rate in the U.S. was 35.7% on average<sup>2</sup>—which means rates are much higher in many companies. The associated costs, according to one Cornell University study, range from 30% of annual pay for each hourly worker replaced to as much as 150% for salaried employees.<sup>3</sup>

Building engagement should be the concern of every C-level executive, and it is in top-performing organizations. But too often, human resources managers find themselves singled out on the hot seat when engagement is shown to be



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chronically low. Unfortunately, HR executives cannot fix employee engagement problems as if they were simple technical issues.

Employee engagement is a complex problem, with no silver-bullet solutions. However, social intranets, while no panacea, can have a real and positive impact.

The research available bears this out. A 2008 Aberdeen Group Research Brief<sup>4</sup> reported that organizations using blogs, wikis and social networking tools achieved an average year-over-year improvement in employee engagement of 18%, compared with 1% for organizations that do not use social networking tools.

#### YEAR-OVER-YEAR IMPROVEMENT IN EMPLOYEE ENGAGEMENT



 **Figure 1: Improvements in employee engagement**  
Source – Aberdeen Group

#### INTERNAL SOCIAL MEDIA & EMPLOYEE ENGAGEMENT

Aberdeen's research showed companies with internal social media (social intranets) saw much greater improvements in employee engagement scores.

Gallup itself has begun to look with interest at the role of intranets. "It's a really important topic," says Jessica Tyler, the company's global practice leader for employee engagement and well-being. "In and of itself, [a social intranet] can be an engaging factor, [a way] for me to connect to my work and my organization."

Despite this, HR managers are not often front and center in social intranet projects—perhaps just 20% of the time, based on ThoughtFarmer vice president Gordon Ross' experience. According to Shel Holtz, principal at Holtz Communication + Technology, the impetus more often comes from elsewhere in the organization, often as a directive from the CEO with the project operations push from IT.

The IT role is essential since intranet projects involve implementing server-based software. But we believe the HR Department, especially if tasked with improving employee morale, should more often take the lead role, to help keep the focus on employee engagement and to ensure the engagement-building potential is realized.

In this paper we'll begin our examination by sketching current thinking about factors that determine employee engagement levels and resulting business outcomes, then examine how social intranets can contribute to increased engagement. We'll finish by reviewing best practices to ensure organizations reap the engagement-enhancing benefits of social intranets.

# THE ENGAGEMENT INDUSTRY

Gallup began studying the “human needs and satisfactions” of employees as far back as the 1930s, crystallizing its findings in the last 20 years into “Q12 meta-analysis,”<sup>5</sup> a set of methodologies for measuring the engagement level of individual work forces and then determining correlations with business outcomes across many organizations.

The Q12 refers to the 12 questions put to employees in surveys to determine engagement levels. Examples: “Do I know what is expected of me at work? In the last seven days, have I received recognition or praise for doing good work? At work, do my opinions seem to count? Do I have the materials and equipment I need to do my work right?” Positive answers are assumed to be markers for engagement.

Gallup has refined these questions over years of research. They are copyrighted and cannot legally be used outside a Gallup-led consulting engagement—although the company publishes them widely, and other consulting firms have developed similar questionnaires (which they also claim to be uniquely accurate).

## META-ANALYSIS

The Q12 on its own is a useful tool for gauging engagement levels. The meta-analysis Gallup conducts makes clear how important engagement is and why.

In its current Employee Engagement Overview brochure<sup>6</sup>, for example, Gallup shows the percentage difference in “critical business outcomes” between companies scoring in the top quartile on employee engagement using the Q12—the top 25%—and those in the bottom quartile. Top-quartile companies have 37% less absenteeism, 25% to 49% less employee turnover (depending on the type of organization), 27% less shrinkage (employee theft), 18% higher productivity and 16% higher profitability.

## EARNINGS PER SHARE ANNUAL PERCENTAGE CHANGE



Figure 2: Annual growth in earnings per share  
Source - Gallup

## ENGAGEMENT SCORES VS. PROFITABILITY

Companies with high employee engagement scores far outperformed those with poorer engagement levels. The top 10% of companies with the highest employee engagement levels had much higher growth in earnings per share than the average.

“It’s fascinating,” Tyler says. “There really are not a whole lot of outcomes that [employee engagement] doesn’t effect. For example, accidental deaths in health care workgroups: engaged teams have less accidental death.”

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## BEYOND ENGAGEMENT

Gallup and others are now looking at employee engagement in the context of broader concepts with vaguely ethical overtones—“well-being” in the Gallup schema, “happiness” in the literature of the so-called happiness movement, “trust” or “social comfort” for others. Even countries and global organizations are exploring ways to compliment GDP (gross domestic product) statistics with “well-being” data that creates a more balanced evaluation of a country’s status.<sup>7</sup>

“It is very difficult, if not impossible, to have engaged employees who are not, at some level, happy,” says Andy Jankowski, founder of the consulting firm Enterprise Strategies and global director at the Intranet Benchmarking Forum. “You have to be happy about your current work environment, about the company mission, and you have to have some kind of liking for your coworkers to be engaged.”

While some measure of happiness is a prerequisite for engagement, Jankowski notes, happy employees aren’t always or necessarily engaged. Studies of happiness in the workplace—perhaps less rigorously scientific than Gallup’s Q12 meta-analysis—do show, however, that happy employees are generally more productive.

Happiness movement advocates such as Tony Hsieh urge organizations to develop a “culture of happiness.” Hsieh is author of the seminal text, *Delivering Happiness, A Path to Profits, Passion, and Purpose*, in which he describes the strategies and philosophies that helped him succeed as CEO of the online shoe retailer Zappos.com.

A recent article in the Harvard Business Review by Professors Gretchen Spreitzer and Christine Porath stated that happiness is “not about contentment, which connotes a degree of complacency” but instead is about “thriving.” Based on years of research into high performing organizations, Spreitzer and Porath have started to define a thriving workforce as “one in which employees are not just satisfied and productive but also engaged in creating the future—the company’s and their own. Thriving employees have a bit of an edge—they are highly energized—but they know how to avoid burnout.”<sup>8</sup>

How do you create such a culture? Two key determinants, Jankowski says, are whether employees feel empowered or powerless, and whether or not expressing and receiving gratitude is a strong part of the corporate culture.

Trust in one’s leaders, coworkers, tools—including the intranet—and corporate mission are also “huge underpinnings” of employee engagement, says consultant Holtz. “Social comfort” is a closely related concept proposed by Thomas Vander Wal, a senior consultant at InfoCloud Solutions Inc. The level of social comfort employees feel will determine the extent to which they engage and participate at work.

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## SOCIAL INTRANETS FOSTER ENGAGEMENT

ThoughtFarmer Vice President Gordon Ross has defined an intranet simply as “an internal website that helps employees get stuff done,” and a *social* intranet as “an intranet where all employees can author content and connect easily.”



### DEFINITIONS

#### **Intranet**

An internal website that helps employees get stuff done.

#### **Social Intranet**

An intranet where all employees can author content & connect easily.

Traditional intranets, Ross notes, have very narrow authorship, restricted to a small handful with official ‘editor’ permission. Traditional intranets also lack connections. Content is anonymous and shows no social context, no connection between pages and specific people.

A social intranet allows all employees to author rich content, connects every piece of content to a specific person, and helps people connect with each other. On a social intranet the “people layer” permeates the entire site and makes every page more personal and more human, he says.

How do social intranets work to build engagement, happiness, trust?

### MY OPINION MATTERS

The Gallup survey asks employees if they feel their opinion is respected at work. The broader underlying question may be, do *they* feel respected and valued. Ross argues that simply implementing a social intranet, because it by definition empowers all employees to contribute, sends a message that their opinions do matter and are welcome.

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Another crucial part of it is that social intranets broadcast opinions. Ross notes, “Having a voice means nothing if it’s not being listened to.” Company town hall meetings provide a forum in some companies, but they’re expensive and necessarily infrequent. “Social intranets can be an ongoing town hall, giving people a voice and letting them know they’re being listened to,” Ross says.

Just having a voice contributes to employee happiness, Jankowski contends. “It helps alleviate the feeling of powerlessness.”

Social intranets provide a variety of mechanisms for eliciting opinion, including discussion forums, comments sections in blogs, online polls. Savvy organizations use these to actively solicit employees’ opinions, foster discussion and give employees opportunities to make meaningful contributions.

At DFDL Mekong, an international law firm focused on Southeast Asia, company CEO Michel Dauguet plays a hands-on role in encouraging use of the social intranet. “I went on a tour to all eight countries where we work and presented it to every practice group in the law firm. It’s important that management is showing its support for the new social intranet.”



Dauguet does not actually have a CEO blog on the intranet, but instead focuses on animating knowledge sharing efforts by encouraging people to share and contribute. “That starts with finding the right incentives,” Dauguet notes. He decided to use an iPad 2 as the prize for the best knowledge contributor in the company. Over a three-month period a small committee of three people is monitoring and ranking contributions by quality and quantity.

The screenshot displays the DFDL Mekong intranet homepage. The top navigation bar includes links for Home, Staff Directory, Policies & Forms, Bills & Offices, Practice Groups, Support Depts, Events, Library, and Workspaces. The main content area is organized into several columns. The left column features a 'Manage feeds' section with links to various news items. The central column, titled 'RECENT POSTS', contains several articles, including a staff engagement survey, a welcome message for a new HR manager, a legal update on Cambodian law, and a corporate tax law firm award. The right column includes a 'Quick poll' section and a 'More posts' section. The bottom of the page features a 'RECENT ACTIVITY' section showing user actions and a footer with contact information and a copyright notice.

Figure 3: DFDL Mekong's intranet homepage



Dauguet's active encouragement from behind the scenes tells employees that they all have valuable knowledge and can play an important part in helping the company be more productive and innovative. With tools that make it easy to create and edit blog posts, pages and files, employees find very low barriers to contributing and communicating with anyone in the agency.

Commenting on this type of initiative, Holtz says, "What this is saying is, we value employees' thoughts—*outside* the confines of their own jobs." And that is a very powerful message that encourages engagement and commitment, he says.

Tracy Hutton, who managed a similar intranet while vice president of employee experience at Intrawest Placemaking, a resort development firm, says employees told her they were gratified and encouraged by the company's decision to implement a wide-open, truly social intranet.

"They'd say, 'That's amazing that you trust us to edit our own pages.' They thought that was so cool," says Hutton, who is now manager of leadership development at clothing retailer Lululemon. "The intranet told them, 'We trust you, we believe in you, we want your ideas'—and for that reason, they felt encouraged to contribute."

## RECOGNITION & GRATITUDE

The Q12 also asks if employees have recently received praise at work. Where the answer is yes, Gallup says, employees are more likely to be engaged.

A social intranet, notes Jankowski, "is a great mechanism for managers to express recognition of employees and workgroups." A crucial factor, again, is that the praise is broadcast, rather than delivered privately in a meeting or email. It means others know of it, and can follow up with their own congratulations—which many do—amplifying the effect.

It's not difficult to see how public praise might foster engagement and commitment. However, research shows that not only receiving gratitude but also expressing it contributes to employee happiness. "The act of expressing gratitude inherently makes people feel happier than they were a moment before they do it," Jankowski says.

Social intranets provide Facebook-style mechanisms for expressions of peer-to-peer—as opposed to top-down—gratitude and recognition—in the form of 'liking' or giving thumbs up to others' contributions. Some top-performing organizations take this further.

Farm Bureau Bank is the online banking arm of the Farm Bureau, a nationwide non-profit advocacy group for American farmers and ranchers. One of the most popular and successful features of the bank's social intranet, The Insider, is the "shout-out" section, where employees can publicly thank colleagues for helping them at work, or outside work.

*One of the most popular and successful features of the company's social intranet is the “shout-out” section, where employees can publicly thank colleagues for helping them at work, or outside work.*

The screenshot shows the 'insider' social intranet interface. At the top, there's a navigation bar with links like Home, Richard H.'s Place, Departments, Employees, Groups, FBB Life, Shout Outs (highlighted), The Barnyard, and Content Contributors. Below this, the 'Shout Outs' section is displayed. It includes a 'Recent posts' sidebar on the left with links to instructions and various shout-outs. The main content area features a large word cloud with 'THANK YOU' in the center, surrounded by names and words in different languages. Below the word cloud, there's a prompt to 'Want to give a quick Shout Out to a fellow employee?' followed by a list of shout-out posts. Each post has a title, a brief description, and a 'Add tags' button. The right sidebar contains options to edit the page, add posts, and view recent activity.

Figure 4: Farm Bank Bureau's employee recognition forum

New shout-outs are added daily. “They look authentic, they look sincere, and they clearly give people a lift,” Ross says. “The fact that they’re doing it in public, where it’s potentially viewable by peers, even those not geographically co-located, adds to the sense of community and camaraderie it builds.”

### A FRIEND AT WORK

One of the more contentious Q12 questions asks employees if they have a friend or “a best friend” at work, someone with whom they’ve bonded socially. Gallup research shows that when they do, they are more likely to be engaged employees.

Holtz questions whether this can always be a valid metric. In some organizations, he points out, workgroups are widely dispersed geographically, with members rarely or never meeting in person. Is it reasonable to think social friendships can form in such circumstances? Ross wonders if even in more conventional work environments “friendship” is really a viable or even desirable objective.

But use of the freighted—and some would say, devalued—term “friend” may be beside the point. The bottom line is that employees need to connect socially to feel good about themselves. Tyler notes that recent Gallup research on the broader notion of employee well-being suggests people need as much as six hours a day of social interaction to have a strong feeling of well-being. “And it’s really hard to get to that if you don’t include your time on the job,” she points out.

A social intranet by itself cannot create social bonds or provide all the interaction people need, Ross concedes. “But it greatly enhances what is happening in real life. Just being able to have conversations with people on forums, and connect to people with similar interests makes it more likely you’ll find someone to bond with at work.”

At Mountain Equipment Co-op (MEC), a Canadian outdoor equipment retailer, groups with dedicated forums and web pages have sprung up around everything from food and drink, to gardening, to cultural pursuits and, of course, outdoor activities.

The screenshot shows the 'Creative Thinkers' forum on the Mondo intranet. The forum is titled 'Creative Thinkers' and is managed by Judy. It features a sidebar with 'Manage feeds' and a main content area with recent posts. The first post is 'Patagonia Moves in on iTunes, with an Eco-Twist' by Kristin, published 15 days ago. The second post is 'Pupulemon' by Jeey, published 16 days ago. The third post is 'glass technology' by Dianne, published 20 days ago. The forum also includes a 'Recent activity' section on the right showing user interactions.

Figure 5: A community forum on MEC's intranet, Mondo

“This is resulting in a large increase in engagement,” says Dan Eagen, an intranet super-user and Facilities Specialist at the company’s headquarters. “For example, here’s something that was posted last night and there are 30 comments on it already. That was unheard of before.”

Hutton says Intrawest also recognized a need to get people communicating and connecting socially as a way to improve morale and employee engagement, and looked to its intranet to help. “While it was happening somewhat on conference calls and at annual meetings, we were looking for a more regular and consistent way of connecting,” she notes.

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#### TOOLS TO DO THE JOB RIGHT

Implied in the Q12 question about whether employees have the “materials and equipment to do their work right” is a recognition that most employees *want* to do a good job but can easily be frustrated into disengagement by not having the resources they need to do it.

Materials and equipment can be anything from computer hardware and software, to office supplies, to information and training, to specialized expertise. Social intranets, as well as being a *social* hub, often become a one-stop shop for needed business tools and resources.

It’s the obvious place for employees to go for top-down information: policies, job postings, departmental reports, training videos. Many companies integrate their intranets and document management systems. Intranets can also streamline and speed up administrative tasks—submitting online expense claims or vacation requests, for example—and simplify scheduling of resources, meetings and work assignments through shared calendars.


These things could all be done by other online means, but social intranets, when well implemented and managed, make them more accessible, and easier and more comfortable to use. MEC, for example, moved retail shift scheduling and store stock replenishment processes to its intranet, Mondo. Now, says Eagen, “It’s one central place for everything. Mondo is familiar, they’re comfortable with it, they know how to get there.”

The screenshot shows the 'Mondo' intranet interface. At the top is a green navigation bar with the 'mondo' logo, a search bar, and a 'Signed in as Dan Eagen' status. Below the navigation bar is a breadcrumb trail: 'Mondo > Head Office > Ops > Administrative > Inventory Request Form'. The main content area is titled 'Inventory Request Form' and shows a form with the following fields and options:

- Store (number only):** A text input field.
- Staff Name:** A text input field.
- SKU:** A text input field.
- Please select the reason for this request:** A list of radio buttons:
  - Insufficient Inventory On Hand
  - Sales Development (Promotion, End Cap, etc.)
  - Add to Assortment
  - Remove from Assortment
  - Other (please fill in "comments" section below if using other)
- Other Comments for the IA - Can include quantity requested, length of promotion/event, reason for adding/removing item from assortment, forecasted promotion/event sales, etc.** A large text area.
- Buttons:** 'Reset' and 'Submit'.

The right sidebar contains a 'Page management' section with links: 'Edit this group', 'Add page / Add link', 'Make PDF of this page', 'Change location', 'Email page', and 'Security settings'. Below this is a 'Recent activity' section titled 'Inventory Request Form & subpages' showing two recent posts:

- Nicola V.** says "This will reduce a step for door to floor stores. Nicole PS... I will forward this..." (12:21pm) - 5 days ago.
- Todd M.** says "Expanding the SKU box to allow for multiple SKU's to be listed would be very helpful. Until..." (11:59am) - 11 days ago.

 **Figure 6: An inventory form embedded on a page of MEC's intranet**

In successful intranets, social and business functions intertwine. Information starts to move laterally. Intranet forums spring up to connect people in similar job functions or expertise areas but different locations. They can ask for and quickly get help from peers, or brainstorm ideas. And employees empowered as authors begin to post useful reference material and share their expertise through blog posts.

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At LifeMark Health, a division of Centric Health that operates physiotherapy clinics across Canada, users posted links to videos of sessions at a conference that some but not all attended, and even indexed them so others could view by conference speaker. "This is the type of stuff that might have been around before but wasn't necessarily being shared," says intranet administrator Mike Derbecker.

The screenshot displays the Centric Health Touch intranet interface. At the top, there's a navigation bar with links like Home, John D.'s Place, Divisions, People, Resources, News, Media, and How Do I?. Below this, a breadcrumb trail reads: Home > Divisions > Medical Assessments > Independent Assessment Services > Videos - Minor Injury Guidelines: Before the MIG hits the Fan. The main heading is "Videos - Minor Injury Guidelines: Before the MIG hits the Fan". Below the heading, there's a list of video topics: 1. Welcome to the MIG - introduced by, 2. Whiplash Associated Disorders - , 3. The Legal Perspective - , 4. The Insurer Perspective - , 5. The Medical Perspective: Understanding the MIG, Inclusion and Exclusion Criteria - , 6. The Mental-Behavioural Perspective - , 7. Q&A - All participants. A central video player shows a man at a podium. To the right, a sidebar shows the video is owned by Michael Derbecker, published on Jun 20, 2011, and updated on Jun 20, 2011. Below this, a "Recent activity" section lists several instances of a user named Mike editing the page, with timestamps ranging from 1:01pm to 12:14pm. At the bottom, there's a "View more" link.

Figure 7: Conference videos on LifeMark's intranet (a division of Centric Health)

Personal profile pages are a central feature of many social intranets. Employees are invited, or required, to post photos and information about themselves, work-related and personal. On a social level, it's an introduction service, a valuable mechanism, as Ross suggests, for creating trust and "intimacy" in large, geographically dispersed workforces.

But it's also a rich company directory and expertise database. Do you need help getting up to speed on a new project? "With a social intranet, at the click of a button, I can find a profile of somebody who's working on a similar project halfway across the world," Gallup's Tyler says. "Through normal channels, that would have taken me a series of emails and calls, and days, if not weeks."

***"With a social intranet, at the click of a button, I can find a profile of somebody who's working on a similar project halfway across the world," Gallup's Tyler says.***

The screenshot displays a web-based employee directory. At the top is a navigation bar with links: Home, Ephraim's Place, Water cooler, Projects, Ideas, **Staff Directory**, Locations, Discussions, Resources, and Departments. Below the navigation bar is a search area with a 'Search the employee directory for:' field and a 'London' location filter. A sidebar on the left titled 'Filter by:' includes sections for 'Last name', 'Group type', 'Expertise & Skills' (with sub-sections for Languages spoken, Technical skills, and Certifications), 'Super powers', and 'Medical Specialty'. The main content area shows a list of employees, with two profiles visible: Rachel Adams, Senior Project Manager, and Jenna Bloom, Training Center Manager. Each profile includes a photo, contact information, and a list of projects or roles. On the right, a 'Recent activity' section shows a timeline of events from April 2011 back to June 2010, including posts from Leonardo and Carollee.

Figure 8: Example of expertise tags in a rich people directory

Staff at DFDL love the rich employee directory. “It’s essential and one of the most used features,” Dauguet explained. “You might be on conference calls with someone for months or years before you meet him face to face. The staff directory helps with that.” Being able to look up people’s faces and backgrounds has expanded employees’ regional awareness. Before the social intranet people felt they belonged only to a law firm within a specific country or office. With the new intranet and the staff directory the sense of belonging to an international company has blossomed.

There are implications for employee happiness here too, Jankowski says. “When you can’t find someone to help you, you feel powerless. Social intranets allow for expertise location, so [employees] no longer feel as if they’re on an island by themselves. They know exactly where the expertise resides and they have a way to reach out to it.”

The fact that social intranets also include elements that employees can configure to fit their own work processes—setting up personal home page with links to frequently used applications and web pages, for example—is another small but not insignificant way they can reduce “that feeling of powerlessness,” he adds.

## MISSION CRITICAL

Gallup asks employees if their organization’s mission or purpose makes them feel their job is important. It’s not hard to see how this might bear on whether employees are engaged or not. As Ross notes, though, it’s often difficult for workers to discern what the mission actually is. “A social intranet is a great way to communicate that,” he suggests.



Simply posting the company's public one-sentence mission statement is unlikely to have much impact. But there is a broader sense of "mission." What are the organization's specific goals and objectives? How is it performing against them? How do the marketplace and the economy impact goals and performance?

FBB posts regular updates on how the bank is executing against its key performance indicators (KPIs). That page, and that information, which was not widely shared in the past, has had an impact on employee engagement, says Valerie Arocha, FBB's training director and intranet co-administrator. "We're trying to create a team feeling here," Arocha says. "A feeling that we all have to work together to meet our goals. The KPI page helps to do that."

Within only six months of launching the social intranet, DFDL found it to be a critical piece of daily work. As an international law firm, "knowledge management is basically our trade. That is our currency, that's where we add value," said Dauguet. In a fairly brief period of time DFDL employees contributed thousands of pages and files to their "knowledge management" section, mostly contracts, templates and other materials that have been scrubbed and made ready for re-use. Employees collaborate on improving these materials and use them on a daily basis. New employees at DFDL find this content of critical importance and get up to speed quickly, something very important for a company that has been on a steady growth trajectory for several years.

### PERSONAL GROWTH AND HAPPINESS

The Q12 asks employees if they've had recent opportunities at work to "learn and grow." As well as being a marker for employee engagement, the answer is a marker for employee happiness, Jankowski suggests.

Research shows that when we're learning and growing, chemical changes occur in the brain that produce feelings of well-being. He argues that the relationship building and knowledge growth that mature social intranets foster, and the volunteerism inherent in sharing knowledge with others on the intranet materially contribute to employees' happiness.

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Even something as simple as learning more about your boss's personal life can give people "a bit of a glow," Jankowski says. "That freeing of information, that granting of access to learn new things [with a social intranet]—you'll never hear anyone complain about having that. But you constantly hear complaints about its absence when the company and intranet are locked down."

Holtz agrees that the opportunity to author something others in the organization might find useful—and that might bring recognition of one’s unique abilities—has enormous implications for well-being, and for building trust and comfort with coworkers.

“The problem with a lot of companies that build engagement,” he says, “is that they don’t do anything with it. You have this population of employees who are sitting on the edge of their seats, saying, ‘I want to do more for the organization.’ And there’s nothing for them to do. Organizations with social intranets provide an outlet for those employees who have already drunk the Kool-Aid.”

## BEST PRACTICES

Implementing a social intranet will not on its own magically boost employee engagement. “I’ve seen companies do a horrible job of managing their intranets,” Tyler warns. “If it’s not leveraged the right away, it’s just another piece of technology.”

She also believes some organizations may never be able to wring the employee engagement benefits from social intranets—their corporate cultures are just too antithetical. “In the cultures where I’ve seen them pulling it off, they’re really thinking about it as a way to connect people faster, deploy resources faster, get people the things they need to do their jobs in a really global way,” Tyler says.

Start by measuring current engagement levels, Holtz advises. Then identify “the cultural drivers of engagement” in your organization, which will not necessarily be the same as in every other organization. The Q12 and tools like it can be useful starting points, but figuring out how to fine-tune intranet design and decide which capabilities to activate first and which to stress will require custom analysis, he says.

### LEADING BY EXAMPLE

There are universal best practices as well. Most importantly, leadership in the organization must participate. They must post personal profiles, be active in the forums, be present socially.

“Just saying it’s a good thing is not enough,” Jankowski says. “If you’re not in the forums, if you’re not practicing what you preach, the take-away for employees is that management doesn’t really think this is important, management doesn’t think

this is a good use of my time.” And if that thought takes seed, they won’t participate and the social intranet will fail.

Dauguet, CEO at DFDL Mekong, was one of the first to fill in his profile and post a photo once the social intranet came online. In law firms employees typically wear suits and ties and aim for a high level of formality. In order to encourage connections and a sense of community Dauguet opted to lose the suit and tie and take a more casual photo for his profile. He purposefully signaled to employees, with his own example, that participation and being personable were important norms.

Unfortunately, too many companies err in thinking of a social intranet as “a generational thing,” Tyler notes, only of interest and importance to younger people. This is patently not the case, she says. “Organizations that don’t expect leaders to participate are making a big mistake.”

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#### A FINE BALANCE

For a social intranet to take on a life of its own, for employees to make it their own—a desirable outcome for reasons we’ve seen—a balance must be struck between, on the one hand, adequately training them, which includes addressing significant change management issues, and on the other, giving them freedom to run with it.

Jankowski warns that if IT steps in at every sign of difficulty during the early post-implementation phase, the message will be sent that this is a top-down tool management is imposing. Once they’ve been properly trained, employees should be able to figure out how to do things for themselves, and being allowed to do so will increase their feeling of ownership, he says.

#### KEEP IT FRESH

Nothing kills the utility of a social intranet as quickly as failure to keep the content current, especially in the beginning phases before employees really make the site their own and start to contribute content on a regular basis. If users search for new information and find nothing or return to favorite pages and find only old content, “the whole thing breaks down,” Tyler says. Hutton calls it “death by staleness.”

## BROAD INVOLVEMENT

Another best practice observed in most successful social intranet implementations is the involvement of employees throughout the planning and implementation process. From holding a competition to name the new intranet to involving employees in multiple rounds of usability testing, to creating a pilot team of content owners from across the company, there are many ways to capture employee voices and hearts during an intranet project. This type of approach sends a message from the very start of the project that fully aligns with the resulting social intranet itself: “Your voices are valuable.”

It is also critical to involve the right stakeholders in the core intranet team. The typical trifecta includes HR, IT and Internal Communications. In your own company other departments may need to play key roles. You can smooth the road substantially by ensuring members of those teams are involved and working together from the start.

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## HR IN INTRANET LEADERSHIP ROLE

For social intranet projects run by the IT department or the Internal Communications team it is particularly important to work closely with the HR department from the start. Over and over again we see intranet projects that only bring in the HR department when the time arrives to populate the news site with content. That is too late.

Considering the impact a social intranet can have on employee engagement and morale, and by follow-on effect on employee retention and performance, HR might be the rightful owner of the intranet. Whether or not they own the intranet, the HR team cannot properly strategize or feel a sense of ownership over the intranet without being involved at a core level from day one of the project.

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We recommend HR representatives be included as part of the core intranet project team as well as the steering committee or governance committee.

### THE POWER OF RECOGNITION

We know that public recognition goes a very long way towards strengthening employee engagement. While social intranets can enable public and ongoing recognition, this doesn't just happen on its own.

The intranet team can set an example by using the new intranet to recognize those who are contributing to it. For example, highlighting on the homepage an employee who has contributed substantially to the company dictionary page or a department whose members have all filled in their profile pages will draw positive attention to the intranet at the same time as it exemplifies important behavior that contributes to employee engagement.

## PROOF OF THE PUDDING IS IN THE EATING

As the data from Gallup and many other organizations' research shows, employee engagement plays a critical role in company performance. Companies with high levels of employee engagement experience greater productivity and higher profits and outperform those with low engagement by substantial margins. High employee engagement in and of itself is a strategic advantage that has ripple effects across all areas of a company.

It is important to remember, though, that employee engagement does not equate to annual summer picnics, holiday parties or even the executive team pushing a pastry cart around the office on Fridays. Rather, high levels of employee engagement occur when employees feel respected, feel they can contribute meaningfully, and when employees feel part of a community at work. The fundamental nature of a social intranet contributes to this real and substantive aspect of employee engagement.

We know that social intranets by themselves do not solve the problem of low employee morale. However, for the modern company, especially those with distributed workforces, a social intranet can become a critical enabling factor.

Can we state categorically, based on quantitative research, that social intranets on their own foster employee engagement? The short (honest) answer: no. Can we say that in the right environment and with thoughtful planning social intranets improve employee engagement?

Certainly companies implementing them think so. At DFDL “having this social intranet contributes to a sense of belonging to a greater firm than just the physical office where you are. I hope that in turn contributes to motivation and morale,” Dauguet says. Building engagement was part of the objective for implementing a social intranet at LifeMark Health and in many other organizations. “It was on the radar from day one for us,” Derbecker says. It was not their only objective, since an intranets’ core role is to make daily work easier for employees, but it was an important one.

Proving the proposition that social intranets have a positive impact on employee engagement should eventually be possible. Several consulting and research organizations, including Gallup, are working on or contemplating studies that will measure engagement levels before and after an intranet is implemented, using tools such as the Q12. In the meantime, with the exception of the Aberdeen research cited above, large volumes of quantitative data on the topic are scarce.

But anecdotally and intuitively, as we’ve seen, a strong case can be made. And in light of the Aon Hewitt data on average engagement levels and Gallup meta-analytic data, the need to build employee engagement is urgent in many organizations.

While people have not to this point considered the social intranet a critical element of the HR department’s strategy, a new opportunity is presenting itself to HR executives and HR teams around the world.

Companies with successful social intranets see them become much more than simply one more enterprise technology or an internal website: they become the online reflection of the company’s culture and activity, the center of the company’s online ecosystem. Successful social intranets become virtual places that employees inhabit rather than visit, and by crafting those places to enhance employee engagement, HR professionals and others can bring tremendous value to the organization and to employees’ daily work lives.

By default a social intranet gives every employee a face and a voice. A social intranet humanizes a company’s online environment and creates the foundation for real and lasting employee engagement. Companies ready to capitalize on this foundation can reap tremendous benefits.

## FOOTNOTES

1. [http://www.aon.com/attachments/thought-leadership/Trends\\_Global\\_Employee\\_Engagement\\_Final.pdf](http://www.aon.com/attachments/thought-leadership/Trends_Global_Employee_Engagement_Final.pdf)
2. <http://www.bls.gov/news.release/jolts.t14.htm>
3. <http://www.thinkingleaders.com/archives/1253>
4. <http://www.aberdeen.com/Aberdeen-Library/5525/RB-talent-management-employee.aspx>
5. [http://strengths.gallup.com/private/Resources/Q12Meta-Analysis\\_Flyer\\_GEN\\_08%2008\\_BP.pdf](http://strengths.gallup.com/private/Resources/Q12Meta-Analysis_Flyer_GEN_08%2008_BP.pdf)
6. [www.gallup.com/file/consulting/121535/Employee\\_Engagement\\_Overview\\_Brochure.pdf](http://www.gallup.com/file/consulting/121535/Employee_Engagement_Overview_Brochure.pdf)
7. <http://hbr.org/2012/01/the-economics-of-well-being/ar/1>
8. <http://hbr.org/2012/01/creating-sustainable-performance/ar/1>

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## THANK YOU FOR READING!

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