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Il Sole 24 ORE

#CIOmeeting16

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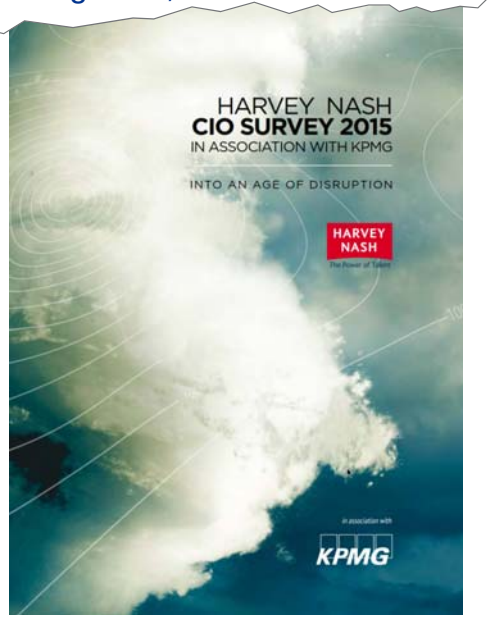
# CIO EXECUTIVE MEETING

# CIO Survey
# Into an age of disruption

CIO

"CIO survey is one of the most reliable surveys of CIO sentiment"

CIO Magazine, UK




## The largest study of IT leadership in the world

- Among the worldwide most renowned reports in the field
- Almost **4,000 IT leaders** (CIOs, technology leaders, digital executives, CEOs and MDs) from a huge variety of backgrounds and from more than **50 countries**
- Assessing **60 'over $1bn IT budget' organizations** together with lots of "less than one million" ones: the participants' aggregated budget accounts for **over $200bn, similar to Czech republic, Portugal or Ireland's GDP**

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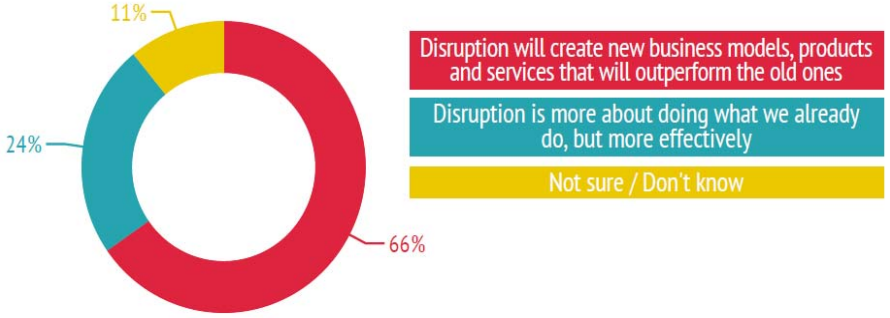
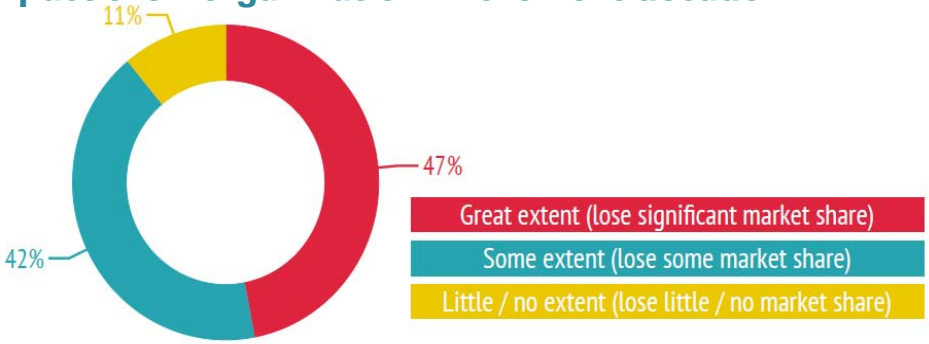
# The digital disruption is NOW!

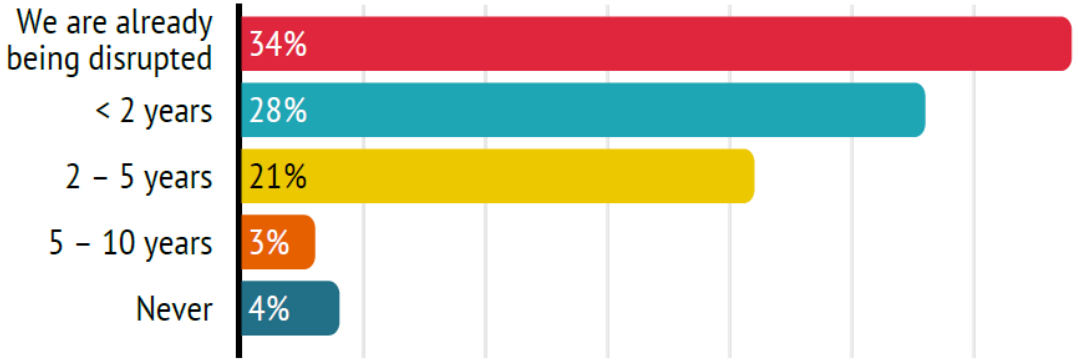
## Two-thirds of CIOs see digital as genuinely disruptive




## Nine in ten CIOs believe digital disruption will impact their organization in the next decade




## Majority of companies will experience disruption within two years



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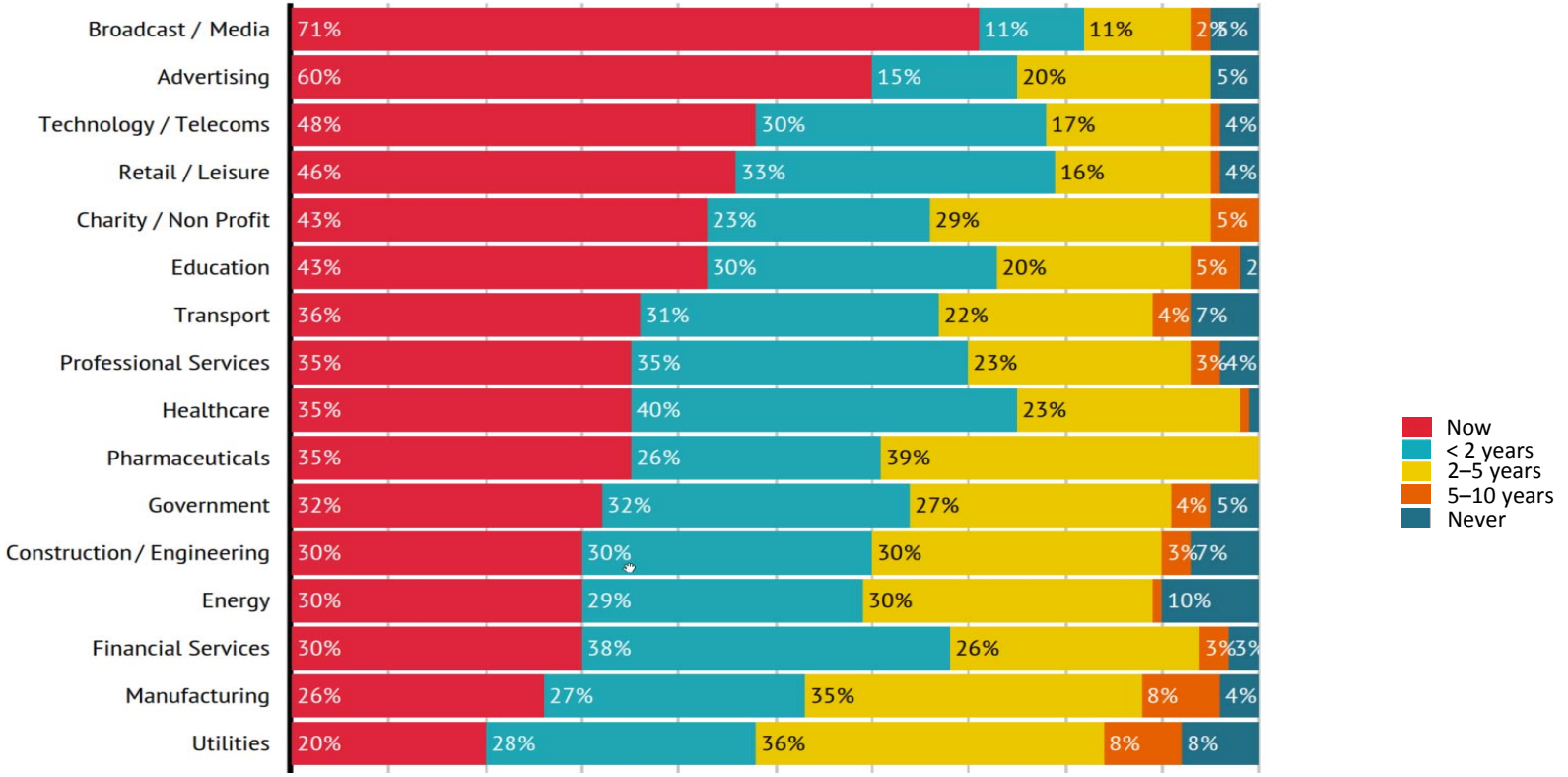
# Some industries feeling disruption sooner than others

## When do you expect your business to be disrupted?



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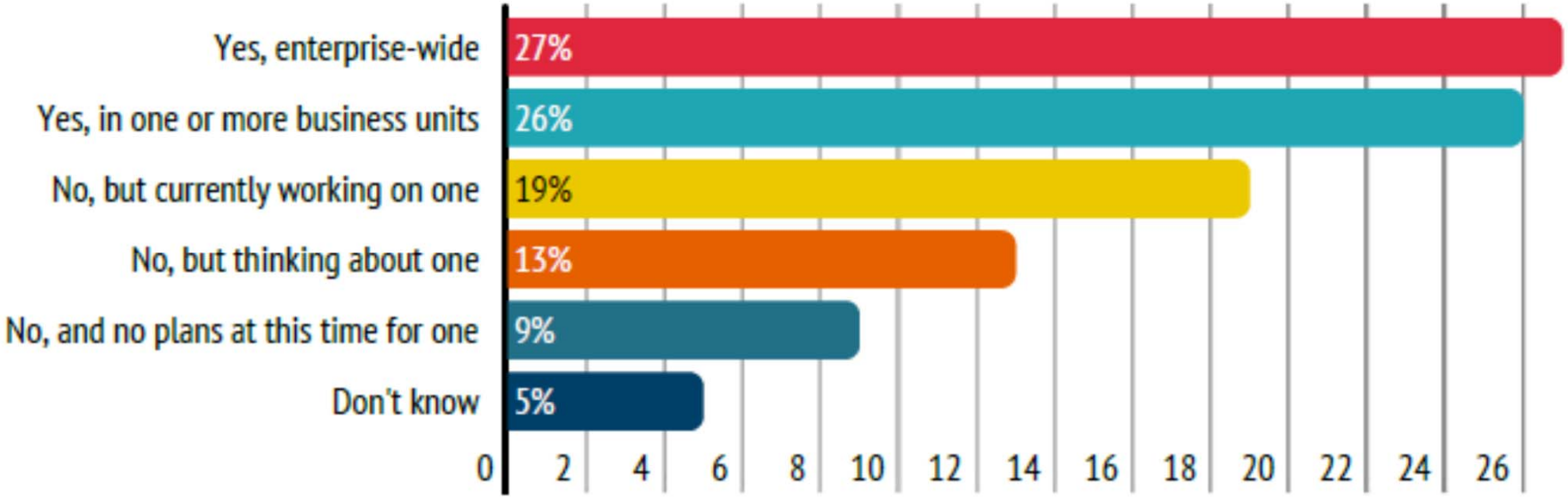
## Is a digital strategy needed?

### Only one quarter of companies with enterprise wide digital strategy



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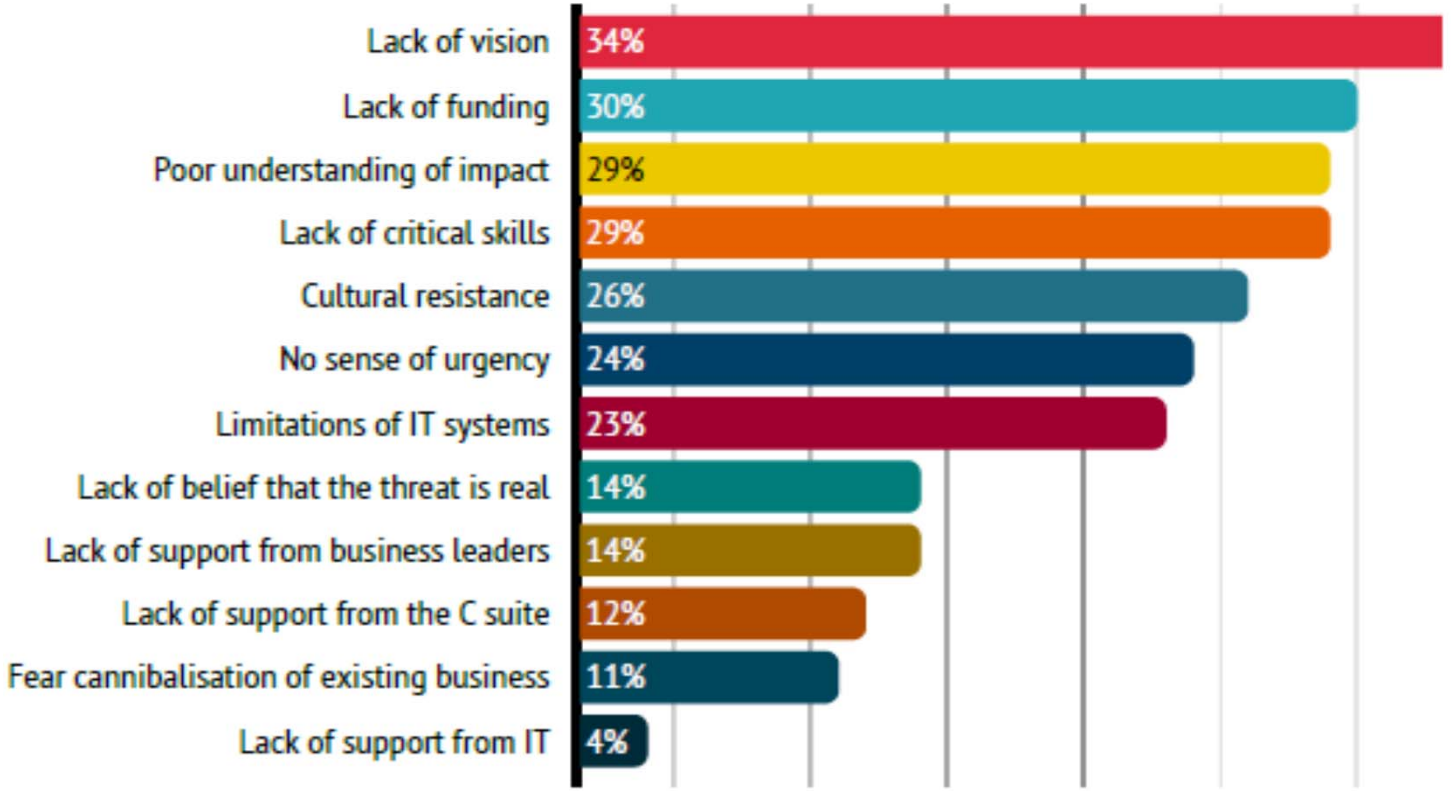
# Disruption is here…but many organizations are unprepared

## Challenges to successful digital strategy more weighted to culture than IT capability



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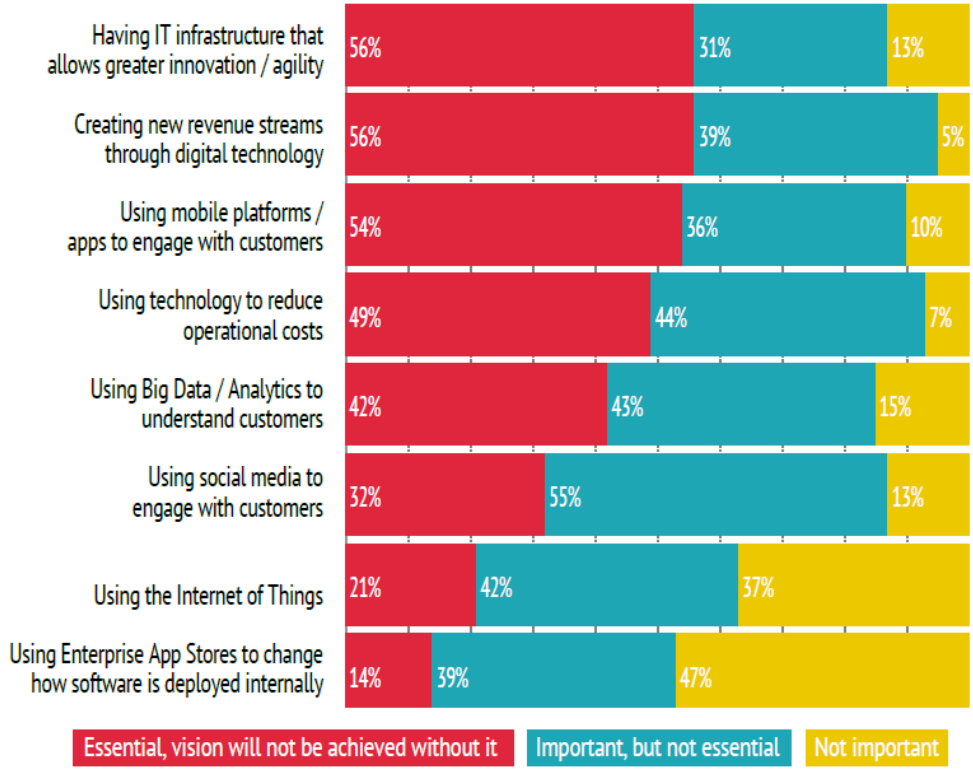
# Components to achieve the digital business strategy

## Digital components that provide agility and new customer engagement rated highest



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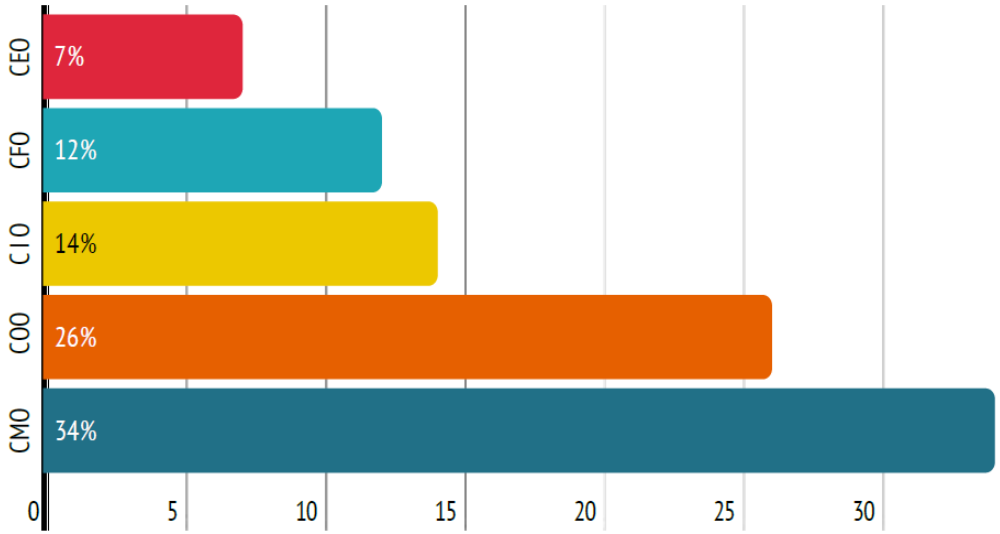
# Digital leadership
# The role of CDO

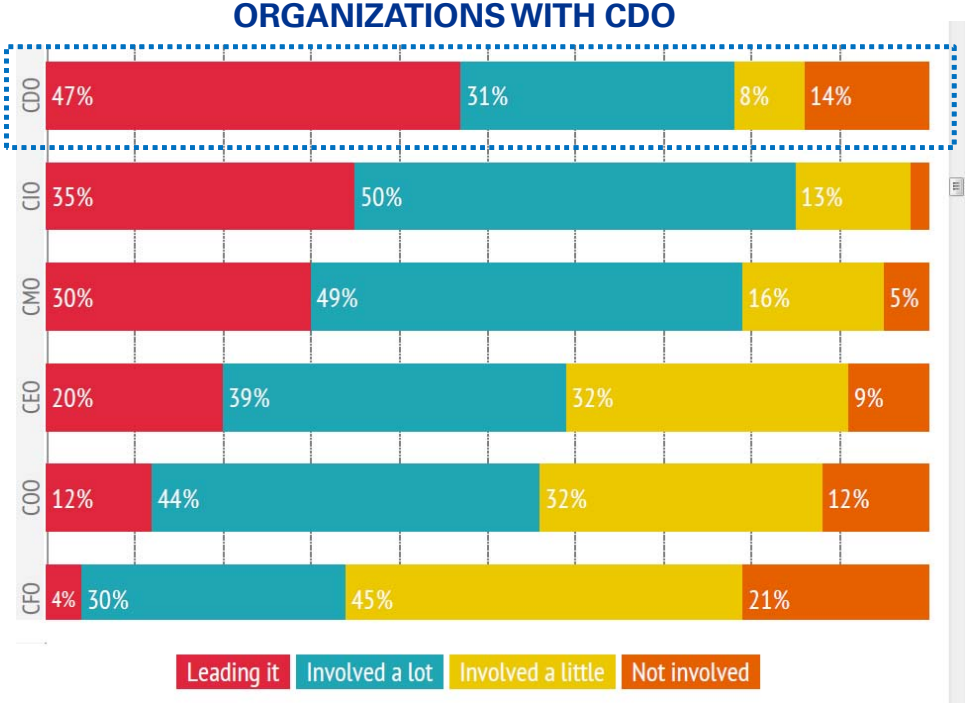
## Who does lead the shaping and/or executing Digital Strategy?

### ORGANIZATIONS WITHOUT CDO




## How are the executives involved in shaping and/or executing Digital Strategy?

### ORGANIZATIONS WITH CDO



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# CIO EXECUTIVE MEETING

# The CIO Priorities

Comparing the **priorities over a 3 year period**, interesting trends are emerging:

**A** **Efficiency remains the first priority**
while there is a decline in the related items: Operational Efficiency, Delivering Consistent and Stable IT Performances and Saving Costs.

**B** **The fastest growth priorities are Business Intelligence/Analytics, Engagement with Customers/Prospects and Reputation Management Via Social Media**
which are actually getting quite close to the top 3.

**C** **Other topics more customer or external oriented (Enabling Mobile Commerce)**
are still among CIOs' top priorities, but their growth hasn't been steady over the past two years.

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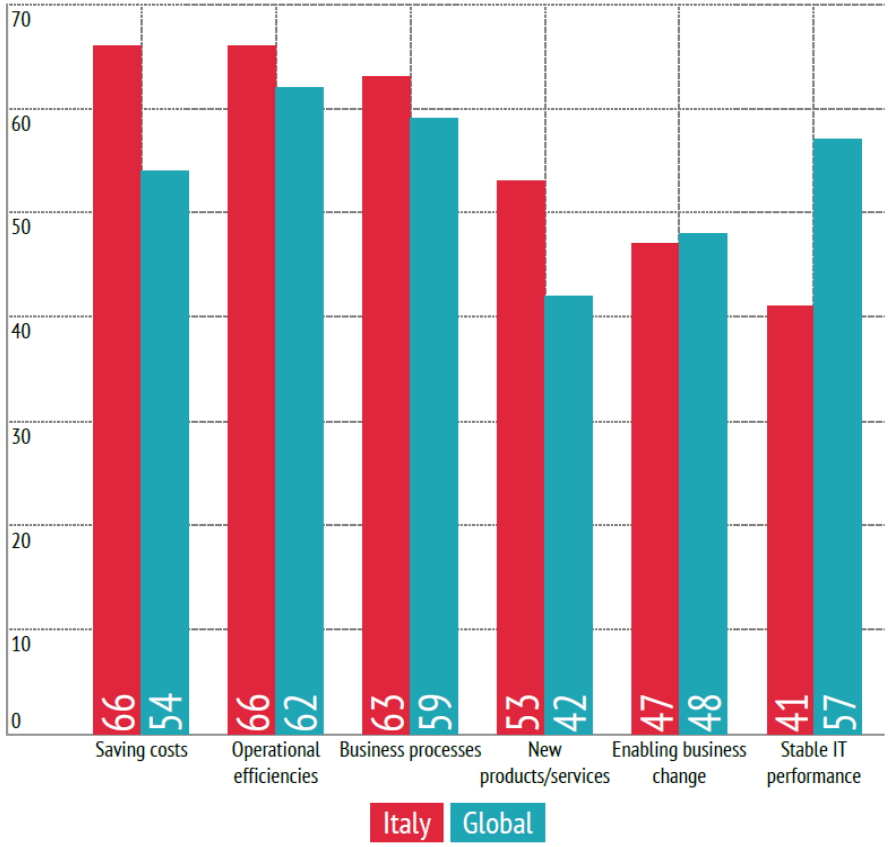
# Italian CIOs Top Priorities vs Global Average



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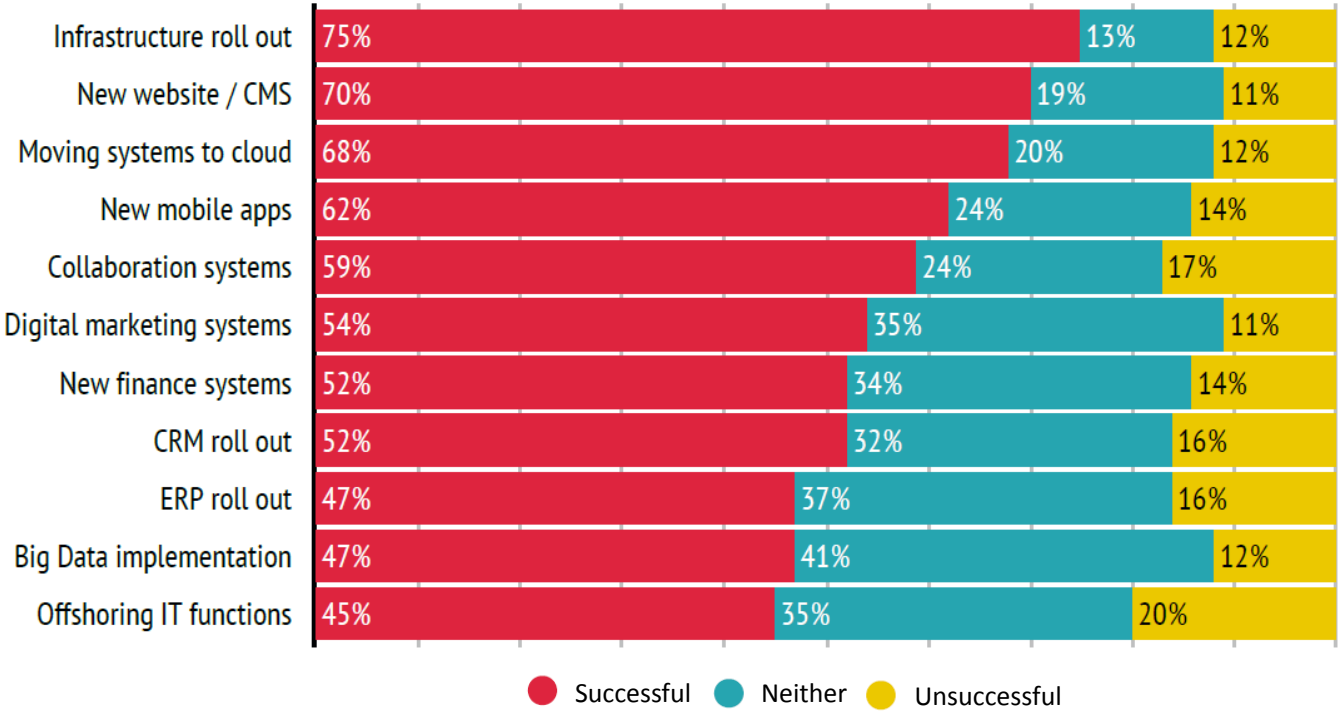
# Projects success is not guaranteed

## Success rating for the projects completed in the last two years




The percentage of successful CIO's initiatives is slightly **decreasing**

**ERP and CRM** are often large and complex with many different stakeholders, so it is not a surprise that their success rates are among the lowest ones

**Big Data implementation** is the only project type which received an higher rating vs 2014, but it is still a challenge

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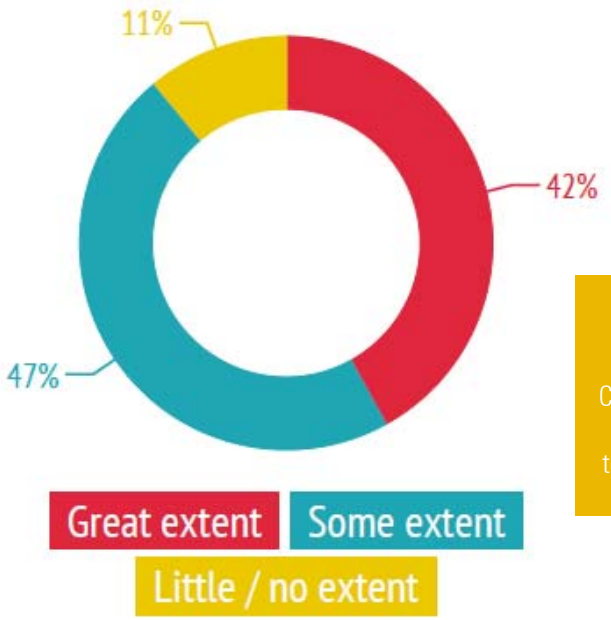
# CIO concerns: Cyber security

## To what extent do you believe a cyber-attack could damage the operations and positive brand image of the company?




**89%**
Believes that hacking could seriously damage their company

**-6%**
CIOs who think they are very well positioned to deal with attacks (vs 2014)

**25%**
Reported cyber-attacks last year

Almost **two-thirds of CIOs** believe their board **fully recognizes the business risks posed by cyber-attack**

**Four in ten CIOs worry** that 'great' damage would be inflicted and profit would be noticeably affected

While CIOs are concerned about security threats from 'open' technologies, **64%** of them **do not** feel that this materially **inhibits their ability to innovate**

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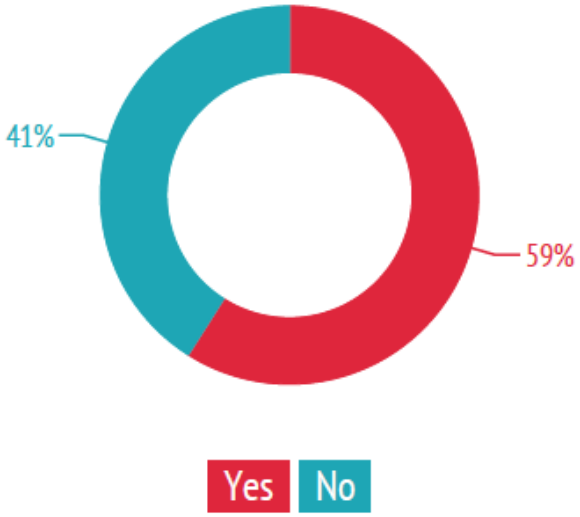
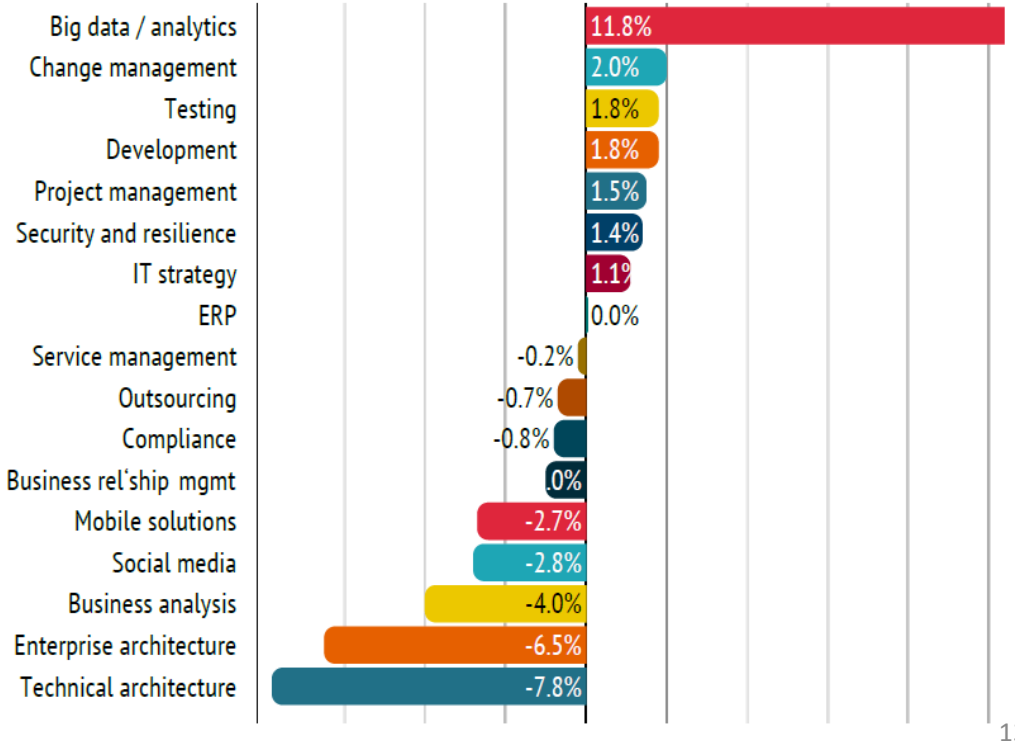
# CIO concerns: Technology skills shortage

## Does a skills shortage prevent your organization from keeping up with the pace of change?




## Which skills are most required? (2015 vs 2014)



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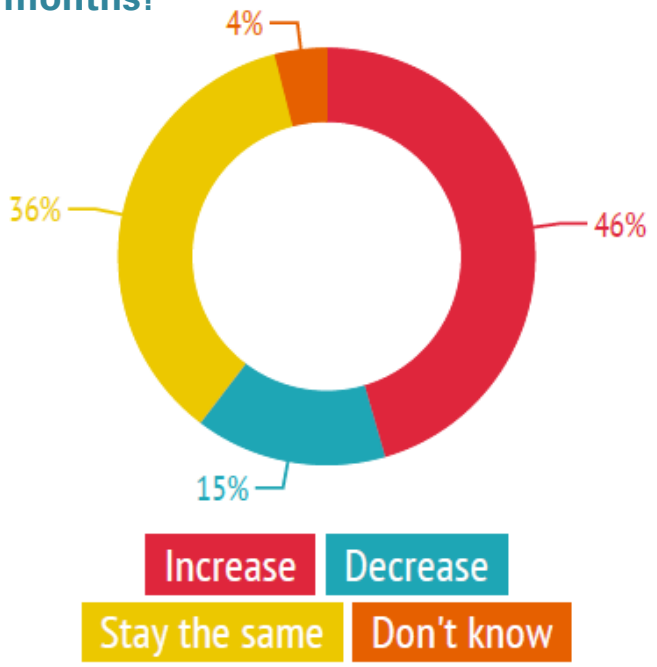
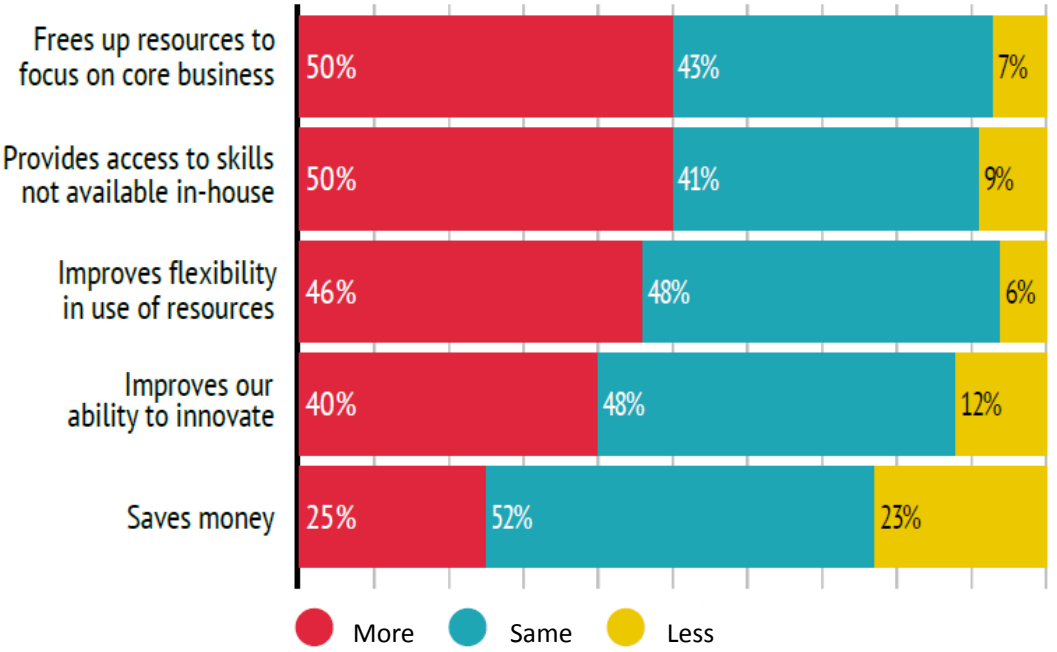
# CIO concerns: Reasons for outsourcing are changing

## How do you expect your spend on outsourcing to change the next 12 months?




## Compared to five years ago, have the following reasons to outsource become more or less important to you?



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There is **no instruction book** on how to deliver a successful digital strategy. However, a number of factors seems to unite those organizations that are really successful:

1. An **impassioned and committed CEO**, who is the ultimate owner of the digital strategy
2. An **innovative business model and flexible culture**, which puts innovation front and center and pushes IT to collaborate more closely with other functions (especially marketing)
3. A **clear and comprehensive digital strategy**, not only focused on customer facing channels:
   - It must define an **operating model** for the future with a technology stack to enable it
   - It should includes an **upgrade and the integration of legacy systems with the new digital world**
   - **Business Process Management (BPM) tools and collaboration systems** can play a strategic role in integrating the two 'worlds' and accelerate the transformation of organizations towards new operating models with efficient and effective digital processes

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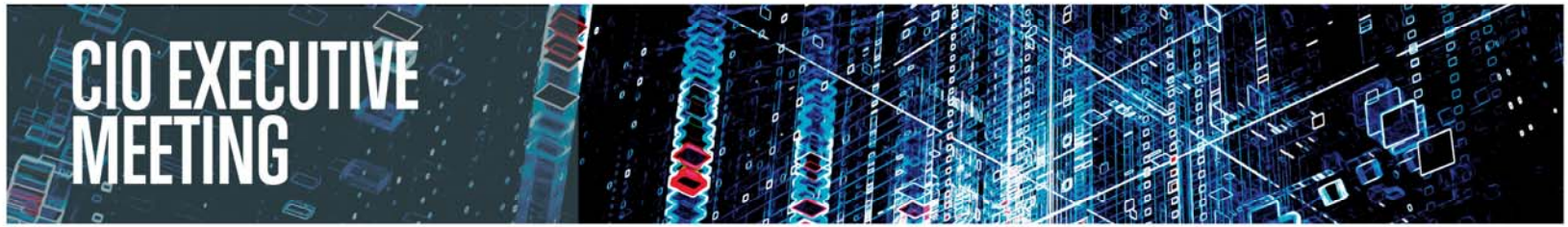


# Thank you!

## Paolo Coacci

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