

THE RISING IMPORTANCE OF MOBILITY FOR OPERATIONAL SUCCESS

September, 2015

Mobile usage has grown steadily over the past few years in companies with advanced operational processes. The improvements in process performance that mobility provides can no longer be overlooked for most companies. In fact, Best-in-Class companies are 56% more likely than their peers to utilize mobile devices in their day-to-day operations to speed up their operational processes.

→ Reid Paquin, Research Analyst,
Manufacturing, Product Innovation & Engineering (PIE)





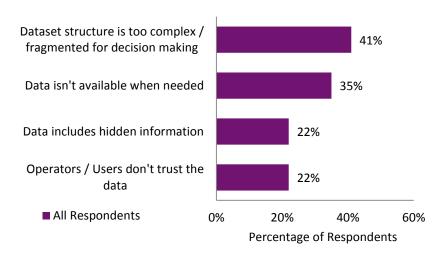
Better Decisions Require Improved Data Access

Whether part of an initiative to better serve customers or simply reduce operational costs, process improvement is the foundation for operational excellence. However, making these process improvements is easier said than done. The operational environment has become increasingly complex, and managing operational processes and data being generated is also becoming more of a challenge (Figure 1).

Figure 1: Top Challenges with Operational Data



Best-in-Class companies are 56% more likely than their peers to utilize mobile devices in their day-to-day operations.



At the same time, the "decision window" is continually shrinking. Being able to make effective decisions in a shorter timeframe is becoming essential to success. So what does this all come down to? Organizations need the right processes and tools in place to improve not only the quality, but also the timeliness of decision making. A key factor for improved decision making is introducing enablers to speed up operational processes. Successful companies have realized that mobile tools, when applied properly, can help their employees to overcome the challenges that occur when making decisions from operational data (see sidebar).

Companies that turn to mobility see improvements in their workflow efficiency because of faster decision making. In fact, companies with mobility saw a 15% decrease in "time-to-decision" over the past year, those without mobility saw a 5% increase. Being able to make decisions in a faster time frame boils down to improved operational process management. This can be shown as increased productivity on the assembly line, improved customer service out in the field, or reduced latency in time to make decisions for sales operations.

There are many uses for mobility and the applications can span across numerous operational roles:

→ **Production** – With the advancements in mobile solutions, manufacturing executives now have the ability to provide their employees the tools to have real-time visibility into plant operations and act on the information on a timely basis to minimize adverse events and failures. Incident reporting via personal devices can greatly improve response time, which is critical in an industrial environment. Additionally, mobility can be applied to functions like assembly line alerts, inventory checks, recording time and attendance, leave requests, and shift planning. This group can benefit from a solution like

Companies That Use Mobile Tools Have Fewer Issues with Data Access

Mobile tools clearly help alleviate the top operational data challenges highlighted in Figure 1:

Dataset structure is too complex or too fragmented for decision-making:

- 22% Mobility
- 60% No Mobility

Data isn't available when needed:

- 14% Mobility
- 47% No Mobility

Data includes hidden information:

- 21% Mobility
- 23% No Mobility

"Mobility" refers to companies that have provided mobile tools (smartphones, tablets, etc.) to get their work completed.

"No Mobility" refers to companies that rely solely on manual processes (paperbased), desktops, or laptops to get their work completed.





The Benefits to the Business

The process improvements that result from mobile usage are directly reflected in metric performance when compared to non-users:

Overall Equipment Effectiveness (OEE):

- 87% Mobility
- 80% No Mobility

Injury Frequency Rate (per 100 employees):

- 1.12 Mobility
- 1.27 No Mobility

Audit action items completed on time:

- 89% Mobility
- 83% No Mobility

Unscheduled Asset Downtime:

- 5.1% Mobility
- 9.1% No Mobility

Maintenance Costs (year over year change):

- 8% Decrease Mobility
- 4% Increase No Mobility

Operating Margin vs. Corporate Plan:

- +8% Mobility
- +1% No Mobility

- mobility to gather, disseminate, and act on information more effectively.
- → Maintenance / Field Service Mobile solutions provide relevant information to field workers no matter their location. These solutions become very important during operator rounds when operators need to store inspection data. Storing this information on paper often creates the risk of data not being entered in the system in a timely manner and reduced quality of the data. Providing mobile devices will enable field workers to store inspection data in the system automatically, access pending work orders, track repairs, and perform other critical tasks that traditionally required employees to go back and forth from work stations.
- → Supply Chain Within supply chains, for both planning and execution, mobility has had a huge impact on all businesses. For shipping, mobility enables the capture of the transaction remotely at the point of occurrence. On the planning side, the ability to receive alerts against the plan via mobile, can dramatically improve supply chain performance by empowering the planning team to address problems at the earliest possible point. Time is money in the supply chain, and eliminating the latency of decision making results directly in less inventory and reduced costs.
- → Sales Operations and Procurement Mobility has dramatically improved efficiency in contract management by cutting approval cycle times. Reducing the approval cycle time adds up to tangible savings over time. For sales operations, mobility can help improve documentation. Data accuracy is key for this sales process. With intelligent mobile tools, you can quickly document a meeting with a check-in and get a one-



minute-documentation card recording notes via Speech to Text. In addition to speeding up the decision process, productivity is greatly improved for the procurement and sales teams, by freeing up valuable time to address more value added activities instead of expediting approvals.

→ Retail – In retail, most employees are deskless workers.

This means they traditionally relied upon manual or paper-based processes to get their work completed.

Mobile tools can connect these employees to corporate operations, which speeds up the process and increases productivity. Within retail stores, mobility is also playing a proactive role in sales enablement, with location awareness solutions, that leverage opt-in customers with smart phones, by promoting incentives to them, based on their location within the store.

The key takeaway here is that not only are successful companies adopting mobile tools at higher rates, but they are also utilizing mobility across a wide variety of operational processes.

Companies that connect every employee in the organization have much greater success in operational excellence initiatives. Indeed, mobility can be a powerful tool in the right hands. It saves time, increases productivity, provides a system of record with one-to-one accuracy verification, and limits incidents by granting employees access to data in real-time. The data proves it — incorporating mobility is now a focus for Best-in-Class companies and has directly contributed to improved operational performance.



About Aberdeen Group

Since 1988, Aberdeen Group has published research that helps businesses worldwide improve their performance. Our analysts derive fact-based, vendor-agnostic insights from a proprietary analytical framework, which identifies Best-in-Class organizations from primary research conducted with industry practitioners. The resulting research content is used by hundreds of thousands of business professionals to drive smarter decision-making and improve business strategy. Aberdeen Group is headquartered in Boston, MA.

This document is the result of primary research performed by Aberdeen Group and represents the best analysis available at the time of publication. Unless otherwise noted, the entire contents of this publication are copyrighted by Aberdeen Group and may not be reproduced, distributed, archived, or transmitted in any form or by any means without prior written consent by Aberdeen Group.

