

Progress without disruption

IT leaders across the US and UK are redefining what modernization looks like. Rather than pursuing large, high-risk transformations, they are focusing on measured, sustainable progress that balances innovation with stability, without disrupting the business.

Modernization is no longer about replacement—it's about orchestration.

According to Ensono's <u>The State of IT Modernization 2025</u> report, which surveyed 500 IT decision-makers, modernization today is about balance: bridging the old and new, integrating AI responsibly, and aligning IT goals with business strategy.



The cost of standing still

Legacy systems still power many core operations—but they're consuming time, talent, and budgets faster than IT leaders can adapt.



of IT teams spend most of their time **maintaining systems.**



saw legacy maintenance costs exceed forecasts last year.



of maintenance-focused teams admit **innovation** is **delayed** due to budget pressure.

IT leaders recognize that delaying modernization comes at a cost. Every postponed upgrade increases exposure to risk, downtime, and competitive disadvantage.

Standing still isn't safe it's expensive. The longer teams stay in maintenance mode, the harder innovation becomes.

KEY TAKEAWAY

Break the cycle by protecting innovation budgets and focusing modernization where it delivers the greatest operational impact.



Hybrid IT: The smart path forward

Modernization in 2025 isn't about tearing everything down—it's about building bridges. Nearly **six in ten** organizations operate in hybrid environments, blending legacy infrastructure with cloud and modern platforms.

Hybrid is how teams move forward without disruption.



are prioritizing interoperability between cloud and on-premises systems.



are taking a **phased approach** to modernization—
updating select apps while
keeping core systems intact.

Hybrid IT has become the preferred route for IT leaders who want progress without disruption. It allows incremental modernization, tighter control over migration risk, and early ROI realization.

KEY TAKEAWAY

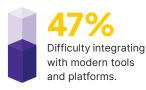
Treat hybrid IT as a long-term operating model, not a temporary state.



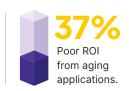
Application modernization: The engine behind innovation

Application modernization is where real transformation begins. It's the single most effective lever for unlocking automation, AI, and measurable ROI.

Top drivers of app modernization:







Modernizing apps enables organizations to work within existing constraints—connecting data, automating workflows, and laying the groundwork for Al adoption.

By modernizing applications first, IT leaders are unlocking the automation and AI potential that legacy systems have been holding back.

KEY TAKEAWAY

Focus Al investments where modernization is mature—not where legacy complexity still dominates.

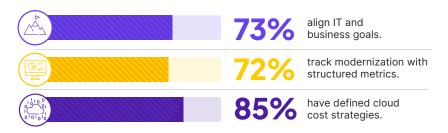
However, IT leaders acknowledge a key reality: **Al can't fix what's broken**. Among organizations already advanced in modernization, **60**% say Al is now accelerating their progress. For everyone else, foundational modernization is still step one.



Partnership and structure drive leadership

Nine in ten organizations report at least one talent gap slowing progress—most often in cloud architecture and migration. To move faster, **95**% of organizations are working with third-party partners.

Yet partnerships alone don't guarantee success. What distinguishes the **21%** of "ahead-of-the-curve" organizations is the framework behind them:



Modernization is a team sport—and structure is the playbook.

KEY TAKEAWAY

Pair external expertise with internal accountability.
Success scales when modernization metrics align with business outcomes.

The leaders have **turned modernization into an organizational discipline**, supported by governance, measurement, and trusted partners who extend their in-house capabilities.



The IT leaders modernization playbook



Stabilize

core systems to manage cost and risk.

Modernize

applications to unlock integration and automation.

Invest

in hybrid management tools for visibility and control.

Alian

IT and business KPIs to track real impact.

Partner

strategically to close skill gaps and accelerate delivery.



Ready to modernize with confidence?

Explore the full <u>The State of IT Modernization 2025</u> report to uncover how IT leaders are aligning strategy, technology, and talent to create sustainable progress—without disruption.

Download now

