

THE HARVEY NASH / KPMG CIO SURVEY 2018







IT leaders surveyed across a wide range of industries and geographies

IT INVESTMENT GROWS

BUDGETS, OUTLOOK & PRIORITIES



Budget increases at their highest level since tracking began

expect IT headcount to increase

COULD INFLUENCE BE STALLING?

Fewer CIOs on executive

Fewer IT leaders report CIO boards this year (down 9%) influence is growing (down 8%)

OPERATIONAL PRIORITIES

Top 3

2

Improving

business process

Increasing operational efficiencies

Top 3 priorities for 'digital leaders'*

- Developing innovative new products
- Delivering stable IT Enhancing customer experience

Delivering stable IT

Top 3 priorities that have grown

- 1 Improving cyber security (+23%) Managing operational risk & compliance (+12%)
- 3 Improving business process



MANAGING TECHNOLOGY



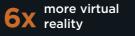
Cyber crime

33% report major cyber attack in the last 2 years

9% increase in concern over organised cyber crime Education sector worst affected

68% report their boards are supportive

DIGITAL LEADERS MUCH MORE LIKELY TO BE INVESTING SIGNIFICANTLY IN NEW TECHNOLOGIES COMPARED TO OTHERS



5x process automation

PEOPLE, SKILLS & TALENT

SKILLS SHORTAGE CONTINUES

65%

report a lack of organisation back

plan to use automation talent holding their to remove the need for access skills. Cost savings additional headcount

use outsourcing to

is a lower priority

OUTSOURCING

plan to increase outsourcing spend



Big drop on last year (from 48%)

of IT leaders believe their country's work visa 18% have been unsuccessful at promoting diversity, legislation is holding their organisation back

and only 19% very successful

MAKING STRATEGY HAPPEN

of organisations rate their IT/business



alignment 'moderate'

The successful ones

1 Favouring customer/revenue growth over inward-facing activities

2 An acting or dedicated CDO makes organisations more effective at leveraging customer data

General Data Protection Regulation

do not expect to be compliant by the May deadline



CIO CAREERS

46% of IT leaders

enjoyed salary rises in the last year

Leisure, Professional Services and Construction sectors report biggest rises

very fulfilled in their jobs

are either quite or Digital leaders* are the most fulfilled in their roles

13% less are 'very fulfilled' this year

The 2018 Harvey Nash / KPMG CIO Survey is the largest IT leadership survey in the world in terms of number of respondents. The survey was conducted of 3.958 CIOs and technology leaders across 84 countries. www.hnkpmqciosurvey.com

TRANSFORMATIONAL

ALL ABOUT DIGITAL

MAKING DIGITAL EFFECTIVE IS TOUGH

of CIOs believe their digital strategy is only effective, or worse

of organisations have an enterprise-wide digital strategy This is down on last year, suggesting IT leaders are rethinking their approach on digital

DIGITAL STRATEGIES STILL IN THEIR INFANCY

Most digital investment is focused on "front-end," rather than deeper operational activities

SUCCESSFUL ORGANISATIONS

Organisations with a CDO, either in a dedicated or acting role, are over twice as likely to have a clear and pervasive would fail without an innovative digital strategy than those without one (44% versus 21%). and experimental culture

38% think their digital strategy

*Digital leaders rated the organisation 'very' or 'extremely' effective at using digital technologies to advance their business strategies.