



People are Still a Company's Biggest Asset



People buy solutions, not software. Add systems and processes into the mix you have the ingredients that make up the three pillars of our technology industry. So, this month we have an article on each pillar: people, systems, and processes, preceded by a short commentary on the business outlook as this spring there are small buds of optimism emerging. Before that, we must reflect upon, and marvel at, the sheer project management that took place last weekend. No-one can say that the Brits don't do pomp and pageantry well, but the co-ordination and timing was simply superlative.

We can only aspire to such clockwork precision in the management of our IT projects, although managing people rather than machines, one would have thought, was more complex. Not however if you read the latest from the "Godfather of AI" at Google. On quitting he leaves with a warning about the growing development of machines surpassing humans in terms of intelligence and interpretation. And the simple fact that when something is learned by one, it is instantly available to all in the digital world. Terminator's Skynet seems to be more of a potential reality by the day. [AI 'godfather' Geoffrey Hinton tells the BBC of AI dangers](#)

Business Optimism is Back



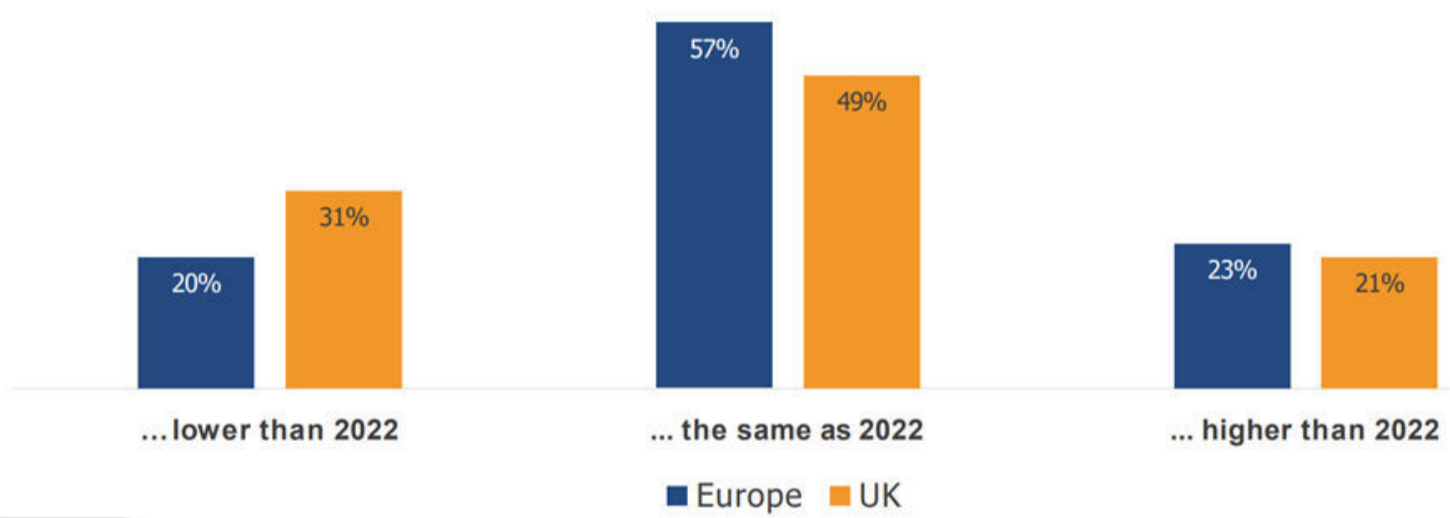
Industry confidence amongst finance chiefs in the UK has seen its biggest rise since 2020, according to a Deloitte survey of CFO's. Concerns about energy and Brexit seem to be diminishing, with improvements in key economic indicators causing the positive swing.

Primarily, the belief that inflation has peaked which is reflected in small energy price falls, alongside a rare moment of political calm. The collapse of The Silicon Valley Bank threatened to destabilise the progress; however, HSBC (who purchased the ailing bank), are now reporting record profits in Q1 2023 due to that windfall acquisition. Even when US regulators seized Federal Republic Bank earlier this month they were quick to hand over the lion's share to JP Morgan Chase. This demonstrates that institutions are moving rapidly to shore up any potential dangers and put paid to concerns of a repeat of instability in the banking sector.

Majority of organizations do not anticipate decline in IT spending in 2023

Compared to your organization's likely final IT spending levels for 2022, which of the following best reflects your organization's most likely IT spending for 2023?

IT spending in 2023 will be ...



Source: Future Enterprise Resiliency & Spending Survey - Wave 12, IDC, January 2023 n=330 Data weighted by country GDP (500+ emp size) UK only n=60

We will happily take this sprig of confidence and hope that this trend continues to be reflected in company's investment in IT spending and technology. There is certainly evidence from IDC that organisations are not anticipating a decline in IT spending in 2023. <https://www.bbc.co.uk/news/business-65294355>

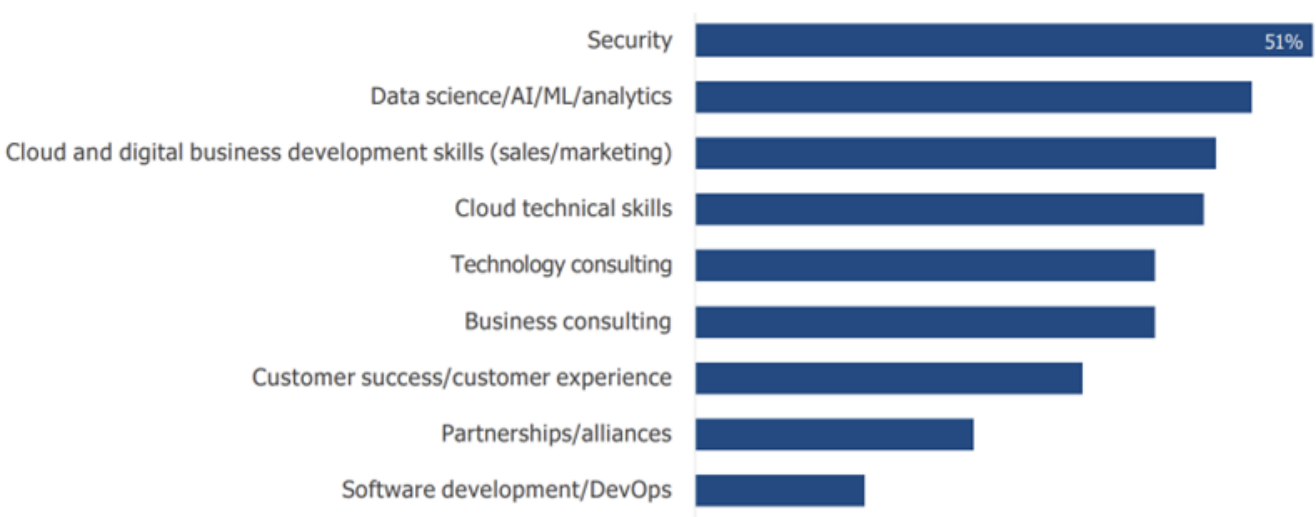
People and the Right Kind of Talent



Although the number of people looking for work has risen in recent months (official UK figures [HERE](#) show that >220K people were seeking work in the 3 months to March 2023), however in our industry the question remains – are they the right kind of people with the right talent? The IT industry is still trying to fill a skills shortage in key growth areas such as security, AI, and cloud. However, when it comes to business and application consulting, there is more flexibility to be able to outsource – something we know a lot about as we fill these gaps in many client projects.

Attracting talent: UKI partners' recruitment priorities

Which of the following types of roles is your company currently hiring for?
[Choose all that apply]



Source: IDC's EMEA Partner Survey, September 2022 (n = 806) UK only n=100

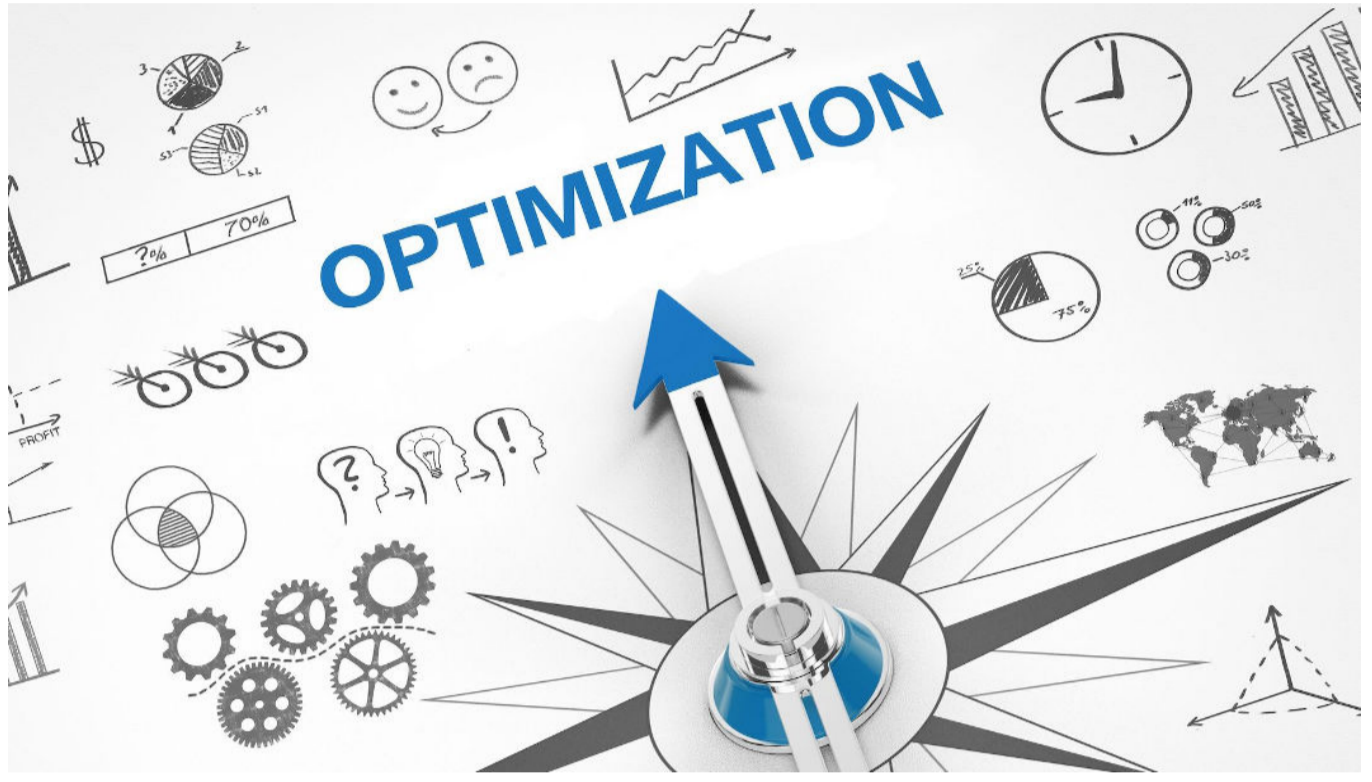
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What is slightly alarming and rather sad is the number of insolvencies which rose sharply in March to nearly 2,500. Within each of these there will be a story; perhaps of hardship, or struggles with inflation, rising energy prices and the conundrum of trying to find the right staff. And whilst pay lags behind rising prices, I suspect this difficulty in hiring and retaining staff will continue.

An interesting statistic from the ONS (Office for National Statistics) showed that although pay (including bonuses) rose by an average of 6.6% this last quarter, when you account for inflation, in real terms it fell by 2.3%.

IMHO people matter and need to be rewarded. <https://www.bbc.co.uk/news/business-65301742>

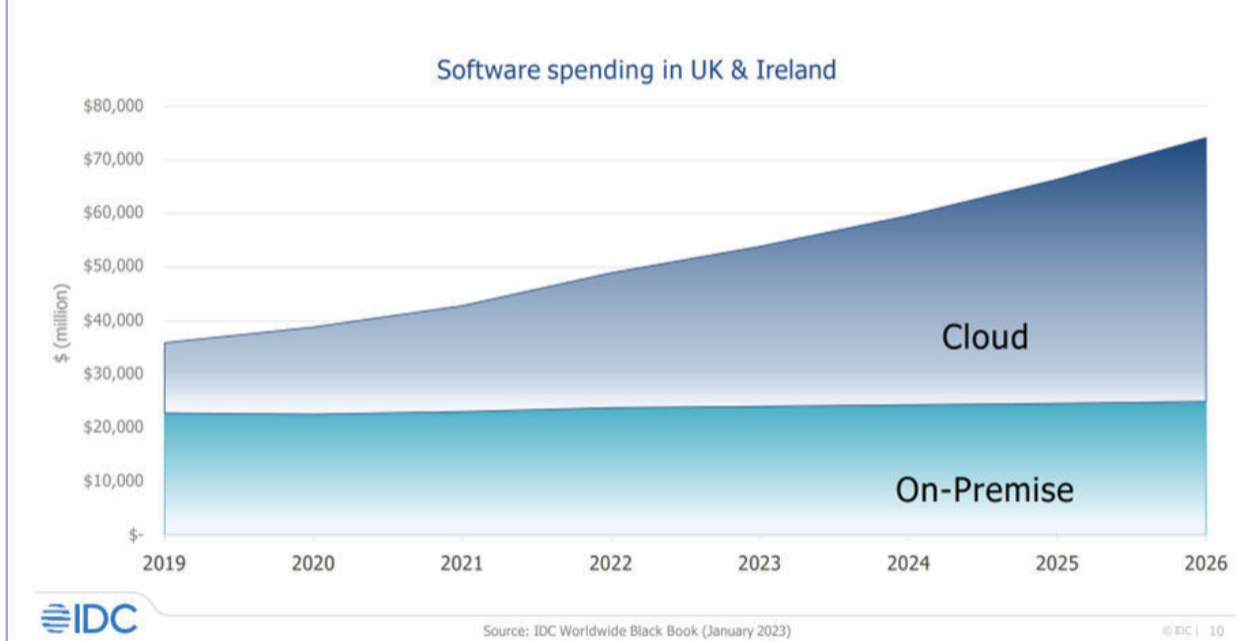
Systems are not Fully Optimised



A recent study from Crayon ([CRAYON Research](https://www.crayon.com)) showed that 95% of businesses are not optimising their IT budgets to future-proof the continuity of their systems.

While there have been huge inroads into integration between systems in recent years, this study shows we are not there yet. As each new system is implemented there needs to be a plan in place for integrating it to the existing technology stack, along with the flexibility and agility to accommodate future needs.

Cloud software overtook on-prem in 2022; will comprise two-thirds by 2026



Source: IDC Worldwide Black Book (January 2023)

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Since future needs are likely to be "Cloud" (see above), how can businesses ensure they have an integrated and future-proofed system? Infor is tackling this issue through their Cloud Innovation platform, running on AWS, ([Infor + AWS | Cloud Technology Partners | Infor](https://www.infor.com/uk/en/Cloud-Technology-Partners)) as this platform manages all the different solutions and simplifies the management through the one platform, solving integration issues. Effectively the Infor Cloud Innovation Platform acts as an anchor point in the cloud for customers, aggregating and integrating processes through their centralised hub, pushing services and applications to customer users.

The Buying Process What Influences your Decision?

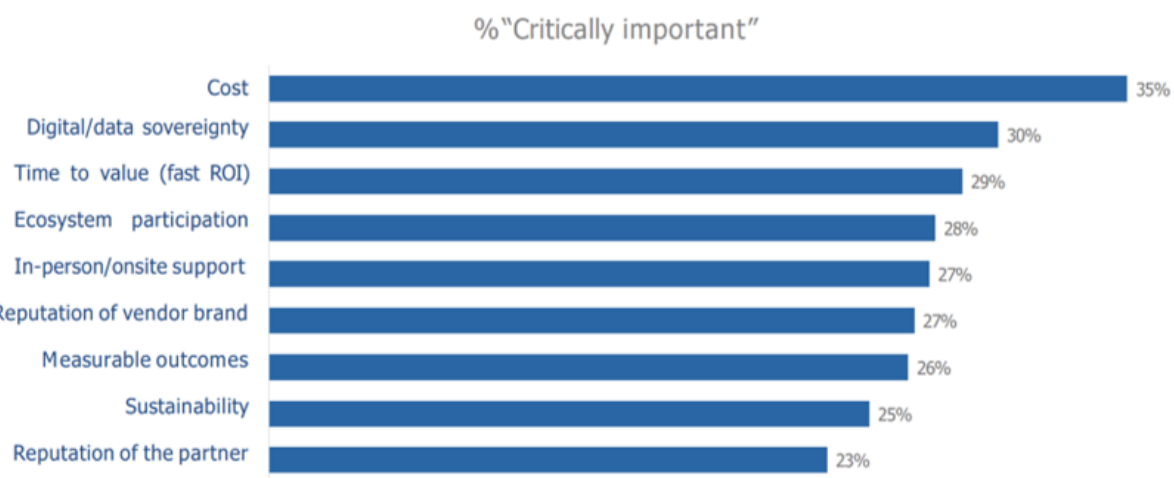


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Cost is ranked a critically important consideration for over a third (35%) of customers with regards to technology procurement decisions. In comparison, the reputation of the partner is deemed critically important by 23% of customers.

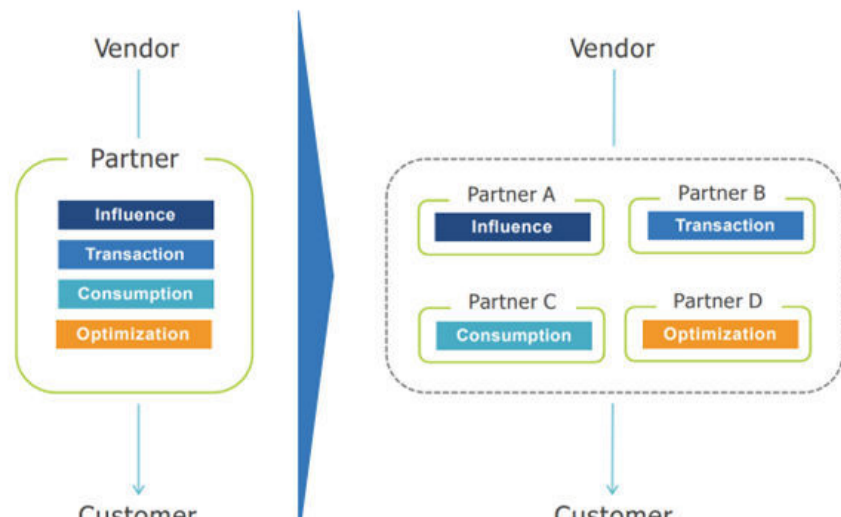
How important are the following considerations to your customers in technology procurement decisions?
Scale: "Not important" (1) – "critically important" (5)



Source: IDC's EMEA Partner Survey, September 2022 (n = 806)

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The growing importance of influence & consumption



We influence millions of dollars of licenses every year but we're not actually selling those licenses because most enterprises already have those relationships. We sell our own services.

IDC Partner Advisory Board, 2022

We're a small company that is very flexible, but we drive extremely high **consumption** and I think that makes us an interesting partner for vendors.

Austrian cloud + AI partner, 2022

The current hypothesis is that there are about 7 partners in any technology implementation and more so in the decision cycle as we look to our peers for references and referrals.

Although the data above tries to unpick the buying process and influencing factors, the fact is that people deal with people and, despite advances in AI, there is still a place for a conversation. Talking through what is the problem can help prioritise the nuances of the individual case and, from there, comes the path or journey towards resolving the issue.

People are still the essential element of choosing the right system or solution and implementing best practice processes.

Upcoming Industry Events



- Gartner Digital Workplace Summit, London (Virtual), 15-16th May. More information [HERE](#)
- Business Change & Transformation Conference, London, 25th May. More information [HERE](#)
- Cybersecurity Conference, Atlanta, 1st June. More information [HERE](#)
- Manufacturing Digitalisation Summit, Birmingham, 7th-8th June. More information [HERE](#)
- Operational & Process Transformation Summit, Hamburg, 14th-16th June. More information [HERE](#)

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