



DiscoverOrg

Leadership Changes and IT Spending Survey

In Q3 2013, DiscoverOrg embarked on an initiative to understand how much is spent and how many IT projects are initiated and how much is spent on these projects after a leader is hired or promoted into a new role within IT.

We just completed a survey where we talked to IT Decision Makers who had recently been hired or promoted into their new position – here's what they told us about their spending – the full survey is attached.

Executive Summary of Results

We surveyed people who had recently been promoted or hired to ask them what and how much money they are spending on new initiatives.

Key Takeaways:

Of IT leaders hired in the last year,

- ✓ 19% spent more than \$1mil;
- ✓ 23% between \$500k and \$1M
- ✓ 19% \$100k – \$500k;
- ✓ 23% \$50k – \$100k
- ✓ 15% 0

Of IT leaders hired in the last year,

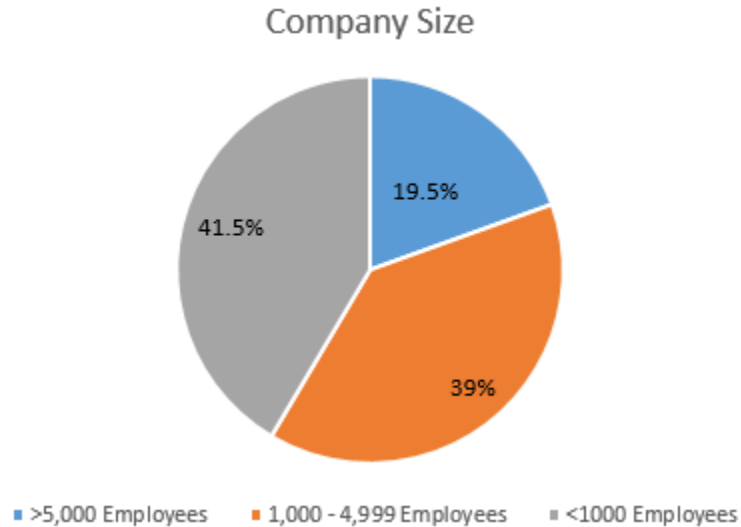
- ✓ 39% started 5 or more new initiatives
- ✓ 36% started 3-4 new initiatives
- ✓ 22% started 1-2 new initiatives
- ✓ 3% started no initiatives.

Other takeaways:

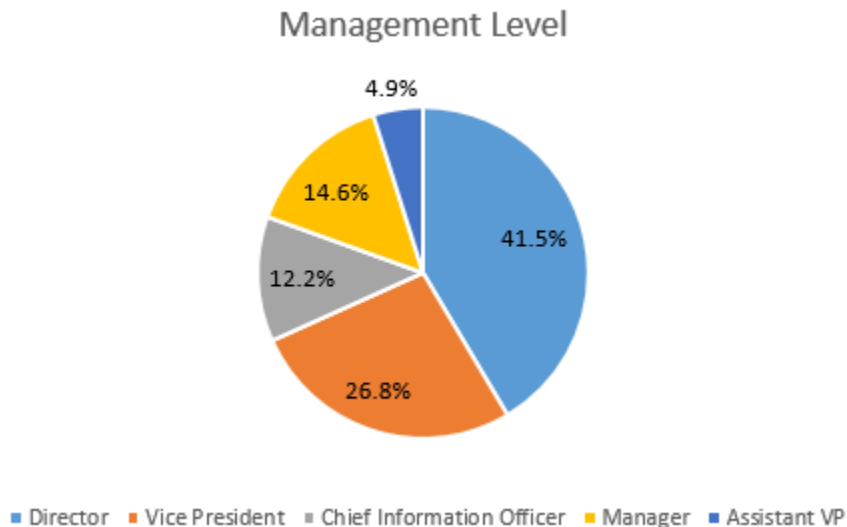
- ✓ 71% of newly hired or promoted IT decision makers led 3 or more initiatives within their first three months.
- ✓ 75% of new IT leaders spent at least \$50,000 on these initiatives within their first three months in a new position, with many spending much more: 30% spent at least \$500,000, 17% of those spent over \$1 million.
- ✓ Approaching the one year mark, 50% of decision makers spent at least \$500,000. 25% of those spent over \$1 million.
- ✓ Within the first 3 months of starting their position 80% of newly hired or promoted IT Leaders who would spend \$1Mil or more on new initiatives had already done so – meaning that if you weren't in early in their move, you didn't have the opportunity to sell them.

Survey Population and Firmographic Breakdown

We talked with IT decision makers within Fortune Ranked, Mid-Market and SMB companies who each started in a new role within the past year. Those surveyed came from companies with between 80 employees and 120,000 employees, with an average of 6800 employees.

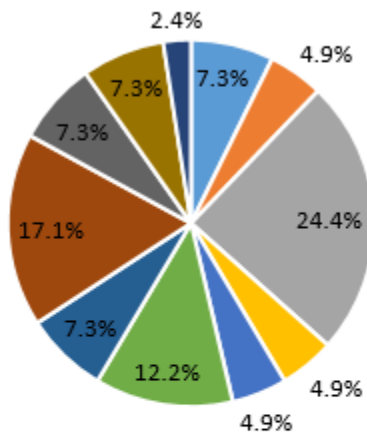


41.4% of those surveyed were Director level, 26.8% Vice President, 12.2% Chief Information Officers, 9.8% were Managers, and 9.8% Assistant VPs.



Nearly 25% of those surveyed were heads of the IT department, making up the greatest Area of Responsibility. 17% overseeing infrastructure, 12.2 over HR / Financial / ERP Systems, 9.7 over Application Development, 7% each over Information Security and IT Strategy and 5% over Business Intelligence.

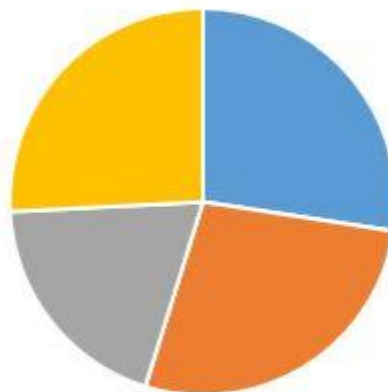
Job Function



- Application Development
- Chief Information Officer
- Help Desk / Desktop Services
- Information Security
- IT Operations
- Quality Assurance
- Business Intelligence / Data Warehouse
- Enterprise Architecture
- HR / Financial / ERP Systems
- Infrastructure
- IT Strategy

The study divides respondents into four categories based on when they began their new roles: 27% started 1-3 months ago, another 27% started 4-6 months ago, 20% started 7-9 months ago, and 26% started between 10 months to one year ago.

How many months have you been in this role?



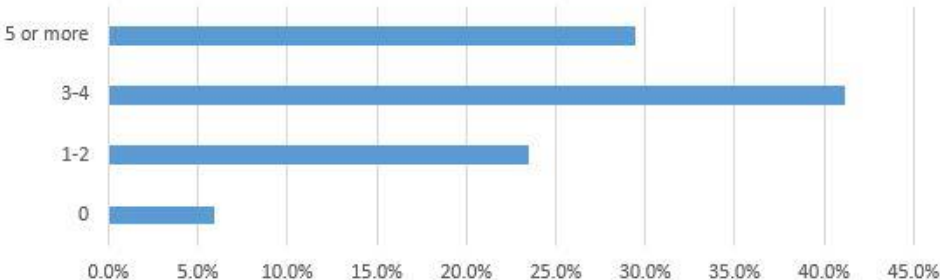
- 1-3 Months
- 4-6 Months
- 7-9 Months
- 10-12 Months

The study covers a plethora of spending habits of the newly hired IT decision maker, including how many consulting, hardware, software, and staff augmentation firms they engaged, areas they are planning to spend towards, and the total spent towards completed initiatives.

What we learned from this study is that the first three months are a crucial time for an IT vendor to make their introductions.

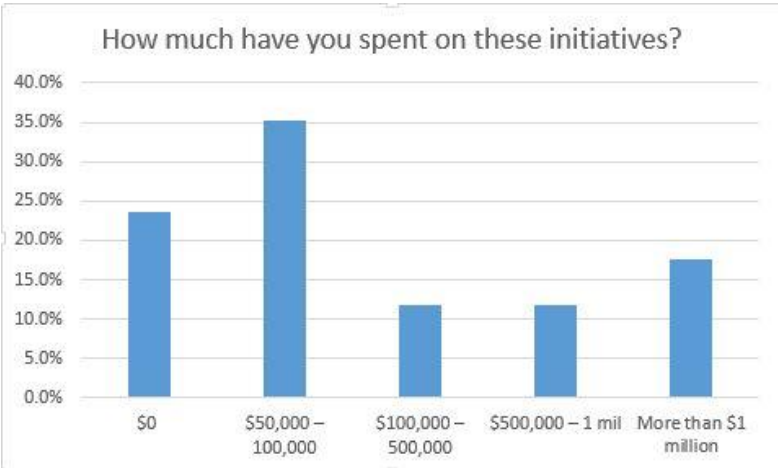
71% of newly hired or promoted IT decision makers led 3 or more initiatives within their first three months.

How many initiatives have you spearheaded since the start of your new position? 1-3 Months

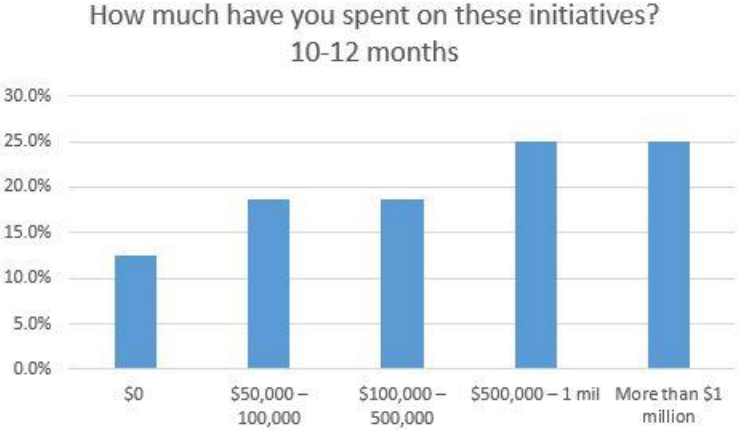


75% of these IT leaders spent at least \$50,000 on these initiatives within their first three months in a new position, with many spending much more: 30% spent at least \$500,000, 17% of those spent over \$1 million.

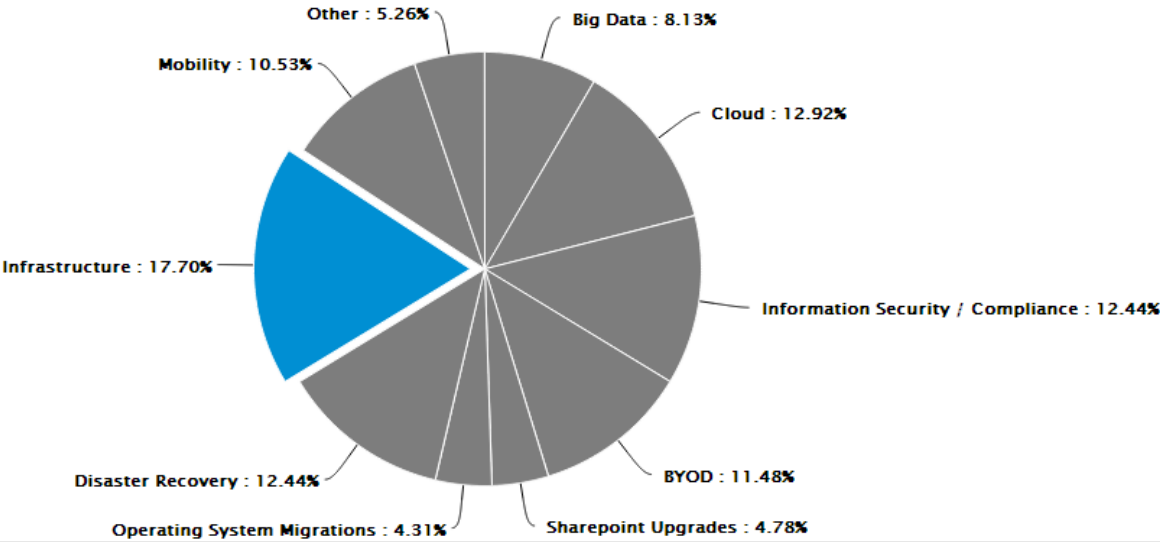
How much have you spent on these initiatives?



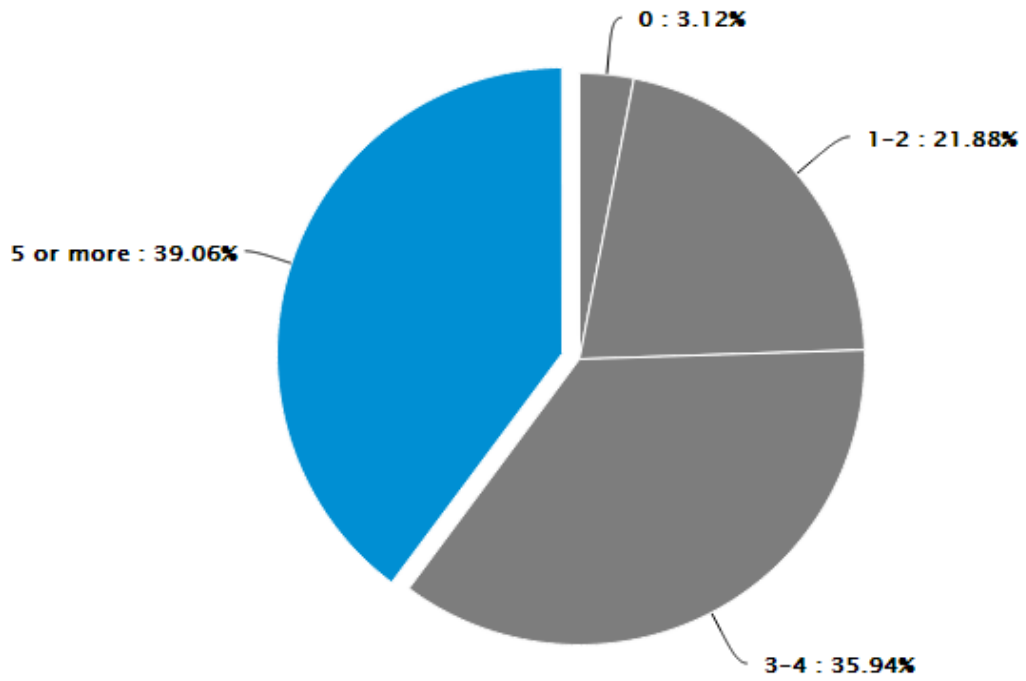
Approaching the one year mark, the number of IT decision makers who spent more than \$500,000 only increased by 20%. While it is clear that a decision maker will continue spearheading and spending towards initiatives throughout the year, our research shows that much of this spending will have already occurred by the end of month three.



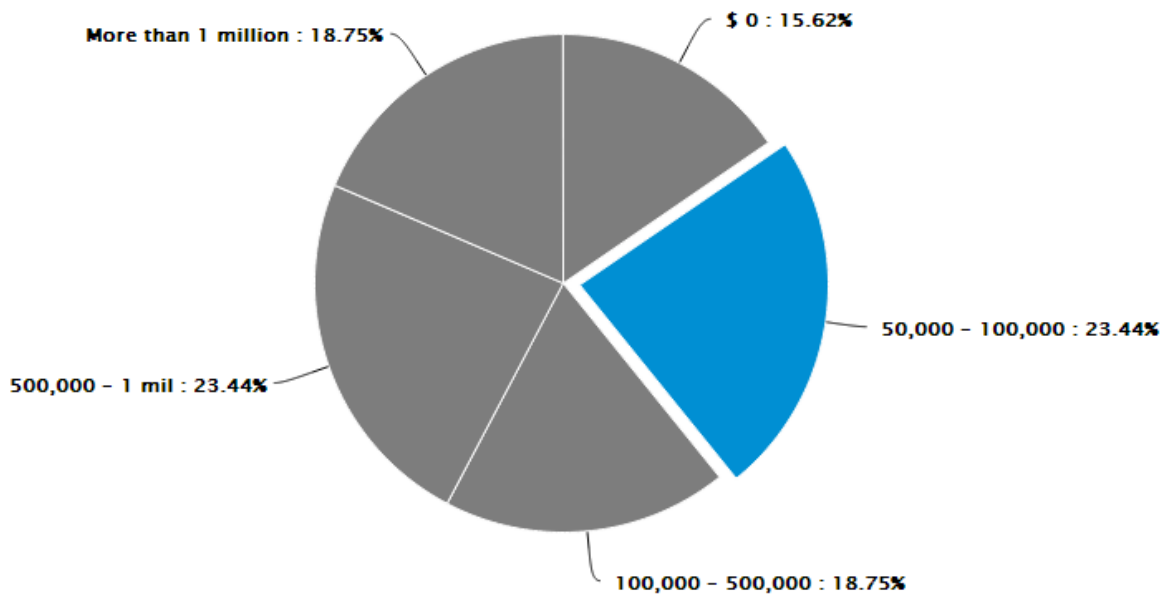
Here’s where they are going to be spending money:



How many initiatives have you spearheaded since starting:

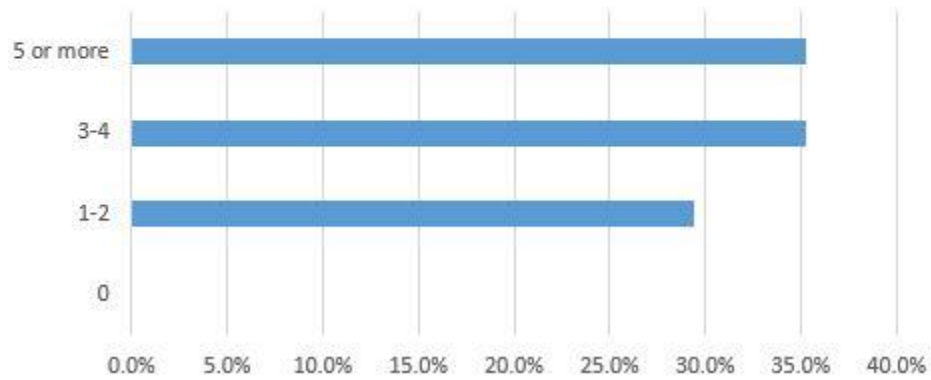


How much have you spent on these initiatives:

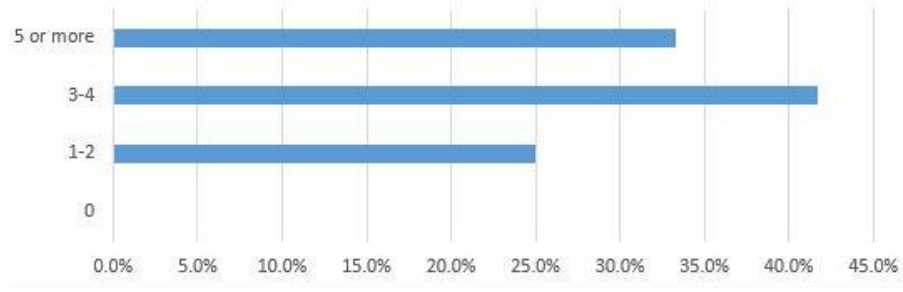


Other supporting graphs

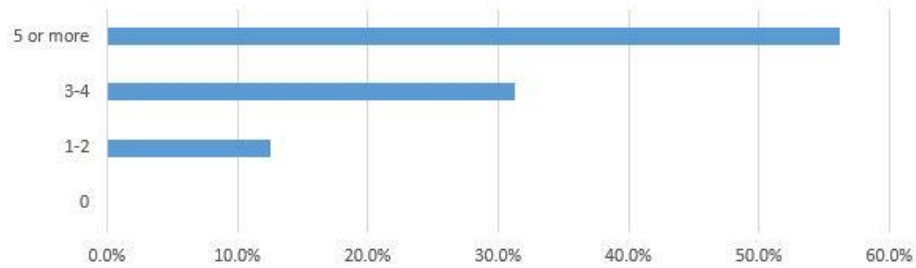
How many initiatives have you spearheaded since the start of your new position?
4-6 Months



How many initiatives have you spearheaded since the start of your new position?
7-9 Months



How many initiatives have you spearheaded since the start of your new position?
10-12 Months



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