



FACTOR

Wave of Change

10 MINUTE READ

3 FEBRUARY 2025

Quarterly CIO Survey Analysis

200 Respondants

IS 2025 A YEAR OF CHANGE?

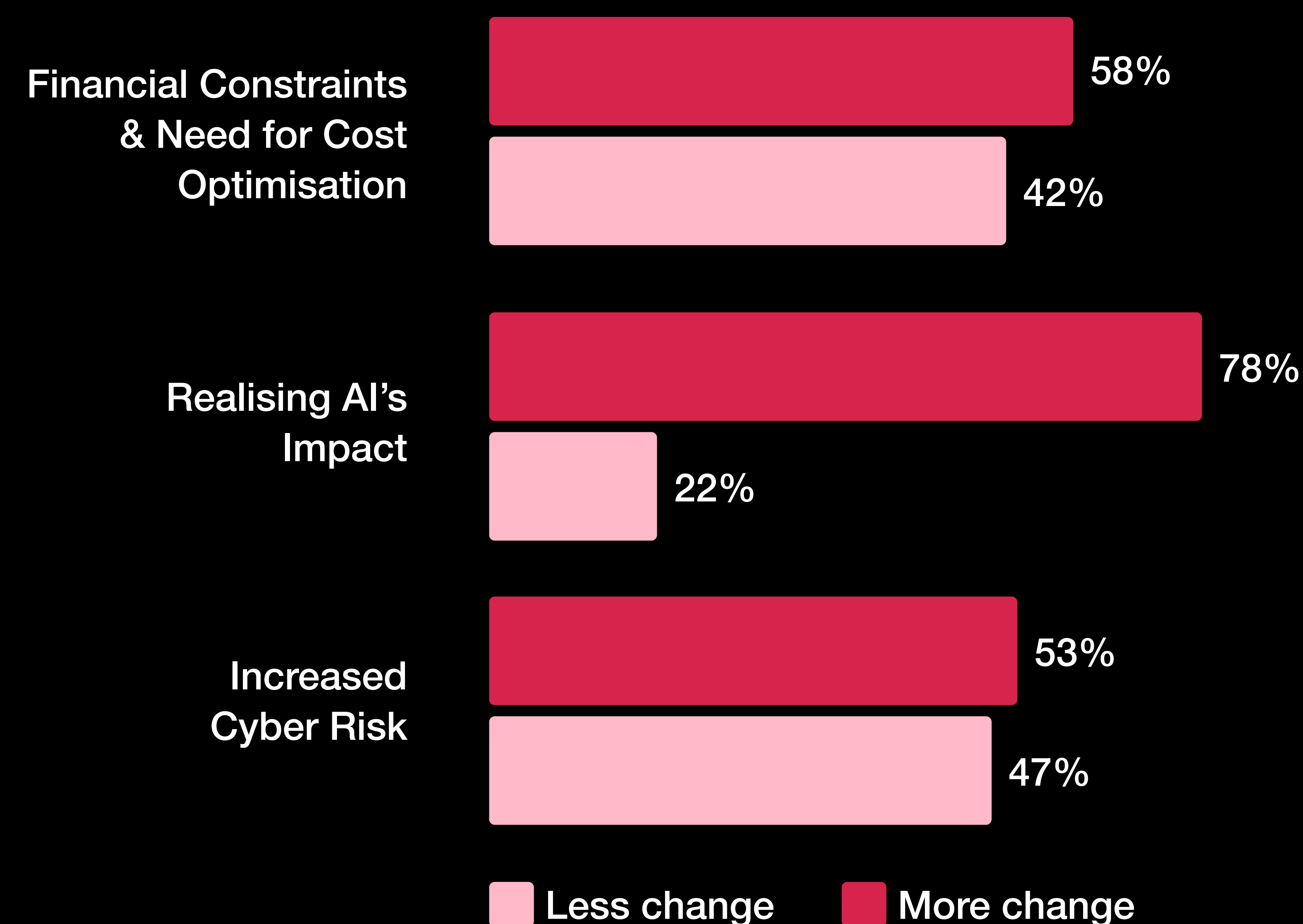
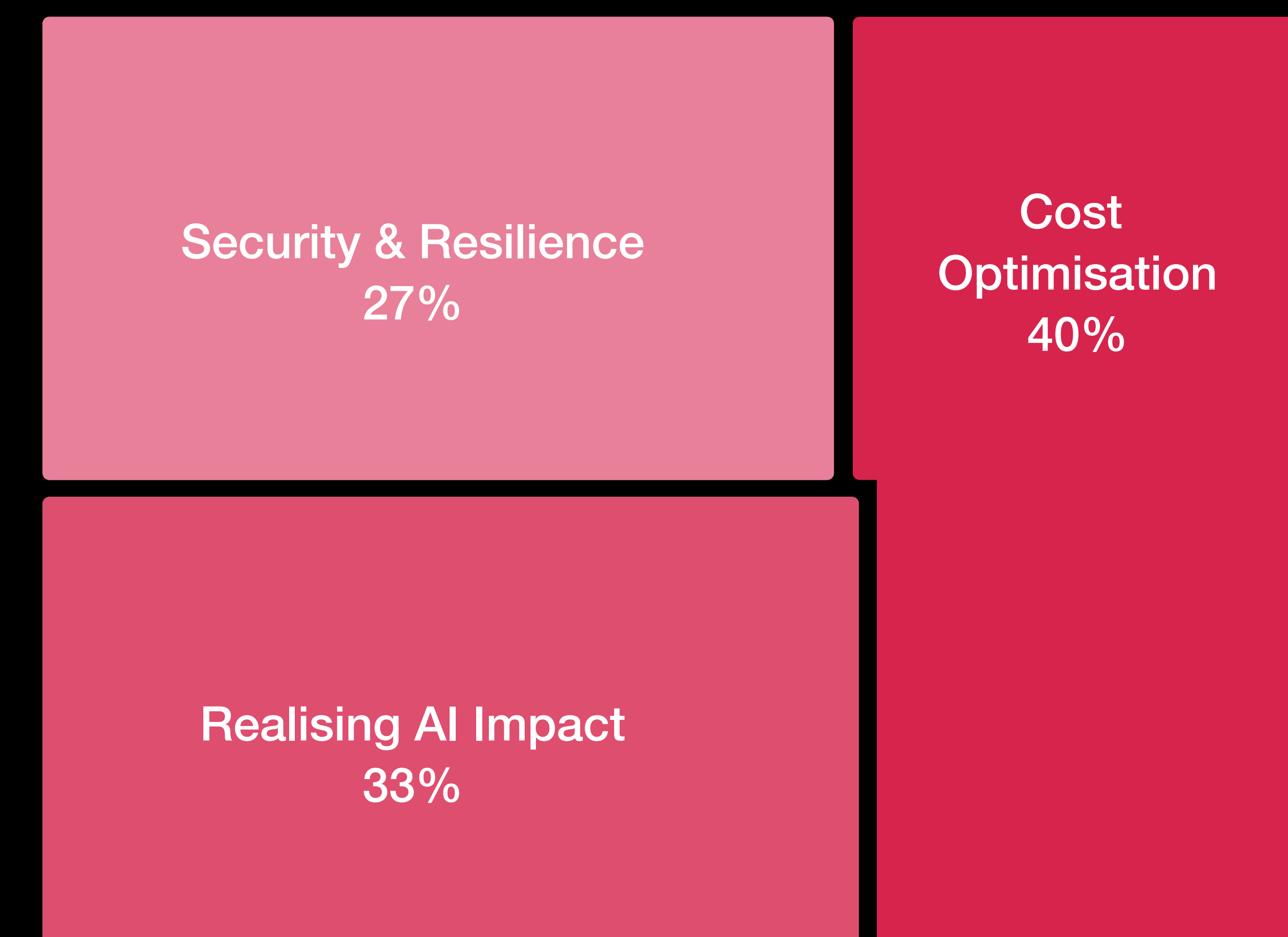
Insights and Strategic Directions from 200 CIOs in Australia

This CIO Wave of Change report is based on a pulse survey of over 200 respondents (CIOs and IT enterprise leaders) across Australia, conducted from November 2024 to February 2025. It identifies their challenges, strategic priorities, investment opportunities, and digital focus areas. These insights offer a glimpse into IT leaders' current investments, departmental challenges, and how industry participants are navigating the complexities of the modern landscape to develop effective strategies and drive sustainable growth.

OPEX CONTINUES TO BE THE BIGGEST CONCERN

What are the biggest challenge or concerns you face as an ICT or Business Unit leader?

Organisations are under financial pressure due to economic uncertainty, rising costs, and regulatory challenges, but they see AI and emerging technologies as critical investments to stay competitive and drive transformation. There's a tension between limited budgets and the urgent need to innovate with AI, modernise infrastructure, and address cybersecurity threats. It's a balancing act of prioritising what's essential while navigating resource constraints and external pressures.



2024 VS 2025

Compared to the change experienced in 2024, what are your expectations for the level of change in 2025?

HOW IS THE CIO PLANNING TO GET AHEAD OF CHANGE?

A STRONG SIGNAL ON AI

60%

Recalling **Cost Optimisation** to be the key focus in 2025.

61%

Claiming 2025 to be a year focused on **Digital Transformation** initiatives.

88%

Believe **AI** presents a powerful avenue for addressing cybersecurity challenges in 2025.

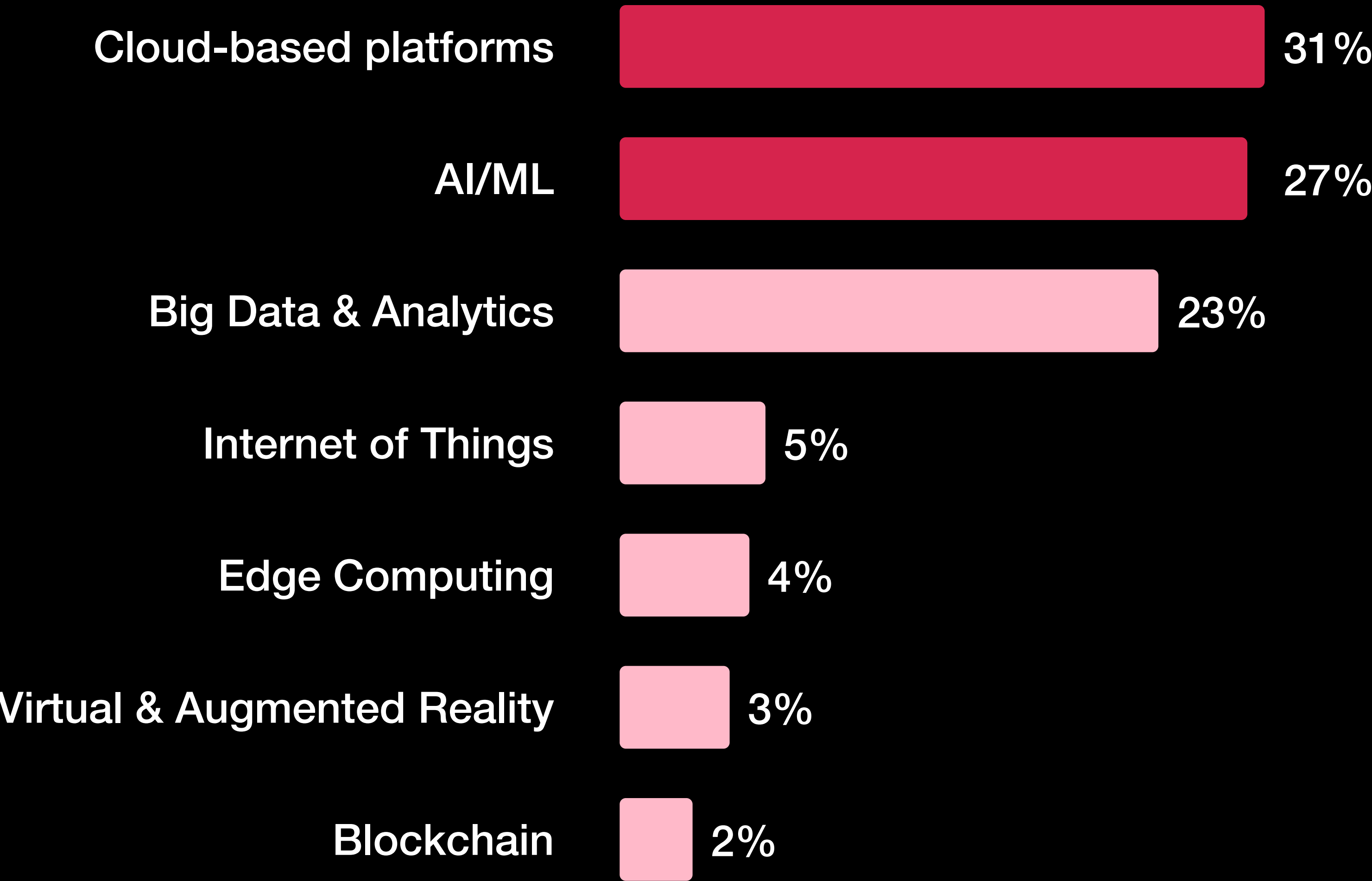
84%

Believe their IT investments to be influenced by Growth in AI & Machine Learning Initiatives.

CIOs are looking to build the foundation for AI

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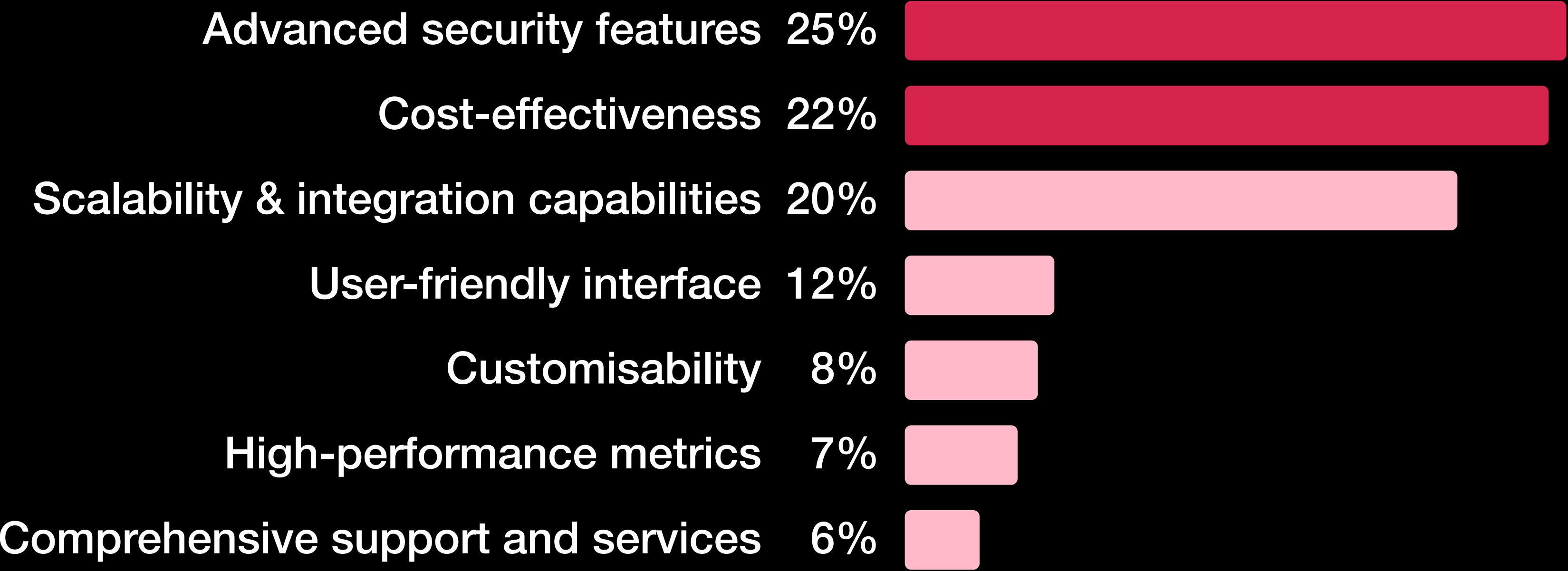
Which technologies are currently shaping your IT strategy?



WHAT TOOLS ARE WINNING THE RACE?

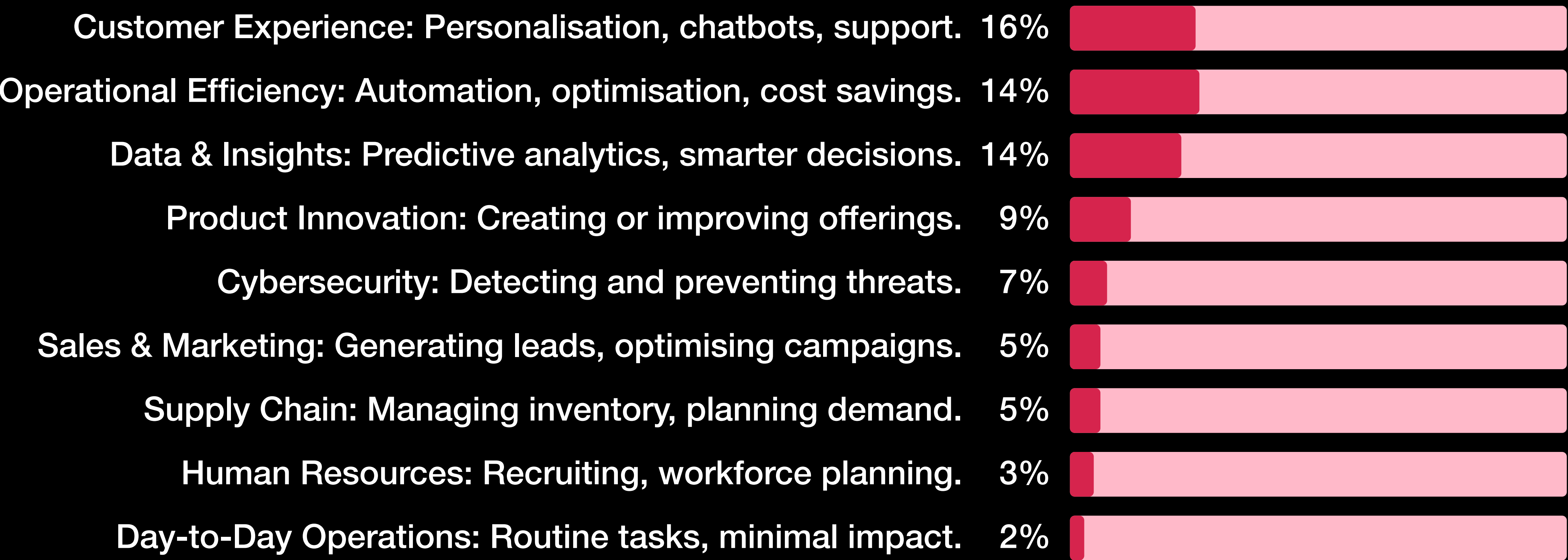
EMBEDDED SECURITY IS AT THE TOP OF THE CIO'S AGENDA

When evaluating new technologies, what metrics and key features do you consider first?



THE IMPACT IS YET TO BE FULLY SEEN

Where do you see the impact of AI across your business?



WHAT'S HOLDING THE CIO BACK?

WHAT ARE THE GREATEST BARRIERS PREVENTING YOU FROM SCALING?

The Tech Council of Australia reports that the country is producing only about half the technology workers needed by 2030, highlighting a significant skills shortage impacting ICT projects.

%18
Skills and talent shortages

%9
Vendor limitations

A study from the University of Sydney shows that Australia's digital transformation is suffering from uncoordinated efforts among firms, governments, and research institution which ultimately leads to vendor limitations, as organisations end up struggling to find vendors capable of meeting their specific integration and innovation needs.

%28
Complexity of integration

A safe estimate of over 60% of Australian organisations face challenges due to data silos, with aa approximate of 8 out of every 10 of those identifying integration difficulties as a barrier to digital transformation. This highlights the widespread issue of integrating disparate systems within enterprises.

While specific statistics on integration complexity are limited, our survey indicates that only 14% of CIOs have fully implemented AI, with many citing challenges related to data infrastructure and security as significant hurdles.

Based on Factor 2024 survey 85% of ANZ CIOs are prioritizing managing cybersecurity and other technology risks in 2025, reflecting the significant impact of regulatory and compliance requirements on ICT initiatives.

%13
Regulatory or compliance constraints

%32
Insufficient budget

62% of Australian CIOs have experienced or anticipate digital transformation projects being canceled or delayed due to cost constraints.

WINNING THE CIO



Thank you

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