Survey: CIOs Like Their Jobs, Not Their Outsourcers

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With their salaries and budgets on the rise, a majority of CIOs speak highly of their jobs in a new survey. Yet they have mostly harsh words for their outsourcing relationships.

CIOs spoke highly of their jobs and roles in a survey released by KPMG and Harvey Nash on March 21.

Eighty-five percent of CIOs said they found their jobs fulfilling, with 25 percent saying that they were "very" fulfilled and 63 percent saying that they were "quite" fulfilled. More than two-thirds said they were neither interested in nor applying for outside career opportunities. Just 17 percent reported that they were actively looking for new jobs.

The survey argued that one of the reasons that CIOs are generally content in their jobs is that, while 20 percent report having their budgets decreased, the vast majority - 79 percent - report budget increases.

In addition, compensation was seen as strongly tied to CIO contentment. The average salary of IT leaders surveyed was $163,000. Nearly three-quarters (72 percent) of last year's respondents and 75 percent of current ones said that they were "extremely satisfied" or "satisfied" with their income. Furthermore, more than 75 percent had also received bonuses in the last 12 months, 25 percent of which were between 26 and 50 percent of their salary.

"CIOs today have a broad universe of constituents - CFOs, CEOs, board

members - who expect them to approach technology and related investments through a strategic business lens, including considerations of cost savings, ROI and meeting the business's growth objectives," said Stephen G. Hasty, Jr., the lead partner for IT Advisory Services at KPMG.

"More and more, CIOs have finance or business unit backgrounds, in addition to a solid foundation of IT skills, allowing them to match their IT strategies with the company's business objectives."

Based on CIOs responses, the report saw evidence of a mature outsourcing marketing, one in which 80 percent said they were leveraging outsourcing now and 48 percent predicted that their outsourcing spending would increase in the next year.

Still, only 10 percent said that their original outsourcing goals had been met, leaving significant room for improvement. Offshoring relationships proved much more satisfactory to CIOs. Sixty-seven percent said that their offshoring relationships had met or exceeded expectations, up from 60 percent the year before. Ninety-five percent said that their offshoring spending would stay the same or increase.

Business and IT integration was a dominant theme of the survey, and an area where progress has been made over the last year. While in the previous year's survey, only 37 percent of respondents felt that their IT was well integrated with business, now 57 percent say the same.

Despite this 20 percent improvement, however, CIOs still feel they have a way to go before IT and business are fully integrated. Fifty-three percent ranked "alignment with business" as their top priority, compared to only 38 percent last year.

After business alignment, managing project deadlines came in second

place among priorities of CIOs in the survey, cited by 42 percent of respondents. Forty percent ranked security as their top priority, followed by managing staff turnover (35 percent), and effective systems integration (33 percent).

"Top business executives are demonstrating increasing confidence in their CIOs," said Harvey Nash USA CEO and President Robert J. Miano.

"As these IT leaders become more strategic, and eagerly take on additional responsibilities, they are earning responsibility outside of IT. They are leading and sharing expertise in new business arenas. All of this is clear evidence of how CIOs are evolving into renaissance professionals with a range of multifunctional business skills."

By and large, CIOs reported that their roles were becoming more strategic, up to 79.6 percent from 63 percent the year before. Because of this, up to 43 percent of CIOs surveyed have roles outside the IT department. These additional responsibilities range from involvement in strategic decision making to business process improvement and facilities management, all of which the report saw as evidence of increased confidence by business heads in IT managers.

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