

Draft Press Release

London, 30th March 2009

SME IT spend set to defy the recession, says new research from [Connect](#)

A quarter (26%) of IT directors in small and mid-sized companies are planning to increase their technology spend by in 2009, despite the recession, according to new research published today by [Connect Support Services](#), the [IT support](#) services and [online backup](#) company. This is nearly twice as many as last year. In 2008, just 14% of IT directors planned to increase their technology spend. Only 18% were planning to reduce spend on technology while the majority (52%) said that they would maintain expenditure at 2008 levels during the coming year.

The survey was conducted by an independent research company on behalf of [Connect](#) and consisted of in-depth interviews with IT managers and directors at 151 UK companies across a range of industry sectors.

Mark Macgregor, CEO at Connect, said:

“This research suggests that there may be green shoots of a recovery in the IT sector. Rather than panicking and slashing their IT spend, companies are choosing to act cautiously and maintain their IT spend in 2009. In fact, because there are so many price reductions offers around from hardware and software providers, it may be that businesses end up spending the same but receiving much more bang for their IT buck.”

Other findings from the research include:

- Some of the biggest anticipated increases in IT spend were in mid-size companies – 38% of enterprises with more than 500 staff were planning to increase IT spend whereas only 12% of smaller business with less than 50 staff had similar intentions.
- 49% of those surveyed were confident they could maintain a good level of control over their IT function while still outsourcing some or all of it to a third party;
- Larger enterprises with over 250 staff are less likely to outsource their [IT support](#) (61%) than smaller business with less than 50 employees (43%);
- Some of those surveyed were resistant to the very idea of outsourcing - 15% felt that outsourcing was ‘like a turkey voting for Christmas’. However, a similar number - 14% - thought outsourcing would be OK as long as the service level agreements were right;

Mark Macgregor concludes:

“We looked at outsourcing as an issue because it’s one clear way that IT directors and managers can reduce costs. Clearly, there are some residual concerns among the survey sample about loss of control, but the fact that nearly half of those we spoke to were confident they could keep control over things while still enjoying the cost-savings associated with outsourcing their IT support is a strong vote of confidence for the industry.”

The survey of 151 IT Directors was conducted by The Survey Shop in Q1 2009. Full details of the survey can be found at www.connect.co.uk

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About Connect: [Connect](http://www.connect.co.uk) is one of the UK’s leading IT support companies, provides a variety of technology services including helpdesk and on-site support, project management and [business continuity](#). The company is based at Canary Wharf in London with a network of engineers based at different locations across the world.

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