



2015 STRATEGIC IT AGENDA

The 2015 IT Agenda is linked seamlessly to the previous year. The most important topic for senior IT Management is still IT costs. Therefore, we wanted to know in our short survey whether the performance of IT is considered a value contribution or a cost factor. The majority of respondents are confident that their IT organization is not purely a cost factor. Other very important topics on the IT agenda this year are IT security and cloud computing.

STRATEGIC TOPICS

The intimate relationship between value and cost of IT continues into 2015. Thus, over 50 percent of respondents cited IT costs as the most important strategic issue on their agenda. IT Security was ranked in second position in the list of 2015 strategic issues, which had been attested a high need to action in the previous year. The increasing digitization of processes and business models explains the importance of IT Security in the rankings of our annual survey. Given the real dangers of hackers and industrial espionage, the

possible loss of data and intellectual property and the associated damage to the public image, the value of IT security as a strategic issue will remain high in the coming years.

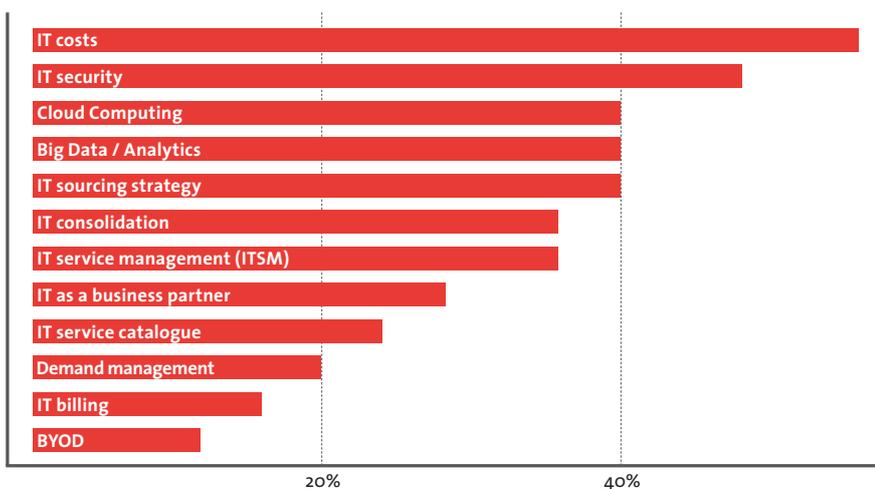
Following on in third and fourth place are two former hype terms that have established themselves in the domain of Enterprise IT: Cloud Computing and Big Data/Analytics. While companies expect positive effects on cost and flexibility with the cloud, Big Data/Analytics is seen as a tool to get a bigger

stake of various market segments. In view of the fact that IT is traditionally about “data processing”, the industry to some extent is getting back to its roots.

Organizational topics are ranked lower in priority: The importance of IT sourcing for example reflects the fact that more and more IT services are provided by multiple providers, while IT consolidation tries to curb sprawl. Other areas of focus to improve IT performance are IT service management (ITSM), customer demand management and professional service offerings supported by an IT service catalogue.

No significant comprehensive trend was found in the free responses to this question. Entries include a spectrum from digitization to data protection, portfolio management, operational excellence, the “workplace of the future” and “bimodal IT”. This (re-emerging) keyword describes the need to bring the efficiency of automated IT in line with a flexible approach to the provision of services. This should not be confused with “hybrid IT” where internally and externally provided IT services are combined.

Strategic Topics



Maturity poll, November / December 2014; n = 268, multiple responses, rounded values

Your direct contact person for
UK and international inquiries:

Jeremy Smith, Director
+44 (0) 20 7868 1901
+44 (0) 7802 175 436

Maturity UK Ltd.
68 Lombard Street
London EC3V 9LJ

jeremy.smith@maturity.com

www.maturity.com

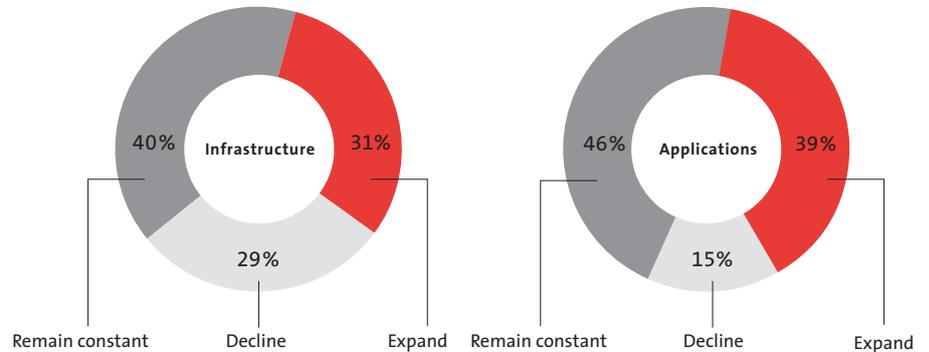
IT IN-HOUSE EFFORT OF IT

Like last year, many companies continue to utilise their own resources in the area of IT infrastructure. 40 percent of respondents plan consistent IT infrastructure in-house efforts, and 31 percent expect to raise the internal share. The increasing professionalisation of internal IT organisations and the growth of efficient private cloud/virtualisation solutions are two reasons for this trend.

After all, 29 percent of respondents want to reduce their internal workload. This strategy is used to offset bottlenecks in IT departments. The expectations of customers regarding external service includes, among other factors, increased IT agility, cost-effective service quality, continuous improvement as well as minimizing the business impact in case of incidents and changes.

Services related to applications are traditionally outsourced more reluctantly than IT infrastructure. Applications can evolve into a real competitive advantage which is often developed and maintained close to its own business unit. Compared with the previous year's figures, there are only gradual changes in applications: Almost half of the respondents are not planning any changes to the previous year, and only 15 percent plan to cut back the in-house effort here.

IT IN-HOUSE EFFORT



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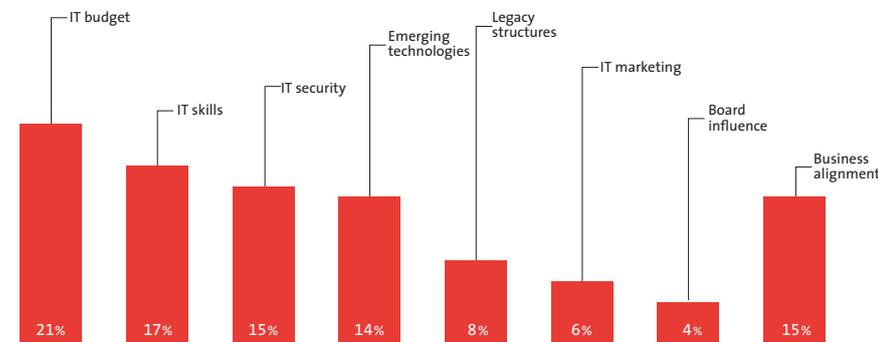
IT NEED FOR ACTION

The highest pressure to act for IT organisations is traditionally on the IT budget. After all, every fifth manager has the point at the top of their to-do list. This is followed as in the first question ("strategic topics") by IT security. Unlike last year, less pressure is perceived in both fields. The budget was five percentage points lower and security was down three percentage points. Even if the latter is high in the management hierarchy, it seems that the "NSA effect" is cooling down a little.

Furthermore, compared to 2014 the burden of legacy IT decreased by three percentage points, which suggests that older applications are gradually being replaced. It appears that in business cases the expected strategic impact of new applications increasingly outweigh the benefits of maintaining legacy structures.

More pressure is perceived in key areas like "IT skills" (+3%), "IT marketing" (+3%) and "new technologies" (+4%). This emphasizes that IT organisations endeavour to put technical innovations in the limelight again after a few years of consolidation. This does not mean every new IT trend needs to be introduced into the company automatically. In fact, all existing services and new IT initiatives should be examined under a value-based management approach. With that, IT is aligned to the objectives and priorities of the corporate strategy, thus supporting stipulated business alignment. Compared to the previous year's results, the pressure on business alignment is increased from 13 to 15 percent.

IT NEED FOR ACTION



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BIG DATA/ANALYTICS

An unmistakable trend is Big Data/Analytics. Big Data stands for the economic use of evidence obtained from the IT-assisted analysis of extremely large amounts of data from different sources and formats. Applications are now available for many scenarios and cross all industries.

This contains the improvement of marketing strategies, but also the detection of fraud in banks and insurance companies or the optimization of maintenance intervals in industry. Even in sports such as football or sailing the data of athletes and devices are now being systematically controlled. So IT can bask in the glow of a gold medal.

One best practice appears in all cases: It is important that IT and business professionals act in concert. The main force which drives Big Data is distributed almost evenly between the IT organization and the business units. If we add the marketing department, there is a small predominance on the business side.

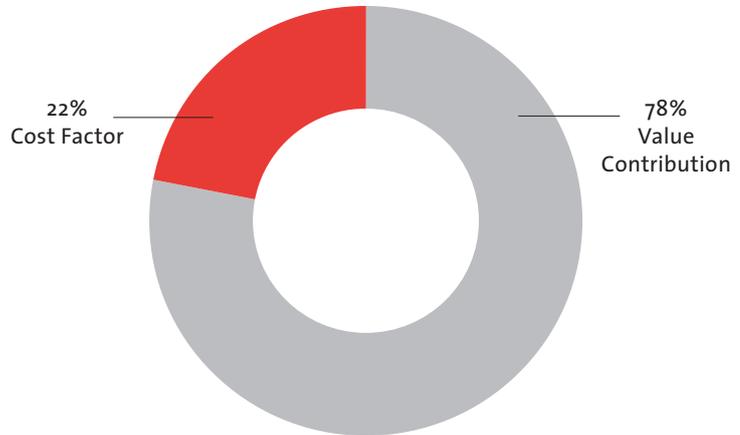
Maturity believes that successful Big Data/Analytics projects have to be implemented jointly. The IT organization must integrate and optimize Big Data systems technology into the existing infrastructure while the Business Units must ask the right questions and draw the right conclusions from the data.

Who is driving Big Data/Analytics?



Maturity poll, November / December 2014; n = 268, rounded values

Cost Factor or Value Contributor?



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A quarter of respondents said Big Data/Analytics is not an issue in their company. Also for this organizations, the path to successful Big Data projects leads over a good collaboration between the IT organization and the business units.

VALUE CONTRIBUTION AND COST FACTOR

In addition, the survey shows that there is no lack of self-confidence among IT managers. Only 22 percent of those surveyed see their IT as a (large) cost factor. 78 percent are convinced the company gets a (large) value contribution from the IT department. If it is possible to carry this self-concept in the business units, the pressure on the CIO in "IT marketing", "board influence" and "business alignment" will dissipate in the next few years from the IT agenda.

In the free answers to the questions, the keywords "agility" and "major projects" stood out with several entries. Agility was related to Time-to-Market, multi-channel capability and the competence to comply with delivery promises. Also important to many respondents were international harmonisation, service orientation and IT restructuring. That leaves plenty of interesting issues and concerns for the future of IT.