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Guest Editorial: A Preview of the 2016 SIM IT Trends Study

Leon Kappelman
misqe@aisnet.org

Ephraim McLean
misqe@aisnet.org

Vess Johnson
misqe@aisnet.org

Chris Maurer
misqe@aisnet.org

Russell Torres
misqe@aisnet.org

See next page for additional authors

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Authors

Leon Kappelman, Ephraim McLean, Vess Johnson, Chris Maurer, Russell Torres, and Quynh Nguyen

Editors' Comments

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For the past 37 years, the Society for Information Management (SIM)[1], in partnership with noted academics, has conducted its IT Trends Study to identify and examine the most critical IT management issues and trends. Over time, this study evolved into a comprehensive investigation of IT concerns, investments, leadership activities, and practices, providing valuable insights to practitioners and academics.[2] This article previews some highlights from the 2016 Study. The full report will appear in the March 2017 issue of MIS Quarterly Executive.

In April 2016 a personal email invited all 5,332 SIM members to participate in this year's Study. Over the next nine weeks, follow-up emails were sent and solicitations made through SIM's emailed newsletters. A total of 1,213 completed the questionnaire (a 22.75% response rate), representing 801 unique organizations and 490 CIOs. This preview presents findings based on the highest-ranking IT leader responding in those organizations. The complete report will provide a comprehensive analysis of these organizations and the CIOs.

SIM members represent organizations of all types and sizes, and these 801 represent

more than 30 different industry sectors. On average, each had $4.75 billion in revenue, 9,024 employees, 692 IT employees, and spent over 5.0% of their $3.8 trillion in collective revenues on IT in 2016. Moreover, they expect their IT budgets to increase by more than 5.0% in 2017.

New For 2016

Each year, the IT Trends Study research team of academics and practitioners uses feedback from respondents to improve the questionnaire and ensure that the Study remains relevant and timely. Several questions were added this year to address how organizations are dealing with the increasingly important areas of cybersecurity and cloud computing. The lists of IT management concerns, investment priorities, IT performance measures, and IT governance areas were also updated to improve or add new selections and remove items no longer relevant or important to most organizations, their IT units, or their IT leadership.

IT Leaderships' Most Worrisome IT Management Issues

A primary objective of SIM's Study is to report on the issues that are most important to both organizations and their IT leadership. While some issues like "Alignment of IT with the Business" are consistently highly rated, significant ranking changes occurred over the past year. There is also dissimilarity between the top concerns of IT leaders and their organizations, as only five IT management issues appear in the top ten of both lists, and only two in the top five (Alignment and Security). Figure 1 depicts the frequency by which these 801 senior IT leaders selected an issue as

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1   Founded in 1968, SIM is the country's oldest and largest professional organization for CIOs, senior IT executives, prominent academicians, and other IT leaders (http://simnet.org). SIM co-founded both *MIS Quarterly* and *MISQ Executive*.

2   Visit http://www.simnet.org/?ITTrendsStudy for more information about SIM's IT Trends Study and a complete archive of all available reports, publications, and slide decks.

Figure 1: IT Leadership's Top-Ten Personally Most Important or Worrisome IT Management Issues (N=801)

Figure 2: Technologies that Should Receive More Investment (N=801)

their personally most important or worrisome from a list of 41.

The Largest IT Investments of Organizations and ITs That Should Get More Investment

The 801 responding organizations spent nearly $200 billion on IT this year, so it is important to understand where these monies went and which IT investments and budget categories are experiencing increases or decreases. Participants selected from a list of 39 IT areas/technologies, in each of three separate contexts: (1) their organization's largest IT investments, (2) their personally most worrisome, and (3) those that should receive more investment. Figure 2 depicts the frequency of their responses. Interestingly, only five technologies in the top-ten largest IT investments list are also in the top-ten "more investment should be made" list, and just three (Analytics, Security, and Cloud) appear in the top five of all three lists.

Measuring IT Performance

Evaluating the performance of IT is challenging given the many different activities, services, technologies, skills, and personnel required. The 2016 Study questionnaire asked participants to select the most important measures, in each of three separate contexts, for evaluating the performance of: (1) their organization's internal IT, (2) its outsourced IT, and (3) the respondents' personal performance. A list 33 of measures spanning various IT, business operations, and strategic objectives was provided.

Figure 3 displays the relative selection frequency of the top-ten performance measures for internal IT. While "Availability/Uptime" is by far the most commonly used metric for both internal and outsourced IT, organizations differed considerably in their reliance on other IT performance metrics. Consider that the top ten for internal and outsourced IT share only four measures, and the top five only one. The full report will include the top metrics used to evaluate CIO job performance.

All This and More in the 2016 SIM IT Trends Study Report in the March 2017 Issue

The findings previewed herein represent only a small portion of the findings and insights provided by the 37th anniversary SIM IT Trends

Figure 3: Top Performance Measures for Internal IT Operations (N=801)

Study. If you are interested in staying abreast of emerging developments and trends in the IT industry and better understanding what keeps CIOs up at night, what they do with their time and with whom they spend it, how IT budgets are allocated among different technologies and categories and this is expected to change in the future, what organizations are doing to improve their cybersecurity efforts, and where the more than 20% of average IT spending going to "Software Development and Maintenance" this year actually went, then you won't want to miss the 2016 SIM IT Trends Study Report coming in the March 2017 issue of MISQE.

Leon Kappelman (kapp@unt.edu)
Vess Johnson (vess@vess-ramona.com)
Chris Maurer (cmaurer@ut.edu)
Ephraim McLean (emclean@gsu.edu)
Russell Torres (rtorres@umhb.edu)
Quynh Nguyen (quynh.nguyen@unt.edu)