Welcome again to *Straight Talk*, one of the ways Coranet shares perspectives on important issues and opportunities in business communications.

Our last issue put a spotlight on the rapid rise of mobility-enabled workers, and the inevitability of employees bringing their personal mobile devices into the workplace. We explored the resulting business challenges – particularly in the areas of IT control, security and governance – along with realistic win-win approaches for minimizing business risk while also empowering employees to higher levels of 'anytime-anywhere' productivity.

In this winter issue of Straight Talk, we continue our mobility discussion with a focus on the cost-benefit business case for "mobilizing" your company, including a closer look at the implications for your existing network and user applications.

The Upside of Mobilizing Your Business

I'm just going to come right out and say it – every customer we have worked with on mobility enablement has seen the business benefits far outweigh the costs. The market research on mobility adoption tends to strongly agree, as can be dramatically seen in the large scale cross-vertical study[1] of more than 10,000 business participants conducted by enterprise software leader SAP. Their findings were eye-opening in a number of areas:

Revenue Growth (UP ⬆)
- **Companies providing employees with comprehensive mobile access to key <u>collaboration applications</u>** (such as instant messaging, presence, email, content sharing) **showed 40% higher revenue growth than companies that didn't.**

- **Companies providing mobile access to key <u>business applications</u>** (CRM, ERP, Field Services) **had 30% higher revenue growth.**

Employee Productivity (UP ⬆)
- **Companies with well-developed mobility capabilities had twice the revenue yield per employee compared with businesses that didn't.**

Customer Churn (DOWN ⬇)
- **Companies with comprehensive enablement of employee mobility had over 21% less customer turnover than businesses with low mobility utilization.**

[1] Source: *SAP Enterprise Mobility Survey*

The SAP study found that the companies most likely to experience these types of gains shared <u>three distinct underlying characteristics</u>. Each had:

▶ **Developed a clear mobility strategy tailored to their specific business**

▶ **Designed a mobile device policy with involvement of employees and multiple business stakeholders**

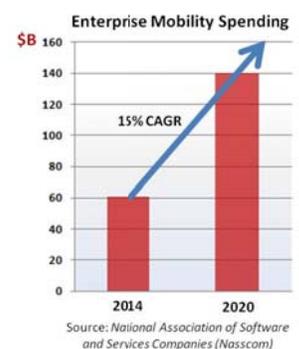▶ **Ensured that key business applications were available and fully functional for mobile use**

Let's examine each of these factors more closely to see how they contribute to mobility success.

Mobility Business Case Essentials

While it's clear from market research like the recent Nasscom study on the right that mobility spending remains a priority for businesses worldwide, many of the companies we speak with are nevertheless uncertain as to how to get the maximum benefit from their mobility investments. Conveniently, the three SAP success characteristics provide helpful insights for doing just that.

Mobile Strategy

In the SAP research findings, a well-thought-through business case is one of the key hallmarks of businesses that successfully mobilized their operations. As a solid foundation for justifying your mobility decisions, a smart place to start is by identifying the specific use cases that would likely deliver improved business performance if your employees were

Enterprise Mobility Spending

$B — 15% CAGR — 2014 / 2020

Source: National Association of Software and Services Companies (Nasscom)

mobility-enabled. Having this understanding is the primary driver behind the first SAP success factor of a 'clear and tailored mobility strategy'.

The time you spend on developing your company's mobile strategy will pay big dividends. The identification of use cases involves examining your business end-to-end – from up-front development and production efforts, to sales and on-going support activities – and looking for those operations that can be made more effective by giving employees remote access to business systems and applications. It's also important to decide how to undertake this assessment; while some companies can perform this type of systematic review with internal resources, others may benefit from outside facilitation by a trusted 3rd party.

Mobile Device Policy

When it comes to development and implementation of your policy for mobile devices, our experience strongly suggests that success depends *less* on who supplies the devices – the employees or the business – and *more* on having an approach that: (a) is crafted with inputs from all the major stakeholders (end users, legal, HR, LOB leadership), and (b) emphasizes the business benefits like employee empowerment and innovation that mobile tools can foster.

It's worth noting that the collaboration between multiple stakeholders should be maintained *after rollout* to help ensure that your mobility strategy and policy successfully evolve to meet changing business opportunities and challenges.
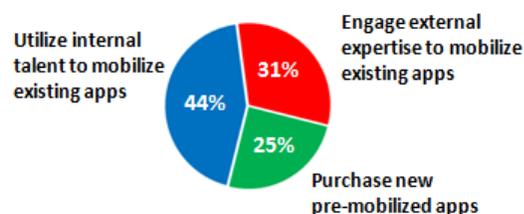
Mobile Applications

Mobile devices would have little value if it weren't for the applications that extend key business capabilities to remote and on-the-go employees. As the SAP study pointed out, mobile apps tend to fall into the two functional categories of *collaboration* applications and *business* applications. Of the two, collaboration applications like instant messaging, audio/video conferencing and document sharing are generally easier to enable for mobile workers since market-leading solutions like WebEx™ and Microsoft SharePoint® are designed to work equally well for mobile and traditional office workers. From a budgeting perspective, keep in mind that adding mobile users to existing collaboration applications might require purchase of additional software licenses.

The mobilizing of legacy business applications like CRM and ERP, on the other hand, can pose a more complicated situation since many of these apps are tightly integrated with proprietary back end systems and were not designed with mobile access in mind. Problems with mobilizing tend to involve insufficient security safeguards and difficulty in accommodating the diverse array of mobile device operating systems and form factors. Bottom line, if your company has existing HR, Finance and sales support applications that were custom developed or acquired in a pre-mobile time frame, you will likely need to modify them – potentially significantly – to make them mobility-capable.

The modification of legacy applications will involve expense and technical expertise that should be included in your business case and then evaluated against the increased business speed, productivity and competitive advantage that mobility is expected to provide.

As a point of reference, Oracle conducted a 2014 study on how mid-and enterprise-sized companies were approaching the mobilized app challenge. As you can see to the right, while some opted to deploy new pre-mobilized solutions, three-quarters of the participating businesses chose to modify their legacy applications. If you decide to use the modify approach and bring in outside expertise, be sure to select a provider that has a solid understanding of your business operations and strategy.

Don't Forget Network Implications

Although the SAP success factors didn't explicitly address the relationship between mobility and wired/wireless networks, this is another important area to understand for your business case – especially from a cost perspective. Mobile devices are likely to put incremental traffic on your network (when they are used remotely as well as in the office) so additional network capacity and wireless access points may be needed. Safeguarding your proprietary systems and data is an absolute requirement, so your business case should reflect the procurement and on-going licensing costs of the needed Mobility Management platform as well as remote access infrastructure and software such as firewalls and VPNs.

A final suggestion for your mobility business case: don't shy aware from formalizing your *measures of success* and the metrics you will use to track the impact of mobility on your business. Three good 'stakes in the ground' are the revenue contribution and retention indicators cited in the SAP study. Other meaningful KPIs might include sales cycle time, speed to market, and satisfaction measurements for employees and suppliers/partners.

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Thank you for joining me in our further discussion on the benefits and challenges of business mobility. I hope it has been useful. If you have any comments or questions, please reach us at questions@coranet.com.

Margaret