

Press Release

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FINNISH BUSINESS LEADERS: IT DEPARTMENT'S BUSINESS SKILLS NEED DEVELOPMENT

Up to 78 percent of C-level executives in Finland believe they can make better and faster decisions without the involvement of IT.

HELSINKI – 15 May 2014 – Technology budgets and decision-making are migrating away from IT departments to other corporate business units. On the other hand, a more consultative role is required from IT staff as well as the ability to better understand the companies' or their partners' and providers' business better than before. This is according to a study carried out by global business technology solutions and managed services provider Avanade, based on interviews with 1,003 C-level experts from 19 countries.

Globally, nearly eight in ten (79 percent) of C-level executives believe they make better and faster decisions without IT's involvement. Globally, 37 percent of technology budgets are used outside of the IT department. The same trend applies to Finland and the other Nordic countries: 31 per cent of the budget shifts outside the IT department in the Nordic countries and 28 per cent in Finland. Similarly, 72 per cent of business leaders in the Nordic countries and 78 percent in Finland to consider their own decision-making skills better than those of IT.

With these shifting budgets and loss of control, the global study of 1,003 business and IT leaders shows a new "services broker" model for IT taking hold. In this model, IT staff consult with departments across the business to better understand their technology needs and objectives, and source internal or external IT services or partners to meet these demands. More than one-third (35 percent) of companies' IT departments act primarily as services brokers today. Globally, more than a third, 35 percent of respondents said their companies' IT departments act primarily as services brokers today. In the Nordic countries, the figure was much higher: an average of nearly half of the 47 per cent of the respondents classified their IT department as services brokers.

IT departments in the Nordics between the new and the old

Of the companies participating in the Avanade survey, 58 percent said they intend to expand their IT department's role as services broker in the next 12 months. The development in the Nordic countries, in turn, is leveling off: Just over a third, 37 percent of companies plan to expand the role of their IT department. In addition, in the Nordic countries, only 43 percent of those surveyed report their IT department is contributing more to accomplishing business objectives than they did three years ago, when globally more than two-thirds, 68 percent, of the respondents feel this way.

"The tilting balance of control over technology decisions and budget has created a tension between IT and other business units. IT has to rethink its approach, learn new skills and develop its influence," said **Petri Ketola**, Vice President, Country Manager Avanade Finland. "Forward-looking companies are positioning their IT staff as business advisors. In these companies, IT is participating and contributing more to accomplishing business objectives than ever before."

IT's adoption of its new role and new technologies is also hampered by legacy systems – 36 percent of IT staff's time is spent managing and maintaining legacy systems globally and in the Nordic countries, nearly one-third, 29 percent, of IT's work time. IT is also frustrated by the lack of decision-making control. More than two-thirds, 68 percent, of the participants of IT decision-makers felt that IT is responsible for the use of technology, resources, and information security, but does not have enough power to control their use effectively throughout the organization. In the Nordic countries the figure was almost the same, 71 per cent.

About the Survey

Avanade's survey was conducted in February 2014 by Wakefield Research (www.wakefieldresearch.com), an independent research firm. It surveyed 1,003 C-level executives, business unit leaders and IT decision makers, at the top companies in the following countries: Australia, Belgium, Brazil, Canada, Denmark, Finland, France, Germany, Italy, Malaysia, Netherlands, Norway, Singapore, South Africa, Spain, Sweden, Switzerland, the United Kingdom and the United States.

Read more about Avanade's [IT Without Boundaries research](#).

About Avanade

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