



CIO Survey 2016

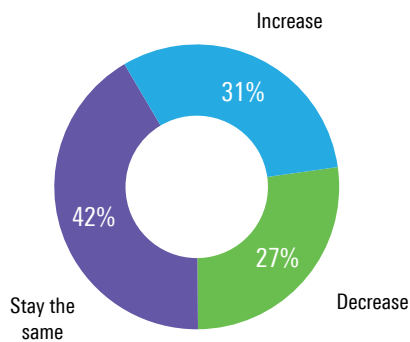
Education Sector Findings

The Harvey Nash / KPMG CIO Survey is the largest IT leadership study in the world. Almost 3,400 respondents across 82 countries representing over US\$200bn of IT budget spend.

This **Education sector** snapshot provides survey responses from over 110 Educational institutions on some of the key topics and highlights several areas where this sector's responses were significantly different from those from across all sectors.

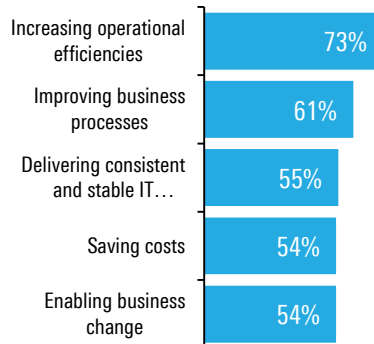
KEY TOPICS

Looking forward, over the next 12 months, do you expect your IT budget to?



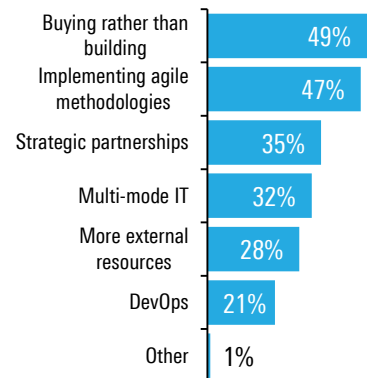
Educational institutions are **much less optimistic about their IT budgets** than other sectors. Only 31% expect their IT budgets to increase next year, compared to 44% for all sectors.

What are the key business issues that your management Board are looking for IT to address (top 5)?



Compared to other sectors, educational institutions **place a higher priority on increasing operational efficiencies** (73% vs. 57% for all sectors) and **enabling business change** (54% vs. 44%).

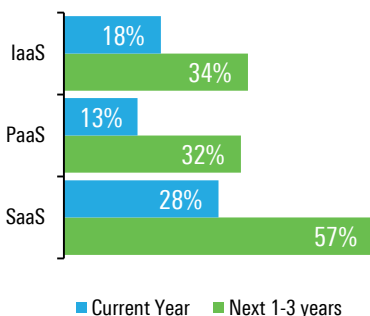
What steps are you taking to become more agile and responsive?



To become more agile and responsive, educational institutions are **more likely to buy rather than build** (49% vs. 37% for all sectors),. They are **less likely to implement agile methodologies** (47% vs. 59%) and **DevOps** (21% vs. 28%).

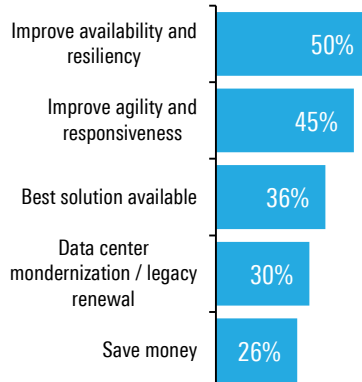
CLOUD

How would you characterize your current investment in the following cloud services and how do you expect that to change over time? (Significant investment)



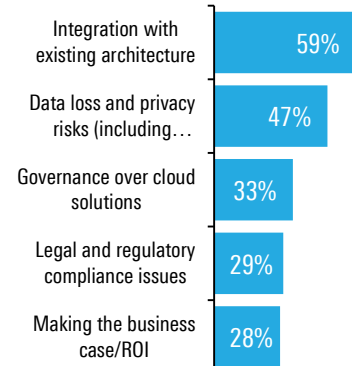
Educational institutions have **invested somewhat less in all types of cloud services in the current year**, though they plan to **invest more heavily in SaaS** than other sectors in the next 1-3 years.

What are your top three reasons for using cloud technology?



Educational institutions are **more likely to invest in cloud services to improve availability and resiliency** (50% vs. 40% for all sectors), **because it is the best solution available** (36% vs. 27%) and **for data center modernization/ legacy renewal** (30% vs. 19%).

What are your top three biggest challenges when adopting cloud?



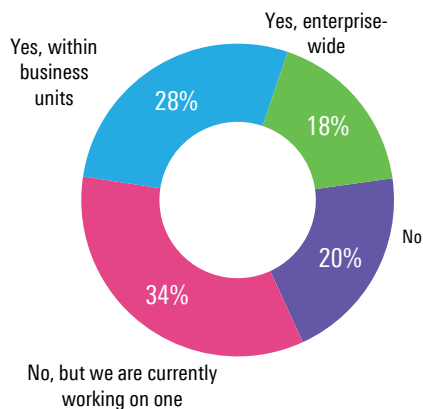
Educational institutions face **greater cloud adoption challenges around integration with existing architecture** (59% vs. 47% for all sectors) and **making the business case/ROI** (28% vs. 23%). They report **fewer challenges around legal and regulatory compliance** (29% vs. 35%).



Source: Harvey Nash/KPMG CIO Survey 2016

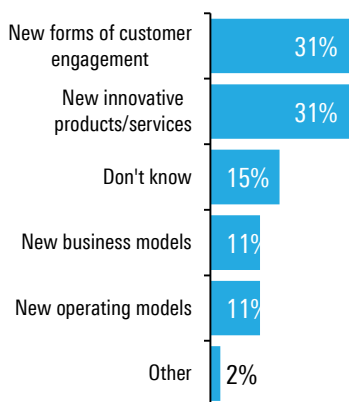
DIGITAL DISRUPTION

Does your organization have a clear digital business vision and strategy?



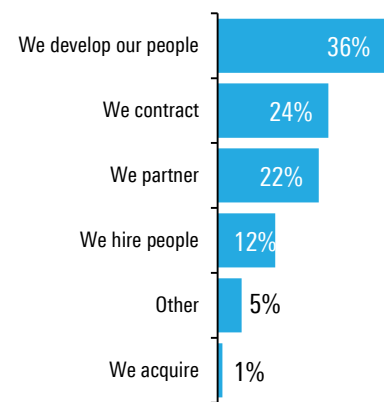
Educational institutions are **less likely to have a digital strategy than other sectors**, and these strategies much more often tend to lie within individual business units (27% vs. 24% for all sectors) than be enterprise-wide (18% vs. 35%).

If you are currently experiencing digital disruption, what is the primary source of disruption?



Educational institutions are **somewhat more likely to face digital disruption from new forms of customer engagement** (31% vs. 23% for all sectors) and **less likely to face disruption from new business models** (11% vs. 16%).

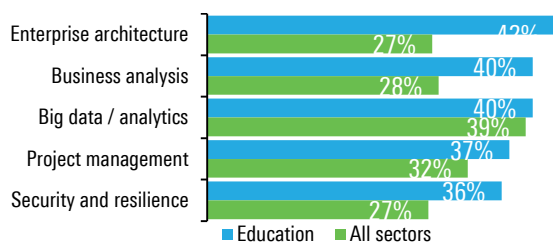
What is the primary method you use for coping with digital disruption?



To cope with digital disruption, compared to other sectors, educational institutions are **much more likely to develop people** (36% vs. 25% for all sectors) and **less likely to hire people** (12% vs. 26%).

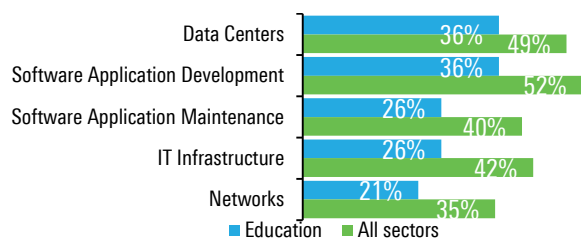
SIGNIFICANT DIFFERENCES

Which functions do you feel suffer from a skills shortage? (Top 5)



Educational institutions report suffering from **far greater skills shortages** than other sectors across many critical IT functions. This is **especially the case for enterprise architecture** (42% vs. 27% for all sectors), and **business analysis** (40% vs. 28%).

What functions do you outsource? (Top 5)



Despite these skills shortages, educational institutions **tend to outsource much less than other sectors**, even in the functions that they tend to outsource most, apparently attempting to address skills shortages through other means.

CONCLUSIONS

The overall results shows the education sector has not been able to make as significant changes as private and for profit sectors. In many countries this has been driven by funding pressures as a number of jurisdictions have sought to control spending and tuition fee increases, yet maintain accessibility. At the same time, costs continue to rise. This is causing real pressure, and this increasing inflationary gap, will limit the potential for future investment in technology.

The impact of this is profound as at the same time there is growing demand from students for an enhanced experience that reflects latest technologies, with the proliferation of mobile devices across campus a clear example. They do not find it acceptable to use software that is not equipping them for the world of work. As seats of learning and innovation, the sector should be leading the way for the minds of tomorrow.

It is clear that the education sector needs to innovate and change to create operational efficiencies and keep pace with learner expectations. The case for change must be made for long term sustainability, but with increasing shortage of skills, this is not an easy task. Clear leadership will be a vital component.

FURTHER INFORMATION

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