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Avanade is a global IT consultancy dedicated to using the Microsoft platform to help enterprises achieve profitable growth. Through proven solutions that extend Microsoft technologies, Avanade helps enterprises increase revenue, reduce costs and reinvest in innovation to gain competitive advantage. Avanade consultants deliver value according to each customer's requirements, timeline and budget by combining insight, innovation and the talent of our global workforce. Founded in 2000 by Accenture and Microsoft, Avanade has more than 6,500 professionals serving customers in 22 countries worldwide. Additional information can be found at www.avanade.com.

Avanade Digital Collaboration Survey: USA and Canada

Avanade-sponsored research across Europe and North America in the spring of 2007 shows that organizations that have successfully implemented digital collaboration have done so by driving ownership of collaboration projects, clearly documenting their strategy, and strengthening their understanding of collaboration technologies. Our research shows that the technical and cultural challenges this presents are outweighed by productivity gains and increased customer satisfaction.

For this survey, 403 detailed telephone interviews were completed by Coleman Parkes Research with CIOs of major enterprises (the top 250–300 companies in each region surveyed) during April 2007 on behalf of Avanade. All interviews were completed in the native language and controlled through the use of a detailed questionnaire leading to an interview of around 12 minutes.

Summary of Results

1. 403 interviews (target 370) were completed for the entire project, talking to CIOs in the top companies in each respective country or region. The table below shows the regional breakdown of the interviews. All interviews were completed in the local language using a translated questionnaire with the average interview length being around 12 minutes. 56 interviews were undertaken with major companies in the USA (across all time zones) and a further 55 with companies in Canada.

Region	Number of interviews
Nordics	68
UK	32
ASG	35
Gallia	61
Italy	32
Spain	31
North America	111
Netherlands	33
Total	403

2. In the US, 33 percent of companies compared with 42 percent of all organizations surveyed and 28 percent in Canada have a fully documented collaboration strategy but for many of these the approach is not yet fully implemented. 36 percent of US firms compared with 31 percent in Canada have a strategy but it is not yet fully documented and 22 percent of Canadian firms (only 12 percent amongst the entire survey) have nothing defined about collaborative activity. In this respect Canadian companies seem to be behind their counterparts bunt in North America and Europe.

Approach to Digital Collaboration	Total	US	Can
We have a fully documented collaboration strategy, fully implemented	19%	11%	15%
We have a fully documented strategy for collaboration but it is not fully implemented	23%	21%	13%
We have a strategy for collaboration but it is not fully documented	29%	36%	31%
We have guidelines regarding collaboration for the business	18%	16%	20%
We have nothing defined about collaboration activity	12%	16%	22%

3. Typically in the US, collaboration includes email (95%), company intranet (98% - the highest recorded across the survey), company extranet (79%) and video conferencing (82%), so essentially the more common communications methods like with all of the countries researched. In Canada, the top three communications activities defined as digital collaboration include email (93%); video conferencing (80%) and company intranet (89%). VoIP levels in the US and Canada are marginally lower than overall (59%) at 55 percent and 58 percent respectively.
4. There are some marked differences in terms of organizations with whom companies in the US and Canada feel they have to regularly communicate. 53 percent of Canadian

firms mentioned government bodies compared to only 38 percent of those in the US while 75 percent of US corporations mentioned regular communication is required with other parts of the firm compared with only 51 percent of companies in Canada, this may reflect the more global and regional nature of US businesses. 96 percent of US enterprises also mentioned that they have to regularly communicate with other parts of the business regionally compared with only 80 percent of Canadian firms. What is clear, like with all companies across the entire research program, is that communication is an ongoing activity with a multitude of different business partners and organizations.

Organization	Total %	US %	Can %
Government bodies	55	38	53
Regulatory bodies	50	43	45
Customers	86	93	75
The supply chain/suppliers	83	86	78
Business partners	81	84	85
Other divisions of the company regionally	80	96	80
Other parts of the organization globally	68	75	51

- Looking at the views about the sensitivity of sharing information across boundaries with different organizations, it is clear that US companies, like those in other countries, generally feel that in all cases sharing information is at least fairly sensitive and needs control. In sharing information with the supply chain, 45 percent (compared to only one third overall) of US companies think that this is a highly sensitive issue with the need for high levels of control and 48 percent of firms in the US feel that the same level of sensitivity is required when communicating and sharing information with customers, and we have seen that all are communicating extensively with customers at present. Even in terms of sharing information across borders with other parts of the same organization (a key activity for US firms), 39 percent of US companies (compared to one third of all companies surveyed) see this as highly sensitive and requiring a high degree of control. Very few US companies see the levels of sensitivity regarding sharing information across boundaries with any third party as not sensitive at all, indicating that not only the level but the type of information is having an impact.

Sensitivity level (US Companies)	Supply Chain	Customers	Organization
Highly sensitive with high levels of control	45	48	39
Fairly sensitive with controls being used	29	34	32
Not a real area of sensitivity but we control it	20	13	18
Not sensitive at all	7	5	11

- Looking at the same views about the sensitivity of sharing information across boundaries with different organizations for companies in Canada, a similar pattern emerges. In sharing information with the supply chain, 47 percent (compared to only one third overall for the study) of Canadian companies think that this is a highly sensitive issue with the need for high levels of control and 55 percent of firms feel that the same level of sensitivity is required when communicating and sharing information with customers. Even in terms of sharing information across borders with other parts of the same organization 33 percent of Canadian companies (a similar proportion for all companies surveyed) see this as highly sensitive and requiring a high degree of control.

Sensitivity level (Canadian Companies)	Supply Chain	Customers	Organization
Highly sensitive with high levels of control	47	55	33
Fairly sensitive with controls being used	38	29	45
Not a real area of sensitivity but we control it	11	9	7
Not sensitive at all	4	7	15

7. Overall digital collaboration is normally owned by the IT department (94%) and this is also the case in the US, where 95 percent of companies said that IT owns the issue and 93 percent of Canadian firms also agreed with this. But in the US, 57 percent of companies and 58 percent in Canada also said that telecommunications owns the issue (54% overall) and over one third in both countries mentioned operations (34% overall). Like with other countries this multiple ownership of the activity reflects the impact that collaboration is having at a departmental level and indeed the fact that the activity is not strategic and is being applied for “specific activities within key departments”. In general there are at least 2 owners of the activity per company in each of the two countries under study here.
8. There is no doubt that in the US and Canada the person who owns the issue of digital collaboration sits high up the organization, with senior managers being mentioned by 59 percent and 69 percent of companies respectively. US companies, perhaps because of their level of IT and communications maturity have elevated the issue beyond managers. Along with the UK companies, North American organizations see the ownership of digital collaboration residing in the senior management team the most.
9. To aid effective digital collaboration as defined by the survey, US and Canadian companies follow the general pattern of all companies in terms of their preference for a best of breed solution for each part of the communication with around one quarter of all companies preferring this option. However there is a marked contrast when looking at the preference for an integrated product suite providing holistic collaboration, which is preferred by fully 50 percent of US firms compared to only 36 percent of those in Canada, where there is a lot more apathy to the issue (38 percent did not express a preference compared to only 27 percent in the US).
10. There are many different drivers for implementing the use of collaborative working technologies, the most common and important so far for companies in the US and Canada alike are the desire to increase productivity; the increased speed of communication; the desire to share more information securely and reducing the cost of collaboration. As with the overall findings, it is interesting to note that so many factors are seen as drivers for digital collaborative activity and indeed, unlike many other countries US firms report that the impact on reducing the time to market for products is also a driver, far more than for companies in Canada. Compared with companies in the US, Canadian firms are more likely to see extending the reach of collaborative activities; the desire to share more information securely and reducing the costs of collaboration as drivers for implementing collaborative working technologies.

Driver	Total %	US %	Can %
Increased speed of communication	86	89	85
The desire to increase productivity	86	93	95

Improved agility within the business	82	89	82
The desire to share more information, securely	77	84	91
Gaining better control of the process	72	86	85
Reducing the costs of collaboration	72	71	80
Increasing the security of collaboration	66	70	64
Extending the reach of collaborative activities	65	77	82
Reducing the time to market for new products	47	61	42

11. 57 percent of US companies and 55 percent of those in Canada, compared to 56 percent of all organizations agree that there is an increasing trend for external parties to request specific elements of collaboration for use in specific departments, which goes some way to explaining the level of activity seen in the US and the fact that different people are involved in the activity at a departmental level.
12. The main technologies that are seen to be delivering digital collaboration now in the US include email (universal); website (universal); video/ teleconferencing (89%) and discussion groups. What is clear in the US, like elsewhere, is that many different technologies and services are providing companies with the ability to collaborate digitally. Looking forward significant growth will be seen in the areas of VoIP (rising to 80 percent in the US), virtual workspace and enterprise search tools, where in 2 years time three quarters of companies say that it will be a key technology for collaborative activity. The rates of growth for some of the areas in the US are well in excess of those in general across the rest of Europe, even though the market can be defined as being somewhat more mature than most.

Technology (US Companies)	Now %	In 2 years %*
Virtual conferencing	70	77
Video/teleconferencing	80	89
Email	100	100
VoIP	55	80
Enterprise search tools	59	79
Virtual workspace	48	68
Discussion groups	66	73
Website/intranet	100	100
Contact management	55	68

* *Cumulative of now plus those saying they will implement in the next 2 years.*

13. In Canada the main technologies that are seen to be delivering digital collaboration now like in the US include email (universal); website (almost universal); video/ teleconferencing (75%) and discussion groups. Like in the US, many different technologies and services are providing Canadian companies with the ability to collaborate digitally. Looking forward significant growth will again be seen in the areas of VoIP (rising the 82 percent in Canada) and enterprise search tools where in 2 years time three quarters of companies say that it will be a key technology for collaborative activity.

Technology (Canadian Companies)	Now %	In 2 years %*
Virtual conferencing	49	71
Video/teleconferencing	75	88
Email	100	100

VoIP	51	82
Enterprise search tools	55	77
Virtual workspace	40	62
Discussion groups	56	71
Website/intranet	98	98
Contact management	51	66

* **Cumulative of now plus those saying they will implement in the next 2 years.**

14. Generally in North America, there is scope for improvement in the impact of the collaborative activities undertaken to date. Only 45 percent of US and 49 percent of Canadian companies say that they are at least fairly satisfied with the current impact of the collaborative technologies on the business with the average out of 5 (5 being very satisfied) at only 3.4 for the US and 3.3 in Canada. There is more concern about the impact of collaborative technologies in Canadian firms, where one quarter rated the impact as 2 or below compared to only 7 percent of US firms.
15. 88 percent of US companies compared to 91 percent of those in Canada agree that digital collaboration needs to be extended within the business to allow the company to be more effective and productive, even though there are so many technologies in use today. In addition, 71 percent of US organizations and 67 percent in Canada also agree that they need to add key new technologies to enhance their digital collaborative capabilities, the implication being that the technologies in use are limited to the more common communications tools such as email and intranet as has been seen in both countries under study.
16. One quarter of US firms think that network based VoIP will prevail compared to only 9 percent who are in favor of PC based VoIP. The rest feel that the two will run hand in hand. In Canada however, two thirds think that the two will run hand in hand and only 27 percent favor network based VoIP.
17. The commitment to ongoing digital collaboration seems significant in both countries and there is a great amount of activity planned for digital collaboration projects within the next 2 years. Looking first at the US, there is a high degree of activity planned in the areas of portals, email, VoIP and Network. Enterprise search will be a focus for 48 percent of companies, marginally more than the norm across the entire program. In Canada, the pattern of activity is very similar indeed. 80 percent of companies are planning projects in email, 73 percent in the area of VoIP and a further 73 percent in network. Only 42 percent are planning collaborative activity in the instant messaging arena but portals will be a focus for around two thirds of all Canadian companies.

Area where digital collaboration projects planned	Total %	US %	Can %
Portals	58	64	67
Enterprise search	42	48	51
Network	62	71	73
Instant messaging	45	50	42
Live meetings	54	73	69
Email	62	77	80
VoIP	65	68	73

18. Just over half of US companies (64 percent of those who expressed a preference) are looking at optimized/integrated collaboration using multiple channels but getting the right channel active for the right person at the right time. In Canada 55 percent of those who expressed a preference are looking at the issue.
19. In 80 percent of cases in the US and 86 percent in Canada, the implementation of collaborative working has been project based compared to 76 percent overall so organizations in North America are slightly different from those in Europe in this respect. This again seems to reinforce the issue that collaboration has been project and department based with no real strategic vision for the activity. And amongst those that have had project based activities in the US, 88 percent of companies have then seen the program run out to the rest of the business with one quarter saying that the activity has been extended to the entire business. In Canada, 91 percent of companies have seen the program run out to the rest of the company at least partially, reinforcing the view here that the activity has been highly successful.
20. 36 percent of US companies and only 25 percent of those in Canada (33 percent overall) feel that they have the internal skills to run collaborative activities within the company. 43 percent of US firms and 56 percent of Canadian enterprises also said that they feel they have some of the skills in house to run the program but will need external expertise while the rest know that they will need a third party partner to help with the activity.
21. Generally there is an acceptance in the US and Canada that digital collaboration provides some very significant and numerous benefits, which is a very positive statement for the approach, even though companies are as yet not taking a fully strategic approach to the activity. 95 percent of US and 98 percent of Canadian firms see increased employee productivity as a key benefit of a digital collaborative approach and 88 percent and 95 percent respectively cited increased quality of information management as beneficial. There are some interesting differences in perception between the US and Canada in terms of the benefits of digital collaboration. More Canadian companies are likely to see reduced network traffic; the ability to meet compliance better and improved security as more beneficial than US firms, while US firms see greater benefits in the areas of increased job satisfaction and improved time to market for products and services.

Benefit	Total %	US %	Can %
Increased employee productivity	88	95	98
Increased job satisfaction	64	73	69
Reduced network traffic	35	36	42
Reduced costs for operations	70	79	80
Increased quality of information management	87	88	95
Increased quality of information	82	89	91
Improved time to market for product and services	58	77	55
Improved security	63	61	78
Ability to meet compliance better	65	70	82

22. However, some drawbacks and concerns are prevalent in the North American market and companies in Canada typically see more concerns than their US counterparts. 85 percent of Canadian organizations feel that the cost of technology is an issue (82 percent in the US) and 87 percent also have concerns over data security (73 percent in the US). It is also interesting to note that in many of the key areas like impact on the culture of the company; data security; compliance issues and cost of technology; proportionately more North American companies will see the issue as a concern than will companies in Europe.

Concern	Total %	US %	Can %
Impact on the culture of the company	55	64	67
Impact on working structures	56	61	55
Security of data	73	73	87
Different departments owning different parts of the activity	52	68	62
Lack of integration	53	50	67
Compliance issues	49	57	69
Cost of technology	67	82	85
Fear of distraction and technology intrusion	46	46	58

23. US firms see many different benefits with respect to supply chain digital collaboration. 80 percent mentioned the ability to identify the right person to contact as a core benefit and two thirds also cited improved version management. 64 percent also agreed that improved authentication was a key benefit. In Canada, All of the areas covered in the survey were seen as beneficial by at least two thirds of all companies in the country and again the ability to contact the right person was seen to be the main benefit mentioned by 84 percent of all Canadian firms (far more than for all of the companies researched). 73 percent of companies also mentioned better security management (far more than US companies) and we have seen that security is a key issue for Canadian firms.
24. 95 percent of US companies compared with only 75 percent of those in Canada feel that collaborative technologies will at least increase the amount of supply chain activity in the next 2 years at least marginally.

25. 23 percent of all US firms and 27 percent of those in Canada would see tagging an individual based on their knowledge pool and expertise as highly advantageous and a further 66 and 64 percent respectively see it as fairly advantageous.
26. 82 percent of US and 85 percent of Canadian enterprises also agree that moving to a digital collaborative environment makes the company at least marginally more attractive as an employer as it allows employees key freedom to work.
27. 64 percent of Canadian firms, significantly more than the 55 percent of US companies, agree that bigger companies will find it harder to embrace digital collaboration due to the volumes of information they have and the extent of the collaboration needed. North American companies agree with this statement far more than their European counterparts.

Statement	Total %	US %	Can %
Bigger companies will find it harder to embrace digital collaboration due to the volumes of information they have and the extent of the collaboration needed	51	55	64
More complex information based business will find digital collaboration hard	53	54	71
Solutions sold to us in the past to aid collaboration have failed to deliver	31	23	35
Digital collaboration will have a major impact on this business in the short term	51	59	45

Significantly more Canadian firms (71 percent compared to 54 percent in the US) also agree that more complex information based business will find digital collaboration hard, this may in itself reflect a difference in maturity between the two countries in terms of digital collaboration. This is further emphasized when taking into account that 59 percent of US firms compared to only 45 percent of those in Canada agreed that digital collaboration will have a major impact on the business in the short term. It may be the case that the knowledge and awareness of digital collaboration is lower in Canada.

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