

Belgian Enterprises IT Departments' Strategy

For the
next 6
months

Has the coronavirus pandemic pushed IT infrastructure to the limit?
Have enterprises sufficiently prepared en masse for a new
'hybrid' way of working for their employees?

It is clear that technology has been at the forefront of how enterprises
have responded to the crisis situation of past months.

Remote working has been embraced, e-commerce initiatives have
popped up on every corner and outside-the-box thinking has become
more important than ever.

This new reality is still evolving, and it will take some time before the
dust settles and the long-term implications become clear.

What about the short term when it comes to IT projects and priorities (i.e. over the next six months)?

To better understand what’s on the agenda of IT departments, Insight Belgium held one-on-one conversations with its customers and conducted an online survey.

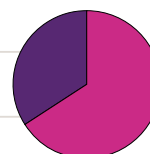
What we learnt

<p>1</p> <p>IT budgets are not being reduced, but closely monitored and optimised.</p>	<p>2</p> <p>Multiple priorities in the IT spending budget are forcing companies to make choices in the short term.</p>	<p>3</p> <p>There is still a lot of room for improvement in how ‘remote working’ is implemented and used.</p>	<p>4</p> <p>The role of IT within companies continues to gain in importance, transitioning from an ‘operational level’ to a more strategic role.</p>
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IT budgets are not being reduced, but closely monitored and optimised.

We learnt from the online survey that two out of three Belgian enterprises have kept IT spending at the same level. It may sound surprising, but the majority of large enterprises plan to keep the IT budget ‘as is’ for the rest of the year, despite a shortfall in revenues.

Two thirds of IT budgets will not be reduced and one third of IT budgets will be less



Most customers confirm that the main focus is on ‘optimising’ the existing or reduced budget. This means that the budget is being scrutinised down to the very last detail: priorities might change or more needs be covered with the same budget.

Past research by Insight (Insight Intelligent Technology Index, 2019) revealed that there is quite some room for ‘optimisation’. Take ‘cloud services’, for instance, for which research has shown that a third of the cloud budget is wasted on ‘unused’ cloud services.

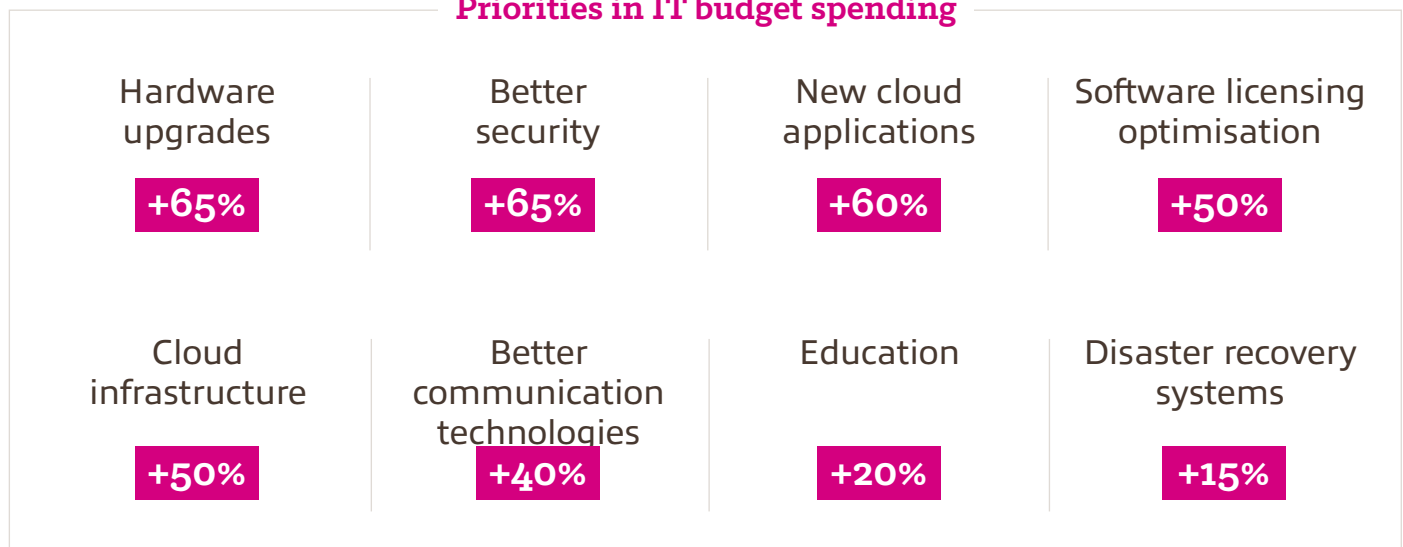
Conducting a thorough analysis and using the right tools enables organisations to optimise cloud usage and software licensing so that they only pay for the services they actually use.



Multiple priorities in IT spending budgets are forcing companies to make choices in the short term.

When asked how the IT budget would be spent in the short term, two areas emerged as top priorities: updating hardware for employees and better security. While the latter comes as no surprise, it is clear that the 'new normal' of remote working has initiated a frenetic pace to upgrade mobile devices, screens, etc.

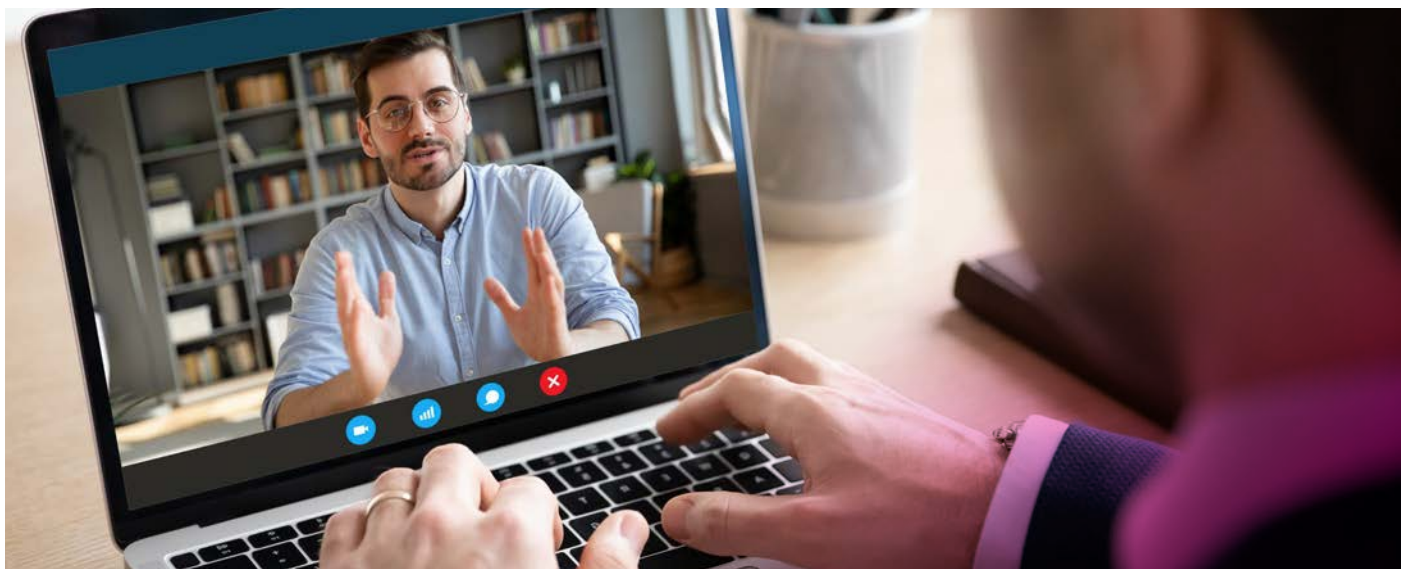
Priorities in IT budget spending



The pandemic has accelerated the long-brewing shift from an on-site to a dispersed workforce and has forced companies to reckon with their technology shortfalls. The list of priorities is impressive. From the one-on-one conversations held with customers, we learned that 'business resilience' is key. The COVID-19 pandemic has irrevocably changed the way businesses everywhere operate, crystallising the link between a robust IT infrastructure and business continuity. All this means that **'securing the business' and 'workforce agility' are now key drivers in selecting the areas for IT investment.**

For example, a large enterprise with headquarters in three different regions was looking for solution to scale up its remote connectivity capacity. All of a sudden, this desire became an emergency. Like many other organisations, the company faced the challenge of enabling its employees to work remotely due to the pandemic.

In a short period of time, Insight introduced Windows Virtual Desktop (WVD) as a secure and high-level cloud solution.



There is still a lot of room for improvement in how ‘remote working’ is implemented and used.

By government decision, almost everyone was forced to start working from home overnight. The overwhelming majority – 65% – of employees of large enterprises were still working from home at the end of August.

What have been the most pressing IT challenges during this time?

Three frequently cited issues:

- People are not properly trained to use remote working applications.
- Network issues have hampered a smooth and seamless collaboration.
- There are not enough software licenses that allow/enable remote working.

Most company policies for remote working were drafted years ago (i.e. when remote working was ‘tolerated’, but not encouraged). The pandemic has changed all that.

At Insight, the digital transformation has been a fact for some time now – in terms of hardware, software, motivation techniques and workplace. When the government announced such measures as social distancing and working from home, Insight Belgium took immediate action. This was possible because Insight employees were fully prepared to telework efficiently. In fact, it has been quite a while since there were fixed workstations in Insight offices, where remote working was already a reality.

More than

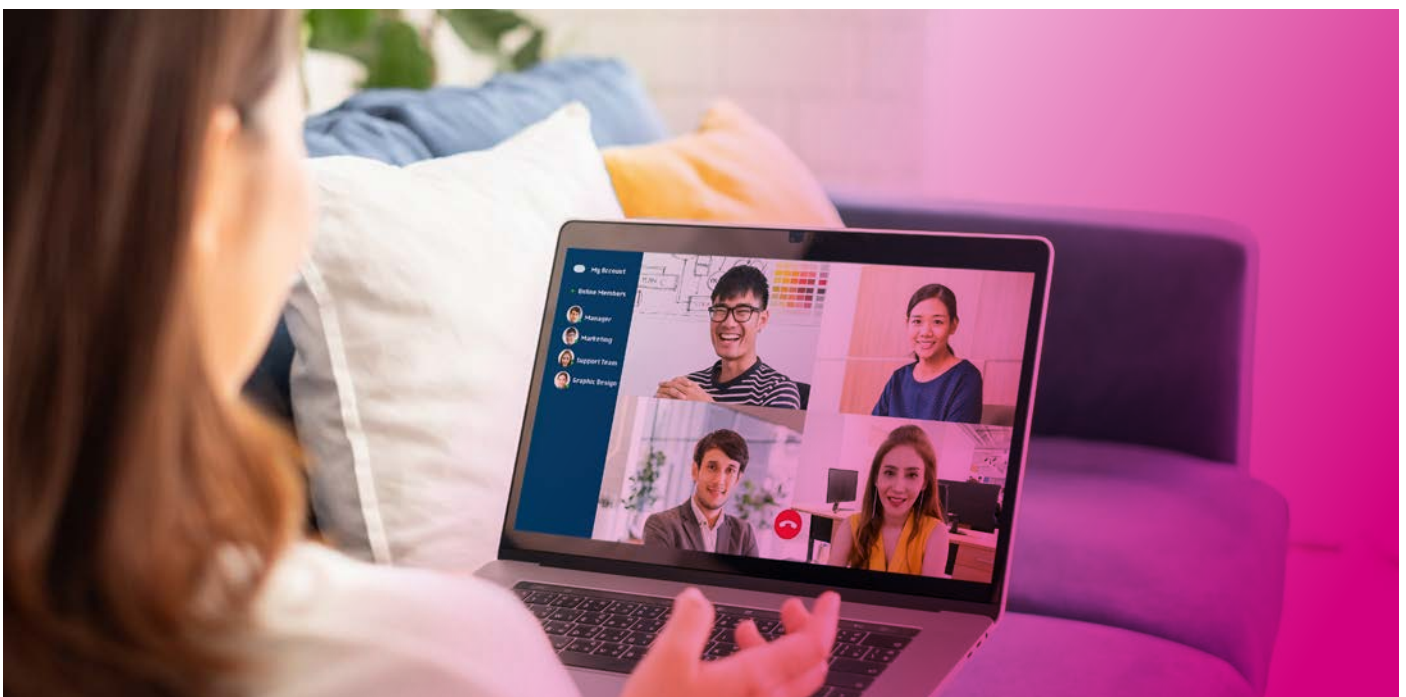
70%

of respondents indicated that their company’s remote working policy will be adapted to make it easier to work from home or from any remote location.



Learning from the pandemic experience of the past months, Insight has three tips for other organisations:

- 1 Ensure a functional and uniform digital working environment.
- 2 Structure the day and provide guidance to your employees.
- 3 Train your managers in remote leadership.



The role of IT within companies continues to gain in importance, transitioning from an 'operational level' to a more strategic role within the organisation.

As the pandemic created a major change in how we work together and how we do business (e.g. brick-and-mortar store vs e-commerce), all eyes were on the IT department. How well would the IT department be able to handle the 'new', 'unexpected' and unprecedented changes to working and conducting business? Now that the initial 'shocks' have been absorbed, how does management view the role of IT?

The survey found that the IT department and IT function have gained in importance at the top level.

How important a role does IT currently play in your organisation?

Much more important

15%

Somewhat more important

50%

No change

25%

Insight has witnessed the evolution of the role of IT for quite some time now. This is because the digital transformation of organisations was already gaining momentum before the pandemic hit. The biggest difference is that the pandemic has accelerated the digital transformation. But there is still a way to go. Although the importance of IT is becoming increasingly obvious, in many organisations, IT is still treated as a utility, rather than a business enabler. The lack of business KPIs for the IT department is, in many cases, dampening new technology initiatives and digital innovation projects that would enable future business success.

But Insight's Intelligent Technology Index 2019 report did, however, highlight the need for caution when it comes to digital innovation projects. IT managers and CIOs expressed a concern that IT is being set up for failure as it takes on greater responsibility for transformational projects, while still keeping core systems running effectively. Unless a change takes place in corporate culture, with responsibility for digital innovation truly shared across the business, this trend is likely to continue.

Methodology

Insight conducted a survey among large enterprises in Belgium to better understand the short-term effects that the coronavirus pandemic has had on IT budgets and priorities. The findings originate from two sources: firstly, an online survey of IT professionals working at organisations with 250+ employees in Belgium conducted by market research company M.A.S. between July 2020 and August 2020 and, secondly, numerous conversations with the IT managers/CIOs of those organisations.

About Insight

Today, every business is a technology business. Insight Enterprises Inc. empowers organisations of all sizes with Insight Intelligent Technology Solutions™ and services to maximise the business value of IT. As a Fortune 500-ranked global provider of Digital Innovation, Cloud + Data Centre Transformation, Connected Workforce, and Supply Chain Optimisation solutions and services, we help clients successfully manage their IT today while transforming for tomorrow. From IT strategy and design to implementation and management, our 11,000 teammates help clients innovate and optimise their operations to run business smarter. Discover more at be.insight.com.

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