

WHAT'S HOLDING BACK TECH ADOPTION IN BRITISH BUSINESSES?

Exploring the rift between
attitudes of company
directors and IT managers



Executive summary

Do attitudes to IT adoption vary depending on your seniority within a business?
And could this be holding back adoption of technology?

These are key questions explored in this paper, which compares the views of mid-level 'hands on' IT managers with those of senior directors within British companies.

Across both groups, there is a sense that UK business in general is too wary of implementing new technology.

But there is a significant divergence of opinion when it comes to a range of factors, such as the extent to which companies invest in new technology, stay on top of the latest tech, and understand its importance to the success of the business.

A pattern emerges, whereby the senior leaders within companies are far happier than middle managers with the status quo around technology adoption. And IT managers even suggest that this might be driven by self preservation on the part of senior leaders.



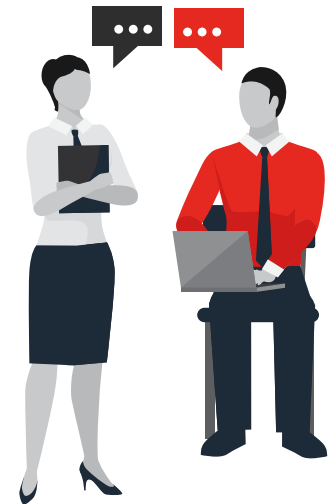
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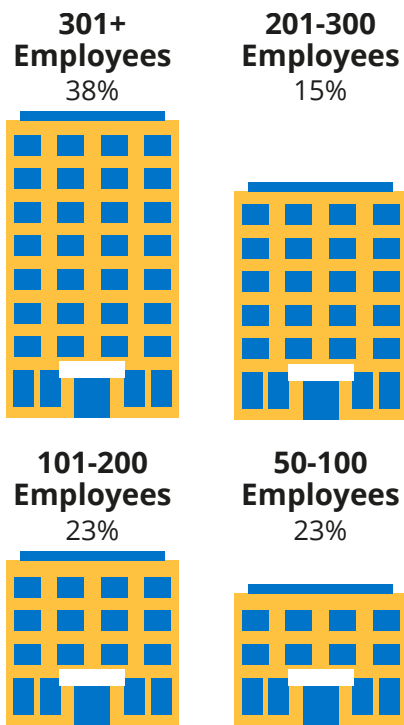
Methodology

This paper is based on research conducted on behalf of global cloud communications provider 8x8 by the **Institute of Directors (IoD)** in the UK.

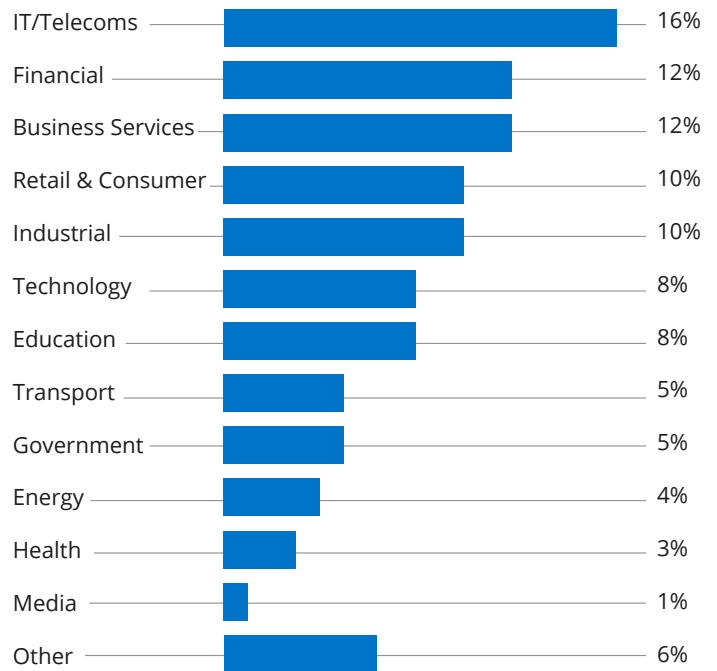
261 UK middle managers, senior and C-Suite executives were surveyed online in October 2016. Respondents were divided into two groups: 'business leaders' and 'middle managers'.



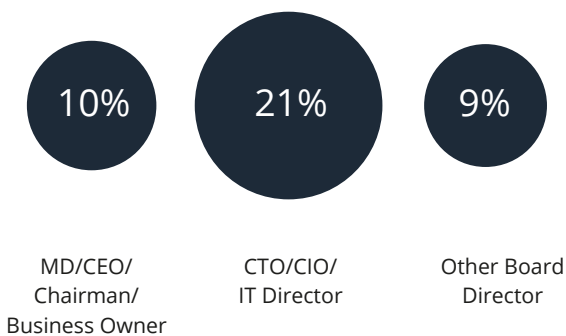
Business Size



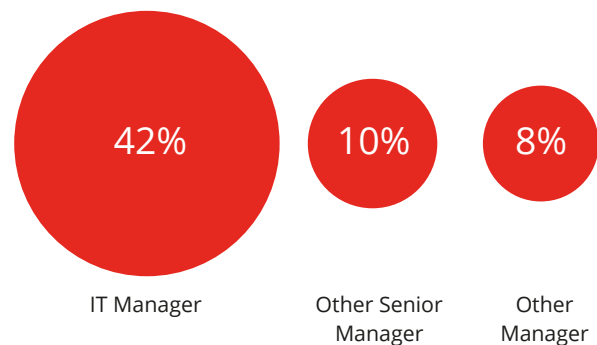
Business Sector



Business Leaders



Middle Managers



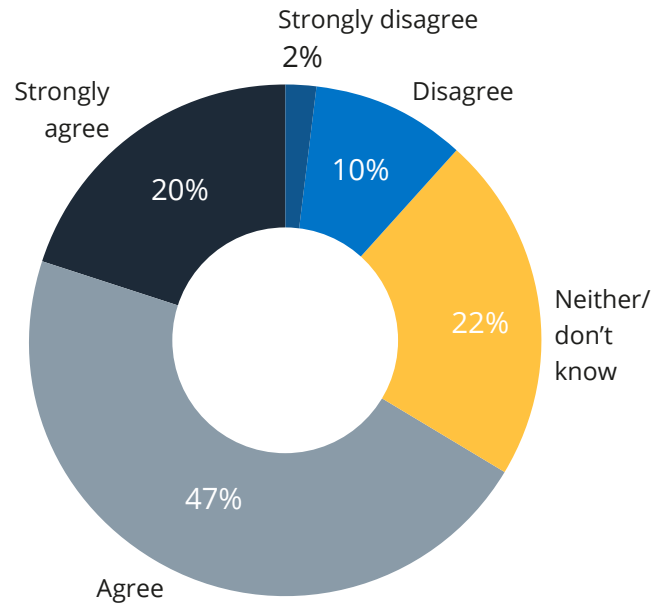
40%

60%

Research findings

Is UK business too wary of implementing new technology?

Overall, two in three (67%) of those taking part in the survey believe that UK business in general is too wary of implementing new technology, and only 12% disagree.



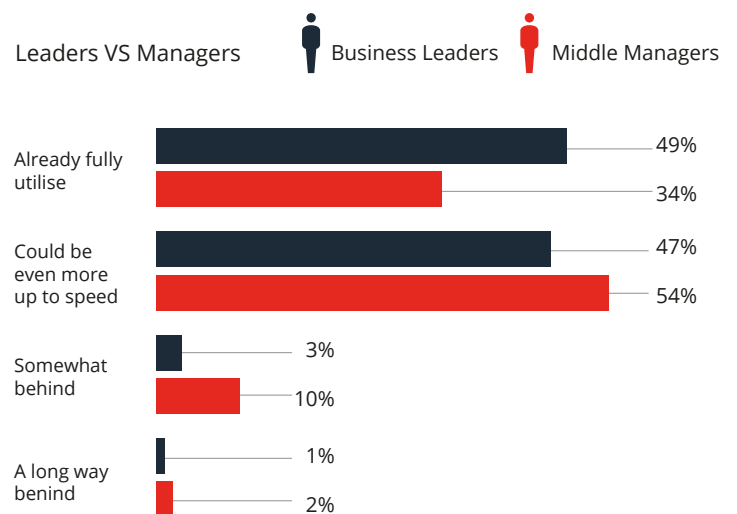
Q: Is business in the UK too wary of implementing new technology?

Do middle management and senior leaders disagree about technology adoption?

The results suggest that senior leaders are more satisfied with the way their business uses technology.

For example, IT managers are far less optimistic when asked if their organisation makes full use of the latest technology, with just 34% believing they do, compared with 49% of business leader respondents.

They are also more likely to say that their business could be more up to speed with the latest technology (54%) than senior leaders (47%) and three times more likely to admit their organisation is 'somewhat behind' when it comes to adopting new technology.



Q: Describe how your business embraces technology

Which factors slow the pace of technology implementation?

Business leaders are most likely to report a lack of confidence that new technology will work, closely followed by lack of budget and the cost of implementation.

There is a significant divergence of views when it comes to attitudes to resourcing: IT managers are more likely to feel insufficient budget is directed toward technology implementation (35%) than senior business leaders (20%).

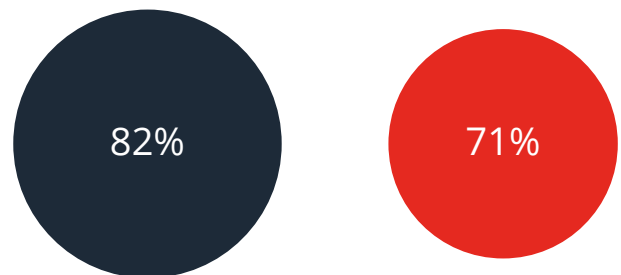


Q: What is the main factor slowing the pace of new technology implementation in your business?

There is also a clear difference in attitudes when it comes to the extent to which senior management gets behind new technology.



Business Leaders Middle Managers



Q: Does senior management in your organisation fully understand the importance of new technology for the success of the business?



Q: Does senior management in your organisation invest sufficient resources in the business to stay fully up-to-date with new technology?

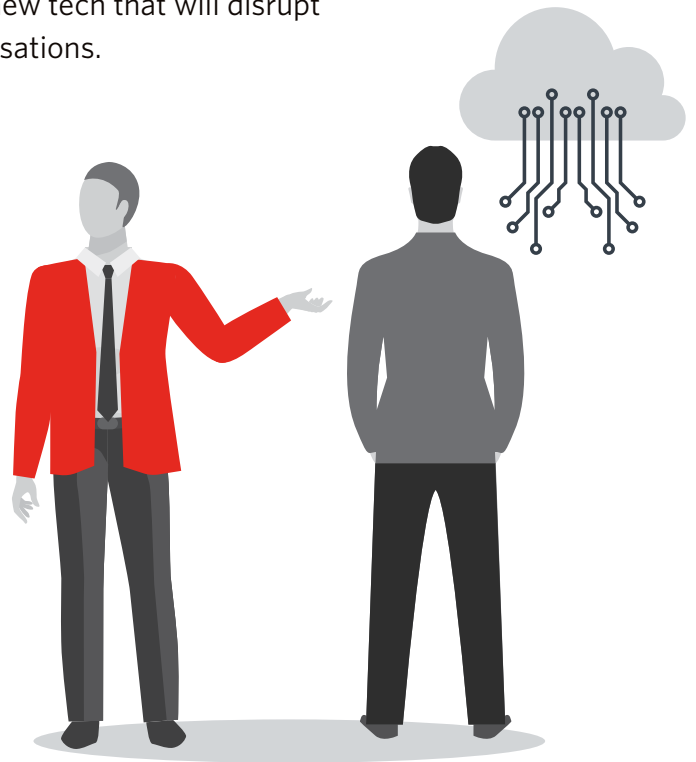
Only 56% of IT middle managers think the senior team in their business invests sufficient resources to stay up to date with the latest technology, compared to 65% of business leaders.

And IT middle managers are also less likely to feel senior management fully understands the importance of new technology for the success of the business.

Interestingly, the research also exposes a suspicion, held by 45% of IT managers, that senior business leaders hold back technology for reasons of 'self-preservation', whereby they are reluctant to embrace new tech that will disrupt their own position or the status quo within their organisations.

45%

of IT managers agree senior business leaders hold back technology for reasons of 'self-preservation'

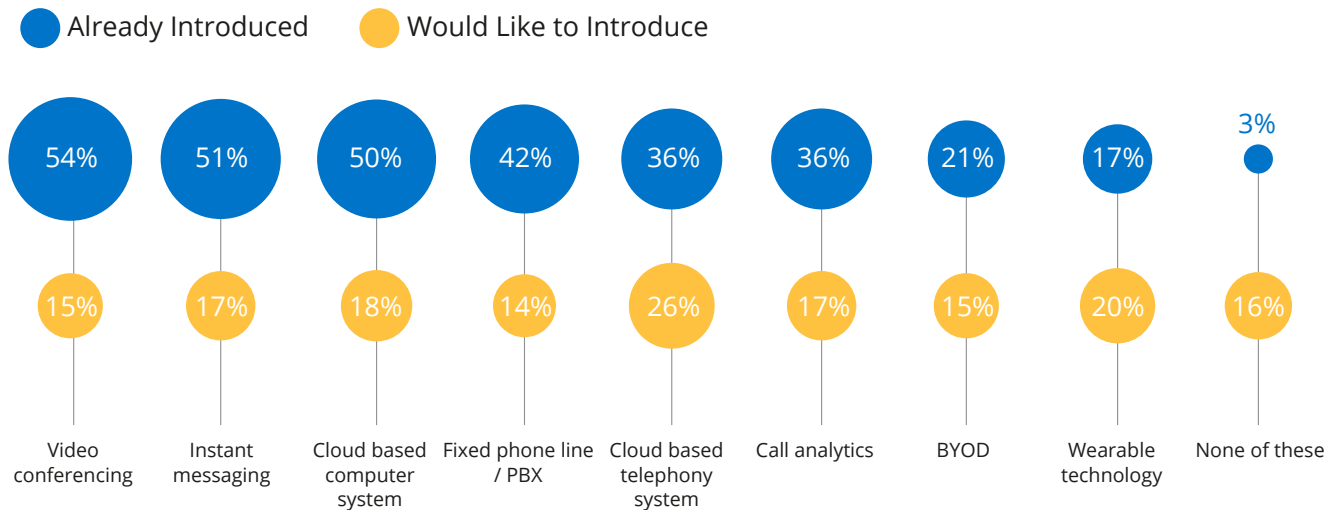


Where is current / planned introduction of new technology at?

Half of the organisations in the survey say they already use cloud computing and 36% use cloud-based telephony. 18% and 26%, respectively, plan to introduce these technologies in the next 12 months.

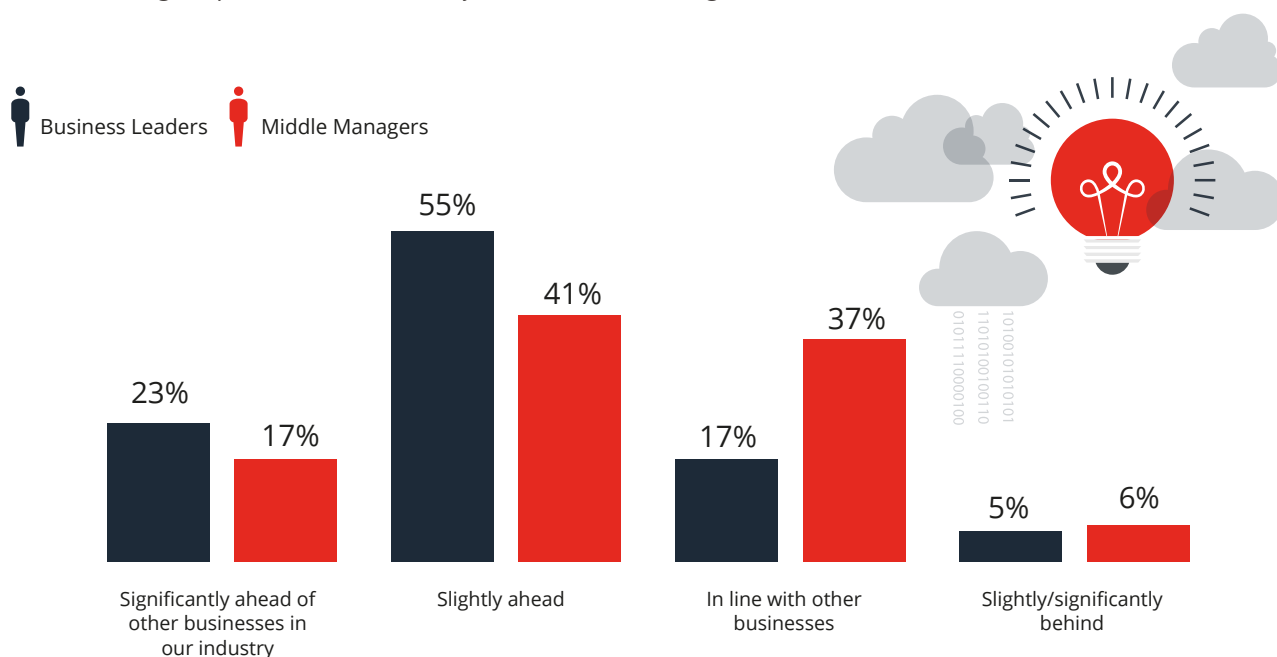
It's worth noting that this level of cloud-based telephony adoption is much higher than 8x8 and other vendors see, and is perhaps a reflection of respondents including simple internet calls in their definition of cloud telephony.

More than half already use video conferencing and instant messaging, while 42% have fixed phone line/PBX and 36% use call analytics. BYOD and wearable technology are least likely to have been introduced so far.



How do attitudes to the cloud vary?

Most of those who have already moved to the cloud believe they are ahead of the competition. Once again, we see a pattern, whereby senior business leaders are far more likely than IT managers to believe they are ahead of the game. Among business leaders, 78% feel cloud technology puts them significantly or slightly ahead of industry competitors. Middle managers are more cautious, although even in this group, 58% believe they are ahead of the game.



Commentary: Are senior business leaders holding back tech adoption?



When speaking to customers, we frequently hear anecdotal evidence that mid-level IT managers face significant opposition from senior leaders around new technologies such as cloud communications. This research shows this is something which is widely felt across businesses.

IT managers feel more could be done to introduce new technology, whereas senior leaders seem happy with where their businesses are already at.

So is this simply a case of ambitious middle managers wanting more budget to play with, so they can implement the latest, shiny new technology, or is there more going on here?

One of the most fascinating statistics is that nearly half (45%) of IT managers say senior business leaders hold back technology for reasons of 'self-preservation'. There appears to be a suspicion that senior leaders are reluctant to embrace new tech that will disrupt their own position or the status quo within their organisations.

Certainly, many businesses have invested in expensive legacy IT systems that senior management are reluctant to replace. That may be simply because they want to see a return on their investment before moving to something new.

But it's also the case that some senior leaders will hold all the knowledge about these legacy systems - and if they are the only ones who understand that complexity, it clearly makes them more valuable.

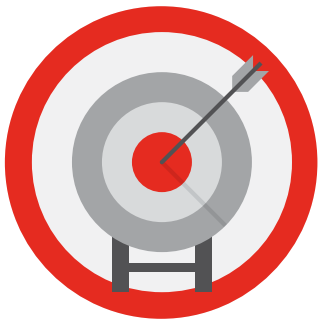
Either way, the views of senior business leaders obviously matter hugely to anyone who is trying to introduce new technology. And, ultimately, they hold the purse strings.

That means mid-level IT managers - and the wider technology community - needs to do more to explain the benefits of embracing newer forms of technology, such as a shift to cloud communications, and talk the language which the Board and Directors understand.

We all need to do more to explain how key metrics like staff productivity, company profitability and business growth can be positively impacted. If you're trying to persuade your senior business team to adopt a new technology, I hope my six top tips below may help.

Kevin Scott-Cowell, UK MD of 8x8

Six ways to engage senior business leaders in technological change



1. Strip out the jargon

Nothing is more certain to alienate senior business managers than a pitch drenched in jargon they don't understand. Avoid using terms your audience is unlikely to understand or, if they're essential, explain them as you go. The tech industry is also known for codifying its language - using shorthand to speak to colleagues or others in the industry. But terms that are widely used in technology circles, such as 'rip and replace', might send the wrong message to senior leaders.



2. Frame your idea to match the business goals

Avoid a temptation to focus on the technological benefits - such as faster computing speeds, or richer functionality. Instead, align the benefits of new tech to the things the business is looking to achieve. If you don't know what these are then do your homework first. For example, ask the senior team what their top five strategic business priorities for the year ahead are.



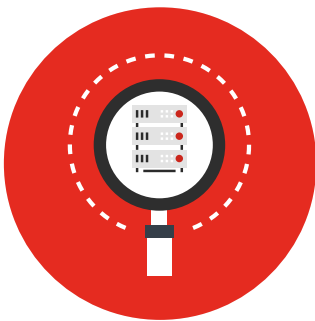
3. Don't get overly defensive when you're challenged

Senior leaders bring vast experience and decision-making skills and part of their job is to anticipate risk. When it comes to cloud adoption, a common senior level concern is around security. It's critical you don't get on to the defensive. Instead acknowledge these concerns and respond with facts. For example, according to the Cloud Industry Forum, perceptions around Cloud security do not necessarily match reality: only 2% of organisations state that they had experienced a breach of security when using a cloud service.



4. Think big, start small

Large, wholesale change can be scary for any business. Whilst you may be angling for a major transformation to the way your business operates, try introducing a smaller, low-cost, project first. For example, switch a particular, non-critical department, to the new system. Once you have proven the success of the project and have data that shows how it's benefited the business, suggest a bigger phase of change.



5. Check out your competitors

Few senior leaders want to risk their reputation on something no one else has tried. One way to create a sense of urgency is by establishing that a competitor has implemented a similar idea with success. Nobody wants to stand behind the competition. Saying: "Our nearest competitor switched to the cloud 12 months ago and they've been able to increase performance by x%" makes a compelling case.



6. Build your case with objective data

Senior managers are more likely to listen to consensus than your gut feeling or a single example of success. There is a wealth of data available online and via third parties such as trusted channel resellers that can help you build the case for the change you're suggesting. You should also make use of the data (e.g. customer satisfaction metrics) your company tracks and stores to show the positive impact of pathfinder projects like the one suggested above.

About 8x8

8x8 is the trusted provider of secure and reliable enterprise cloud communications solutions to more than 47,000 businesses operating in over 100 countries across six continents.

8x8's out-of-the-box cloud solutions replace traditional on-premises PBX hardware and software-based systems with a flexible and scalable Software as a Service (SaaS) alternative, encompassing cloud business phone service, contact centre solutions, and conferencing.

For additional information, visit www.8x8.com, www.8x8.com/UK or connect with 8x8 on LinkedIn, Twitter, Google+ and Facebook.