

# The Smartphone Productivity Effect:

Quantifying the Productivity Gains of  
Smartphones in the Enterprise



# Contents

---

<b>Introduction</b>	<b>3</b>
Methodology	5
Users Rely on Mobile Devices at Work	5
Smartphone Usage is like Rocket Fuel for Productivity	7
The ROI of Giving Employees Smartphones Can Be Measured in Days	8
Smartphones Are Powering the Usage of Productivity Apps	10
Users Rely on Smartphones throughout the Work Day—and They Are Seeing Impressive Results	11
Be Careful Out There: BYOT, Security, and Risk Mitigation	14
Who Is Paying for Mobile Technology?	15
<b>Conclusion</b>	<b>16</b>
Key Takeaways	17

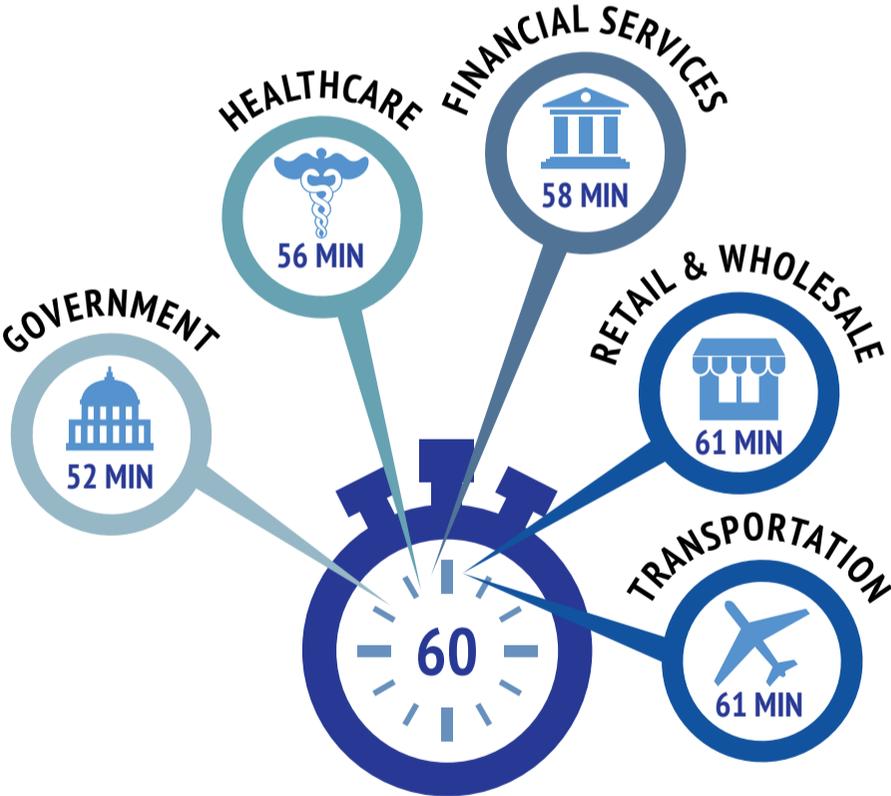
---

# Introduction

Recently, Frost & Sullivan partnered with Samsung to field a comprehensive survey designed to get a current picture of the usage and value of mobile devices in the workplace. The topic of this research centers around smartphone owners residing in the United States, who use their devices for productivity-related applications such as email, collaboration, and back-office functions. We expected to see support for the theory that workers in the United States use smartphones for business productivity; what surprised us was the extent to which this is the case and, more importantly, the degree of value they are seeing as a result.

As a whole, respondents reported seeing an average gain of almost an hour of productive work time as a result of their smartphone usage. That is significant, but it is not even the whole story. Respondents also report an average efficiency gain of 34 percent—yes, almost one-third of their workday—from incorporating the devices into their work lives. That is substantial.

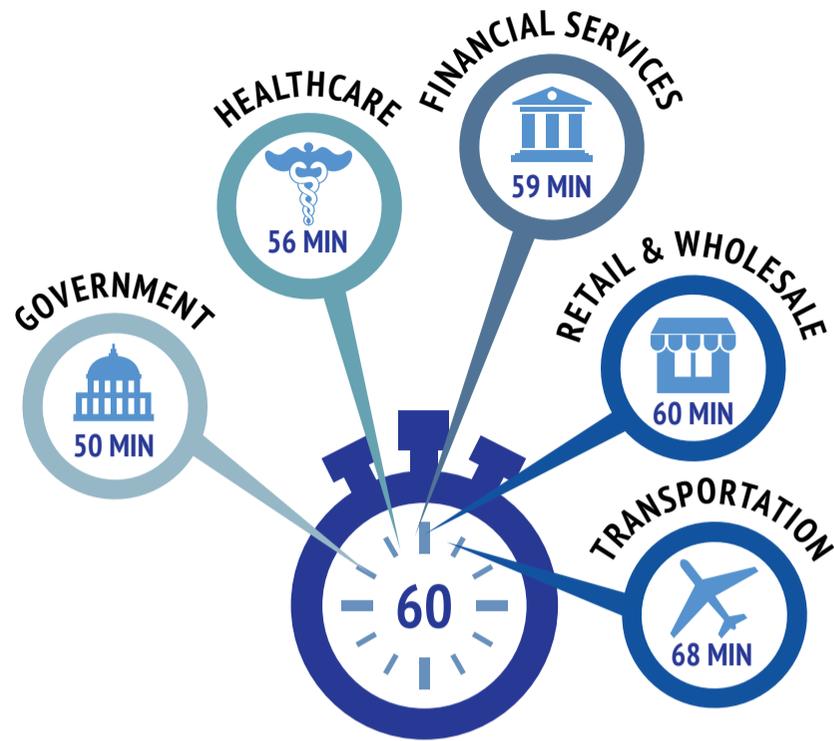
**Minutes of Productive Time Gained per Day by Industry**



**Q18a.** How many minutes of productivity do you gain back by using a smartphone for work?

*Source: Frost & Sullivan*

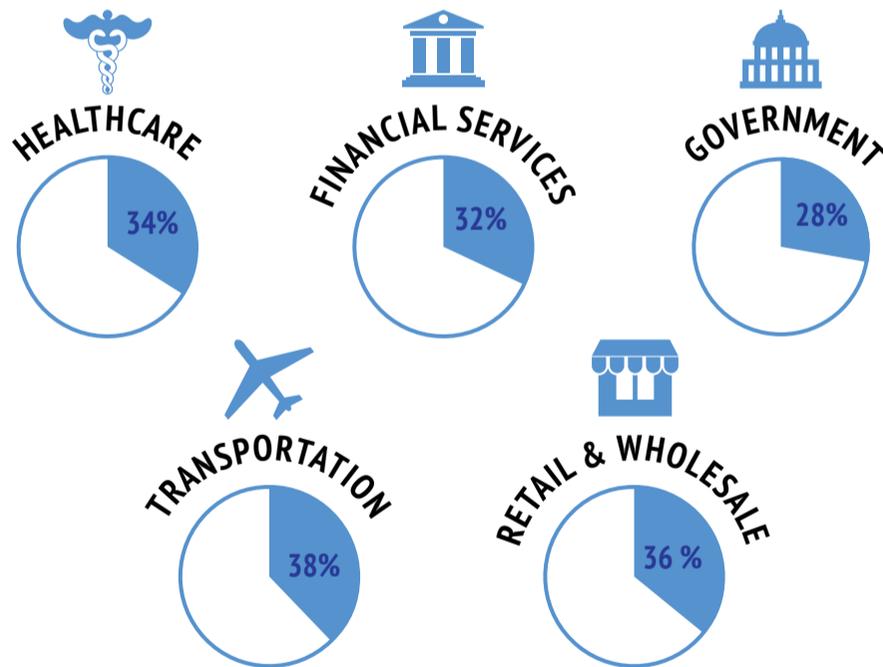
## Minutes of Personal Time Gained per Day by Industry



Q18b. How many minutes of personal time per day do you gain back by using a smartphone?

Source: Frost & Sullivan

## Percentage of Productivity Gained as a Result of Smartphone Usage



Q18c. Please quantify the percentage of efficiency gained as a result of using your smartphone for work.

Source: Frost & Sullivan

Of course, it is not altogether surprising because we live in a mobile world. The ability to communicate with colleagues, customers, and partners throughout the day from anywhere is absolutely critical to success in the modern business environment. What is new is the finding that smartphones are not just table stakes in the 21<sup>st</sup> century; they literally make us more efficient and productive, allowing us to get more done—and to do it better—than ever before.

And that is just the tip of the iceberg. Following is a summary of the key findings in the report. If you had not been thinking strategically about your mobile plan, you really must start doing so now—your competitors are already taking full advantage of the tools, and, to stay competitive, you must, too. On the other hand, if you are already embracing mobile devices in the workplace, this data should give you both support for your initial approach and the motivation you need to use smartphones and tablets even more in your day-to-day operations.

## Methodology

This research focuses on the behavior and attitudinal changes that smartphone adoption and usage has on family, workplace, and productivity areas over an extended time frame. Users of Android and iOS smartphone operating systems were surveyed. Frost & Sullivan conducted Web-based surveys of respondents on the topic of smartphone usage at work. Eligible respondents are those who meet the following criteria:

- Work at an organization with 100 or more employees
- Use a smartphone at work, either provided by their employer or their personal property
- Have a role within IT or are in an end-user role
- End users have a job title or position of manager level or higher

A total of 500 respondents surveyed in June and July 2016 are included in this report.

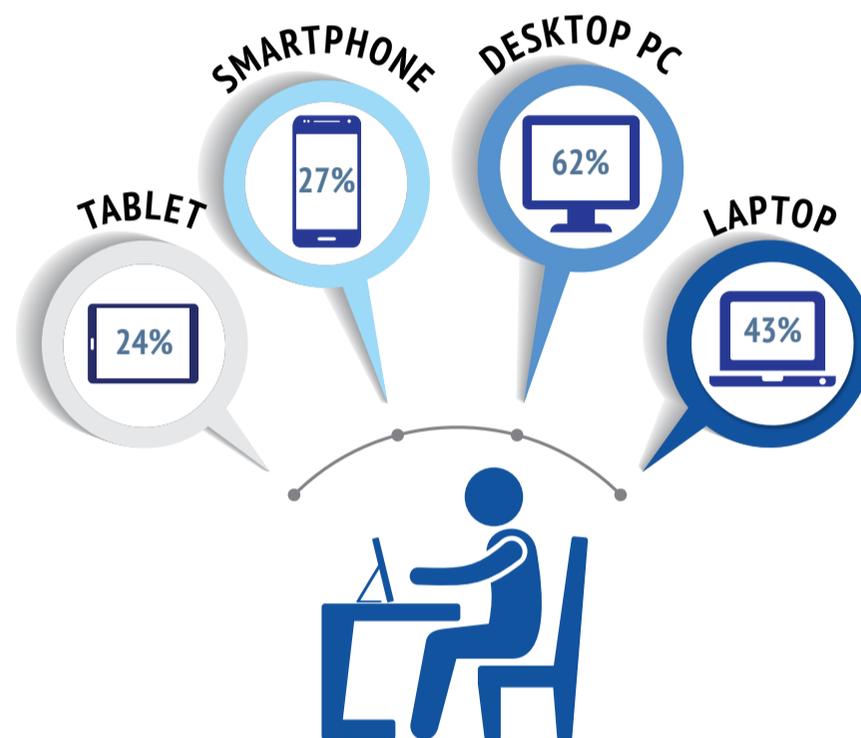
## Users Rely on Mobile Devices at Work

The Frost & Sullivan research shows that while desktop and laptops are still the devices most likely to be provided by the employer, smartphones are catching up—especially in the financial, government, and transportation sectors. More

than 25 percent of users have smartphones provided by their employer, and three times that many use their personal devices for work as well as, or instead of, company-provided devices.

Tablets are only slightly less likely to be provided by one's employer, at 24 percent; 40 percent of workers use their own tablets on the job to get work done. In the next two years, another 23 percent of organizations will roll out tablets to their workers. Retail/wholesale and financial services provide the most tablets among the industry sectors, but personal devices are more often used in the healthcare space.

### Devices Provided by the Employer



Q3. Which Devices Do You Use at Work – Provided by Employer?

Source: Frost & Sullivan

Across all industry sectors, 77 percent of smartphone users report that the devices are supported for business and productivity applications. In the next two years, another 17 percent of companies expect to support the use of apps on smartphones. Today, tablets are supported by 66 percent of organizations; that will increase by another 23 percent by 2018.



### Key Takeaway

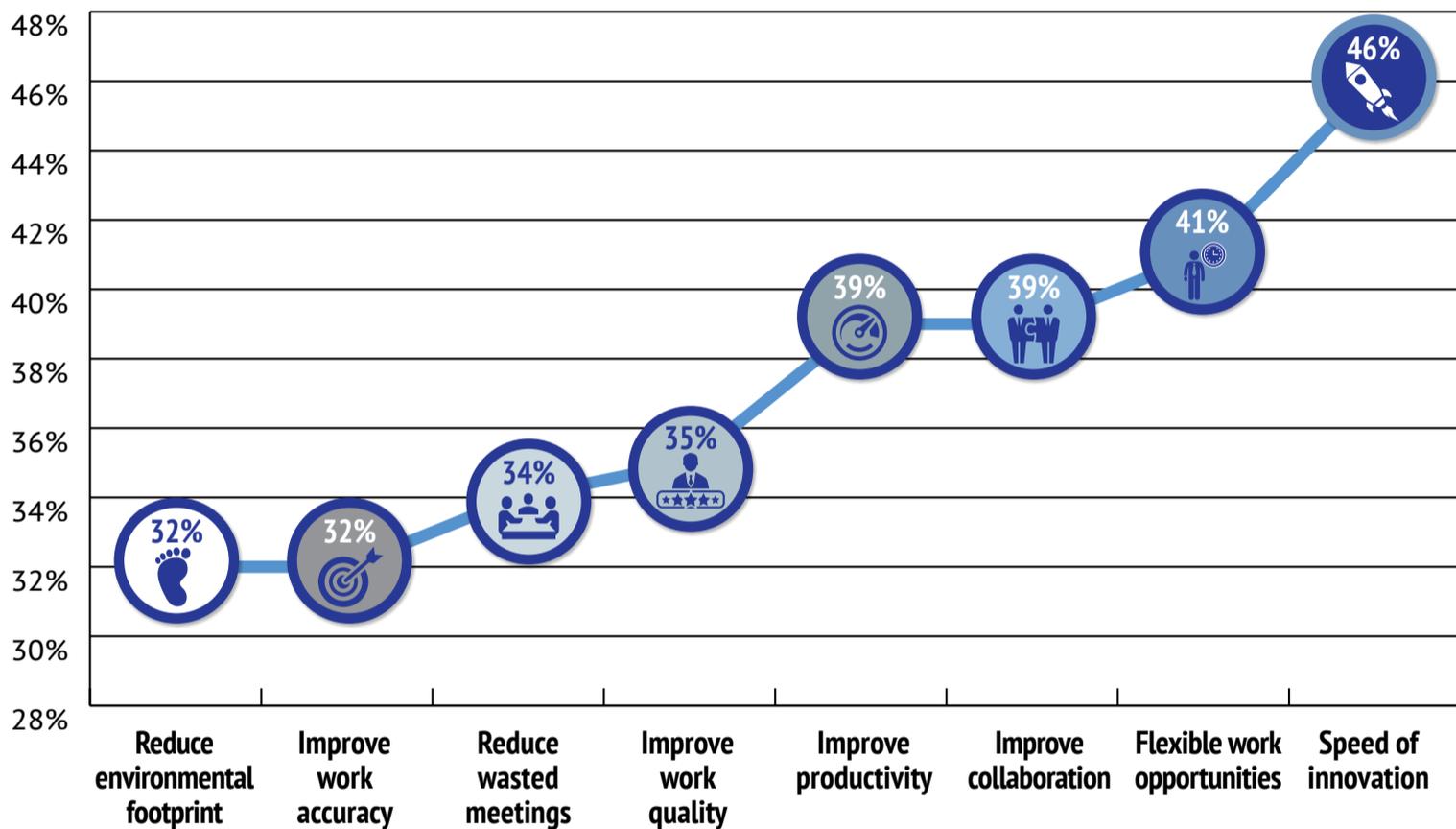
**If you are not already, consider deploying smartphones to your employees as a matter of course. And whatever you do, support their use for the business and productivity apps your employees need to use every day to get work done.**

# Smartphone Usage is like Rocket Fuel for Productivity

As mentioned, smartphone users report that they gain back just under an hour by using a smartphone for work, and they see a 34 percent improvement in overall efficiency.

Overall, the major effects of using smartphones at work are the speed of innovation, flexible working opportunities, and the quality of collaboration with colleagues and partners. Productivity improvements and accuracy are also important.

### Positive Impact of Using Smartphones for Work



Q15. What impact has using a smartphone for work had on you for each of the following?

Source: Frost & Sullivan

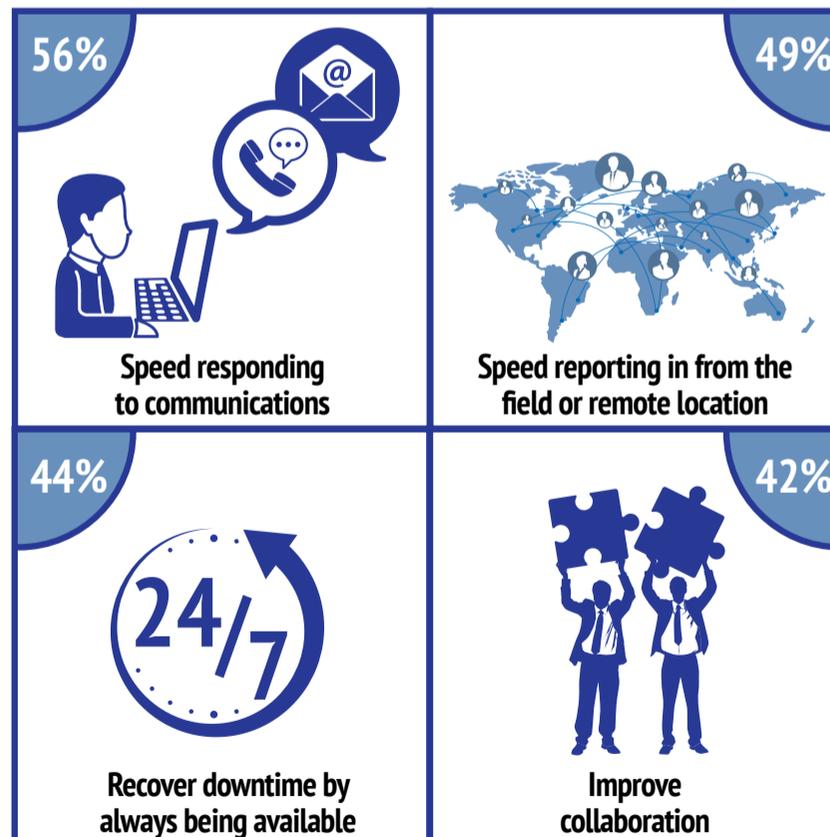
# THE ROI OF GIVING EMPLOYEES SMARTPHONES CAN BE MEASURED IN DAYS

Companies that are considering providing smartphones for their employees usually want to look at the return on investment (ROI) before making any significant investments. Although we did not calculate the average return on our investment as part of our survey, the data can be used to help IT and business executives do so for their own organizations. Of course, ROI will vary depending on the investment, on the one hand, and the measurable benefits, on the other. But for almost all businesses, it can be measured in days or weeks, rather than the typical months or even years for more traditional IT investments. Here is a look at three scenarios. We based our calculations on a monthly smartphone bill of \$100, including the device itself; and the average gain of 58 minutes of work time per day for smartphone users:

1. Employee making \$40,000 per year: 5.2 days
2. Managers making \$80,000 per year: 2.6 days
3. Executives making \$150,000 per year: 1.39 days

Organizations see different gains. The speed of responding to communications is seen as having the most impact on employer expectations, followed by reporting from the field, recovering from downtime, and improving collaboration.

## Major Impacts on Employer's Expectations for Work

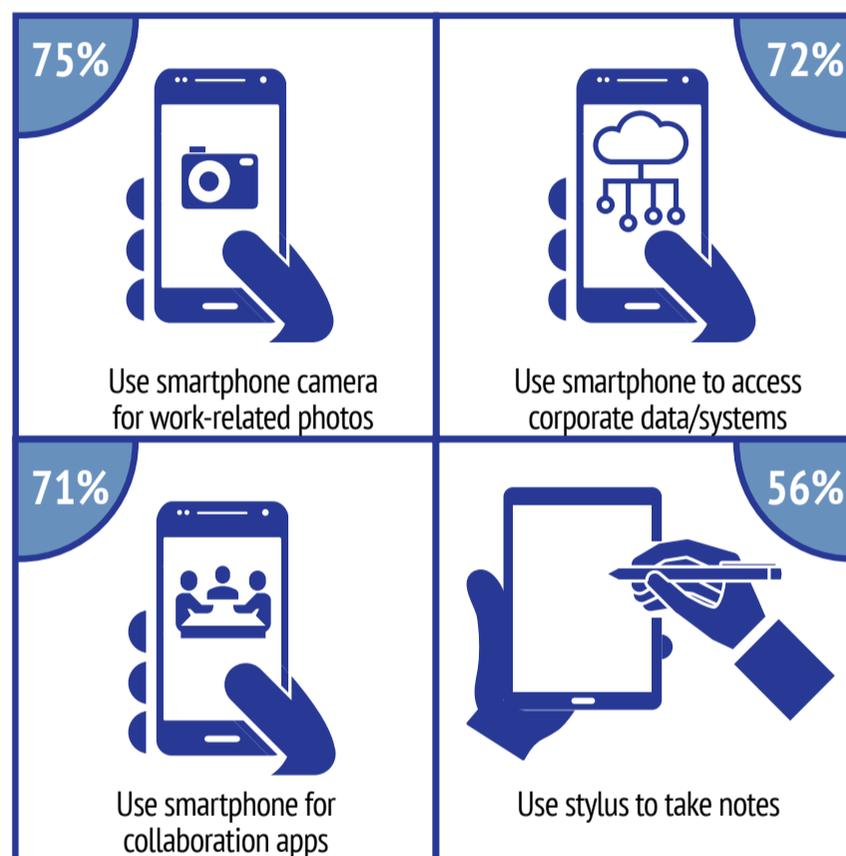


Q16. How has your smartphone use at work impacted your employer's expectations?

Source: Frost & Sullivan

Generally, users see the most value in using smartphones to take pictures relevant to their work on the job, accessing corporate data systems, and taking advantage of collaboration tools, such as conferencing and chat/text. Using a stylus is rated as being effective among healthcare, retail/wholesale, and transportation industries. Among the different industries surveyed, healthcare workers perceive the most effect from the use of smartphones on work-life balance, followed by the financial services sector.

### Effectiveness of Smartphones on Improving Job Performance



Q17. How effective is your smartphone use in improving job performance?

Source: Frost & Sullivan

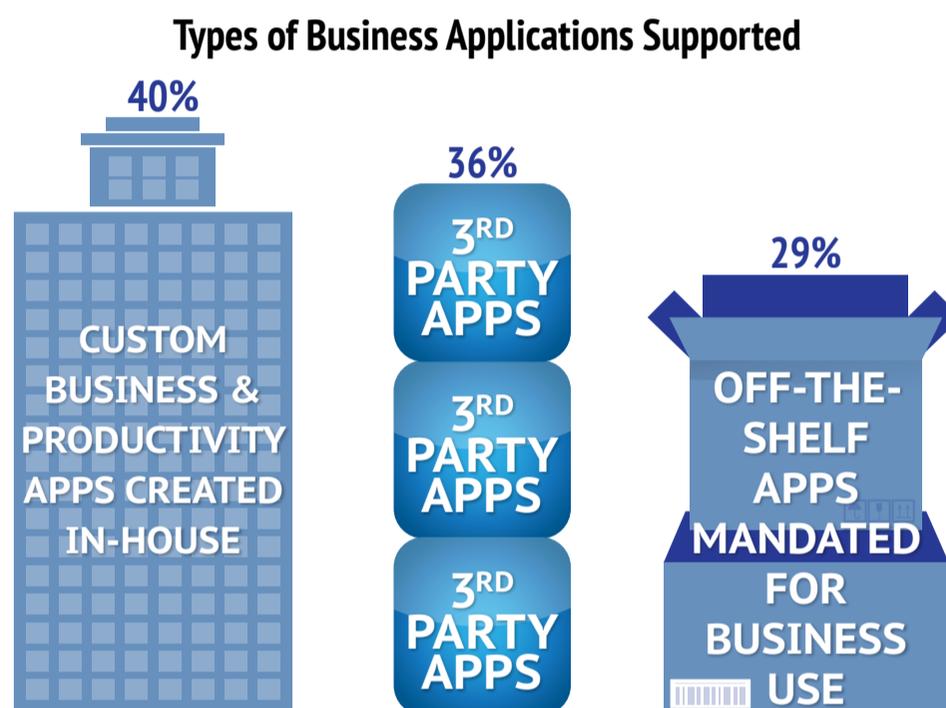


### Key Takeaway

**Encourage the use of smartphones throughout your organization. Not only will it make your employees more productive and efficient, it will help them better balance their personal and work lives, too.**

# Smartphones Are Powering the Usage of Productivity Apps

The vast majority of companies are deploying and supporting productivity apps for use by their employees on their smartphones. Custom business or productivity applications, either created in-house or by a third party, are the top type of business applications supported for use on a smartphone (40 percent), followed by custom business or productivity applications, either created in-house or by a third party specifically for the company's use (36 percent), and, finally, business or productivity applications created by a third party, but mandated for corporate use (29 percent).



**Q8.** Does your company support and distribute business or productivity apps that run on smartphones?

*Source: Frost & Sullivan*

The financial services sector reported the highest use of business apps (at 82 percent), while government, at 58 percent, has the lowest support for smartphone business applications. Small and mid-size organizations are more likely to support business applications developed in-house, while mid-size and large organizations report higher rates of support for business applications provided by third parties.



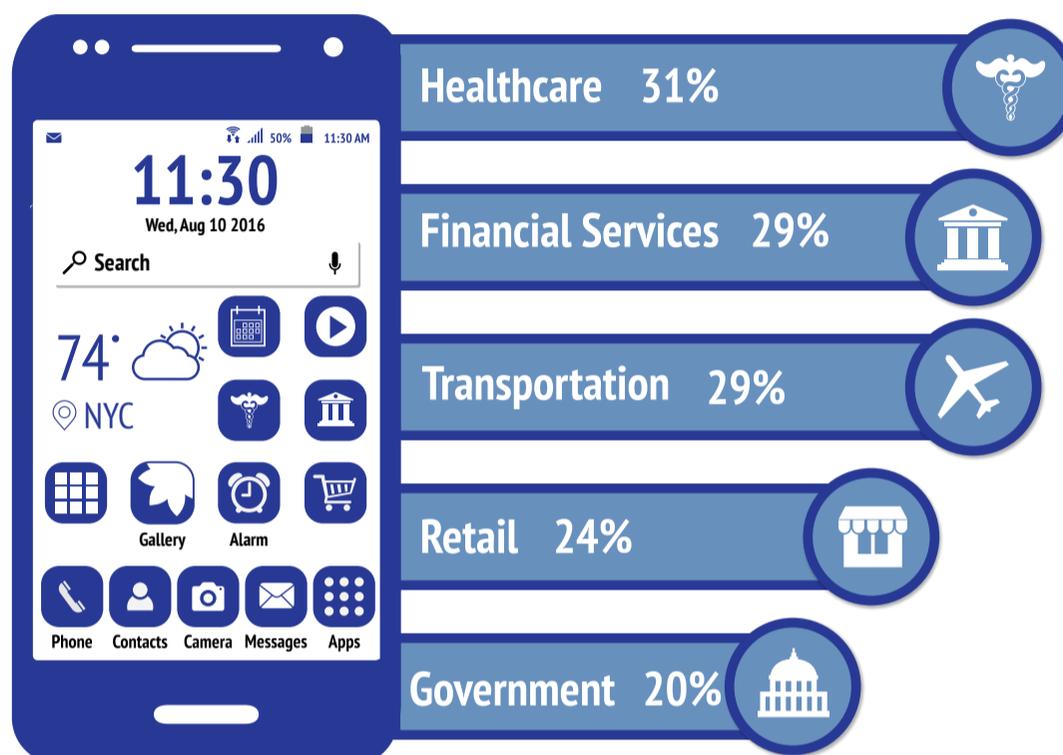
## Key Takeaway

**Where and how you build business and productivity apps matters less than that you that you deploy them—and strongly encourage your employees to use them.**

# Users Rely on Smartphones throughout the Work Day—and They Are Seeing Impressive Results

Our research shows that usage of smartphone apps for business has increased significantly over the past five years, especially among the financial, healthcare, and transportation sectors. As expected, government lags behind other industries.

## Usage of Smartphone Apps for Business



**Q12a.** Currently, what percentage of your company employees use business and productivity apps developed for smartphones by or for your company?

*Source: Frost & Sullivan*

More than half of smartphone users report that they use their device at least half the time. Among smartphone users that use their smartphone at least occasionally, email, instant messaging, and meeting scheduling are the top types of business applications used on their devices.

That suggests there is much room for growth and gains in this arena as companies move more access to back-office and other business apps (including CRM, supply chain, and ERP systems) to mobile platforms.

INDUSTRY	LEADING	LAGGING
<b>FINANCIAL SERVICES</b>	Providing smartphones, supporting smartphones for business apps, awareness of mobile threats	Quality of collaboration, percentage of gained efficiency
<b>HEALTHCARE</b>	Supporting tablets for business apps, positive impact on flexible work arrangements	Providing smartphones, supporting a mobile workforce
<b>TRANSPORTATION</b>	Using cameras and stylus for business purposes, accessing corporate data	Reducing environmental footprint, minutes of productive work gained, percentage of gained efficiency
<b>RETAIL</b>	Providing tablets, frequency of smartphone use,	Supporting tablets for business apps, minutes of productive work gained,
<b>GOVERNMENT</b>	Recovering downtime, awareness of privacy violations	Providing tablets, supporting smartphones for business apps, frequency of smartphone use, percentage of gained efficiency, minutes of productive work gained



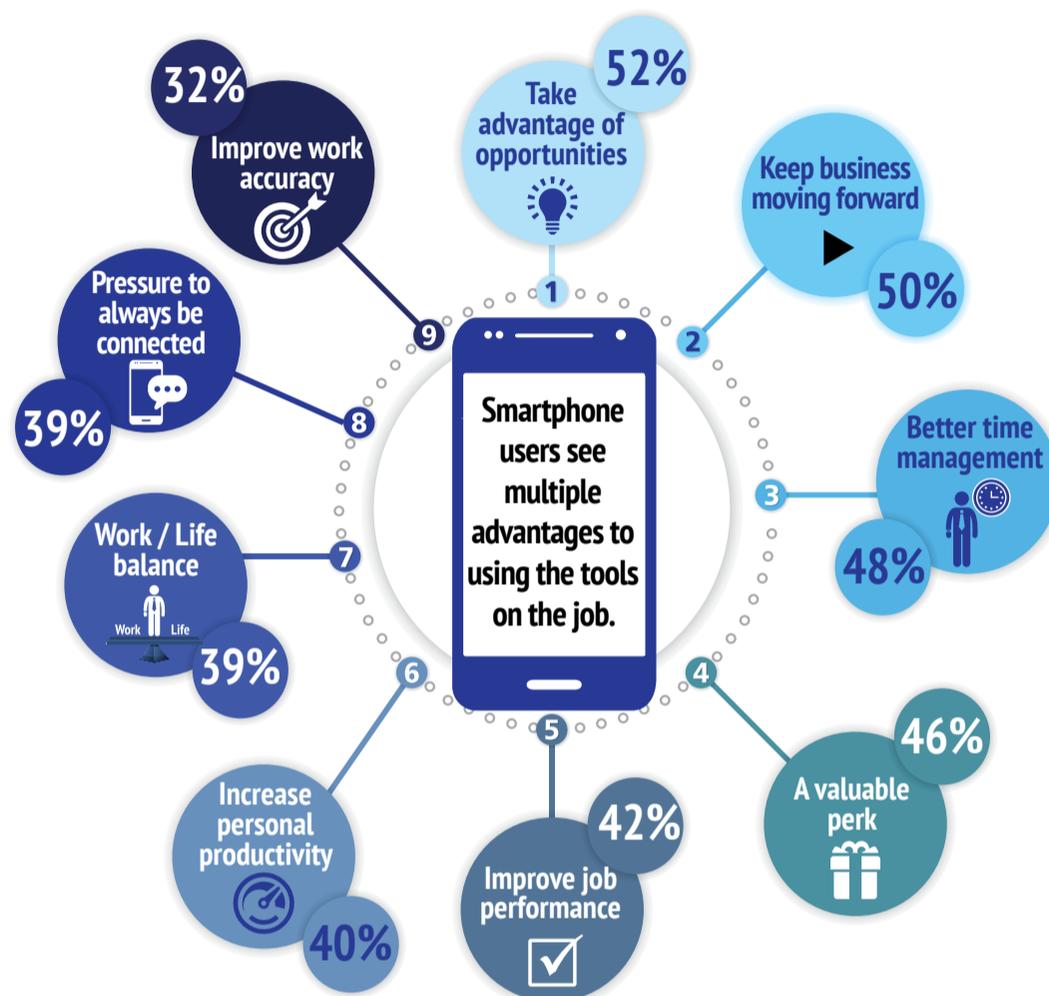
### Key Takeaway

**Go beyond the basics when choosing the kinds of apps to use on smartphones. Look at the back-office applications that really make your business run to see a higher return on investment.**

# Smartphone Users Clamor for the Devices at Work

Smartphones clearly deliver significant value to organizations and end users. Respondents say the devices allow them to take advantage of opportunities as they arise, stay in the loop and keep business moving forward, and offer better time management. Almost half consider them a perk for employees who have them.

## Attitudes About Using Smartphones for Work (Agree Completely)



Q14. Thinking about your experience using your smartphone for work, how much do you agree or disagree with each of the following statements?

Source: Frost & Sullivan

Smartphone users report a number of benefits to using the devices, including developing better job skills, improving productivity, and better balancing of work and home life (although they also admit that having a device puts pressure on them to stay connected more often).



### Key Takeaway

**Smartphones are table stakes for most employees today—they require them to respond more quickly to colleagues and customers, to develop their own careers and skillsets, and to drive innovation and collaboration. If you are not delivering these benefits, you risk losing your top performers.**

# Be Careful Out There: BYOT, Security, and Risk Mitigation

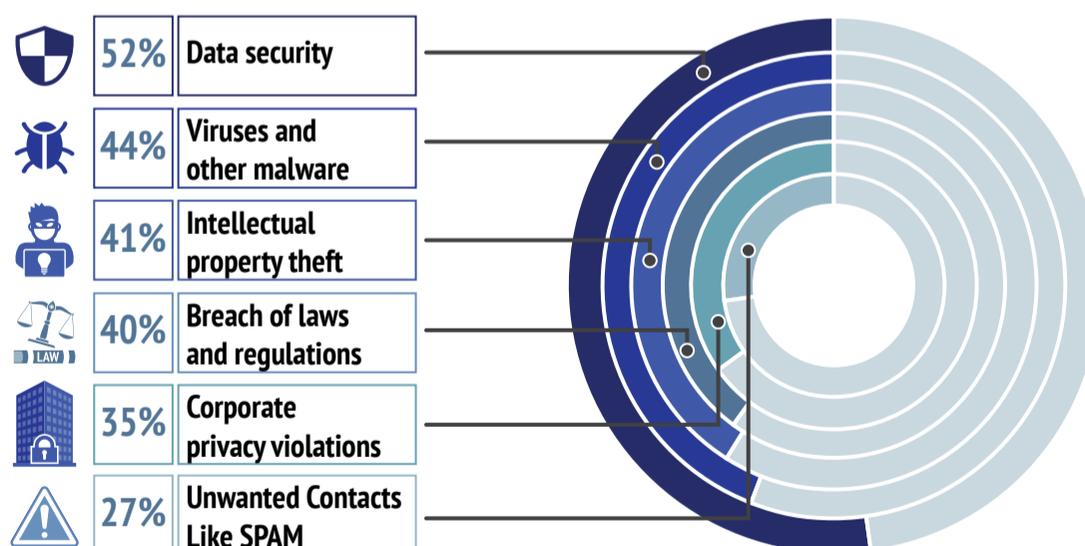
When it comes to corporate smartphone use, managers and IT leaders are most concerned about data security and viruses. But theft of intellectual property, the risk of law-breaking activity, and corporate privacy violations are also worrisome for some.

Support of BYOD is very prevalent among surveyed organizations, with 38 percent allowing access to employees and 46 percent opening up access to both employees and partners. Just under half of smartphone users report that their company has a mobile device enterprise strategy. Overall, 86 percent of smartphone users are allowed to connect their own devices to the company network; that number is significantly higher than it is for either laptops or tablets.

Nevertheless, 68 percent of respondents believe that there is a significant risk from employee- and/or partner-owned devices running on the network. To help mitigate the risks, companies rely on encryption, VPNs, authentication, and enforced PIN codes, followed less robustly by a secure sandbox, secure offline store, and mobile device management.

So why do companies take the risk? Primarily to improve productivity. That is followed by a desire to improve work-life balance, support a mobile workforce, enhance the customer experience, and reduce costs.

## Degree of Concern About Potential Issues for Smartphones (Top Concern)



**Q10.** What are you most concerned about as it relates to the deployment of business and productivity apps for smartphones?

Source: Frost & Sullivan



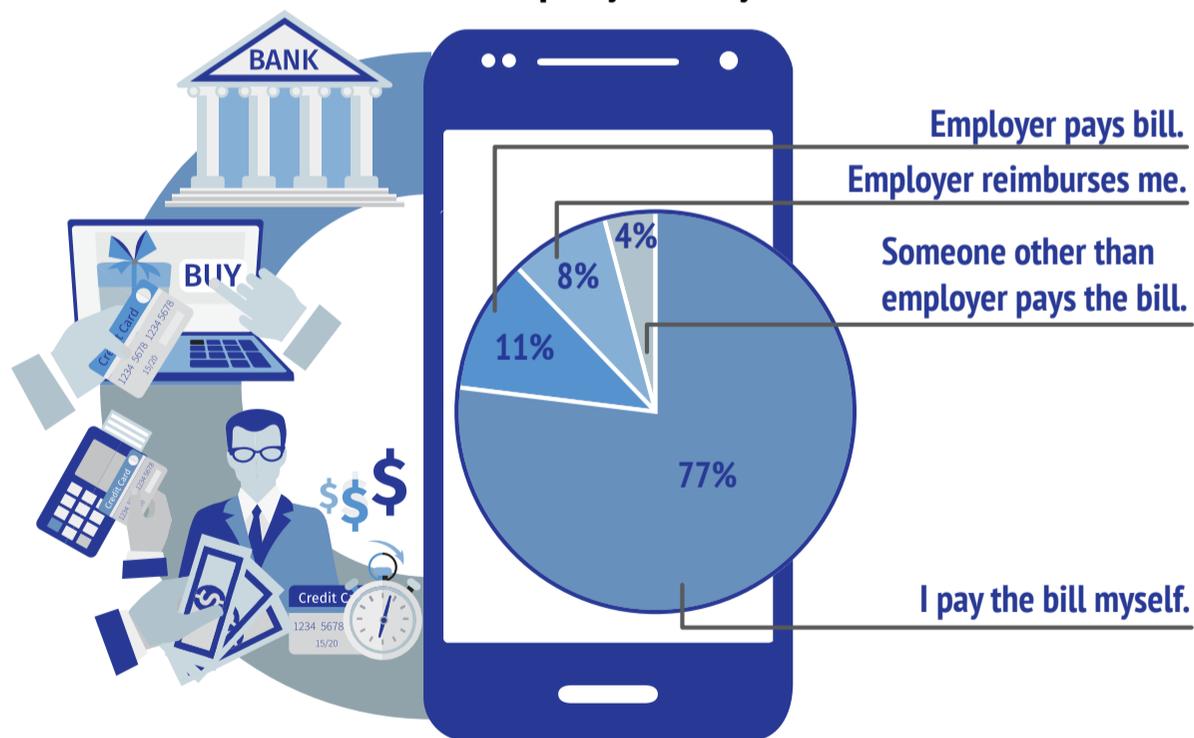
## Key Takeaway

**Seriously consider providing company-owned mobile devices to your employees. If a company-owned program will not work for you at this time, or for all your employees, consider how BYOT will provide the capabilities you need.**

## Who Is Paying for Mobile Technology?

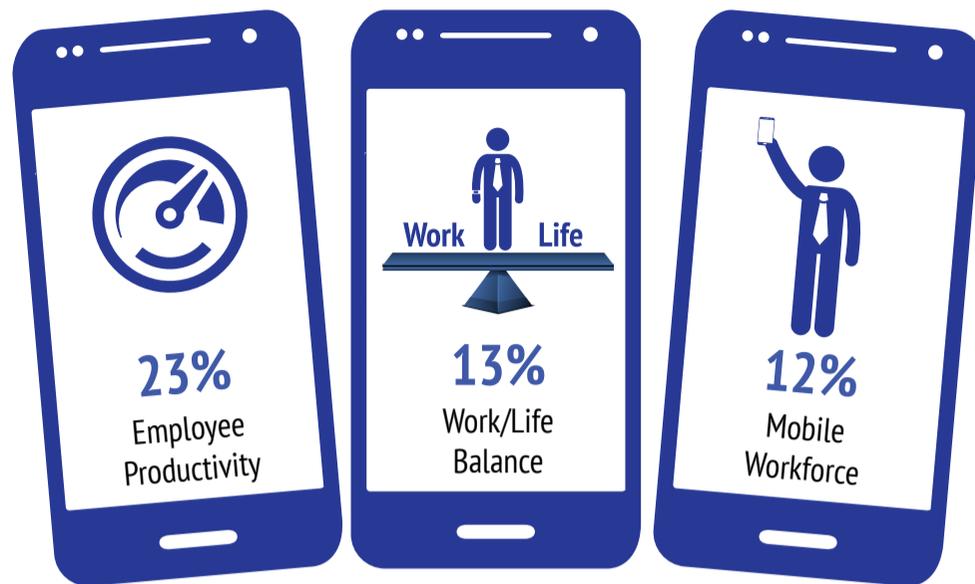
The majority of smartphone users pay for their smartphone bill themselves. Bill payment by the employer is highest in the financial services, transportation, and healthcare industry sectors. Smartphone users in small and mid-size organizations are more likely to have their employer pay for their smartphone – either by directly providing it (13 percent for small companies, and 12 percent for mid-size organizations), or by reimbursing the employee for their bills (six percent and seven percent, respectively). Among larger organizations, just five percent provide smartphones to employees, but 10 percent reimburse employees for the cost of owning the device.

### Personal Property Bill Payment



Source: Frost & Sullivan

## Top 3 Reasons to Support Employee-Owned or Partner-Owned Devices



Q23. What are the primary business reasons for supporting employee- or partner- owned devices?

*Source: Frost & Sullivan*

## Conclusion

The results are in, and the data are clear: smartphones make employees more productive and efficient at work, and deliver a better work-life balance to those who use them. They are useful for access to a wide range of business and productivity apps, as well as the reams of corporate data that make today's businesses run. The devices allow users to take quick advantage of opportunities as they arise, stay in the loop and keep business moving forward, and offer better time management. On a more personal level, they make it easier for employees to develop their job skills.

Smart organizations should take the results as a strong call to action: today, only a small number of companies pay for their employees' smartphones. That needs to change if businesses are to see the kinds of results we are finding on an ongoing basis, especially if they also want to keep costs down and maintain secure, compliant connections. Frost & Sullivan recommends that leaders take charge and deliver a smartphone (and, soon, a tablet) to each and every employee who needs one.

## KEY TAKEAWAYS

- If you are not already, consider deploying smartphones to your employees as a matter of course. And whatever you do, support their use for the business and productivity apps your employees need to use every day to get work done.
- Encourage the use of smartphones throughout your organization. Not only will it make your employees more productive and efficient, it will help them better balance their personal and work lives, too.
- Where and how you build business and productivity apps matters less than that you deploy them—and strongly encourage your employees to use them.
- Go beyond the basics when choosing the kinds of apps to use on smartphones. Look at the back-office applications that really make your business run to see a higher return on investment.
- Smartphones are table stakes for most employees today—they require them to respond more quickly to colleagues and customers, to develop their own careers and skillsets, and to drive innovation and collaboration. If you are not delivering these benefits, you risk losing your top performers.
- Seriously consider providing company-owned mobile devices to your employees. If a company-owned program will not work for you at this time, or for all your employees, consider how BYOT will provide the capabilities you need.

WHAT NEXT?



**Learn more about Samsung's  
Enterprise-Ready Mobile Solutions**

[samsung.com/business](https://samsung.com/business)

**SAMSUNG**



Frost & Sullivan, the Growth Partnership Company, works in collaboration with clients to leverage visionary innovation that addresses the global challenges and related growth opportunities that will make or break today's market participants. For more than 50 years, we have been developing growth strategies for the Global 1000, emerging businesses, the public sector, and the investment community. Is your organization prepared for the next profound wave of industry convergence, disruptive technologies, increasing competitive intensity, Mega Trends, breakthrough best practices, changing customer dynamics, and emerging economies?



**Silicon Valley**

331 E. Evelyn Ave.,  
Suite 100  
Mountain View, CA 94041

Tel 650 475 4500  
Fax 650 475 1570

**San Antonio**

7550 West Interstate 10, Suite  
400  
San Antonio, TX 78229

Tel 210 348 1000  
Fax 210 348 1003

**London**

4 Grosvenor Gardens  
London SW1W 0DH

Tel +44 (0)20 7343 8383  
Fax +44 (0)20 7343 3343

877.GoFrost  
[myfrost@frost.com](mailto:myfrost@frost.com)  
[www.frost.com](http://www.frost.com)



For information regarding permission, write:

**Frost & Sullivan**  
331 E. Evelyn Ave., Suite 100  
Mountain View, CA 94041



- Auckland
- Bahrain
- Bangkok
- Beijing
- Bengaluru
- Buenos Aires
- Cape
- Chennai
- Dammam
- Delhi
- Detroit
- Dubai
- Frankfurt
- Herzliya
- Houston
- Irvine
- Iskander Malaysia/Johor
- Bahru
- Istanbul
- Jakarta
- Kolkata
- Kotte Colombo
- Kuala Lumpur
- London
- Manhattan
- Miami
- Milan
- Moscow
- Mountain View
- Mumbai
- Oxford
- Paris
- Pune
- Rockville Centre
- San Antonio
- São Paulo
- Seoul
- Shanghai
- Shenzhen
- Singapore
- Sydney
- Taipei
- Tokyo
- Toronto
- Town
- Valbonne
- Warsaw