

## IT execs expect to strengthen budgets in 2007

### Where IT execs plan to put their budget dollars in 2007

[IT Leadership Newsletter](#) By [Amy Schurr](#), Network World, 10/10/06

Executives expect their IT budgets to stay steady or increase in 2007, according to a report from market research firm Equis Group.

Of those surveyed, 47% say their budgets will increase, while 44.7% say their budgets will stay fairly flat, and 8.2% say their budgets will decrease.

In terms of the size of the increase, 55% of respondents plan their IT spending to rise 5% to 15% over 2006 spending, and another 21% intend to increase their budgets by 25% to 50%.

"While IT execs continue to focus on cost reduction, industry growth and the need for competitive advantage will keep IT spending robust in 2007. In fact, the only area with a significant decrease from current funding levels was desktop hardware, where 18% of respondents said they expect to decrease funding," Equis CEO Al Nazarelli says.

Security, server software and server hardware are the areas gaining funding. Proprietary data protection, protection from attack, customer and client privacy and regulatory compliance were all rated as having high or very high importance by most IT decision makers. No respondents indicated a decrease in security expenditures, and the results point to an average increase of 16% for this technology. One senior IS manager for a large financial services firm of 5,000 employees said, "a lot more money will be spent there year after year until we feel that we've spent enough."

In terms of server spending, many companies plan to expand their use of open source operating systems to servers, but at the same time are moving toward proprietary systems for desktop and laptops. Two big reasons for the latter are training concerns and concerns about user satisfaction.

For more information on the spending forecast [click here](#).