

Exploring the Effect of a Corporate Intranet on the Sharing of Information and Internal Relationship Building

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Introduction

Over the last decade the world has witnessed an emergence of technology that allows real-time interactive communication, namely the Internet (Hornick, 1998). The benefit from using this new medium has been realised primarily for communications between an organisation and its external stakeholders. Borne out of the Internet, the corporate Intranet enables organisations to develop internal networks and strengthen relationships with stakeholders within the organisation (Gupta, 1997).

It has been considered that in order to be highly profitable an organisation should be consciously establishing, maintaining and enhancing long-term customer relationships (Gronroos, 1990). It is argued that in order for this to occur an organisation should concentrate on building and sustaining strong relationships with its internal customers, i.e. corporate stakeholders and employees. Corporate Intranets, "...provide an inexpensive yet powerful way to transparently deliver the vast information resources of a corporation to each employee's desktop worldwide" (Gulati, 1997, p. 6). The corporate Intranet is vital in building relationships between stakeholders and the organisation, as well as improving internal corporate communication by encouraging "...people to communicate more effectively" (Rogers, 1996, p. 35).

Despite the cost-efficiency, data collection ability and productivity gains of intranet communication, there are relatively few studies on the ability of the corporate Intranet to enhance the sharing of information and the impact that the Intranet has on relationships between an organisation and its employees, also known as the internal network [*See Appendix A*]. The aim of the present study is to gain an insight into the ability of the Intranet to strengthen internal networks by disseminating information in order to build and strengthen internal relationships.

It is proposed that the corporate Intranet has a positive impact on internal networks, particularly for corporate communication and the development and strengthening of

organisational relationships. Several research questions were proposed in order to explore the relationships between a corporate intranet and organisational relationships:

Q1: Do Corporate Intranets enhance the sharing of information?

Q2: Does the sharing of information enhance internal relationship building?

Method

It was thought that qualitative research methods would be most suitable for this particular study, which is exploratory in nature and is primarily concerned with people's attitudes and opinions. Qualitative research is also particularly appropriate for studies where only a small amount of research has been undertaken in the selected area of interest (Hague, 1992). Such a situation applies to the application and benefits of corporate Intranets.

The present exploratory network study was conducted within a major financial services institution that has recently developed a corporate Intranet. Data was collected from four focus group sessions comprising six members with an equal gender split. The respondents were employees from various departments and representative seniority levels within the financial institution. QSR NUD*IST 4 (Q.S.R.P Ltd, 1997) was used to analyse the data from the group sessions.

Findings

Overall, it was found that corporate Intranets are viewed as a useful tool with which to share information within an organisation. The corporate Intranet was found to be primarily concerned with information sharing to promote knowledge of the corporation's business activities. In other words, the more that information is shared, the more knowledgeable staff will be if they use the Intranet as a communication and information tool. This is supported by comments from respondents such as:

⇒ "A lot of teams have people all over the country so it [Intranet] would be a good communications tool as well [as] to share information."

⇒ "We're just waiting for our turn to become more proactive in information sharing."

There is also evidence to suggest that the corporate Intranet's function of disseminating information within an organisation directly impacts relationships between members of a corporation and consequently builds internal networks. The following comments suggest that such an association does, in fact, exist:

- ⇒ “I think ... definitely it’s a tool for building relationships, you just have to use it”.
- ⇒ “I think more and more of these types of tools will make teams more aware of the fact that they can’t work in an isolated way”.
- ⇒ “It may not be the only tool for building relationships, but it helps”.
- ⇒ “If we [can] put information into the Intranet then we [will] have a two-way relationship.”

The study found that corporate Intranets facilitated relationship building. Consequently, this suggests that a positive relationship may exist between the sharing of information and internal relationship building.

The sharing of information in the form of employee feedback, ideas, and opinions being sought, encourages the building of internal relationships. Feedback suggests that other people are interested in the knowledge and information that an individual person may hold. This proposed finding is illustrated by the following comments:

- ⇒ “[The Intranet] is inviting [people] to share information.”
- ⇒ “The more information you have on it [the Intranet] the more inclined they [people] would be to contact more people. It wakens up interest and makes you aware of things.”
- ⇒ “[...when] we put information into the Intranet we have a two-way relationship.”
- ⇒ “[The] Intranet and email are very powerful tools, they're changing the way people are saying words and communicating with each other.”

Conclusion

These preliminary results suggest that the disseminating of information made possible via the corporate Intranet illustrates the support the Intranet provides in the building of internal (organisational) relationships.

Moreover, the Intranet was also found to affect commitment and accountability, employee job satisfaction and empowerment. It was also found to impact on the corporate brand and the degree of employee involvement in corporate relationships, on productivity and capability and on the sharing of knowledge.

Future Research Implications

Future research could investigate the degree to which management commitment and efficiency of information delivery impacted the research questions. It might also profitably include the impact that an Intranet implementation had on the internal brand and on organisational culture.

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APPENDIX A

Effects of Corporate Intranet Implementation

Author(s)	Benefits
Fotsch (1996, p. 30)	Standardisation of languages & protocol Improved capacity – allows image, sound & video transfer Improved efficiency – search in one place for key/frequently used data & information
Lange (1996, p. 1)	Cost-efficient (time-saving) Encourages energy & focus Unifies organisation – bringing sense of community to the corporation
Sherter (1996, p. 34)	Cost-effective Updating/adding documents is simple Establish direct links between unrelated corporate information Intranet network may be customised to meet organisational requirements
Cummer (1997, p. 1)	Encourages use of information & collaborative systems Adds value to information
Gupta (1997, p. 18)	Improve timeliness & quality of decisions Fast, effective and cheap compared to traditional means of communication Delivers just-in-time information in a timely and cost-effective manner Creates a virtual organisation - personnel do not need to be in close physical proximity in order to interact
Koprowski (1997, p. 76-81)	Improve efficiency of manufacturing operations Improve employee communications Support globalisation, supply-chain management & outsourcing Links external users, i.e. corporate customers, to internal files
Kuzmits (1998, p. 61)	Serves as round-the-clock staff Enables employees to manage information that was managed by other departments Reduces paper usage & increases human productivity Cost-efficient
Hills (1997, p. 359-360)	Provides for sharing information & knowledge Increase awareness & responsiveness Facilitates the timely delivery of information Increases communication Makes employees more effective Helps employees in other locations around the world feel like part of the team Allows us to leverage a strategic asset: intellectual capital Changes the way we think about knowledge & information
Bedsole (1999, p. 3-6)	Communicates relevant, current & accurate information Timely, efficient & user-friendly
Hanzlik (1999, p. 10)	Eased burden of creating, revising & searching for documents Reduces time needed to publish & provide access to information Fast, easy & accurate way to search for information Encourages sharing of information