

Despite high expectations of disruption, 47% of IT leaders are not yet routinely assessing the viability of mission-critical IT suppliers

Top disruptors to IT supply chain are expected to be Skills / Talent Availability and Excessive Cost Increases, but investment in response to these is low priority

LONDON, UK 31 JANUARY 2023 – A survey released today by Coeus Consulting, a Wavestone company, reveals CIOs and IT leaders are passing up the opportunity to ensure their business can function in the face of ongoing business disruptions. The survey, of 240 IT leaders of large organisations predominantly in the UK and Germany, finds that despite widespread expectation of IT supplier failure, only 53% of IT leaders are routinely assessing the viability of mission-critical IT suppliers across key criteria. Furthermore, few are aligning investment to protect the organisation from the most likely and impactful disruptions – Skills Availability (61%) and Excessive Cost Increases (64%).

“Many business-critical IT services are provided to large organisations by complex and geographically-dispersed IT supply chains. A failure in just one part can have catastrophic consequences for the organisation’s ability to operate.” said Ben Barry, Director, Coeus Consulting.

The 2023 CIO & IT Leadership Survey [“IT Supply Chain Disruption”](#) finds 53% of respondents think there’s a high / very high likelihood of ALL business disruptors* listed impacting the organisation within three years, and 59% thinking these will ALL have a high / very high impact on their IT supply chain, and consequently, business operations.

The most *likely* disruptor is seen as Skills / Talent Availability (61%), while the highest *impact* is expected from Excessive Cost Increases (64%).

Skills / Talent and Excessive Cost Increases are top concerns but not top of investments

Although 54% of respondents are currently investing to mitigate the impact of disruptions to the supply chain, there is currently a disconnect: Skills / Talent Availability and Excessive Cost Increases are expected to have the most significant impact on the IT supply chain, yet investment is not being prioritised in these areas.

For example, Skills Resource Ecosystem (5th place), Training & Development (6th), Automation (7th), Retiring Legacy Systems (8th) and Review of end-to-end sourcing strategy (9th) all come at the bottom of the investment priority list.

Assessing the viability of mission-critical IT suppliers

As regards IT supplier failure as a potential business disruption, 50% of respondents think the *likelihood* of this is high / very high, with 56% thinking the *impact* would be high / very high.

However, only 53% of IT leaders routinely assess the viability of mission-critical IT suppliers across key criteria.

In detail, only 48% of IT leaders routinely assess for End -to-end Supply Chain Integration, 49% for Contractual Liability, 53% for Financial Stability, 58% for Operational Resilience and 60% for Performance.

IT's role within business-disruption planning

To minimise the impact of future business disruptions, 89% think it's Extremely / Fairly Important that IT leadership should focus on IT's role within business disruption planning.

"With IT leaders now central to business success, there's a real opportunity for them to grasp the company-wide responsibility of ensuring the business can withstand disruptions. For those willing to seize the initiative, the door is open to move beyond their usual spheres of influence and position themselves for the 'top job'." stated John Gorrell, Associate Director, Coeus Consulting.

You can view the full report – IT Supply Chain Disruption – which includes expert advice - [here](#).

**Business disruptors listed were: Geo-political and social instability; Excessive cost increases; Skills / talent availability; Regulation and compliance inc. ESG; Supplier failure and Data Loss & network services disruption.*

About Coeus Consulting – A Wavestone company

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

Coeus was founded in 2013 and acquired by Wavestone, a global transformation advisory firm (www.wavestone.com), in September 2022.

About the Survey

This report was informed by a survey of 240 IT leaders predominantly in the UK and Germany in October and November 2022. Roles were in large organisations across all verticals with 1,000+ employees, including CIO, CTO, Director or Head of IT, Head of IT and other senior IT leaders.

Media Contact

Charlotte Poskitt, Coeus Consulting
charlotte.poskitt@coeus.consulting

Wavestone Press team
press@wavestone.com