CIOs on the road ahead

The new workplace landscape
in their own words

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technology
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Tuning in to today's CIO

This research report provides critical insights into what Lenovo is learning from customers, partners, and industry analysts regarding the changing landscape of hybrid work. We've aligned these learnings with new research that tunes into the voices of today's CIOs as they shape the future of workplace technology.

Lenovo works closely with IT leaders — developing and deploying solutions that make organizations smarter, more productive, and able to deliver great employee experience. We wanted to know how these leaders feel about the current business landscape, how they see their responsibilities evolving, and the role technology and tech vendors play in making the new workplace function smoothly.

New CIO study

Lenovo commissioned a study of more than 500 CIOs from companies with at least 250 employees across six markets worldwide. Through an online survey, we explored how CIOs see their evolving role — what's important, what's challenging, and what tools they need to meet those challenges.

Respondents validated what many organizations are already experiencing. And they brought new insights to the conversation about navigating the terrain ahead.

What did we learn?

- The role of the CIO continues to dramatically evolve, expand, and grow in strategic importance.

- The tech vendors CIOs choose — and their deepening partnerships — are critical components of IT investment.

- Most currently deployed technology stacks have major room for improvement and would be replaced if CIOs were starting from scratch.

- But consumption-based "as-a-Service" models are gaining ground as a path to remote work enablement, modernization, and business continuity.

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The CIO evolution

The role of the CIO continues to dramatically evolve, expand, and grow in strategic importance.

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Bracing for (even) broader impact

CIOs view their role as increasingly important to their companies — 89% say more important than two years ago. In fact, nearly nine in 10 CIOs (88%) believe their role is the most critical component of their organization's continued operation. And three-quarters think their organization's success or failure hinges on their performance more than other C-suite roles.

It follows, then, that CIOs believe technology is of paramount importance across the company — although 93% caution it's extremely or very important that it be the right technology.

# These statistics show some of the business areas where respondents rate technology as highly important.

Almost all agree that the role of the CIO has expanded beyond traditional technology responsibilities. While it's not news that the role of the CIO has been growing in breadth, this expansion seems to be continuing and **entering new business areas**.

Nearly 40% of CIOs reported having to manage or be involved with talent acquisition, **35% with supply chain management**, and **45% with environmental sustainability and governance** (ESG). Experience management company Qualtrics reports that over the past year, IT and technology experiences became inseparable from employee engagement and the HR experience.[1] A Qualtrics survey of more than **200 CIOs finds 85%** now collaborate with the CHRO in their organization more than they did before the pandemic.[1] With the advent of hybrid work, technology plays an even greater role in employees' workday experience.
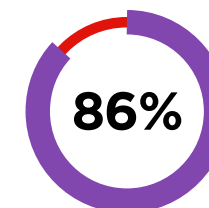
Tech vendors who have a value proposition in areas of expanded CIO responsibility — like remote work solutions, secure supply chain, or sustainable packaging and disposal practices — may well have a competitive advantage.
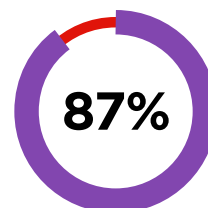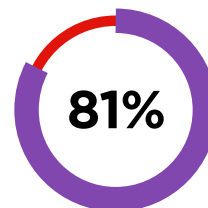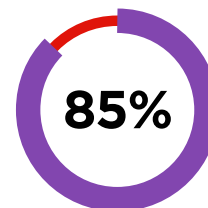
87% Supply chain management
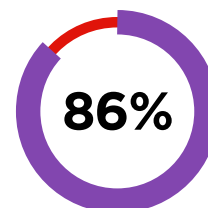
86% Core business/ business model

86% Talent acquisition

81% Environmental sustainability and governance (ESG)

85% Marketing/ sales/CRM

Cross-silo leadership

CIOs will need to broaden their skill sets and capacity to grow into these new expectations. Collaboration among C-suite executives remains a high priority, and horizontal collaboration enterprise-wide has many benefits.

According to *Harvard Business Review,* the integrated solutions that most customers want — but companies wrestle with developing — require horizontal collaboration.[2] Today's collaborative decisions will set the direction for tomorrow's next normal.

"The role of the CIO is to form a bridge between the executive team and the team that works with information technology — to transform the activities of the field into strategies aligned with the organization's business objectives."

Technology enterprise, Brazil

Strategy and vision are not just about delivering digital tools across the enterprise, but also about having a strategic leader's mindset and an impact on the big picture.

In the IDG 2022 State of the CIO report,[3] **58% of line of business (LOB) leaders**, more than double from the prior year, see the CIO as a strategic advisor. CIOs are stepping into this role. They are proactively identifying where technology can be used to improve business outcomes. And they are deploying solutions that improve employee experience, productivity, and the bottom line.

Interestingly, **in our survey, 56% of CIOs** find it extremely or very challenging to solve LOB problems beyond traditional IT boundaries. Undoubtedly, there's a learning curve. On the other hand, respondents are confident in their strategic thinking: More than half make major tech investments proactively, and their own vision edges out the organization's business strategy and tactics as the basis for those decisions.

58% of LOB respondents categorize the CIO as a strategic advisor — up from 28% the previous year.

100%

100%

28%

58%

0%

0%

2021

2022

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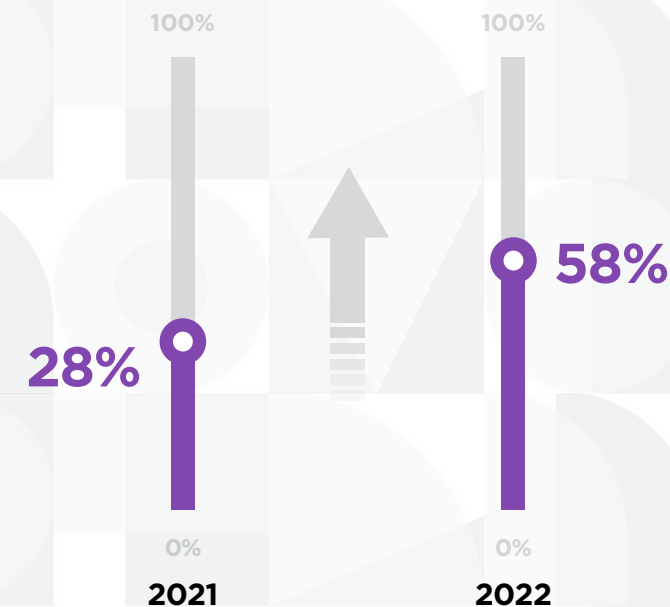
Defining the role of a CIO today

Great leaders anticipate change

Respondents overwhelmingly agree (82%) that their role today is significantly or somewhat more challenging than it was two years ago.
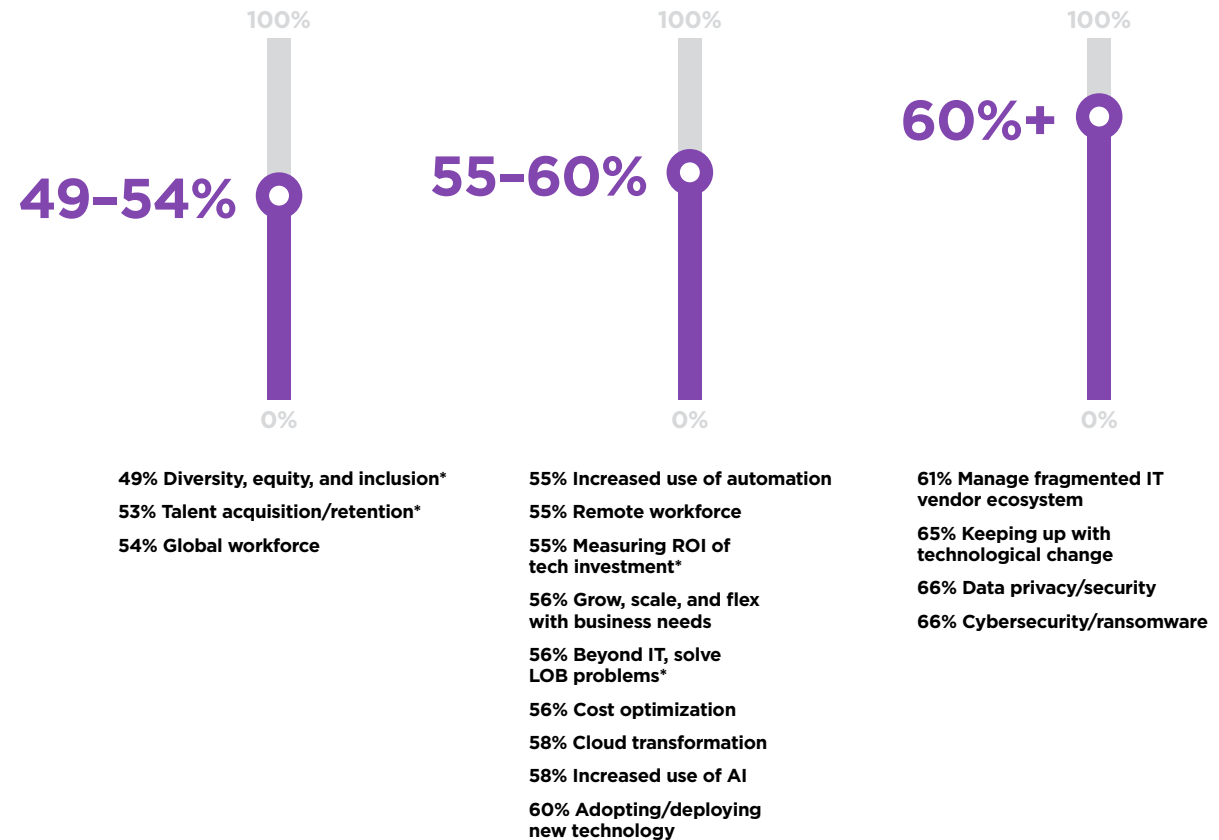
Their challenges cover a lot of ground, some of them beyond the bounds of traditional IT, many mapping to new responsibilities. For each of 16 issues presented, most respondents found these new responsibilities extremely or very challenging.

"[Today, the CIO] maintains balance between operation and improving business unit performance... seeks out new business ideas... challenges the status quo... seizes opportunities... and resolves obstacles."

Retail enterprise, China

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How challenging do you find it to address and/or solve each of the following items/issues for your company/organization?

49–54%

100%

0%

49% Diversity, equity, and inclusion*
53% Talent acquisition/retention*
54% Global workforce

55–60%

100%

0%

55% Increased use of automation
55% Remote workforce
55% Measuring ROI of tech investment*
56% Grow, scale, and flex with business needs
56% Beyond IT, solve LOB problems*
56% Cost optimization
58% Cloud transformation
58% Increased use of AI
60% Adopting/deploying new technology

60%+

100%

0%

61% Manage fragmented IT vendor ecosystem
65% Keeping up with technological change
66% Data privacy/security
66% Cybersecurity/ransomware

*Less traditional roles of the CIO

CIOs can use a partner

The tech vendors CIOs choose — and their deepening partnerships — are critical components of IT investment.

In this hyper-challenging environment, technology vendors can make or break the shift to hybrid work. Strategic vendors can be trusted, proactive partners who know the business, understand industry trends, and develop customized end-to-end solutions. **Of our respondents, 61%** consider managing an increasingly fragmented IT vendor ecosystem extremely or very challenging. So partners who offer comprehensive solutions with one-vendor convenience add significant value.
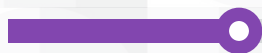
0% ● 100%

61%

of respondents say managing an increasingly fragmented IT vendor ecosystem is extremely or very challenging, making one-vendor solutions very attractive.

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The right technology partner can have a profound business impact — removing complexity, lightening the IT load, and saving costs.

An overwhelming **92% of respondents** consider their technology vendors among the most important or very important factors ensuring continued effective business operations. They play an invaluable role in the company's overall success.

8 in 10

CIOs agreed their technology vendors are so effectively integrated as to increase the CIO's overall productivity.

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The most impactful technology partnerships are long-term relationships.

Engagement may start with small steps toward digital transformation.

A good technology partner will:

Listen hard to understand the organization's needs, goals, unique challenges, and IT perspectives

Educate on what's possible, recommend tailored solutions, and give a range of choices

Support the cadence appropriate for the organization's scaling goals, upgrade objectives, and budget
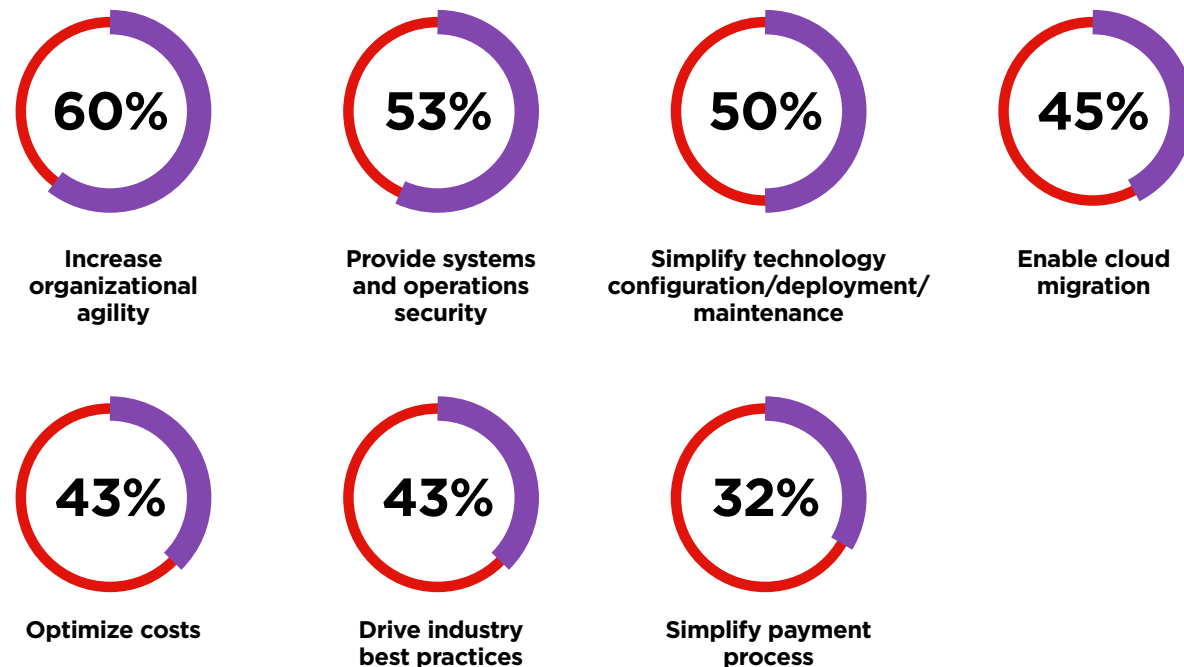
Be highly engaged for configuration, deployment, services, and next-round strategic planning

Continually share industry knowledge, trends, new technology innovations, and advice

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Looking out five years

Here's how CIOs think technology vendors can help address business objectives over the next five years.

60%
Increase organizational agility

53%
Provide systems and operations security

50%
Simplify technology configuration/deployment/maintenance

45%
Enable cloud migration

43%
Optimize costs

43%
Drive industry best practices

32%
Simplify payment process

CIOs actively create their company's future, not just react to it.

They look down the road and around the corner. They have that in common with technology innovators, who by definition have one foot in the future.

CIOs who work with visionary technology vendors and forge strong relationships can better anticipate what's ahead and deploy solutions to successfully meet future business and market demands.

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Transformation three ways

Most currently deployed technology stacks have major room for improvement and would be replaced if CIOs were starting from scratch. But "as-a-Service" models are gaining ground as a path to remote work enablement, modernization, and business continuity.

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1. Enabling a flexible workforce

"Employees are not simply a labor force, but rather, a company resource."

Technology enterprise, Japan

Flexibility is workplace currency

Today, flexible work and employee experience go hand in hand. In a hybrid work world, it's up to IT to ensure employees have what they need to work productively, securely, and happily from anywhere.

When asked about external challenges to the way they use technology, our CIO respondents report extreme or very significant impact from hybrid and flexible working — 78% experiencing it today and 80% expecting it in the next two to three years.

78%
are experiencing hybrid work impact today.

80%
**expect it in the next two to three years.**

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Despite challenges, flexible work is what employees expect.

And employee experience is a top priority. In a global survey, nine out of 10 employers say employee experience will be an important priority over the next three years, **up from 52%** pre-pandemic.[4] Another study links flexible work options to loyalty.[5] And in a Gartner report, **43% of respondents** say flexibility in working hours helps them achieve greater productivity.[6]

9 in 10
employers say employee experience will be an important priority over the next three years.
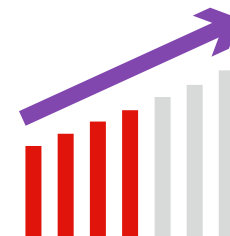
Up from
52%
pre-pandemic.

"Automation reduces unnecessary time for redundant work, improves efficiency, and helps us realize flexible work."

Financial services enterprise, Japan

When technology does not live up to its expectations, employees' productivity — and, crucially, their experience — suffers.

Forrester[7]

# A Forrester study finds that IT leaders have responsibilities

for employee experience (EX) and engagement (28%) and employee well-being (29%).[8] Of the respondents, 41% listed improving EX among their top priorities today. And 60% are investing in EX to improve the productivity and performance of a distributed workforce.

The Forrester report urges these leaders to put employee aspirations and needs at the heart of all technology decisions — and consider experience on the work, personal, and wellness levels. Human-centric design is a key component of hybrid work technology for a growing number of organizations. This includes specific solutions made for the hybrid environment.

0%   100%

29%
of CIOs find their responsibilities for EX, engagement, and well-being very challenging.

41%
listed improving EX among their top priorities today.

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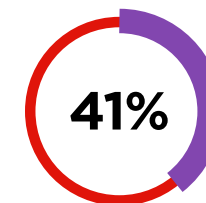
2. Hybrid collaboration for the modern workplace

55%

of CIOs find managing their organization's remote workforce extremely challenging.

0% ———————————————— 100%

60%

feel the same about adopting/ deploying new technology.

Hybrid work success hinges on effective collaboration.

In our research, CIO respondents find managing and supporting their organization's remote workforce (55%) and global workforce (54%) extremely or very challenging. An even higher percentage (60%) feel the same about adopting/ deploying new technology. These are mainstays of the new remote worker reality, so it's important that CIOs find ways to overcome these challenges.

Hybrid work success hinges on effective collaboration. The definition of today's modernization must include collaboration tools. Distributed collaboration is one of IT's most critical functions for employee experience and productivity.

intel. vPRO

An Evo Design

Lenovo made a major investment in smart collaboration and offers a range of solutions made for work from anywhere — including the Lenovo ThinkPad® X1 Yoga powered by Intel vPro,® an Intel® Evo™ Design, for an exceptional thin and light business laptop experience.

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"One of our most significant challenges is maintaining home network security for our remote and hybrid users and making sure our teams have the right collaborative tools."

Technology enterprise,
United States

"We are challenged by system overload and viruses in the system as more employees are accessing the server remotely. Employees are not able to learn as fast as technology is changing."

Consumer products enterprise,
Singapore

Collaboration technology has come a long way in a short time and is continuing to evolve.

Solutions include streamlined, easy-to-use, scalable systems that bring teams together from everywhere and let IT remotely manage from anywhere. Many solutions now include not only video collaboration but engagement-boosting capabilities like chat, whiteboarding, transcription, and polling as well.

Recent technology innovations promote meeting equity with cameras and software that make meetings more lifelike. Deployment of collaboration systems is increasingly bringing together IT, facilities, and HR professionals to implement solutions that benefit multiple areas of the organization.

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3. Business continuity and growth

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Overseeing the collection, use, and protection of all information the company uses and generates has never been harder."

Retail enterprise, UK

"Information resource planning is the CIO's top priority."

Financial services enterprise, Japan

The pandemic took everyone by surprise.

Suddenly, organizations of all kinds found themselves in dire need of a business continuity plan and the infrastructure to implement it. With deep concerns about issues like security, vulnerability to cybercrime, on-demand capacity, backup and recovery, disrupted productivity, and compliance fines, resilience became a household word — spanning both personal and business conversations.

CIO respondents find data privacy/security (66%) and cybersecurity/ransomware (66%) extremely or very challenging. These and other pressing concerns remain top of mind. Organizations are acting to update and upgrade their infrastructure to ensure business continuity, data protection, and uninterrupted productivity. Intuitive and on-demand resource flexibility has never been more critical to business success.
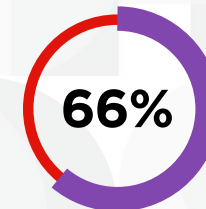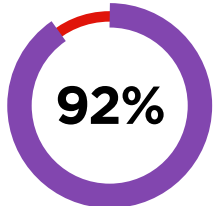
66%

of CIO respondents find data privacy/security and cybersecurity/ransomware extremely or very challenging.

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31–40%

of CIOs say their technology stacks are currently delivered via as a Service.

0%   100%

92%

would definitely or probably consider adding new as-a-Service offerings.

Technology flexing with your business

As-a-Service (aaS) models, also known as consumption models, are an increasingly important way to modernize, simplify, and scale business operations. CIOs can tap into the flexibility of a deployment, support, and security model that ensures both users, data, and networks are protected and new consumption models also seamlessly scale to meet unexpected demand. As-a-Service models flex from hardware and software to infrastructure management and managed services, helping IT teams focus on innovation.

Research shows CIOs are most likely to say that 31%–40% of their technology stacks are currently delivered as a service, and 92% would definitely or probably consider adding new as-a-Service offerings over the next two years.
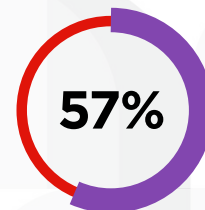
CIOs understand that business models of the past may not be as effective, productive, or efficient in supporting today's workforce or today's business practices.

As a result, they're embracing new models that can take them further along the road to realize their strategic vision.

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63%
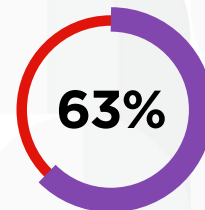
of CIOs report an increase in their use of DaaS.

57%

of CIOs would replace half or more of their current technology.

The next step in "as a Service"

Lenovo TruScale™ is empowering organizations to achieve their vision for the future with access to powerful, flexible solutions delivered with the simplicity of a scalable consumption model. From the pocket to the cloud, TruScale enables CIOs to adopt *technology* as a service and provides peace of mind to ignite their business strategy.

One as-a-Service offering in particular that's gained significant traction in recent years is Device as a Service (DaaS). In fact, 63% of CIOs reported they'd increased their use of DaaS over the previous year. With the procurement, provisioning, deployment, and support of employee devices covered, CIOs and their IT teams are free to focus on more strategic initiatives.

Given the choice, 57% of CIOs would replace half or more of their current technology, so it's no wonder most CIOs see as-a-Service models as a new way of doing business and a powerful tool helping them respond quickly to changing market dynamics.

From evolution to revolution

In a fast-paced world that's more global, more digitally enabled, and more transparent than ever, CIOs are leading. They're stepping up and into evolving roles that comprise the broadest responsibilities in a generation. Heroes of the earliest pandemic crisis days, they're still working through massive transitions and new mandates. Their vision will guide organizations, and their vendor partnerships will be instrumental as we create the future of work.

For most organizations, digital transformation is inevitable — and for many, imminent. The recent tectonic shift has revolutionized work as we knew it and CIOs have a vital role to play in equipping enterprises to thrive wherever and whatever is next.

Together with industry leaders, Lenovo delivers smarter solutions that solve business challenges and help organizations thrive. When you're ready, we're here to help.

Contact your Lenovo Account Representative or local Business Partner

Visit www.lenovo.com/Pursue-Innovation

SOURCES

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3 IDG, "2022 Executive Summary State of the CIO," 2022

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