

Organizations Unable to Keep Pace Face an Existential Threat

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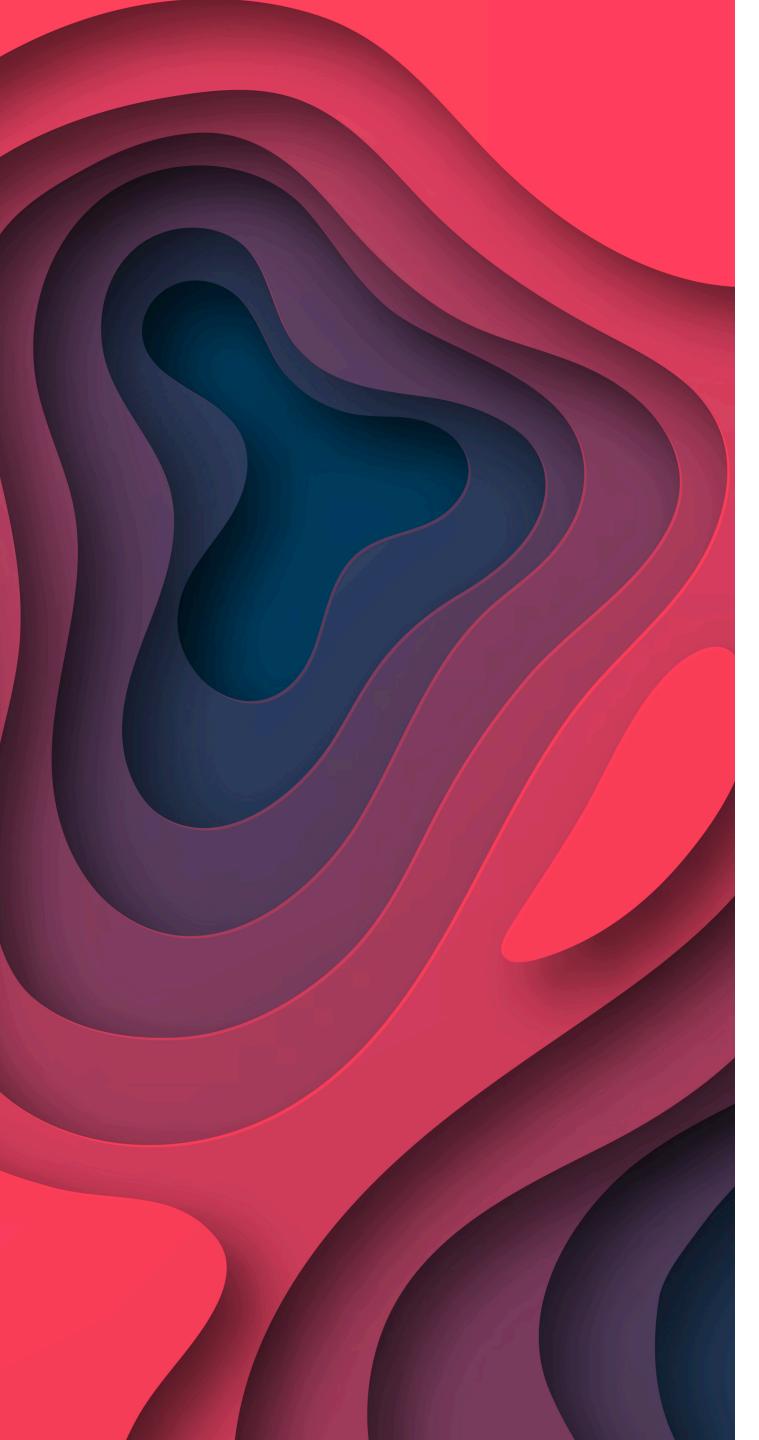
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#### Research Objectives

This eBook explores how organizations are faced with a mission-critical mandate to improve their information management practices. It outlines, with data, that:

- 1. Current information management approaches are severely hindering AI progress and organizational innovation, both of which are key CIO priorities.
- 2. Data siloes are at the root of the information management problems many organizations face.
- **3.** An emergent trend toward data clouds is broadly seen as a solution that will help organizations overcome issues with compliance, data quality, and efficiency.

The data discussed in this eBook is from a web-based survey of 500 technology leaders at enterprise-scale organizations, knowledgeable about the organization's information management processes.

For more information, please see the "Research Methodology and Respondent Demographics" section of this eBook.

#### THIS STUDY SOUGHT TO:

89% of respondents said their AI strategy is dependent on **effective information management** 

98% of respondents said organizational agility, decision-making, and innovation have been slowed by data security concerns.

While roughly three-quarters of respondents said their company manages information "very well," at the average organization, more than 60% of information is only **semi-managed or entirely untapped.** 

From complexity (72%), to cost (74%), to compliance (76%), data clouds are seen as **mitigating CIOs' biggest stressors**.



## The Role of the CIO Must Shift to Securely Driving Transformation With AI and Cloud Technologies

To begin this study, we sought to understand what respondents, all of whom identify as senior technology leaders, felt CIOs should be focusing more on over the next 12 months.

Leading the results was a clear desire to focus on transformative technologies such as Al-driven automation (53%) and cloud (44%).

The data also shows CIOs increasingly need to focus on making technology work for customers by making improvements to digital CX (45%) which will, in turn, drive customer advocacy higher and directly improve business results for the organization.

And while customer-focused innovation is being prioritized, it is important to note that respondents believe cybersecurity must also increasingly be top of mind for CIOs, meaning CIOs must successfully balance transformation against enterprise risk.

Thematically, this data outlines a shift away from legacy views of the role of the CIO as the executive in charge of managing apps and infrastructure and minimizing disruptions in the workforce toward an executive directly impacting business and customer outcomes. In fact, when respondents were asked what tasks technology leaders most want to spend less time on, maintaining legacy systems (45%) and firefighting IT issues (43%) topped the list.

#### Which of the following tasks do you feel the role of CIO should most shift toward/prioritize over the next 12 months?

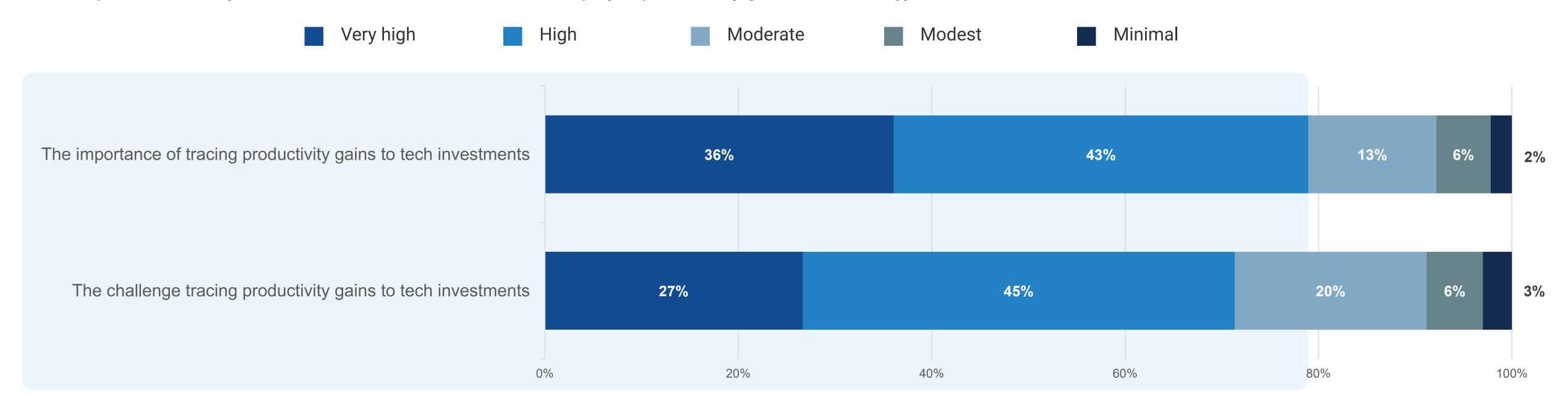


#### IT Leaders Must Prove the Impact of Investments on Employee Productivity but Struggle to Meet This Mandate

While CIOs are clearly pivoting to customer-focused innovation, the data shows technology leaders are held to a dual mandate. Yes, they need to drive projects forward that will improve CX, customer acquisition, and customer loyalty, but they must also show how IT purchases are impacting employees' productivity: 79% of respondents said it is important that they be able to show how IT expenditures directly lead to employee productivity gains. However, nearly as many respondents (72%) said drawing this direct connection is challenging today. Clearly, today's CIOs cannot eschew their responsibility to ensure investments improve the digital work experience of employees, helping them get more done with less effort and resources.

This is likely one reason why AI and automation are such a compelling focus area for CIOs. AI solutions have the potential to simultaneously enhance both customer experience and employee productivity. While customer-focused AI solutions can speed customer support or make hyper-personalized customer recommendations at scale, employee-focused AI can automate a wide variety of routine tasks that consume valuable employee time and focus.

How important is it for you, as an IT leader, to be able to trace employee productivity gains to technology investments?

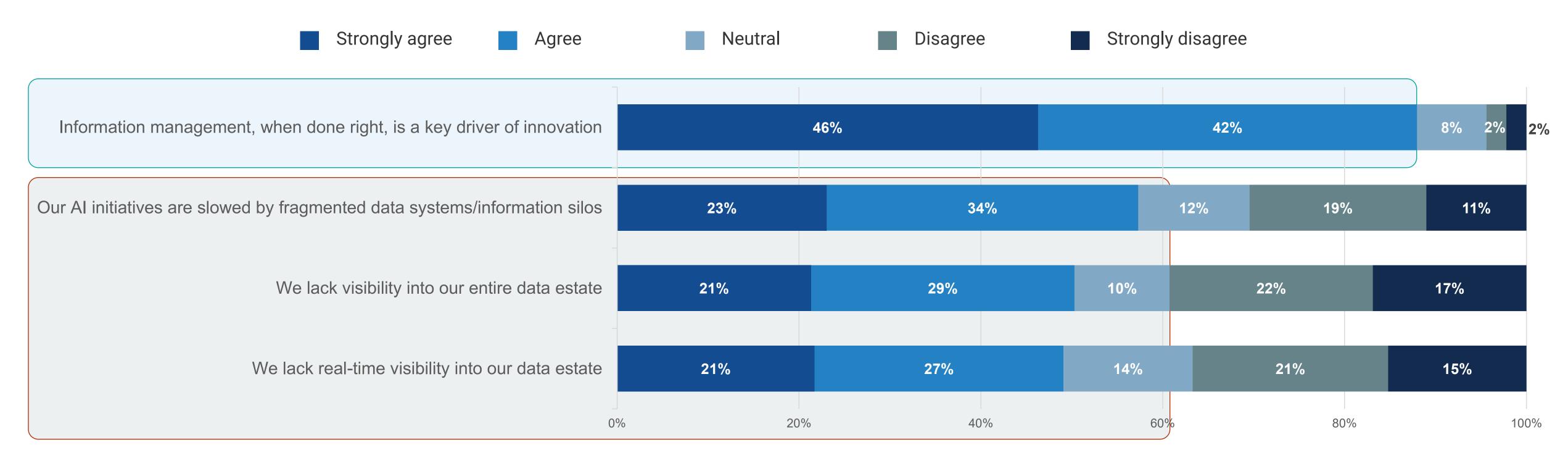




#### CIOs' Perceptions of Both the Potential and the Problems Associated With Information Management Today

The research sought to understand if, and to what degree, information management practices today are connected to key CIO focus areas and pain points. In a positive finding, respondents nearly ubiquitously believed information management has *the potential* to help organizations achieve their innovation goals: 88% agreed information management, when done right, is a key driver of innovation. However, there are also indications that for many organizations, information management technologies and processes need significant improvement: 57% said their AI initiatives are being hampered by information siloes, 50% said they lack visibility into the entirety of their data estate, and 48% said they lack real-time visibility into their data estate.

#### Please rate your agreement with the following statements.



#### The Information Management Gap: Quantifying the Scale of the Problem

While data on sentiment is instructive, quantitative benchmarks leave less room for interpretation and, in the case of this study, help us understand the sheer magnitude of the information management problems organizations face today.

Every respondent in the survey was asked to consider all the information their organization possesses today and estimate what percentage is fully managed, semi-managed, and entirely untapped.

On average, respondents reported only 39.2% of their information assets were fully managed, meaning those assets are catalogued, governed, secured, and available for analysis and business use. Another 33.1% of information assets were estimated to be semi-managed, meaning security, governance, and/or availability is lacking. Finally, over one-quarter (27.7%) of the typical organization's information assets were estimated to be completely untapped.

What makes this finding even more jarring is that 73% respondents said their organization manages its information "very well" today, implying that, for many organizations, there is a limited understanding that there is a better way forward that enables an organization to fully manage more of its data.

Few would argue that a company's information is among its most valuable assets today. However, on average, organizations are failing to recognize much of that potential value.

Thinking about all the information your organization possesses, what percentage would you place in the following categories?



Fully managed, which is information the organization has collected, organized, governed, secured, and distributed for real-time analysis and business use



**Semi-managed,** which is information the organization has taken steps to collect, organize, govern, secure, and distribute, but there are steps still to take before the data is used to its fullest

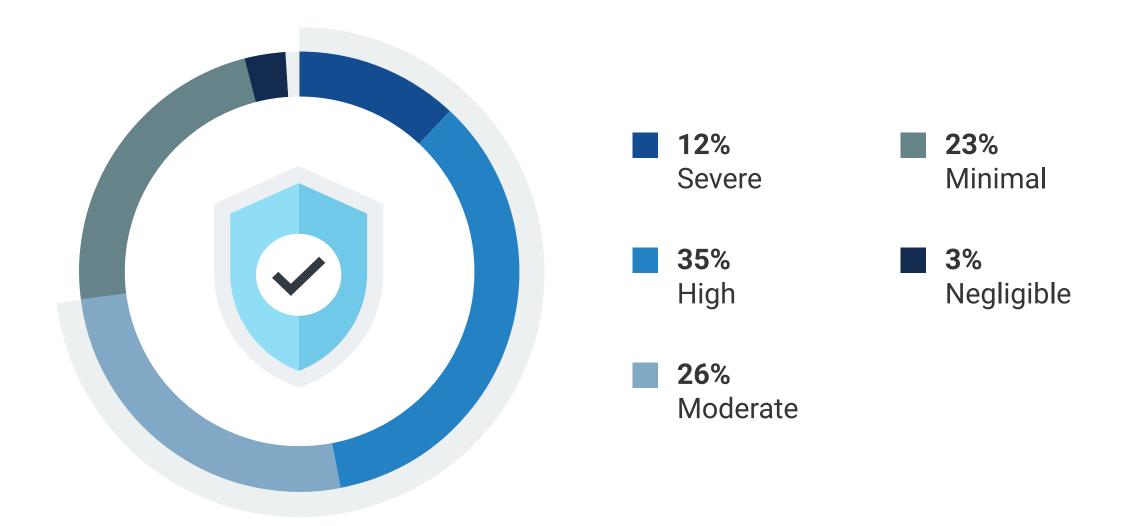


Untapped, which is information the organization possesses but does not know it possesses (i.e., it is not organized, governed, or accessible to employees)

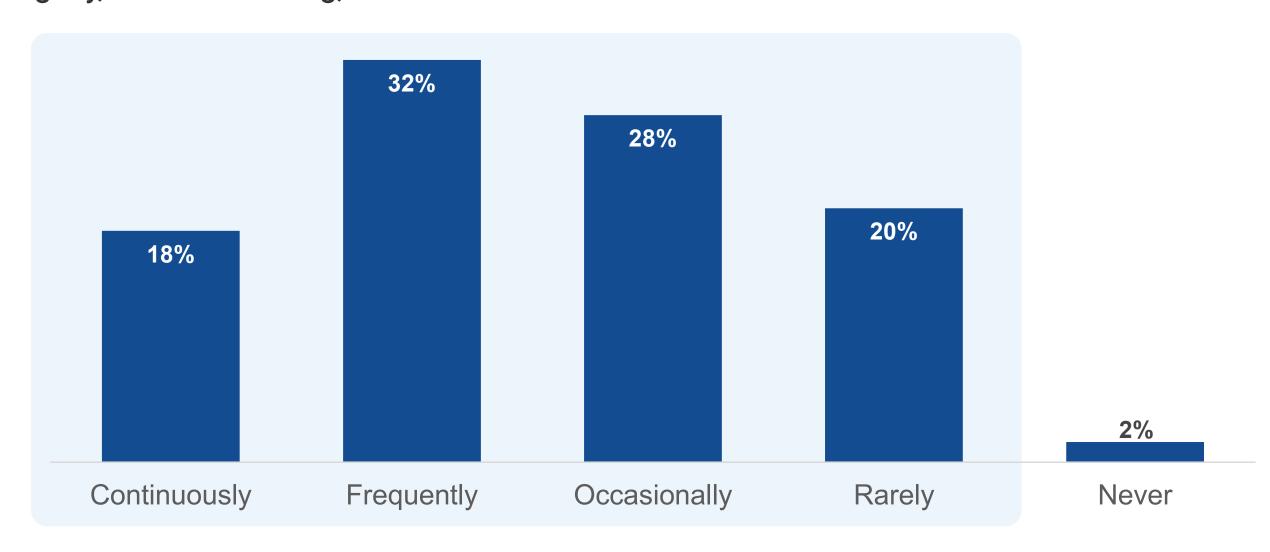
#### Poor Information Management Creates Risk, and Risk Hinders Organizational Agility

The information management gap most organizations are grappling with has real consequences as it relates to organizational agility, decision-making, and innovation. Many see this gap as introducing a material level of data security risk: 73% said their organization's current approach to information management creates a severe, high, or moderate level of risk due to issues like a lack of governance, data classification, information access controls, and more. When respondents were then asked if data security concerns are slowing their organization down, the answer was a resounding "yes." Specifically, 98% of respondents said organizational agility, decision-making, and innovation have been slowed by data security concerns over the past 12 months, with half citing *frequent* or *continuous* delays. For many organizations today, the tools and processes in place to manage information are a hindrance to innovation rather than an enabler.

As it relates to your organization's information management approach, what level of data security risk do you see?



In the past 12 months, how often have data security concerns slowed down organizational agility, decision making, and innovation?



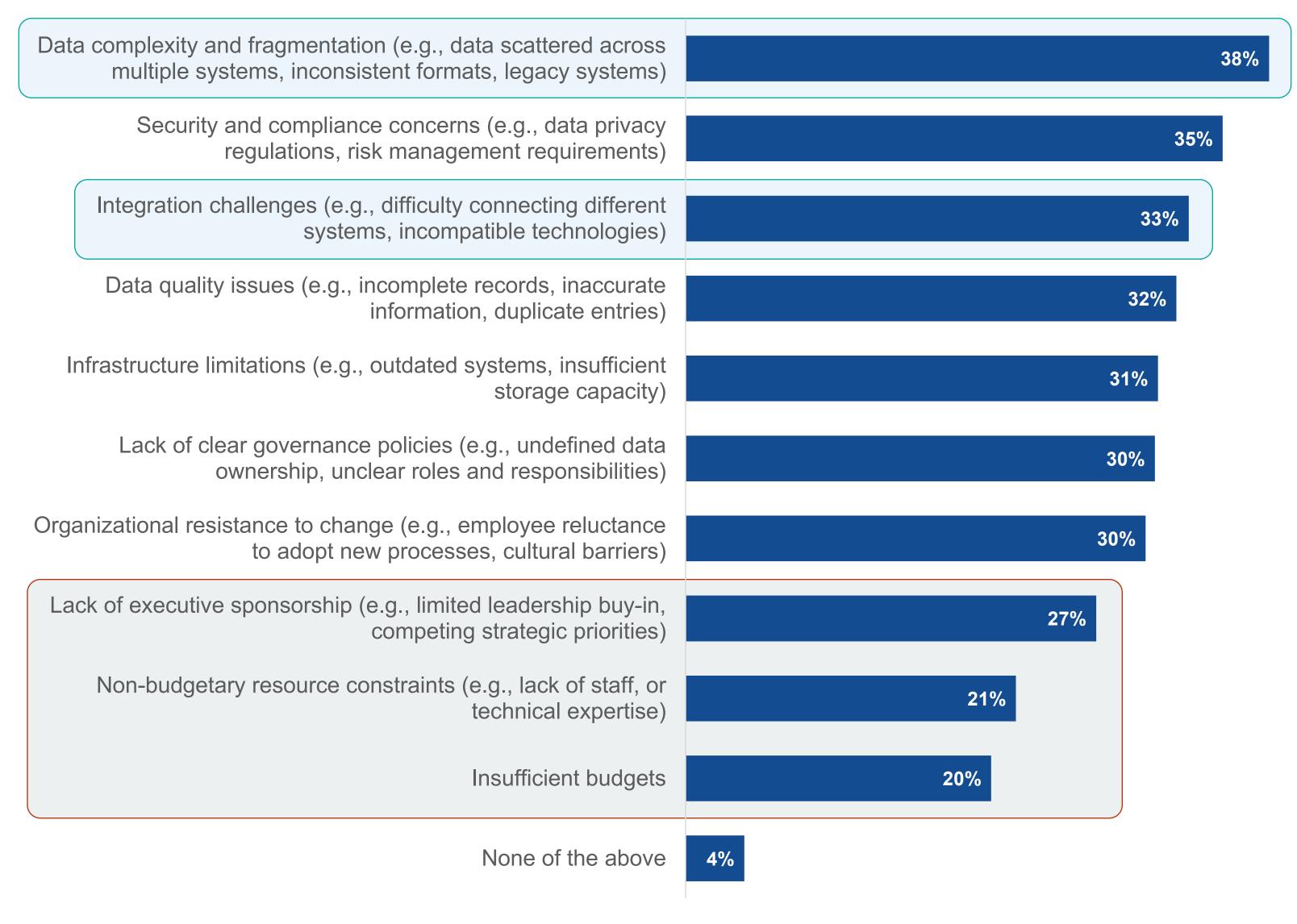
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#### What's Stopping Organizations From Solving Their Information Management Issues

When evaluating the challenges organizations face as they strive to improve the way they manage information, two macro themes emerge:

- First, complexity is the bane that frustrates the efforts of many organizations, with 38% of respondents citing problems with data scattered across different systems and stored in different formats and an additional 33% reporting issues with system and/or data integration.
- On a more positive note, it is clear organizations are motivated to solve their information management issues, with challenges related to a lack of executive attention, a lack of staff resources, and a lack of budget being the three least frequently cited challenges. The implication here is that organizations recognize the strategic importance of information management and are willing to allocate necessary resources, whether funding, focus, or both, to address these challenges effectively.

#### What challenges is your organization encountering as it implements its information management strategies?





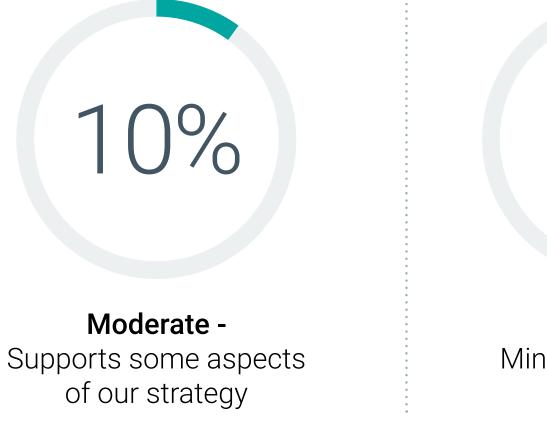
#### Effective Information Management Is a Prerequisite to Al Implementations

Al technology is permeating nearly all enterprise IT technology discussions happening within organizations today, and information management is not an exception to this rule. It is worth noting, however, that nearly all respondents (89%) explicitly stated information management is critical or important to the success of Al strategies. This is a logical finding given Al systems cannot generate accurate, trustworthy, explainable recommendations if the data foundation those systems are built on, or using for inferencing, are fragmented, flawed, or biased.

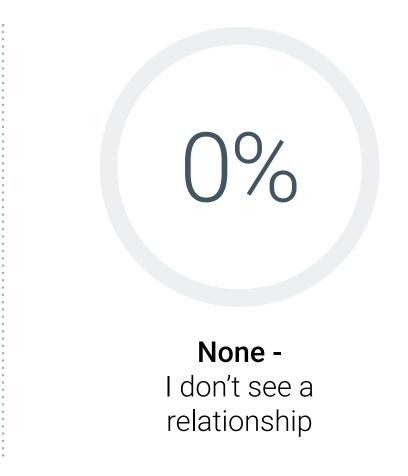
Given that this research has already uncovered that advancing AI is the number one area that CIOs want to spend more of their time on and the fact that the average organization is grappling with a sizable information management gap, this puts improving information management in the spotlight as an area organizations must improve.

In your opinion, what role does information management play in enabling your organization's AI strategy?









## Organizations That Fail to Resolve Their Information Management Challenges Will Quickly Be Left Behind by Competitors

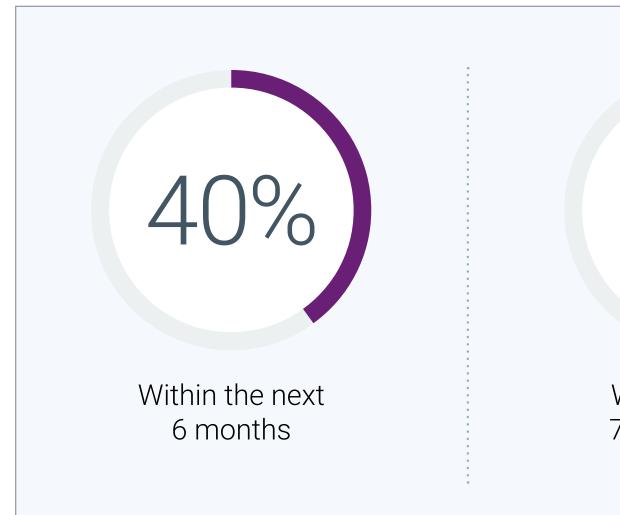
The research discussed the topic of "game-changing AI," which was defined as "the use of AI technology in groundbreaking use cases that have the potential to fundamentally transform industries and create entirely new markets." And while few respondents (23%) would say their organization has already deployed "game-changing" AI to production, many are optimistic that their organizations are on the cusp of such deployments. Specifically, 71% of respondents believed their organization will be leveraging "game-changing" AI within the next year.

This finding underscores that not only is it critical for organizations to get their information management houses in order so that they can embrace AI, but it also exemplifies how urgent this need is. Organizations that fail to establish the mature information management capabilities necessitated by their AI aspirations will quickly (i.e., within the next 12 months) find themselves lagging the vast majority of their competitors in the AI arms race.

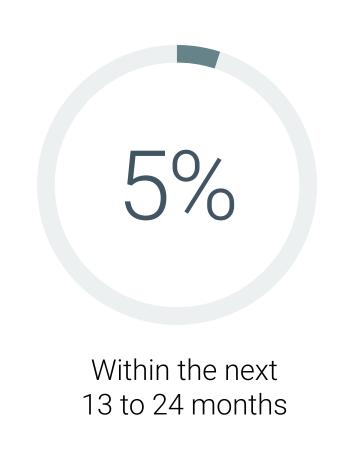
In what timeframe do you believe your organization will first deploy a game-changing AI solution to production?

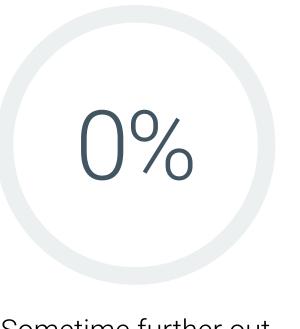


We have already deployed one or more "game-changing" Al systems









Sometime further out than 24 months

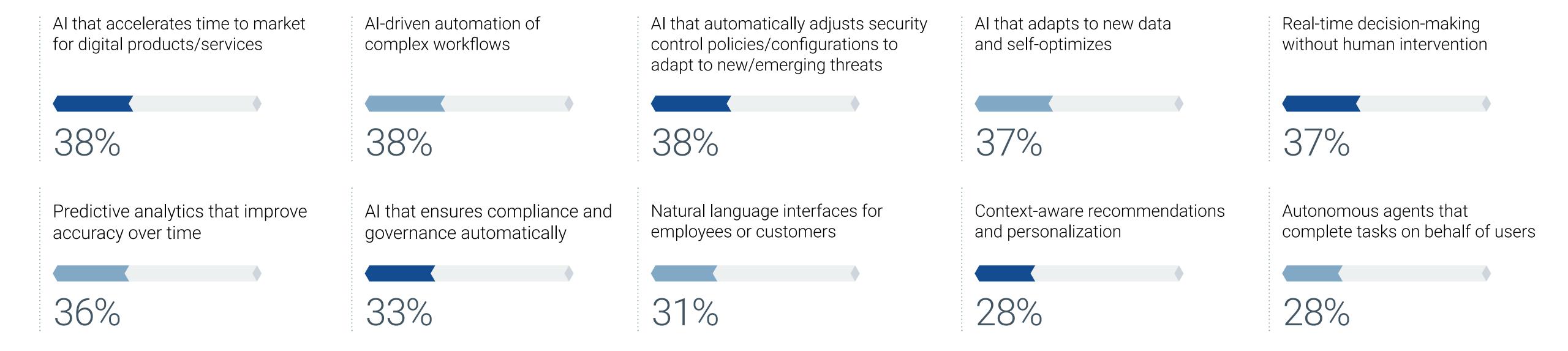
#### What's at Stake for AI Laggards

The concept of what constitutes "game-changing" AI is admittedly subjective, so the research sought to clarify exactly what types of AI capabilities respondents both saw as "game-changing" and that are actively being pursued by their organization.

The answer to that question is multifaceted, with respondents most often saying their organization is pursuing AI capabilities that will shrink time to market, create significant efficiencies by automating complex tasks, adaptively respond to novel security threats and mitigate enterprise risk, and recursively self-improve over time. In fact, the average respondent reported their organization is pursuing more than three different game-changing AI capabilities in parallel.

Organizations unable to keep pace will be under extreme pressure to compete and win against peers that successfully achieve any of these AI innovations, let alone a multitude of them.

#### Which of the following capabilities would you say your organization both considers "game-changing AI" and is pursuing?





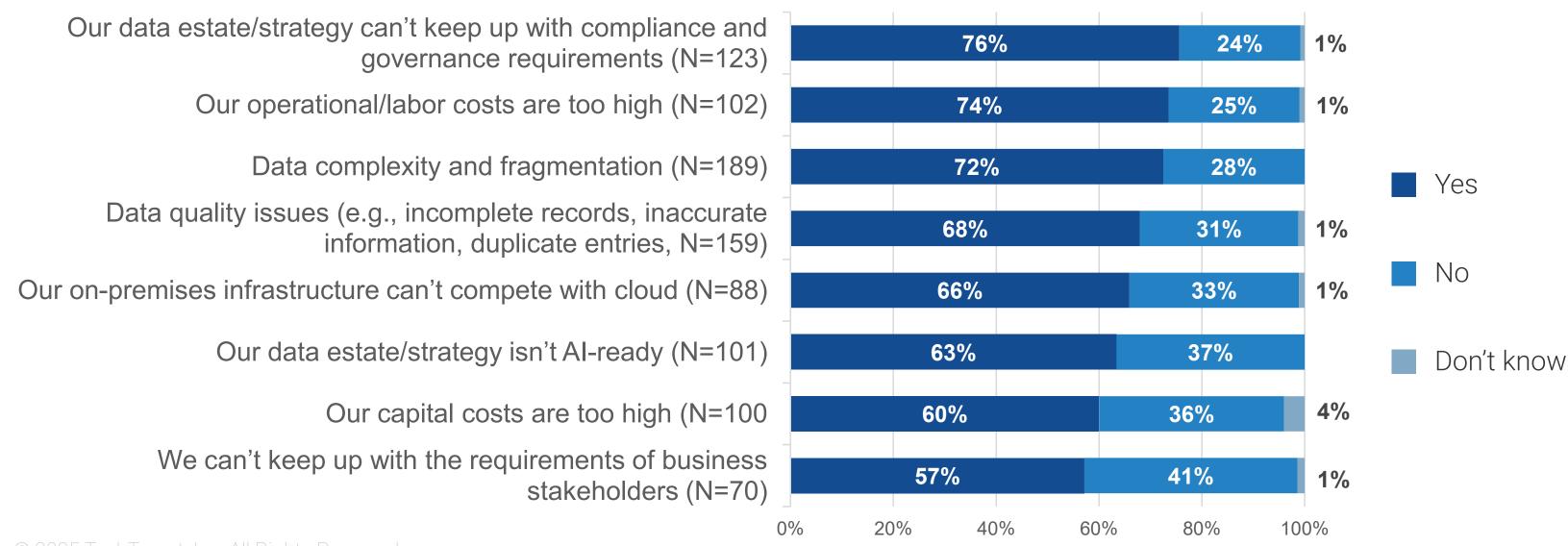
#### Organizations Race to Adopt Unified Data Clouds

Thus far, the research has shown that information management today is a pervasive, high-stakes issue for organizations to resolve. The next question logically is, "How?"

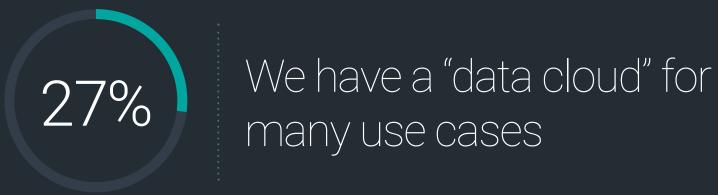
One concept gaining traction in the industry is the adoption of a data cloud, or a unified, centralized platform that manages and connects data from various sources within an organization, making it easier to access, query, and transform data into actionable insights. This study showed us the promise of data clouds is both understood and sought after. To the former point, we asked respondents if they believed migrating to a data cloud would help them overcome their most pressing challenges. The majority of respondents said, "Yes," with 76% saying such an approach would help overcome issues with governance and compliance, 74% saying a data cloud would reduce problematic operational costs, 72% citing it would help them eliminate data complexity and fragmentation, and more.

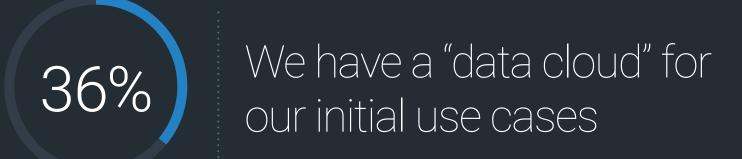
Given the value data clouds can unlock, it is not surprising to note traction is high, with 63% already adopting a data cloud approach, at least for their initial use cases, and an additional 35% being interested or planning to adopt this technology in the next 12 months.

#### Do you believe migrating to a data cloud could help your organization overcome any of the following challenges it is facing today?

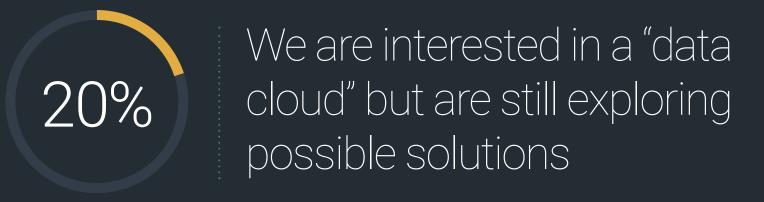


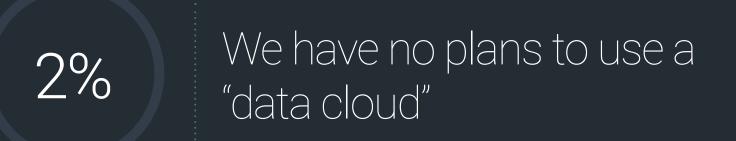
Which of the following best represents your organization's use of a "data cloud"?











## The Majority of Organizations Prefer a Platform Approach to Information Management

Another learning from the data is that the majority of respondents (57%) preferred a platform-based approach to information management, meaning that organizations see the value in working with fewer vendors that provide a more tightly integrated suite of solutions for information management.

Given that the top information management issues organizations are struggling with revolve around data complexity and a lack of integration, it is not surprising to note a more platform-based approach resonates for many organizations, eliminating the need to manage disparate tools from multiple vendors. Additionally, it is worth noting this resonance grows stronger as the seniority of respondents increases: C-level respondents were even more apt (65%) to report a preference for a platform approach than their subordinates holding VP and/or director-level titles (53%).

For organizations partnering with a vendor that can deliver, a platform approach to information management enables seamless data consolidation and enhances data quality, both of which are critical for enterprise AI projects and other data-driven initiatives.

Which best represents your organization's preference when it comes to vendors that can advance your information management strategies?



We prefer to work with **fewer vendors** that can help us in multiple areas (e.g., a platform solution approach)



We prefer to work with **many vendors** that can each help us in specialized areas (e.g., a point solution approach)

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## The Ideal Data Platform Spans Information Management, AI, Data Security, and Data Clouds

The research also showed that the desire for a data platform extends beyond information management tools alone. Respondents were asked if they saw value in the idea of working with one vendor whose solutions include information management tools, AI solutions, data security controls, and the data consolidation capabilities of data clouds. In total, 92% of respondents reported it would be valuable to them to work with such a partner.

This strong preference for a unified data platform partner likely stems from the challenges organizations have traditionally faced with vendor management, data management tool complexity, and the resulting data silos. The need to integrate disparate tools from various vendors has created technical complexity within organizations and hinders the seamless flow of information, leading to inefficiency and incomplete insights. By consolidating information management, AI solutions, data security, and cloud capabilities under a single vendor, organizations can simplify vendor management while putting employees in a better position to unlock the full potential of the organization's data assets.

How valuable would it be to your organization to work with one vendor whose solutions span information management, AI, data security, and data clouds?







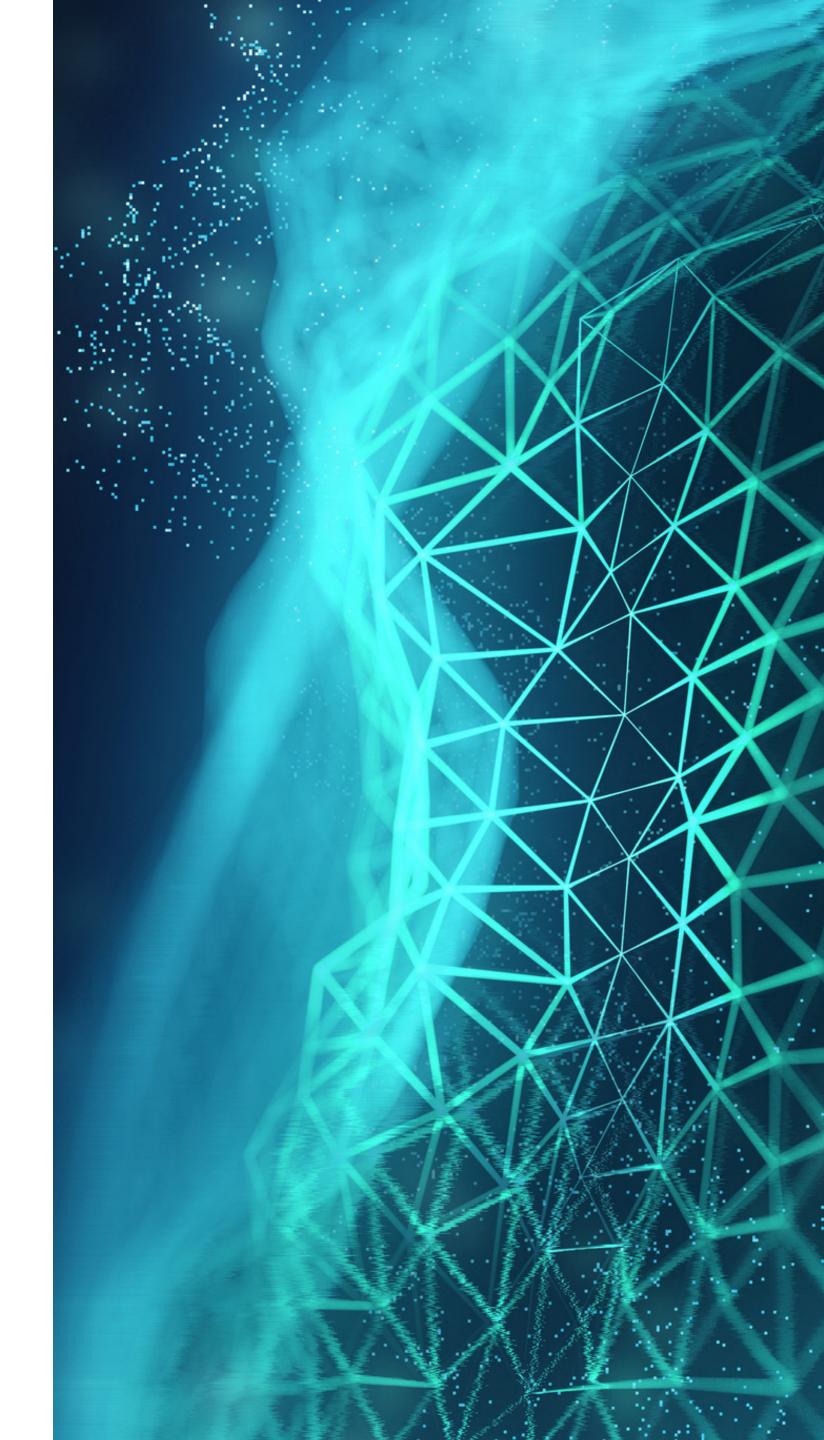
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OpenText™ is the leading information management software and services company in the world. OpenText helps organizations solve complex global problems with a comprehensive portfolio of Al-driven, secure information management software. It also helps organizations grow, innovate, and become more efficient and effective, in a trusted and secure way, through information management.

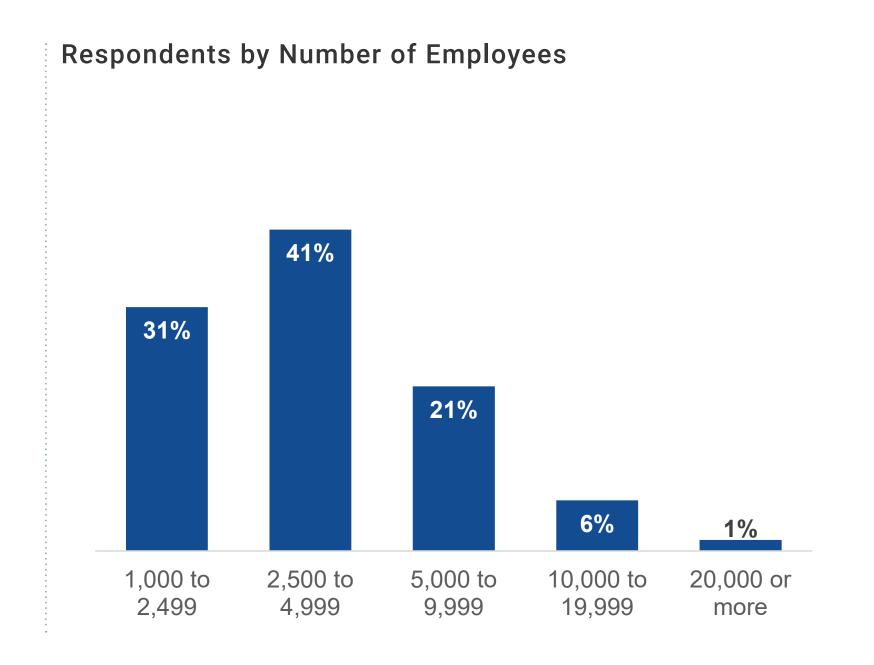
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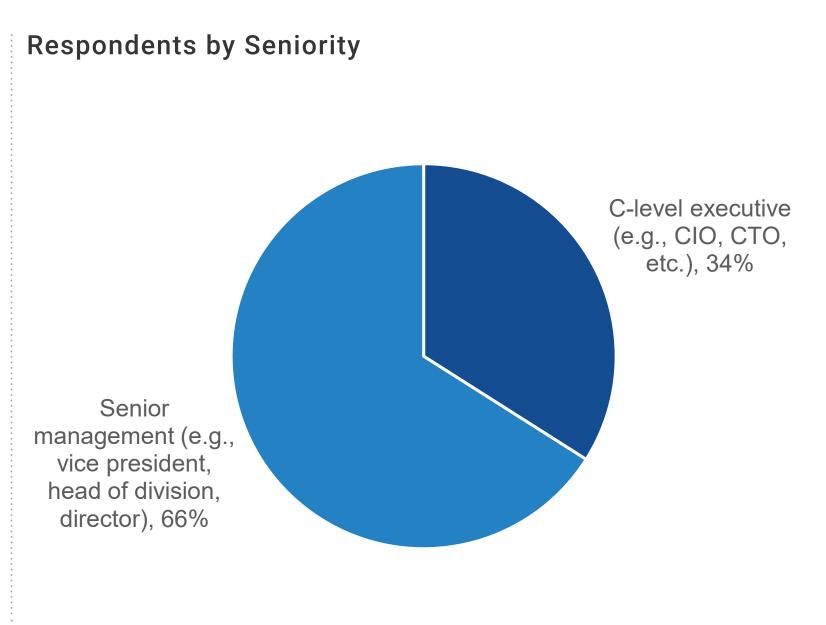


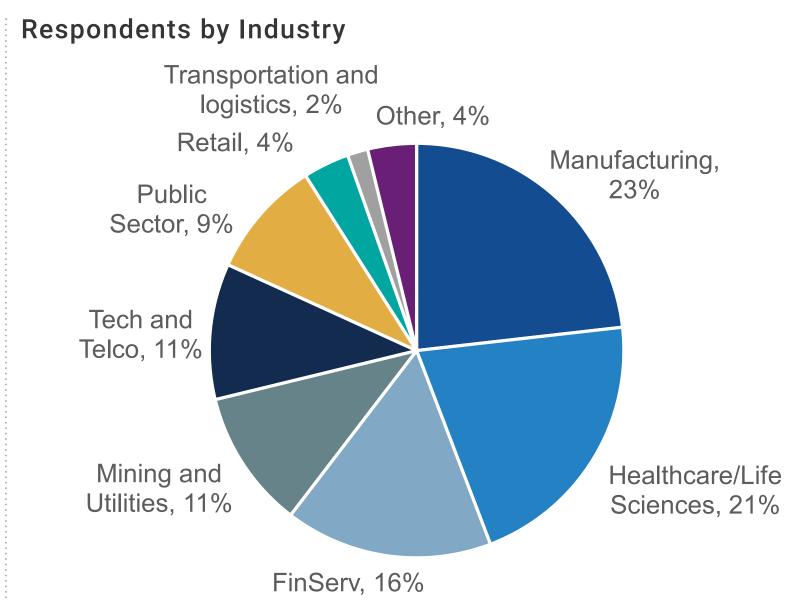
#### RESEARCH METHODOLOGY AND RESPONDENT DEMOGRAPHICS

To gather data for this report, OpenText commissioned Enterprise Strategy Group to conduct a comprehensive online survey of IT (N=375) and software engineering (N=125) leaders (i.e., individuals holding director or more senior titles) knowledgeable about their organization's information management processes and responsible for relevant tech purchases. Organizations represented span both private- and public-sector organizations and include respondents based in the U.S. (N=300), Canada (N=50), the U.K. (N=100), and Australia and New Zealand (N=50). The survey was fielded between May 16, 2025 and May 30, 2025.

All respondents were provided an incentive to complete the survey in the form of cash awards and/or cash equivalents. After filtering out unqualified respondents, removing duplicate responses, and screening the remaining completed responses (on a number of criteria) for data integrity, we were left with a final total sample of 500 qualified respondents. The margin of error for a sample of this size is + or - 4 percentage points. Totals displaced in charts and graphs in this report may not sum to 100% due to rounding.







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