

# Recession strategies and investment planning

During times of recession, organizations face significant challenges in navigating uncertain economic landscapes. How are business leaders tackling recession strategy and investment planning during this time?

Gartner Peer Community and Enavate surveyed 100 technology decision makers to find out how organizations research ERP solutions and how they determine where to invest.

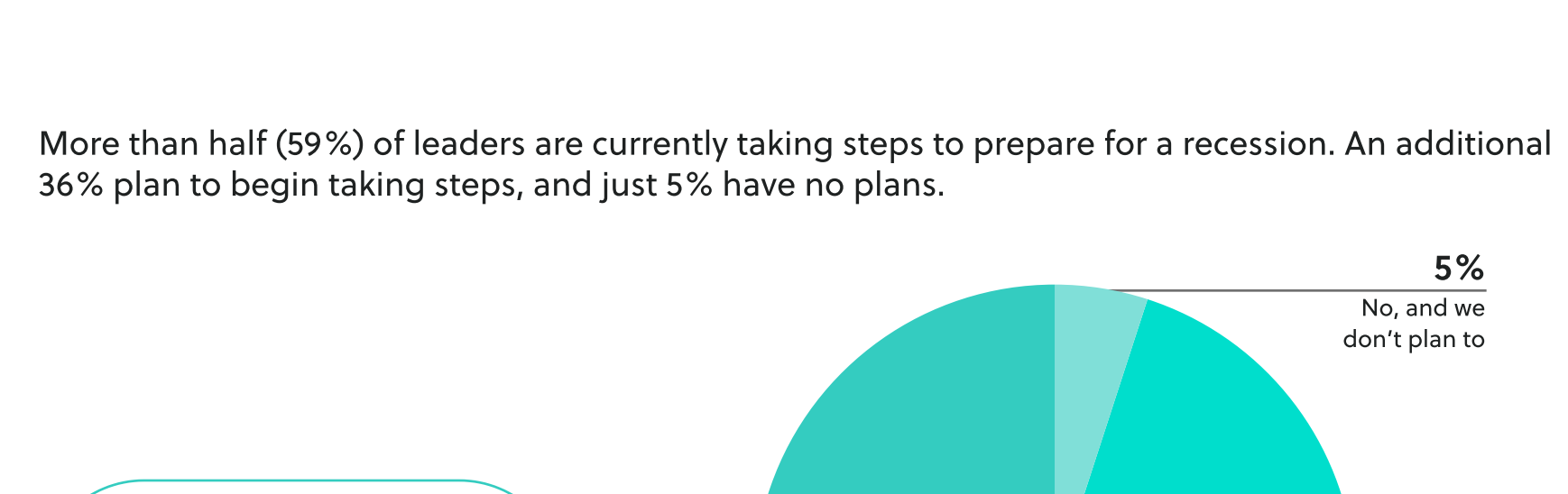
Data collection: February 02 - March 31, 2023

Respondents: 100 IT, InfoSec, Engineering leaders

## When asked about a recession this year, respondents felt there would be a large impact to their organization, but many feel prepared for the challenge

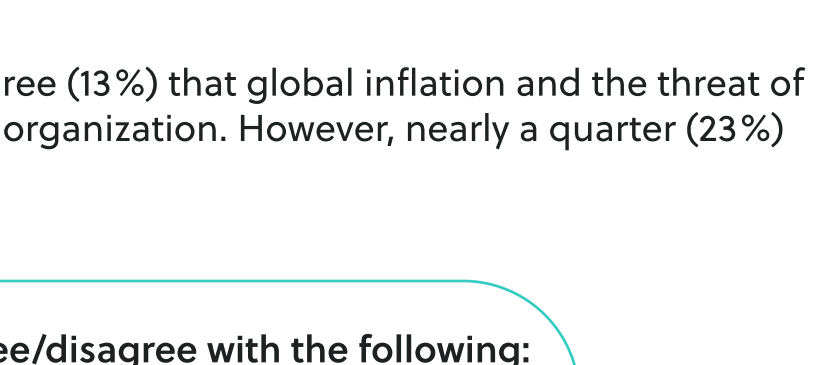
A vast majority of respondents (86%) feel that a recession is somewhat (45%) or highly (41%) likely. Only 5% of respondents feel a recession is unlikely.

Given recent global inflation, how likely do you feel that there will be a recession in 2023?



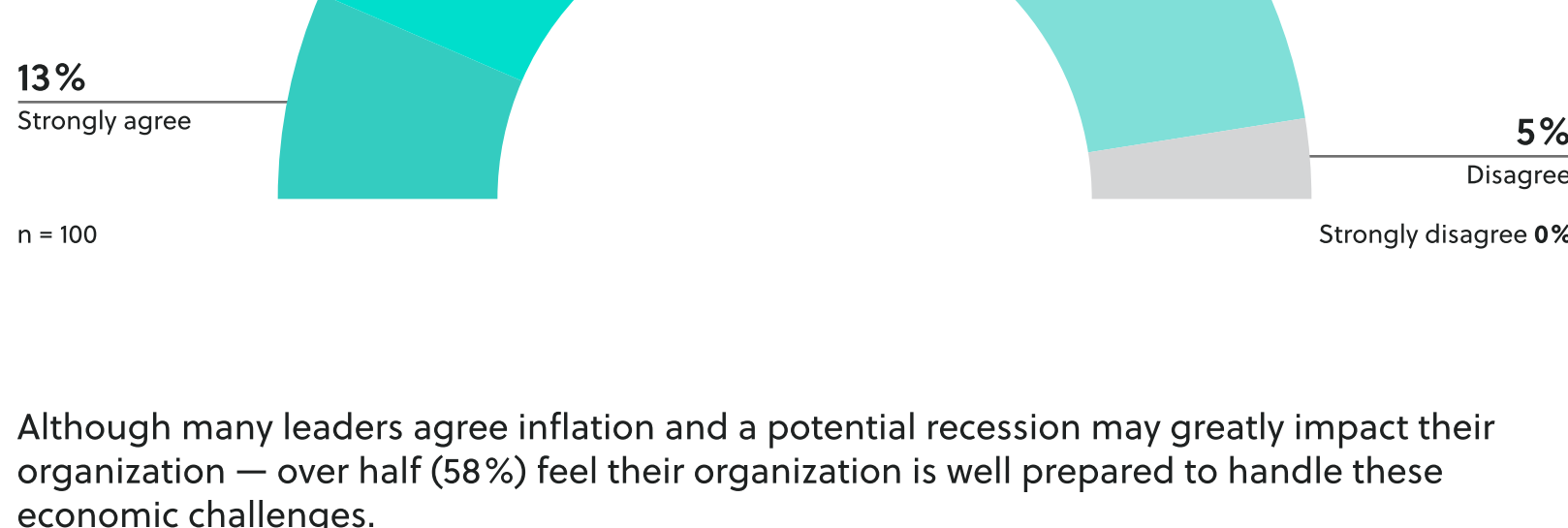
More than half (59%) of leaders are currently taking steps to prepare for a recession. An additional 36% plan to begin taking steps, and just 5% have no plans.

Is your organization currently taking steps to prepare for a recession?



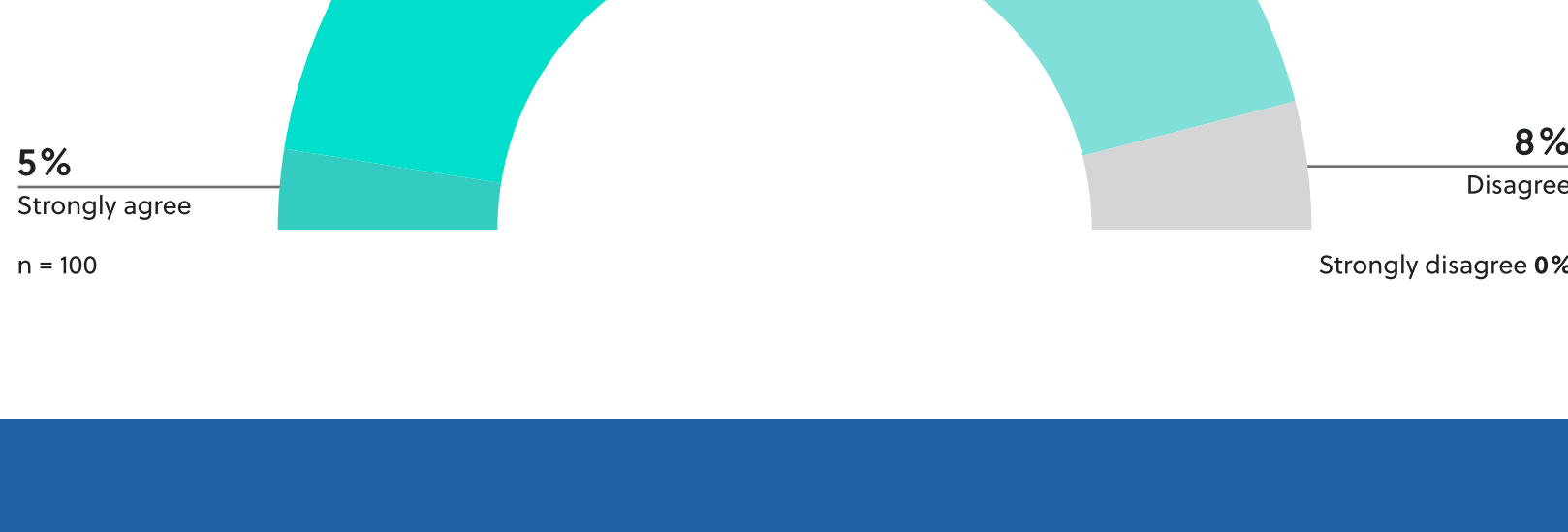
Most respondents agree (59%) or strongly agree (13%) that global inflation and the threat of a potential recession will greatly impact their organization. However, nearly a quarter (23%) feel neutral about this threat.

To what extent do you agree/disagree with the following: "Global inflation and the threat of a potential recession/stagflation will greatly impact my organization."



Although many leaders agree inflation and a potential recession may greatly impact their organization — over half (58%) feel their organization is well prepared to handle these economic challenges.

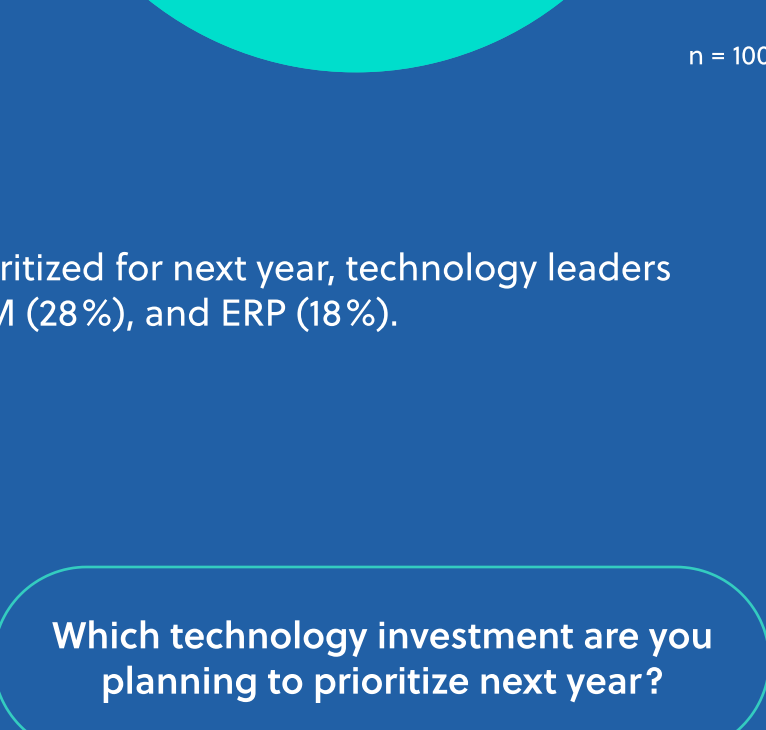
To what extent do you agree/disagree with the following: "My organization is well prepared to handle economic challenges like a recession, stagflation, etc."



## Most leaders anticipate their IT budget will increase or remain the same this year, and many plan to invest in tech stack upgrades

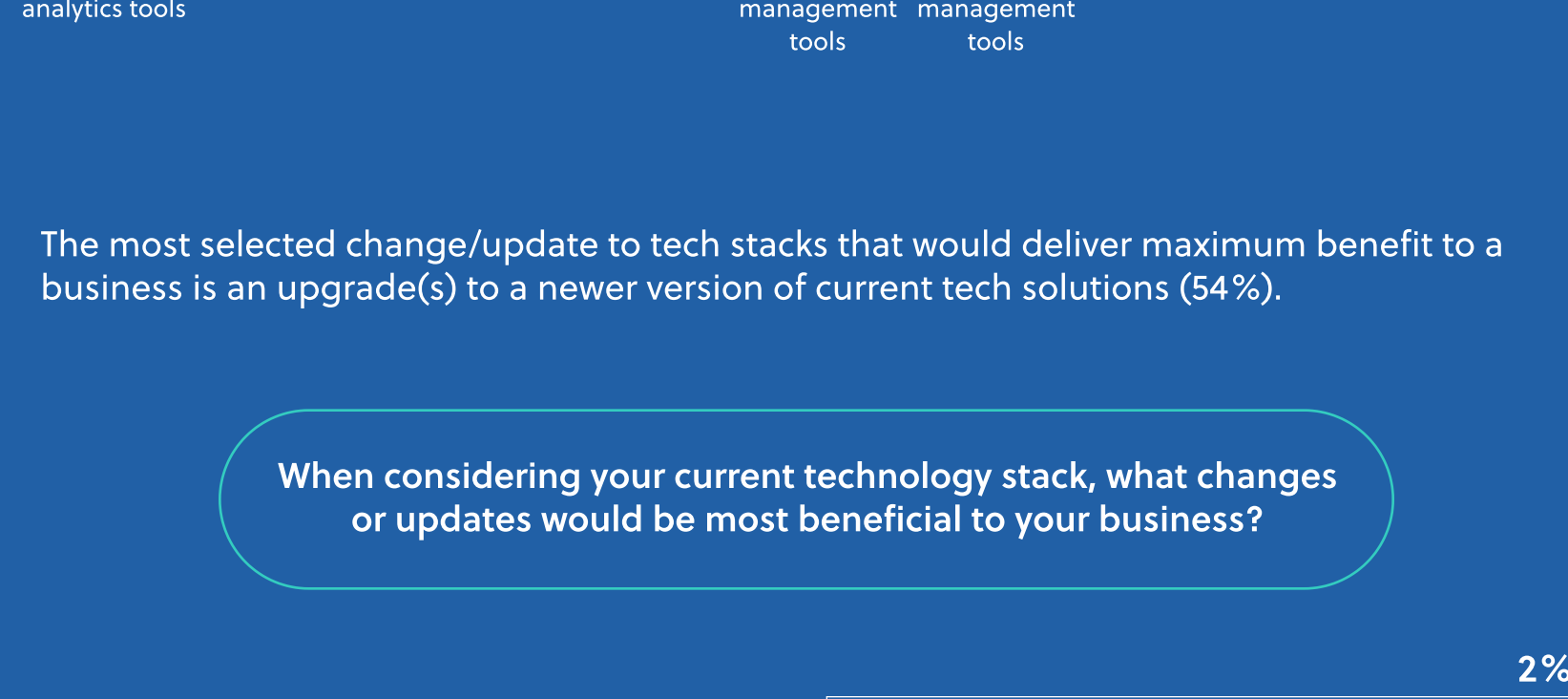
Most leaders plan to either increase (47%) their IT budget in 2023, or keep it the same (31%). Only 22% anticipate their IT budget will decrease.

How does your organization plan to allocate the IT budget in 2023?



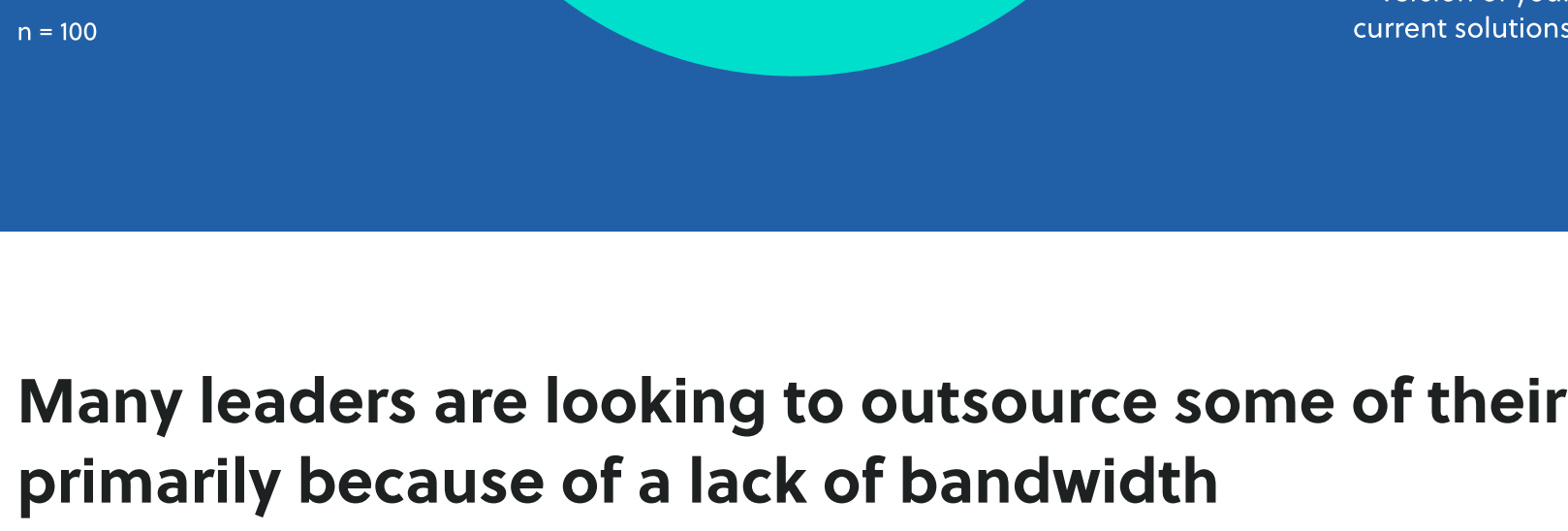
When asked where most investments will be prioritized for next year, technology leaders selected reporting and analytics tools (35%), CRM (28%), and ERP (18%).

Which technology investment are you planning to prioritize next year?



The most selected change/update to tech stacks that would deliver maximum benefit to a business is an upgrade(s) to a newer version of current tech solutions (54%).

When considering your current technology stack, what changes or updates would be most beneficial to your business?



## Many leaders are looking to outsource some of their IT, primarily because of a lack of bandwidth

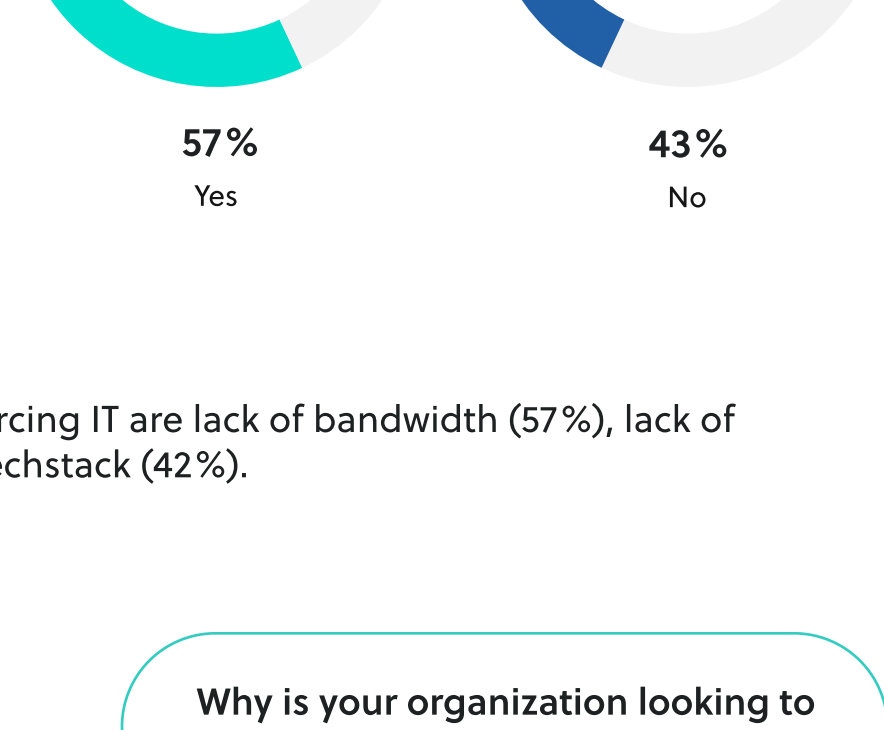
When asked what the most critical staffing concern over the next 12 months will be, most selected searching for partners for outsourcing specialized technology projects (32%). Retaining critical talent (22%) and the necessity of layoffs/furloughs (19%) were the second and third most selected respectively.

What is your most critical staffing concern for your IT department over the next 12 months?



Over half (57%) of respondents report their organizations plan to increase investments in IT outsourcing.

Does your organization plan to increase investments in IT outsourcing?



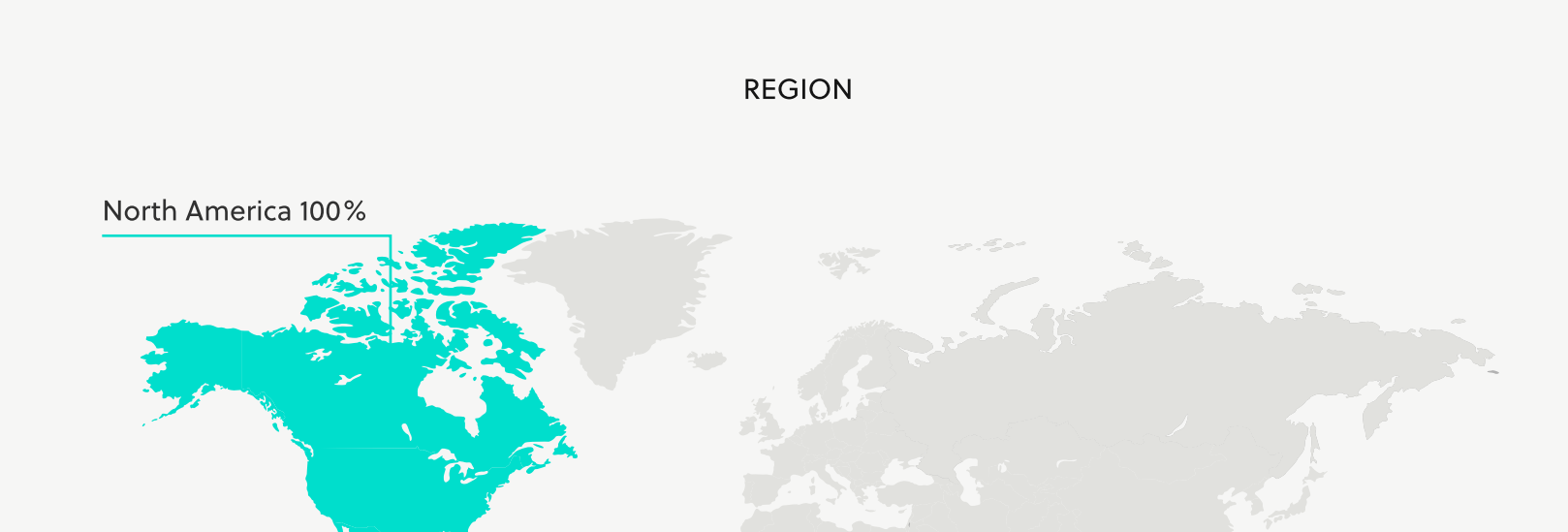
The top three selected reasons for outsourcing IT are lack of bandwidth (57%), lack of internal expertise (55%) and to improve techstack (42%).

Why is your organization looking to outsource IT? Select all that apply.



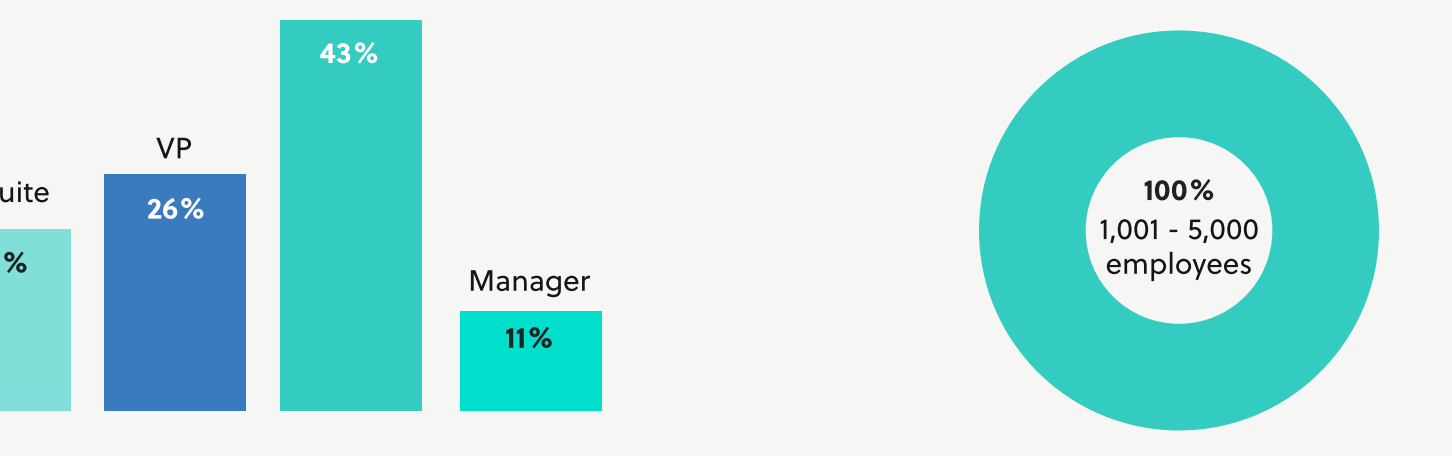
Although many leaders are planning to outsource, 76% are confident that they have the technology and expertise to accomplish their 2023 growth goals; with 63% feeling somewhat confident, and 13% feeling very confident.

How confident are you that you have the technology and expertise to accomplish your growth goals this year?



## RESPONDENT BREAKDOWN

REGION



TITLE

COMPANY SIZE

