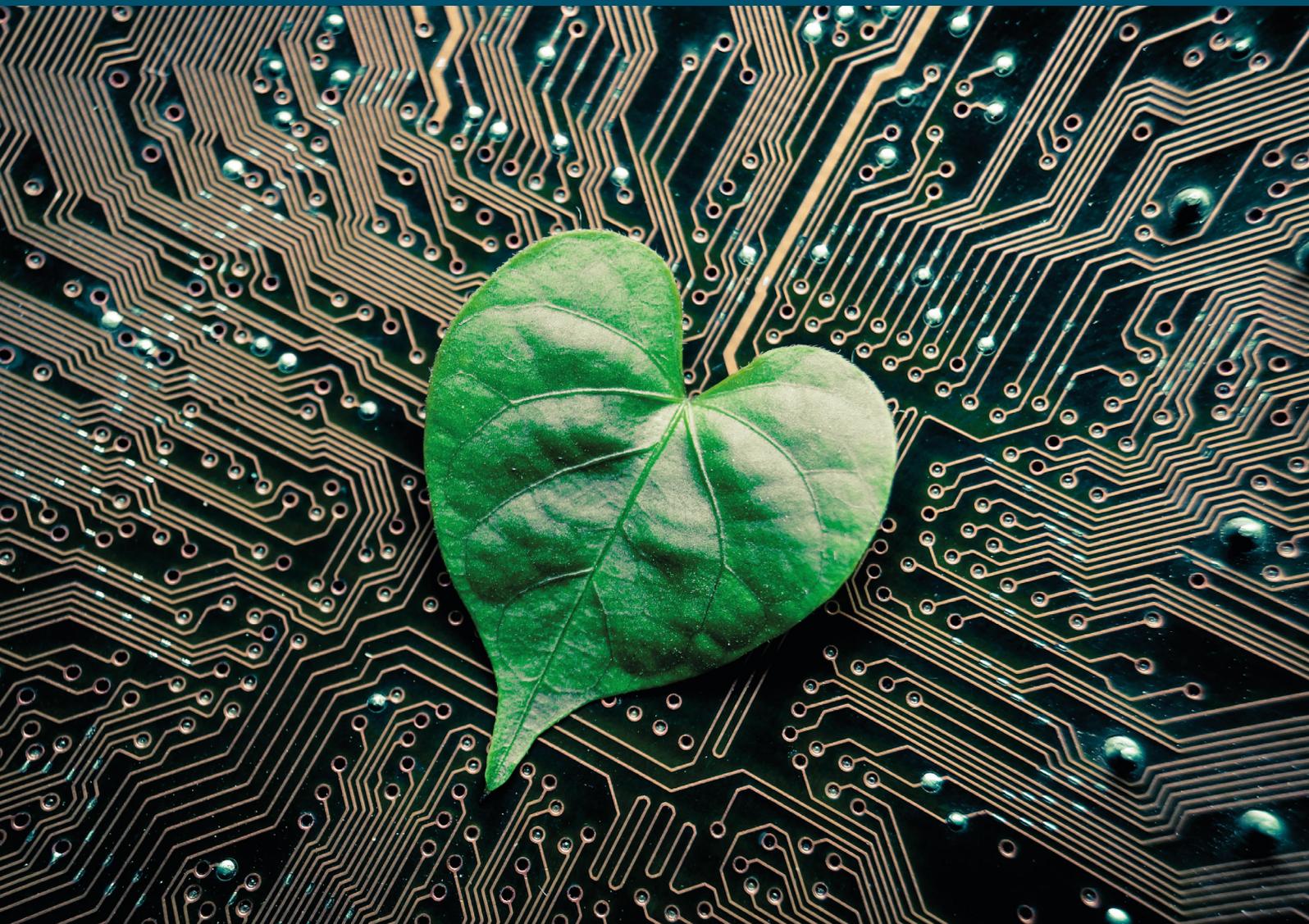


CIO AND IT LEADERSHIP SURVEY 2022

# THE CRITICAL ROLE OF TECHNOLOGY LEADERS IN DELIVERING ON SUSTAINABILITY TARGETS

New and technology-driven approaches are key to driving advancements towards sustainability goals – and IT leaders should be at the forefront of this.



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# EXECUTIVE SUMMARY

**The private sector has a key role to play in achieving the UN's Sustainable Development Goals, with organisations in the EU and UK agreeing to deliver on ambitious targets to this end. For example, in the EU, almost one third of the largest companies have pledged to reach net-zero by 2050<sup>i</sup>, and similar goals exist in the UK.**

However, our 2022 CIO & IT Leadership Survey suggests that too often, IT's involvement with sustainability is limited to moving to cloud or recycling initiatives - and opportunities to use technology to build a sustainable operating model are being missed.

Technology has the potential to facilitate an organisation-wide shift to sustainability only if IT and business sustainability strategies are aligned. New and technology-driven approaches are key to driving advancements towards sustainability goals – and IT leaders at large organisations are at the forefront of this.

This year's Coeus survey confirms there is high awareness amongst the over-riding majority (90%) of IT leaders of the need to address sustainability, and of IT's impact on sustainability. Respondents also expect to increase investment in this area (over the next three years, IT leaders expect 10-20% of IT budgets to be invested within IT sustainability), despite only incremental increases in overall budgets.

However, perception is split as to where responsibility for driving this agenda should lie. The picture emerges of a significant opportunity for IT to take a leading role: in many cases, responsibility for IT sustainability does not lie with IT, but elsewhere in the organisation, such as with other C-suites or specific Sustainability roles. Organisations could be missing a trick here, relegating technology's contribution to sustainability to a 'support' role.

Perhaps as a consequence of this lack of empowerment, or a lack of focus by Boards, less than half of respondents are making proactive changes to improve IT sustainability and a large percentage (70%) of respondents agreed that organisations often view IT sustainability as a tick box activity and only do the minimum necessary.

However, the tide may be turning, as the majority of respondents (85%) agreed that their organisation needs to be doing more when it comes to IT sustainability, with

around a third of companies identifying that they have a specific sustainability role for someone who is responsible for IT sustainability. This ensures that the technology function (as with all functions) fosters a 'sustainability' culture; a culture that needs to be enshrined within the company to ensure that technology - and other functional – leaders are empowered to ensure that 'cheaper' does not over-ride 'greener'.

When it comes to IT suppliers and the wider ecosystem, that can account for up to 35% of a company's IT spend, only 13% indicated that IT sustainability is currently a key element of their procurement processes. However, 45% believe this will become a key element in three years' time.

As public opinion moves strongly against companies who do not prioritise sustainability, it is ultimately CEOs who need to lead the way – or risk significant reputational damage. CEOs need to recognise that their CIOs/CTOs are in a unique position to partner directly with business and pioneer sustainable business growth (usually requiring further digitalisation) and that this growth should be built 'hand in hand' with IT sustainability.

## The CIO & IT Leadership Survey explores this through three lenses:

1. Is the IT organisation operating as sustainably as possible?
2. Is IT enabling the business to drive its sustainability agenda?
3. Is IT influencing the wider ecosystem to further the sustainability agenda?



# FOREWORD

by **Rainer Karcher**, Global Director IT Sustainability, **Siemens**

**Consumers everywhere are increasingly demanding that business do its part to promote sustainability and improve people's lives.**

Over 1600 companies, including Siemens, are committing themselves to the Science Based Target initiative. We are not only aiming to be carbon neutral in our own operations by 2030. We are also extending our commitment to all the emissions connected to us – from our supply chain to the use phase of our portfolio by our customers.

For companies around the world, the challenges presented by the megatrends are also an opportunity for transformation, business growth and for forging partnerships to tackle some of our most pressing challenges.

At Siemens, our DEGREE framework sets clear priorities for Sustainability, a comprehensive – 360-degree – view of sustainability from every angle, and Digitalization and the IT organization are key enablers.

Structurally, Judith Wiese, our Chief People and Sustainability Officer (CPSO) sits on Siemens' Managing Board to ensure that sustainability considerations are at the core of business

decisions. Each business and corporate function then has a person responsible for sustainability who has clear metrics and functional reporting lines to the CPSO.

Within IT we have a specific full time role, the Global Director IT Sustainability, who ensures Sustainability and Corporate Social Responsibility are at the core of IT Strategy, defining a "guiding principle" for the whole of Siemens IT. This role both ensures that the priorities for IT (Sustainable IT) are achieved and supports Siemens' business to do so (IT for Sustainability).

We are proud of what we have achieved so far; but we know that this is not about us, it's about the challenges we have to meet. So, we want to achieve more.

This report by Coeus is useful for helping CIOs and IT leaders see the potential impact they can have on their company's sustainability, not just within the IT organisation. The crucial thing is to ensure business and IT alignment.

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# INTRODUCTION

By **Ben Barry**, Director, **Coeus Consulting**



**As COP26 in Glasgow made the headlines throughout 2021, we were keen that the 2022 CIO & IT Leadership Survey shines a light on whether IT leaders at large organisations are ready and able to deliver on the ambitious sustainability targets set for them by their Leadership Teams.**

We surveyed over 200 senior IT leaders at large organisations, mainly in the UK & Germany, to find out

whether Boards are effectively harnessing the power of technology, and technology leaders, to deliver on these sustainability goals.

This report contains analysis, lessons learned and advice; whether IT organisations are leading or just 'box-ticking'; how the key players see their IT and sustainability landscape and responsibilities changing over the next few years.

# A FRAMEWORK FOR IT SUSTAINABILITY

The survey findings from 218 UK & European IT leaders have been analysed and interpreted in line with a common standardised model<sup>ii</sup> that enables organisations to get a clear understanding of which areas IT is, or is not, taking action to improve sustainability for itself, for the wider organisation and its supply chain.

The model consists of three core spheres of influence and scope:

- **Scope 1** - The IT organisation operates as sustainably as possible
- **Scope 2** - IT enables the business to drive a sustainability agenda
- **Scope 3** - IT influences its supply chain to further the sustainability agenda

It is clear that if technology leaders are to become true 'sustainability enablers' within the organisation, they need an awareness and understanding of all 3 spheres of influence – but also to be empowered by the business to take action and be held to account with transparent measurement against goals in each area.



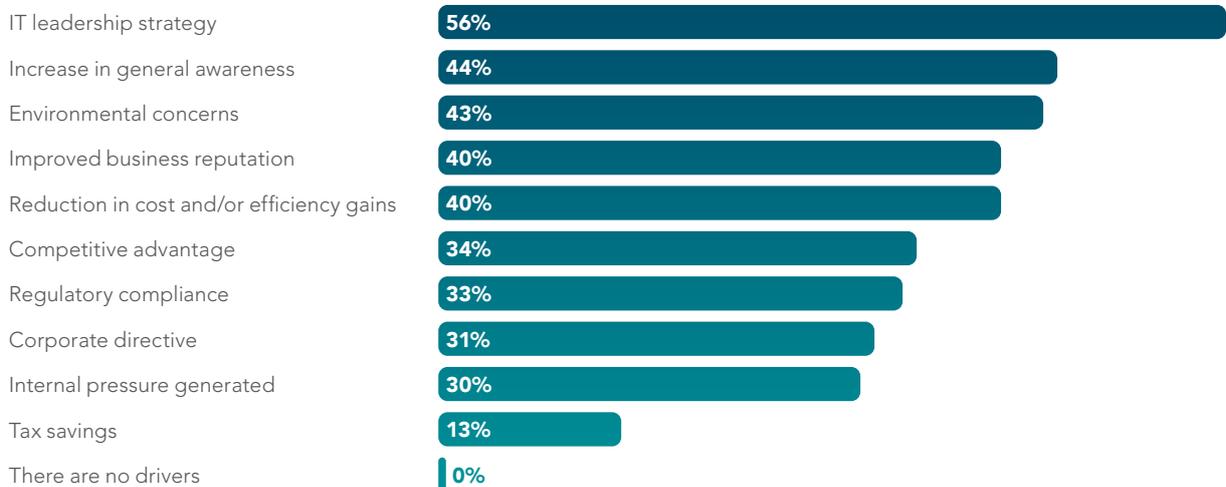
# SCOPE ONE: IS THE IT ORGANISATION OPERATING AS SUSTAINABLY AS POSSIBLE? >

The starting point for any technology leader should be to ensure that IT is driving and delivering on a sustainability strategy within their own department.

**Fig. 1: Is sustainability considered to be a core IT objective in your organisation?**



**Fig. 2: Which of the following are drivers for IT sustainability in your organisation?**

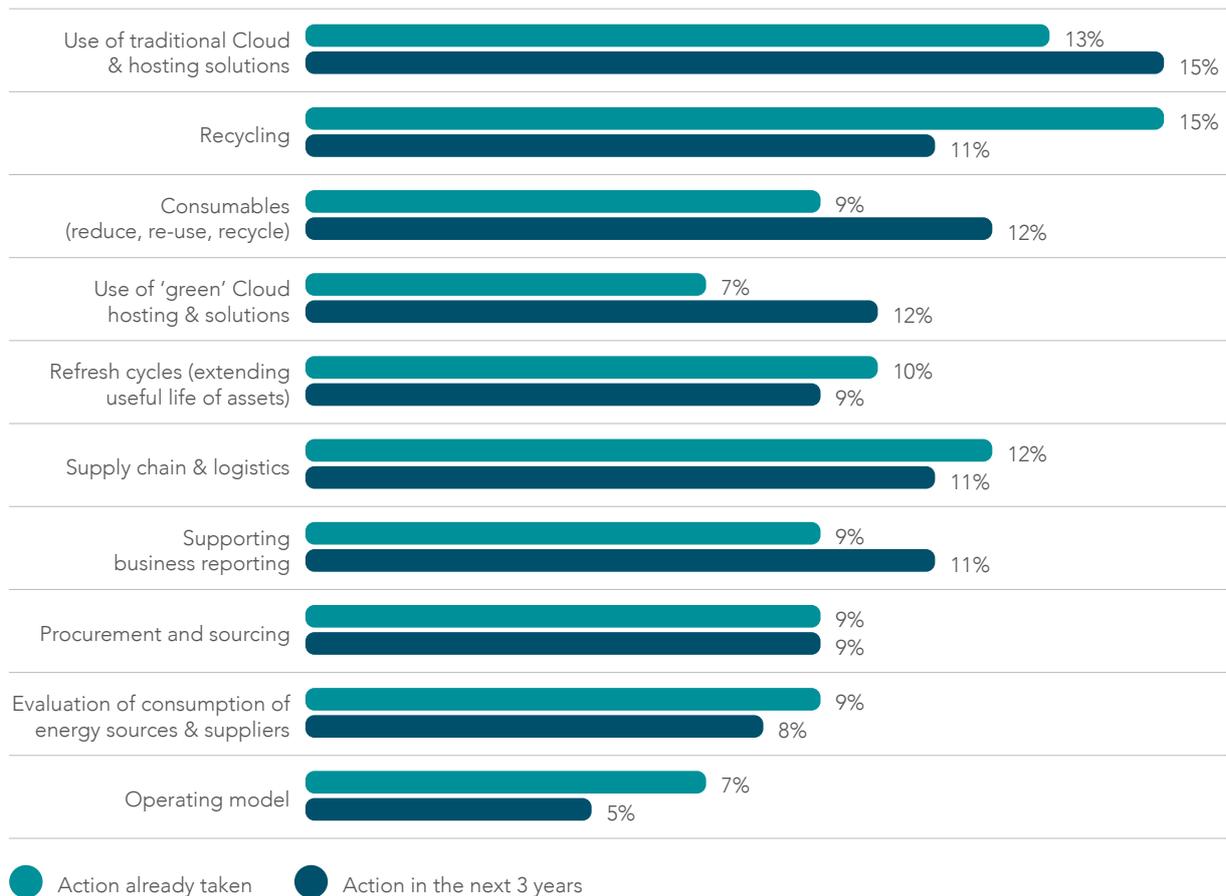


In our survey, around 90% of respondents already considered IT sustainability to be a high priority. Interestingly, for over half of them, this was only a recent change (Fig. 1).

In Fig. 2, we see that the shift towards IT sustainability seems to be a result of IT leaders ensuring it is covered within IT leadership strategy, with increased awareness and senior stakeholders also driving this.

For organisations that have yet to consider sustainability in IT, it is worth noting that in many cases, following simple steps towards sustainability enables organisations to benefit from reduced operating costs and increasing efficiencies - as well as improved business reputation.

**Fig. 3: In relation to improving IT sustainability, in which of the following areas has your organisation already taken the most action and in which areas does your organisation plan to take the most action in the next three years? Responses ranked 1st.**



In Fig.3 we see the most common steps that organisations are adopting are cloud hosting, recycling and asset life cycle extension – that is, tackling the immediate issues that have easily available solutions.

One high impact area that has been given least consideration in both the short- and long-term sustainability planning is the operating model.

Since this is how IT serves the business, taking a close look at the operating model, specifically the processes within IT, sourcing capabilities and the hardware and software deployed within IT, may reveal opportunities for improvement. The global enterprise IT carbon footprint is set to expand by 20% by 2025 if no steps are taken

to offset the emissions. Therefore, incorporating leaner IT processes, adding sustainability measures within IT procurement, and reducing IT energy consumption can go a long way towards meeting sustainability goals.

While hardware recycling and cloud migration are quick wins that will accelerate the net zero journey by reducing energy and material consumption, we urge organisations to align their IT enterprise with the long term, organisation level sustainability initiatives.

CIOs can also go a step further and use IT to define key performance indicators, targets, and frameworks to be adopted at the organisational level, monitor progress and hold the organisation accountable.

## IT and business alignment

Organisations are taking the right steps towards IT sustainability by building strategies and investing in technologies like cloud platforms. However, IT has the potential to facilitate an organisation-wide shift to sustainability, which will require aligning the IT and business sustainability strategies.

### Scope 1: Recommendations

The research shows that sustainability is a core concern for IT leaders, and many are taking steps towards sustainability within IT. However, there is room for improvement, starting with broadening the scope of sustainability activities to align with the company strategy. This will allow IT to contribute significantly towards company sustainability targets and facilitate an increase in the scope of IT sustainability from isolated strategies like cloud migration and hardware recycling to a more holistic approach that considers the entire operating model.

Extending sustainability to the operating model using IT will require planning and buy-in from senior leadership and involve redesign of existing business processes to increase efficiencies in

energy consumption, resource utilisation and waste management. IT systems can be used to measure the current consumption levels, set sustainability baselines and targets, and monitor progress. Tackling sustainability at an enterprise level will elevate IT to becoming a sustainability enabler, instead of just a target for isolated sustainability activities.

Additionally, promoting sustainability culture within the organisation will enable employees to be engaged with the strategy and support the sustainability drives introduced by the stakeholders. IT can also promote sustainability outside the immediate organisation by working with the business to foster sustainable customer and provider behaviour.



## How can IT drive sustainability?

Coeus' recommendations of how IT leaders can lead the way at driving sustainability is summarised below. By looking at the activities in a modular way, work can be

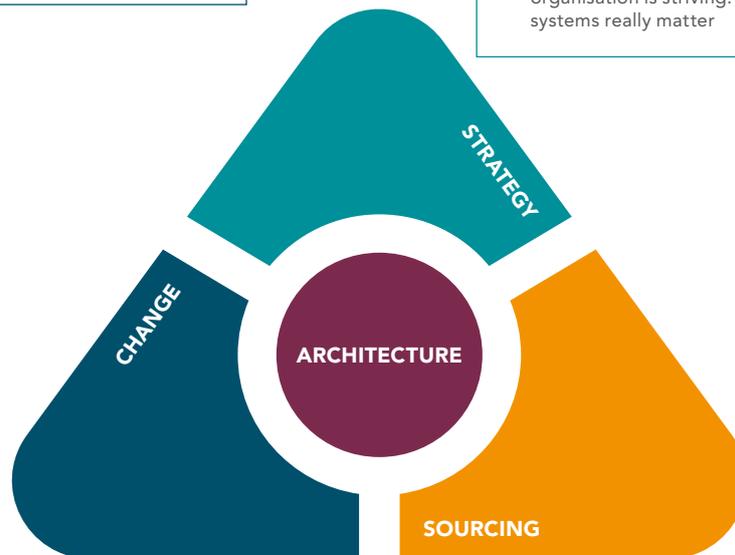
easily digested and tackled when other transformation programmes are being conducted or as a distinct activity.

### Change

- Deliver sustainable transformation to hit business drivers and regulations
- Unlocking opportunities for sustainable Digital
- Establish portfolio offices and Agile delivery centres to support delivery of sustainable transformation
- Establish quality assurance functions to ensure programmes deliver on their commitments
- Embed a sustainability culture and mindset across the organisation value chain

### Strategy

- Develop circular operating models
- Embed sustainable recycling services
- Define the location strategy & collaborative tooling to reduce need for travel
- Build sustainability measures into Vendor management practices and procedures to get the most out of them and continually measure progress
- Define & capture sustainability targets into governance & performance management reviews
- Be knowledgeable on the certifications the organisation is striving: for and which business rating systems really matter



### Architecture

- Understand the environmental impact of IT architectures and operations
- Conduct maturity assessments relating to IT environmental optimisation
- Develop technology KPIs relating to carbon consumption for management and optimisation
- Advise on tools for materiality assessments to track & report on activities that impact sustainability & develop the right KPIs and measures that measure operational as well as ESG performance
- Assess and align overall data management and BI strategy for sustainability performance (e.g. data storage options)
- Ensure that Sustainability initiatives are included within Strategic CSR/ESG programmes to give it the right positioning in the organisation
- Identify and develop new sustainable business models

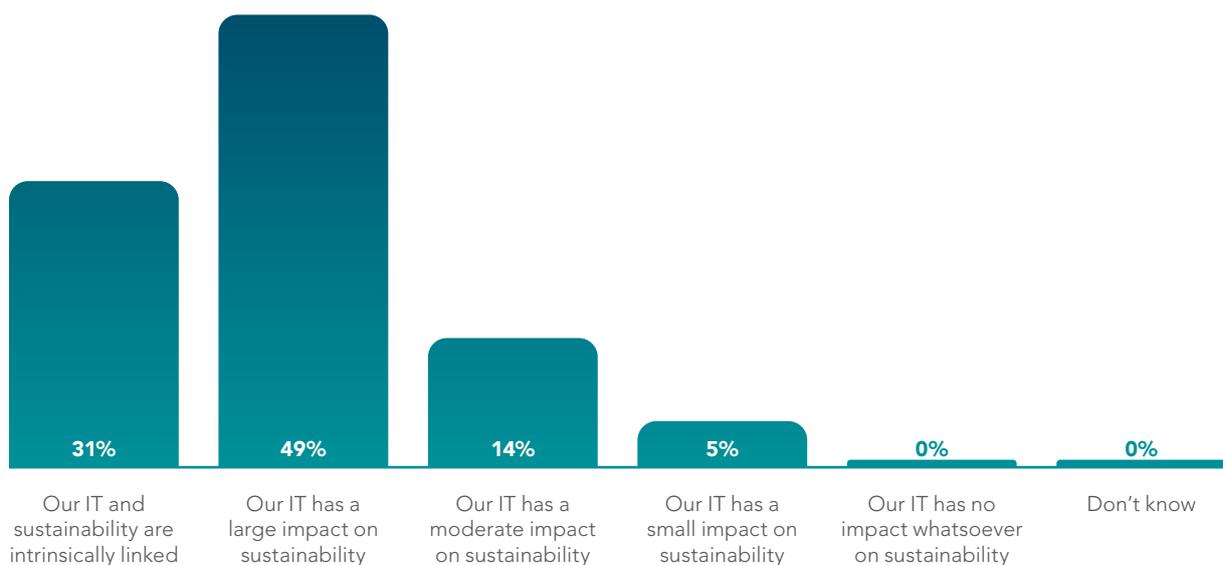
### Sourcing

- Ensure the correct questions are asked during IT Sourcing programmes & activities to ensure Sustainability is put at the forefront of the agenda
- Offer guidance and support in developing contracts that include suitable Vendor management methods to measure environmental impacts and continual improvements
- Establish the full commercial impact of sustainability initiatives incl. Initial investment case as well as operational impact in terms of cost & performance
- Align supplier contracts and performance to organisational sustainability targets
- Benchmark IT impact

# SCOPE TWO: IS IT ENABLING THE BUSINESS TO DRIVE A SUSTAINABILITY AGENDA? >

Technology leaders have the potential to be key enablers in the transition to a more sustainable future; however, is the potentially huge, strategic impact of technology being overlooked? Are technology leaders being given the right level of responsibility, commitment and budget from the business to deliver this?

**Fig. 5: To what extent do you believe that your organisation’s IT infrastructure impacts on how sustainable your organisation is?**



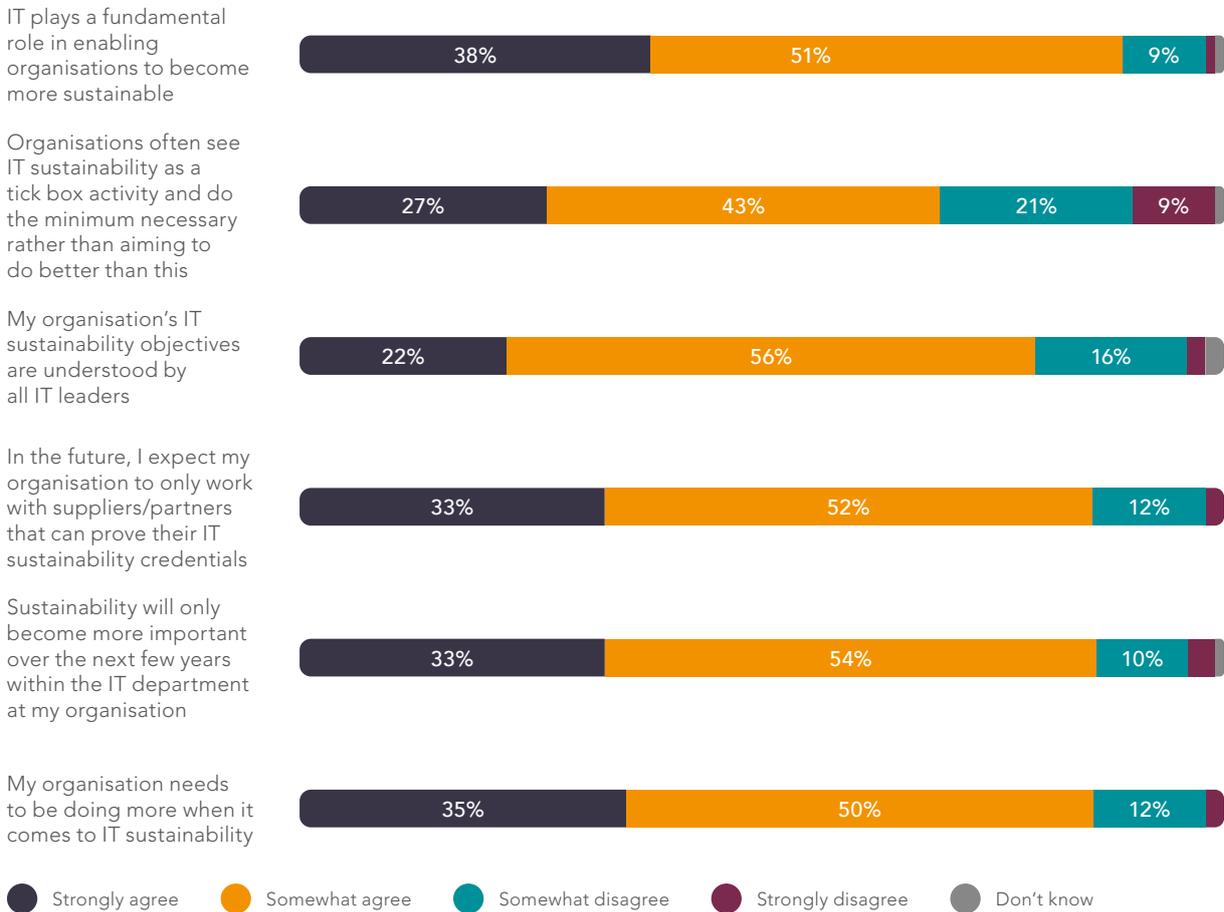
The good news is that 80% of respondents agree that IT and sustainability are intrinsically linked and that IT has an impact on overall sustainability at their organisation.

This tells us that not only are organisations focusing on the IT sustainability agenda but that they are making the

link between IT and the business and how IT can support in driving change.

Therefore, it is critical that, in the future, the business and IT align on measures that can be used company-wide.

**Fig. 6: To what extent do you agree or disagree with the following statements?**



Despite this key link between IT and Business in achieving sustainability goals, the discouraging overall feedback from 70% of respondents is that organisations often see IT sustainability as a tick box activity and only do the minimum necessary.

The majority of respondents (85% overall) agreed that their organisation needs to be doing more when it comes to IT sustainability, which was consistent across most sectors.

One area potentially lacking is cascading aims and objectives down to not only the in-house IT department but to their suppliers within contracts as formalised measures reported on a regular basis. This is explored further within scope 3.

This clearly shows that although organisations understand the importance, more needs to be done to ensure

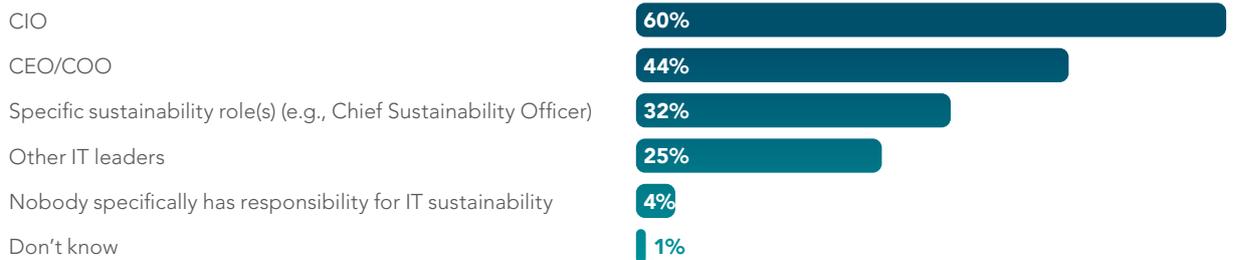
benefits are seen and not just lip service being paid to the subject. The future is encouraging with respondents showing that this is firmly on the agenda.

### Sustainability in IT

'Sustainability in IT' covers much more than simply energy consumption and carbon footprint, although this is an important element. With predictions that digitalisation, IT & ICT solutions<sup>iii</sup> could be key in reducing global carbon emissions by up to 15% by 2030, an increasing amount of responsibility lies in the hand of CIOs and CTOs.

## Where does responsibility for IT sustainability lie?

**Fig. 7: Who in your organisation has overall responsibility for IT sustainability?**



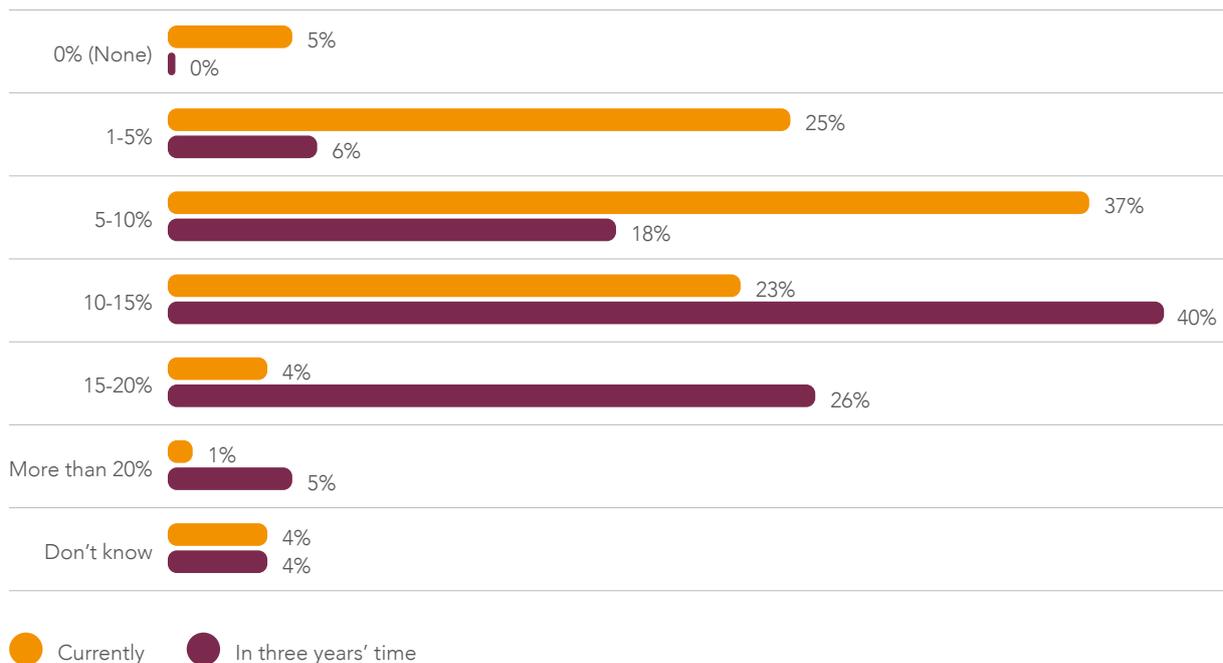
Note: Respondents asked to tick 'All that apply'

It is promising that 60% of the organisations surveyed have assigned the IT sustainability responsibility to the CIO. For IT to drive the sustainability agenda, it is important that the governance has IT buy-in.

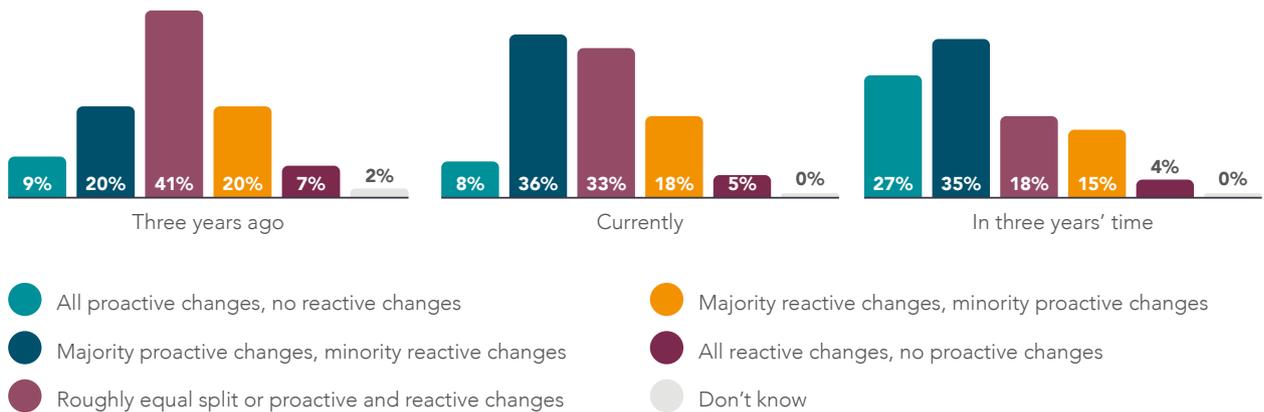
processes in the organisation. Involving top leadership will ensure that the business benefits are conveyed to the key decision makers, and that the sustainability processes are consistent and transparent.

However, commitment from critical stakeholders across the business is required to embed sustainable IT

**Fig. 8: What percentage of your overall IT budget is invested within IT sustainability across the following time frames?**



**Fig. 9: Thinking in terms of the following time frames, did/does your organisation tend to make changes that improve its IT sustainability pro-actively or reactively?**



There is an increasing trend in the resources allocated to sustainability over the next 3 years, with over half of the organisations pledging more than 10% of their IT budgets towards sustainability.

This shows that organisations are comfortable using IT to facilitate their sustainability goals, and even understand, to an extent, the contributions IT can make.

However, when asked about the actions taken towards sustainability, we see that there is room for improvement. Less than half of respondents are making proactive changes to improve IT sustainability.

Companies have indicated that they expect this to increase in the next three years, and it is imperative that IT take the reins on sustainability transformation and invest in the right technologies and solutions to reach this goal.

Details of how they are making this change can be found in the box below.

### IT sustainability spend priorities

1. Increased focus on reduction of legacy applications and infrastructure with a focus on a move to (sustainable) Cloud;
2. Increased resourcing within supply chain management, monitoring & reporting;
3. Increased scrutiny on Cloud expenditure and Cloud resource activation/deactivation.



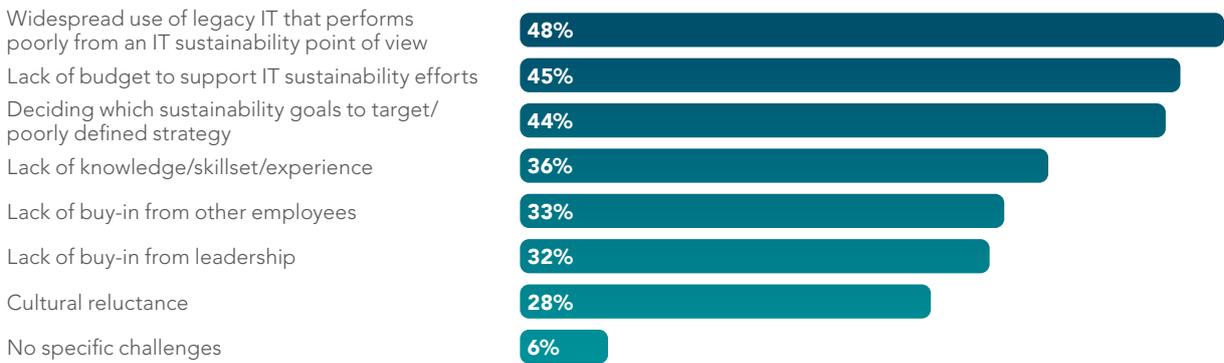
**Antonietta Mastroianni**, Chief Digital & IT Officer, Proximus



New technologies are requiring big amounts of computing power. To limit the impact on the environment, IT needs to share in the responsibility and operate in a more sustainable way. At Proximus, we are taking several actions for IT to contribute, provide solutions and raise awareness on sustainability. Last year, we launched the slow-banking app Banx, where we show users the environmental impact of their transactions."

## Challenges to IT sustainability

**Fig. 10: What are the biggest challenges to delivering on your organisation’s IT sustainability goals?**

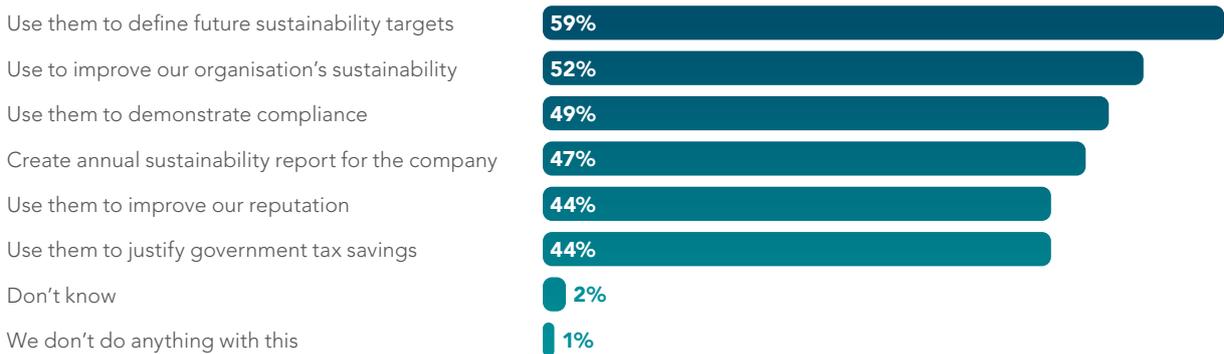


Widespread use of poorly performing legacy IT, lack of budget and poorly defined strategy were cited as the

biggest challenges for organisations to deliver their IT sustainability goals across all sectors.

## Sustainability metrics

**Fig. 11: What does your organisation do with the IT sustainability metrics that are measured?**



Encouragingly, defining sustainability targets, improving sustainability and demonstrating compliance were the top 3 use cases for IT sustainability metrics across most sectors. This shows that they are used to setting a strategy and assisting in ensuring compliance with policies deployed by governing bodies.

Despite this, from speaking to IT leaders in the marketplace, it appears that there is a lot of confusion around which standards should be used. With no single correct global standard, complexity is added to the topic and often metrics are used in the wrong way.

## Scope 2: Recommendations

Fundamentally, for IT to help drive the sustainability agenda across the wider company, it is the CEO who must stipulate that their technology (and finance) teams prioritise 'sustainable' over 'lower cost' at every turn – for example, when it comes to making decisions about which technology products and solutions to invest in.

It is also clear that responsibility for sustainability within IT needs to be formalised, to ensure it is a key consideration in every technology-related decision the company makes.

Within larger organisations, it may be suitable to have a specific role devoted to this, such as a Head of IT Sustainability. At smaller organisations, someone within IT should be made responsible for checking that sustainability is given due consideration in all IT initiatives. This includes when new tools or projects are to be rolled out, but also reviewing or auditing every project that uses technology.

Whoever is responsible from an IT perspective needs to have dotted line reporting to their Business equivalent. We recommend that IT leaders and the Business establish one common strategy, with their chosen goals, and measure performance against this as one, to prevent double counting and ensure accurate reporting. IT has most of the data required at its disposal today, by stepping up as a business partner, IT leaders and CIOs have the opportunity to help drive the pace of change.

For more ambitious organisations, there is evidently a large opportunity for IT to work with the business to develop new sustainable products and services and potentially spearhead a true 'sustainable transformation', providing digital and technology solutions to support changes in customer consumption & business needs. View the Case Study box outs as examples.



### Case Study: Transforming a retail energy business to offer more renewable products

A global Energy company needed to be able to offer renewable energy products to customers (wind, solar, hydrogen & electric vehicles) and wanted advice on transforming their state-of-the-art global retail energy business.

Coeus Consulting helped the client to define their product roadmap and customer experience, which we used to run an RFP to select the most appropriate technology partner. We also helped the client understand the commercial impact of their business aspirations, assisting them in achieving the best possible cost to serve.

Having helped the client scope and define the programme, our responsibility expanded to global delivery. This involved the rapid delivery of an MVP and the full scaling to production business.

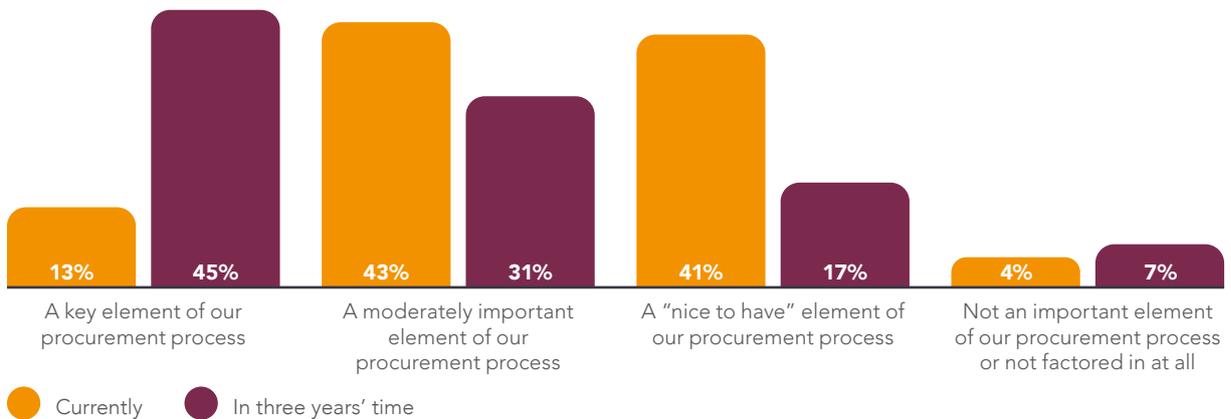
Coeus worked with senior global stakeholders to maximise the re-use within the solution to drive down operating costs and build a fully functioning renewable-led retail energy company.

### How can IT help the company meet sustainability targets?

- IT can help the company respond to regulatory requirements and provide the data that demonstrates it is moving towards a more sustainable future
- IT can help the company, its suppliers and customers improve sustainability by introducing and enhancing Data & Analytics capabilities
- IT can identify opportunities to reduce environmental impact across the company by providing IT solutions, enhanced operating models and ways of working
- IT can ensure that IT strategy, processes and policies are fully aligned and directly contributing to company sustainability targets and investment and product initiatives
- IT can build the IT infrastructure and network of applications for the future using appropriate technologies and suppliers to support this
- IT can increase company innovation and improve flexibility by reviewing and improving supplier contracts and sourcing models

# SCOPE THREE: IS IT INFLUENCING ITS SUPPLY CHAIN TO FURTHER THE SUSTAINABILITY AGENDA? >

**Fig. 12: To what extent is IT sustainability part of your organisation’s current procurement process and to what extent do you expect it to be in three years’ time?**



The last scope deals with organisations’ IT suppliers and IT ecosystems. With IT suppliers sometimes making up 35% of a company’s IT spend, this is a critical area for IT leaders to make an impact.

Only 13% of organisations surveyed have indicated that IT sustainability is currently a key element of their procurement process, however 45% of organisations believe this will become a key element in three years’ time.

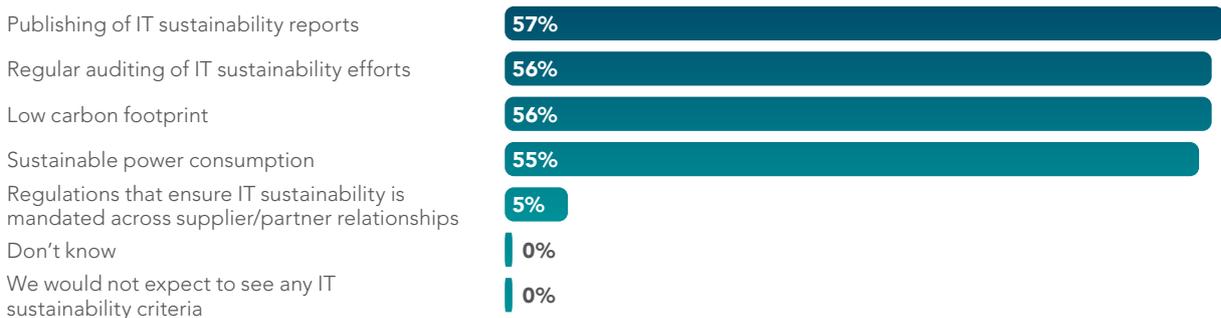
Over half of respondents (57%) wanted to see suppliers/ partners adhere to several criteria in order to work with

them: publishing of IT sustainability reports, regular auditing of IT sustainability efforts, a low carbon footprint and sustainable power consumption.

Very few respondents indicated that they would require regulations to ensure IT sustainability is mandated across supplier/partner relationships.

Ignoring or not prioritising sustainability will be problematic for these organisations – it will reflect poorly on them – they need to be seen to be driving the agenda and demanding tangible demonstrable improvements from both existing and future suppliers.

**Fig. 13: In the future, which of the following IT sustainability criteria would you want to see from suppliers partners in order to work with them?**



## Scope 3: Recommendations

Coeus research clearly indicates that there is an appreciation that IT sustainability will be a key criterion within the procurement process in the future. What is less clear, however, is how organisations will move toward embedding these criteria when selecting, de-selecting or reviewing supplier performance.

Organisations should start the process of embedding sustainability within the supply chain today. Existing agreements with the supply chain should be reviewed to understand what additions may need to be made to include sustainability criteria. Hard measures are required, rather than merely obtaining a regular view of sustainability reports.

Service credit regimes should reflect these measures so that there are clear SLAs applied around sustainability that both penalise under-performance and, critically, reward over-performance.

When drafting RFPs, there should be an explicit area of the RFP that refers to required sustainability targets and their relative weighting when scoring a potential supplier.

SLA targets should be both realistic and present

stretch targets that show measurable increases in sustainability across the term of the contract.

When implementing and embedding sustainability within the supply chain, it will be important that companies 'walk the walk' and are seen to be demonstrating explicitly the behaviours around sustainability that they are demanding from their supply chain. For example, it would be problematic in the extreme for a company to demand a high percentage of electric vehicles from a supplier if the company itself had few if any vehicles of this type.

Overall, it's clear that those who are proactive in embedding sustainability in their supply chains will be viewed positively, whilst those that treat sustainability as a low priority run the real risk of suffering reputationally.



## Case Study: Partnering for sustainable business growth

A major logistics provider wanted to work with their truck supplier to accelerate the move to a more sustainable trucking fleet.

One way to do this was to look at introducing more electric vehicles. However, the complications of maintaining battery charge and truck availability (due to charging times) overloaded the existing logistics planning tools for routes and goods.

To help solve this challenge, the truck provider not only introduced detailed tracking and monitoring of the electric vehicles, but also moved into the next tier of the business partnership by providing a truck charging network to support the movement of trucks and goods.

By using innovative AI, the truck provider was able to map key charging points and opportunities within the existing network, ensuring that trucks always had sufficient charge and maintained rapid turn-around times (e.g. by providing

fast chargers at loading/unloading bays, or installing 750kW chargers which is fast enough to recharge a truck battery during a 45-minute mandated driver rest period). Proper planning enabled utilisation of charging points in some hub routes to be over 70%, as opposed to more usual 20 – 30%.

By working with the partner on the roll-out of the charging network in tandem with the adoption of the electric trucks, the logistics provider accelerated the reduction of their CO2 emissions related to logistics and was also able to rapidly expand the scope of the services that could be provided electric trucks within its network, providing further benefit faster.

For the truck provider, they not only increased the sales of their electric truck models, but also successfully (powered by IT driven solutions) expanded into another tier of the partnership.

# CONCLUSION

## The opportunity to take the lead in IT Sustainability

While the general picture can be seen to be encouraging, the overall impression is that it is work in progress and significant focus and action is needed if business is to 'push the dial' in any meaningful way. In particular, it appears that there is still vast untapped potential for organisations to use technology pro-actively to reach sustainability goals, whether that is in taking the early steps of recycling and transition to the Cloud, or by re-orientating their operating model for longer term embedded sustainability.

For example, if 45% of respondents feel sustainability will be a key consideration in sourcing decisions within 3 years, as against 13% today, the question is what are they doing to prepare for this? What are the compelling issues that will move the needle from 13% to 45% in 3 years? It's really a question of push vs pull – if they are not driving

the agenda with their suppliers now, how do they expect sustainability to become more critical in 3 years' time?

To achieve this, it is essential that IT aligns its sustainability goals with that of business and steps up to the challenge of providing the solutions to the business to drive digitalisation and efficiency. It is more than just delivering reports and charts, it is about delivering measurable benefits that can be assessed against real SLAs both internally and throughout the supply chain.

CIOs and IT leaders have an opportunity to take a leading role in clarifying the measures that can be used to monitor & manage the drive to sustainability, and in developing the solutions and ideas to deliver. To become the leaders and not just reactive system builders.



**Phil Brown**, CDIO,  
Amey



The CDIO role is well placed to help the wider organisation define and measure progress towards a range of sustainability goals, particularly by ensuring the right data is collected and analysed. For example, at Amey, helping reduce our carbon footprint and improving our supply chain performance."



# IT BUDGETS

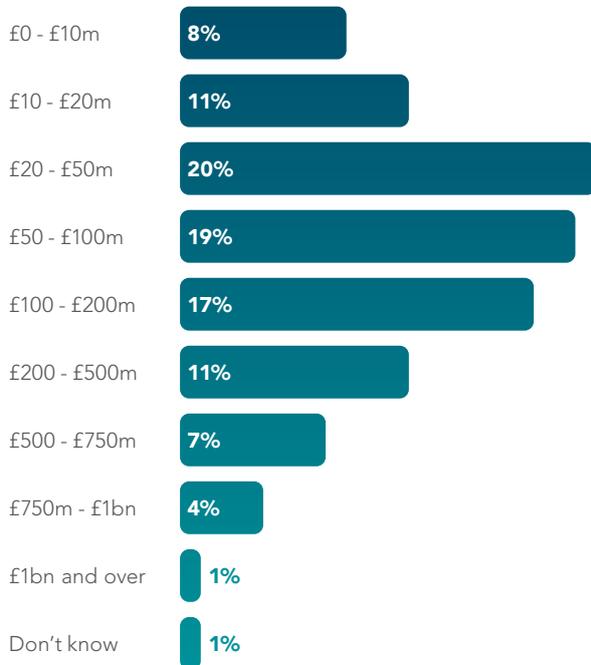
We ask IT leaders about their budgets every year to gain an understanding of how IT spending is changing over time.

The responses for this year’s report show some interesting patterns. Unsurprisingly, budgets in 2020 and 2021 show signs of a general contraction, and then recovery, aligned with the economic impacts of Covid-19. However, despite IT being a key enabler for significant shifts in behaviour such as remote working and more digital transactions, 2021 only showed a slight trend towards bigger percentage increases.

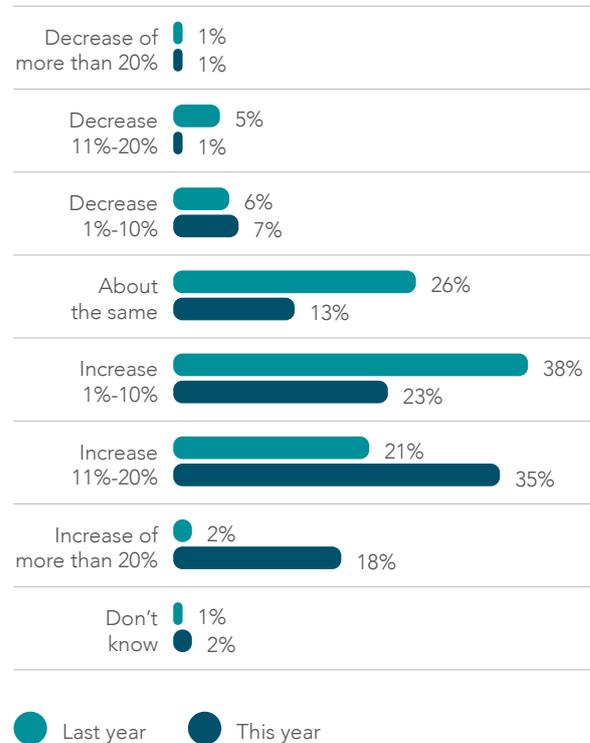
What is apparent is that IT Leaders see a fairly steady path with regards to IT budgets, despite the dual challenges of Covid-19 and sustainability. The survey indicates that IT

Leaders predict that between 10-20% of their IT budgets will be aimed at sustainability issues in the next few years. As budgets are not predicted to rise by anywhere near this amount, this means that sustainability is going to have to be implemented pretty much within the constraints of ‘business as usual’. Hence, CIOs and IT Leaders will need to focus their efforts with regards to sustainability within existing activity and not as an ‘add-on’. The silver lining from this is that, as IT focuses on sustainability within current activities and projects, sustainability will further embed within the general operations, both in IT and the business.

**Fig. 14: What is the size of your organisation’s IT budget?**



**Fig. 15: How is your IT budget changing?**

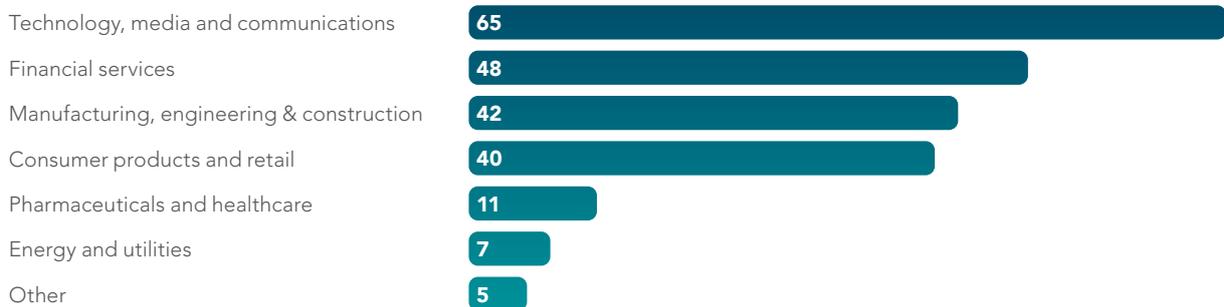


# ABOUT THE SURVEY

This report was informed by a survey of 218 IT leaders predominantly in the UK and Germany in October and November 2021. Roles were in large organisations with 1,000 employees or more, including CTO, CIO, Director or Head of IT, Head of IT and other senior IT leaders.

Roles were in organisations operating across major verticals such as technology, media and communications; financial services; manufacturing, engineering and construction; consumer products and retail; pharmaceuticals and healthcare; and energy and utilities.

## Sector of Organisation



**Andreas Drenthen,**  
CEO, **Burando**  
**Maritime Services**



“Through digitisation we have insight in the environmental impact of our business, which enables us to take the right steps to reduce our overall environmental impact.”

## References

- i. <https://www.edie.net/news/6/European-businesses-off-course-to-meeting-net-zero-pledges/>.
- ii. Based on the Greenhouse Gas (GHG) Protocol from the World Business Council for Sustainable Development and the World Resources Institute, initially devised for Corporate Accounting and Reporting
- iii. <https://www.ericsson.com/en/about-us/new-world-of-possibilities/pioneering-a-sustainable-future>



## Further reading

You may also be interested in the Coeus white paper 'How IT can help Energy companies meet their net zero targets' which you can view [here](#).

# THE AUTHORS

## Ben Barry



Ben is a founder of Coeus Consulting and a business and IT transformation professional with over 20 years' experience in consulting and management roles. Previously he was Director, CIO Advisory at KPMG and he has also held roles at Xantus Consulting

and Capgemini. He has coached and led senior clients on strategy development through to transformation and benefits delivery.

## Graeme Trevayne



Graeme is the operational lead for Coeus' EU business and has more than 25 years' ICT consulting experience. During the past 30 years he has lived and worked in five countries, operating at C-level for several multinational technology providers as well as running

his own consulting business. Outside of work, he has been active for over 20 years in the debate and campaigns around sustainability and the environment, including sitting on the board of an NGO dedicated to this theme.

## Kerry Osborne



Kerry has been driving Coeus' internal sustainability initiative and was shortlisted for 'Young Consultant of the Year' in 2019 (MCA Awards). She is a passionate portfolio manager who leads large teams in the delivery of multi-million-pound Change

Programmes and has worked in a number of challenging environments delivering national critical infrastructure, applications and services. Most recently Kerry has managed large Sourcing programmes and been central to the entire lifecycle of the programmes: sourcing, tender, definition and delivery.

## Roshnara Mohamed



Roshnara has over six years of experience working with enterprise architecture and has optimised business processes and increased efficiencies for large, multinational enterprises. She has lived and worked in three countries in the last six years, advising clients in the

financial services, manufacturing and energy industries on how to reap business benefits using technology. She has most recently advised a major European energy retailer on their renewable energy portfolio.

# ABOUT COEUS CONSULTING

Coeus Consulting is an independent, award-winning IT advisory that stands alongside technology, business and procurement leaders to deliver strategic change.

We do this by standing alongside our clients to create, execute or manage tailored and strategic change to help them deliver more to the organisation across the IT lifecycle: [IT strategy](#), [IT sourcing](#), [Change](#) and [Architecture](#).

We also help leadership teams evaluate new technologies against the needs of their business, such as AI, IoT and wearables.

Founded in 2013, Coeus have offices in the UK and Germany. Coeus are ranked 'Bronze' in the Financial Times 'Leading Management Consultants 2022' list.

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