2025 CIO Priorities and Technology Trends

CIO Summit 2024 – Future Fit IT Strategy

Oct 2024

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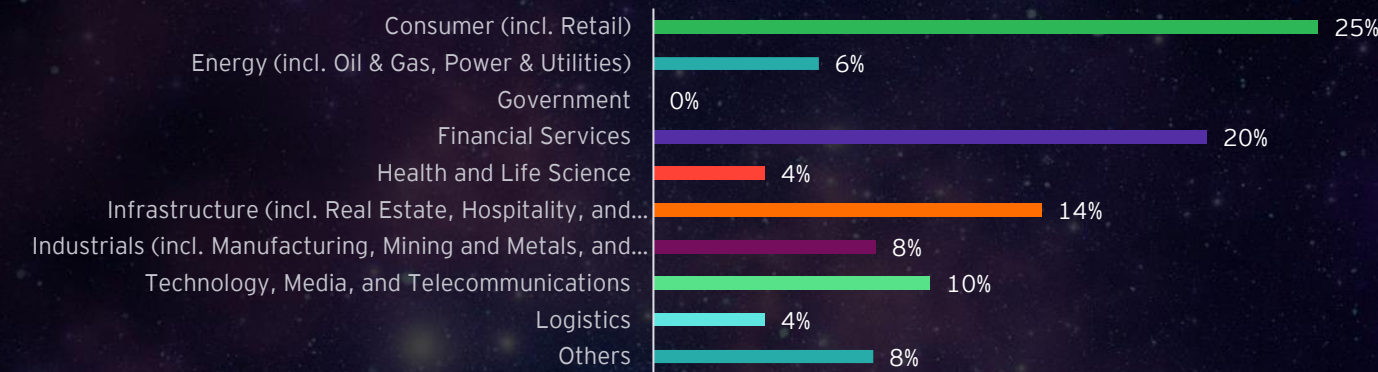# Research Background

Research Background

CIO Community Vietnam commissioned a survey to the CIOs in Vietnam to gain insights into their priorities and concerns for Future Fit IT Strategy.

The **2025 CIO Priorities and Technology Trends Survey** is a unique opportunity designed for technology leaders in Vietnam. This survey not only emphasizes the critical role of the CIO within organizations but also to provide insights to future initiatives.
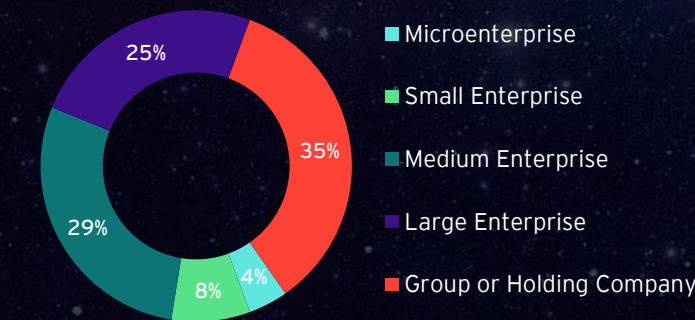
The study draws on insights from a survey of **CIOs/ CTOs/ CxOx and equivalent** - across eight groups of industries around Vietnam. Respondents represented organizations from Microenterprises to SMEs, Large Enterprises and Group/Holding Companies.

Demographics: Vietnam

Primary industry

Industry	%
Consumer (incl. Retail)	25%
Energy (incl. Oil & Gas, Power & Utilities)	6%
Government	0%
Financial Services	20%
Health and Life Science	4%
Infrastructure (incl. Real Estate, Hospitality, and...	14%
Industrials (incl. Manufacturing, Mining and Metals, and...	8%
Technology, Media, and Telecommunications	10%
Logistics	4%
Others	8%

Primary organisation size

- Microenterprise — 4%
- Small Enterprise — 8%
- Medium Enterprise — 29%
- Large Enterprise — 25%
- Group or Holding Company — 35%

IT Budget as % of revenue

Category	%
Less than 1% of revenue	14%
Between 1% and less than 3% of revenue	45%
Between 3% and less than 5% of revenue	18%
More than 5% of revenue	22%
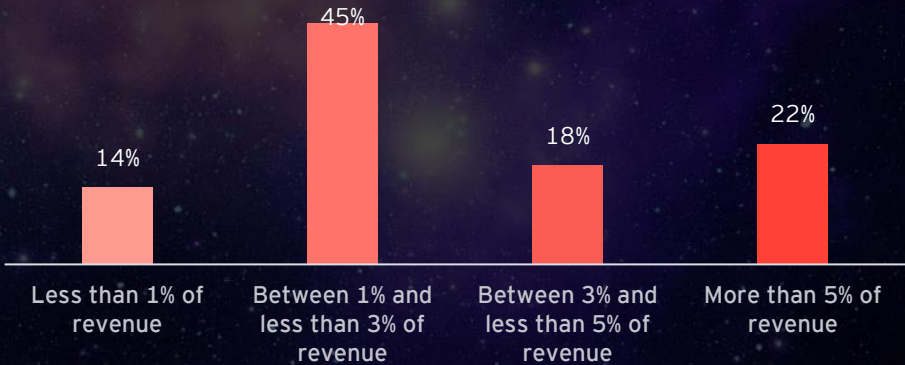
Study indicates only 1/5 of respondents' organisation has IT Budget allocation > 5% , while the rest remains conservative
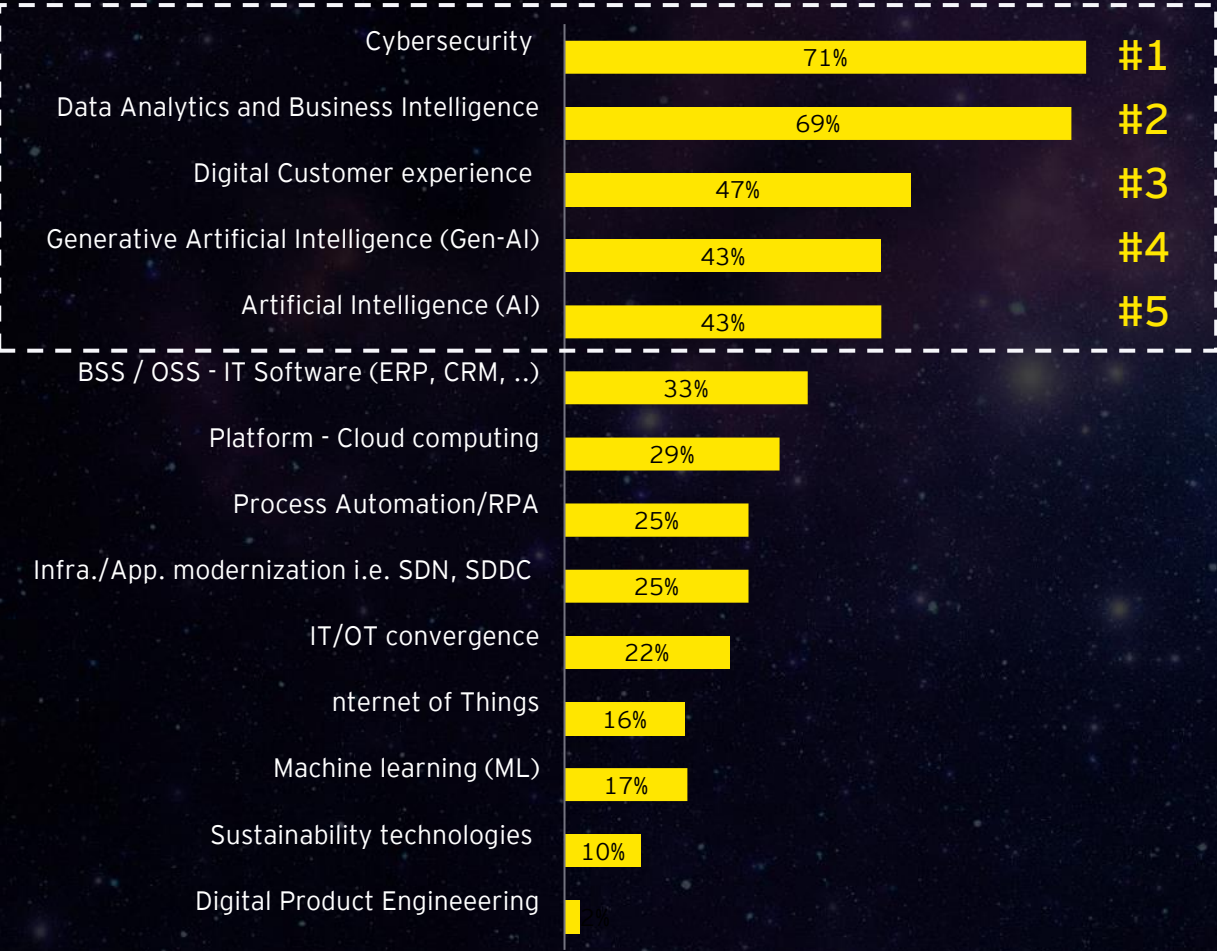
Technology Priorities for 2025 onwards

Cybersecurity, Data Analytics and Business Intelligence, Digital Customer Experience, Generative AI, and AI/ML are the top IT priorities for 2025, underpinning a broader vision to navigate the digital future with resilience, informed decision-making, and customer-centricity, all while maintaining a focus on essential IT infrastructure and modernization

Q-A1 Please select Top 5 technologies in IT Agenda in your organisation for 2025 ?

Technology	Percentage	Rank
Cybersecurity	71%	#1
Data Analytics and Business Intelligence	69%	#2
Digital Customer experience	47%	#3
Generative Artificial Intelligence (Gen-AI)	43%	#4
Artificial Intelligence (AI)	43%	#5
BSS / OSS - IT Software (ERP, CRM, ..)	33%	
Platform - Cloud computing	29%	
Process Automation/RPA	25%	
Infra./App. modernization i.e. SDN, SDDC	25%	
IT/OT convergence	22%	
Internet of Things	16%	
Machine learning (ML)	17%	
Sustainability technologies	10%	
Digital Product Engineeering		

Key Takeaways

► **Top 1:** With the highest percentage of 71%, Cybersecurity emerges as the most critical IT agenda, indicating that organizations are highly focused on protecting their data and systems from cyber threats, recognizing the importance of security in a digital world.

► **Top 2:** A close second, with 69% of respondents selecting it, Data Analytics and Business Intelligence are seen as vital for driving business decisions and gaining competitive advantages through insights from data.

► **Top 3:** Generative Artificial Intelligence (Gen-AI) has garnered significant attention with 43%, suggesting that organizations are keen on exploring new AI capabilities that can generate content, design, and simulations, potentially transforming various business processes.

► **Top 4:** Digital Customer Experience is a key focus with 47%, reflecting the shift towards customer-centric business models and the need for engaging digital interactions.

► **Top 5:** AI remains a strong area of interest at 43%, indicating that organizations are looking to leverage AI technologies to drive innovation and efficiency.

► Machine Learning (ML) has a notably lower priority compared to broader AI, hinting at a focus on general AI over specific ML apps.

► Moderate interest in BSS/OSS IT Software, Cloud Computing Platforms, and IT/OT convergence reflects that organizations are still investing in foundational IT infrastructure and integration.

► Process Automation/RPA and modernization of infrastructure/applications are equally prioritized, emphasizing the importance of efficiency and updates in IT

► Sustainability technologies, IoT, and areas like Digital Product Engineering, though acknowledged, are not immediate priorities for most organizations.

From budgetary perspective, the survey indicates a "leap-frog" effect in the budgetary prioritisation amongst CIOs in Vietnam focusing on security and efficiency, whereby, emerging technologies, namely: Cybersecurity, Adoption of Gen - AI, ERP ranking to the top 3

Q-A2 How would you describe the change in IT Budget for year 2025?
Please select one option that best describes your anticipated budget direction.

- A. Significantly increase (> 30 %)
- B. Somewhat increase (10 to 29%)
- C. Gradual / No Change (0 to 10%)
- D. Somewhat decreased (-10% to < 0%)
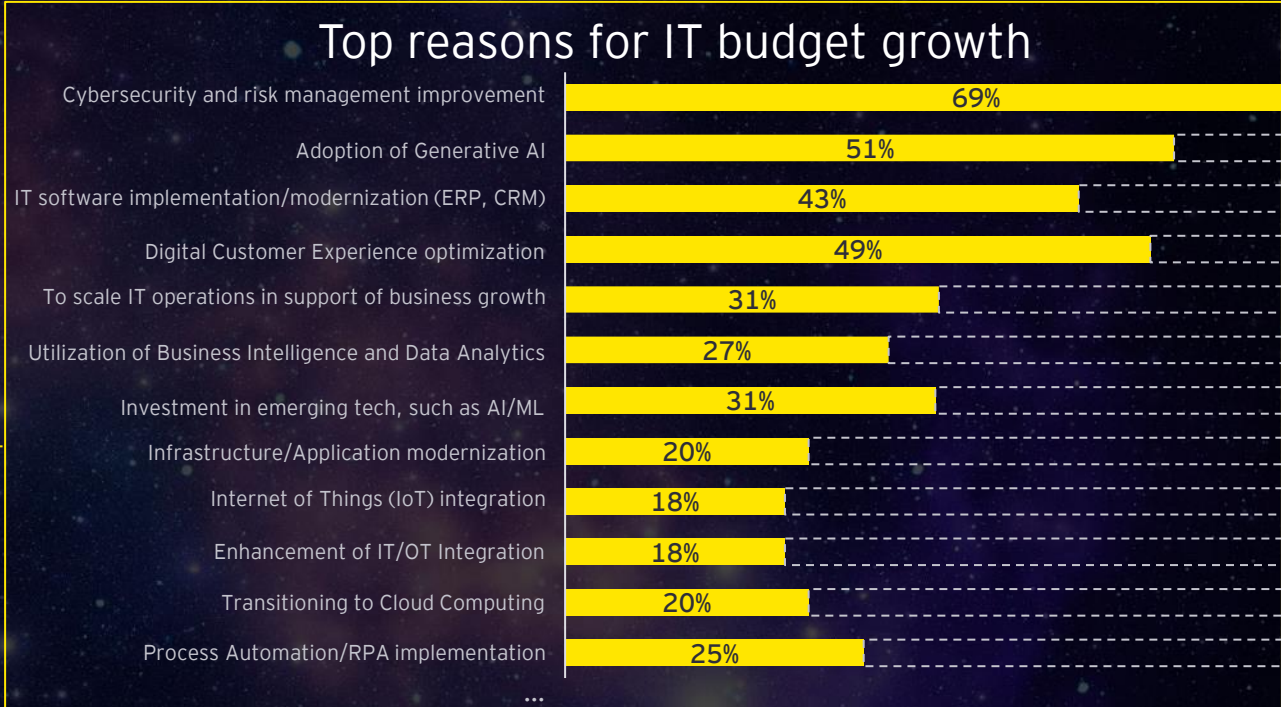- E. Decreased (> - 10%)

Pie chart:
- 20%
- 33%
- 39%
- 4%
- 4%

53%
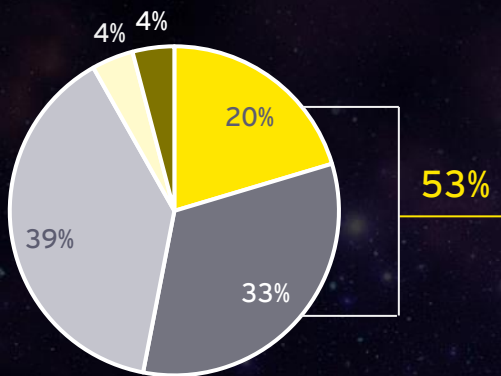
% of respondents who selected respective IT Budget change

53% of CIOs surveyed for the 2024 CIO priorities and Technology Trend anticipate IT budget increases (icl., Significantly increase (>30 %) and **Somewhat increase (10 to 29%))** in 2025 with **39%** expecting IT investments to remain the same and **8%** saying that IT investments will decrease.

Q-A3 If Increase, what are the prioritised budget area(s)?
Please select all that apply

Top reasons for IT budget growth

Reason	%
Cybersecurity and risk management improvement	69%
Adoption of Generative AI	51%
IT software implementation/modernization (ERP, CRM)	43%
Digital Customer Experience optimization	49%
To scale IT operations in support of business growth	31%
Utilization of Business Intelligence and Data Analytics	27%
Investment in emerging tech, such as AI/ML	31%
Infrastructure/Application modernization	20%
Internet of Things (IoT) integration	18%
Enhancement of IT/OT Integration	18%
Transitioning to Cloud Computing	20%
Process Automation/RPA implementation	25%

...

Key takeaways

Companies are expanding IT budgets for a variety of reasons. Most cited the need for **Cybersecurity and risk management improvement** (69%). **Adoption of Generative AI** is also a significant investment target (51%), indicating its emerging importance alongside traditional **AI/ML technologies** (31%). Furthermore, 43% of CIOs plan to allocate funds towards **IT software implementation/modernization**, which resonates with the need for **Infrastructure/ Application modernization** as a top IT agenda. **Digital Customer Experience optimization** (49%) and **scaling IT operations to support business growth** (31%) are also prioritized, emphasizing the ongoing trend towards customer-centric and growth-oriented IT strategies.

Data Security, Cyber Resilience, and Cloud Security are identified as the paramount priorities for 2025's cybersecurity strategies, with notable emphasis also placed on integrating AI in Cy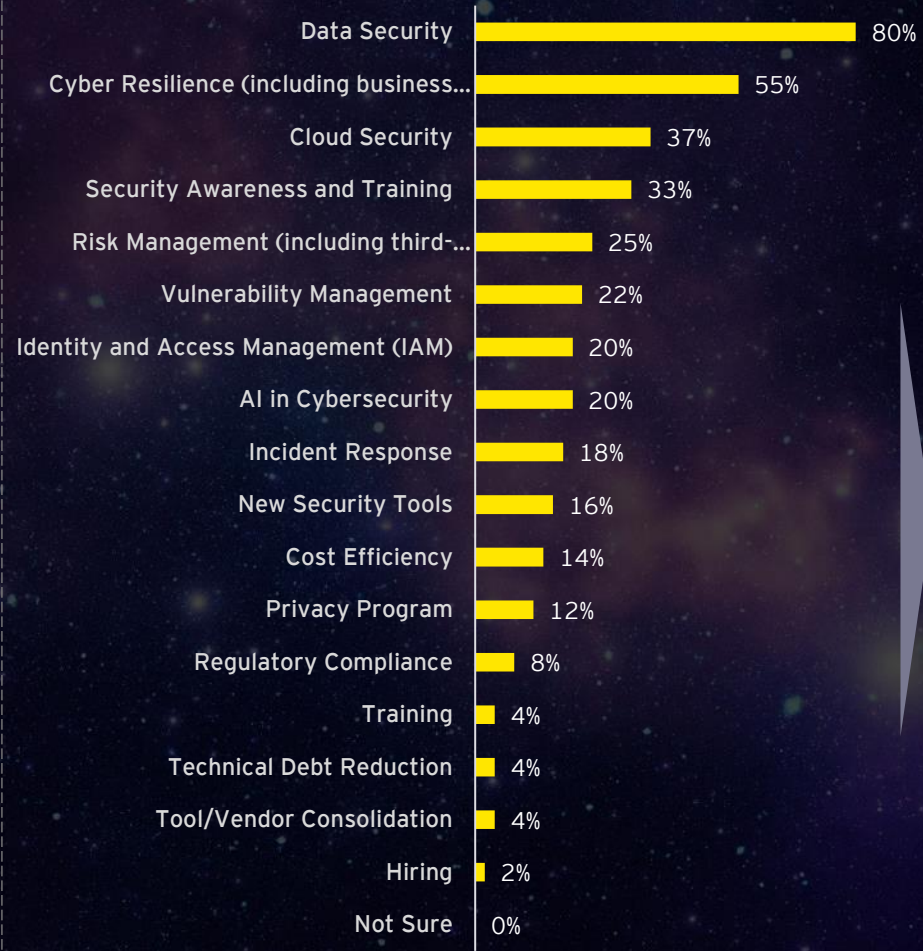bersecurity and enhancing Security Awareness and Training to combat the increasingly sophisticated digital threat landscape

Q-A5 Has your business experienced any impact as a result of the cybersecurity incidents that took place across Vietnam from February to August 2024? *Please select one.*

Q-A4 Based on your personal knowledge of your information security department's goals, what are most likely to be the top five priorities of its 2025 cybersecurity strategy? *Please select top 5.*

- **22%** Yes
- **65%** No
- **12%** Prefer not to answer
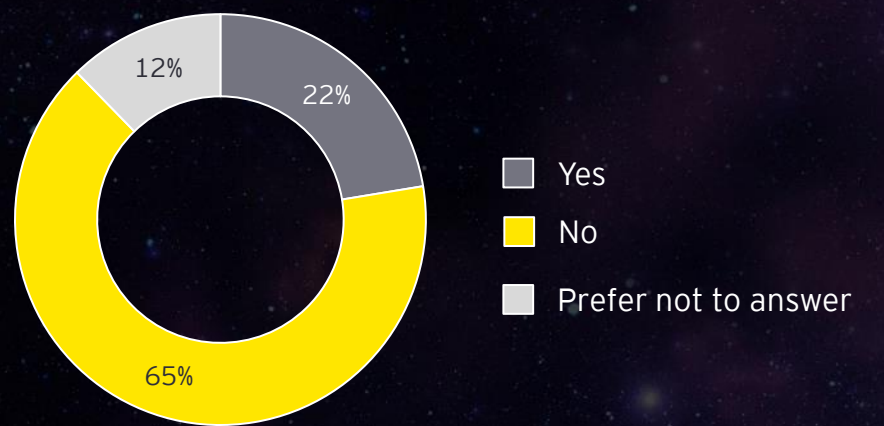
The survey results indicate that while a significant majority of organisations (65%) reported no impact from the cybersecurity incidents that occurred in Vietnam from February to August 2024, there is still a notable portion (22%) that acknowledged being affected. This suggests that while the overall number of cyberattacks has decreased, as reported by the Ministry of Information and Communications, the severity and targeting of these attacks, particularly against high-profile entities, have had tangible repercussions for a subset of companies.

Priority	%
Data Security	80%
Cyber Resilience (including business...	55%
Cloud Security	37%
Security Awareness and Training	33%
Risk Management (including third-...	25%
Vulnerability Management	22%
Identity and Access Management (IAM)	20%
AI in Cybersecurity	20%
Incident Response	18%
New Security Tools	16%
Cost Efficiency	14%
Privacy Program	12%
Regulatory Compliance	8%
Training	4%
Technical Debt Reduction	4%
Tool/Vendor Consolidation	4%
Hiring	2%
Not Sure	0%

1st **80 %** Data security

2nd **55 %** Cyber resilience (*icl., business continuity*)

3rd **37 %** Cloud Security

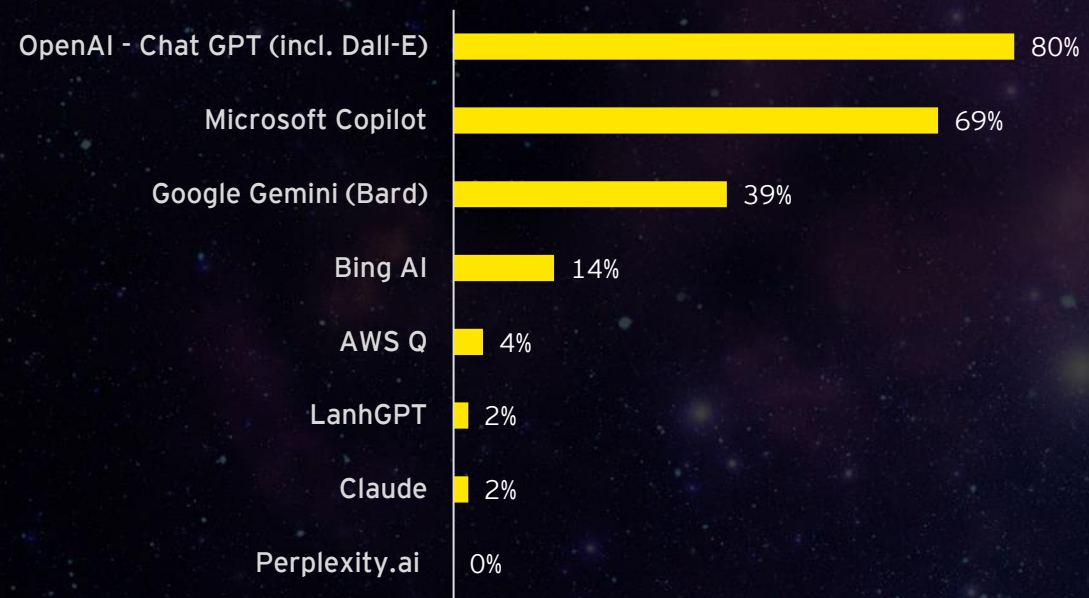**4th** **33 %** Security Awareness & Training

5th **25 %** Risk Management

Organizations are increasingly harnessing Gen-AI to boost productivity, manage knowledge, and propel research and development, showcasing a commitment to integrating AI into core business functions to foster efficiency and spur innovation
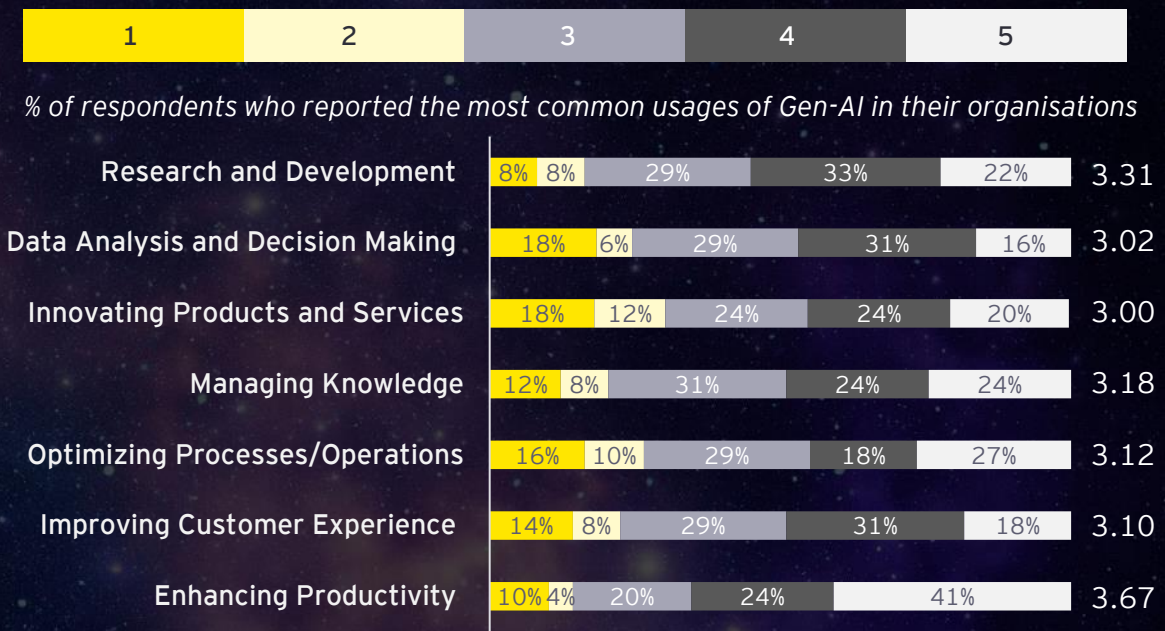
Q-A6 What are the most common public Generative AI tools in your organisation?
Please select all that apply.

Tool	%
OpenAI - Chat GPT (incl. Dall-E)	80%
Microsoft Copilot	69%
Google Gemini (Bard)	39%
Bing AI	14%
AWS Q	4%
LanhGPT	2%
Claude	2%
Perplexity.ai	0%

Q-A7 What are the most common usages of Gen-AI in your organisation?
Please rate from 1 to 5, with 1 indicating 'the least common' and 5 indicating 'the most common'.

	1	2	3	4	5

% of respondents who reported the most common usages of Gen-AI in their organisations

Usage	1	2	3	4	5	Avg
Research and Development	8%	8%	29%	33%	22%	3.31
Data Analysis and Decision Making	18%	6%	29%	31%	16%	3.02
Innovating Products and Services	18%	12%	24%	24%	20%	3.00
Managing Knowledge	12%	8%	31%	24%	24%	3.18
Optimizing Processes/Operations	16%	10%	29%	18%	27%	3.12
Improving Customer Experience	14%	8%	29%	31%	18%	3.10
Enhancing Productivity	10%	4%	20%	24%	41%	3.67

OpenAI's Chat GPT (including Dall-E) is the most widely adopted Generative AI tool within organizations, with a significant 80% usage rate. Microsoft Copilot follows as the second most popular tool at 69%.

Google Gemini (Bard) at 39% and Bing AI at 14% show more modest adoption rates, indicating a competitive but concentrated generative AI landscape where a few key players lead.

Key takeaways

Gen-AI is most used for enhancing productivity, indicating that organizations are leveraging generative AI to streamline workflows and increase efficiency. It also plays a key role in in managing organizational knowledge and driving innovation through R&D.

Moderate Usage in Customer Experience, Data Analysis, Innovating Products and Services and Optimizing Processes suggests that while these areas are being addressed by Gen-AI, there is room for growth in their application.

For many CIOs, GenAI is still largely in pilot and proof-of-concept stages, impeded by challenges in talent acquisition, data quality, and budgeting is essential to transition from experimentation to full-scale implementation

Q-A8 Does your organisation plan to implement Enterprise Gen-AI? *If yes, please select the most relevant answer below. Else select G. Please select one.*

In production (mature): We are actively using generative AI across the organization. — 8%

In production (early): We are developing usable insights and strategizing on broader use cases. — 12%

In pilot (proof of concept): We are actively experimenting but are not in production. — 33%

In near-term plan: We plan to begin adoption within 12 months. — 8%

In long-term plan: We plan to begin adoption in one to two years. — 8%

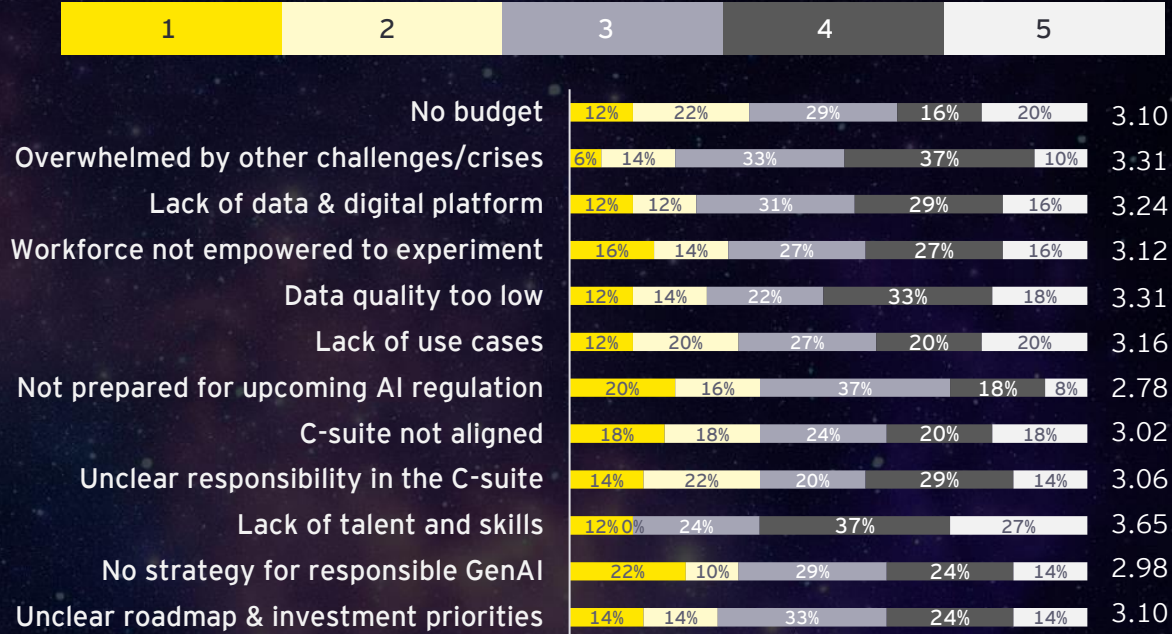**Consideration:** We are considering it, but don't have any current plans. — 12%

No plans: We have no current plans for adoption and are not considering it. — 18%

Q-A9 If applicable, what are the challenges in your organisation that inhibit the adoption of Enterprise Gen-AI? *Please rate each challenge from 1 to 5, with 1 indicating 'strongly disagree' and 5 indicating 'strongly agree'.*

Challenge	1	2	3	4	5	Avg
No budget	12%	22%	29%	16%	20%	3.10
Overwhelmed by other challenges/crises	6%	14%	33%	37%	10%	3.31
Lack of data & digital platform	12%	12%	31%	29%	16%	3.24
Workforce not empowered to experiment	16%	14%	27%	27%	16%	3.12
Data quality too low	12%	14%	22%	33%	18%	3.31
Lack of use cases	12%	20%	27%	20%	20%	3.16
Not prepared for upcoming AI regulation	20%	16%	37%	18%	8%	2.78
C-suite not aligned	18%	18%	24%	20%	18%	3.02
Unclear responsibility in the C-suite	14%	22%	20%	29%	14%	3.06
Lack of talent and skills	12%	0%	24%	37%	27%	3.65
No strategy for responsible GenAI	22%	10%	29%	24%	14%	2.98
Unclear roadmap & investment priorities	14%	14%	33%	24%	14%	3.10

33% of organizations are actively exploring the potential of Enterprise Gen-AI through pilot projects. While **20%** report that they have a GenAI solution in production (early or mature), there is also a notable segment (**18%**) that currently has no plans to adopt generative AI, reflecting a cautious approach or different strategic focuses within the industry.
Even with the progress they have made so far, many organizations still have extensive work to do in finding a path forward as they leverage the full benefits of this transformative technology.

Key takeaways

The most significant barriers to adopting Enterprise Gen-AI are the talent and skills gap, data quality issues, Overwhelmed by other challenges/crises, Unclear roadmap & investment priorities and budget constraints, while regulatory preparedness is less of a concern, indicating a need for clear roadmap and strategic investment in workforce development, data management, and financial planning to advance Gen-AI initiatives.

Almost 50% of surveyed business and technology decision makers don't trust the quality of their companies' AI data.

Source: MIT tech review conducted in partnership with EY

Roles as a CIO

CIOs are expected to balance innovation with cost control, uphold operational continuity and security, provide strategic insights, foster collaboration, and lead digital transformation, reflecting a multifaceted and evolving role where CIOs are central to aligning IT with business strategies

Q-B1 Based on your organization's current view, please rank the following roles of the CIO in order of priority as they are critical to achieving your organization's strategic objectives. *Please rank from 1 to 6, with 1 indicating 'the most critical' and 6 indicating 'the least critical'.*

Role	Value	Rank
Controlling the impact of IT spend on the organization	20%	#1
Ensuring the Operational Continuity and IT security needs are up and running	10%	#6
Providing insight to support business decisions, enhancing the organisation's ability to achieve its objectives	16%	#3
Collaborating with business units as an active business partner to enhance processes and efficiency	16%	#4
Leading organisational change and digital transformation initiatives to ready the organisation for future shifts	16%	#5
Driving innovation and competitive advantage by shaping the future of the business with the right technology solutions	20%	#2

Key takeaways

#1&#2. Balancing Cost control with Innovation: The roles of controlling IT spend and driving innovation are seen as equally critical, with the highest percentage of respondents ranking them as the most important. This indicates that organizations prioritize CIOs who can balance cost-effective IT management with driving technological innovation to secure competitive advantages.

#3&#4. Strategic insight and Business collaboration: CIOs are increasingly seen as strategic partners, integral to shaping business strategy and enhancing processes, reflecting a shift towards a more business-centric IT leadership.

#5. Transformation Leadership: There is a significant emphasis on the CIO's role in leading digital transformation and organizational change, highlighting the need for forward-thinking and adaptability in the face of industry shifts.

#6. Operational Excellence as a given: While operational continuity and IT security remain fundamental, they are ranked as the least critical among the listed roles, suggesting that these responsibilities are now considered foundational and expected, with the focus shifting towards roles that directly contribute to strategic growth and transformation.

There is a shift in focus from maintaining and securing IT operations to roles that create value and contribute to the strategic direction of the organization. CIOs are expected to be leaders in innovation, transformation, and strategic decision-making, indicating a broader and more impactful role within the organization.

According to the State of the CIO 2024 report (Foundry) on insights into the CIO role and their technology and business initiatives for the upcoming year, it is indicated that:

88%
of CIOs say that their role is becoming **more digital and innovation focused**

87%
of CIOs are **more involved in leading DX initiatives** compared to their business counterparts

85%
of CIOs agree that the CIO is **becoming a changemaker**, increasingly leading business and technology initiatives

Source: Foundry. "State of the CIO Report, 2024."

Navigating the intersection of technology and business strategy, CIOs are prioritizing the foundational work of refining IT infrastructure while also steering the organization's strategic direction

Q-B2 Which of the following activities best characterize the primary focus in your role?
Please select all that apply.

Activity	%
IT Strategy & planning	90%
Aligning IT initiatives with business goals	84%
Driving business innovation	39%
Security management	39%
Cultivating the IT/Business partnership	39%
IT Resource management	37%
Improving IT operations/ systems performance	37%
Risk and Compliance management	35%
Cost control and Expense management	33%
IT Service Porfolio management	33%
Project/Program management	33%
Modernizing infrastructure and applications	31%
IT Demand Management	29%
Managing IT crises	27%
Benefit/Value management	27%
Leading change efforts	25%
Developing new Go-to-market strategies & technologies	25%
Studying market trends/customer needs to identify commercial opportunities	22%
Developing and refining business strategy	22%
Identifying opportunities for competitive differentiation	20%
Knowledge management	18%
Negotiating with IT vendors	18%
Redesigning business processes	16%
Quality management	14%

75% *of CIOs say it's challenging to find the right balance between business innovation and operational excellence.*

Source: Foundry. "State of the CIO Report, 2024."

Key Takeaways

✓ The survey reveals that CIOs are deeply entrenched in **core operational roles**, with a significant majority focusing on *IT Strategy & Planning (90%)* and *Aligning IT Initiatives with Business Goals (84%).* These areas underscore the CIO's critical role in shaping the future of organisationa through technology.

✓ **Operational and functional responsibilities** also remain at the forefront, with a substantial focus on *Security Management (39%), Improving IT Operations/Systems Performance (37%), and Cost Control and Expense Management (33%).* These priorities reflect the ongoing need to maintain robust, efficient, and cost-effective IT services.

✓ In terms of **transformational duties**, CIOs are actively engaged in *Cultivating the IT/Business Partnership (39%),* indicating the importance of collaboration between IT and business units. Additionally, a significant emphasis is placed on *Modernizing Infrastructure and Applications (31%) and Project/Program Management (33%),* highlighting the drive towards updating and optimizing IT environments.

✓ **Strategically**, CIOs are also dedicating efforts to *Driving Business Innovation (39%),* showcasing their role in fostering a culture of innovation that aligns with business growth and adaptation in a dynamic market.

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Organizations are anticipating a significant evolution in the role of IT, moving from viewing IT as a cost center to recognizing it as a strategic entity positioned to enable, drive, and partner in business growth, with organizations envisioning IT at the core of achieving business objectives and securing competitive advantages

The Evolution of Enterprise IT

What is the role of IT in your organization currently and in the next 1-3 years? *Please select one.*

Innovation Center

1. The core 'hygiene factors' of IT remain important

2. These are increasingly supplemented by
   ► Generating ideas and solutions
   ► Delivering transformation
   ► Bringing business model innovation

Cost Center

The core 'hygiene factors' of IT:
   ► Managing costs
   ► Keeping the lights on
   ► Acting as an information broker

	The role of IT currently	The role of IT in the next 1-3 years
Strategic Business Partner	10%	23%
Business Driver	18%	23%
Business Enabler	15%	26%
IT Service Provider	28%	16%
Support Function	28%	12%

IT roles description

Strategic Business Partner: Establishes a fully collaborative and consultative relationship. The enterprise IT team participates in the development and execution of all business unit growth plans.

Business Driver: Drives exponential revenue and growth. Uses technology to create a sustainable competitive advantage.

Business Enabler: Supports business unit goals with technology investments aligned with these goals. Utilizes Measures of Effectiveness (MOEs) to prioritise IT investments.

IT Service Provider: Provides a portfolio of IT services including application development, security reviews, buy versus build analysis, and Enterprise Architecture.

Support Function: Manages systems of record, focusing on cost optimization, infrastructure maintenance, risk management & mitigation, governance protocols, and compliance.
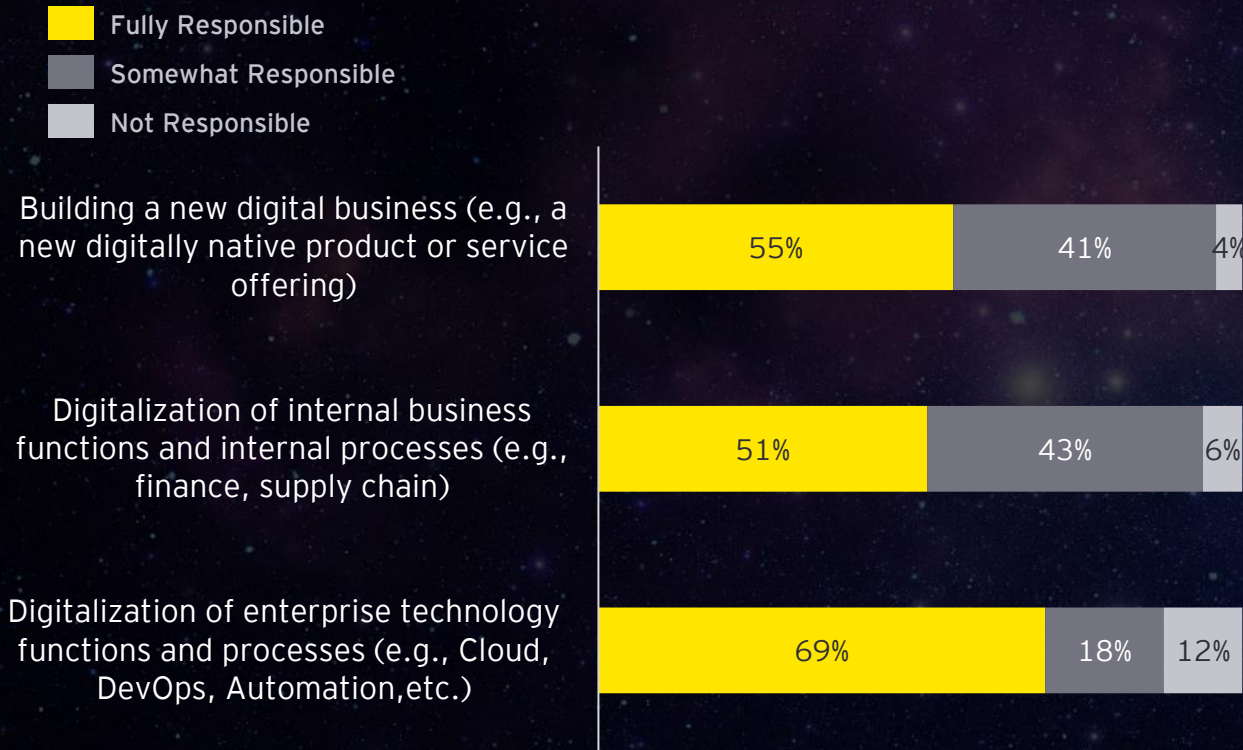
Key takeaways

From these results, we can conclude that currently, the majority of respondents view IT as a Support Function or IT Service Provider, accounting for over 56% of the current roles. However, in the next 1-3 years, there is a clear shift towards IT playing a more strategic role, with significant increases in the Business Enabler, Business Driver, and Strategic Business Partner categories. This suggests that organizations are expecting IT to move away from a traditional support and service role towards a more integrated, strategic role that drives business growth and innovation.

CIOs are at the forefront of a transformative wave, leading digital ventures with determination, fostering collaborative digitalization of internal processes, and strategically advancing technology functions, highlighting their pivotal role in steering organizations through the evolving digital landscape

Q-B4 What is your role in Digitalisation in your organisation ?
Please select one per row.

- 🟨 Fully Responsible
- ⬛ Somewhat Responsible
- ⬜ Not Responsible

Building a new digital business (e.g., a new digitally native product or service offering)
| 55% | 41% | 4% |

Digitalization of internal business functions and internal processes (e.g., finance, supply chain)
| 51% | 43% | 6% |

Digitalization of enterprise technology functions and processes (e.g., Cloud, DevOps, Automation,etc.)
| 69% | 18% | 12% |

Key Takeaways

▸ **High responsibility in Enterprise Technology:** There is a strong sense of responsibility for the digitalisation of enterprise technology functions and processes, with 69% of respondents claiming full responsibility. This reflects an organizational priority to upgrade essential technological capabilities, acknowledging their critical role on modernizing core technology infrastructure to support overall digital transformation.

▸ **Considerable involvement in New Digital Business:** Over half of the respondents (55%) feel fully responsible for building new digital businesses. This indicates a proactive leadership approach, with over half of the respondents taking the helm in driving new digital ventures, highlighting a strong entrepreneurial drive and commitment to innovation.

▸ **Significant role in Digitalizing Internal Functions:** A half of the participants (51%) are fully responsible for the digitalization of internal business functions and processes, showing that there is a shared responsibility and collaborative effort in transforming internal processes, suggesting that digitalization is recognized as a collective goal rather than the sole domain of a few individuals.

CIOs can drive significant improvements when they take more ownership of digital initiatives.

When CIOs take full ownership of digital initiatives, the chances of success increase by at least 24%.

Source: EY. "CIO Sentiment in the Age of Generative AI Report, 2024."

There's a positive trend to shift from Traditional Models towards collaboration, sharing, and innovation in digital management, showing the adaptability and flexibility of CIOs with increasing digitalization

Q-B5 Please indicate which of the following profiles best describes your approach to empowering and equipping business-led digital delivery teams.
Please select one.

Vietnam CIO survey results
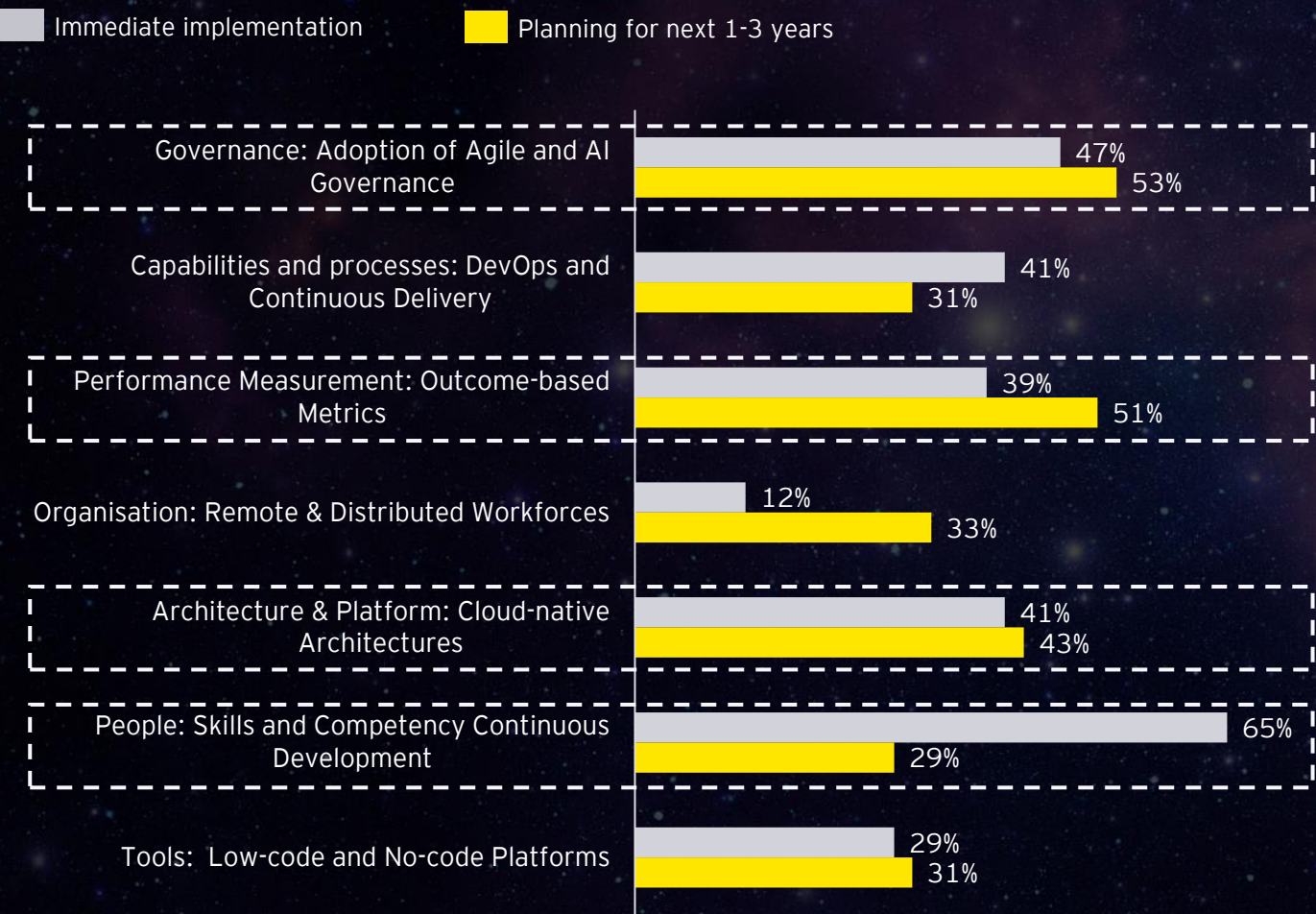
29%

Respondents who describe their role as **Operator.**

As a CIO, I maintain primary responsibility for digital delivery, exemplifying leadership by setting the vision and driving the digital agenda. I partner with other C-suite executives who sponsor digital initiatives within their business areas, providing the necessary infrastructure, governance, and support.

49%

Respondents who describe their role as **Explorer.**

As a CIO, I facilitate a collaborative environment by starting to involve other C-suite executives and their business area teams in digital delivery activities. This approach focuses on sharing knowledge and exploring digital opportunities together, fostering a culture of innovation and collective learning

22%

Respondents who describe their role as **Franchiser.**

As a CIO, I co-lead, co-deliver, and co-govern digital initiatives alongside my C-suite peers, demonstrating leadership through a shared delivery model. I advocate for digital transformation across the organisation and support close collaboration between IT and business staff within multidisciplinary fusion teams, effectively distributing digital delivery responsibilities and building strategic partnerships

VS.

Global survey results

45% of CIOs are Driving a Shift to Co-Ownership of Digital Leadership, with the following results:

Operator	Explorer	Franchiser
55% of CIOs retain digital delivery in IT	**33% of CIOs** begin to involve CxOs	**12% of CIOs** co-lead digital delivery with CxOs

Source: Gartner, Inc. "Annual Global Survey of CIOs and Technology Executives, 2024."

Key takeaways

► CIOs in Vietnam show a higher tendency towards collaboration, with 49% adopting the Explorer model. This indicates a proactive approach to cooperation and knowledge sharing with other C-suite executives in digital initiatives.

► The distribution between the Operator and Franchiser models (29% & 22% respectively) is distinctive compared to the global trend, where the Operator model is more dominant. This suggests a balanced and flexible approach to digital management in Vietnam.

► Vietnamese CIOs are moving from the traditional Operator model towards more collaborative models (Explorer and Franchiser). This reflects adaptation to digital age demands and increased management agility.

► A significant proportion of CIOs in Vietnam choosing the Franchiser model shows high readiness for innovation and sharing in digital initiatives. This could lead to rapid and effective digital project development.

Changes in IT Operating Model

Q-C1 — What changes to your IT Operating Model are you considering for immediate implementation? Please select the top three.

Q-C2 — What changes to your IT Operating Model are you planning for the next 1-3 years to adapt to the industry's evolving trends? Please select the top three.

Legend:
- Immediate implementation
- Planning for next 1-3 years

Category	Immediate implementation	Planning for next 1-3 years
Governance: Adoption of Agile and AI Governance	47%	53%
Capabilities and processes: DevOps and Continuous Delivery	41%	31%
Performance Measurement: Outcome-based Metrics	39%	51%
Organisation: Remote & Distributed Workforces	12%	33%
Architecture & Platform: Cloud-native Architectures	41%	43%
People: Skills and Competency Continuous Development	65%	29%
Tools: Low-code and No-code Platforms	29%	31%

Key Takeaways

- Currently, 65% of respondents prioritize Skills and Competency Continuous Development, making it the most immediate focus, followed by Governance at 47%, and both Capabilities/ Processes and Architecture/ Platform at 41%.

- In the next 1-3 years, the focus shifts towards Governance, with 53% planning to adopt Agile and AI Governance, and Performance Measurement gaining importance at 51%, indicating a trend towards outcome-based metrics. Meanwhile, the emphasis on People is expected to decrease to 29%, suggesting a shift in priorities as initial development efforts mature.

- This reflects a strategic adaptation to evolving industry trends, emphasizing governance, performance measurement, and cloud-native architectures for future growth.

This is further substantiated whereby the focus of IT functions (CIO) is shifting towards strategic importance in driving business objectives, while on the operations and tactical; a multi-model sourcing plans are being considered

Q-C3 Whom does CIO report to? Please select one.

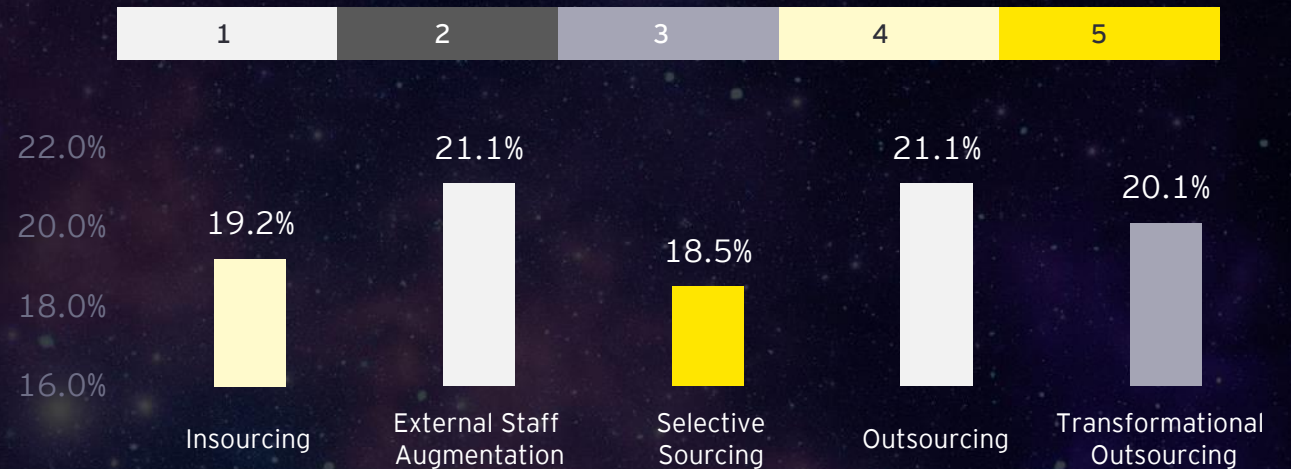■ CEO   ■ CFO   ■ COO

- CEO: 86%
- CFO: 6%
- COO: 8%
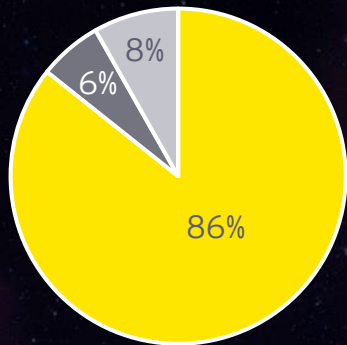
86% of respondents from the survey indicate that CIOs report directly to CEOs. The global survey results (**74%**) also show a strong tendency for CIOs to report to CEOs, although slightly less prevalent than in the context of Vietnam, which may reflect varying organizational structures across different regions or industries.

Source: National CIO Review. "CIO Professional Network, 2023."

" *There is a trend where the strategic importance of IT in driving business objectives and decision-making at the highest level.*

Q-C4 Please rank the following sourcing approaches in order of your budget allocation preference from 1 to 5 with 1 indicating 'the highest budget allocation' and 5 indicating 'the lowest budget allocation'.

| 1 | 2 | 3 | 4 | 5 |

- Insourcing: 19.2%
- External Staff Augmentation: 21.1%
- Selective Sourcing: 18.5%
- Outsourcing: 21.1%
- Transformational Outsourcing: 20.1%

Key takeaways

▶ Organisations are equally prioritizing the flexibility of External Staff Augmentation and the comprehensive approach of full Outsourcing (21.1% - 1st Rank), suggesting a balanced strategy between temporary support and long-term partnerships.

▶ Transformational Outsourcing (20.1% - 3rd Rank) is also significant, indicating a willingness to invest in partnerships that drive major business process and operational changes.

▶ Internal resourcing/Insource (19.2%) is less favored but still receives a fair portion of the budget, reflecting a cautious approach to maintaining some tasks in-house.

▶ Selective Sourcing (18.5%) - is the least favored approach, which may suggest that organisations prefer either full control or complete outsourcing over a hybrid model.

In order to drive business objectives, there are 4 key drivers been emphasised, namely; Efficiency, Service Delivery, Service Quality and Compliance

Q-C5 How is your organisation improving capabilities and processes to align with business objectives?

Implementing automation for operational efficiency
76%

Utilizing AI and ML for proactive issue resolution
39%

Embracing cloud-native tech for application management
33%

Integrating DevOps for faster service delivery
43%

Orchestrating services for cohesive IT operations
35%

Managing multi-cloud environments for flexibility
37%

Expanding to edge computing for localized data processing
12%

Incorporating cybersecurity into operational workflows
31%

Monitoring end-user experiences for service quality automation for operational efficiency
47%

Ensuring compliance with internal governance standards and regulatory standards
43%

No significant updates to current practices yet
4%

Others
0%

The organization prioritises automation, user experience, DevOps, compliance, and AI/ML to enhance operations and align with business goals, with less focus on edge computing and almost universal engagement in updating practices.

Automation for Operational Efficiency (76%) is the primary focus, indicating that organizations are heavily investing in streamlining processes to reduce costs and improve speed.

Utilizing AI & ML for Proactive Issue Resolution and Monitoring End-User Experiences (47%) are tied for second, suggesting a balanced attention to leveraging advanced technologies for service improvement and keeping a close eye on customer satisfaction.

Ensuring Compliance with Standards is the third priority, showing a strong commitment to adhering to governance and regulatory requirements, which is critical for risk management and maintaining trust.

Cloud-Native Technology and Multi-Cloud Management also ranked third, indicate an investment in cloud infrastructure to support scalability and operational flexibility.

Similarly, from the IT Operations (Processes) perspective, Efficiency, Flexibility of resourcing and Scalability of Infrastructure remains as a key theme for CIOs for past 3 years

Q-C6 **Which IT process optimisation initiatives are your organisation currently implementing?**
Please select all that apply.
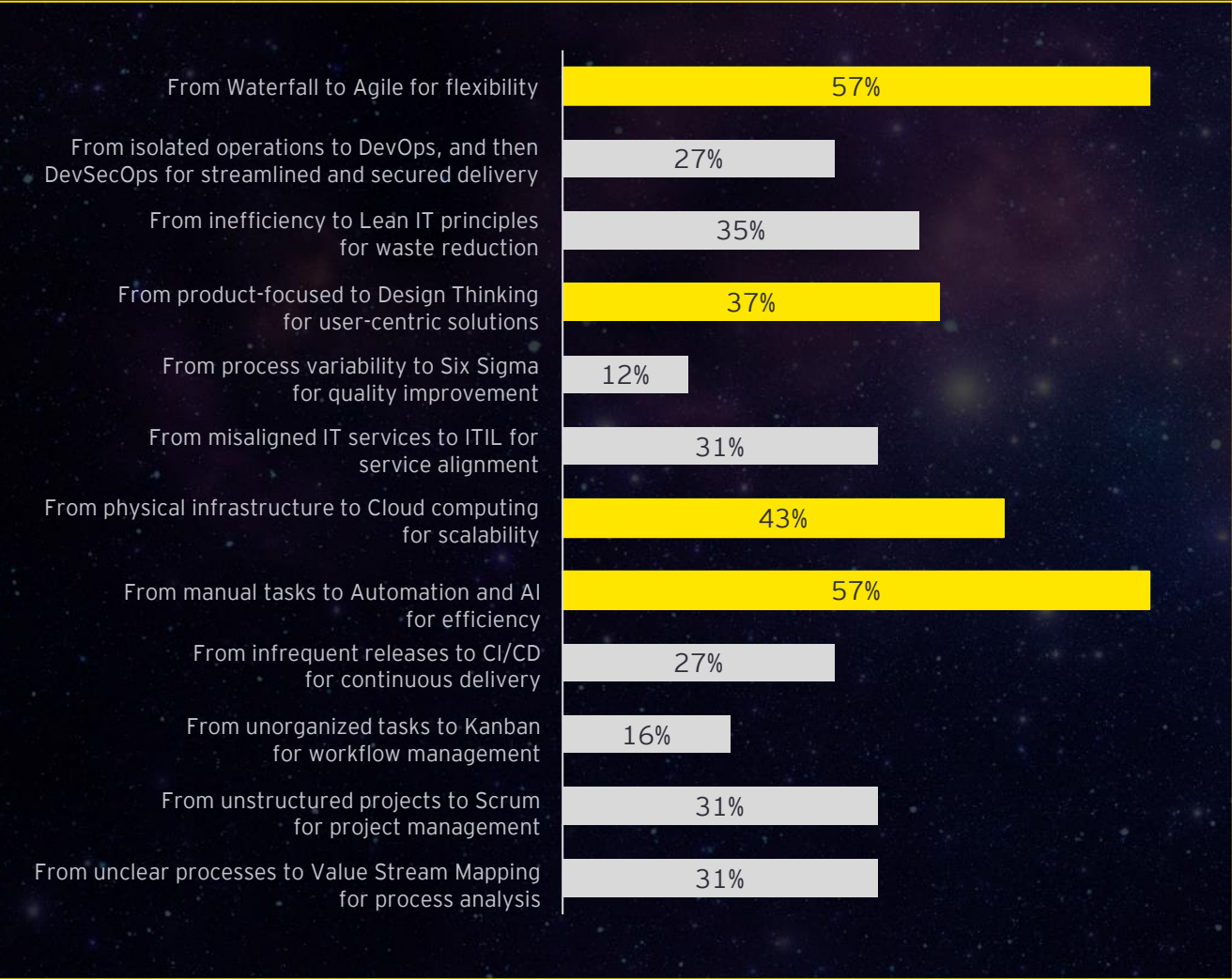
There is a focus on leveraging technology and modern methodologies to maintain competitiveness and adapt to future challenges.

Initiative	%
From Waterfall to Agile for flexibility	57%
From isolated operations to DevOps, and then DevSecOps for streamlined and secured delivery	27%
From inefficiency to Lean IT principles for waste reduction	35%
From product-focused to Design Thinking for user-centric solutions	37%
From process variability to Six Sigma for quality improvement	12%
From misaligned IT services to ITIL for service alignment	31%
From physical infrastructure to Cloud computing for scalability	43%
From manual tasks to Automation and AI for efficiency	57%
From infrequent releases to CI/CD for continuous delivery	27%
From unorganized tasks to Kanban for workflow management	16%
From unstructured projects to Scrum for project management	31%
From unclear processes to Value Stream Mapping for process analysis	31%

? The prioritisation of Agile Methodologies, Automation and AI, Cloud Computing and Design Thinking suggests a strategic direction towards digital transformation, operational excellence, and customer centricity. This focus on high-impact areas like automation and cloud infrastructure points to a desire for agility, cost-effectiveness, and the ability to quickly respond to evolving business challenges.

? The lesser emphasis on Six Sigma and Kanban may indicate that while quality and workflow management are important, they are not the immediate drivers of transformation within the organization, or they may already be well-integrated into existing processes.
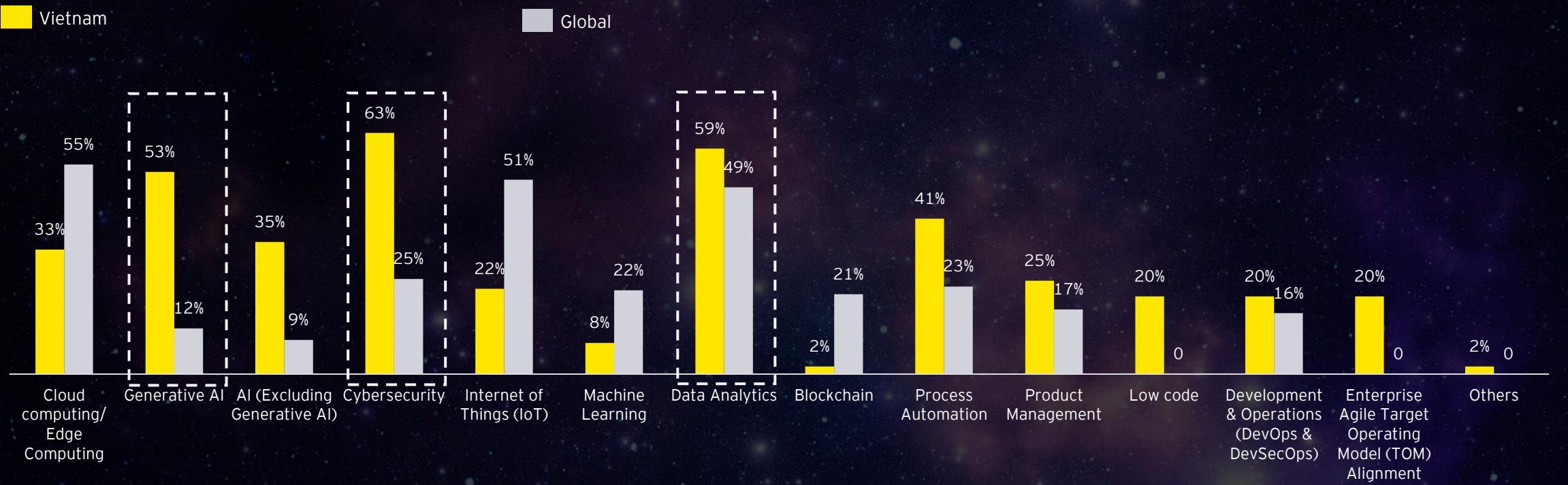
The insights reflect a forward-looking approach that aims to leverage cutting-edge technologies and methodologies to stay competitive and meet future demands.

Q-C7 Which of the following are the most sought-after skill sets of your management today?
Please select top five.

■ Vietnam   ■ Global

Chart data (Vietnam / Global):
- Cloud computing/ Edge Computing: 33% / 55%
- Generative AI: 53% / 12%
- AI (Excluding Generative AI): 35% / 9%
- Cybersecurity: 63% / 25%
- Internet of Things (IoT): 22% / 51%
- Machine Learning: 8% / 22%
- Data Analytics: 59% / 49%
- Blockchain: 2% / 21%
- Process Automation: 41% / 23%
- Product Management: 25% / 17%
- Low code: 20% / 0
- Development & Operations (DevOps & DevSecOps): 20% / 16%
- Enterprise Agile Target Operating Model (TOM) Alignment: 20% / 0
- Others: 2% / 0

Key Takeaways

- The Vietnamese organisations place a higher emphasis on Cybersecurity (63% vs. 25% globally) and Generative AI (53% vs. 12% globally), indicating a strong focus on security and cutting-edge AI. Data Analytics is similarly valued by the Vietnamese organisations (59%) and globally (49%). However, Cloud Computing/Edge Computing is less prioritised locally (33%) compared to globally (55%), suggesting different strategic focuses.
- In short, this could position the organisation as a leader in security and AI innovation, but it may also need to balance its focus to ensure it doesn't lag in adopting widely recognised essential skills like cloud technologies. The discrepancy suggests a potential opportunity for the organization to align more closely with global digital transformation trends while maintaining its strengths in security and AI.

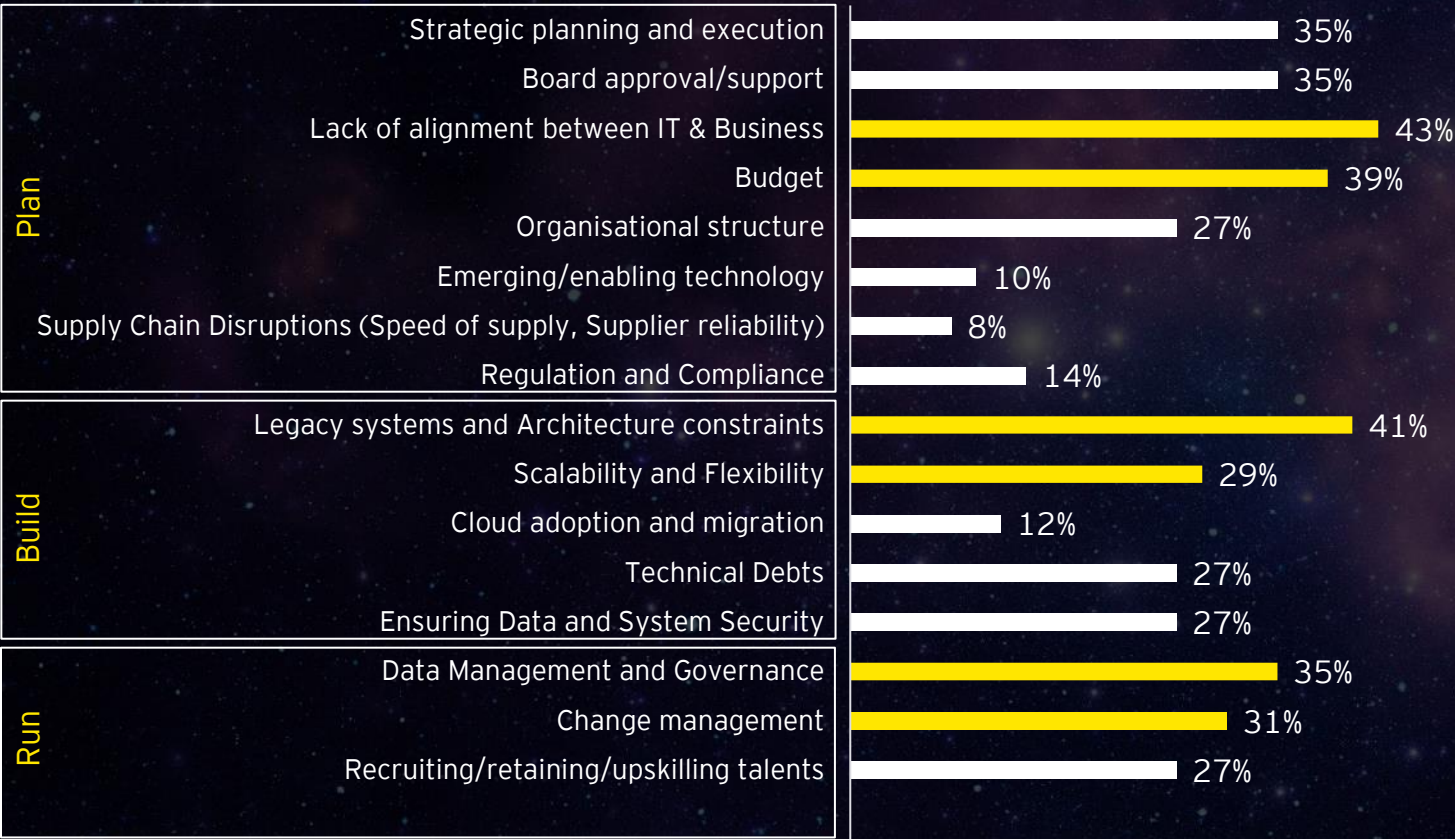*Source: EY. "CIO Sentiment in the Age of Generative AI Report, 2024."*

Top Concerns and Uncertainties

Q-D1 **What are the 5 biggest challenges to success facing the CIO in your organisation?**
Please select top five

Plan

Challenge	%
Strategic planning and execution	35%
Board approval/support	35%
Lack of alignment between IT & Business	43%
Budget	39%
Organisational structure	27%
Emerging/enabling technology	10%
Supply Chain Disruptions (Speed of supply, Supplier reliability)	8%
Regulation and Compliance	14%

Build

Challenge	%
Legacy systems and Architecture constraints	41%
Scalability and Flexibility	29%
Cloud adoption and migration	12%
Technical Debts	27%
Ensuring Data and System Security	27%

Run

Challenge	%
Data Management and Governance	35%
Change management	31%
Recruiting/retaining/upskilling talents	27%

The challenges faced by CIOs underscore essential aspects of the IT lifecycle: **Plan** - strategic planning & alignment (43%) and budgeting (39%) set the course, **Build** - system modernization (41%) and scalability (29%) ensure responsiveness, and **Run** - data governance (35%) with change management (31%) maintain operations. CIOs must skillfully manage strategic planning, system upgrades, and operational processes to align IT with business goals;

In contrast, APAC CIOs prioritise scalability (29.5%), supply chain resilience (27.3%), security (25.7%), and emerging technologies (24.2%) revealing regional variations where operational resilience and tech innovation may take precedence over the surveyed organisation's focus on alignment, financial planning, and updating legacy systems.
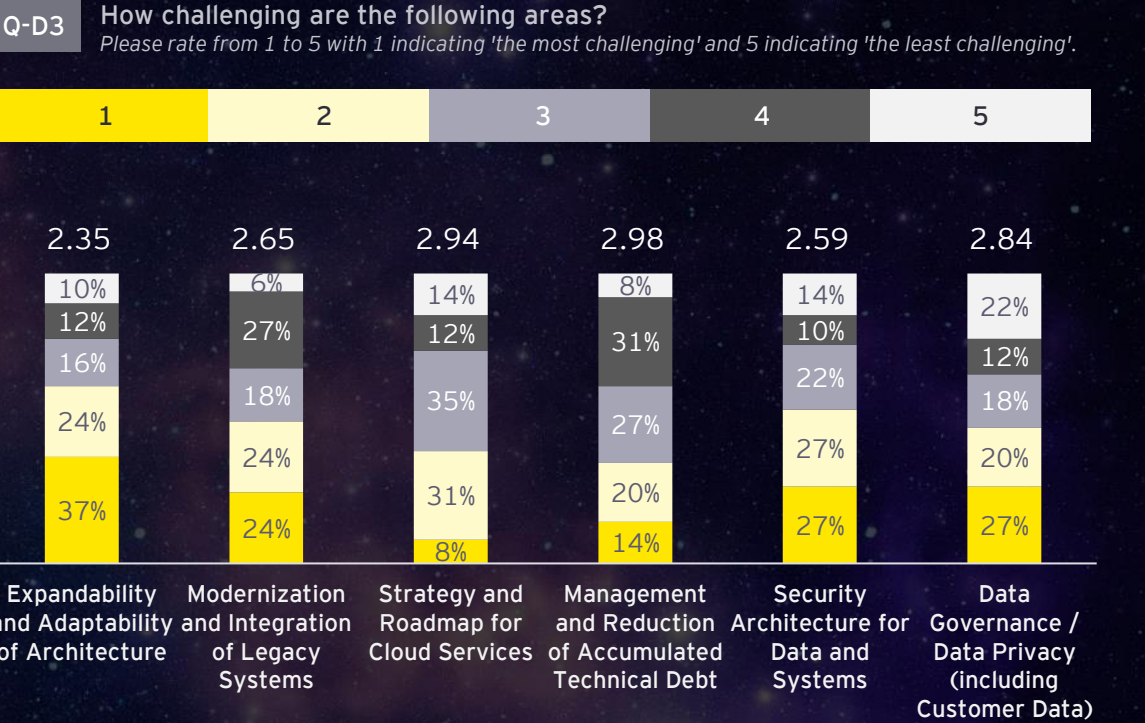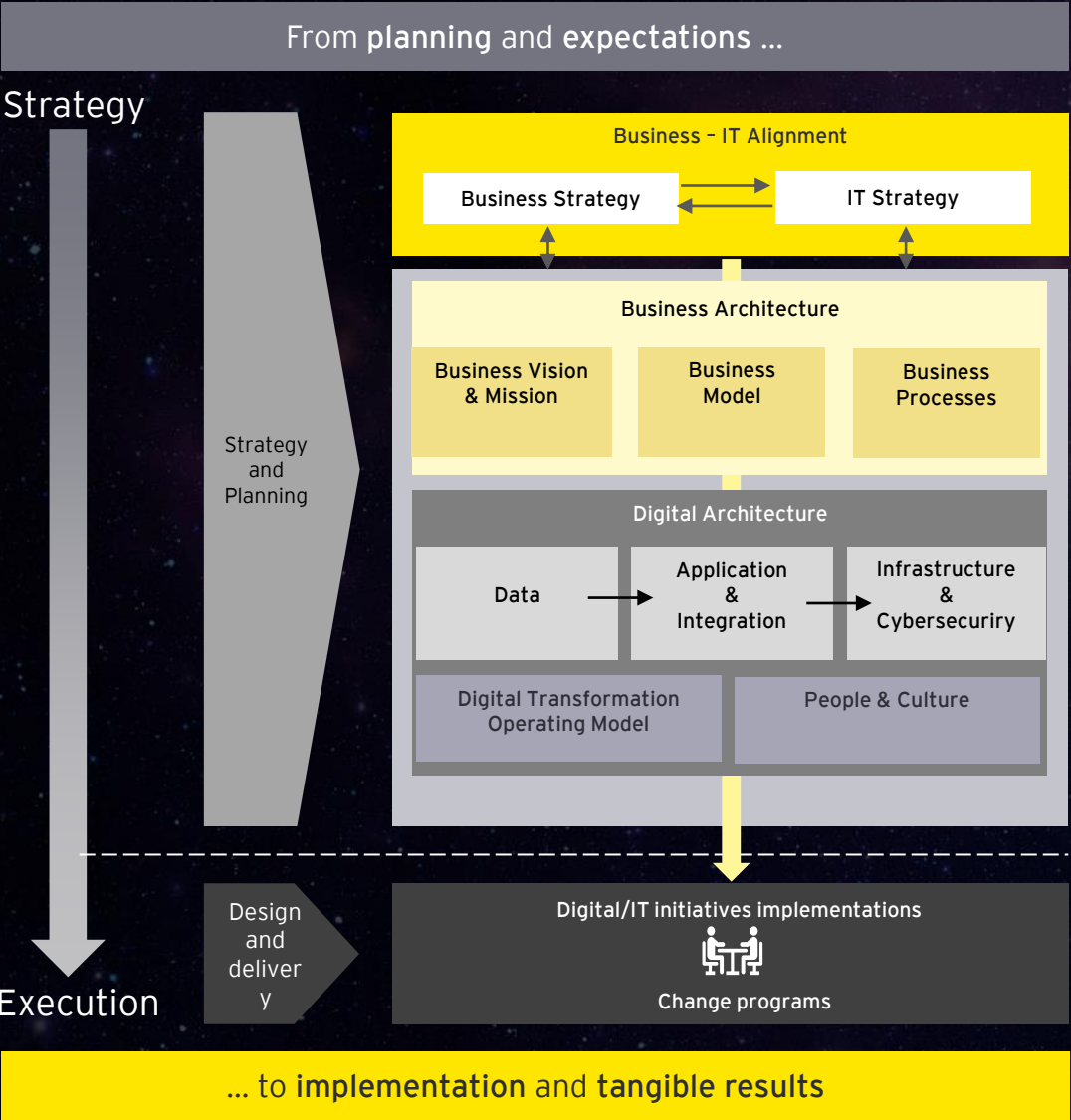
Source: IDC. "CIO Sentiment Survey, 2023."

Key Takeaways:

CIOs' challenges highlight the need for IT strategies, system modernization, and enhanced cybersecurity. Learning from APAC's focus, organizations should invest in technological innovation and build resilient, adaptable operations to thrive in the digital era.

From **planning** and **expectations** …

Strategy

Strategy and Planning

Business – IT Alignment

Business Strategy ↔ IT Strategy

Business Architecture

Business Vision & Mission	Business Model	Business Processes

Digital Architecture

Data → Application & Integration → Infrastructure & Cybersecurity

Digital Transformation Operating Model	People & Culture

Execution

Design and delivery

Digital/IT initiatives implementations

Change programs

… to **implementation** and **tangible results**

Q-D3 How challenging are the following areas?
Please rate from 1 to 5 with 1 indicating 'the most challenging' and 5 indicating 'the least challenging'.

1	2	3	4	5

	Expandability and Adaptability of Architecture	Modernization and Integration of Legacy Systems	Strategy and Roadmap for Cloud Services	Management and Reduction of Accumulated Technical Debt	Security Architecture for Data and Systems	Data Governance / Data Privacy (including Customer Data)
Average	2.35	2.65	2.94	2.98	2.59	2.84
5	10%	6%	14%	8%	14%	22%
4	12%	27%	12%	31%	10%	12%
3	16%	18%	35%	27%	22%	18%
2	24%	24%	31%	20%	27%	20%
1	37%	24%	8%	14%	27%	27%

The most pressing IT challenges are expandability & adaptability of architecture, modernization of legacy systems, and ensuring robust security architecture. Strategy for cloud services, managing technical debt, and data governance are also challenging but to a lesser extent.
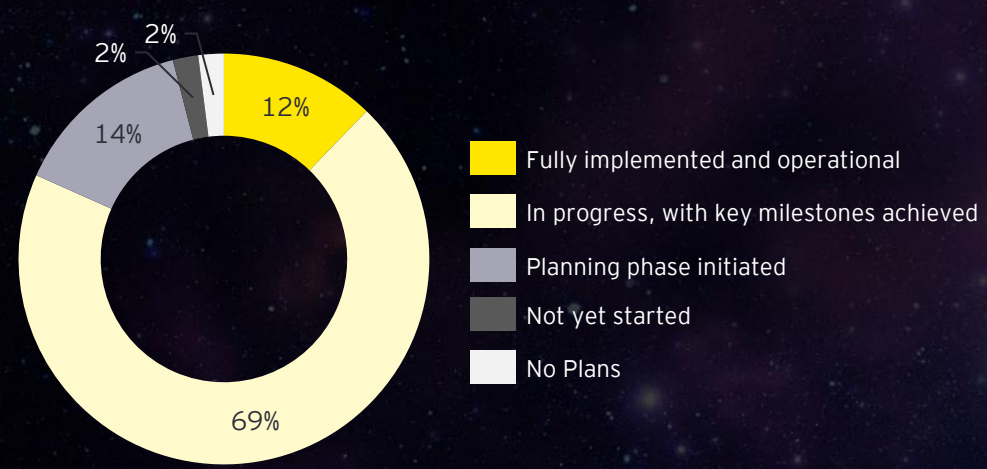
Globally, CIOs identify key obstacles in **adopting emerging technologies**, highlighting a lack of understanding in **technology integration**, **data governance** issues, **disruption of current roadmaps**, difficulties in **scaling innovations**, and constraints due to **legacy IT systems**. Both Vietnam and global insights indicate architecture adaptability, legacy modernisation, and security as top IT challenges.

Source: EY. "Reimagining Industry Futures Study, 2024."

Organisations are proactively revamping IT strategies to embrace advanced technologies and adapt operations, with a strong emphasis on enhancing collaboration and prioritising Cybersecurity amidst evolving challenges

Q-D2 Has your organisation revisited and updated your IT and Digital strategy since 2022 to account for external influences and integrate new technologies? *Please select one.*
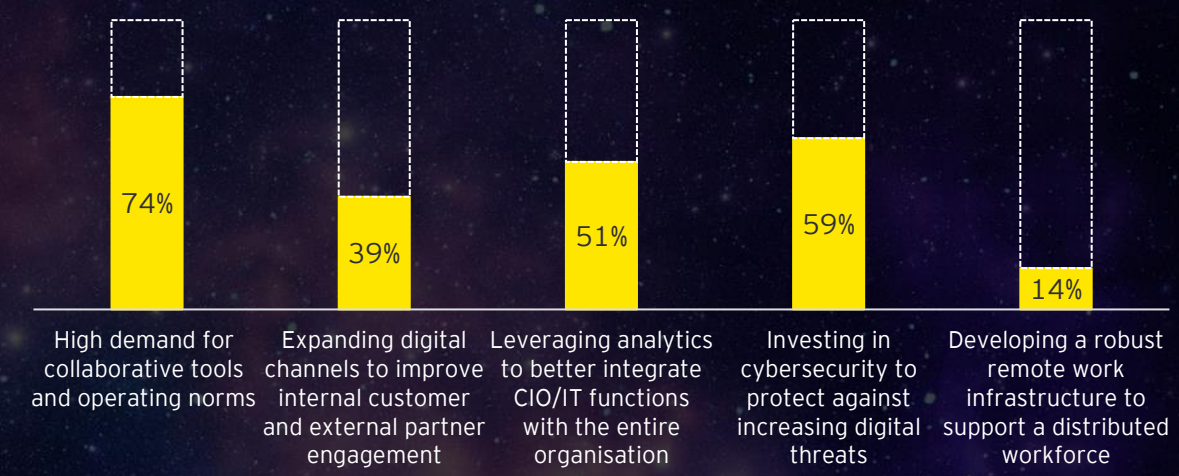
Q-D4 What initiatives does your organisation's IT strategy emphasize to improve the efficiency and security of IT operations? *Please select all that apply.*

Q-D2 Chart

- 12% Fully implemented and operational
- 69% In progress, with key milestones achieved
- 14% Planning phase initiated
- 2% Not yet started
- 2% No Plans

Q-D4 Chart

High demand for collaborative tools and operating norms	Expanding digital channels to improve internal customer and external partner engagement	Leveraging analytics to better integrate CIO/IT functions with the entire organisation	Investing in cybersecurity to protect against increasing digital threats	Developing a robust remote work infrastructure to support a distributed workforce
74%	39%	51%	59%	14%

Key Takeaway

The majority of organisations (69%) are actively updating their IT and Digital strategies with significant progress made, while 14% are in the initial planning phase, indicating a strong focus on adapting to external influences and integrating new technologies. Only a small fraction have not started or have no plans to update their strategies.

The alignment of most organisations actively updating their IT strategies indicates a proactive stance in adapting IT operations and embracing advanced technologies amidst recovery efforts.
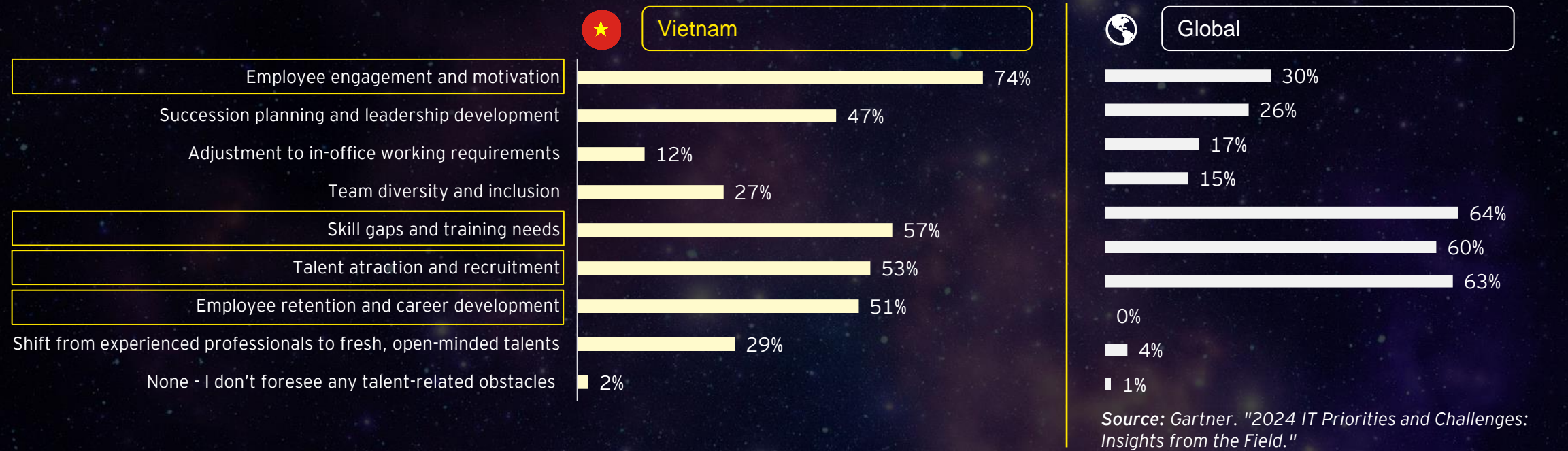
Key Takeaway

The survey's key insight suggests a strategic shift in IT priorities towards fostering collaboration and fortifying security, with a significant emphasis on collaborative tools (74%) to streamline operations and cybersecurity investments (59%) to counteract digital threats.

While over half of the organisations aim to integrate analytics (52%), and enhance engagement through digital channels (39%), there's a notably lower focus on establishing remote work infrastructure (14%), indicating a potential undervaluation of remote workforce support in current IT strategies.

Hiring, retaining and developing talents remains as major impediments in Vietnam & Global Organisation, hampering IT Functions achieving their strategic initiatives

Q-D5 Which talent-related issues, if any, do you personally think could pose the most significant obstacles to achieving your IT department's top three strategic priorities in 2025?
Please select all that apply.

🇻🇳 Vietnam

Category	Value
Employee engagement and motivation	74%
Succession planning and leadership development	47%
Adjustment to in-office working requirements	12%
Team diversity and inclusion	27%
Skill gaps and training needs	57%
Talent attraction and recruitment	53%
Employee retention and career development	51%
Shift from experienced professionals to fresh, open-minded talents	29%
None - I don't foresee any talent-related obstacles	2%

🌐 Global

Value
30%
26%
17%
15%
64%
60%
63%
0%
4%
1%

Source: Gartner. "2024 IT Priorities and Challenges: Insights from the Field."

Key Takeaways

► The Vietnam and global results converge on the significant talent-related challenges facing IT departments, with **employee engagement and motivation**, **skill gaps and training**, **talent attraction and recruitment**, and **employee retention and career development** being pivotal concerns.

► The survey emphasis on skill gaps, recruitment, and retention reflects a widespread recognition of the need to develop a workforce equipped with the necessary skills and motivation to drive strategic IT initiatives.

► This consensus highlights **the criticality of investing in human capital** to ensure the successful execution of IT strategies by 2025, emphasizing **the importance of nurturing talent** to keep pace with technological advancements and organisational goals.

Organizations prioritise cautious investment in emerging tech, vigilance over recession impacts, and cloud cost management, reflecting a strategic approach to financial risks and tech opportunities in an uncertain economy

Q-D6 **Which of the following risk factors do your organisation concern the most?** *Please select all that apply.*

Vietnamese CIOs

49%

Uncertain ROI of Investing in emerging technology

47%

Impact of recession on business value

45%

Managing demand for cloud subscription within budget

Global CIOs

32%

Staffing/labor shortages

30%

Impact of recession on business value

29%

Supply chain disruptions affecting IT hardware access

▶ The survey of Vietnamese CIOs points to the top organizational risks as the uncertain returns on investment in new technologies (49%), the recession's effect on business revenue (47%), and managing cloud subscription costs within budget constraints (45%), .

▶ Interestingly, while the global results highlight staffing/labor shortages (32%), recession impact (30%), and supply chain disruptions affecting IT hardware access (29%) as the primary risks, there's a notable alignment on the concern over recession impacts.

▶ Despite differences in prioritising technology investments and staffing concerns, there is a common focus on the implications of economic conditions and budget management across both Vietnam and global perspectives.

Source: IDC. "Future Enterprise Resiliency and Spending Survey 2H23, December 2023 - A Summary View into IT and Network Management Drivers and Direction."

Demanding ROI of IT investment

▶ Increasing pressure to deliver profitable project

▶ Unknown quantified benefit when investing new technology

Global Stability Dynamics

▶ Rising inflation reducing business value

▶ Issues with the economy and global conflict are sweeping through the technology world

Intensifying Cost Management

▶ Organisations optimising cost structure and planning to cut costs

▶ Severe gap for qualified talent to deal with digital transformation initiatives

Appendix

References & Citations (alphabetical order)

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