

Telco Tesla: Empowering the iWorker

By: Becky Bracken

Like Nikola Tesla's Power Tower dream, tomorrow's Enterprise 2.0 customers have a view of the world that includes a practically free, limitless supply of power right at their fingertips, wherever they are. Can you become a Telco Tesla for your customers?

The Enterprise 2.0 revolution is coming and network convergence will have to continue to accelerate to keep up. Social enterprise applications are expected to grow into a \$9 billion market opportunity by 2016, according to an October 2011 report from Forrester Research (forrester.com). Communications Service Providers (CSP's) of all stripes will need to decide where to stake out a position.

In just a handful of years, work will be seamlessly integrated into an employee's everyday life, on a single device, providing the flexibility, increased collaboration, efficiency and global access today's businesses demands. Social enterprise applications that run over powerful, converged networks will put everything a worker needs to do their job, right at their fingertips, wherever they are.

Endless accessibility and maximum security is a tall order. Oh, and by the way, it's got to be cheap and smart enough to appeal to the on-demand, smart-phone-wielding, Angry-Birds-playing, wireless-downloading, Facebooking, Tweeting Gen Y consumer. No pressure. Just remember what happened to Netflix.

It's this technically sophisticated, fickle market that will continue to push convergence and challenge service providers to provide seamless reliability—and endless bandwidth—across multiple networks. The potential payoff is a hefty slice of a multi-billion-dollar market. There's plenty that's still uncertain about the future of network convergence and how CSP's will ultimately adapt to the Enterprise 2.0 revolution. So how can you be ready? Here's what you need to know.

Behold The Power of the iWorker

Ultimately, how convergence evolves to truly meet the demands of Enterprise 2.0 applications will be driven by consumers. In the past, IT departments were the early adopters of business technologies. Not so today.

With more than 40 million Generation Y employees



in the workforce, technology isn't just a business tool any more. With the pitter-patter of thumbs on touch screens, this generation thrives in a connected world. These information workers, or iWorkers, are out there, on their own, looking for technology to help them be more flexible and efficient in both their work and personal lives.

An August 2001 Forrester Research report titled "Information Workers are the New Buying Center for Enterprise Technology" concludes iWorkers are motivated by low-cost solutions with clear benefits. iWorkers are happy to use their personal smart phones, social networks, tablets and other devices to help make them more efficient workers, regardless of whether they are supported by their employer IT departments. And as these business solutions are adopted by the employee, it becomes the role of the IT professional to integrate them into the existing business technology architecture.

So what does that mean? The winning Enterprise 2.0 solutions will be cheap, pay-as-you-go, and work well enough to be sought out by individuals. This in turn, will lead to more formal adoption by IT staffs. This fractured adoption also increases the importance of creating and maintaining open architecture that supports a whole range of devices and applications.

What Business Wants: Everything

If attracting the iWorker isn't challenge enough, enterprise has become a more demanding consumer too.

"The key for telcos will be to make sure that there is an end-to-end quality customer experience across the network, application and business layers in order to

Not for distribution or reproduction.

cater to growing customer demands,” Sarah Wallace, a telecommunications analyst for Heavy Reading says. Forrester Research released an August 2011 survey that reveals 37 percent of IT decision makers planned to enhance the use of social collaboration tools in 2011 to do three things:

- Capture and reuse knowledge
- Maintain human connection across disparate workers
- Meet workforce demands

The report identifies IBM, Jive, NewsGator and Teligent as the current leaders in the space.

But to make matters more complicated, unified communications is quickly becoming a reality and business increasingly demands one point of contact for all of their communications solutions.

Sandra Palumbo, telecommunications analyst for Yankee Group, says traditional carriers might be in a position to become a broker for application providers, providing enterprise with a one-stop shop.

“If you asked the traditional carriers what they would like to see happen, they want to be the middle-man and broker services between the application providers and the enterprise,” Palumbo says. “They have the network, billing and customer service infrastructure and the application and non-traditional service providers have the agility and innovation.”

But getting everyone on board with that plan might take some convincing.

“But that’s really the goal for the traditional carriers,” Palumbo adds. “Convergence is really enabling traditional service providers to expand their portfolio.”

But Dr. William Lehr, a researcher with the Massachusetts Institute of Technology (MIT), suggests the push for open, accessible solutions for the iWorker might loosen the control traditional providers have had over the market.

“End-users will play a bigger role in selecting among models, and more open devices and equipment hold the potential for disintermediating traditional CSP business models, or at least tempering their control,” Dr. Lehr says.

NFF: Network Frenemys Forever

Convergence and the Enterprise 2.0 revolution will continue to force “frenemy” relationships like the one between traditional networks and over-the-top

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providers, according to Palumbo.

The Googles and Amazons are offering business solutions without regard to bandwidth, which eats into network revenue. But networks need the Googles and Amazons for their traffic.

“There is a perception by users that they should be able to get whatever they want, whenever they want,” Palumbo says. “And as much as service providers hate to admit it, when it comes down to it, they just can’t bank on selling bandwidth anymore. That’s not to say that it doesn’t cost money to build, manage and operate the networks it does. But consumers don’t want to hear that they need to buy more bandwidth from you.”

It’s that kind of customer demand that will require all sorts of competing networks and applications providers to converge and make uneasy frenemies out of all sorts of CSP’s.

Where’s the Smart Money?

Dr. Lehr says first, wireless will clearly be “critical to everything moving forward.” And mobile broadband, which will also be important, will likely come from 4G+ providers, most likely LTE networks.

“But nothing will be the full picture,” Dr. Lehr adds.

CSP’s need to think about their history and what they do best, Palumbo says. Providers with robust wireless and mobile networks can focus on Cloud technologies, while regionally focused players like Comcast and Cablevision might be poised to leverage more data services.

Fundamentally, there is plenty of evolution that needs to take place in order to realize the seamless, converged networks that will fuel the Enterprise 2.0 revolution.

“There are a bunch of things that need to co-evolve

for the bold vision to be realized – that means on the policy, technology, and market side,” Dr. Lehr says.

But one thing is certain, consumers are looking for cheap, flexible, limitless power wherever they go. CSP's that focus and strengthen the services they provide best and stake their claim as part of an overall end-to-end solution will be positioned to win.

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