**Gartner Executive Programs Worldwide Survey of More Than 2,000 CIOs
Identifies Cloud Computing as Top Technology Priority for CIOs in 2011**

Survey Results Show Business Leaders Looking for IT to Drive Revenue Growth

STAMFORD, Conn., January 21, 2011 — CIOs must re-imagine IT to support growth and competitive advantage, based on results from the 2011 CIO Agenda survey by Gartner Executive Programs (EXP). CIOs report that their organisations are emphasising growth, in addition to continued vigilance on cost and operational efficiencies. Although EMEA CIOs report similar business priorities, the survey found that efficiency and consolidation are of higher priority in Europe.

The worldwide CIO survey was conducted by Gartner EXP from September to December 2010 and represents CIO budget plans reported at that time. The survey includes responses from 2,014 CIOs representing over $160 billion in corporate and public-sector IT spending across 50 countries and 38 industries. The Gartner Executive Programs report "Reimagining IT: The 2011 CIO Agenda" represents the most-comprehensive examination of business priorities and CIO strategies.

CIOs' IT budget projections for 2011 are globally flat, with an average budget increase of 1 per cent. While CIOs do not report IT budgets returning to their 2008 (pre-recession) levels, the number of those experiencing budget increases in 2011 outnumbered those reporting a cut by almost three-to-one.

EMEA CIOs report an average budget decline of 0.4 per cent in 2011. The UK is one of the hardest hit, reporting an average drop of 6.9 per cent, while German CIOs expect their budgets to decline 2.7 per cent and French CIOs anticipate a 0.2 per cent increase. These budget variations reflect different local macroeconomic and political contexts.

"CIOs and IT have been boxed in between modest budget growth and growing legacy requirements," said Mark McDonald, group vice president and head of research for Gartner Executive Programs. "New lighter-weight technologies – such as cloud computing, software as a service (SaaS), and social networks -and IT models enable the CIO to redefine IT, giving it a greater focus on growth and strategic impact. These are two things that are missing from many organisations."

"The resource realities indicated in the 2011 CIO Agenda Survey raise the urgency and importance of adopting new infrastructure and operations technologies, such as cloud services and virtualisation," Mr McDonald said. "These technologies were selected by CIOs the most often and are the top-two technologies for 2011 and are well-suited for this budget reality, as they offer similar service levels at lower budget costs."

CIOs expect to adopt new cloud services much faster than originally expected. Currently, 3 per cent of CIOs have the majority of IT running in the cloud or on SaaS technologies, but over the next four years CIOs expect this number to increase to 43 per cent. "Social media continues to be an important technology focus, with many EMEA CIOs prioritising it significantly higher than the global average, forming part of their struggle for growth and differentiation," said Dave Aron, vice president and distinguished analyst at Gartner.

In a further positive development revealed in the survey, CIOs may be able to reallocate IT budget savings, rather than simply returning them to the organisation in 2011. CIOs anticipate the ability to fund infrastructure changes and new projects by reallocating resources within that budget. This approach to funding will become a standard operating procedure since Gartner does not see CIO IT budgets recovering to their 2008 peak until 2014.

CIOs report that their organisations are emphasising growth, in addition to continued vigilance on cost and operational efficiencies. This emphasis is consistent with emerging signs of economic recovery and increasing competition to attract and retain customers.

A ranking of business strategies reported by CIOs (see Table 1) indicates that growth is a core expectation for 2011 and beyond. The move to growth appears to be more of a change in emphasis than a restructuring of business strategies and business expectations for IT, as prior top concerns for reducing enterprise costs and improving business processes remain important.

Table 1
Top 10 Business and Technology Priorities in 2011

Top 10 Business Priorities	Ranking	Top 10 Technology Priorities	Ranking
Increasing enterprise growth	1	Cloud computing	1
Attracting and retaining new customers	2	Virtualisation	2
Reducing enterprise costs	3	Mobile technologies	3
Creating new products and services (innovation)	4	IT management	4
Improving business processes	5	Business intelligence	5
Implementing and updating business applications	6	Networking, voice and data communications	6
Improving technical infrastructure	7	Enterprise applications	7
Improving enterprise efficiency	8	Collaboration technologies	8
Improve operations	9	Infrastructure	9
Improving business continuity, risk and security	10	Web 2.0	10

Source: Gartner EXP (January 2011)

Until recently, the average IT organisation dedicated 66 per cent of its budget to day-to-day operations leaving little room for transformation of business strategy. CIOs see the introduction of internet service-based technologies as changing that equation and releasing between 35 to 50 per cent of infrastructure and operational resources for innovation and growth. This is creating a new CIO success cycle, one based on creating and realising new sources of value, in addition to cost-effective IT operations.

"Over the next five years, CIOs expect dramatic changes in IT as they adopt new technologies and raise their contribution to competitive advantage," Mr McDonald said. "Leaders will implement new infrastructure technologies to achieve increased efficiency and to redirect IT resources to create greater business impact. Pursuit of that leadership agenda will raise complex issues ranging from re-imaging IT's role in their organisation to the creative destruction necessary to break old practices and redeploy resources to new initiatives."

The 2011 CIO Agenda survey included results from more than 100 companies in China. There is some indication that Chinese companies will "leapfrog" some technologies (for example, by moving more-directly to mobility- and services-type models). Gartner said that this means technology companies seeking success in China will grow based on the reach of their channel, rather than expanding with existing customers.

Additional information on the 2011 CIO Agenda is available on Gartner's website at www.gartner.com/cioagenda. The site includes additional commentary from Mr McDonald regarding this year's findings, as well as information on becoming a client of Gartner Executives Programs and receiving the 2011 report.

About Gartner Executive Programs
Gartner Executive Programs comprises exclusive, membership-based organizations of 3,700 CIOs and IT executives worldwide. Members enjoy Gartner Service delivered in their context, actionable insight and resources focused on CIO-level challenges, and the shared knowledge of peer communities both inside and outside their industries. Additional information about Gartner Executive Programs can be found on Gartner's website at www.gartner.com/exp.

About Gartner
Gartner, Inc. (NYSE: IT) is the world's leading information technology research and advisory company. Gartner delivers the technology-related insight necessary for its clients to make the right decisions, every day. From CIOs and senior IT leaders in corporations and government agencies, to business leaders in high-tech and telecom enterprises and professional services firms, to technology investors, Gartner is the valuable partner to 60,000 clients in 11,000 distinct organizations. Through the resources of Gartner Research, Gartner Executive Programs, Gartner Consulting and Gartner Events, Gartner works with every client to research, analyze and interpret the business of IT within the context of their individual role. Founded in 1979, Gartner is headquartered in Stamford, Connecticut, U.S.A., and has 4,400 associates, including 1,200 research analysts and consultants, and clients in 85 countries. For more information, visit www.gartner.com.