

# CIO AND IT LEADERSHIP SURVEY 2016

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## EXECUTIVE SUMMARY

Welcome to the 2016 CIO and IT Leadership survey, delivered in partnership by Coeus Consulting and PSD Group.

We undertook this survey in order to illustrate the 'lay of the land' regarding current and emerging technologies and current IT spend and budgets. In particular we were keen to explore the impact of Digital on the IT operating model. We also wanted to provide you with the latest employment trends and a view of the effect that technology is having on the availability of skills.

Here are some of the emerging themes from the report:

### Digital is here and is creating the need for 2-Speed IT

Digital is here and is driving the need for agile and innovative IT initiatives to move forward quickly without being hampered by the checks and balances needed to maintain business-critical IT operations. Embedding a 2-Speed IT operating model as a response to the above challenges ensures that both the enterprise systems at the core of all organisations are sustained and nourished, whilst simultaneously being able to develop and deploy new solutions rapidly.

### IT is better represented at Executive Board level

Our respondents highlighted that 68% of Technology leaders now report directly to the CEO and 71% are a member of the Executive Team. A clear recognition that IT is driving growth and sales through Digital, as well as the increasing remit of the CIO.




### IT budgets are on the increase

A significant percentage of IT budgets are on the rise, 40% reported an increase in their annual budget and 34% reported that it had stayed the same. This has a direct correlation to the sole ownership of the IT budget. IT is more in control than ever of its own destiny and the allocation of spend to transformation and innovation activities shows the foresight and planning to keep costs down.

### Organisations will be chasing resources

Regardless of the specific technology, there already is and will continue to be a higher demand, than supply, for key resources. Most organisations are indicating that they want to recruit permanently, however this still begs the question as to where these permanent hires will come from, the market simply doesn't have these skills in abundance. Whilst companies contemplate the idea of building these skills in-house, interims and contractors will surely benefit.

Within this report you will find commentary and insights on the findings, as well as a number of supporting infographics. Within the employment section of the report you will also see some trend analysis, using data taken from the PSD 2013/2014 salary survey.

-  **KEY FINDINGS**
-  **INSIGHTS**
-  **INFOGRAPHICS**

We hope you find the report valuable and thought provoking and a big thank you to all of our respondents.



# IT BUDGETS AND SPEND

## KEY FINDINGS

**IT budgets are on the increase**  
IT spend is on the increase with 40% of respondents reporting an increase in their IT budget over the last year and 34% stating that it had stayed the same. This is also reflected in a strong focus on transformation and innovation with Financial Services, Manufacturing and Engineering and Public Services, who are spending at least as much on pushing their IT forward, as maintaining the status quo. Conversely, Utilities are allocating 37% of their expenditure to transformation and innovation, however, this is likely to change as a result of industry advances e.g. smart metering and increased competition.

It is also worth considering how different organisations define 'transformation' and 'optimisation'. A tactic of many companies recently has been to brand traditional 'operational upgrades' (e.g. moving to Windows 10) as transformation. This approach may help to secure the funding for this type of activity, and indeed prevent this cost from being seen as operational – therefore giving the impression that run costs are lower.

### IT still in control

Many have predicted the demise of the IT function as a budget holder, with some leading analysts predicting

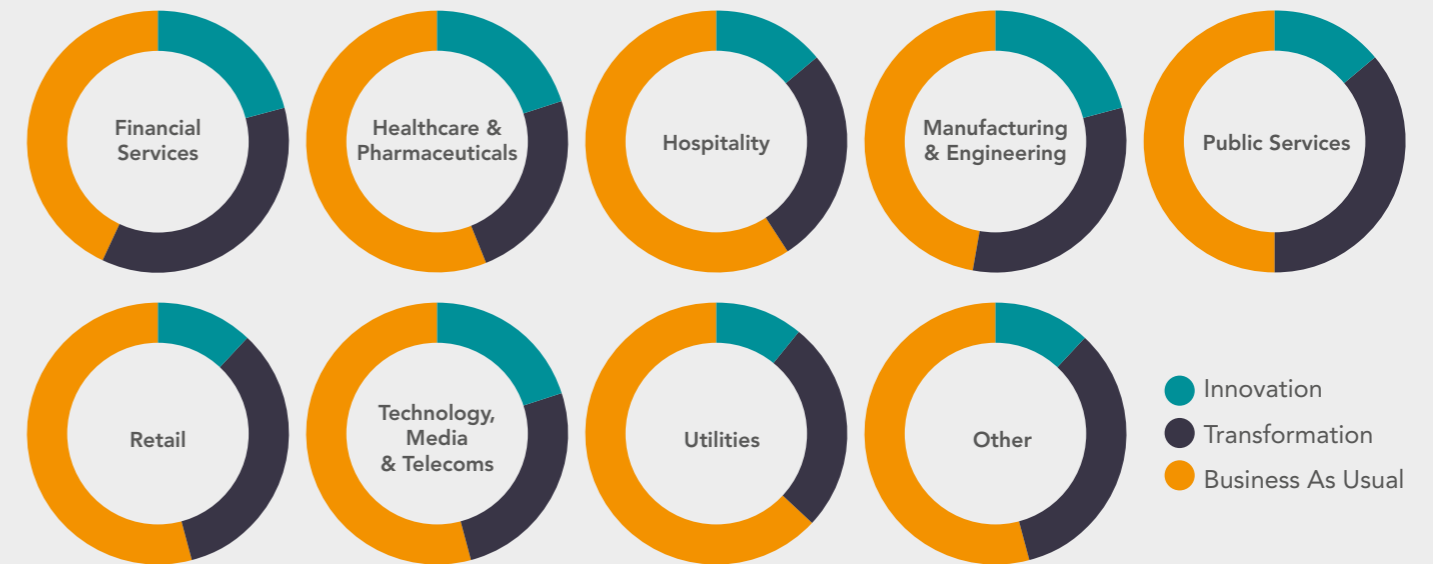
Marketing will control more of the IT budget than the IT department, by 2017. In reality this is not happening, with over half reporting IT owning 90-100% of the budget and almost 90% stating Marketing control less than 10% of the IT budget.

With the growth of Digital marketing, Sales and Marketing functions may well control at least some of the IT budget. However, with the majority of organisations still spending over 50% of their IT budgets on operational activities (that no business function would want or know how to run) it appears IT will remain in control of its own budgets and destiny for some time to come.

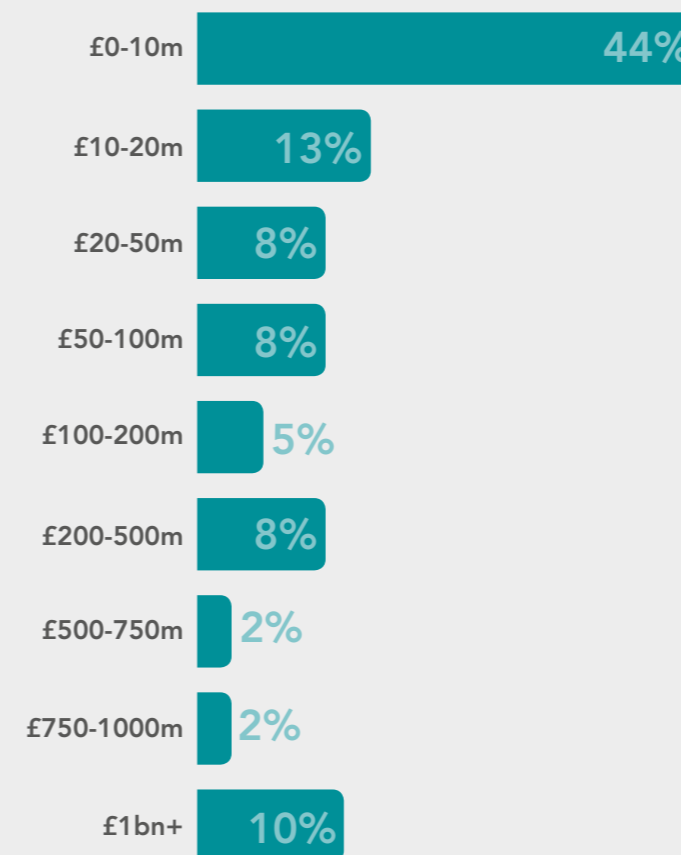


"Almost 90% state that Marketing control less than 10% of the IT budget"

## Average spend by area and sector



## Size of organisations IT budget



## Budget changes over the last year



# CURRENT AND EMERGING TECHNOLOGIES

## KEY FINDINGS

### DIGITAL

#### Digital is here

Digital is here with 69% of respondents stating they already have the capability or that it is currently in development, with a further 15% expecting it within the next 1-3 years. The Retail, Hospitality, Technology, Media and Telecoms and Utility sectors lead this area with over 40% of respondents stating they have Digital and omni-channel capability already in place.

Arguably digital has revolutionised the Financial Services sector, our respondents are showing over 60% either have the capability, or it is in

development. With a greater percentage of people now banking online than through any other medium, this is not a surprising statistic.

#### Some sectors still playing catch up

Delays in adopting Digital within Pharmaceutical and Healthcare due to concerns over patient data confidentiality appear to have been resolved with 66% of respondents stating that the capability is in development, or expected within the next 1-3 years. Pharmaceutical and Healthcare organisations, rarely, if ever deal with the end user. Their digital focus

has tended to be on streamlining areas such as the supply chain. Pharmaceutical adoption of digital is very closely linked to their ERP/CRM partners who are driving the pace of change in this area. The nature of business relationships within the Manufacturing and Engineering sector, (primarily business to business) are likely to have delayed the uptake of Digital, but the potential opportunities it can offer in opening up new marketplaces, are clearly now driving capability adoption. 50% are telling us that Digital and omni-capability is either in development, or expected within the next 1-3 years.

#### Digital reaffirming the need for cyber security solutions

Digital capability correlates with the need for cyber security, protecting customer data in an increasingly mobile and multi-channel environment. 30% of Retail organisations already have a cyber security solution in place and a further 60% are in development – demonstrating their awareness of and response to the new challenges Digital is bringing.

### MOBILITY, ANALYTICS AND CLOUD

#### Mobility and '1st generation' analytics reaching maturity

Over 50% of respondents stated that they already have Mobility, Analytics and Cloud and few said they had no requirement. It is highly likely that the 'analytics' described here are

1st generation – in other words they are associated with the enterprise systems that form the basis of many organisations' management processes and information. It is our view that these analytics, whilst essential to the ongoing running of a business, are discrete from those associated with 'big data'.

#### Traditional use of private cloud

Whilst private and public cloud have similar levels of adoption it is clear, looking ahead, respondents are viewing these two technologies quite differently with investment being focussed on private cloud (50% of respondents requiring private cloud already have it in place, with 25% in development). Unsurprisingly, over 60% of our Financial Services respondents tell us they have no requirement for public cloud. The perceived risk of a public cloud environment within this sector is clearly too high.

#### Emerging maturity surrounding the specific uses of public cloud

In other sectors, it seems likely that there is an emerging maturity surrounding the use of public and private cloud solutions (45% requiring public cloud already have it, with a further 16% in development). Organisations are recognising the benefits of public cloud, greater reliability, economies of scale, and lower infrastructure costs. Some will use public cloud to supplement capability for programmes or projects that need the resource for a defined period, but once this is complete it is released. Transactional ticketing websites are a great example - where there can be a sudden spike in demand of many orders of magnitude above normal baseload activity, a public cloud solution will be deployed to enable rapid scaling up and down to ensure customer service is not affected by the additional demand.

### INTERNET OF THINGS

#### Internet of Things is still emerging (IOT)

More than any other technology, the Internet of Things (IoT) shows a high proportion of respondents indicating that they have no need for it. When broken down by sector this shows that in Telecoms, Technology & Media and Financial services, there is around a



50:50 split between organisations who are investing, and those who see no requirement. Many organisations do not yet fully understand IoT, what it is and what it may mean for them and other potential stakeholders.

#### Gaining competitive advantage from IoT

Much has been written about IoT and the applications it will be put to – the responses to our survey show that of the sectors surveyed, only two are in no doubt about the need to be involved (Utilities and Healthcare). In Utilities this is being driven by the advent of smart metering, enabling real-time access to consumption data, to be presented to consumers. By presenting this information to consumers it is believed that they will change their consumption, reducing the need for investment in new infrastructure. It will also provide utilities companies with rapid information on network failures, enabling them to act in a proactive way and present information to customers in a more timely way than presently.

Wearable technology within the Healthcare industry has the ability to gather more accurate individual patient data, helping to diagnose and manage conditions much more effectively. The contribution this type of technology could have to the success, time and cost of drug trials will surely give competitive advantage within this industry.

#### Uptake of Big Data & Analytics continues to grow

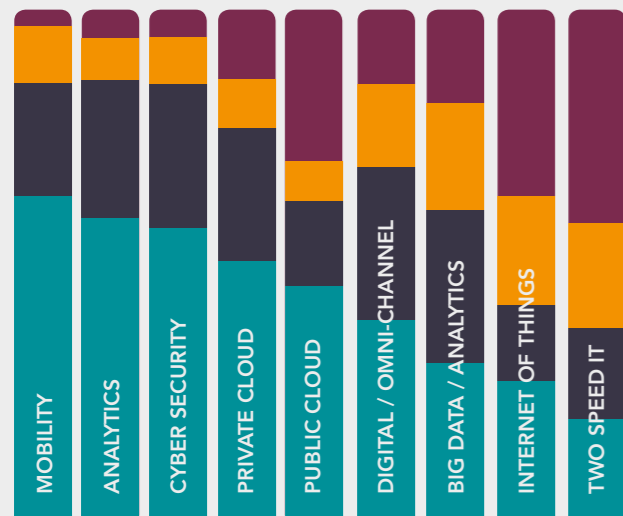
It is no surprise that 88% of our Healthcare respondents are showing maturity in their big data and analytics capability. With devices (from mobiles through to pacemakers) tracking and reporting multiple data points it is essential for them to be able to extract meaningful information, and value. Conversely, Technology, Media and Telecoms organisations may be relying on traditional analytics, rather than seeking to understand the opportunities that integration with customer data could bring, explaining the 25% within this sector who do not believe they have a requirement for this technology.





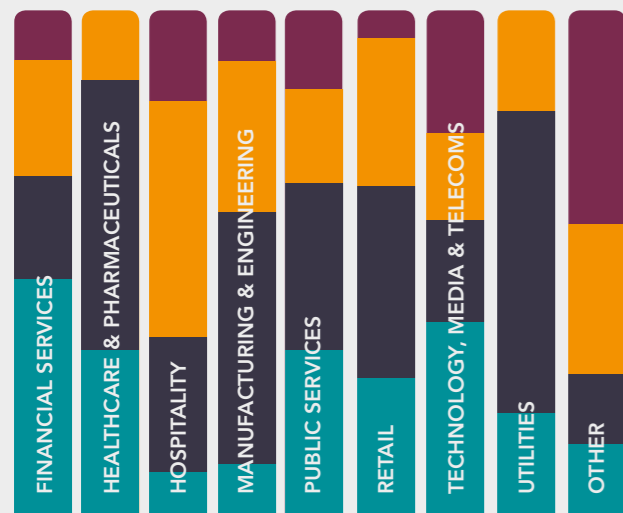
➤ Which of the following technologies does your business have a need for?

- Already Have It
- In Development
- Expected 1-3 Years
- No Requirement



➤ Big data development by sector

- Already Have It
- In Development
- Expected 1-3 Years
- No Requirement



➤ Digital / omni-channel requirement by sector

- Already Have It
- In Development
- Expected 1-3 Years
- No Requirement



➤ Internet of Things



**INSIGHTS**

**Digital needs to be seen as a Business transformation programme**

Digital is not just simply a case of defining your 'Digital products', plugging in some new channels, doing a bit of social integration and off you go. A real Digital company has an ecosystem that works together across front and back end systems, business operations and employed skills. Four key areas have to be addressed to ensure success:

- **Operational change:** business transformation and process change, strategy informed by data, analysis and customer insight
- **Legacy IT Systems:** legacy IT system transformation and the interfaces into them, the front end systems and how the customer interfaces with them
- **Culture:** organisational wide cultural change with strong and visible sponsorship
- **Execution:** strong governance and project and programme management

**Whilst there are significant benefits to cloud, challenges still remain**

Cloud is representing a fundamental shift in the dynamics between customers and supplier; with customers embracing the flexibility and speed of provisioning Cloud services. Cloud, therefore, is very much a disruptive factor for the traditional outsourcing model, as more companies and enterprises will choose to procure their IT services with Cloud providers, or demand more Cloud like contracts within an outsourcing deal.

Cloud can potentially undo many of the lessons that organisations learnt when



**"The key differentiator for organisations implementing big data and analytics is the company culture around this capability"**

they moved to multi-sourcing; which saw organisations investing significant time, effort and money in developing and implementing standardised processes across their end to end IT operation; which is typically owned and governed by the service integration function. Cloud services are all about delivering a standardised and repeatable solution to customers, based upon the suppliers' processes. This enables the economies of scale to be achieved and offered in a utility model. Integrating Cloud services can therefore present many challenges, for example all of a customer's other suppliers may follow a very standard incident management process, but for Cloud services they have to follow the Cloud vendors prescribed process. The same may apply to other processes, such as availability management, capacity management, and change management to name a few.

**The value of the Internet of Things is not recognised**

Our experience across a number of recent client engagements is showing that organisations may not see how and where the Internet of Things can add value today. They need support to be able to articulate a clear business case and return on investment to their organisation and related stakeholders. However as we see within the Utilities and Healthcare sectors, as more devices and applications are developed and connected to the internet and the thinking matures, a clear picture starts to emerge of its value.

**Company culture key to Big Data and Analytics**

The key differentiator for organisations implementing big data and analytics is the company culture around this capability. Those organisations who have a good understanding of how to apply the capability, how to get value out of it and have a data driven culture are the ones who benefit greatly. Those who see it as a panacea, will struggle to succeed.

We have worked with clients within Retail who would already say that they have a good understanding of big data and



**"Digital needs to be seen as a Business transformation programme. A real Digital company has an ecosystem that works together across front and back end systems, business operations and employed skills"**

how to analyse it, using predictive models from data warehousing. They therefore question the value of investing in this area.

Within Manufacturing we have seen first-hand how big data and analytics are enabling companies to move beyond the traditional lean / six sigma process improvement techniques. By using big data they are able to get a perspective on demand requirements in complex environments, at a significantly greater level of detail.



**"Cloud is representing a fundamental shift in the dynamics between customers and supplier; with customers embracing the flexibility and speed of provisioning Cloud services"**

# 2-SPEED IT FOCUS

## KEY FINDINGS

### Adoption of 2-Speed IT is moving at pace

60% of respondents see a need for 2-Speed IT, of which around two thirds have already implemented it or are in the process of implementation. The industry sectors that are most likely to adopt a 2-Speed approach are Retail and Healthcare. In the case of Retail this is due to the ever increasing need for speed and agility in a fiercely competitive Digital world, whilst at the same time keeping backend enterprise applications stable and robust.

### Can the two speeds work together?

When it comes to implementing 2-Speed IT, a number of respondents have concerns that the two speeds cannot operate effectively together. This is more evident in organisations that have not yet implemented, with around 15% believing that they cannot work effectively together.

Interestingly, our respondents who have already implemented 2-Speed IT, or are in the process of doing so, appear to be more neutral as to whether the



**“The jury is out as to whether the two ‘speeds’ can work together effectively”**

two speeds can work together. This is possibly down to the maturity of 2-Speed IT operating models and processes, with the jury being out on its success with a number of organisations.

### Undecided as to whether skills are transferable between the two modes

Almost 50% of respondents do not believe that skills are transferable between the steady and fast modes. Of those who have the experience of implementing a two speed model, this figure drops to 20%. Others remain undecided.

### Looking to external support to define and execute

Only 17% of our respondents believe they have the in-house capability to run a 2-Speed operation. Around two thirds of those who have already implemented 2-Speed IT utilised external support, and nearly all of those that are considering a 2-Speed operating model believe that they need external support. Consultancy and advisory firms are the first choice for most organisations

when considering implementing 2-Speed IT, with systems integrators and infrastructure providers coming second.

### The supplier landscape is shifting with the implementation of 2-Speed IT

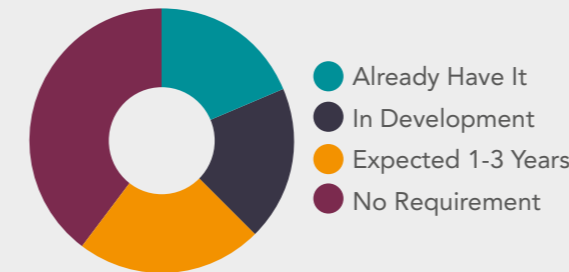
It seems contradictory that whilst around 30-40% of organisations would look to their suppliers to help implement a 2-Speed approach, only a quarter of organisations believe that their suppliers are capable of working in a 2-Speed environment.

Coeus' experience in recent years is that organisations implementing a 2-Speed approach often change their suppliers, utilising cloud or niche providers to provide the agility and flexibility that they are looking for in their Digital platforms. That is not to say, however, that traditional enterprise outsourcing suppliers and contracts are unimportant or dwindling – often these are in addition to enterprise applications and provide organisations with new channels to their customers.

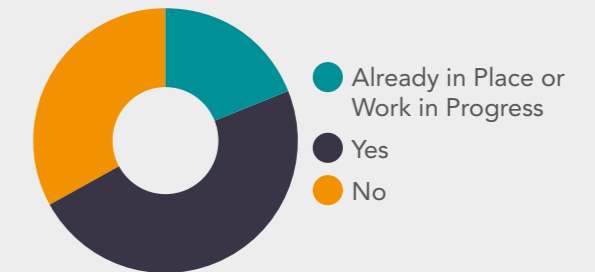


**“60% of respondents see a need for 2-Speed IT with Retail and Healthcare leading the charge”**

### The adoption of 2-Speed IT



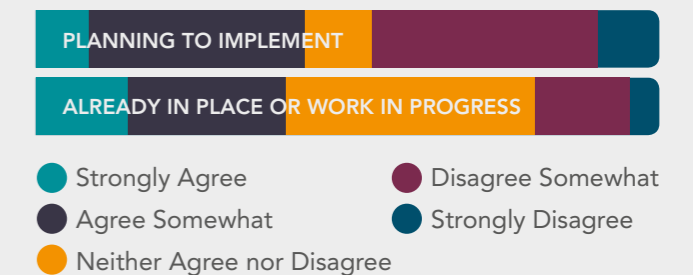
### Is a 2-Speed IT approach required?



### Rate the following statement: Mode 1 (steady speed) and Mode 2 (fast speed) IT functions can work in partnership



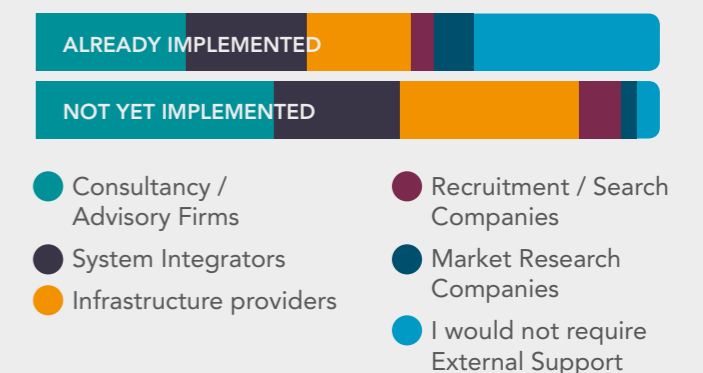
### Rate the following statement: Mode 1 (steady speed) personnel can operate effectively in a Mode 2 (fast speed) operation



### Where did/would you look for 2-Speed IT skills?



### Where did/would you look for external support when implementing 2-Speed IT?



### Do you believe your current suppliers are capable of running a 2-Speed IT operation?



### Are you planning any changes to your supplier landscape as a result of 2-Speed IT?



## INSIGHTS

A 2-Speed IT approach can help an IT organisation seize the opportunities afforded by the Digital economy, allowing it to sense and react in near real time to the market, customers and competitors. However, before committing to a 2-Speed IT operation there are a number of questions an IT organisation should answer.

### Do you need to run a 2-Speed IT operation and why?

Most organisations will benefit from running a faster, more agile approach to IT development and operations, but not all. For those organisations operating a more agile environment it is inevitable governance will be reduced and all the checks and balances of a more mainstream IT approach will not be there. This will not be appropriate for all organisations within all sectors such as critical power generation, aspects of financial services or secure services. Be clear on what services and which customers, whether internal or external, are going to benefit and why.

### What systems and processes need to run more quickly?

Even within a fast paced consumer driven environment not all systems need to run at a quicker pace, typically only around 10-30 percent of systems would benefit from a faster approach within an organisation. By their very nature, back office accounting and core processing systems need the greater governance, reliability and control of a more traditional approach. It is only the consumer facing or differentiated internal systems, where real value in the market place can be gained, as they need a faster approach. Be sure about where the value lies and only target those systems for a faster approach in the first stages.

### Do you have the skills, experience and resources to execute?

To run a faster IT operation successfully you need talented multidisciplinary teams to work with new processes, tools and governance. The majority

of organisations do not currently have sufficient internal resources to operate in the new way. Many organisations will look to recruit externally but the resources will be scarce in the marketplace as organisations compete for the same people. IT organisations are going to have to 'grow their own', supported by externals where appropriate at key moments.

### How are you going to make the changes to your IT operating model and organisation?

Running a faster IT stream will inevitably require changes to the IT operating model and organisational structure. The changes that will need to be made depend on the business model, current IT structure and supplier landscape. In addition, Mode 1 and Mode 2 need to work together as Mode 1 deals with Enterprise systems, such as finance, which by the very nature of Commercial Mode 2 systems need to be interfaced together to allow real time transactions and customer order processing. It is

critical a 'wall' is not built between the two teams as like the systems they develop and support, they are in fact joined at the hip.

### What tools, processes and governance are you going to need?

The new approach will require investment in new tools, processes and governance to enable a truly faster outcome. Ensure there is a clear value case for the faster approach and secure the right level of funding to invest in the tools and new ways of working otherwise it will not be possible to make the current approach 'faster'.

### How successful organisations have started

Start with a single project or programme reducing the risk and cost of a major IT transformation. Allow the project to run using new agile methods, processes and tools. Once there is a working model up and running move resources to new structures over time.



Success can be increased by investing in additional resources to document the new methods and processes so that they can be used by additional projects and programmes coming into the 'fast' stream. (Figure 1)

### 2-Speed IT is interconnected with other developments

Figure 2 shows three additional themes that are interconnected with 2-Speed IT and currently evolving within the industry.

Figure 1

IT Operating Model example showing how some organisations have successfully implemented 2-Speed IT

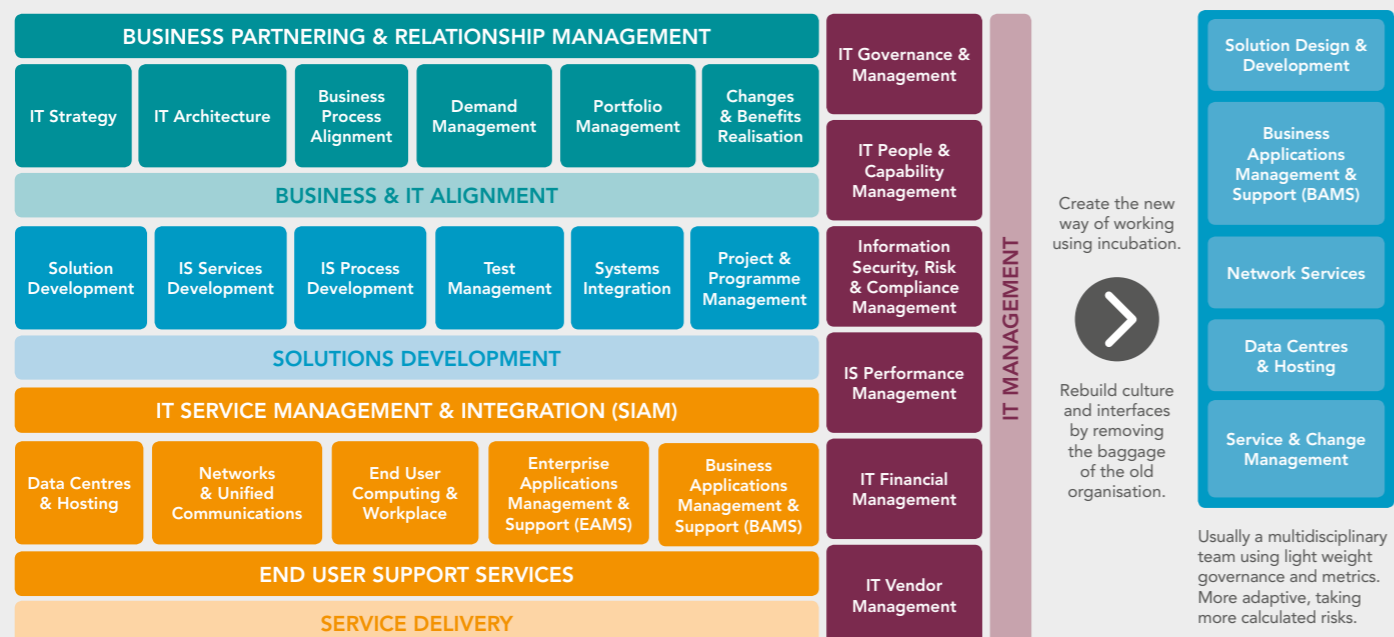
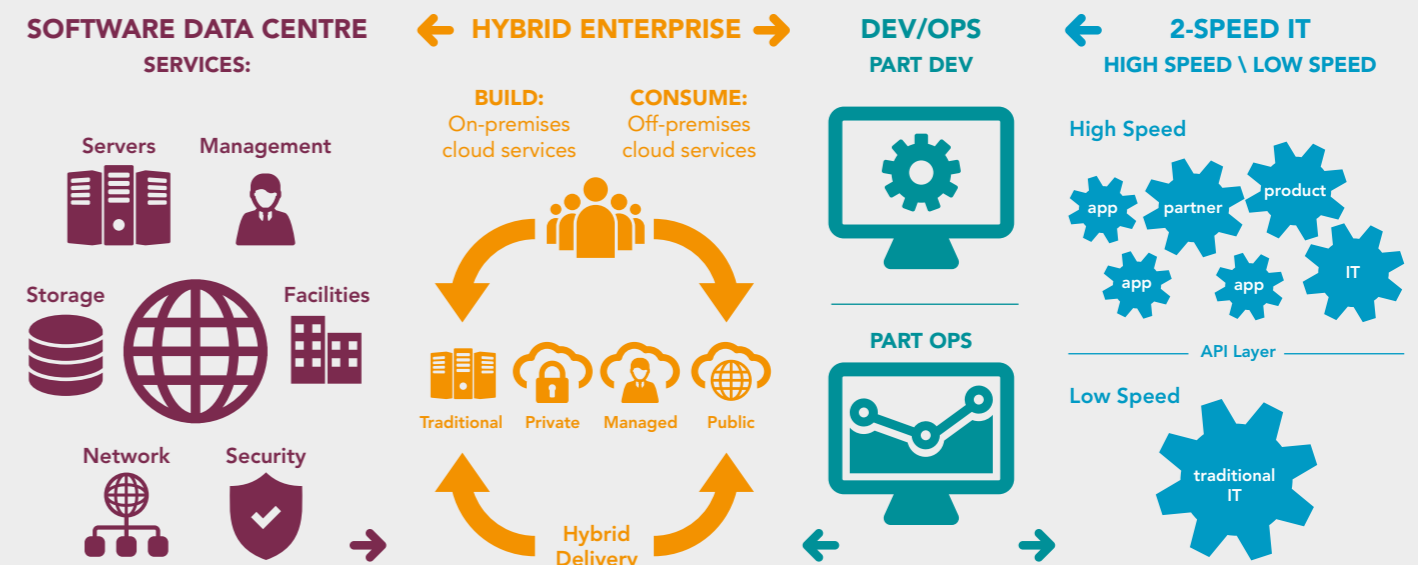


Figure 2





# EMPLOYMENT AND SKILLS

## KEY FINDINGS

### TECHNOLOGY LEADERSHIP

#### Technology at the forefront of boardroom discussions

**68% of Technology leaders now report into the CEO** due to the increased importance of technology to the overall strategy of the enterprise. The Digital revolution, driven by the speed of development and adoption of increasingly more advanced consumer tech, has placed technology at the fore of boardroom discussions. More frequently than ever we are seeing businesses succeed or fail over their ability to undergo critical Digital transformation. Technology is and will continue to be the lynch-pin of successful organisations from the start-up, to the SME to global blue chips.

This number is greater than we had expected and in excess of the 49% from the 2015 CIO.com report. It is our belief that with technology being such a significant driver of change within businesses the CEO requires closer

insight and with that, brings the CIO closer in to them. We saw this through the .Com years, where technology was driving a business and that lasted until the steam went out of the market. It will be interesting to see what happens to this statistic over the coming years.

#### Technology as part of the decision making process

**71% of respondents highlighted that they are part of an Executive team.** This is unsurprising when we look back at some of the advances our clients have made over the past year and the need to have a Technologist as part of the decision making process. With so much change taking place and companies needing to invest significant sums to either maintain their position or gain competitive advantage, it makes sense to have a Senior Technologist as part of the decision making process.

Alongside CIOs and CTOs, the roles of the Chief Digital Officer and Chief Data Officer are becoming better defined and more established in larger companies.

### TAKING THE LEAP

#### Candidate Mobility

**51% of respondents have changed role in the past 2 years.**

Our research indicates that the technology market continues to encourage high levels of candidate mobility with the increased demand for talent resulting from major programmes of innovation and change.

This is symptomatic of the rise of the technology team and its transition from support provider to holding the key to new revenue streams. Employees are also no longer so willing to invest large periods of their careers in a single organisation or trust that loyalty will necessarily lead to personal growth and financial reward. Frequent role changes are seen as particularly positive by Generation Y or Millennials who understand the importance of accruing diverse experience and demonstrating rapid progression in their early career post-qualification, taking courage from those who rapidly attain senior positions in doing so.

#### Seeking out a new challenge is a way to increase your salary

A pipeline of exciting, diverse and ultimately engaging work can be as much of a pull or push factor as money, especially in technology where working with the latest technology keeps employee skillsets fresh and relevant. **54% of our respondents reported that a new challenge was the main reason for leaving their last role.** This is interesting as only **10% of our respondents had been promoted internally**, which may be why so many looked for their next opportunity elsewhere.

Against a background of ongoing change, **22% of respondents left their last role due to redundancy.** This is not unexpected as companies realign their operating models for growth. Two significant trends were: outsourcing

'core IT' functions to solution providers who can offer a similar level of service at a reduced cost and; focussing financial resources on technologies that will drive bottom line growth be that internal efficiencies or external customer services or products.

### SALARY VERSUS DAY RATE

#### Permanent Salary Trends

When asked about recent salary increases, **37% of those surveyed said their salary had not changed during the last year.** This was evenly spread across job roles at all levels of the enterprise. There was no trend when examining this against length of service, as has been the case in previous years, when there was a plateau effect seeing salary increases slow with tenure. Anecdotal evidence points to companies having to review their remuneration policies and benchmark specific technology skill sets to ensure that employees are being appropriately rewarded. With the blend of experience and technical knowledge becoming harder to identify and attract, businesses are having to be flexible with salaries to retain core staff.

On the other hand, 63% had seen pay rises and 15% saw increases in excess of 10% of their basic salary. The majority of those who had 10% or more added to their salary either received this through promotion, or by moving company.

#### Contract Rate Trends

Operating boards are increasingly viewing Technology spend as a business enabler rather than a cost, resulting in major transformational change programmes being approved from the board level more quickly. Consequently we have seen an uptake in investment in interim and contract resources to get programmes of work productive quicker.

Over the past 12 months both Interim and contract rates can be seen to be improving with 39% of respondents recording a rate increase and 13% receiving an increase of 10-30% (these candidates were predominantly in senior management roles). With 43.5% of interim Consultant and Contractor rates remaining stable, the past 12 months can be seen to be a positive period following several years of inconsistent rate movement.



**“Obtaining talent continues to be challenging, meaning day rates will no doubt increase over the next 12 months”**

With enterprises having to remain competitive and provide both resilient solutions as well as cutting edge applications, companies are working hard to attract and retain both permanent and contract talent. In some instances, particularly with niche or harder to find skill sets, we have seen significant spikes in day rates both on initial contract and the subsequent extension, leading some clients to elongate the initial contract period.

### CHASING RESOURCES

#### 2016 Rate Pressure

The survey is telling us that organisations continue to find obtaining talent challenging, which in turn is putting stress on day rates. **54% of our respondents are forecasting a rate uplift during the next 12 months.** In addition, contractors are finding themselves able to move from one assignment to another with very little idle time between.

#### Investment in transformation activities favourable for contractors

As the data is showing us, the strong focus on investment in transformation programmes, coupled with skills shortages in certain technology areas means the outlook is positive in the medium term for day rate contractors.





38% of our respondents are looking to permanently hire to support the implementation of Digital capabilities, with a combined 35% coming from the contract and consultancy markets.

The pull of resource for the implementation of big data and analytics bears a striking similarity to that of Digital. Whilst the resources required for these two technologies are different, the parallel is clear – many organisations are going to be chasing the same resources. This constraint will lead to issues in the timing, cost and quality of delivery, as companies are forced to pay more for the skills they need, or potentially use less

experienced people simply to get their projects underway.

**No demand for System Integrators or Infrastructure Providers to support the Internet of Things**

System Integrators and Infrastructure Providers are not perceived to have a role in the deployment of the Internet of Things, a scenario that they would feel very uncomfortable about. This could be explained by the lack of maturity of the technology and that organisations are relying on consultancies and contractors to drive the strategy forward. Only

once it has reached an operational state will the System Integrators and Infrastructure Providers be perceived as adding value. It could also be down to a lack of understanding of the skills needed therefore organisations are defaulting to the position they are most comfortable with.

**FLEXIBILITY**

**Flexible Working**

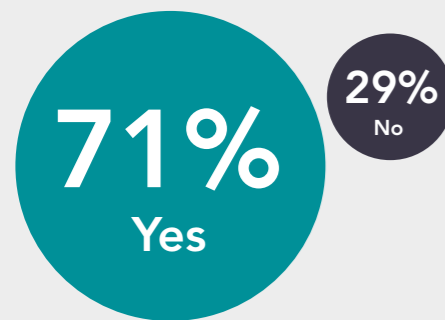
82% of respondents benefit from flexible working, up from 44.8% in 2013 due in part to the rise and widespread implementation of technologies enabling employees to

work from home - 95% of respondents who benefitted from flexible working could work from home.

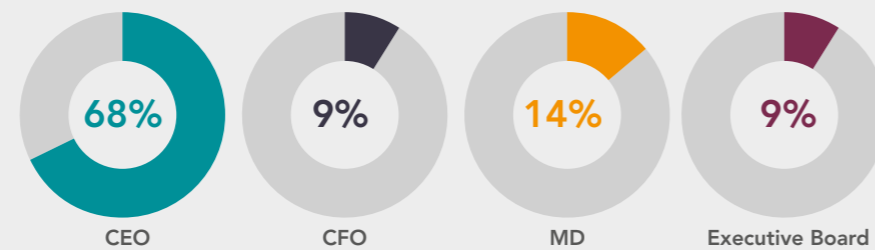
Businesses are keen on practices that allow their employees to be productive in spite of unforeseen circumstances such as childcare, home maintenance or tube strikes. It also follows trends towards better work-life balance and the factoring-in that more women are choosing to work during parenthood and more men are sharing in that responsibility - 88% of respondents said they could work flexible hours.



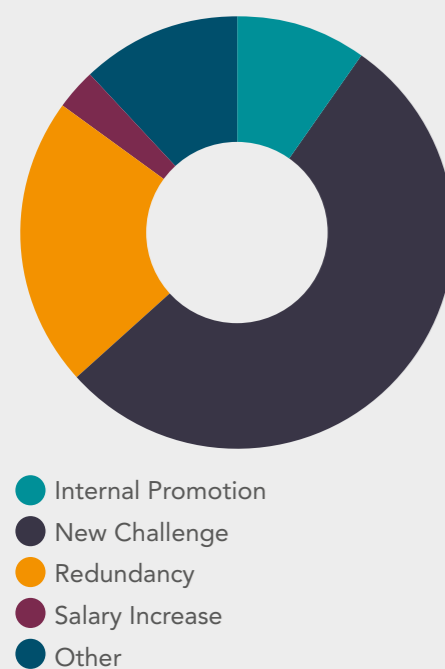
Part of the Executive Team



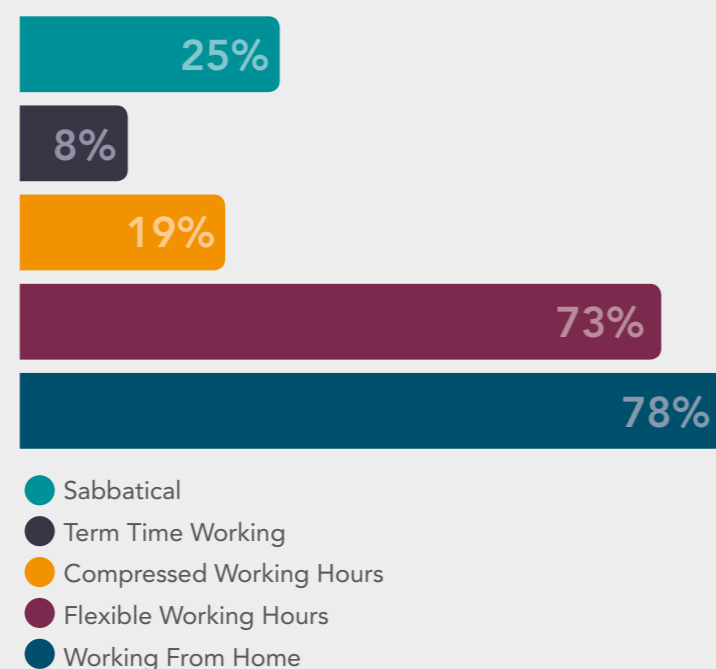
Reporting Line



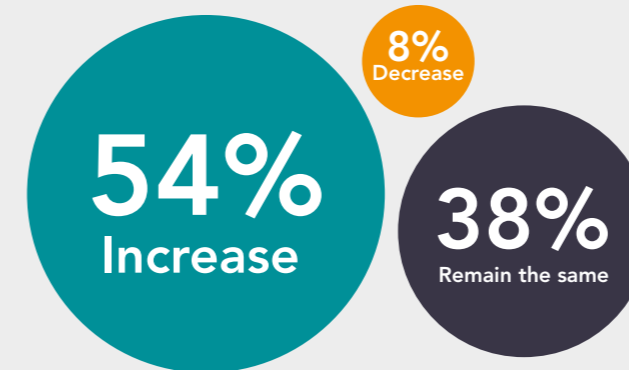
Reasons for leaving last role



What flexibility is on offer?



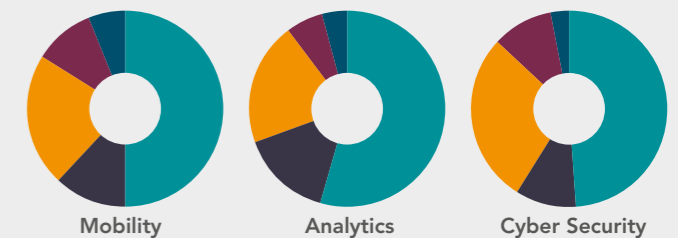
Expected day rate change in the next 12 months



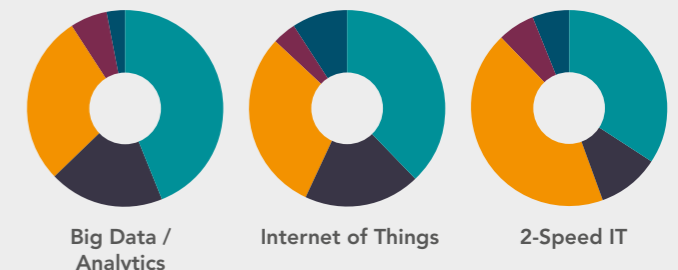
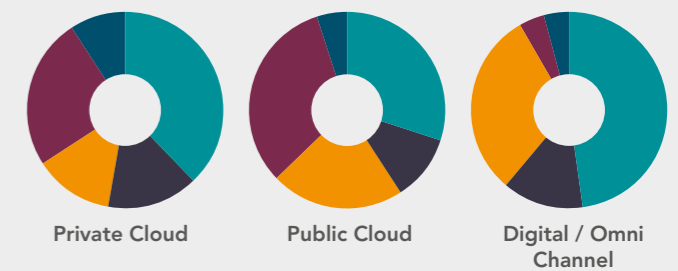
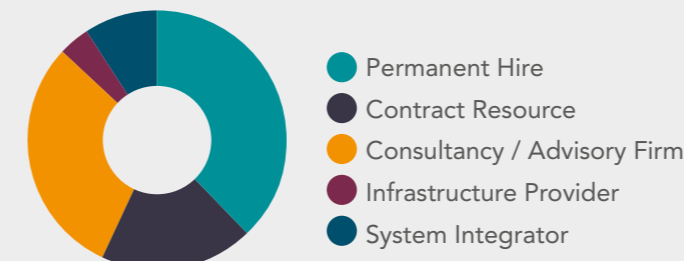
Where would you look to obtain the skills to implement each technology?

- Permanent Hire
- Contract Resource
- Consultancy / Advisory Firm
- Infrastructure Provider
- System Integrator

Where would you look to obtain the skills for Digital / omni-channel?



Where would you look to obtain the skills for Internet of Things?



> 2015-2016 Salary Table

	Professional & Business Services	Utilities	Financial Services	Higher Education	Insurance	Hospitality	Manufacturing & Engineering	Media	Property & Construction	Retail	Technology and Telecoms	Public Services
Solutions Architect	£50,000 - £65,000	£65,000 - £80,000	£70,000 - £90,000	£45,000 - £52,000	£65,000 - £85,000	£60,000-£70,000	£50,000 - £60,000	£65,000 - £80,000	£65,000 - £90,000	£55,000 - £60,000	£55,000 - £75,000	£45,000 - £55,000
Enterprise Architect	£70,000 - £100,000	£80,000 - £110,000	£90,000 - £125,000	£56,000 - £65,000	£85,000 - £115,000	£80,000-£100,000	£70,000 - £90,000	£75,000 - £90,000	£70,000 - £110,000	£80,000 - £100,000	£80,000 - £120,000	£60,000 - £80,000
Data Architect	£60,000 - £80,000	£70,000 - £90,000	£80,000 - £110,000	£56,000 - £65,000	£70,000 - £100,000	£70,000-£90,000	£60,000 - £80,000	£70,000 - £85,000	£80,000 - £120,000	£65,000 - £85,000	£65,000 - £90,000	£55,000 - £75,000
Head of / Chief Architect	£85,000 - £110,000	£100,000 - £130,000	£100,000 - £150,000	£67,000 - £85,000	£90,000 - £140,000	£90,000-£120,000	£90,000 - £110,000	£90,000 - £110,000	£90,000 - £120,000	£100,000 - £130,000	£90,000 - £130,000	£90,000 - £120,000
Business Analyst	£50,000 - £70,000	£60,000 - £75,000	£65,000 - £90,000	£50,000 - £60,000	£60,000 - £80,000	£50,000 - £70,000	£35,000 - £45,000	£45,000 - £65,000	£45,000 - £55,000	£50,000 - £65,000	£45,000 - £60,000	£45,000 - £60,000
IT Business Partner	£55,000 - £70,000	£70,000 - £90,000	£75,000 - £95,000	£60,000 - £80,000	£65,000 - £90,000	£75,000-£85,000	£55,000 - £75,000	£65,000 - £80,000	£70,000 - £90,000	£75,000 - £95,000	£85,000 - £120,000	£60,000 - £75,000
Business Solutions Manager	£55,000 - £70,000	£70,000 - £90,000	£80,000 - £95,000	£60,000 - £80,000	£70,000 - £90,000	£50,000-£75,000	£50,000 - £75,000	£80,000 - £95,000	£60,000 - £80,000	£70,000 - £90,000	£85,000 - £120,000	£50,000 - £60,000
Head of Infrastructure / Operations	£75,000 - £120,000	£80,000 - £115,000	£90,000 - £140,000	£65,000 - £80,000	£80,000 - £130,000	£75,000-£95,000	£75,000 - £95,000	£80,000 - £100,000	£70,000 - £100,000	£90,000 - £120,000	£85,000 - £110,000	£60,000 - £75,000
Head of Change	£80,000 - £110,000	£70,000 - £90,000	£80,000 - £130,000	£65,000 - £80,000	£70,000 - £120,000	£80,000-£95,000	£80,000 - £95,000	£85,000 - £100,000	£80,000 - £120,000	£85,000 - £100,000	£90,000 - £120,000	£70,000 - £85,000
CIO	£120,000 - £170,000	£150,000 - £300,000	£180,000 - £300,000	£100,000 - £180,000	£170,000 - £250,000	£120,000-£220,000	£120,000 - £200,000	£150,000 - £300,000	£120,000 - £240,000	£150,000 - £250,000	£150,000 - £300,000	£100,000 - £200,000
CTO	£90,000 - £110,000	£120,000 - £180,000	£95,000 - £150,000	£90,000 - £150,000	£90,000 - £140,000	£100,000-£160,000	£95,000 - £125,000	£100,000 - £200,000	£90,000 - £150,000	£95,000 - £125,000	£120,000 - £200,000	£100,000 - £150,000
ITD	£90,000 - £120,000	£110,000 - £150,000	£110,000 - £180,000	£85,000 - £140,000	£100,000 - £170,000	£100,000-£180,000	£90,000 - £125,000	£120,000 - £180,000	£90,000 - £140,000	£90,000 - £150,000	£120,000 - £200,000	£85,000 - £120,000
Head of IT Services	£75,000 - £120,000	£90,000 - £140,000	£90,000 - £140,000	£65,000 - £80,000	£80,000 - £130,000	£80,000-£120,000	£75,000 - £95,000	£80,000 - £100,000	£70,000 - £90,000	£90,000 - £120,000	£80,000 - £110,000	£75,000 - £90,000
PMO Manager	£70,000 - £85,000	£70,000 - £85,000	£70,000 - £100,000	£53,000 - £65,000	£70,000 - £90,000	£70,000-£90,000	£65,000 - £85,000	£65,000 - £80,000	£65,000 - £80,000	£60,000 - £75,000	£65,000 - £85,000	£55,000 - £65,000
Programme Manager / Director	£80,000 - £120,000	£80,000 - £120,000	£100,000 - £150,000	£53,000 - £80,000	£90,000 - £135,000	£80,000-£120,000	£75,000 - £110,000	£80,000 - £120,000	£75,000 - £110,000	£80,000 - £130,000	£90,000 - £150,000	£55,000 - £80,000
Project Manager	£50,000 - £75,000	£65,000 - £80,000	£70,000 - £95,000	£40,000 - £50,000	£65,000-£85,000	£55,000-£75,000	£45,000 - £65,000	£50,000 - £70,000	£55,000 - £70,000	£55,000 - £75,000	£70,000 - £85,000	£50,000 - £70,000
Risk / Compliance / Governance Manager	£60,000 - £80,000	£60,000 - £80,000	£80,000 - £100,000	£45,000 - £55,000	£80,000-£100,000	£65,000 - £85,000	£45,000 - £65,000	£50,000 - £75,000	£60,000 - £101,000	£45,000 - £70,000	£55,000 - £90,000	£55,000 - £75,000
Service Desk Manager	£65,000-£80,000	£70,000-£80,000	£70,000 - £85,000	£42,000 - £54,000	£65,000-£75,000	£50,000 - £65,000	£60,000 - £80,000	£60,000 - £70,000	£65,000 - £75,000	£55,000 - £70,000	£60,000 - £80,000	£40,000 - £55,000
Test Manager	£65,000-£80,000	£70,000-£85,000	£70,000 - £95,000	£52,000 - £58,000	£70,000-£85,000	£60,000 - £75,000	£65,000 - £85,000	£70,000 - £80,000	£60,000 - £75,000	£65,000 - £75,000	£65,000 - £80,000	£50,000 - £60,000

> Consulting

Consultant	£40,000 - £55,000
Senior Consultant	£55,000 - £70,000
Principal Consultant	£70,000 - £90,000
Director	£90,000 - £150,000
Partner	£150,000 - Uncapped

> Software Development

Programme Manager / Director	£60,000 - £80,000
Project Manager	£45,000 - £60,000
Risk / Compliance / Governance Manager	£60,000 - £80,000
Service Desk Manager	£40,000 - £50,000
Test Manager	£40,000 - £60,000

➤ 2015-2016 Day Rate Table

	Professional & Business Services	Utilities	Financial Services	Higher Education	Insurance	Hospitality	Manufacturing & Engineering	Media	Prof Services	Property & Construction	Retail	Technology	Telecoms
Solutions Architect	£550 - £600	£600 - £650	£500 - £700	£520 - £625	£550 - £650	£525 - £625	£500 - £600	£550 - £650	£600 - £700	£700 - £800	£600 - £700	£650 - £700	£650 - £700
Enterprise Architect	£600 - £700	£650 - £750	£600 - £850	£575 - £700	£550 - £750	£650 - £750	£600 - £700	£600 - £700	£700 - £800	£750 - £850	£650 - £750	£650 - £750	£650 - £750
Data Architect	£550 - £625	£575 - £625	£500 - £750	£525 - £585	£430 - £600	£550 - £650	£525 - £600	£525 - £585	£600 - £700	£450 - £550	£600 - £700	£650 - £700	£650 - £700
Head of / Chief Architect	£650 - £750	£700 - £800	£750 - £1000	£600 - £750	£750 - £950	£750 - £900	£675 - £775	£600 - £750	£750 - £950	£450 - £550	£750 - £950	£700 - £750	£700 - £750
Business Analyst	£400 - £450	£400 - £450	£450 - £650	£375 - £450	£400 - £600	400 - £500	£400 - £475	£400 - £500	£450 - £550	£450 - £550	£400 - £525	£400 - £475	£400 - £475
Business Relationship Manager/ IT Engagement	£570 - £625	£575 - £625	£450 - £600	£425 - £475	£425 - £600	£400 - £550	£550 - £600	£425 - £475	£600 - £650	£500 - £600	£600 - £650	£575 - £600	£575 - £600
Business Solutions Manager	£500 - £550	£600 - £650	£550 - £700	£450 - £600	£500 - £600	£500 - £600	£500 - £550	£450 - £600	£500 - £650	£800 - £1000	£500 - £700	£550 - £600	£550 - £600
Head of Change	£650 - £750	£700 - £800	£800 - £1200	£650 - £850	£850 - £1250	£650 - £800	£750 - £900	£650 - £700	£900 - £1,100	£700 - £800	£650 - £900	£750 - £850	£725 - £875
CIO	£800 - £900	£900 - £1100	£1000+	£750 - £1100	£900 - £1200	£850 - £1000	£800 - £950	£900 - £1,300	£900 - £1,300	£800 - £1000	£800 - £1100	£900 - £1100	£900 - £1100
CTO	£750 - £800	£800 - £900	£800 - £1200	£750 - £950	£900 - £1200	£800 - £900	£750 - £800	£900 - £1,100	£800 - £1,000	£700 - £800	£700 - £1000	£900 - £1100	£900 - £1100
ITD	£800 - £900	£900 - £1000	£800 - £1200	£700 - £950	£700 - £900	£850 - £950	£800 - £950	£900 - £1,100	£800 - £950	£800 - £950	£700 - £900	£900 - £1100	£900 - £1100
Consultant	£600 - £650	£600 - £650	£600 - £700	£450 - £650	£500 - £600	£450 - £600	£600 - £650	£450 - £650	£550 - £650	£600 - £700	£450 - £600	£500 - £550	£500 - £550
Developer	£375 - £400	£400 - £500	350 - £500	£275 - £425	£300 - £400	£350 - £500	£350 - £450	£325 - £500	£400 - £500	£350 - £450	£450 - £550	£350 - £450	£350 - £450
Head of Service Operations	£570 - £625	£600 - £625	£550 - £750	£550 - £650	£650 - £750	£600 - £750	£575 - £650	£550 - £650	£600 - £700	£500 - £700	£625 - £700	£625 - £675	£625 - £675
PMO	£250 - £300	£300 - £400	£350 - £600	£200 - £450	£250 - £500	£400 - £550	£300 - £550	£200 - £450	£350 - £600	£400 - £500	£350 - £500	£300 - £350	£300 - £350
Programme Director	£650 - £750	£750 - £800	£800 - £1200	£650 - £800	£750 - £1250	£750 - £1000	£650 - £800	£650 - £1000	£800 - £1,000	£300 - £350	£800 - £1000	£700 - £750	£700 - £750
Programme Manager	£625 - £675	£625 - £700	£600 - £1000	£600 - £725	£700 - £900	£600 - £800	£625 - £675	£600 - £800	£650 - £800	£600 - £800	£600 - £800	£600 - £675	£600 - £675
Project Manager	£450 - £500	£450 - £550	£500 - £850	£425 - £550	£500 - £700	£450 - £600	£450 - £500	£425 - £525	£475 - £600	£400 - £500	£450 - £600	£450 - £500	£450 - £500
Risk / Compliance / Governance Manager	£450 - £500	£500 - £525	£550 - £900	£450 - £550	£500 - £650	£500 - £650	£450 - £500	£450 - £550	£550 - £800	£500 - £600	£500 - £600	£500 - £550	£500 - £550
Service desk Manager	£375 - £400	£400 - £475	£350 - £500	£350 - £450	£300 - £450	£300 - £450	£400 - £450	£350 - £450	£350 - £500	£500 - £600	£350 - £450	£400 - £450	£400 - £450
Test Manager	£450 - £500	£450 - £525	£450 - £650	£375 - £525	£450 - £600	£450 - £550	£450 - £500	£375 - £525	£450 - £500	£450 - £550	£450 - £550	£450 - £500	£450 - £500

➤ Software Development

Programme Manager / Director	£650 - 950
Project Manager	£475 - 600
Risk / Compliance / Governance Manager	£500 - 650
Service Desk Manager	£350 - 450
Test Manager	£450 - 600





# ABOUT THE REPORT

## METHODOLOGY

Our survey invitee list was created from contacts from Coeus Consulting and PSD Group. Our 196 respondents hold C-suite and IT leadership positions at some of the most recognised brands across the world and across the following sectors: Technology Media and Telecoms; Financial Services; Retail; Hospitality; Public Services; Healthcare and Pharmaceuticals, Manufacturing and Engineering and Utilities. We had a number of respondents from outside of

the UK, but over 70% of our participants are based in the UK.

The survey was open for a four week window during September, 2015 and focused on a number of key areas:

**IT Budgets:** year on year budget changes; spend allocation and; budget ownership;

**Technology adoption:** adoption levels of current and emerging technologies across industry sectors;

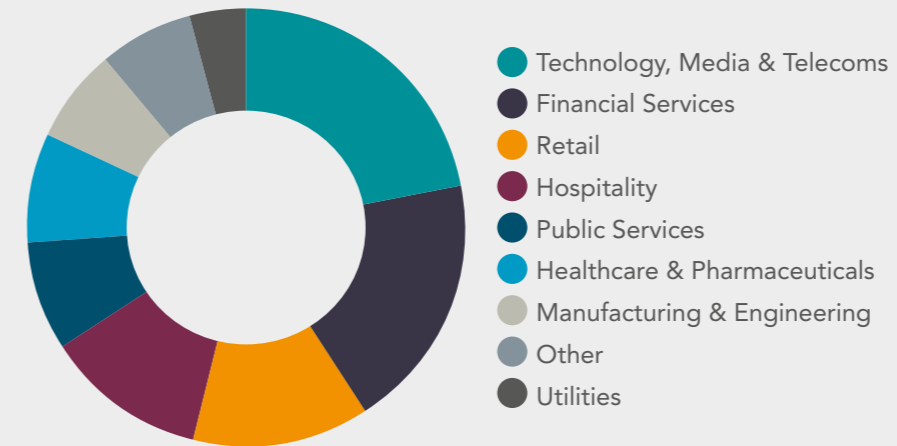
**2-Speed IT focus:** the need for the capability; whether the 2-Speeds can work in partnership; how to obtain the right skills and; the effect it will have on the existing supplier landscape;

**Employment and skills:** technology leadership and reporting lines; candidate mobility; salary and day rate trends; benefits and; emerging skills gaps.

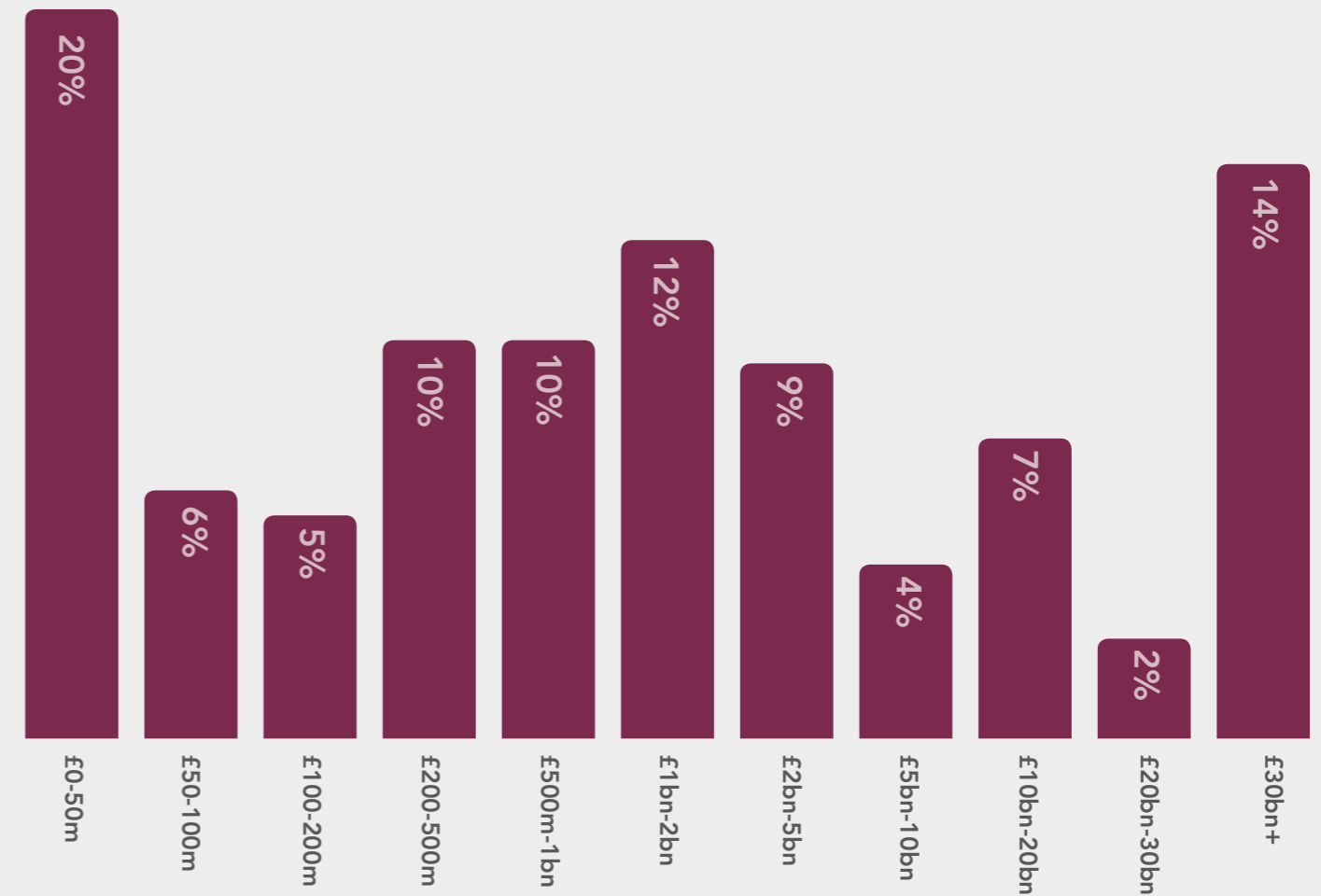


## ABOUT THE RESPONDENTS

### Respondents by Industry Sector



### Company Revenue



# ABOUT THE AUTHORS



Coeus Consulting is an independent IT management consultancy providing advisory services.

We specialise in the areas of IT strategy, sourcing, technology, transformation and optimisation. Our people have the right blend of skills and experience to deliver trusted advice on commercial, technological and business issues resulting in strategic benefits for our clients. We deliver our services to some of the largest corporates, financial institutions and most recognised brands in the world.



PSD is a leading international board, management and executive recruitment consultancy.

Our reputation has been built upon delivering outstanding results and exceptional service levels. Working with some of the world's leading brands and with niche boutiques, our specialist teams provide permanent and contract staff including interim managers across the UK, Europe and Asia.

## KEY CONTACTS



**BEN BARRY**  
Director

Ben has worked for over 20 years in IT consultancy, working primarily with large multi-national corporations developing their IT strategies.

[ben.barry@coeusconsulting.co.uk](mailto:ben.barry@coeusconsulting.co.uk)



**JAMES COCKROFT**  
Director

James specialises in IT outsourcing and heads up the Sourcing practice. His experience in the IT industry, includes 10 years as a consultant.

[james.cockroft@coeusconsulting.co.uk](mailto:james.cockroft@coeusconsulting.co.uk)



**ROB WALKER**  
Director

Rob heads up the Transformation and Optimisation practices. He has extensive experience in the IT industry, with a rounded blend of leadership in end user organisations and consultancy.

[rob.walker@coeusconsulting.co.uk](mailto:rob.walker@coeusconsulting.co.uk)



**CHRIS BORGARS**  
Director

Chris is a specialist in senior level recruitment for IT, business change and e-commerce businesses. Her work includes IT leadership, architecture, service and project delivery.

[chris.borgars@psdgroup.com](mailto:chris.borgars@psdgroup.com)



**STEFAN CIECIERSKI**  
Global Head, Technology Practice

Stefan is the Global Head of the PSD Technology Practice; his expertise covers digital, software, IT services, telecommunications, consumer electronics and semiconductors, IoT and Fintech.

[stefan.ciecierski@psdgroup.com](mailto:stefan.ciecierski@psdgroup.com)