



# Technology Priorities **SURVEY**

Exclusive Research  
from *CIO* magazine

JULY 2010

Balanced Growth	25%
Growth	25%
Growth and Income	25%
Income	25%
Cash Equivalents	25%

# TECHNOLOGY PRIORITIES SURVEY

## EXECUTIVE SUMMARY

### Top Technology Priorities for CIOs: Cloud Computing, Virtualization

Desktop and network virtualization, along with cloud computing services top the list of technologies IT leaders will be watching closely in the coming months, according to an exclusive CIO survey conducted earlier this summer. The survey, which polled nearly 300 respondents with IT leadership responsibility, finds that 45 percent of CIOs are actively researching or have virtualized desktop PCs on their radar, up from 35 percent in a similar survey conducted at the beginning of this year. Roughly four out of ten are closely watching cloud computing services and virtualized network infrastructure technologies (43 percent, respectively).

Top Technologies On CIOs Radar / Actively Researching	Percent
Desktop PC virtualization	45%
Cloud computing services	43%
Network virtualization	43%
Business process management	37%
Storage virtualization	36%

More than half of the IT leaders we surveyed are in the process of implementing virtualized servers and mobile/wireless applications in some capacity at their organizations. The percentage of CIOs with virtualized servers currently in production enterprise-wide increased to 42 percent, from 30 percent in January. Hardware infrastructure updates top the list of technologies undergoing upgrades or refinements (37 percent, up from 27 percent earlier this year).

Top Technologies In Production at Business Unit, Division or Enterprise-Wide Level	Percent
Server virtualization	57%
Mobile/wireless	56%
Application virtualization	48%
Security technologies (e.g., identity management, data loss prevention, encryption)	45%
Customer service/CRM	43%
Enterprise resource planning	43%

Innovation will be a primary focus for more than a third of the IT leaders we surveyed; 35 percent say they will primarily focus their IT investments on enabling business process innovation while almost one quarter will focus on lowering business operating costs and managing their IT infrastructure more efficiently (23 percent, respectively). Just 14 percent plan to focus their IT investments on creating topline revenue growth for their organization. On average, 33 percent of CIOs IT budgets will be earmarked for new development.

# TECHNOLOGY PRIORITIES SURVEY

## METHODOLOGY

The CIO Technology Priorities survey was conducted with the objective of gauging which technology areas IT leaders plan to focus on in the coming year. CIO.com visitors and members of the CIO Forum on LinkedIn were invited to take an online survey between June 24, 2010 and July 12, 2010 and sign up to receive a copy of the survey results. Results are based on 299 respondents who indicated they are the top IT executive at their organization or business unit. A broad range of industries are represented including government & nonprofits including education (17 percent), high tech, telecom & utilities (13 percent), manufacturing (12 percent), financial services (11 percent), healthcare (10 percent), and legal, consulting, real estate services (10 percent). Company size distribution is as follows: <\$100 million: 33 percent, \$100 million – \$999.9 million: 36 percent, \$1 billion or more: 19 percent, not applicable/non-profit: 9 percent (3 percent of respondents did not provide an answer). Just over half of respondents are from the United States (52 percent), followed by Western Europe (20 percent) and Asia Pacific (12 percent). The margin of error on a sample size of 299 is +/- 5.7 percent. Percents on questions where respondents could select only one answer may not sum to 100 due to rounding. Not every respondent answered every question. Comparisons to the January CIO Technology Priorities survey are based on 213 top IT executives polled between January 21, 2010 and February 3, 2010.

# TECHNOLOGY PRIORITIES SURVEY

## RESULTS BY QUESTION

Which option best describes your current activity for each of the following applications?	On Radar/ Actively Researching	Piloting	In Production in BU or Division	In Production Enterprise- Wide	Upgrading/ Refining	Not Interested
Business intelligence & analytics	31%	11%	20%	18%	12%	8%
Business process management	37%	10%	14%	10%	8%	22%
Collaboration tools	29%	14%	13%	26%	8%	9%
Content/document management	28%	9%	15%	27%	11%	9%
Customer service/CRM	22%	9%	22%	22%	9%	16%
Enterprise resource planning (ERP)	15%	3%	9%	34%	15%	24%
Mobile/wireless	17%	7%	15%	41%	10%	9%
Open source technologies	23%	9%	17%	16%	5%	30%
Security technologies (e.g., identity management, data loss prevention, encryption)	28%	11%	15%	30%	8%	8%
Supply chain management software	16%	4%	9%	10%	5%	55%
Video conferencing/telepresence	28%	8%	12%	26%	6%	19%
Social media	29%	19%	15%	10%	4%	23%
Web services/SaaS	29%	12%	19%	22%	4%	14%

## TECHNOLOGY PRIORITIES SURVEY

Which option best describes your current activity for each of the following infrastructure technologies?	On Radar/ Actively Researching	Piloting	In Production in BU or Division	In Production Enterprise- Wide	Upgrading/ Refining	Not Interested
Cloud computing services	43%	14%	10%	11%	3%	18%
Enterprise architecture/SOA	33%	10%	13%	13%	7%	23%
Enterprise data management	30%	11%	13%	19%	8%	17%
Hardware infrastructure upgrades	16%	3%	9%	28%	37%	7%
Printing/output services	14%	4%	10%	31%	14%	27%
Unified communications	30%	15%	9%	19%	8%	19%
Virtualization, Application	25%	10%	12%	37%	8%	9%
Virtualization, Desktop PC	45%	17%	9%	7%	3%	18%
Virtualization, Network	43%	10%	7%	13%	3%	24%
Virtualization, Server	17%	8%	15%	42%	13%	5%
Virtualization, Storage	36%	10%	13%	23%	8%	11%

Which of the following best describes your IT organization's green IT initiatives?	Percent
One or more programs in effect within IT	28%
One or more programs in effect company-wide	38%
Launching new initiatives in the next 12 months within IT	13%
Launching new initiatives in the next 12 months company-wide	12%
We are starting to address the issue	26%
No plans for green initiatives	25%

## TECHNOLOGY PRIORITIES SURVEY

What percent of your total IT budget do you estimate will be devoted to each of the following items in the next 12 months?	Infrastructure, operations, support & maintenance	New development	Other
10% or less	2%	13%	76%
11% – 20%	3%	23%	12%
21% – 30%	12%	23%	6%
31% – 40%	12%	15%	4%
41% – 50%	12%	10%	0%
51% – 60%	19%	9%	1%
61% – 70%	13%	3%	0%
71% – 80%	21%	2%	0%
81% – 90%	4%	1%	0%
91% – 100%	2%	0%	0%
Average (mean)	58%	33%	10%

What will be the primary focus of your IT investments in the next 12 months?	Percent
Create topline revenue growth	14%
Enable business process innovation	35%
Lower business operations costs	23%
Manage IT infrastructure more efficiently	23%
Other	4%

Are you the top IT executive at your company or business unit?	Percent
Yes	100%
No	0%

Which of the following best describes your title or function within your organization?	Percent
CIO/CTO	54%
Director/Manager/Supervisor – IT Function	29%
Vice President/Senior VP/Executive VP – IT Function	10%
CEO/President/Owner/Partner	5%
Other	2%

## TECHNOLOGY PRIORITIES SURVEY

Please select the dollar amount that best represents the annual gross sales or revenues for your organization or enterprise? <i>(include all plants, divisions, branches, parents, and subsidiaries worldwide)</i>	Percent
\$1 billion or more	19%
\$100 million to \$999.9 million	36%
Less than \$100 million	33%
Not applicable (e.g., nonprofit, government, union)	9%
Not sure	3%

Which of the following best describes your organization's industry or function?	Percent
Government and Nonprofits (including education)	17%
High Tech, Telecom & Utilities	13%
Manufacturing (e.g. auto, A&D, engineering, mining)	12%
Financial Services (banking, insurance, brokerage)	11%
Healthcare (providers and pharmaceuticals)	10%
Services (legal, consulting, real estate)	10%
Advertising/Marketing/PR/Media (publishing, broadcast, online)	5%
Retail, Wholesale and Distribution	5%
Transportation (airlines, trucking, railroads, shipping, logistics)	2%
Travel and Leisure (cruiselines, hotels, theme parks, casinos)	2%
Other	12%

Where do you live?	Percent
US	52%
Western Europe	20%
Asia Pacific	12%
South America	6%
Canada	3%
Eastern Europe	2%
Middle East	2%
Africa	1%
Central America	1%
Other region	1%

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