The Move to Practical

Pandemic-Based IT Priority Shifts: A Survey Report

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Purpose and Methodology

Determine Impact of COVID-19 Pandemic on IT Priorities and Spending

· What's Changed?

· Will Work Environments Be Different?

· How Is App Type Mix and Cloud Usage Shifting?

· Are Communications Options Evolving?

· What Shifts Have Occurred in Device Purchases and Policies?

Online survey of 607 US-based IT Decision Makers on Evolving IT Strategies

· Medium and Large Businesses

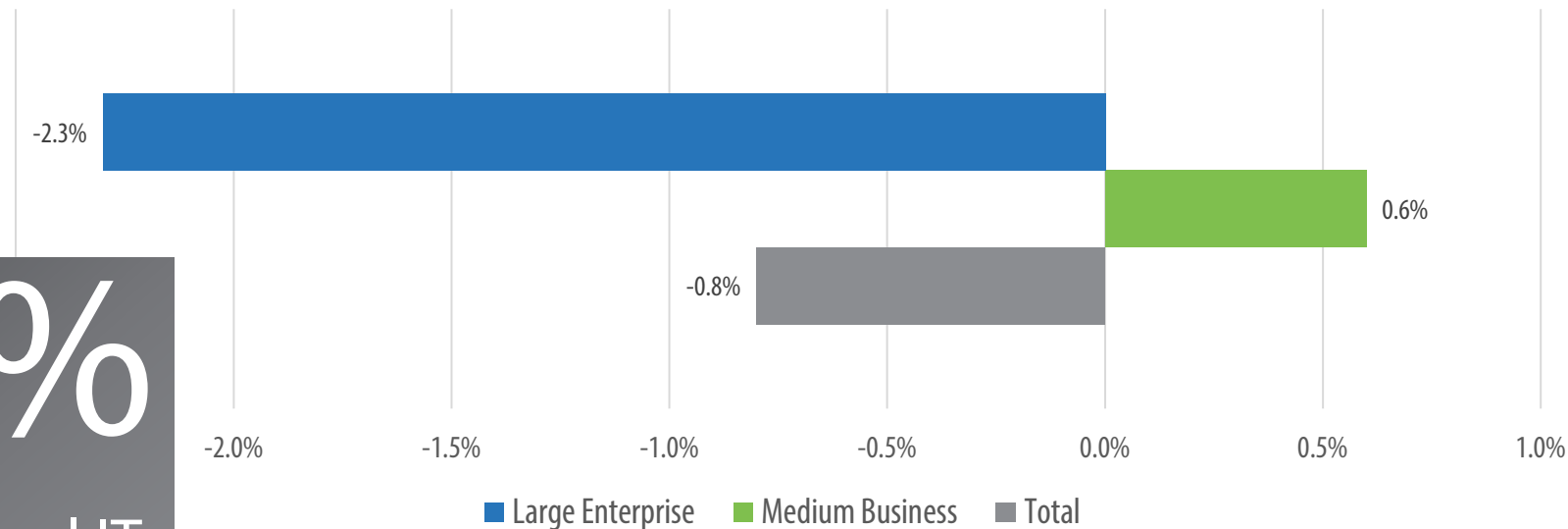· Over 6,400 in initial sample

· Survey fielded June 2020

What's Changed in IT Since the Pandemic Hit?

- The COVID-19 pandemic has forced IT organizations to essentially throw out their old rule books and start looking at all potential tools with a fresh set of eyes

- Eagerness to embrace new technologies has increased and a willingness to revisit older technologies has also grown

- The result is an environment where strategic and spending priorities have evolved, though not radically shifted, but companies are looking to make changes for the longer term

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Strategic Importance Changes From Beginning of Year to Present

Category	Delta
Laptop PC Purchases	5.4%
Mobile Work Enablement	3.5%
Disaster Recovery	1.9%
Hybrid Cloud Usage	1.3%
Modernizing Legacy Applications	1.0%
Private Cloud Usage	0.5%
AI/Machine Learning	0.5%
Public Cloud Usage	-0.5%
Security	-3.9%
IoT Initiatives	-4.5%
Edge Computing	-5.2%
Data Center Modernization	-5.6%
Data Center Migration	-5.6%
Automation	-6.7%
Customer Experience	-9.3%
Private Cellular Network	-9.6%

Deltas

Need-to-Have Priorities Increased, While Nice-to-Have Priorities Declined

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Laptops Now Surpass Cloud as Top IT Strategic Priority

Importance Ratings

- Laptop PC Purchases
- Private Cloud Usage
- Hybrid Cloud Usage
- Public Cloud Usage
- Modernizing Legacy Applications
- Security
- Automation
- Disaster Recovery/Contingency Planning
- Data Center Modernization
- AI/Machine Learning
- Data Center Migration to Hosted or Public Cloud
- Mobile Work Enablement
- IoT Initiatives
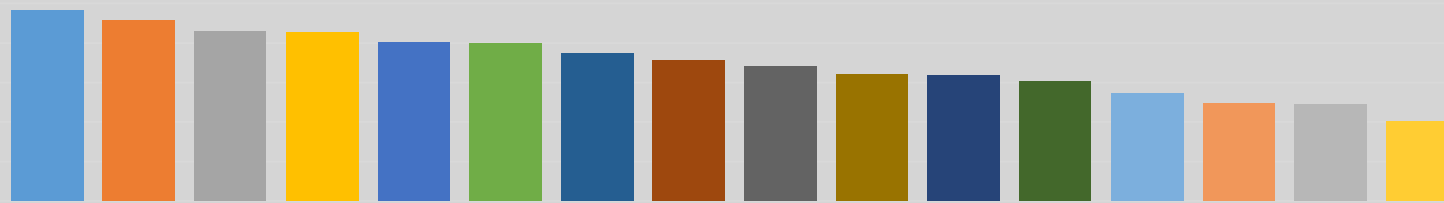- Customer Experience
- Edge Computing
- Private Cellular Network

• While likely transient in nature, laptops are the top concern in the current pandemic era, though the move to various types of cloud computing models and associated app modernization efforts are still critical

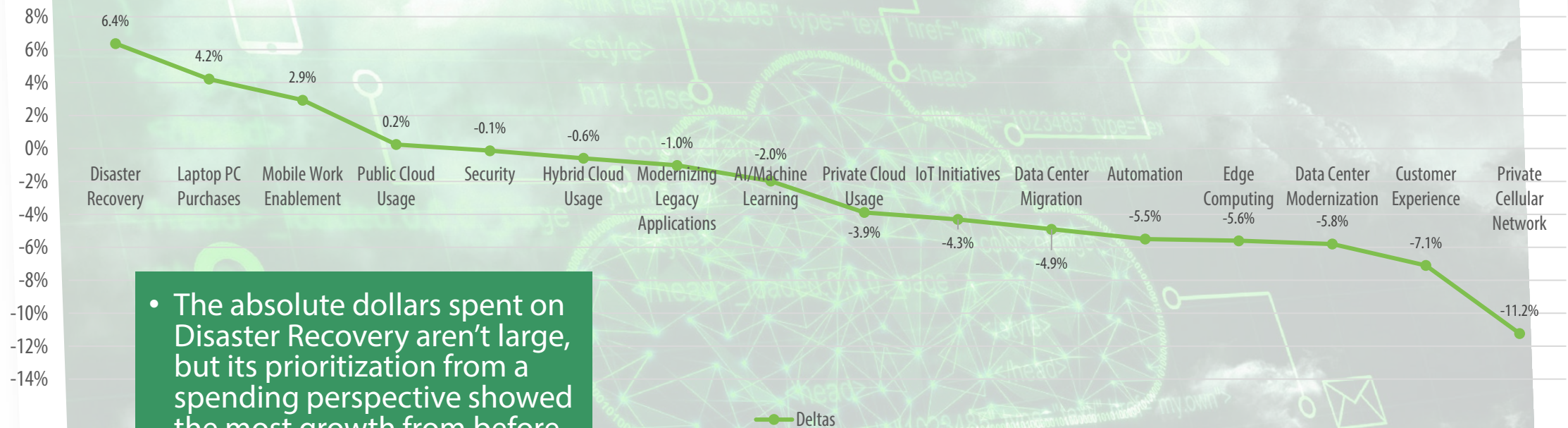# Laptops Also Ahead of Public Cloud in Spending

Spending Ratings

Legend:
- Laptop PC Purchases
- Public Cloud Usage
- Hybrid Cloud Usage
- Security
- Private Cloud Usage
- Modernizing Legacy Applications
- Disaster Recovery/Contingency Planning
- Automation
- Data Center Modernization
- AI/Machine Learning
- Data Center Migration to Hosted or Public Cloud
- Mobile Work Enablement
- IoT Initiatives
- Customer Experience

- Private Cloud may be considered more strategically important, but Public Cloud still ranks as the type companies spend the most on

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Spending Importance Shift Post Pandemic

Spending Ranking Changes From Beginning of Year to Present

Category	Delta
Disaster Recovery	6.4%
Laptop PC Purchases	4.2%
Mobile Work Enablement	2.9%
Public Cloud Usage	0.2%
Security	-0.1%
Hybrid Cloud Usage	-0.6%
Modernizing Legacy Applications	-1.0%
AI/Machine Learning	-2.0%
Private Cloud Usage	-3.9%
IoT Initiatives	-4.3%
Data Center Migration	-4.9%
Automation	-5.5%
Edge Computing	-5.6%
Data Center Modernization	-5.8%
Customer Experience	-7.1%
Private Cellular Network	-11.2%

— Deltas

- The absolute dollars spent on Disaster Recovery aren't large, but its prioritization from a spending perspective showed the most growth from before the pandemic to the present
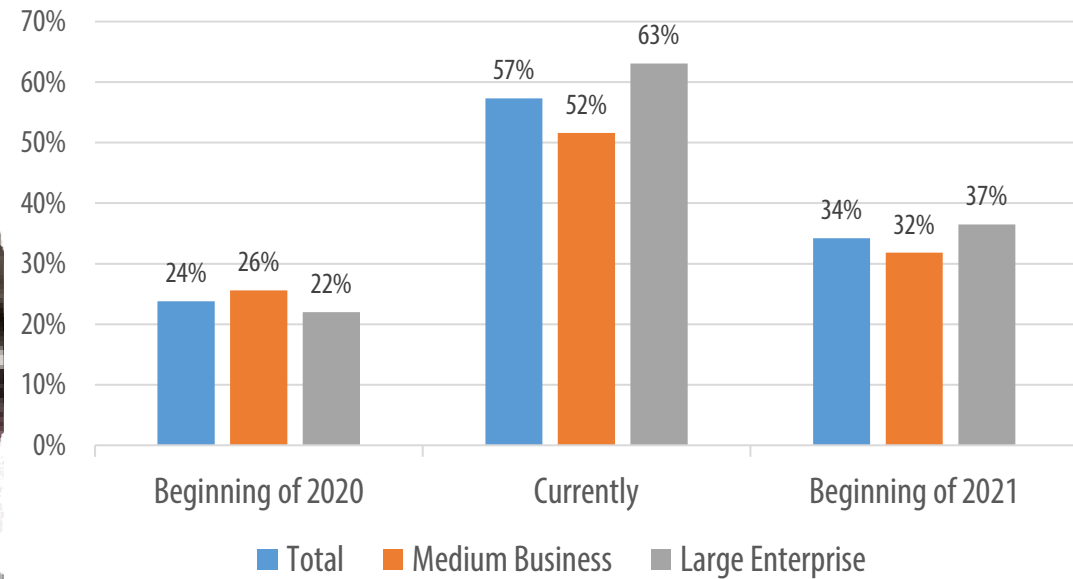
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New Work from Home Reality

At Home Employees

	Beginning of 2020	Currently	Beginning of 2021
Total	24%	57%	34%
Medium Business	26%	52%	32%
Large Enterprise	22%	63%	37%

Total — **Medium Business** — **Large Enterprise**

- Large enterprises expect to have more people working from home next year, impacting their need for office space

Expenses Supported by More Than 50% of Companies

- Laptop PC
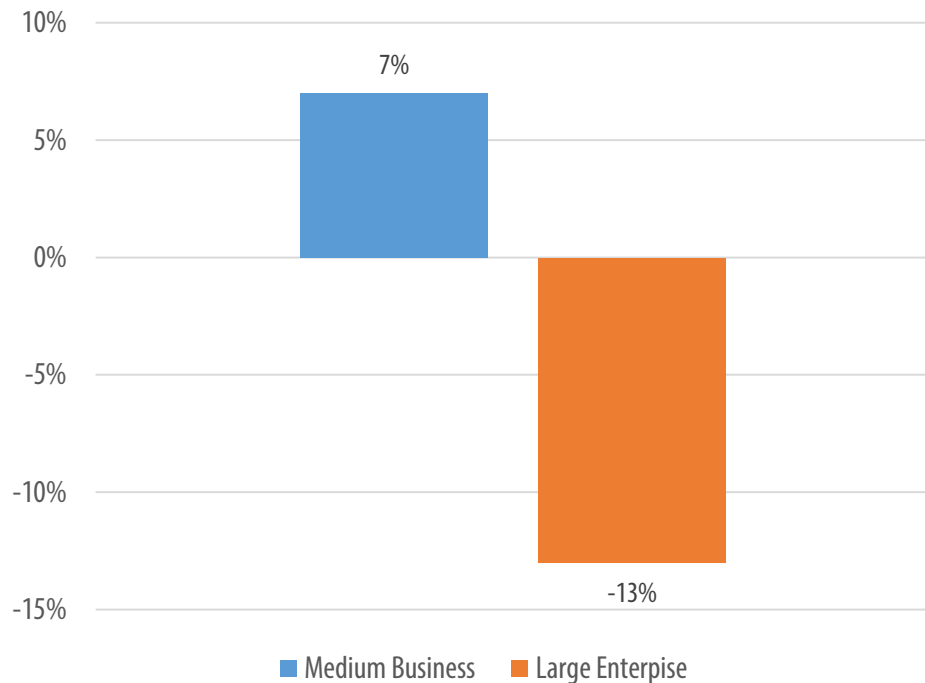- Smartphone
- Desktop PC
- PC Peripherals
- Broadband Internet

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Real Estate Reallocation

Office Space Shift

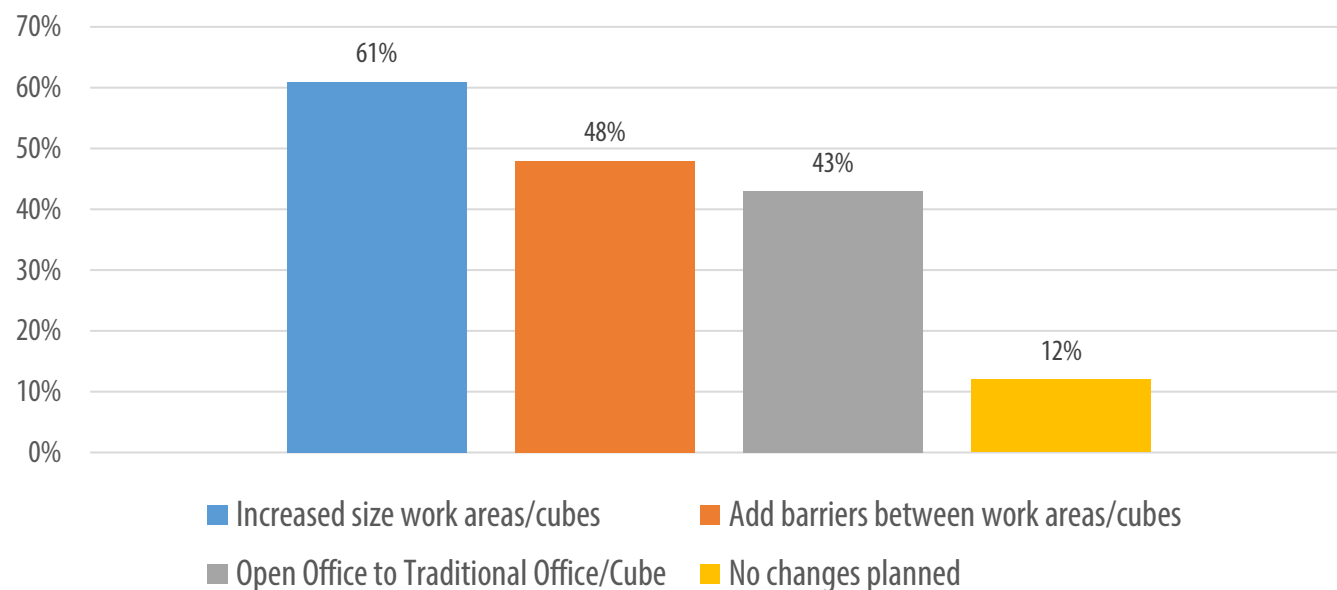|	
10%	
5%	7%
0%	
-5%	
-10%	
-15%	-13%

■ Medium Business   ■ Large Enterpise

- Large enterprises expect to use less office space moving forward but medium companies are expecting to get more to accommodate extra room for employees

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Big Changes Coming to Work Environments

Office Environment Changes

61%
48%
43%
12%

70%
60%
50%
40%
30%
20%
10%
0%

- Increased size work areas/cubes
- Add barriers between work areas/cubes
- Open Office to Traditional Office/Cube
- No changes planned

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88%

Expect Changes to Offices

Connectivity is Also Key

Planned Shifts in Connectivity Options

- **Adding Private 5G** — 53%
- **More WiFi hotspots** — 51%
- **Upgrading to WiFi6/6E** — 47%
- **Adding Private LTE** — 44%
- **Supporting/Upgrading Employee Cellular Data** — 28%
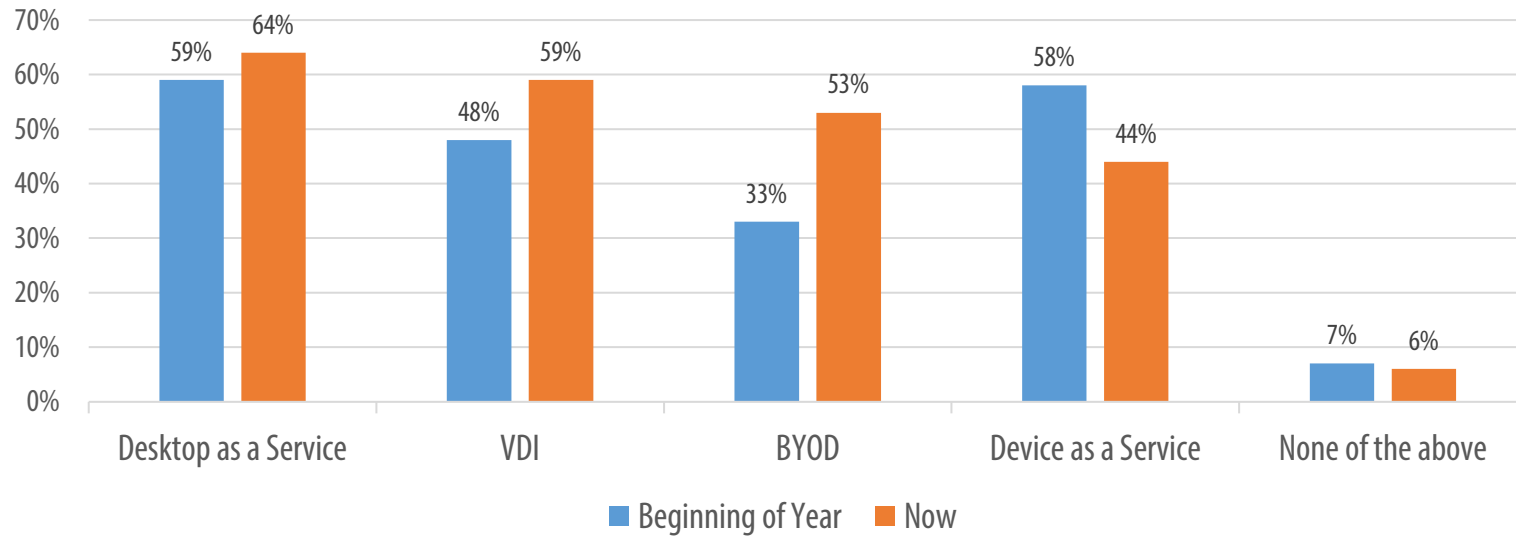- **No changes planned** — 12%

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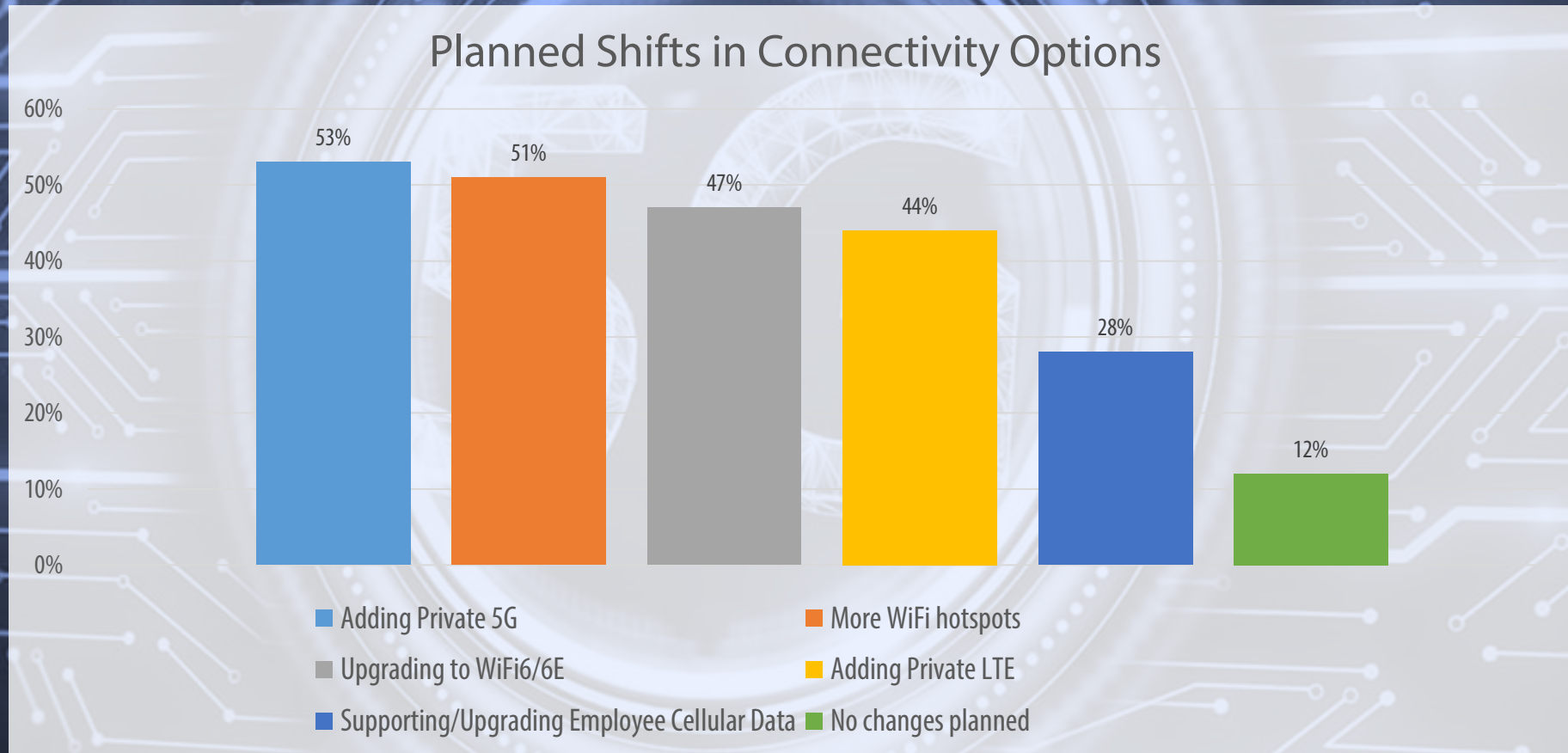
PC Client Acquisition and Usage Strategies Evolving

Shift in Client Deployment Options

	Desktop as a Service	VDI	BYOD	Device as a Service	None of the above
Beginning of Year	59%	48%	33%	58%	7%
Now	64%	59%	53%	44%	6%

■ Beginning of Year ■ Now

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App Modernization Moving Slowly
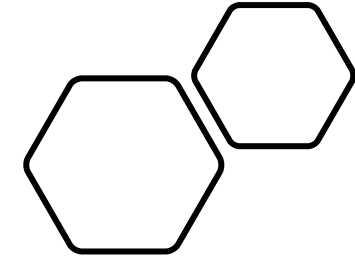
Expected App Split Beginning of 2021

- 23% Cloud-based SaaS
- 20% Modern Apps in Public Cloud
- 16% Modern Apps in Private, Hybrid or Hosted Cloud
- 16% Legacy Apps on Premise
- 13% Legacy Apps Migrated to Private/Hybrid Cloud
- 12% Legacy Apps Migrated to Public Cloud

Legend
- ■ Cloud-based SaaS
- ■ Modern Apps in Public Cloud
- ■ Modern Apps in Private, Hybrid or Hosted Cloud
- ■ Legacy Apps on Premise
- ■ Legacy Apps Migrated to Private/Hybrid Cloud
- ■ Legacy Apps Migrated to Public Cloud

App Type Shift

Year	Modern	Legacy
2020	55%	45%
2021	59%	41%

■ Modern ■ Legacy

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Vendor Support Needed

Top Requested Support from Tech Vendors

Percentage	Category
70%	Software modernization efforts
62%	Connectivity modernization efforts
61%	Remote access/Work from home best practices
48%	Hardware modernization efforts
46%	In-depth consulting support
30%	Basic tech support
29%	Extended payment options
11%	Financial support via loans, etc.

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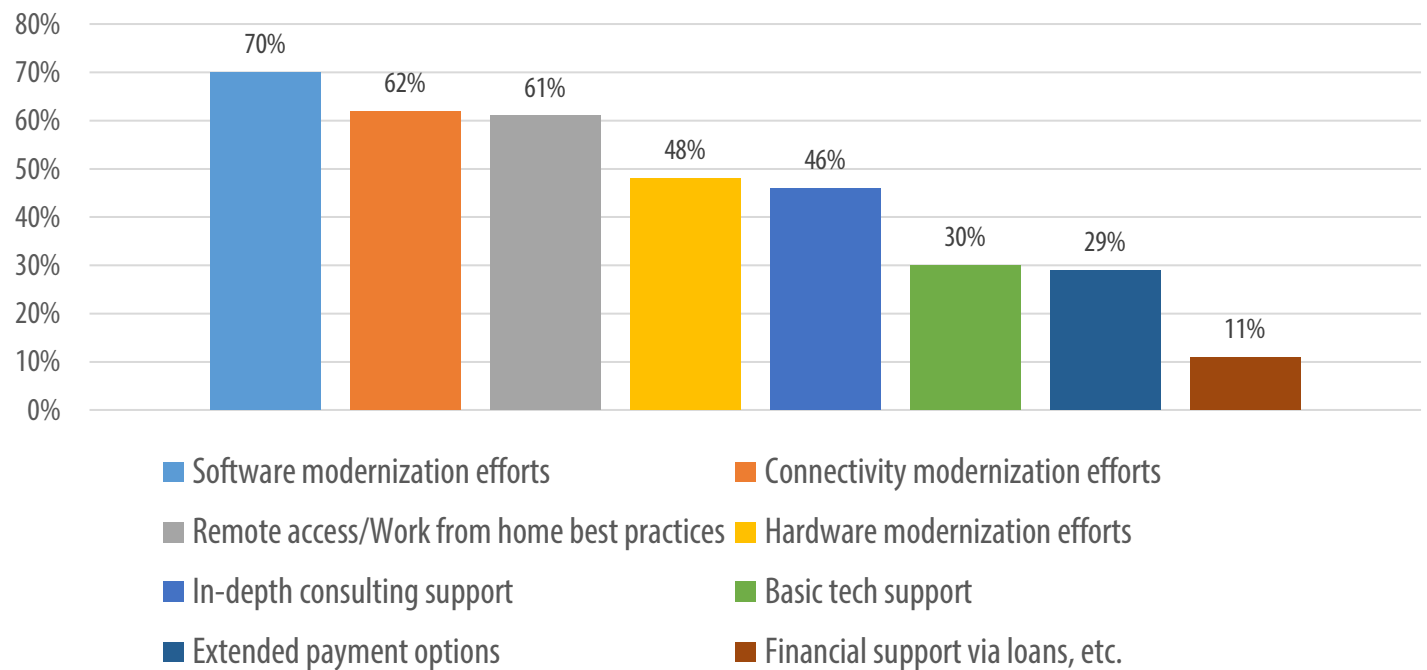
Final Thoughts

- The impact of the pandemic is proving to be much different and much more nuanced than many first expected
  - Companies are clearly embracing efforts to modernize their IT and digitally transform as quickly as possible, but it can't happen overnight

- IT-related efforts are understood to be essential, but there's a shift in priorities from nice-to-have to need-to-have
  - For now at least, PCs and connectivity options are absolutely critical

- Cloud-based computing models and app modernization are still high priorities, but these efforts take time

- Work environments will change dramatically, and work-from-home numbers will remain very large for some time

- Like it or not, companies are having to transform their IT operations to survive in the post-pandemic era
  - The end result will be more aggressive adoption of advanced technologies and opportunities for vendors to provide even more value to their customers

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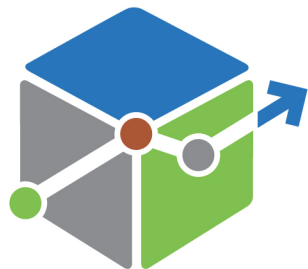TECHnalysis Research, LLC

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