Deloitte.

The Deloitte CIO Survey 2013

Reconnect. Rebuild. Reimagine. Redeliver.

Welcome

Welcome to The Deloitte CIO Survey findings for 2013. This year we present a truly international outlook, reporting on the responses of over 700 Chief Information Officers and other IT leaders from 36 countries across the Americas, Europe, the Middle East, Africa, Asia and Australia. The survey aims to provide an insight into the opportunities and challenges which CIOs across industries and geographies are faced with as they continue to establish themselves with their executive management teams – both as respected technology and business leaders.

While the results vary somewhat between regions and industries, what is most striking is the consistency in the issues faced by CIOs across the world. This should offer some comfort to IT leaders reading this report as they navigate their way through an ever more challenging and fast changing business environment.

This report presents the highlights from The Deloitte CIO Survey of 2013. Within each chapter you'll find:

- A summary of the key insights across all respondents internationally;
- An interactive infographic which allows you to view the findings by major industry sectors;
- Observations and practical tips from Deloitte specialists to help tackle some of the key challenges cited.

We hope you'll find this report a valuable tool to help further develop your role as a trusted IT leader. To the many executives who have provided input into The Deloitte CIO Survey for 2013, thank you for your time and insight. We look forward to continuing the dialogue with you.

Kim Hallenheim
Head of Technology

EXECUTIVE SUMMARY ►

Executive summary

The results of our survey suggest that the worst of IT budget cuts are behind us, with less than a quarter of CIOs reporting a budget decrease this year. While this is welcome, it is clear that CIOs are operating in an extremely challenging environment – one characterised by ever-increasing business expectations, rapid increases in the pace of business and technological change, shrinking technology adoption lifecycles and a shortage of available talent. The role of the CIO as a trusted partner to the business, in what for many parts of the world remain difficult economic times, has never been more important or challenging.

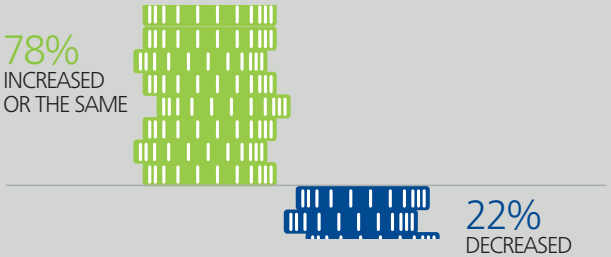
How are CIOs responding to this challenge? Firstly, they are developing and maturing their business partnering function. The results provide overwhelming evidence that CIOs feel there is more to be done to establish themselves as highly effective business partners. Building a dedicated business partnering function is one of the most powerful tools at the CIO's disposal as they seek to change the nature of their relationship with the business.

Secondly, they are seeking to drive the innovation agenda. The majority of CIOs recognise that IT has an essential role to play in this space yet only 35% believe their IT function is considered a credible hub of innovation within their business. The survey points to a number of areas where the IT function could consider providing additional focus in order to deliver more in innovation terms to help support business growth and competitiveness. Finally, CIOs are addressing their talent shortage. Our results tell us that recruitment and retention of talent, with the right skills to support new business demands, is a significant issue for CIOs. People who can really understand the business, think strategically and communicate effectively are those in most demand. The challenge for the CIO is that these are exactly the areas in which they are having most difficulty recruiting staff.

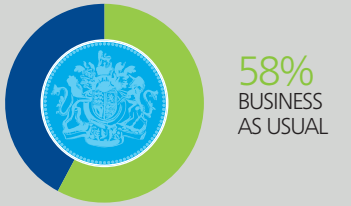
From the actions they are taking, it is clear that CIOs want to make a more strategic impact on their organisations. Our survey suggests that roles that provide them with the opportunity to do this are exactly what they are looking for. CIOs indicated that being able to make a greater contribution to the business strategy and a 'new challenge' are key reasons to consider a career move. A third of CIOs indicated that they do not find their career entirely fulfilling. Taken together, these results surely represent a missed opportunity for both CIOs and their peers in the business. This should give pause for thought to Boards and business executives – are they getting the best out of their IT leaders in terms of the contribution they can make inside and outside of the C-suite? Equally, CIOs should consider the role they can play in proactively making this happen.

IT BUDGETS & PRIORITIES ►

IT BUDGETS
ANNUAL SHIFTS

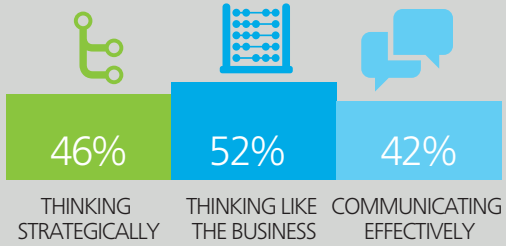


IT PRIORITIES
BUDGET ALLOCATION

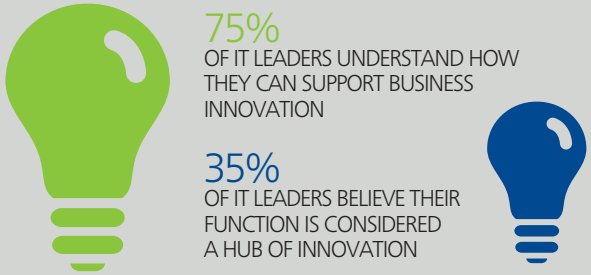


BUSINESS PARTNERING
IT EFFECTIVENESS

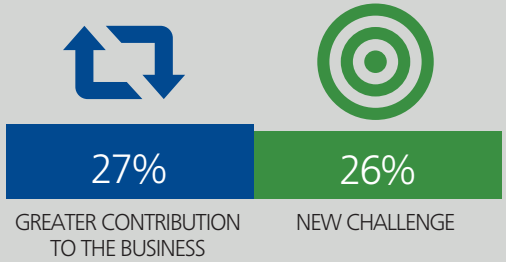
TALENT
BUSINESS SKILLS GAPS



SUPPORTING INNOVATION
THROUGH TECHNOLOGY



CIO CAREER
TOP REASONS TO MOVE ON



IT budgets & priorities Key findings

On the up

Our survey results suggest that business investment in IT is on the rise with only 22% of total respondents reporting a budget decrease from the previous year. This is reflective of most geographies and industries, with the only notable exception in the Public Sector where over a third of CIOs experienced a decrease in IT budgets this year.

Growth and change vs business as usual

So what are CIOs spending their money on? Our respondents reported that almost 60% of their IT budgets are being allocated to "business as usual" activities and the remainder to support business growth and change. While this is still a significant proportion earmarked to "keeping the lights on", it represents a move in the right direction for those IT functions with an appetite to drive growth and change.

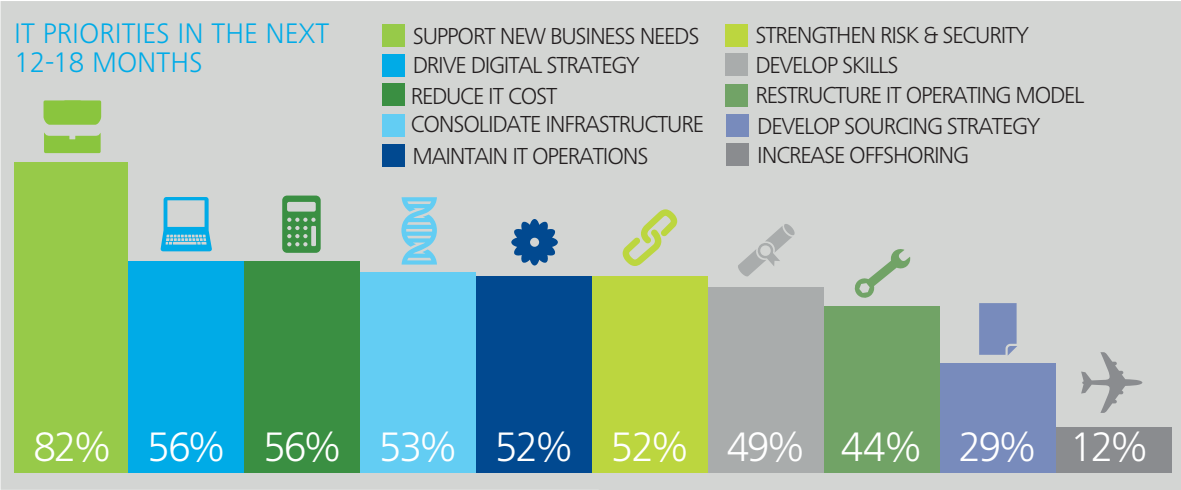
When asked about budget priorities, in excess of 80% of CIOs indicated that responding to new business needs is their primary focus this year. Driving digital strategy through new technologies and trends such as mobile, cloud, social media and analytics is seen as the next highest priority for over 50% of respondents. This is perhaps a reflection of the reported upkeep/increase in IT budgets and indicates a renewed focus on driving change and innovation agendas.

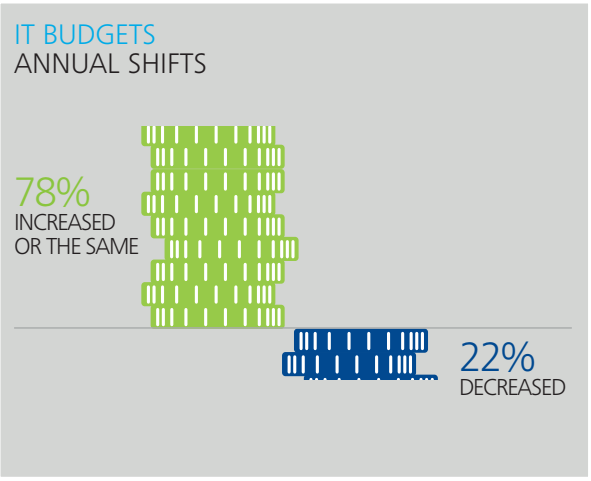
Operating models and sourcing

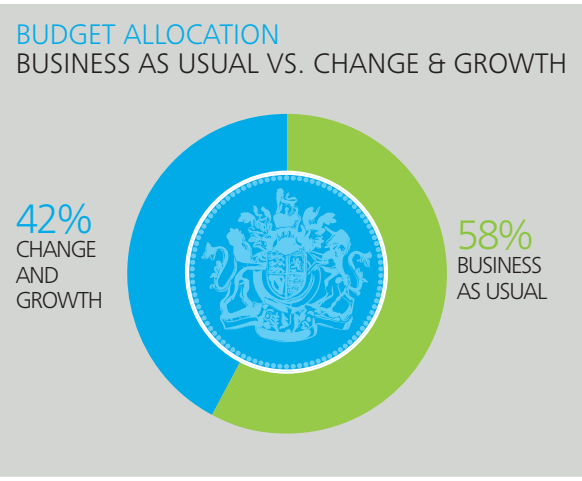
In order to respond to new business needs, CIOs are not placing a high importance on re-structuring operating models or re-considering how they source new capability from their external suppliers. IT leaders might be missing a trick here to develop and maintain sustainable capability which is responsive to shifting business needs.

What is clear from our survey is that developing and delivering new capabilities to meet changing business requirements is the highest priority for CIOs. But are they up to the job? Are they considered a credible candidate? And can they effectively partner with the business to deliver transformational change?

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR







BUSINESS PARTNERING ▶

Business partnering Key findings

Raising the game

Our survey reveals that IT leaders recognise the need to be an effective business partner and that opportunities exist for IT to add more value to the business in which they operate. For example, almost 70% of those surveyed believe they can make the biggest difference within their organisation by enabling business strategy. However, our CIOs acknowledge that they still have some way to go to improve their reputation as a credible partner to the business. This was highlighted by the 61% of respondents who rated their existing business partnering capabilities as either fair or poor, only collaborating with other business areas to add strategic value from time-to-time, or not at all. So what is stopping CIOs from being consistently effective business partners?

Service provider or business partner?

A significant proportion of CIOs still see their team's greatest asset as delivering routine IT services, with 89% rating their effectiveness in this space as either meeting or exceeding expectations. At the same time, they recognise more needs to be done in areas which help facilitate business change, in particular, improving their team's capacity to provide high quality data and insight, and optimising new business processes. If CIOs themselves feel their 'sweet spot' is in the delivery of routine services, then it will be difficult for their stakeholders to view them any differently.

Business perception

When asked to identify the top barriers to effective IT business partnering, CIOs cited a lack of business understanding and a poor perception of the role of the IT function as the main reasons. The second most common barrier is seen as conflicting IT priorities and a lack of resources to support a dedicated IT business partnering strategy. Our chapter on *Talent* explores how significant capability gaps in terms of business facing skills within IT organisations could be contributing to both business perception and resulting resource issues.

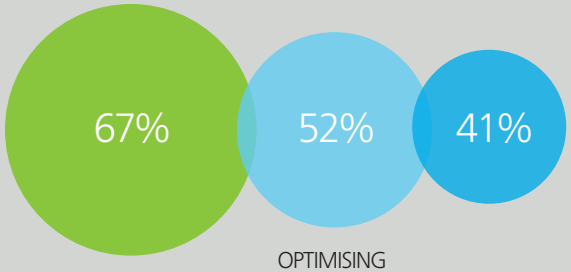
All is not doom and gloom

A positive finding from our survey is that establishing a dedicated business partnering function seems to be giving CIOs the best chance of achieving excellence as a strategic partner, suggesting that more focus in this area is likely to yield better results. Of those respondents who rated their IT function as an 'excellent' strategic business partner, 65% already have a dedicated business partnering function in place. Tellingly, of those that rated themselves as "poor" partners to the business, 88% have not yet formalised this capability within their teams.

BUSINESS PARTNERING: QUICK WINS ▶

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR

IT VALUE DRIVERS
TOP WAYS BUSINESS LEADERS EXPECT IT TO ADD VALUE



ENABLING BUSINESS STRATEGY | OPTIMISING BUSINESS PROCESSES | DRIVING INNOVATION

STRENGTHS & WEAKNESSES
DRIVING BUSINESS VALUE

MEETS OR EXCEEDS EXPECTATIONS

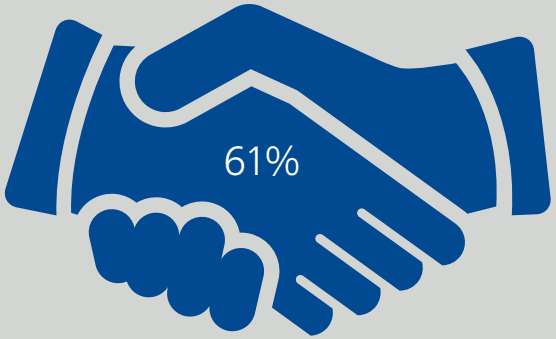
89% DELIVERING ROUTINE IT SERVICES

NEEDS IMPROVEMENT

45% DATA & INSIGHT

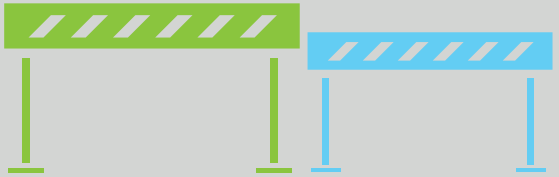
42% BUSINESS PROCESS OPTIMISATION

IT BUSINESS PARTNERING
EFFECTIVENESS



RATED "FAIR" OR "POOR" PARTNERS TO THE BUSINESS

BARRIERS TO BUSINESS PARTNERING
FACED BY IT LEADERS



37% BUSINESS PERCEPTION OF IT FUNCTION

27% IT PRIORITIES & RESOURCES

Business partnering Quick wins

What can IT leaders do to get closer to the strategic hub of their organisation and become a more effective business partner?

Strengthen your internal network
As businesses continue to digitise and expenditure on technology outside the IT function increases, the need for IT leaders to build and nurture relationships across their organisations becomes crucial. A good place to start is by identifying the most important relationships that will help you and your IT function progress – whether they are with business leaders to collaborate on strategy, fellow officers to help you gain greater access to board members, or customer-facing staff to service end users.

Make it personal
Successful CIOs proactively understand their business partners' objectives and views on technology, and use this knowledge to help establish common incentives and goals for greater collaboration. For example, finding ways to deliver real-time business data to the Finance Director; helping Sales & Marketing to invest in the right technologies for interacting with customers; or helping the COO achieve further operational efficiencies through technology.

Talk business
Adopt and embed within your teams the use of business-friendly language. For example, when talking with the CFO, put technology requests in business terms – know how to calculate the business return on investment, articulate the total cost per unit per IT service, and question every cost. Remember, your colleagues don't care about cloud, ERP or big data. They care about financial reporting, sales cycles, customer satisfaction, capacity issues, supply chains and the other things that consume their time and attention.

Demonstrate "inside out" business understanding
When you secure that seat at the Boardroom table, make sure you use it well. Build a strong working knowledge of your organisation's goals and objectives and be able to articulate the role technology can play in achieving them. Put yourself forward to play a leading role in a major transformation project and demonstrate first-hand how technology can really drive business change.

Build your army
The trick now is for IT leaders to really commit to this new way of thinking – one which involves proactively generating ideas, acting as an information broker by providing insights to support business decisions, and delivering business transformation by introducing new business model innovations. This means continuing to identify and invest in multi-faceted, future-focussed team members who not only understand complex technologies but also how they can enable business objectives.

To secure a place at the strategic table, the business has to be made aware of the fact that IT is already delivering efficient routine services and is ready to move on. This is not always as clear as it should be.

Clear communication on quality, costs and value is a language the business understands and is the foundation to take the next step to become a successful business partner.

Key contact
Tomas Andersson
Senior manager
Technology
toandersson@deloitte.se

TALENT ▶

Talent Key findings

The talent gap is in business-facing skills

Responses to the Talent section of our survey suggest that many CIOs are still struggling to find the right blend of technology expertise and business skills to support business demands. Over half of CIOs are experiencing difficulties sourcing staff that can think like the business, while just under half are struggling to find professionals that can think strategically and communicate effectively. Our *Business Partnering* findings suggest that this talent gap is also seriously impacting the effectiveness of CIOs as business partners.

Wanted: business-centric technical skills

In terms of technical skills, the top areas CIOs identified as in need of improvement were equally business-focussed and strategic in nature. 42% of CIOs are demanding more in terms of business analysis skills, for example, team members capable of identifying business needs and delivering technology solutions to business problems. Around a third of CIOs are also experiencing shortages of skills within their teams in delivering technology strategy and architecture, and analytics and big data.

Getting creative with talent attraction

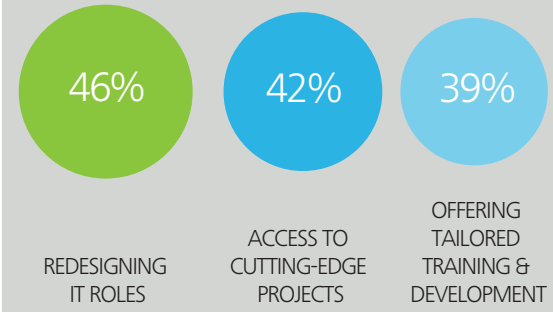
This continued shortage of talent in business-centric roles within the IT function seems to be due in part to a lack of experienced staff in the market, according to respondents across the majority of regions. However, many IT leaders are adopting increasingly creative tactics to attract and retain this new breed of professional into their organisations. Over 40% of respondents are redesigning IT roles and structures and/or providing access to cutting edge IT projects, possibly reflecting a growing realisation that IT leaders need to start making a role in IT a much more attractive career choice. These responses outweighed traditional strategies such as paying above the market rate, and providing better work/life balance opportunities.

Missing an opportunity?

Only 12% of CIOs are offering opportunities on projects outside the IT function as a mechanism to attract and retain talent. We believe IT leaders are missing a chance to get closer to the business by not placing a greater emphasis on encouraging teams to build relationships and foster better links with other business functions.

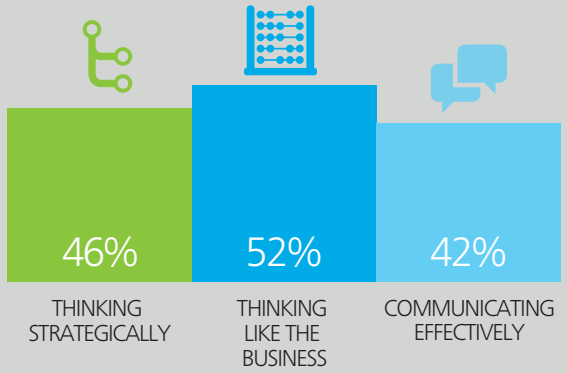
OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR

RECRUITING & RETAINING TALENT
TOP TACTICS

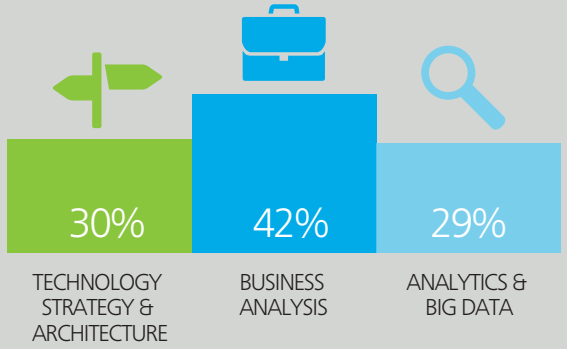


RECRUITMENT
CHALLENGES

BUSINESS SKILLS GAPS
TOP THREE WITHIN IT FUNCTIONS



TECHNICAL SKILLS GAPS
TOP THREE WITHIN IT FUNCTIONS



TALENT: QUICK WINS ▶

Talent Quick wins

What changes can IT leaders make in order to up-skill their teams and attract the right talent?

Technical skills as pre-requisites not differentiators

IT organisations require a "breed" of technologists who are able to demonstrate competencies such as thinking like the customer, maintaining relationships, applying strategic thinking, being innovative and having razor-sharp focus on continuous improvement. IT talent which excels in these areas is more likely to differentiate your business. Revamp your focus on IT talent management from being skills-focussed to behaviour/competency-focussed.

Bolster your training curriculum

Consider formalising non-technical training pathways together with your technical curriculum. Identify training programmes which address dealing with ambiguity, complex stakeholder management and effective communication to complement technical learning pathways.

Don't shirk from recruiting non-technical resources

Challenge the status-quo in your organisation and don't hesitate to recruit and on-board non-technical resources into your IT organisation. Broaden your search criteria to include candidates with demonstrable experience of creative-problem solving and innovation. Not only can such recruits help kick the tyres on current ways of thinking, but they can also bring with them new perspectives and valuable business contacts.

Make room for exciting projects in your portfolio

Seek opportunities to deploy your staff on new and challenging projects within the organisation. Such projects usually provide exposure to more business-focussed activities and also provide contact with more senior business stakeholders. This keeps the workplace fresh and exciting for technical staff and also provides an opportunity to learn "soft skills" on the job.

Take a punt on encouraging external contact

Social network and mobility are expanding personal networks more than ever. Businesses are increasingly harnessing the power of "crowd-sourcing". Encourage your staff to become members of online communities and projects. The next big thing to differentiate your business might be born in a community created or contributed to by a member of your team.

Think, act, do business

Develop and embed ways of working which demonstrate ownership of business outcomes by the IT organisation. Set objectives and monitor performance of IT staff on business outcomes. Reward IT staff on their ability to deliver business outcomes and ensure success is communicated to other teams within the organisation.

> "Personal development and opportunities outside of the IT function are key to attracting and retaining the right talent."
>
> **Survey participant**

Key contact
Kim Hallenheim
Partner
Head of Technology
khallenheim@deloitte.se

INNOVATION ►

Innovation Key findings

The business needs IT innovation

Technology-driven innovation is fast becoming a key lever for organisations to realise competitive advantage, a message re-inforced by the fact that almost two-thirds of CIOs confirmed that innovation is a key part of their organisation's business strategy. Three-quarters also stated they have a clear understanding of how their IT function could support their organisation's innovation strategy, citing operational efficiency, market development, and product /service differentiation as being the top three ways that innovative technologies could add the most business value.

IT is not yet delivering on its innovation potential

Despite these perceived opportunities, 65% of CIOs do not believe that their IT function is considered a credible hub of innovation within their organisation. Almost half of all respondents claim that IT priorities, resources and budget constraints are the key barriers preventing them from effectively supporting their business's innovation agenda. A further proportion of IT leaders see opposing strategic priorities and a lack of understanding of IT within the business as obstructing the progress of IT innovation. Many of these are consistent with the top barriers CIOs feel are preventing them from becoming effective business partners.

Innovative technologies

Despite emerging technologies promising a transformational and disruptive effect on the business, our survey results suggest that many IT leaders are still only just starting to leverage their potential to support their innovation agenda. Highest adoption rates are being seen across mobile, private cloud and social media, however these technologies are still only being implemented or fully operational within around 30-40% of respondent IT functions. At the same time another 40-50% have still not moved beyond researching these rapidly evolving technologies, indicating that there is still significant potential to be unlocked.

Big data, big gap

Big data is fast becoming a key strategic asset in many organisations. Despite this, over half of respondents are still at a very early stage of the adoption curve with 64% of respondents still only monitoring or researching these technologies. It appears that many CIOs remain to be fully convinced of the benefits that big data and Analytics can bring to their businesses.

INNOVATION: QUICK WINS ▶

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR

BUSINESS VALUE THROUGH TECHNOLOGY

- 26% COST & OPERATIONAL EFFICIENCIES
- 23% MARKET DEVELOPMENT
- 17% PRODUCT/ SERVICE DIFFERENTIATION

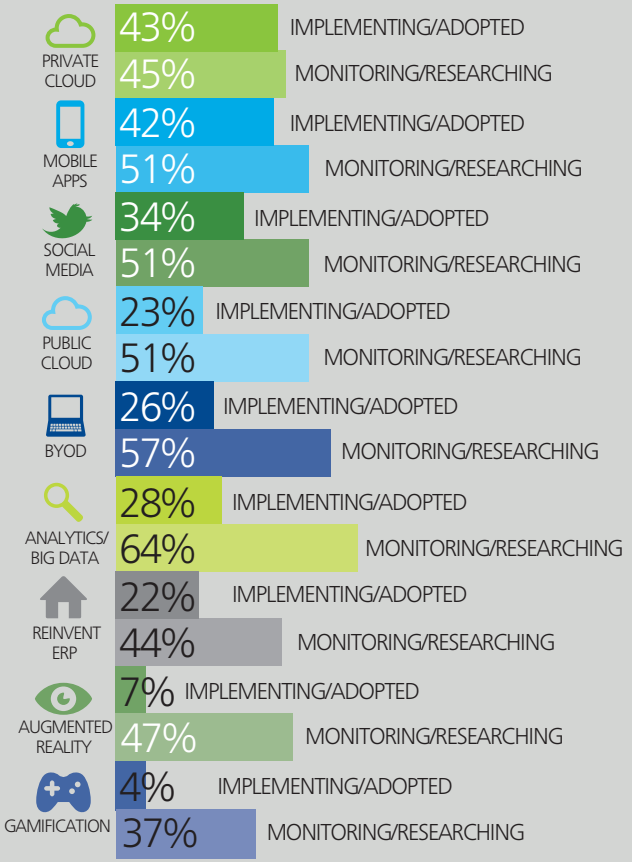
INNOVATION BARRIERS FACED BY IT LEADERS

- 27% IT PRIORITIES & RESOURCES
- 21% BUDGET CONSTRAINTS
- 17% STRATEGIC PRIORITIES OF THE BUSINESS

SUPPORTING INNOVATION THROUGH TECHNOLOGY

- 75% OF IT LEADERS UNDERSTAND HOW THEY CAN SUPPORT BUSINESS INNOVATION
- 35% OF IT LEADERS BELIEVE THEIR FUNCTION IS CONSIDERED A HUB OF INNOVATION

TECHNOLOGIES & TRENDS LEVELS OF ADOPTION



Innovation Quick wins

What steps can CIOs take to start building a culture of innovation within their IT functions and really drive business change and growth through technology?

Get in the driving seat

At a time when technology is the key force driving business innovation, IT leaders have never been in a better position to play a central role in developing the business for change and growth. Leading CIOs are identifying key ways to leverage the latest technology forces and trends to drive new business capabilities and are able to clearly articulate how this investment will create business value. For example, consider ways to demonstrate how mobile can help reshape your organisation's customer, employee and supplier experiences, or how combining analytics, mobile and social media can provide your business leaders with insights that can improve decision-making.

Big (data) opportunity

If your IT budgets and resources constrain you to focus on just one area of innovation this year, consider getting a firmer grip on big data and analytics. Helping to make sense of the vast quantity of data within your organisation to aid decision-making will very quickly put you in the running for Board-level attention. Begin by exploring a specific domain, such as customer base, product or pricing, and identify practical entry points to big datasets that are digestible in scope and can enrich current analytics. Start small, delivering something quickly before the business loses interest.

Innovation connections

Get closer to your wider business and supplier network to help you shape your innovation strategy. Call upon your Chief Operating Officer to understand how technology can innovate existing business models; spend time with Marketing and Product Development to improve your grasp on market and customer trends; and make use of your CFO's commercial focus and board-level connections to help design a business case for your innovation plan. And don't forget your external vendors and business partners can also be a valuable source of innovative input – invite them to share real examples of how they have delivered innovation, either within their business or for clients, which demonstrate tangible business outcomes.

The new norm

Instil a culture of innovation within your IT function by encouraging your staff to challenge current thinking and giving people the space and time to develop new ideas. Incorporate innovation responsibilities into job descriptions and objectives, and visibly reward staff for their innovative contributions. And don't forget to set aside some budget to invest in the right initiatives that will not only help grow your business but also help build your function's reputation as innovators within your organisation.

Shake up your recruitment process

If you're serious about putting innovation at the core of your IT function, then it also needs to be at the core of your recruitment strategy. Invite your recruitment team to help design a hiring process that really reflects the culture you are trying to build within your IT function and the type of innovative talent you are looking to attract. From fresh advertising and job descriptions that excite and inspire, to interview questions that encourage candidates to demonstrate their passion and flair for innovation.

Understanding business needs is essential in order to best use new technology to support innovation and growth. Keep your focus on aligning use of new technology with the strategic priorities of the business, looking at drivers such as customer experience and better decision making.

Key contact
Martin Walker
Senior manager
Technology
marwalker@deloitte.se

CIO CAREER ▶

CIO career Key findings

Appetite for more business impact

It is clear from the survey that IT leaders want to have a more strategic impact on their organisations than they currently do, with the top motivation for a career move being a desire to make a greater contribution to business strategy. They believe that enabling the business strategy is the top way that their business stakeholders expect them to add business value. This suggests that IT leaders are clear on where their priorities need to be, but do not feel they are currently in a position to deliver against this in their current organisation. This clearly indicates that many organisations are not getting the best out of their IT leaders in terms of the contribution they can make in the C-suite and indeed risk losing them altogether.

A fulfilling career?

Our survey demonstrates that the role of the IT leader is not necessarily one of short tenure. 69% of respondents have been in their current role for more than 3 years, and 40% have been in the role for more than 6 years. However, one-third of respondents do not agree that their role as an IT leader gives them a range of job opportunities for a varied and fulfilling career. This perhaps indicates frustrations amongst CIOs, who recognise there are opportunities to add value but are constrained to deliver on their potential.

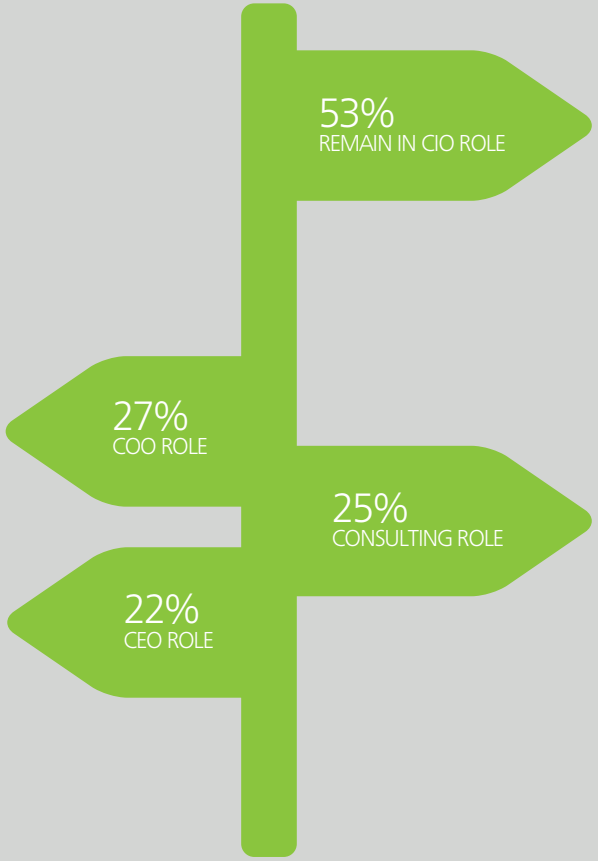
Business-focussed career move

The idea of IT leaders moving to a career outside of IT may have been unlikely in the past, but our survey shows that attitudes and aspirations on this are starting to change. Although approximately half of respondents felt they would most likely remain in an IT leadership role for their next career move, many are still attracted and aspire to new and even more senior roles in the executive management team – most notably the COO or CEO – in their quest for a new challenge and a greater influence, contribution, and impact on the business strategy.

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR

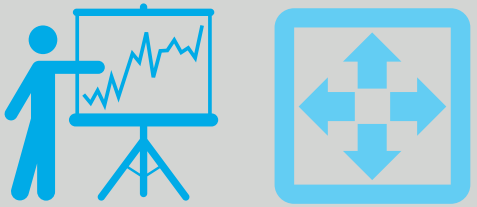
WHERE NEXT

CIO CAREER CONSIDERATIONS



JOB SATISFACTION

TRAINING & CAREER OPPORTUNITIES

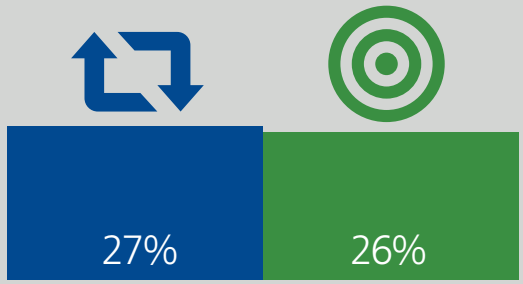


34%
OF IT LEADERS DO NOT AGREE THAT THEY HAVE ACCESS TO ADEQUATE TRAINING AND DEVELOPMENT

33%
OF IT LEADERS DO NOT AGREE THAT THEY HAVE ACCESS TO OPPORTUNITIES FOR A FULFILLING CAREER

CAREER MOVES

TOP REASONS TO MOVE ON



GREATER CONTRIBUTION TO THE BUSINESS

NEW CHALLENGE

CIO CAREER: QUICK WINS ▶

CIO career Quick wins

What can CIOs be doing to remain fulfilled in their roles and give themselves the best opportunities to meet their career aspirations?

Four faces of the CIO

The CIO's remit in business today is far-wider reaching and higher up on the Boardroom agenda than ever before. In order to establish yourself as a credible player within the executive management team, it's vital that you master the art of situational leadership. This means balancing your multi-faceted role as a technologist, operator, strategist and catalyst and being able to identify the right "face" to bring to the table depending on the situation at hand. Although this can be hugely challenging, get it right and it can also be hugely rewarding.

Building the next generation of CIOs

Planning for your own succession by building a management team that support your vision for the company will give you the best opportunity to evolve as a business leader – either within your IT function or as part of the wider executive management team. Identify your next generation of CIOs and provide them with stretch opportunities which not only help to mould them into your shoes, but which also free up your time so you can engage in bigger picture dialogue with the rest of the business.

Broaden your experience

More and more CIOs are emerging with direct experience of a business function, rather than with a traditional IT background, so these are some of the likely candidates that you'll be up against at your next career move. Put yourself in the best position to compete with these individuals by gaining experience in other parts of your business. Consider for example how technology can play a more influential role in areas such as operations, finance, M&A, product development and marketing. This exposure will serve you well if in the future you decide to look beyond the traditional CIO career path. Also make time to see what is happening externally. It's not enough to just be well-read on the latest external publications – it's crucial to interact with other CIOs to bring back new ideas that will be valuable to your business.

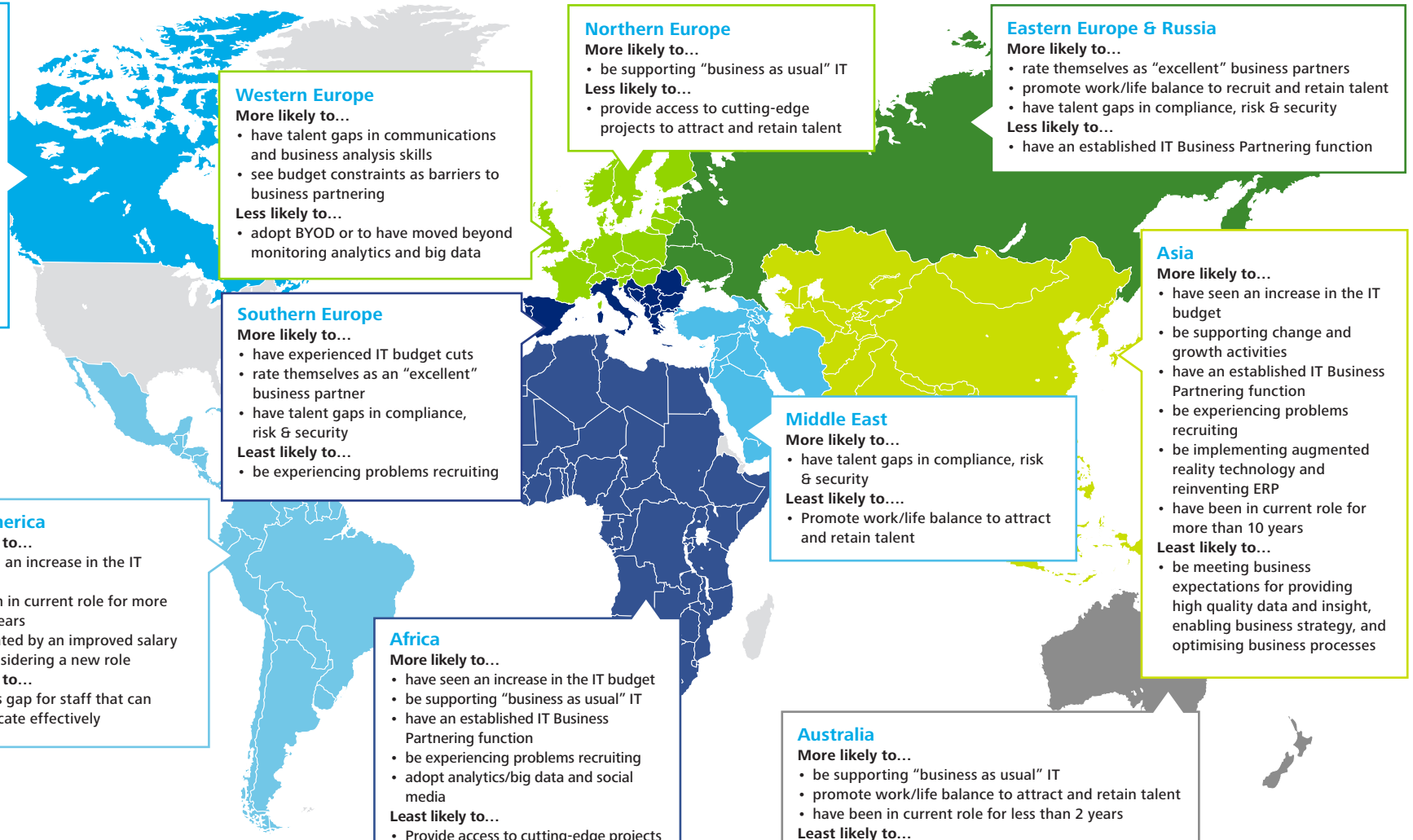
"A seat on the Board is the one thing that would attract me to a new role."

Survey participant

Key contact
Victor Kotnik
Partner
Head of Consulting
vkotnik@deloitte.se

REGIONAL VARIATIONS ▶

Regional variations



Canada
More likely to…
- rate themselves as "excellent" business partners
- promote work/life balance to recruit and retain talent
- adopt Public Cloud

Less likely to…
- focus on maintaining IT operations
- have talent gaps in technology strategy & architecture
- have problems recruiting

Western Europe
More likely to…
- have talent gaps in communications and business analysis skills
- see budget constraints as barriers to business partnering

Less likely to…
- adopt BYOD or to have moved beyond monitoring analytics and big data

Northern Europe
More likely to…
- be supporting "business as usual" IT

Less likely to…
- provide access to cutting-edge projects to attract and retain talent

Eastern Europe & Russia
More likely to…
- rate themselves as "excellent" business partners
- promote work/life balance to recruit and retain talent
- have talent gaps in compliance, risk & security

Less likely to…
- have an established IT Business Partnering function

Southern Europe
More likely to…
- have experienced IT budget cuts
- rate themselves as an "excellent" business partner
- have talent gaps in compliance, risk & security

Least likely to…
- be experiencing problems recruiting

Asia
More likely to…
- have seen an increase in the IT budget
- be supporting change and growth activities
- have an established IT Business Partnering function
- be experiencing problems recruiting
- be implementing augmented reality technology and reinventing ERP
- have been in current role for more than 10 years

Least likely to…
- be meeting business expectations for providing high quality data and insight, enabling business strategy, and optimising business processes

Middle East
More likely to…
- have talent gaps in compliance, risk & security

Least likely to….
- Promote work/life balance to attract and retain talent

South America
More likely to…
- have seen an increase in the IT budget
- have been in current role for more than 10 years
- be motivated by an improved salary when considering a new role

Least likely to…
- have skills gap for staff that can communicate effectively

Africa
More likely to…
- have seen an increase in the IT budget
- be supporting "business as usual" IT
- have an established IT Business Partnering function
- be experiencing problems recruiting
- adopt analytics/big data and social media

Least likely to…
- Provide access to cutting-edge projects to attract and retain talent

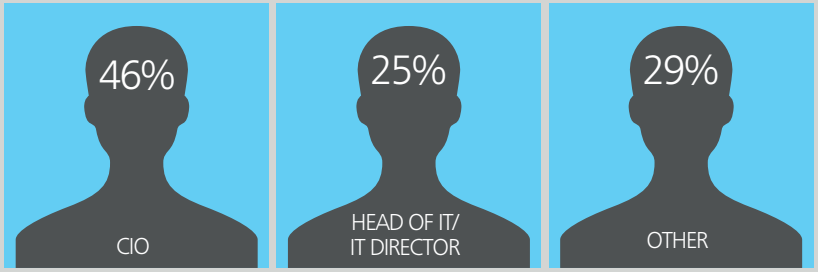
Australia
More likely to…
- be supporting "business as usual" IT
- promote work/life balance to attract and retain talent
- have been in current role for less than 2 years

Least likely to…
- have an established IT Business Partnering function

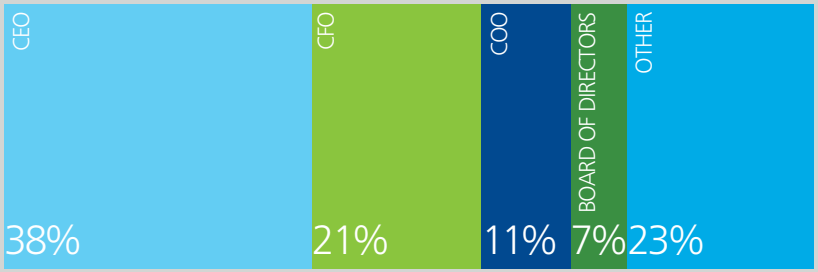
ABOUT THE PARTICIPANTS ▶

About the participants

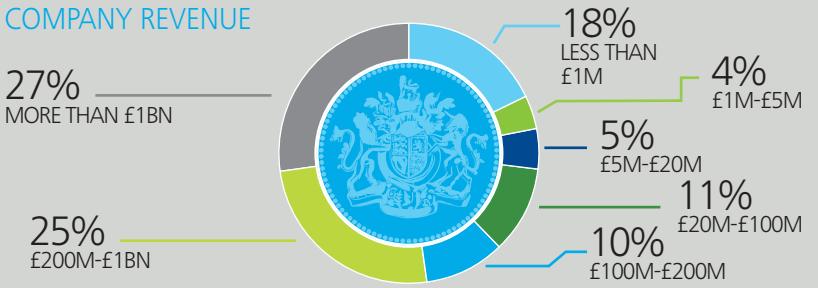
JOB TITLE



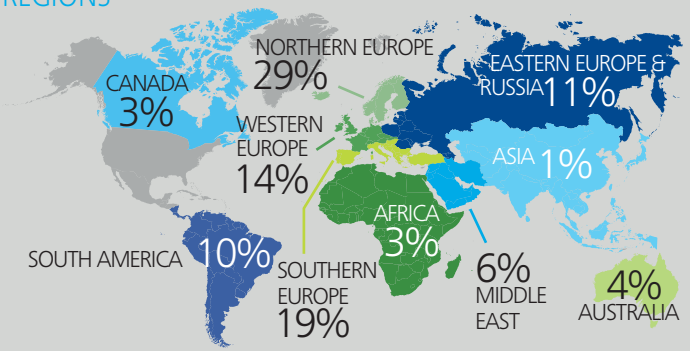
REPORTING TO



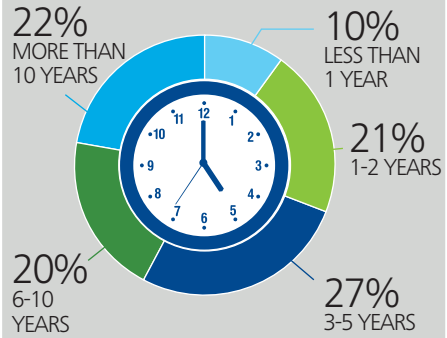
COMPANY REVENUE



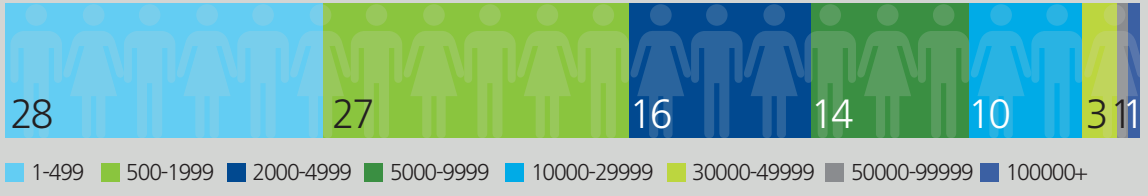
REGIONS



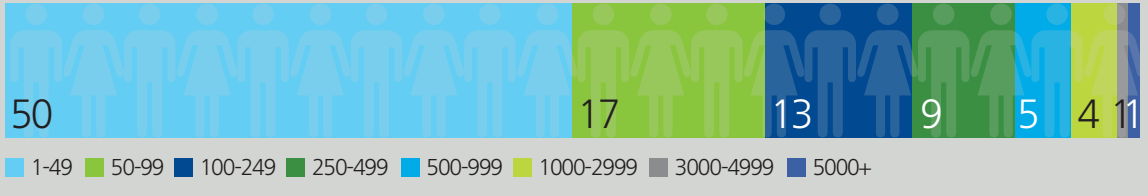
LENGTH OF TIME IN ROLE



NUMBER OF FULL-TIME EMPLOYEES ACROSS COMPANY (%)



NUMBER OF IT EMPLOYEES (%)



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte has in the region of 200,000 professionals, all committed to becoming the standard of excellence.

© 2013 Deloitte AB

Designed and produced by The Creative Studio at Deloitte, London. 29285A

IT budgets & priorities Key findings

On the up

Our survey results suggest that business investment in IT is on the rise with only 22% of total respondents reporting a budget decrease from the previous year. This is reflective of most geographies and industries, with the only notable exception in the Public Sector where over a third of CIOs experienced a decrease in IT budgets this year.

Growth and change vs business as usual

So what are CIOs spending their money on? Our respondents reported that almost 60% of their IT budgets are being allocated to "business as usual" activities and the remainder to support business growth and change. While this is still a significant proportion earmarked to "keeping the lights on", it represents a move in the right direction for those IT functions with an appetite to drive growth and change.

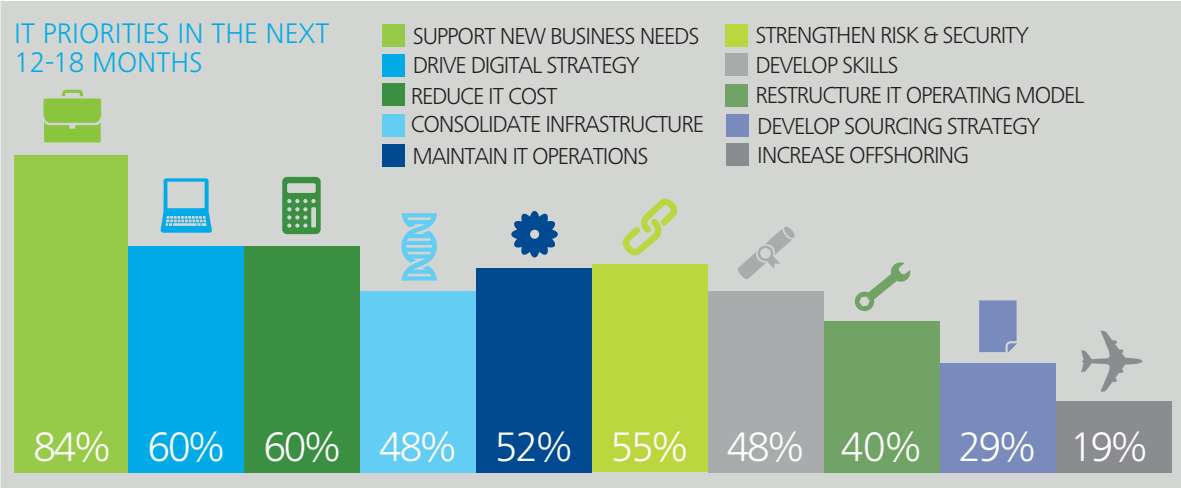
When asked about budget priorities, in excess of 80% of CIOs indicated that responding to new business needs is their primary focus this year. Driving digital strategy through new technologies and trends such as mobile, cloud, social media and analytics is seen as the next highest priority for over 50% of respondents. This is perhaps a reflection of the reported upkeep/increase in IT budgets and indicates a renewed focus on driving change and innovation agendas.

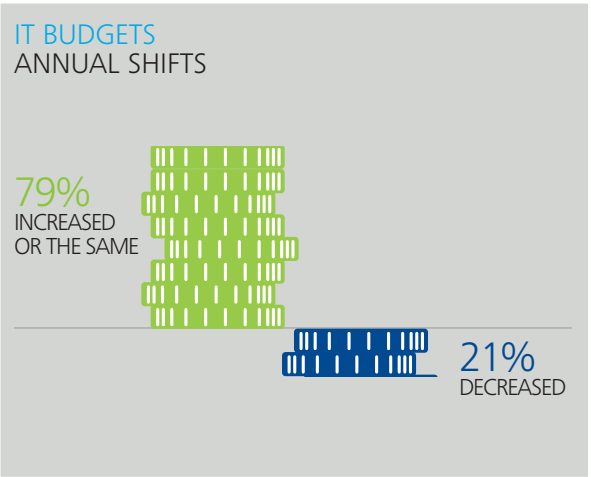
Operating models and sourcing

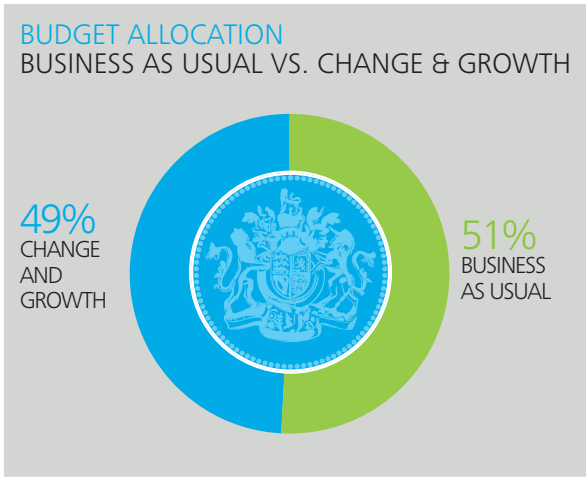
In order to respond to new business needs, CIOs are not placing a high importance on re-structuring operating models or re-considering how they source new capability from their external suppliers. IT leaders might be missing a trick here to develop and maintain sustainable capability which is responsive to shifting business needs.

What is clear from our survey is that developing and delivering new capabilities to meet changing business requirements is the highest priority for CIOs. But are they up to the job? Are they considered a credible candidate? And can they effectively partner with the business to deliver transformational change?

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR







BUSINESS PARTNERING ▶

IT budgets & priorities Key findings

On the up

Our survey results suggest that business investment in IT is on the rise with only 22% of total respondents reporting a budget decrease from the previous year. This is reflective of most geographies and industries, with the only notable exception in the Public Sector where over a third of CIOs experienced a decrease in IT budgets this year.

Growth and change vs business as usual

So what are CIOs spending their money on? Our respondents reported that almost 60% of their IT budgets are being allocated to "business as usual" activities and the remainder to support business growth and change. While this is still a significant proportion earmarked to "keeping the lights on", it represents a move in the right direction for those IT functions with an appetite to drive growth and change.

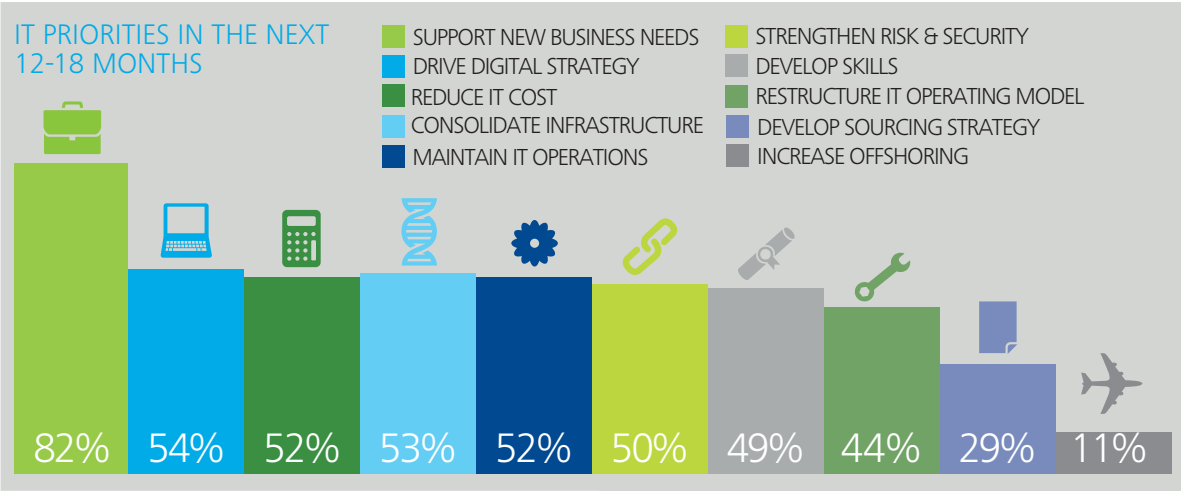
When asked about budget priorities, in excess of 80% of CIOs indicated that responding to new business needs is their primary focus this year. Driving digital strategy through new technologies and trends such as mobile, cloud, social media and analytics is seen as the next highest priority for over 50% of respondents. This is perhaps a reflection of the reported upkeep/increase in IT budgets and indicates a renewed focus on driving change and innovation agendas.

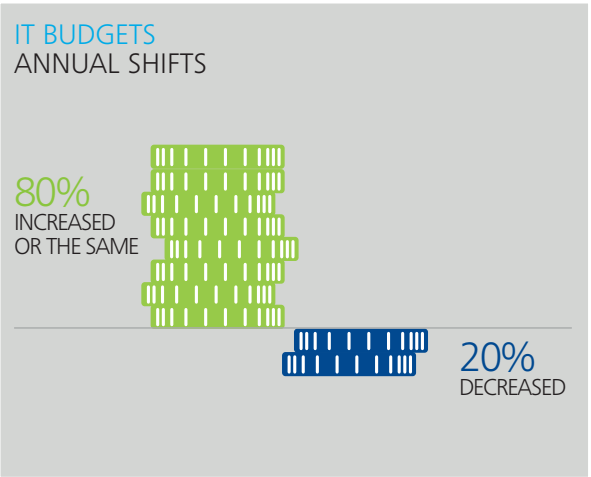
Operating models and sourcing

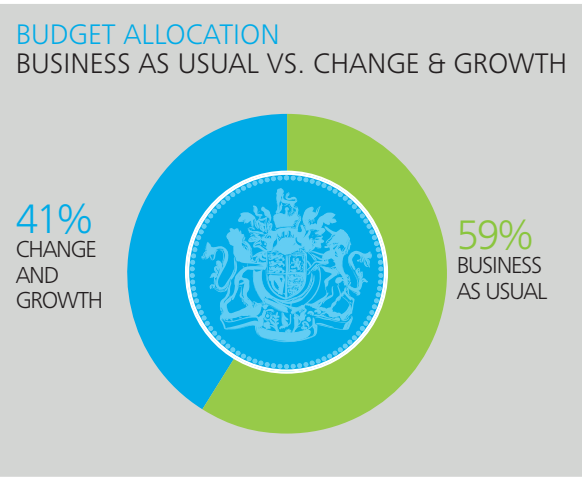
In order to respond to new business needs, CIOs are not placing a high importance on re-structuring operating models or re-considering how they source new capability from their external suppliers. IT leaders might be missing a trick here to develop and maintain sustainable capability which is responsive to shifting business needs.

What is clear from our survey is that developing and delivering new capabilities to meet changing business requirements is the highest priority for CIOs. But are they up to the job? Are they considered a credible candidate? And can they effectively partner with the business to deliver transformational change?

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR







BUSINESS PARTNERING ▶

IT budgets & priorities Key findings

On the up

Our survey results suggest that business investment in IT is on the rise with only 22% of total respondents reporting a budget decrease from the previous year. This is reflective of most geographies and industries, with the only notable exception in the Public Sector where over a third of CIOs experienced a decrease in IT budgets this year.

Growth and change vs business as usual

So what are CIOs spending their money on? Our respondents reported that almost 60% of their IT budgets are being allocated to "business as usual" activities and the remainder to support business growth and change. While this is still a significant proportion earmarked to "keeping the lights on", it represents a move in the right direction for those IT functions with an appetite to drive growth and change.

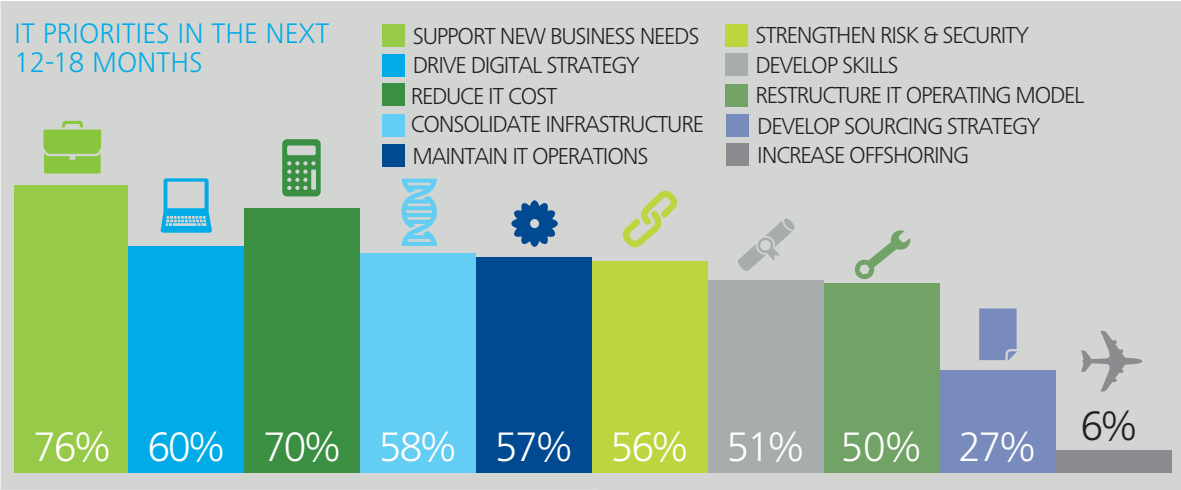
When asked about budget priorities, in excess of 80% of CIOs indicated that responding to new business needs is their primary focus this year. Driving digital strategy through new technologies and trends such as mobile, cloud, social media and analytics is seen as the next highest priority for over 50% of respondents. This is perhaps a reflection of the reported upkeep/increase in IT budgets and indicates a renewed focus on driving change and innovation agendas.

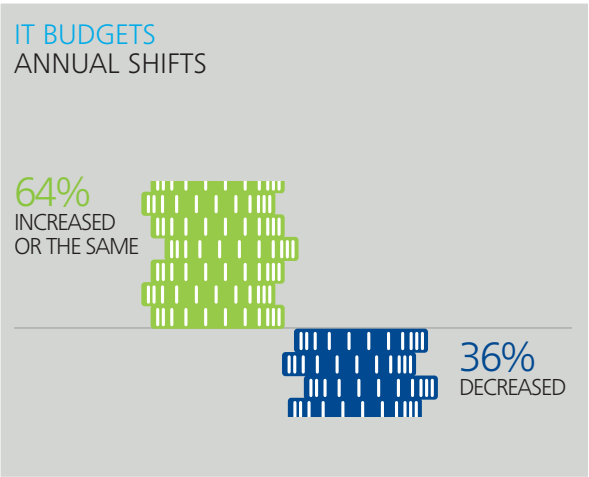
Operating models and sourcing

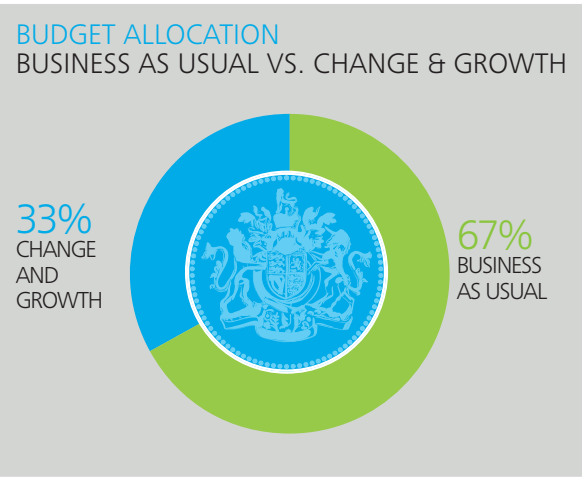
In order to respond to new business needs, CIOs are not placing a high importance on re-structuring operating models or re-considering how they source new capability from their external suppliers. IT leaders might be missing a trick here to develop and maintain sustainable capability which is responsive to shifting business needs.

What is clear from our survey is that developing and delivering new capabilities to meet changing business requirements is the highest priority for CIOs. But are they up to the job? Are they considered a credible candidate? And can they effectively partner with the business to deliver transformational change?

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR







BUSINESS PARTNERING ▶

Business partnering Key findings

Raising the game

Our survey reveals that IT leaders recognise the need to be an effective business partner and that opportunities exist for IT to add more value to the business in which they operate. For example, almost 70% of those surveyed believe they can make the biggest difference within their organisation by enabling business strategy. However, our CIOs acknowledge that they still have some way to go to improve their reputation as a credible partner to the business. This was highlighted by the 61% of respondents who rated their existing business partnering capabilities as either fair or poor, only collaborating with other business areas to add strategic value from time-to-time, or not at all. So what is stopping CIOs from being consistently effective business partners?

Service provider or business partner?

A significant proportion of CIOs still see their team's greatest asset as delivering routine IT services, with 89% rating their effectiveness in this space as either meeting or exceeding expectations. At the same time, they recognise more needs to be done in areas which help facilitate business change, in particular, improving their team's capacity to provide high quality data and insight, and optimising new business processes. If CIOs themselves feel their 'sweet spot' is in the delivery of routine services, then it will be difficult for their stakeholders to view them any differently.

Business perception

When asked to identify the top barriers to effective IT business partnering, CIOs cited a lack of business understanding and a poor perception of the role of the IT function as the main reasons. The second most common barrier is seen as conflicting IT priorities and a lack of resources to support a dedicated IT business partnering strategy. Our chapter on *Talent* explores how significant capability gaps in terms of business facing skills within IT organisations could be contributing to both business perception and resulting resource issues.

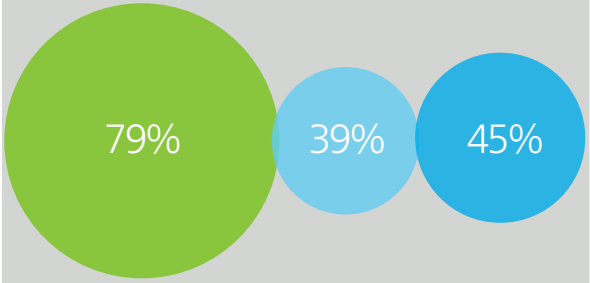
All is not doom and gloom

A positive finding from our survey is that establishing a dedicated business partnering function seems to be giving CIOs the best chance of achieving excellence as a strategic partner, suggesting that more focus in this area is likely to yield better results. Of those respondents who rated their IT function as an 'excellent' strategic business partner, 65% already have a dedicated business partnering function in place. Tellingly, of those that rated themselves as "poor" partners to the business, 88% have not yet formalised this capability within their teams.

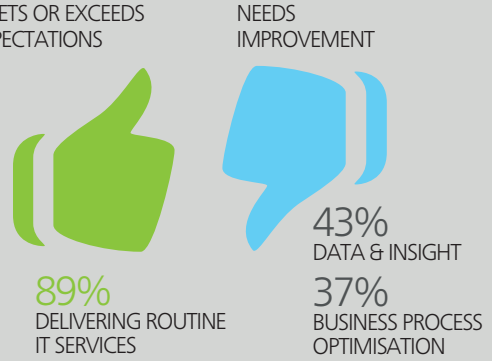
BUSINESS PARTNERING: QUICK WINS ▶

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR

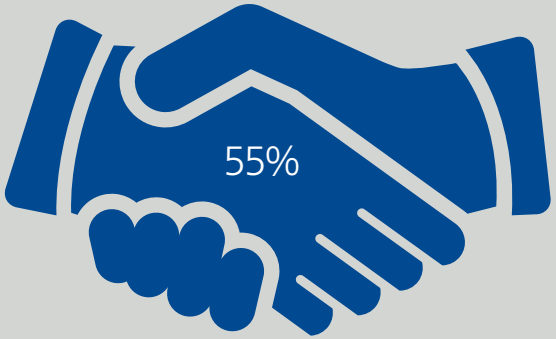
IT VALUE DRIVERS
TOP WAYS BUSINESS LEADERS EXPECT IT TO ADD VALUE



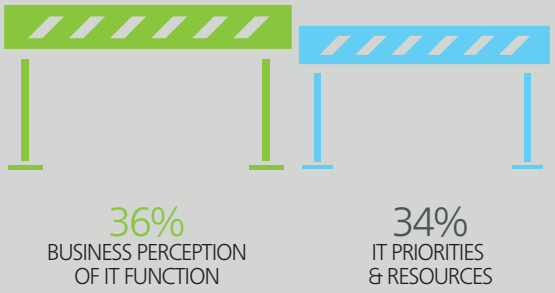
STRENGTHS & WEAKNESSES
DRIVING BUSINESS VALUE



IT BUSINESS PARTNERING
EFFECTIVENESS



BARRIERS TO BUSINESS PARTNERING
FACED BY IT LEADERS



Business partnering Key findings

Raising the game

Our survey reveals that IT leaders recognise the need to be an effective business partner and that opportunities exist for IT to add more value to the business in which they operate. For example, almost 70% of those surveyed believe they can make the biggest difference within their organisation by enabling business strategy. However, our CIOs acknowledge that they still have some way to go to improve their reputation as a credible partner to the business. This was highlighted by the 61% of respondents who rated their existing business partnering capabilities as either fair or poor, only collaborating with other business areas to add strategic value from time-to-time, or not at all. So what is stopping CIOs from being consistently effective business partners?

Service provider or business partner?

A significant proportion of CIOs still see their team's greatest asset as delivering routine IT services, with 89% rating their effectiveness in this space as either meeting or exceeding expectations. At the same time, they recognise more needs to be done in areas which help facilitate business change, in particular, improving their team's capacity to provide high quality data and insight, and optimising new business processes. If CIOs themselves feel their 'sweet spot' is in the delivery of routine services, then it will be difficult for their stakeholders to view them any differently.

Business perception

When asked to identify the top barriers to effective IT business partnering, CIOs cited a lack of business understanding and a poor perception of the role of the IT function as the main reasons. The second most common barrier is seen as conflicting IT priorities and a lack of resources to support a dedicated IT business partnering strategy. Our chapter on *Talent* explores how significant capability gaps in terms of business facing skills within IT organisations could be contributing to both business perception and resulting resource issues.

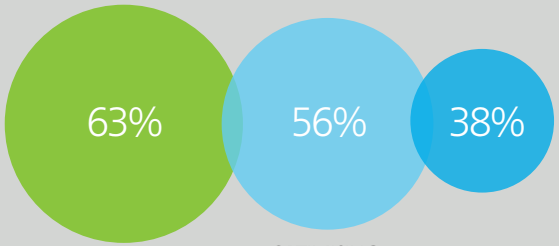
All is not doom and gloom

A positive finding from our survey is that establishing a dedicated business partnering function seems to be giving CIOs the best chance of achieving excellence as a strategic partner, suggesting that more focus in this area is likely to yield better results. Of those respondents who rated their IT function as an 'excellent' strategic business partner, 65% already have a dedicated business partnering function in place. Tellingly, of those that rated themselves as "poor" partners to the business, 88% have not yet formalised this capability within their teams.

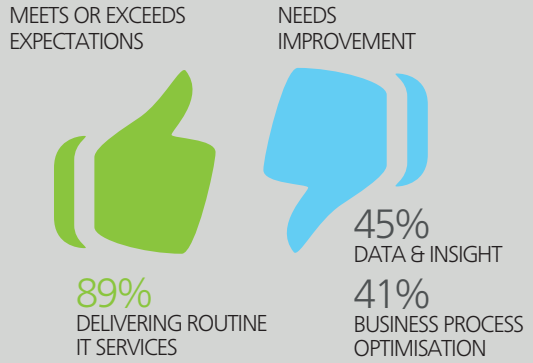
BUSINESS PARTNERING: QUICK WINS ▶

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR

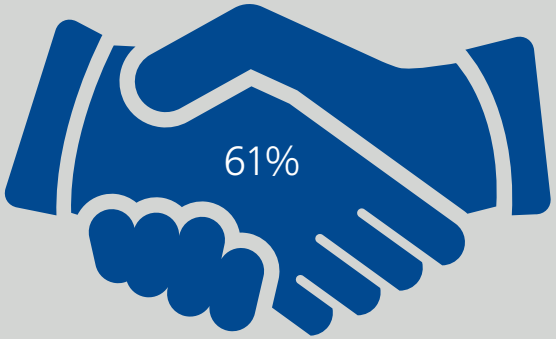
IT VALUE DRIVERS
TOP WAYS BUSINESS LEADERS EXPECT IT TO ADD VALUE



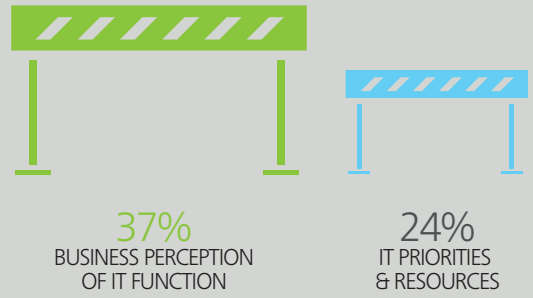
STRENGTHS & WEAKNESSES
DRIVING BUSINESS VALUE



IT BUSINESS PARTNERING
EFFECTIVENESS



BARRIERS TO BUSINESS PARTNERING
FACED BY IT LEADERS



Business partnering Key findings

Raising the game

Our survey reveals that IT leaders recognise the need to be an effective business partner and that opportunities exist for IT to add more value to the business in which they operate. For example, almost 70% of those surveyed believe they can make the biggest difference within their organisation by enabling business strategy. However, our CIOs acknowledge that they still have some way to go to improve their reputation as a credible partner to the business. This was highlighted by the 61% of respondents who rated their existing business partnering capabilities as either fair or poor, only collaborating with other business areas to add strategic value from time-to-time, or not at all. So what is stopping CIOs from being consistently effective business partners?

Service provider or business partner?

A significant proportion of CIOs still see their team's greatest asset as delivering routine IT services, with 89% rating their effectiveness in this space as either meeting or exceeding expectations. At the same time, they recognise more needs to be done in areas which help facilitate business change, in particular, improving their team's capacity to provide high quality data and insight, and optimising new business processes. If CIOs themselves feel their 'sweet spot' is in the delivery of routine services, then it will be difficult for their stakeholders to view them any differently.

Business perception

When asked to identify the top barriers to effective IT business partnering, CIOs cited a lack of business understanding and a poor perception of the role of the IT function as the main reasons. The second most common barrier is seen as conflicting IT priorities and a lack of resources to support a dedicated IT business partnering strategy. Our chapter on *Talent* explores how significant capability gaps in terms of business facing skills within IT organisations could be contributing to both business perception and resulting resource issues.

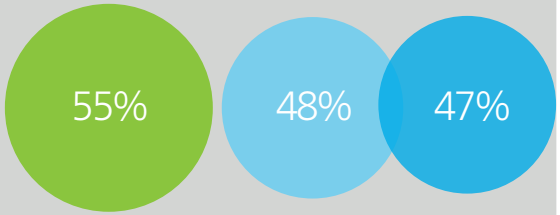
All is not doom and gloom

A positive finding from our survey is that establishing a dedicated business partnering function seems to be giving CIOs the best chance of achieving excellence as a strategic partner, suggesting that more focus in this area is likely to yield better results. Of those respondents who rated their IT function as an 'excellent' strategic business partner, 65% already have a dedicated business partnering function in place. Tellingly, of those that rated themselves as "poor" partners to the business, 88% have not yet formalised this capability within their teams.

BUSINESS PARTNERING: QUICK WINS ▶

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR

IT VALUE DRIVERS
TOP WAYS BUSINESS LEADERS EXPECT IT TO ADD VALUE



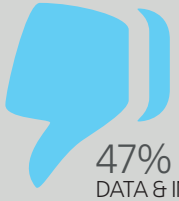
ENABLING BUSINESS STRATEGY | OPTIMISING BUSINESS PROCESSES | DRIVING INNOVATION

STRENGTHS & WEAKNESSES
DRIVING BUSINESS VALUE

MEETS OR EXCEEDS EXPECTATIONS

90% DELIVERING ROUTINE IT SERVICES

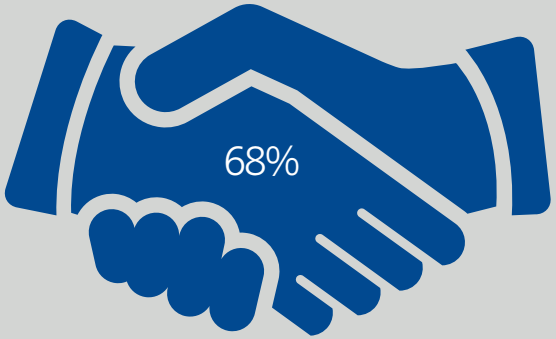
NEEDS IMPROVEMENT



47% DATA & INSIGHT

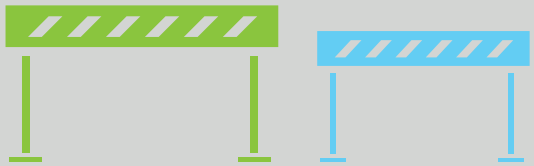
49% BUSINESS PROCESS OPTIMISATION

IT BUSINESS PARTNERING
EFFECTIVENESS



RATED "FAIR" OR "POOR" PARTNERS TO THE BUSINESS

BARRIERS TO BUSINESS PARTNERING
FACED BY IT LEADERS



34% BUSINESS PERCEPTION OF IT FUNCTION

27% IT PRIORITIES & RESOURCES

Talent Key findings

The talent gap is in business-facing skills

Responses to the Talent section of our survey suggest that many CIOs are still struggling to find the right blend of technology expertise and business skills to support business demands. Over half of CIOs are experiencing difficulties sourcing staff that can think like the business, while just under half are struggling to find professionals that can think strategically and communicate effectively. Our *Business Partnering* findings suggest that this talent gap is also seriously impacting the effectiveness of CIOs as business partners.

Wanted: business-centric technical skills

In terms of technical skills, the top areas CIOs identified as in need of improvement were equally business-focussed and strategic in nature. 42% of CIOs are demanding more in terms of business analysis skills, for example, team members capable of identifying business needs and delivering technology solutions to business problems. Around a third of CIOs are also experiencing shortages of skills within their teams in delivering technology strategy and architecture, and analytics and big data.

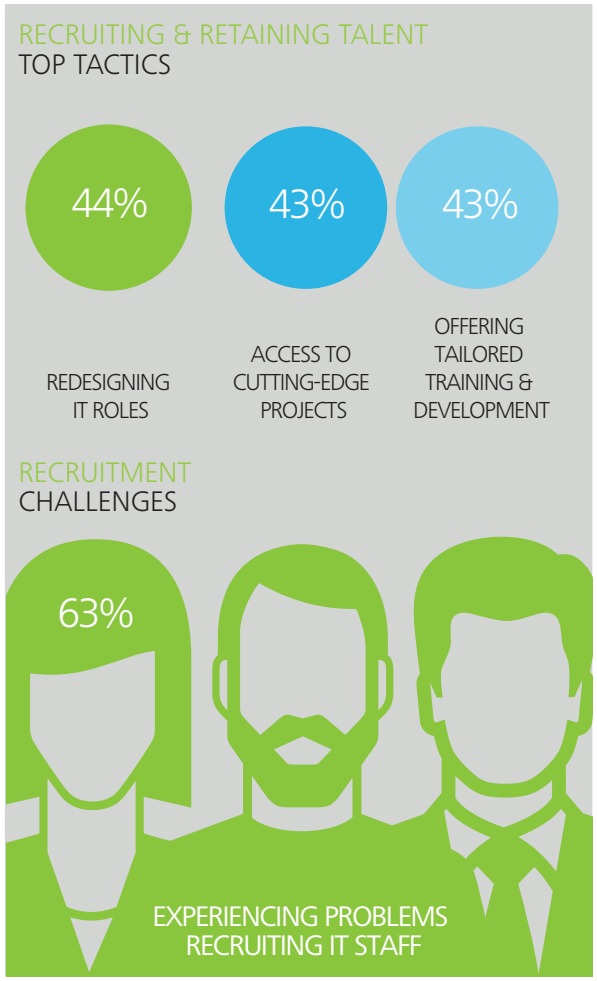
Getting creative with talent attraction

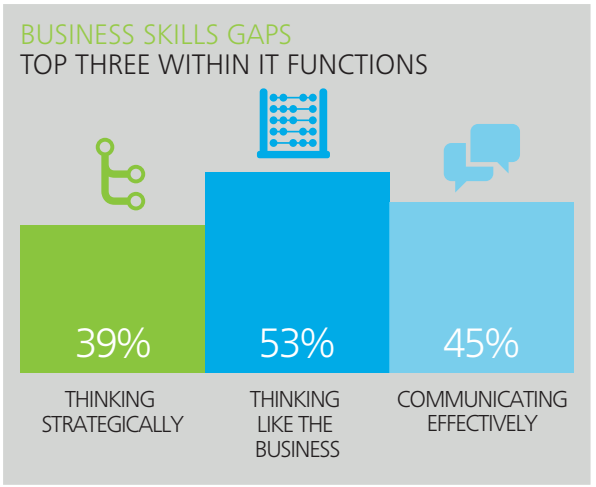
This continued shortage of talent in business-centric roles within the IT function seems to be due in part to a lack of experienced staff in the market, according to respondents across the majority of regions. However, many IT leaders are adopting increasingly creative tactics to attract and retain this new breed of professional into their organisations. Over 40% of respondents are redesigning IT roles and structures and/or providing access to cutting edge IT projects, possibly reflecting a growing realisation that IT leaders need to start making a role in IT a much more attractive career choice. These responses outweighed traditional strategies such as paying above the market rate, and providing better work/life balance opportunities.

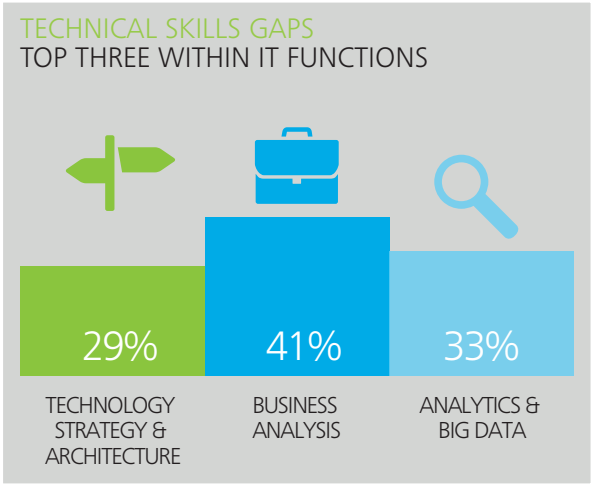
Missing an opportunity?

Only 12% of CIOs are offering opportunities on projects outside the IT function as a mechanism to attract and retain talent. We believe IT leaders are missing a chance to get closer to the business by not placing a greater emphasis on encouraging teams to build relationships and foster better links with other business functions.

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR







TALENT: QUICK WINS ▶

Talent Key findings

The talent gap is in business-facing skills

Responses to the Talent section of our survey suggest that many CIOs are still struggling to find the right blend of technology expertise and business skills to support business demands. Over half of CIOs are experiencing difficulties sourcing staff that can think like the business, while just under half are struggling to find professionals that can think strategically and communicate effectively. Our *Business Partnering* findings suggest that this talent gap is also seriously impacting the effectiveness of CIOs as business partners.

Wanted: business-centric technical skills

In terms of technical skills, the top areas CIOs identified as in need of improvement were equally business-focussed and strategic in nature. 42% of CIOs are demanding more in terms of business analysis skills, for example, team members capable of identifying business needs and delivering technology solutions to business problems. Around a third of CIOs are also experiencing shortages of skills within their teams in delivering technology strategy and architecture, and analytics and big data.

Getting creative with talent attraction

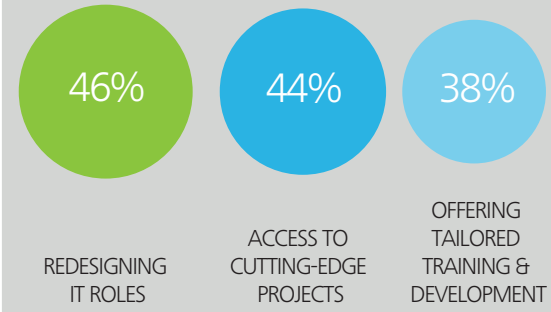
This continued shortage of talent in business-centric roles within the IT function seems to be due in part to a lack of experienced staff in the market, according to respondents across the majority of regions. However, many IT leaders are adopting increasingly creative tactics to attract and retain this new breed of professional into their organisations. Over 40% of respondents are redesigning IT roles and structures and/or providing access to cutting edge IT projects, possibly reflecting a growing realisation that IT leaders need to start making a role in IT a much more attractive career choice. These responses outweighed traditional strategies such as paying above the market rate, and providing better work/life balance opportunities.

Missing an opportunity?

Only 12% of CIOs are offering opportunities on projects outside the IT function as a mechanism to attract and retain talent. We believe IT leaders are missing a chance to get closer to the business by not placing a greater emphasis on encouraging teams to build relationships and foster better links with other business functions.

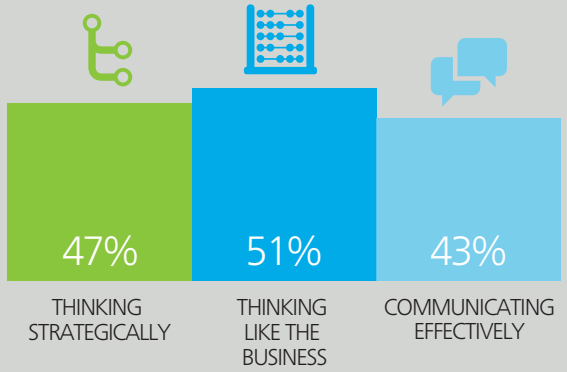
OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR

RECRUITING & RETAINING TALENT
TOP TACTICS

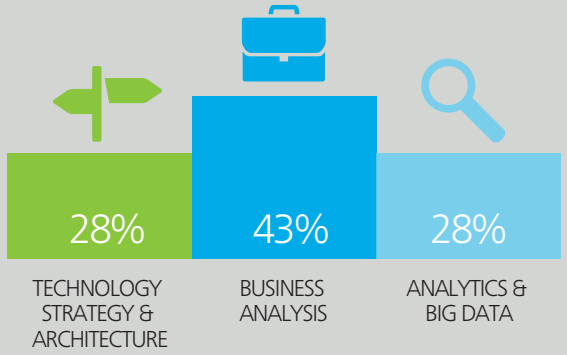


RECRUITMENT
CHALLENGES

BUSINESS SKILLS GAPS
TOP THREE WITHIN IT FUNCTIONS



TECHNICAL SKILLS GAPS
TOP THREE WITHIN IT FUNCTIONS



TALENT: QUICK WINS ▶

Talent Key findings

The talent gap is in business-facing skills

Responses to the Talent section of our survey suggest that many CIOs are still struggling to find the right blend of technology expertise and business skills to support business demands. Over half of CIOs are experiencing difficulties sourcing staff that can think like the business, while just under half are struggling to find professionals that can think strategically and communicate effectively. Our *Business Partnering* findings suggest that this talent gap is also seriously impacting the effectiveness of CIOs as business partners.

Wanted: business-centric technical skills

In terms of technical skills, the top areas CIOs identified as in need of improvement were equally business-focussed and strategic in nature. 42% of CIOs are demanding more in terms of business analysis skills, for example, team members capable of identifying business needs and delivering technology solutions to business problems. Around a third of CIOs are also experiencing shortages of skills within their teams in delivering technology strategy and architecture, and analytics and big data.

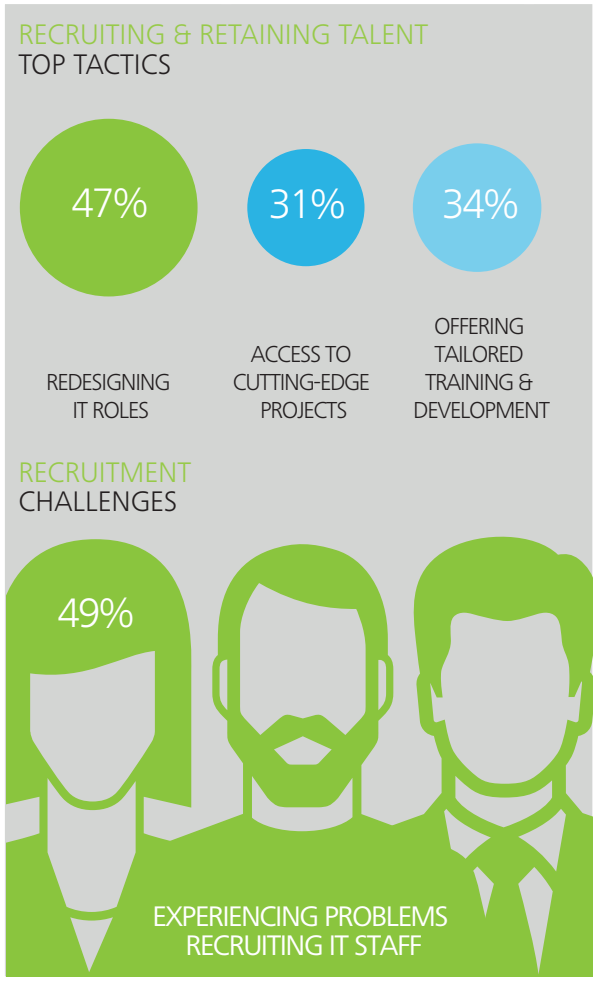
Getting creative with talent attraction

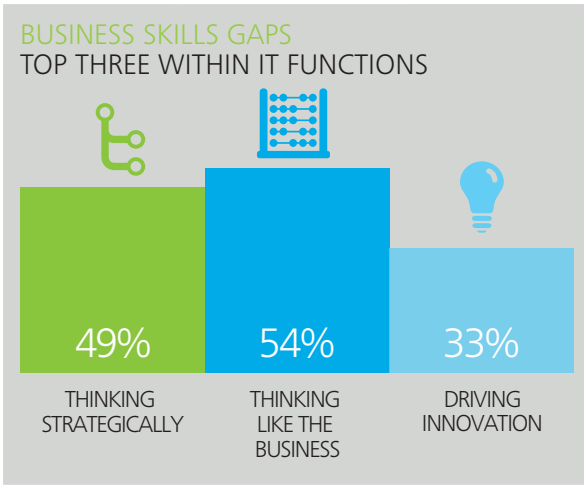
This continued shortage of talent in business-centric roles within the IT function seems to be due in part to a lack of experienced staff in the market, according to respondents across the majority of regions. However, many IT leaders are adopting increasingly creative tactics to attract and retain this new breed of professional into their organisations. Over 40% of respondents are redesigning IT roles and structures and/or providing access to cutting edge IT projects, possibly reflecting a growing realisation that IT leaders need to start making a role in IT a much more attractive career choice. These responses outweighed traditional strategies such as paying above the market rate, and providing better work/life balance opportunities.

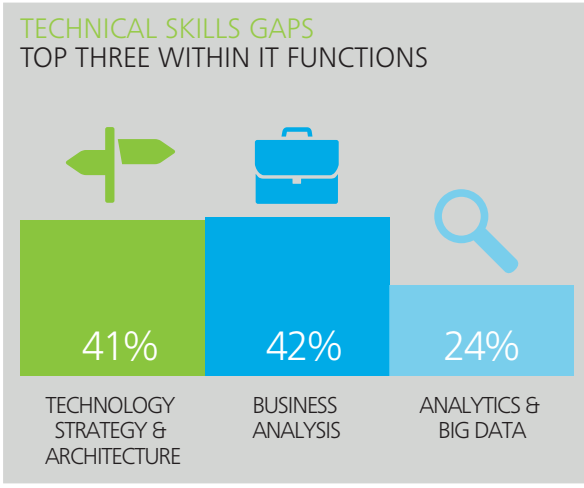
Missing an opportunity?

Only 12% of CIOs are offering opportunities on projects outside the IT function as a mechanism to attract and retain talent. We believe IT leaders are missing a chance to get closer to the business by not placing a greater emphasis on encouraging teams to build relationships and foster better links with other business functions.

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR







TALENT: QUICK WINS ▶

Innovation Key findings

The business needs IT innovation

Technology-driven innovation is fast becoming a key lever for organisations to realise competitive advantage, a message re-inforced by the fact that almost two-thirds of CIOs confirmed that innovation is a key part of their organisation's business strategy. Three-quarters also stated they have a clear understanding of how their IT function could support their organisation's innovation strategy, citing operational efficiency, market development, and product /service differentiation as being the top three ways that innovative technologies could add the most business value.

IT is not yet delivering on its innovation potential

Despite these perceived opportunities, 65% of CIOs do not believe that their IT function is considered a credible hub of innovation within their organisation. Almost half of all respondents claim that IT priorities, resources and budget constraints are the key barriers preventing them from effectively supporting their business's innovation agenda. A further proportion of IT leaders see opposing strategic priorities and a lack of understanding of IT within the business as obstructing the progress of IT innovation. Many of these are consistent with the top barriers CIOs feel are preventing them from becoming effective business partners.

Innovative technologies

Despite emerging technologies promising a transformational and disruptive effect on the business, our survey results suggest that many IT leaders are still only just starting to leverage their potential to support their innovation agenda. Highest adoption rates are being seen across mobile, private cloud and social media, however these technologies are still only being implemented or fully operational within around 30-40% of respondent IT functions. At the same time another 40-50% have still not moved beyond researching these rapidly evolving technologies, indicating that there is still significant potential to be unlocked.

Big data, big gap

Big data is fast becoming a key strategic asset in many organisations. Despite this, over half of respondents are still at a very early stage of the adoption curve with 64% of respondents still only monitoring or researching these technologies. It appears that many CIOs remain to be fully convinced of the benefits that big data and Analytics can bring to their businesses.

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR

BUSINESS VALUE THROUGH TECHNOLOGY

- 29% MARKET DEVELOPMENT
- 24% PRODUCT/ SERVICE DIFFERENTIATION
- 18% CUSTOMER EXPERIENCE

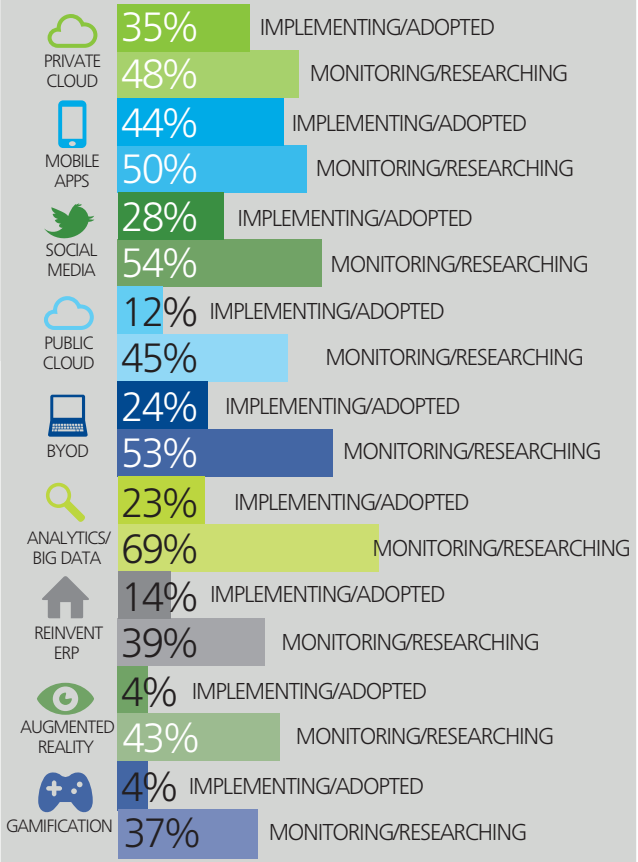
INNOVATION BARRIERS FACED BY IT LEADERS

- 28% IT PRIORITIES & RESOURCES
- 23% BUDGET CONSTRAINTS
- 23% STRATEGIC PRIORITIES OF THE BUSINESS

SUPPORTING INNOVATION THROUGH TECHNOLOGY

- 81% OF IT LEADERS UNDERSTAND HOW THEY CAN SUPPORT BUSINESS INNOVATION
- 47% OF IT LEADERS BELIEVE THEIR FUNCTION IS CONSIDERED A HUB OF INNOVATION

TECHNOLOGIES & TRENDS LEVELS OF ADOPTION



INNOVATION: QUICK WINS ▶

Innovation Key findings

The business needs IT innovation

Technology-driven innovation is fast becoming a key lever for organisations to realise competitive advantage, a message re-inforced by the fact that almost two-thirds of CIOs confirmed that innovation is a key part of their organisation's business strategy. Three-quarters also stated they have a clear understanding of how their IT function could support their organisation's innovation strategy, citing operational efficiency, market development, and product /service differentiation as being the top three ways that innovative technologies could add the most business value.

IT is not yet delivering on its innovation potential

Despite these perceived opportunities, 65% of CIOs do not believe that their IT function is considered a credible hub of innovation within their organisation. Almost half of all respondents claim that IT priorities, resources and budget constraints are the key barriers preventing them from effectively supporting their business's innovation agenda. A further proportion of IT leaders see opposing strategic priorities and a lack of understanding of IT within the business as obstructing the progress of IT innovation. Many of these are consistent with the top barriers CIOs feel are preventing them from becoming effective business partners.

Innovative technologies

Despite emerging technologies promising a transformational and disruptive effect on the business, our survey results suggest that many IT leaders are still only just starting to leverage their potential to support their innovation agenda. Highest adoption rates are being seen across mobile, private cloud and social media, however these technologies are still only being implemented or fully operational within around 30-40% of respondent IT functions. At the same time another 40-50% have still not moved beyond researching these rapidly evolving technologies, indicating that there is still significant potential to be unlocked.

Big data, big gap

Big data is fast becoming a key strategic asset in many organisations. Despite this, over half of respondents are still at a very early stage of the adoption curve with 64% of respondents still only monitoring or researching these technologies. It appears that many CIOs remain to be fully convinced of the benefits that big data and Analytics can bring to their businesses.

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR

BUSINESS VALUE THROUGH TECHNOLOGY

29% COST & OPERATIONAL EFFICIENCIES

24% MARKET DEVELOPMENT

17% REVENUE GROWTH

INNOVATION BARRIERS FACED BY IT LEADERS

27% IT PRIORITIES & RESOURCES

21% BUDGET CONSTRAINTS

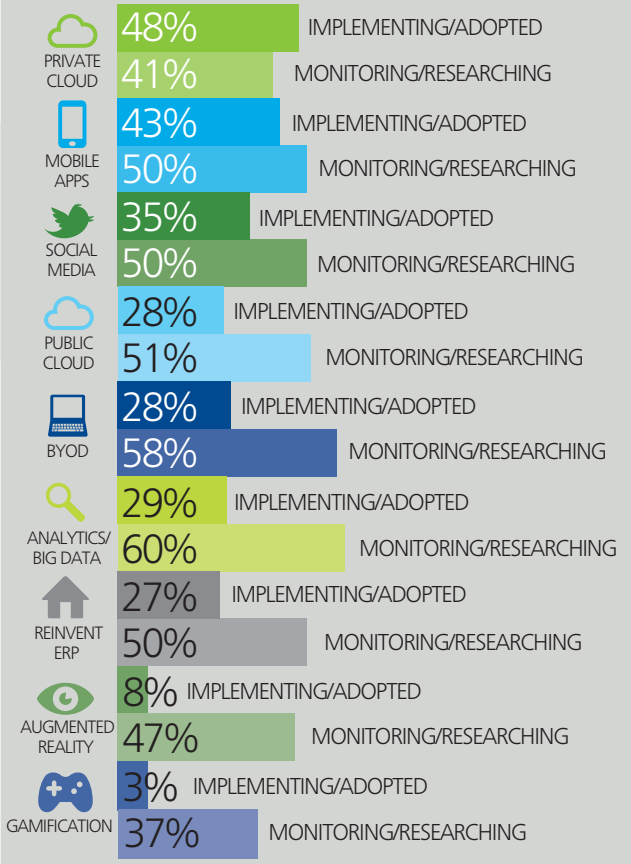
16% STRATEGIC PRIORITIES OF BUSINESS

SUPPORTING INNOVATION THROUGH TECHNOLOGY

73% OF IT LEADERS UNDERSTAND HOW THEY CAN SUPPORT BUSINESS INNOVATION

31% OF IT LEADERS BELIEVE THEIR FUNCTION IS CONSIDERED A HUB OF INNOVATION

TECHNOLOGIES & TRENDS LEVELS OF ADOPTION



INNOVATION: QUICK WINS ▶

Innovation Key findings

The business needs IT innovation

Technology-driven innovation is fast becoming a key lever for organisations to realise competitive advantage, a message re-inforced by the fact that almost two-thirds of CIOs confirmed that innovation is a key part of their organisation's business strategy. Three-quarters also stated they have a clear understanding of how their IT function could support their organisation's innovation strategy, citing operational efficiency, market development, and product /service differentiation as being the top three ways that innovative technologies could add the most business value.

IT is not yet delivering on its innovation potential

Despite these perceived opportunities, 65% of CIOs do not believe that their IT function is considered a credible hub of innovation within their organisation. Almost half of all respondents claim that IT priorities, resources and budget constraints are the key barriers preventing them from effectively supporting their business's innovation agenda. A further proportion of IT leaders see opposing strategic priorities and a lack of understanding of IT within the business as obstructing the progress of IT innovation. Many of these are consistent with the top barriers CIOs feel are preventing them from becoming effective business partners.

Innovative technologies

Despite emerging technologies promising a transformational and disruptive effect on the business, our survey results suggest that many IT leaders are still only just starting to leverage their potential to support their innovation agenda. Highest adoption rates are being seen across mobile, private cloud and social media, however these technologies are still only being implemented or fully operational within around 30-40% of respondent IT functions. At the same time another 40-50% have still not moved beyond researching these rapidly evolving technologies, indicating that there is still significant potential to be unlocked.

Big data, big gap

Big data is fast becoming a key strategic asset in many organisations. Despite this, over half of respondents are still at a very early stage of the adoption curve with 64% of respondents still only monitoring or researching these technologies. It appears that many CIOs remain to be fully convinced of the benefits that big data and Analytics can bring to their businesses.

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR

BUSINESS VALUE THROUGH TECHNOLOGY

- 35% COST & OPERATIONAL EFFICIENCIES
- 21% CUSTOMER EXPERIENCE
- 19% PRODUCT/ SERVICE DIFFERENTIATION

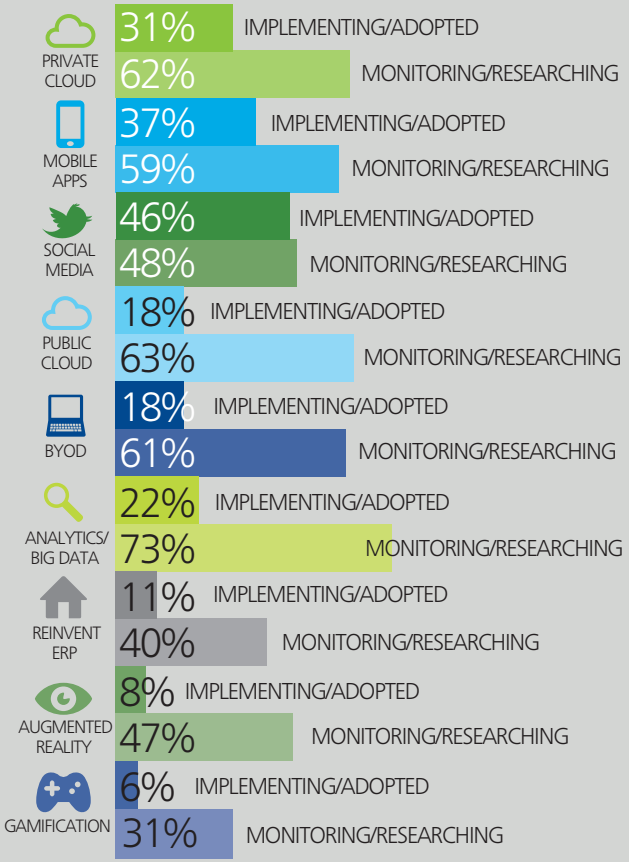
INNOVATION BARRIERS FACED BY IT LEADERS

- 28% IT PRIORITIES & RESOURCES
- 23% BUDGET CONSTRAINTS
- 15% BUSINESS UNDERSTANDING OF IT

SUPPORTING INNOVATION THROUGH TECHNOLOGY

- 73% OF IT LEADERS UNDERSTAND HOW THEY CAN SUPPORT BUSINESS INNOVATION
- 31% OF IT LEADERS BELIEVE THEIR FUNCTION IS CONSIDERED A HUB OF INNOVATION

TECHNOLOGIES & TRENDS LEVELS OF ADOPTION



INNOVATION: QUICK WINS ▶

CIO career Key findings

Appetite for more business impact

It is clear from the survey that IT leaders want to have a more strategic impact on their organisations than they currently do, with the top motivation for a career move being a desire to make a greater contribution to business strategy. They believe that enabling the business strategy is the top way that their business stakeholders expect them to add business value. This suggests that IT leaders are clear on where their priorities need to be, but do not feel they are currently in a position to deliver against this in their current organisation. This clearly indicates that many organisations are not getting the best out of their IT leaders in terms of the contribution they can make in the C-suite and indeed risk losing them altogether.

A fulfilling career?

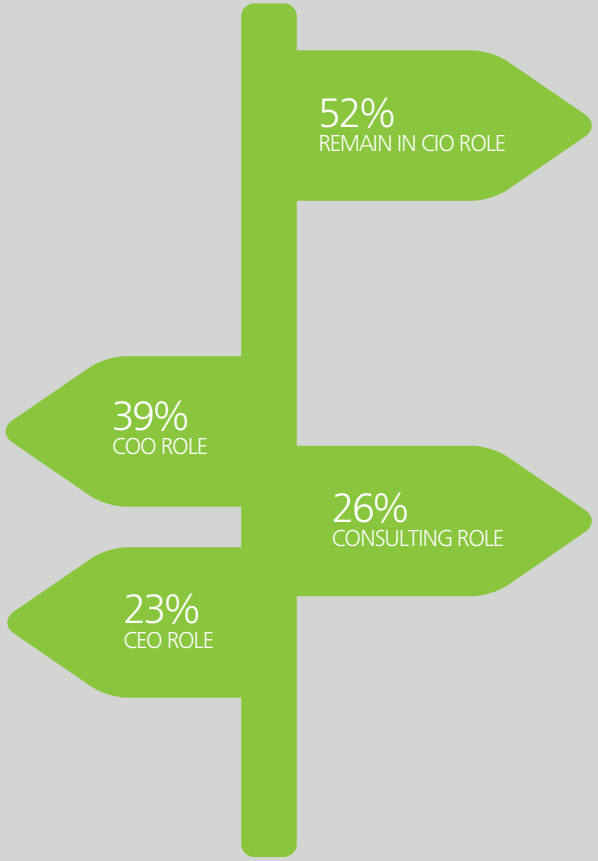
Our survey demonstrates that the role of the IT leader is not necessarily one of short tenure. 69% of respondents have been in their current role for more than 3 years, and 40% have been in the role for more than 6 years. However, one-third of respondents do not agree that their role as an IT leader gives them a range of job opportunities for a varied and fulfilling career. This perhaps indicates frustrations amongst CIOs, who recognise there are opportunities to add value but are constrained to deliver on their potential.

Business-focussed career move

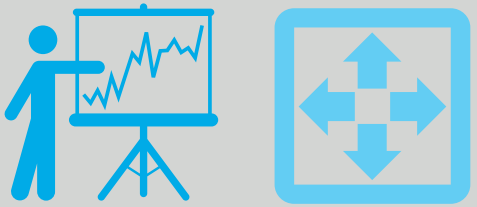
The idea of IT leaders moving to a career outside of IT may have been unlikely in the past, but our survey shows that attitudes and aspirations on this are starting to change. Although approximately half of respondents felt they would most likely remain in an IT leadership role for their next career move, many are still attracted and aspire to new and even more senior roles in the executive management team – most notably the COO or CEO – in their quest for a new challenge and a greater influence, contribution, and impact on the business strategy.

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR

WHERE NEXT
CIO CAREER CONSIDERATIONS



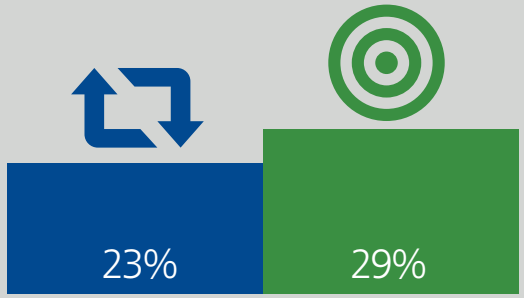
JOB SATISFACTION
TRAINING & CAREER OPPORTUNITIES



36%
OF IT LEADERS DO NOT AGREE THAT THEY HAVE ACCESS TO ADEQUATE TRAINING AND DEVELOPMENT

31%
OF IT LEADERS DO NOT AGREE THAT THEY HAVE ACCESS TO OPPORTUNITIES FOR A FULFILLING CAREER

CAREER MOVES
TOP REASONS TO MOVE ON



GREATER CONTRIBUTION TO THE BUSINESS

NEW CHALLENGE

CIO CAREER: QUICK WINS ▶

CIO career Key findings

Appetite for more business impact

It is clear from the survey that IT leaders want to have a more strategic impact on their organisations than they currently do, with the top motivation for a career move being a desire to make a greater contribution to business strategy. They believe that enabling the business strategy is the top way that their business stakeholders expect them to add business value. This suggests that IT leaders are clear on where their priorities need to be, but do not feel they are currently in a position to deliver against this in their current organisation. This clearly indicates that many organisations are not getting the best out of their IT leaders in terms of the contribution they can make in the C-suite and indeed risk losing them altogether.

A fulfilling career?

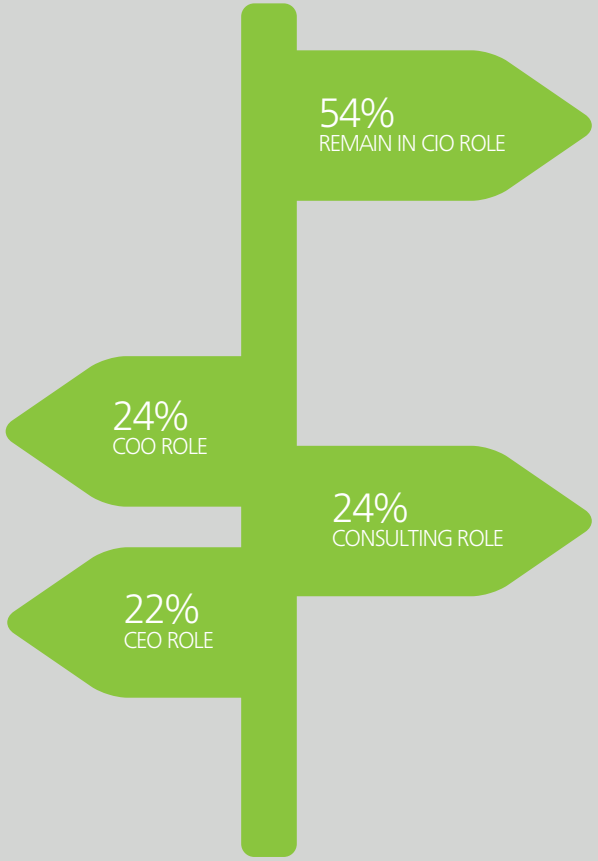
Our survey demonstrates that the role of the IT leader is not necessarily one of short tenure. 69% of respondents have been in their current role for more than 3 years, and 40% have been in the role for more than 6 years. However, one-third of respondents do not agree that their role as an IT leader gives them a range of job opportunities for a varied and fulfilling career. This perhaps indicates frustrations amongst CIOs, who recognise there are opportunities to add value but are constrained to deliver on their potential.

Business-focussed career move

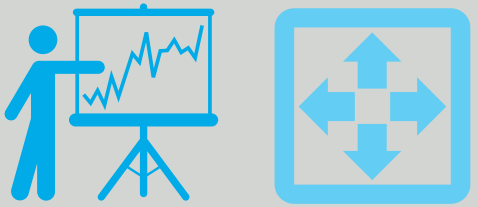
The idea of IT leaders moving to a career outside of IT may have been unlikely in the past, but our survey shows that attitudes and aspirations on this are starting to change. Although approximately half of respondents felt they would most likely remain in an IT leadership role for their next career move, many are still attracted and aspire to new and even more senior roles in the executive management team – most notably the COO or CEO – in their quest for a new challenge and a greater influence, contribution, and impact on the business strategy.

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR

WHERE NEXT
CIO CAREER CONSIDERATIONS



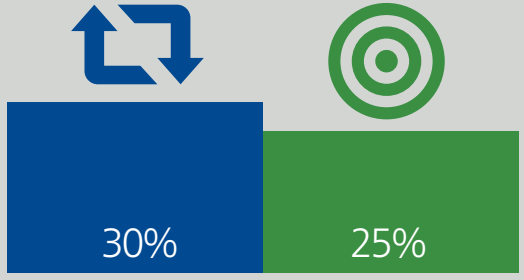
JOB SATISFACTION
TRAINING & CAREER OPPORTUNITIES



35%
OF IT LEADERS DO NOT AGREE THAT THEY HAVE ACCESS TO ADEQUATE TRAINING AND DEVELOPMENT

32%
OF IT LEADERS DO NOT AGREE THAT THEY HAVE ACCESS TO OPPORTUNITIES FOR A FULFILLING CAREER

CAREER MOVES
TOP REASONS TO MOVE ON



GREATER CONTRIBUTION TO THE BUSINESS

NEW CHALLENGE

CIO CAREER: QUICK WINS ▶

CIO career Key findings

Appetite for more business impact

It is clear from the survey that IT leaders want to have a more strategic impact on their organisations than they currently do, with the top motivation for a career move being a desire to make a greater contribution to business strategy. They believe that enabling the business strategy is the top way that their business stakeholders expect them to add business value. This suggests that IT leaders are clear on where their priorities need to be, but do not feel they are currently in a position to deliver against this in their current organisation. This clearly indicates that many organisations are not getting the best out of their IT leaders in terms of the contribution they can make in the C-suite and indeed risk losing them altogether.

A fulfilling career?

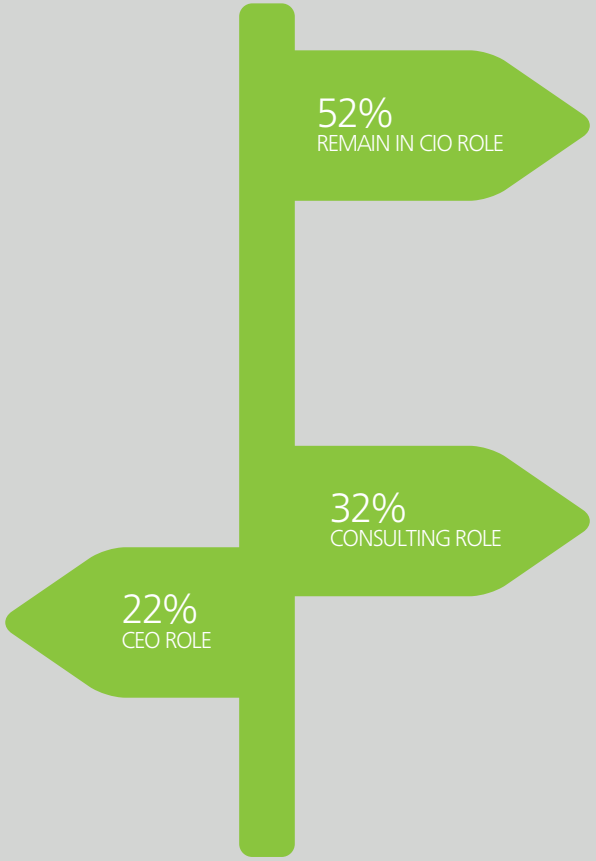
Our survey demonstrates that the role of the IT leader is not necessarily one of short tenure. 69% of respondents have been in their current role for more than 3 years, and 40% have been in the role for more than 6 years. However, one-third of respondents do not agree that their role as an IT leader gives them a range of job opportunities for a varied and fulfilling career. This perhaps indicates frustrations amongst CIOs, who recognise there are opportunities to add value but are constrained to deliver on their potential.

Business-focussed career move

The idea of IT leaders moving to a career outside of IT may have been unlikely in the past, but our survey shows that attitudes and aspirations on this are starting to change. Although approximately half of respondents felt they would most likely remain in an IT leadership role for their next career move, many are still attracted and aspire to new and even more senior roles in the executive management team – most notably the COO or CEO – in their quest for a new challenge and a greater influence, contribution, and impact on the business strategy.

OVERVIEW | FINANCIAL SERVICES | PRIVATE SECTOR | PUBLIC SECTOR

WHERE NEXT
CIO CAREER CONSIDERATIONS

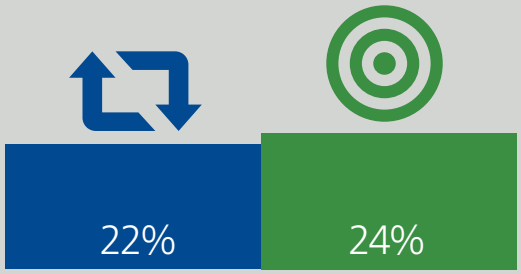


JOB SATISFACTION
TRAINING & CAREER OPPORTUNITIES

21%
OF IT LEADERS DO NOT AGREE THAT THEY HAVE ACCESS TO ADEQUATE TRAINING AND DEVELOPMENT

35%
OF IT LEADERS DO NOT AGREE THAT THEY HAVE ACCESS TO OPPORTUNITIES FOR A FULFILLING CAREER

CAREER MOVES
TOP REASONS TO MOVE ON



GREATER CONTRIBUTION TO THE BUSINESS

NEW CHALLENGE

CIO CAREER: QUICK WINS ▶