

CIO Global Survey 2019

Will Nguyen

Head of IT Advisory

Chief Innovation Officer

Partner, KPMG Vietnam & Cambodia

Email: williamnguyen@kpmg.com.vn

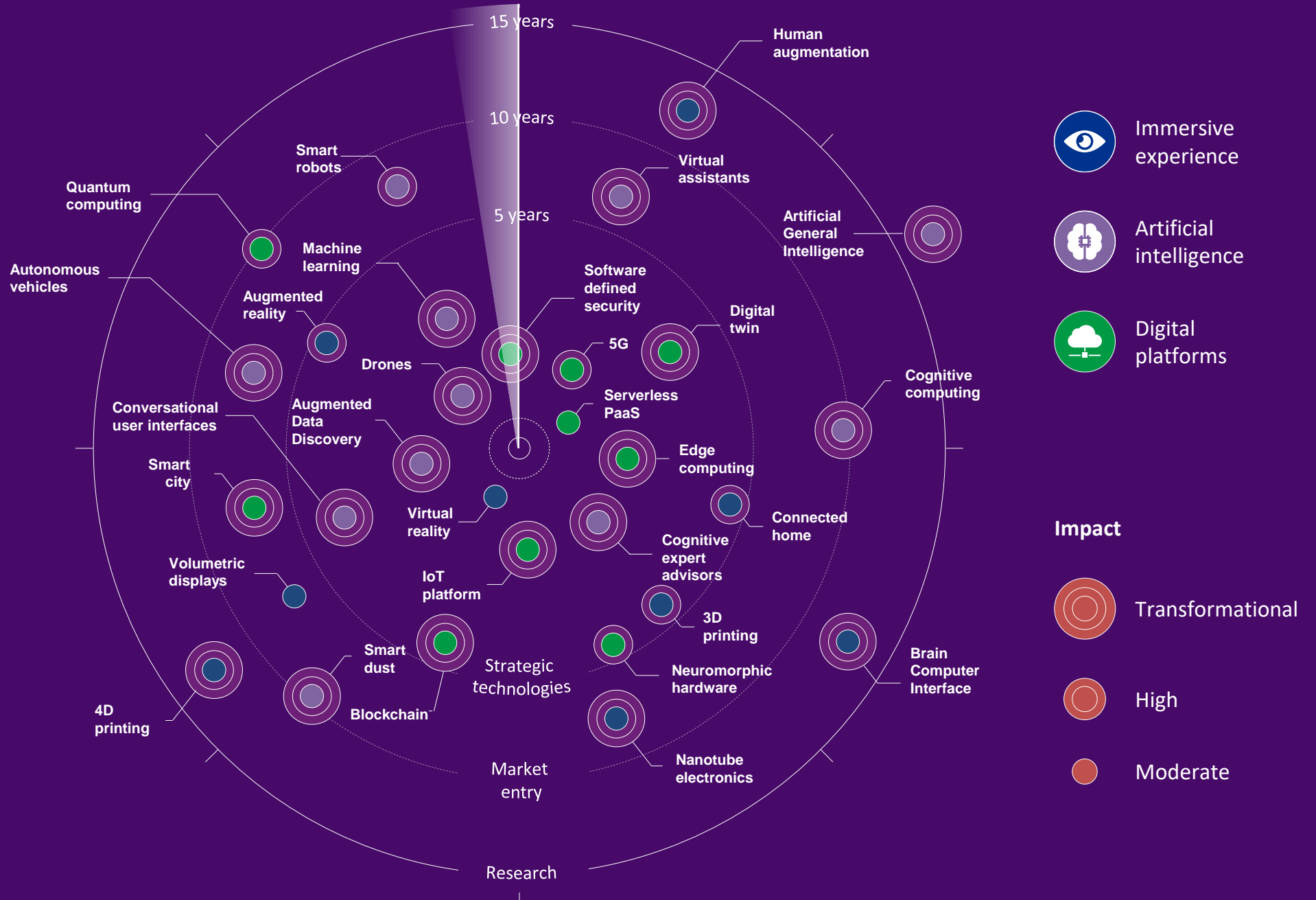


Introducing ME:
My name is
TECHNOLOGY

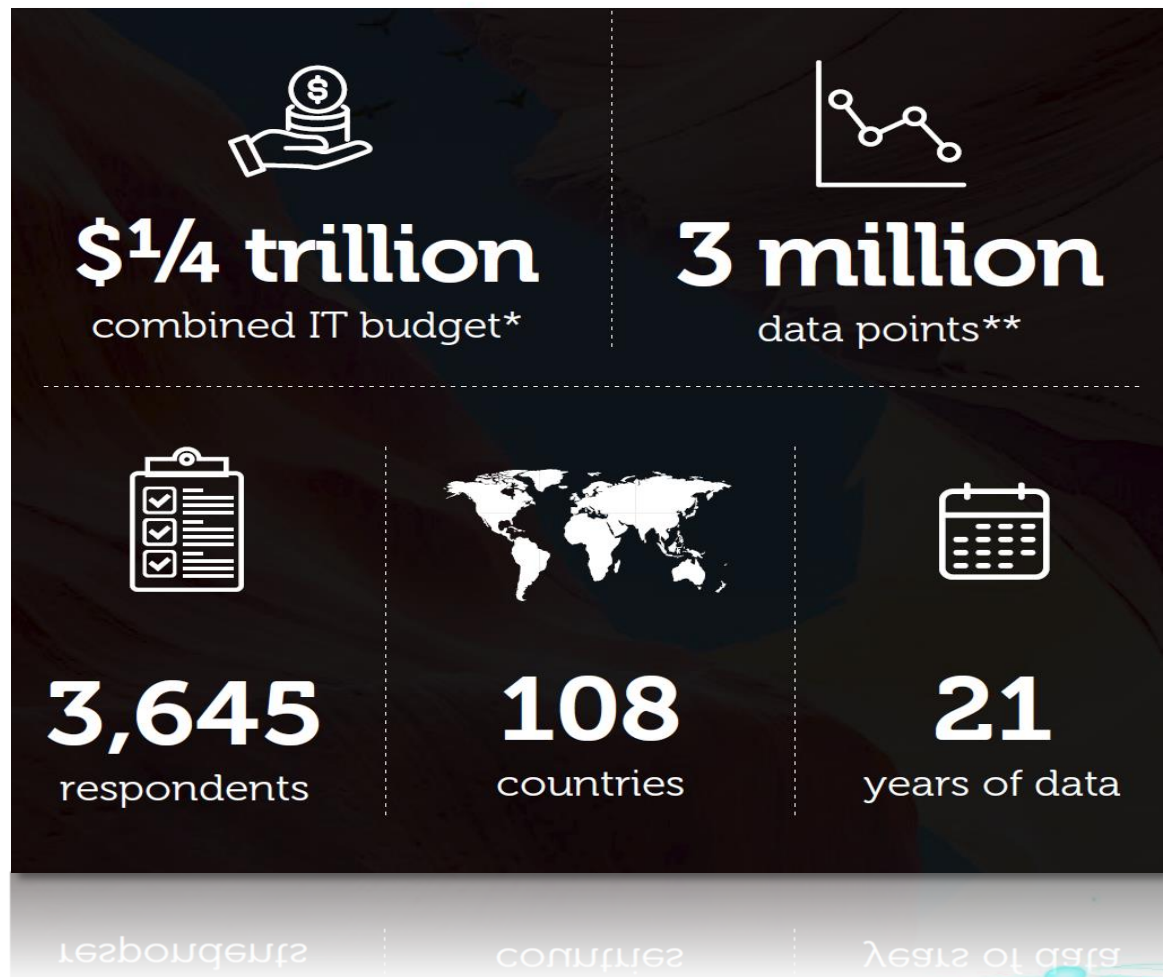




Emerging Technology Radar



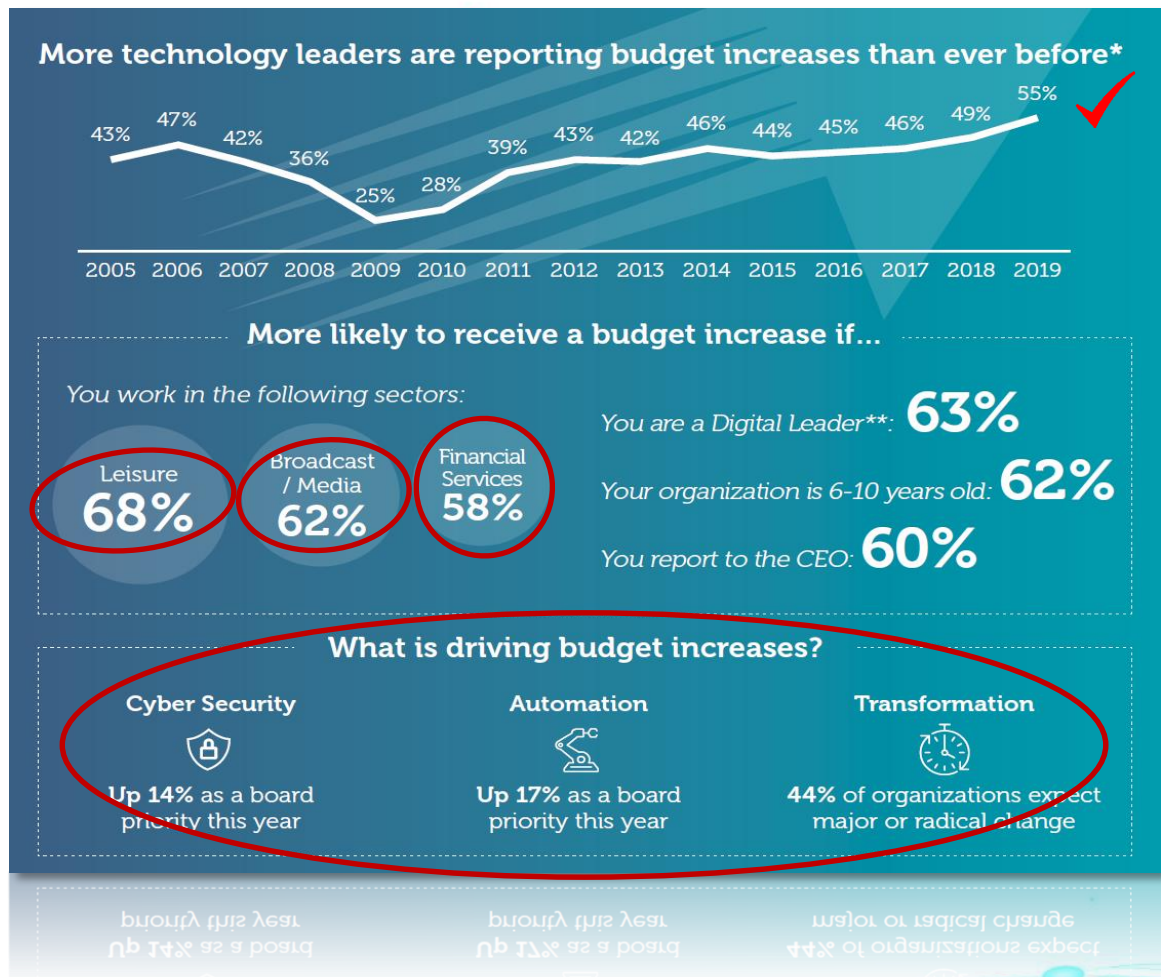
About this CIO Global Survey



One of the largest and most reputable CIO survey in the world



Board Priorities & Investment



How Vietnamese boardrooms are responding digital disruption:

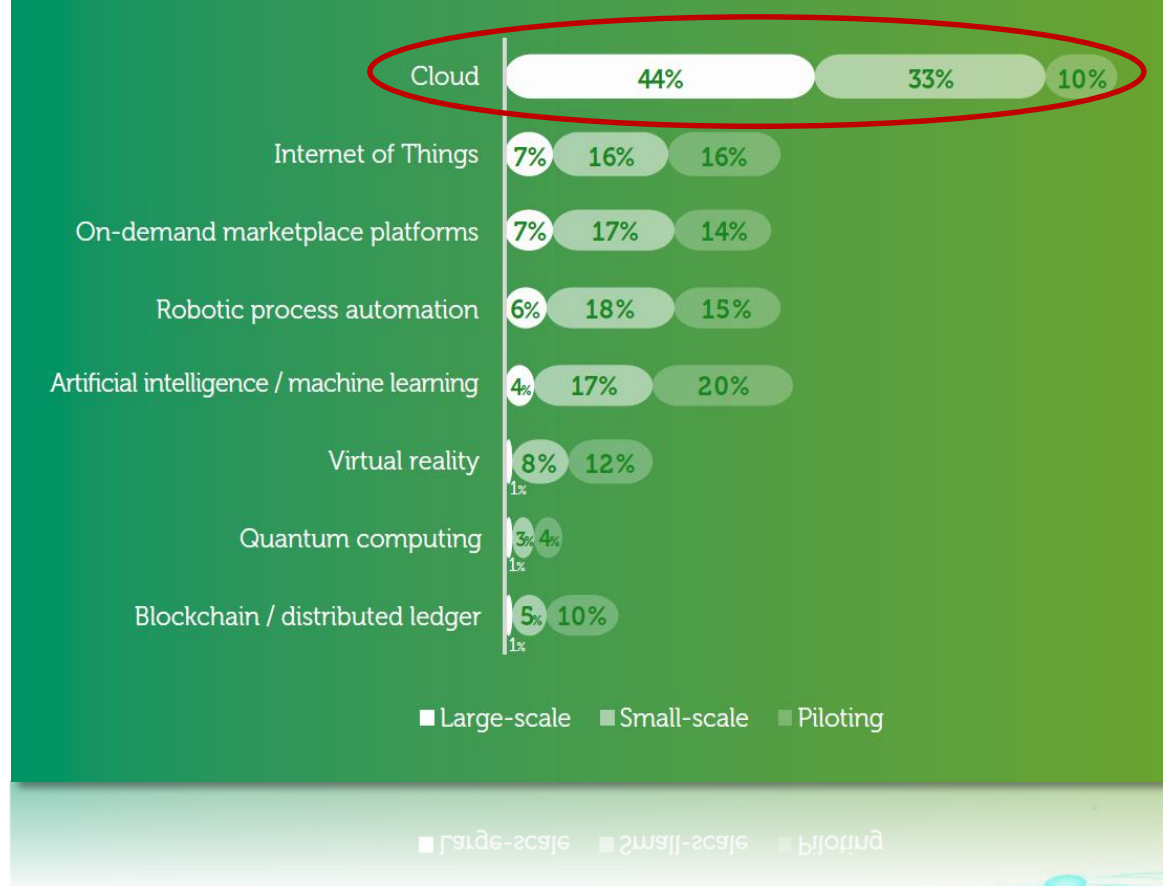
- Many silo investments into IT
- IT budget is lower than average
- Companies continue to invest in transformation & automation
- Cybersecurity still remains a discussion topic

Sharing on the right represents the view of Mr. Will Nguyen and not a result from the CIO Survey



Managing Technology

Extent of technology adoption in your organization



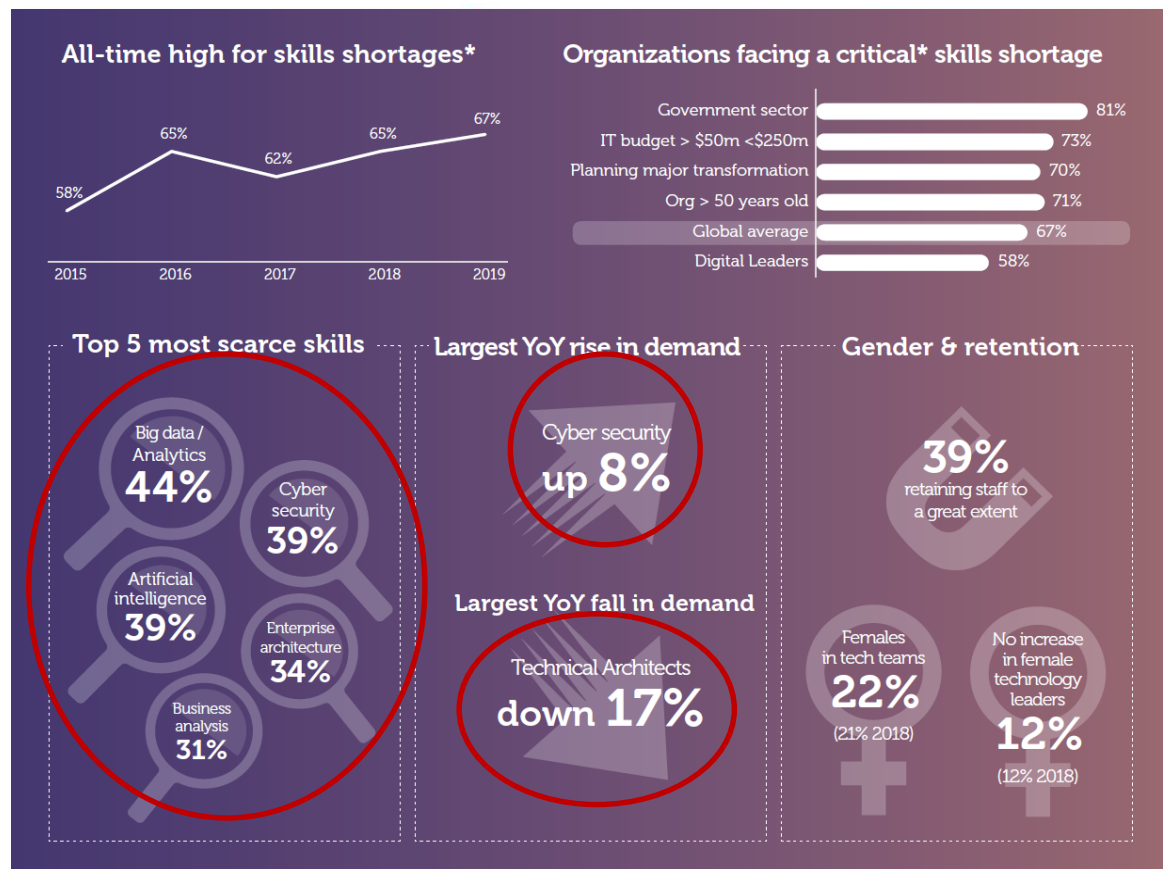
What emerging technology many Vietnamese companies are investing in:

- Automation
- Cloud
- Analytic
- Robotic Process Automation

Sharing on the right represents the view of Mr. Will Nguyen and not a result from the CIO Survey



Resourcing the Technology Team



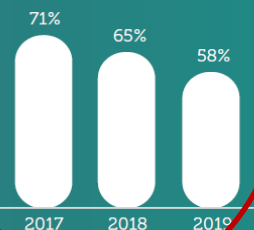
Challenges Vietnamese organizations are facing when it comes to IT resource:

- It is an employee's job market
- Advance skill is difficult to find
- Significant lack of Solution Architects
- More Technology leaders are needed

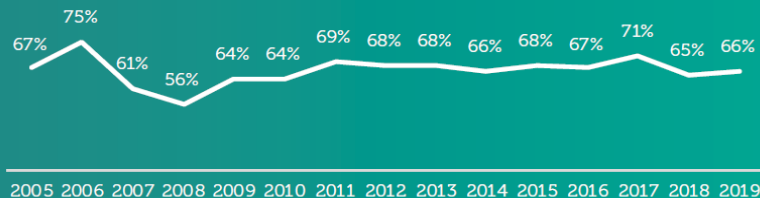
Sharing on the right represents the view of Mr. Will Nguyen and not a result from the CIO Survey

Becoming a Technology Leader

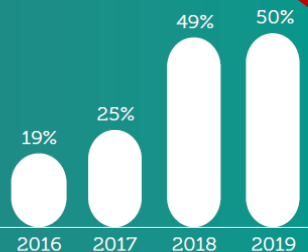
Executive team membership for technology leaders



Respondents indicating the CIO role gaining influence



Organizations with a Chief Digital Officer or someone working in that capacity



Observations on the role of IT and Technology Leaders within Vietnamese organization:

- CIO covers both traditional technology and emerging technology - digital
- Still focus on operation; need to strengthen partnership with business

Sharing on the right represents the view of Mr. Will Nguyen and not a result from the CIO Survey

SO1E SO1A SO1B SO1D

... Of the top 25 countries that are actively responsive to change

➤ **Vietnam is 2nd with 62% in adopting major changes within the next 3 years**

- India is 5th with 59%
- China is 10th with 48%
- Australia is 14th with 44%
- USA is 18th with 43%
- **Global average is 44%**

➤ **Vietnam is 3rd with 61% in automating 10% or more of their business operation**

- India is 2nd with 65%
- China is 7th with 55%
- Australia is 15th with 46%
- USA is 22nd with 36%
- **Global average is 43%**



There is no other ASEAN countries in this TOP 25 list



A time of massive change

Forty-four per cent of organizations expect to change their product/service offering or business model in a fundamental way in the next three years. This is driven by digital disruption and the need to get closer to the consumer, and it's occurring just as much with smaller, younger organizations as with larger, older ones. A sizeable proportion are handling transformation within existing budgets without extra investment. As the average life expectancy of a company decreases, transformation is becoming business as usual as enterprises look to stay ahead of the game.

Relentless rise of cyber-crime levels out?

We've been tracking for many years how cyber-crime has been growing, and confidence in dealing with the threat declining. This year we see for the first time the incidences level out, and confidence growing. The trend is very subtle, and runs counter to other studies. However the CIO Survey's breadth and size hints this is more than a 'quirk' in the data and suggests the major investment we've been tracking in cyber might be working. At last?

Biggest budget increases for 15 years

This year we have seen the largest proportion of organizations increase their investment in technology in all the years we have been tracking it. Even with enterprises where the emphasis is on efficiency and saving money, investment in technology is increasing. Whatever the problem, technology seems to be part of the answer. The driving force behind much of this investment is cyber security, data analytics, AI / automation, and transformation.

The rise of business-managed IT

Almost two-thirds of organizations allow business-managed IT investment, and approximately one in ten actively encourage it. Business-managed IT requires a new relationship between business and IT, and those that get it right are much more likely to be significantly better than competitors in a whole host of factors, from customer experience to time to market. But getting it wrong opens up a back door to problems – organizations where the CIO is not directly involved in business-managed IT investment are twice as likely to have multiple security areas exposed.

Technology doesn't stop evolving

Organizations are continuing to invest in new and emerging technology. At the far end of the 'emerging' spectrum, one in twenty are making bets on quantum computing. Much closer to home, cloud computing has become prevalent, with over three-quarters of organizations investing in this area and almost half adopting it on a wide scale. At least one-fifth of organizations have at least a small-scale implementation of internet of things, on-demand platforms, robotic process automation and artificial intelligence.

A new model of digital leadership

Digital Leaders, those 30 per cent of organizations which are 'very or extremely effective at using digital technology to advance their business strategy', perform better than their peers on a whole host of factors. They distinguish themselves in many ways: the board and CEO prioritize value creation rather than efficiencies; the technology leader / CIO is more likely to sit on the executive team and be collaborative with the business; and there is a relentless focus on speed and agility.

Up to one in five jobs will go to robots

Typically, respondents believe around 10 per cent of their company's workforce will be replaced within five years by AI / automation, but for a third of respondents that figure goes up to 20 per cent. Those organizations not investing in AI and automation can expect, over time, for their cost base to be relatively higher than their AI-investing competitors. Over two-thirds of CIO Survey respondents believe that new jobs will appear to compensate. AI will allow employees to engage in richer interactions with others and perform work that requires more brainpower. The world is not short of problems to solve.

Ready for disruption: the CIO

2019 has been a good year to be a technology leader. Job fulfilment is up (slightly), budgets have grown, salaries have been raised. But as technology is disrupting sectors, so too is it disrupting the role of the technology leader. Executive board membership, for instance, is down. And an explosion in new job titles and roles has occurred, from Chief Digital Officer to Chief Data Officer and beyond. Successful leaders are swapping control for influence, and stepping up how they partner with the business. For many organizations the concept of a 'traditional' IT department is anathema to them.



CIO Global Survey 2019

Will Nguyen

Head of IT Advisory

Chief Innovation Officer

Partner, KPMG Vietnam & Cambodia

Email: williamnguyen@kpmg.com.vn

