

**The quest for competitiveness:
Business mobility and
the agile organisation**



An Economist Intelligence Unit report sponsored by Nokia

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Preface

The quest for competitiveness: Business mobility and the agile organisation is an Economist Intelligence Unit briefing paper, sponsored by Nokia.

The Economist Intelligence Unit bears sole responsibility for the content of the paper; its editorial team executed the survey, conducted the analysis, and wrote the report. The findings and views expressed in the report do not necessarily reflect the views of the sponsor.

Research for the report was conducted in the first quarter of 2007 as part of the Nokia for Business

Executive Forum, an initiative on competitiveness through business mobility. The Economist Intelligence Unit surveyed 532 executives using an online questionnaire. To supplement the survey results, we also conducted in-depth interviews with senior executives knowledgeable about business mobility.

The author of the report was John du Pre Gauntt and the editor was Winter Wright. An electronic copy of the report can be obtained without charge at www.nokiaforbusiness.com/compete

Executive summary

Business competition historically has favoured the strong or the swift. Some organisations have muscled their way to market dominance by acquiring a massive capital stock; others have wrung out internal inefficiencies to produce goods or services faster, and at lower cost.

While these factors still matter, the need to be globally competitive has made agility a key factor in corporate success. Agile organisations optimise their networks, people, and business processes. Doing so lets them respond to customers more effectively, customise products and services more rapidly, exploit opportunities more efficiently, contain threats earlier, and solve problems faster. Essentially, agility allows firms to combine strength with speed.

If agility has become a strategic business goal, mobility provides one means of attaining it. A survey conducted by The Economist Intelligence Unit (EIU) in co-operation with Nokia polled more than 500 global executives across a range of industries to find out how their organisations were using business mobility to become more agile. Key findings of the research include the following:

- **Competitive factors are pushing businesses towards greater mobility.** Survey respondents said business mobility offers important competitive advantages such as quicker response time to customers (36%), improved collaboration within the enterprise (27%), and the ability to work with multiple



partners/suppliers (12%). These findings suggest business mobility leads to revenue gains rather than simply reducing operating costs.

● **Business mobility has gone mainstream.** Well over one-third of executives report that at least 20% of their employees can be considered “mobile workers”, defined as those who spend at least one working day a week away from the office. Far from being a requirement for just a few specialised technology firms, business mobility is now seen as broadly applicable to companies in industrial sectors including financial services, pharmaceuticals, accounting, advertising, and many other fields. Executives who responded to the survey seemed to agree that mobility in the enterprise pushes better decision making closer to the customer, resulting in improved service.

● **Companies plan to adopt mobile applications for core business activities.** Over the next two years, respondents said their companies were likely to make greater use of remote network access (41%), customer relationship management (34%), collaborative applications such as mobile groupware (21%), and sales force automation (17%). Increasingly, activities in the field are regarded as central to the success of the business. No longer is mobility associated simply with capturing information in the field and bringing it back to the office for processing.

● **Business mobility creates its own challenges.** Managing a mobile workforce (19%) and maintaining a cohesive culture across a dispersed workforce (18%) emerged as the two primary challenges associated with business mobility. Measuring mobility’s impact on competitiveness (12%) was a factor as well.

● **Business mobility involves far more than simply equipping employees with mobile devices** such as cellular phones, smartphones, personal digital assistants (PDAs), or Internet-connected laptop computers. Leading organisations have expanded the remit of their business mobility strategies to incorporate goals such as attracting and retaining top talent, securely accessing sensitive corporate and customer data, and collaborating more productively with partners and suppliers. This shift has changed the way both the enterprise and its people think about work.

Consequently, achieving business mobility may involve a cultural transformation as much as the mastery of technical and operational challenges. New employee, partner, supplier, and customer segments have grown up surrounded by interactive (and increasingly mobile) information and communications platforms. Attracting and retaining these “digital natives” could mean viewing “the office” as less a physical location and more an environment in which people live, work, learn, and play.

Who took the survey?

The survey covered the world’s major regions: 37% of respondents were based in Asia Pacific, 26% in Western Europe, and 18% in North America, with the balance coming from the Middle East, Africa, and Latin America. The main industries represented were financial services (22%), IT and technology (13%), and professional services (12%). Roughly half the respondents surveyed worked for firms with annual revenues above US\$500mn. More than one-third of respondents (35%) were C-level executives such as CEOs, CFOs, and CIOs or board members; the rest consisted of heads of business units and other senior managers. (For more details on the sample and results, please see the Appendix to this report.)



The quest for competitiveness: Business mobility and the agile organisation

Introduction

Business mobility forms the heart of the agile organisation. It draws together people, processes, and technology to push better decision making closer to the point of a customer problem or opportunity. Organising business processes around mobility lets firms collaborate better with their employees, partners, suppliers, and customers by providing information to the right people at the right time, no matter where they are.

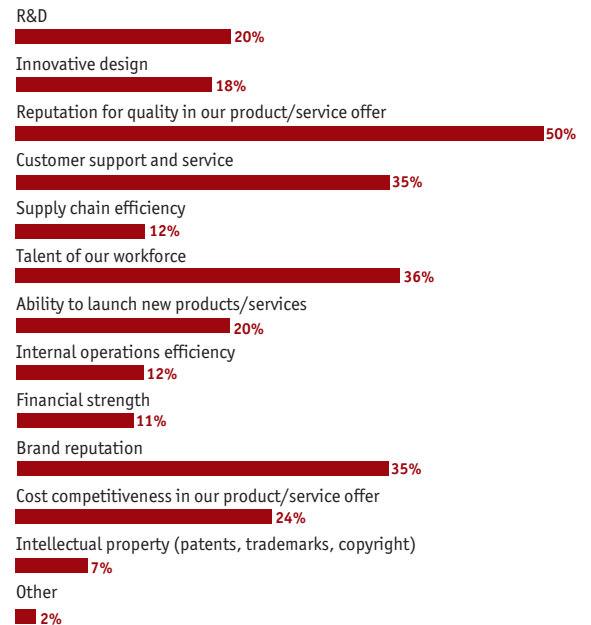
These are some of the findings of a global survey conducted by The Economist Intelligence Unit (EIU) in co-operation with Nokia. The survey and in-depth industry interviews revealed business mobility to be a natural response to the need for more agile organisations. In a growing number of markets worldwide, fewer organisations can compete on price or quality alone. Those things still matter, of course; but for many firms, the idea of a single price for a single product or service is increasingly rare. For these organisations, the competitive centre of gravity is found instead in areas such as product or service customisation, customer service, and relationships. By definition, these activities require fast, flexible, agile responses to signals from the market. Accordingly, executives are looking to make their organisations more alert to changes in customer tastes and expectations.

The significance of business mobility therefore goes well beyond the technical trappings of connectivity such as cellular phones, smartphones, and PDAs, along with wirelessly connected laptop computers. Greater mobility is viewed as a prerequisite for creating the organisational agility needed to offer a tailored customer experience, at scale.

Asked about the areas that contributed most to their company's competitive stature, three out of respondents' four top choices had little to do with clas-

sic financial or capital equipment assets. Although they cited the ability to produce quality products and services as the linchpin of their firms' competitiveness, they also pointed to human factors such as workforce talent, customer support and service, and brand reputation. Traditional economic measures of competitive strength such as cost competitiveness, R&D, intellectual property, and internal or supply chain efficiency didn't make the top four.

What areas do you think contribute most to your company's current competitive position in the market? (Choose up to three)



This doesn't mean executives are abandoning traditional benchmarks of competitiveness. Rather, it suggests they are making customer-facing business processes the tip of the competitive spear. Time and again, executives cited as their most significant



competitive challenge the need to deploy superior talent with the right tools and applications anytime, anyplace to anticipate and meet customer needs. In the years ahead, this is where the battle for customers will be won or lost.

Asked about the top three challenges to their future competitive strategies, executives placed greatest emphasis on the need to attract and retain talent within their firms; the ability to respond more quickly to customer needs; and the need to quickly identify and communicate any noticeable changes in customer behavior.

Talent is top of mind in industries that regularly exchange sophisticated information between employees and customers. Take pharmaceuticals, an industry that has historically fielded large, distributed sales forces. According to Rob James, chief information officer (CIO) of Novartis Pharmaceuticals, each day the company supports several thousand field employees in North America. With so many of its people in the field, the firm has already captured many of the operational efficiency gains offered by business mobility. “For the field sales force, we invested very early in wireless capabilities”, Mr James says. “We felt from a productivity viewpoint, it was a big win”.

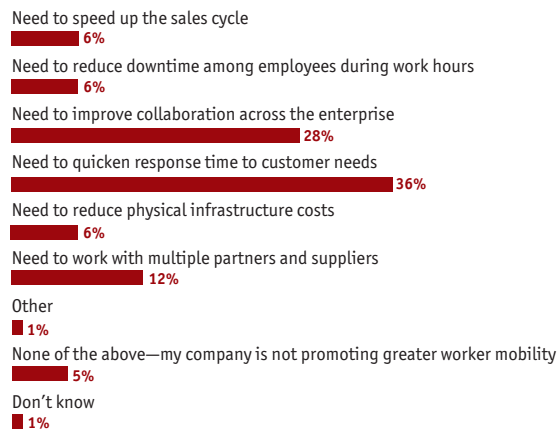
Rather than restricting mobility to its field sales force, Novartis is applying it to the head office, partly to attract and retain top talent by offering better work/life balance. “There are certain roles we think allow people to decide whether or not they want to fulfill them in an office environment, at home, or a mixture of the two,” says Mr James. “So we have standard processes and practices to give them the flexibility to decide how they want to work. We think that infrastructure provides us with a major competitive advantage and are proud of it.”

Novartis has also made sure its field-based employees have high-speed Internet access at home. This lets Novartis sales reps upload their daily work faster, and enables the company to offer online

Which of the following do you think will be the most significant challenges facing your organisation’s competitive strategy over the next two years? (Choose up to three)



What do you think is the most important competitive factor driving your company toward greater mobility in the workplace?



training on drug products, regulations, medical procedures, and other issues, and to provide other forms of continuing education. “We saw high-speed access to the home to be essential for attracting and keeping the best sales force”, says Mr James.



The quest for competitiveness: Business mobility and the agile organisation

Far from being ends in themselves, such mobility initiatives are viewed as keys to staying competitive. Asked to identify the main competitive factors pushing their organisations toward greater mobility, survey respondents cited factors involving person-to-person contact among colleagues or with customers as being greater concerns than traditional benchmarks such as reduced downtime or lower

physical infrastructure costs.

According to the survey, organisations are increasingly focusing on collaborative business processes to drive competitiveness. Executives cited improved collaboration as one of the key benefits of business mobility—not only across the enterprise, but throughout an extended network of suppliers and partners.

More than E-mail

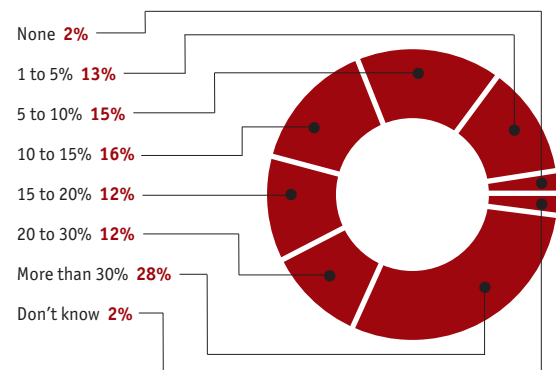
Until recently, many firms did not recognise mobility as an operational category unto itself. The infrastructure and processes associated with business mobility didn't fall neatly into either the telecommunications or information technology departments. Yet as executives puzzled over where to place mobility within the organisation chart, the overall population of mobile workers steadily expanded.

"We are essentially a mobile company", says Michael Lechner, managing director for technology services for accounting giant PricewaterhouseCoopers (PwC). On a typical business day, Mr Lechner's organisation supports around 16,000 mobile workers for the US firm. According to Mr Lechner, 70-80% of PwC's 30,000 US staff spends at least one day per week away from the office; 30-40% are away from their desks 4-5 days per week." Not everyone has a specific desk assigned to them", Mr Lechner notes.

Nor is PwC an isolated case. According to John Nal-lin, vice president for information services at UPS, the nature of the logistics business makes mobility standard operating procedure at all levels of the organisation. "We view mobility as part of the normal business day", he says. "We don't differentiate between delivery drivers or corporate managers. Everyone is mobile".

In fact, the survey showed a broad overall trend

In your estimate, what percent of your company's workforce can be considered "mobile workers"?



toward greater mobility. Nearly 40% of executives surveyed said at least 1 in 5 of their company's workforce could be considered a "mobile worker", meaning they spent an average of one day per working week away from the office.

According to the survey, the primary tools mobile workers use to perform their duties are cellular phones and laptop computers often equipped with short-range wireless fidelity ("Wi-Fi") network cards. Other mobile client technologies such as PDAs, smartphones (those capable of running third-party applications), and laptops with no wireless data connection rounded out the top five means for mobile workers to access informa-



tion and communications resources remotely.

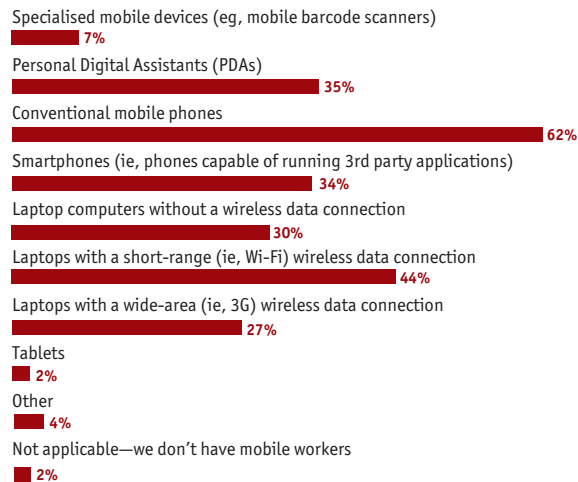
The mix of companies opting for short-range or wide area wireless network access varies according to the business processes they need to perform. For example, in addition to standard productivity and communications tools such as Microsoft Office and e-mail, firms providing telecoms service must give mobile employees the applications used to set up customer orders, as well as tools to run complex diagnostics remotely. "All of our mobile workers have high-speed wireless LAN cards", says Gary Ellenbogen, a mobile solutions engineer at Sprint Nextel. "It allows them to be where their internal and external clients need them to be."

Moreover, the lines are blurring between the equipment that employees use in the office versus what they carry in the field. PwC's Michael Lechner notes almost every employee uses a laptop computer rather than a desktop ("We don't know where they're going to be many days"). Roughly 10% or 3,000 workers have laptops equipped with wireless broadband access on top of short-range Wi-Fi connections. More than half carry smartphones for remote access to e-mail. According to Mr Lechner, the need for close contact between professional service providers and their clients necessitates a high degree of mobility. "We do a lot of data exchange based on the business we're in", he says. "The ability to get information to a client or to one of our professionals is a key to our success."

Choosing to equip mobile workers with mobile devices can be an easy call. Much trickier: deciding which of the many applications and business processes hidden behind organisational firewalls should be extended to a mobile environment.

In addition to legal and risk management considerations, organisations must decide whether a given application lends itself to mobility in the first place. "We concentrate on two distinct areas when it comes to global mobility for the workforce", says Yuri Aguiar, chief technology officer (CTO) of Ogilvy Worldwide, an ad agency. "The first involves those applications

What are the top means by which your company's mobile workers access information and communications resources remotely?
(Choose up to three)



that are specifically intended for mobile devices. The second main area focuses on creating internal applications that are very web-centric so that we can take them mobile in short order if needed."

According to Mr Aguiar, knowledge management and digital asset management are important applications that go beyond the remote connectivity and e-mail typically associated with business mobility. In the case of knowledge management, most of Ogilvy's client-facing staff spend the majority of their time away from their desks. Being able to make a final sale therefore often hinges on the firm's ability to give employees up-to-date information or analysis about a given industry or customer. Likewise, the Ogilvy network must handle and account for a huge quantity of digital assets such as photos, movies, presentations, and other collateral related to customer marketing campaigns. "Every year we move about 12 terabytes of digital assets across our network, much of which needs to be accessible by mobile employees", says Mr Aguiar.

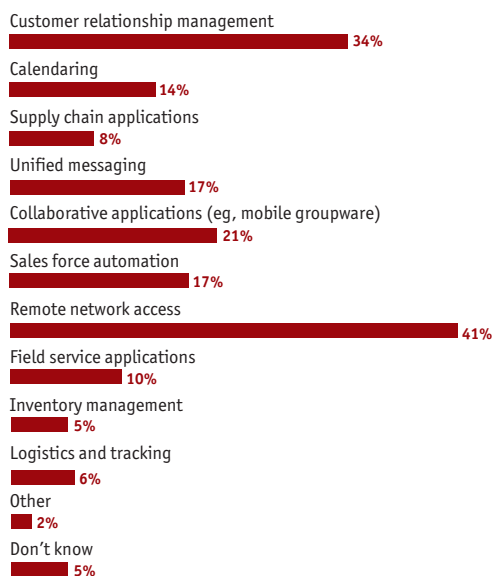
Executives polled by the EIU said that over the next two years, their organisations would invest more heavily in technology giving workers greater remote access



The quest for competitiveness: Business mobility and the agile organisation

to the corporate network, and in mobile customer relationship management (CRM) applications. Next in line were collaborative applications such as mobile groupware, followed by sales force automation. Executives ranked operational applications such as inventory management, logistics and tracking, and field service applications near the bottom of the list, perhaps because these operational functions have already been mobilised to a large degree.

What do you think will be the most widely used mobile technology applications your company employs over the next two years? (Choose up to two)



Paradoxically, the impetus to mobilise customer-facing applications and processes comes as data protection and privacy issues have taken center stage. National privacy legislation and regulations governing specific industries such as financial services and healthcare mean executives must view mobility-related decisions in a broader context.

In Japan, for example, data privacy laws combine with the changing attitudes of Japanese consumers, who are becoming increasingly sensitive to privacy issues. According to Shunichiro Mishima, director of

business development for corporate marketing at NTT DoCoMo, such changes have caused many companies to question the wisdom of giving employees mobile handheld devices or laptop computers containing lots of consumer data. Aside from the expense of purchasing and maintaining the devices, Japanese companies must manage a new set of risks even as they try to capture the benefits of mobility.

Sprint Nextel's Gary Ellenbogen agrees that the need to protect customer information directly affects a company's choice of technologies. "It's important to understand that in certain industries like financial services, data and communications must be audited for compliance reasons", he notes. "One of my clients does a lot of 'thin' remote computing precisely because they don't want a lot of that information to reside on handhelds or laptops in the field."

Aside from compliance and risk management, cost concerns are pushing many organisations to replace "thick clients" storing both data and applications with "thin" ones using mobile connections to pull information from a remote server. "Right or wrong, our workers largely carry thick clients because most of the time they're not connected to the network", says CIO Rob James of Novartis. "We have Microsoft Office or Siebel plus a lot of information on those laptops, which really drives a thick and expensive client. Once we have widespread, powerful wireless broadband, it will drive more interest toward a thin client where the applications and data are all server-based. Aside from better risk management, this could be a large cost leadership win for us."

For PwC's Michael Lechner, the ability to push information out to the field lets companies add value by communicating best practices effectively to a mobile workforce. "We've got a big effort underway with knowledge management", he says. "If we've got a well-understood solution to a client problem, we want to make that available to everyone so we can replicate it across a bunch of clients. Having mobile



access to that data is critical.”

Clearly, executives must manage the tension between the need to mobilise vast amounts of corporate and customer information, and the increased risks of placing more of that information outside the organisational firewall. To that end, many are seeking faster, more reliable mobile broadband power to keep data and applications on servers while mobile workers carry increasingly thin clients in the field.

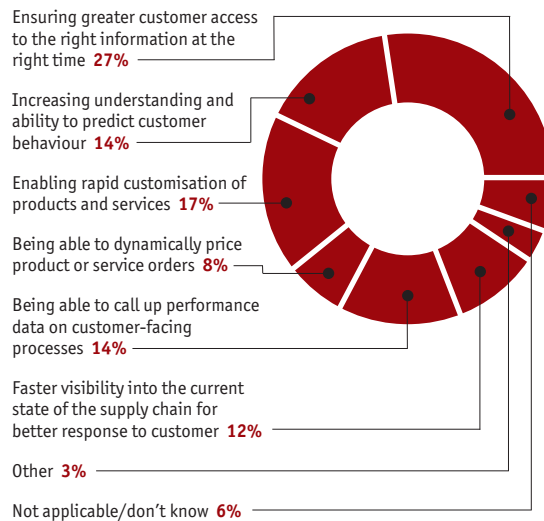
Moreover, the EIU’s research shows customers are meant to view some of the most valuable information organisations can mobilise. Product descriptions, customisation options, price and financing information, and other data all are being pushed out to field representatives to help them devise specific customer solutions more quickly and efficiently. Mobile clients are even being transformed gradually into personal, self-service terminals: customers can use phones to track shipping information, check hotel reservations, or perform simple banking.

Executives expect business mobility to yield a rich payoff. Asked about the main benefits they expected from workforce mobilisation, survey respondents cited better customer access to information combined with the ability to provide rapid customisation.

Because executives expect mobility to drive better customer-facing business processes, they must also consider return-on-investment (ROI) benchmarks for judging mobility’s effectiveness on the bottom line. Traditional ROI measures for mobility include reduced real estate costs, faster sales cycles, and lower costs associated with remote training. “Our sales force is highly mobile, which has significantly improved the bottom line”, says Mr Nallin of UPS. “Mobility has allowed salespeople to skip going into the office to print out their daily or weekly call list with all the other documentation. Because of this real-time effect, they can do bids on the fly now.”

The EIU survey demonstrates a shift from justifying business mobility on the basis of supply chain

Which of the following is worker mobility most likely to facilitate at your company?



management and other internal efficiencies to one focused on more customer-facing processes. This suggests many of mobility’s ROI benchmarks need to be updated, and that executives are seeking new, sometimes non-financial measures of ROI to evaluate their mobility initiatives.

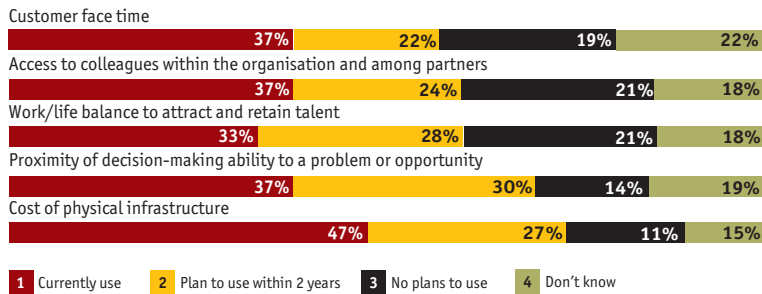
Survey respondents were asked to consider several non-financial ROI measures and state whether their organisations currently used them or planned to do so within the next two years. After reduced physical infrastructure costs, executives most frequently said they would be looking for better collaboration with customers and better access to colleagues or external partners as key indicators of ROI. Within two years, a slight majority of organisations plan to look at internal collaboration or partner-level collaboration as possible measures of business mobility’s ROI.

Goals related to improved work/life balance also appear to be finding their way into ROI calculations, presumably as a means of attracting and retaining top performers. Almost one-third of surveyed organisations already track business mobility’s effect on



The quest for competitiveness: Business mobility and the agile organisation

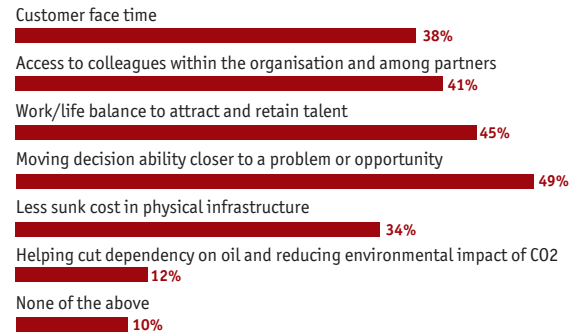
Which of the following non-financial measures of return on investment (ROI) does your company currently use, or plan to use within two years?



work/life balance programmes; about one-quarter plan to do so within two years. Roughly 20% of executives said their companies had no plans to track work/life balance in their business mobility ROI calculations.

In sum, executives want to move better decision making closer to their customers. They also want

As worker mobility grows, is your company likely to increase use of the following non-financial measures of ROI?
(Choose all that apply)



better work-life balance for employees and improved access to colleagues or partners, which they see as the primary non-financial payoff of business mobility. Increased customer face time came in fourth, in implied recognition that it goes hand-in hand with greater employee mobility.

Categories: A mobile taxonomy

There is a difference between simply having a wireless connection to a network and being mobile. One does not automatically lead to the other. A wireless connection means information or communications traffic is transmitted over radio waves. Mobility, on the other hand, encompasses four broad categories: device, user, session, and service. Understanding these four kinds of mobility gives decision-makers a firmer grasp of how concepts are translated into action:

Terminal or device mobility occurs when a mobile access device stays connected within a network or between networks even though its point-of-attachment (PoA) might change. A simple example takes place when a cellular phone user in a moving car has her call handed

off from one cell to another as she drives down the road. Another example: a user roaming on another network provider's infrastructure. Terminal mobility requires the network to identify and locate the device.

User mobility. Here, a network can accommodate users who log in from different workstations or devices. Effectively, the network is identifying an individual user rather than an individual device. The user supplies authenticating credentials through an account name, PIN, or some other means, in order to access network resources. Accessing a corporate network from a terminal in a hotel exemplifies user mobility.

Session mobility lets users maintain an

active session while switching between terminals or changing to another network. An example might occur when a user accesses data or applications on one device (eg, a PC), then seamlessly transfers that session to a smartphone. Session mobility is becoming important for collaborative work among employees, partners, and customers.

Service mobility is perhaps the most complex category. It allows a user's service environment to follow him across different networks and devices. The set of applications, and even the look and feel of the user interface, move with the user. An example occurs when a single phone number follows a user to multiple corporate locations. ■

Source: European Computer Manufacturers Association (ECMA), 2005



Marketplace: Dollars and cents

The business mobility market covers mobile corporate voice services, mobile office applications such as e-mail, and other enterprise applications such as customer relationship management (CRM), sales force automation (SFA), and enterprise resource planning (ERP). Of these categories, voice and remote e-mail remain by far the largest in terms of revenue. However, many organisations are mobilising enterprise applications such as CRM and ERP.

The number of converged mobile business devices (eg, Nokia, BlackBerry, Palm, or those

based on Microsoft Windows) is expected to rise from 7.3 million units shipped in 2005 to more than 60 million devices by 2010, according to International Data Corporation (IDC). While the US corporate market for mobile voice and data communications is roughly \$50 billion, other countries will soon spend more on enterprise mobile communications and remote applications. Mobile enterprise data revenues in Western Europe are expected to climb from US \$7.9 billion in 2005 to more than US \$12 billion in 2010. Asia-Pacific is seeing some of the most rapid growth in spending, with about

US \$20 billion spent in 2006 in Asia-Pacific excluding Japan, according to market researcher Frost & Sullivan. That figure is expected to climb to more than US \$35 billion by 2011.

Although the consumer market for mobile voice and data services dwarfs the corporate market in terms of overall spending, consumer mobile applications typically do not require the customisation and professional work needed to harden a mobile network for corporate use. If anything, the revenue figures above probably understate the revenue picture for business mobility. ■

Preparing for a mobile future

This year offers some conflicting signals about the state of business mobility and organisational agility in general. On one hand, executives seem to agree that far from being a consultant's pipe dream, business mobility is now part and parcel of how firms compete globally.

Yet significant challenges remain. Perhaps the most important is creating and enforcing behavioral standards for a mobile enterprise that are consistent with what employees experience as mobile consumers.

The problem is that what is entirely acceptable (even desirable) in a consumer context exposes an organisation to all kinds of operational, security, and perhaps legal vulnerabilities. Mobile device management is a case in point. "We're pretty flexible except to the point where someone buys their own phone and then asks us to connect it up the e-mail system", says Mr James of Novartis. "If we don't own and vet the device, it just becomes a nightmare to manage all those different systems".

The problem looms even larger in Japan, a highly

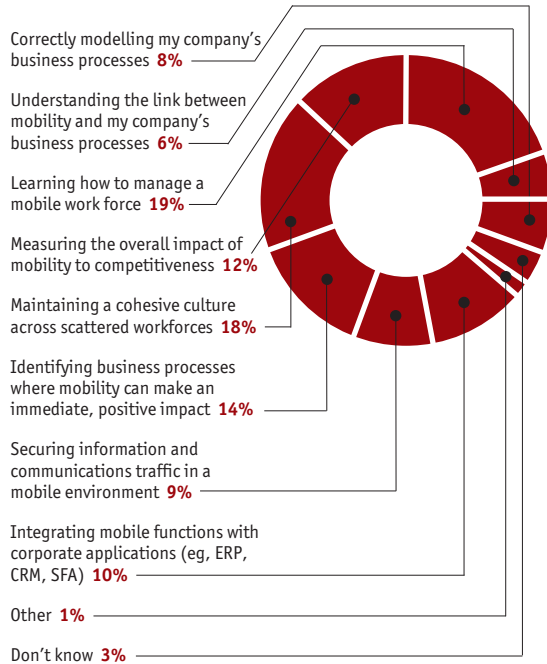
mobile society with widespread penetration of high-speed mobile networks and a dense ecosystem of mobile content and services companies. "Many Japanese companies are trying to give their employees more of an enterprise type phone than the entertainment-oriented phones they carry as consumers", says Shunichiro Mishima of Japan's NTT DoCoMo.

Whether they choose to issue employees a second phone for business or allow enterprise applications to be loaded onto a personal handset, all organisations must confront the problem of device management. This encompasses a range of activities beyond deploying, updating, and managing a fleet of mobile devices cost-effectively. Security looms large as an issue with organisations struggling to manage information beyond the corporate firewall—especially customer data. Remote device management, including the ability to wipe the memory clean of a mobile device if it is lost or compromised, is one of the main differentiators between consumer and enterprise mobility environments.



The quest for competitiveness: Business mobility and the agile organisation

In your opinion, what is the biggest challenge for your company in benefiting from worker mobility?



In addition to device management, there is the issue of integration with legacy systems. Leading organisations are moving to enable their business applications to function in a web environment. This affects many applications' ability to be mobilised. "I'd be hard-pressed to find anyone these days looking at a pure client/server-based application as a candidate for taking mobile", says Mr Aguiar of Ogilvy Worldwide.

Many business applications, some unique to particular industries, would benefit from being mobilised but don't readily lend themselves to the process. "Legacy, non-web applications pose a big challenge", he says. "Either you're going to spend a lot of money to replace these applications and thereby throw a lot of the ROI out the window, or you need to work around its inherent limitations for mobile. Neither way is a particularly pretty process."

Device management and legacy integration are just two challenges facing organisations that seek greater

mobility for their people and processes. Whereas surveyed executives agreed broadly on the benefits they expected from greater mobility, they were less unanimous about the obstacles their organisations needed to overcome.

The single largest obstacle cited by executives was the challenge of learning to manage a mobile workforce. Even so, less than 20% of those surveyed selected that answer. Closely related to managing mobile workers was maintaining a cohesive organisational culture across scattered workforces—significant for professional services firms whose workers return only sporadically to their home offices. "It's not unusual for us to have mobile workers who do not set foot in the office for literally months at a time", says Mr Lechner of PwC. "Having a rich mobile connection back to the home base is important for helping them feel connected to the larger organisation."

On a more basic level, the survey showed executives coming to grips with other dimensions of the organisation that might benefit from greater mobility. For example, executives pointed to the need to identify new business processes and applications to mobilise as a significant task for the future.

Then there is the challenge of measuring mobility's impact on competitiveness. To date, traditional and non-traditional ROI considerations have existed in parallel. That situation is unlikely to continue. As business mobility begins to require greater organisational resources and commitment, the need to harmonise ROI criteria will become more important.

Some organisations already manifest this need in the way they approach mobile workforce training. Most of today's university graduates can be considered "digital natives" who grew up with interactive and mobile technologies. They switch effortlessly between their work and social lives, both online and on the move. For organisations that employ multiple generations under one roof (ie, most of them), the training challenge looms large. "Part of my job is to be driving a strong



awareness among my executives that this is something we need to tackle now”, remarks Mr James of Novartis. He points out that many mobile technologies with which senior and even middle managers are comfortable are increasingly perceived by recent graduates as almost obsolete.

In this sense, the mobile habits and expectations of the consumer world have infiltrated the enterprise market. For example, many organisations are making a move toward fixed and mobile Voice over Internet Protocol (VoIP) services. PwC’s Michael Lechner cites

the example of a company that introduced a corporate VoIP system which showed users an icon of a phone keypad on the computer screen. Younger workers objected to the icon. Already quite familiar with peer-to-peer telephony applications such as Skype, they found the telephone imagery jarring. “They want to right-click on a name on their buddy list and have an option to call”, says Mr Lechner. Although such user interface preferences may seem minor, they indicate potentially significant cultural gaps in the way older and younger workers view and use emerging technology.

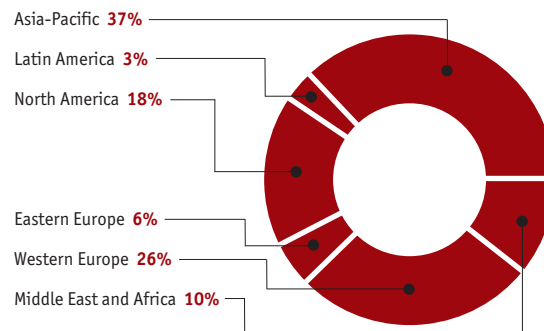
Myth busting

The survey suggests that important milestones remain before the full promise of business mobility can be realised. Yet it also helps put to rest some of mobility’s more durable misconceptions. When organisations first started giving mobile devices to their employees, most believed only specialised workers at technology companies would benefit from having such tools. Mobilising a workforce, they felt, was costly, complex, and a security nightmare.

According to the survey, these beliefs are largely relics of the past. Surveyed executives decisively rejected these assertions, along with the belief that mobile work meant being “always on” and therefore constituted a threat to work/life balance. Executives did agree that calculating a comprehensive ROI on business mobility remains a challenge, and that techniques for evaluating ROI must be refined. They also concurred that mobility requires an organisation to carefully examine certain internal processes and be willing to change them if necessary.

On balance, organisations seem to be pushing forward with business mobility, perhaps because they have little choice. With customers, partners, suppliers and competitors becoming more mobile, organisa-

In which region are you personally based?



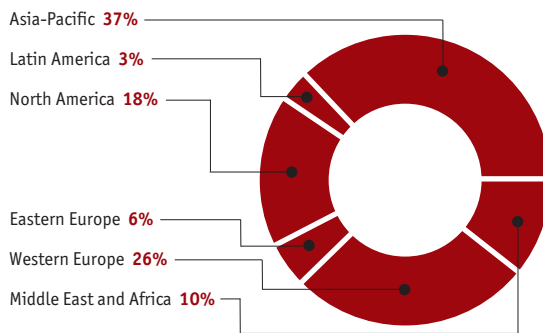
tions can hardly muddle along with phones, PCs, and desks lashed to a single fixed location. “Just a few years ago, I was more concerned about connectivity than anything else”, says Mr Nallin of UPS. “Now it’s almost the opposite. Connectivity is a given. It’s the organisational stuff that’s a lot more important.”

Forward-looking organisations will tackle the business mobility imperative by re-thinking how they use networks, people, and business processes. The degree to which they are successful will, to a large extent, determine whether they become (or remain) agile enterprises.

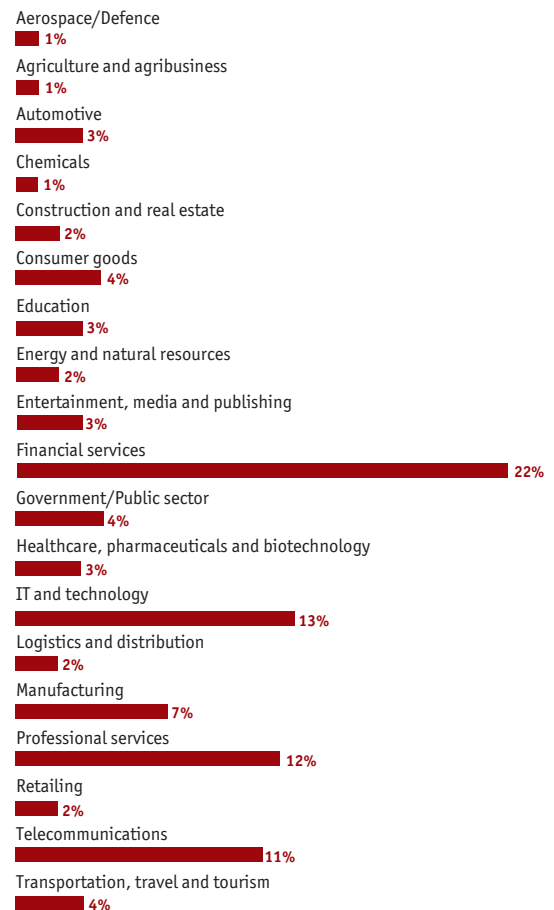
Appendix: Survey results

In February and March 2007, the Economist Intelligence Unit polled 532 executives from around the world on the link between competitiveness and mobility. Our sincere thanks go to all who took part in the survey. Please note that not all answers add up to 100%, because of rounding or because respondents were allowed to provide multiple answers to some questions.

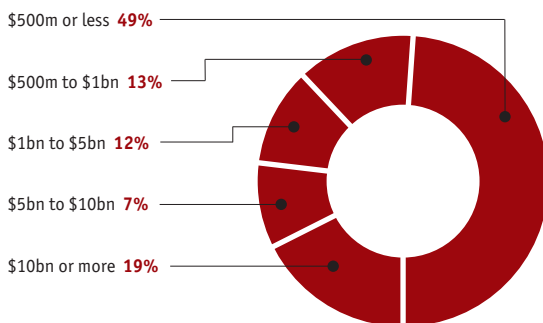
In which region are you personally based?



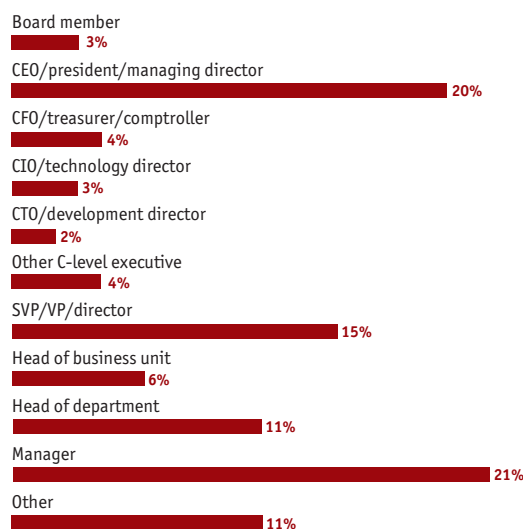
What is your primary industry?



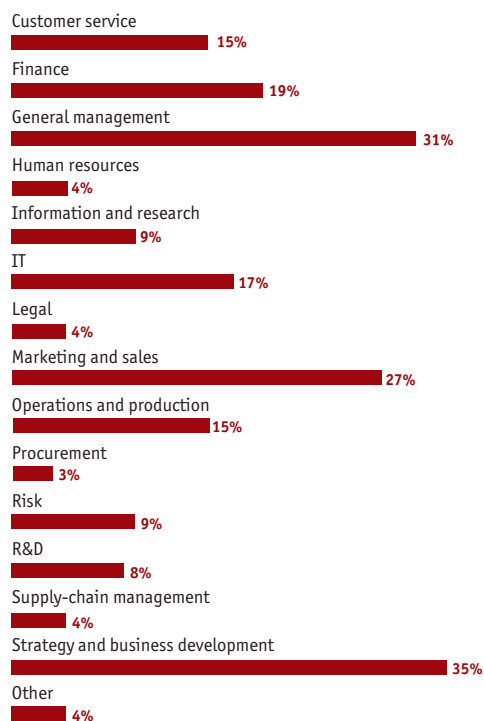
What is your organisation's global annual revenue in US dollars?



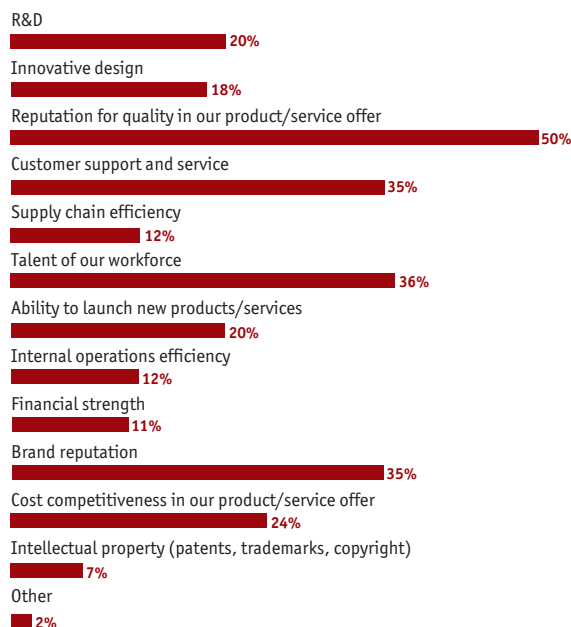
Which of the following best describes your title?



What are your main functional roles?



What areas do you think contribute most to your company's current competitive position in the market? (Choose up to three)



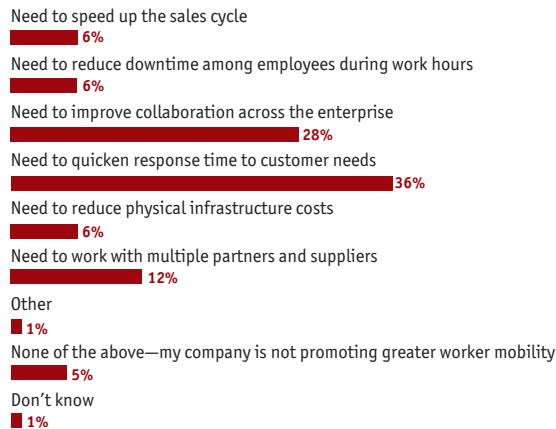
Which of the following do you think will be the most significant challenges facing your organisation's competitive strategy over the next two years? (Choose up to three)



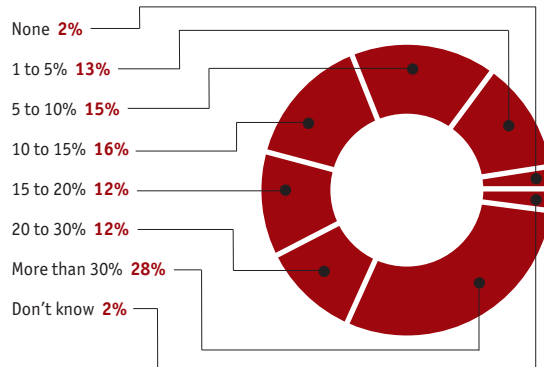
Appendix

The quest for competitiveness: Business mobility and the agile organisation

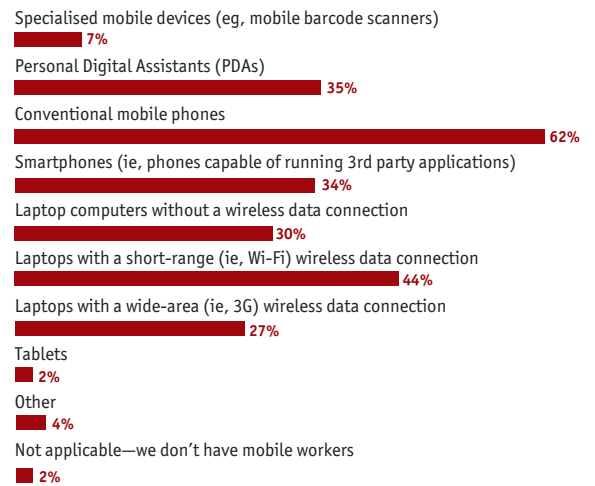
What do you think is the most important competitive factor driving your company toward greater mobility in the workplace?



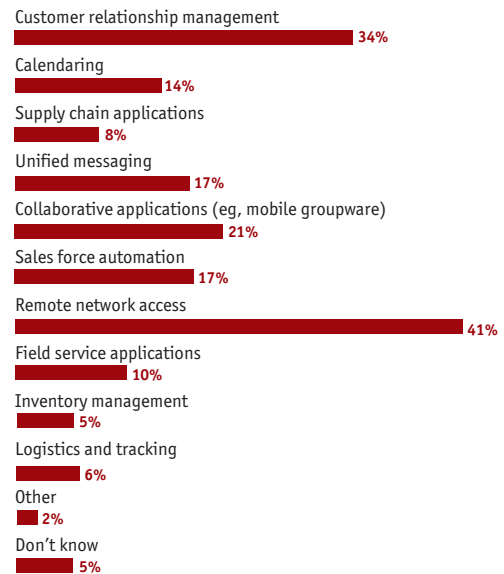
In your estimate, what percent of your company's workforce can be considered "mobile workers"?



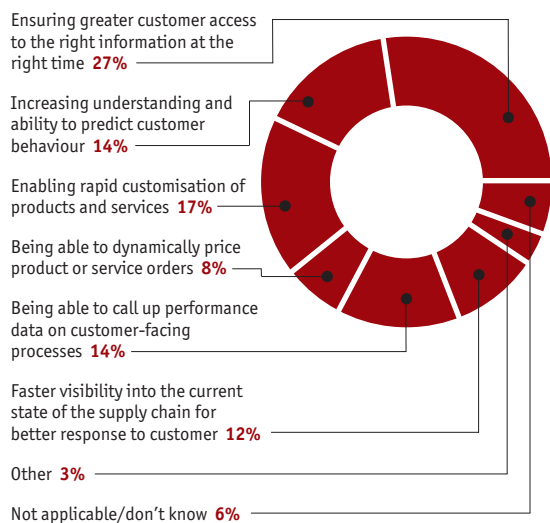
What are the top means by which your company's mobile workers access information and communications resources remotely? (Choose up to three)



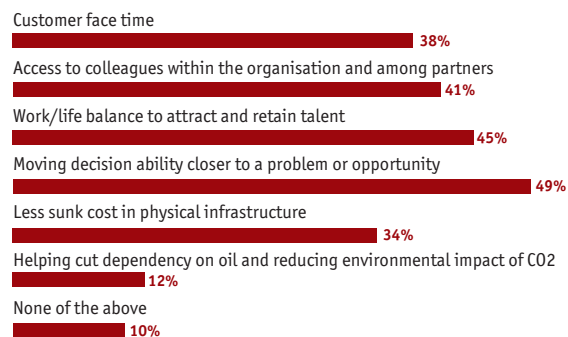
What do you think will be the most widely used mobile technology applications your company employs over the next two years? (Choose up to two)



Which of the following is worker mobility most likely to facilitate at your company?



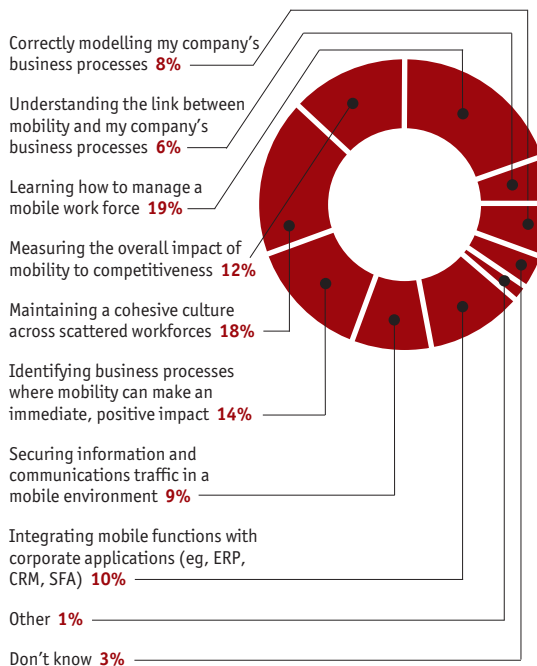
As worker mobility grows, is your company likely to increase use of the following non-financial measures of ROI? (Choose all that apply)



Which of the following non-financial measures of return on investment (ROI) does your company currently use, or plan to use within two years?



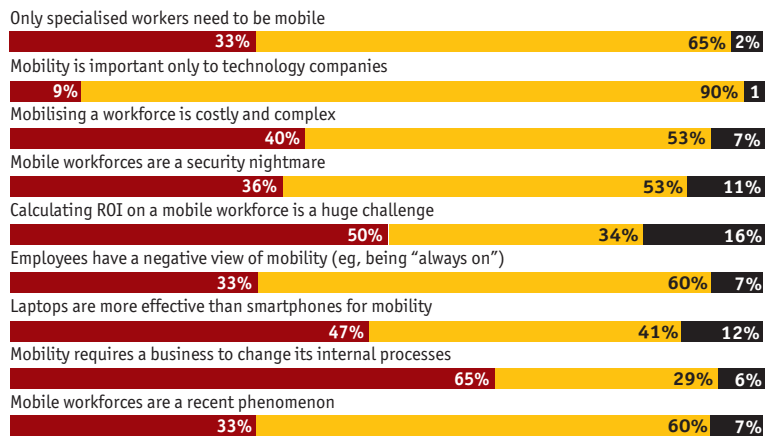
In your opinion, what is the biggest challenge for your company in benefiting from worker mobility?



Appendix

The quest for competitiveness: Business mobility and the agile organisation

Please indicate whether you agree or disagree with the following statements about worker mobility.



1 Agree

2 Disagree

3 Don't know

While every effort has been taken to verify the accuracy of this information, neither The Economist Intelligence Unit Ltd. nor the sponsor of this report can accept any responsibility or liability for reliance by any person on this report or any of the information, opinions or conclusions set out in the report.

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