

ManageEngine

IT at work: 2022 and beyond *Indonesia*



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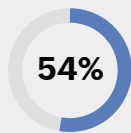
Introduction

The IT department's role is wide-reaching, varied and pivotal to their organisation's success—either centrally or in support of other departments within the organisation. Artificial intelligence and machine learning are already used extensively across business, but more training may be required for its use to be maximised outside of the IT department. IT's role, therefore, is set to be even greater in the next five years. But with such a pivotal role, organisations must be careful not to push their IT talent away.

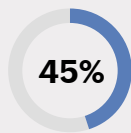
This report examines the status, future, and risks of IT and technology use in large and enterprise-sized organisations across Indonesia.

Key findings

- Typically, respondents in Indonesian organisations report collaborating all the time with other departments more than the global average:

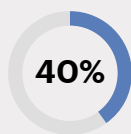


collaborate with the IT department (compared to 42% globally).



collaborate with finance (compared to 29% globally).

- The majority (78%) report successfully decentralising their IT structure already, with a further 22% who are currently attempting to do so.
- The biggest challenges to decentralisation will be maintaining security levels (58%), maintaining quality levels (50%), and maintaining regulatory structure (43%).
- Only 53% of respondents believe they are being consulted adequately as their organisation adapts to a flexible working model:



believe they've not been consulted adequately or even at all.

- 63% feel less loyalty to their employer than they did two years ago (compared to 49% globally).

SECTION 1

The strategic role of IT

When considering the role of IT within organisations, how deep or wide can this run? How integrated is the IT department with other functions in the business? And where is the line drawn on IT's decision-making influence?

Typically, more respondents in Indonesian organisations report collaborating with different departments in their organisation all of the time than the global average. For example, 54% collaborate with the IT department all of the time (compared to 42% globally), 45% collaborate with finance all the time (compared to 29% globally), and 41% collaborate with sales all the time (compared to 31% globally). While these organisations are outperforming other markets in terms of constant collaboration, there is still a large proportion who aren't seeing this relationship.

When it comes to collaboration between the IT department and the C-suite, almost all (97%) respondents believe that this is done fairly or extremely well. This partnership might be a factor in why respondents in Indonesia commonly have autonomy over technology decisions to a greater degree than other markets—72% of these respondents, for example, have autonomous decision making over the purchasing of apps and IT software compared to 61% globally. IT also plays a large role in strategic priorities such as implementing sustainability policies. Over half (55%) of IT decision makers (ITDMs) and business decision makers (BDMs) report that their IT department plays a critical role in implementing sustainability policies in their organisations, higher than the global average of 37%.

Increasingly, IT professionals are also expected to be innovators, with the vast majority of respondents (89%) agreeing that IT is more responsible for business innovation than ever before. Yet a similar percentage (91%) agree that IT could drive innovation if they had a stronger leadership position. This perhaps suggests that while IT's responsibility for innovation has grown, they aren't always centrally positioned to act as the main influence.

"IT could drive greater innovation if it had a stronger leadership position"



Figure 1: To what extent do you agree with the following statements?

This notion is compounded by the proportion who feel that they weren't consulted adequately or at all as their organisation adopts and adapts to a flexible working model (40%), higher than the global average (32%). Just 53% believe they are being consulted adequately. While IT would play a pivotal role in ensuring the secure and smooth transition to remote working, it is likely that they feel left out of the decision-making process around this adoption. While seemingly an isolated experience compared to the large amounts of collaboration and influence seen elsewhere, this demonstrates that IT teams aren't always central to the decisions made, even when they have a significant role to play in the success of those decisions.

So far, it is clear that IT's role arguably traverses both horizontally and vertically within organisations, but why is this necessary?

A potential reason for the need and increase in collaboration and variety of decision-making authority across the business may be being driven by the level of decentralisation within organisations' IT structures. According to the majority of ITDMs (78%), their organisations have already successfully decentralised their IT structures, with all of the remaining ITDMs' (22%) organisations currently attempting to do so.

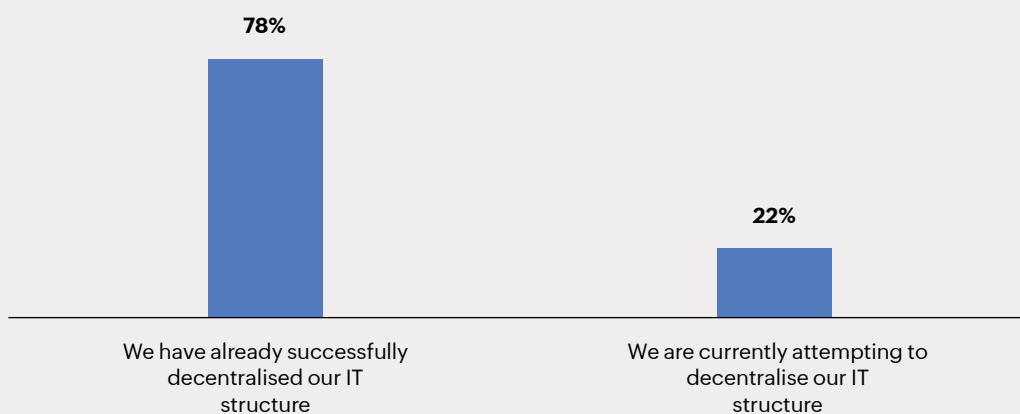


Figure 2: Is your organisation attempting to decentralise its IT structure?

This has not been without its challenges, however, with the most likely challenges being maintaining IT security levels (58%), quality levels (50%) and regulatory structures (43%).

Despite the challenges faced, the perceived benefits are widely recognised among ITDMs and BDMs. The majority of decision makers believe that if their organisation decentralises its IT function, the importance of IT's role in the business will become more recognised/acknowledged (72%) and there will be more professional growth through upskilling (66%) as a result.

Indeed, perhaps decentralisation enables the increasing expectation of IT to be innovators as highlighted earlier.

SECTION 2

Tech skills and training

The strategic role played by IT is critical to the success of businesses. But how are IT and other key functions performing when it comes to their use of technology and talent within the organisation?

IT teams are set to have a greater role in organisations in the next five years. Around six in ten ITDMs (63%) believe that there will be a need for central IT teams while 57% believe that IT will increasingly adopt new technology.

Nearly all BDMs' organisations have invested in AI/ML and are doing so for more than one use case on average. Automation is unsurprisingly the most highly reported area (69%), but only slightly fewer (66%) report using AI to prevent cyberattacks. Sixty-four percent are using AI to build employee self-service, making Indonesia the most likely region to invest in it for this use case.

Areas of respondents' organisations where AI/ML has been invested

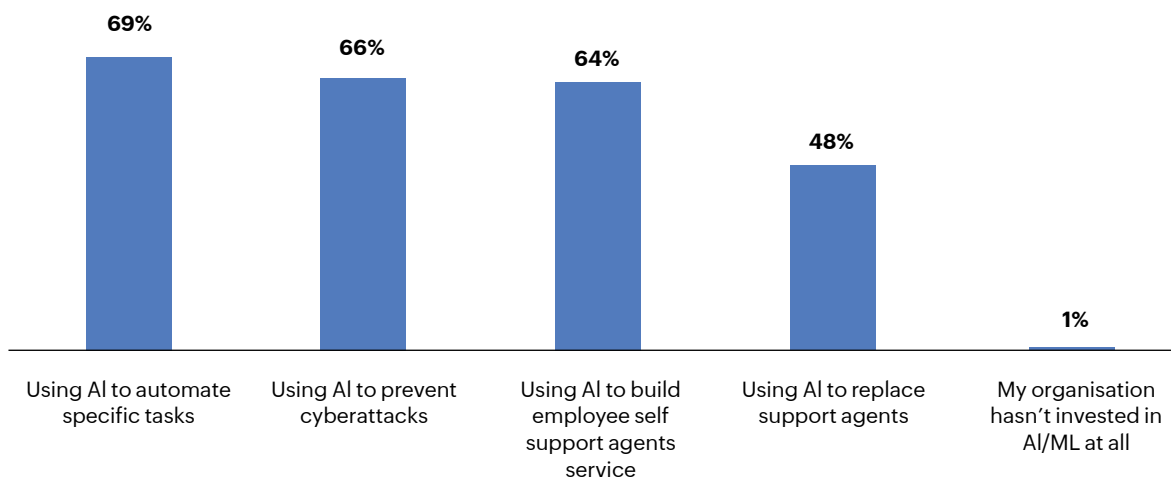


Figure 3: In what specific areas, has your organisation invested in AI/ML?

Similar to the investment in AI/ML, all ITDMs in Indonesia report that their organisations make use of advanced data analytics. One of the most common use cases for this is correlation and contextualisation (65%), higher than the global average of 50%.

There is also a substantial amount of employee-created applications via low/no-code platforms being made in Indonesian organisations. ITDMs report that sales (47%) and legal/privacy teams (38%) are more likely to do this at a global level (31% and 24% respectively). While this practice can help departments be more agile and reactive to their own needs, it can create problems for IT around security and regulation.

Collaboration across these departments becomes even more important in light of this.

There are challenges when it comes to maximising the use of these technologies mentioned. Just under nine in ten (87%) BDMs say that their organisations’ employees face barriers when it comes to taking full advantage of technologies currently in use. The greatest challenge for Indonesian organisations is the ever-evolving nature of technology (59%). Other challenges include a lack of training (47%) and a lack of basic technology knowledge (32%).

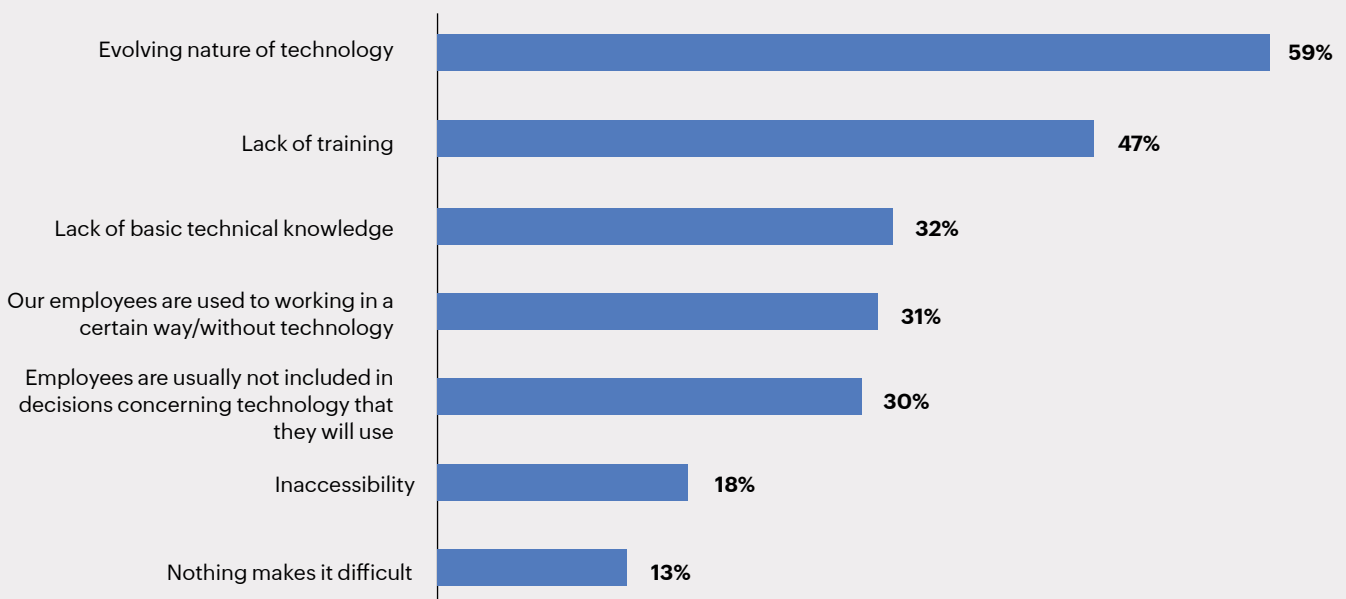


Figure 4: What are the barriers for your organisation’s employees to take full advantage of the technologies that your organisation currently uses?

Current indications show that training needs to be improved. All ITDMs in Indonesia believe that at least one department in their organisation should receive more technical skills training. While many departments are regularly cited as requiring this additional training, the non-IT developers/DevOps department is most likely (62%) to be called out by ITDMs. The autonomy that business functions have when it comes to technology choices is important. But given the gap in collaboration with this department, and the regular development of employee-created apps, it is apparent that the knowledge and expertise of IT is still vital. Finding and retaining skilled IT staff is crucial—another challenge facing organisations.



SECTION 3

IT leaders and the future

The truth is that ITDMs in Indonesia are looking beyond their current employer when it comes to their future, even more so than the majority of other markets in this study. Eight in ten (80%) ITDMs agree that their organisation should have supported them more in the last two years. Similarly, 63% of ITDMs agree that they feel less loyalty to their employer than they did two years ago, and 53% agree that they are actively looking for a new job.

Almost three quarters (72%) agree that they are more willing to make a risky career move than they were two years ago.

There is clearly a delicate balance for organisations to strike if they are to hold on to the knowledge and skills that have been built up in their IT department's leadership.

Percentage who agree with the below statements

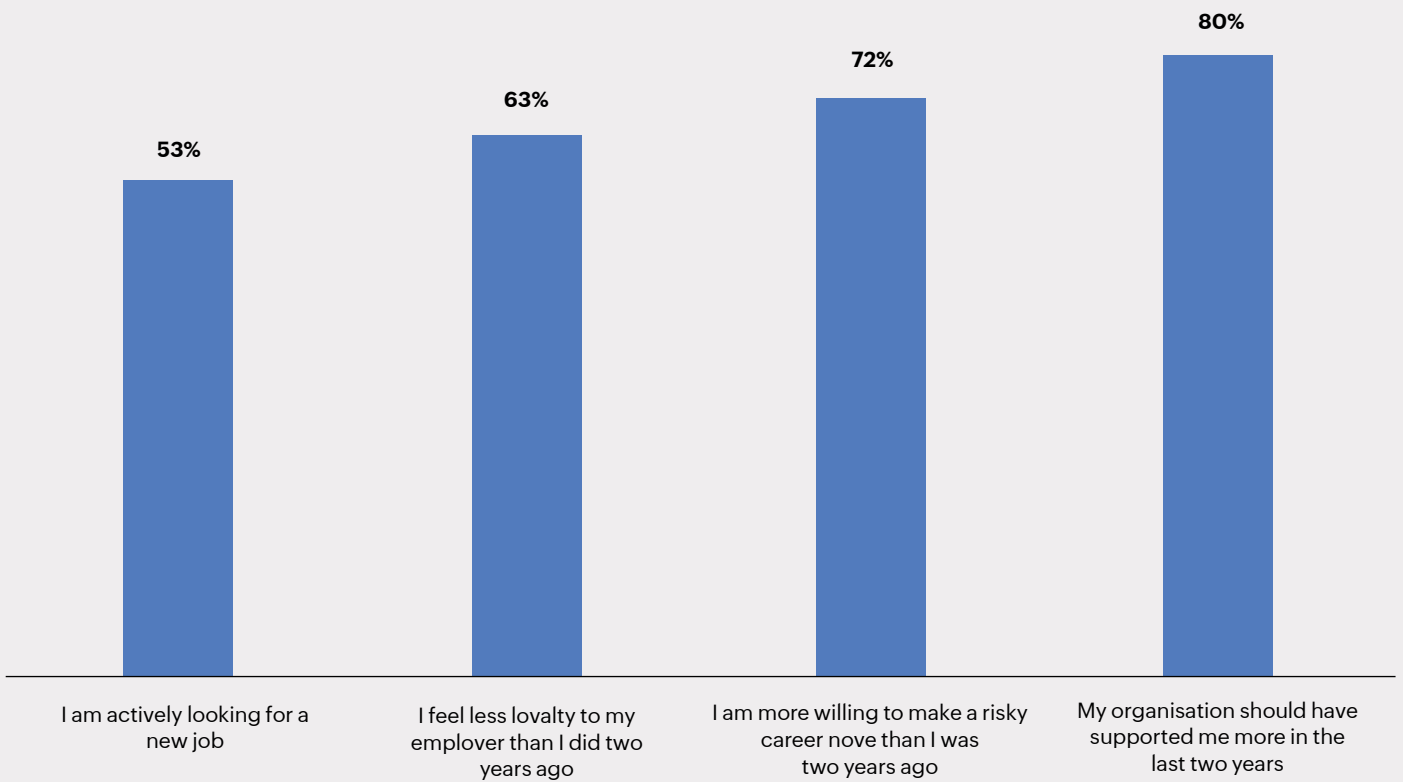


Figure 5: To what extent do you agree with the following statements?

Conclusion

IT in Indonesian organisations holds substantial influence and decision-making capability, and there is significant collaboration between departments. However, there is still room for further improvement, illustrated by a reasonable amount of ITDMs who do not feel consulted properly on flexible working—a key practice needing their involvement. Most are in agreement that IT could drive more innovation if they had a stronger leadership position within the business.

Decentralising of IT is already happening, but there are notable challenges in doing it. However, successful decentralisation is likely to increase the importance of IT's role even further.

While future adoption of advanced technologies looks likely, there are concerns around the rate of this change and the skills that exist to support implementation. With many ITDMs feeling disillusioned or even disgruntled with their roles, organisations have a challenge on their hands to retain top tech talent and ensure that IT decentralisation and innovation can continue successfully.

Methodology

ManageEngine commissioned independent market research agency Vanson Bourne to conduct the research upon which this executive summary is based. 150 decision makers across IT and other key business functions from organisations across Indonesia were surveyed from a range of private sector organisations. The wider global research included 3,300 decision makers across IT and other key business functions from private sector organisations across the globe.

All interviews were conducted using a rigorous multi-level screening process to ensure that only suitable candidates were given the opportunity to participate.

About ManageEngine

ManageEngine is the enterprise IT management division of Zoho Corporation. Established and emerging enterprises—including 9 of every 10 Fortune 100 organizations—rely on ManageEngine’s real-time IT management tools to ensure optimal performance of their IT infrastructure, including networks, servers, applications, endpoints and more. ManageEngine has offices worldwide, including the United States, the United Arab Emirates, the Netherlands, India, Colombia, Mexico, Brazil, Singapore, Japan, China and Australia, as well as 200+ global partners to help organizations tightly align their business and IT.





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