ensono

State of IT Modernization Report: 2026 Enterprise Reality Check

IT leaders reveal what's working, what's stalling, and what leaders do differently.

Modernization is accelerating. So is the execution gap.

71% exceeded their modernization budget

61% paused, scaled back, or abandoned initiatives

99% of those who stalled report measurable business impact

Budget overruns and stalls are the norm, not the exception. The difference between success and failure is execution discipline.

AI is now the No. 1 pressure driving modernization.

54% say AI has accelerated modernization efforts (up from 39% in 2025)

33% say delays hurt their ability to support AI initiatives

Your oldest systems may be your most valuable.

78% say legacy systems matter more today than two years ago

52% optimize and extend legacy rather than replace it

46% view legacy as a critical foundation for AI

What sets modernization leaders apart?

1.5x more likely to have strong visibility across cloud and legacy

74% have highly structured measurement (vs. 50% mid-tier)

62% work with strategic partners (vs. 43% mid-tier)

Know your systems and dependencies before you start.

"Modernization success is an execution discipline, not a technology purchase."

Get the full report

Download the State of IT Modernization 2026: Enterprise Reality Check