CIO

BUSINESS TECHNOLOGY LEADERSHIP

CIO magazine Tech Poll/Tech Priorities SURVEY

Exclusive Research from *CIO* magazine

2015

CIO MAGAZINE TECH POLL/TECH PRIORITIES SURVEY

EXECUTIVE SUMMARY

CIO's Report Technology Spending Increasing for 2015

More IT leaders will grow their technology budgets in the coming year according to CIO's most recent Tech Poll, conducted regularly to gauge IT spending and stages of implementation for a wide range of technology categories. Fifty-seven percent of the top IT executives we surveyed will see an overall budget increase in the coming year, up from 53 and 51 percent the previous two years, respectively. Among all respondents IT budgets are expected to rise an average of 6.2 percent, up from 5.2 percent a year ago and 3.9 percent in November, 2012. Business intelligence & analytics is the most frequently cited area identified for spending increases (see chart below) with enterprise organizations planning to invest significantly more than small and medium sized firms (65 percent, versus 48 percent). The percentage of CIOs planning to spend more on business continuity and disaster recovery increased to 52 percent, from 43 percent a year ago while 55 percent of CIOs plan to invest in SaaS/cloud apps, up from 48 percent last year.

Top Investment Areas*	Percent Planning Increase
Business intelligence & analytics	56%
SaaS/cloud apps	55%
Business continuity/disaster recovery	52%
Enterprise mobility management (EMM)	52%
Mobile apps	52%
Security applications (e.g., identity management, data loss prevention, encryption)	52%

**among those in some phase of implementation*

While fewer CIOs overall than last year plan to invest in tablets (46 percent, compared to 55 percent), large companies are significantly more likely than small and medium companies to be planning spending increases for both tablets (56 percent, versus 38 percent) and smartphones (44 percent, versus 24 percent). Overall, the percentage of IT leaders planning investments in smartphones remained relatively consistent at 32 percent, compared to 30 percent last year.

Top Technologies by Implementation Stage

The following charts break out the top technologies by phase of implementation (see top technologies below) with some interesting differences between enterprise/large (defined as 1,000+ employees) and small and mid-size firms (fewer than 1,000 employees). Fifty one percent of large organizations have video conferencing/telepresence initiatives in production at the enterprise level, significantly higher than the 30 percent of smaller companies.

Survey results also suggest large companies are further along in regard to BI & analytics implementation; 25 percent of enterprise organizations have BI & analytics initiatives in production at the enterprise level, compared to 13 percent of SMBs while 40 percent of small and mid-size firms are actively watching this area, significantly higher than 26 percent of large companies.

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One quarter of the CIOs surveyed in 1,000+ employee organizations have mobile apps in production enterprise-wide, significantly higher than 10 percent of IT leaders in small and mid-size companies. A significantly higher proportion of CIOs also ranked open source as a programming language they are actively watching (16 percent) or have in production enterprise-wide (26 percent). One in five CIOs in enterprise organizations are in the process of upgrading or refining their security applications including identity management, data loss prevention and encryption.

On the Radar or Actively Researching	
Business intelligence & analytics	34%
Mobile apps	32%
Software defined networking (SDN)	31%
Hybrid cloud computing services	30%
Business process management	27%
Social/collaboration tools	27%
Piloting	
Enterprise mobility management (EMM)	17%
Private cloud computing services	17%
Social/collaboration tools	17%
Business process management	14%
Hybrid cloud computing services	14%
Security applications	14%
In Production at Business Unit, Division or Enterprise Level	
Server virtualization	69%
Smartphones	64%
Desktops/laptops	61%
Tablets	55%
Video conferencing/telepresence	52%
Upgrading or Refining	
Desktops/laptops	28%
Business continuity/disaster recovery	20%
Data management	17%
Content/document management	14%
CRM (sales/marketing automation, customer service, contact center)	13%

Despite Buzz, DevOps Slow to Take Hold

Despite current hype around DevOps, a software development method that stresses collaboration between developers and other functions that haven't necessarily worked effectively together in the past, just 16 percent of the IT leaders we surveyed have DevOps principles in place at their organizations while 25 percent plan to adopt within the next couple of years. One third have no plans to adopt DevOps while 26 percent aren't yet sure. Larger companies are more likely than small and medium companies to have DevOps in place or have plans for implementation (47 percent, versus 36 percent).

A variety of software development methodologies are most commonly used at respondents' organizations. Waterfall (traditional) is most commonly cited (43 percent) followed closely by interactive & incremental development (42 percent), and agile development, or extreme programming (41 percent). Large companies are significantly more likely to employ a waterfall (traditional) software development methodology than small and mid-sized companies (60 percent, versus 31 percent). Nearly two-thirds of the CIOs we surveyed (65 percent) have an individual or group of individuals specifically responsible for facilitating communications or acting as a liaison between business units or functions (end-users) and the development team during the software development process; this figure climbs to 71 percent for enterprise organizations.

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METHODOLOGY

The *CIO* Magazine Tech Poll is conducted on a regular basis to gauge which technology areas will be the focus of IT leaders and to measure the direction of spending within those categories. Members of the CIO audience and CIO Forum group on LinkedIn were invited to take an online survey between October 21, 2014 and November 20, 2014. As an incentive to complete the survey respondents had the option of signing up to receive a copy of the survey results. Results are based on 208 respondents who indicated they are the top IT executive at their organization or business unit. Percentages for questions where respondents could select only one answer may not sum to 100 due to rounding. Not every respondent answered every question. The margin of error on a sample size of 211 is +/- 6.7 percent.

Historical data in this report references the following *CIO* magazine surveys:

Tech Poll	Field Dates	Top IT Executives
November, 2012	10/24/12 – 11/18/12	188
November, 2013	10/15/13 - 11/5/13	208
November, 2014	10/21/14 - 11/20/14	211

RESPONDENT PROFILE

A broad range of industries are represented manufacturing (15 percent), financial services (14 percent), high tech (11 percent), retail/wholesale/distribution (10 percent), government (8 percent), education (6 percent), healthcare (6 percent), and business services (6 percent). Fifty-nine percent of respondents work in small or medium size companies (SMBs) with fewer than 1,000 employees while 41 percent of respondents work in large companies with 1,000+ employees. Fifty-five percent of respondents are from North America.