



MOBILITY: Driver of the New Enterprise Transformation

As mobile technology becomes ubiquitous, IT organizations must have a thorough enterprisewide mobility deployment and infrastructure strategy in place.

In today's fragile but competitive global economy, IT organizations are sharpening their focus on performance, while seeking the highest productivity from their employees and the best possible return on technology investments. One way organizations, large and small, are leveraging these investments is by mobilizing—providing mobile information and application access to employees, suppliers, partners and customers at any time and from anywhere. Research firm IDC estimates that 269.6 million converged mobile devices, such as smartphones, were shipped worldwide last year, up from 173.5 million in 2009. Businesses, government agencies and non-profit organizations are adapting to an increasingly mobile world in which powerful, highly portable computing devices are ubiqui-

tous, and network bandwidth and mobility software is more cost-effective than ever.

“Expect a fundamental, permanent, and transformative shift in how end-users interact with corporate information resources,” advises Dan Ortega, senior director product marketing at Sybase/SAP. “If done correctly, everything moves faster; your employees are more responsive, your transaction rate increases, your customers are happier, and you gain a non-trivial competitive edge over the slackers who don’t mobilize.”

To gauge the role of mobility in the ongoing transformation of enterprise IT, IDG Research Services polled IT professionals and business executives recently about their plans for and use of mobile

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technology. The results demonstrate a profound disconnect between the planning process and the implementation of enterprise mobility: Though a vast majority of organizations are in the midst of mobilizing multiple applications, only one-third have developed an enterprisewide mobility strategy.

In fact, while more than 90 percent of the executives polled say they believe their organizations will become more agile by enabling anytime/anywhere access to data, more than half say their investments in mobile technology have been mostly reactive—in response to sudden changes in the market or pressure from customers, end users, suppliers, and partners. An even greater proportion of larger companies—those with 500 or more employees—said their investments reactive.

“I would call us reactive, but trying to catch up,” says survey respondent Thomas Boyce, deputy CIO at the U.S. Nuclear Regulatory Commission in Rockville, Md. “My point of view is that we have to figure this out. People coming into the workforce today just aren’t going to put up with us not being able to deliver some of this stuff.”

Boyce’s response is not uncommon: “I’d like to say we were so proactive and sat down and did this, but it was more like the right hand not knowing what the left hand was doing,” recalls Blake Martin, CIO at Catuogno Court Reporting & StenTel Transcription, Inc., in Springfield, Mass., describing the company’s belated attempt to reconcile internal mobile IT strategy with a concurrent effort to deliver mobile apps to its customers. “I think we were fortunate enough to realize that, before we got too far down the road.”

StenTel Transcription was founded 44 years ago as a court-reporting business and has been expanding its role in converting audio records into text ever since. About 25 years ago it started taking dictation from physicians and creating transcripts that could be incorporated into medical records, and the business has grown into insurance and other healthcare segments, as well as law enforcement and legal fields. About 10 years ago the company converted its internal technology into a service for other businesses, Martin recalls. And now the company that still takes the bulk of its dictation over the telephone is developing a range of mobile applications for document

management, secure messaging, mobile dictation, and more, Martin says.

“People want to [give dictation] anywhere they are,” he adds, “And now with smartphones, you can actually extend enhanced functionality that you can’t accomplish through a traditional telephone environment.”

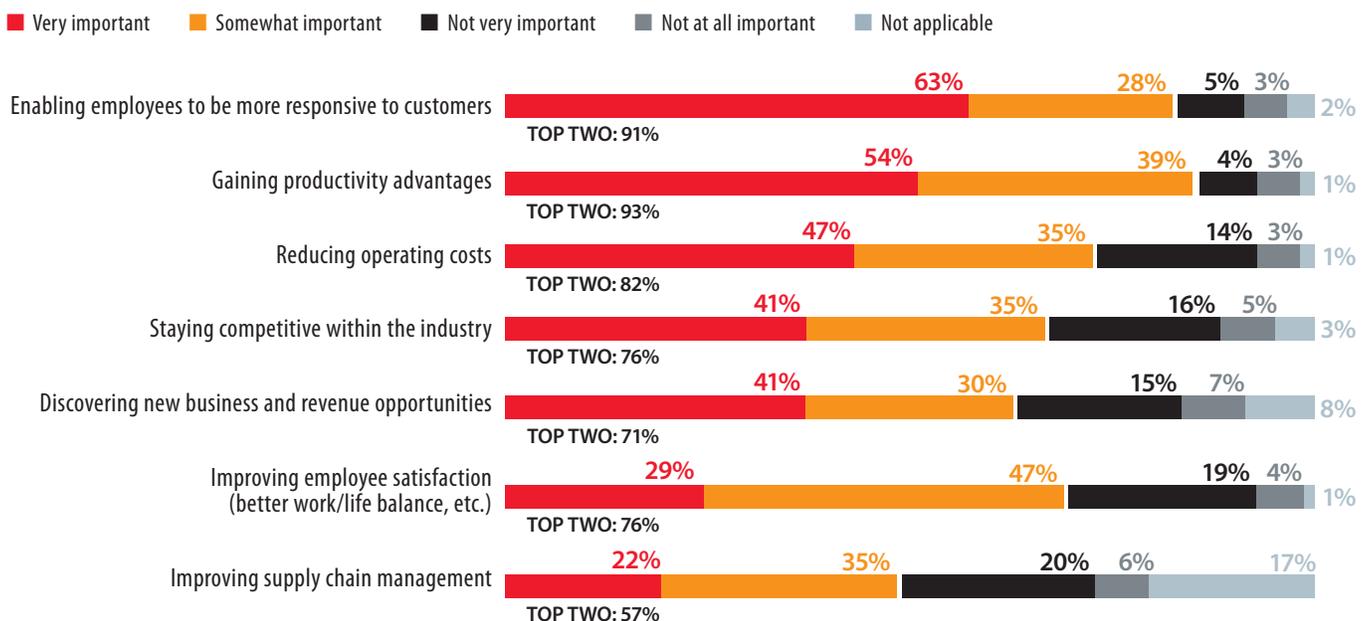
Business and professional services like StenTel are at the vanguard of enterprise mobility planning. Among the industry groups represented in the IDG survey, business and professional services were in the majority (11 out of 19) that reported their organizations have an enterprisewide mobile strategy. Not surprisingly, technology companies were the next-most farsighted (40 percent), while all other industry segments lagged the 33 percent average for the survey as a whole.

THE PACE OF MOBILIZATION PICKS UP

Though the wave of enterprise mobility has been building in recent years, it has yet to crest. Three out of four businesses surveyed by IDG move with the

The Mobility Business Driver

How important are these business drivers of investments in mobile technology?



SOURCE: IDG Survey base: 192 qualified respondents

masses—investing in mobile technology only after it's been tested by others or has established a proven track record in their industry. Only 24 percent of respondents characterized their organizations as early-adopters. And though only one-third of the organizations surveyed currently have an enterprise mobility strategy in place, a mere 10 percent report no plans to implement a strategy, suggesting 2011 will see a significant groundswell of businesses deploying and expanding deployments of technology to mobilize enterprise data and applications.

"Many businesses and organizations across a broad variety of industries have discovered that workplace mobility is both a planned and unplanned reality," notes Sybase's Ortega.

More than 90 percent of the survey respondents reported having email and messaging applications at least partially mobilized, and two-thirds have deployed some mobile apps for personal information management, such as calendar and contacts. However, critical business functions such as supply-chain management, enterprise-resource management, business intelligence (BI) and customer-relationship management (CRM) lag dramatically. Even business functions that by nature are mobile or geared toward connecting remote workers, such as field-force automation, document management, collaboration sales-force automation (SFA) and conferencing have yet to be mobilized by most of the organizations surveyed.

"The need to address mobility is widespread, touching nearly every process and vertical market, and is fundamental to the way any business operates," says Sybase's Ortega, who believes 2011 "will be remembered as the year of the true transformation of the enterprise."

The IDG survey appears to bear this out. Asked which applications will be at least partially mobilized within the next 12 months, the portion of respondents citing BI (49 percent), document management (40 percent), and ERP (30 percent) at least doubled. Conferencing and CRM also saw dramatic jumps to 50 percent, while collaboration and SFA had solid gains that landed

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ERIC PROSSER
CO and CTO
LifeBRIDGE International

them in the top-10 applications expected to be mobilized this year.

More than half of the survey respondents report that their organizations are redefining business processes that can leverage wireless access to information, implementing mobile device/OS standards and policies to limit complexity, and training IT staff to support multiple mobile platforms/OSes.

THE BUSINESS BENEFITS

The benefits of enabling anytime/anywhere access to corporate data are varied and pronounced. There is nearly unanimous agreement among respondents to the IDG survey that their organization's investment in mobile technology will yield improvement in business agility and end-user satisfaction.

"In nearly all cases, mobile solutions offer better communications, faster and more accurate decision-making, and better customer service—all of which can provide a competitive advantage in the way your business operates," Ortega says. More than 80 percent of IDG survey respondents agreed that mobile technology "will be an increased opportunity for employees to collaborate with one another outside of their traditional work groups or departments." In addition, nearly three out of four

respondents agreed business processes will be more streamlined.

MOBILIZATION MOTIVATORS

What's driving mobile technology from a business perspective? Responsiveness to customers was ranked as "very important," by two-thirds of respondents, while 90 percent of respondents ranked "enabling employees to be more responsive to customers and gaining productivity advantages" at least "somewhat important." Also high on the list of business drivers for mobility were reducing operating costs, staying competitive within their industry, improving employee satisfaction, and discovering new business and revenue opportunities (71 percent).

Eighty percent of IT executives ranked extending existing enterprise technology investments and boosting IT staff productivity as the top IT drivers of investment in mobile technology. Enabling remote management of services and applications ranked a close second, and improvement of technology-related processes that lend themselves to a mobile platform ranked as the third most important reason for investing.

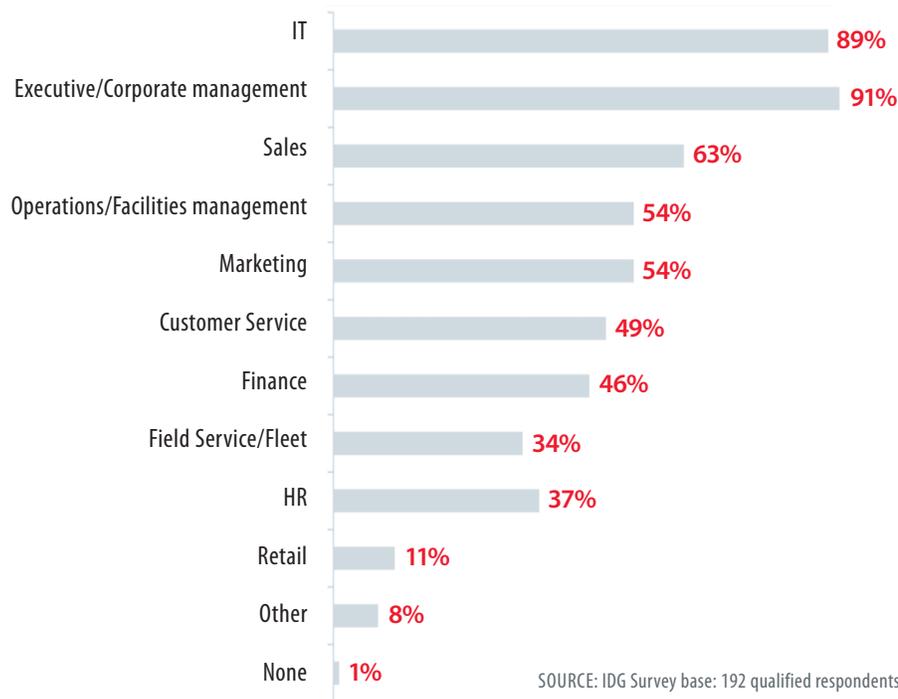
Mobility is an increasingly critical component of the customer-engagement strategy at Gucci America, a multibrand luxury-goods maker with about 65 high-touch retail stores in affluent urban centers nationwide.

"One of the biggest issues we have in the luxury business is engagement," says Carlo Pochintesta, the former CIO who managed the company's effort to mobilize its sales floors, which has been ongoing for more than three years. "Mobility really becomes a key tool to maintain engagement."

Most Gucci stores, by design, have no technology to clutter the gleaming sales floor. In the past, to check inventory or get product information for a customer, a sales associate would have to go to the store's back office. "The minute you break that engagement with the customer you begin to lose a little bit of that sales opportunity," Pochintesta notes. That's why the company

Going Mobile

IT, executive/corporate management and sales are the groups most likely to be mobilized in the next 12 months.



started to deploy handheld point-of-sale devices three years ago, though their “look and feel” didn’t fit into the ambiance of the Gucci stores and were largely rejected by the sales staff. So too, was its first test of tablet computers, also started in 2007, which back then were still too clunky.

“They wanted something a little less geeky-looking and a little sexier,” Pochintesta recalls. Apple’s introduction of the iPad last year set the stage for yet another recalibration of Gucci’s admittedly reactive mobile strategy. It’s now pilot testing the Apple device in its sneaker store in Soho, New York. The iPad form factor is “absolutely perfect,” he says, and the device has the cache among consumers—and sales personnel—befitting Gucci’s image.

BOWING TO CONSUMERIZATION

Gucci is by no means alone in making mid-course corrections to its mobile strategy. Though improving employee satisfaction was ranked as “very important” by only 29

percent of respondents to the IDG survey, 76 percent considered it at least “some-what important.”

“The old paradigm of the fortress mentality that we’re the company, and we can build the walls high and tell you what you can and cannot do and where you can and cannot do it, is pretty much crumbling,” observes Martin at StenTel Transcription, which last year attempted to standardize around a single wireless carrier and a few approved devices, but is now bowing to demand from both internal users and external customers to support the wider range of devices. “We can’t change it, and nobody can prevent it from happening, so all we can do is to try and adapt and protect our information, protect our people, and protect our data.”

More than two-thirds of respondents to the IDG survey said their organizations support or will support tablet devices such as iPads as part of their mobile strategy. The same proportion also expect Android devices to be supported in the coming year, and 85

percent said iPhone will be supported, up from 66 percent currently, equal to the 85 percent that will support reigning corporate mobility standard, Blackberry.

“People are so used to using mobile devices, whether it’s an iPhone or a Blackberry or now even an iPad,” Pochintesta says. “They’re coming with the same expectations to the workplace, and it’s the same with our consumers. When they enter our stores they’re expecting that our sales staff and our people are equipped that way, because that’s how they operate.”

Allowing employees to use their mobile device of choice or even their own personal devices to access corporate resources has its hidden benefits, says Eric Prosser, chief operating and chief technology officer for LifeBRIDGE International.

“I want to make it possible for my employees to be able to do anything, anywhere, anytime. I don’t care where they are,” Prosser says. “So if they go on vacation and they choose to work a little bit while they’re there, great, it makes it so I have them at my fingertips,” he laughs, “without them realizing that they’re still under my control.”

Mobile strategy that is both well-tailored to the organization and flexible enough to accommodate changes in technology and user demand is an imperative for 2011, most respondents agree. Sybase’s Ortega advises companies to focus on the value that your company delivers to its customers and how mobility can increase that value. Equally important is to know how mobilizing employees and their functions can make them more effective.

“Approaching the issue of mobility from this perspective shifts the driving rationale toward the value associated with transforming the enterprise,” Ortega adds, “and creates a much more strategic and holistic view of mobility.” ■

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