



## REGIONAL HR UPDATE: LATIN AMERICA

### IT Adoption Falls

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The Information Technology (IT) adoption index for Latin America fell by 1.9% year-over-year in 2009, according to the Information Society Indicator (ISI). The ISI study measures IT adoption on a quarterly basis in the region, providing detailed information on Chile, Argentina, Colombia, Brazil, Mexico and Peru. The index measures internet, computer and television usage (ICT). ICT indicators such as the number of cell phones in service and number of computer and internet users per 1,000 residents, as well as environmental standard index (ESI) -- or the overall environment -- including IT spending as a proportion of GDP (Gross Domestic Product) and the use of electricity per capita.

The overall IT adoption index for Latin America fell to 4.42 points out of a maximum of 10, down from 4.51 in the year-ago period. Mobile telephone, online retail sales, internet domain and IT expenditures also increased.

- Chile scored 5.55, followed by Argentina (4.65), Peru (4.52), Mexico (4.48), Brazil (4.37) and Colombia (4.13). IT adoption in Peru and Brazil has been relatively less affected by the global economic slowdown, the study found.
- Peru surpassed Mexico for the first time, with 4.52 points during the second quarter, up from 4.41 in the year-ago period. The study attributed Peru's increase to strong performance in all ESI aspects except for the social environment.
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- Meanwhile, Brazil saw its score increase from 4.32 to 4.37, driven by 18.2% growth in mobile telephone use. Also growing university matriculation rates are helping the country's ESI score.
- Argentina saw the largest drop in score, as the country finished with 4.65, down from 4.90. The study attributed the fall to worsening ESI indicators, particularly in the institutional area.
- Even though Chile continued to top the Latin America rankings, the country saw its seventh consecutive drop in its score, falling from 5.61 to 5.55. Chile will continue to see challenges during the next year, as ICT services -- particularly due to a slowdown in new broadband connections -- coupled with rising unemployment and lower GDP growth will hold the country's score down.

Employee and manager self services capabilities among the region are more like to slowdown due to this IT adoption index fell. 🌐

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