

Harvey Nash/KPMG CIO Survey 2017

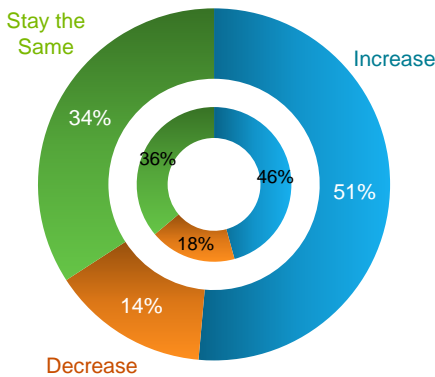
Technology Sector Findings

The Harvey Nash/KPMG CIO Survey is the largest IT leadership study in the world, with almost 4,500 respondents across 86 countries, representing over US\$300bn of IT budget spend.

This technology sector snapshot provides survey responses from more than 650 technology companies on some of the key topics, and highlights several areas where this sector's responses differed significantly from those from across all industries.

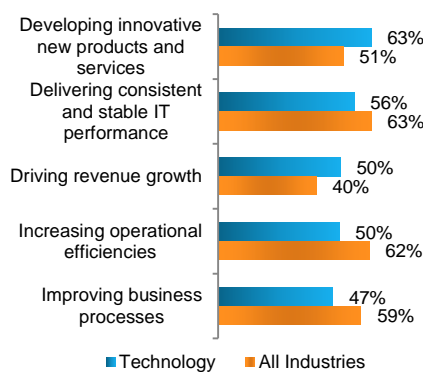
Key Topics

Looking forward, over the next 12 months, do you expect your IT budget to?



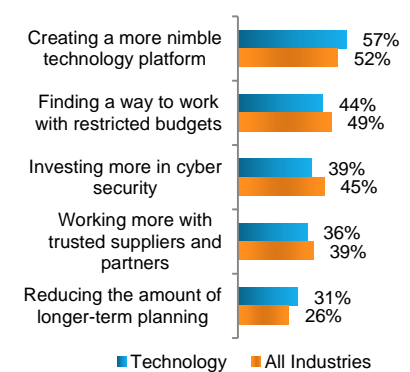
Technology companies are **more optimistic about their IT budgets than other industries**, with more expecting a budget increase (51% vs 46% for all industries), and fewer a decrease (14% vs. 18%).

What are the key business issues that your management Board are looking for IT to address? (top 5)



Technology company Boards place a **greater emphasis on growth-oriented priorities** such as product/service innovation and revenue growth, and less on cost-oriented ones such as increasing efficiencies and improving processes.

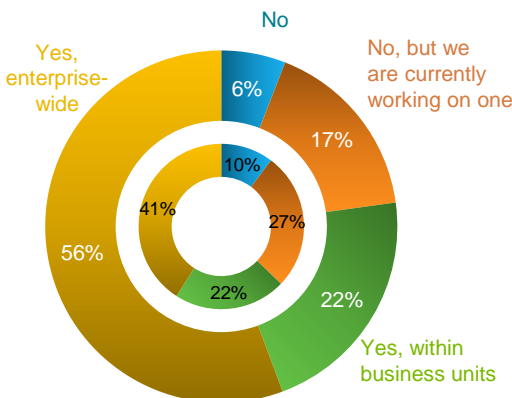
How have you adapted your technology plans to deal with uncertainty? (top 5)



Technology companies **tend to adapt their technology plans to uncertainty in the same ways as other industries**, with a particular focus on creating a more nimble technology platform (57% vs. 52% for all industries).

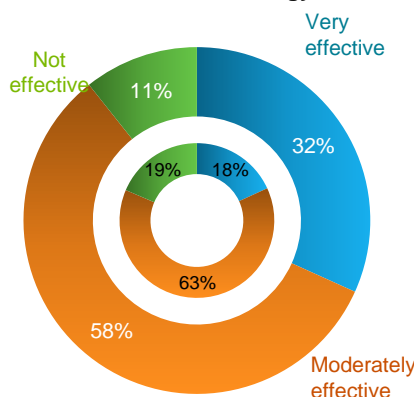
Digital Strategy

Does your organization have a clear digital business vision and strategy?



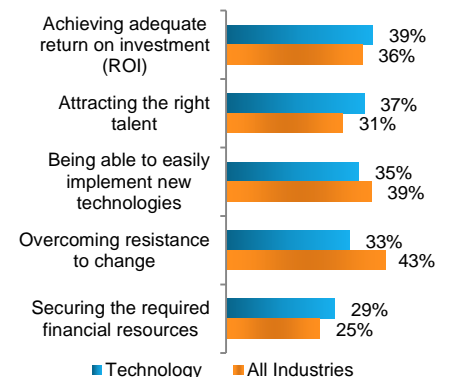
Technology companies are **far more likely to maintain an enterprise-wide digital business strategy** than those in other industries (56% vs. 41%).

How effective has your organization been in using digital technologies to advance its business strategy?



Technology companies **report much higher effectiveness levels in their digital strategies** than others, with 30% describing their strategies as very effective versus just 18% across all industries.

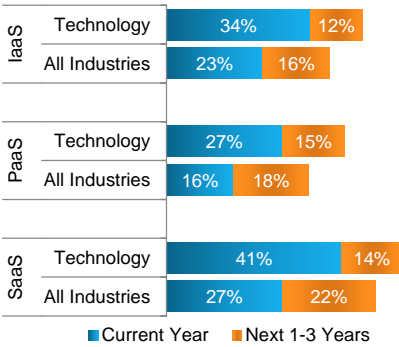
Which of the following represent the greatest challenges to your organization's successful implementation of digital capabilities? (top 5)



When implementing digital capabilities, technology companies **face far fewer challenges overcoming resistance to change** (33% vs. 43% for all industries), the single greatest cross-industry challenge.

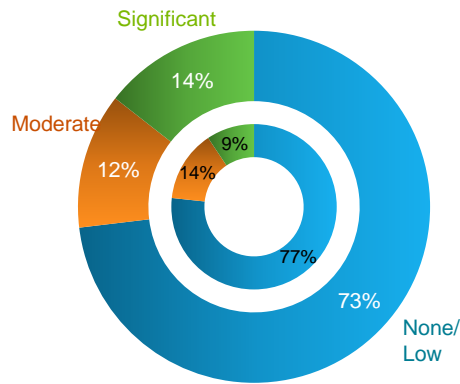
Technology & Innovation

How would you characterize your current investment in the following cloud services and how do you expect that to change over time? (Significant Investment)



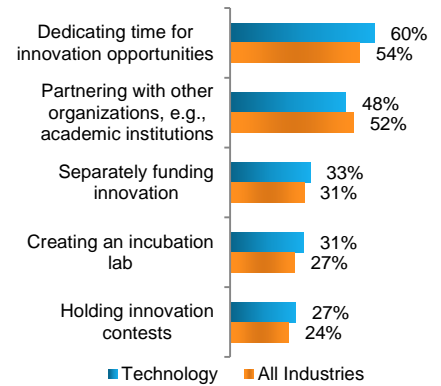
Compared to other industries, technology companies are **more likely to invest significantly in all types of cloud services**, now and in the future.

How would you characterize your current investment in digital labor?



Technology has invested **somewhat more heavily in digital labor** than other industries, with many more making significant investments (14% vs. 9% for all industries) and slightly fewer making moderate investments (12% vs. 14%).

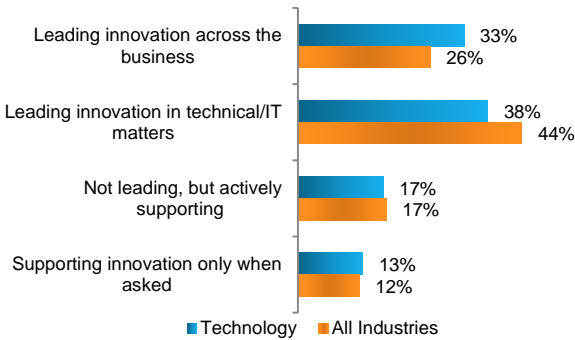
In which of the following ways is your organization fostering innovation?



Technology companies **tend to undertake more innovation-related initiatives** than other industries, especially dedicating time to innovation activities (60% vs. 54% for all industries).

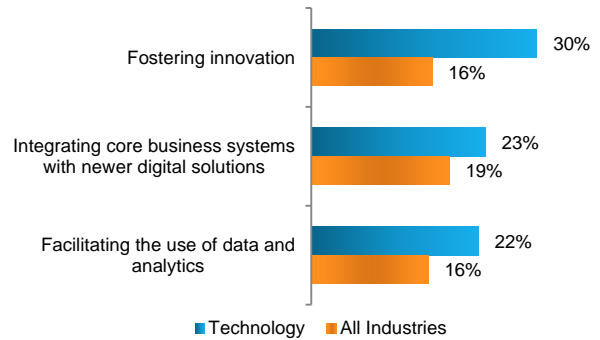
Significant Differences

Which of the following do you think best describes the role your organization's CIO is currently playing in promoting innovation?



Compared to non-industry peers, technology CIOs are **more likely to lead innovation across the business** (33% vs. 26% for all industries), and **less likely to lead only in technical/IT matters** (38% vs. 44%).

How effective is your IT organization in each of the following capabilities? (Very Effective)



Technology companies **exceed cross-industry effectiveness benchmarks in key next-generation IT capabilities**, especially fostering innovation, where they are far more effective than companies in other industries (30% vs. 16% for all industries).

Conclusions

The technology sector has always been IT-driven and at the forefront of innovation, so it's no surprise that technology sector CIOs are ahead of their peers in other industries in affirming themselves as innovation leaders. Tech CIOs play a critical role in enabling business results by creating an effective enterprise-wide digital strategy and implementing nimble IT ecosystems. The overall near-term outlook appears to be positive but there are still relevant areas of improvement, specifically regarding the effectiveness in supporting business strategy, the capability to quantify initiatives' impact on business results and a constant challenge facing all CIOs – the ability to attract and retain the right talent. Although leading their peers in their investment in digital labor, tech CIOs need to programmatically expand their interest, knowledge and investments in the digital labor and smart automation domain to leverage this next wave of technology evolution to maintain their role as innovation leaders.

Further information

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