

The logo for colt, featuring the word "colt" in a lowercase, sans-serif font inside a teal circle. The background of the entire page is a black and white close-up of a person's face, focusing on the eye. There are teal graphic elements: a white teardrop shape at the top left, a teal teardrop shape at the bottom right, and a teal circle at the bottom right.

colt

Uncover the CIO Mindset

Agile, ambitious,
ahead of the game

www.colt.net



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Executive summary

In the last few years the CIO has taken centre stage with transformation projects accelerated and budgets increased. So, as we head into 2022, what's next and how can they stay ahead?

We commissioned a survey of CIOs and IT leaders to understand their views and ambitions across five key priority areas: speed of implementing technology, the role of a CIO in digital transformation, customer centricity, ecosystem adaptiveness and tech for good.

Across these we wanted to find out how they see themselves, how they compare to the competition and whether they are truly agile. We also asked about the specific workstreams and priorities within these areas.

When it comes to understanding the modern CIO, three things stood out to us.

CIOs are agile, ambitious and ahead of the game.

The majority of CIOs say they are more agile than their competitors, particularly in areas that are close to their role. This is an optimistic and confident group of senior decision-makers.

Most CIOs are optimistic about their own agility and aware of the challenges that lie ahead. They are also extending the boundaries of agility, moving from standard service delivery to something that covers the whole enterprise. Some of the elements of this broader 'agility' are customer centricity, sustainability, employee morale and technology.

CIOs are also ambitious. The biggest gaps, from where they are now versus where they want to be in two years, are in tech for good and customer centricity. The good news is that they are confident that carefully chosen partnerships can bridge this gap.

Finally, CIOs believe they're ahead of the competition and those who highly value their partnerships show much greater agility, indicating the importance of the ecosystem..

To stay ahead and build on their ambition, CIOs need partners that help elevate their role and meet their objectives. It's no longer enough to work with partners delivering the ordinary. To stay ahead, CIOs need partners who can deliver the extraordinary.

About this study

We spoke to CIOs across the US, UK, Europe and Asia. Intuit Research helped us do this through quantitative online surveys with Kantar Research that drew out responses from 250 CIOs of companies with over 5,000 employees.

We also conducted two detailed interviews with CIOs in the UK and US, one at a major US retailer and the other at UK-based global professional services firm. These gave us extra insight and detail to build on the survey of 250 of their peers.

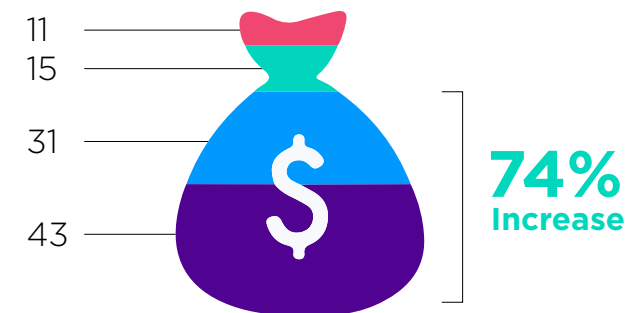
Why did we pick CIOs? Because 88% of them are involved in the strategic business decisions of their companies.

88% have some, or a lot of, involvement in most strategic business decisions of the company.

As part of this study, we've also designed an Agility Checker, so you can measure your own agility score by answering five simple questions. With your personalised agility score, you can easily analyse gaps versus other global CIOs, which can help you scout for the right partners to help you stay agile.

CIOs are going to have a busy year throughout 2022. We've seen significantly higher IT spending since Covid-19. According to 74% of CIOs in our study, IT spending will continue to rise in the coming year. In fact, 43% expect IT spend to grow by more than 10%. Only a minority (11%) say that they look to reduce their IT spending next year. This increase shows confidence in the work that CIOs and IT departments are doing and that companies overall are putting more budget into the technology they provide to their customers and employees.

IT spend change in next 12 months



- Decrease
- No Change
- Increase 1-10%
- Increase > 10%

The Agility Index

Agility is important to managing technology and digital transformation. That's why we sought to measure the Agility Index for CIOs today based on five key CIO priorities.

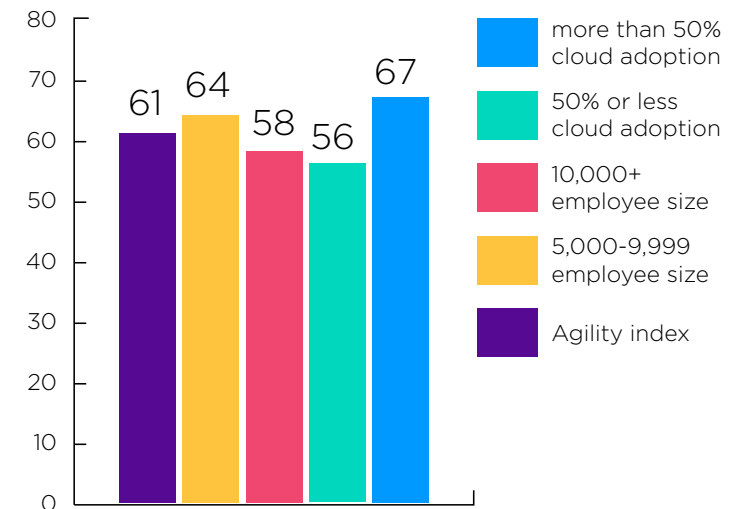
Five priorities of the present-day CIO:

- **Speed of implementing technology** – This pillar looks at the importance that CIOs give to incorporating new technologies for IT excellence and the speed at which they can innovate.
- **The role of a CIO in digital transformation** – This pillar examines how CIOs feel about their leadership roles, closeness to CEOs to drive strategic initiatives and their progress towards digital transformation.
- **Customer centricity** – This pillar looks at how CIOs prioritise excellent digital customer experiences and their flexibility in delivering the same to customers.
- **Ecosystem adaptiveness** – This examines the role of partnerships and ecosystems in overall IT success as well as how adaptable CIOs are towards their partners.
- **Tech for good** – This pillar is about the agenda for technology beyond digital transformation and how CIOs rate themselves when pursuing this agenda.

The Agility Index is a number that falls between 0 and 100, calculated as an average score on the above five questions. A score of 50 means that businesses rate themselves as equal to the competition, higher than 50 means that they rate themselves better than the competition, and lower than 50 means they rate themselves worse.

We found that the average Agility Index score is 61.

Agility Index by subgroup



Average Agility score is 61

The Agility Index

This means CIOs rate themselves as more adept and agile than their competitors, reflecting a healthy attitude of optimism and confidence. While there were CIOs who rate themselves behind the competition, we find that most rated themselves ahead.

Some of this optimism may stem from cloud maturity as well as smaller company size. CIOs of smaller companies as well as those with a wider cloud adoption, rate themselves more agile than their competitors.

“No matter the company size, cloud is the foundational technology of our times. Our survey truly reveals this: CIOs of companies with over 50% cloud adoption have an agility score of 67, which is six points ahead of the average. Being able to build, innovate and scale faster than ever is what cloud supports, and CIOs are pushing agility for cloud, more than ever before.”

John Armenakas,
Director, SaaS Partners, Colt



Speed of
implementing
technology

61



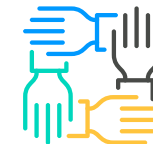
Digital
transformation
(DX) progress

63



Customer
centricity

58



Ecosystem
adaptiveness

64



Ease to drive
tech for good

59

Agility index by area

CIOs also rate themselves most agile in areas close to their role, namely, digital experience and driving ecosystem partnerships. This isn't strange considering that areas linked to technology have traditionally been the core of what CIOs do.

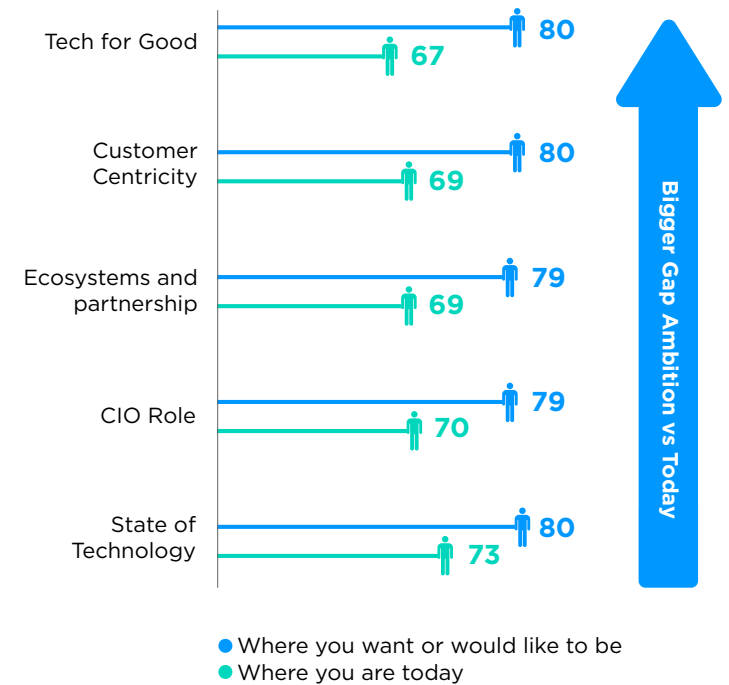
The 'ambition gap'

Change is part of the everyday for CIOs. Over the past few years, they've had to effectively handle tough disruption and new customer expectations.

But what about the future? How do they feel about gaps in enterprise capabilities between now and two years later? We call this the 'ambition gap'. Through it, we hoped to evaluate the current state, as well as the work that CIOs must do to thrive.

What we discovered is that there are two key focus areas for CIOs - 'customer centricity' and 'tech for good'.

Biggest "ambition vs today gap" for CIOs



Customer centricity

Customer centricity is important to CIOs, now and in the future

Far fewer CIOs oversee customer experience (CX) programmes (16%) compared to other senior executives like CEOs and CMOs (61%). Still, a whopping majority - 91% - find customer centricity to be either an important or very important initiative within their organisations.

Customer centricity

1st on importance

2nd on ambition vs today gap

Importance (Important/ very important)

Customer centricity **91%**

State of technology **89%**

Ecosystems and partnership **89%**

CIO role **88%**

Tech for good **79%**

Ambition vs today gap

Tech for good **13%**

Customer centricity **11%**

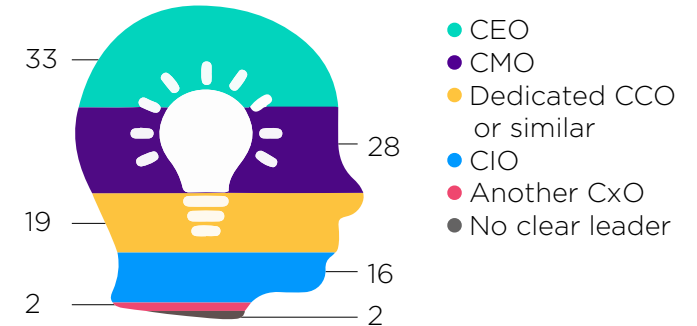
Ecosystems and partnership **10%**

CIO role **9%**

State of technology **7%**

Overall, CIOs rate customer centricity as their most important priority. It also has the second biggest 'ambition gap' and many CIOs say they are hands-on with implementations that support customer-centric operations for their companies.

Who leads customer experience initiatives



Many CIOs aren't in charge of CX programs - but they are tuned into the difficulties that customers face with technology, perhaps more so than other stakeholders. To elevate their role and champion CX, customer experience KPIs should become a key way of reporting on technology initiatives.

Not all organisations we spoke to rated themselves as better than the competition in this area. Many face challenges such as balancing innovation with usability. This might be understanding the channels that customers use to interact with the company brand and how IT can best support these conversations. For CIOs, acting on such insights could mean anything from simply re-examining an existing process to improving networking architecture or making touchpoints more customer friendly.

Customer centricity

One of the CIOs we spoke with illustrates this:

“Customer centricity is hugely important for our business. But we have focused so far on upgrading our back-office systems which unlocked more customer-centric solutions for the future. We still have a long way to go in building the front-end solutions.”

CIO of a UK-based global professional services firm

Reaching customers is easy these days, given the spread of digital channels. CIOs want to uplift IT to support customer centricity in a big way. We looked at what the top scorers are doing to get it right:

Social media is the most popular channel for customer engagement

Customer expectations changed dramatically when the pandemic hit. Customers wanted prompt updates, contactless payments, anywhere deliveries of essentials as well as non-essentials. Brands quickly moved their presence from closed shopfronts to digital marketplaces and pivoted their models to

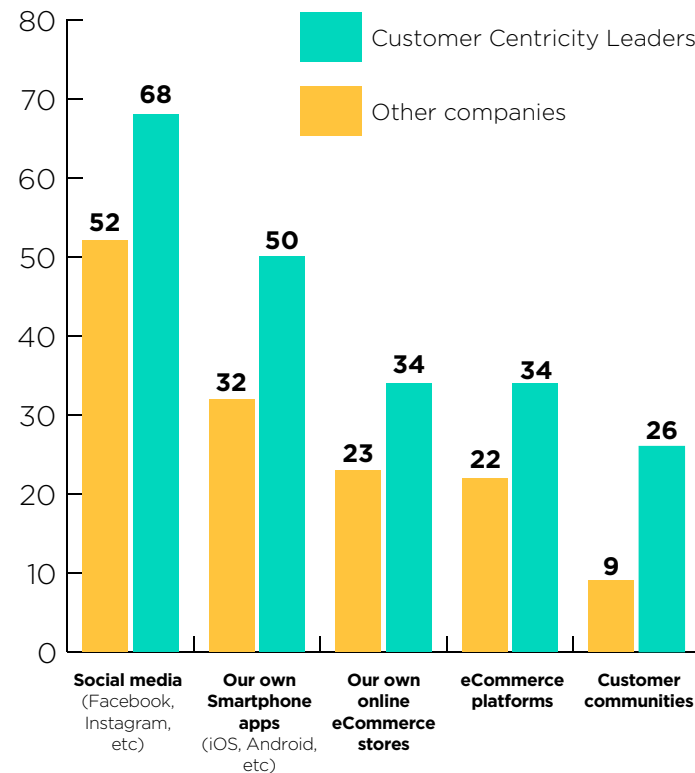
give them all of this – online sales, faster deliveries, remote payments, and responsive customer service. Almost overnight, digital user experience shifted from being a ‘nice to have’ element to something that every brand needed.

The trick was to approach customers right where they are. So, what better channel than social media? Affordable and accessible, social media has helped brands get a read on how their customers think and tap into their pulse, and customer-centric CIOs are front and centre.

Other top-ranked digital channels are branded mobile apps, dedicated e-commerce stores and platforms, and customer communities. So to stay ahead of the game, think about where your customers operate most digitally and how you can tap into that to drive customer centricity in your organisation.

Customer centricity

Digital channels with the biggest usage gap between customer centricity leaders and laggards



CX leaders use satisfaction metrics and communities to assess performance

Customer centricity leaders are more likely to run programs that monitor CX across channels. For example, they may periodically measure their customer experience index (CX Index) or net

promoter scores (NPS), or even set up dedicated customer communities.

Indices like the CX Index and NPS can help CIOs see how effective the digital customer experience really is. Likewise, customer communities are useful when developing or improving products and services. Organisations can immediately test out the product/service among a subset of customers and get pointed feedback.

How can you utilise your communities and scoring to feedback into the products, services and experience you deliver to your customers? And if this information is already readily available in your company, how are these responses delivered and action by your IT teams?

“When we put customers at the core of the business, it changes how the organisation moves. CIOs know this well, which is why customer centricity ranks high on their priority list. Agility is about using IT and new technologies to listen to what customers want and give it to them in smarter and more delightful ways.”

Noah Roychowdhury, Head of Customer Intelligence, Colt

Tech for good

CIOs predict that tech for good will be vital in the future

Another area of focus for CIOs is tech for good. This area sees technology as an influencer of more than digital transformation. The survey breaks this into; caring for employees, customer data protection, sustainable resource utilisation, giving back to the community and improving governance.

At present, the tech for good pillar has the biggest 'ambition gap'. It currently lags in importance because CIOs are busy with other mission-critical areas, like customer centricity and maintaining a healthy state of technology. Yet, most CIOs insist that tech for good is something they want to deliver on in the future.

During one of our in-depth conversations, the CIO specifically called this out saying:

“ESG (Environment, Social, and Corporate Governance) is way more important now than it has ever been. We were not really talking about it last year but over the last six months it has become a very important conversation from a top-down perspective.”

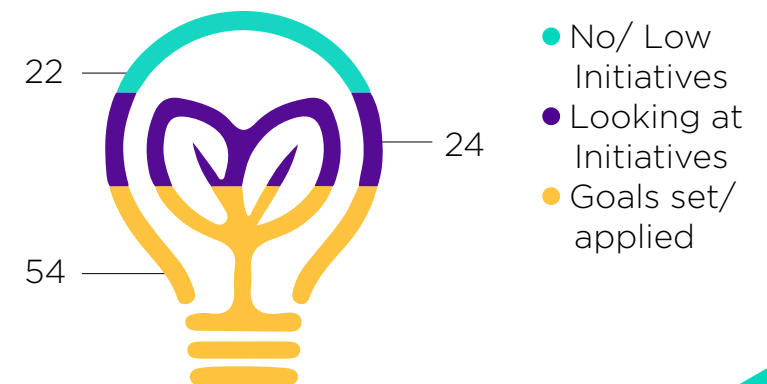
CIO of a US-based retail group

CIOs see tech for good as more than sustainability

Sustainability is a top priority for businesses and every department has a role to play. IT particularly, is under scrutiny. The International Energy Agency remarks that data centres generate 0.3% of global CO2 emissions, a number that may rise as global demand for servers escalate. Overall, the IT sector is responsible for twice the CO2 emissions of the aviation sector².

It's great to see companies prioritising sustainability, 54% of CIOs say that their organisations have already set and applied sustainability goals. Put another way: the companies we interviewed are some of the largest in the world and so it isn't surprising that many of them have set evidence-based sustainability goals.

Sustainability journey point



Tech for good

Inspiringly, what stood out is that many CIOs look at tech for good beyond sustainability. As the data below shows, tech for good also considers stakeholders like employees, customers, the environment, partners, and the worldwide community.

In the real world, this could look like better digital working environments and opportunities for employees, better data protection for customers, better use of resources, and better governance.

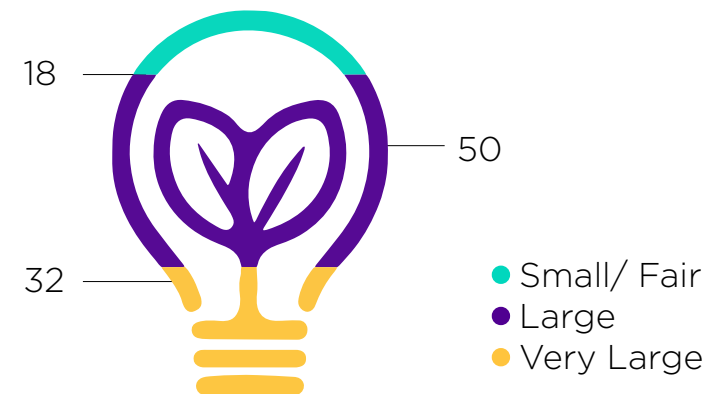
What does tech for good look like at your organisation? Apart from sustainability, what are some other avenues where technology is driving positive outcomes, perhaps in areas like diversity, inclusion, and stakeholder welfare? How do you see these programs evolving in the next few years?

There are many ways in which digital transformation is helping companies become more energy efficient. CIOs are training their sights on technologies like IoT (Internet of Things), AI (Artificial Intelligence), ML (Machine Learning), 5G, and data analytics because of the way in which these reshape business-as-usual. But, when evaluating the business case for new tech, how can sustainable metrics be weaved in to make sure that solutions that drive agility are environmentally sound?

CIOs now evaluate vendors on sustainability, especially in Germany

Already 82% of CIOs are quite strict about the kinds of sustainability initiatives run by their vendors. They also consider this as an important selection criteria when choosing partners to do business with - though not the most important.

Important aspects of tech for good



Tech for good

Sustainability still lags behind other factors like transparency, expertise, experience, and trustworthiness, which continue to be the most important vendor selection criteria globally.

An interesting observation here is that the area of sustainability ranked more important in some markets than in others. Sustainability appears to be most important in Germany, with a rank of number four when choosing vendors, versus a rank of six for the global dataset.

Partner selection criteria by Importance

Total		Germany	
Transparent and efficient in communication	42%	Transparent and efficient in communication	48%
Experience in working with certain technologies	41%	Experience in working with certain technologies	48%
Expertise and deep knowledge on the technology you seek	35%	Trustworthiness and past credentials	44%
Trustworthiness and past credentials	34%	Sustainability initiatives	32%
Global footprint	26%	Global footprint	30%

“Partnering with other companies and gauging their sustainability initiatives is a big consideration. Suppliers are expected to provide details on their sustainability initiatives, and it is a large part of the conversation.”

CIO of a US-based retail group

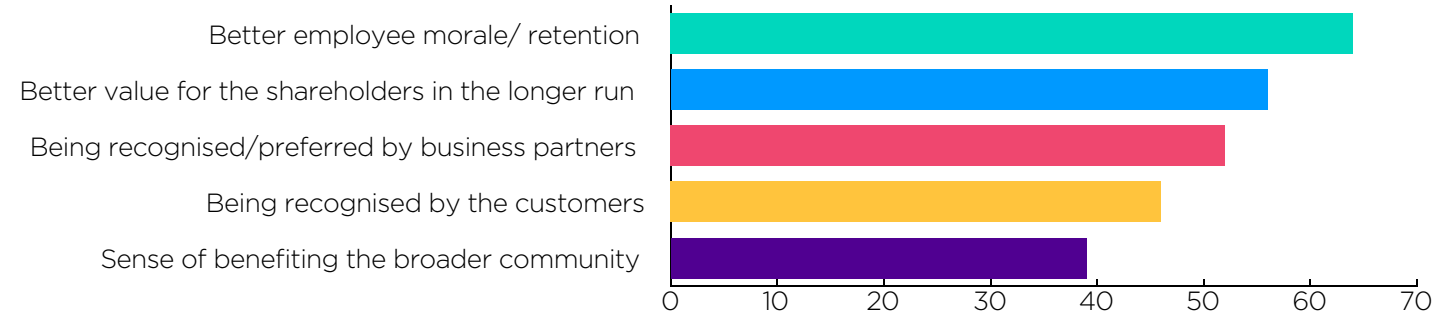
Taking a broad and strategic view of sustainability

CIOs have a strategic vision for sustainability and it isn't what you would normally expect. Many leaders are likely to view sustainability as a tool that gives them an edge over competitors or to impress customers. Promisingly though, most CIOs are viewing sustainability from the employee standpoint. They are keen on such programs – not because they feel they “have to” due to competitive or regulatory pressure but because it will help their people by way of greater retention and attracting new talent. It will also improve long-term value for shareholders.

This mindset resonates well with one of the UN's Sustainability Development Goals³ focusing on employee protection too. Numerous experts emphasise the critical role that digital will play in helping countries and companies achieve these goals, and it is inspiring to see that CIOs are aligning with this mission.

Tech for good

Sustainability benefits



A case in point: ESG as a business KPI

A top American retailer is running a powerful public cloud transformation program using several global IT partners. Underpinning how they chose these partners are the principles of sustainability and diversity: They evaluate their partners, big and small, on their individual sustainability initiatives.

Also, the leaders practice what they preach.

The retailer is deeply committed to diversity. They even have a diversity chairman and they regularly participate in diversity activities to rack up some of the ESG scores that are extremely important to the organisation.

“Our CEO and the board have tied our compensation to ESG. A certain portion of our bonuses is linked to ESG score.”

CIO of a US-based retail group

Bridging the gap

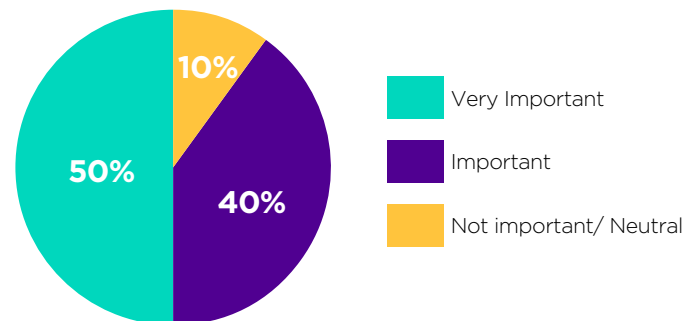
Over the last few years, CIOs have learnt a thing or two about resilience, the importance of collaboration and relying on partners.

CIOs have a lot of influence on the business vision and strategic decisions of their companies. They also have a lot of objectives to achieve and a long way to go, especially when their roles extend beyond product and service development. CIOs know their homework: they are persisting on the path to agility, growing their sustainability programs and improving value to stakeholders.

This is a tall order; strong industry partnerships could be the boost CIOs need to bridge the 'ambition versus today' gap.

Partners help CIOs stay updated

Importance of partnership on keeping updated on new technology



90% Find partnerships important or very important to learning about new products and services.

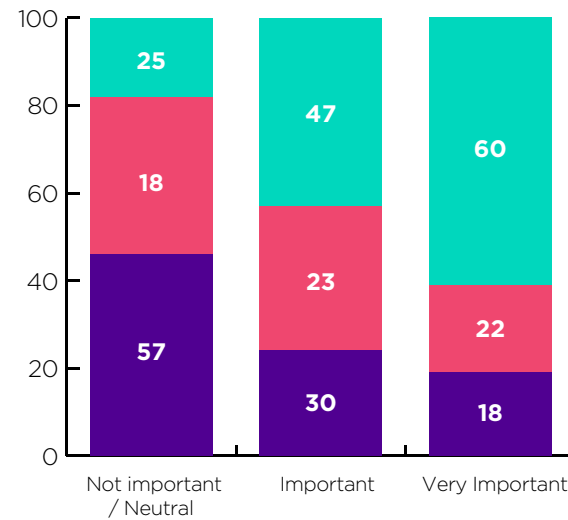
Partnerships are what keep CIOs on track when it comes to tech. 90% of them agree that partners and suppliers are an important source of technology updates. Through them, CIOs get to discover the latest and trending products and services making waves in the market, which keeps them ahead of their game.

CIOs who highly value their partnerships also show much greater enterprise agility overall. Approximately 60% of them rank themselves as more agile than competitors in customer centricity as well as tech for good.

How much value are your partners delivering that go above and beyond their statement of work? Partnerships should be about adding value at every stage and understanding your end customer goals, not simply meeting deliverables. What are your partners doing to support and guide in your when it comes to digitally transforming your organisation?

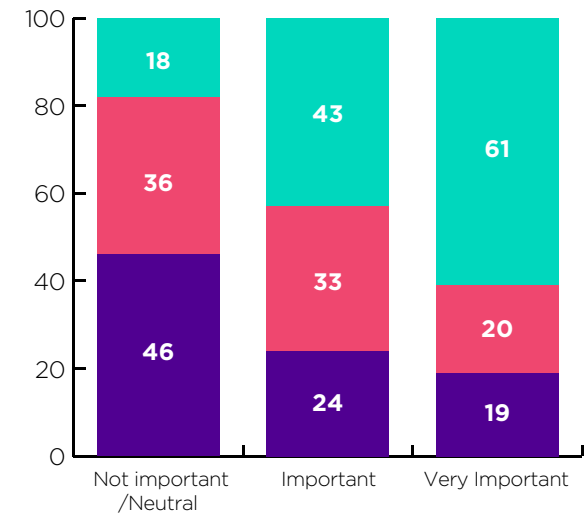
Bridging the gap

Importance of partnership on keeping updated on new technology



■ Easier than competitor
 ■ Same as competitor
 ■ More difficult than competitor

Agility in tech for good by Importance of Partnerships



■ Easier than competitor
 ■ Same as competitor
 ■ More difficult than competitor

“Partnerships and ecosystems are essential in creating agility. Our partners really help us build out our products faster.”

CIO of a US-based retail group

Bridging the gap

Networking and communications providers are influential business partners for CIOs

CIOs are eager to link up with companies that help them build agile networks. Top of the list are value-added resellers (VARs), systems integrators (SIs), and networking and communications providers. While SIs and VARs are consultative by nature, the value from networking providers is critical – transformation and tech for good projects cannot work without the right connectivity and so it's essential these partners are included from an early stage.

When presented with new technologies expected to drive digital transformation in the next year, CIOs leaned heavily on network-related technologies like Network Function Virtualisation (NFV), on-demand

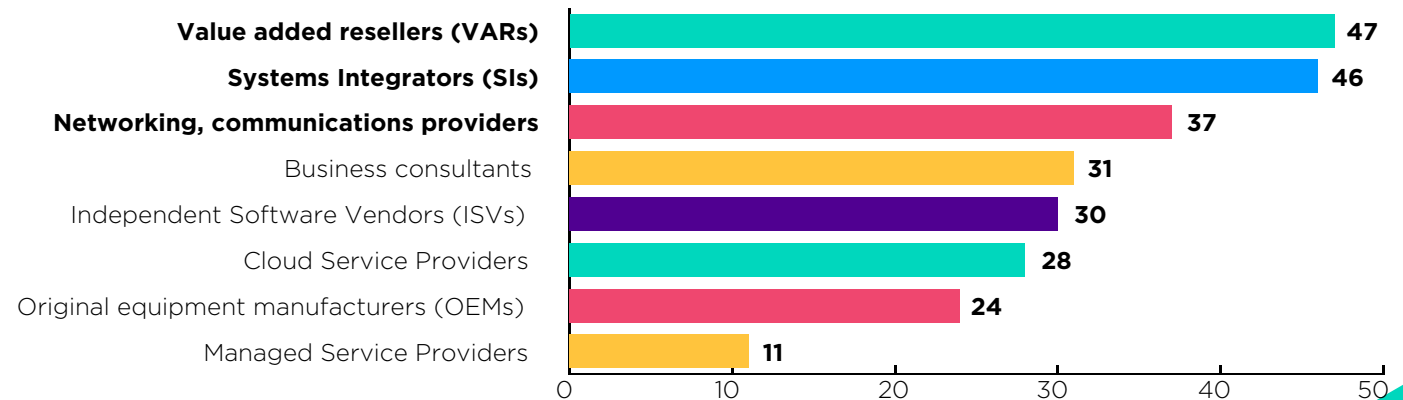
networking, SD WAN, and 5G. These covered four of the top 10 listings.

“Before, it would take us three months to plan, and then three months to implement; now it takes us a few weeks to roll out.”

CIO of a US-based retail group

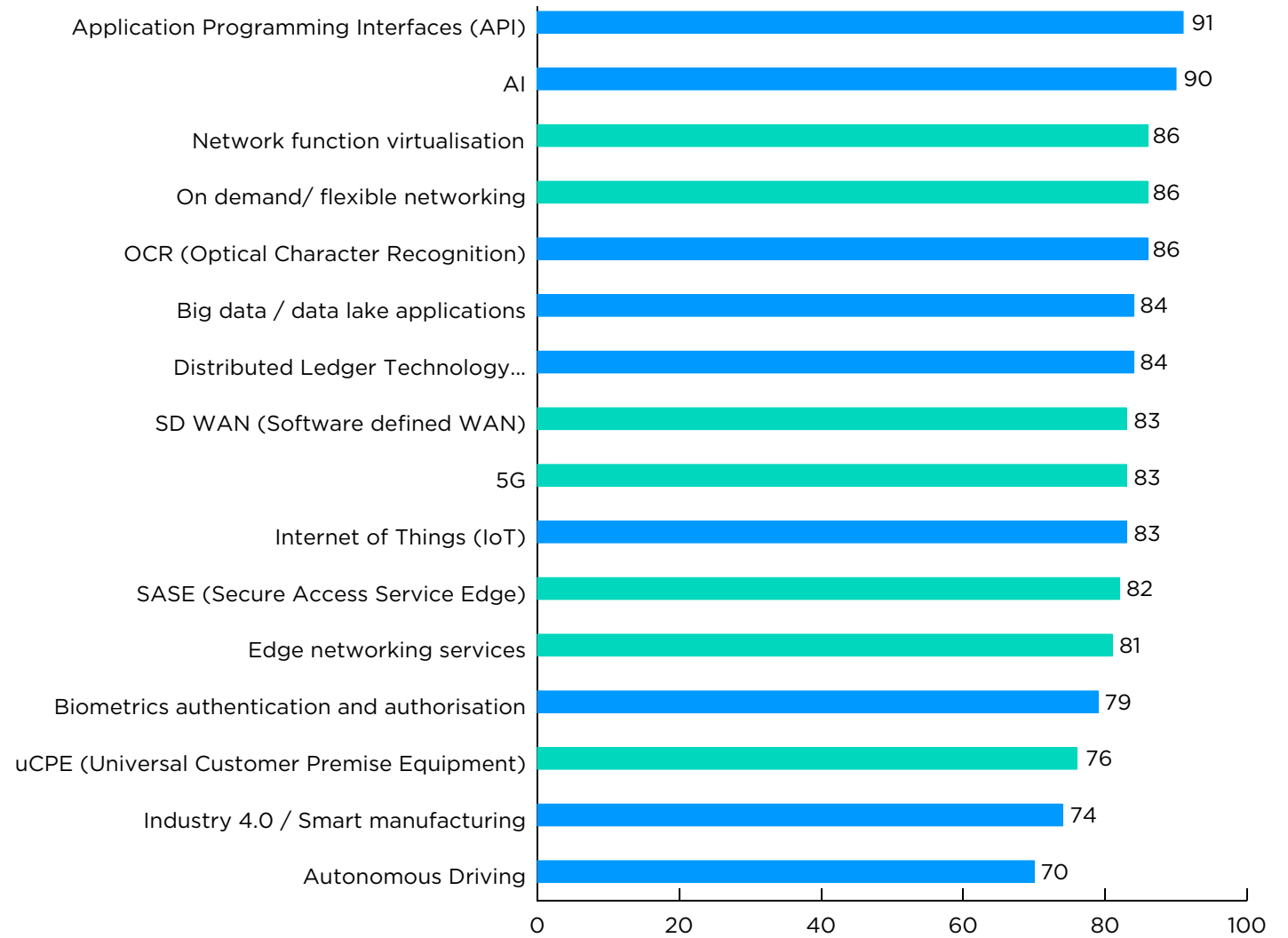
Other popular networking technologies grabbing CIO interest are Edge networks and Secure Access Service Edge (SASE). We feel this may reflect a broader trend of CIO thinking: that agile, speedy, and next-gen communications will elevate service and product delivery, sustainability, and customer centricity in future.

Most influential partner



Bridging the gap

New technology considered next 12 months



Bridging the gap

Bandwidth limitations are a barrier to transformation and keeping ahead

One in five CIOs view poor networking and bandwidth capabilities or both as major obstacles in their digital transformation journeys. Perhaps this is also one of the reasons why communications providers rank high on the list of future partnerships for CIOs.

CIOs are eager to see how next-gen connectivity solutions play out. The market is also full of new players ready to help. How does this tie into the goals of tech for good and customer centricity for CIOs? What are some of the checks and balances – like green vendors, zero-waste production – that CIOs can insist on to confidently move past these barriers?

20% See networking/
bandwidth limitations
as a barrier - key reason
to partner more with
networking providers.

“For us, partnership is about adding value not just to our customers, but to their end customer as well. We need to deliver on the objectives of the partnership but also understand the bigger picture – the right partner can be key to driving diverse programs – sustainability, customer centricity, agile networking – successfully, and cost-effectively.”

Mark Hollman, VP, Partner Development & Success, Colt

Summary and next steps

Agility is crucial for businesses to adapt to crises and change. Enterprise agility has outgrown its software connotations and now applies to how organisations care for their employees, evaluate their partners, treat their customers and more.

As enterprises put the customer front and centre of their business, customer centricity has become an important pillar to CIOs.

The question for CIOs is how they can successfully run CX programs for their organisations and learn from customer centricity leaders. Our study shows that leaders are avid users of social media, video and instant messaging in customer interactions. The leaders also use customer experience metrics such as the CX Index and they make use of customer communities.

Tech for good is the area with the biggest 'ambition gap', meaning it's the area where CIOs agree they would like to improve most in the future. For CIOs, the key is that tech for good goes beyond the environment and includes all players within the ecosystem - employees, partners, and shareholders. CIOs should look at where technology is driving positive outcomes at your organisation and look to evolve these programs in the next few years.

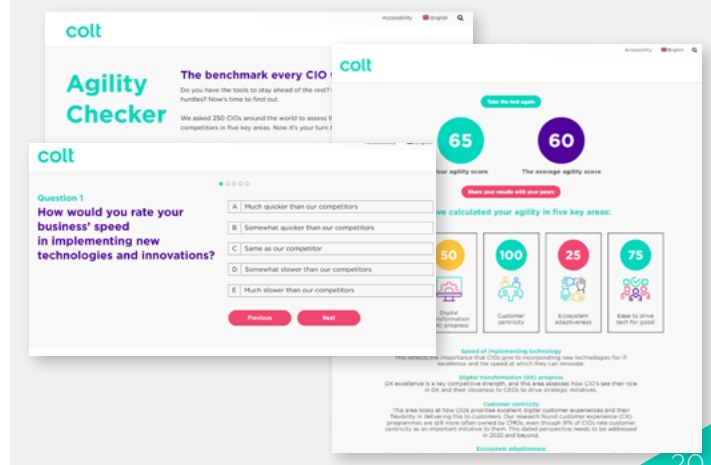
Partnerships are one of the important enablers of agility. Our study shows that CIOs who value their tech partnerships, have much higher agility scores. Anecdotally we see this supported strongly as well, with many CIOs telling us that their adoption of a new technology unlocked huge improvements in agility.

Use the Agility Checker to benchmark yourself

Our Agility Checker can help you measure your own agility by answering five simple questions. The resulting answer lets you:

1. Benchmark yourself against our Global CIO panel
2. Analyse gaps to help start conversations around agility improvements

[We hope this tool will help you along your journey to become a more agile business.](#)



About the survey

Colt commissioned Intuit Research to conduct a survey of the senior-most IT decision-makers in companies with 5,000 or more employees in the US, UK, Germany, France, and Japan.

Intuit Research recruited respondents through a global online access panel and screened them for eligibility and authenticity. The sample size was a minimum of n=50 in each market with a total of n=250 respondents. Interviews were conducted between 8 and 22 October 2021. Intuit Research also included qualitative views from two global CIOs through in-depth one-hour conversations.

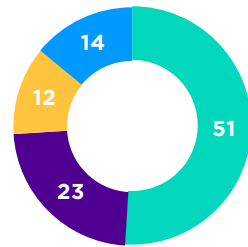
The Agility Index is a single metric based on how CIOs rate their organisation's performance compared to competitors in their industry. It was created as an average score, calculated through five questions linked to five key pillars of a CIO's priorities..

CIOs rated how agile they find themselves in comparison to their competitors - with responses ranging from 'better than' and 'same as' to 'worse than' the competition. Each answer was scored from 0 to 100 with 50 being 'same as the competition'.

An overview of interviewed organisations' firmographics is included below:

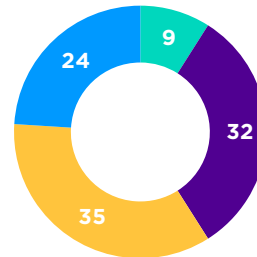
Firmographics

Employee Size - Company



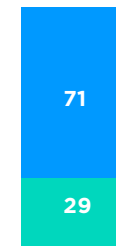
■ 5,000-9,999
 ■ 10,000-24,999
 ■ 25,000-49,999
 ■ 50,000 or more

Employee Size - IT department



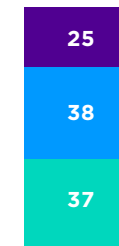
■ Less than 100
 ■ 100-499
 ■ 500-999
 ■ More than 1000

Business Revenue



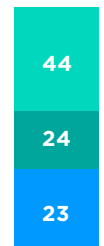
■ 500 Million or below
 ■ More than 500 Million

Employee Size - IT department



■ More than 20%
 ■ 11-20%
 ■ 10% or Less

Local/ MNCs



■ 1 to 5 countries
 ■ 6 to 10 countries
 ■ More than 10 countries



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1. <https://www.forbes.com/sites/forbestechcouncil/2021/05/03/renewable-energy-alone-cant-address-data-centers-adverse-environmental-impact/?sh=fa6c8e85ddc9>
2. <https://www.bcg.com/en-gb/press/24june2021-telco-sector-game-changer-sustainability-shrinking-carbon-footprints>
3. <https://sustainabledevelopment.un.org/topics/employment>
4. <https://www.mckinsey.com/business-functions/mckinsey-digital/our-insights/the-cio-agenda-for-the-next-12-months-six-make-or-break-priorities>

