

## Email newsletter on infrastructure

### Infrastructure—It's Not Just For the Techies

The rise of Information Technology as the backbone of sales, marketing, human resources, product development and production has made the internal computing infrastructure a high priority for senior executives, according to a new survey by BusinessWeek Research Services (BWRS) . A January 2005 poll of CEOs, COOs, CFOs and other C level officials found that improving their IT infrastructure dominates their technology goals for this year and through next year as well.

The rising focus on infrastructure is in alignment with the C-level's number one business goal—increasing revenues, preferably from existing customers. Cutting costs, focusing on ROI and other recession pre-occupations are now passé. Now the bulk of their attention is on ways of boosting the top line, and using their infrastructure to improve customer service is viewed as the shortest route to increasing revenues..

Note that the respondents are primarily from companies with more than 1,000 employees. And note that the majority of the respondents are CEOs. BWRS calls this subset of its subscribers the C-team, and it has been polling them about IT views and spending habits since 2001.

Given the publicity and legal concerns about privacy and data protection, it's no surprise that improving the security of the infrastructure is the top priority of the C-team. As you can see in the table below, the C level respondents rated security 9.51, on a rising-level-of-importance scale from one to 10.

Topic	Ranking, based on 1 to 10 level of importance
Improving the security of the infrastructure's networks and data files	9.51
Upgrading servers, desktops and applications software	9.26
Building an e-business infrastructure to support online sales, service and support,	9.1
Upgrade infrastructure, including network capacity	8.75

Source: **Continued Strength in IT Spending Trends, January 2005, BusinessWeek Research Services**

The increased attention to infrastructure comes at a time when IT budgets are not being inflated, but are being closely scrutinized to obtain value. C level officials realize that ROI studies on bandwidth or server upgrades may not be appropriate—some investments are like electricity.

Another key finding – executives are quite attuned to the open systems debate, but not the way you may think. While everyone assumes that the alleged cost savings from Linux, MySQL, etc. is the primary driver, the C team said that avoiding dependency on a single vendor was more important than cost savings.

We're currently researching an upcoming special ad section on Infrastructure for BusinessWeek, which will highlight the importance of having a reliable, scalable and available infrastructure. If you're interested in participating in the section, to be published in BusinessWeek September 26, please let me know.

Also, the data accumulated by BWRS over the past five years is now available for licensing. White papers and other collateral can now include exclusive research from BusinessWeek Research Services about infrastructure, business intelligence, use of PDAs, mobility and other business topics. Again, give me a call or send a note if you want more information.

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