

# Mobile Workspace Will Be Digital- and Application-Centric

Business process improvement and worker productivity  
are key goals



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## Summary

### In brief

The concept of the modern workplace in Australia is undergoing some very fundamental and radical changes. This is in large part the result of a generational shift that is shaping the workforce and the rise of technology that has allowed for greater flexibility and virtual working. These attributes are highly sought after by top talent. Evolution is also pointing toward a greater awareness in office design, with a strong preference for a multi-environment layout that includes open floor plans, coworking environments, socialization rooms, and other breakout spaces.

The biggest impact on the modern workplace is the surge in remote and flexible working. This has translated into enterprises investing heavily in workspace technologies to enable their employees to collaborate and execute their job functions in a digital and virtual manner where workspace and applications can be accessed everywhere on any device. In Australia, the key driving force in workspace technology investments is improving business productivity, followed by collaboration enhancement and innovation, according to the results of Ovum's Enterprise Insights Survey 2017/18. Ovum believes these investments are critical, and acquisition and retention of talent are also important, especially in relation to scarce resource pools such as data analysts, security professionals, and specialist roles. As digitalization has disrupted many industries, some with significant and wide-ranging consequences, enterprises should remain vigilant in sustaining business productivity. Ovum believes mobile workspace technology investments in Australia will continue to strengthen, with business cases increasingly built around well-defined matrices and objectives outlined prior to embarking on workspace projects.

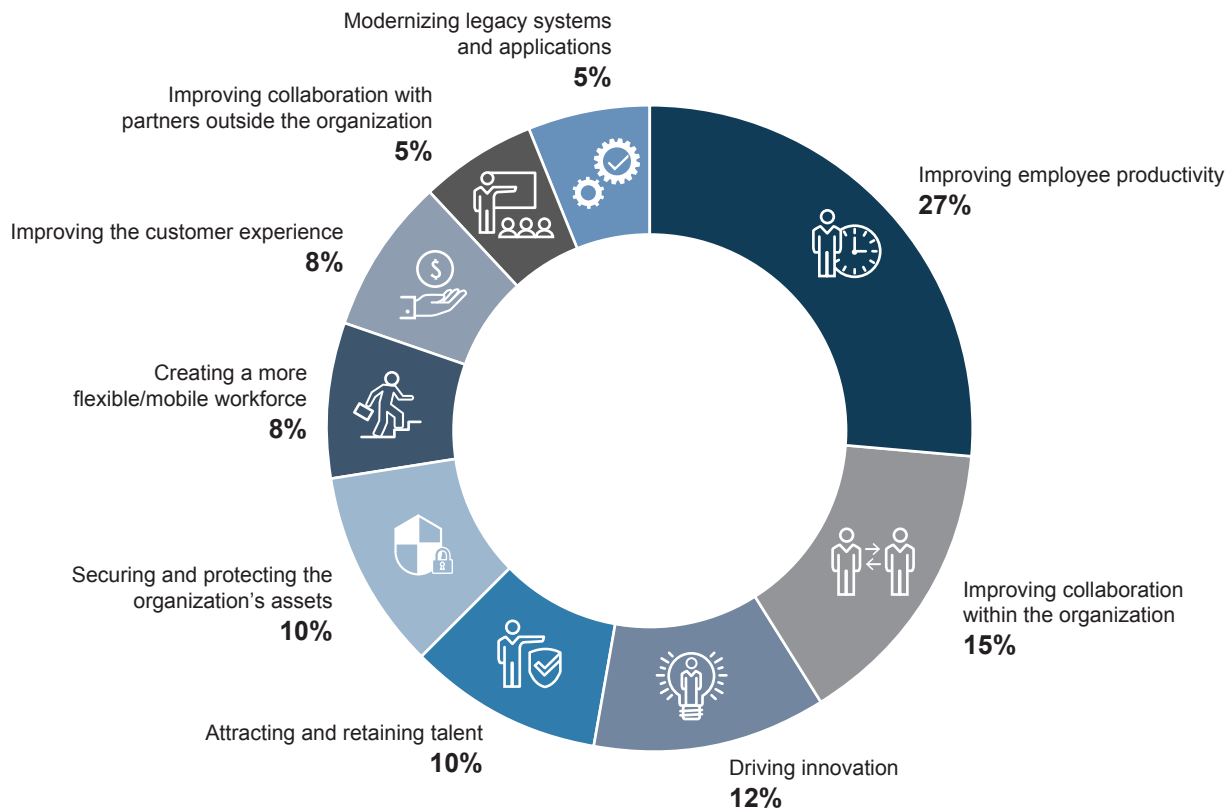
## Top priorities for the modern workspace investment

The modern workplace is evolving rapidly, from the devices employees use to the physical spaces they occupy and the way they interact and collaborate. Millennials have hugely influenced the interior design and layout of the workplace, with technology being a major agent in enabling and driving the pace of change. The modern workspace will be both digital- and application-centric, and that will attract the new generation of workers.

In Australia, enterprises continue to invest heavily in strengthening and augmenting their workspace strategies, with technology being one of the core foundations. Numerous goals are driving these investments. Figure 1 highlights the top investment goals of workspaces in Australia.

- **Improving worker productivity is the runaway leader.** This goal is cited by 27% of respondents as the top priority in mobile workspace investments. Operational excellence and staying nimble in a competitive world are critical for many enterprises, allowing them to move faster and therefore respond to change better. Worker productivity is also closely tied to business processes, and workspace technology investments are increasingly tied too. Business needs to optimize the workplace experience to remove avoidable distractions that are a source of poor productivity.
- **Collaboration drives efficiency and creativity.** Because Australian enterprises are increasingly spread across the country, region, and globe, collaboration becomes increasingly challenging. Better collaboration in an increasingly globalized economy can potentially accelerate innovation and lead to faster time to market for new products and services.
- **Driving innovation to stay competitive.** Enterprises remain laser-focused on driving continuous innovation as it is core to overall corporate agendas. Seamless collaboration between employees and access to corporate applications and tools are vital to rapid innovation.

Figure 1: Top goals of a modern workspace investment



Note: N = 80

Source: Ovum Enterprise Insights Survey 2017/18 (Australia)

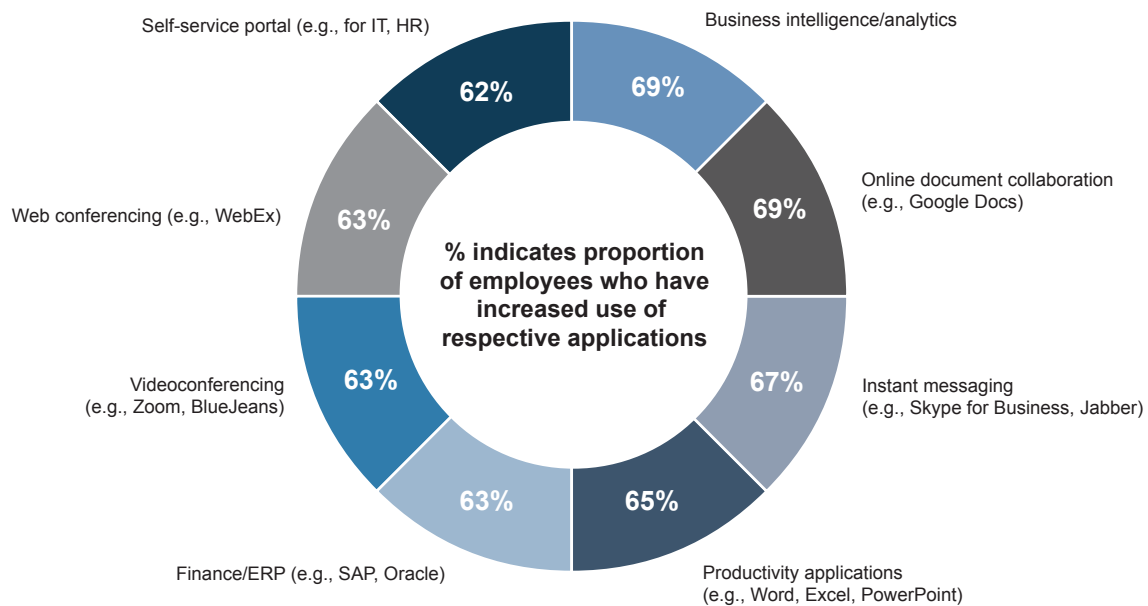
### Ubiquitous access to applications is growing in the modern workplace

One of the changes in the workplace that has an enormous impact is the introduction of workspace applications that can be accessed by employees remotely and are increasingly integrated into mobile devices. The modern workplace is fast becoming the mobile workspace. Most applications are focused on certain types of users and actively used by 10% to 30% of the workforce, with mobile email being the most widely used application. However, enterprises are gradually extending tools and enterprise applications across the organization to improve employee engagement and overall productivity. Figure 2 shows mobile workspace applications whose use is rising fastest among enterprises in Australia.

- **Analytics-driven decision-making is increasing.** Analytics applications are rising fastest, as enterprises are empowering their employees with analytical tools to give them deeper insights to make better decisions quicker. Use across job functions such as sales, marketing, and operations has risen as analytics-driven insights have become more important in making decisions. Analytics applications are also more democratized and are increasingly common among the broader employee population, especially as they become more user-oriented and -friendly.
- **Use of collaboration, videoconferencing, and productivity tools is increasingly popular.** Collaboration tools were some of the early mobile workspace applications implemented, but use continues to rise as document sharing, messaging, web/videoconferencing, and productivity applications are critical in daily collaboration between teams in Australia and globally.
- **Mobile enterprise applications will become more widely used.** Enterprises in the past have been slow to give widespread access to enterprise applications, especially on mobile devices, as security issues were challenging and mobilizing such applications could involve expensive development and customization work. However, enterprises are slowly deploying these applications on mobile devices and allowing employees to have remote access to them to drive up productivity. Ovum expects use of mobile enterprise applications to rise further in near to medium term.



Figure 2: Uptake and usage growth of applications among employees



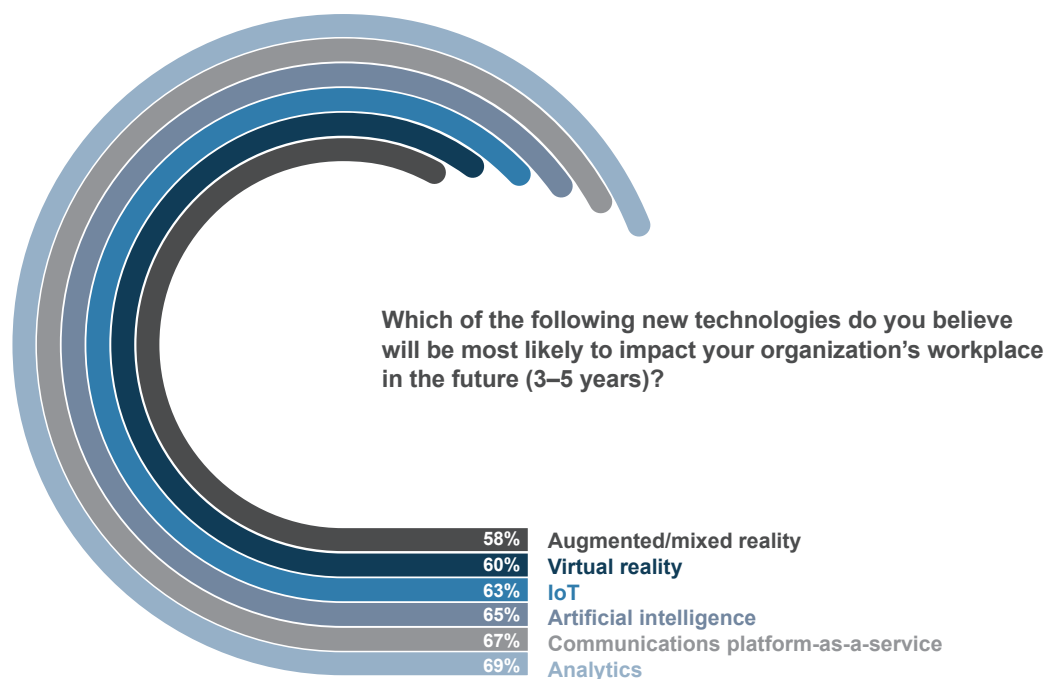
Note: N = 80

Source: Ovum Enterprise Insights Survey 2017/18 (Australia)

### Emerging technologies will have an impact on workspace

Looking ahead, enterprises in Australia believe that new technologies such as analytics, artificial intelligence, communications platform-as-a-service (CPaaS), augmented/mixed reality, and virtual reality will have a significant impact on their organizations within five years. Analytics will have the biggest impact, with 69% of Australian enterprises saying they will leverage it to measure employee performance and set out improvements. CPaaS adoption is expected to go up as enterprises add real-time video, messaging, and voice to business applications, reinforcing the widespread and increased use of applications to drive business process improvements. Technologies such as VR, AI, and the Internet of Things also score well, but Ovum believes they reflect aspirations by enterprises for the moment as some of the applications are economically and technically practical only for select job functions.

Figure 3: Impact of new technologies



Note: N = 80

Source: Ovum Enterprise Insights Survey 2017/18 (Australia)

## Security, customer experience, and business processes top mobility issues

The modern workplace will become increasingly mobile; enterprises will plan and shape their workplaces with a mobile-first outlook. However, enterprises should never underestimate the potential security vulnerabilities introduced by mobile workspace initiatives, especially with the proliferation of devices and access to corporate networks. This poses a major challenge to enterprises: As security attacks become more vicious globally, the potential damages inflicted by data loss and breaches are almost unquantifiable. However, there is a growing realization among Australian enterprises that mobile workspace objectives must touch and improve business processes and workflow, as this is where the greatest benefit will be realized and security will underlie all business process and workflow mobilization initiatives. Figure 4 lists the top issues and priorities for mobile workspace.

- **Security tops both priorities and challenges of enterprises.** Corporate information and intellectual property remain the lifeblood for most enterprises, and any form of breach can be detrimental. Security and governance frameworks must always be tight and strictly enforced for workforce mobility to be successful over the long term. There is also a nontechnical aspect to this: enterprises must understand which workers and roles need access to which services before embarking on this journey. Government intervention in legislating privacy requirements adds a burden that must be met.
- **Customer experience is the X factor for many enterprises.** There is a growing focus on sharpening customer experience, as many enterprises rate this as a major differentiator in a highly competitive environment. Mobile workspace initiatives, especially improving response time and crisis management, increasingly are tied to customer experience.
- **Mobile is driving business process improvements across the enterprise.** The biggest impact of any ICT investment always touches upon a business process. Australian enterprises are recognizing this as there is a growing emphasis on mobile application development and automating and improving workflow. That should be a major emphasis going forward as it can deliver the highest return on investment. Figure 5 illustrates the business processes that have been and will be mobilized in the next 12 months. Early emphasis was on IT support, marketing, accounting, and HR. However, enterprises will be focusing on product development and R&D in the next 12 months. This is part of the innovation agenda of many Australian enterprises.

Figure 4: Top corporate objectives for mobile workspace

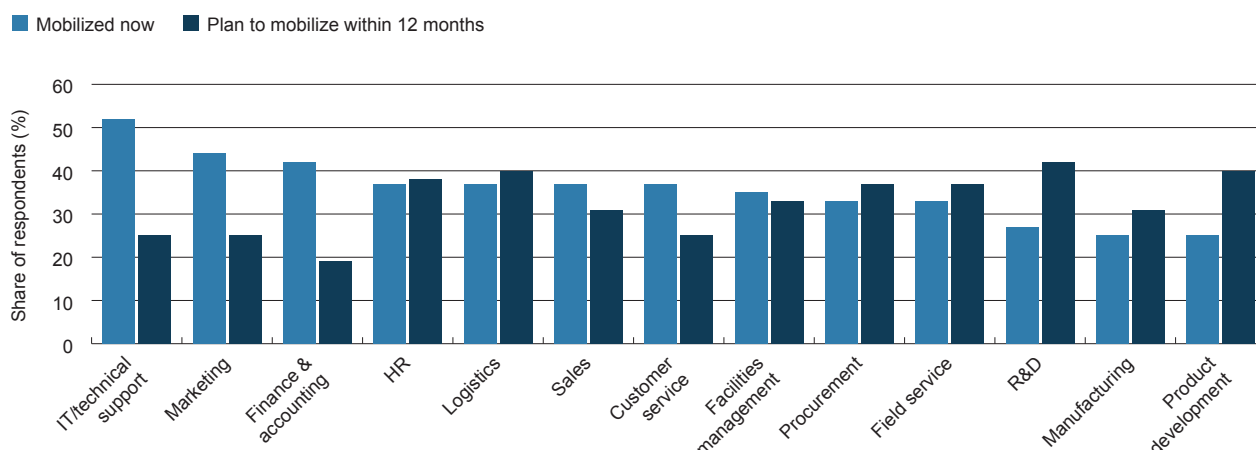


Note: N = 80

Source: Ovum Enterprise Insights Survey 2017/18 (Australia)

Figure 5: Business processes mobilized

Which business processes are mobilized now (i.e., are conducted on a mobile device and use one or more mobile apps)?  
And which do you plan to mobilize within 12 months?



Note: N = 80

Source: Ovum Enterprise Insights Survey 2017/18 (Australia)

## Enterprises are engaging service providers for their mobile workspace needs

There is a growing need for enterprises to engage service providers to help them steer through the complexity of moving to a mobile digital workspace. The difficulties associated with the physical implementation of workspace technologies are often the starting point, but helping businesses integrate new and existing products and services is also important. As Australian enterprises evaluate their workspace investment priorities, some of the fundamental challenges and problems they face are as follows:

- **Lack of skill sets in-house.** Lost productivity advantages are caused by the inability or lack of knowledge and expertise to migrate users to a secure mobile workspace that delivers on expectations. A chronic shortage of experienced and skilled professionals in this area makes it more difficult for enterprises that do not have deep pockets to attract and retain the right talent.
- **Managing the complex ecosystem from supply chain to service providers.** Enterprises want simplicity and transparency in their supply chain relationships. Enterprises are ideally seeking a single service provider that can manage all the various device options and differing accountabilities. Presently, some enterprises have multiple service providers with varying service and reporting frameworks for different user groups. This creates a disjointed computing experience and information siloes, which further adds to complexity. A single service provider offering a consistent end-to-end mobile workspace would address these challenges.
- **User experience improvements.** Any workspace initiative will be a failure if user experience is less than optimal as employees will not support it. Employees want a seamless experience as they move between their various devices with expectations of uninterrupted accessibility to applications to support customer outcomes.
- **Attracting and retaining talent.** Enterprises want to be on the cutting edge of mobile workspace technology in order to attract talent, especially in the digital native demographic. Finding the right service providers that are at the forefront of workspace technologies is becoming important.

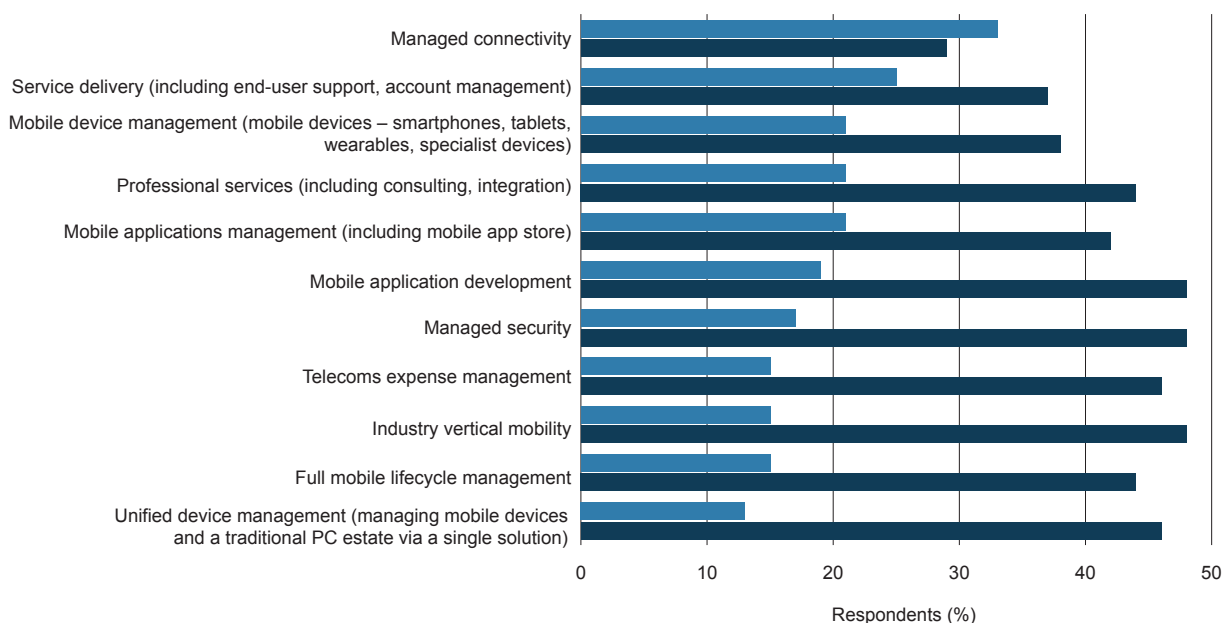
Therefore, a significant proportion of Australian enterprises require some sort of external support from service providers. Figure 6 shows the types of managed workspace services that Australian enterprises have deployed and plan to deploy over the next 12 months.

- **Managed connectivity and service delivery top the list.** With such a focus on improved flexibility and mobility for staff, as well the need for greater productivity and improvement of business processes, it might be surprising that much of the investment in mobility to date has been in basic services, managed connectivity, service management, and devices. However, enterprises' initial investments and response to workspace challenges tend to focus on managing complexity. Thirty-three percent of large enterprises have contracted for managed connectivity services, with a further 29% planning to adopt them in the next 12 months. Managed connectivity will be important as traffic on the mobile network increased by a factor of more than 180 in the 10 years to 2017, and video is expected to surpass data usage and account for 75% of mobile network usage by 2020, according to Telstra.
- **The next wave of investments will touch on productivity and business process improvements.** This will include consulting services as enterprises engage service providers to help build a mobile workspace framework to achieve a broader set of goals and objectives. Increasingly it will be centered on workflow, business processes, and mobile applications (including managing).
- **Mobile security should not be ignored.** With rising security issues and challenges, investment in mobile security is surprisingly lagging. Education on the consequences of lack of security defenses will be needed, especially to non-IT stakeholders who might be driving workspace investments. However, it is encouraging to see that 48% of enterprises plan to adopt more security services in the next 12 months.

Figure 6: Mobile workspace services usage intentions

Which of the following enterprise/managed mobility services do you use, or do you plan to use?

■ Use now ■ Plan to use within 12 months



Note: N = 80

Source: Ovum Enterprise Insights Survey 2017/18 (Australia)



## Modern workspace manifesto for enterprises

Continued growth in the mobile and virtual worker population, the increasing use of employee-owned devices, and access to corporate applications are forcing changes in the workplace. A modern workspace must be mobile-first, promote productivity and collaboration, and drive business process improvements and business innovation by being fit for purpose and context. Knowledge and understanding of that purpose and context can make a huge difference when organizations are trying to scale to hundreds or thousands of employees across different business functions, geographies, and operational environments. Complex and ever-increasing objectives, including legislative change, are driving businesses to rethink their mobile workspace strategies and elevate their strategic importance. Many have chosen to work with external service providers with specialist skills to understand the scale of their challenge and the practical issues they face. Below are some of the building blocks for a successful mobile workspace strategy:

- **Work with partners and internal stakeholders to identify objectives.** First, focus on your goals. It is always difficult to measure or work toward success if there are no specific goals and objectives at the beginning. If business process transformation or overall productivity improvement are the top priorities, identify the areas that need to be tackled urgently or are underperforming. Who are the employees who are closely linked to these objectives, and how can mobile workspace constructively enhance them? It should also be an enterprise-wide program, but not all job functions and roles are equal, meaning mobile workforce solutions must be implemented with a role-based flavor to have maximum impact. Enterprises also need to work out concrete metrics that can be used to measure output and improvements.
- **Understand technologies to build mobile workspace that is agile and flexible.** Provisioning the mobile workspace requires an effective end-to-end understanding and management of the deployment stack. That includes all matters relating to connectivity and communications management: device, storage, and compute management; application management; information security management; and service management. Technology continues to be the underlying building block for workspace mobility. The task of selecting the right technologies and service providers should not be underestimated as a large part of success will depend on the technology framework that has been put in place. This process requires time and due diligence. It is critical to work with industry players that have a strong track record and are leaders in mobile frameworks, architecture, and security.
- **Confidentiality and integrity of corporate data and information must be protected.** This is paramount, and one of the foundations of the mobile workspace must be its ability to adapt to changing business and legislative requirements while maintaining an appropriate threat protection posture. For many enterprises, workforce mobility represents a great leap into the dark. Enterprises should consider working with service providers to draw up a governance framework for employees accompanied by proper training and change management. This is especially critical given the rise of BYOD and use of consumer collaboration and data storage applications.
- **Mobile workspace must enhance employee experience.** One of the main challenges for enterprises is to get all employees fully engaged with mobile workspace initiatives. That includes having progressive end-user computing, communications, and other collaborative tools and also ensuring that an effective change management program is in place to support employees. Most enterprises have a multigenerational workforce. It is a risk to assume that every employee will openly embrace workforce mobility. There will be segments that will struggle or oppose it if they do not completely understand the benefits and are not trained to use the new tools that they have been empowered with. Monitoring the use of mobile workspace technologies and taking steps to improve usage should be consistently applied throughout this journey.
- **IT capabilities need to be refreshed and upskilled.** One of the biggest challenges enterprises face is redeployment of new skills as they start their workforce mobility journeys. It is critical that enterprises develop a roadmap to understand what skill sets will have to be refreshed to be relevant, as design, provisioning, and implementation are constantly changing. IT is expected to provide ongoing support to employees who will have high expectations given the level of change in the technologies. If IT does not provide that support, enterprises should work with service providers to support these changes and provide key services such as help desk services. The experience will have an impact on the uptake and overall success of mobile workspace initiatives.



## ABOUT OVUM

Ovum is a leading global technology research and advisory firm. Through its 180 analysts worldwide it offers expert analysis and strategic insight across the IT, telecoms, and media industries. Founded in 1985, Ovum has one of the most experienced analyst teams in the industry and is a respected source of guidance for technology business leaders, CIOs, vendors, service providers, and regulators looking for comprehensive, accurate and insightful market data, research and consulting. With 23 offices across six continents, Ovum offers a truly global perspective on technology and media markets and provides thousands of clients with insight including workflow tools, forecasts, surveys, market assessments, technology audits and opinion.

In 2012, Ovum was jointly named Global Analyst Firm of the Year by the IIAR.

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