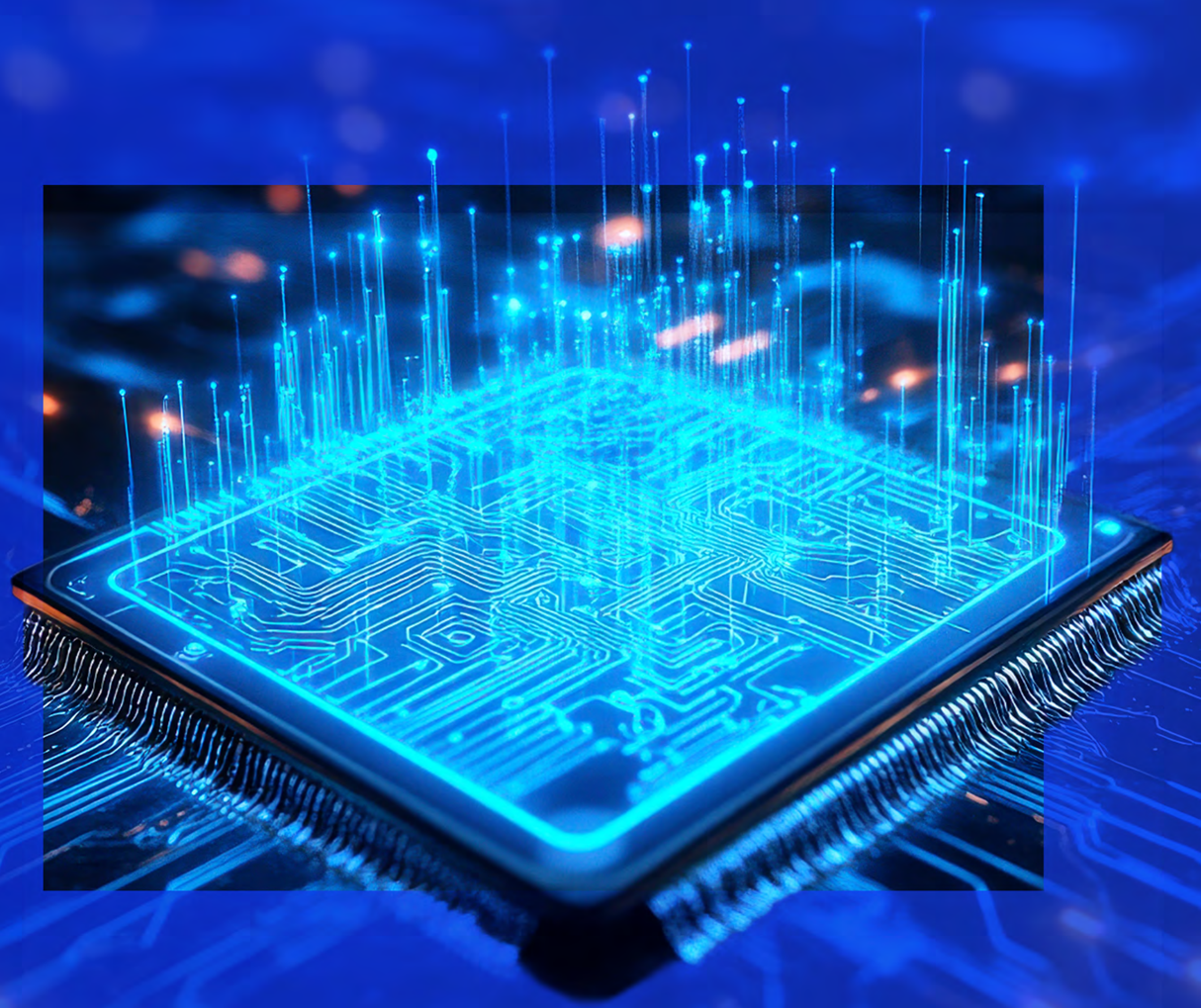
KPMG Global tech report 2026: Technology

From adoption to execution: turning investment into enterprise value



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Foreword

After years of accelerating innovation, significant investment and rapid deployment of new capabilities, technology companies are now focused on how to turn technology and AI investments into sustained value at scale.

This report, based on insights from over 155 leaders from technology companies across the globe, examines how organizations are investing, scaling AI and emerging technologies, evolving their operating models and positioning technology as a driver of growth. It provides a snapshot of the opportunities and challenges shaping the sector.

The picture that emerges is one of strong confidence — ninety-five percent of leaders expect revenue growth. Investment continues at a significant level, with leaders viewing technology as central to competitive advantage. The latest data suggests that organizations are not slowing down their ambition. If anything, they are becoming more focused on ensuring that investment translates into measurable outcomes.

At the same time, the findings show that execution is now the defining challenge. AI initiatives and technology programs are widespread, but scaling them consistently across the enterprise remains complex. Legacy systems, integration challenges, evolving risk requirements and talent constraints continue to shape how quickly organizations can move. In practice, this means that performance is increasingly determined not by access to technology, but by how effectively it is executed and scaled.

What is exciting is the scale of opportunity ahead. As AI becomes more deeply embedded into products, platforms and decision-making, technology leaders have the opportunity to redefine how value is created — not only by improving efficiency, but by enabling new business models, accelerating innovation and strengthening competitive advantage.

There is an exciting future ahead. Technology leaders have the opportunity to redefine how value is created — but success will be defined by execution. Organizations that combine bold ambition with operational discipline — balancing innovation with trust, speed with resilience, and investment with measurable outcomes — will likely be best positioned to lead in an environment where change is constant and technology is increasingly fundamental to business success.

Anna Scally
Global Head of Technology,
Media and Telecommunications
KPMG International

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Key findings

Confidence remains high

Technology organizations continue to outperform the market on growth confidence, with

95% confident in revenue growth over the next two years and **92%** reporting growth over the past five years.

Digital investment is strategic and sustained

74% invest more than US$50 million annually and 51% invest more than US$100 million, reflecting long-term commitment rather than short-term transformation cycles.

Digital value is material and measurable

Technology companies are converting investment into tangible outcomes. **83% realized at least US$50 million in digital value over the past 12 months, and 62% realized more than US$100 million.**

Adoption has become table stakes

Implementation across AI, cloud, data and cybersecurity is now near-universal.

100% of technology respondents have started AI initiatives

and more than **90%** report active deployment across core technology domains.

Scaling is the dominant constraint

Across most technologies, the largest share of organizations sit in maturity states described as funded but hitting blocks with scaling,highlighting execution — not funding or intent — as the primary bottleneck.

AI is mainstream, but uneven at scale

AI now accounts for approximately **21–40% of total digital value** for most technology organizations.

However, only around **10%** report AI delivering ROI at scale across multiple use cases today.

Legacy complexity is eroding returns

Execution friction remains widespread.

60% say legacy processes reduce technology ROI,

while **61%** report technology plans becoming outdated quickly due to rapid change.

Governance is tightening to enable speed

Technology organizations show higher levels of centralization than other sectors, particularly across architecture, cybersecurity and AI governance, reflecting rising risk exposure as technology becomes more deeply embedded in operations.

Source: KPMG Global tech report 2026, KPMG International, January 2026.

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Technology maturity and strategy

This year's research shows that, unsurprisingly, the technology sector continues to lead from the front in adoption, with nearly nine in ten organizations positioning themselves as either innovators or fast followers.

Across key domains including AI, cloud, data and cybersecurity, implementation is now widespread, with more than 90 percent of organizations reporting active deployment.

The findings indicate that adoption is no longer a significant barrier. Instead, the data shows that organizations are increasingly focused on how technologies are scaled and embedded into enterprise operations.

The research highlights that, despite high levels of activity, many organizations face challenges when moving from pilot to full-scale implementation. Across multiple technologies, the largest proportion of respondents report that strategies are funded but encountering barriers to scaling.

This suggests that the constraint is not investment or intent, but execution. The findings indicate that integration complexity, operating model limitations and organizational structure are key factors influencing outcomes.

The data also shows that the pace of change is affecting strategic planning. Sixty-one percent of technology respondents report that technology strategies require frequent revision, reflecting the speed at which technologies are evolving.

In response, organizations are increasingly adopting platform-based strategies, focusing on standardization, reuse and interoperability to support scale.

The research also indicates that governance and decision-making models are evolving. Technology leaders are taking on greater responsibility for enterprise outcomes, rather than focusing solely on delivery.

Q: To what extent do you agree with the following statements about your organization? Agree/Strongly Agree

When asked about approach to adopting new technologies

Innovator/early adopter

45% (vs global average 38%)

Fast follower

44% (vs global average 52%)

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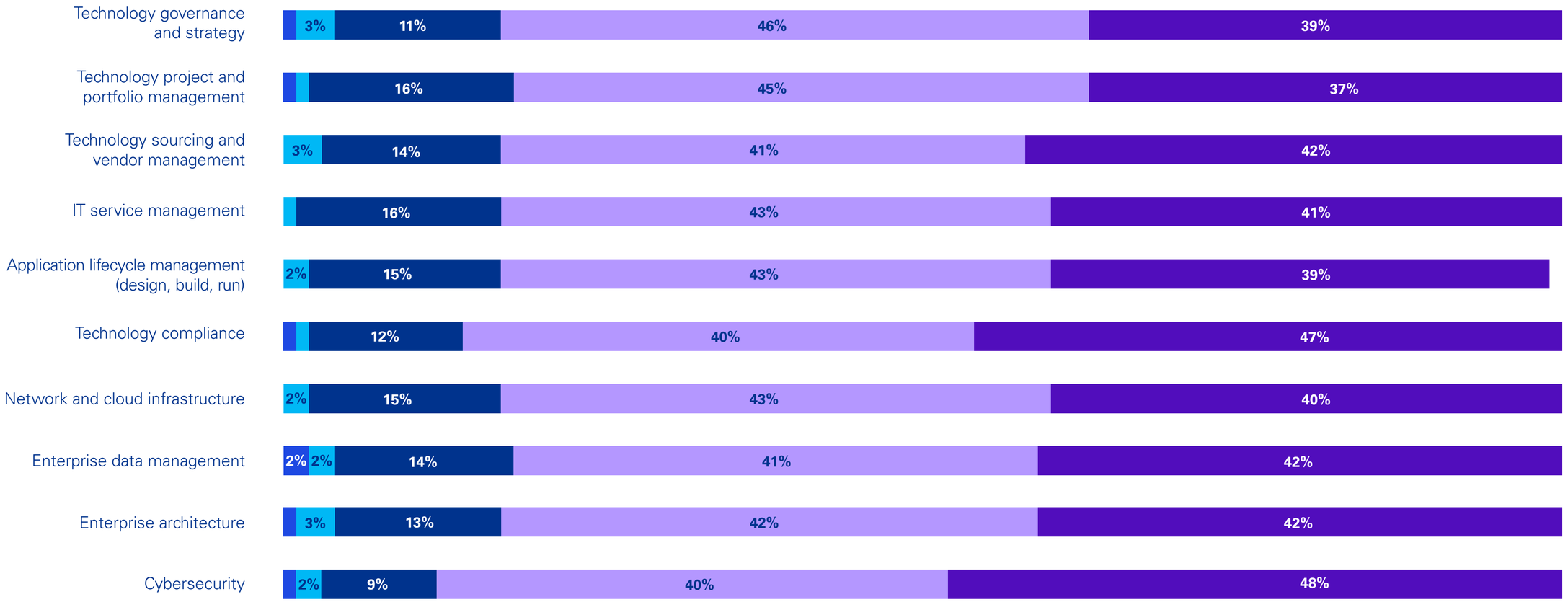
Which of the following best describes your organization's maturity across the following core technology functions?



- Initial Ad/Hoc — processes are informal, undocumented, and reactive
- Developing — Some processes are defined, but execution is inconsistent
- Defined — Processes are documented and standardized across teams
- Managed — processes are monitored, measured and actively managed
- Optimized — processes are continuously improved through innovation, automation and best practices

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Tech investment

When it comes to digital investment, 74 percent of technology organizations report annual investments exceeding US$50 million, with 51 percent exceeding US$100 million.

The findings indicate that this level of investment is sustained and embedded into long-term planning. Technology spend is no longer cyclical or experimental, but a core component of business strategy.

The research also shows that investment is delivering measurable outcomes. Eighty-three percent of organizations report generating more than US$50 million in digital value, and 62 percent report more than US$100 million.

However, the findings suggest that returns are not fully optimized. A significant proportion of respondents (60 percent) report that legacy systems and processes reduce the effectiveness of technology investment.

The research also highlights that investment patterns are becoming more disciplined. Organizations are allocating resources across maintenance, growth and transformation in balanced ways, rather than concentrating investment in a single area.

This suggests a more mature approach to portfolio management, with a focus on maximizing returns rather than increasing spend.

Overall, the findings indicate that capital is not the primary constraint. The ability to convert investment into consistent outcomes is the key challenge.

83% of technology organizations realized $50m+ in value

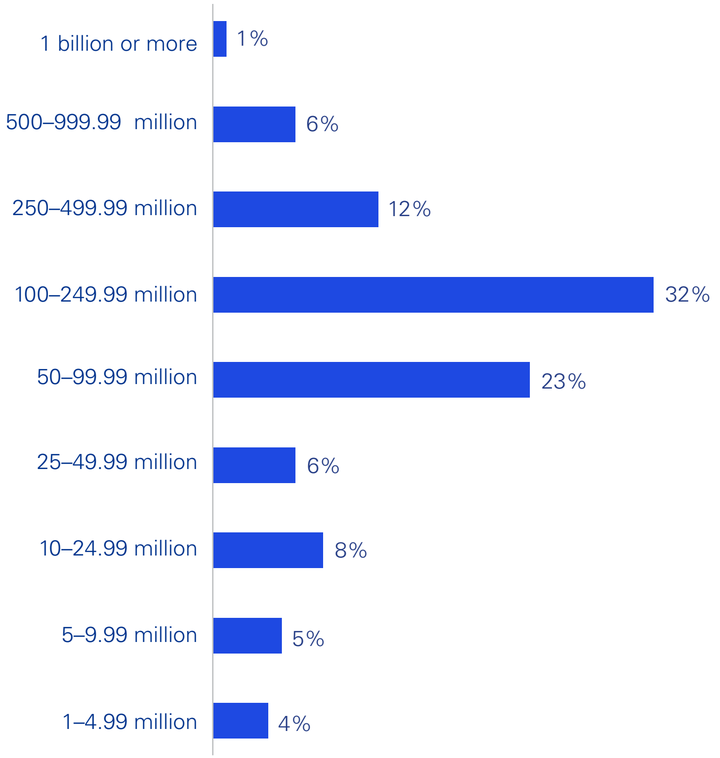
62% realized $100m+ in value

36% realized $250m+ in value

> **"Technology companies in the U.S. are not short on investment — they are under pressure to prove it. What stands out in this year's findings is that value is now both expected and measurable. The organizations pulling ahead are those treating technology investment as a disciplined portfolio, actively managing for returns, removing legacy drag and scaling what works across the enterprise."**

Chad Seiler
Americas Head of Technology, Media and Telecommunications
KPMG in the US

Annual investment in digital technologies



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AI and emerging technologies

As may be expected, technology organizations consistently outperform most sectors in terms of AI adoption, readiness and scaling. Eighty-six percent of respondents confirm their organization has a clearly defined, enterprise-wide AI strategy aligned to business and technology goals, 10 percentage points higher than the cross-sector average.

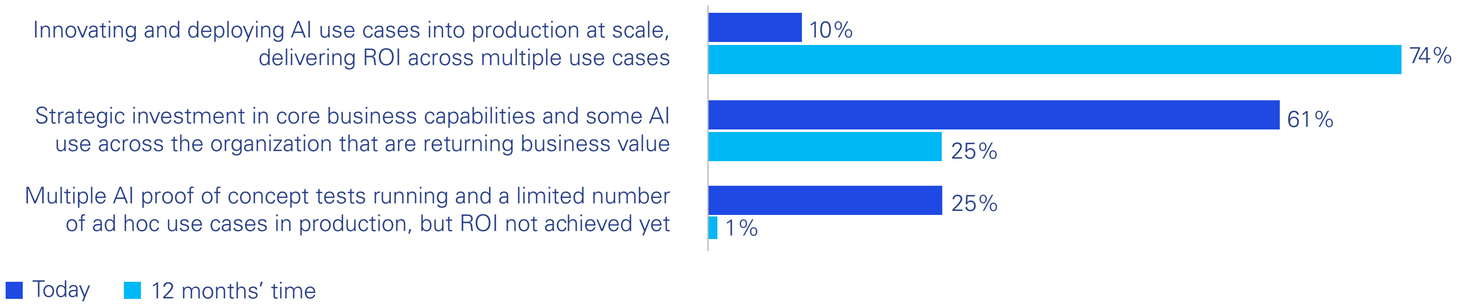
All technology respondents reported active AI initiatives and the data shows that AI is contributing significantly to value creation. Most organizations report that AI accounts for 21–40 percent of their total digital value, indicating a high level of integration into core operations.

However, the findings also highlight a gap between adoption and scale. Only around 10 percent of technology organizations report achieving AI at scale, with consistent ROI across multiple use cases.

In terms of how AI is impacting the workforce, the data reveals a complex picture. The technology sector is a front-runner on IT-led AI execution (83 percent vs cross-sector average 73 percent) and hiring for roles if tasks cannot be completed by AI (59 percent vs cross-sector average of 39 percent), while simultaneously ranking highest on indicators of employees feeling left behind (54 percent vs cross-sector average of 38 percent) and disconnected AI projects (46 percent vs cross-sector 32 percent) — suggesting rapid scaling is outpacing change management and coordination in parts of the sector. Despite this, the sector is leading in terms of employee trust in AI – with 83 percent saying their employees trust the outputs of AI systems to inform their strategic or operational decision-making versus the cross-sector average of 62 percent.

> **“Across ASPAC, the real story is not adoption — it is orchestration. AI is everywhere, but scaling it in a way that is consistent, governed and enterprise-wide remains a complex challenge. The next phase of advantage will likely come from those who can connect strategy, talent and operating models to move from isolated success to repeatable impact.”**
>
> **Simon Dubois**
> **ASPAC Head of Technology & Media**
> **KPMG in Australia**

Current and future levels of AI adoption



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Technology companies rank near the top in core capabilities, including strong data foundations, mature governance and the integration of AI into workflows and products. They are more likely to have well-defined enterprise AI strategies and established cross-functional oversight. Crucially, the sector is also ahead of the curve in its outlook — shifting from a focus on efficiency gains towards using AI as a driver of revenue growth.

In terms of barriers, the findings suggest that governance and data challenges are significant barriers. As AI becomes embedded in critical systems, requirements around data quality, security and explainability increase.

The results show concerns about data/model bias, regulatory and compliance risks and cyber-attacks. The technology sector shows higher concern across most risk categories, with cyber looming especially large. Over the next two years, leaders expect steep increases in cyber-risk exposure (41 percent versus cross sector average 25 percent).

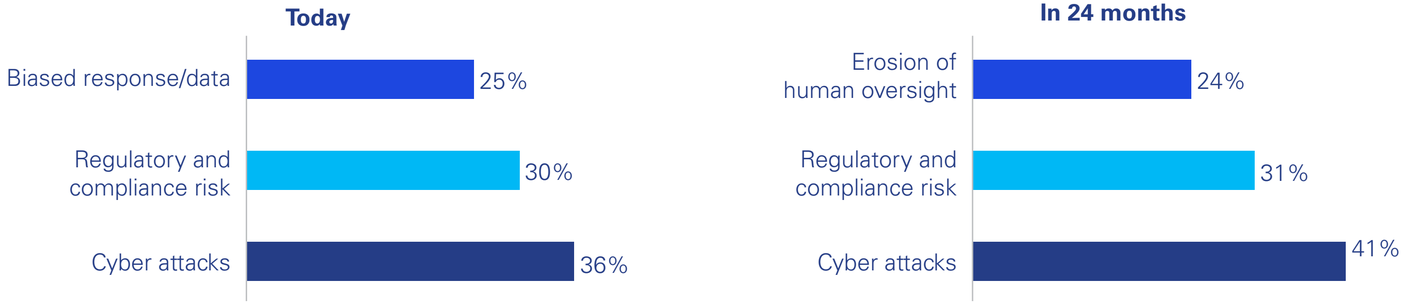
In terms of emerging tech, 87 percent agree that their organization needs to take more risk. The findings show that the majority of technology organizations commit at least 20 percent of investment to emerging technologies. Leaders may also need to consider the potential evolution toward more advanced forms of AI, such as Artificial General Intelligence (AGI) and, over time, Artificial Superintelligence (ASI), and the implications for decision-making, operations, and governance.

Cyber and regulatory risks topping the agenda is expected. More significant is the rise of human oversight as a core concern. Organizations recognize that AI cannot be scaled without the right skills, judgment and governance in place."

Joe Cassidy
EMA Head of Technology, Media and Telecommunications
KPMG in the UK

Agreement with statements about AI's impact on the workforce:

Top three concerns of AI today and in two years' time



Top 5 barriers to collaborating on emerging technologies

45% IP and data protection concerns

42% Strategic partnerships

41% Integration complexity

41% Security

37% Geopolitical tensions

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Tech trends and future outlook

The research indicates that the technology sector is entering a new phase of maturity. Organizations are moving beyond exploration, with more than 90 percent now actively deploying technologies across AI, cloud, data and cybersecurity. Attention is shifting towards integration, scaling and business impact.

The findings suggest that execution quality will increasingly determine performance. As technology capabilities become more widely available, differences in outcomes will depend on how effectively organizations deploy and manage those capabilities.

The research also highlights increasing complexity. As organizations scale across multiple technologies, integration becomes more challenging, and coordination across systems and teams becomes more important.

The data suggests that governance will play an increasingly important role in enabling scale. Organizations are strengthening control frameworks to manage risk while maintaining speed.

Expectations of value will continue to increase. Organizations will likely be expected to demonstrate clear links between technology investment and business outcomes.

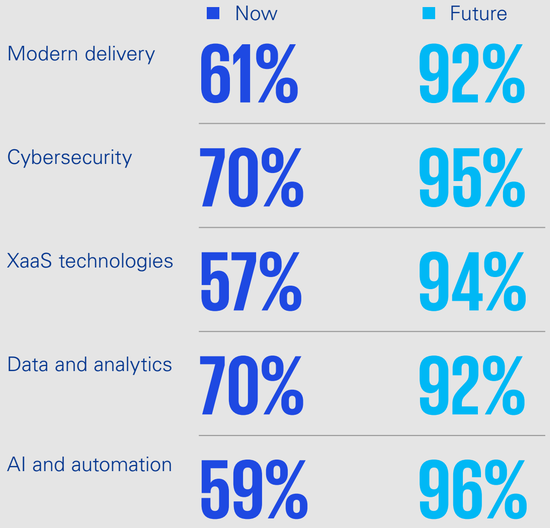
In addition to AI, emerging technologies such as digital twins and advanced simulation are gaining traction. However, investment levels remain more moderate, reflecting a controlled approach to adoption.

Technology organizations see skills and talent, cybersecurity resilience and strong data foundations as the most important enablers of tech-strategy success over the next year, while placing comparatively less emphasis on partnerships, collaboration and governance. While vision and leadership and a culture of innovation are key strengths, it seems that access to skills and talent to turn vision into reality are a key challenge with 70 percent of technology leaders agreeing with this statement (versus cross-sector average 53 percent). Moreover, over half of tech leaders claim business strategies are frequently rendered irrelevant by unexpected tech innovations (versus 35 percent average) perhaps due to the pace of change.

> **“Technology leadership is no longer defined by innovation alone, but by how effectively organizations operationalize it at scale. Differentiation will likely come from execution — the ability to simplify complexity, integrate across the enterprise and consistently translate technology into sustained business advantage.”**

Anna Scally
Global Head of Technology, Media and Telecommunications
KPMG International

Current and future adoption of key technologies (Top five)



Q: For each of the following technologies, how would you describe your organization´s position today? In 12 months? On track/fully scaled

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Looking ahead: Your 2026 agenda

01

Accelerate learning to build your new competitive moat

Be ready for the immense pace of change 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 for tech executives if they want technology to genuinely empower their organizations to grow, and their people to embrace technology and thrive. It will likely be a challenging, complex year, the outcomes of which we look forward to reflecting on in surveys to come.

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How KPMG can help

New opportunities

KPMG works with technology organizations navigating the transition from experimentation to scale. We support clients in scaling AI and data across the enterprise, strengthening data foundations, operating models and governance to enable sustainable value creation. Our teams help modernize core platforms, reduce technical debt and simplify architectures to unlock capacity for future innovation. We design operating models that balance speed, control and resilience, helping organizations scale confidently in high-risk environments. Combining deep sector insight with execution experience, KPMG helps technology leaders translate sustained investment into repeatable, enterprise-wide outcomes under constant change.

Methodology

This year's report is based on insights from over 155 leaders from technology companies with $1billion revenue or more. Respondents represent both private (72 percent) and public (28 percent) organizations and hold senior leadership roles such as Chief Data Officer, Chief Technology Officer, Chief Information Officer, IT Director or Technology Director, and EVP, SVP, or VP of Technology. Geographically, respondents are based across EMEA (37 percent), the Americas (38 percent), and APAC (25 percent).

Note: Figures may not total 100 percent due to rounding.

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Authors

Global

Anna Scally
Global Head of Technology,
Media and Telecommunications
KPMG International
E: anna.scally@kpmg.ie

EMA

Joe Cassidy
EMA Head of Technology,
Media and Telecommunications
KPMG in the UK
E: joe.cassidy@kpmg.co.uk

Americas

Chad Seiler
Americas Head of Technology,
Media and Telecommunications
KPMG in the US
E: cseiler@kpmg.com

ASPAC

Simon Dubois
ASPAC Head of Technology & Media
KPMG in Australia
E: sdubois@kpmg.com.au

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