SIM 2008
Survey Findings

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2008 Top “10” IT Management Concerns

1. IT and Business alignment
2. Build business skills in IT
3. IT Strategic Planning
4. Attracting IT Professionals*
5. Making better use of Information
6. Manage Change
7. Reduce the cost of doing business
8. Improve IT Quality
8. Retaining IT Professionals*
8. Security and privacy

* Were combined in 2007
Top 5 Application & Technology Developments 2008

1. Antivirus Protection
2. Business Intelligence
3. Continuity Planning and Disaster Recovery
5. Server Virtualization*

* New to top 5
IT Budget As Percent of Corporate Revenue
2008

Average: 3.82%
Average IT Budget as a Percent of Revenue

% of Respondents

- 3.6 in 2005
- 3.6 in 2006
- 3.5 in 2007
- 3.82 in 2008
2008 IT budget in comparison to 2007 (Actual)

- 2008 < 2007: 26%
- 2008 = 2007: 28%
- 2008 > 2007: 46%
2009 IT budget in comparison to 2008 (Projected)

- 2009 > 2008: 44%
- 2009 = 2008: 37%
- 2009 < 2008: 19%
Companies Increasing IT Budget

- 2004: 51%
- 2005: 62.5%
- 2006: 56.6%
- 2007: 61.3%
- 2008: 46%
- 2009: Projected 44%
2008 IT Budget Allocation (Actual)

- Internal staff: 32.0%
- Software: 14.5%
- Network: 10.4%
- Hardware: 13.2%
- Other: 12.9%
- Consulting services: 8.9%
- Outsourced staff - domestic: 4.9%
- Outsourced staff - Offshore: 3.2%
2009 IT Budget Allocation (Projected)

- Internal staff: 31.2%
- Software: 14.7%
- Network: 10.0%
- Hardware: 12.3%
- Consulting services: 8.3%
- Outsourced staff - domestic: 5.6%
- Outsourced staff - Offshore: 5.2%
- Other: 12.5%
IT Budget allocation for Offshore Outsourcing

- 2005: 1.7
- 2006: 4.2
- 2007: 4
- 2008: 3.2
- 2009 (Projected): 5.2
2008 IT Head Count in Comparison to 2007 (Actual)

- 2008 > 2007: 40%
- 2008 = 2007: 36%
- 2008 < 2007: 24%
2009 IT Head Count in Comparison to 2008 (Projected)

- 2009 > 2008: 43%
- 2009 = 2008: 42%
- 2009 < 2008: 15%
Companies Increasing IT Headcount

- 2004: 43%
- 2005: 44.2%
- 2006: 39.2%
- 2007: 49.5%
- 2008: 40%
- 2009 Projected: 43%
2008 IT Staff Turnover Rate

- 2008 Average: 8.40%
- 2007 Average: 8.13%
- 2006 Average: 7.20%

Bar chart showing the distribution of turnover rates:
- <5%: 52.8%
- 6%-10%: 23.8%
- 11%-15%: 12.5%
- 16%-20%: 5.2%
- 21%-25%: 3.6%
- >25%: 2.0%
2008 IT Staff Salaries in Comparison to 2007 (Actual)

- **2008 > 2007**: 78%
- **2008 = 2007**: 18%
- **2008 < 2007**: 4%
2009 IT Staff Salaries in Comparison to 2008 (Projected)

- 2009 > 2008 (75%)
- 2009 = 2008 (22%)
- 2009 < 2008 (3%)
Skills for **Entry Level Employees 2008**

1. Ethics & Morals
2. Critical thinking/Problem solving
3. Collaboration; Teams
4. Problem solving
5. Communication: Oral
6. Communication: Written
Top 14 Skills for MID-Level Hires 2008

1. Ethics & Morals
2. Collaboration; teams
3. Critical thinking/problem solving
4. Problem solving
5. Communication: Oral
6. Communication: Written
7. Project leadership
8. Managing expectations
9. User relationship management
10. Decision making
11. Business analysis
12. Creativity/innovation
13. Project plan/Budget/schedule
14. Leadership
2008 IT Organization

Centralized: 67.5%
Federated: 22.2%
Decentralized: 8.8%
Networked: 1.5%

*Alignment Maturity

[2007; 2006 findings]
CIO or Senior IT Executive Reports To

- Business Unit Exec: 3% [3.20]
- Other: 12%
- COO: 14% [2.97]
- CFO: 28% [2.79]
- CEO: 43% [3.26]

Alignment Maturity: 2.79, 2.97, 3.20, 3.26
CIO or Senior IT Executive Reporting 2008-2005

- CEO: 40%+
- CFO: 26%+
- COO: 18%+
- BUE: 6%+
- Other: 9%-

% of Respondents

Year: 2008 2007 2006 2005
How long has your CIO (or senior IT executive) held their position?

2008 Average: 4.3 Years
2007 Average: 4.1 Years
2006 Average: 3.6 Years

55% <= 3 Years
Your current CIO was hired from:

- Within your company’s IT organization: 36.0%
- Within your company, but from outside of IT: 5.6%
- Outside your company, from an external IT organization: 48.8%
- Outside your company, from non-IT organization: 9.6%
How New CIOs spend Their Time

- Relationship Management with Business: 23%
- Strategy: 12%
- IT Governance: 10%
- Human Resources: 8%
- Architecture: 6%
- Other: 6%
- Development: 4%
- Relationship Management with IT staff: 18%
- Operations: 8%
- Non-IT: 5%

*Approx. 80% time non-technical*
How Established CIOs spend their time

- Relationship Management with Business: 26%
- Relationship Management with IT staff: 15%
- Strategy: 17%
- Software Development: 4%
- Architecture: 6%
- Other: 1%
- Human Resources: 7%
- IT Governance: 11%
- Operations: 7%
- Non-IT: 6%

*Approx. 80% time non-technical*
Next Steps

• Complete final data collection (from SIMposium responses)

• Further analysis

• Publish results (e.g., SIM News, MISQE)

• Use findings as input for future SIM meetings (Local & National)

• Consider findings for new Working Groups or Communities of Interest