

START

OFF

CIO

Look inside for exclusive research about your evolving business role and what the future holds.

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"Business Disconnect" Page 38



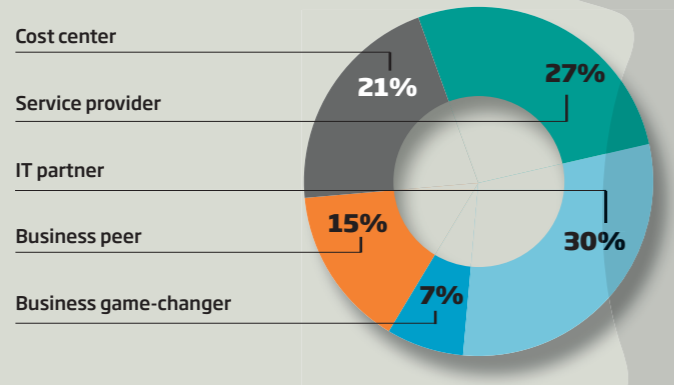
Open the gatefold to continue

2012

Your Business Role

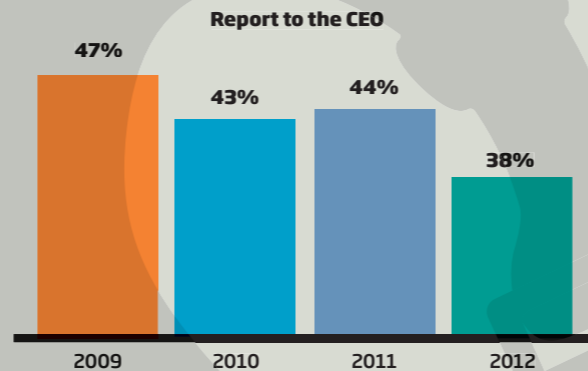
The Way Others See You

How you think business leaders perceive IT



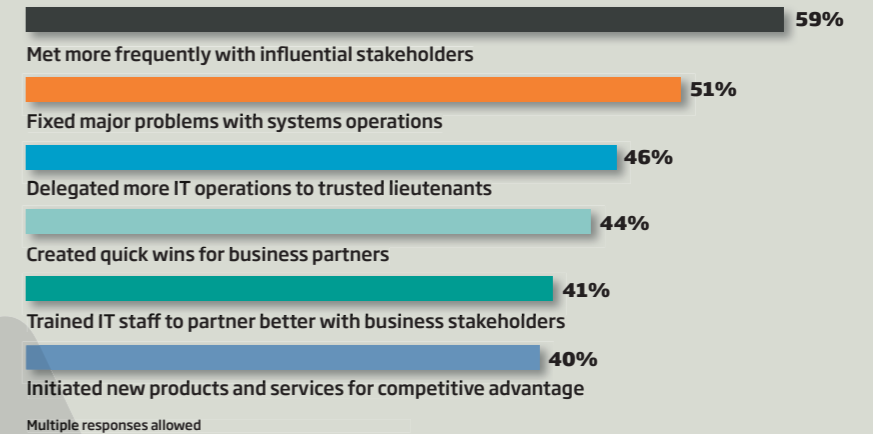
Strategic Access

Fewer CIOs report to the CEO. Twenty-three percent of respondents now report to the CFO, up slightly from 20 percent last year and 19 percent in 2010.



How You Built Influence

Communication, competency and a savvy staff helped you improve relationships with business stakeholders

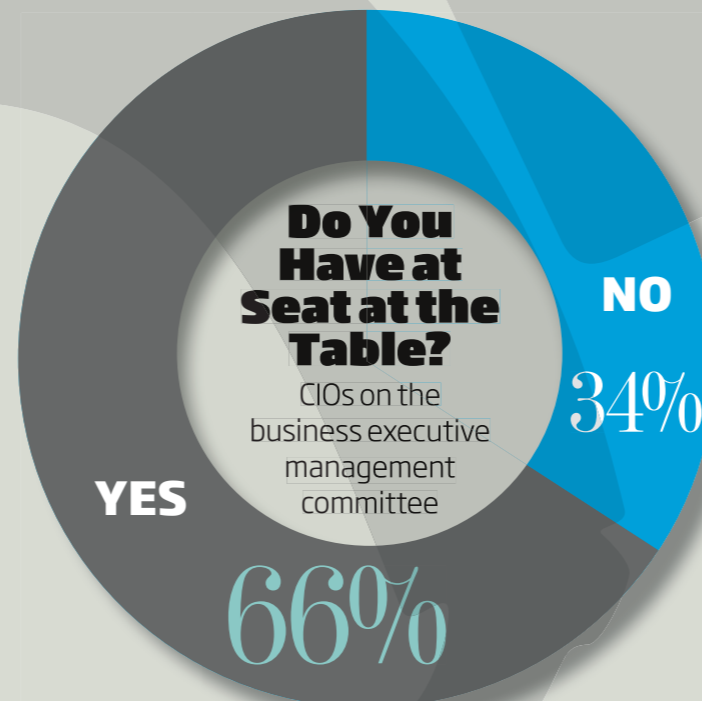


Perception Gap

IT leaders and non-IT execs agree on many business priorities, but not on the importance of the following issues

Critical or High-Priority Issues	IT Leaders*	Non-IT Execs**
Competition against your products or services	47%	78%
Rising pressure to reduce costs	62%	84%
Reducing IT operational costs to free up money for new technology development and product or service innovation	60%	44%

* CIO magazine State of the CIO survey, subset of 386 North American IT leaders
 ** Forrester Research's Forrsights Business Decision-Makers Survey, Q4 2011; base: 377 North American managers outside of IT (a subset of the total respondent base)



How IT Makes a Difference

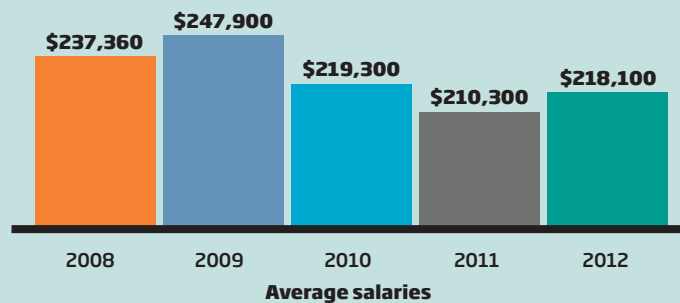
Expected accomplishments in the year ahead



Your Average Tenure 5 years, 4 months

An Uptick in the Paycheck

Average CIO salaries are higher, but not back to pre-recession levels. IT leaders at large companies earn the most: \$312,800, on average.



The Wide-Ranging CIO

Fifty-seven percent of the CIOs we surveyed are responsible for one or more non-IT areas of the business.

The most commonly added functions:

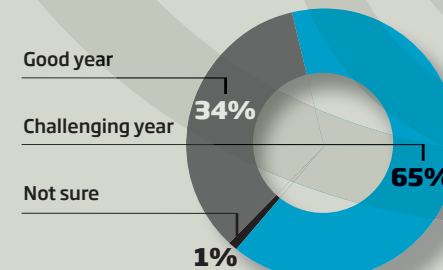
- + Security
- + Strategy
- + Risk management
- + Administration/operations
- + Customer service

20 responding CIOs are in charge of mergers and acquisitions, and 17 are in charge of environmental sustainability.

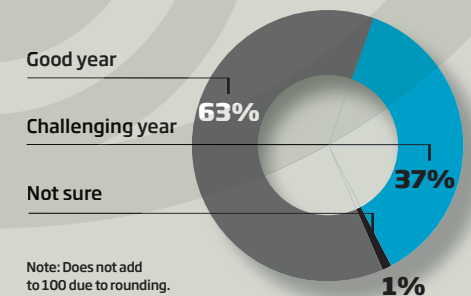
What the Future Holds

The Outlook for 2012

Your organization's business outlook



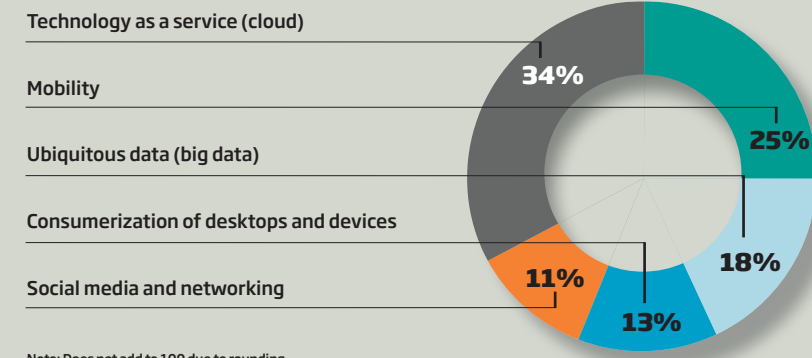
Your IT team's ability to hit its goals



Note: Does not add to 100 due to rounding.

What's Driving Change

You say these trends will have the most profound effect on the CIO role in the future:



Note: Does not add to 100 due to rounding.

What You Want to Do



Favorite ways to spend your time in the next 3 to 5 years:

- Driving business innovation
- Identifying opportunities for competitive differentiation
- Developing and refining business strategy



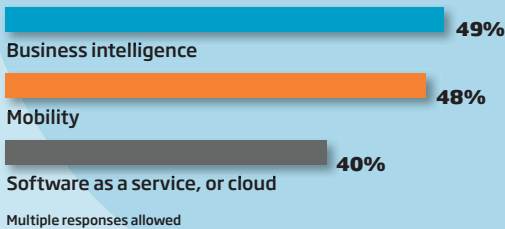
Least favorite ways to spend your time in the next 3 to 5 years:

- Managing IT crises
- Negotiating with IT vendors
- Controlling costs

Your Spending

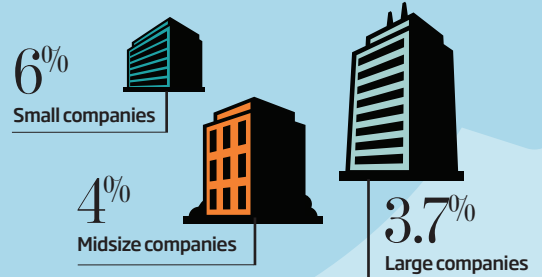
Project Priorities

You're most likely to invest in these technology projects this year:



IT Spending by Company Size

Percentage of revenue



IT Spending by Industry

Industry	IT Budget as % of Revenue
High-tech/telecom/utilities	7.6%
Financial services	6.1%
Average of all industries	4.7%
Healthcare	4%
Manufacturing	2.6%
Retail/wholesale/distribution	2%

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EXTERNAL SERVICES Third parties, including outsourcers and cloud-service providers, provide 23% of your IT services today. CIOs expect that number to rise to 35% in the next three to five years.

SURVEY METHODOLOGY

CIO's 11th annual State of the CIO survey was conducted online between Sept. 12 and Sept. 21, 2011. Members of the CIO Forum on LinkedIn and the CIO customer database were invited to participate in the survey. Results are based on 596 respondents who indicated they are heads of IT at their companies or business units. Sixty-five percent of respondents are from North America. The margin of error on a sample size of 596 is +/- 4%. Percentages on questions where respondents could select more than one answer may not total 100. Percentages in other questions may not total 100 due to rounding. References to company size are based on the following definitions: small: less than \$100 million annual revenue; midsize: \$100 million to \$999.9 million annual revenue; large: \$1 billion or more annual revenue. Not all respondents answered every question.

—Carolyn Johnson, research director