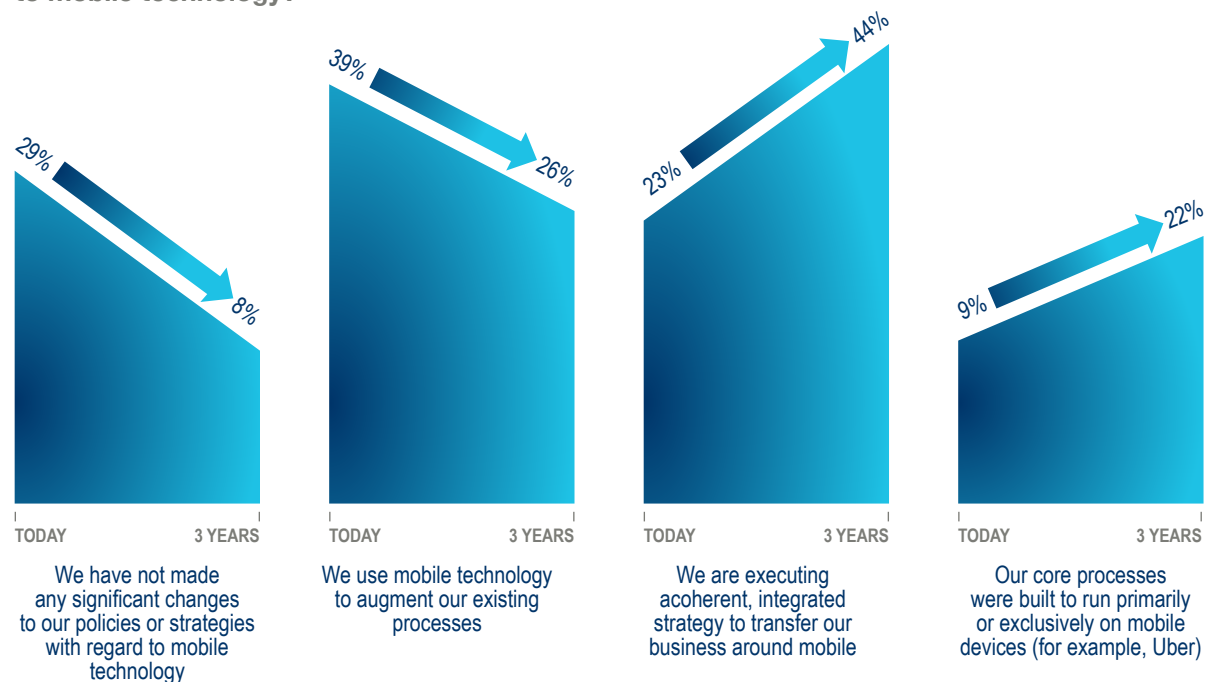# The mobile revolution is just getting started

A decade after the introduction of the first smartphone, mobile devices and applications have had an undeniable impact on the way people work, play, and perform routine tasks. Yet despite this great untethering, most organizations are stuck in the landline era when it comes to maximizing mobility's potential.

That is about to change. Oxford Economics worked with Citrix in early 2017 to survey 600 business and IT executives around the world and across industries about mobile technology and its impact on the ways people work. We found that mobile strategy is at an inflection point, with spending on mobile technology on the rise and—even more importantly—a wave of process innovation about to break. Old ways of doing things are increasingly being replaced by mobile-centric approaches. Mobility is moving from a set of technologies that enables some people to do their jobs remotely to a way of thinking, organizing, and working that makes all information available anywhere, anytime to all appropriate users.

Fig. 1: A shift to mobile-native processes

Q. Which of the following statements best describes your organization's relationship to mobile technology?

29% → 8%
We have not made any significant changes to our policies or strategies with regard to mobile technology

39% → 26%
We use mobile technology to augment our existing processes

23% → 44%
We are executing acoherent, integrated strategy to transfer our business around mobile

9% → 22%
Our core processes were built to run primarily or exclusively on mobile devices (for example, Uber)

This next strategic level of mobile maturity will allow the creation of a new kind of digital workplace that empowers employees and enhances the performance of organizations of all kinds. It is a transformation that needs to happen: our research shows that only 16% of executives currently say their organization is realizing full value from mobile technology.

The rewards of maximum mobility are substantial. Respondents to our survey who represent organizations with better-developed mobile strategies than their peers—we call them Digital Workspace Leaders—are realizing more value from mobility in areas ranging from creative problem-solving to customer service. They also report better financial performance than do other respondents.

Changes of this impact and scope do not come easily. Making smart investments in technology while remaking strategies, processes, cultures, and physical environments—and keeping each in sync with the others along the way—is a huge challenge, but it is one no organization can afford to ignore.

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Strategy goes mobile

UBS, the big Swiss financial services company, designed its new offices in the city of London without assigned desks for many workers. Instead, employees can access their files and applications on any computer at any desk—even at home. Their contact number travels with them between desks, or is forwarded to selected mobile devices. Andrew Owen, managing director of UBS corporate services, says the new setup is less restrictive than traditional ways of working. A lot of cross-functional planning went into making this nontraditional office work. "We had to decide what came first—was it the office layout or was it the technology? We said, 'Let's get together and solve the furniture issue, let's solve the user-mobility issue, let's solve the technology.' Had we just tried to solve one of those threads, we would not have achieved what we have."

And creating the right physical environments for digital work, on-site and off, is just one step toward mobile maturity. The ways organizations approach everything from workflows and business processes to HR policies and management culture must change to reflect a mobile-first mindset. Most organizations have not yet made the necessary adjustments, although meaningful progress across the board is expected by 2020; the great majority of Digital Workspace Leaders, on the other hand, already have made substantial steps toward transformation, and will continue their winning ways over the next three years.

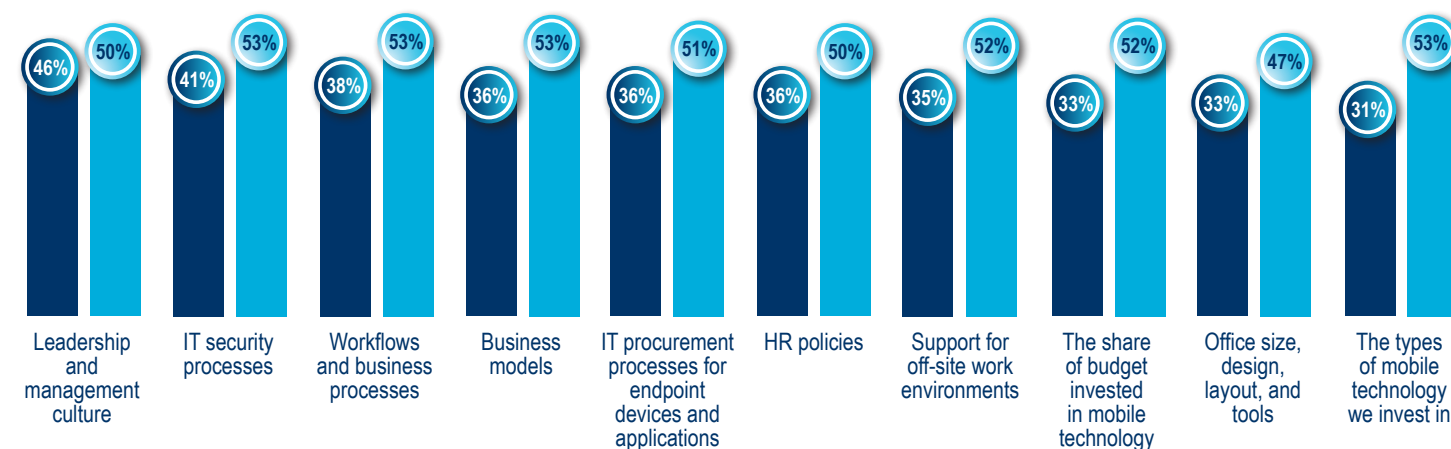**"We had to decide what came first—was it the office layout or was it the technology?"**

—**Andrew Owen**
managing director for corporate services, UBS

Fig. 2: Taking mobility to the next level

Q. To what extent have you changed your mobility and virtual strategies in the following areas over the past three years? To what extent do you expect to change them over the next three years?
"To a meaningful extent" and "To a significant extent" responses   ■ Past three years ■ Next three years

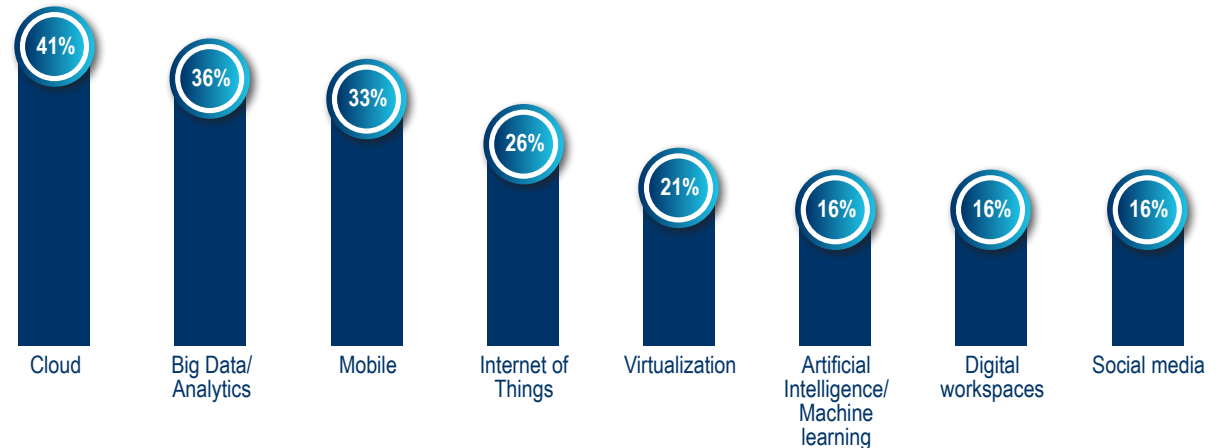|	Past three years	Next three years
Leadership and management culture	46%	50%
IT security processes	41%	53%
Workflows and business processes	38%	53%
Business models	36%	53%
IT procurement processes for endpoint devices and applications	36%	51%
HR policies	36%	50%
Support for off-site work environments	35%	52%
The share of budget invested in mobile technology	33%	52%
Office size, design, layout, and tools	33%	47%
The types of mobile technology we invest in	31%	53%

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Mobile budgets have momentum

While technology alone cannot power the next wave of mobility, it is a necessary element of transformation, and a growing number of organizations are loosening the purse strings for mobile investments. Over half of respondents say their spending on mobile technology increased over the past three years, and 70% expect such investments to increase in the next three years—with over 20% saying this growth will be significant. Our Digital Workspace Leaders are much more likely to have increased spending in recent years, and are more than twice as likely to plan significant increases by 2020.

It says something about where we stand in the mobile revolution that the technologies expected to have the greatest impact in the next three years include basic building blocks of digital workspaces, mobile, and cloud. Newer tools, even those that will help drive the next wave of mobility (including the Internet of Things and virtualization), remain less of a priority for now—but emerging technology is expected to have an impact in the next five years, especially in terms of substantial improvements to customer service. Digital Workspace Leaders are somewhat more likely than other organizations to say emerging technology will provide value by increasing the momentum of the virtual workplace.

Fig. 3: Mobile infrastructure is a work in progress

Q. Which technologies do you expect to have the greatest impact on your organization over the next three years? *Respondents were able to select up to 3 options*

Cloud	Big Data/Analytics	Mobile	Internet of Things	Virtualization	Artificial Intelligence/Machine learning	Digital workspaces	Social media
41%	36%	33%	26%	21%	16%	16%	16%

Building the mobile enterprise

Technology often changes faster than the people who are expected to use it, and even the rapid mainstreaming of mobility has advanced at an uneven pace—perhaps especially in the workplace. Farbod Karimi, chair of learning and teaching services at Algonquin College, a 60,000-student community college in Ottawa, says it is challenging to convince certain instructors to adopt remote-learning software and processes. "There are still some teachers using transparencies and overhead projectors," he says. Labor rules prevent him from just mandating adoption, so he has to rely on training and persuasion to bring holdouts into the mobile era. Ultimately, these instructors may be pressured to change by their own students; Algonquin has instituted a BYOD policy for all students, and 20% of program hours already are conducted outside of the classroom.

Getting human factors right is essential as mobility matures into digital work. But only two-thirds of our survey respondents say their managers are sufficiently prepared to manage a virtual workforce (executives in our leader group are much more confident about this skillset than their peers). Meanwhile, nearly 60% of all respondents say employee burnout related to constant connectivity is a problem for their company. Employers say they encourage work-life balance, but well over half also say they expect most employees to be available after hours. When managed effectively, though, mobile technology can make life better for employees: nearly three-quarters of our leader group report improvements to employee satisfaction and productivity as result of digital work.

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Ownership and security

Just over one-third of survey respondents have made meaningful or significant changes to their IT procurement processes for endpoint devices and applications, a number that increases to 51% in three years; Digital Workspace Leaders are way ahead of the game, with over three-quarters having made such changes already.
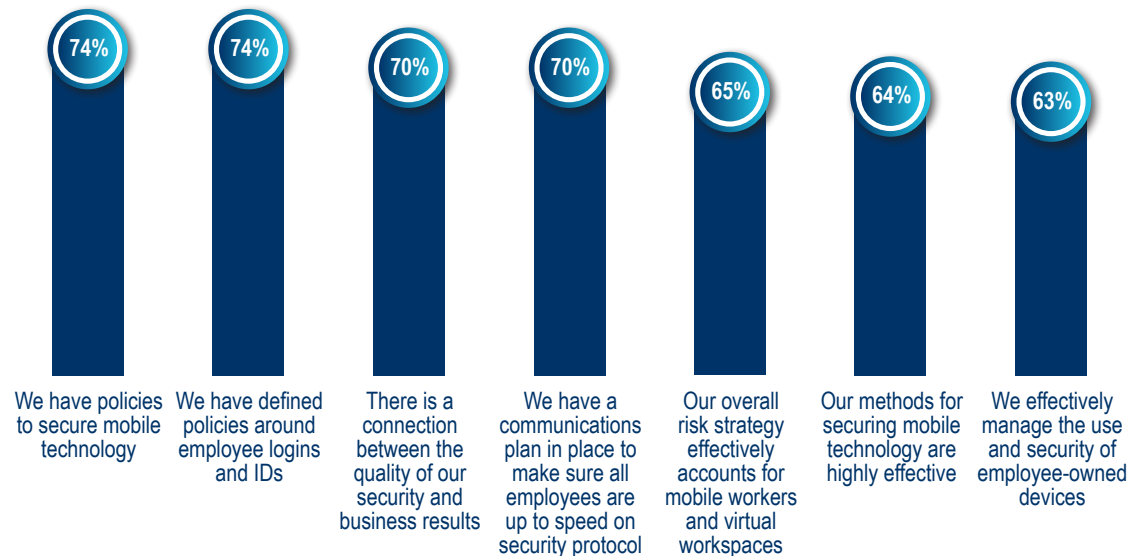
However, some fundamental questions about mobile policy remain unresolved, and the ubiquity of mobile devices in everyday life increases pressure on organizations to come up with answers. Should companies issue mobile devices to employees? If not, how much support should they provide for BYOD programs, and how much control should they expect in return?

Herman Miller, the venerable office-furniture maker, has changed its policies over time and still sets different rules for domestic and international operations. The current approach in the US is to install device-management software on the phones and tablets of employees who agree to do so, and then allow these individuals access to company email and other relevant data. Chief Information Security Officer Kevin Miller says the company spends over $1.5 million a year to reimburse employees for approved mobile devices and connectivity.

No matter who owns the devices, securing them is a major challenge for most organizations—and an opportunity. Over two-thirds of respondents (and more than 90% of our Digital Workspace Leaders) say there is a connection between the quality of security and business results. Most say they have policies in place for mobile security, but not as many say they are effective in realizing the goals behind these policies; just 59% are successful in making data securely available anywhere to relevant users.

Fig. 4: Mobile security execution lags strategy

Q. To what extent do you agree with the following statements?
"Agree" and "Strongly agree" responses

74%	74%	70%	70%	65%	64%	63%
We have policies to secure mobile technology	We have defined policies around employee logins and IDs	There is a connection between the quality of our security and business results	We have a communications plan in place to make sure all employees are up to speed on security protocol	Our overall risk strategy effectively accounts for mobile workers and virtual workspaces	Our methods for securing mobile technology are highly effective	We effectively manage the use and security of employee-owned devices

Security challenges grow even more complex when non-payroll workers are factored into the mix, and more than one-third of respondents say this rising cohort makes up a significant portion of their workforce throughout the year. Safeguarding sensitive information (including customer data, strategic plans, and intellectual property) is hard enough when full-time workers carry their devices out the door at night—allowing the same opportunities for contract workers adds a new degree of difficulty by dramatically increasing the number of devices that could be stolen or even abused. Yet the number of respondents with policies in place to deal with these non-payroll workers is not expected to grow quickly in the next three years.

Much remains to be done before the full power of mobility is harnessed and new digital workspaces can deliver on their full potential. A majority of organizations cannot accurately measure the effects of mobile or virtual work to a meaningful or significant extent.

"It is very difficult to measure things like an increase in the level of collaboration," says Ashley Davis, managing director, data center strategy for UBS, of benefits driven by the no-assigned-desk policy in London. "But I sense even in these very, very early days that the collaborative benefits we're going to get are going to be extremely important to us."

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Conclusion

The rapid maturation of mobile strategy expected in the next three years puts pressure on all organizations to keep up—or risk being left behind by competitors who are able to leverage new digital workspaces into better customer experiences, happier and more productive employees, and superior financial performance. Getting the most out of mobility requires executives to do the following:

■ **Focus** on mobile-native strategies and processes, not just devices and applications.

■ **Think beyond** smartphones and tablets to next-generation tools that will shape the digital workspace.

■ **Respect** the impact mobile culture has on your people and find ways to make the experience work for them.

■ **Understand** the business value of security and the challenges of a growing contingent workforce.

This paper discusses the journey to next-generation mobile performance. Please see our companion report on the emerging digital workplace for insights into new ways of working and their implications for people, organizations, and society.

For more research, visit:
http://www.oxfordeconomics.com/thought-leadership/digital-workspace

About the research

Oxford Economics worked with Citrix on a global study of the ways maturing mobile technology and changing approaches to work are affecting organizations of all types.

We surveyed 600 executives around the world and across industries about how they are integrating mobile technology and digital work into their strategies. We also conducted a series of in-depth interviews with individuals from UBS, Algonquin College, Herman Miller, and the University of São Paolo, for real-world insights and lessons learned.

US	26%
UK	10%
Canada	9%
Germany	8%
France	7%
Brazil	5%
China	5%
Colombia	5%
India	5%
Japan	5%
Mexico	5%
Netherlands	5%
Turkey	5%
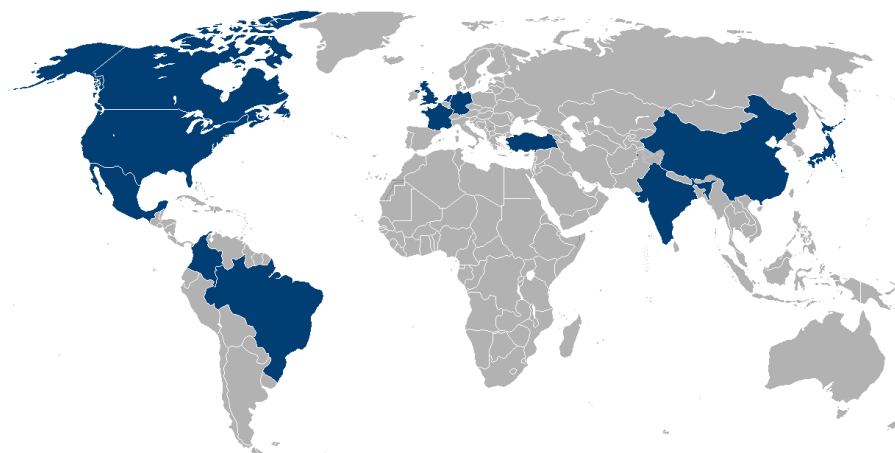
■ **Industries:** A range, including financial services (26%), education (25%), healthcare (25%), and retail (8%)

■ **Seniority:** 50% C-level, 50% direct report to C-level

■ **Function:** 50% IT, 50% business

■ **Age:** 14% 18–30, 46% 31–45, 36% 46–60, 4% 61–70

■ **Company size:** 6% less than $50 m in revenue, 12% $50 m–$500 m, 35% 500 m–$750 m, 20% $750 m–$1 bn, 18% 1 bn–$5 bn; 9% over $5 bn

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