

North East and Borders score highly in the IT savvy stakes



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The senior management of firms in the North East & Borders are significantly more 'Savvy' (26%) than the rest of Britain (18%) when it comes to information technology (IT). However, the region also hosts more IT 'Luddites' (17%) than the rest of Britain (15%), and there are a significantly lower proportion of 'Geeks' (3%) and 'Naturals' (4%) than the rest of Britain (both 8%). This is despite around three quarters of businesses in the region believing that IT is either "extremely" or "fairly important" in keeping or winning new business.

These are the conclusions of independent research commissioned among 1081 small businesses in Britain by the North East Regional Portal for business, residents and visitors, n-e-life.com.

Are you out-of-date, scared or exhausted?

The report, prepared for n-e-life.com by international research organisation TNS, shows that the region also hosts the same level of 'Out-of-date' (11%) senior business executives than the rest of Britain (11%), and fewer of those who are 'Scared' of IT – five per cent in the region compared to the rest of Britain at nine per cent. The following table summaries the attitudes and characteristics of senior managers in the North East and Borders region when it comes to IT and compares them to the British average/rest of Britain.

Typology	North East and Borders %	British Average % (including NE)	Rest of GB %
Savvy	26	17	16
OK	22	24	24
Luddite	17	15	15
Exhausted	11	8	8
Out-of-date	11	11	11
Scardey	5	8	9
Natural	4	8	8
Geek	3	8	8
Ostrich	1	2	2

IT is vital to winning and maintaining business

Norma Foster, general manager of n-e-life said, "Most important is the link that respondents have made between IT and keeping and winning business, proving that successful businesses know that IT is a vital part of their strategy for growth.

It is also great news that we are significantly above the British average in the IT Savvy-ness stakes. Particularly considering that it was only a few years ago that we were bottom of the Government's league tables for IT when compared with other regions.

More than average number of IT 'Luddites' and fewer 'Geeks'

"I believe the number of 'Luddites' in the North East and Borders, that is, those that don't use IT and believe they don't need to, is linked to the unusually high number of small firms in the region. Particularly when you consider that three quarters of those that fit the 'Luddite' mould are micro-size companies. Similarly, a significantly lower number of 'Geeks' in the region (3%), when compared with the rest of Britain (8%), shows that we are some way away from the region's goal of becoming the 'Silicon Valley' of the north."

Size matters

The report suggests that there is a link between the size of a business and an individual's attitude towards IT. It would seem, the larger the business, the more comfortable they are in using IT. Companies with 25-49 employees appear more likely to be "very comfortable using IT", compared with 16 per cent in the 1-4 employee bracket. Similarly, 29 per cent of those with 1-4 employees appear more likely to say they "don't use IT and don't need IT" than companies with 25-49 employees.

These figures reflect the International Benchmarking Survey League – the Department of Trade and Industry backed yardstick of information and communications technology use by businesses, which was published just before Christmas. It reported that the IT gap is widening between large and small businesses in the region, nationally and internationally, with larger businesses enjoying the cheapest connectivity ever. While smaller businesses, in contrast, exist in a totally different connectivity environment, much closer to that of the consumer.

Confidence in IT skills good

'Confidence in IT skills' may also be linked to size of company with 59 per cent of those in companies with 25-49 employees appear more likely to say that they are "extremely confident". On the whole, the region's business people are confident that they are 'skilled up', with 24 per cent of all respondents "extremely confident" and 64 per cent "fairly confident".

Lack of training holding back the region

However, a lack of training is holding back the region, according to the survey, with 43 per cent of respondents "needing help on straightforward matters from time-to-time" and 15 per cent "needing help on a regular basis." Technical expertise relates to the age of the respondent, with those over 45 tending to need help on a regular basis. Of concern, is the proportion of those disinterested in training to update IT skills, with 30 per cent "not really interested in training" or "never having the time for IT training". Perhaps more encouraging however, is that 36 per cent of respondents either undertake IT training on an "ongoing" or "regular" basis and 33 per cent feel they "would benefit from more training".

Role of IT is changing

Norma Foster adds, "As the IT industry matures, businesses are recognising that IT can help them cut costs, but few now see it boosting revenues. With this in mind, training becomes even more important, as IT, when used by skilled operators to its full benefit, can help a company become sleeker, faster and fitter.

"We are really proud that n-e-life.com has had a major role to play in improving the region's IT Savvy-ness by helping businesses to embrace the Internet. To date 66,000 businesses are present on the Regional Portal, making the North East the first fully online region in the UK. However, if we are to continue to improve our competitiveness as a region there is still much to do. As the report indicates, issues such as training and the widening gap between small and large companies need to be addressed. n-e-life and its partners will use this report to inform the decisions we make about where support is most needed."

Additional findings in the North East and Borders

- 30% of respondents are interested in the latest technological products and ideas
- 49% of respondents are interested in new products once they are proven
- 14% of respondents are not very interested in new products
- 7% find it hard to keep up with new products
- Only 5% are fully conversant in IT speak and use it frequently
- 41% understand IT speak but only use it when they have to
- 46% have limited knowledge of IT speak
- 8% have no knowledge of IT speak