

# Sage Australia Business Index 2013

Mobilised: Australian Business in 2013

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# Executive summary

Against the backdrop of weakening business confidence, a significant portion of Australian business is realising that mobility is one of the keys to improving both staff and business productivity.

While the attitudes and expectations expressed in the Sage Australia Business Index 2013 suggest that leaner times are afoot, many businesses appear to be already proactively preparing. The findings demonstrate that many Australian companies are responding to the need to improve productivity by engaging in staff and enterprise mobility initiatives.

**Weakening business performance among Australian businesses compared to 2012 is impacting business confidence.**

This is largely being driven by micro businesses, which continue to be more likely to lack confidence about the future when compared to their small, medium and large peers. Male business decision makers once again appear to be much less confident compared to their female counterparts, but significantly, 2013 marks the first time more women business owners have been negative rather than positive about the year ahead. The results highlight that challenging times are ahead.

**Australian businesses have embraced staff mobility in cases where it is practical.**

The 2013 results clearly confirm that among Australian businesses where staff could conceivably work away from the office, the majority of organisations are embracing staff mobility initiatives. They are providing staff mobile access to many of their core information systems and, moreover, are seeing definitive returns on their investment.

**Australian businesses are ramping up their use of workplace mobility.**

A broad range of mobile business 'use cases' are now evident and an ever-increasing number of supply chain functions are becoming mobile enabled. It is clear many companies are confident that their mobile workplace strategy or plan is working well, and the majority are seeing some form of value or return. In light of leaner economic times and declining national productivity levels, it is encouraging to see Australian businesses are successfully using technology to help their operational and thus overall performance.



Consumers are driving a new era of enterprise mobility. Employees expect to use their own devices everywhere. How will your business seize this opportunity?

PwC Enterprise Mobility Report 2012

**Website development will again be a cornerstone of business technology investment over the coming 12 months.**

When asked which technology areas their business was planning to invest more funds in compared with the previous year, most businesses stated they are more likely to invest in the enhancement of their websites, followed by social media as a sales and marketing tool, then staff and workplace mobilisation tools. Mobile applications and mobile optimised websites were ranked much further down in priority, along with Cloud services.

**Mobile applications, while typically viewed as a lower investment priority, tend to be of more importance for medium and large businesses, as are mobile optimised websites.**

Delving further into business plans for mobile apps and optimised websites, an element of caution becomes apparent with businesses wary of investing significant funds into a very fast changing technological landscape. Furthermore, perceptions of the tangible return available from apps appear to be lower than for mobile optimised websites.

# Introduction

This Sage investigation into Australia's business confidence in 2013 confirms that business conditions have deteriorated within the past year and the outlook for the remainder of 2013 remains bleak. Last year's Sage Business Index highlighted a concerned, cautious business sector reluctant to invest, but prepared to do so once they believed economic conditions were improving. Unfortunately the attitudes and expectations expressed in the Sage Australia Business Index 2013 suggest that leaner times are afoot and the right conditions for investment have not eventuated.

Within this challenging economic environment the Australian business landscape in 2013 is also being substantially affected by the use of mobile and handheld devices. Across both internal and external business functions, organisations are challenged daily by technological change, much of which is being driven by employees and the consumer. At this critical point in the mobile revolution, how businesses respond to and cope with this change will shape not only businesses themselves, but also significantly influence their likely future success.

This report takes a detailed look at current business attitudes towards a range of subjects including:

- Current and predicted business confidence levels
- Concerns around economic issues.

The report also investigates what is happening in Australian businesses in relation to three key technology areas: staff mobility; enterprise mobility; and business use of and demand for mobile applications and mobile optimised websites.

Based on a wide-ranging market research program involving interviews with more than 400 business owners and decision makers across all business sizes, this report breaks new ground in providing a validated understanding of issues including:

- Business policies, uptake and the perceived value and benefits of mobile enabling staff
- Relevance, uptake and the perceived value and benefits of mobile enabling the workplace
- Current uptake and future plans for businesses regarding mobile applications and mobile optimised websites.

This study into the relationship between Australian business and mobile technology, and its examination of broader prevailing attitudes, provides clear insight into how Australian companies are operating today.

Recent research clearly highlights the proliferation of consumer demand for mobile and handheld devices:

- 86% of Australians now own a mobile, with 20% owning more than one device.<sup>a</sup>
- 65% own a smartphone of some kind.<sup>a</sup>
- Activities performed on smartphone within the past 30 days: 59% use applications, 39% use location based services/GPS.<sup>a</sup>
- Tablet penetration is booming, now at 31% of households and forecast to reach 50% by 2013 and 70% by 2017.<sup>b</sup>
- 40% of shopping-related Google searches now come from smartphones or tablets.<sup>c</sup>

Sources:

a. The Mobile Consumer, A Global Snapshot, Nielsen. (March 2013).

b. Telsyte Research (March 2013)

c. Habits of Smartphone Users Research, Google (February 2013)

<sup>1</sup> Staff mobility: This was defined to all respondents as: 'In this next section we are going to talk about mobile enabling your staff. By mobile enabling your staff we mean where staff are working away from the office and the different sorts of technology they use when working like this.'

<sup>2</sup> Mobile enabling the workplace: This was defined to all respondents as: In this next section we are going to talk about mobile enabling your workplace. Another term for this is 'enterprise mobility'. By mobile enabling the workplace or enterprise mobility we mean where, by using technology, organisations connect their systems and/or their staff, suppliers/partners, customers together from any location and in real time. For example, NRMA Roadside Assistance has mobile payment options, mobile GPS tracking that automatically sends you a text message when your driver is 20 minutes away and mobile stock control, so when the driver gives you a new battery their warehouse is automatically notified of the change in stock levels in real time and knows to order more of that battery type. Enterprise mobility also means employees being able to work from home or away from the office using laptops, tablets and mobile devices.

## Business confidence

### Confidence among Australian businesses dropped materially over the past year and many feel pessimistic about 2013

Weakening business performance among Australian businesses compared to 2012 is impacting business confidence. This is largely being driven by micro businesses, which continue to be more likely to lack confidence about the future when compared to their small, medium and large peers. Male business decision makers again appear to be much less confident compared to their female counterparts, but significantly, 2013 marks the first time more women business owners have been negative rather than positive about the year ahead. The results highlight that challenging times are ahead.

Business confidence findings confirm business conditions have deteriorated within the past year and the outlook for the remainder of 2013 remains bleak. As noted in the 2012 Index, Australian businesses are being significantly influenced by continued global macro-economic issues, ongoing structural change in markets as well as rapid technological developments. Compounding this in 2013 is the strong Australian dollar driving down competitiveness and the Reserve Bank of Australia's prediction of a peak in the mining boom later this year.

Net confidence for the year ahead varies according to business size, with small and medium businesses positive, while micro and large businesses remain negative. Tellingly, both male and female business decision makers are net negative about the prospects for 2013, though males are much more so.

#### Business performance and confidence 2011, 2012 and 2013 (Net more % – less %)

	2011	2012	2013
<b>Business performance compared to this time last year (Net of better % – worse %)</b>	+21	+15	+10
<b>Confidence for the year ahead (Net of more confident % – less confident %)</b>	+5	-1	-15
<b>Concern around business growth prospects as result of recent economic conditions (% concerned in any way)</b>	n/a	89%	81%

#### Confidence for the year ahead by business size, 2011, 2012 and 2013 (Net more confident % – less confident %)

	2011	2012	2013
<b>Micro business (1 – 4 employees) confidence</b>	+1	-2	-19
<b>Small business (5 –19 employees) confidence</b>	+28	+4	+10
<b>Medium business (20 –199 employees) confidence</b>	+25	+11	+8
<b>Large business (200+ employees) confidence</b>	+22	+31	-8
<b>Males business decision maker confidence</b>	+7	-7	-19
<b>Females business decision maker confidence</b>	+1	+18	-5



Business confidence lifts from late 2012 lows but still below average. That reflects better global confidence, stronger equity prices and lower borrowing rates at home. Conditions still subdued and with marked weakness in trade and consumer dependent sectors. Forward indicators and medium-term expectations still very poor. Capex expectations imply flat investment (falling in non-mining). Low price pressures imply soft Q1 core inflation.

NAB Quarterly Business Survey, March 2013

## Staff mobility

# Many Australian businesses are embracing staff mobility and are positive about the outcomes

The 2013 results clearly confirm that among Australian businesses where employees could conceivably work away from the office, the majority of organisations are embracing staff mobility initiatives. They are providing staff mobile access to many of their core information systems and moreover, are seeing definitive returns on their investment.

**Insight 1: Half of Australian businesses state they are able in practice to have a staff mobility policy. Medium and large businesses are the most capable of introducing a staff mobility policy, however large businesses are less likely to offer mobility.**

The Sage Australia Business Index 2013 highlights a split in the business community concerning the topic of staff mobility. When questioned:

- Half (47%) of all businesses state they work in an industry or business where staff can work away from the office
- 8 in 10 (80%) medium and almost all (97%) large businesses state they could theoretically have a mobile staff policy.

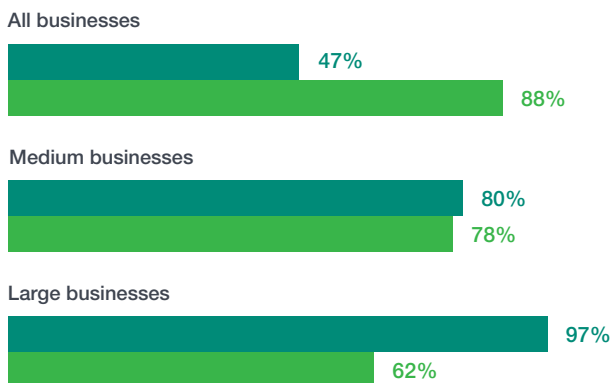
Of these large businesses, 6 in 10 (62%) have some type of informal or formal policy in place. Conversely, three-quarters (78%) of medium businesses that say they could allow staff mobility already have some type of informal or formal policy in place, revealing this to be a much more flexible business group.

**Insight 2: The majority of businesses that could have a mobile staff policy are already taking action, with female business decision makers leading the way.**

Despite differences in approach according to company size, by far the majority of businesses that can adopt mobility have embraced the concept.

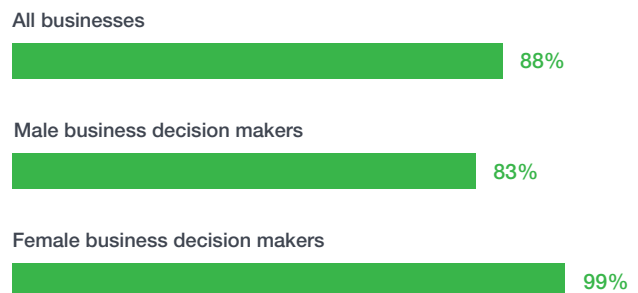
- Close to 9 in 10 (88%) have some kind of policy that enables staff to work from home or away from the office
- Most (60%) have an informal policy
- One-quarter (28%) have a formal policy allowing people to work from home or away from the office
- Only 1 in 8 (12%) do not allow staff mobility, other than in extenuating circumstances.

### Staff mobility by business size



- Work in industry/business where staff can work away from the office
- Have a mobility policy (formal or informal) if their business is able to have staff working away from the office

### Male versus female business owner uptake of formal or informal staff mobility policies





As technology continues to dissolve the link between work and the workplace, employers are more and more using the notion of work as an activity rather than a location to serve their business objectives, with productivity gains appearing to be the main lever.

Ziona Strelitz, Director, ZZA Responsive User Environments

**Insight 3:** Among businesses that allow staff mobility, many are making a wide variety of their systems available for remote staff access, particularly in the case of larger enterprises. Critically, the majority of these businesses are seeing a return on investment (ROI), along with increases in staff morale and satisfaction.

Encouragingly, just under two-thirds (65%) of business with a staff mobility policy are deriving some form of business value from staff mobility.

- One-third (35%) are seeing a tangible ROI from their staff mobility policy.
- The most likely groups to experience tangible ROI are:
  - Female business owners (58%)
  - Medium sized businesses (67%)
- 3 in 10 (30%) businesses are experiencing intangible benefits such as improvements in staff satisfaction and morale, a reduction in absenteeism and improved productivity
- One-fifth (20%) are not seeing any value as yet, but expect to in the future
- 1 in 7 (15%) haven't seen any value yet and don't expect to.

Pleasingly, the results confirm that the majority of businesses are assessing the impact of their staff mobility policies and are positive about the outcomes.

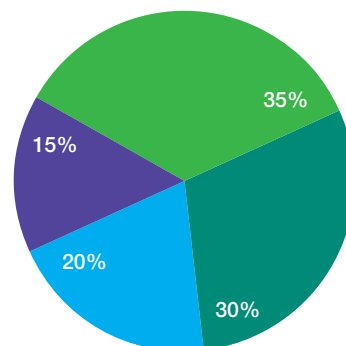
**Insight 4:** Improvements in staff productivity and communication are the two core perceived benefits of a mobile workforce, out-ranking the more directly measurable benefits of business cost reduction or revenue gains.

When asked to define the key benefits of mobile enabling staff, business decision makers see immediate and direct value arising from improvements in productivity, staff relationships and staff retention, rather than in results such as a reduction in business costs or revenue growth. This suggests business decision makers are aware of the value of their staff and recognise the need for nurturing.

**Systems staff can access when working at home or away from the office by business size**

	All businesses who allow staff mobility	Medium business	Large businesses
Email	83%	100%	100%
Company/file shares/drives/servers	50%	73%	94%
Company knowledge management/collaboration tools	49%	89%	82%
Accounting systems	36%	40%	67%
Customer Relationship Management (CRM) systems	30%	54%	89%
HR/Payroll systems	29%	30%	53%
Enterprise Resource Planning (ERP) systems	12%	32%	76%
Other systems developed for the business	37%	64%	77%

**Business value from staff mobility**



- Seeing tangible ROI e.g. increase revenue, profit
- Seeing intangible value e.g. improved staff satisfaction/morale, etc.
- Haven't seen value or return as yet, but expect to
- Haven't seen value or return as yet, don't expect to

## Enterprise mobility

# Australian businesses are ramping up implementation of mobile enabled workplaces and believe their strategy is working well

Gartner predicts sales of 1.2 billion smartphones and tablets worldwide in 2013, a 50% increase over 2012. Smart devices, including smartphones and tablets, accounted for approximately 70% of the total number of mobile devices sold worldwide during 2012.

From a business point of view, these devices have been vastly under-exploited but the 2013 Index shows companies are beginning to ramp up their use. But there is much more to enterprise mobility than simply setting up your systems so they work on a smartphone or tablet. PwC defines enterprise mobility as ‘an organisation’s ability to digitally connect employees, assets, suppliers, partners, and consumers from any location and in real time.’<sup>1</sup> A broad range of business ‘use cases’ for enterprise mobility are emerging and an increasing number of supply chain functions are becoming mobile enabled. It is clear many businesses are confident that their mobile workplace strategy or plan is working well, and the majority are seeing some form of value or return. In light of leaner economic times and declining national productivity, it is encouraging to see Australian businesses are successfully using technology to help their operational and thus overall performance.

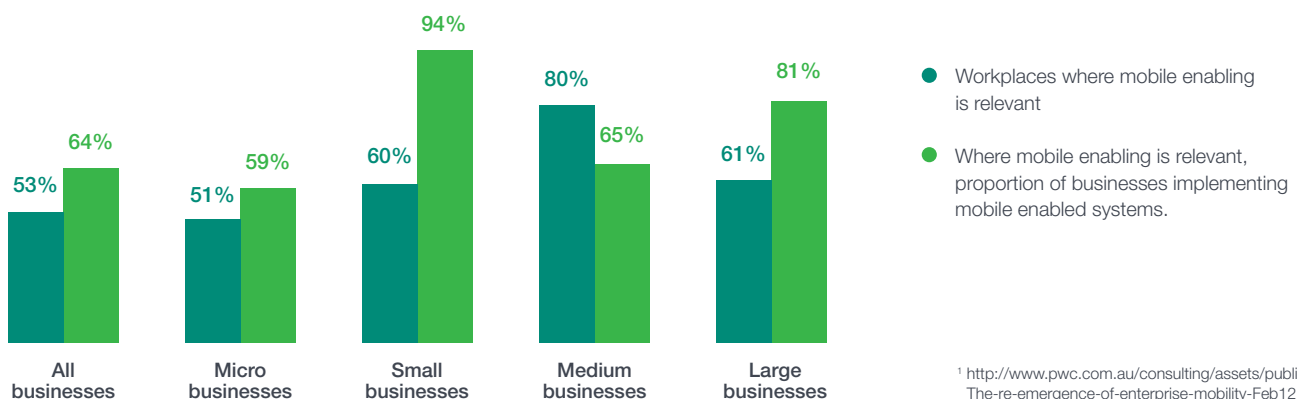
### Insight 1: Over half of Australian businesses believe mobile enabling the workforce is relevant to their business, and two-thirds of those have mobile enabling underway.

Over half (53%) of Australian companies believe mobile enabling the workplace is relevant to their business. This is significantly higher among medium sized businesses (80%). Of all businesses that perceive relevance in mobile enablement, two-thirds have, or are currently implementing, mobile enabled workplace systems. Among the remaining one-third, 6 in 10 plan to implement mobile enabled systems within the next 24 months.

The relevance of mobile enabling the workplace differs markedly by business size and industry:

- Medium sized businesses are most likely to see relevance (80%), but less of this group (65%) have implemented/are implementing mobile enabled business systems
- 6 in 10 small (60%) and large (61%) businesses believe mobile enabling the workplace is relevant
- Small and large businesses are also most likely to have begun implementation (94% and 81% respectively)
- In line with their activities, wholesale trade and mining industries are more likely to have, or be implementing, a mobile enabled workplace
- Manufacturing businesses are least likely to see mobile enablement as relevant
- Of the businesses that see relevance in a mobile enabled workplace but are yet to implement, over 6 in 10 say this will be done in the next 24 months.

### Relevance of a mobile enabled workplace, and associated levels of implementation



<sup>1</sup> <http://www.pwc.com.au/consulting/assets/publications/The-re-emergence-of-enterprise-mobility-Feb12.pdf>



**Insight 2:** Among businesses that have introduced or are introducing business process mobility in the workplace, implementation is significant and comprehensive. Mobile and handheld devices are now being used for a broad range of activities, extending well beyond simple email access.

#### Business processes able to be completed in real time when away from the office by business size

	All businesses	Medium businesses	Large businesses
Employees can access work email remotely	69%	100%	100%
<b>Any activity (below) other than access work email remotely</b>	<b>69%</b>	<b>100%</b>	<b>98%</b>
Employees can create, view, edit or present work documents remotely	59%	66%	90%
Employees can show visual demonstrations of product and/or service offers on mobile devices e.g. catalogues, photos, etc.	55%	62%	58%
Employees can capture and share information back to their office when onsite or out of the office	53%	95%	81%
Employees can take or make business payments with customers or suppliers remotely or when offsite	48%	5%	9%
Employees can send documents/brochures/information in real time when offsite	45%	96%	95%
The business can track packages being delivered	23%	7%	32%

**Insight 3:** Businesses are using workplace mobilisation across core business supply chain functions to connect suppliers, partners and staff in real time via mobile devices.

The majority of businesses that have or are implementing a mobile enabled workplace are using mobility to connect staff with each other, share business data between staff and to connect with customers and suppliers in real time. Real time connection of business systems with customers or suppliers, and real time marketing to customers via their mobile devices, are slightly less prevalent at this stage, although not insubstantial.

#### Types of workplace mobilisation conducted across supply chain, e.g. via mobile devices and in real time by business size

	All businesses	Medium businesses	Large businesses
Share business information/data between staff in real time via mobile devices	83%	98%	73%
Connect staff to each other in real time	74%	97%	90%
Connect business systems directly with customers in real time via mobile devices	47%	30%	34%
Connect with customers on their mobile using real time marketing messages	44%	49%	20%
Connect business systems directly with suppliers/partners in real time	22%	27%	46%

## Enterprise mobility

# Australian businesses are ramping up implementation of mobile enabled workplaces and believe their strategy is working well (cont.)

**Insight 4:** Businesses that are engaged in enterprise mobility say their mobilisation strategies are advanced and working well, and more than half are seeing some form of value or return.

- Half of businesses (52%) state their current end goal for mobile enabling the workplace is three-quarters (75%) or more operational.
- Almost 9 in 10 (87%) state their current workplace or enterprise mobilisation strategy is working well at some level with over half (51%) stating it's working extremely or very well.
- Encouragingly, of these mobile enabled workplaces, almost 6 in 10 (56%) are realising tangible or intangible business value.
- Female business owners are most likely to see value from business mobilisation strategies (98%).

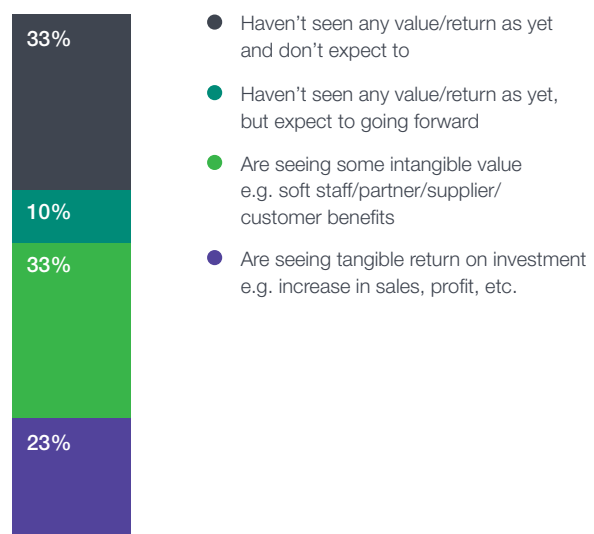
### Success of enterprise mobility strategies



In 2013, enterprise mobility will evolve in the same way that Henry Ford's assembly line did. At the beginning of his mass-production assembly line, Ford was producing one complete, fully functional car every 90 minutes. By 1920, the line turned out one car every minute at a cost (in today's dollars) of around \$5,000 a car. The process was innovative, cost-effective, scalable, and disruptive. The enterprise mobility market is making that same type of evolution. It is moving from complex, slow, costly tools and processes to disruptive, easy, fast and scalable contemporary technologies that match the speed of creation and deployment to the speed of business need.

Peter Price, Webalo CEO, Forbes Magazine, Dec 2012

### Benefits of enterprise mobility



**Insight 5:** The key perceived benefits of mobile enabled workplaces are greater productivity and improved staff communications and collaboration. Businesses that have already implemented a mobile enabled workplace are also more likely to see increased business revenue as a benefit.

#### Key perceived benefits of workplace or enterprise mobilisation

	All businesses	Businesses where mobile enabling the workplace is relevant and they have implemented/are implementing it.	Businesses where mobile enabling the workplace is relevant, but they haven't yet started to implement it.
Leads to optimised/faster business processes/productivity	50%	62%	28%
Improved staff communication/collaboration	46%	50%	40%
Improved staff productivity	26%	30%	27%
Improved value to the customer	24%	38%	<b>5%</b>
Improved staff retention/satisfaction/morale	19%	28%	24%
Encourages new ways of delivering products/services to market	15%	28%	6%
Increased business revenue	13%	<b>27%</b>	<b>0%</b>
Leads to faster delivery of products/services to market	9%	0%	16%
Can't really see any benefits at all of enterprise mobilisation	7%	7%	<b>0%</b>
Reduced business costs	0%	0%	0%
Increased business profit margins	0%	0%	0%
Reduced business risks	0%	0%	0%

**Bold:** Significantly higher or lower findings

The above table demonstrates that while businesses are seeing perceived benefits of increased business revenue from mobile enabling the workplace, no businesses directly suggested the key perceived benefits are reduced business costs, reduced business risk or increased business profit margins. One possible reason for this failure to perceive cost and risk reductions is that the costs involved in implementing a mobile enabled workplace mean cost benefits have not been realised to date.

## Mobile apps and mobile optimised websites

### Australian businesses are becoming cautious of funding and managing mobile apps and mobile optimised websites

Consistent with the findings of 2012, this year's Index confirms that website development will again be a cornerstone of business technology investment in the coming 12 months. Mobile applications ('apps'), while typically viewed as a lower investment priority, tend to be of greater importance among medium and large businesses, as are mobile optimised websites. Delving further into mobile app and optimised website business plans, an element of caution becomes apparent with businesses wary of investing significant funds into a very fast changing technological landscape. Furthermore, perceptions of the tangible returns available from apps appear to be lower than for mobile optimised websites.

When asked which technology areas their business is planning to invest more funds in compared with the previous year, most companies say they are more likely to invest in the enhancement of their websites, followed by social media

as a sales and marketing tool, above staff and workplace mobilisation tools. Mobile applications and mobile optimised websites rank much further down in priority, along with Cloud services. Importantly, the differences by business size are quite pronounced and reflect the varying technology needs of businesses as well as their relative position on the technology adoption curve.

Among large businesses, website development/upgrades was the clear leader of investment focus, followed by workplace mobilisation and mobile and/or tablet apps. Medium businesses appear to be focusing on a broader variety of areas, with website developments/upgrades closely edging out workplace and staff mobilisation and mobile/tablet apps as a core priority. Small and micro businesses are primarily focused on getting their social media offerings operational.

#### Technology areas businesses are planning to invest more in over the next 12 months than in the previous year by business size (top four ranked in brackets)

	Total	Micro businesses	Small businesses	Medium businesses	Large businesses
Website development and upgrades	38%	32% (1)	68% (4)	83% (1)	74% (1)
Social media as a marketing or communications tool	37%	30% (2)	79% (1)	56%	29%
Social media as a sales tool	35%	28% (3)	79% (1)	53%	24%
Staff mobilisation tools i.e. technology that enables staff to work away from the office, at home or remotely	26%	18%	68% (4)	78% (2)	33%
Workplace mobilisation tools i.e. technology that connects staff, systems, suppliers, partners from any location and in real time	25%	17%	68% (4)	73% (3)	46% (2)
Mobile and/or tablet app(s)	23%	22% (4)	14%	57% (4)	38% (3)
Social media as a customer support tool	22%	14%	75% (3)	51%	16%
Mobile and/or tablet optimised website(s)	18%	14%	35%	52%	37% (4)
Cloud services – public, private or hybrid	17%	17%	14%	29%	32%



Apps are nice in theory but they cost a pretty penny to build and maintain – especially as the number of platforms grows. Is the return worth it?

Jeff John Roberts, paidContent, April 2013

**Insight 1: Businesses are wary about creating customised experiences for the multiple smartphone and handheld device formats their customers own.**

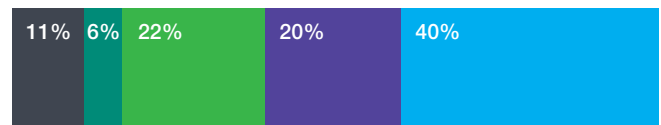
The Index results reflect an apparent business quandary around the area of mobile applications and mobile optimised websites. Given the ever-expanding array of mobile and handheld devices that are flooding the market, and the resultant complexity and expense to business when trying to deliver a standard mobile experience, businesses are becoming more cautious in their approach to funding and managing multiple customised mobile experiences.

- Just over half of all Australian businesses (53%) see mobile apps as relevant to their business while 6 in 10 (60%) see mobile optimised websites as relevant to their business
- 1 in 9 (11%) have a mobile or tablet optimised website
- Just 6% of businesses are in the process of developing a mobile optimised website
- Almost one-quarter (22%) plan to develop a mobile optimised website within 2 years, perhaps suggesting a latent recognition of the benefits for their business
- 1 in 6 (16%) businesses offer all or some products or services via mobile apps
- 1 in 6 (17%) are currently developing or planning to develop a mobile app within 2 years
- Tellingly, one-fifth (20%) of all businesses have no plans to develop either a mobile app or a mobile enabled website.

**Insight 2: Businesses perceive mobile optimised websites deliver the greater tangible return**

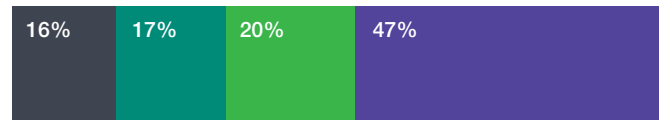
Businesses are largely positive about the ROI for mobile enabled websites, with over 3 in 10 (32%) of those who have an optimised website stating that they are seeing a tangible ROI from their mobile enabled site. More than 6 in 10 (65%) also believe they are experiencing intangible benefits. When it comes to mobile apps however, only 1 in 6 (17%) report a tangible ROI, though by far the majority of businesses (70%) that offer a mobile app say they are seeing some intangible benefit to customers.

**Business uptake of mobile websites**



- Currently have mobile/tablet optimised website
- Do not have optimised website, but in process of developing one
- Do not have optimised website, but planning on developing one within 2 years
- Do not have mobile/tablet optimised website, and not planning on doing so
- Mobile/tablet optimised website not relevant/suitable for our business

**Business uptake of mobile apps**



- Currently offer all/some business services/products via mobile app(s)
- Do not currently offer mobile app(s), but developing one within 2 years
- Do not currently offer mobile app(s), and not planning on doing so
- Mobile apps are not relevant or suitable for our business

**Benefits of investment on mobile optimised websites and mobile apps**

Return on investment	Mobile optimised website	Mobile app
Seeing tangible ROI e.g. increase in sales, profits etc.	32%	17%
Seeing some intangible value but no tangible ROI	65%	70%
Haven't yet seen any value or return but expect to going forward	3%	7%
Haven't seen any return and don't expect to	0%	6%

# Conclusion

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**The Sage Australia Business Index 2013 reveals a business environment that is watchful and concerned about the future performance of the economy, but at the same time taking steps to improve their operations at a mobile level.**

As noted in the 2012 Index, the issues that face Australian businesses are diverse, ranging from ongoing rising costs, continued global macro-economic issues, ongoing structural change in markets and a greater savings-consciousness among consumers. These issues are compounded by the rapid rate of technological development, the continued strong Australian dollar driving down competitiveness, and the peaking mining boom. Four years after the Global Financial Crisis, businesses are continuing to experience a significantly altered business environment, one that is clearly unlikely to change in the short to medium term.

In spite of these prevailing head winds, it is encouraging to see Australian businesses are responding to the once-in-a-generation mobile technology revolution that is occurring, and they are using their new mobility tools to tackle productivity issues head on.

In the 2012 Index, mobile technology emerged as the number one technology priority, spurred on by the rapid growth of the smartphone and tablet markets. The 2013 Index has delved far deeper into this key business trend to shine a light on the variety of ways organisations are using mobility to help drive up productivity levels and ultimately drive down business costs.

It is also heartening to see that many Australian businesses realise the true business value of staff mobility and that they are embracing policies to enable staff to work more flexibly, reinforcing the view of work as an activity rather than a location-based function. So many businesses providing staff mobile access to core business systems in a mobile work force, and moreover seeing a definitive return on their investment, is a demonstration that Australian business is exploring opportunities to open up the labour market and allowing more people to participate in the workforce through the use of technology.

On the subject of mobile applications, the jury still appears to be out. While it cannot be denied that the published consumer statistics demonstrate this is a huge area of growth, businesses appear wary of over-investing in technologies where device formats and associated software continually change. Businesses, simply put, are perhaps more concerned about betting on the wrong horse. In comparison, mobile optimised websites seem to be a safer bet, although investment in this area is not expected to ramp up until 2014 or beyond.

In light of Australia's declining productivity growth<sup>1</sup> over the past decade, it is reassuring to see some Australian businesses trying to use levers within their control, such as technology, to increase their, and thus ultimately the nation's, economic performance.



Australian businesses are responding to the once-in-a-generation mobile technology revolution

<sup>1</sup> <http://www.theaustralian.com.au/national-affairs/treasury/productivity-gap-holding-back-growth-as-survey-ranks-australia-second-last/story-fn59nsif-1226439881599>

# Appendix

## Sample size and weighting approach

State	Population	Sample
NSW/ACT	704,814	119
VIC/TAS	554,184	105
QLD	419,401	62
SA/NT	158,300	51
WA	213,446	64
<b>TOTAL</b>	<b>2,050,145</b>	<b>401</b>

Employee size	Population	Sample
Up to 4 employees	1,727,380	70
5 to 19 employees	233,957	81
20 to 199 employees	89,748	180
200+ employees		70
<b>NET</b>	<b>2,051,085</b>	<b>401</b>

## Industry weighting approach

Industry	Population	Sample
Agriculture, forestry and fishing	203,814	12
Mining	7,948	7
Manufacturing	91,840	27
Electricity, gas, water and waste services	5,570	0
Construction	341,622	19
Wholesale trade	76,300	19
Retail trade	139,611	42
Accommodation and food services	77,107	17
Transport, postal and warehousing	133,265	19
Information, media and telecommunications	17,988	10
Finance and insurance services	149,643	19
Rental hiring and real estate services	217,459	7
Professional, scientific and technical services	231,463	56
Administrative and support services	76,563	6
Public administration and safety	8,050	26
Education and training	23,555	36
Health care and social assistance	92,389	65
Arts and recreation services	27,495	14
Other services	85,471	0
<b>NET</b>	<b>2,007,153</b>	<b>401</b>

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