

WORKSTEP

eBook

Pros and Cons of Building vs. Buying an Engagement Platform



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THE COST OF LOW MORALE

The simple truth is that dedicated workers are happier workers, and happier workers are more productive. Diminished employee morale costs the world economy an estimated [\\$7.8 trillion](#) and leads to workplace detachment, boredom, and fatigue.

Low employee morale doesn't just lead to a loss of productivity but the increased likelihood of a quit event — either because the worker resigns and takes a job elsewhere or because their productivity decreases to a point where the (costly) decision is made to let them go.

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The most effective way to increase employee engagement is to, well, engage with them. While it's critical to engage with your workforce throughout their employment journey, [WorkStep's research](#) has shown that frontline turnover is historically high in new hire populations. During the first 30 days of employment, there is 30% turnover in production, 22% in warehouses, 21% in frontline management, 13% in technicians, and 13% in drivers. It's clear that companies need to engage with their employees right away

and continue to engage on a periodic basis. It's simply not enough to send an annual or biannual survey.

The best part is that your employees will thank you for it. [61% of WorkStep survey respondents](#) say they want the opportunity to provide feedback to their employer at least once every month, so ongoing check-ins not only benefit you because you gain an understanding of what your employees want, it also benefits them because they feel they have a voice and agency over their workplace experience.

Once you've made the decision to prioritize engagement with your frontline workers, you'll inevitably reach a point where you need to determine whether to build a solution in-house or leverage an existing service. Here are some considerations to keep in mind as you decide whether to build or buy an engagement platform.

BUILDING



When everything goes as planned, the custom-built approach can yield an ideal bespoke solution — tailored to your business and your specific wants and needs. On first pass, that surely sounds tempting and can be tough to resist. But there are important caveats as well.

Full Customization and Flexibility

When you build your own solution, you'll have full control over functionality and the advantage of insisting that everything integrate seamlessly with the other systems your organization already has in place.

You can instill your company's growth goals and business objectives into every aspect of the new platform, which can potentially lead to a competitive advantage over other companies who use off-the-shelf platforms if their solutions aren't nimble enough to adapt to the company's specific workflows.

When it comes to adding or modifying features, you can do so quickly and on your own terms. You control the timeline and therefore can roll out features that benefit your company and employees most.

Oftentimes waiting for a bug to get fixed can be even more frustrating than the bug itself. With an in-house solution, you can prioritize what gets fixed first and when.

Significant Time, Cost, and Risk

Of course, all of the above assumes perfect execution. And as we all know, nothing is ever quite perfect and even getting close is expensive.

Do you already have an in-house tech team to handle the new build? Even if so, they already have day-to-day jobs and responsibilities, and so may not have the bandwidth to prioritize your initiative. If internal resources are not available, you'll either need to hire a product team or provision an outside contractor.

Either way, you're looking at a big undertaking. Aside from the significant cost, management overhead, and protracted development time, you'll also be taking on significant risk. The service might not perform as planned, the development team may prove to be inefficient or ineffective, the solution they build might be hard to use, there might be lots of bugs, and the cost might exceed what's initially budgeted. All the while, you're left in the dark about what your employees are thinking and the steps you can take to keep them happy.





Knowing What You Need

Oftentimes, we know the outcome we want and intuit the steps needed to get us there. Unless we're already subject matter experts though, we may well build a solution that works as intended but doesn't solve the problem. An established workforce retention provider will know the state of the industry and likely have ideas that you wouldn't necessarily think of — and since they'll have already field tested their solutions, they know what works and what doesn't.

Keeping Up

Building the platform is really just the beginning because the new service will require ongoing maintenance and iteration. Technology is always changing and needs to be updated to keep up with the latest advancements and best practices. You'll have new ideas, identify new functionality needs, and user priorities will change, so you may find yourself constantly in a state of flux as you try to modify the platform to stay on top of ever-changing requirements. Essentially, you lose all economies of scale because you end up building a platform for just one customer — yourself.

BUYING



From the initial planning stages and ongoing project management to development, testing, and integration, building an engagement platform from scratch can end up seeming like a new line of business for your company. Using a third-party solution on the other hand, can be less expensive from both a cost and time perspective, while still delivering the full suite of modern engagement tools you need.

Cost Savings with No Surprises

SaaS providers essentially distribute build cost across many customers, so you enjoy a robust platform at a fraction of the cost to build — and you know exactly how much it's going to cost you before you get started. There's no time spent sourcing a tech team, no risk of scope creep, and no maintenance and iteration costs. Ramp-up time is minimized because the product is already built so aside from a short onboarding period to customize options to your specific needs, you should be able to get started right away.

Companies who specialize in engagement platforms naturally stay on top of user experience, workforce, and HR trends, and constantly evolve their products accordingly. Their business literally depends on keeping you happy and engaged, so they tend to have robust QA processes with deep testing and a strong motivation to fix bugs quickly.

With an in-house solution, scaling often means requisitioning new servers and infrastructure, and hiring additional staff, but with third-party solutions you can often expand simply by paying for additional users or service levels rather than having to build anything on your end.



Customization

But what about customization, the elephant in the room?

The reality is that many of the traditional advantages of building in-house software are no longer particularly relevant given today's modern engagement platforms. The best solutions now offer many of the same benefits associated with custom development including deep customization and HRIS Integration.

Except for companies that have extremely specific and unique demands that differ drastically from the market as a whole, there's a good chance that a modern SaaS engagement platform will not only fulfill but surpass expectations, while offering significant cost, management, administrative, and operational savings.

ENGAGE AND RETAIN — HOW WORKSTEP CAN WORK FOR YOU

Your business is challenging enough already without having to create an entirely new non-revenue-generating department. With WorkStep RETAIN at your side, you can focus on what you do best and grow your business while we meet your employee engagement needs in a modern, easy-to-use, intuitive platform that offers real-time analytics with granular permissioning, agile flexibility, and remarkable customization.

RETAIN provides comprehensive industry benchmarks, custom analysis from an in-house data science team, actionable insights, and suggested actions to drive positive change. Engage with your frontline workforce, close the feedback loop, understand turnover drivers, and improve retention.

Ready to put WorkStep to work for you?

Learn more at workstep.com/retain





WORKSTEP

**Helping supply chain companies hire
and retain their frontline workforce.**

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workstep.com | marketing@workstep.com