

## Global Political and Economic Uncertainty Create a New Breed of Digital Innovators, Harvey Nash/KPMG CIO Survey Finds

- *World's largest IT leadership survey discovers 89 per cent of CIOs are investing in innovation*
  - *Almost half of all CIOs in APAC report they are investing in digital labour*
  - *Enterprise-wide digital strategies increase 52 per cent in just two years*
- *Cyber security vulnerability at all-time high; only one in five can handle an attack 'very well'*

**Singapore – May 23, 2017** – Despite two-thirds (64 per cent globally, 68 per cent in APAC) of organisations adapting their technology strategy because of unprecedented global political and economic uncertainty, 89 per cent are maintaining or ramping up investment in innovation, including in digital labour. More than half (52 per cent globally, 57 per cent in APAC) are investing in more nimble technology platforms to help their organisation innovate and adapt. This is according to the [2017 Harvey Nash/KPMG CIO Survey](#), the world's largest survey of IT leadership.

Almost half (46 per cent) of all CIOs in APAC report they are currently investing in, or planning to invest in digital labour, cognitive automation or robotic process automation, placing the region far ahead of the global average that stands at 34 per cent.

While economic uncertainty is making business planning difficult for many organisations, it is clear digital strategies have infiltrated businesses across the globe at an entirely new level.

The proportion of organisations with enterprise-wide digital strategies increased 52 per cent in just two years, and those organisations with a Chief Digital Officer have increased 39 per cent over last year. To help deliver these complex digital strategies, organisations also report a huge demand for Enterprise Architects - the fastest growing technology skill this year, up 26 per cent compared to 2016.

Cyber security vulnerability is at an all-time high, with more than a third of APAC IT leaders (36 per cent, compared to 32 per cent globally) reporting their organisation had been subject to a major cyber-attack in the past 24 months – an increase of 4 per cent since last year.

Across the region, only one in five (20 per cent) say they are “very well” prepared to respond to these attacks, with 15 per cent of IT leaders reporting they feel exposed and not at all prepared to deal with cyber-attacks. Despite headline-grabbing attacks such as the recent WannaCry ransomware attack, the biggest jump in threats comes from insider attacks, increasing from 40 per cent to 47 per cent over last year.

**Nick Marsh**, Managing Director, Harvey Nash Executive Search APAC said: “Technological advances are occurring at an astonishing pace, coupled with the ever changing political and economic landscape, we are living in very exciting, yet unpredictable, times. The 2017 Harvey Nash/KPMG CIO Survey highlights that many technology executives are turning this uncertainty into opportunity and are becoming the driving force in making their organisation more nimble, and digitally innovative. Technology leaders are becoming increasingly influential, as CEOs and boards turn to them for help in navigating through these uncertain times.”

“Widespread and active implementation of digital strategy is on the rise. Those we have identified as digital leaders are more focused on innovation and growth, spend proportionately more on IT and are investing more aggressively in disruptive digital technologies such as digital labour. In some

cases, at twice the rate of other organisations,” said **Ram Lakshminarayanan**, Partner, Management Consulting at KPMG in Singapore.

“Similar trends are observed in Singapore, where CIOs are placing more emphasis on building sustainable business models by leveraging technology to drive top-line growth. Many organisations are no longer simply talking about digital strategy, but moving on to making it happen.”

In its 19<sup>th</sup> year, the Harvey Nash/KPMG CIO Survey is the largest IT leadership survey in the world. Additional findings from the 2017 Harvey Nash/KPMG CIO Survey include:

#### **Digital leadership has changed**

- Almost one in five CIOs (18 per cent) report their organisations have ‘very effective’ digital strategies. In APAC that figure increases to 20 per cent.
- CIOs at these digitally-enabled organisations are almost twice as likely to be leading innovation across the business (41 per cent versus 23 per cent), and are investing at four times the rate of non-leaders in cognitive automation (25 per cent versus 7 per cent).
- Overall, the survey found almost two-thirds (61 per cent) of CIOs from larger organisations are already investing or planning to invest in digital labour.

#### **CIOs love their jobs, and are more likely to be involved at the Board level**

- CIOs who are “very fulfilled” in their role is at a three-year high - rising from 33 per cent in 2015 to 39 per cent this year. However in APAC, only 31 per cent of CIOs report high levels of fulfilment in their roles.
- For the first time in a decade, more than seven in ten CIOs (71 per cent) believe the CIO role is becoming more strategic.
- 92 per cent of CIOs joined a Board meeting in the past 12 months.
- The average CIO life span is just five years or less (59 per cent), although many want to stay longer.

#### **Female CIOs receive salary boost**

- In a striking development, female CIOs are far more likely to have received a salary increase than male CIOs in the past year (42 per cent and 32 per cent, respectively), but still, the number of women in IT leadership remains extraordinarily low at 9 per cent, the same as last year.

#### **Big data/analytics remains the most in-demand skill**

- While the fastest growing demand for a technology skill this year was enterprise architecture, big data/analytics remained the most in-demand skill at 42 per cent, up 8 per cent over last year. In APAC big data/analytics skills are in huge demand at 51%, followed by business analysis 37 per cent and technical architecture 34%.

#### **Complex IT projects – increase risk of failure monumentally**

- Two thirds (61 per cent) of CIOs say IT projects are more complex than they were five years ago, and weak ownership (46 per cent), an overly optimistic approach (40 per cent), and unclear objectives (40 per cent) are the main reasons IT projects fail.
- Over a quarter (27 per cent) of CIOs say that a lack of project talent is the cause of project failure, but project management skills are completely absent from the CIOs top list of technology skills needed in 2017, dropping a staggering 19 per cent in one year.



For more information about the survey and to request a full copy of the results, please visit [www.hnkpmgciosurvey.com](http://www.hnkpmgciosurvey.com) or email [michelle.smith@harveynash.com](mailto:michelle.smith@harveynash.com).

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## Notes to Editors:

### About the Survey

The 2017 Harvey Nash/KPMG CIO Survey is the largest IT leadership survey in the world in terms of number of respondents. The survey of 4,498 CIOs and technology leaders was conducted between December 19, 2016 and April 3, 2017, across 86 countries.

### About Harvey Nash

Harvey Nash has helped over half the world's leading companies recruit, source and manage the highly skilled talent they need to succeed in an increasingly competitive, global and technology driven world. With over 7,000 experts in more than 40 offices across Europe, Asia and the USA, we have the reach and resources of a global organization, whilst fostering a culture of innovation and agility that empowers our people across the world to respond to constantly changing client needs. We work with clients, both large and small, to deliver a portfolio of services: executive search, professional recruitment and IT outsourcing.

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### About KPMG International

KPMG is a global network of professional services firms providing Audit, Tax and Advisory services. We operate in 152 countries and have 189,000 people working in member firms around the world. The independent member firms of the KPMG network are affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. Each KPMG firm is a legally distinct and separate entity and describes itself as such.

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