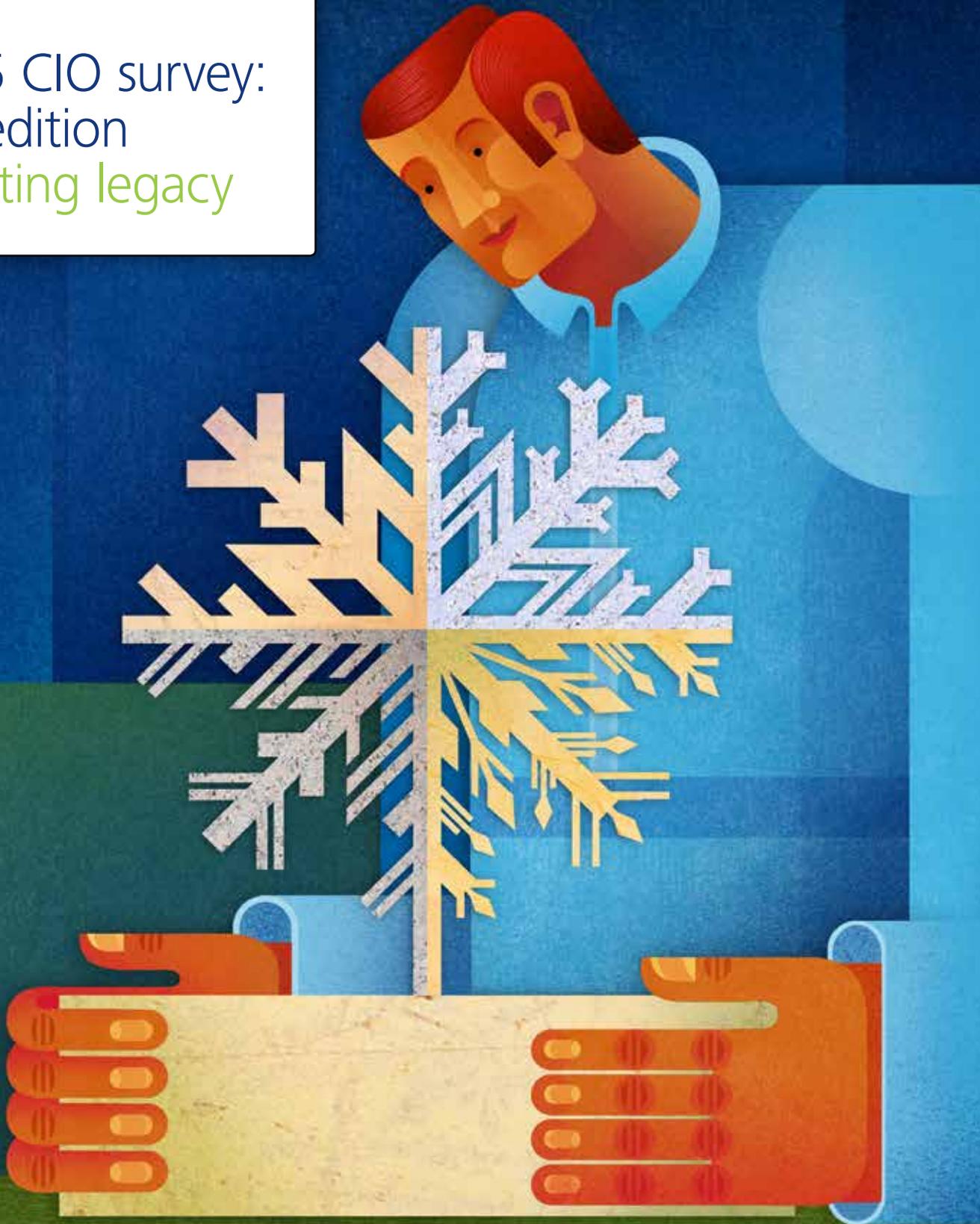# Deloitte.

2015 CIO survey:
UK edition
Creating legacy

Welcome to the Deloitte 2015 Global CIO survey – Creating legacy. Our goal in conducting this research is to maintain the ongoing dialogue among CIOs about the attributes, skills, and competencies that define their role – and ultimately determine their success. We surveyed and conducted in-depth interviews with over 1,200 technology leaders across 43 countries. Nearly a third of UK respondents were from the FTSE 250 and responses from UK CIOs were up 16% on last year's survey.

Our analysis has yielded important insights about how CIOs operate within the leadership ecosystems of the organisations they serve. CIOs are focused on understanding how they are creating impact and value today – and where their value proposition is headed in the future.

Four elements shape CIOs legacy

Four elements shape CIOs legacy: business priorities, leadership and talent, relationships, and investment priorities.

Business Priorities: CIOs around the globe, including those from the UK, were nearly unanimous in identifying their top five business priorities:

• Performance

• Cost

• Customers

• Innovation

• Growth

Somewhat surprisingly For UK CIOs, 24% identified strengthening risk and security measures as one of their highest priorities compared to 46% in last year's survey. Only CIOs involved in the public sector selected "cybersecurity" over "growth" as a top business priority.

Leadership & Talent: Out of the 12 leadership capabilities, CIOs overwhelmingly picked six as the most important for success in their role:

• Influence with internal stakeholders

• Communication skills

• Understanding strategic business priorities

• Talent management

• Technology vision and leadership

• Ability to lead complex, fast-changing environments

Ninety-three percent of UK CIOs in our survey acknowledged lacking at least one key skill. Three skills with the largest gaps were the ability to influence internal stakeholders, talent management, and technology vision and leadership.

Relationships: Not surprisingly, CIOs identified CEOs, CFOs, business unit leaders, and COOs as their most important relationships. A majority of UK CIOs claim to have excellent or very good relationships with these four business stakeholders, but outside of this group, there is a long tail of relationships that need more attention. For example, just 20% of UK CIOs said a relationship with their Chief Digital Officer (CDO) is important. CIOs need to be careful not to neglect other stakeholders. In terms of talent management, identified earlier by CIOs as a skills gap, 24% of UK CIOs said they had a very good relationship with the CHROs in their organisation but this compared to 34% in last year's survey.

Technology investments: When asked which technologies will have significant impact on the business within two years, CIOs aptly named analytics, business intelligence, and digital. The definition, scope, and specific technology investments for each of these technology initiatives varied significantly from organisation to organisation. UK CIOs reported the highest current investments in legacy and core modernisation but, globally, CIOs expecting their budgets to increase or stay the same fell by 5% compared to last year's responses.

Personal passions inspire lasting legacies

During the research phase, we had the privilege of conducting detailed interviews with CIOs who lead some of the world's most successful IT organisations. Four significant themes around personal passions and motivations emerged from those discussions.

Making IT matter. These CIOs were exemplary champions for IT, with a strong desire for their companies to understand and appreciate the contribution IT can make. They also described their passion for developing and engaging their people – and for making work fun and exciting.

Helping people to be more effective in both work and life. A good percentage of CIOs see their key contribution as one of enablement. They want to use technology to help their people become more effective in their jobs, make better decisions, and lead happier, more fulfilling lives.

Achieving business leadership beyond CIO. Some CIOs have aspirations for broader leadership, especially as their companies come to recognise how technology can drive competitive advantage.

Giving back. For a few CIOs, the idea of legacy has a very personal dimension. They want to use their position as a platform to give back to their communities and companies; they spend a lot of their personal time mentoring and developing business leaders.

Whether through intention or happenstance, every CIO is creating a legacy of one kind or another. How your legacy gets defined is largely – but not exclusively – up to you. The circumstances in which you find yourself operating have a big influence on what you need to accomplish today – and what you should prepare for in the future.
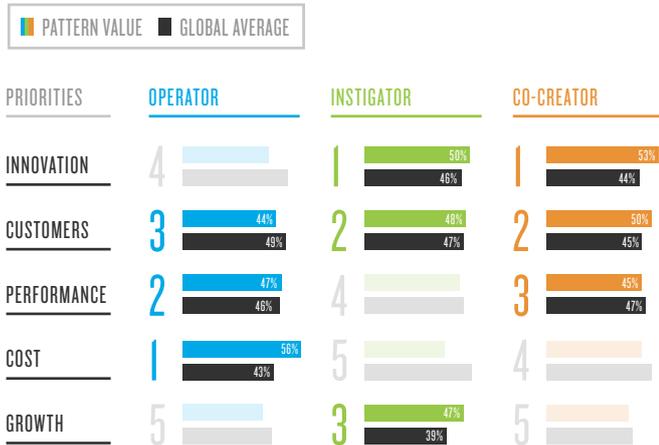
We hope you enjoy the read.

BUSINESS PRIORITIES
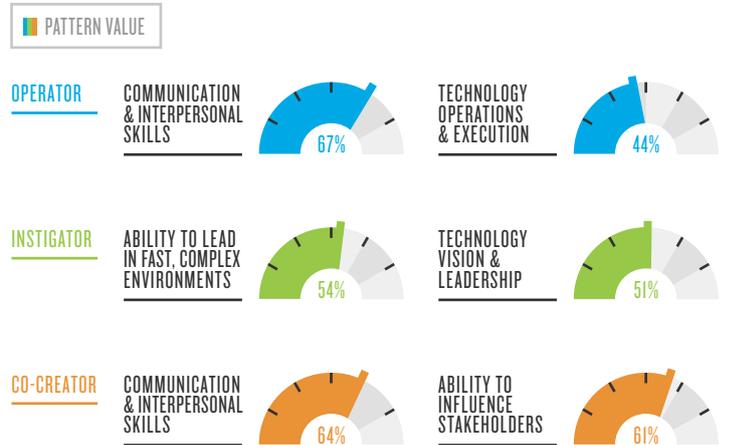
WHAT IS AT THE TOP OF CIO BUSINESS AGENDAS?

Today, every company at its core is a technology company, and CIO business priorities are linked to the heart of the business. Percentages represent respondents who identified these objectives as important in the next year.

■ PATTERN VALUE ■ GLOBAL AVERAGE

PRIORITIES	OPERATOR	INSTIGATOR	CO-CREATOR
INNOVATION	4	1 — 50% / 46%	1 — 53% / 44%
CUSTOMERS	3 — 44% / 49%	2 — 48% / 47%	2 — 50% / 45%
PERFORMANCE	2 — 47% / 46%	4	3 — 45% / 47%
COST	1 — 56% / 43%	5	4
GROWTH	5	3 — 47% / 39%	5

LEADERSHIP & TALENT

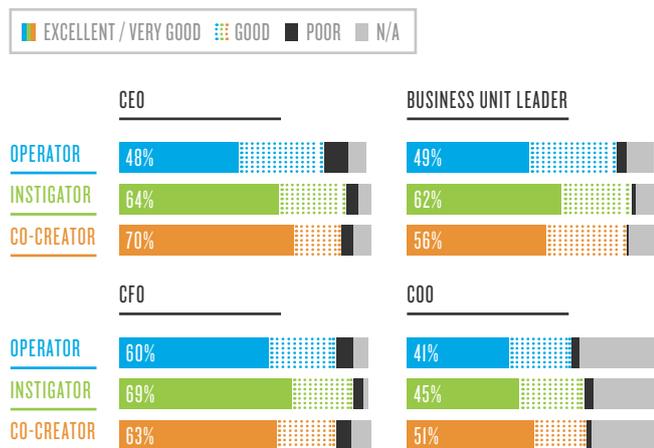# WHAT CHARACTERISTICS ARE MOST IMPORTANT TO CIOS?

CIOs are expected to be ambidextrous, contributing to business strategy and ensuring operations are running effectively. Percentages represent respondents who identified these attributes as a key personal strength.

■ PATTERN VALUE

OPERATOR
- COMMUNICATION & INTERPERSONAL SKILLS — 67%
- TECHNOLOGY OPERATIONS & EXECUTION — 44%

INSTIGATOR
- ABILITY TO LEAD IN FAST, COMPLEX ENVIRONMENTS — 54%
- TECHNOLOGY VISION & LEADERSHIP — 51%

CO-CREATOR
- COMMUNICATION & INTERPERSONAL SKILLS — 64%
- ABILITY TO INFLUENCE STAKEHOLDERS — 61%

RELATIONSHIPS & INFLUENCE
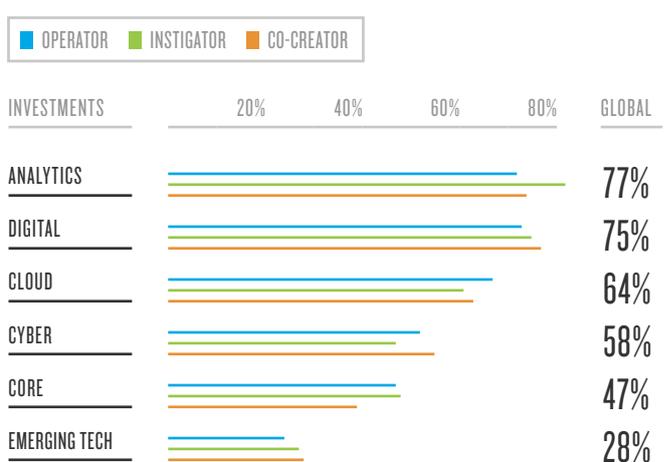
WHICH RELATIONSHIPS ARE THE STRONGEST?

The strength of CIO relationships with internal stakeholders can predict future collaboration and trajectory of business impact. Percentages represent respondents sorted by the reported strength of their business relationships.

■ EXCELLENT / VERY GOOD ⋮ GOOD ■ POOR ■ N/A

CEO
OPERATOR	48%
INSTIGATOR	64%
CO-CREATOR	70%

BUSINESS UNIT LEADER
OPERATOR	49%
INSTIGATOR	62%
CO-CREATOR	56%

CFO
OPERATOR	60%
INSTIGATOR	69%
CO-CREATOR	63%

COO
OPERATOR	41%
INSTIGATOR	45%
CO-CREATOR	51%

TECHNOLOGY INVESTMENT PRIORITIES

WHERE DO CIOS INVEST TO SUPPORT THE BUSINESS?

The CIO's risk appetite drives his or her investment philosophy and ability to create change through technology. Percentages represent respondents who said these technologies would have significant business impact in the next two years.

■ OPERATOR ■ INSTIGATOR ■ CO-CREATOR

INVESTMENTS	20%	40%	60%	80%	GLOBAL
ANALYTICS					77%
DIGITAL					75%
CLOUD					64%
CYBER					58%
CORE					47%
EMERGING TECH					28%

TRUSTED OPERATOR
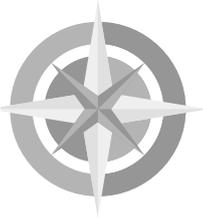DELIVER OPERATIONAL DISCIPLINE AND SUPPORT BUSINESS CHANGE THROUGH ENABLING TECHNOLOGIES.

CHANGE INSTIGATOR
LEAD TECHNOLOGY-ENABLED BUSINESS TRANSFORMATION AND EMPHASIZE OPERATIONAL EXCELLENCE.

BUSINESS CO-CREATOR
FOCUS ON DRIVING BUSINESS STRATEGY AND BALANCING TIME ACROSS EXECUTION ACTIVITIES.

LOOKING AHEAD

NAVIGATING THE LEGACY LANDSCAPE

The four elements frame a particular time and place. The profiles CIOs assume are not permanent; they will change with business needs and context. There are six journeys a CIO may need to take:

TRUSTED OPERATOR

CHANGE INSTIGATOR

BUSINESS CO-CREATOR

TRUSTED OPERATOR

CHANGE INSTIGATOR

BUSINESS CO-CREATOR
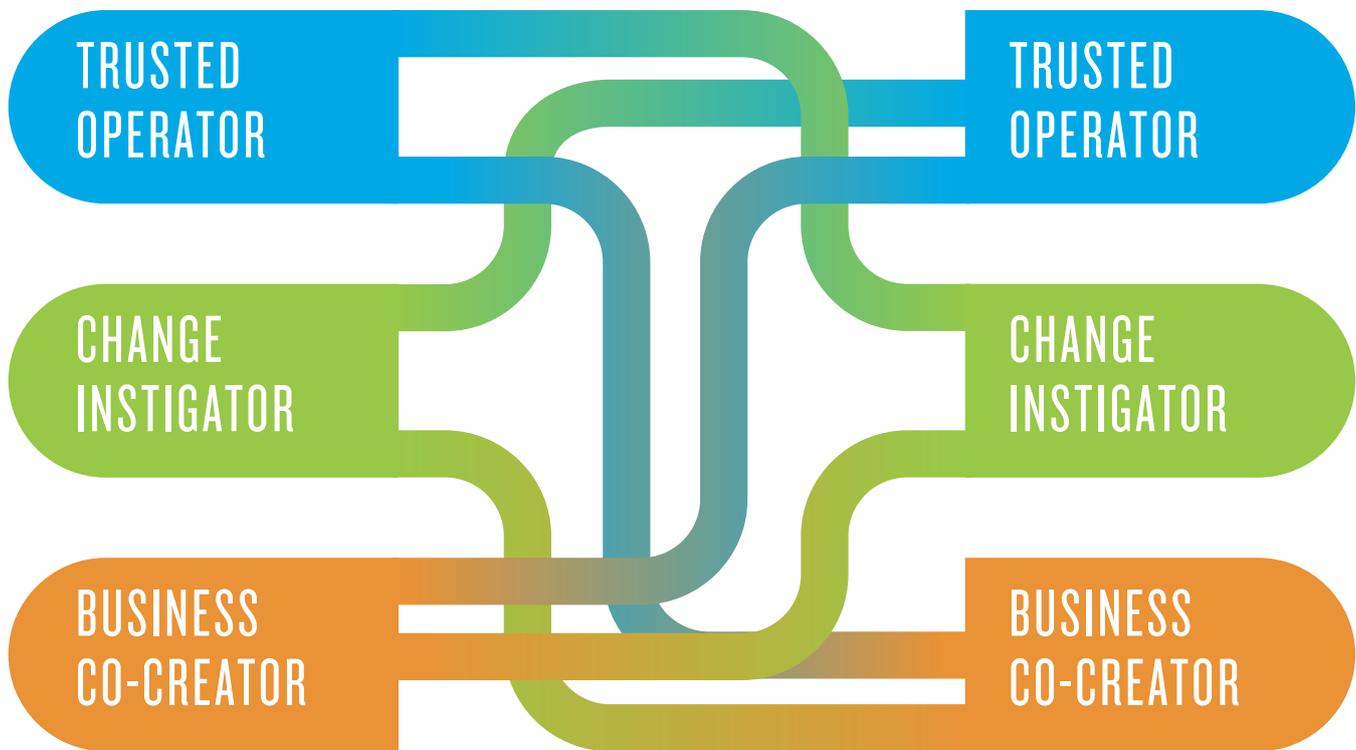
THE BUSINESS NEEDS A TRUSTED OPERATOR WHEN...

- There are foundational issues around reliability and performance.
- It is going through cycles of efficiency hunts, cost reduction, and integration.
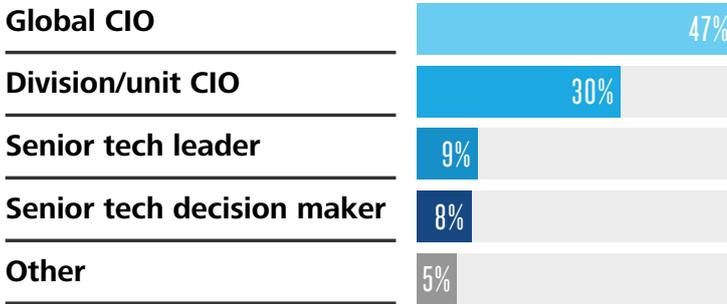
THE BUSINESS NEEDS A CHANGE INSTIGATOR WHEN...

- Times demand a clear vision and complex project management.
- There is an organizational mandate for growth and change.

THE BUSINESS NEEDS A BUSINESS CO-CREATOR WHEN...

- It is experiencing rapid growth and needs a long-term view on tech investments.
- Investment in exponentials requires a technology leader with business acumen.

1,271 Total survey participants **20%** From Global 1000 companies **43** Participating countries

Job titles

Global CIO	47%
Division/unit CIO	30%
Senior tech leader	9%
Senior tech decision maker	8%
Other	5%

Top industries

Financial services	19%
Manufacturing/construction	18%
Energy/resources	12%
Consumer business/retail	10%
Health care services	10%

Reporting lines

CEO	CFO	BOARD	COO	GLOBAL CIO	OTHER
33%	22%	14%	11%	9%	11%

Number of employees

<1,000	1,000-4,999	5,000-9,999	10,000-19,999	20,000-50,000	>50,000
25%	27%	14%	11%	10%	12%

Company revenue

<$500M	$501M-1B	$1.1B-10B	$11B-50B	>$50B	N/A
27%	11%	27%	13%	6%	16%

Survey geography by region

Europe **40%**

North America **27%**

Asia **5%**

South America **21%**

Africa / Middle East **4%**

Australia **2%**
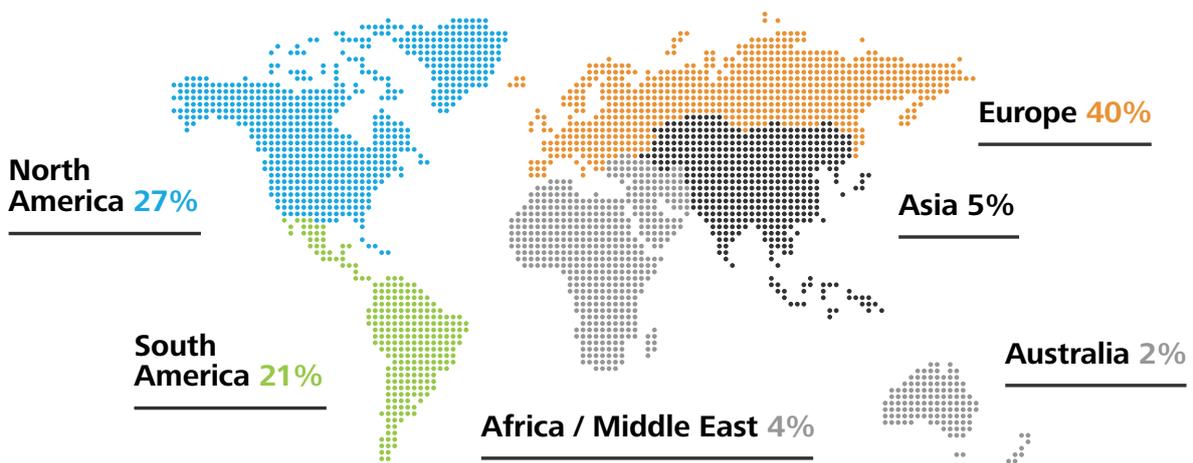
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