

CIOs Feel Squeezed Between the Need to Accelerate Digital Transformation and the Increasing Challenges of Cloud Complexity

New research reveals CIOs looking to automation and AI to bridge growing gap between limited IT resources and rapid rise in cloud complexity

WALTHAM, Mass.--(BUSINESS WIRE)-- Software intelligence company <u>Dynatrace</u> (NYSE: DT), announced today the findings of an independent global survey of 700 CIOs revealing IT leaders are increasingly concerned accelerated digital transformation, combined with the complexity of modern multicloud environments, is putting already stretched digital teams under too much pressure. This leaves little time for innovation, and limits teams' ability to prioritize tasks that drive greater value and better outcomes for the business and its customers. The 2020 global report "Observability, automation, and AI are essential to digital business success" is available for download here.

This press release features multimedia. View the full release here: https://www.businesswire.com/news/home/20201014005222/en/



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According to the research:

- 89% of CIOs say digital transformation has accelerated in the last 12 months, and 58% predict it will continue to speed up.
- 86% of organizations are using cloudnative technologies, including microservices, containers, and Kubernetes, to accelerate innovation and achieve more

(Graphic: Business Wire)

successful business outcomes.

- 63% of CIOs say the complexity of their cloud environment has surpassed human ability to manage.
- 44% of IT and cloud operations teams' time is spent on manual, routine work just 'keeping the lights on', costing organizations an average of \$4.8 million per year.

- 56% of CIOs say they are almost never able to complete everything the business needs from IT.
- 70% of CIOs say their team is forced to spend too much time doing manual tasks that could be automated if only they had the means.

"The benefits of IT and business automation extend far beyond cost savings. Organizations need this capability – to drive revenue, stay connected with customers, and keep employees productive – or they face extinction," said Bernd Greifeneder, CTO and founder at Dynatrace. "Increased automation enables digital teams to take full advantage of the evergrowing volume and variety of observability data from their increasingly complex, multicloud, containerized environments. With the right observability platform, teams can turn this data into actionable answers, driving a cultural change across the organization and freeing up their scarce engineering resources to focus on what matters most – customers and the business."

Additional findings include:

Cloud-native migration accelerates innovation yet increases complexity.

- Organizations are using cloud-native technologies including microservices (70%), containers (70%) and Kubernetes (54%) to advance innovation and achieve more successful business outcomes.
- However, 74% of CIOs say the growing use of cloud-native technologies will lead to more manual effort and time spent 'keeping the lights on'.
- More than two-thirds (69%) of CIOs call for a radically different approach to operations, as 'the rise of Kubernetes' increases complexity and makes IT environments too difficult to manage manually.

Traditional tools and manual effort cannot keep up.

- On average, organizations are using 10 monitoring solutions across their technology stacks. However, digital teams only have full observability into 11% of their application and infrastructure environments.
- 90% of CIOs say there are barriers preventing them from monitoring a greater proportion of their applications.
- The dynamic nature of today's hybrid, multicloud ecosystems amplifies complexity. 61% of CIOs say their IT environment changes every minute or less, while nearly a third (32%) say their environment changes at least once every second.

CIOs call for radical change.

- Nearly three-quarters (74%) of CIOs say their organization will lose its competitive edge if IT is unable to spend less time 'keeping the lights on'.
- 84% said the only effective way forward is to reduce the number of tools and amount of manual effort IT teams invest in monitoring and managing the cloud and userexperience.
- 72% said they cannot keep plugging monitoring tools together to maintain observability. Instead, they need a single platform covering all use cases and offering a consistent source of truth.

Observability, automation, and Al are key.

- 93% of CIOs said Al-assistance will be critical to IT's ability to cope with increasing workloads and deliver maximum value to the business.
- CIOs expect automation in cloud and IT operations will reduce the amount of time spent 'keeping the lights on' by 38%, saving organizations \$2 million per year, on average.
- Despite this advantage, just 19% of all repeatable operations processes for digital experience management and observability have been automated.

"History has shown successful organizations use disruptive moments to their advantage," added Greifeneder. "Now is the time to break silos, establish a true BizDevOps approach, and deliver agile processes across a consistent, continuous delivery stack. This is essential for effective and intelligent automation and, more importantly, to enable engineers to take more end-to-end responsibility for the outcomes and value they create for the business."

The report is based on a global survey of 700 CIOs in large enterprises with over 1,000 employees, conducted by <u>Vanson Bourne</u> and commissioned by Dynatrace. The sample included 200 respondents in the U.S., 100 in the UK, France, and Germany, and 50 in Australia, Singapore, Brazil and Mexico, respectively.

About Dynatrace

Dynatrace provides software intelligence to simplify cloud complexity and accelerate digital transformation. With automatic and intelligent observability at scale, our all-in-one platform provides answers, not just data, about the performance of applications, the underlying infrastructure, and the experience of all users. That's why many of the world's largest enterprises trust Dynatrace® to modernize and automate cloud operations, release better software faster, and deliver unrivaled digital experiences.

Curious to see how you can simplify your cloud? Let us show you. Visit our <u>trial page</u> for a free 15-day Dynatrace trial.

To learn more about how Dynatrace can help your business, visit https://www.dynatrace.com, visit our blog and follow us on Twitter @dynatrace.

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