okta

The Strategic Value of Identity for CIOs

As organizations accelerate cloud adoption and aggressively pursue competitive advantage through IT-driven efficiencies, identity has transformed into a critical driver — and, too often, a bottleneck — for CIOs focused on business enablement. This brief provides a summary of the research* into these changes by the Enterprise Strategy Group, conducted in partnership with Okta, which revealed five key insights on how identity management has become a foundational focus for CIOs:

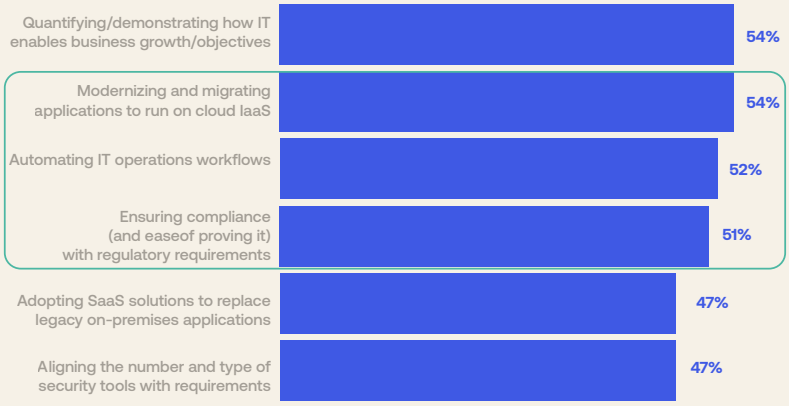
1. CIOs' overarching challenge is balancing business enablement and business protection.
2. Lagging identity automation holds back IT efficiency.
3. Identity programs are a make-or-break factor in business enablement.
4. Fragmentation is an underrecognized barrier in identity management.
5. CIOs recognize the urgent need to streamline identity.

KEY INSIGHT #1:

CIOs' overarching challenge is balancing business enablement & business protection

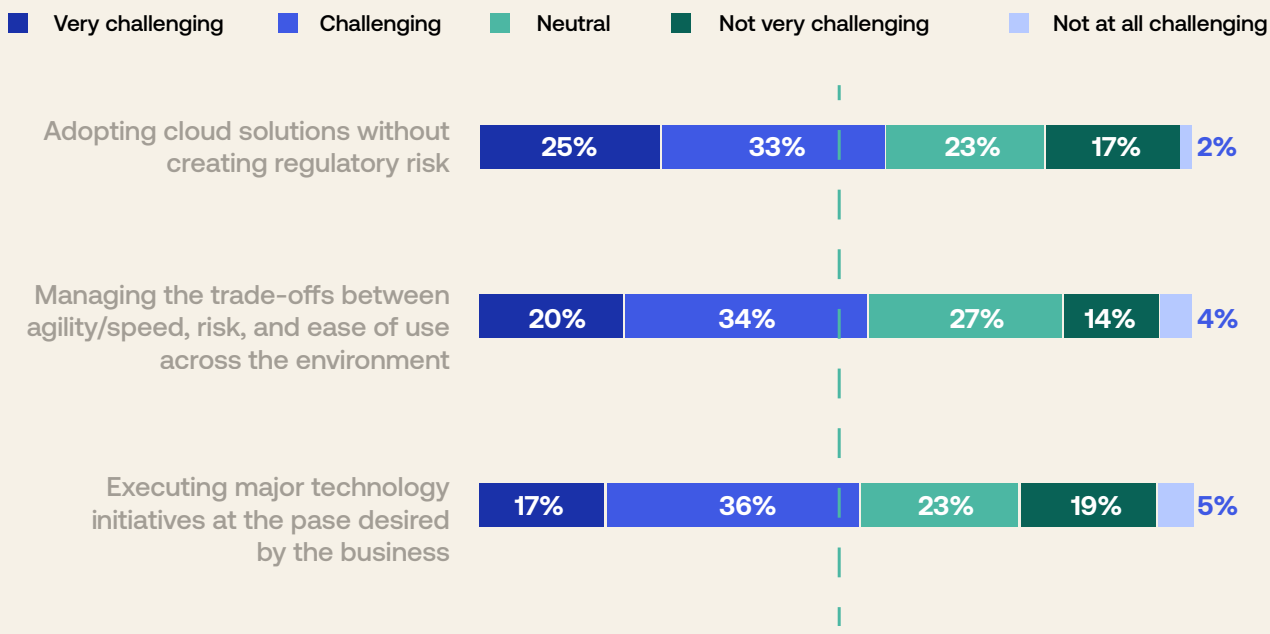
It's not surprising that CIOs' top priority is demonstrating how IT supports key business objectives and enables overall business growth. But responses on other top priorities reveal a critical tension — with accelerating business operations and driving efficiency on one side, and ensuring security and compliance on the other.

CIOs' top jobs to be done



Diving deeper into key challenges sheds more light on how CIOs are striving to find this delicate balance between business enablement and business protection — from adopting cloud solutions without creating regulatory issues, to navigating tradeoffs between agility and risk, to accelerating major tech initiatives while ensuring proper data governance and management.

Key CIO challenges

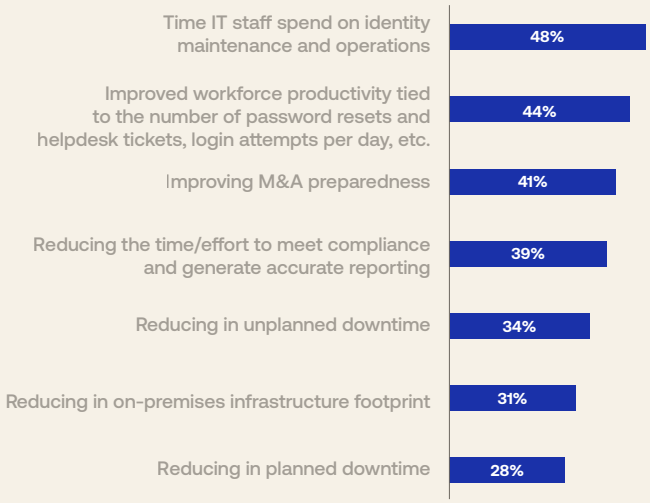


KEY INSIGHT #2:

Lagging identity automation holds back IT efficiency

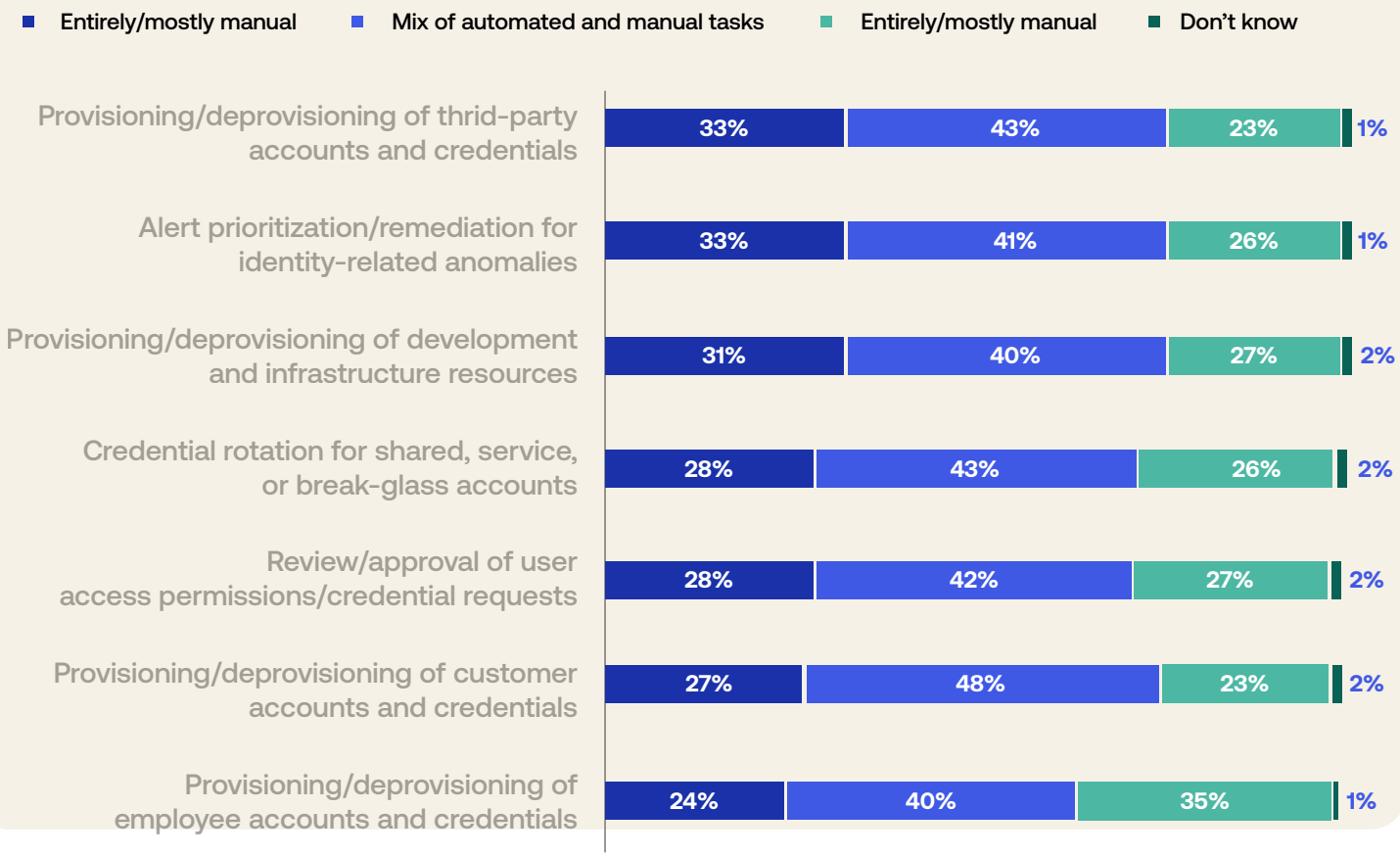
Automating IT workflows is a top CIO priority — and, more specifically, CIOs in the research say that time that IT staff spends on identity maintenance and operations is their most critical KPI today (followed by how well they mitigate the productivity impacts of identity-related issues like password resets and excessive daily logins). Surprisingly, these identity-focused KPIs rank above more conventional KPIs like reducing planned and unplanned downtime or reducing on-premises tech footprint.

Most important CIO KPIs



Yet, lagging automation is a major factor holding back broader IT efficiency. In fact, when it comes to identity workflows, automation remains the exception — far from the norm. Less than 1 in 3 CIOs surveyed in the research say they've automated their essential identity tasks.

How automated are essential identity tasks?



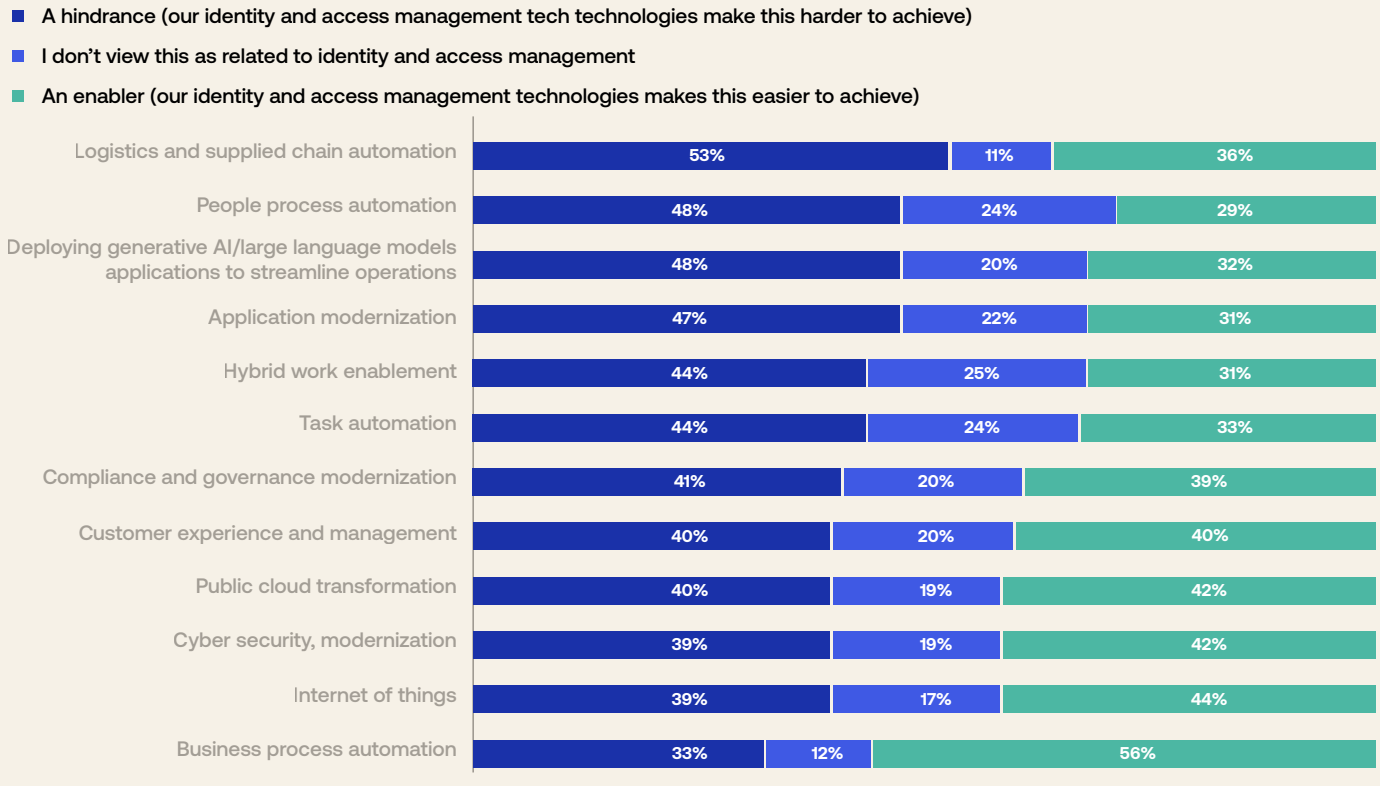
KEY INSIGHT #3:

Identity programs are a make-or-break factor in business enablement

Zooming out, a vast majority of CIOs that were surveyed recognize that identity programs are a critical determinant of whether they succeed or fail in their business enablement function. Unfortunately, almost half report that they see their current identity stacks as key constraints on business enablement.

Many CIOs say their current approach to identity is hindering the initiatives they are focused on advancing

For these key initiaves, between 39% and 48% say their Identity technology stack constrains them. Between 75% and 81% recignize their Identity stack will either enable them or hold back their key business initiatives.



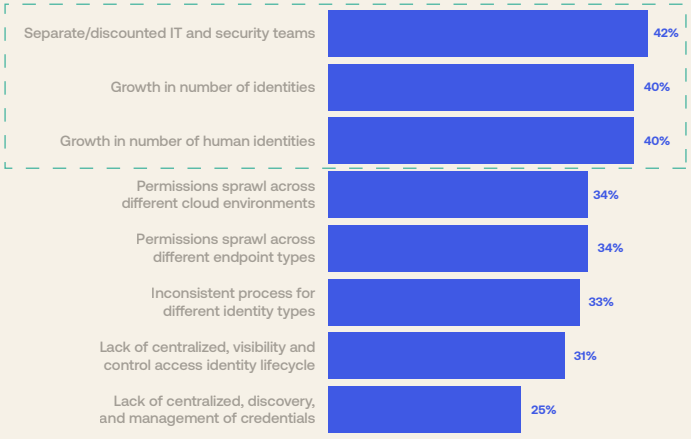
KEY INSIGHT #4:

Fragmentation is an underrecognized barrier in identity management

As expected, CIOs noted growth in human and non-human identities as a major challenge to identity and access management. The growing volume of identities is the proximate cause of the permissions sprawl that also made the list of top challenges.

Also a big problem: Fragmentation of the teams and tech responsible for managing all those identities and permissions. CIOs highlight siloed IT and security teams as the top complicating factor in identity and access management (IAM), and a lack of centralized discovery, visibility, control, and management of identities and credentials rounded out that list.

CIOs' top identity & access management pain points

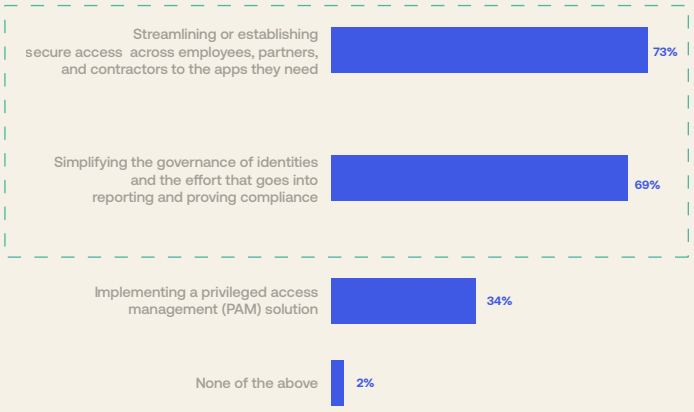


KEY INSIGHT #5:

CIOs recognize the urgent need to streamline identity

The research ended on a positive note: the vast majority of CIOs are taking decisive action to resolve the identity management challenges that are inhibiting both efficiency and business enablement. In fact, 7 out of 10 CIOs said they have major initiatives planned for 2025 to streamline secure access and simplify Identity governance. This indicates a clear recognition among CIOs in the research cohort of the critical need to modernize their identity programs — and a strong intent to invest in solutions that can bring greater efficiency, automation, and control to this foundational element of IT-driven business enablement.

CIOs plan to invest in identity in 2025



Interestingly, CIOs recognize security tech sprawl as a major contributor to the fragmentation issues — but may actually underestimate the extent of that problem. Surveyed CIOs reported an average of 44 disparate security tech vendors which, while alarming, was significantly lower than CISOs' estimates that put the number closer to 60 different security tools.

How many different cybersecurity vendors do organizations use?

CIOs say ~44

CISOs say ~60

okta

Okta: Powering an Identity-First Security Strategy

The ESG research demonstrates how identity has become foundational to business enablement and reveals that current identity programs are a persistent hindrance to critical initiatives — with friction stemming from lagging automation and pervasive identity fragmentation. Okta's unified identity platform is purpose-built to address these exact challenges, giving CIOs a modern identity toolkit to drive efficiency and accelerate digital transformation.

* The research/survey was conducted by Enterprise Strategy Group, in partnership with Okta, on or around 01/2025 to 02/2025 and included interviews with over 150 CIOs in North America, EMEA, and APJ.

Ready to learn more about the platform?

We'd love to hear about the challenges you're facing and share how Okta can help.

Learn more