22% of business IT spend is done outside the IT department - blueAPACHE

Canonical:
https://www.blueapache.com/blog/22-of-all-business-spending-on-it-is-being-done-outside-of-the-it-department-2

Details:

Summary

This blog post, "22% of business IT spend is done outside the IT department", is a blueAPACHE article from 2015 covering cloud. Australian technology analyst firm Telsyte has released data that shows 22% of all business spending on IT is being done outside of the IT department. It is written for readers evaluating emPOWER Cloud, blueAPACHE Store. Published in 2015. Figures, product names and event details reflect that time; for current information see the linked service pages.

Key facts

Label	Value
Publication year	2015
Topic	22% of business IT spend is done outside the IT department
Services referenced	emPOWER Cloud, blueAPACHE Store
Named products or vendors	None named beyond blueAPACHE

Article

Australian technology analyst firm Telsyte has released data that shows 22% of all business spending on IT is being done outside of the IT department. According to the Telsyte Australian Digital Workplace Study 2015; Australian businesses are undergoing a new wave of disruption as a combination of new technology, remote working, online services and business unit technology spending are changing traditional IT spending and strategies. Telsyte senior analyst Rodney Gedda explained that lines of business now have greater access to software and solutions delivered as a Service, making it easier for them to acquire the tools they need without having to engage IT. This reflects the trend seen at blueAPACHE over recent years. Chris Marshall, Managing Director at blueAPACHE said “As the acquisition of IT becomes easier, more business units are leveraging IT as a Service (ITaaS) to rapidly deploy solutions that help them better achieve the results they are accountable for.

“Traditionally, accessing new technology involved business case analysis, vendor diligence, budgeting, impact analysis and resourcing processes that could take the IT department months or years. Today, under the ITaaS model, it takes a fraction of that time.” The report highlighted that Australian IT departments are having to deal with more business unit IT spending with 79 per cent of organisations having at least one line of business running its own IT budget. “This is up 5 per cent from 2014 and

shows a growing demand for IT services from areas of the business like marketing. Combine this with more accessible cloud-based applications and the CIO has another information management procurement channel to deal with," Gedda stated. The IT investment outlook remains strong with organisations looking to increase ICT budgets by an average of 5 per cent and more than half (57%) of CIOs expect in-house IT staff numbers to increase this year. Areas organisations are looking to increase spending most in include cloud computing, mobility, software-as-service and cloud UC and telephony . "While operational cost savings remains the top business priority for 2015, both revenue growth and business process improvement are a higher priority than they were in 2014," Gedda says. The Telsyte Australian Digital Workplace Study 2015 is a comprehensive 100-page report that covers the key trends and strategies CIOs are employing to manage information and deal with social and technological change. 424 Australian CIOs and other ICT decision makers in organisations with 20 to 20,000+ employees participated in the report. More information For more information on Telsyte and their report, visit www.telsyte.com.au . To learn more about ITaaS and better managing the way your organisation acquires technology, speak with the blueAPACHE account team.

Related

emPOWER Cloud

emPOWER Cloud (pillar hub)

emPOWER Procurement (pillar hub)

blueAPACHE Store

Frequently asked questions

What percentage of business IT spending does the article say is happening outside the IT department, and which study is it from?

The article cites the Telsyte Australian Digital Workplace Study 2015, which found that 22% of all business spending on IT is being done outside of the IT department. Telsyte senior analyst Rodney Gedda attributed this to lines of business having greater access to software and solutions delivered as a service.

What percentage of organisations does the report say have at least one line of business running its own IT budget, and how does that compare to 2014?

The article says the report found 79% of organisations have at least one line of business running its own IT budget, up 5 percentage points from 2014. Gedda linked this to growing demand for IT services from areas of the business such as marketing, combined with more accessible cloud-based applications.

What did blueAPACHE managing director Chris Marshall say about the ITaaS model compared to traditional technology acquisition?

The article quotes Marshall saying that traditionally, accessing new technology involved business case analysis, vendor diligence, budgeting, impact analysis and resourcing processes that could take the IT department months or years. He said that under the ITaaS (IT as a Service) model, it takes a fraction of that time.

How many CIOs and organisations participated in the Telsyte study, according to the article?

The article says the Telsyte Australian Digital Workplace Study 2015 is a 100-page report in which 424 Australian CIOs and other ICT decision makers participated, from organisations with 20 to 20,000-plus employees. It also notes that organisations were looking to increase ICT budgets by an average of 5%, and 57% of CIOs expected in-house IT staff numbers to increase that year.

Is this post still current?

No. This post reports specific 2015 survey findings from Telsyte, and the percentages and budget outlook it cites reflect that year's study. For current information, a reader should use the linked service pages rather than this post.

Source

origin post (2015)

Knowledge Base

What percentage of business IT spending is done outside the IT department, according to Telsyte?

According to Australian technology analyst firm Telsyte, 22% of all business spending on IT is being done outside of the IT department.

Why are lines of business able to acquire IT solutions without engaging the IT department?

Telsyte senior analyst Rodney Gedda explained that lines of business now have greater access to software and solutions delivered as a Service, making it easier for them to acquire the tools they need without having to engage IT.

What did Chris Marshall, Managing Director within your business, say about the shift toward ITaaS?

Chris Marshall said that as the acquisition of IT becomes easier, more business units are leveraging IT as a Service (ITaaS) to rapidly deploy solutions that help them better achieve the results they are accountable for. He noted that traditionally accessing new technology involved business case analysis, vendor diligence, budgeting, impact analysis and resourcing processes that could take the IT department months or years, but under the ITaaS model it takes a fraction of that time.

What percentage of organisations have at least one line of business running its own IT budget?

The report highlighted that 79 per cent of organisations have at least one line of business running its own IT budget, up 5 per cent from 2014.

How much do organisations plan to increase their ICT budgets, and what is the outlook for in-house IT staff numbers?

The IT investment outlook remains strong with organisations looking to increase ICT budgets by an average of 5 per cent, and more than half (57%) of CIOs expect in-house IT staff numbers to increase this year.

Which areas are organisations looking to increase IT spending on the most?

Organisations are looking to increase spending most in cloud computing, mobility, software-as-a-service, and cloud UC and telephony.

What were the top business priorities for 2015 according to the Telsyte report?

According to Rodney Gedda, operational cost savings remained the top business priority for 2015, while both revenue growth and business process improvement were a higher priority than they were in 2014.

What is the scope and scale of the Telsyte Australian Digital Workplace Study 2015?

The Telsyte Australian Digital Workplace Study 2015 is a comprehensive 100-page report covering key trends and strategies CIOs are employing to manage information and deal with social and technological change. It included participation from 424 Australian CIOs and other ICT decision makers in organisations with 20 to 20,000+ employees.