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
Pandemic-Driven Budget Shifts Are Smaller Than Anticipated

- Despite initial economic concerns, IT budgets declined only modestly in large enterprises, while IT budgets grew for medium-sized businesses.

Average Annual IT Budget Increase Expected for Year
Need-to-Have Priorities Increased, While Nice-to-Have Priorities Declined
Laptops Now Surpass Cloud as Top IT Strategic Priority

- 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

Private Cloud may be considered more strategically important, but Public Cloud still ranks as the type companies spend the most on.
Spending Importance Shift Post Pandemic

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

- Large enterprises expect to use less office space moving forward but medium companies are expecting to get more to accommodate extra room for employees.
Big Changes Coming to Work Environments

88% Expect Changes to Offices

Office Environment Changes

- Increased size work areas/cubes: 61%
- Add barriers between work areas/cubes: 48%
- Open Office to Traditional Office/Cube: 43%
- No changes planned: 12%
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%

Connectivity is Also Key
### PC Client Acquisition and Usage Strategies Evolving

<table>
<thead>
<tr>
<th>Client Deployment Options</th>
<th>Beginning of Year</th>
<th>Now</th>
</tr>
</thead>
<tbody>
<tr>
<td>Desktop as a Service</td>
<td>59%</td>
<td>64%</td>
</tr>
<tr>
<td>VDI</td>
<td>48%</td>
<td>59%</td>
</tr>
<tr>
<td>BYOD</td>
<td>33%</td>
<td>53%</td>
</tr>
<tr>
<td>Device as a Service</td>
<td>58%</td>
<td>44%</td>
</tr>
<tr>
<td>None of the above</td>
<td>7%</td>
<td>6%</td>
</tr>
</tbody>
</table>

**Shift in Client Deployment Options**

- **Desktop as a Service**: Decreased from 59% to 64%.
- **VDI**: Increased from 48% to 59%.
- **BYOD**: Increased from 33% to 53%.
- **Device as a Service**: Decreased from 58% to 44%.
- **None of the above**: Increased from 7% to 6%.

*Source: technalysis RESEARCH*
App Modernization Moving Slowly

Expected App Split Beginning of 2021

App Type Shift

- 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

- 2020: 45% Modern, 55% Legacy
- 2021: 41% Modern, 59% Legacy
Vendor Support Needed

Top Requested Support from Tech Vendors

- Software modernization efforts: 70%
- Connectivity modernization efforts: 62%
- Remote access/Work from home best practices: 61%
- Hardware modernization efforts: 48%
- In-depth consulting support: 46%
- Basic tech support: 30%
- Extended payment options: 29%
- Financial support via loans, etc.: 11%
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
A copy of the complete 75-slide report is available for purchase. Please contact bob@technalysistrsresearch.com for pricing details.