M247 Trends

Exploring the relationship between IT providers and end users

Where the lines blur into an extended team

In a data-hungry always connected world it's no surprise we have seen a proliferation of cloud-enabled services and applications. Latest figures suggest 30% of all IT budgets are already allocated to cloud computing, a trend that is set to continue growing.

We wanted to know what happens when the complexity of the IT ecosystem and infrastructure is more developed than in-house teams can comfortably manage.

We asked 501 IT decision makers

In a recent YouGov poll M247 asked IT decision makers how they plan in an ever-changing IT landscape and what the key factors affecting their decisions are.
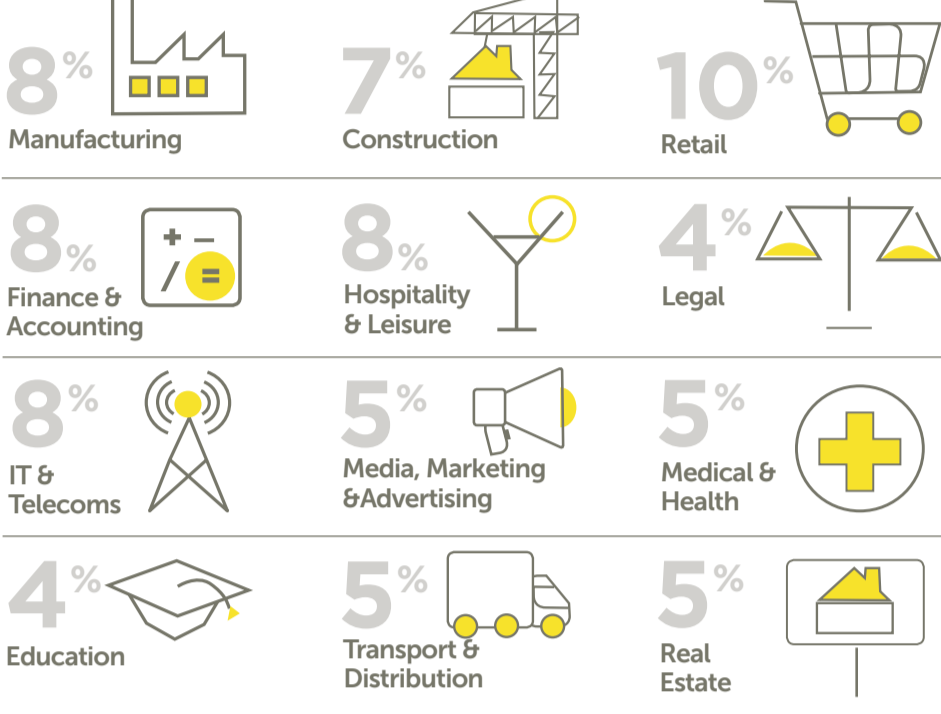
91% SME <249 employees

9% Enterprise >250 employees
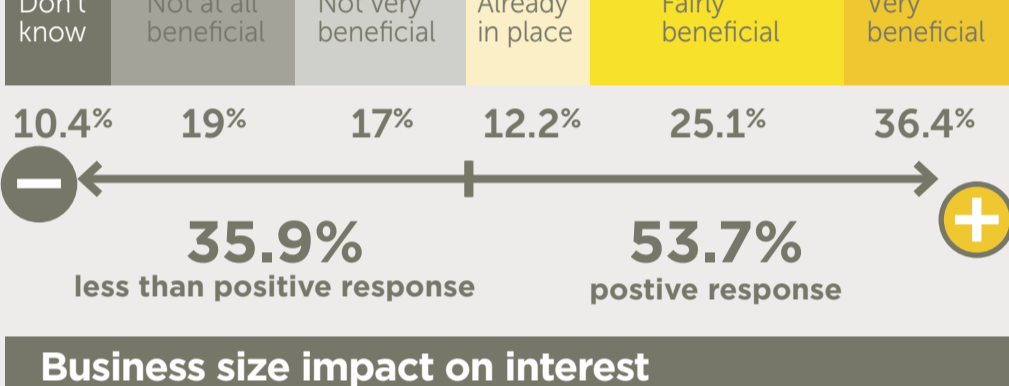
Covering a whole spectrum of industries

- 8% Manufacturing
- 7% Construction
- 10% Retail
- 8% Finance & Accounting
- 8% Hospitality & Leisure
- 4% Legal
- 8% IT & Telecoms
- 5% Media, Marketing & Advertising
- 5% Medical & Health
- 4% Education
- 5% Transport & Distribution
- 5% Real Estate

20% polled were from other miscellaneous industries

What we found

Interest levels in team extension

We asked IT decision makers how beneficial, IT service providers who acted as an extension to the internal team were:

Don't know	Not at all beneficial	Not very beneficial	Already in place	Fairly beneficial	Very beneficial
10.4%	19%	17%	12.2%	25.1%	36.4%

35.9% less than positive response

53.7% positive response

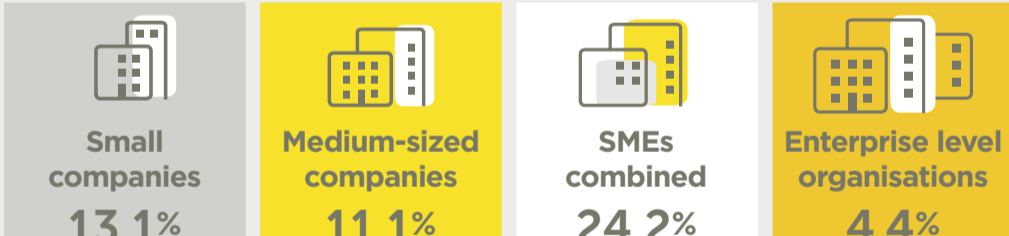### Business size impact on interest

Whilst businesses of all sizes showed interest in the concept of an IT service provider-led team extension, Enterprise level organisations demonstrated greater levels of support for this idea.

Small companies
Very beneficial 13.4%
Fairly beneficial 21.4%
Positive **34.8%**

Medium-sized companies
Very beneficial 24.4%
Fairly beneficial 40%
Positive **64.4%**

SME Combined
Very beneficial 14.5%
Fairly beneficial 23.2%
Positive **37.7%**

Enterprise Level Organisations
Very beneficial 35.6%
Fairly beneficial 44.4%
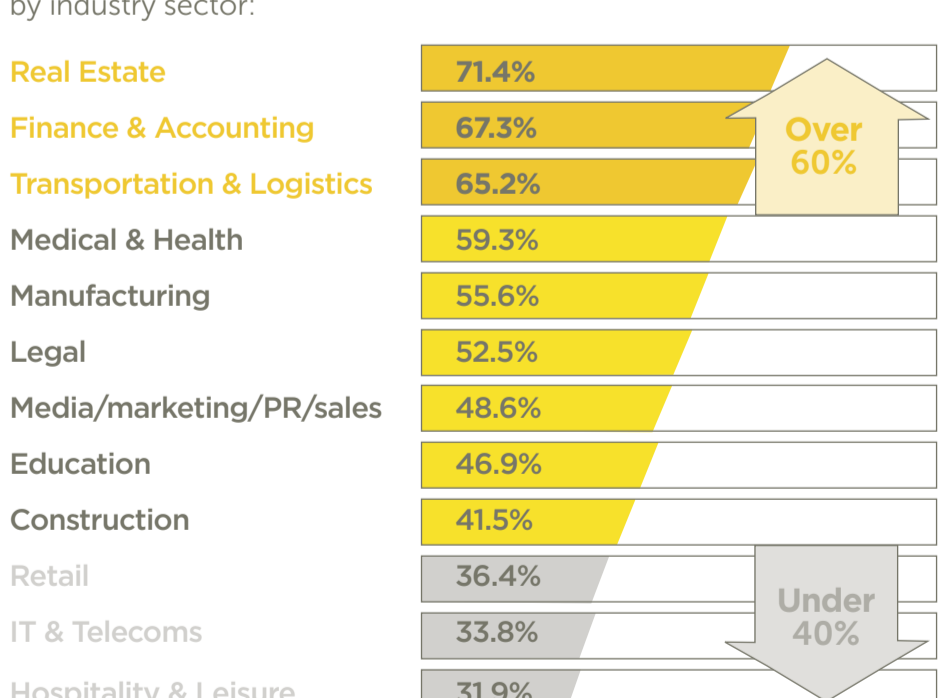Positive **80.0%**

SMEs already taking the lead

The reason why enterprise level organisations were more interested in this idea than SMEs, is because SMEs are already leading the way utilising IT service providers as part of an extended team.

Businesses that already using IT service providers as an extension to their internal team:
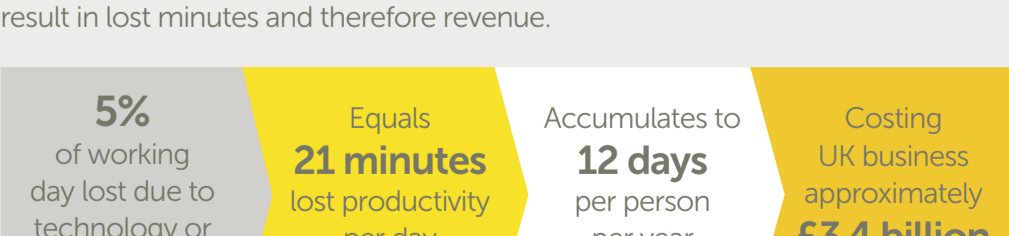
Small companies	Medium-sized companies	SMEs combined	Enterprise level organisations
13.1%	11.1%	24.2%	4.4%

Industry sector also impacted interest

We found that positive response to this idea varied significantly by industry sector:

Sector	%
Real Estate	71.4%
Finance & Accounting	67.3%
Transportation & Logistics	65.2%
Medical & Health	59.3%
Manufacturing	55.6%
Legal	52.5%
Media/marketing/PR/sales	48.6%
Education	46.9%
Construction	41.5%
Retail	36.4%
IT & Telecoms	33.8%
Hospitality & Leisure	31.9%

Over 60%

Under 40%

Why this is so important

Unseen costs to business

In a recent Probrand survey of 1,137 workers , they found IT problems quickly result in lost minutes and therefore revenue.

5% of working day lost due to technology or connection issues

Equals **21 minutes** lost productivity per day

Accumulates to **12 days** per person per year

Costing UK business approximately **£3.4 billion**

The IT skills gap

As businesses become ever more technology driven and dependant, some organisations and sectors are feeling the impact of the IT Skills Gap more than others. And with greater priority being placed upon IT driven strategies such as digital transformation, unified communications and cloud integration, the demand on IT teams is ever growing.

In conclusion, more and more organisations will therefore look for strong IT partners who offer not only simple products provision but a solution orientated relationship that adds value.