

Balancing Innovation and Optimization in Uncertain Times

Multi-cloud insights from technology leaders





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Preface

Throughout the year, the VMware Research and Insights organization partners with independent, third-party research institutions to interview IT executives, practitioners and developers on the most urgent technology issues facing enterprises today. Between December 2022 and January 2023, VMware interviewed more than 450 technology execs and decision-makers based around the world regarding key topics, including finding success in uncertain times, delivering IT value, and cross-cloud optimization. This brief explores those findings in more detail.



Key IT Priorities



External forces weigh on technology decisions for 2023.

90% of tech executives think that inflation and rising interest rates are top of mind in every budget discussion.



IT will focus efforts for the greatest business-side impact.

93% of tech executives agree "delivering customer value is more important than ever to hit revenue goals."



To do more with less, integration is critical.

Only 37% of technology executives believe their operations across cloud platforms are "completely integrated."



IT priorities by global region

	GLOBAL	AMER	EMEA	APJ
Externalities	90% of IT execs globally think that “inflation and rising interest rates are top of mind in every budget discussion.”	91% think that “inflation and rising interest rates are top of mind in every budget discussion.”	85% think that “inflation and rising interest rates are top of mind in every budget discussion.”	96% think that “inflation and rising interest rates are top of mind in every budget discussion.”
Business Impact	93% of IT execs globally agree “delivering customer value is more important than ever to hit revenue goals.”	89% agree “delivering customer value is more important than ever to hit revenue goals.”	92% agree “delivering customer value is more important than ever to hit revenue goals.”	97% agree “delivering customer value is more important than ever to hit revenue goals.”
Integration	37% of IT execs globally believe their operations across cloud platforms are “completely integrated.”	38% believe their operations across cloud platforms are “completely integrated.”	28% believe their operations across cloud platforms are “completely integrated.”	43% believe their operations across cloud platforms are “completely integrated.”



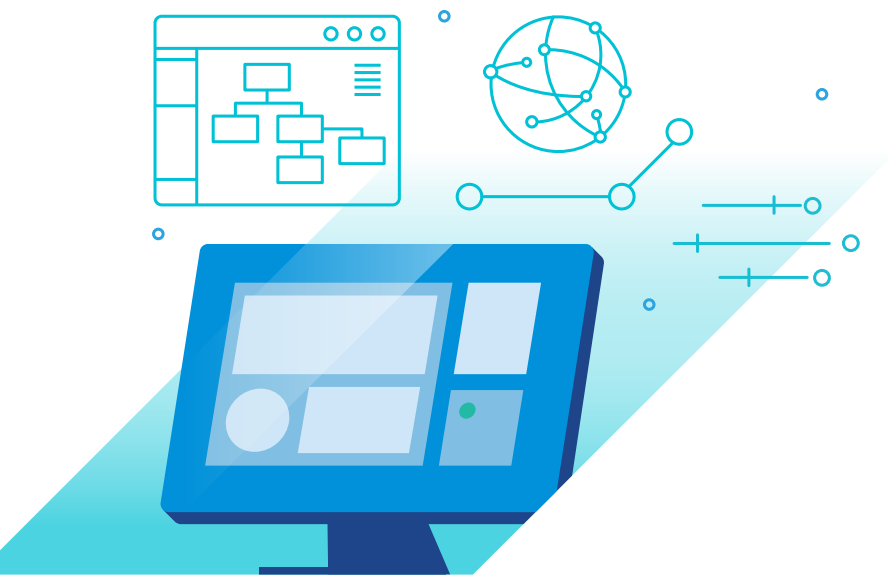
External forces weigh heavily

From recession worries, inflation, and rising interest rates to tumultuous and unpredictable geo-political conditions, execs reported a cautious outlook as they entered the new year.

70% of tech executives believe their organization is shifting from an attitude of "anticipated growth" to a "recession mindset."

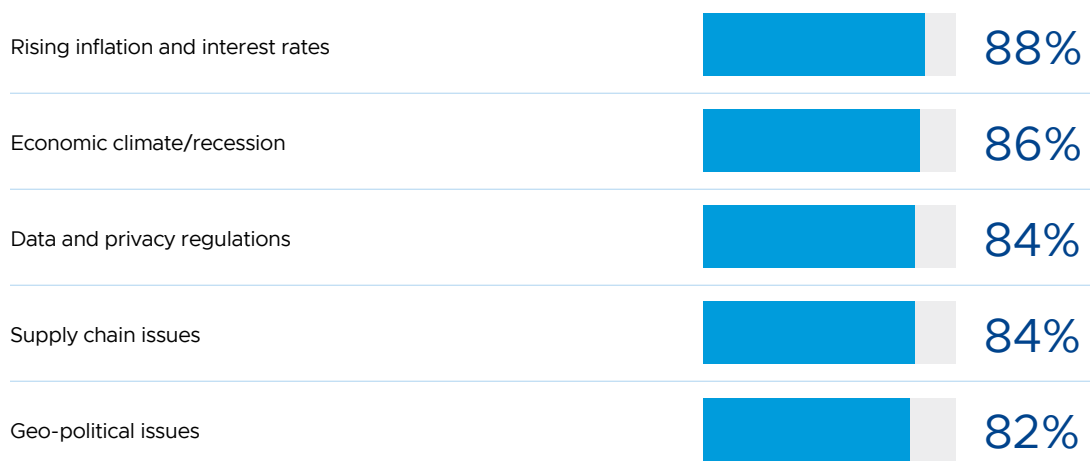
90% of tech executives think that "inflation and rising interest rates are top of mind in every budget discussion."

73% of tech executives say that unpredictable geo-political conditions have caused them to slow international operations.



Execs concerned about global issues

Execs reported being somewhat or very concerned by the following:





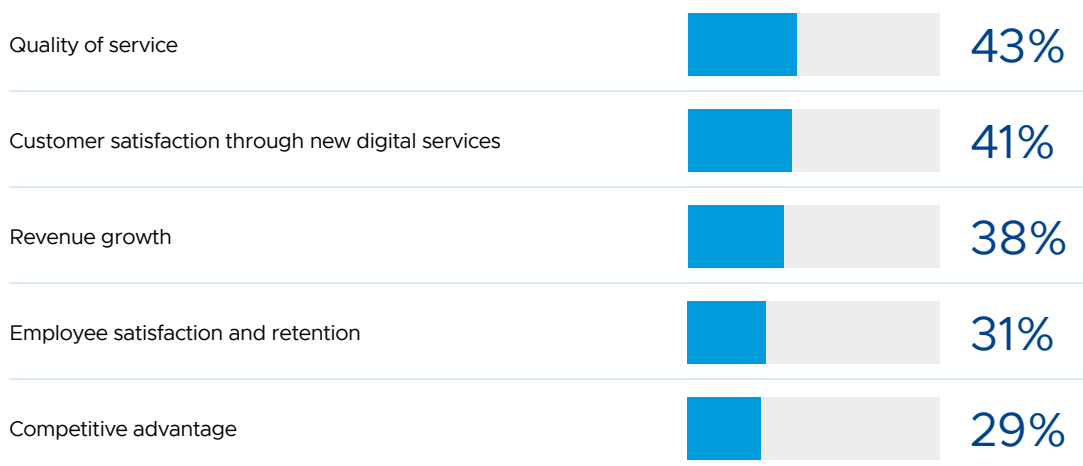
IT projects tied to business-side impact

IT and business leaders are taking a proactive approach to get ahead of ever-changing conditions. Perhaps more than ever, organizations are relying on IT initiatives to facilitate much-needed business outcomes, from improving productivity to combat economic uncertainty, to delivering customer satisfaction and achieving a competitive advantage.



of IT execs agree: "We must improve productivity: get more out of our talent and resources given current economic conditions."

Which of the following business outcomes will drive your planned IT decisions in the next year, 2023, at your organization?





IT executives in 2023 are goaled on revenue

93% of tech executives agree "delivering customer value is more important than ever to hit revenue goals."

90% of tech executives report that their "applications are directly tied to revenue growth metrics."

96% of IT execs agree that "new technology investments have a mandate to deliver on optimization and efficiency goals."

And while execs focus on extracting maximum value from IT operations, they're simultaneously having to keep up with more and more stringent data privacy regulations.

81% of IT executives agree: "Our compliance teams struggle to keep up with expanded data privacy regulations around the world."



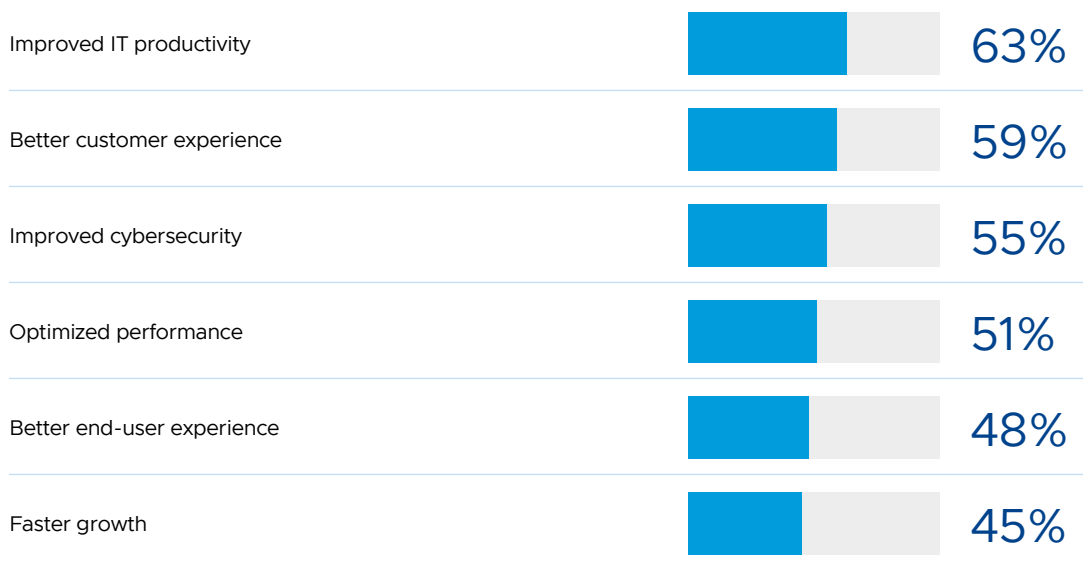
Integration is critical to doing more with less



of tech executives agree: Our organization's clouds "should ideally operate as one cloud regardless of provider."

With so many business outcomes tied directly to IT initiatives, leaders are seeing the benefits of optimizing and integrating their infrastructure across clouds. While most organizations aren't there yet – only 37 percent of technology execs we surveyed said that their operations across cloud platforms are "completely integrated" – leaders are focused on how optimization and integration can help them reach their goals despite uncertain times.

Top perceived benefits when integrating operations across clouds



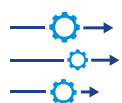


Top cloud goals for 2023

As IT leaders look forward to the rest of the year, they cite a number of goals, all tied to optimization.



Achieve business outcomes faster with cloud services that extend on-premises deployment to cloud.



Accelerate automated delivery of infrastructure and app services in a self-service consumption experience.



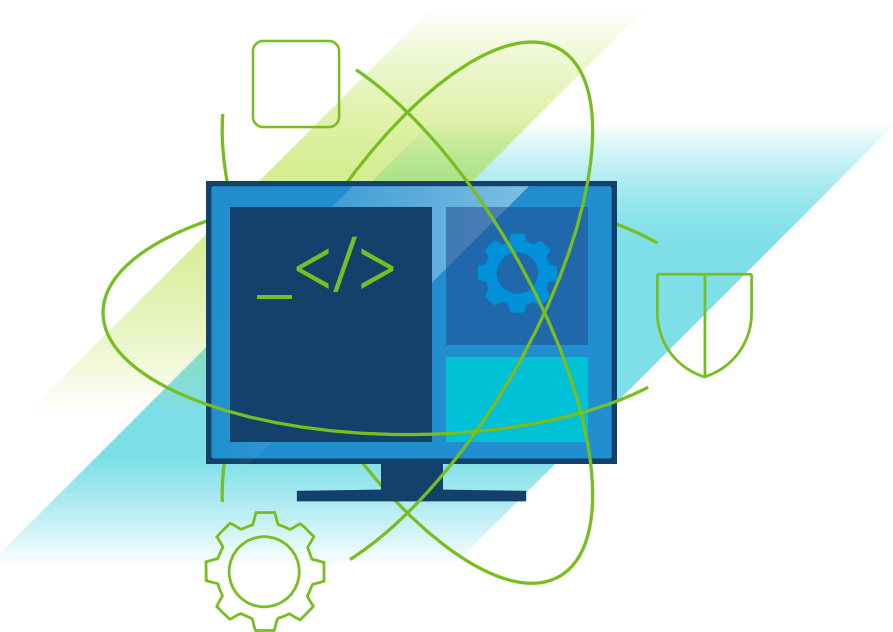
Continuously protect traditional and modern apps with full visibility into connections.



Leverage intelligent operations to improve performance, secure configuration and compliance.



Rapidly and cost-effectively modernize and migrate apps to cloud.



Methodology

The VMware Executive Pulse Q1 study was fielded between December 2022 and January 2023. The study is fielded each quarter by Qualtrics.

Custom research was conducted in the Americas (Argentina, Brazil, Canada, Mexico, U.S.), Europe (Belgium, France, Germany, Italy, the Netherlands, U.K., Spain, Sweden, Russia) and Asia Pacific (Australia, China, India, Japan, Singapore) using web-based surveys.

Responses were collected from 452 C-Suite and senior technology decision-maker respondents involved in app and infrastructure platform decisions, with a balance of VMware and non-VMware customers. The sample targeted 49 percent commercial (1,000-4,999 employees), and 51 percent large enterprise (5,000+ employees).

