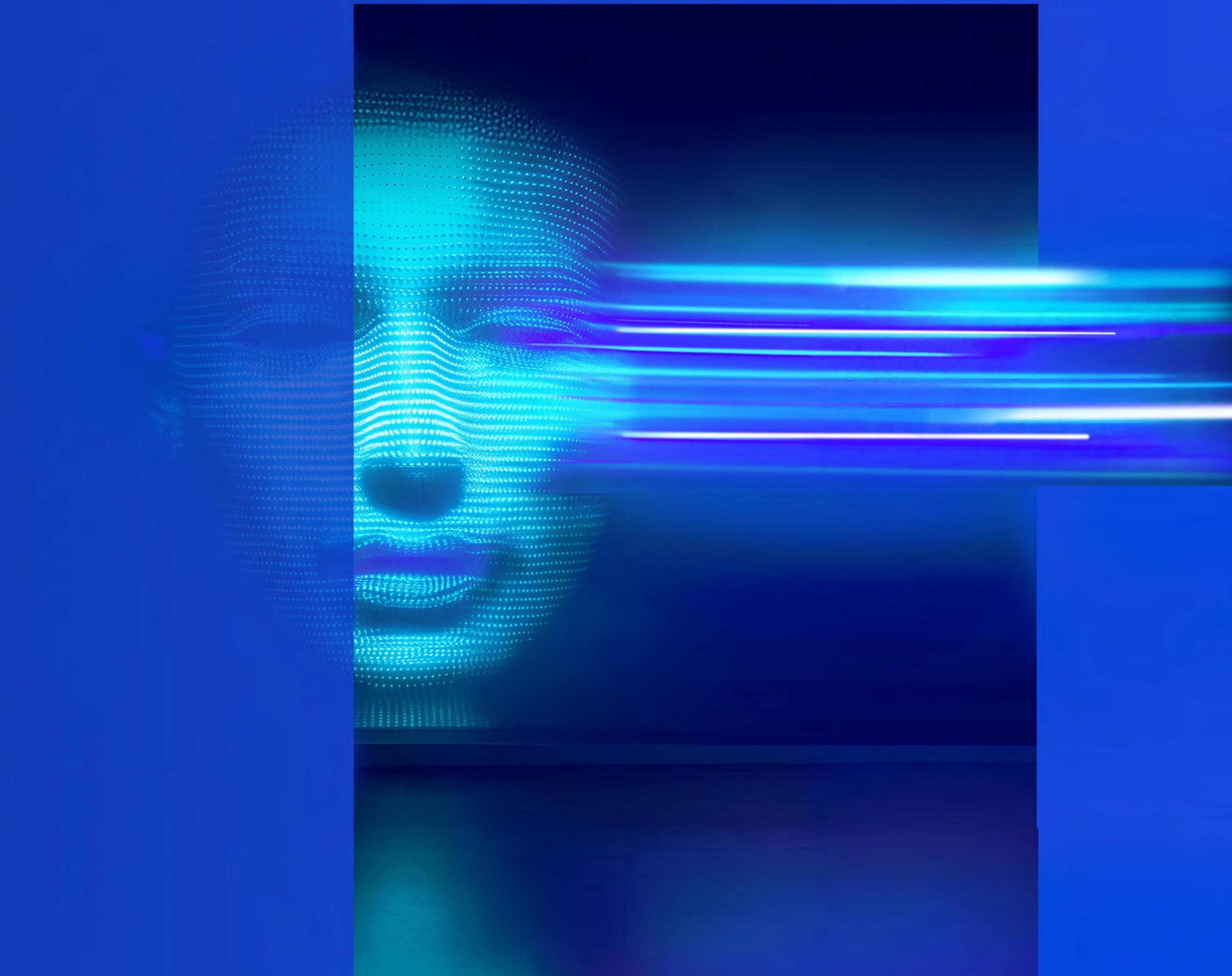# Executive summary

KPMG Global tech report 2026

Leading in the Intelligence Age:
Excelling today, shaping tomorrow

Foreword

We stand at the threshold of the Intelligence Age, a period defined by an unprecedented pace of innovation and profound uncertainty, where technology is no longer just a tool, but a force reshaping the very fabric of business and society. Artificial Intelligence (AI) is rewriting the rules of competition, quantum breakthroughs loom on the horizon, and geopolitical uncertainty adds another layer of complexity. The forces shaping our world are leaving organizations and individuals grappling with what comes next. Predictions range from dystopian visions of a jobless future and a share market implosion to dismissals of AI as mere hype. Amid this dissonance, reasoned analysis is important.

This report cuts through the speculation by grounding insights in data collected from 2,500 tech executives worldwide. Our research shows that organizations are moving beyond the early phase of 'AI roulette', placing scattered bets on multiple technologies, and are now embedding AI into workflows and offerings, striving to scale investments.

Yet, scaling is complex. Consistent with our last report, technical debt, organizational silos, and talent shortages remain stubborn barriers. Despite these challenges, optimism runs high. Half of tech executives expect to reach top maturity by 2026, but only 11 percent are there today. In this report we explore if ambition can match reality and whether in parallel to delivering on today's agenda, organizations can maintain an eye on the next wave of tech innovation.

The return on investment (ROI) picture is equally nuanced. Adoption is rapid, but returns vary widely, shaped by factors that include diligent governance, execution discipline, and organizational agility. Against this backdrop, static planning is becoming obsolete. To thrive, organizations need adaptive strategies that embrace flexibility and speed.

Building a culture that welcomes change is critical, though fears about job security persist. Encouragingly, most organizations anticipate only modest reductions in permanent human roles over the next 2 years, and high performers emphasize investing in people alongside AI innovation. Despite some extreme predictions, perhaps there is hope for a future where technology augments rather than replaces human potential.

As you read this report, I encourage you to reflect on the question: Can we thrive amid disruption? The answer I believe lies in rejecting hype, embracing evidence, and committing to strategies that balance ambition with rational thinking.

Guy Holland
Global Leader,
CIO Center of Excellence
KPMG International

Guy Holland is the global leader of KPMG International's CIO Center of Excellence, a board member of KPMG Australia, and he leads KPMG Australia's Commercial Office. Guy's career in technology spans over 30 years and he has worked in senior leadership roles for global consulting and technology companies in Europe and ASPAC. Working with senior business leaders and C-suite executives, he helps organizations across a wide range of industries to harness technology and data to transform, innovate and create business advantage.

Findings from this year's survey

Ambition is high but with roadblocks

50% of tech executives expect to reach top tech maturity by 2026, yet only **11%** are there today

53% still lack the talent needed to bring their digital transformation plans to life

Adoption is rapid but returns vary widely

4.5x is the ROI of high performers[1] on digital tech investments, more than double the **2x ROI across all organizations**

74% report their AI use cases are providing business value, but only **24%** achieve ROI across multiple use cases

High performers lead on governance, change, value and tech foundations

2% of high performers say there are too many disconnected AI projects and teams, compared to **34%** of the rest

6% of high performers say some employees feel left behind in the ever-changing tech landscape, compared with **39%** of the rest

17% of high performers struggle to communicate the value of AI to stakeholders, compared with **57%** of the rest

8% of high performers say the cost of fixing tech debt frequently prevents them from making investments in new tech programs, compared with **45%** of the rest

[1] Represented by just 5 percent of the tech executives we surveyed, these high-performing organizations consistently outperform others in terms of tech maturity, process maturity and value.

Agentic AI makes its mark

88% of respondents are already investing in building agentic AI into their systems

92% say managing AI agents will become an important skill within 5 years

50% of high performers expect their tech teams to be made up of permanent human staff in 2027, compared to **42%** for other organizations

Securing the right skills and knowing where to find them

57% of high performers plan to increase hiring of onshore tech talent over the next 12 months (in response to external macro-environment changes) versus **35%** of the rest

90% plan to expand and strengthen their tech ecosystems and partnerships to access required expertise over the next year

Risk is business as usual

87% of high performers and **78%** overall agree they must take more risks on emerging technologies to stay relevant in their industries

Key insights

1. Meeting the challenge of the Intelligence Age

Today's era is characterized by the immense growth of tech, and organizations have bold plans to grow their tech maturity, and shift from experimentation to scale. Our report found that across 10 technologies measured, 50 percent of respondents expect to reach the top stage of maturity by the end of 2026, despite only 11 percent rating themselves at that level today.

However, it's not likely to be all smooth sailing. Talent to fuel tech transformation presents a challenge, with just over half of organizations (53 percent) still lacking the talent needed to bring their digital transformation plans to life. Over two-thirds (69 percent) of tech executives say that while trying to move fast and keep costs down, their tech programs compromise on areas like security, scalability, and data standardization.

Meanwhile, many organizations are being held back by tech debt, or may not be aware of the impact this debt could have. For example, 63 percent agree that the cost of fixing tech debt is holding back their progress with new initiatives.

2. Realizing value from tech investment

Return on investment (ROI) on tech can vary dramatically across organizations. For example, the high performers report high ROI (4.5x), even with low investment levels relative to revenue, compared to an average ROI of 2x for the rest. Other organizations that report higher ROI include smaller organizations (3.6x), organizations with fewer cost pressures (2.6x), and transformation-focused organizations (3.2x).

Meanwhile, early adopters of new tech invest less but gain more, achieving 2.2x ROI compared with 1.4x ROI for late adopters. The challenge is that decision making on new tech investment, particularly for AI, can be based on hypotheses rather than historical data. Our survey research shows that when predicting ROI on AI, most (74 percent) report that their AI use cases are providing business value, but only 24 percent say they are achieving ROI across multiple use cases. Organizations should evolve their KPIs beyond traditional financial and productivity metrics to reflect the full value of emerging platforms and AI capabilities.

The ROI pattern is equally nuanced. Rather than a single investment 'sweet spot', our findings reveal there are some clear ROI 'zones' from early quick wins to enterprise-wide value as maturity increases.

3. Building adaptive strategies amid continual disruption

With the fast pace of tech innovation, plans are often outdated before implementation — this is the case for 56 percent of organizations. To thrive amid constant change, tech executives should have sound investment strategies. Seventy-eight percent say they follow established, formal processes when evaluating and adopting emerging technologies. It is essential to review whether these methods remain fit for purpose, or if greater agility and speed are now required.

One aspect of creating stability amid chaos is building clear strategies around decision making. With 32 percent of respondents reporting that they have too many disconnected AI projects and teams at their organization, there is a broader preference for centralized control of tech decision making.

In fact, 91 percent of high performers and 78 percent of other respondents report that they conduct tech investment prioritization and planning centrally within their IT function, or through a federated model led by IT. Forecasting ability is also key to managing disruption, yet 67 percent of tech executives say ineffective forecasting hampers their ability to respond to market shocks and tech shifts.

Meanwhile, 6 percent of higher performers and 39 percent of respondents say some of their employees still feel left behind in the ever-changing tech landscape. Notably, this issue reflects an approximately 30 percentage-point decrease compared to our previous survey, indicating that organizations are increasingly engaging employees throughout their transformation.

4. The foundations for the next wave

The rise of agentic AI is commanding the attention of tech executives, with 88 percent already investing in this capability, and 92 percent anticipating managing AI agents will become a critical skill within the next 5 years.

Despite this rapid adoption, organizations still expect 43 percent of their tech workforce to remain permanent human staff by 2027 — a modest decline of five percentage points from 2025 levels.

At the same time, reliance on external contractors and consultants is projected to fall from 24 percent to 21 percent. These shifts collectively signal an increase in the digital workforce, which is forecast to grow from 28 percent in 2025 to 36 percent in 2027. Interestingly, high-performing organizations anticipate retaining a greater proportion of permanent human staff, with 50 percent expected to remain in place by 2027, underscoring the continued value of human expertise alongside AI-driven capabilities.

Meanwhile, 87 percent of high performers agree they must take more risks on emerging technologies to stay relevant in their industry, followed by 78 percent of the rest.

Most (90 percent) organizations plan to expand and strengthen their tech ecosystems and partnerships to access required expertise over the next year. A more connected ecosystem comes with a heightened focus on security, and tech executives rank security concerns, and intellectual property and data protection concerns, in their top five barriers to greater collaboration between organizations on emerging technologies.

Looking ahead, there is more disruptive technology close on the horizon. Whether it's the immense power of quantum and the aligned need for ultimate security, or Artificial General Intelligence (AGI) or Artificial Superintelligence (ASI), one eye must always be on the future.

Looking ahead: Your 2026 agenda

01

Accelerate learning to build your new competitive moat

Be ready for the immense pace by treating organizational knowledge as strategic currency. Institutionalize rapid learning loops and shared knowledge.

02

Maximize value through data-driven investment

Make evidence-based decisions grounded in maturity assessments and external benchmarks, while continuously tracking and forecasting performance. Ensure KPIs are aligned with today's technology landscape and reflect the need for new approaches.

03

Build in adaptability through frameworks and culture

Streamline decision-making, and pivot if tools are superseded. Build adaptable teams and an innovative culture that can support this ethos.

04

Build a future-ready, agent-empowered workforce

Redesign a talent strategy that is focused on upskilling, building AI fluency, and cultivating the next generation of leaders who can effectively use, manage, and master AI.

05

Adopt an AI-first, trust-by-design mindset

Begin every design and decision with an AI-first mindset, and embed trust, transparency, and responsibility by design. Turn responsible AI into a competitive advantage, not just a compliance exercise.

06

Strengthen your data foundation and modernize your tech stack

AI can only be as powerful as the data powering it. Rationalize and modernize your tech stack, retire low-value legacy systems, and build modular and dynamic architectures ready for rapid iteration and AI-native applications.

07

Drive strategic ecosystem partnerships

Select ecosystem partners with purpose. Move from transactional relationships to strategic co-creation that enhances flexibility, fosters interoperability, accelerates innovation, and delivers better customer outcomes.

08

Have one eye on the future

Quantum computing, AGI, and ASI might be closer than we think. Even as you deliver on current needs, maintain focus on preparing for what's next.

As organizations enter the Intelligence Age, ambitions to elevate technology maturity and maximize ROI are high. Achieving this requires a strong strategic foundation, shifting from AI experimentation to scaled deployment, redefining ROI metrics, balancing investments, and fostering adaptive strategies and decision-making structures. Success also depends on cultivating a culture ready for change and optimizing a human-AI workforce through agentic AI, while preparing for emerging breakthroughs in quantum computing, AGI, and ASI.

Clearly, there will be no easy ride through 2026 for tech executives if they want technology to genuinely empower their organizations to grow, and their people to embrace technology and thrive. It will be a challenging, complex year, the outcomes of which we look forward to reflecting on in surveys to come.

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About the research

This study is based on a survey of:

2,500
tech executives
from 27 countries

43%
Europe, Middle East and Africa (EMEA)

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29%
Asia-Pacific (ASPAC)

- - - - - - - - - - - - - - - - -

28%
Americas

The tech executives are representatives from eight industries:

31% Financial Services	**10%** Healthcare and life sciences
11% Technology and telecom	**10%** Energy
10% Consumer and retail	**10%** Automotive
10% Industrial manufacturing	**8%** Government

This is our 2026 KPMG Global Tech Report. Research was conducted in 2025, but with the rate of technological advancement rapidly increasing, we have expanded the view of the report from observing recent progress to exploring predictions for 2026 and beyond.

The breakdown of respondents is as follows:

50%
Members of the C-suite

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10%
Vice President

- - - - - - - - - - - - - - - - - - -

31%
Director

- - - - - - - - - - - - - - - - - - -

9%
Senior Manager

Annual revenues for all organizations in our survey are above US$100 million.

Key insights from experts around the globe

This report includes valuable insights from interviews with eight senior corporate leaders and professionals.

These participants were:

Dean Bortz
Director, AI Go-To-Market, Google

Rohit Gupta
Founder and CEO, Auditoria.AI

Zack Kass
Global AI advisor, thought leader, and former Head of Go-To-Market, OpenAI

Phil Mottram
Executive Vice President and Chief Sales Officer, HPE

Seth Patton
General Manager, Product Marketing, Microsoft 365 Copilot

Noelle Russell
AI Solutions Architect and Strategic Advisor, CEO, AI Leadership Institute

Umesh Sachdev
Co-founder and CEO, Uniphore

Jenny Wood
Group Chief Information Officer, Skipton Group

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