

# Harvey Nash/KPMG CIO Survey 2017

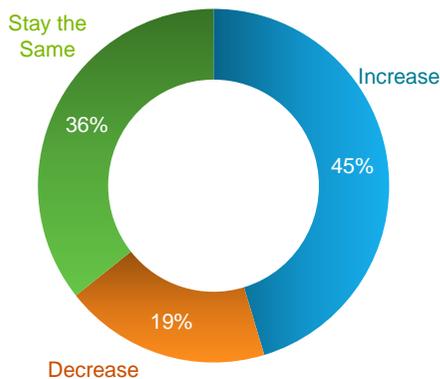
## Europe Region Findings

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 Europe region snapshot provides survey responses from more than 2,100 companies in 34 countries on some of the key topics, and highlights several areas where this region's responses differed significantly from those in the rest of the world.

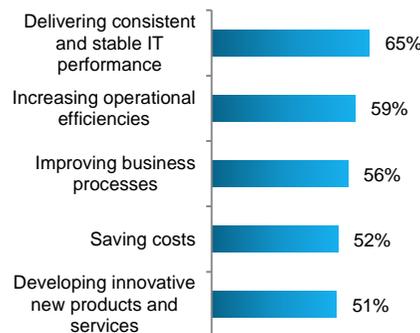
### Key Topics

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



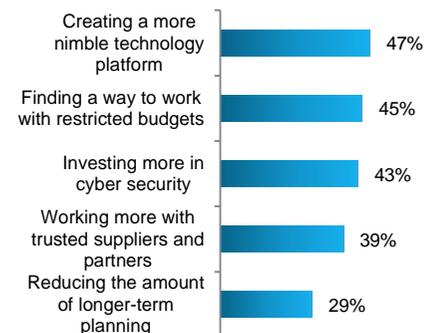
European companies' expectations for their IT budgets **closely mirror those in the rest of the world**. 45% of European companies expect an increase in their IT budgets, and only 19% expect a decrease.

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



Compared to global peers, European company Boards **place a greater emphasis on delivering consistent and stable IT** (65% vs. 61% in the rest of the world), and **less of an emphasis on increasing operational efficiencies** (59% vs. 65%).

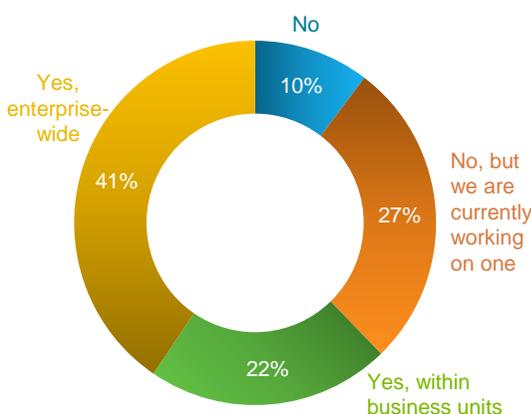
How have you adapted your technology plans to deal with uncertainty? (top 5)



To deal with uncertainty, European companies are **more likely to reduce the amount of longer-term planning** (29% vs. 25% in the rest of the world), and are **less likely to focus on creating a more nimble technology platform** (47% vs. 56%).

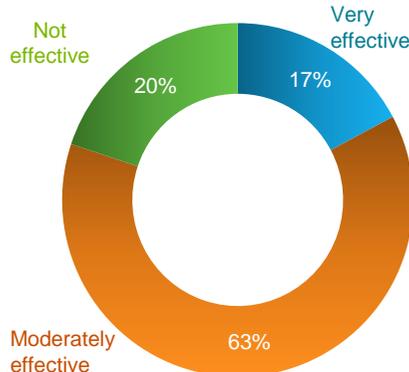
### Digital Strategy

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



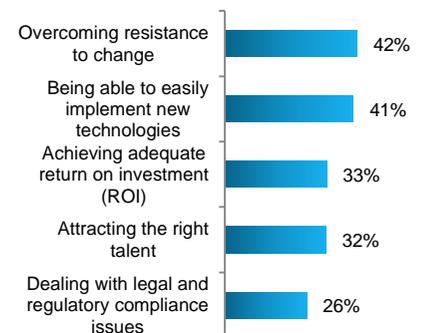
**Similar to companies in the rest of the world**, 41% of European companies maintain an enterprise-wide digital business strategy, and an additional 22% maintain digital strategies within business units.

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



Like their peers globally, European companies **report low overall effectiveness levels in their digital strategies**, with just 17% describing their digital strategies as very effective.

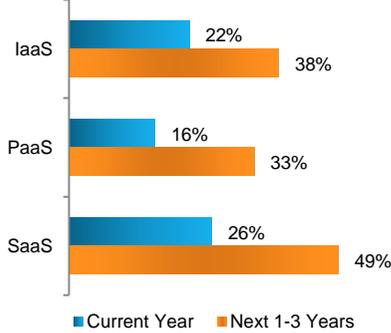
Which of the following represent the greatest challenges to your organization's successful implementation of digital capabilities? (top 5)



When implementing digital, European companies **face more challenges around easily implementing new technologies** (41% vs. 36% in the rest of the world), and **fewer achieving adequate ROI** (33% vs. 39%).

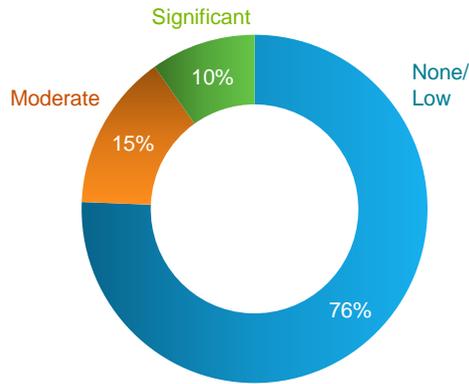
## Technology & Innovation

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



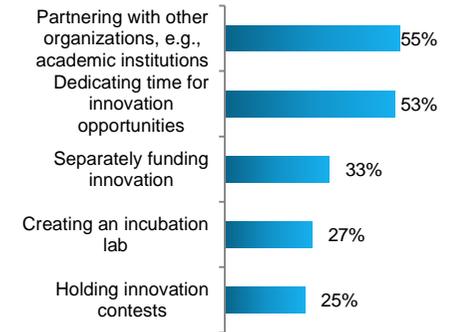
European companies **maintain similar cloud investment profiles as companies elsewhere**, with a comparable percentage of companies reporting significant investments across all types of cloud services.

How would you characterize your current investment in digital labor?



Though overall investment levels remain low, companies in Europe are **somewhat more likely to make both significant (10% vs. 9% in the rest of the world) and moderate (15% vs. 13%) investments in digital labor.**

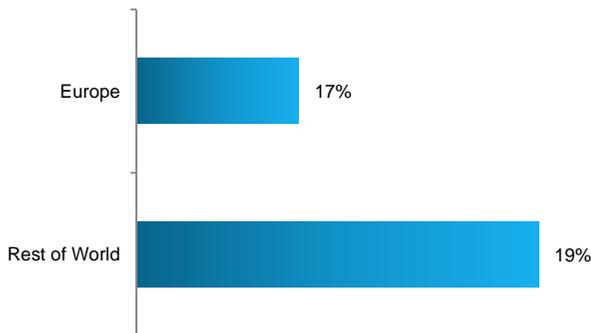
In which of the following ways is your organization fostering innovation?



To foster innovation, European companies are **more likely to partner with other organizations (55% vs. 49% in the rest of the world)**, and to **separately fund innovation (33% vs. 29%)**.

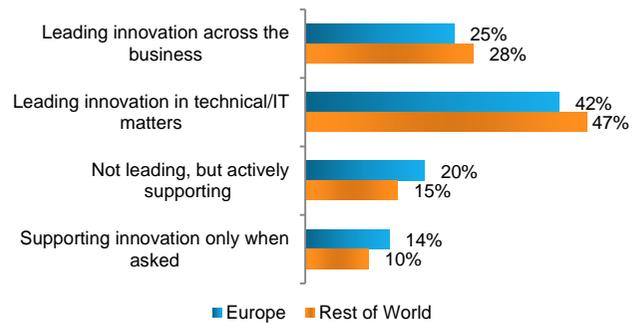
## Significant Differences

Digital Leadership: How effective has your organization been in using digital technologies to advance its business strategy? (Very Effective)



Europe **maintains a lower concentration of digital leaders than other regions**, with 17% of companies in Europe very effective in their digital strategies, compared to 19% of companies in the rest of the world.

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



Compared to peers globally, CIOs in Europe **take a less important role in innovation**. They are less likely to lead innovation across the business (25% vs. 28% in the rest of the world), and in technical/IT matters (42% vs. 47%), and more likely to play supporting roles.

## Conclusions

The European data set represents a significant proportion of the overall survey respondents and therefore for analysis purposes, we have compared the results here to the 'Rest of World' (excluding the European respondents themselves). In many cases there are no significant differences between the European results and the rest of the world. However, the results do show that European company Boards place a greater emphasis on delivering consistent and stable IT. This focus on stability is not surprising given the level of political and economic uncertainty in the region at the moment due to Brexit and the upcoming GDPR implementation in May 2018.

Importantly though, European organizations are lagging behind in their ability to be 'very effective' at using digital technologies to advance the business strategy, and CIOs at those organizations are less likely to be leading innovation. Other regions of the world are jumping ahead in realising value from their digital investments. So whilst dealing with the political uncertainty will remain an issue, organizations in the region need to find a way to make a more concerted effort to drive their digital investments forward in order to avoid being left behind their global competitors on the digital transformation journey.

## Further information

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