



Futurecast: Cloud Collaboration

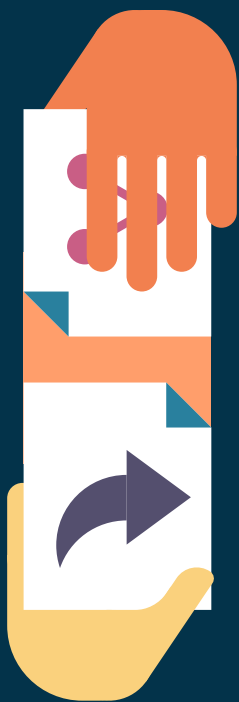
By reducing friction, companies can unlock innovation.

Collaboration tools and solutions constitute what is arguably the most fundamental, diverse and impactful sector of the IT universe. Ranging from email to document sharing to chat, collaboration solutions collectively form the foundation on which all modern organisations run. The emergence of cloud-based variants of these and other collaboration tools has greatly extended their reach and power.

Still, there's evidence that many organisations have yet to tap the full business potential of cloud collaboration tools. The majority of organisations in our latest IDG/Microsoft Futurecast survey use collaboration solutions to meet one of two primary objectives: empowering employees or optimising operations. The tools' ability to reduce friction in how people communicate can dramatically improve workforce productivity, while also increasing operational efficiencies and reducing costs.

A smaller group of companies is pioneering new ground with cloud collaboration, using the tools in pursuit of two other primary objectives: engaging with customers better and transforming their products and services. Instead of focusing on reducing expenses, these organisations appear more interested in using cloud collaboration to drive increased revenue.

All four of these objectives – empowering employees, optimising operations, engaging customers, and transforming products and services – are worthy goals, of course. To get the most benefit out of cloud collaboration solutions, companies should evaluate how to apply them to best achieve each of these ends.



Reducing friction in the way we collaborate

The adoption of cloud-based collaboration solutions is occurring within a broader trend of IT operations moving from on-premises to cloud deployments. The Futurecast survey finds that less than half (44%) of IT infrastructure and application workloads today are in traditional on-premises environments, with the remainder spread across public, private and hybrid cloud data centres. During the next 24 months, that split is expected to shift to just about a third on premises versus two thirds cloud-based.

When asked about the expected impact of cloud collaboration in the coming 12 months, empowering employees (37%) and optimising operations (34%) clearly outdistance customer engagement and product transformation – a nod to the intuitive benefits of sharing information to work more effectively and efficiently [figure 1].



FIGURE 1

The Cloud's Impact on Collaboration

Where will cloud have the biggest impact on collaboration in the next 12 months?



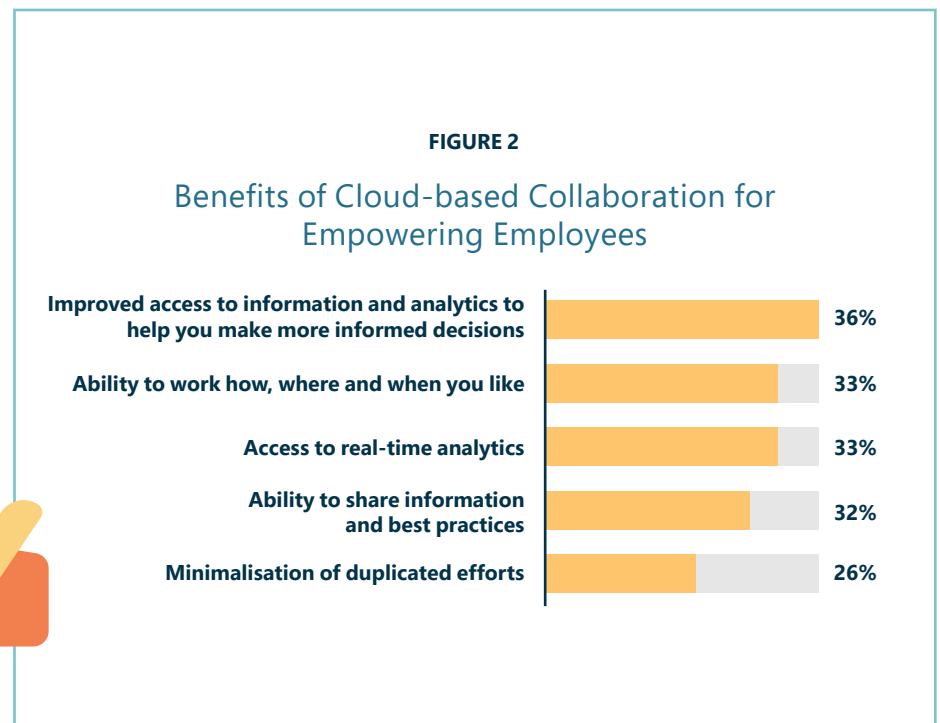
Source: IDG Research Services Futurecast Survey, 2016

Those anticipating either more empowered employees or optimised operations thanks to cloud collaboration are likely to share expectations about the money-saving benefits of cloud computing in general. More than 60% of each of these two groups of respondents say cloud computing will help them save money in the next 12 months, with the remainder saying the cloud will improve their ability to make money.

Danish brewer The Carlsberg Group has realised [employee productivity gains as well as improved operational efficiencies](#) using the collaboration components of Microsoft Office 365 among 40,000 employees in 27 countries. Cloud-based collaboration tools increase the brewer's travelling sales reps' productivity by providing easy access to information from any device. Service technicians who repair draught equipment on-site carry iPads and access data from head office to expedite service calls in the field.

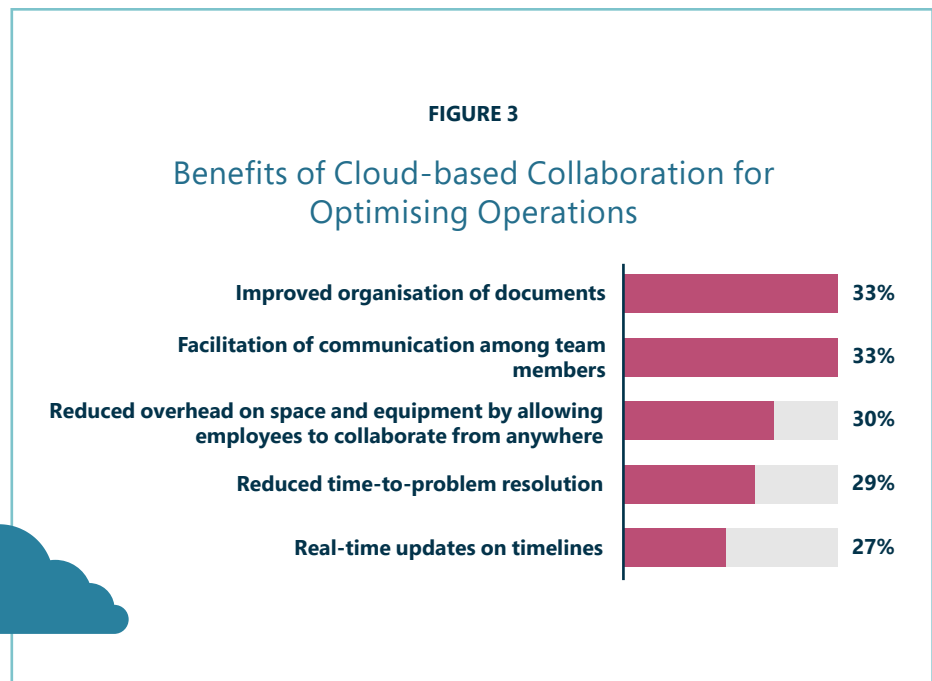
One of the company's major projects to streamline global operations, which resulted in a new business called Global Supply Company, saw a huge boost in efficiency after it deployed Office 365. The Global Supply Company project involved nine markets, developers in India and management in Copenhagen, all working together to create a single organisation overseeing product supply to all markets. Connecting managers and teams across the globe via videoconferencing has helped reduce travel expenses and launch products more efficiently.

Carlsberg’s experience speaks to the potential many respondents see in cloud-based collaboration tools. For example, improved access to information, including real-time analytics, will help employees make more informed decisions. The ability to work how, where and when they like, and still be able to share information and best practices, promises to increase productivity [figure 2].



Source: IDG Research Services Futurecast Survey, 2016

Six in ten respondents agree that cloud-based collaboration is changing the way people work together. Better communications among team members, combined with better organisation of documents and logistical improvements such as reduced overhead (e.g. fewer dedicated meeting rooms required as employees switch to virtual collaboration), hold enormous promise for optimising operations [figure 3]. Nearly two thirds of respondents believe the cloud can facilitate coordination among teams, and 60% agree that cloud-based collaboration enables faster decision making and streamlined workflows.



Source: IDG Research Services Futurecast Survey, 2016

Cloud collaboration horizons: Engaging customers and transforming products

Even as they reap the benefits of using cloud collaboration to empower employees, optimise operations and reduce costs, some companies are tapping these tools for more outward-facing improvements, such as customer engagement and product/service enhancements.

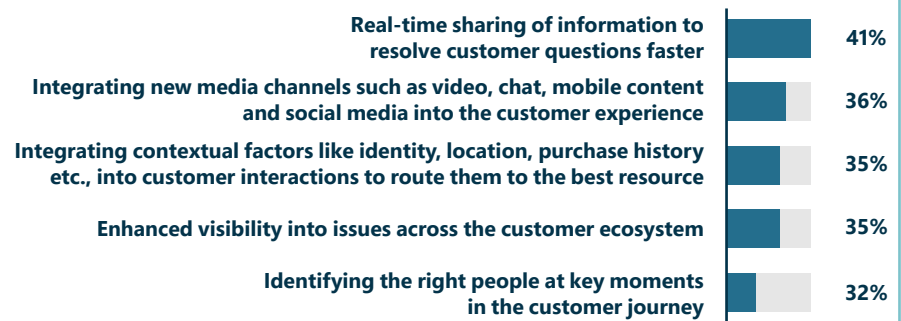
Among the respondents who think cloud collaboration will have the biggest impact on engaging customers, 58% expect to see increased revenues, rather than reduced expenses, as the main financial benefit from the cloud.

Cloud-based collaboration can improve customer engagement in many ways. Survey respondents see the top benefits as real-time sharing of information to resolve customer questions more quickly, integrating new media channels such as video or chat into the customer experience, integrating contextual factors such as identity or location into customer interactions, and enhanced visibility into issues across the customer ecosystem [figure 4].



FIGURE 4

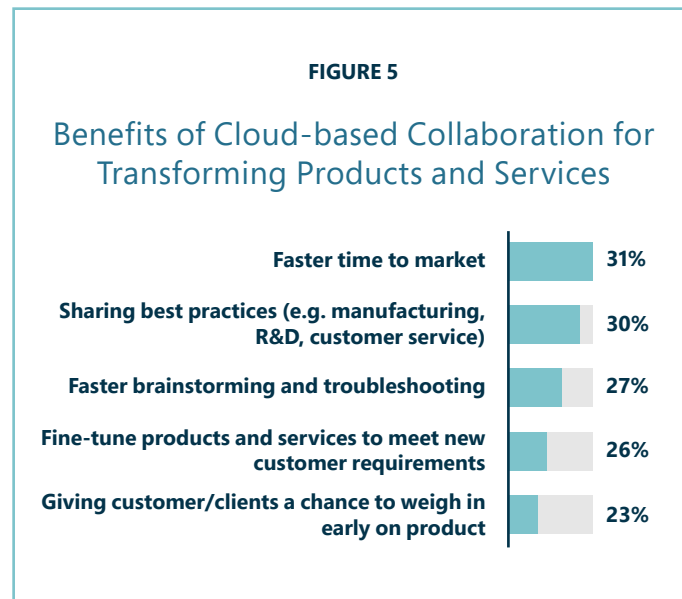
Benefits of Collaboration Tools for Transforming Customer Experience



Source: IDG Research Services Futurecast Survey, 2016

It's clear that improving interactions with customers across various touch points can have a tangible impact across many aspects of an organisation, from customer support to sales and marketing. For example, two thirds of respondents agree that cloud-enabled collaboration tools allow customer-facing employees to get direct feedback and act quicker on customer sentiment and trends. And 65% believe these tools can improve coordination between internal and external partners to drive successful customer outcomes.

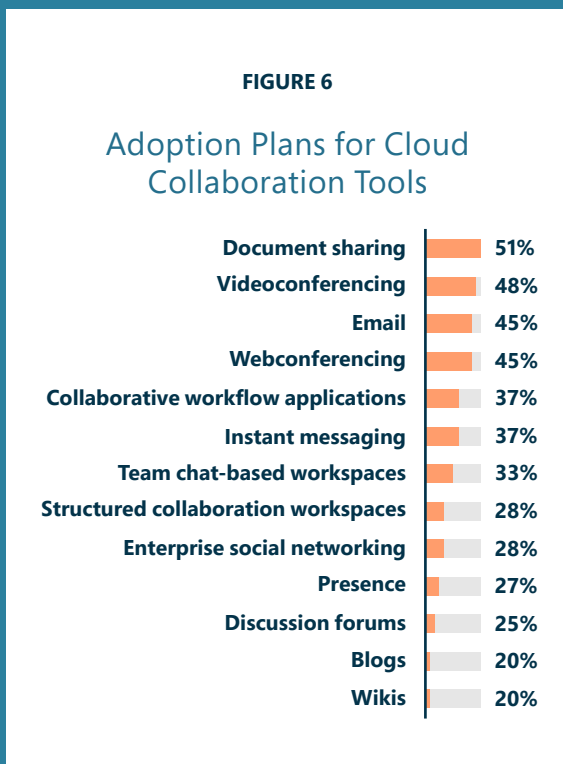
Improved methods of collaboration can also have a tangible impact on product development. Respondents cite faster time to market as a top benefit – and one that has obvious revenue implications. In addition, cloud collaboration tools make it easier to share best practices across different functional groups, such as R&D and customer service, while increasing the pace of brainstorming and troubleshooting [figure 5]. The majority of respondents agree that cloud-enabled collaboration tools can help their businesses localise products and services (57%), tailor enhancements based on customer feedback (56%) and improve product life cycle management (56%).



Source: IDG Research Services Futurecast Survey, 2016

Collaboration tool usage varies

Four categories of cloud-based collaboration tools rise to the top of organisations' deployment plans: document sharing, videoconferencing, email and web conferencing [figure 6]. These are core applications that lay the groundwork for additional tools such as collaborative workflow applications and chat-based workspaces.



Source: IDG Research Services Futurecast Survey, 2016

Deployment plans vary across different groups. For example, among respondents who expect the cloud to positively affect their ability to transform products and services, 53% plan to deploy structured collaboration workspaces – an indication of the shift to open, agile development models.

A positive impact on security

One benefit of cloud collaboration might seem counterintuitive: improved information security. The prospect of moving documents and other information into the cloud has traditionally raised concerns about data security and privacy. But those concerns seem to be diminishing.

Eight in ten respondents believe cloud collaboration tools will have a positive impact on several aspects of information security. For example, 87% believe cloud-enabled tools will improve adherence to their companies' security and compliance framework.

The perception of improved information security via cloud collaboration tools actually makes a lot of sense. The tools themselves have many security controls built in, and their use standardises collaboration processes that are all too often haphazard, sometimes unseen, and possibly poorly managed in many organisations.

The [Renault Sport Formula One Team](#), for one, has realised a number of information security benefits through its adoption of the Microsoft Office 365 E5 suite. A key company objective is to protect its R&D innovations and other trade secrets, even as its employees work and collaborate from different business sites and racetracks around the world.

To achieve this information security, in part, Renault uses SharePoint Online and OneDrive for Business to block email addresses not on an approved white list and prevent accidental sharing of proprietary information. The company also uses advanced threat protection and advanced security management to check email attachments for malicious code and to flag and suspend suspicious online activity to prevent any damage.



Getting the most out of cloud collaboration

The business benefits associated with cloud collaboration are as numerous and diverse as the collection of tools and solutions that exist within this realm of IT. The most obvious of these benefits falls within the core concept of collaboration: empowering employees.

Likewise, reducing the friction of anytime/anywhere employee communication, data sharing and teamwork can generate many operational rewards. Some are fairly obvious, including reduced operational expenses. Others, such as improved information security, are beginning to emerge as these tools are deployed.

Cloud-based collaboration tools are also creating new avenues for delivering better customer experiences – often in real time. Improving customer engagement often ranks at or near the top of the business goals companies cite. Cloud collaboration tools, paired with big data analytics, provide a clear path to realising better business outcomes.

The use of cloud collaboration to help transform products and services is likely to gain traction in the coming years. Whether it's via faster brainstorming and troubleshooting or creating products and services that better match customer needs, cloud collaboration is establishing itself as a key business transformation agent.

To learn more about cloud transformation, visit:

<https://enterprise.microsoft.com>