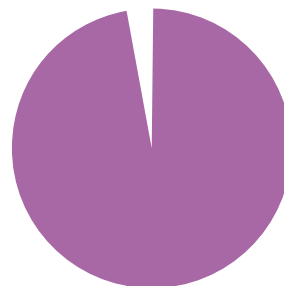


ENTERPRISE MOBILITY: EXECUTIVE PERSPECTIVES ON MOBILE BUSINESS APPLICATIONS

97% OF PARTICIPANTS SAY
THAT MOBILE DEVICES
MAKE THEIR EMPLOYEES
MORE EFFICIENT



ACKNOWLEDGEMENTS

We gratefully acknowledge the efforts of our survey respondents and our forum participants who took valuable time away from their jobs to participate in this work. We are particularly grateful to our research partner, SAP, without whom this study would not have been possible.

A handwritten signature in black ink, appearing to read 'Christian Bellavance', with a stylized flourish at the end.

Christian Bellavance
Vice President, Research and Communications
Financial Executives International Canada

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First published 2011 by CFERF.
1201-170 University Ave.
Toronto, ON
M5H 3B3

ISBN# 978-0-9866833-2-9

CONTENTS

Executive summary/ 2

Introduction/ 7

Research methodology and survey demographics/ 10

Mobilization/ 11

Mobile devices in the workforce/ 11

Future growth in mobile business apps/ 13

Apps least likely to be mobilized/ 14

Drivers and benefits of mobilization/ 16

Obstacles to the adoption of mobile devices and business applications/ 22

Impact of mobilization/ 25

Risk management/ 26

Data security/ 27

Conclusion/ 30

Appendix A – Demographics/ 32

Appendix B – Forum participants/ 36

EXECUTIVE SUMMARY

Sales of smartphones and tablets are exploding, and the personal and commercial use of mobile devices is converging just as quickly.

Businesses are increasingly putting rush orders on smart phones and tablets which support sophisticated applications, then just as quickly, may expect staff – at least at the senior management level – to use them beyond typical work hours. At the same time, workers accustomed to mobile applications for news, entertainment and personal task management, anticipate the same level of productivity and connectivity on the job. Some workers, particularly executives, actually expect state of the art handheld gadgets with generous data packages as a company perk – one could dub them double edged devices.

This race to cut the tether of the deskbound office worker has resulted in an explosion of enterprise applications, as businesses seek to make company data, stored at the so-called ‘back end’ on databases/servers, available to workers through mobile platforms (also known as ‘middleware’). Examples of business applications include simple timesheets, spreadsheets or more complex customer relationship management software. Similarly, it’s possible to integrate data on inventory, production, sales and the supply chain on a handheld device.

Despite the growing number of applications (also known as “apps”) available, many workers continue to use mobile devices primarily for email and web browsing. Concerns about risk management, data security, cost, logistics and technology limitations have stalled the adoption of a range of applications. As a result, many businesses have not been taking full advantage of the devices at their disposal. A lack of knowledge and awareness of the potential benefits of mobile business applications has put a damper on the development and adoption of customized business application. Other companies prefer to stick to cloud computing and/or web-based interfaces for employees, believing this offers better security and the flexibility to be compatible with any mobile device.

Enterprise Mobility – Executive perspectives on mobile business applications

offers perspectives of senior financial managers on the widespread use of mobile

“ Before the advent of computers, you always had to be back in the office for month end or planning of something else. ... With a [smart phone], I can do a lot of that wherever I am on my [device], in terms of approvals or emails. ... The beauty of it is I now take longer vacations without feeling that I am not up to date or neglecting some work.”

**Cliff Truax – Director, Financial Services & Regulatory Affairs,
Hydro One Telecom Inc.**

devices such as smart phones and tablets in the workforce. It also determines what finance executives see as the drivers and benefits of the use of mobile business applications, as well as the most critical challenges and consequences, including cost and risk.

The results are based on a survey of finance executives across Canada between January 5-19, 2011 and are also supported by Executive Research Forums, held in Toronto and Calgary on February 17th and February 24th respectively. For the purpose of this research, mobile devices include BlackBerry devices, iPhones, Android phones or tablets such as the iPad and PlayBook (laptop computers and netbooks have not been included).

Participants were asked about what apps they are currently using and which business functions they plan to create mobile apps for in future. Of all business functions, customer relationship management (CRM) elicited the most interest from survey respondents in terms of future adoption of business applications, followed by social networking, Web 2.0 collaboration tools, field force automation, mobile conferencing and office productivity apps. Customer service and support (pre and post sales) was also cited as a key function.

Respondents were nearly unanimous in their agreement on the leading reason behind the use of mobile devices in the workforce. Improving worker efficiency was cited by 97%, the thinking being that mobility allows workers to make more

timely decisions, and reduces idle time. The majority of survey respondents (73%) cited improving responsiveness to customers as another key driver. The flexibility of mobile devices clearly allows staff to respond more quickly to complaints, concerns and inquiries, and 59% reported that improving customer satisfaction indeed did turn out to be a benefit of the adoption of mobile business apps.

The adoption of smart phones and tablets was also driven by other factors, but to a lesser extent, according to survey respondents. For instance, about one-third expected a reduced cost of business operations, while about one-third said the practice was inspired by a desire to improve utilization of assets. About one in five were aiming to better integrate with suppliers and customers' business processes, and roughly the same number cited increasing revenue as a driver. Indeed, many participants at the Executive Research Forum cited the use of tablets and smart phones as a necessary method of avoiding revenue loss, by avoiding missed sales opportunities.

According to about 70% of survey respondents, the top three obstacles to the adoption of mobile business applications for companies were a) that existing enterprise applications cannot be mobilized, b) a lack of integration with existing systems, and c) security concerns. Other concerns included the skill level of in-house IT or telecom staff; a range of hardware, infrastructure and technology issues; a lack of money and a lack of awareness of the benefits of mobile business applications.

More than half of the financial executives surveyed said their organization was prepared for the implications of a mobile workforce. About one third said their companies were not. The remainder (11%) did not know. The greater use of handheld devices was expected to have a positive or very positive impact on morale and the quality of teamwork even while workers were in transit, and in different time zones, according to 74% of survey respondents.

“ The cost of upgrading old systems to work with smart phones and tablets is a deterrent to the adoption of mobile business applications. Some of these systems are 25 – 30 years old. ”

Reena Shah – Senior Manager, Risk Management, Harlequin Enterprises Ltd.

Mobile workers are also more likely to lose their belongings in transit, including smart phones. This requires that companies have a plan in place to protect data that could go astray.

Nearly half of companies have policies and procedures in place designed to keep data secure on company-issued employee mobile devices, while one-third have

policies and procedures in place to ensure data protection on both personal and company issued devices.

Data security becomes even more of a concern when a device is lost or stolen. When asked about procedures for data security in the event of lost or stolen devices, 58% stated they had policies in place for company-issued devices, indicating that companies have done some more preparation in this area than for general data security. One in five organizations has policies for data protection in the event of the loss or theft of both company-issued and personal devices. A significant number – 17% – do not have policies for data protection in the event of the loss of either company or personal mobile devices.

Meanwhile, other security issues arise as workers use company-supplied devices for personal messaging and access company data from personal devices. The potential for data loss through security breaches is enormous, although some companies have attempted to mitigate that by restricting their companies to devices which only use encrypted networks for email. However, given that so much other data is accessible anywhere through the cloud on web-based applications, data security presents an enormous challenge for many companies now and will likely do so in future.

Respondents had mixed views about the impact of handheld devices on work-life balance. While some saw the use of business apps on mobile devices as a way to balance the demands of work and personal responsibilities, others saw mobility as an unwelcome encroachment on private life. The practice of setting limits on the use of devices was seen as a way of balancing competing demands.

“ A lot of executives end up becoming data junkies. They get addicted to the handset. I find myself trying to email at 2 am if I wake up to have a glass of water. ... As for the other side, I have a friend who is a senior executive and he's probably the only one in the company that doesn't have a smart phone. He says he has been under enormous pressure ... but he's been holding out because the company has a policy that up to midnight if you get an email you are to reply to it on the spot. ”

Ajay Rao – Controller, Conros Corp./Lepages 2000 Inc.

INTRODUCTION

The use of mobile devices which support Internet access is skyrocketing into the clouds. Research suggests mobile Internet access will actually eclipse desktop access by 2015.¹ For instance, members of the browsing public snapped up roughly 85 million iPhones and iTouch devices, which offer mobile Internet access, less than three years after both devices were launched a few months apart in 2007.² And although Research in Motion's BlackBerry is known primarily for its business users, a number of consumers have adopted it as well, along with Google's Android phones which support web browsing.

Many organizations – seeking improved productivity from an increasingly mobile workforce – have wirelessly enabled their staff with mobile phones and tablets. In fact, according to research by Robert Half Technology, 49% of U.S. companies plan to equip more of their workers with tablets in the next 24 months.³ Tablets, in particular, with their larger display, offer other conveniences: replacing printed paper reports and other documents for workers, while also serving as a lighter stand-in for a laptop. In addition, many technophile workers are using their personal smart phones and tablets for work, regardless of whether their use has been sanctioned by the company.

Meanwhile, some employees are looking to incorporate the same benefits of mobility and convenience into their workday as they enjoy during their personal time. Workers who use a smart phone or tablet or other mobile device at home, in transit or while waiting in a line-up to surf the Net; listen to music and watch videos; read digital books, newspapers and magazines; take and share photos; play games; correspond with friends through email, text messaging and social media; and track personal expenses, shopping lists and to-do lists, are now seeking to match the same level of personal mobile productivity in their work day.

Although 97% of survey respondents said they equipped at least some employees with mobile devices, a significant number of businesses have not explored the use of mobile enterprise applications beyond the basic functions which typically come

¹ Internet Trends, Morgan Stanley Research, Mark Lipacis, 12 April 2010.

² Internet Trends, Morgan Stanley Research, Mark Lipacis, 12 April 2010.

³ Robert Half Technology survey, Feb. 22, 2011

pre-installed on mobile devices, such as email and text messaging. Concerns about risk management, data security, cost, logistics and technology limitations have stalled the potential adoption of a plethora of applications which exist to help workers do on tablets and smart phones everything they do at a desktop, including word processing and using spreadsheets; as well as tap into and even update information stored on company servers, including modules such as CRM (customer relationship management); inventory and supply chain management. As a result, many businesses have not been taking full advantage of the devices at their disposal. Companies may have mobile devices, but lack an actual mobile strategy: a plan to invest in technology to manage, secure and support mobile devices and applications for staff.

Despite the lag in actual implementation, the number of enterprise applications available continues to swell. A February 2011 Forrester Research Study on tablet use by businesses compared the business application development market to a virtual “arms race” for smart mobile devices. The Forrester survey found 30 percent of Fortune 500 companies in North America

have already purchased tablets for workers, and most are working toward replacing laptops with tablets.

“With more companies moving to Internet-based file sharing and data storage, along with an emphasis on portability and mobile productivity, it’s no surprise

“ I think it’s a key retention factor for us. I don’t think I know exactly how many hours I work ...but if I want to go and watch my kids at a cross country race I can take an hour off and go do that, but at 8:00 at night I might be answering questions. You don’t really have work hours anymore, but it gives you flexibility, right? ... It sounds crazy. You’re working longer hours and more hours but you probably have a little bit more quality in the flexibility. You get to do things, because at the end of the day, you know if somebody needs you, you’re still going to be able to respond. ”

Forum attendee

INTRODUCTION

CIOs anticipate wider use of tablet computers,” said John Reed, executive director of Robert Half Technology, in a written statement when their study was released in

February, 2011. “The challenge for IT departments will be providing adequate support and security.”

Support and security are just two of a number of obstacles which stand in the way. Technology challenges, budgets, concerns about risk

and security, and a lack of knowledge and awareness of how business apps can be employed top the list of roadblocks to business mobilization.

“ We’re pretty open to any mobile device and our perspective on that is all the security is in the backend around the cloud and that the mobile device is just a window to the back end now versus an actual computing device ... everything has encryption coming out to it and password protection on it. So it prevents the data from getting out. ”

**Joe Deklic – Chief Operating Officer and Chief Financial Officer,
Cisco Systems Canada Co.**

RESEARCH METHODOLOGY AND SURVEY DEMOGRAPHICS

This executive research report was prepared by the Canadian Financial Executives Research Foundation. It was based on responses to an online survey conducted January 5-19, 2011, and during an executive research forum held in Toronto on February 17, 2011 and in Calgary on February 24, 2011. A total of 116 completed surveys were collected from senior financial executives.

More than half (52%) of survey respondents were CFOs, with the next largest group VP Finance (16%) and Controllers (9%). The remainder held titles such as CEO/President (7%); Finance Director (4%); Owner/Founder (3%); Chief Accountant (1%) and 8% held other titles.

More than half of the respondents were from private companies (53%), while 19% were employed at public companies. Seventy four percent of respondents worked at small or medium-sized (SME) organizations with revenue of \$499 million or less.

Please see Appendix A for further demographic information.

MOBILIZATION

MOBILE DEVICES IN THE WORKFORCE

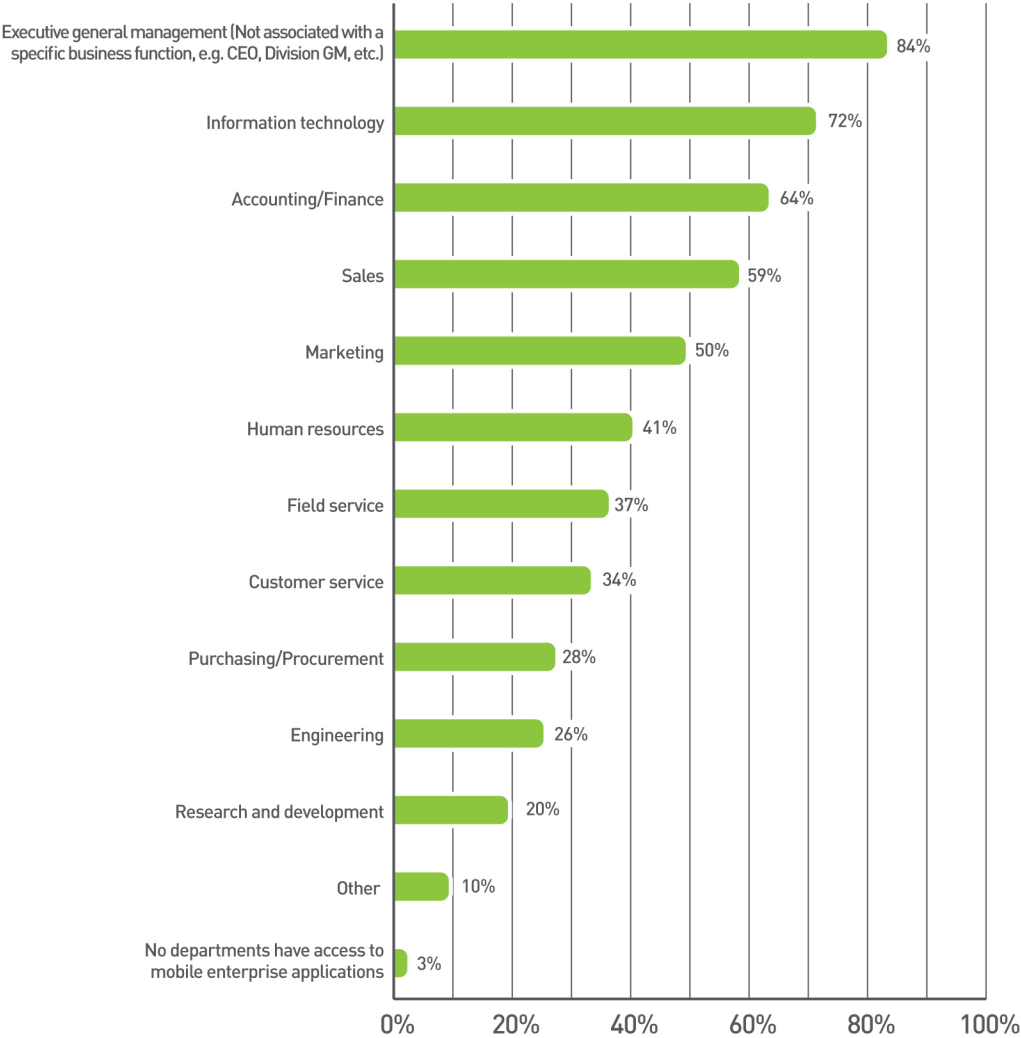
The vast majority of companies (97%) surveyed reported they currently equip at least some employees with mobile devices. Of the 3% of companies that did not, most planned to do so within the next two years.

Mobile technology is most frequently used by the business elite: 84% of respondents said their companies provide mobile devices to their executives such as CEOs and general managers of divisions, even surpassing the rate of company-supplied devices to IT professionals (72%). Nearly two-thirds of respondents (64%) said mobile devices are used by accounting and finance professionals, and nearly as many (59%) cited sales personnel. Mobile devices were less frequently used by marketing, HR and other departments.

The Calgary Board of Education supports PCs and Apple computers in schools (about 20,000 for 100,000 students) as well as approximately 6,000 laptops for teachers and approximately 1,000 staff BlackBerry phones. Workers use BlackBerry devices for updates on where to go next for repair jobs and other assignments. Management staff use them to keep in direct contact with the organization at all times. “For our tradespeople, it’s just less windshield time between schools,” says Wayne Braun, the board’s Director, Corporate Financial Services. “It means our deferred maintenance backlog is increasing at a lesser rate and in some cases reducing. It’s not that we’re going to get rid of people, it’s just there is the opportunity to be more productive.” But the board does not have enough IT resources to support the additional use of tablets (such as iPad), according to Braun. “Our students are bringing in their own devices, but they’re not currently supported,” says Braun.

CHART 1

Which of the following lines of business work on mobile devices in or at your company today? Mobile devices are defined as the Blackberry, iPhone, Android or other smart phones, as well as tablets (such as the iPad). (Select all that apply)



FUTURE GROWTH IN MOBILE BUSINESS APPS

More than any other business function, customer relationship management (CRM) elicited the most interest from survey respondents in terms of future plans to mobilize their business applications. CRM was cited by the greatest number of survey respondents as a priority for future mobilization. A significant number of survey respondents have either mobilized (21%) or plan to mobilize (28%) CRM. The number of companies planning to mobilize this function was actually greater than the number of companies which had already mobilized it, indicating the significant potential for future growth.

In terms of future mobilization, the second greatest number of survey respondents (23%) cited social networking and Web 2.0 collaboration tools as a priority for future mobilization (one in five said these functions are currently mobilized, while even more – about one in four – were planning to do so).

Field force automation (i.e. mobile field service calls) was the third most frequently cited area targeted by survey respondents for future mobilization, with about one in five survey respondents indicating they planned to adopt this. A similar number – about one in five – have already mobilized field force automation.

Another strong growth area is mobile conferencing, which was cited as already in use by one-third of respondents. In addition, this app is among the top seven functions executives surveyed say they plan to mobilize; more than one in five of those surveyed were planning to adopt mobile conferencing.

One in five respondents said they are planning to mobilize office productivity apps at their organization, indicating a significant opportunity for potential growth in this area; and indeed, more than one in four have already mobilized this function.

Customer service and support (pre and post sales) was also cited as a key function for future mobilization, according to about one in five survey respondents. The same number has already mobilized this function.

ENTERPRISE MOBILITY

This significant anticipation of future mobilization also held true in areas such as mobile advertising and marketing (nearly 20% planned to mobilize vs. 6% already mobilized); HR (17% planning to vs. 11% already mobilized); enterprise resource planning (15% planning vs. 12% already mobilized).

Roughly one in five (22%) of respondents said mobile enterprise apps such as service operations management were mobilized, but fewer (16%) planned to mobilize this function in the future.

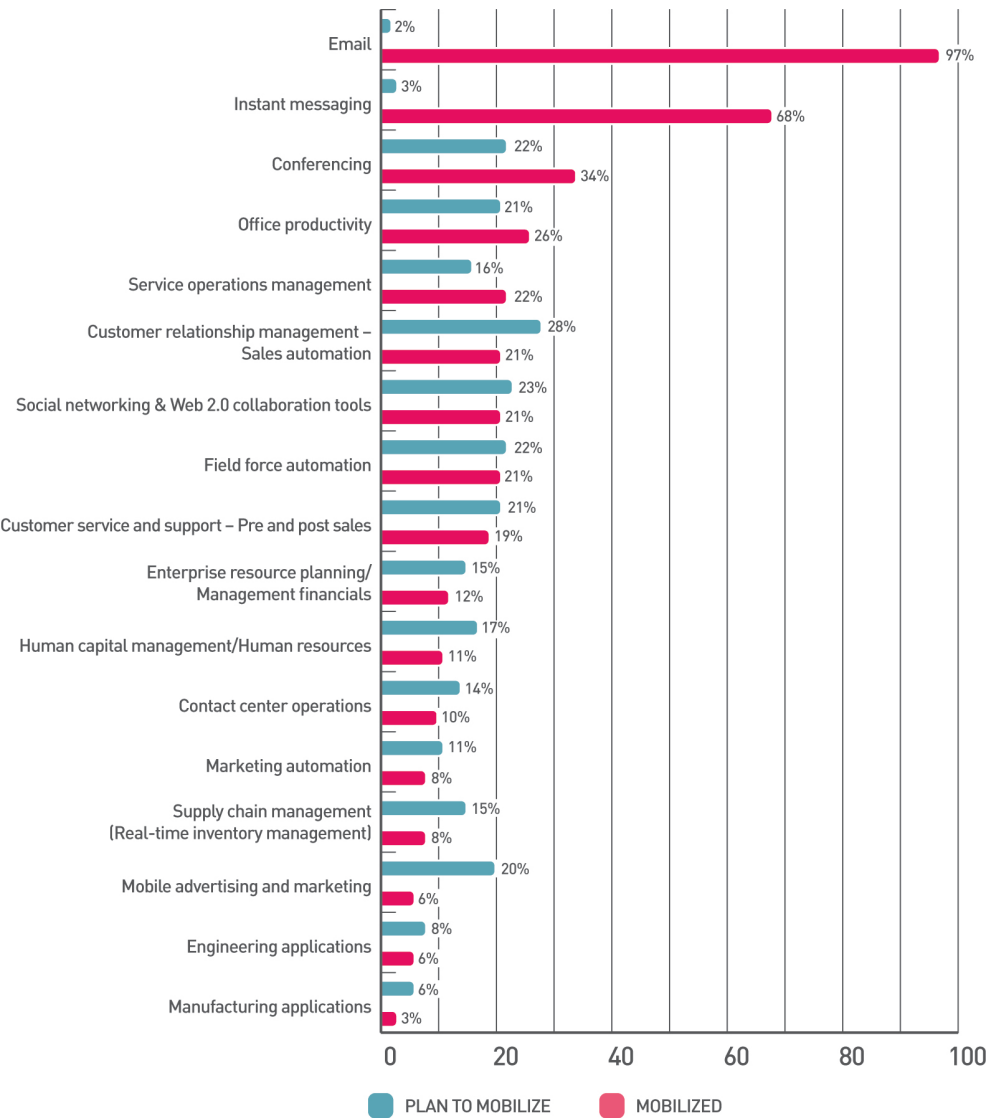
Some areas have little to no potential for growth, since they have already achieved full market penetration. For instance, email is ubiquitous. It is used by all corporate users of mobile devices, according to 100% of respondents.

APPS LEAST LIKELY TO BE MOBILIZED

The business functions that are least likely to be impacted by the introduction of mobile applications are manufacturing (91% have no plans to mobilize these); engineering (86% have no plans); marketing (81% have no plans); and supply-chain management (real time inventory management), which 78% of respondents said they have no plans to mobilize.

CHART 2

What business applications are currently mobilized in your organization?



DRIVERS AND BENEFITS OF MOBILIZATION

WORKER EFFICIENCY AND PRODUCTIVITY

Respondents were nearly unanimous in the leading reason cited for mobilization. Improving worker efficiency was cited by 97% of respondents as a driving force behind the mobilization business applications. For instance, mobile apps allow workers to complete more work while in transit, at home, during downtime or lulls in the day (i.e. waiting for a meeting, conference call or appointment to begin) or while at a client or customer's location. Indeed, the vast majority (87%) found the leading benefit of adopting mobile business applications was that it allowed workers to complete tasks outside the office. 85% said they found mobile apps allowed workers to make more timely decisions, and 66% said mobile enterprise applications reduced idle time for employees and improved their efficiency.

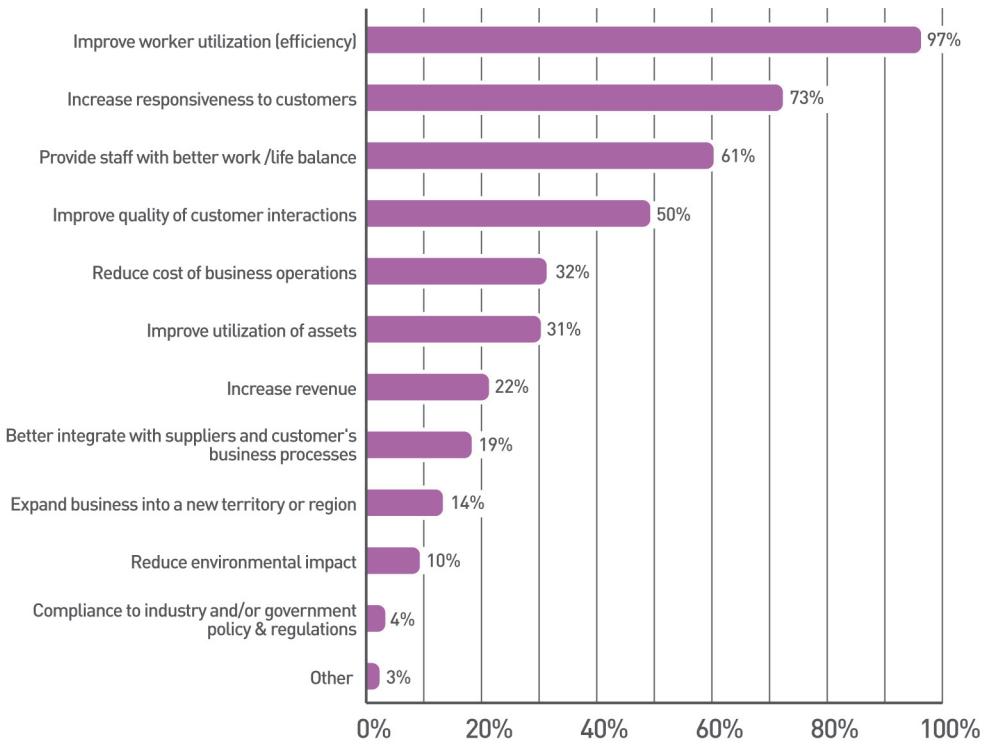
Similarly, according to Cliff Truax of Hydro One Telecom, a subsidiary of Hydro One, technicians across the province who run diagnostic tests in the field can now communicate with peers using mobile devices to solve problems on the spot. "For example, if there is an outage, people would go out there and have to actually drive up and down the road looking for where the switch is open or where there is a line down. With the new technology, they can narrow that down substantially to within a few poles ... And particularly when you get rugged terrain and you have people climbing into canyons and up hills trying to find breaks, it just makes things much more efficient for staff. So there's going to be a big push to get more information out there for these devices."

While smart phones are ubiquitous, the use of tablets as a productivity tool is now being considered by many companies. (According to research by Robert Half Technology, 49% of U.S. companies plan to equip more their workers with tablets in the next 24 months). Reena Shah, Senior Manager, Risk Management of Harlequin Enterprises Ltd., is one manager who can see the potential productivity benefits of tablets: "You don't need to take out your iPad, your laptop and your iPhone, if

you can access it all from one platform. It makes it easier to access all that information and integrate it. And if I need to create, let's say, a quick spreadsheet or access sales information or pricing, I would be able to access it and then communicate it onwards to the next decision maker. So it's definitely an option."

CHART 3

From the following list, what were the drivers for your organization's adoption of your mobile solution(s)? (Select all that apply)



CUSTOMER SERVICE

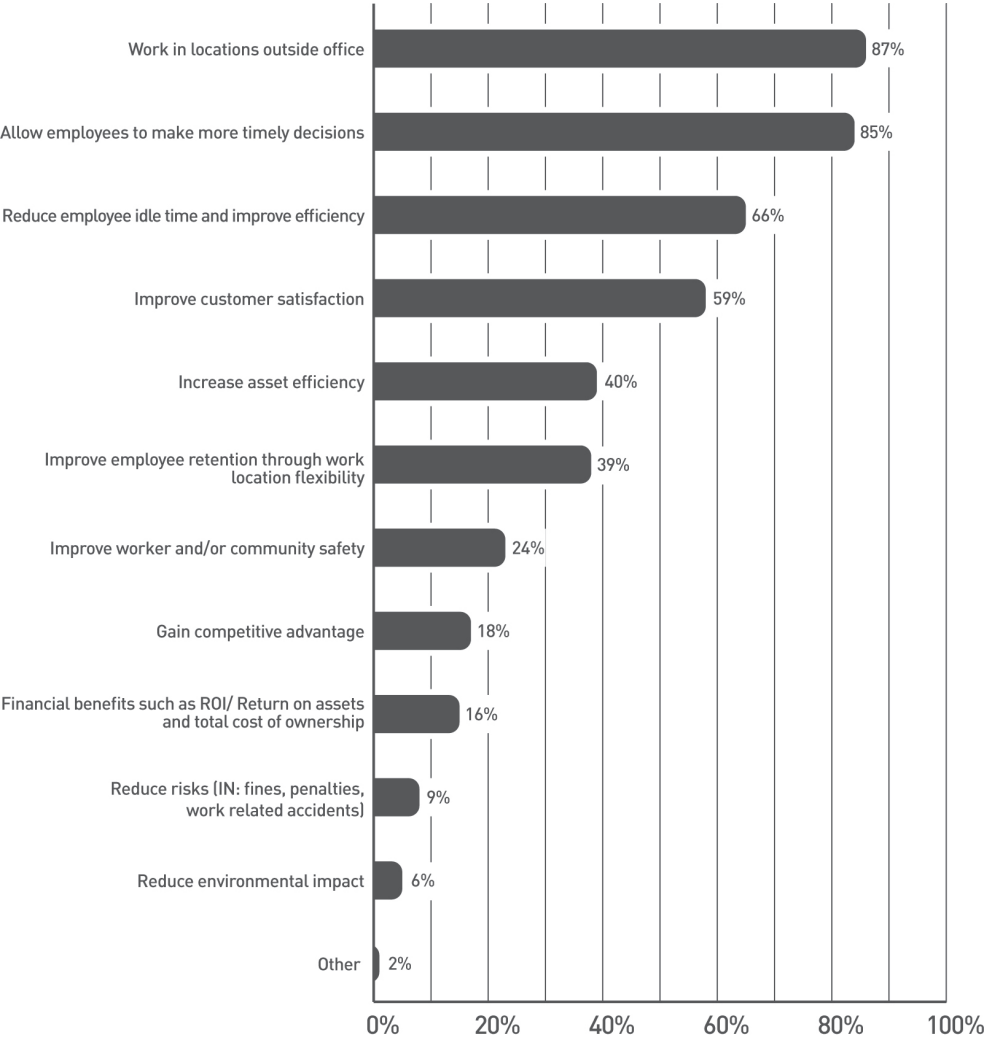
The majority of survey respondents (73%) said improving responsiveness to customers was another key driver behind the use of mobile business applications. The flexibility of using mobile technology clearly allows staff to respond more quickly to customer complaints, concerns and inquiries, and 59% reported that improving customer satisfaction indeed did turn out to be a benefit.

“ Even though we’re a small company, we’ll probably spend about \$1 million this year upgrading our systems so we can have, among other things, mobile interfacing ... It’s important for our clients. They want access. People that manage a large number of assets want access to that data. We don’t just have the energy data but also building data: what’s in the building, how big it is, weather data, all kinds of data can be important, and they want access to that as they are going around managing their different facilities.”

Bob MacBean – SVP & CFO, Energy Advantage Inc.

CHART 4

From the following list, what benefits have you achieved by mobilizing your enterprise application(s)? (Select all that apply)



WORK/LIFE BALANCE

While some see mobile devices as an intrusion on their personal life, about half of the survey respondents said they improve work/life balance by enabling workers to complete tasks while offsite for personal reasons. About 39% of survey respondents stated mobile business apps improved employee retention by allowing work location flexibility. This certainly holds true for Kent Paisley, Senior Vice President, Trade Credit and Political Risk, Executive Risk Insurance Services, who is balancing work and family demands. "If you want to take time off you still have to be accessible and so this has been a real advantage for all," Paisley notes. "I'm dual tasking. Things don't break down."

“ Work/life balance is an issue. People want you to respond now, not 10 minutes from now, even, when they are in a meeting and they need information. And I'll also get emails from the board room saying: is this true, or what is the answer to this question, and I'll have to respond, even if it's 8 pm. That's the challenge we have. I'll be at home and my wife will say: 'Your BlackBerry is vibrating on the counter. Are you going to answer that or not?' ”

Wayne Braun – Director Corporate Financial Services, Calgary Board of Education

“ I think these tools, if used inappropriately, can hamper work/life balance. Their pure existence can mean that you're on from when you get up in the morning until when you go to sleep. ”

William Ross – VP, Finance, Enbridge Pipelines Inc.

“ I speak to my students about how long they should expect for an email to come back. So you're in the middle of doing an accounting problem at 2:00 in the morning. I applaud you for doing that but you are not going to get a response from me right away. ”

Tim Spielman – Faculty, University of Lethbridge, Calgary Campus

OTHER DRIVERS

The adoption of handheld devices was also driven by other factors, but to a lesser extent, according to survey respondents. For instance, about one-third said it was expected to reduce the cost of business operations, while 31% said the practice was inspired by a desire to improve utilization of assets. Only about one in five were aiming to better integrate with suppliers and customers' business processes, and roughly the same number cited increasing revenue as a driver.

While many cited a lack of funds as an obstacle, others noted that not equipping their workforce with mobile devices comes with an opportunity cost. For **Kent Paisley, Senior Vice President, Trade Credit and Political Risk, Executive Risk Insurance Services**, the cost of mobile technology pales in comparison with lost sales:

“If you can't get to a broker's inquiry... they'll go to a market that's responding right away. I'll get phone calls on Friday night at 6:00 when it's pizza night at our house, I've got one of my brokers in Vancouver that's got something they want to do, we've got to get back to them. And that's actually how we've broken into the market, because we're relatively new players, is by being able to be responsive and get back and answer things right away.”

When faced with the common obstacle of a tight budget, a forum attendee hired a third-party to analyze the company's telecom bill. With the savings, he plans to upgrade the company's systems to provide better security at the front end.

“Ultimately any new investment that we're doing right now, almost everything is related to mobility, whether it's compliance, security or applications. We have a system in place today that is fantastic for us but because of its limited ability to be used on wireless devices, we're getting rid of it.”

OBSTACLES TO THE ADOPTION OF MOBILE DEVICES AND BUSINESS APPLICATIONS

The greatest technological barrier to the adoption of mobile devices is the perception that existing enterprise applications cannot be adapted for a mobile platform, according to 70% of survey respondents. Other obstacles cited included a lack of integration with existing systems (69%), security concerns (69%), the skill level of in house IT or telecom staff (38%), and a range of hardware, infrastructure and technology issues.

A lack of money was cited by 41% of respondents and has posed a mobilization challenge for consulting firm Energy Advantage. SVP & CFO Bob MacBean says the company would like to integrate its CRM system with its mobile devices “With our outsourced partner we’ve figured out how to do that and what we want to do and we are working on it now, but being a small company, finding money to do that is critical.”

Another perceived leading obstacle to the adoption of mobile technology was a lack of awareness of the benefits of mobile business applications, according to 40% of survey respondents. “Most often the functionality is limited to your own ignorance or how you can incrementally chip away at your ignorance,” says Ajay Rao, of Conros Corp./Lepages 2000. Other executives stated they do not need mobile business apps (34%), there is a lack of business need (27%), and there is no need to fix what is not broken (22%).

At the University of Lethbridge, many courses are delivered through a combination of class time and Internet-based applications, which are seen as preferred for security reasons.

“ We control the application. And it’s all streaming. And it’s protected in that way. That’s one of the primary concerns of our faculty. We don’t want our proprietary content getting out and being available on BitTorrent in China tomorrow.”

Tim Spielman – Faculty, University of Lethbridge, Calgary Campus

CHART 5

Which of the mobilization issues poses a challenge to your company?

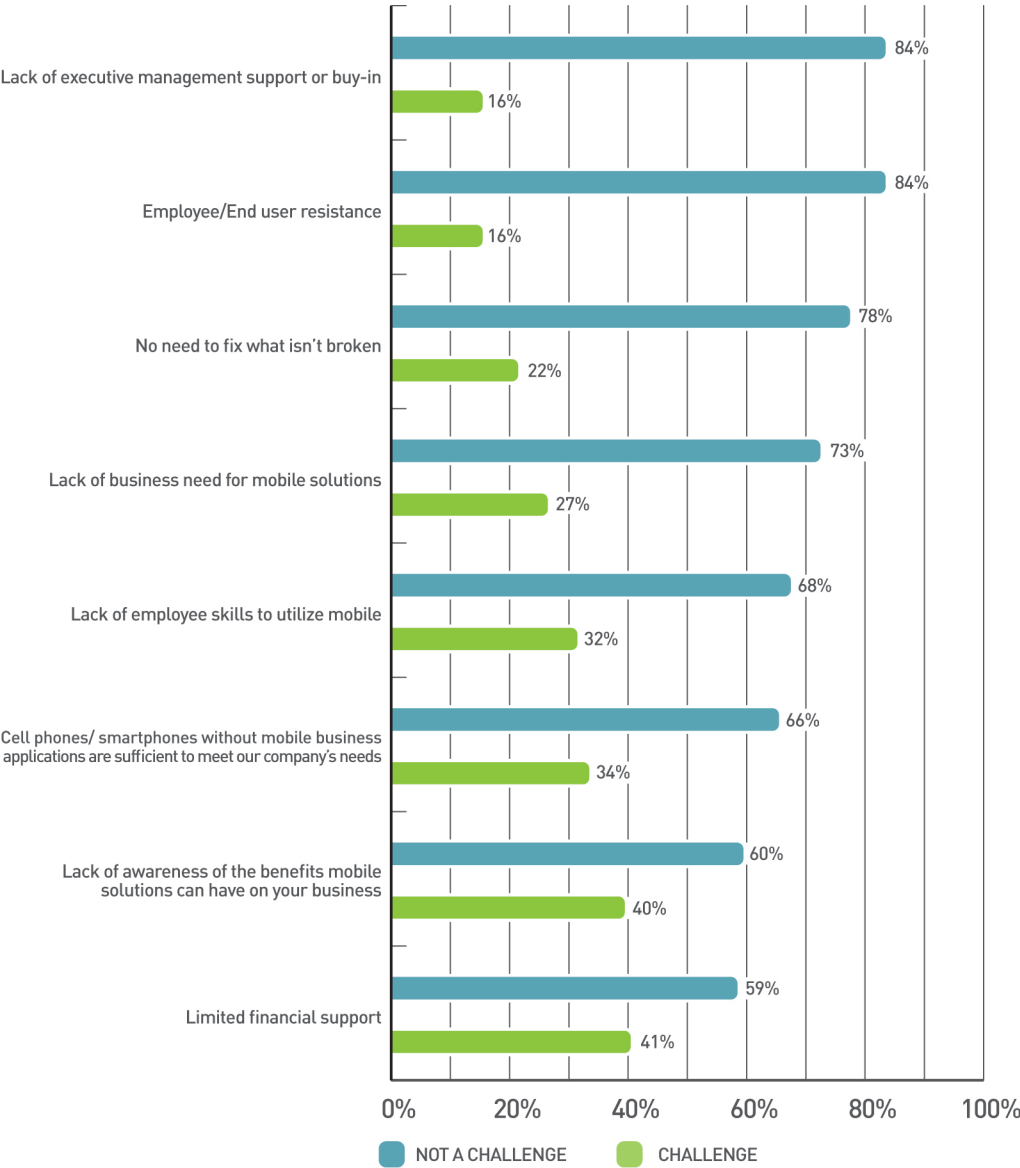
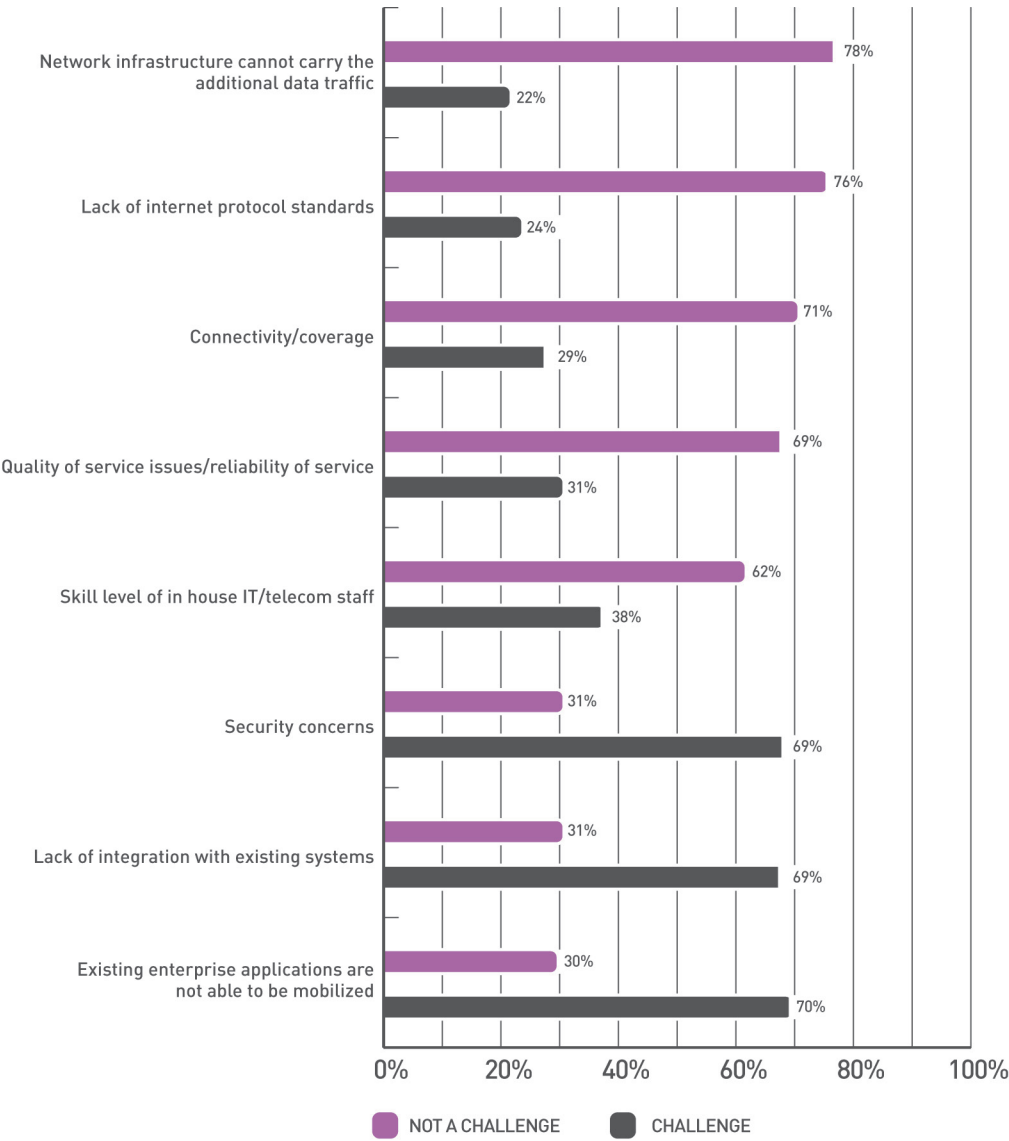


CHART 6

Please indicate which of the following technology issues pose a challenge to your company:



IMPACT OF MOBILIZATION

Executives were asked about a range of possible effects mobilization could have on their organizations.

The widespread use of mobile devices was expected to have a positive or very positive impact on morale and the quality of teamwork, according to 74% of survey respondents. One benefit is that staff can work together more easily even while in transit, and in different time zones. However, Ajay Rao, of Conros, expressed

concern about overuse of mobile devices for communication between managers and staff. “You learn about management by exception, management by objectives and in our company, I say, management by BlackBerry,” Rao says. “People have forgotten to really communicate in any other manner, to the extent that the message is being lost very often. Sometimes it can be pretty dangerous.”

“We’re doing a ton of work globally on hot desking. Do we really need six people sitting in an office in Madrid when we can maybe have three? ... It’s that entire mobility aspect of the worker, and the concept of when a client tries to contact one of our staff, they just have one number to dial and it’s going to find them wherever they are.”

Forum attendee

When asked about office space, most (54%) said the use of mobile business applications would have no impact, while about four out of ten said it would have a positive impact. Very few said mobilization would have a negative impact.

Staffing was not considered to be an area that would be affected by the increased use of mobile apps, given that 81% of survey respondents expected no impact. About 12% thought staffing would moderately decrease and 6% actually thought staff would moderately increase.

RISK MANAGEMENT

More than half (55%) of the financial executives surveyed said they thought their organization was prepared for the implications of a mobile workforce. Only one third said their companies were not. The remainder (11%) did not know.

Half the executives surveyed said that when it came to considering the challenges of implementing the use of mobile business applications, they were equally concerned about risk management/security as with cost. 37% said they were most concerned about risk and security, while one in ten said their primary concern was cost. Others were concerned about reliability; effective application integration with the company back office; as well as functionality for various user needs.

One risk that participants raised was the prospect of overtime claims generated by the use of mobile devices after hours. As a result, Cliff Truax, of Hydro One Telecom, says his company has articulated a clear policy on the compensation of employees who use their devices after hours. “We are providing them with a BlackBerry, but we are not telling them that they have to use it outside business hours unless they are on-call and they are getting paid for being on-call. But if they are not on-call and they have not pre-approved overtime with their manager, they will not be paid.”

“ One of our challenges is creating a policy for mobile phones to be integrated, however this is definitely something that is important to the organization in order to preserve the security and integrity of confidential information within the organization.”

Reena Shah – Senior Manager, Risk Management, Harlequin Enterprises Ltd.

DATA SECURITY

Nearly half of companies have policies designed to keep data secure on company-issued employee mobile devices, while one-third have procedures to ensure data protection on both personal and company issued devices (more than 80% which have policies for company issued devices). A significant number – 15% – do not have policies for data protection for either company or personal mobile devices. When it comes to lost or stolen devices, about 58% have policies for data protection on lost company-issued devices. Twenty one percent of organizations have policies for data protection in the event of both company-issued and personal devices. A significant number – nearly one in five, or 17% – do not have

“The biggest headache is this little clause that comes in our contracts that talks about the security of data in transit and in transit means laptops, any portable device, USB drives, and all these things.”

Forum attendee

policies for data protection in the event of the loss of either company or personal mobile devices.

The risk of theft or loss is a great concern for Tim Spielman, of the University of Lethbridge, who is very

cautious about data on his device. He said devices should be used as a vehicle to get to the data, rather than storing it. “I think that that’s one of the fundamental things that is missed.”

That said, there are instances when storage would be an incentive for using a mobile device. For instance, a worker on an oil rig or pipeline without Internet would

“We just started getting hit daily by hackers. So, since then we’ve been very proactive. We have spent a lot of time and money, as well as becoming scalable, and making sure that we are very secure ... nothing from our database goes to any cell phone, except if it’s a BlackBerry. And we’ve also redone our whole disaster recovery plan and spent money on hardware.”

Bob MacBean – SVP & CFO, Energy Advantage Inc.

benefit from storing, for instance, the product manual for the compressor he's about to repair.

Products are now available on the market for global device management that can track, activate and deactivate phones on a corporate network. For example, applications can lock down and perhaps even delete or reformat sensitive data out of a device while preserving the devices (for instance, in the event of corporate data on personally-owned mobile devices). The complexity of data security is exacerbated when some devices are company-owned, some employee-owned, and some of them are hybrid, where employees are bringing in their own devices and expensing them on corporate account, yet maintaining ownership of the phone themselves and using them for work. As a result, a grey area is created in terms of ownership and data control. As influential executives collect gadgets, they want to use their favourite devices, so there is a valid reason why corporations would support the diversity of devices that are coming into the company.

At About Communications, a private telecom company, CFO Nancy Lala says executives depend on cloud based technology. "I feel cloud based applications are quite secure," Lala says. Staff use applications such as SharePoint and QuickBooks and access the servers, the workflow and general ledger through the Internet. "It's absolutely critical that our cloud based applications are integrated with our business processes because we have a work force that is mobile and works remotely."

"If I lost my (device), assuming somebody could get through the password, they could go through all the email, they could see what acquisitions we're after, what strategic plan we have, and contact information. So from a business perspective, that's very troublesome to have something like that floating around."

William Ross – VP, Finance, Enbridge Pipelines Inc.

CHART 7

Do you have policies/procedures designed to keep data secure on employee mobile devices?

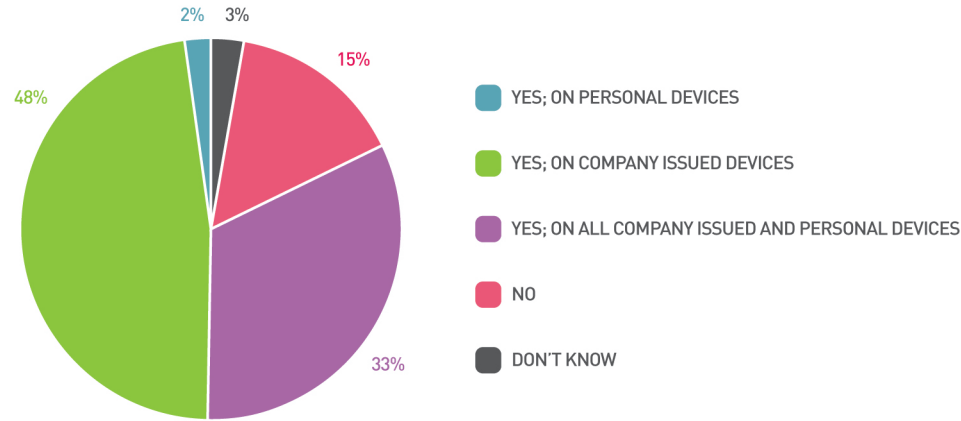
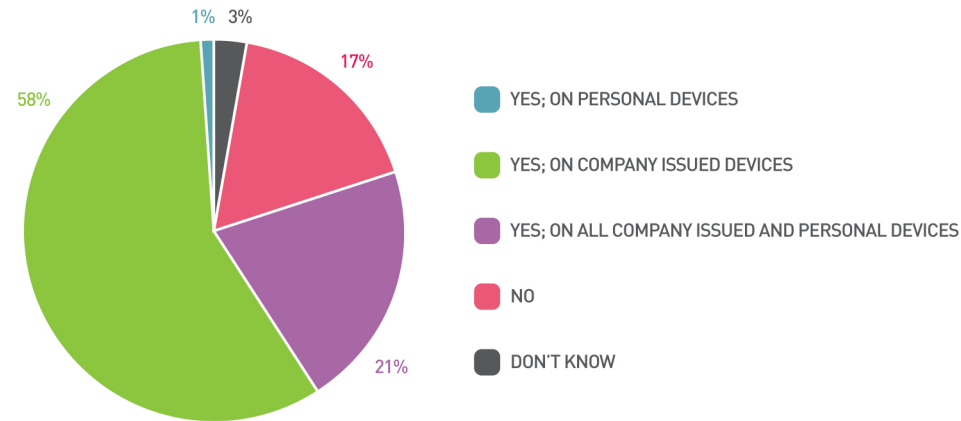


CHART 8

Do you have policies/procedures to ensure data protection in the event of stolen or lost mobile devices?



CONCLUSION

In an era of constant connectivity, when millions of consumers live with mobile devices in the palm of their hands, personal lives and work duties are overlapping and are intertwined more than ever before. The trend is here to stay, and despite critics who say this kind of lifestyle encroaches on the traditional separation between the worker's office and home life, those workers who have embraced mobile devices often view them as a way to unchain themselves from their desks. The mobility allows workers more flexibility in juggling their job demands with personal errands, task and responsibilities. The increased decision-making which can be done on the go using business applications for smart phones and tablets is viewed as a positive for those workers who are fulfilling multiple roles as workers, caregivers to children or seniors.

Workers who do a great deal of work on the road, for instance sales people, can benefit from increases in productivity when carrying devices equipped with business applications that enable staff to enter orders, check inventory, track expenses and time sheets, and tap into customer relationship management (CRM) databases. Field workers can collaborate with colleagues. Managers can do approvals from anywhere, keeping things moving within the cycle of business, whether it is an approval for a sick leave or a vacation, approval on a discount for a deal, or whether it involves allocating resources to a new project or an emergency situation.

While mobile apps are seen as an end point for various sources of data, mobile devices and global applications are also becoming aggregators of different sources of information. Mobile devices are now being viewed as a potential bridge for disparate silos of information in organizations that have not yet caught up to a common architecture. This becomes easier as companies move to cloud-based systems, and begin integrating them all through a common middleware platform with a view to servicing any device, anywhere at any time. For instance, a retailer may create an application which takes supply chain information, and take data

CONCLUSION

regarding availability of stock and mesh that into an application which also pipes out a salesperson's forecast and measures whether procurement needs to address a lack of availability. Ultimately, data from different sources of information, perhaps even different systems or different databases would be combined on one single device and represented on essentially one dashboard that looks like a customized solution for that device.

“ I’ve got a BlackBerry in one pocket and an iPhone in the other, because one’s my personal product. And that is the real challenge. So it’s to get that interface, to get that middleware to that platform that can provide that security to any device on the end.”

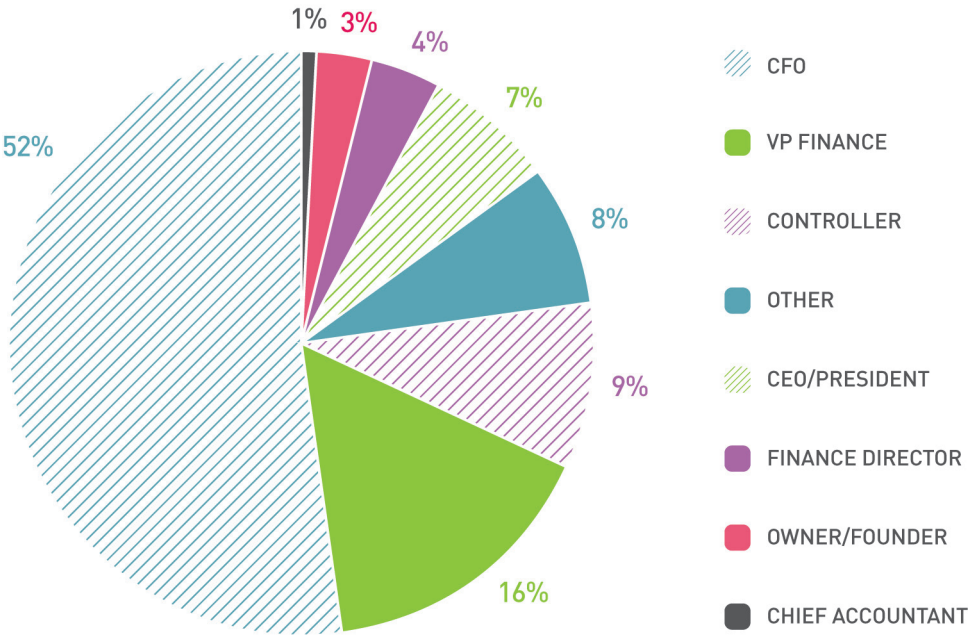
Tim Spielman – Faculty, University of Lethbridge, Calgary Campus

As the lines between consumer and worker begin to blur, so does the use of personal and business mobile devices. Workers use company-supplied devices for personal messaging and access company data from personal devices. The potential for security breaches and data loss is enormous, although some companies have attempted to mitigate that by restricting their companies to devices which only use encrypted networks for

email. However, given that so much other data is accessible anywhere through the cloud on web-based applications, data security presents an enormous challenge for many companies and will likely pose the greatest obstacle to any plans for future mobilization strategies.

APPENDIX A: DEMOGRAPHICS

CHART 9: POSITION TITLE



APPENDIX A: DEMOGRAPHICS

CHART 10: CORPORATE STRUCTURE

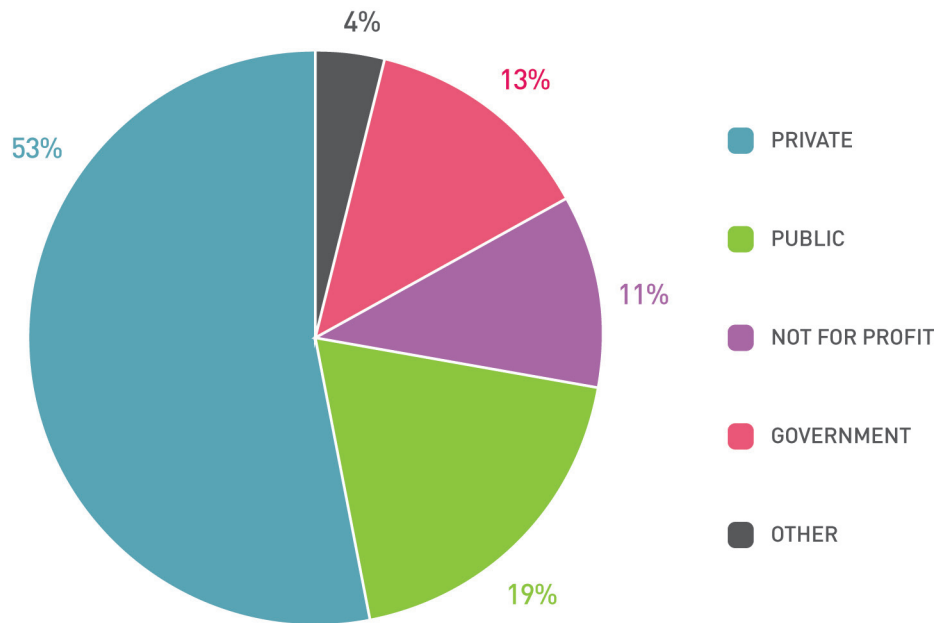
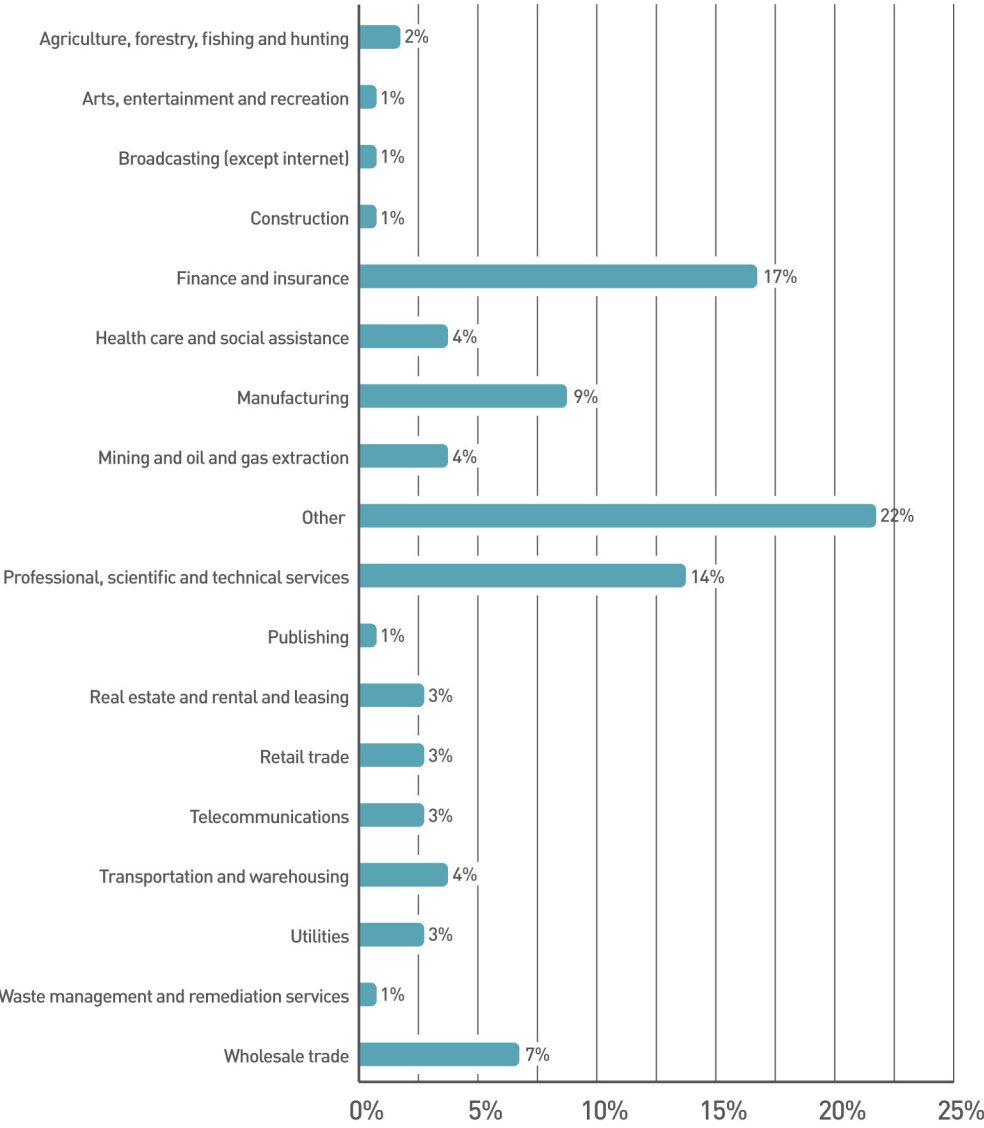
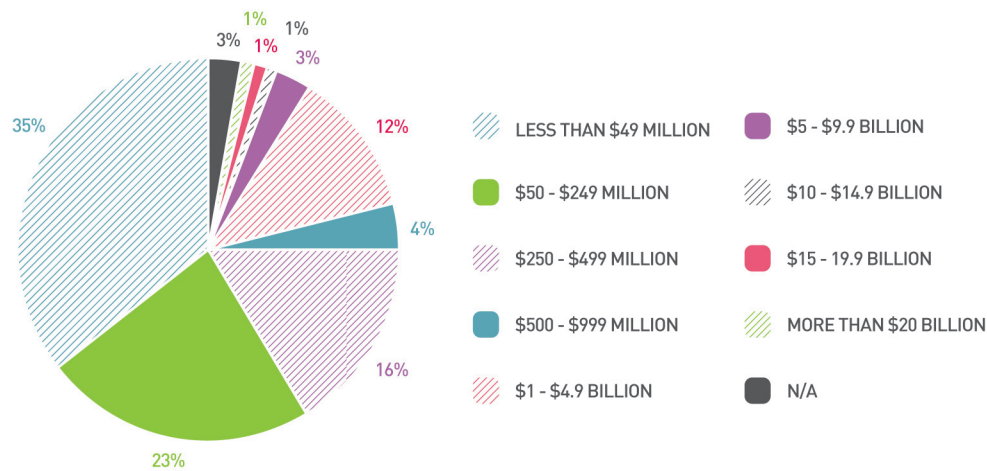


CHART 11: INDUSTRY CLASSIFICATION

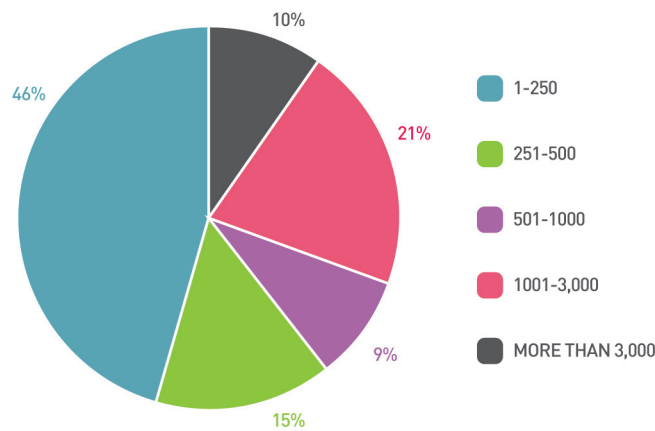


APPENDIX A: DEMOGRAPHICS

GRAPH 12: ANNUAL REVENUE



GRAPH 13: NUMBER OF EMPLOYEES



APPENDIX B: FORUM PARTICIPANTS

TORONTO

Forum Chair

Vic Wells – Chair, Canadian Financial Executives Research Foundation (CFERF)

Moderators

Christian Bellavance – Vice President, Research & Communications, FEI Canada

Marianne Hu – Enterprise Mobility, SAP

Participants

Joe Deklic – Chief Operating Officer & Chief Financial Officer, Cisco Systems Canada Co.

Arthur Gitajn – Chief Financial Officer, SAP

David King – Canadian President, Robert Half Management Resources

Nancy Lala – Chief Financial Officer, About Communications

Bob MacBean – Senior Vice President & Chief Financial Officer, Energy Advantage Inc.

Ajay Rao – Controller, Conros Corporation / Lepages 2000 Inc

Reena Shah – Senior Manager, Risk Management, Harlequin Enterprises Ltd.

Cliff Truax – Director, Financial Services & Regulatory Affairs, Hydro One Telecom Inc.

Line Trudeau – Chief Financial Officer, FEI Canada

Geoffrey Tupker – Vice President, Information Technology, Algorithmics Incorporated

Kent Paisley – Senior Vice President, Trade Credit & Political Risk, Executive Risk Insurance Services

Observers

Doug Shirra – Director, Canada Enterprise & Central Region Marketing, SAP

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Laura Bobak – Senior Writer, FEI Canada & CFERF

Melissa Gibson – Communications & Research Manager, FEI Canada

APPENDIX B: FORUM PARTICIPANTS

CALGARY

Forum Chair

Michael Conway – Chief Executive & National President, FEI Canada

Moderators

Christian Bellavance – Vice President, Research & Communications, FEI Canada

Mike Peck – Mobility Architect, Enterprise Mobility Centre of Excellence, SAP Canada

Participants

Wayne Braun – Director, Regulatory Affairs, Calgary Board of Education

William Ross – Vice President, Finance, Enbridge Pipeline, Edmonton

Tim Spielman – Faculty, University of Lethbridge, Calgary Campus

Brian Young – Solutions Consultant, SAP Technology

Observers

Carrie Banera – Regional Marketing Specialist, Western Canada, SAP Canada

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We would like to thank Laura Bobak for writing this report.

We would like to thank Megan Gibson for designing this report.



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