

NETEVENTS

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Debate Session III: Managing BYOD and the Mobile Enterprise

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Panellists:

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Welcome everyone after the coffee break. I hope everyone is refreshed and ready for the next discussion. We will be talking about managing BYOD and mobile enterprise. I'll just start by briefing for the introduction, then I'll introduce our panel and then we'll get to the discussion.

I don't think BYOD is much of a topic that needs introducing. BYOD and enterprise mobility are driving the digital transformation of enterprises. It's not just about the devices. It's about how enterprises think, how they communicate with their suppliers, their customers. It's how we work and where we work, but also, as we've heard today like 1,000 times, about how we innovate and how the enterprises want to stay competitive.

Indeed, almost 72% of CEOs in Western Europe in our mobility survey said that they consider mobility to be a high priority topic in their enterprises and this is of course driven by the cheap mobile devices but it's also driven by how people, how the Millennials Generation think and they actually are used to growing up being online.

IDC numbers say or our research says that by the end of this year the number of mobile workers will exceed 40% and in the next five years it's going to be even more, over 65%. When employees started to bring devices to the company and started using

them for work purposes, the only possible reaction probably of the companies was to introduce BYOD programmes to manage these devices and to manage the applications and security and all the related stuff.

Here I'd like to point out there are huge difference, huge regional differences how these programmes are working and how they are deployed over various regions in Europe. Whereas in Western Europe it's almost 40% of enterprises who claimed in 2014 that they already have a BYOD programme running and another 20% said they would be interested in starting such a programme within the next 12 months, in Central and Eastern Europe it was just [12%] of the enterprises and only 1% of the respondents said they would be interested in having such a programme.

There is a similar situation with CYOD which is a response to the security issues which arise from people bringing their own devices and using them as their working tools. And here again in Western Europe the proliferation is way higher and the interest is higher as well.

Now I spoke about the security a bit. Now I'm going to maybe state the obvious. Why do companies want the BYOD programmes and why are they hesitant maybe about them? So on the bright side of the picture, the respondents of our mobility survey said it's good for productivity. People work more. We get more working hours. People communicate more efficiently. There are more communication channels open. So we have a more happy and more productive workforce. In terms of CYOD actually you could say you can just choose your own device; it's a company benefit we are giving to you. And of course with BYOD come lower equipment costs.

On the dark side of the picture, over 45% of the respondents in Western Europe are afraid of potential data leakages. They are afraid of not being able to control these devices from their IT departments. They are worried about user privacy and accessing personal information. And especially in Eastern Europe people are worried as well about they don't really know how much it is going to cost them. They can't estimate the costs of the BYOD programmes.

I think that's all from my side because I don't think this is a topic that needs lots of introduction. So I'd like to introduce our panellists. And we'll start with each of them telling us what's their opinion on the topic in general before we get to the discussion. So would you [guys] introduce yourselves? Maybe Dean, if you ...

Dean Bubley

Okay. Hi. I'm Dean Bubley from Disruptive Analysis. I'm an industry analyst and futurist and I cover a fairly broad array of mobile and telecoms areas for enterprise service providers and the Internet generally.

BYOD, there's a lot of areas and angles on this that we could tackle (inaudible) have time for the session. The ones which are interesting for me in particular are firstly around the quality of the devices that are brought by end users, because there's a big difference between a \$50 Android and \$300 Android in terms of what it can do both in terms of its processing speed, screen, but even the quality of the radio connectivity of the device. And that has obviously implications for the enterprise applications

using it. I think there's some interesting dynamics, and this varies by country, on whether bring your own device also means bring your own service provider. So in the telecoms community there is a hope that enterprises will standardise on one network operator that will also provide some hosted PBX and some network UC capabilities and perhaps also indoor coverage via private, either private LTE or some gateway through into Wi-Fi.

And then I also think there's some interesting differences in terms of office workers versus field workers on devices. I think we'd be quite surprised if people started doing BYOD if you're an engineer or a delivery person with a terminal and that's going to get even more complicated with the Internet of Things, as people have lots more devices. And I think the BYO rules are going to have to get quite constrained in the future or are you going to be able to bring your own robot and bring your own drone?

I'll leave it at that.

Elena Szolgayova

Thank you. Then we have Paola from Alcatel-Lucent Enterprise.

Paola Maria Pernigotti

Yes. So I'm responsible for marketing in South Europe, Middle East and Africa. So we are a vendor in this arena and what we can share is that we are actually observing a transformation. Christian spoke about observing what's happening as a starting point and this actually is a consumer-driven transformation. So it's not something that we can prevent to happen as a company, as a vendor.

And I wish to share specifically two perspectives on BYOD, the perspective of the company and the (inaudible) as a consumer but as employees. In this case what happens is that people can bring in your own device can leverage a number of functionalities. First of all, it's enhancing mobility within the company. Second could be saving money because in the end we are using the device owned by the employee. Third, we can benefit as a company of the easiness of usage, thanks to the fact that it's a known device and people are happy to use on their own device both applications coming from the company and their own applications at the same time. And we don't even need to forget that actually we are extending our working time to 24 hours and this, from the company perspective, it's still a benefit.

So there are a number of opportunities that companies can leverage with BYOD. And we as Alcatel-Lucent Enterprise, for example, said okay – we sell actually PBX and (inaudible) they scan the network and we said, okay fine, we can even enable you, thanks to a specific application, to transform your iPad or your tablet into a desk phone, enabling all the company functionalities from the company directory to all the functionalities that an ordinary desk phone can have. And this is embracing this trend.

And the other perspective that I wish to share is for the customers of the company, so the final customers. An example is, if you think to some specific verticals, such as education, universities and high schools can really benefit of the fact that the students take their own tablets and they can get lessons and content on your university, from

university services and the university can gain more customers which are more students because it's really up to date and offering more services than others.

And the same is true for hospitality. If a hotel can say okay my phone is now enabled to become the phone of the room and then you can from your phone access to all the services of the hotel and you can be reached by the front desk if the room is ready on your arrival. And actually what we did is to go even further in terms of applications that we are offering and the phone can even become the key of the room. So it's extending the concept of bring your own device to make your device become something else and really complete your usage in the hotel.

Elena Szolgayova

Thank you. So this is about expanding the possibilities. And now Riccardo will maybe talk about the security which is maybe the restricting factor.

Riccardo Canetta

Yes. So good morning. Riccardo Canetta, managing mobile business in the Mediterranean area. I totally agree with Paola when she was saying that BYOD is going to happen anyway. So we are not saying if this is happening. This is not a choice in the hands of the IT departments anymore. So I find it actually quite strange that the IT departments answering to your survey say that they fear BYOD because they are afraid of losing control. It's actually the vice versa. If they don't do it, if they don't implement an appropriate BYOD plan, then that's when they start losing control at the end.

Sometimes when I speak to my customers, I try to be a little bit provocative and say you're going to lose control. In the end you're going to be jobless because at some point the IT services, many IT services will be in the cloud. And if you don't keep control, what actually is going to be your job? So keeping control and organising and enabling services on the user devices is the new IT.

And enabling some kind of personal usage, because BYOD is a lot about allowing the end users to use the device that they already have and that they prefer, so this kind of mentality is something that is being embraced also by Microsoft, if we think about Windows 10 and how much Windows 10 looks like iOS in terms of allowing personal applications, for example, on that device.

So I think it's going to be really interesting to see how this is going to evolve, but at the end it's really in the hand of the IT department to realise that the change is happening. And this is what we are trying to do actually, helping them embrace the change and implement proper BYOD strategies going forward.

Elena Szolgayova

Thank you. Obviously I think all of you agree that it's way more beyond the devices and there is lots of additional functionality already now that BOYD offers. We've heard in the last session we can use it maybe as a password. You are using it as a key.

So what do you think will happen in the future considering this, when all the IoT stuff will get connected to the already connected devices and to the network? Whoever ...

Riccardo Canetta

Okay, maybe I can take this one. So speaking about security, because the big issue is what happens when all these devices come into the office and the biggest concern is of course security. And yes, that's the main thing to tackle actually and to make sure that you can actually deliver the services in a secure way. But my point is that you cannot sell security to the end users. They don't get it. In most countries at least they don't get security, corporate data security, as a value for them.

So they will embrace the BYOD programme if you offer them something more in a secure way but security needs to be as much transparent as possible to the end user. Because if you try to give them something that's too much secure, you actually get into the way of their user experience. And being in the way of the user experience is the best way to be bypassed. That's the main issue.

When we were discussing this morning at breakfast, we took out a good example with the Secretary of State of the United States actually. That's a good example of somebody who bypasses the corporate policies and it's very easy to do it actually.

Elena Szolgayova

Well, the worrying thing is no one cares really, like the whole America knows and no one cares. So do you think this is a problem?

Paola Maria Pernigotti

Okay, I have a comment. It's about the [NATO] perspective because here you said in the future we will have drones further connected and everything connected. So here the problem would be for sure security but also would be to have an intelligent network which is able to prioritise the access. So we need an – actually this is something we are facing and we are delivering as an offer. But it's really relevant. There are tonnes of people and teams connected and all of them have different needs and priorities and importance. And what is really relevant for the future is for sure security and another key element is to ensure the right bandwidth, the right knowledge of the identity of the person or object which is accessing the network.

Dean Bubley

I will agree that many layers of security are going to be important, irrespective of bringing your own device or a company-sponsored device and equally there will need to be more capable networks. But I think that we need to consider how that affects or is extended to application developments because in a lot of cases employees, as well as having perhaps their own device, will be choosing their own communications tools or their own collaboration or productivity tools.

A good example is Slack and a lot of people are starting to use Slack at a departmental level for collaboration because they like the user experience. And that's emerging very

much in the same way that, if you go back 30 years, the PCs first started emerging in a mainframe and terminal world. And I think you are also starting to see end users perhaps choosing their own conferencing services. It's been very common for employees to use Skype irrespective of company policies and Skype and a few other services are very good in getting around firewalls.

So I think we will see both a demand from end users for bringing their own everything really, but there's also going to be a set of challenges for the enterprise and their preferred infrastructure device supplier to give APIs, to give toolkits and to give support to developers creating those application that people want to use.

And I think there's a tension there against the integrated solution providers, where you have companies that want to provide the infrastructure and the applications and the cloud services. And the question is whether the integration is going to be a better pitch than the best-of-breed approach driven by end users.

Elena Szolgayova

So you are saying that the security will have to be dealt with, but in the background, and in the foreground will be how it's going to be easy for the end customers to use - developing the applications will be the key factor.

Riccardo Canetta

Yes, absolutely. Since it's obvious that the users have some expectations in terms of user experience, it's important for the enterprises to be able to deliver those expectations. And I think the announcement we made at Mobile World Congress together with other two vendors like us in the market around the AppConfig Community, it goes exactly in that direction.

The AppConfig Community is an initiative backed by Apple to which MobileIron contributed by donating the XML schemer that's behind it. And it allows enterprises to distribute and configure the apps that the users actually want to use in a standardised way. Because the big challenge that has been so far in the enterprise world was actually once the users were starting to use the Slack or Skype or whatever was actually again for the IT to get some control over it. Because if the user is downloading the app, is configuring it and is using it, the IT is not doing anything.

By this initiative the software developers will be allowed to develop applications that are easily configurable from a centralised console and distribute those applications easily, so that the key goes to the best of breed at the end.

Dean Bubley

I think that probably that might be the wrong way round. You are saying, going to the application developers, you can come and be on our system. If you are actually a powerful application developer, you turn around and say, tell you what, no, you are on our system. So actually you should be creating a Slack plugin rather than saying I'll bring Slack onto our system.

Riccardo Canetta

The point is that, first, it's actually the app developer that needs to make a way to configure it. This used to be proprietary and in a proprietary way through the MDM solutions, but that was actually increasing the cost for the developers. But then we also need to remember that it's the end user that takes the decision of what he actually wants to use. So it's not the IT that can force something to happen, so they can actually only enable it.

Paola Maria Pernigotti

If I may, I think again the driver is always the user which is all of us. It's all of us. So this is the one that is actually driving the process. And that's why what a company has to do is to provide an identity to the user and to provide unified access which is the same seamless access whatever they are accessing, either to Wi-Fi net or LAN network, and whatever device. So this is the objective.

And of course with the same rights according the profile of the person. If I am the CIO, I have some rights. If I am an employee, I have other rights. If I'm a CEO, another priority, even in terms of again bandwidth. And that's the key element. Of course security is a given, no doubts, and this is the challenge. After that, I see that all the time it's the user the centre of the discussion. It's not it's about the vendor, it's about the application provider, it's about what are the API around it.

Elena Szolgayova

Basically the company people are saying the users will be deciding and the analyst is saying, no, it's not the users. It's going to be the application developers.

Dean Bubley

I also think there's other constituencies and I think it's not just user and IT. I think there's other constituencies, reference to service providers, reference to the application developers, lots of other internal departments within the organisation, notably HR and Compliance. And that's going to vary by industry.

So I used to work for an investment bank and this was a few years ago, but I could get fired for using my cell phone on the trading floor, because the calls wouldn't go through the call recording and there was a legal obligation on the company and the employees to do that. And the same thing in things like healthcare, government.

Irrespective of what a certain Ms Clinton may or may not have done, there are people who can and should be forced to use particular devices and particularly sometimes for safety reasons. If you are a police man or work in the fire service, even if you are really annoyed with the slow TETRA network on your intercom, that's got resiliency and disaster protection built into it. You can't just say I'm going to use my iPhone to do a Google search on the person I want to arrest.

Elena Szolgayova

Maybe we can meet somewhere in the middle. It's depending on the vertical how much you can force the employee to use whatever they want. And you are saying (inaudible) was that it doesn't really matter, the employees will just force their way and have their way in a time.

Paola Maria Pernigotti

I would say yes. And on top of that, of course, there are companies that are more keen in embracing innovations and companies that are less keen in embracing innovations. And also there is as well some geographical diversity, but yes. We cannot say one fit all of course. There are some verticals definitely, such as even government or insurance, that are probably less willing to embrace such trends.

Elena Szolgayova

Okay. Now, Dean, you mentioned is it going to be about bring your own service provider as well. So it would seem that with a spreading BYOD the service providers and the mobile operators are forced to bring more specific or just change their offering to the companies based on how the market and how the trends develop. How do you think this is going to evolve in the coming years, months?

Dean Bublely

I think there's a whole set of interesting issues around the intersection of service providers and enterprise. Clearly, a lot of service providers would love to be able, particularly mobile operators, to say ditch your PBX or even your on-premise UC system, go to mobile network-integrated unified comms and we'll do other cloud services as well.

In reality, it's likely to be a lot more complex than that. I think a lot of, [as you say], from an IoT point of view, again, a lot of cellular providers would like to be providing the IoT platform and the connectivity and some of the end-to-end applications. And I suspect we'll see some verticals where that occurs, but there'll be others where it'll vendors that have a cloud service. Cisco just bought Jasper, for example, doing IoT management. You'll find both network operators offering the connectivity and maybe the city might run its own low-power wide area network or own Wi-Fi as well. It's going to be a really messy intersection.

But I think there are some roles for service providers, but I think the risk for the mobile industry is it's always been a little bit either it's just had sales people whose job was go to sell SIM cards and data plans or it's tried to be all-encompassing and almost arrogant and assuming that it's going to be the only stakeholder on things like Wi-Fi. And the truth is they will need to flex according to the industry and the specific use cases. So maybe for a football stadium there's a lot more of a role for a mobile operator because a big challenge is the coverage and the radio part of it, whereas maybe if it's IoT on a mine where there's a lot of other concerns, they might have less of a role.

Elena Szolgayova

Any other comments on this topic?

Riccardo Canetta

Maybe what we were discussing this morning is that actually the more that the discussion goes into the data plans and who actually is going to pay for the data plan, actually the discussion becomes is this still relevant or not. Because at the end most of the [counter] is now offering sort of unlimited plans and this actually takes away the variable cost.

Dean Buble

I disagree with that entirely. I'd say that the vast bulk of operators have moved away from unlimited plans. There are still some in some countries, but most times it's not only tiered by volume, but it may well be tiered by price. Some countries have a very heavy proportion of end users with prepay that are paying by the day. There is a real mix. And depending on whether a particular country has net neutrality laws or not, that may have huge implications for whether you can run voice over IP and unified comms over a consumer data plan.

Elena Szolgayova

Okay, thank you.

Riccardo Canetta

Okay. I mean of course there can be regional difference. What I'm saying is that at the end the user is going to pay something. Maybe the company will have to subsidise this by paying part of that, but that's not going to be the big part of the BYOD programme. That's what I'm saying. At the end, the biggest part will be actually enabling some other services that the user wants to use, because once there is something that the user actually likes to use on his personal device, then he will be ready to do some effort for that. And that's really the key.

When my customers talk about security and the fact that they would like to close email access on devices that are not managed, my suggestion is always like try to give some other services, don't try just to go there and say either you install the MobileIron client or you are out of the corporate email, because that way many people will actually say, okay, thank you, I'm not going to read my corporate email at home. But the right way is actually to enable other services through internal apps. For example, if you can ask your holidays or approve your expense claim on your personal device, then that's something that will actually make you accept a BYOD plan better than just being forced to do that.

Elena Szolgayova

Okay, so basically the security has been addressed here in all the other previous discussions. I'll just finish this question and then – okay or maybe do one from – okay, so let's hear the comment. Can we get the microphone, please?

From the floor

I was going to say that with regard to security which you rightly bring up, I don't think we can scratch the surface of the security problem emerging. Now Dean, you talked about bring your own network as well as bring your device and bring your own app. And beyond that actually is bring your own thing. We haven't even started to tabulate that when people are bringing their own wearables, all of these things that are communicating. So actually it's getting a lot more complex. I don't think the telcos are going to do it, because this is not cellular, but we do need some overarching management across these private and public network environments as well as these diverse, chaotic things. Anyway ...

Elena Szolgayova

Thank you.

Dean Bubley

I think it's going to be extremely hard to do that. Because if you think you're going to have an Android-capable car, how are you going to put your company's VPN client, install it on your dashboard? I have no idea.

Actually, show of hands. Who here is running a VPN on their phone or laptop over the Wi-Fi here? So about 25% of the room.

Elena Szolgayova

We had a bet about it in the morning at breakfast. And Dean was saying 32% or 30%. I was saying less, so ...

Dean Bubley

Yes. You won.

Riccardo Canetta

Well, about VPN actually I think this is another big change that is happening, because since these devices are becoming more and more personal-enabled, then having a VPN for the whole device doesn't make much sense anymore. You don't want to bring the personal application data into your data centre. So that's why now we speak about application-based VPN or Per App VPN, as we call it, because that allows to bring into the data centre only the applications that you actually want into your data centre and leave the rest out on the Internet.

Elena Szolgayova

Thank you.

Dean Bublely

I think it's going to be a real challenge as well from what's called gig economy where people have multiple jobs, multiple employers and they are self-employed. And can all of those companies' and employers' security systems coexist on the same device. So if I work part time for a school and I drive four hours a week for Uber and I've got my own company and I also do consulting for someone else, and I've got three or four different security profiles on my device, what happens?

Elena Szolgayova

Yes. This is quite the discussion for the next five hours I'd say. So I just use this to close this part of the session and I leave the space for the audience if they have any questions.

Okay, so if not, maybe we can continue discussing how would Riccardo deal with needing to secure four different companies' applications on one mobile phone.

Riccardo Canetta

Okay, that's a big ask for Apple and Google actually because in their view the device has one MDM profile and there is no way that we can actually manage more than one profile on one device. I know that many customers have been asking this to them, but at the end since Apple, Google and now Microsoft are saying that the separation of the data between personal and corporate is done natively by the operating system and it's enabled by an EMM profile, there is actually no other way to go around it. Unless these operating systems allow to have multiple profiles on the device, there is nothing we can actually do, except telling the end user he will actually have to have one device for each of these different jobs.

But again, this is something that shows the power that Apple, Google and to some extent Microsoft have in this world and how much they drive the user experience to be as simple as possible. And all other kind of mechanisms that could actually make the user experience somehow less pleasant and less easy, they are just not going to do them. They don't care.

Dean Bublely

Is Apple harder to work with than Android would you say?

Riccardo Canetta

No, absolutely. Actually Apple in enterprises started years before Google because Android for Work is a reality today but it's a relatively new project and it's being enhanced, whereas Apple started, I think, in iOS 4 to add enterprise features and has definitely led the enterprise adoption of the devices.

And in fact, if I look at the device that we manage worldwide, we have some statistics about the devices managed by our customers, Apple is by far leading against Android. That gives an idea of how important it is for Google for the Android for Work programme to be effective because they are losing the market otherwise.

Elena Szolgayova

Okay, thank you. Maybe I'll just conclude with we'll have so many connected devices, things and everything that we'll have problems managing it and it will offer so many opportunities and possibilities that we wouldn't know what to do with them. Thank you.

[End]