

# IT Spending & Staffing Benchmarks

## CHAPTER 10

Sample Industry

2024/2025

SAMPLE RESEARCH GROUP

## IT Spending and Staffing Benchmarks 2024/2025

This publication provides comprehensive benchmarking data for IT spending and staffing within the sample industry subsector. The data presented represents a collection of responses from 30 organizations ranging in revenue from \$75 million to over \$45 billion. This research includes detailed analysis of IT operational spending, capital spending, staffing metrics, and infrastructure investments specific to sample industry organizations.

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Sample Research Group

Contact Information:

123 Research Boulevard

Suite 500

Research City, CA 90001

Phone: (555) 123-4567

Email: info@sampleresearch.com

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## Authors and Contributors

John Smith - Senior Research Director

Jane Doe - Principal Analyst

Michael Johnson - Research Analyst

Sarah Williams - Research Analyst

Robert Brown - Senior Copy Editor

## Introduction - Chapter 10: Sample Industry

The sample industry represents a critical sector within the broader technology and business services landscape. Organizations within this industry vary significantly in size, complexity, and IT infrastructure requirements. This chapter provides detailed benchmarking data specifically for the sample industry subsector, allowing organizations to compare their IT spending and staffing metrics against industry peers.

This analysis is based on survey responses from 30 organizations, ranging in annual revenue from \$75 million to over \$45 billion. The diversity of respondents ensures that the benchmarks represent organizations of various sizes and maturity levels within the sample industry. The metrics presented include IT operational spending, capital spending, staffing levels, and infrastructure investments.

The data in this chapter reflects IT spending and staffing practices as of 2024/2025. Organizations should use these benchmarks as reference points for evaluating their own IT spending efficiency, staffing ratios, and infrastructure investments. Significant deviations from these benchmarks may indicate opportunities for optimization or areas requiring additional investment.

## Demographics

This section provides insight into the demographics of organizations in the sample for this chapter. These statistics include standard measurements of organization size, IT infrastructure, and IT intensity. This section is not necessarily intended for benchmarking; rather, it provides an overview of the sample. The remaining 11 sections and 32 figures or tables feature metrics more appropriate for benchmarking.

### Organization Demographics

Understanding the demographics of the survey respondents in this chapter is an important step in analyzing the metrics. Figure 10-1 shows the characteristics of participants as measured by organization revenue, number of employees, revenue per employee, and revenue per user.

At the median (midpoint), the respondents have \$3.2 billion in annual revenue, 7,500 employees, revenue per employee of \$490,000, and revenue per user of \$565,000. The 25th percentile and 75th percentile show the range of values within which half of the organizations fall.

Metric	25th Percentile	Median	75th Percentile
Organization revenue	\$750,000,000	\$3,200,000,000	\$18,000,000,000
Number of employees	1,800	7,500	45,000
Revenue per employee	\$285,000	\$490,000	\$625,000
Revenue per user	\$300,000	\$565,000	\$790,000

**Source:** Demo Research, 2024

**Figure 10-1**

Please note that you cannot derive the median revenue per employee by simply dividing the median for revenue by the median for employees. We calculate revenue per employee for each organization and then determine the median.

## IT Spending Demographics

Total IT Spending encompasses all information technology spending and investments by the organization, including operational and capital expenses, both inside and outside the formal IT budget. IT Capital Budget refers to IT spending allocated to capital projects and infrastructure investments with expected useful lives exceeding one year. IT Outsourcing Budget represents spending allocated to external service providers for IT services, including managed services, cloud services, and consulting engagements.

Metric	25th Percentile	Median	75th Percentile
Total IT spending	\$18,500,000	\$85,000,000	\$520,000,000
IT capital budget	\$900,000	\$10,200,000	\$45,000,000
IT outsourcing budget	\$5,200,000	\$20,500,000	\$95,000,000

Source: Demo Research, 2024

Figure 10-2

The distribution of IT spending shows significant variation across the sample. The median organization invests \$85 million in total IT spending, with capital budgets representing approximately 12% of total spending and outsourcing accounting for 24% of IT budget.

## IT Infrastructure Demographics

IT infrastructure metrics describe the fundamental components that support IT operations. These metrics provide insight into the complexity and scale of IT infrastructure across sample industry organizations, including the number of data centers, network sites, business applications, and ERP systems deployed.

Metric	25th Percentile	Median	75th Percentile
Data centers	1	2	5
Network sites	8	20	42
Business applications	15	45	85
ERP systems	1	2	4

Source: Demo Research, 2024

Figure 10-3

### Data Centers

Data centers represent the core computing infrastructure managed by IT organizations. The median sample industry organization operates 2 data centers, with a range from 1 to 5 centers across the 25th to 75th percentile range. Multiple data centers enable redundancy, geographic distribution, and disaster recovery capabilities.

### Network Sites

Network sites are geographical or logical network locations requiring IT infrastructure and support. The median sample industry organization has 20 network sites, supporting distributed operations across multiple locations. These sites require investment in connectivity, network equipment, and local IT support resources.

## Business Applications

Business applications represent software systems that support core business functions, including customer relationship management, financial management, supply chain, and human resources systems. The median sample industry organization maintains 45 active business applications, supporting diverse operational and strategic needs.

### ERP Systems

Enterprise Resource Planning (ERP) systems provide integrated management of core business processes across the organization. The median sample industry organization operates 2 ERP systems, with some organizations running up to 4 systems across the 75th percentile. Multiple ERP systems may reflect geographic distribution, divisional structure, or acquisition integration scenarios.

## Key Metrics of IT Intensity

IT intensity metrics measure the relationship between IT resources and organizational size. These metrics provide insight into how dependent the organization is on IT infrastructure and the prevalence of computing devices and systems. Figure 10-4 presents six key metrics that characterize IT intensity across sample industry organizations.

Metric	25th Percentile	Median	75th Percentile
Ratio of users to employees	0.78	0.88	1.02
PCs per user	0.72	0.85	1.08
Percentage of users with tablets	12%	22%	42%
Percentage of users with smartphones	40%	70%	90%
Users per network site	105	380	1,150
Percentage of custom system functionality	18%	30%	38%

Source: Demo Research, 2024

Figure 10-4

### Ratio of Users to Employees

This metric compares the number of active IT system users to total employee count. A ratio above 1.0 indicates that some users have multiple computing accounts or that non-employees utilize IT systems. The median ratio of 0.88 suggests that most employees are active users, but some employees operate without direct system access.

### PCs per User

The PC ratio reflects the prevalence of traditional desktop and laptop computers. A median of 0.85 indicates that not all users have dedicated PCs. This trend reflects the shift toward mobile and cloud-based computing, where users access computing resources through multiple device types.

## Percentage of Users with Tablets

Tablet adoption varies significantly across sample industry organizations, ranging from 12% at the 25th percentile to 42% at the 75th percentile. The median of 22% suggests moderate tablet adoption as a supplementary device for knowledge workers and mobile professionals requiring flexible computing options.

## Percentage of Users with Smartphones

Smartphone adoption is significantly higher than tablet adoption, with a median of 70% and reaching 90% at the 75th percentile. This reflects the importance of mobile connectivity and indicates that most organizations have enabled mobile access to business-critical applications and data for their workforce.

## Users per Network Site

The ratio of users per network site indicates the average size of network locations. The median of 380 users per site suggests relatively concentrated network architecture, while the wide range from 105 to 1,150 reflects variation in organizational structure and geographic distribution strategies.

## Percentage of Custom System Functionality

This metric measures the proportion of application functionality developed through custom development versus commercial off-the-shelf solutions. The median of 30% indicates that most sample industry organizations have built substantial custom capabilities, often to address industry-specific business requirements and competitive differentiation needs.

## IT Spending for Ongoing Support, Growth, and Transformation

Organizations typically categorize IT spending into three strategic buckets: Running the Business (often called 'Run'), Growing the Business ('Grow'), and Transforming the Business ('Transform'). This framework helps organizations understand how much of their IT budget is devoted to maintaining existing systems versus funding innovation and business transformation initiatives.

Run spending maintains existing systems and infrastructure. Grow spending funds new capabilities and competitive advantages. Transform spending enables fundamental changes to business processes and models. At the median, sample industry organizations allocate 52% to Run, 28% to Grow, and 18% to Transform activities.

Metric	Average	25th Percentile	Median	75th Percentile
Running the business	55%	48%	52%	70%
Growing the business	27%	18%	28%	35%
Transforming the business	18%	12%	18%	22%

Source: Demo Research, 2024

Figure 10-5

The variation in these percentages across percentiles suggests that organizations differ significantly in their strategic balance between maintaining existing systems and funding innovation. Organizations at the 75th percentile allocate 70% to Run activities, suggesting more mature, stable IT environments, while those at the 25th percentile allocate only 48%, indicating greater emphasis on growth and transformation.

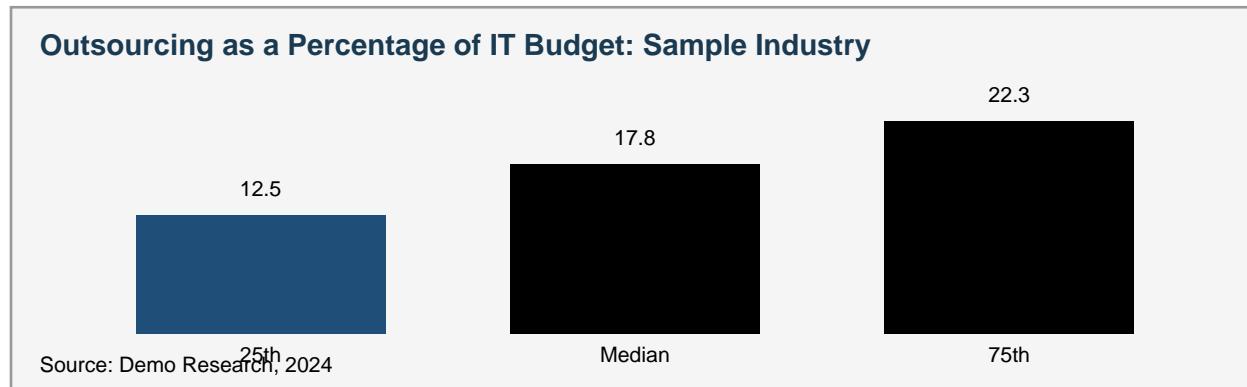
## IT Spending Allocated to Outsourcing

Outsourcing represents a significant component of IT spending for many organizations. Organizations outsource IT services for various reasons including cost management, access to specialized expertise, scalability of services, and focus on core business activities. This section examines the extent to which sample industry organizations allocate their IT budgets to external service providers.

### Outsourcing as a Percentage of IT Budget

IT outsourcing represents the percentage of total IT budget allocated to external service providers including managed services providers, cloud services, consulting firms, and other third-party IT service vendors. This metric helps organizations benchmark their outsourcing strategies and understand industry patterns of vertical integration versus outsourcing.

Figure 10-6 shows that outsourcing accounts for 17.8% of the IT budget at the median for sample industry companies and ranges from 12.5% at the 25th percentile to 22.3% at the 75th percentile. This indicates considerable variation in outsourcing strategies across the industry, with some organizations maintaining more in-house IT capabilities while others rely significantly on external providers.



## Total IT Spending Metrics

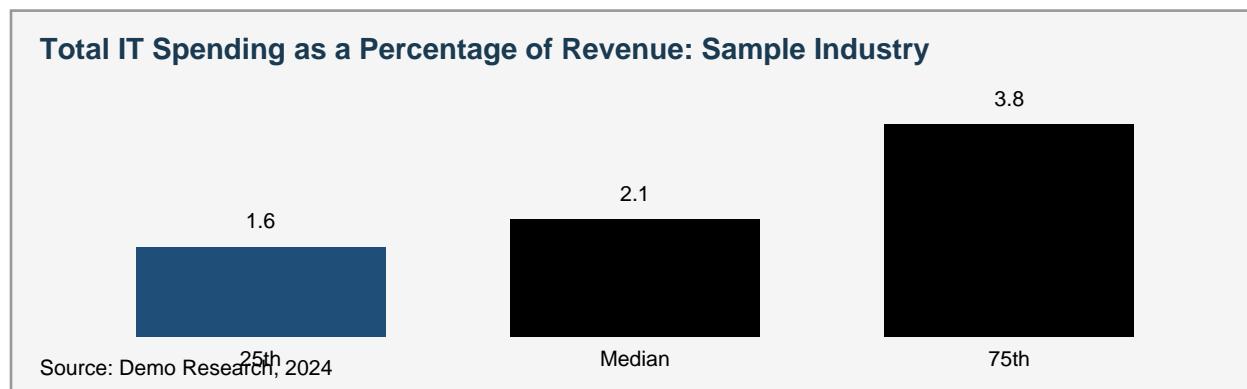
Total IT spending represents the complete investment an organization makes in information technology across all functional areas and budget categories. This includes spending on personnel, infrastructure, applications, cloud services, and all other IT-related expenditures. Understanding total IT spending metrics helps organizations evaluate their overall IT investment levels relative to organization size and revenue.

The metrics in this section normalize total IT spending by key organizational metrics including revenue, number of users, and number of PCs. These normalized metrics enable more meaningful comparisons across organizations of different sizes and composition.

### Total IT Spending as a Percentage of Revenue

This metric measures IT spending as a proportion of total organization revenue, providing a normalized comparison of IT intensity across organizations of different sizes. Organizations with higher IT spending percentages may have more complex IT requirements, higher customer responsiveness demands, or greater dependence on technology for competitive advantage.

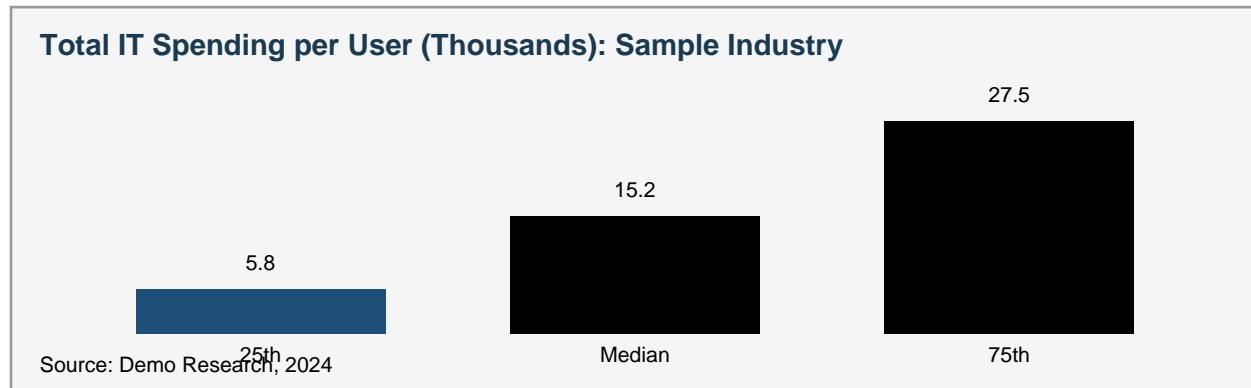
At the median, sample industry organizations spend 2.1% of revenue on total IT investment, with spending ranging from 1.6% at the 25th percentile to 3.8% at the 75th percentile. This indicates that a typical organization invests approximately 2 cents of every revenue dollar into IT, although this varies significantly based on industry characteristics and organizational strategy.



## Total IT Spending per User

This metric normalizes total IT spending by the number of active IT system users in the organization. Users represent the direct consumer base for IT services and infrastructure. Higher per-user spending may reflect sophisticated technology deployments, extensive support structures, or highly customized applications serving complex user needs.

At the median, sample industry organizations spend \$15,200 per user in total IT spending annually, with spending ranging from \$5,800 at the 25th percentile to \$27,500 at the 75th percentile. This substantial variation reflects differences in user demographics, business complexity, and technology investment strategies across organizations.

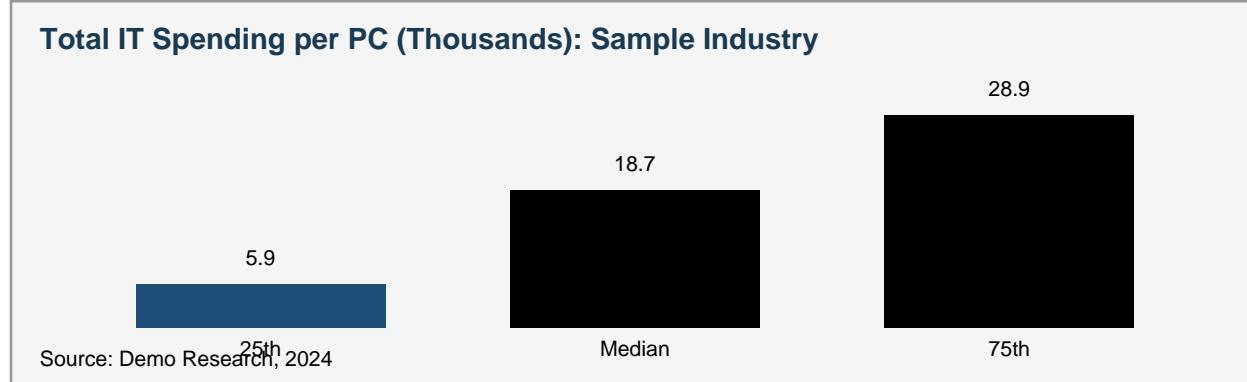


## Total IT Spending per PC

A personal computer (PC) traditionally represents a desktop or laptop computer. This metric normalizes total IT spending by the number of PCs in the organization. This metric is useful for understanding IT spending dedicated to personal computing infrastructure, though it should be interpreted alongside the PC per user ratio, since not all users have PCs.

For the purposes of this analysis, PCs include traditional desktop computers, laptops, and similar personal computing devices provided to individual users. This definition excludes mobile devices such as smartphones and tablets, which are tracked separately in the IT intensity metrics.

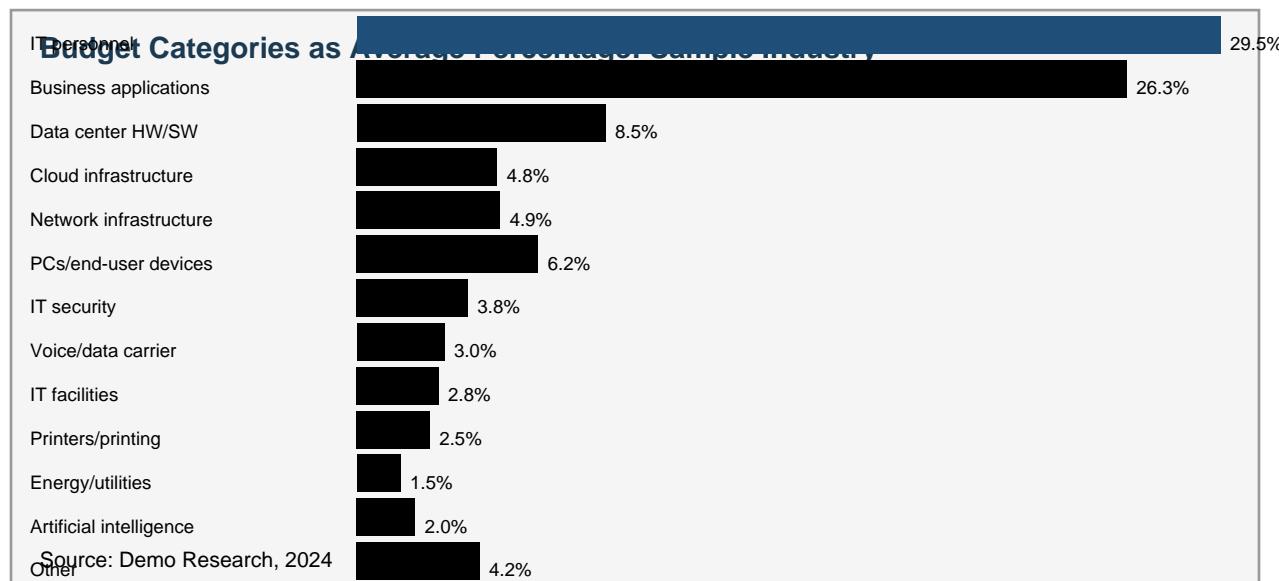
At the median, sample industry organizations spend \$18,700 per PC in total IT spending annually, with spending ranging from \$5,900 at the 25th percentile to \$28,900 at the 75th percentile. The high per-PC spending reflects not only the cost of the device itself but also infrastructure, support, software licensing, and management costs associated with personal computing environments.



## Budget Categories as Average Percentage of Total IT Spending

Organizations allocate their IT budgets across multiple functional categories representing different IT capabilities and service areas. Understanding the allocation patterns across budget categories helps organizations identify spending priorities, benchmark their allocation decisions against industry peers, and identify opportunities for rebalancing investments.

Figure 10-10 presents the average percentage allocation of IT spending across 13 primary budget categories. IT personnel represents the largest category at 29.5%, reflecting the significant labor component of IT operations. Business applications and data center infrastructure are the second and third largest categories, together representing approximately 35% of spending.



## IT Operational Spending Metrics

IT operational spending represents the recurring, day-to-day costs of maintaining and operating IT systems and infrastructure. This includes personnel costs, software licensing, hardware maintenance, utilities, and ongoing support services. Operational spending is distinguished from capital spending, which represents investments in assets with multi-year useful lives.

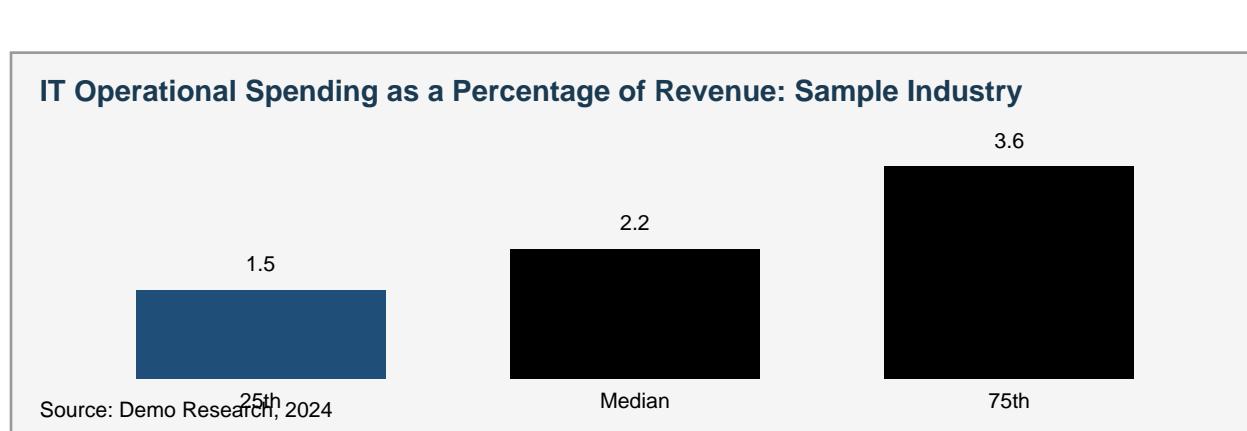
Understanding operational spending patterns is critical for IT financial management and budgeting. Organizations typically find that 85-90% of their IT budgets are consumed by operational expenses, leaving 10-15% for capital investments and new initiatives. This heavy operational burden has led many organizations to explore cloud services, outsourcing, and other strategies to reduce fixed operational costs.

This section presents metrics that normalize operational spending by various organizational measures including revenue, users, and PCs. These normalized metrics enable meaningful comparisons of operational efficiency across organizations of different sizes and structures.

### IT Operational Spending as a Percentage of Revenue

This metric measures IT operational spending as a proportion of total organization revenue. It provides a normalized view of the ongoing IT cost burden relative to organization size and revenue generation capacity.

At the median, sample industry organizations spend 2.2% of revenue on IT operational activities, with spending ranging from 1.5% at the 25th percentile to 3.6% at the 75th percentile. This indicates that operational spending represents the vast majority of total IT spending, as shown in the prior section where total IT spending was 2.1% of revenue.

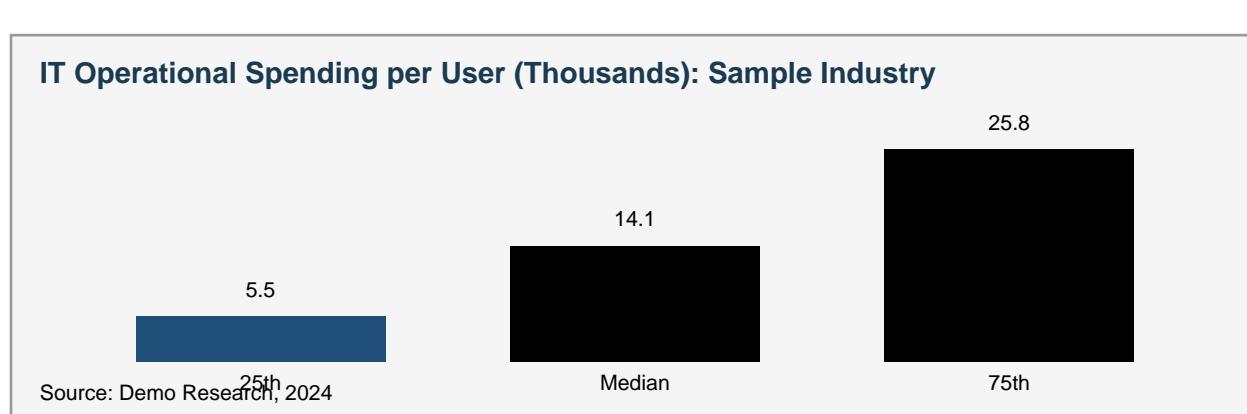


## IT Operational Spending per User

This metric normalizes IT operational spending by the number of active IT system users. It provides a direct measure of the annual operational cost to support each user with IT services, infrastructure, and support personnel.

Per-user operational spending is a common benchmark used by IT organizations to evaluate operational efficiency. Lower per-user spending typically indicates more efficient operations or greater automation, while higher spending may indicate more extensive support services, more sophisticated applications, or more challenging user environments.

At the median, sample industry organizations spend \$14,100 per user annually on IT operational activities, with spending ranging from \$5,500 at the 25th percentile to \$25,800 at the 75th percentile. These values are closely aligned with total IT spending per user, confirming that operational spending represents the substantial majority of total IT spending.

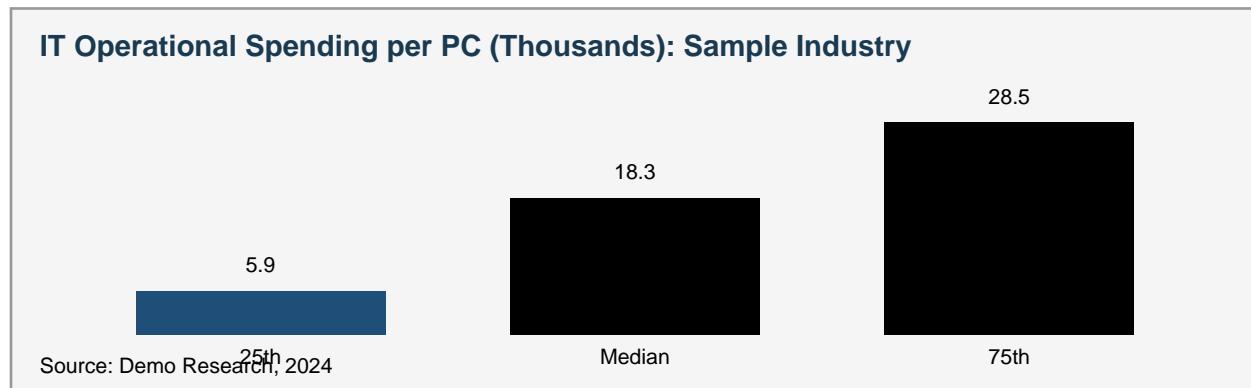


## IT Operational Spending per PC

This metric normalizes IT operational spending by the number of PCs in the organization. Similar to operational spending per user, this metric provides insight into the ongoing costs associated with supporting personal computing infrastructure.

The ratio of operational to total IT spending per PC is similar to the ratio observed per user, reinforcing that operational expenses dominate IT budgets. Organizations with lower per-PC spending may benefit from better asset utilization, extended device lifecycles, or more efficient support models.

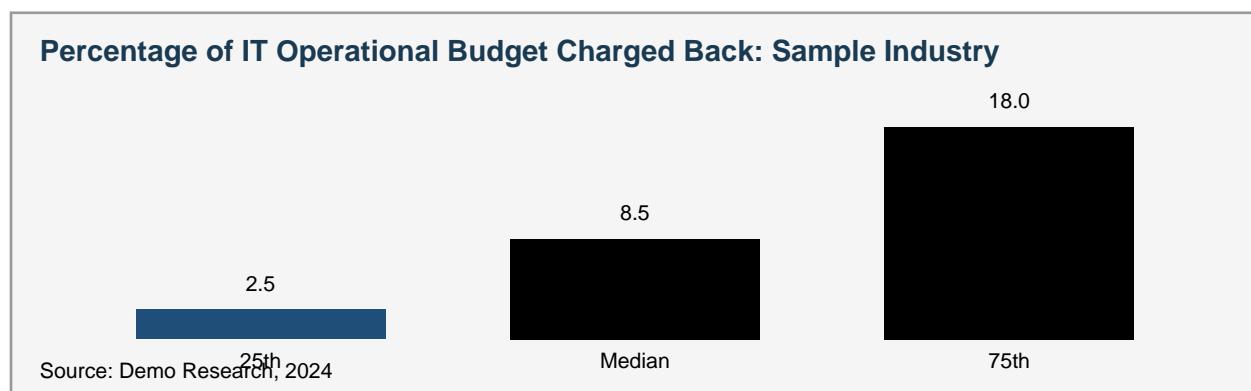
At the median, sample industry organizations spend \$18,300 per PC annually on IT operational costs, with spending ranging from \$5,900 at the 25th percentile to \$28,500 at the 75th percentile. These per-PC spending levels are critical inputs for IT asset management and device lifecycle planning decisions.



## Percentage of IT Operational Budget Charged Back to Business Units

Many organizations implement chargeback models where IT operational costs are allocated back to business units based on usage or other metrics. Chargeback mechanisms help create accountability for IT spending, encourage efficient resource utilization, and provide transparency regarding IT service costs.

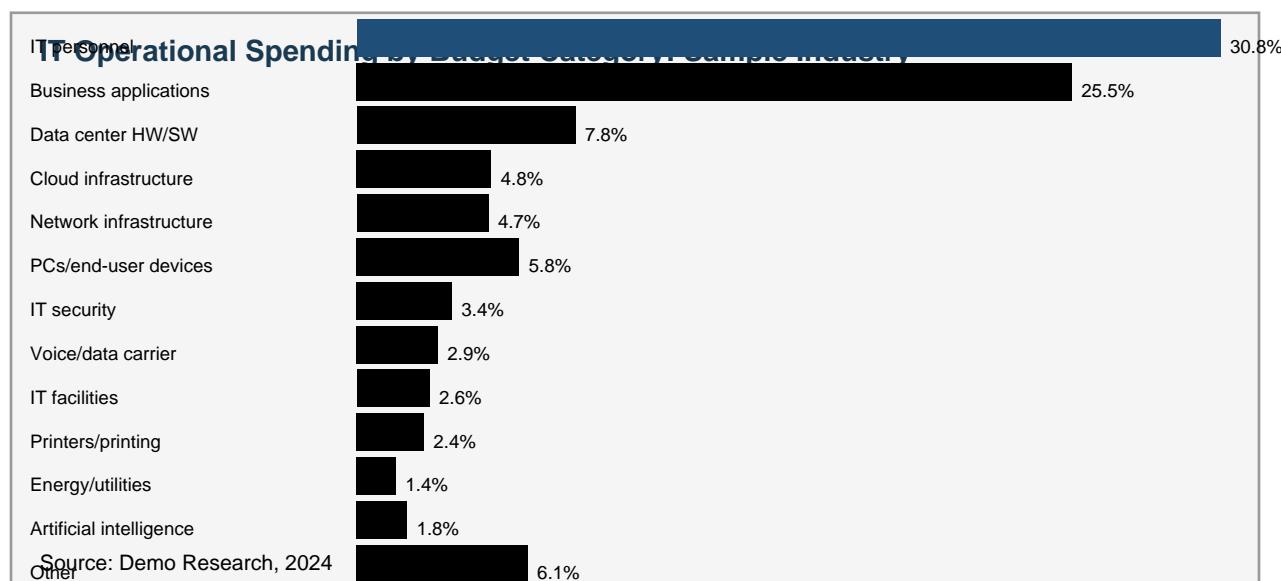
At the median, sample industry organizations charge back 8.5% of their IT operational budget to business units, with chargebacks ranging from 2.5% at the 25th percentile to 18.0% at the 75th percentile. The wide variation reflects different organizational philosophies regarding cost allocation and business unit accountability for IT spending.



## IT Operational Spending by Budget Category

IT operational spending is distributed across multiple functional categories, similar to the budget category distribution shown for total IT spending. However, operational spending emphasizes ongoing personnel, software licensing, and support costs, with less emphasis on capital infrastructure investments.

Figure 10-15 shows the distribution of operational spending across budget categories. IT personnel represents 30.8% of operational spending, slightly higher than the 29.5% for total spending, reflecting the labor-intensive nature of ongoing IT operations. Business applications represent 25.5% of operational spending.

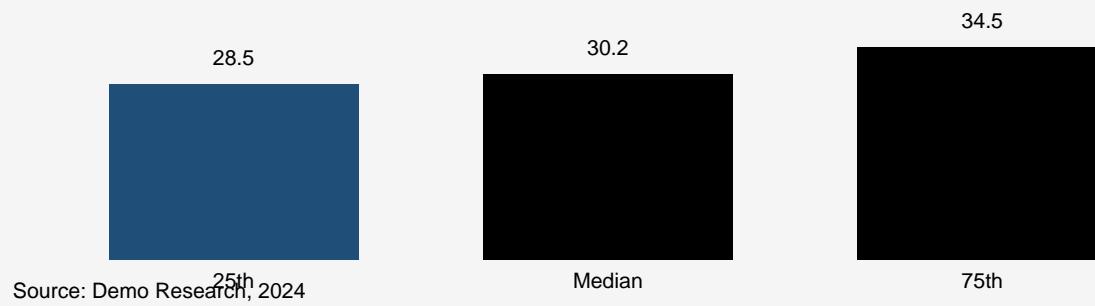


## Personnel as a Percentage of IT Operational Spending

Personnel costs represent the largest component of IT operational spending for most organizations. This includes salaries, benefits, training, and other direct employee costs for IT staff. Understanding personnel as a percentage of operational spending helps organizations evaluate their staffing models and labor cost management.

Personnel costs typically comprise 25-35% of IT operational spending. Organizations with higher personnel percentages tend to have more in-house expertise and control, while those with lower percentages typically outsource more services or have implemented significant automation and self-service capabilities.

### Personnel as Percentage of IT Operational Spending: Sample Industry

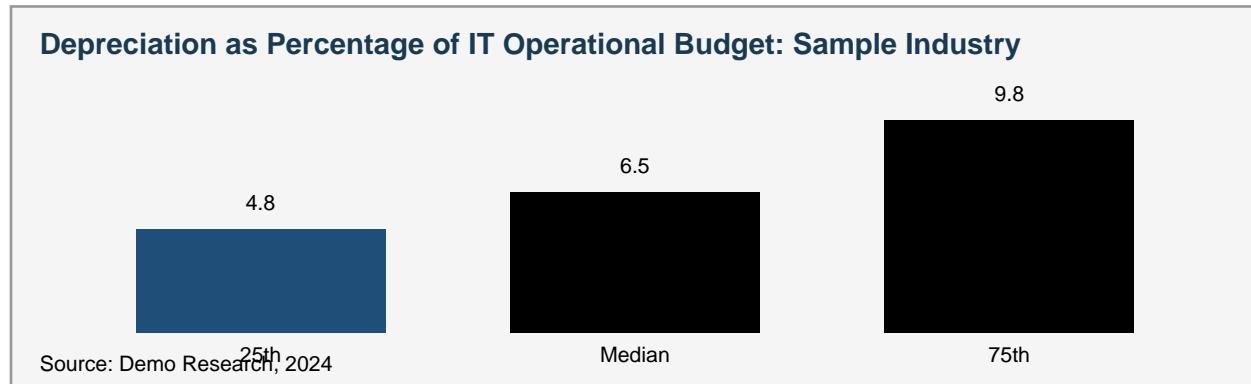


Source: Demo Research, 2024

## Depreciation as a Percentage of IT Operational Budget

Depreciation represents the non-cash allocation of capital asset costs over their useful lives. This accounting mechanism appears on income statements and affects reported IT operational costs and profitability, even though no actual cash payment occurs in the depreciation period.

Depreciation typically comprises 4-10% of IT operational budgets, depending on the organization's capital intensity, asset useful lives, and accounting methods. Organizations with recent significant capital investments show higher depreciation as a percentage of operational spending.



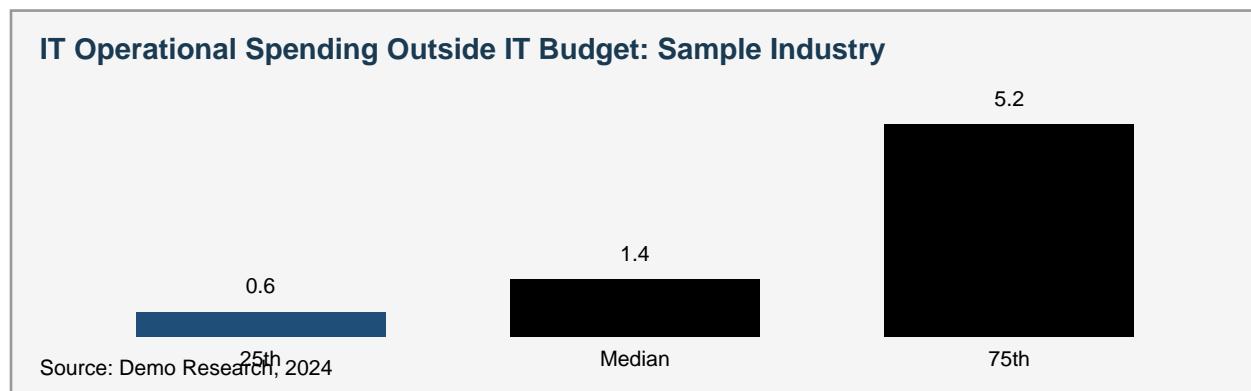
## IT Spending Outside IT Budget

Not all IT spending appears in the formal IT budget. Many organizations have IT-related expenditures distributed across business units, departments, and cost centers that fall outside central IT governance and budgeting processes. These expenses might include shadow IT, departmental technology purchases, and other IT-related spending controlled by non-IT business units.

Understanding and tracking IT spending outside the formal IT budget is important for comprehensive IT financial management and total cost of ownership calculations. Some organizations are working to bring shadow IT spending into central budgets and governance processes.

### IT Operational Spending Outside the IT Budget

This metric captures the percentage of organization IT spending that occurs outside the formal IT budget. At the median, sample industry organizations report that 1.4% of their IT operational spending occurs outside the formal IT budget, with a range from 0.6% at the 25th percentile to 5.2% at the 75th percentile.



## Non-IT Spending Inside the IT Budget

Conversely, some organizations include non-IT spending in their formal IT budgets. This may include facilities costs, communications expenses, administrative support, or other overhead items that are not directly IT-related but are managed as part of the IT budget.

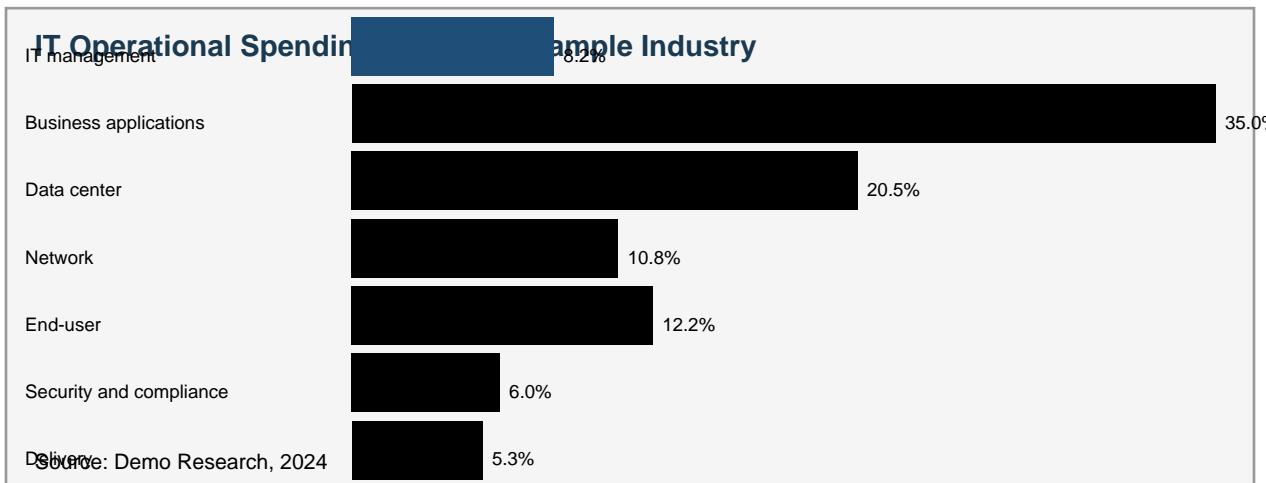
The prevalence and magnitude of non-IT spending in IT budgets varies significantly across organizations based on accounting methods, organizational structure decisions, and IT department scope definitions. Some organizations practice zero-based budgeting for IT, carefully isolating IT spending, while others include all technology-related expenses under IT budgets.

Understanding whether organizations include non-IT spending in IT budgets is important for proper benchmarking and comparison. When interpreting IT spending data, it is important to understand budget definitions and scope to ensure accurate comparisons across organizations.

## IT Operational Spending by Tower

Many organizations organize IT functions into logical 'towers' or service delivery areas, each responsible for specific IT capabilities and services. These towers typically include IT management (governance and administration), business applications, data center infrastructure, network services, end-user computing, security and compliance, and delivery/operations functions.

Tower-based organization structures enable clear accountability for specific technology areas, facilitate resource planning, and support technology specialization. Understanding how IT spending is distributed across towers provides insight into organizational IT strategy and priorities.



## IT Management Tower

The IT Management tower represents the administrative overhead of IT operations, including IT leadership, strategic planning, governance activities, portfolio management, vendor management, and organizational administration. At 8.2% of operational spending, this represents the foundation for IT organizational effectiveness and strategic direction. Effective IT management controls organizational IT capacity and drives alignment with business goals.

## Business Applications Tower

The Business Applications tower represents the largest component of IT spending at 35.0% of operational costs. This includes spending on application development, maintenance, licensing, support, and operations for systems that directly support business functions. This tower encompasses enterprise systems, customer-facing applications, internal productivity applications, and custom-developed systems. The significant spending in this area reflects the importance of applications to business operations.

## Data Center Tower

The Data Center tower includes spending for computing infrastructure, storage systems, backup and recovery systems, virtualization, and facilities management. At 20.5% of operational spending, this reflects the ongoing costs of maintaining and operating IT infrastructure that supports all other IT services. Data center spending includes hardware acquisition and maintenance, software licensing, energy and utilities, facilities costs, and staffing for infrastructure operations.

## **Network Tower**

Network infrastructure spending represents 10.8% of IT operational spending. This includes network equipment, switching and routing infrastructure, wireless networks, voice services, network management tools, and network staffing. Network infrastructure enables connectivity and communication throughout the organization and to external partners and customers.

## **End-User Computing Tower**

The End-User Computing tower represents 12.2% of IT operational spending and encompasses personal computing devices (desktops and laptops), peripherals, mobile device management, end-user support services, help desk operations, and associated staffing. This tower focuses on providing computing resources and support services to individual users across the organization.

## **Security and Compliance Tower**

The Security and Compliance tower represents 6.0% of IT operational spending and includes information security infrastructure, access controls, threat detection and response, compliance monitoring, security staffing, and related services. This tower has grown in importance as organizations face increasing cybersecurity threats and regulatory compliance requirements.

## **Delivery Tower**

The Delivery tower represents 5.3% of IT operational spending and encompasses IT service delivery operations, IT operations centers, service level management, incident management, change management, and related operational staffing and processes. This tower focuses on the day-to-day management and delivery of IT services to the organization.

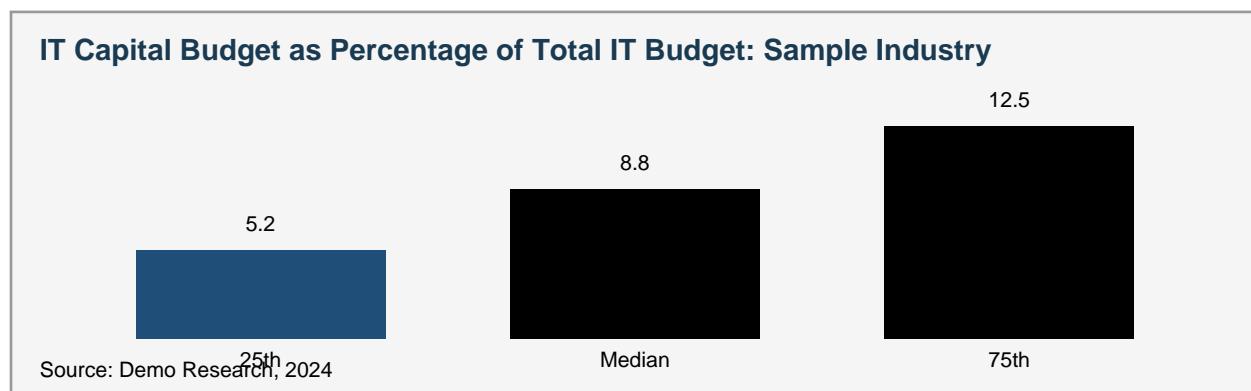
## IT Capital Spending Metrics

IT capital spending represents investments in assets with expected useful lives exceeding one year. Capital spending includes purchases of computing hardware, software licenses with multi-year terms, infrastructure equipment, facilities improvements, and other long-term IT investments. Capital spending is distinguished from operational spending which represents recurring, short-term costs.

Understanding capital spending patterns is important for long-term IT planning and financial forecasting. Capital spending cycles often reflect organizational technology refresh rates, major IT initiatives, and infrastructure modernization efforts. Organizations typically allocate 8-12% of their total IT budgets to capital spending, with the remainder going to operational costs.

### IT Capital Budget as a Percentage of Total IT Budget

This metric shows capital spending as a percentage of total IT budget (operational plus capital). At the median, sample industry organizations allocate 8.8% of their total IT budget to capital investments, with allocations ranging from 5.2% at the 25th percentile to 12.5% at the 75th percentile.



## IT Capital Spending by Budget Category

IT capital spending is distributed across multiple functional categories, with different spending priorities than operational spending. Capital spending emphasizes infrastructure investments and technology refresh initiatives.

Budget Category	Average
Business applications	16.5%
PCs/end-user devices	15.5%
Data center hardware/software	16.0%
Network infrastructure	9.5%
Cloud infrastructure	6.8%
IT security	6.2%
IT facilities/floor space	5.5%
Voice/data carrier expenses	4.2%
IT personnel	4.0%
Energy/utilities	3.8%
Printers/printing	3.5%
Artificial intelligence	2.0%
Other	6.5%

Source: Demo Research, 2024

Figure 10-21

## IT Staffing Metrics

IT staffing represents a critical component of IT service delivery. This section presents metrics that help organizations understand staffing levels, staffing mix, staffing efficiency, and staffing economics. Staffing metrics enable organizations to evaluate whether their staffing levels are appropriate for their user base and IT operational scope.

### Users per IT Staff Member

This metric measures IT staffing efficiency by calculating the number of users supported by each IT staff member. Higher users-per-staff ratios suggest more efficient operations, better automation, or higher-touch models. Lower ratios may indicate more personalized support or more complex environments requiring intensive support.

At the median, sample industry organizations support 28 users per IT staff member, with ratios ranging from 20 users per staff member at the 25th percentile to 38 users per staff member at the 75th percentile. These ratios reflect substantial differences in staffing models and support delivery approaches across organizations.

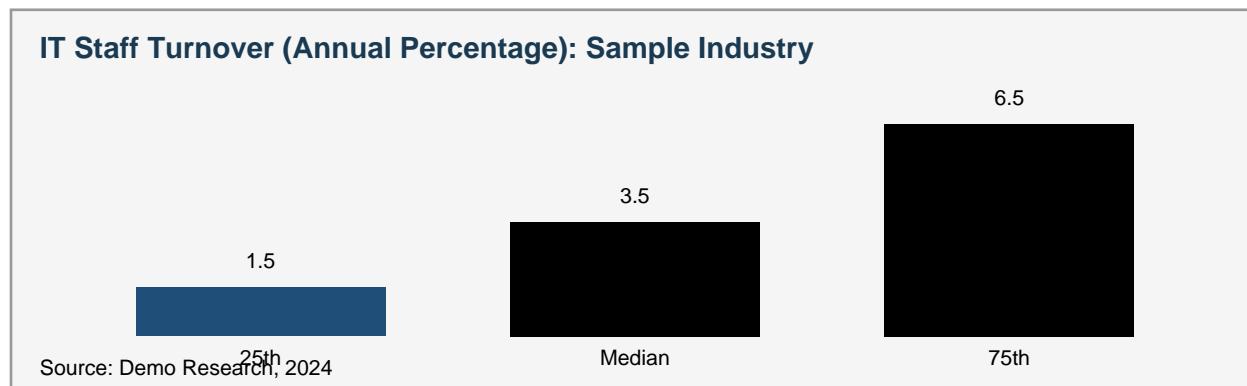


## IT Staff Turnover

IT staff turnover measures the percentage of IT staff that leave the organization annually. High turnover can be costly due to recruitment, onboarding, and loss of institutional knowledge. Low turnover indicates organizational stability and continuity but may reflect limited growth opportunities.

Technology industry turnover rates are typically higher than other industries due to high demand for skilled IT professionals and competitive job markets. Organizations focus on talent retention through career development, competitive compensation, and positive work environments.

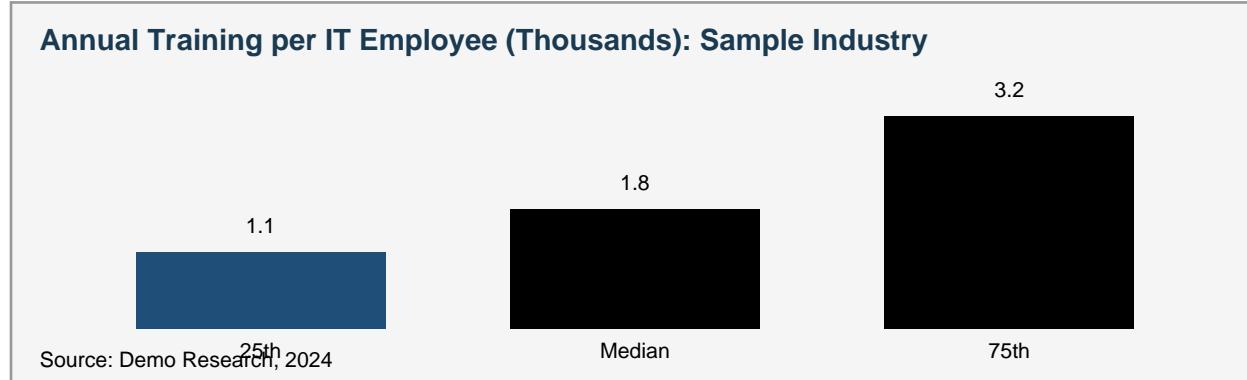
At the median, sample industry organizations experience 3.5% annual IT staff turnover, with turnover ranging from 1.5% at the 25th percentile to 6.5% at the 75th percentile. This suggests median organizations replace approximately one-third of their IT staff every ten years, requiring ongoing recruitment and training investments.



## Annual Training Allocation per IT Employee

Annual training allocation represents the amount of training budget, both financial and time-based, devoted to each IT employee. Training is critical for keeping IT staff current with rapidly evolving technologies and maintaining operational effectiveness.

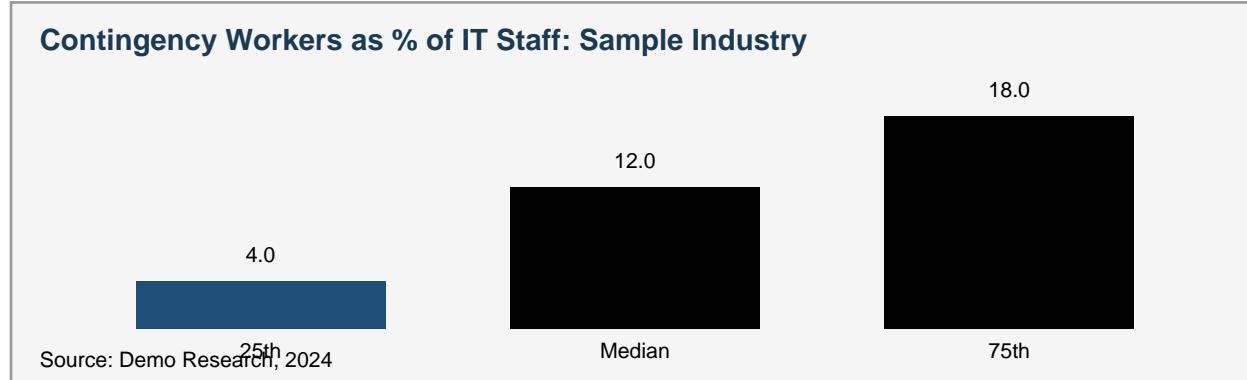
At the median, sample industry organizations allocate \$1,800 annually per IT employee for training and development, with allocations ranging from \$1,150 at the 25th percentile to \$3,200 at the 75th percentile. This training investment reflects commitment to staff development and capability building.



## Contingency Workers as a Percentage of IT Staff

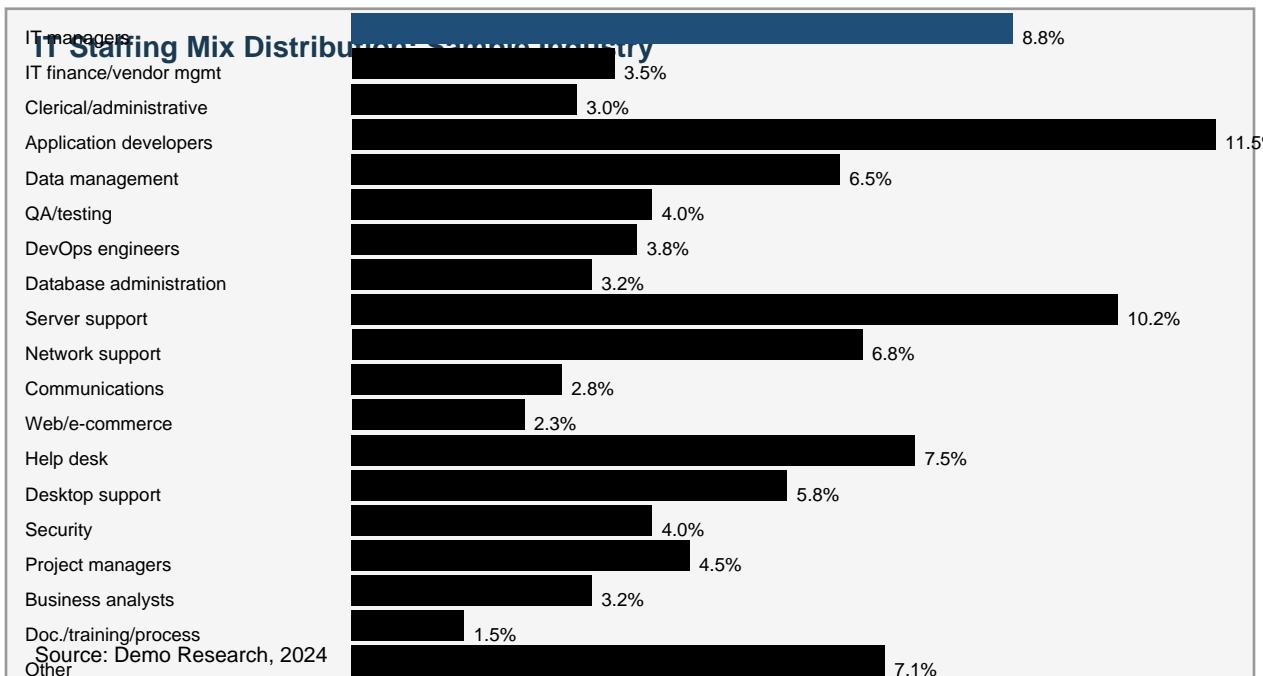
Contingency workers include contract employees, temporary workers, and vendors who provide IT services on a non-permanent basis. Organizations use contingency workers for specialized skills, temporary workload surges, and specific projects.

Contingency workers provide flexibility but typically cost more on a per-hour basis than permanent staff. The use of contingency workers reflects organizational strategy regarding vertical integration, skill sets, and budget flexibility.



## IT Staffing Mix

IT staffing mix describes the distribution of IT staff across different functional roles and specializations. This distribution reflects organizational IT strategy, technology platform choices, and service delivery models. Understanding staffing mix helps organizations evaluate whether their role distribution aligns with industry patterns and organizational strategy.



## Business Application Metrics

Business applications represent software systems that support core business functions and operations. These metrics help organizations understand their application portfolio characteristics and application spending patterns.

Metric	25th Percentile	Median	75th Percentile
Business apps as % of IT spending	20.5%	21.8%	28.5%
Business app spending per user	\$2,200	\$3,350	\$7,100

Source: Demo Research, 2024

Figure 10-27

## Data Center Metrics

Data centers represent the core computing infrastructure that supports organizational IT operations. Data center metrics provide insight into infrastructure complexity, technology choices, and infrastructure spending patterns.

### Processing Workload by Operating System

Organizations typically run workloads across multiple operating system platforms. This table shows the distribution of data center processing workload across different operating system platforms used by sample industry organizations.

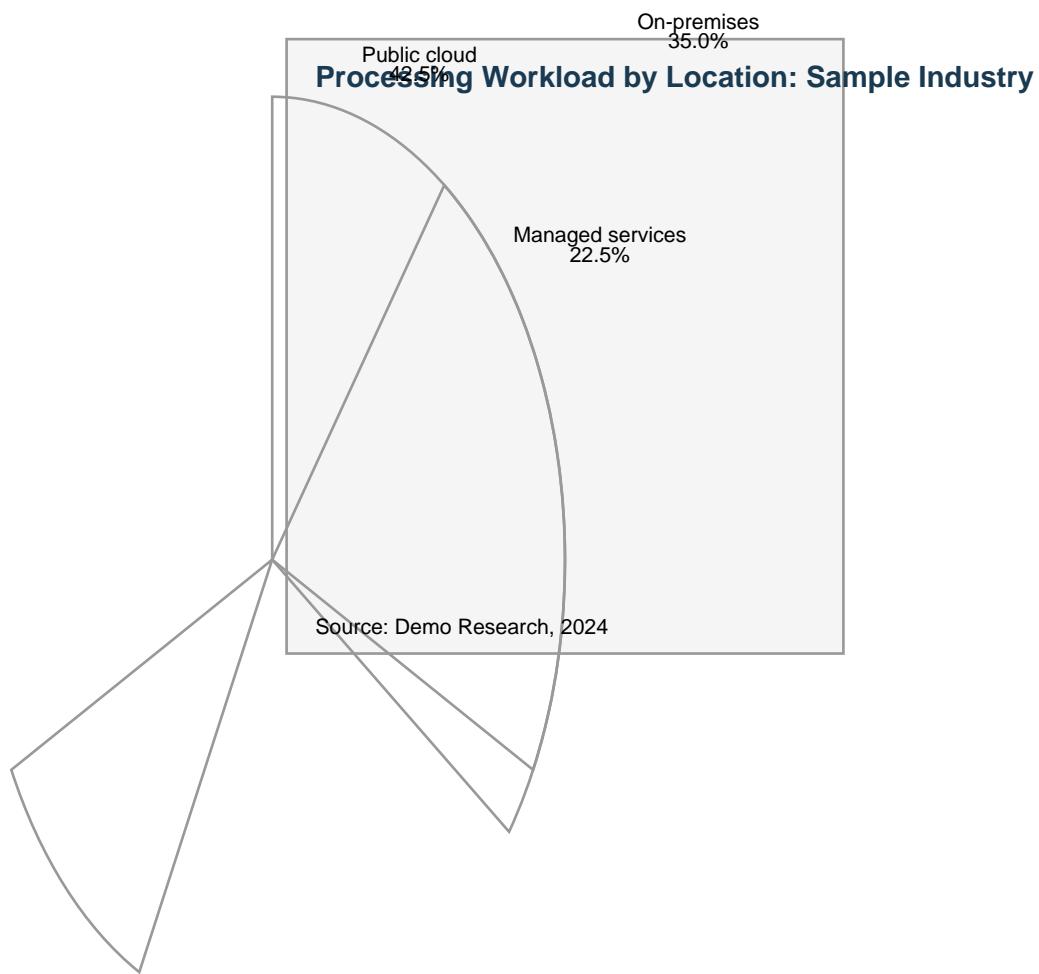
Operating System	Percentage
Windows Server	68.2%
Linux	14.5%
Unix	5.8%
IBM Mainframe	4.2%
IBM i (OS/400)	2.8%
Other OS	4.5%

Source: Demo Research, 2024

Figure 10-28

## Processing Workload by Location

Modern IT environments typically distribute computing workloads across three primary location types: on-premises data centers owned and operated by the organization, managed services facilities operated by third-party providers, and public cloud services. The distribution of workload across these location types reflects organizational cloud adoption and infrastructure strategy.



## Data Center Spending and Infrastructure Metrics

These metrics present consolidated data center spending and provide normalized views of data center infrastructure investment across sample industry organizations.

Metric	25th Percentile	Median	75th Percentile
Consolidated data center spending per user	\$1,250	\$2,350	\$3,500
Data center HW/SW as % of IT spending	6.8%	8.5%	9.5%
Data center HW/SW spending per user	\$980	\$1,450	\$2,280
Energy/utilities spending per user	\$170	\$320	\$490

Source: Demo Research, 2024

Figure 10-30

## Network Metrics

Network infrastructure represents a critical component of IT operations, enabling communication and connectivity throughout the organization and to external users and partners. Network metrics provide insight into network spending and infrastructure complexity.

Metric	25th Percentile	Median	75th Percentile
Consolidated network spending per user	\$1,050	\$1,850	\$3,050
Network infrastructure as % of IT spending	3.5%	4.8%	6.0%
Network infrastructure spending per user	\$550	\$780	\$1,450
Network spending per network site	\$80,000	\$550,000	\$2,500,000

Source: Demo Research, 2024

Figure 10-31

## End-User Computing Metrics

End-user computing encompasses personal computing devices, mobile devices, end-user support services, and related infrastructure that enables individual users to perform their work. End-user computing metrics provide insight into device distribution and end-user support spending.

Metric	25th Percentile	Median	75th Percentile
Consolidated end-user tech spending per user	\$980	\$1,400	\$2,150
PC/end-user device spending per user	\$680	\$950	\$1,580
PCs/end-user devices as % of IT spending	4.5%	5.8%	7.5%

Source: Demo Research, 2024

Figure 10-32

## Appendix: Common Terms and Definitions

**Business Applications:**

Software systems that support core business processes and functions, including enterprise systems and custom solutions.

**Cloud Infrastructure:**

Computing resources and services provided through cloud service providers, including IaaS and PaaS.

**Custom-Developed Systems:**

Software applications designed specifically for an organization, as opposed to commercial off-the-shelf solutions.

**Data Center:**

A facility housing computing infrastructure, storage systems, networking equipment, and related components.

**Employees:**

Full-time and part-time workers employed by the organization.

**IT Spending:**

All expenditures for information technology, including personnel, equipment, software, services, and outsourcing.

**IT Capital Spending:**

IT expenditures for assets with expected useful lives exceeding one year.

**Depreciation:**

The allocation of capital asset costs over their useful lives.

**Total IT Spending:**

The sum of all IT capital spending and IT operational spending.

**Network Site:**

A geographical or logical location with computing infrastructure requiring IT support.

**IT Outsourcing:**

Use of external service providers for IT services, including cloud services, managed services, and consulting.

## **Statistical Notes**

Central Tendencies: This report presents three measures of central tendency for each metric: the average, median, and percentiles. The average is the arithmetic mean of all survey responses and is sensitive to extreme values. The median is the middle value when responses are arranged in order and is robust to extreme values. Percentiles divide the distribution of data into equal parts. The 25th, 50th (median), and 75th percentiles are presented to show the spread of data among survey respondents. The 25th percentile represents the value below which 25% of responses fall, the median represents the value below which 50% of responses fall, and the 75th percentile represents the value below which 75% of responses fall.