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Aging infrastructure is IT's spending target for 2010, survey reveals

Disaster recovery and more server virtualization underscore need for highly available server platforms

MAYNARD, Mass., Feb. 11, 2010 – Balancing tight budgets with an unrelenting demand for services, IT organizations are pressing ahead in 2010 with unfinished projects, and investing in hardware and software to reinvigorate infrastructure with an eye toward long-term strategic IT requirements, according to a survey of 650 IT professionals by [Stratus Technologies](http://www.stratus.com) and ITIC.

The survey, which extended to 18 countries, identified three top spending priorities for IT organizations:

- upgrading server hardware (48 percent),
- disaster recovery (47 percent), and
- server virtualization (47 percent).

Server investment approaches vary widely. Twenty-five percent of respondents say they intend to upgrade a significant portion of server hardware within 12-18 months in support of virtualization and, further out, cloud-computing initiatives. Eighteen percent are countering tough economic

times by investing in more robust servers that will last longer. The economy has forced 2-out-of-5 respondents to extend product lifecycles: 11 percent upgrade line-of-business servers every 4-5 years, with another 9 percent waiting even longer. Forty percent say they replace servers as needed.

Budgets will be flat, say 31 percent of respondents, and 27 percent expect increases. Of those expecting increases, 50 percent couldn't say by how much and 27 percent expect increases of less than 6 percent. Staffing, which came through 2009 surprisingly well (just over a quarter of respondents said they lost people in 2009) is also looking at a modest uptick, with 25 percent of companies expecting to hire in the next 12 months.

The modest growth anticipated this year contrasts with the widespread budget cuts that dominated 2009, according to ITIC Principal Laura DiDio. "Cuts overshadowed almost everything in IT last year, but the reality is that many companies started upgrade and migration projects that they're moving ahead with this year," she said. "As the economy at large has stabilized, most companies are responding by adding resources to IT or at least not trying to squeeze out more savings from an area that's already wildly overextended."

While upgrade and migration projects have provided a measure of cover from corporate cost-cutters, senior management hasn't stopped looking at IT for potential savings. They're just looking at it through a different prism. The survey found that 72 percent of senior management wants IT investments to yield lower IT operational costs. However, 79 percent of them also expect a smooth-running infrastructure to support business operations, which puts IT in the familiar position of fulfilling higher expectations without corresponding increases in resources.

"The direction IT management is heading in, as suggested by this survey, exposes it to increased downtime risk," said Roy Sanford, Stratus chief marketing officer. "By its very nature, virtualization burdens the underlying hardware by placing more applications on fewer servers. At the same time, server refresh cycles are lengthening. Ensuring uptime reliability, especially in light of executive expectations, has never been a more urgent concern than it is in today's technology landscape."

About Stratus Technologies

Stratus Technologies focuses exclusively on helping its customers keep critical business operations online without interruption. Business continuity requires resiliency and superior availability throughout the IT infrastructure, including virtual environments. Stratus delivers a range of solutions that includes software-based high availability, fault-tolerant servers, availability consulting and assessment, and remote systems management services. Based on its 30 years of expertise in product and services technology for total availability, Stratus is a trusted solutions provider to customers in manufacturing, health care, financial services, public safety, transportation & logistics, and other industries. For more information, visit www.stratus.com.

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