

Maximizing Smartphone Value: Standardize and Simplify

The latest smartphone applications foster more mobility and productivity than ever before—as long as a secure mobile network is in place.



Mobility is the future of business; more business is conducted in real time and between geographically dispersed situations than ever before. Also, mobility ties closely into important collaboration trends including the increasing use of social networking tools such as Facebook, LinkedIn and Twitter. The smartphone—a symbol of an increasingly mobile and interconnected population—is a familiar piece of technology for most employees.

In today's tough economic climate, no company can afford to let the opportunities mobility presents pass it by. For that reason, implementing a rational, comprehensive smartphone strategy shouldn't be viewed as a priority only for large companies. Midsize organizations need to exploit the advantages mobility offers to keep pace with competitors and keep in touch with customers and partners. Now is the time for midsize firms to embrace a unified approach to smartphone implementations that best leverages the productivity and business gains inherent in the technology.

Lowering Costs

The most important element in maximizing a smartphone investment—lowering costs—occurs on the front end. According to research firm Forrester, 59 percent to 75 percent of the cost of a smartphone deployment is represented in the voice and data expenses connected with that deployment. A close examination of the impact of mobile voice and data plans is crucial.

The manner in which smartphones are working their way into the corporate environment is reminiscent of the ad hoc, bottom-up way PCs infiltrated businesses back in the 1980s. Some companies have provided smartphones to their employees, and some have allowed employees to purchase their own smartphones—and voice and data plans—and then bill those expenses, in whole or in part, back to the organization.

In the effort to lower costs represented by voice and data plans, midsize firms should consider an important lesson

platform also saves midsize companies the corporate administrative costs associated with dealing with multiple vendors, points out Greg Liberman, mobility specialist at Research In Motion (RIM), maker of the BlackBerry® smartphone. “If they have to deal with multiple contracts that overlap, it’s a headache,” he says.

Last year market research firm Yankee Group standardized its cellular service around one telecom provider (T-Mobile) and one device (BlackBerry® Curve). In a report about the project, the firm estimates that an average 125-person organization, by moving from a mix of individual and corporate liability service plans to a single corporate liability plan, will save approximately \$100,000, or 50 percent of previous costs, yielding a six-month payback period.

Gene Signorini, vice president of enterprise research at Yankee Group, confirms that a big part of that savings was the result of “bulk purchasing with the carrier for service.” Supporting a single rationalized device platform

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learned in the PC era: standardize and simplify. Standard deployments decrease costs through economies of scale. They also create better environments for negotiating contracts. That’s significant not only in terms of costs but also because one of the most important elements of a mobile strategy is the service level agreement (SLA) with the telecom vendor.

It should be obvious to anyone who watches primetime TV that there’s a price war going on among telecom service providers. “They’re all hungry for your business,” says Carrie MacGillivray, program manager in mobility services at research firm IDC. Telecom vendors especially wish to attract dynamic midsize companies, she says, because they want to “get a foothold in there and become the provider of choice.”

That puts customers in the driver’s seat when it comes to negotiating voice and data plans. By dealing with a single vendor, midsize companies can reap negotiating benefits usually reserved for large companies, such as lower rates and better service. Smartphone plan-related benefits include pooled minutes (sharing wireless minutes across employees) and the “right data plan attached to the right device based on usage,” MacGillivray says.

Standardizing on a single vendor and a single mobile

was another significant source of savings as it cut down on the time and effort required of IT to service the devices. Managing myriad smartphones in the field, Signorini says, “adds a help desk and administrative challenge.”

Mobility must be part of a company’s overall telephony strategy. Midsize firms should explore ways to integrate wireless and the corporate WAN to eliminate redundant costs. To that end, major telecom providers such as AT&T and Verizon offer telecom account management that provides expense management services as well as some IT support, according to IDC’s MacGillivray. Also, there are third-party firms that help optimize mobile and network plans in the same way, MacGillivray says—and depending on the number of devices deployed, these third-party services may make cost-benefit sense for midsize organizations.

Maximizing Benefits

The second element in a midsize organization’s strategy to maximize its smartphone investment is to maximize the benefits. That means exploiting a mobile strategy for its potential business advantages. Some companies limit the use of mobile devices to a select group of high-level executives. This may create barriers to an organization’s ability to

leverage the productivity benefits mobility promotes, which tend to increase exponentially as smartphones proliferate.

Though the business application most frequently associated with mobility is email, there are mobile applications that address specific business needs—such as sales force automation, logistics, and customer service—that offer considerable ROI for making mobile devices available to a wide range of employees, including salespeople, customer support personnel, and field service employees. Inventory and supply chain employees can access back-end data sources through smartphones, making them more efficient and effective at their jobs.

When midsize organizations roll out smartphones to more than just the C-suite, productivity gains abound. A salesperson entering data into a mobile platform instead of traveling back to the office to do so saves time and gas. Ditto for the field service technician who uses a smartphone GPS application to optimize a repair route on the fly. IDC's MacGillivray points out that organizations can (and should) track and quantify those productivity gains relatively easily.

The other mobility gain revolves around business opportunities, such as shortened sales cycles or better customer service. This type of gain is harder to quantify but potentially affects the bottom line more directly. For example, if a service representative can answer a customer's question about inventory while in that customer's office, it may mean the difference between keeping the customer and losing him. The same goes for increased sales opportunities enabled by immediate access to data. "For a realtor, the more houses her customers see, the more likely they are to buy," says MacGillivray.

Sophisticated applications require a mobile device powerful enough to support them, and back-end data access demands strict security controls. That's why it's important that midsize organizations carefully weigh the pros and cons of any smartphone platform they might consider as a corporate standard when embarking on a consolidated, rationalized mobile strategy.

First, organizations should map out what applications they may want to implement as part of their mobile strategy, both now and in the future. Depending on what those applications are, important questions may need to be addressed about technical requirements, says RIM's Liberman—for instance, does the application require VPN support? Similarly, technical requirements need to be resolved in terms of the mobile device platform: Can the platform handle multitasking? Is it scalable? Is it secure enough? "Mobility is about planning," Liberman says.

Increasingly, security is an essential aspect of any

PERSONAL CHOICE IN A STANDARD ENVIRONMENT

There is simply no stopping the cellular wave that is sweeping the globe and extending into organizational culture. Smartphones are an important, growing subset of that technology category, particularly in the corporate environment. And while a certain percentage of smartphones are being provided to employees by management, many more enter the organizational structure through the initiative, and preference, of individual workers—a trend that will continue.

Rather than juggle multiple handheld devices, many employees who do not already have corporate cell phones prefer to use their personal smartphones for work-related interactions, in particular if those involve mainly accessing e-mail or calendar functions. Employers have responded by supporting that choice. Fully 47 percent of employees at U.S. medium-sized businesses have individual-liable cellular plans, according to Yankee Group.

It's a trend worth noting. Instead of forcing employees to wait through a long corporate approval and fulfillment process, midsize organizations might do well to encourage them to think of their personal smartphones as potential work-related productivity enhancers.

That does not obviate the need to implement a standardize-and-simplify smartphone strategy—quite the contrary. Enforcing a standard end-user device even for individual-liable users ensures the advantages of such a policy in terms of cost control, productivity, support and security are extended to those workers. It can also stretch the buying power of a standardized corporate smartphone service plan if companies carve out employee purchase programs that encourage workers to acquire their own, albeit standard, devices.

Smartphone vendors are taking notice. For example, RIM recently introduced a version of its server software, BlackBerry® Enterprise Server, optimized for small and midsize companies, as well as larger organizations that want to allow all employees the option of attaching their personal BlackBerry smartphone to their corporate e-mail and PIM. Available free, BlackBerry® Enterprise Server Express provides many of the features and much of the functionality of its enterprise-grade big brother. It allows cost-conscious midsize organizations to embrace the BlackBerry smartphone as a standard—and to incorporate, easily and painlessly, employees who already own BlackBerry smartphones or intend to purchase them.

A standardize-and-simplify smartphone policy should not limit employees' choice and initiative, or an organization's opportunities for cost savings. Instead, it should encourage the competitive advantages and productivity gains represented by widespread smartphone adoption.

mobile strategy. That's because the potential security risk represented by mobile devices isn't just to an organization's data but to its customers' data as well. The negative consequences of a security breach in that circumstance could be significant, whether the smartphone is part of a corporate plan or an individual one. Security *must* be integral to the functioning of any mobile device being considered for enterprise standardization.

Planning for the Future

Finally, one of the most important ways a technology investment can affect the corporate environment is by changing business processes—creating new ways of doing business; generating revenue; and reaching potential customers, partners and suppliers. A standardized, rationalized smartphone implementation strategy can—indeed, almost certainly will—have that effect.

There's little doubt that smartphones are the most compelling computing platform for the global business environment of today and the future. Research firm Gartner predicts that the total number of smartphones worldwide will surpass the total number of PCs by 2013. That's why when it comes to mobility, midsize firms should act locally and think globally. And "some mobile smartphone platforms do better with international" than others, points out Liberman.

Most midsize organizations won't be looking to negotiate global cellular contracts with global telecom providers, says Signorini. But they will want to support their employees who travel internationally, in no small part because these employees are very often important revenue generators—such as salespeople, who depend on real-time communication for decision-making. "The ability to keep connected while international is important," he says.

Given conflicting network standards and multiple service providers, international cellular communication isn't simple, but it can be simplified. "You can't standardize on one carrier, but you can standardize on one platform and one device," says Signorini.

That device should be optimized for dealing with the idiosyncrasies of global cellular communication, such as international roaming charges. "They can be surprisingly expensive," says Liberman. That effectiveness is particularly important when dealing with international data transfer. Midsize firms should make sure any mobile platform they might consider is able to optimize international data transfer through, for instance, efficient data compression. "Wireless efficiency is an important consideration if you think of how much data you're transferring," Liberman says.

Social networking is another trend that midsize firms should take into account. There is a "natural synergy" between mobility and social networking, says Signorini, who speculates that millions of users may already have the Facebook app on their smartphones. The business productivity advantages that come from using smartphones in connection with social networks are similar to those with other mobile apps. For example, a salesperson might use Yelp to find an enticing eatery when a customer meeting

runs late, Signorini suggests.

But the benefits are even greater in terms of business opportunities, both for new lines of business and new business processes. In terms of external business, smartphones plus social networks present new ways of servicing customers and new avenues for creating communities for partners and suppliers. Internally, smartphones plus social networks represent new forms of communication, collaboration and training, especially for companies with dispersed and/or autonomous workforces. These opportunities are not lost on large companies, many of which are working on both enterprise-wide social media strategies and comprehensive mobile plans. Savvy midsize organizations will recognize, and realize, the benefits of these opportunities as well.

Standardize and Simplify

Mobility is the wave of the future not only because its use is exploding but also because the smartphone is the most compelling aspect of information technology for the newest generation of workers. Today, in the U.S., 40 percent of workers on average are considered mobile, says Signorini. That's a technology trend savvy organizations need to exploit. "If you want to extend those advantages, you need mobile solutions," he says.

Midsize organizations cannot ignore the migration toward, and evolution of, smartphone computing. The best way to leverage the use of mobile applications is to standardize the technology. It's important to note that that standardization applies equally to a single telecom services provider that can help simplify and rationalize services and costs, and to a single mobile device platform that offers support for the mobile applications a company may want to use, now and going forward.

Midsize firms are well-positioned to take advantage of many of mobility's productivity advantages and business opportunities, and to create a coherent, rationalized approach to extending a smartphone solution throughout the enterprise. But they need to embrace that standardize-and-simplify mobile strategy sooner rather than later, to capitalize on employee interest in the technology and before a jumble of mobile devices works its way into the corporate environment. Now is the time to act, before the exploding use of smartphone technology increases the difficulties of implementing such a comprehensive strategy in the future.

