Political uncertainty exposes deep division over Brexit IT planning

56% of IT leaders in the UK are accelerating investment on IT projects to hedge against a worst case scenario, while 40% say it's better to slow down or cancel projects in the wake of recent political uncertainty

LONDON – 21 September 2017 – UK businesses are ready to plough investment into IT transformation projects designed to help prepare for Brexit, claims a new report from Avanade, but political uncertainty has left IT decision makers split over the best approach, with a significant minority still burying their heads in the sand.

According to the report, which polled 203 senior IT decision makers across the UK, more than half (56%) are accelerating IT transformation projects, saying their organizations have become more willing to fund this type of investment since the Brexit announcement.

While two-thirds (64%) admit June's General Election left them feeling the need to re-evaluate their strategy, the general consensus among respondents seems to be one of 'keep calm and carry on' albeit with a sharp focus on cost-cutting. Brexit may have unlocked the purse strings in the short-term, but cost reduction emerges as the number one priority for IT directors, who are investing significantly in projects to help them streamline operations, build in agility and flexibility, and hedge against potential future skills shortages.

Savvy IT decision makers also see Brexit as an opportunity to gain a long-term competitive advantage. As one respondent puts it: "While others are pondering what to do, we are moving forward….. If we modernize before our competitors we have an advantage over them"

Yet despite 55% of respondents saying they are in good shape in preparing their IT for Brexit, compared to competitors, recent events in the political sphere appear to have entrenched the views of the 40% of IT directors who are choosing to ignore the situation around them by slowing down or cancelling IT projects.

Darren Hardman, UK General Manager, Avanade, said: "Identifying cost-efficiencies through modernisation, and increasing agility through cloud adoption would represent best practice at any time, but Brexit has helped remove some of the barriers IT directors sometimes face when it comes to building the business case for these projects."

"The current window of opportunity is not going to stay open forever. Most IT directors recognise that the budgets being made available today may not be accessible in two years' time. Anyone still convinced that doing nothing is the right thing to do should be extremely concerned about finding themselves on the outside looking in when that window shuts."

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About the research
In July 2017, Avanade worked with the London-based research agency, Loudhouse, to interview 203 senior IT decision makers about how they are reacting to Brexit. All respondents were sourced from enterprise level businesses, and based in the UK.

About Avanade
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