



United Kingdom

BYOD: A Global Perspective Harnessing Employee-Led Innovation

August 2012



Cisco IBSG
Horizons

- Companies are now in a post-PC world, where the network must accommodate new choices at every layer of the stack. These include traditional, mobile, and social applications; multiple operating systems; various server architectures; and mobile devices ranging from tablets to smartphones and other mobility tools.
- The Cisco Internet Business Solutions Group (IBSG) has conducted extensive research and analysis to uncover key insights about the various devices entering the network and how companies are dealing with them.
- In this study, we use the term “bring your own device” (BYOD). You will also hear the terms “consumerization” or “consumerization of IT.” BYOD and consumerization both refer to the use of personal mobile devices connected directly or remotely to an enterprise network.
- The study was global in scope, covering nine countries across four continents. This presentation includes the global data, with an emphasis on the United Kingdom.
- The presentation is modular. Please use any of these slides in other presentations, or reorder them to fit your needs.

Cisco IBSG Horizons Program

- Ongoing program of research and analysis to examine key technology innovations that will impact our customers over the next 24 months
- Other areas of investigation include video, collaboration, cloud, and mobility
- Focus on customer behavior and economics: adoption patterns, use cases, drivers, inhibitors, perceived benefits, delivery models

Source: Cisco IBSG, 2012

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

Cisco Public

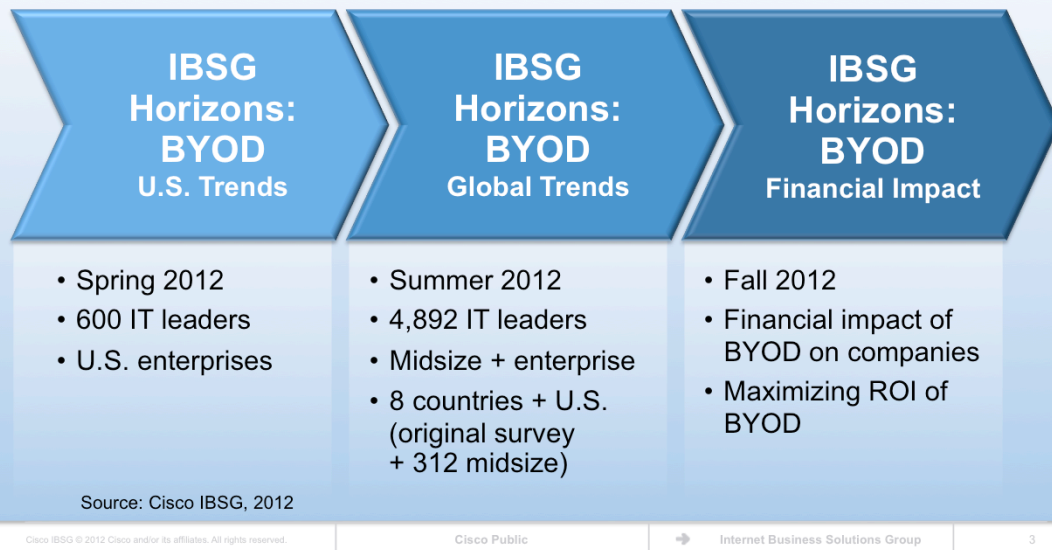
➔ Internet Business Solutions Group

2

- This study is part of the Cisco IBSG Horizons program, an ongoing research and analysis program designed to identify business transformation opportunities fueled by technology innovation.
- In addition to “bring your own device” (BYOD), we are looking at enterprise video, collaboration, and cloud computing, and examining trends, use cases, adoption patterns, lessons learned, and financial impacts.
- Focusing on the link between a customer’s technology environment and business strategy, the Horizons program accelerates the success of Cisco customers by identifying transformative, network-enabled strategies and analyzing their economic underpinnings.

IBSG Horizons BYOD Study Waves: Global State of BYOD and Its Implications

Current Wave



- This study is the second of three planned waves of Cisco IBSG Horizons BYOD research.
- In the spring of 2012, we surveyed 600 IT decision makers in U.S. enterprises to determine how prevalent BYOD is in enterprises, and how corporate IT departments are handling these new devices in terms of support, network access, and security. We also wanted to know whether corporate IT is supportive, indifferent, or hostile toward BYOD.
- When we saw the surprising degree to which U.S. enterprises had embraced BYOD, and their expectations for greater employee productivity and employee-led innovation, we wanted to know whether other countries, as well as smaller companies, were responding in the same way.
- So Cisco IBSG expanded its original study to include IT decision makers in both enterprises (1,000 or more employees) and midsize companies (500-999 employees) in eight countries across three regions. We also added over 300 IT decision makers from U.S. midsize firms to our initial 600 enterprise respondents. This is the current wave of research.
- In the fall of 2012, we will release a third wave of Horizons BYOD research that will focus on the financial impact of BYOD on companies, and opportunities for maximizing the benefits of BYOD.

IBSG Horizons BYOD Study: Global Results



4,892

IT Leaders

18

Industries

- Expansion of original U.S. study from spring 2012
- Nine total countries
- 70% enterprise (1,000+ employees), 30% midsize (500-999 employees)
- 69% director or above (29% CXO), 31% manager
- Decision makers or influencers for mobile solutions

Source: Cisco IBSG, 2012

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

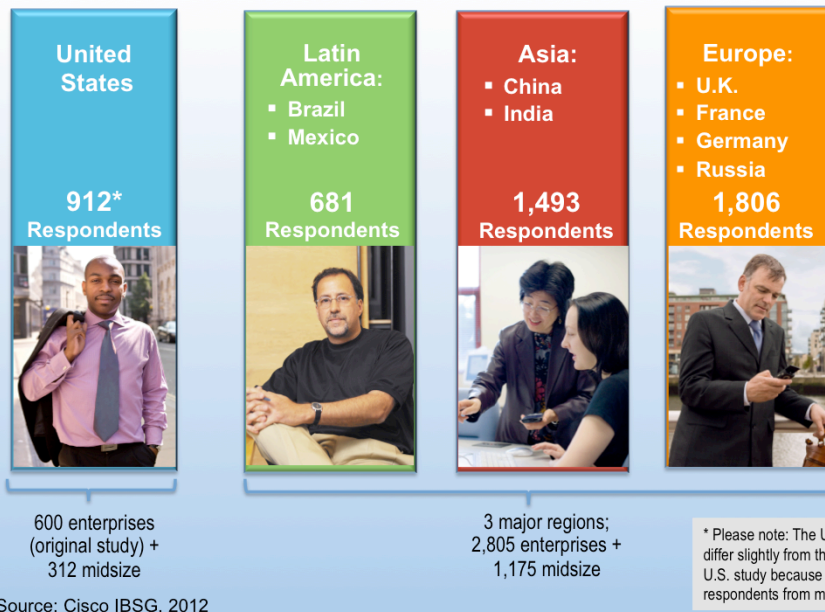
Cisco Public

➔ Internet Business Solutions Group

4

- Overall, we surveyed nearly 4,900 IT leaders who were decision makers or influencers of their companies' mobility solutions.
- Our respondents represented:
 - CIOs, senior vice presidents, vice presidents, directors, and managers
 - About 70 percent were director or higher
- These leaders came from 18 industries, including:
 - Banking and financial services, construction, education, public sector, healthcare, hospitality, information and media, insurance, manufacturing, oil and gas, life sciences, professional services, retail, technology, telecommunications, transportation, utilities, and wholesale distribution

IBSG Horizons BYOD Study: Regional Breakdown



- The study's respondents came from the following regions and countries:
 - The United States
 - Latin America: Brazil and Mexico
 - Asia: China and India
 - Europe: the United Kingdom, France, Germany, and Russia
- This range of countries – and the number of and seniority of respondents – was selected to determine whether BYOD is a trend that crosses geographies and cultures. We also wanted to detect any meaningful regional differences.

IBSG Horizons BYOD Study: Top Research Findings

- BYOD is a global phenomenon: strong evidence of employees everywhere using own devices for work
- Transformative potential of BYOD is employee-driven innovation, empowering employees to decide **how**, **when**, and with **which tools** work is done
- Few differences between midsize companies and enterprises
- BYOD has regional flavor: Asia and Latin America see and encourage extensive BYOD, while Europe is more restrictive
- U.S. leads in BYOD and virtualization, with most comprehensive usage and policy
- BYOD increases mobile cost and complexity, and companies quickly develop robust mobile policy, cost-reduction strategies
- Global IT leaders are aware of desktop virtualization, but do not feel it applies to most knowledge workers, so implementation is low

Source: Cisco IBSG, 2012

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

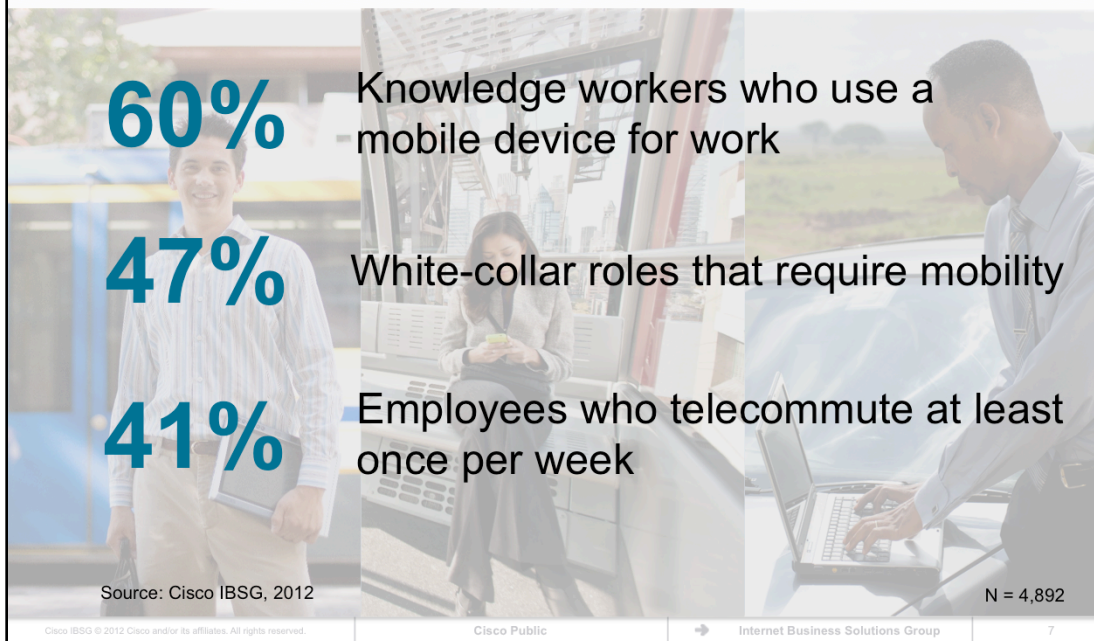
Cisco Public

➔ Internet Business Solutions Group

6

- Our study confirmed that BYOD a global phenomenon: Consistent with the original U.S. study, we found strong evidence of employees using their own devices for work around the world.
- We found that BYOD is not simply about device usage, but freedom and innovation. BYOD empowers employees to innovate using the tools with which they are most comfortable—how and when they want to work.
- There are few differences between midsize companies and enterprises in the rate of adoption or perceived benefits of BYOD.
- Attitudes toward BYOD vary significantly by region: countries such as Brazil, China, India, and Mexico see—and encourage—extensive BYOD, while Europe is more cautious and restrictive.
- We also found that as BYOD becomes more commonplace, companies need to respond with more robust mobile policies and cost-containment strategies, or escalating complexity and costs could threaten some of the gains.
- BYOD also implies new challenges in security.
- We also wondered if desktop virtualization would keep pace with the growing BYOD trend. We found that global IT leaders are aware of desktop virtualization, but implementation is lagging, perhaps because respondents were much more uncertain about its applicability to knowledge workers than in the United States.

Around the World, Mobility Is Pervasive

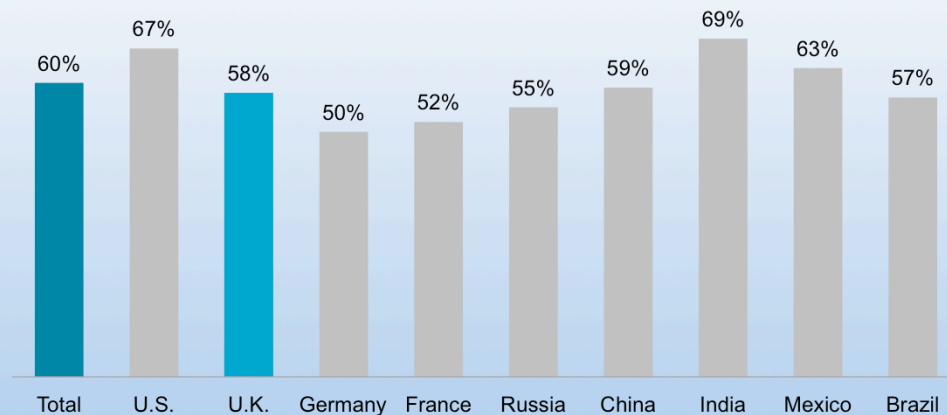


- Mobility means to work away from a traditional office or fixed location on a regular basis.
- Because mobility is pervasive in companies today, the reality is that mobile devices are becoming necessary tools for employees to get their work done.
- 60 percent of employees—by which we mean knowledge workers or white-collar workers—in the companies Cisco surveyed use mobile tools to accomplish their work. These include laptops, smartphones, tablets, and other wireless devices.
- Interestingly, only 47 percent are officially designated as “mobile workers.” Companies are finding that their employees want to use mobile devices to perform their work, even if these devices are not strictly needed for their job roles. In other words, mobility is becoming vital for a wider range of jobs.
- In addition, more than 40 percent of all employees telecommute at least one day per week. The flexibility to move from home to office, and stay connected on the road, is provided by mobile devices.



U.K. Employee Mobility Highest of European Countries

Percentage of Knowledge Workers Who Use a Mobile Device at Work

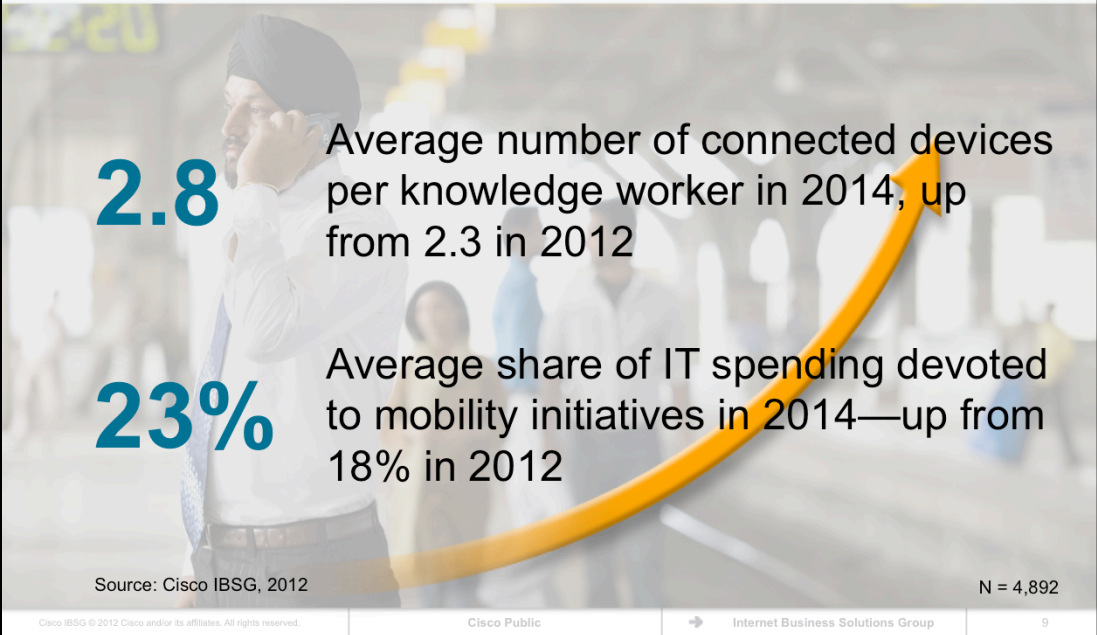


Source: Cisco IBSG, 2012

N = 4,892

- The United States and India lead other countries in the percentage of knowledge workers who use mobile devices, but China and Mexico are not far behind.
- On the other hand, in Germany and France, just over half of knowledge workers use mobile devices. We shall see throughout the research findings that European nations, while they see strong usage of mobility in general and BYOD in particular, are behind other countries in perceiving and embracing these trends.
- The United Kingdom leads other European nations, with 58 percent of knowledge workers using mobile devices for work.

Growth of Mobility Is Having a Global Impact on IT



2.8

Average number of connected devices per knowledge worker in 2014, up from 2.3 in 2012

23%

Average share of IT spending devoted to mobility initiatives in 2014—up from 18% in 2012

Source: Cisco IBSG, 2012

N = 4,892

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

Cisco Public

➔ Internet Business Solutions Group

9

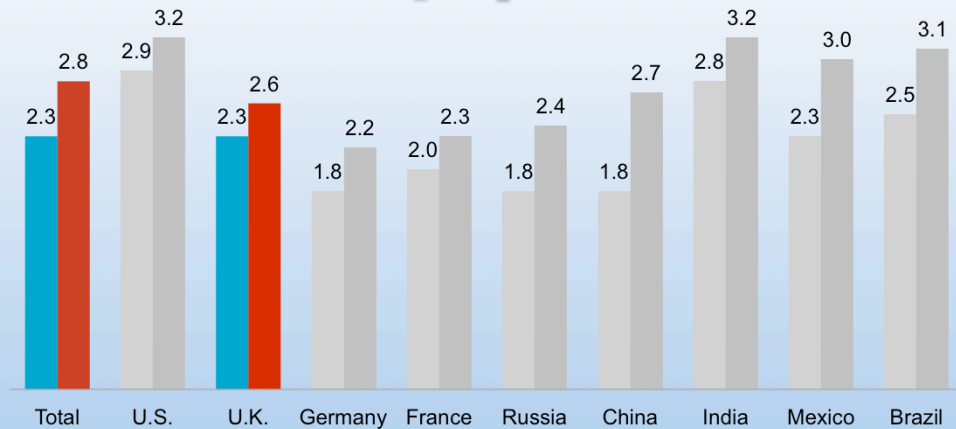
- Employees' need or desire to be mobile and connect to the company network remotely is driving the growth of smartphones, tablets, and other mobile devices.
- The proliferation of these mobile devices in companies is a fact of life, and this means IT needs to change the way it manages devices. This growth in mobility affects data security, access control, platform maintenance, application support, and much more.
- In 2012, knowledge workers had an average of 2.3 devices connected to the network, including smartphones, laptops, tablets, desktops, and so on.
- By 2014, this number will rise to 2.8 mobile devices per knowledge worker.
- This growth in mobile devices will have a profound impact on IT support and network loads. The IT leaders in this study expect the share of IT spending on mobile devices to grow from 18 percent in 2012 to 23 percent by 2014.



Growth in Networked Devices Modest in the U.K., with a CAGR of 7%

Average Number of Connected Devices per Knowledge Worker

2012 2014



Source: Cisco IBSG, 2012

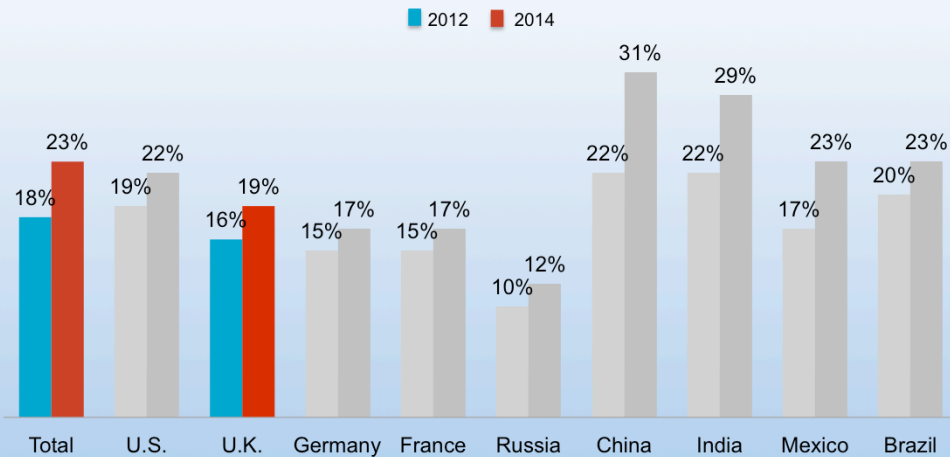
N = 4,892

- The United Kingdom expects a 13 percent growth in the number of devices connecting to the network (CAGR of 7 percent).
- Only the United States has a lower rate of growth (CAGR of 5 percent).
- This could indicate that the United Kingdom is already maturing in terms of the total number of mobile devices the network will need to accommodate.



U.K. Mobility Costs Are Contained, but Still Nearing 1/5 of Total IT Budget

Percent of IT Budget Spent on Mobility Initiatives



Source: Cisco IBSG, 2012

N = 4,892

- U.K. mobility budgets are the highest in Europe, but still lower than the United States and the other countries surveyed.
- By 2014, the mobility budget in the United Kingdom will be only 60 percent of that of Chinese companies.
- On average, mobility as a percentage of global IT spending is slated to grow by 28 percent.

BYOD Is Here, Now



42%

Employees who own the smartphones they use for work

63%

Companies that expect the share of employee-owned devices connecting to company networks to increase somewhat to significantly over the next two years

Source: Cisco IBSG, 2012

N = 4,892

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

Cisco Public

➔ Internet Business Solutions Group

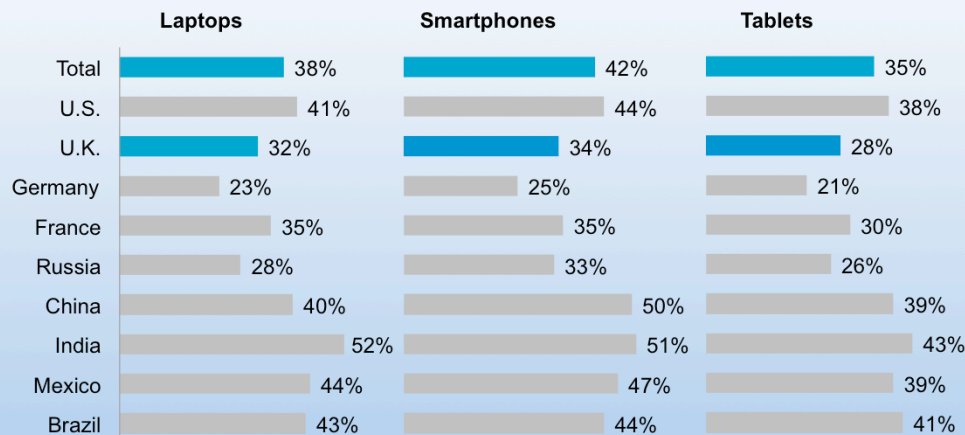
12

- A large and growing share of the mobile devices employees use for work are owned by employees personally. For example, 42 percent of smartphones and 38 percent of laptops are employee-owned. This shows that BYOD, far from being an emerging trend, is already well-entrenched in corporations throughout the world.
- And IT leaders see strong growth for BYOD in the next two years, with 63 percent saying they expect the percentage of employee-owned devices to increase.



Nearly 1/3 of Mobile Devices Used in U.K. Companies Are Owned by Employees

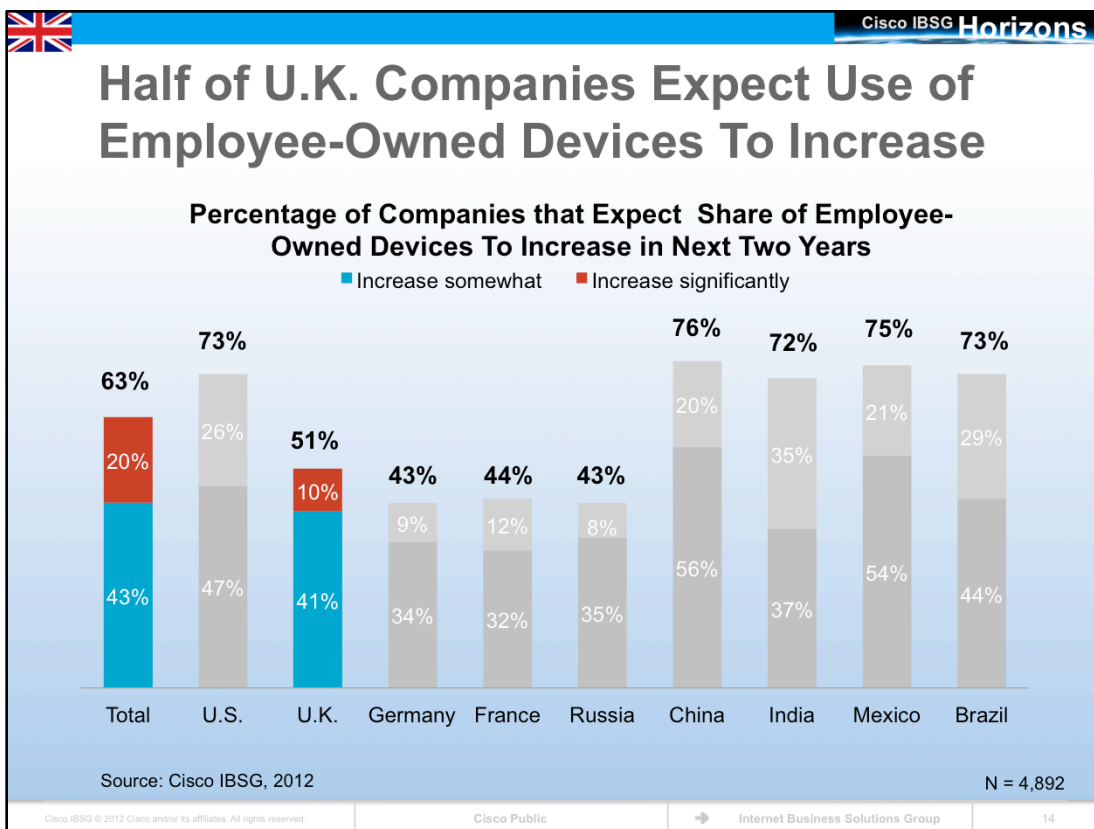
Percentage of the Following Devices Owned by Employees, Rather than by Company



Source: Cisco IBSG, 2012

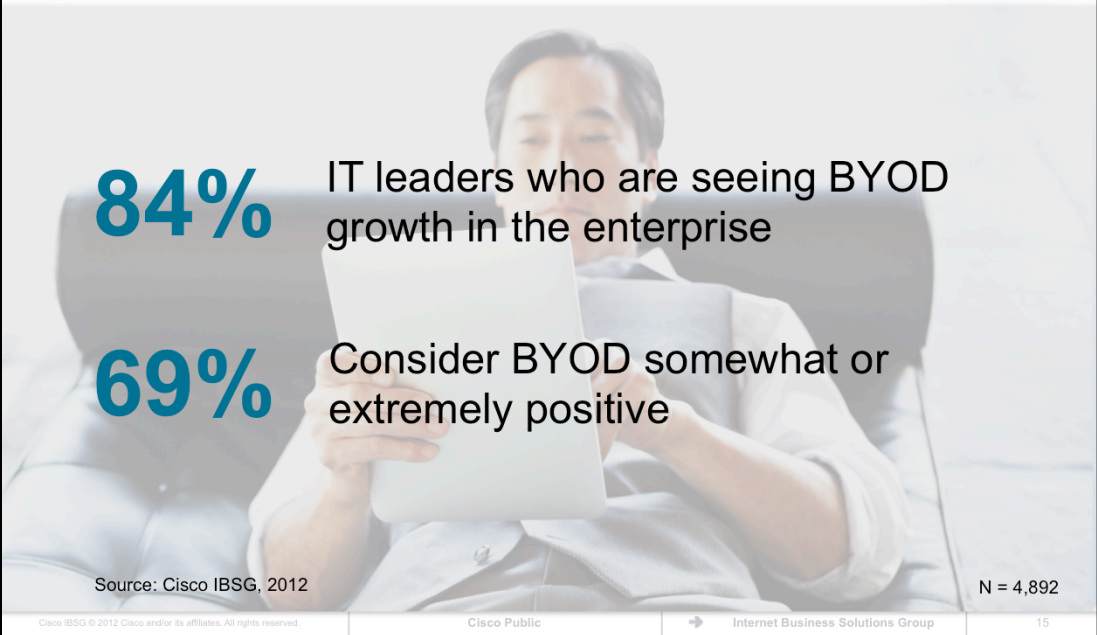
N = 4,892

- While the percentage of employee-owned devices across all countries is impressive, Asian and Latin American countries are seeing the highest adoption of BYOD.
- In comparison, European countries are far behind. In Germany, for example, IT leaders see only about half of the BYOD adoption of India.
- U.K. companies are providing fewer of the laptops, smartphones, and tablets used by their employees than companies Germany, but more than in the United States, France, and developing economies.
- The percentage of employee-owned devices is essentially the same in midsize and enterprise companies in United Kingdom, indicating that employees in all company sizes are adopting BYOD at similar rates.
- As we shall see, the wariness of European IT leaders and more restrictive IT policies among European companies, including prohibitions on BYOD or lower levels of support, explain some of the difference.



- Higher current adoption and greater growth in non-European countries will quickly make BYOD the predominant approach in these regions. Of special note is the high percentage of IT decision makers who say BYOD increases will be “significant”: 35 percent in India, where more than half of smartphones and laptops are already employee-owned, and 29 percent in Brazil, where more than 40 percent of major mobile devices are employee-owned.
- Despite the relatively low penetration of BYOD in European countries, Europe will see less growth than Asia and Latin America.
- Less than half of all European companies interviewed expect employee-owned mobile devices to increase in the workplace, compared to at least 70 percent in all other regions interviewed.
- U.K. companies are more mobile than companies in Germany, France, and Russia, but still trailing the rest of the world.

IT Leaders Acknowledge and Embrace BYOD



84%

IT leaders who are seeing BYOD growth in the enterprise

69%

Consider BYOD somewhat or extremely positive

Source: Cisco IBSG, 2012

N = 4,892

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

Cisco Public



Internet Business Solutions Group

15

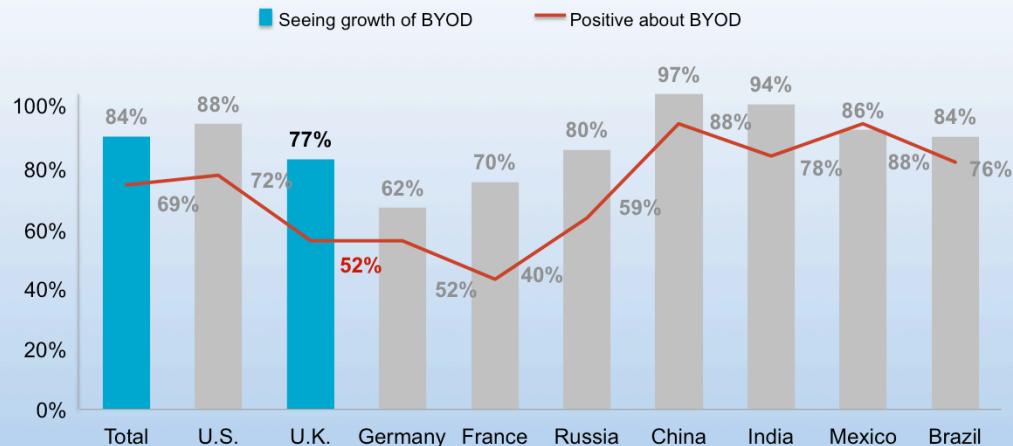
- Eighty-four percent of the IT leaders in this study say they are seeing BYOD growth in their companies.
- Although this poses challenges for these IT leaders, 69 percent say they consider BYOD to be somewhat to very beneficial for their IT departments.





Just 52% of U.K. Companies Are Optimistic About the BYOD Trend

Percent of IT Leaders Who Are Seeing Growth of BYOD and Percent Who Are Positive About the Trend



Source: Cisco IBSG, 2012

N = 4,892

- While IT decision makers have different expectations for the rate of BYOD growth, 84 percent agree that more employees are using their own devices for work purposes. Even in Europe, where the BYOD trend is less prevalent, 72 percent are seeing growth.
- 77 percent of U.K. respondents believe that consumerization of IT is growing, and 52 percent are positive about the development—a higher percentage than in France and Germany.
- It is in the sentiments of IT leaders that we see the greatest gulf. In Europe, particularly the United Kingdom, Germany, and France, IT leaders are far less positive about the impact of BYOD than in the rest of the countries we surveyed. In China and Mexico, nearly 90 percent of IT leaders are positive, versus only 40 percent in France.
- Before more U.K. companies can harness the benefits of BYOD, they will first need to see it as a positive development.

Benefits BYOD Brings to Companies

#1

Improved employee productivity,
more opportunities to collaborate

#2

Preferred device means greater
job satisfaction

#3

Lower costs

Source: Cisco IBSG, 2012

N = 4,892

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

Cisco Public

➔ Internet Business Solutions Group

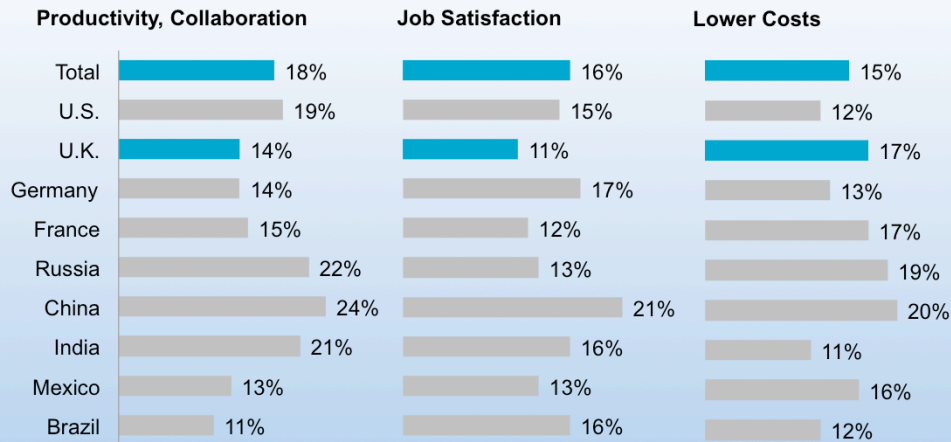
17

- The top benefits of BYOD for companies are:
 - **Productivity:** Employees become more productive, and they can collaborate with each other and those outside the company more easily.
 - **Job satisfaction:** Employees want to use the same devices for work that they use in their personal lives. When employees can choose their own devices, they are happier and more satisfied in their work.
 - **Lower costs** when employees pay for their devices.



U.K. IT Leaders See Lower Costs as #1 Benefit of BYOD

Top Benefits BYOD Brings to the Company

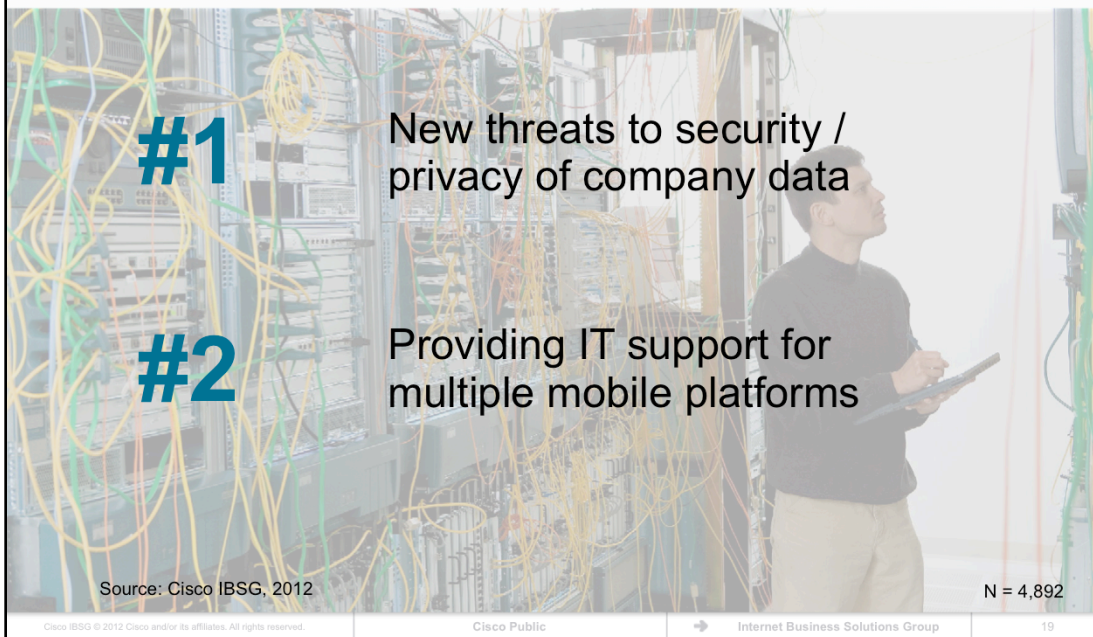


Source: Cisco IBSG, 2012

N = 4,892

- Overall, the primary benefit IT leaders see from BYOD is increased employee productivity. This is an important finding, because fears that employees would be distracted by personal applications and content (such as using social networks, playing games, using unauthorized sites for personal business and entertainment) have been an argument against BYOD.
- In the United Kingdom, reduced mobility costs was the top benefit cited, in contrast to most other countries. The number three benefit was actually “enables employees who otherwise would not use a mobile device for work purposes to do so” (12 percent). Job satisfaction was tied for fourth with “allows for access to latest mobile technology”.
- Of note, Chinese IT leaders are looking to BYOD to deliver significant productivity, satisfaction, and cost improvements.

BYOD Does Bring Complexity: Top Concerns

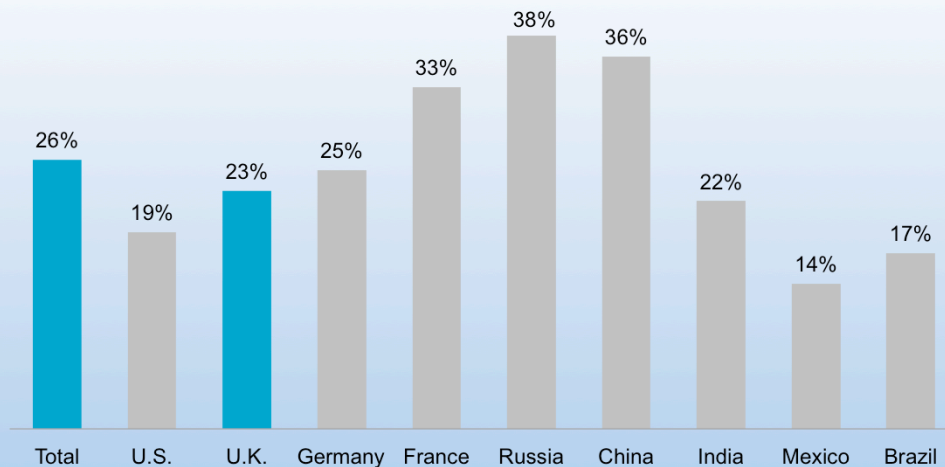


- The international results are consistent with what we found in the United States regarding the main drawbacks of BYOD. The top concerns according to the IT leaders in this study are:
 - **Security**—How do companies ensure their data, and the data of their customers, is secure?
 - **Support**—How do IT departments support multiple devices, platforms, and applications?
- Additionally, IT leaders are concerned about access: Since mobile devices open new paths of intrusion, how do IT departments enforce policies to ensure that only authorized people have access to sensitive information, and how do they maintain regulatory compliance?



Security Threats Are a Major Concern in Europe

Percentage of Companies That Find Security a Top BYOD Challenge



Source: Cisco IBSG, 2012

N = 4,892

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

Cisco Public

➔ Internet Business Solutions Group

20

- The perceived danger of BYOD to corporate network security is likely a major reason that companies in Europe have not embraced the trend as fully as others. With the exception of China, European countries are the most concerned with the negative effects of BYOD on the security of corporate networks. Interestingly, the concerns over network security have not made Chinese companies reluctant to embrace BYOD, since they believe the benefits far outweigh the potential costs.
- U.K. companies are less concerned about security than others in Europe, but it was still the top concern overall.
- Other concerns about BYOD in the United Kingdom were “Increased complexity of IT” (13 percent), “Increased policy enforcement complexity” (11 percent), and “new risk in terms of regulatory compliance” (11 percent).

IT Support: Most Companies Enable BYOD, but Europe Hesitant



89%

Companies that enable BYOD in some form, from allowing employees to connect their own devices to company network, to full support for all employee-owned devices

71%

Companies that provide IT support for either select employee-owned devices or all devices

19%

European companies that prohibit BYOD, compared to 6% for non-European countries

Source: Cisco IBSG, 2012

N = 4,892

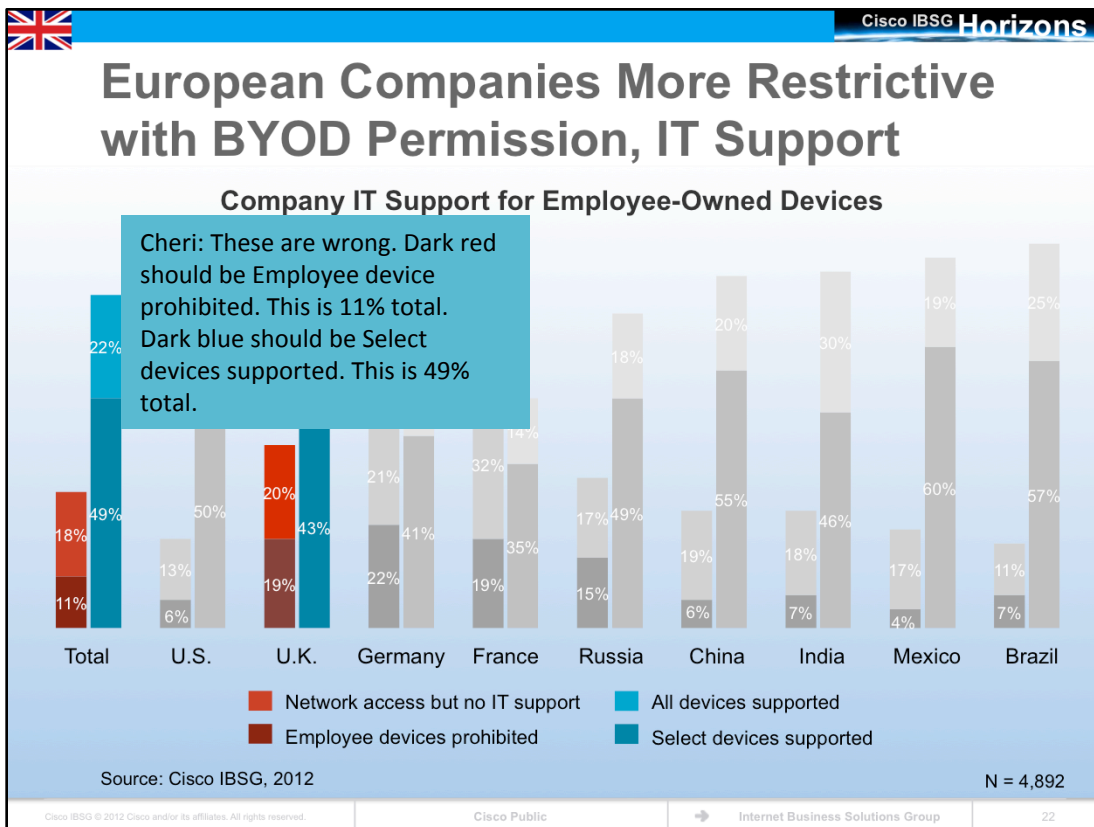
Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

Cisco Public

➔ Internet Business Solutions Group

21

- Overall, there is strong support for enabling BYOD among corporate IT leaders. Nearly 90 percent of companies accept BYOD in some form, ranging from simply allowing employee-owned devices on the corporate network to full IT support for any employee-owned device. This proves once again how universal the BYOD trend has become.
- And 71 percent encourage IT by providing some level of IT support.
- European companies, however, are much less accommodating of employee-owned devices in the workplace.

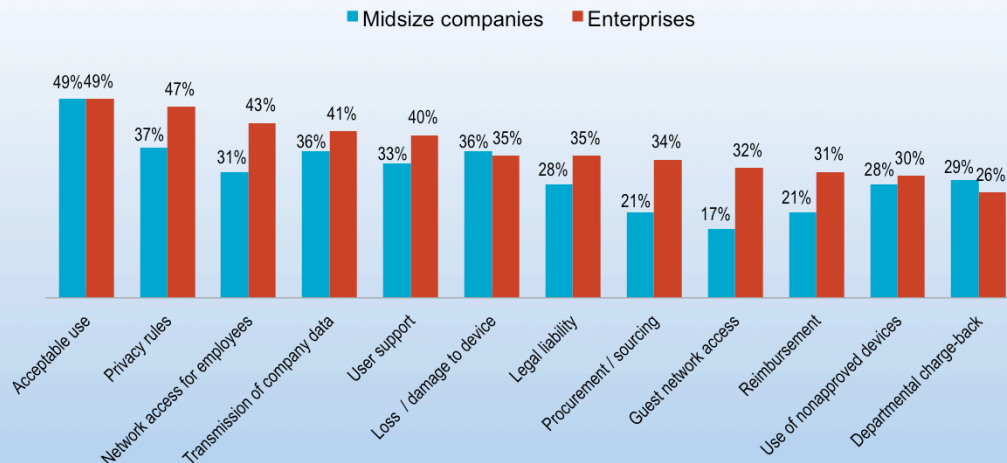


- The United Kingdom is the most permissive western European country, with 21 percent more companies that are “supportive” than “not supportive.” In Germany, supportive companies outnumber unsupportive ones by only 14 percent, and in France, unsupportive companies are in the majority.
- 19 percent of U.K. companies prohibit all employee devices; 17 percent support all devices. Compare this to the United States, where 6 percent prohibit all devices, but more than five times that number (31 percent) support all employee devices.



Mobile Policy: Plenty of Work To Do for U.K. Enterprises, Midsize Firms

Areas Covered by Company Mobile and Mobile Device Policy



Source: Cisco IBSG, 2012

N = 469

- Another area that has the potential to restrict the potential benefits of BYOD is a lack of clarity around mobility policy, both as it pertains to BYOD and in general. Regarding the maturity of corporate mobile policy, enterprises have implemented more comprehensive policies in most areas than midsize firms. While this finding is not surprising, it speaks well for midsize firms that in many areas, the differences between them and enterprises are modest.
- In the United Kingdom, midsize firms are significantly behind in some areas that are fundamental to mobile security, such as network access and privacy rules.
- For both corporate and midsize firms, there is plenty of work to be done before mobility policy can be considered robust.

Employees Want Freedom To Reinvent Their Work Style Through BYOD...

#1

Employees want an any-device, anywhere work style (37%)

#2

Employees want to do personal activities during work and work activities during personal time (35%)

#3

Avoid usage restrictions of company-owned devices (31%)

Source: Cisco IBSG, 2012

N = 4,892

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

Cisco Public

➔ Internet Business Solutions Group

24

- Employees are turning to BYOD because they want more control of their work experience, thus improving productivity and job satisfaction.
- Their first desire is device choice. They want to work on the device with which they are most comfortable, and they want to work wherever they need to be.
- Their second desire is to choose when they do what. They want the flexibility to undertake personal activities while at work and to do their work during nontraditional work periods such as nights and weekends.
- Finally, they want freedom to use the device the way they see fit, including which apps to download.

...Which Can Foster Employee-Led Innovation

- BYOD enables employees to deliver consistent, bottom-up innovation by transforming how they work, and what they do
- By giving employees freedom to choose the devices, applications, and cloud services they use, companies help employees find the best ways to get the job done and add more value, such as:
 - Using cloud-based services to analyze and visualize data on mobile devices
 - Discovering the perfect tool for managing complex workflows
 - Recording video meetings to improve execution when decisions are made
- The tools for employee-led innovation are ready at hand: inexpensive, enterprise-grade applications; easy customization; and powerful devices
- Companies that embrace BYOD as a source of innovation could unlock a latent – and potent – source of competitive advantage

Source: Cisco IBSG, 2012

N = 4,892

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.


Cisco Public

Internet Business Solutions Group

25

- By giving employees freedom to choose the devices, applications, and cloud services they use, work processes can be redefined. Employee-led innovation extends far beyond when and where to work.
- Through BYOD, employees can continually innovate in a multitude of ways, such as using cloud-based services to analyze and visualize data on a mobile device, discovering the perfect tool for managing complex workflows, or recording video meetings to improve execution when decisions are made.
- The potential for consistent bottom-up innovation is tremendous, and the tools are readily at hand: increasingly inexpensive, powerful devices; thousands of mobile applications with enterprise-level power and sophistication that cost only a few dollars; and application-development tools that nonexperts can use to quickly design their own custom applications.

Employees Also Want To Bring Their Own Applications



52%

IT leaders who say nonapproved applications are somewhat to much more prevalent today than two years ago—a huge difference between Europe, rest of world

Source: Cisco IBSG, 2012

N = 4,892

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

Cisco Public

➔ Internet Business Solutions Group

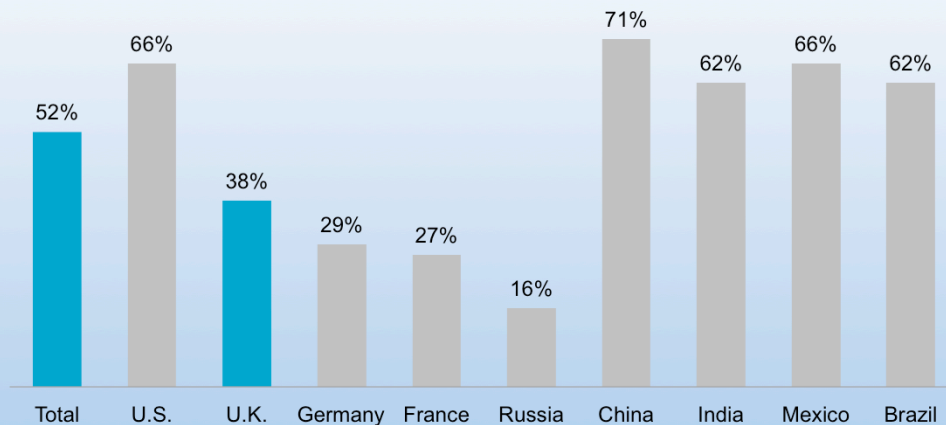
26

- Along with the growth of employee-owned devices, 52 percent of IT leaders say that nonapproved software applications and cloud services are “somewhat” or “much more” prevalent today than two years ago. It makes sense that nonapproved applications would increase, since employees do not simply want to use the device of their choice, but also the software and cloud services they prefer.
- European countries are seeing far less growth, perhaps because of policy restrictions that discourage them.



Nonapproved Applications Increasing Sharply Everywhere but Europe

Percent of Companies Saying Number of Nonapproved Applications “Somewhat” or “Much More” Prevalent



Source: Cisco IBSG, 2012

N = 4,892

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.


Cisco Public

➔ Internet Business Solutions Group

27

- As we can see, there is a stark difference in the prevalence of nonapproved applications between European countries and all other countries in our study. In Russia, for example, only 16 percent of IT leaders say they have seen more nonapproved applications, versus 71 percent in China.
- 38 percent of respondents in the United Kingdom are seeing nonapproved applications.
- We may be seeing both *virtuous* circles (positive impressions of BYOD, resulting in more favorable policies, thereby producing enhanced benefits and increasing enthusiasm) and *vicious* circles (suspicion of BYOD, resulting in restrictive policies and muted impact, reinforcing the initial skepticism) at play.

Desktop Virtualization Is on the Rise — In Some Countries



91%

IT leaders who are somewhat or very aware of desktop virtualization

44%

Agree that a majority of knowledge-worker roles are suitable for desktop virtualization, with U.S. much higher at 64%

Source: Cisco IBSG, 2012

N = 4,892

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

Cisco Public

➔ Internet Business Solutions Group

28

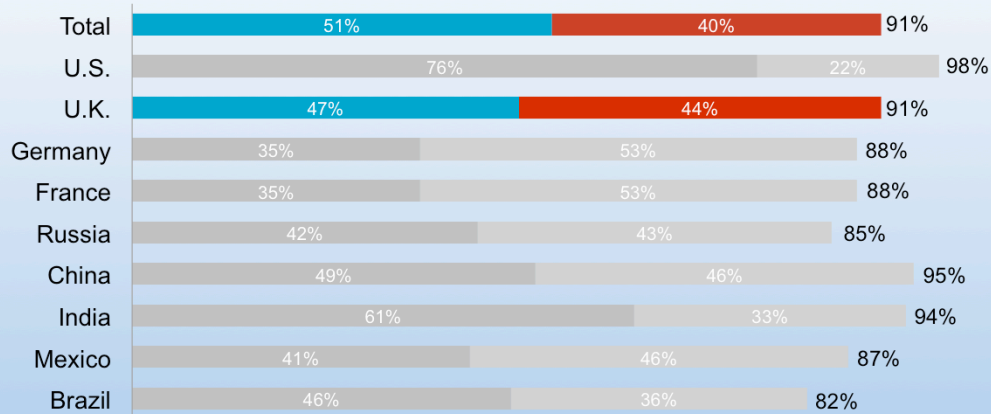
- This study also explored desktop virtualization, which is becoming increasingly popular—and which could potentially fit nicely with the BYOD trend.
- Desktop virtualization separates the desktop environment from the device and enables employees to get the same or similar experience regardless of where they are or which device they are using.
- This study found that desktop virtualization is very much on the minds of IT leaders. Of the IT leaders polled in this study, 91 percent are very or somewhat familiar with desktop virtualization.
- However, outside the United States, where 64 percent of IT leaders believe a majority of knowledge workers could benefit from desktop virtualization, companies feel virtualization has limited applicability for knowledge workers.
- Desktop virtualization is also sometimes called:
 - Virtual desktop infrastructure (VDI)
 - Hosted virtual desktop (HVD)
 - Desktop as a service (DaaS)
 - Server-based computing



IT Leaders Well Aware of Desktop Virtualization...

Awareness of Desktop Virtualization

Very aware Somewhat aware



Source: Cisco IBSG, 2012

N = 4,892

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

Cisco Public

Internet Business Solutions Group

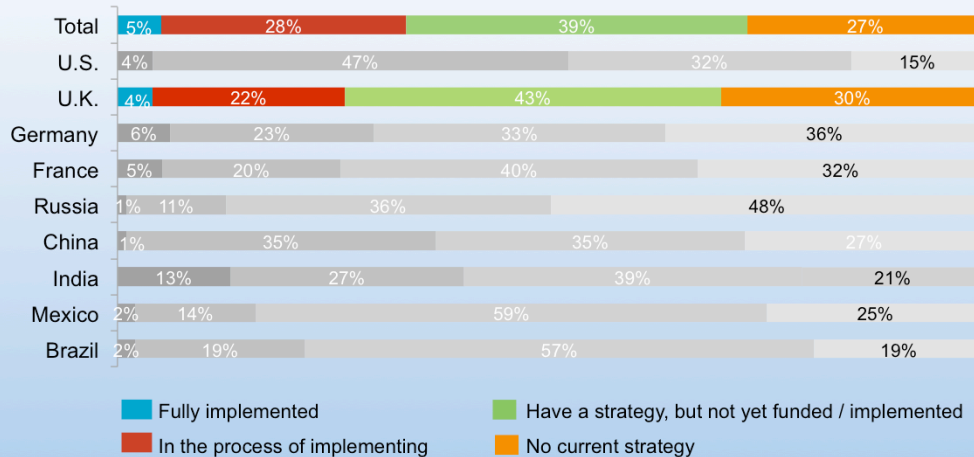
29

- For IT leaders in the United States and India, desktop virtualization is a well-known concept. Elsewhere, less than 50 percent are “very aware,” although nearly all have some familiarity.
- U.K. respondents are the most aware of desktop virtualization of all European countries.



...But Implementation Is Trailing Awareness

Desktop Virtualization Strategy



Source: Cisco IBSG, 2012

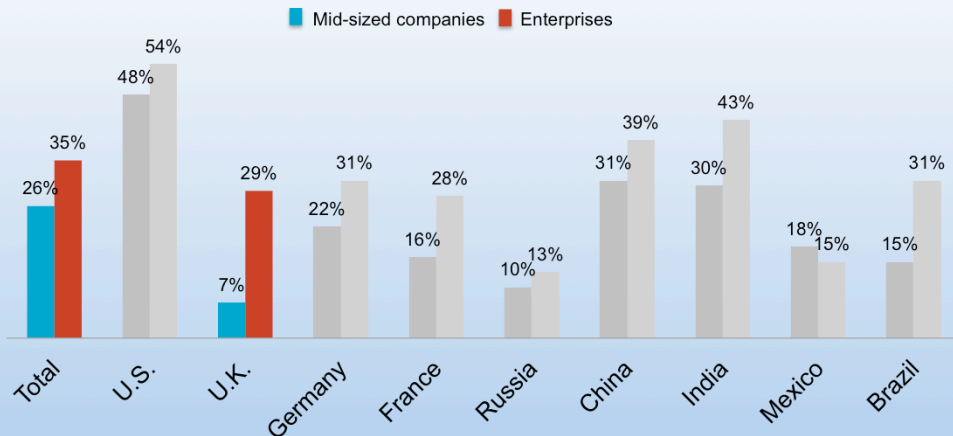
N = 4,892

- In implementation of desktop virtualization, we see a significant difference between the United States and other countries. A majority of U.S. companies have implemented desktop virtualization, or are in the process of implementing it.
- In the United Kingdom, enterprises have adopted desktop virtualization ahead of midsize companies. No midsize U.K. companies have fully implemented desktop virtualization, compared to 5 percent of enterprises; 7 percent of midsize companies have begun their implementation, compared to 24 percent of enterprises.
- On the other hand, in India 13 percent of companies have fully implemented desktop virtualization, and in China it is on the radar, with 35 percent in the implementation process.



U.K. Enterprises Lead Midsize Firms in Implementing Virtualization

Percentage of Companies in the Process of or Finished Implementing Their Virtualization Strategy



Source: Cisco IBSG, 2012

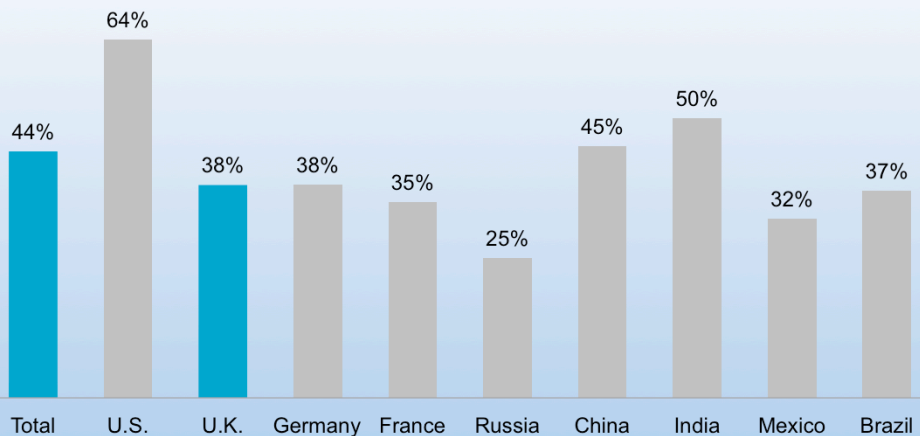
N = 4,892

- 29 percent of U.K. enterprises have implemented or are in the process of implementing desktop virtualization, compared to 7 percent of mid-sized companies. This divergence is the most prominent of all of the countries surveyed.



IT Leaders Outside U.S. Not Sold on Virtualization for Knowledge Workers

Percentage of Respondents Who Believe a Majority of Knowledge Workers Are Suitable for Desktop Virtualization



Source: Cisco IBSG, 2012

N = 4,892

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

Cisco Public

➔ Internet Business Solutions Group

32

- IT leaders in these countries are “behind” in implementing desktop virtualization because they believe it to be less applicable to knowledge workers than do their counterparts in the United States.
- Again, midsize companies in the United Kingdom are less ready for desktop virtualization than enterprises: only 24 percent of midsize companies surveyed believe that half of employees qualified, compared to 42 percent of enterprises.

Top Desktop Virtualization Drivers

#1: Data Protection—31%

#2: Mobility for Employees—28%

#3: Business Agility—27%

Source: Cisco IBSG, 2012

N = 4,892

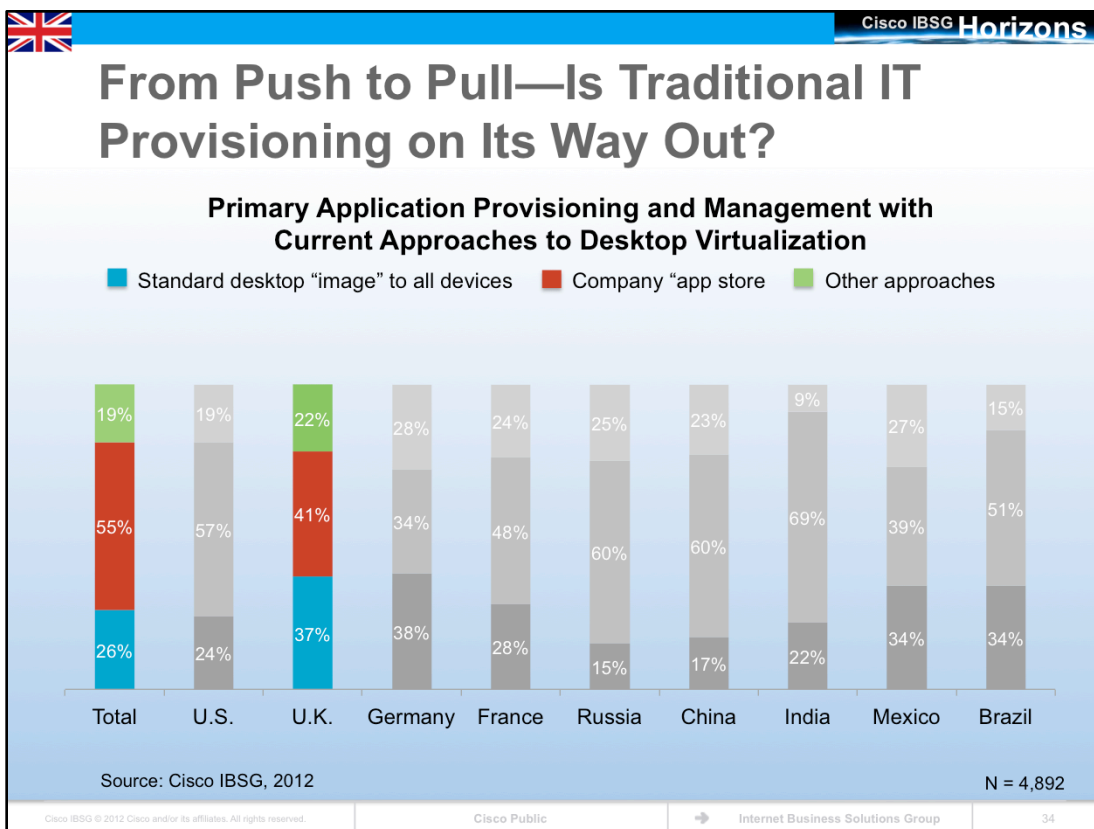
Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

Cisco Public

➔ Internet Business Solutions Group

33

- Most IT leaders recognize that employees in their organization could benefit from desktop virtualization (44 percent believe half or more of their employees could benefit), but desktop virtualization poses challenges. The top three concerns are:
 - **Data protection:** How does the enterprise ensure only the right people have access to sensitive company and customer data?
 - **Mobility for employees:** Enabling employees to work from wherever they are, rather than being constrained to a desk or campus, including telework.
 - **Business agility:** The speed with which companies can roll out software updates and platforms.



- IT leaders are accustomed to pushing approved devices and applications on to employees—when a new employee starts, he or she has a laptop and a standard set of office applications set up and ready to use. But with employees bringing their own devices, IT departments are changing the way they provision and manage devices.
- IT leaders who accept this sea change are embracing it by supporting nonstandard applications and distributing them through a corporate app store.
- In the United Kingdom, 41 percent of companies interviewed expect that desktop virtualization will be approached using an app store, which could feature either mandatory apps, or both mandatory and “as wanted” apps.
- Interestingly, there was no significant difference in the way that midsize and enterprise companies in the United Kingdom would provision applications in their desktop virtualization strategy.

Key Takeaways

- BYOD is not an emerging trend but a *fact* across geographies, different company sizes
- The United States, Asia, and Latin America are most enthusiastic about BYOD, and there is an opportunity for employees to **innovate** how and where they work. This, rather than cost containment, is the real BYOD opportunity
- European companies are less supportive of BYOD, see benefits more in terms of cost containment than employee-led innovation, and could miss the next wave of employee effectiveness
- Mobility budgets are rising quickly, and firms may be missing opportunities to optimize spending — without restricting access
- BYOD also implies new challenges in security and support
- Better mobile policy can help deliver security, support, and lower costs
- Desktop virtualization is top of mind for U.S. IT leaders, but seen as less applicable to knowledge workers in other countries

Source: Cisco IBSG, 2012

Cisco IBSG © 2012 Cisco and/or its affiliates. All rights reserved.

Cisco Public

Internet Business Solutions Group

35

- As we have seen, BYOD is happening in companies across the world, at both midsize companies and enterprises. It is not an emerging trend, but a fact.
- There are varying degrees of support and enthusiasm, however. The United States, Asia, and Latin America are bullish on the prospects of BYOD, and are willing to give employees more control.
- By giving them control, companies can allow employee-led innovation to unfold, as knowledge workers find better ways of performing their typical tasks, and even expand into higher-value work. For example, the ability to download powerful data analytics applications that formerly were provided only to specialists can now help any employee add value in new ways.
- Companies must guard against rising mobility costs.
- They must also face new challenges in how they secure their networks and support mobile devices in a BYOD environment.
- For many companies, better, more comprehensive mobile policies could help deliver BYOD with greater security at a lower cost.
- Desktop virtualization could also help. But IT leaders outside the United States see desktop virtualization as less applicable to knowledge workers, and are not implementing it as extensively.

For more information...

Joseph Bradley

Cisco Internet Business
Solutions Group

josbradl@cisco.com

James Macaulay

Cisco Internet Business
Solutions Group

jmacaula@cisco.com

Jeff Loucks

Cisco Internet Business
Solutions Group

jeloucks@cisco.com

Richard Medcalf

Cisco Internet Business
Solutions Group

rmedcalf@cisco.com

Cisco IBSG
Horizons

