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Save the Planet, Enable the Remote Working Revolution



The Bottom Line:	Globalization and increased awareness of climate change are leading to an increasingly dispersed enterprise workforce. IT departments need to ensure that corporate networks and IT systems are ready to enable this change in working practices.
Key Concepts:	Collaboration, mobility, globalization, business transformation
Who Should Read:	CFO, CEO, CTO, HR director

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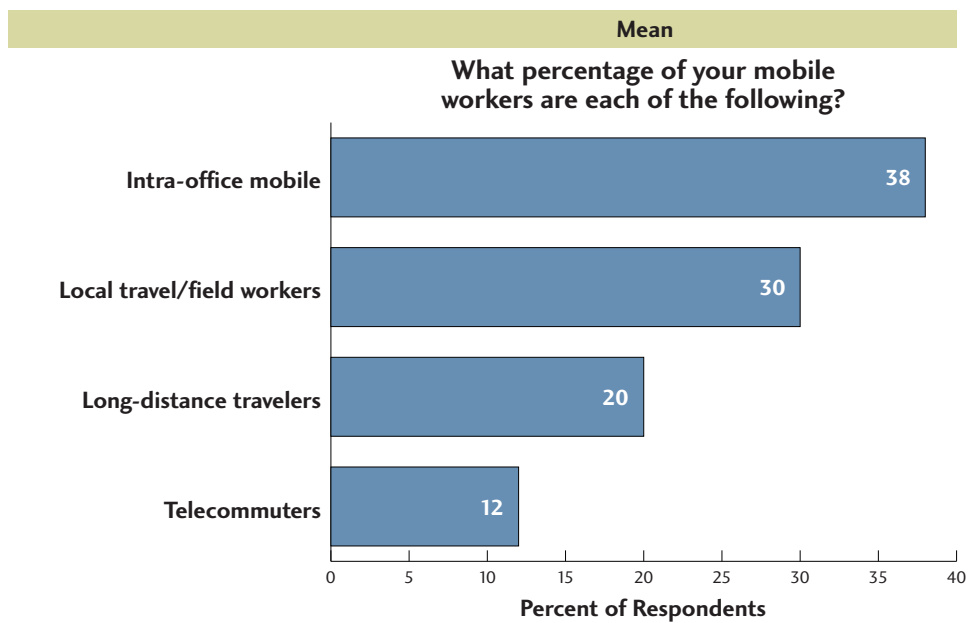
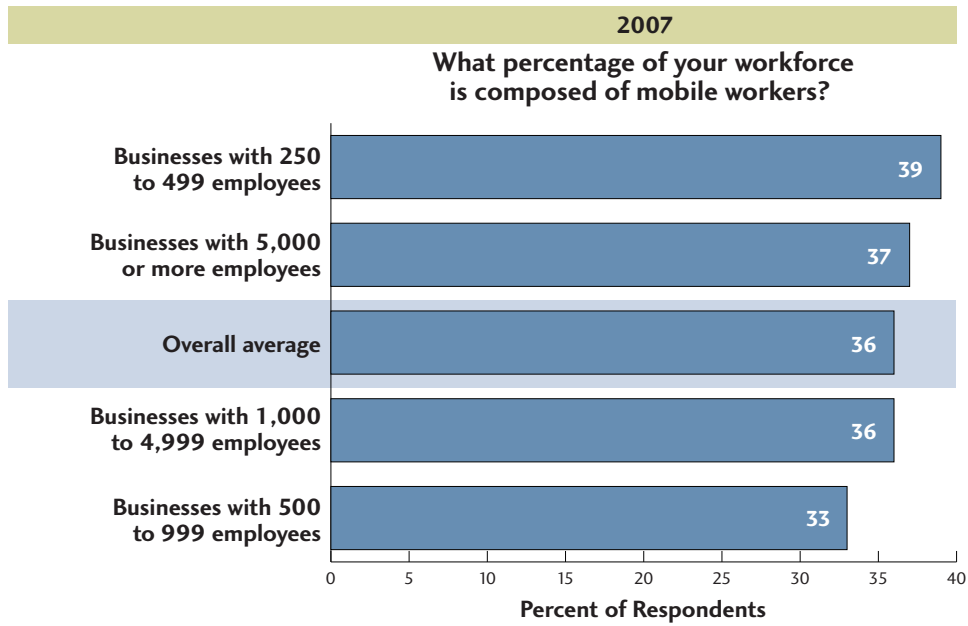
Flexible Working Becoming the Norm

Enterprise workforces are becoming increasingly location independent. The Yankee Group *Anywhere Enterprise—Large: 2007 European Fixed-Mobile Convergence Survey* indicates that on average 36% of employees spend a day or more away from their primary workspace (see Exhibit 1). What is also apparent is the huge increase in home working, that is, employees such as call center agents who work permanently from home. For example, the number of permanent home workers within BT, a long-time proponent of flexible working, now has 13,000 or 12% of the workforce working from home and more than 70% working flexibly. Supporting these remote workers is now a major focus of enterprise IT strategies. Enterprises are coming under increasing pressure to embrace flexible working as the norm. IT departments face significant challenges not only supporting these workers, but also handling the needed cultural transformation within the enterprise. Also, as enterprises globalize, collaborations among global virtual teams also need to consider cultural differences.

Flexible working is not new. In the past, the main driver was to reduce the cost of expensive city center offices. The focus is now on increasing workforce productivity and improving employee work-life balance. This is a direct result of employees suffering less stress and wasting less time struggling into work every day. This in turn has a positive impact on the companies' carbon footprint, particularly as environmental concerns are rapidly climbing up the enterprise agenda. For example, BT has specific key performance indicators (KPIs) that are associated with environmental issues such as reducing carbon emissions and increasing recycling.

BT's Workstyle program is one example of how remote working benefits both employer and employee. This program links to the company's climate change strategy and corporate social responsibility targets.

Exhibit 1.
Remote and Mobile Working Comes in All Shapes and Sizes



n=515

Note: Mobile workers are defined as workers who spend 20% or more of their time away from their primary workspace.

Source: Yankee Group Anywhere Enterprise—Large: 2007 European Fixed-Mobile Convergence Survey

Flexible Working BT-Style

BT introduced its Workstyle program in response to changing business requirements, and to a desire to increase employee retention by addressing work-life balance issues. BT provides its employees a range of collaborative tools based on the Microsoft Office Live Communications Server in a secure environment. A live communications server (LCS) allows easy transition from audio to video conferencing using a single click. BT employees also have only one telephone number, but multiple devices. The tools become even more powerful when combined with presence. This allows users to choose how internal and external parties communicate with them at different times.

BT hosts the applications in its data centers. The design of the data centers is such that the applications are available via the BT internal network or over the internet. Access to individual applications is through a secure gateway or browser. With BT's 21C infrastructure, all applications will be accessible via the My BT portal.

BT provides a standard set of flexible tools that enables a level of customization by the users. For example, the SharePoint portal has a number of templates that users can use to create their collaboration portal. BT understands this portal as part of the work-life balance. The Workstyle initiative has been so successful that nearly 99% of all women going on maternity leave return to work at BT. BT also has less than 4% staff turnover compared with a sector average of 17%. BT understands the need to keep in touch with friends and family and includes access to MSN and Yahoo! Messenger are available as part of the LCS license. Also, it is not illegal to send personal e-mails using the BT e-mail system.

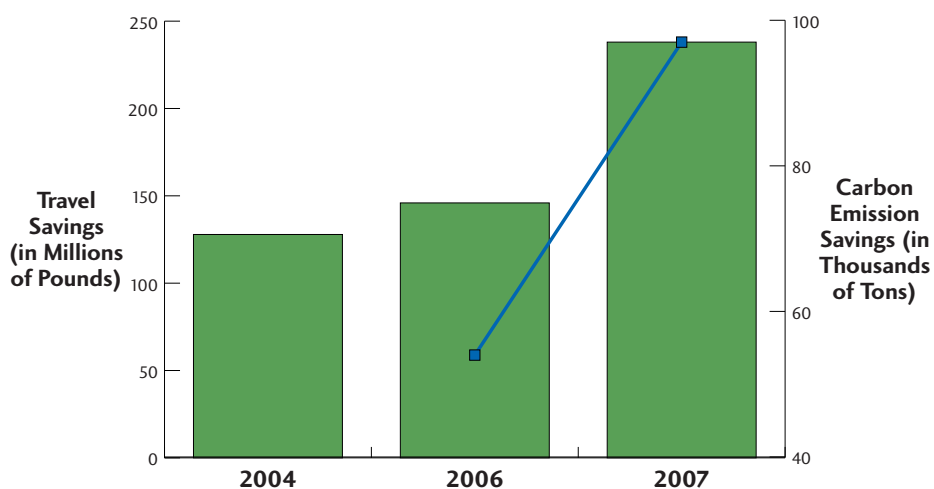
BT believes that providing access to MSN Messenger and other approved software negates the use of nonsupported software that employees may wish to install on their laptops. This gives BT control over employee laptops and minimizes the opportunity for outsiders to create security weaknesses in the BT network.

More than 70% of BT's workforce works at least one day from home. This has allowed BT to make radical changes in the workspaces within the buildings it has retained. Offices include more space for meetings and "touchdown areas" where people can work informally. BT has been able to reduce the overall space taken up by offices as well as the size of offices. For example, BT reduced the size of the Netherlands office by 60%; at the same time, it increased the number of staff using the office from 40 to 90. By making these changes, BT saved around US\$1.3 million (€1 million) per annum. This meant that BT can deploy cabling VoIP and wireless technologies in the touchdown areas thus reducing the cabling requirements significantly.

As illustrated in Exhibit 2, BT's travel savings have almost doubled since 2004, reaching US\$472 million (£238 million) during 2006. Between 2005 and 2006, savings grew at a compound annual growth rate (CAGR) of 63%. During the same period, carbon emissions reduced by a CAGR of 80%. This indicates that the savings are both sustainable and will help BT meet its carbon emission targets.

Exhibit 2.

Working Smarter Means Savings from a Range of Sources



Source: BT, Yankee Group, 2007

The flexible working environment is underpinned by a standards-based infrastructure. This ensures that the underlying infrastructure is secure, scalable and consistent. BT's long-term vision is to virtualize the whole of the IT stack, leading to secure access to any application on any device from anywhere in the world. Coupling this with fast and intuitive application access and the ability to share and manipulate documents "on the fly" will significantly increase productivity beyond the current 20% already provided by flexible working.

For enterprises thinking about rushing into deploying flexible working tools and practices, a word of caution: Flexible working is not suited to all professions. However, the BT example illustrates how flexible working can increase the productivity of knowledge workers, releasing them to work anywhere in the world.

Conclusions

Enterprises are using flexible working to meet targets and investment requirements outside IT. However, remote working has a number of pitfalls that can create a number of headaches for IT departments because of the plethora of endpoints they do not control. IT departments will not be happy to hear that one-third of employees believe that they are in complete control of their laptops (according to the May 2007 Yankee Group Survey, *Anywhere Enterprise—Large: 2007 US Mobile Professional Blended Lifestyle Survey*). These laptops are an accident waiting to happen. This negligent behavior that led to the data breach at Pfizer earlier this year when P2P software was loaded onto a company laptop leading to the exposure of sensitive company data. This type of behavior will only lead to less flexible working practices. Deploying Alcatel-Lucent's Laptop Guardian solution or a similar program, CIOs can sleep well at night, assured that even if a company laptop is stolen, there will be no data loss.

The BT example indicates not only that the company is forward-thinking as an employer and has created a culture that accepts collaboration tools, but also that its policies have allowed the workforce from top management down to change behavior and encourage knowledge sharing. BT has created the right culture. It has also introduced the secure IT infrastructure that allows employees to access everything that is available to them in the office. By aligning its IT infrastructure with best practices such as ITIL, BT has enabled its workforce to increase productivity via flexible working and created a scalable and flexible platform.

Recommendations

- **Complement flexible working with a change in corporate culture transformation.** Enterprises need to understand that just implementing a set of collaborative tools will only have limited effect on the uptake of flexible working. Human resource (HR) policies need to encourage flexible working. BT has done just this; with IT working closely with the estates and HR departments, a clear set of policies were constructed and broadcast around the company.
- **Maintain control but include consumer tools within toolkit.** IT departments need to make sure they remain in control of the remote workers set of collaboration tools to make sure that backdoors into the corporate networks do not appear through injudicious addition of nonsupported software. IT departments need to follow BT's lead and be acutely aware that the improvement of work-life balance includes meeting employees' need to keep in contact with family and friends. IT departments need to allow applications such as MSN Messenger and Facebook to operate within the controlled IT environment, or outline guidelines on the use of nonsupported software.
- **Change the format of meetings to fit the virtual environment.** Standard meeting formats are unproductive as participants are not focused on the job on hand and at times seem more interested in responding to e-mails than participating in the decision-making process. Adapt meeting formats to the new virtual world to make the meetings productive and participating is vital. For example, Cisco changed its management meeting structure from a full day where everybody gets their "15 minutes of fame" to a series of "councils" that are highly focused on a specific subject. The new meeting format leads to faster decision-making and increased productivity.
- **Use flexible working to contribute to green issues targets.** Enterprises are coming under increasing pressure to exhibit their green credentials. By migrating the workforce (or at least the knowledge worker part) to a flexible working regime and setting corporate KPIs for reduction of carbon emissions, enterprises can clearly demonstrate their green credentials. Both Cisco and BT have used innovative approaches to remote working as a major part of achieving this goal.