

EMC Converged  
Platforms



# ENDANGERED **IT**

IT needs to reclaim technology or lose its voice forever



---

# Contents

<b>Executive summary</b>	<b>3</b>
<b>Exposing the IT/business rift: the big technology challenges</b>	<b>5</b>
<b>The cracks of expansion</b>	<b>7</b>
Call for the cloud	8
<b>The rise of invisible IT</b>	<b>9</b>
The risk of irrelevance?	9
The power is shifting to other parts of the business	11
There is confusion in the boardroom about who is really in charge of IT	11
<b>Reclaiming IT through the power of people</b>	<b>13</b>
Embracing and resisting change	13
The contrary C-suite	14
Skills gaps	14
<b>The next step: IT at the heart of the business</b>	<b>15</b>
<b>Conclusion</b>	<b>16</b>
Research methodology	16

EMC Converged  
Platforms



---

## Executive summary

Every business is now a technology business. It doesn't matter what you do or how you do it, the chances are you couldn't do it without IT. But it seems that the more technology is embedded, the more traditional IT becomes marginalised.

How did we get to this point? Organisations want and need technology that is fully integrated into their business and that can scale, adapt and respond faster than ever before. IT should be at the very heart of this: managing the ever greater volumes of data and addressing business unpredictability, evolving customer needs and market pressures. Yet many companies appear to have lost faith in their IT.

EMC's Converged Platforms Division set out to understand what is driving this perception and what needs to happen for IT to reclaim technology. It spoke to C-suite and frontline employees in both IT and business roles in companies with 50 to 1,000 or more employees, representing different sectors in 13 countries in Europe, the Middle East and Africa. This paper summarises the findings of that research.

---

The findings reveal that everywhere, regardless of company size, sector or geography, IT is at risk of losing influence and relevance.

Causative factors include a huge gap between IT and business professionals when it comes to the perception of and priorities for IT. Nowhere is this seen more starkly than in the boardroom. **CIOs are isolated both from their C-suite colleagues and from their own IT teams, lacking faith in the ability of IT professionals and infrastructure to meet emerging business needs.** They often disagree with other CxOs on IT-related issues and appear to judge the IT team far more harshly than their business-focused colleagues do. CIOs need to better understand business drivers and to champion the role of IT. They need to build the competence and capability of IT professionals and ensure that internal barriers disappear.

Another influencing factor is that companies – and IT teams – are challenged by the technology demands of the next phase of business growth. The study found that **most businesses are struggling to evolve their traditional IT infrastructure and culture to meet the challenges of big data, operational complexity and real-time business.**

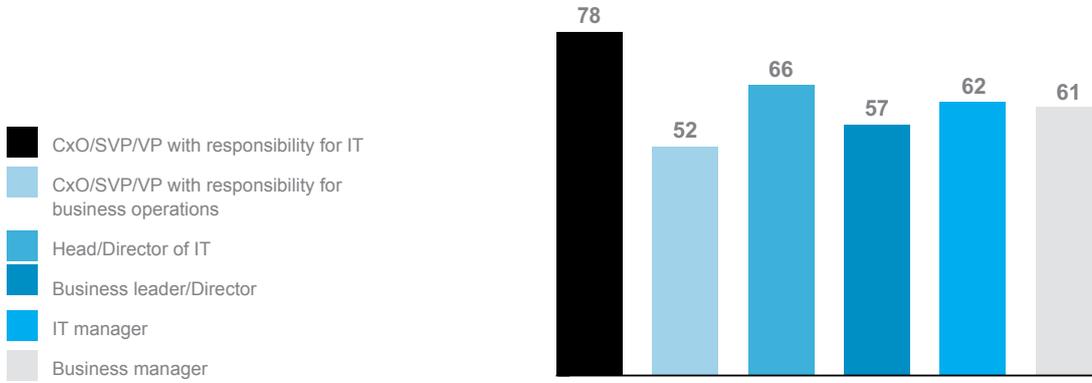
---

The evidence suggests that to keep IT you need to set it free.

The Converged Platforms Division believes that the IT function needs to adapt, professionally and culturally, to the concept of IT infrastructure as an advanced, on-demand utility it can use rather than manage. Something to buy rather than build. The time saved not having to keep the operational lights on will release IT professionals to share their expertise across the business; listening, understanding and enabling. This is the key to reclaiming the relevance of IT.

The research methodology and respondent profile is included at the end of the report.

If you're online, you're a tech business, regardless of what you do



Answered 2741

# Exposing the IT/business rift: the big technology challenges

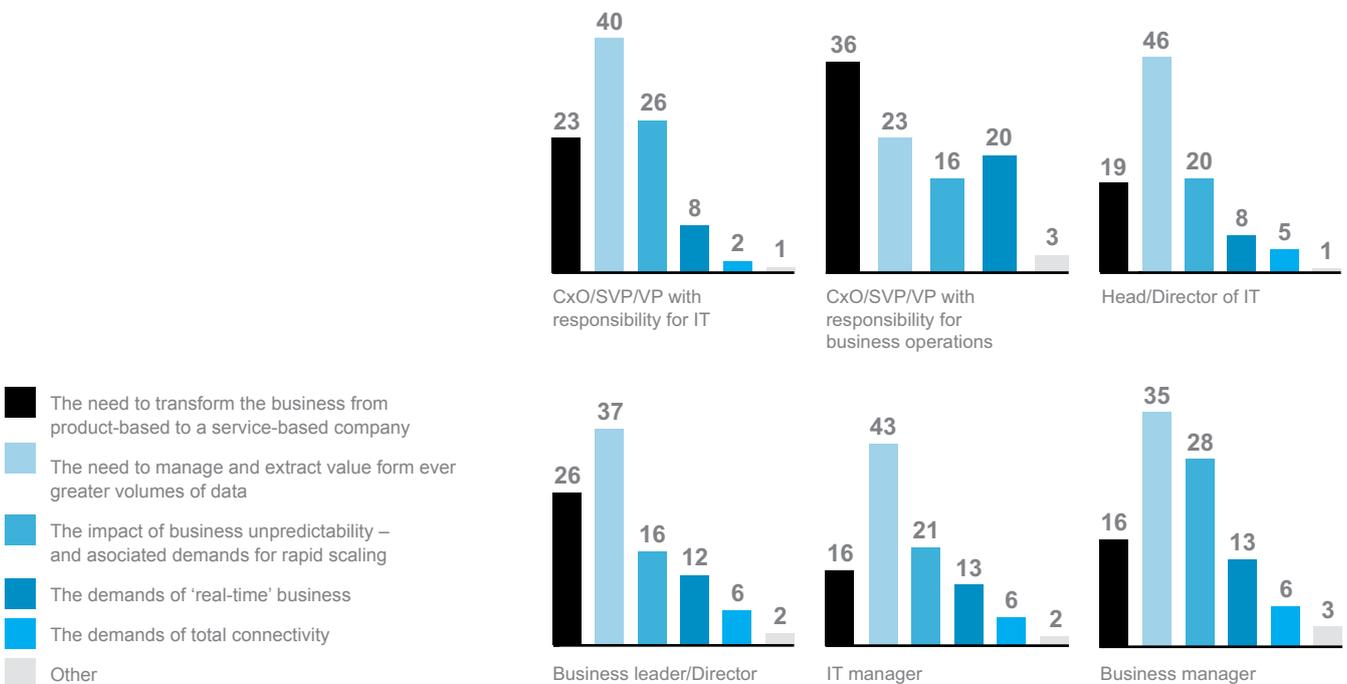
The Converged Platforms Division began by asking companies what they consider to be the greatest technology challenge facing the business today, what they expect to be facing in three years' time and how ready the business is to make that journey.

In 2019, CIOs expect to still be wrestling with data while other CxOs will have shifted focus to the unpredictable, real-time business landscape

Four in ten (40%) CIOs say that today's greatest IT challenge is the need to manage and extract value from ever greater volumes of data – and this will still top their list (at 34%) in 2019.

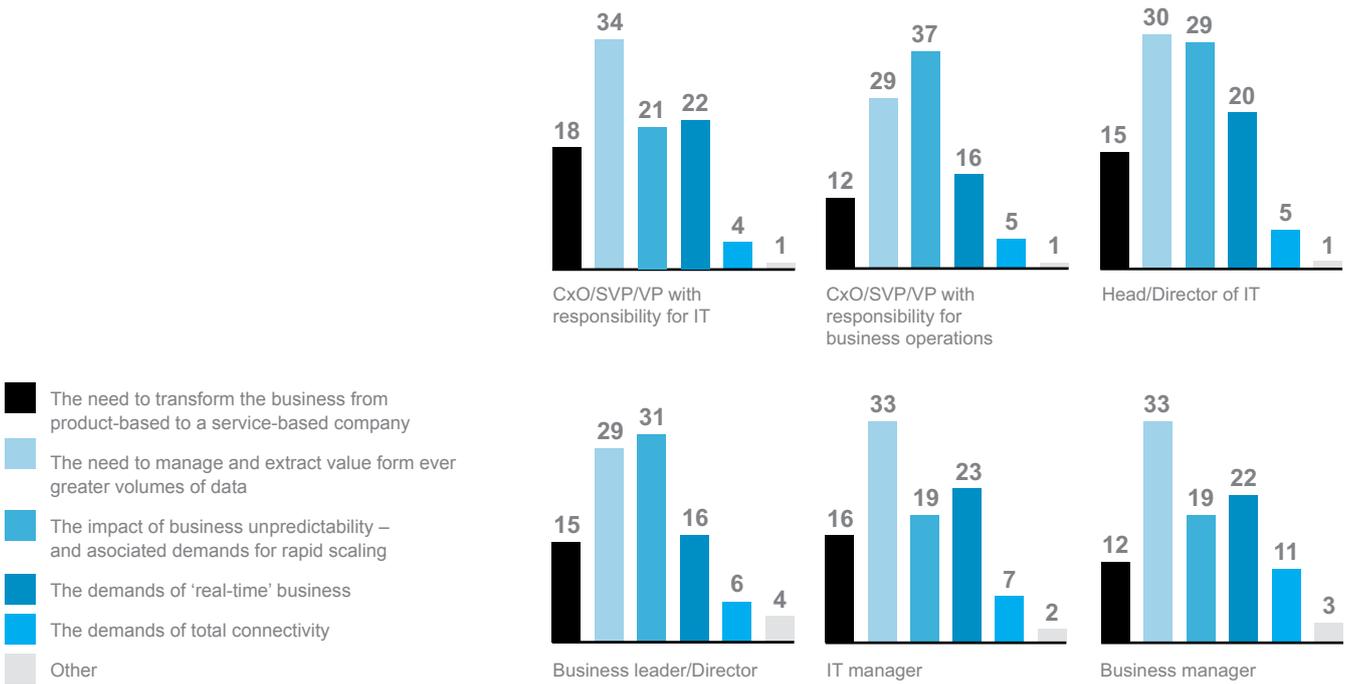
Business CxOs on the other hand, are more worried about how to use technology to support new services (36%) such as intelligence, management support and other value-added added experiences alongside the existing product portfolio. By 2019, they expect to be most concerned about the scaling demands of business unpredictability (37%) and running real-time business operations.

Greatest IT challenge your company faces today?



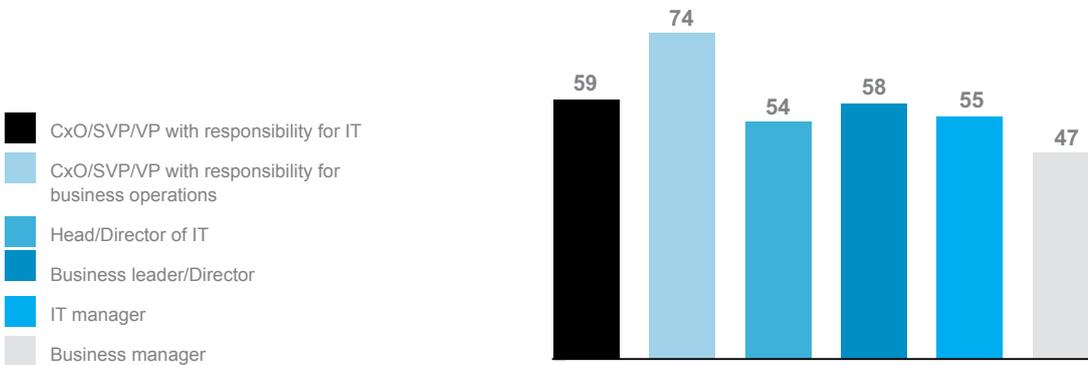
Answered 2741

Greatest IT challenge your company faces in three years' time?



Answered 2740

The business is not ready for the data, operational and technology demands of offering a service rather than just products (%Agree)



Answered 2740

The Converged Platforms Division perspective

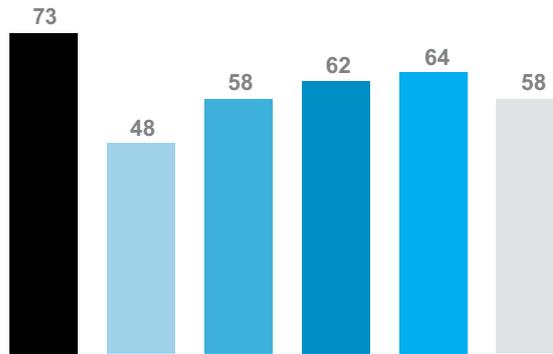
The underpinning IT infrastructure will be critical in addressing these challenges. A modernised, software-defined, converged data centre can cope with high data volumes, scalability concerns and the management of a service-based platform – invisible to business leaders and easy to use for IT. Most importantly from a business perspective, it turns the IT infrastructure into a utility that can be drawn down and used on-demand, helping an organisation to be flexible and agile so that it can respond to whatever lies ahead.

# The cracks of expansion

Seven-in-ten CIOs doubt their current IT can support growth – compared to 50% of business CxOs

There is considerable concern that business growth will quickly reveal weaknesses in the IT team and infrastructure

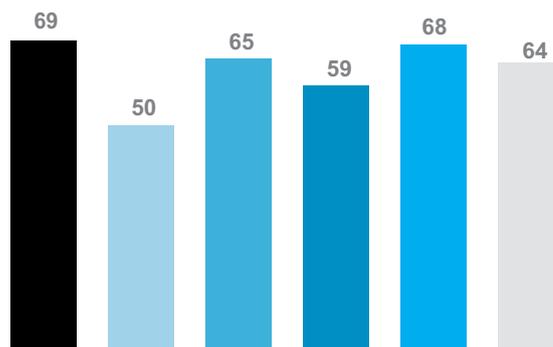
Five years from now we will need to be able to launch new products/services/applications in half the time it takes today (% Agree)



Answered 2741

Three quarters of CIOs say that five years from now they will need to be able to launch new products, services and applications in half the time it takes them today – but they lack faith in their IT’s ability to achieve this. Many worry that business growth may expose under-prepared IT teams (68%) and put excessive pressure on existing IT operations, damaging customer satisfaction and brand reputation (69%). Only around half of the business CxOs agree with them, although they worry that growth will increase IT complexity faster than the business can adapt (73% to 68% for CIOs).

Growth may put excessive pressure on IT operations, damaging quality, customer satisfaction and brand reputation (% Agree)

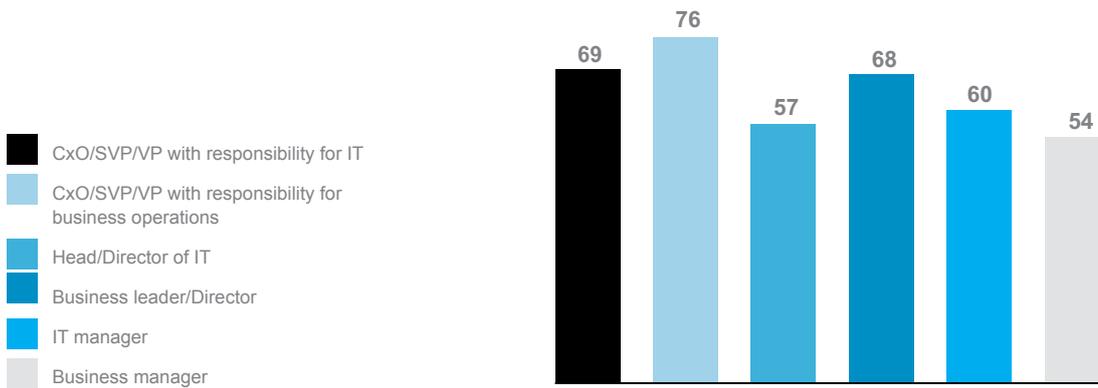


Answered 2741

## Call for the cloud

To accommodate the demands of growth, many companies are turning to cloud computing for support. Business leaders are more indiscriminate, with 76% planning to outsource most or all of their IT systems and data to the cloud. CIOs and other senior IT roles are more circumspect; with most preferring to opt for a hybrid solution, moving less essential IT systems and data to the cloud, while keeping what is core, sensitive and confidential in-house or in a private cloud.

To accommodate growth we will outsource most/all our IT systems and data to the cloud (% Agree)



Answered 2741

### The Converged Platforms Division perspective

Buy instead of build, is the way forward. An on-demand cloud-based infrastructure, whether pure or hybrid has much to offer businesses who are unsure what the future will hold or who are struggling to manage organisational and operational growth. Further, a pre-configured converged infrastructure offers an integrated solution that can be switched on immediately. Both are capable of absorbing variable loads and complexity with ease, and sit alongside traditional infrastructures that are supporting virtualised environments and more.

# The rise of invisible IT

70% of business leaders believe that IT enables innovation

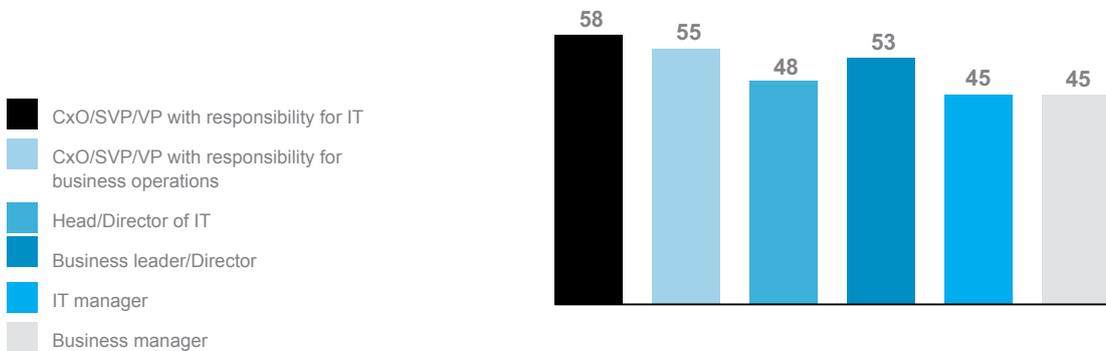
IT is everywhere, embedded in every role and process. However, instead of ensuring IT a place at the table for every important business conversation, this trend seems to be marginalising IT.

IT is often perceived as part of the problem rather than the solution, particularly when compared to the ease of cloud-based applications and infrastructure. It is therefore not surprising to see that many of those surveyed believe that traditional IT departments need to evolve, to stay in touch with the business.

## The risk of irrelevance?

CIOs are the most likely to think this. Over half (57%) believe that the IT team is losing its grip on the technology that is held and used across the business.

Question: IT as a stand-alone, internal function will disappear in the next three years as technology becomes embedded across the business (% Agree)



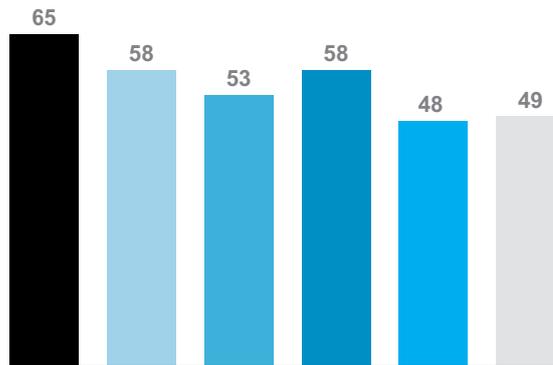
Answered 2741

CIOs are also aware of the important role IT can and should be playing in business growth. 68% are of the opinion that the IT department can inhibit innovation in the business, and a reassuring 70% of respondents overall regard IT as an enabler of innovation. Business leaders appreciate the value IT adds to a business - 53% agree that IT enables innovation. Nevertheless, the majority of CIOs say that their IT professional work in isolation from each other (65%) and from the rest of the business (63%).

### In 39% of businesses, IT priorities are defined by marketing, sales and finance

- CxO/SVP/VP with responsibility for IT
- CxO/SVP/VP with responsibility for business operations
- Head/Director of IT
- Business leader/Director
- IT manager
- Business manager

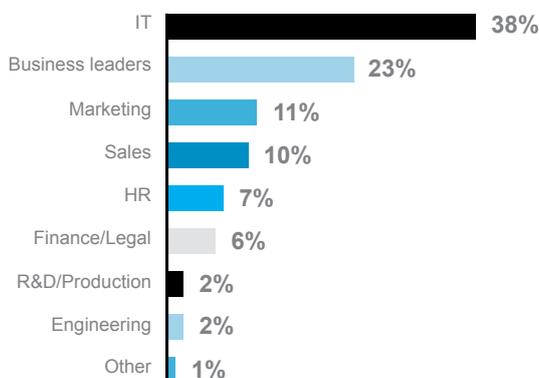
The IT team works largely in isolation from the rest of the business (% Agree)



Answered 2741

## The power is shifting to other parts of the business

These perceptions mean that in some companies, functions other than IT have taken control of the technology agenda. In one-in-ten (11%) businesses, IT strategy is driven by marketing or sales. However, the influence of marketing appears to decline as companies increase in size, giving way to an increasing dominance of IT.

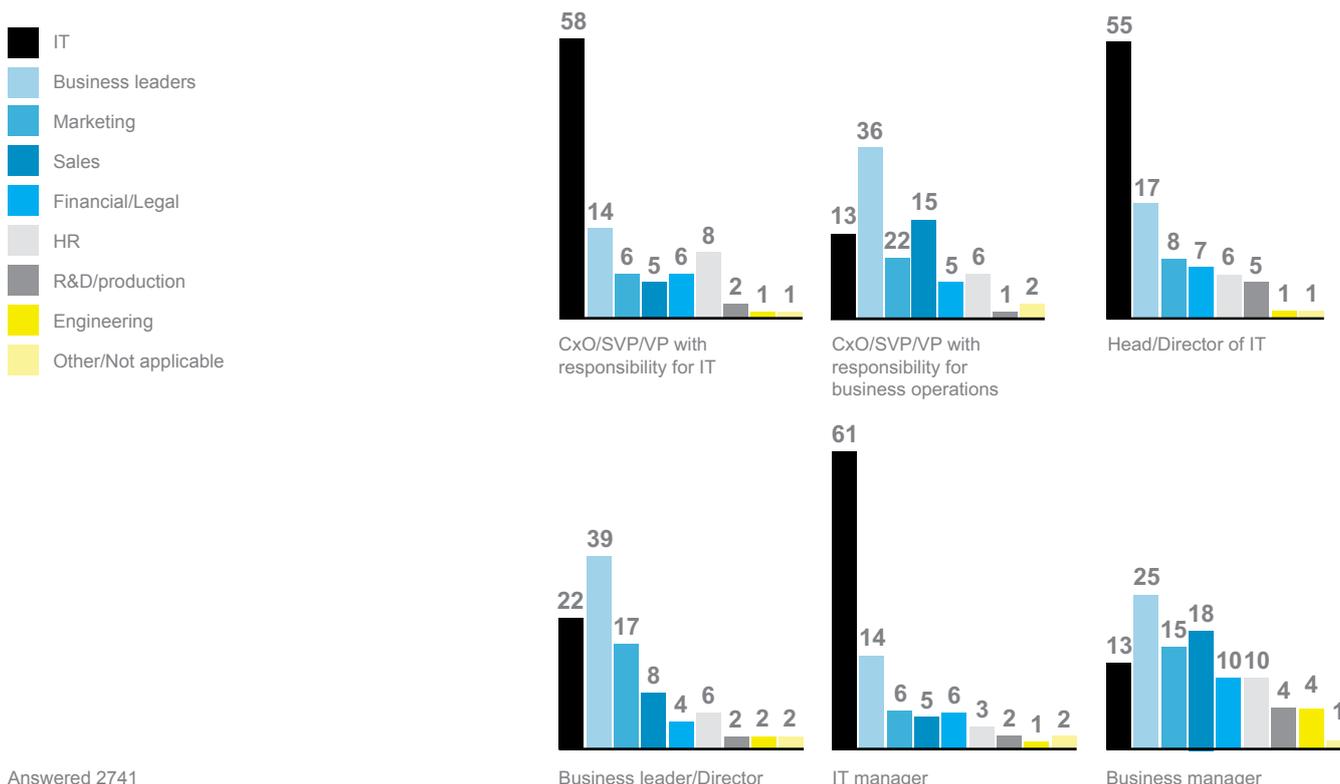


Answered 2741

## There is confusion in the boardroom about who is really in charge of IT

Over half (58%) of CIOs believe they have overall control, with just 14% crediting business leaders. Their colleagues around the table often disagree: 36% of business CxOs think that defining the IT agenda falls within their remit, with just 13% considering it the preserve of IT.

In your opinion, who in the business really steers the agenda for the company's IT



Answered 2741

---

Building an IT department that is as integrated and converged as the company's infrastructure will require a deep cultural change. IT needs to learn the language of business just as the rest of the business needs to learn the language of technology.



---

#### The Converged Platforms Division perspective

Is IT really defeated and can organisations afford to let this happen? We believe it's not and they can't. IT professionals are highly skilled people with a great deal to offer the business – but they need to be able to refocus their time and expertise away from 'keeping the lights on' in operational IT. This requires a more self-sufficient IT infrastructure. However, on its own this will not be enough.

---

# Reclaiming IT through the power of people

“

## Two-thirds

of both **CIOs** and **CxOs** say the business is held back from becoming more service-based through fear of damage to brand reputation, credibility and revenue if they get it wrong

Technology success is all about people. Digital progress can be held back by employee attitude, a lack of skills and a low appetite for risk. For a business to evolve successfully with the aid of technology, it needs to take everyone with it – including its IT professionals.

“

## 40%

of **CxOs** consider themselves the main drivers of digital change – but in large firms they're often seen as the greatest barrier

“

## One-third

of **CIOs** say they lack the skills to understand what technology can do for the business

### Embracing and resisting change

The study found that the main drivers of digital change are, not surprisingly, IT and business leaders. Elsewhere the picture is more conflicted. In over half (55%) of companies, digital evolution is driven by marketing and sales and even finance and legal teams.

However, finance and legal teams are also accused of being the most resistant to change (20%), closely followed by business leaders themselves (18%), marketing (13%) and sales (12%). In 25% of the largest companies, business leaders are named as the greatest barrier to change.

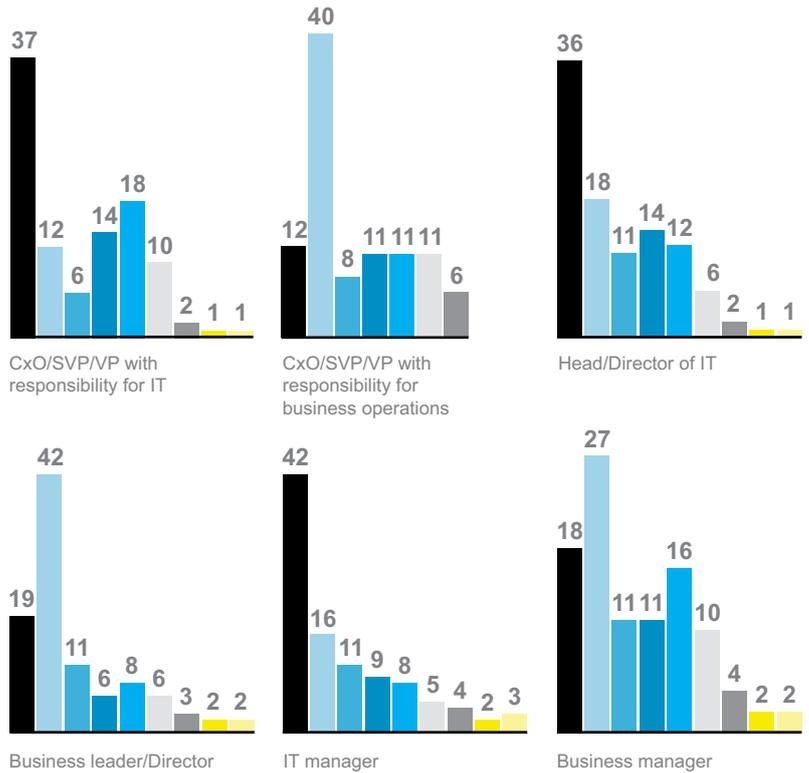
Over half worry that the business is not ready for the data, operational and technology demands of offering a service rather than just products. The C-suite is by far the most concerned.

## The contrary C-suite

CIOs and CxOs each believe that they are the greatest driver of change (37% and 40%) and that all other roles are resistant to change.

The influence of both IT and business leadership increases in line with company size; in companies with between 250 and 1000 employees over half of respondents name other roles as the main drivers of change.

Main driver of change



Answered 2741

## Skills gaps

Just under half (45%) of business CxOs feel they don't personally have the skills to understand what technology can do for the business, but really ought to have them. Somewhat surprisingly, 35% of CIOs say the same.

On the whole, however, companies have a positive attitude to skills and many are, or plan to train IT employees in the converged, hyper-converged, virtual, software-defined, business- and customer- focused skills they need to support and enable a digital business.

### The Converged Platforms Division perspective

It is encouraging to see many business leaders keen to get a better understanding of technology, as well as clear evidence of IT professionals being trained in the infrastructure and business-technology needs of the future. This needs to be complemented by company-wide education on the role and potential of IT. Change is rarely easy; but managed, technology-supported change that makes everyone's working lives smoother, will make the journey significantly more comfortable.

# The next step: IT at the heart of the business

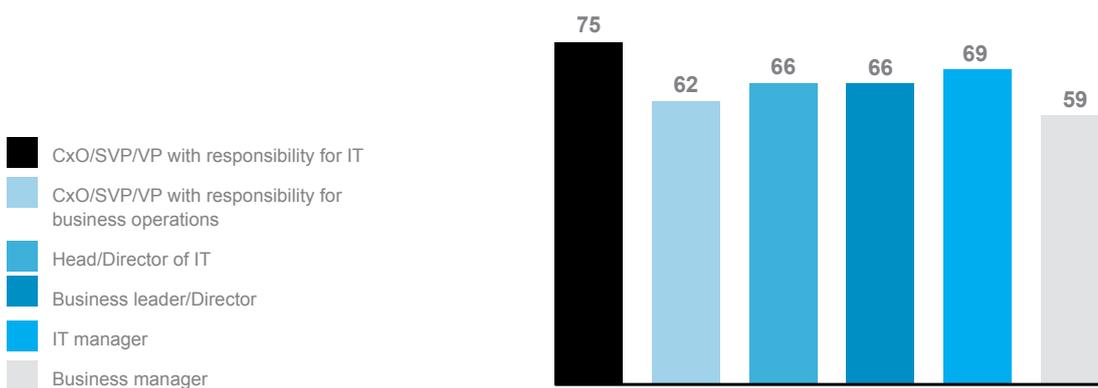
77% of CIOs compared to just 49% of CxOs believes that new software-based technologies are vital for becoming a service-based business.

The positive approach to skills is complemented by an understanding that, in order to survive and thrive in a connected future the business needs to move from a traditional IT infrastructure to an integrated environment; turning growing complexity into software-based simplicity and releasing valuable IT expertise to lend value across the business.

Over 80% of all business leaders say that a scalable, flexible IT infrastructure will reduce risk by providing a solid foundation for business growth and innovation.

However, some notable differences remain. CIOs are more committed to the importance of software-based applications in helping the business to support services rather than just products. Since this transition from product to service is seen by business CxOs as the company's top current IT challenge, their failure to appreciate the importance of software could simply reflect a lack of technology understanding. Their focus is on solutions not the software.

The convergence of hardware, software and networking is critical to successful business growth



Answered 2741

---

## Conclusion



Business leaders don't care about the IT; they care about the business goals. CIOs care about the IT; but don't care that much about their IT teams as they stand. There are some important things that need to change.

Too many businesses, whatever their size or sector doubt the ability of their technology and technology professionals to meet long-term needs. At the same time, there is awareness of the need to invest in more flexible IT to overcome the challenges identified and power future innovation and business performance – and to transform culture and skills to make it happen. That's a journey that needs to start today.

CIOs and their IT teams have their own journey to make: breaking down silos and embracing new converged and software-defined skills technologies alongside or instead of traditional infrastructure.

CIOs need to rebuild their trust in their IT teams and IT needs to reclaim its relevance across the business.

**Most of all, the executives leading IT and those leading business functions need to find common ground in terms of the technology challenges and opportunities facing the business over the coming years. Integrated IT is not the only kind of 'convergence' business needs.**

### Research methodology

The research was undertaken for EMC's Converged Platforms Division by Arlington Research, which surveyed 2,741 business and IT professionals in nine markets worldwide, covering companies with between 50 and 1,000 or more employees, representing a range of business sectors.

Respondents were drawn from the UK, Republic of Ireland, France, Germany, Switzerland, Benelux, Sweden, Denmark, Norway, South Africa, UAE, Saudi Arabia and Qatar; split equally between business and IT and including the following job roles: CIO/SVP or VP with responsibility for IT, head/director of IT, and IT manager; as well as CxO/ SVP/VP with responsibility for business operations, business director, and business manager. The research was undertaken online in January and February 2016.



---

### ABOUT EMC

EMC Corporation (NYSE:EMC) is a global leader in enabling businesses and service providers to transform their operations and deliver IT as a service. Fundamental to this transformation is cloud computing. Through innovative products and services, EMC accelerates the journey to cloud computing, helping IT departments to store, manage, protect and analyze their most valuable asset – information – in a more agile, trusted and cost-efficient way. Additional information about EMC can be found at [www.EMC.com](http://www.EMC.com).

EMC2, EMC, and the EMC logo are registered trademarks or trademarks of EMC Corporation in the United States and other countries.