REAL WORLD CASE 1

Mobile Devices and Wireless Technologies Are a Must-Have: Return on Investment Is No Longer a Concern

It is usually the case that CIOs need to be concerned with the return on investment (ROI) associated with the decision to deploy a particular technology solution. When it comes to wireless technologies used to empower a mobile workforce, the ROI seems to be a minor issue. Such technologies have become so ingrained in companies that return-on-investment concerns are often deemed less important than total connectivity of the workforce.

For example, Northrop Grumman Corporation CIO, Keith Glennan, said the aerospace company views Research in Motion Ltd.'s Blackberry hand-held systems as essential to its global operations. At a CIO forum sponsored by the Wireless Internet for the Mobile Enterprise Consortium at the University of California, Los Angeles, Glennan said that the Los Angeles-based company has rolled out 5,500 Blackberry units to its employees, making it one of the largest users of the wireless devices.

In fact, every time Research in Motion releases a new model, Northrop Grumman tests the technology in a corporate jet to ensure that it can provide mobile services to executives while they're in transit. Cost isn't the issue—connectivity is.

The Blackberry appears to be the current product of choice for wireless devices and a review of its capabilities reveals why. Blackberry wireless devices provide users with phone, e-mail, text messaging, Web browser and organizer applications in a compact and intuitive hand-held. Features which most attract corporate users include the large, high-resolution screen and 65,000+ color display. In addition, integrated e-mail attachment viewing, the brightly backlit keyboard, and a battery life unrivaled among hand-held wireless devices all contribute to Blackberry's popularity.

Scott Griffin, CIO at The Boeing Company in Chicago, said his company also uses Blackberry devices extensively with seemingly little regard to cost. Boeing does "not do an ROI on mobility," he noted. "Some people simply must be connected, and then we figure out how much mobility they need."

Griffin said that because Boeing seems to move each of its workers to new locations on an annual basis, building wireless connections into company facilities makes sense. It's easier and less expensive to hook up transplanted employees via wireless links than by installing new Ethernet jacks, he said.

But Griffin added that IT managers also have to think through how to deliver all of Boeing's applications so they can be used on small LCD screens. That includes the applications now used by Boeing's engineers on high-end scientific workstations. The major challenge with this requirement lies in the fact that to fully port an application to a smaller screen, a large portion of the application's interface must be literally re-created. Often, this can be more costly than the original application.

Companies all over the world are moving to large-scale wireless solutions for their employees. Lance Perry, vice president of IT infrastructure at Cisco Systems Inc., said the networking vendor has about 30,000 remote users in 100 countries. "Even 9-to-5 workers have mobility needs when they go home," he pointed out.

Corporate IT executives can't afford to ignore or dismiss mobility requirements because of ROI concerns, Perry advised. Mobile computing capabilities have become "a critical component of a company's success," he said.

But Perry added that companies can better manage their costs by using wireless technology to its fullest. For example, they could give end users IP-based "soft phones" built into PCs for use in making international calls over public-access wireless LANs.

Another example can be found at British Nuclear Fuels Limited (BNFL), a 4-billion-dollar provider of products to the nuclear energy industry. Operating in 16 countries with over 23,000 employees, BNFL recognizes that better management of e-mail and improved access to corporate data can have a dramatic impact on employee productivity. Part of BNFL IT Manager Steve Davies' role is to keep abreast of the latest technology developments that could cut costs, maximize efficiency, and improve service.

Davies saw immediately the potential of the Blackberry wireless solution, which would enable "downtime" to be converted into productive time. With the ability to integrate existing applications onto the Blackberry, employees are not only able to receive and send e-mails, they can also manage their diaries instantly regardless of their physical location.

"A lot of our mobile employees are frustrated with the time it takes for a laptop to power up and dial in just to retrieve their mail. Timely communications do not just improve general communications; they are absolutely critical in some situations such as bids for major international projects or even in keeping our press officers up to speed," explains Davies.

Ken Venner, CIO at Broadcom Corp., an Irvine, California–based semiconductor maker, sees the growing ubiquity of public-access WLANs as a boon to laptop-toting mobile workers. He said it's up to IT departments to ensure that business users have access to solid, secure connections, no matter where they're working.

Case Study Questions

1. What are some of the benefits that organizations could realize by connecting all of their employees by mobile devices?
2. Are the CIOs in the case saying that ROI is not important when deploying mobile computing devices? Explain your position.
3. The case suggests that an increasingly popular mobile device is the Blackberry. What is it about the Blackberry that makes it so popular? Check out the Research in Motion website at www.rim.net to help with your answer.