CIO Survey 2020 – 8 things you need to know

An investment surge and budget headaches

Global IT leaders reported a median additional spend of 5% of IT budget to deal with the Covid-19 crisis. This represents around US$15bn per week during the first three months of the crisis, as organisations pivoted their customer strategies, invested in security, and moved a significant part of their workforce to remote working. The unexpected and unplanned-for spend in both capital (CapEx) and operating expenditure (OpEx) has left many organisations with a headache. CIOs and CFOs are shining a bright light on existing spend, keen to prove return on investment or to make savings.

Each industry sector is following its own path

Unlike previous recessions, where largely sectors 'rose or fell' with the tide, sector has played a significant and divisive role in how organisations have fared during the crisis. Some organisations are faced with the challenge of finding a viable business model; for others, the challenge is to deal with a surge of demand. Power & Utilities, Government, Healthcare and Technology are investing heavily; Leisure, Non-profit, Education and Manufacturing are reining back. Regardless, six in ten feel it will take at least three months before they can accurately forecast the future. Boards will need to get used to the discomfort of uncertainty.

A growing digital divide

While few organisations would have planned for something as significant as this pandemic, some entered the crisis in much better shape than others. These digital leaders, the three in ten organisations with the most successful digital business strategies, already had much of the infrastructure in place to deal with the crisis and were further down the line with implementing emerging technologies. When the crisis hit, digital leaders continued to invest while their peers cut back, and over time we are likely to see a growing divide over digital and business performance.

A wave of cyber-crime targeted at remote workers

Covid-19 caused the mass relocation IT workers from the safety of their corporate network to studies, bedrooms and kitchen tables all over the world – and the attack surface of organisations expanded exponentially. Our research shows that in addition to cyber-crime challenges faced before the crisis, more than four in ten (41 per cent) have experienced additional cyber-security incidents, mainly from spear phishing and malware attacks. This challenge has caused security to become the top technology investment priority, and for the first time in this survey's history cyber-security expertise has become the most in-demand skill set.

A new deal for employees

With 43 per cent of technology leaders expecting more than half their staff to remain working predominantly from home, organisations are beginning to realise how different a world without location is. In recruitment, their potential talent pool is worldwide. Ensuring that people are engaged, rewarded and productive in a world where physical presence plays less of a role will be a key factor. Mental health is an issue; 84 per cent of technology leaders report they are concerned about their team. Encouragingly, our research shows that programmes are being put in place to manage this.

More proof that business needs diversity

Participation of women in technology leadership remains stubbornly low, although some headway appears to be happening in Latin America which is benefiting from specific programmes designed to get women into the world of technology. Looking at diversity more widely, our research adds further proof that diverse teams promote better business performance. More than two-thirds of organisations feel that being diverse has improved trust and collaboration in the technology team. The survey also hints that the flexible nature of remote working may promote greater inclusion, but only time will tell..

The new technology leader

At the centre of all this lies the technology leader. Many of them emerge from this exhausted, but excited, by the challenges and opportunities of what has become a technology-centric crisis. Over six in ten report feeling more influential as a result of the crisis. This is not reflected in board membership, which for CIOs is down from 71 per cent in 2017 to 61 per cent now. This decline does not seem to be a concern; what technology leaders want most of all is influence, and this crisis has helped them achieve that, at least for the moment. The smart ones will not let that opportunity pass.

Everything changed. Or did it?

There is no doubting the pandemic's dramatic effect on almost every aspect of business and life. But key fundamentals remain. The top priorities for boards did not change with the onset of Covid-19: operational efficiency and customer engagement, both long-standing priorities of the technology leader. While some organisations will have required a radical change in direction, for most it has served to accelerate what was already in place. For some this has actually been useful: "More innovation happened in the last six months than in the last ten years," remarked one respondent.

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