



**The State of Work Today:
Survey Findings on Working Smarter**



ABSTRACT

Companies that “Work Smarter” empower people to make changes to business processes in response to market conditions

In August of 2009 IBM conducted a survey of 176 business and IT leaders to understand how companies are using people, processes, and technology to “work smarter.”

The study identified key characteristics of companies that work smarter - the top three were:

1. Empowering LOB employees to rapidly adapt and respond to changes in market conditions
2. Leveraging wireless / mobile technologies to connect people, processes, and information
3. Making rapid changes to business processes & models in response to changes in the market

The survey also uncovered why some companies are finding it difficult to work smarter: they tend to spend too much of their IT budgets maintaining existing applications and therefore spend less delivering new value – and are less likely to enable their employees to initiate necessary changes to the business.

Our research analyzes these survey results and what they tell us about enabling your company to work smarter.



Companies that Work Smarter - Top 10 Characteristics

Companies that work smarter tend to have distinguishing characteristics. They empower their people to make change, they provide the necessary technologies that enable their employees to collaborate to accomplish change, and they involve their customers and partners as part of the change process.

Survey results suggest that companies who wish to work smarter need to adopt as many of the “Top 10” characteristics of smarter working companies as possible - these factors are integrated and mutually supportive. They appear to work better in combination in addressing the pain points that cause companies to seek to work smarter in the first place. Companies that work smarter:

1. Believe in empowering LOB employees to rapidly adapt and respond to changes in market conditions.
2. Leverage wireless / mobile technologies to connect people, processes, & information.
3. Make rapid changes to business processes & models in response to changes in market conditions.
4. Are efficient at locating the right information at the right time to support business decision making.
5. Reuse existing assets to solve new business challenges.
6. Directly interact with or change business processes when events occur.
7. Use Web 2.0 collaboration technologies to interact with customers & partners.
8. Leverage people as sensors of important business events.
9. Capture and utilize real-time business events to improve decision making
10. Spend a greater % of their IT budget delivering new value to the business.

Companies who wish to work smarter need to adopt as many of the “Top 10” characteristics of smarter working companies as possible - these factors are integrated and mutually supportive



Smarter Working Companies are Consistent

Companies that work smarter tend to be consistent in adopting these characteristics. For example, companies that believe it is important to empower line of business employees tend to believe just as strongly in using collaboration and social media technologies to achieve that empowerment.

The survey results illustrate just how strongly smarter working companies endorse and adopt these success factors. Survey responses were grouped into three categories to look at how consistently companies adopted similar attributes when: (1) using social media for collaboration, (2) empowering employees, and (3) leveraging people to accomplish change. These groupings suggest that smarter working companies tend to adopt mutually supporting success factors:

Social Media and Collaboration

- *69% use Web 2.0 / social media tech's to collaborate on projects*
- *83% use wireless / mobile tech's to connect resources*
- *68% use Web 2.0 / social media tech's to collaborate w/customers*
- *72% use Web 2.0 / social media tech's to collaborate w/partners & vendors*
- *66% believe collaboration across boundaries is a real challenge*
- *79% see Web 2.0 / social media tech's playing a bigger role in above*

Empowerment

- *73% feel their orgs are leveraging the most efficient and effective resources to perform specific functions to achieve corporate objectives*
- *88% feel it is important to empower LOB to manage change in business processes and models*
- *81% feel the organization empowers LOB to manage change in business processes and models; 88% feel it is important to do so.*



Leveraging People to Accomplish Change

- *75% capture and utilize RT bus events to improve decision making*
- *79% feel people are able to directly interact with / change business processes*
- *78% leverage people as sensors of important business events*
- *81% believe that their orgs are able to change bus processes in response to changes in market conditions*
- *81% feel their orgs are effective at locating the right information at the right time*
- *58% feel their orgs have real challenges in this area*

What Makes a Company Work Smarter?

Prior to the smart work survey, discussions with a variety of companies suggested that companies that were working smarter would be more likely to:

- Empower line of business employees to manage changes to business processes as market conditions change
- Change business processes and models rapidly in response to these conditions
- Make use of social media technologies to collaborate on making these changes – including customers and partners
- Reuse assets (like process models) to solve new business problems

Survey results indicated that companies that find it difficult to work smarter tend to spend too much of their IT budget on maintaining existing applications and spend relatively less on delivering new value

Survey results verified these hypotheses and showed that responders across the board agreed strongly on three points:

1. It was very important to empower employees in the business to rapidly adapt and respond to changing market conditions. Responders made this the #1 attribute.



2. There were often significant problems with locating expertise or the right people across the organization to get things done.
3. Collaborating with remote staff or boundary workers presented a significant challenge.

In addition, survey results indicated that companies that find it difficult to work smarter tend to spend too much of their IT budget on maintaining existing applications and spend relatively less on delivering new value. They are also less likely to enable their employees to initiate necessary changes.

Where Responses Differed

While responses tended to be consistent between the IT and LOB responders, there were some notable differences. The largest deltas were in the areas of agility and mobile technologies. For example, IT organizations felt that they were more agile and did a better job of leveraging mobile technologies than LOB responders did.

In addition, IT Managers were 1.6 times more likely (52% vs. 35%) than managers in the line of business to state that LOB empowerment to respond to market change is extremely important

There were also differences between responses depending on the industry of the responder. For example,

- Financial Services responders tended to exhibit a greater degree of “working smarter” than their counterparts in healthcare, chemical & petroleum, and utilities.
- Utilities industry responders appeared to leverage Web 2.0 and social media technologies less than the others. Interestingly, the Utilities responders were more likely to feel that a greater percentage of its budget is spent on maintaining existing systems rather than delivering new value to the business.



- Organizations in Smarter Planet targeted industries (Chemicals & Petroleum, Utilities, Healthcare, and Financial Services) were more likely than those in other industries to rapidly change business processes and models in response to changes in market conditions.

SOA is an Underlying Key

Organizations that had implemented a SOA project were more likely to indicate their organization is agile

Responses often differed based on whether or not the organization had implemented a major SOA application – as SOA frequently provides the underlying structure to enable agility and change. Organizations that had implemented a SOA project were more likely than organizations currently planning a SOA implementation to:

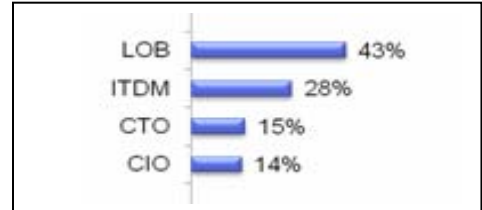
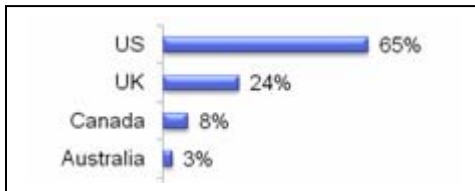
- Indicate their organization is agile when market conditions suggest that changes to business processes or models are necessary
- Be viewed as efficient at locating the right information at the right time to support business decision making
- Utilize web 2.0 / social media technologies to collaborate with partners and vendors
- Capture and use real-time business events, such as fluctuating interest rates, weather events, customer transaction data, etc., in order to improve decision making
- Be concerned with the organization's ability to leverage the most efficient and effective resources available to perform specific functions in order to achieve corporate objectives



Appendix: The Smart Work Survey: Responder Profile

Out of a initial pool of 1000 companies, 176 were selected to participate in the survey, with 57% representing a technology viewpoint (CIO's, CTO's, and IT Managers) and 43% representing the line of business.

The survey covered English speaking countries and responses were gathered from the US, Canada, the UK, and Australia.



Companies were chosen based on their size (greater than 1000 employees) and their current level of SOA maturity (that is, they had implemented or planned to implement a significant SOA project in the next 12 months). Companies with these characteristics were more likely to have adopted smart work practices.

In addition, the survey sought to gather as many opinions as possible from four key industries that have moved more aggressively toward working smarter. Sixty-five percent of the responders were from these industries (number of responders in parentheses):

- Chemical and Petroleum (34)
- Utilities (10)
- Healthcare (27)
- Financial Services (44)



Over half (57%) of the responders were non-IBM customers.



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