

flexera™

# 2022

## IT Priorities Report

Today's critical IT initiatives shaping  
tomorrow's IT landscape



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## Today's critical IT initiatives are shaping tomorrow's IT landscape

Challenges facing today's IT leaders reflect a fast-paced, transformative landscape—one where AI, cost optimization and security continue to take center stage. The *Flexera 2026 IT Priorities Report* sheds light on what's top of mind for IT decision-makers from a variety of industries across the globe.

The report investigates the thinking of 834 IT leaders and the shifting priorities, challenges and opportunities facing organizations today. We explore key trends driving IT strategy—from the growing prominence of AI and hybrid IT environments to the persistent focus on innovation and cost reduction. Our findings highlight not only the technological advancements reshaping enterprises but also the strategic decisions IT leaders must make to stay ahead of the curve.



Read on to discover the critical themes shaping IT leadership and the path forward for 2026 and beyond.

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# Key findings



93%

of IT decision-makers  
say IT is often asked  
to innovate faster  
and demonstrate ROI

## AI integration accelerates, but proving ROI remains elusive

Artificial intelligence (AI) has moved from hype to a central force shaping IT strategy and investment. Organizations are navigating a wave of transformation, with AI’s promise—and persistent challenges—reshaping priorities for IT leaders worldwide. For the third year in a row, integrating AI took the number one spot on the IT priorities list. One-third (33%) of IT decision-makers cite integrating AI as a top IT priority for the next year. In fact, 94% of IT leaders are looking for ways to integrate AI into their technology stack. Of the AI tools available, three in five (61%) IT leaders say they are using chatbots, with 49% using coding assistants and 39% using task and/or project management. The majority of IT leaders (93%) say they’re often asked to innovate faster and demonstrate ROI. However, only 19% say demonstrating AI usage and effectiveness is a top priority for next year, which is two points higher than 2025. This suggests that reporting on ROI may still be hard.

## IT cost optimization and cybersecurity remain top CIO priorities

As organizations accelerate their adoption of AI and other emerging technologies, the associated financial and operational risks have grown increasingly complex. IT leaders now face heightened pressure to manage costs while navigating ever-evolving pricing models and budget constraints. The challenges of balancing innovation with fiscal responsibility have become a central concern in today’s technology landscape.

This complexity and rapid implementation of AI are reflected in this year’s data: Reducing IT costs (24%) and reducing security risks (22%) continue to remain among the top three priorities for IT leaders. More than 70% of IT leaders believe that their business units are purchasing more cloud and SaaS applications than they or their teams are aware of—up from 68% last year, which could be continuing to press the cost and security concerns higher.

## Balancing AI spending and FinOps proves a critical challenge

IT leaders have always had to balance spending and saving. But now, balancing ambitious investment in new tools like AI and other innovative technologies is making this even harder. For example, 80% say their spending on AI applications has increased, but 36% believe they’re overspending on AI. Add to that, 27% indicated that their top spend optimization challenge was changing pricing models like those tied to AI, a new question asked for this year’s report. Also consider that 73% of IT leaders say their spending on SaaS applications and cloud infrastructure (IaaS) has increased, but 67% state that cloud costs weigh heavily on their IT budgets.



# Key findings

## Sustainable IT emerges as a key strategic mandate

Sustainability has emerged as a top strategic priority for IT leaders, with 94% reporting its growing importance within their organizations. Despite improved access to sustainability data, most IT decision-makers recognize a significant gap between ambition and execution, as 87% believe their organizations need to enhance their approach to sustainable IT practices. While it’s increasingly integrated with broader initiatives such as cloud migration, SaaS adoption and security, sustainability still ranks below other priorities like AI, cost reduction and risk mitigation. IT teams must embed sustainability into decision-making processes to drive operational efficiencies and long-term value.



**94%** of IT decision-makers say sustainability is increasing as an IT priority

**87%** believe their organization needs to improve IT sustainability

## The push for IT vendor consolidation reshapes the technology landscape

As IT leaders look to optimize investments and adapt to rapidly changing technology trends, the influence of major vendors continues to shape strategic decisions across the industry. In this context, shifts in vendor focus reveal evolving priorities and highlight the growing role of innovative partnerships.

IT leaders placed even further emphasis on top technology brands like Microsoft, Google, Amazon Web Services (AWS) and OpenAI. The biggest increase came from Google, where 59% of IT leaders said they were a top technology vendor in comparison to 49% last year—most of this coming from leaders in the U.S. (68%) and UK (63%). It’s not surprising that OpenAI maintained its position as the fourth-most prominent technology vendor on the list, but it was clearly distinguished from the rest. Last year, it shared its spot with Oracle, but this year, Oracle’s standing as a top tech vendor among IT leaders has dropped by 10 percentage points. However, this data was pulled prior to OpenAI announcing a \$300 billion deal with Oracle to create substantial data centers that will power its AI innovations.



# Key findings



96%

of IT decision-makers agree that their tools for innovation, such as AI, need to be focused on streamlining IT operations

## Shadow IT proliferation creates critical IT visibility gaps

In an era marked by rapid technological advancement and increasingly more complex IT ecosystems, maintaining clear IT visibility is more essential than ever—and more challenging. Eighty-five percent of IT decision-makers say having gaps in IT visibility poses a risk to their organization (up six percentage points from last year). Furthermore, 58% of IT leaders report they have encountered issues due to unsanctioned and/or shadow SaaS usage. Despite the increased feeling of risk, the barriers to achieving visibility are the same as last year: cybersecurity protocols (31%), lack of skills across IT (25%) and lack of resources (25%).

## Poor data quality undermines AI success and business intelligence

As data becomes ever more central to organizational strategy, IT leaders are grappling with both the opportunities and gaps that come with its rapid proliferation. Access to high-quality information—and the ability to extract true value from it—shapes business decisions while presenting ongoing challenges.

In fact, 90% of IT leaders say their managers or direct reports have the data they need to make good business decisions, yet 94% admit that they need to invest in tools and technologies to extract value from their data. More specifically, IT leaders indicated that much of the data they need is easy to access, but not all. Usage data is by far the easiest (87%), but security data (e.g., vulnerabilities, threats, etc.) is more difficult (77%). While 92% say their employees are using AI well, 45% also admit that they don’t always know their employees are using AI. Between needing to leverage tools to extract value from data and employees running rogue on AI tool use, it’s clear that AI success has more than a few barriers.



AI integration accelerates, but  
proving ROI remains elusive



94%

of IT decision-makers look for new ways to integrate AI into their technology stack

AI integration: A foundational shift from priority to imperative

AI has evolved to a driving force at the core of IT strategy and investment. For the third consecutive year, it remains the leading IT priority, highlighting a significant shift in how technology leaders view its role. Rather than being perceived as a passing trend, AI is now established as an essential element of today’s enterprise strategies.

In fact, 33% of IT decision-makers identify AI integration as their top priority for 2026, and 94% consistently look for new ways to integrate AI into their technology stack. This widespread adoption reflects a clear consensus: AI is indispensable, and it’s fundamentally reshaping the way organizations work.

AI tools play an integral role in daily IT operations

IT teams are deploying AI tools to streamline workflows, enhance productivity and improve user experiences. Chatbots are leading the way, with 61% of IT leaders reporting active use, followed by coding assistants (49%) and AI for task and project management (39%). These adoption rates indicate a maturing AI landscape where AI is being woven into the fabric of daily operations. The range of AI uses also underscores the various ways IT leaders are leveraging it to advance business objectives.

What are your organization’s IT priorities for the year ahead?

Chatbots (ChatGPT, Claude, Gemini)	61%
Coding assistants (IBM Watsonx, GitHub Copilot, Code GPT)	49%
Task and project management (Asana, Wrike, ClickUp)	39%
Automation (UiPath, Power Automate, Moveworks)	38%
Threat detection (Darktrace, Vectra AI)	36%
Anomaly detection (Amazon Lookout, Azure Anomaly Detector)	35%
Image or video creation (Canva, Adobe Firefly, DALL-E)	34%
Predictive analytics (DataRobot, H2O.ai)	30%
Content creation (Jasper, Writer, Copy.ai)	27%
Presentation and design (Tome, DALL-E, Midjourney)	26%
Simulation/modeling (NVIDIA Omniverse)	25%
Speech recognition and transcription	23%

N=834  
Source: Flexera 2026 IT Priorities Report

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Bridging the gap: From AI adoption to measurable impact

However, a critical gap remains: measuring AI’s impact. Last year, we only asked respondents one specific AI prompt; this year we asked two to see where they were on their journey. Only 19% said that demonstrating the usage and effectiveness of AI is a top priority for 2026, suggesting that reporting on it may still be hard to achieve. But this leaves teams without the necessary metrics to validate their efforts or justify further investment. The lack of clear metrics not only hinders the ability to measure and prove return on investment but also makes it difficult to identify areas for improvement or optimization.

It’s worth noting the number of respondents listing integrating AI as a top priority decreased from 46% to 33% year over year, but it still retains the top spot overall. This decrease is most likely due to the introduction of demonstrating AI usage and effectiveness as a response option.

To fully leverage AI, IT leaders must evolve their approach, moving beyond implementation to impact and from experimentation to evidence-based decision-making. This requires developing robust governance frameworks, establishing clear KPIs and implementing effective monitoring and reporting mechanisms. Organizations that succeed will treat AI as a discipline, complete with accountability and a deep understanding of its role in driving business outcomes.

What are the IT priorities for 2026?

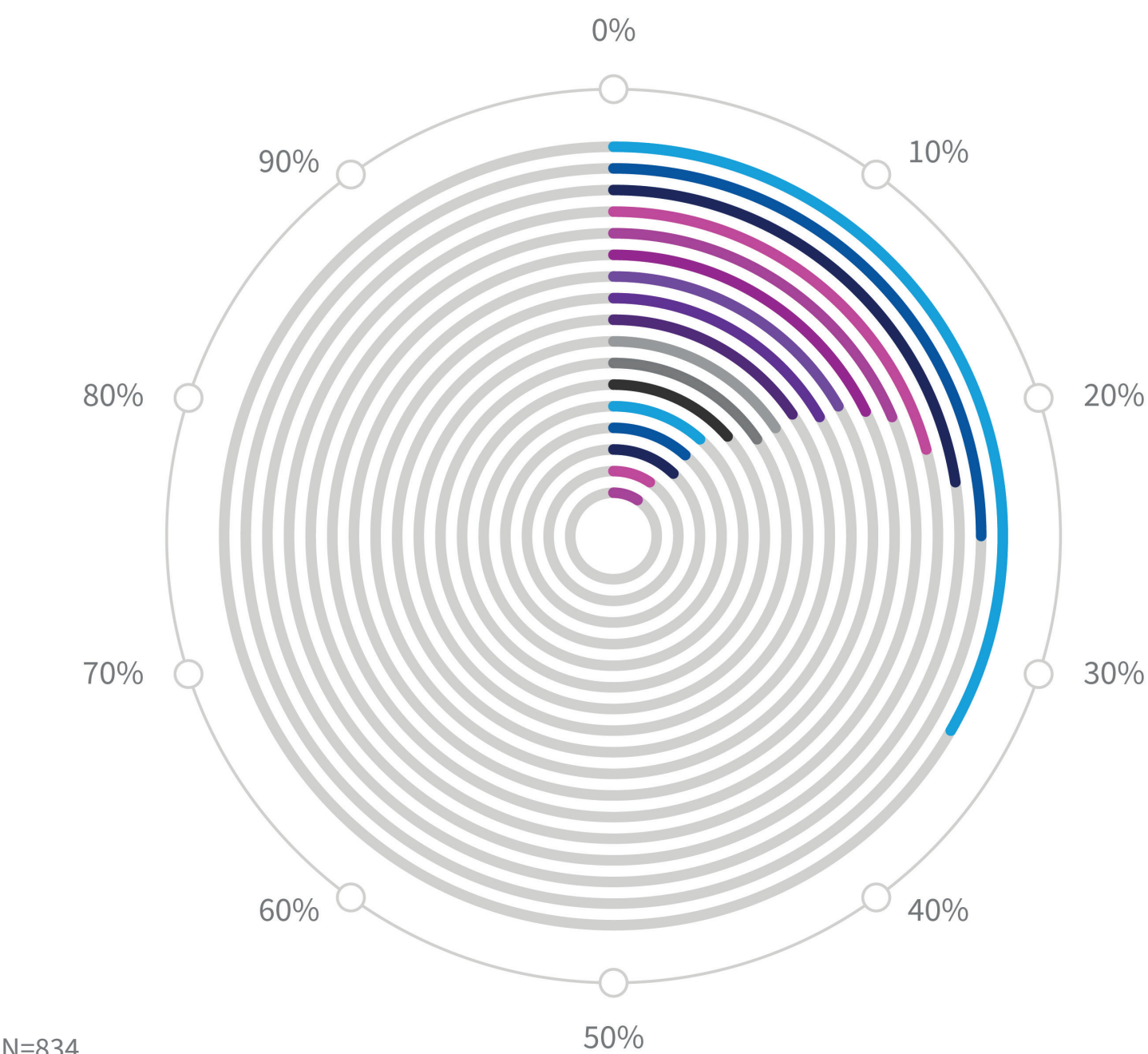
	2025	2024	2023	2022	2021
Integrating AI	33%	46%	35%	n/a	n/a
Reducing IT costs	24%	27%	28%	33%	28%
Reducing security risks	22%	25%	28%	28%	23%
Demonstrating AI usage and effectiveness	19%	n/a	n/a	n/a	n/a
Driving company growth	18%	19%	18%	25%	23%
Managing cloud costs and/or applying FinOps practices	18%	n/a	n/a	n/a	n/a
Adopting new technologies to improve day-to-day operations	17%	22%	20%	26%	30%
Driving innovation for competitive advantage	17%	16%	14%	22%	24%
Reducing data privacy risks	17%	19%	18%	n/a	20%
Working to manage our data better	16%	14%	16%	n/a	n/a
Improving customer service and satisfaction	15%	17%	16%	23%	28%
Automating multiple tasks	15%	16%	n/a	n/a	n/a
Maintaining business continuity	14%	13%	11%	n/a	18%
Ensuring compliance with regulations and/or sustainability goals	14%	n/a	n/a	n/a	n/a
Reducing technical debt	13%	8%	n/a	n/a	n/a
Making employees more productive	12%	12%	15%	20%	23%
Retaining employees	10%	10%	14%	17%	15%

N=834  
Source: Flexera 2026 IT Priorities Report





Which of the following were your organization’s top IT priorities over the past twelve months?



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Integrating AI	34%
Reducing security risks	25%
Adopting new tech to improve day-to-day operations	23%
Reducing IT costs	21%
Driving company growth	19%
Improving customer service and satisfaction	18%
Reducing data privacy risks	17%
Demonstrating AI usage and effectiveness	17%
Making employees more productive	16%
Driving innovation for competitive advantage	16%
Working to manage our data better	16%
Automating multiple tasks	14%
Ensuring compliance with regulations and/or sustainability goals	13%
Maintaining business continuity	13%
Managing cloud costs and/or applying FinOps practices	13%
Retaining employees	10%
Reducing technical debt	10%

“

You have to think ‘AI-native.’ AI is going to be a part of everything we do, and the organizations that struggle the most don’t look at the entire business process from start to finish”

— Brian Shannon, Chief Technology Officer  
Flexera



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*Start with business outcomes—although AI is eating the world, it can be extremely difficult to measure its impact. But starting with business outcomes in mind helps you home in on measuring its impact on a holistic business process. Simply put, you can more easily see the before and after on something you regularly measure. If AI is the primary variable that’s changed, you can draw some conclusions”*

— Brian Shannon, Chief Technology Officer  
Flexera

### **AI integration: Shaping strategy and building organizations capability**

The implications of AI integration extend beyond IT, influencing overall business strategy and day-to-day operations. As AI technologies become more ingrained in organizations, it’s essential to partner closely with business stakeholders to ensure that AI efforts are aligned with broader company goals and objectives. This cross-functional collaboration is key to realizing the full value of AI investments while keeping potential risks in check.

To truly harness the power of AI, IT leaders should adopt a strategic, disciplined mindset—treating AI not just as a tool, but as an organizational capability. This means going beyond technology investments to build the skills, governance structures and accountability needed to effectively deploy and manage AI solutions. By doing so, organizations can translate AI initiatives into measurable business impact and drive sustained value.



IT cost optimization  
and cybersecurity  
remain top CIO priorities

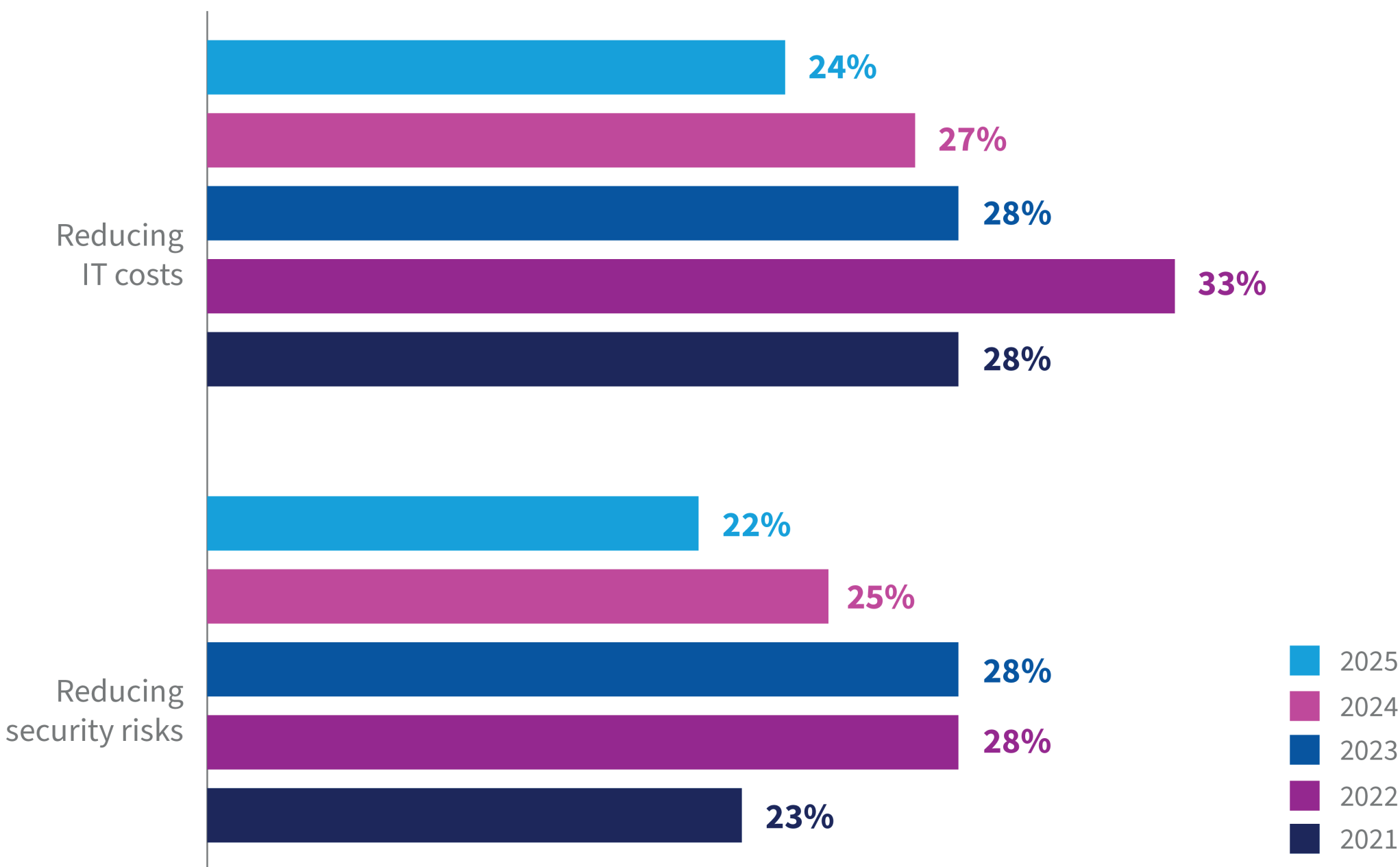


Organizations face ongoing financial and risk challenges

Although AI continues to capture widespread attention, concerns about cost and risk remain top of mind for CIOs and technology executives. IT leaders are under mounting pressure to control expenditures in the face of complex pricing structures and tighter budgets. The challenges of balancing innovation with fiscal responsibility have become a central concern in today’s technology landscape.

This complexity and the rapid implementation of AI are reflected in this year’s data: Reducing IT costs (24%) and minimizing security risks (22%) are among the top three priorities, indicating deeper concerns around laying the right foundations in IT. Their consistent presence at the top of the priority list highlights the importance of IT governance fundamentals. For IT leaders, achieving long-term success and operational efficiency depends on striking the right balance between pursuing new technologies and maintaining robust cost and risk management practices.

Respondents ranking cost and risk among their top 3 IT priorities for the upcoming year



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Source: Flexera 2026 IT Priorities Report

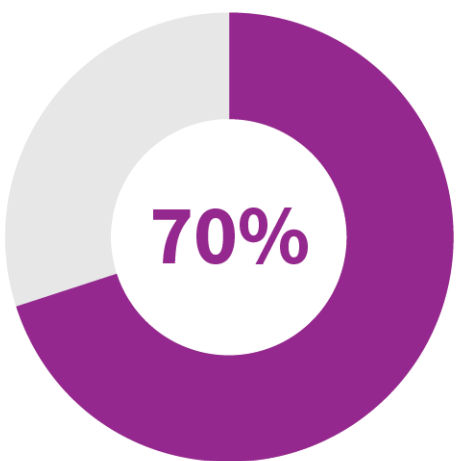




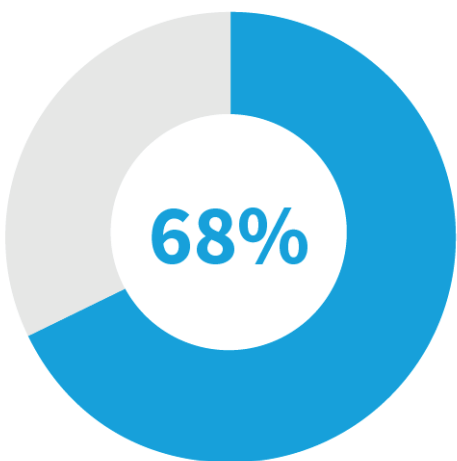
**Growing visibility gaps and the rise of shadow IT in the age of AI**

A troubling trend is the widening visibility gap. Seventy percent of IT leaders believe business units are purchasing more cloud and SaaS applications than they’re aware of, up from 68% last year, which could be continuing to press the cost and security concerns higher. The majority (73%) also say that these emerging technologies no longer fit neatly into their on-premises or cloud environments, and that new processes and teams are needed to manage them.

IT leaders who agree business units are procuring far more cloud and SaaS than IT knows about

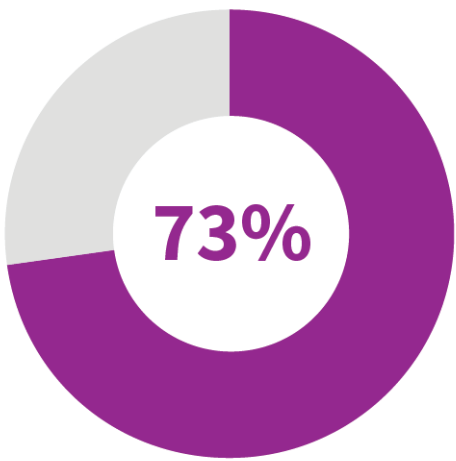


2025

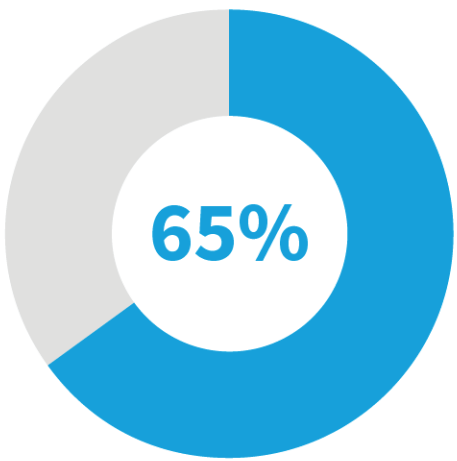


2024

IT leaders who say emerging technologies no longer fit neatly into on-premises or cloud—new processes and teams are now needed to manage them



2025



2024

N=834  
Source: Flexera 2026 IT Priorities Report  
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# 48%

of IT leaders say AI-powered SaaS tools, such as ChatGPT or Jasper, give them and their organization the most concern

This lack of oversight inflates costs and introduces new risks, including compliance violations, data exposure and operational inefficiencies. The shadow IT phenomenon, which has created subgroups like shadow SaaS and shadow AI, isn't new—but it's becoming more pronounced as organizations adopt more decentralized procurement models.

The rapid implementation of AI exacerbates the problem, complicating cost tracking and risk management. IT leaders must now account for not only what's being used but also how, where and by whom. This requires a more nuanced understanding of AI adoption and its impact on the organization. By gaining greater visibility into AI usage, IT leaders can better manage risks and optimize costs for a more balanced roadmap.

To address these challenges, IT leaders are turning to FinOps practices, SaaS management platforms and automated discovery tools. These solutions help organizations regain control over their IT spend and reduce the risks associated with shadow IT. However, adoption is uneven, and many organizations are still building these capabilities, which means they're lagging behind the pack.

### **Striking the right balance between innovation and governance**

IT leaders need to facilitate an environment that encourages experimentation and creativity while maintaining oversight and control. This includes implementing policies and procedures that support the responsible adoption of new technologies, especially AI. By taking this proactive and informed approach to cost and risk management, IT leaders can mitigate the challenges associated with AI adoption and drive business success in 2026 and beyond.

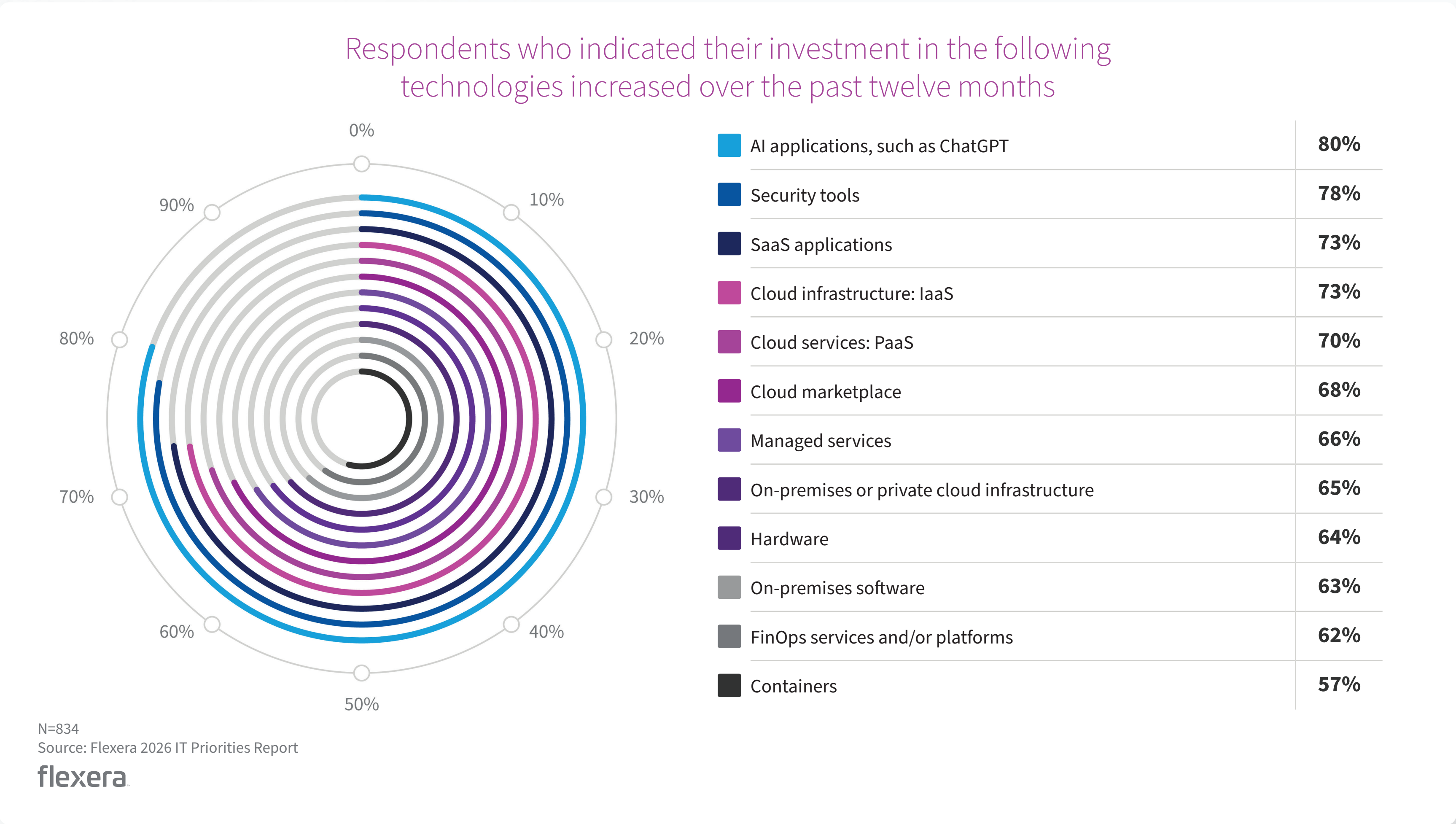


Balancing AI spending  
and FinOps proves a  
critical challenge



The AI balancing act: Marrying investments with optimization

IT leaders have always had to balance spending and saving. But now, balancing ambitious investment in new tools like AI and other innovative technologies is making this even harder. While 80% of IT decision-makers report increased AI spending, over a third (36%) believe they’re overspending on AI applications.



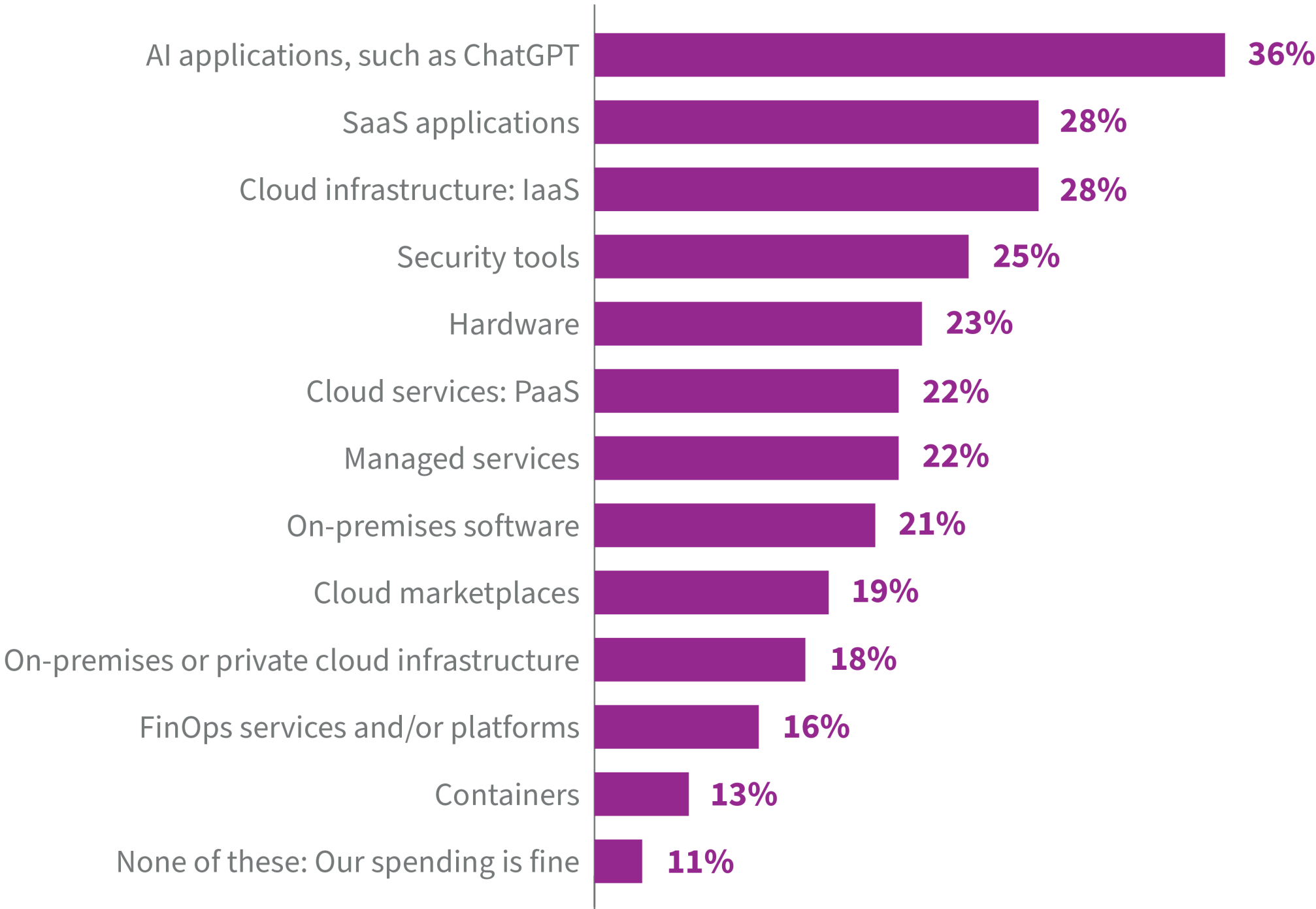


This disconnect signals that the AI gold rush may be outpacing governance. IT leaders must navigate this complex landscape, investing in AI while ensuring that their organizations derive tangible value from these investments.



The AI gold rush may be outpacing governance

Where, if at all, are you currently overspending on technology?



N=834  
Source: Flexera 2026 IT Priorities Report





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*The benefit of usage-based pricing is closer alignment between cost, value and utilization—but to keep customers happy, suppliers must ensure transparency through clear usage data that validates spend and prevents unexpected charges”*

— Nicole Segerer, SVP and General Manager  
Reverera


### **The financial maze of AI, SaaS and cloud investments**

The complexity of AI pricing models compounds these issues, with 27% of IT leaders citing changing pricing models as a top spend optimization challenge—a new question asked in this year’s edition of the report. Subscription tiers, usage-based billing (along with new models like outcome-based and workload-based pricing) and opaque licensing terms make it harder to forecast budgets and control spend.

While IT leaders report overspending on AI, software producers are struggling to balance the books. According to **Reverera’s Monetization Monitor**, 70% of

AI providers say delivery costs are eroding profitability, with rising cloud spend the biggest barrier to revenue growth. We’re at a critical juncture, as both buyers and suppliers feel the strain, but usage-based pricing could offer a path forward, with 56% of producers expecting usage-based models to grow by 2027. The benefit of this approach is closer alignment between cost, value and utilization, but to keep customers happy, suppliers must ensure transparency through clear usage data that validates spend and prevents unexpected charges.





67%

say what they have to spend on cloud costs weighs heavily on their IT budgets

But this complexity isn’t unique to AI; SaaS and cloud spending also present challenges.

Spending on SaaS applications and cloud infrastructure continues to climb, with 73% of IT leaders reporting increased investment. Yet, 67% say cloud costs weigh heavily on their IT budgets. The convergence of AI, SaaS and cloud creates a perfect storm of financial pressure, where innovation is both the solution and the source of new complexity.

**Persistent waste points to the need for smarter technology spend management**

A closer look at average technology spend reveals a persistent pattern of wastage that cuts across categories—from software to cloud infrastructure and now AI. This consistency points to an industry-wide challenge: Most organizations, regardless of where they focus their investments, are still grappling with inefficiencies and missed opportunities to optimize.

The prevalence of wasted spend underscores the need for more intentional governance, disciplined financial operations and smarter resource allocation. As technology strategies mature, the imperative is not just to invest in innovation, but to ensure that every dollar is tracked and justified, reducing waste and driving greater value in a competitive landscape. By prioritizing continuous optimization and transparency, organizations can transform technology investments from cost centers into engines of sustainable growth.

What are your top spend optimization challenges?

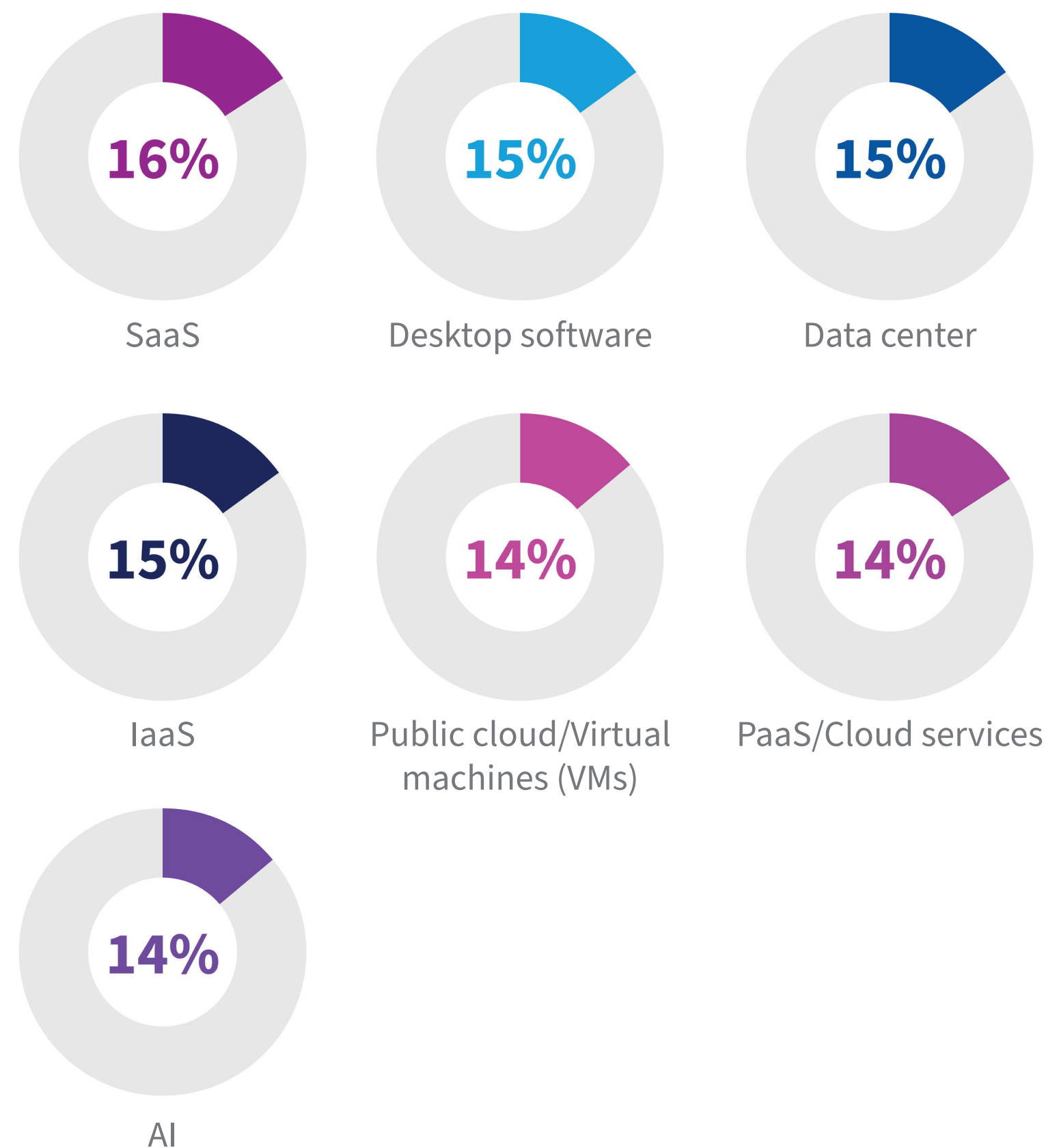
	2025	2024
Controlling growth in IT spend	38%	45%
Ensuring spend efficiency and avoiding waste	29%	40%
Changing pricing models like those tied to AI (such as workload or outcome-based pricing)	27%	n/a
Increased prices from vendors	26%	39%
Difficulty in getting the data needed to optimize spend	24%	23%
Overwhelming sprawl of technologies	21%	n/a
Too many manual processes	17%	25%

N=834  
Source: Flexera 2026 IT Priorities Report





## Estimated average wasted technology spend



N=834  
Source: Flexera 2026 IT Priorities Report  
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## Striking the right balance: Innovation, cost control and sustainable growth

To optimize spend, IT leaders need unified platforms that consolidate spend data and surface inefficiencies—transparency is key to balancing innovation with fiscal responsibility. By gaining greater visibility into their IT spend, organizations can make more informed decisions and drive business outcomes.

The path forward involves adopting a more strategic and disciplined approach to managing technology expenses. This means embracing FinOps methodologies, utilizing SaaS management platforms and gaining a deeper understanding of AI pricing models. Ultimately, the goal is to foster a culture that champions both innovation and fiscal responsibility—ensuring that every dollar spent not only supports growth but is also measured against the need to optimize resources and minimize risk.

The data doesn't lie: Discussion around investment in SaaS isn't going away—in fact, it's only heating up. With over one-third of IT leaders acknowledging they spend too much on AI applications and almost three in ten (28%) reporting overspend on cloud infrastructure, the challenge is to find the right equilibrium between smart investment and strategic savings. For organizations aiming to thrive in 2026 and beyond, prioritizing this balance is essential to managing cost and mitigating potential risks while maximizing the value of their technology investments.

**Discover how a unified platform can drive better business outcomes**

**Speak with an expert →**



Sustainable IT emerges as  
a key strategic mandate



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*The biggest challenge is translating high-level sustainability ambitions into actionable, measurable IT practices. My advice? Get the data right, focus on actions with measurable ROI, verify independently and share progress where it matters—customers, regulators and partners”*

— Mark Bradley, Senior Manager, Product Management  
Flexera



**79%** say it's easy to access sustainability data within their organization

**14%** list “ensuring compliance with regulations and/or sustainability goals” as a top IT priority for 2026, below AI, cost and security

### **Sustainability rises as a strategic IT initiative amid ongoing challenges**

Sustainability has firmly established itself as a core concern for IT leaders worldwide. Over nine in ten IT decision-makers (94%) report that sustainability is increasing as an IT priority for their organizations, reflecting a broad recognition of its strategic importance. However, this heightened focus is accompanied by a candid acknowledgment of ongoing challenges: Nearly nine in ten (87%) believe their organizations need to do a better job at IT sustainability. This gap between aspiration and execution underscores the urgency for more effective strategies, investments and accountability in sustainable IT practices.

Access to sustainability data is improving, with nearly four in five IT decision-makers (79%) saying it's easy to access such data within their organizations. However, findings in this year's report suggest sustainability goals are often grouped with regulatory compliance, ranking lower among top IT priorities compared to areas like AI integration, cost reduction and risk mitigation.



## Embedding sustainability into IT decisions

Balancing sustainability with other priorities starts with embedding it into the decision-making process—not treating it as a siloed initiative. Successful organizations:



**Integrate sustainability into technology choices:** Evaluate cloud migration, SaaS adoption and AI investments through both cost and sustainability lenses. Implementing sustainable practices can impact operational efficiencies and cost savings



**Align security and sustainability:** Modernizing IT for sustainability must include robust security frameworks to protect data and systems in complex environments



**Leverage data for informed decisions:** Use sustainability metrics alongside financial and operational KPIs to guide investments and measure impact



**Foster a culture of accountability:** Encourage collaboration across IT, procurement and sustainability teams, with clear ownership and incentives for sustainable outcomes

Arguably, sustainability is no longer a siloed initiative—it’s increasingly woven into the fabric of broader IT strategy. Sustainability initiatives can often drive cost efficiencies, especially through cloud migration, SaaS adoption and energy-efficient infrastructure. Sustainable IT practices must include robust security frameworks to protect data and systems in increasingly complex, distributed environments. And as investments in AI, SaaS and cloud rise, organizations recognize the need to balance rapid adoption with sustainable practices, including responsible usage, minimizing waste and ensuring data centers are energy efficient.

Sustainability is increasingly being seen as a strategic initiative that supports—and is supported by—other IT priorities. The more successful organizations will be those that embed sustainability into IT decision-making, from technology investments to operational processes, while balancing cost, security and innovation.

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*Closing the gap between sustainability ambition and execution requires integrating sustainability into every facet of IT—from strategy and procurement to daily operations. By leveraging robust data, fostering cross-functional collaboration and embedding sustainability into decision-making, IT leaders can drive both environmental and business value”*

— Mark Bradley, Senior Manager, Product Management  
Flexera



The push for IT vendor  
consolidation reshapes  
the technology landscape



Navigating the evolving technology vendor landscape

The landscape of top technology vendors is witnessing subtle yet significant shifts, driven by evolving IT priorities and technological advancements—even as the order of importance among leading brands remains largely consistent from the past year.

Exploring the current standings and emerging trends, it becomes clear that the hierarchy among leading brands and their importance among IT leaders remains relatively stable, yet nuanced changes in vendor perception reveal a dynamic and competitive environment.

Current standings and emerging trends

For the fourth consecutive year, Microsoft holds its position as the top technology vendor among IT leaders, a testament to its aggressive investments in AI and strategic partnerships—most notably with OpenAI. Microsoft’s integration of AI across its product suite, including tools like Copilot, has helped solidify its leadership, with more than three in five IT decision-makers ranking it as their most important vendor. However, this year’s findings reveal a notable rise in Google’s prominence, as well as the continued top-four positioning of OpenAI, which maintained its rapid ascent from last year. These results signal a new era of competition and innovation in the enterprise space.

Google has seen a significant rise in prominence, climbing to the number two spot with 59% of IT leaders now citing it as a top vendor, up from 49% last year. This surge is most pronounced among leaders in the U.S. (68%) and UK (63%), reflecting Google’s growing influence in cloud services, AI and enterprise solutions. The data suggests that Google’s strategic investments and product enhancements are resonating with organizations seeking scalable, secure and innovative technology platforms. Rounding out the top three vendors is AWS, which continues to maintain its strong position and underscores the enduring importance of cloud infrastructure in IT strategy.

Who are your top technology vendors that you currently or plan to spend the most with?

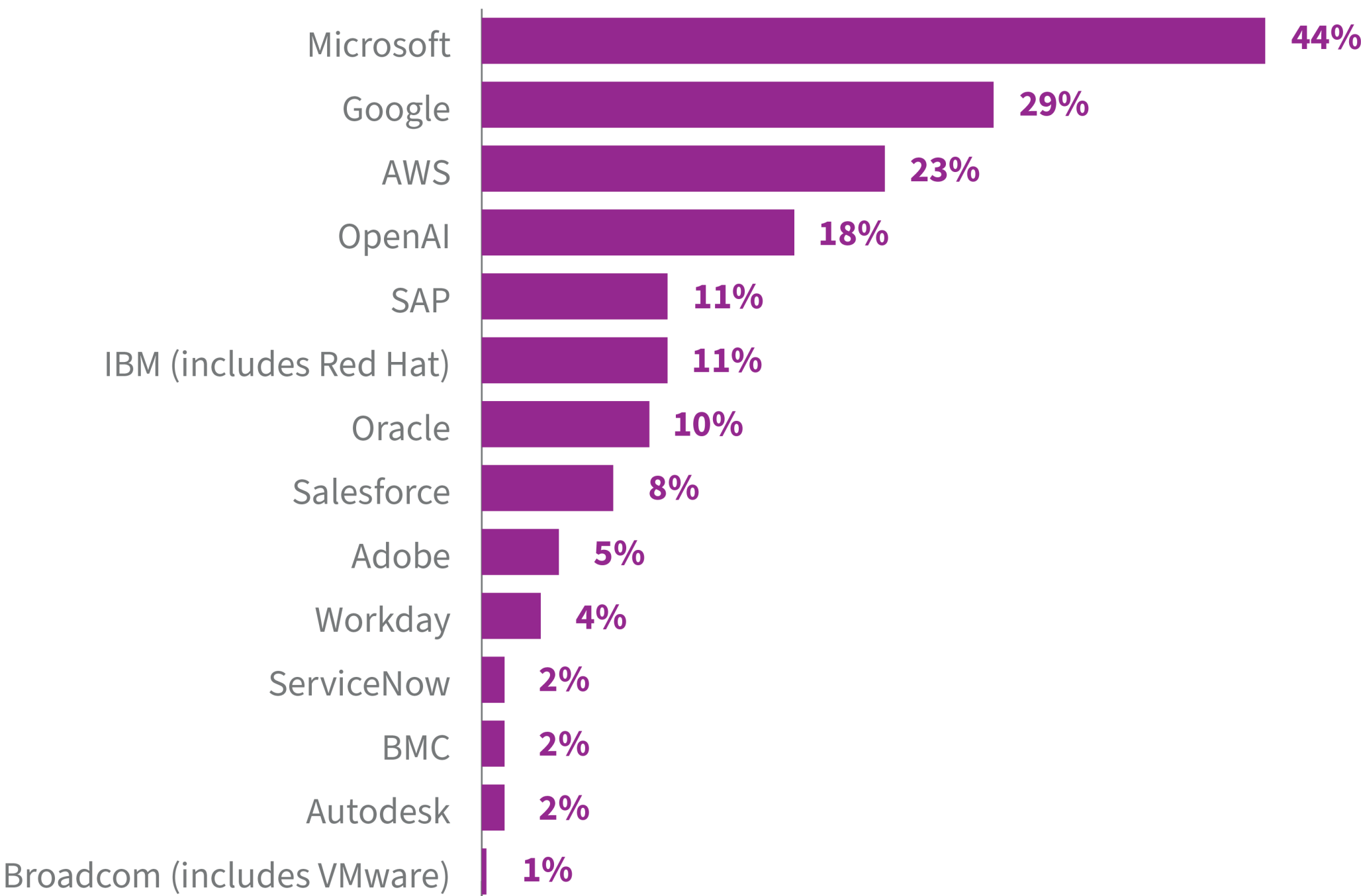
	2025	2024
Microsoft	66%	63%
Google	59%	49%
AWS	40%	38%
OpenAI	37%	37%
IBM (includes Red Hat)	30%	31%
SAP	28%	34%
Oracle	27%	37%
Salesforce	26%	36%
Adobe	22%	33%
ServiceNow	13%	22%
Workday	13%	n/a
Autodesk	8%	17%
BMC	7%	n/a
Broadcom (includes VMware)	5%	16%

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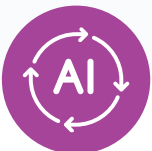


Which two vendors would you say are most important to you?



N=834  
Source: Flexera 2026 IT Priorities Report  
**flexera**

OpenAI’s emergence as a standalone force in the top vendor rankings marks a significant shift in IT leaders’ priorities. Last year, OpenAI was tied with Oracle for the fourth spot; this year, it stands alone, reflecting its rapid growth and the increasing centrality of AI in enterprise transformation. The AI powerhouse’s ability to deliver tailored AI solutions and its fast-paced, startup-like approach have made it a preferred partner for organizations looking to accelerate innovation.



**OpenAI’s ability to deliver tailored AI solutions has made it a preferred partner for organizations looking to accelerate innovation**



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*We're witnessing a wave of alliances between traditional infrastructure players and new AI leaders. These partnerships demonstrate that AI is becoming an integral component of enterprise transformation rather than a standalone initiative. As the evolution continues, IT leaders must understand how these strategic partnerships drive innovation and impact interoperability to make informed decisions about their cloud and AI strategies”*

— Becky Trevino, Chief Product Officer  
Flexera

Oracle, by contrast, saw a 10-point decline in its perception as a top tech vendor, highlighting the competitive pressures facing traditional vendors in an AI-driven landscape. It's important to note that these findings were captured before OpenAI announced a landmark \$300 billion deal with Oracle to build substantial data centers powering its next-generation AI innovations. This partnership has the potential to reshape the vendor landscape, positioning Oracle as a critical infrastructure provider for one of the most influential AI companies in the world.

As AI continues to redefine business strategies, the question for IT leaders is whether established vendors can adapt to the rapid pace set by pioneers like OpenAI or risk being left behind.

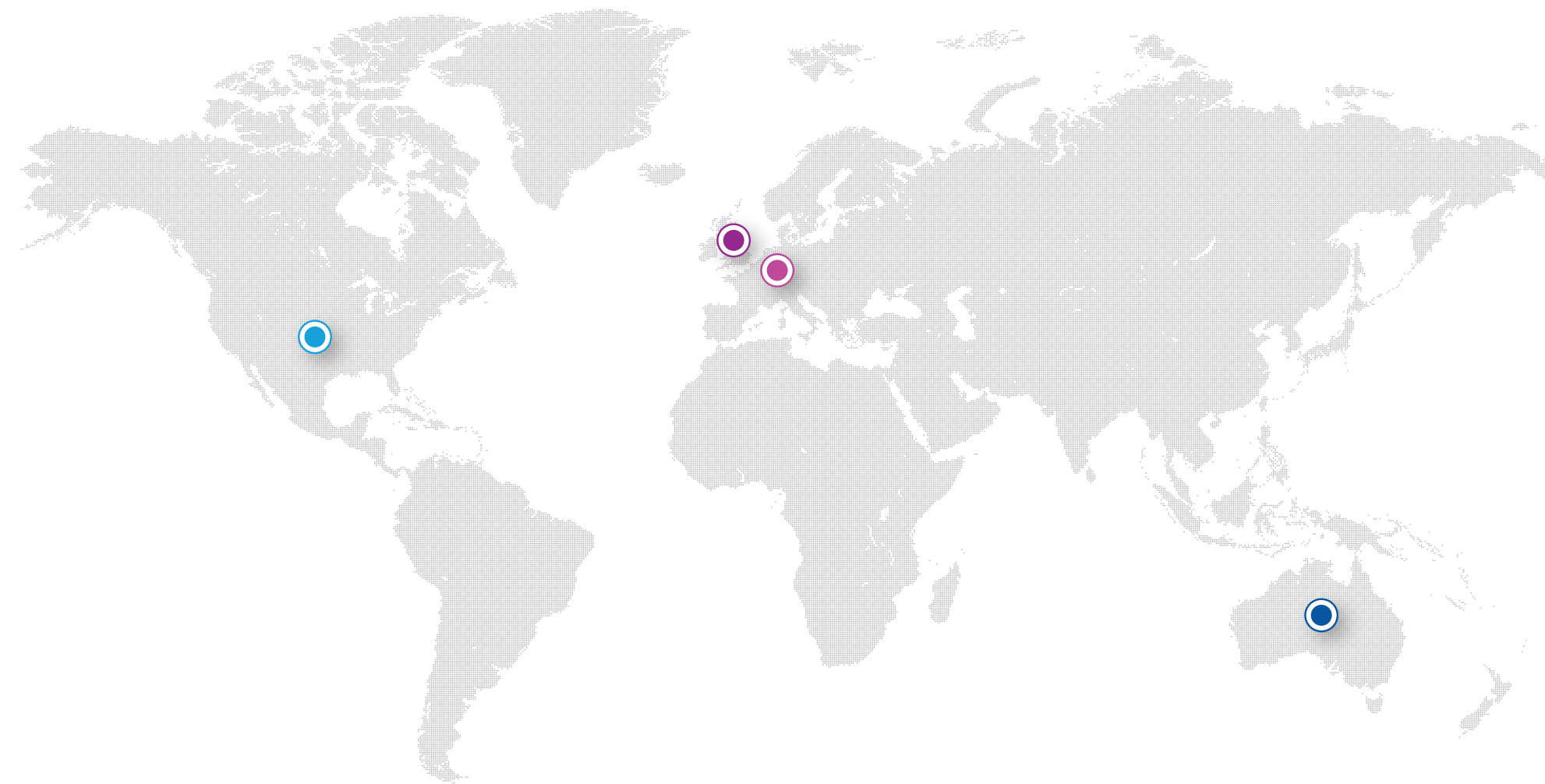
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Organizations seek partners that can deliver both foundational infrastructure and transformative capabilities

## Who would you say are your top technology vendors in 2025?



N=834  
Source: Flexera 2026 IT Priorities Report

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	 U.S.	 Australia	 Germany	 UK
Microsoft	50%	37%	36%	55%
Google	31%	29%	28%	27%
AWS	23%	25%	29%	13%
OpenAI	22%	15%	13%	21%
Salesforce	12%	7%	4%	8%
Oracle	8%	7%	10%	14%
IBM (includes Red Hat)	6%	13%	13%	12%
SAP	3%	11%	20%	11%
ServiceNow	3%	2%	3%	2%
Adobe	2%	3%	4%	10%
Workday	2%	6%	5%	2%
Broadcom (includes VMware)	1%	1%	1%	1%
Autodesk	1%	2%	2%	3%
BMC	1%	2%	4%	2%

### Demographic shifts in technology adoption

Demographic insights further illuminate the evolving vendor landscape. IT decision-makers in the U.S. and UK are more likely to cite Google and Oracle as top vendors, and those with fewer than 10 years in IT are more inclined to name newer players, such as OpenAI and Adobe.

These trends reflect both regional preferences and shifts in experience levels in technology adoption, as organizations seek partners that can deliver both foundational infrastructure and transformative capabilities. While the hierarchy of top technology vendors remains stable, the nuances in vendor perception reveal a dynamic and competitive environment.

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## Key forces shaping the next generation of technology vendors



**Continued AI adoption** will drive demand for vendors that can deliver innovative AI solutions



**Strategic partnerships**, like the \$300 billion deal between OpenAI and Oracle, will likely become more common, reshaping the vendor landscape and creating new opportunities for collaboration and innovation



**Evolving regional preferences** will continue to be driven by local market conditions, regulatory requirements and cultural factors

IT leaders are responding to innovation, strategic partnerships and regional performance, with AI emerging as the defining force in technology strategy moving forward. As organizations double down on AI investments, vendors that emerge as leaders—or hold on to their spot—are those capable of consistently delivering tangible, quantifiable results. They must not only showcase the ability to generate real business value but also demonstrate flexibility to respond to rapidly shifting organizational objectives and market demands.

By providing innovative solutions aligned with evolving business strategies, and adapting to new priorities, these vendors will play a pivotal role in shaping the next era of digital transformation—enabling organizations to stay competitive, foster innovation and unlock new growth opportunities.

“

*Tomorrow’s leading technology vendors will be defined by their innovations and also by their ability to consistently deliver measurable value and adapt to the ever-evolving needs of organizations. The future belongs to those who transform disruption into opportunity and enable continuous growth”*

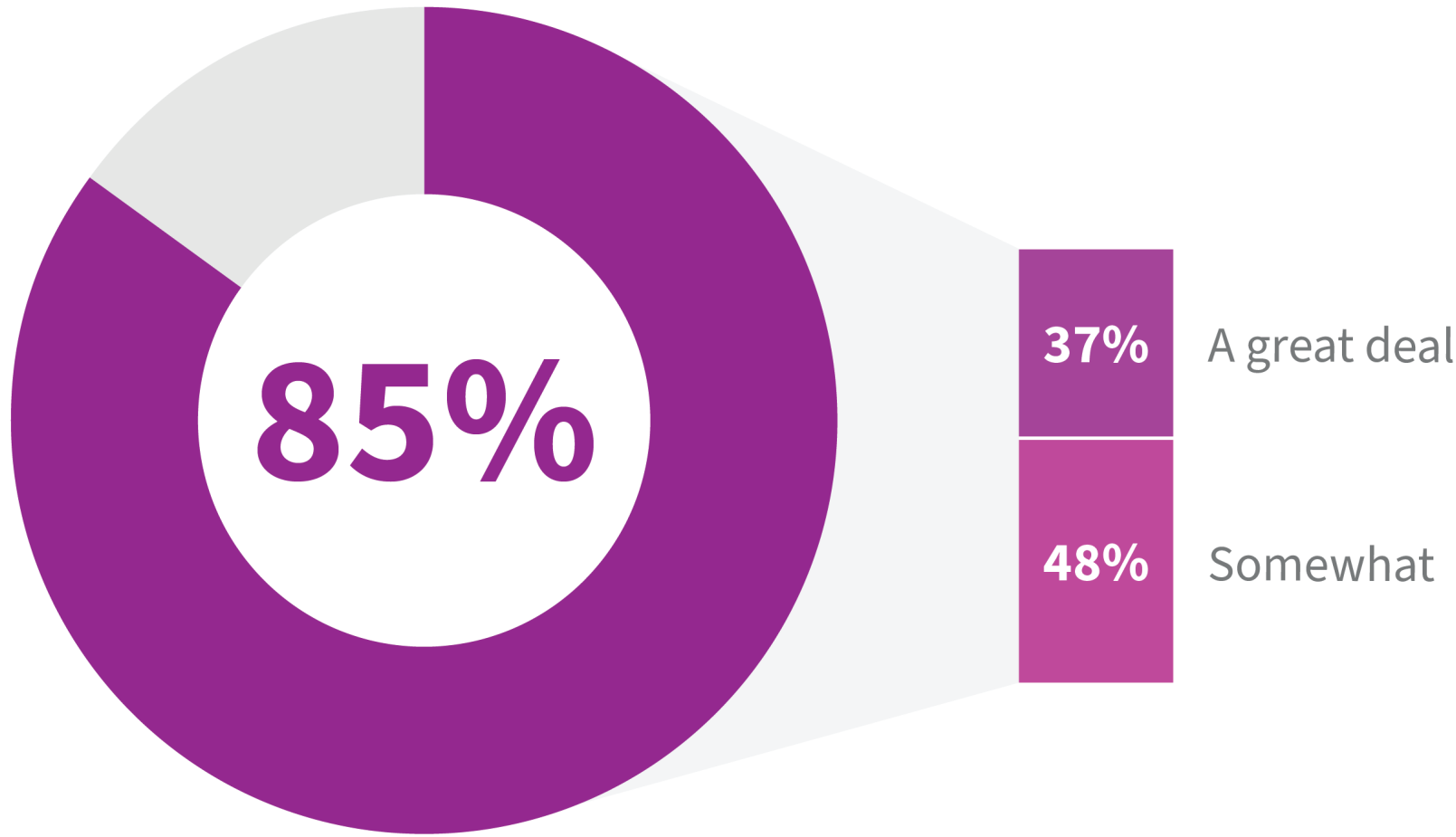
— Becky Trevino, Chief Product Officer  
Flexera



Shadow IT proliferation  
creates critical  
IT visibility gaps



How much does having gaps in IT visibility pose a risk to your organization?



Pose a risk (TOTAL)

N=834  
Source: Flexera 2026 IT Priorities Report  
**flexera**



**85%**

now say that gaps in IT visibility pose a risk to their organization, a six-point increase over last year's findings

**Visibility is a critical risk factor**

As technology investments accelerate and IT ecosystems become increasingly complex, organizations face intensifying challenges in maintaining comprehensive oversight. IT leaders are sounding the alarm: 85% now say that gaps in IT visibility pose a risk to their organization—a six-point increase over last year's findings—and 37% say it poses a great deal of risk.

This growing concern reflects the reality that as organizations adopt more cloud services, SaaS applications and hybrid environments, the challenge of maintaining comprehensive oversight intensifies.



**The impact of shadow IT**

The proliferation of unsanctioned and shadow SaaS usage is compounding the issue. More than half (58%) of IT leaders report problems due to unapproved or unmonitored applications and services.

These shadow IT activities can introduce vulnerabilities, increase costs and undermine compliance efforts. As a result, visibility is becoming a strategic imperative for risk management and governance.



**58%** of IT decision-makers often encounter issues due to unsanctioned and/or shadow SaaS usage

**78%** say their investment in security tools has increased in the past year

**Barriers to achieving visibility**

Despite heightened awareness of the risks, familiar barriers persist. Cybersecurity protocols that make it difficult to access the data needed continue to be the top obstacle, according to 31% of IT leaders, as they can limit the ability to monitor and manage technology assets across the organization. The tension between security and visibility is a recurring theme, as organizations strive to balance robust protection with the need for transparency.

Skills gaps across IT teams are another significant hurdle, with 25% of leaders pointing to a lack of expertise as a barrier to visibility. The demand for specialized knowledge in areas like cloud management, SaaS governance and data analytics is outpacing the available talent. This shortage not only impedes progress toward more transparent operations, but it also heightens the risk of misconfigurations and missed opportunities for optimization.

Resource constraints (25%) further complicate matters, as competing priorities and limited budgets force organizations to make difficult decisions about where to invest, potentially leaving visibility initiatives underfunded and deprioritized.



Rising investments in SaaS and FinOps

IT leaders are significantly increasing their investments in both SaaS applications and FinOps services or platforms. These growing investments reflect their evolving priorities as they navigate complex technology landscapes and seek to optimize their operations.

73% of IT decision-makers reported an increase in SaaS investments, up from 64% last year

62% reported an increase in FinOps services and/or platforms, a notable rise from 48% in 2024



IT leaders are increasingly citing the lack of the right tools for visibility as a major barrier, with 21% identifying this as a challenge in 2025, up from 16% in 2024

What are your biggest barriers to achieving visibility across your IT environment, including software, hardware, SaaS and cloud?

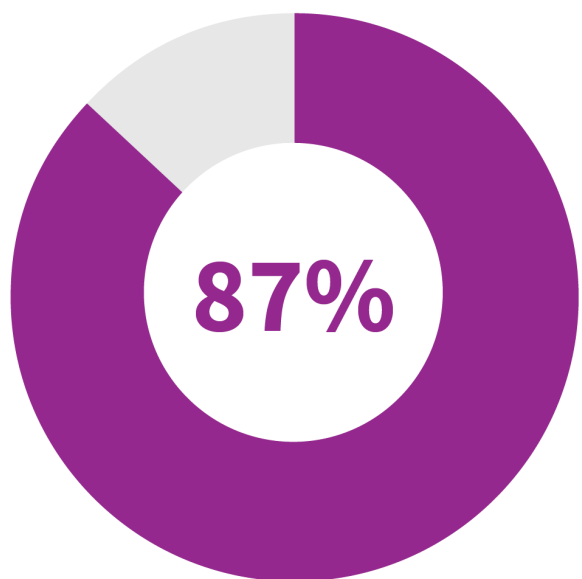
	2025	2024	2023
Cybersecurity protocols that make it difficult to access the data needed	31%	30%	38%
Lack of resources such as budget and/or employees, to bring the necessary details together	25%	26%	32%
Lack of skills across the IT organization	25%	26%	29%
Use of AI-centric applications pulling from the wrong data sets or incomplete information	24%	25%	n/a
IT organization is too siloed	23%	24%	26%
Agreement regarding and/or accountability of the ownership of the technology	21%	19%	23%
Not having enough of our tasks automated	21%	21%	n/a
Not having the right tool(s) for visibility	21%	16%	n/a
Business units owning technology applications and/or spend	20%	19%	24%
Reluctance to adopt another tool, even if it solves the visibility issue	20%	17%	22%
Historic challenges preventing change to the way we manage technology	19%	18%	23%
Teams do not share information	17%	16%	18%

N=834  
Source: Flexera 2026 IT Priorities Report

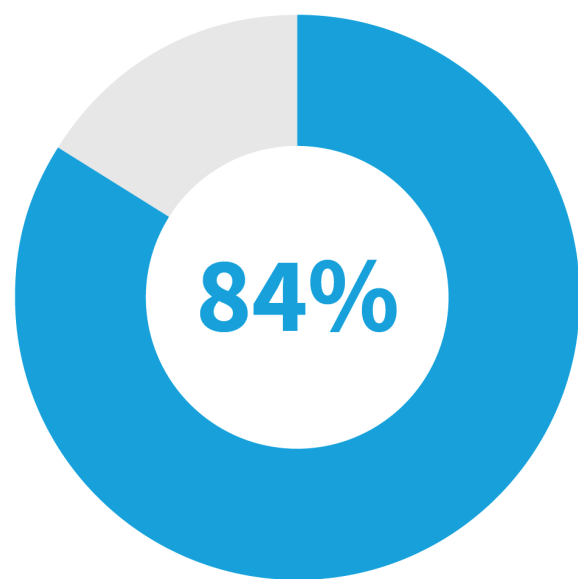




Respondents indicating they're moving away from point tools  
and trying to consolidate more into platforms



2025



2024

N=834  
Source: Flexera 2026 IT Priorities Report

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**Platform consolidation:  
A possible solution for visibility challenges?**

In response, almost nine in ten (87%) IT decision-makers are moving away from point tools and consolidating more into platforms. Slightly increased from 2024 (84%), this has been a consistent shift over the last few years as organizations move toward more comprehensive visibility solutions.

Yet, as the complexity of IT ecosystems grows, the cost of insufficient visibility continues to rise.

The findings highlight a paradox facing IT leaders: While the risks associated with poor visibility are increasing, familiar barriers block the path to improvement. Addressing these challenges will require a renewed focus on skills development, resource allocation and the evolution of cybersecurity practices to support comprehensive oversight. As organizations look ahead to 2025, visibility will remain a critical component of effective IT strategy and risk management.



Poor data quality  
undermines AI success  
and business intelligence





94%

believe IT must invest in tools and technology to extract value from their data and turn it into actionable intelligence



Data is no longer just a byproduct of operations but a catalyst for innovation and informed decision-making

How strongly do you agree or disagree with the following statements?

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree
IT must invest in tools and technology to extract value from their data and turn it into actionable intelligence	53%	42%	6%	0%
The data I receive is actionable and can clearly be applied to decisions	48%	44%	8%	1%
I'm overwhelmed by data	18%	30%	30%	22%
I'm disappointed in the quality of data I receive	14%	22%	33%	31%

N=834  
Source: Flexera 2026 IT Priorities Report



The strategic power of IT data in driving AI and organizational success

Technology data has become the cornerstone of organizational intelligence and agility. For IT decision-makers, the ability to harness data effectively isn't just a technical imperative, it's a strategic advantage.

A resounding 94% of IT leaders agree that investing in tools and technologies to extract value from data is essential to transforming raw information into actionable intelligence. This sentiment underscores the growing recognition that data is no

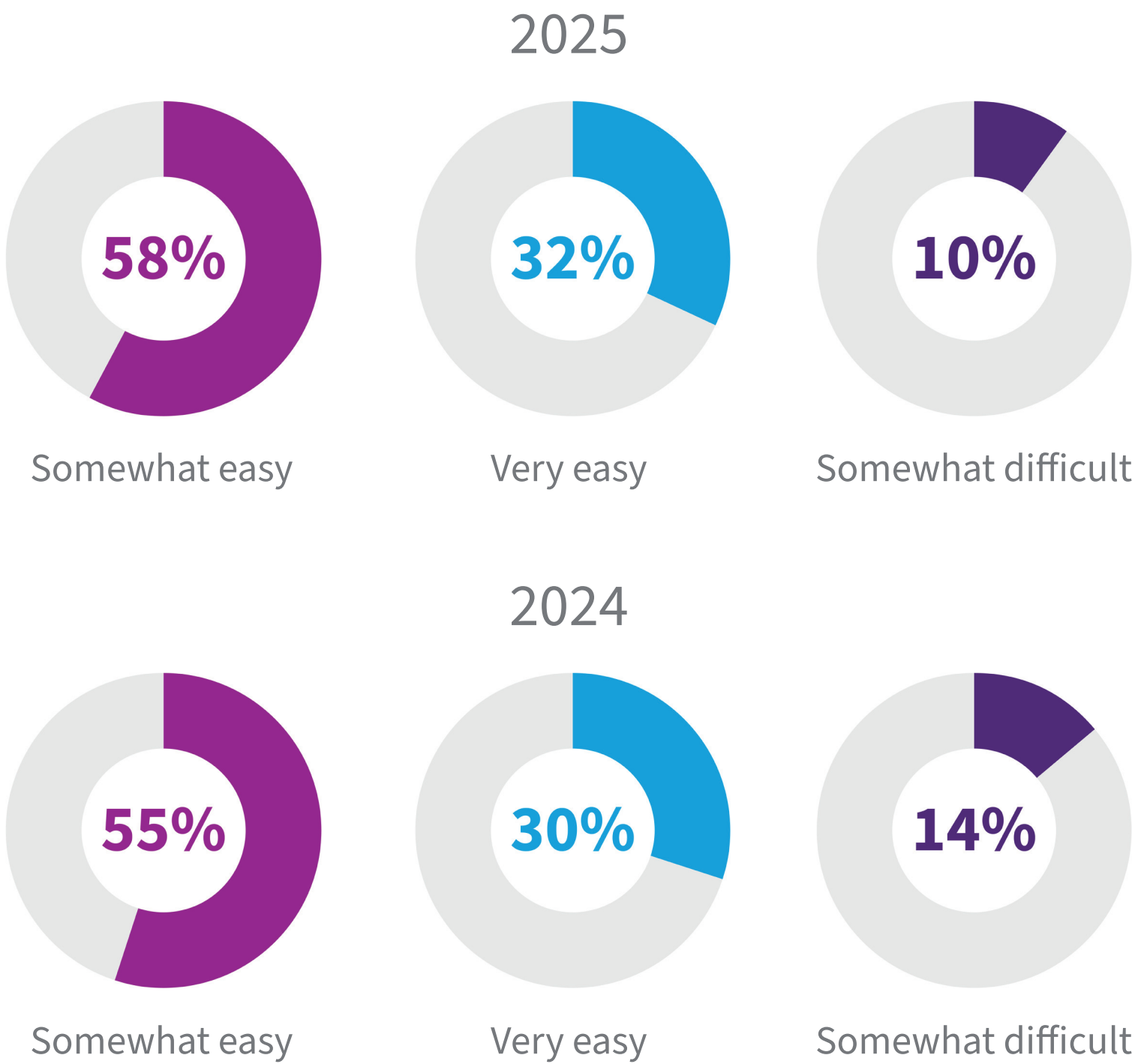
longer just a byproduct of operations but a catalyst for innovation and informed decision-making.

Encouragingly, 91% of IT leaders report that the data they receive is actionable and directly applicable to business decisions. This accessibility empowers managers and their teams, with 90% confirming that their direct reports have the data needed to make sound decisions.





How difficult is it for your managers/direct reports to access data they need for business decisions?



N=834  
Source: Flexera 2026 IT Priorities Report  
**flexera**

However, while data access is broadly available, only 32% say it is “very easy” to access and use, with 58% noting it is merely “somewhat easy.” This gap suggests that while data infrastructure is in place, usability and seamless integration remain areas for improvement. Investing in unified discovery and inventory of data as well as consolidation of disparate data sources toward a singular, normalized source will help organizations adopt and improve data usability to better align with strategic business outcomes.

Further, integrating and automating this data directly into tools that the business currently uses, like IT service management (ITSM), enterprise architecture or workflow tooling, helps to reduce context-switching and misalignment of data to outcomes.

See unified discovery and inventory in action

Speak with an expert →





**Lack of visibility and inconsistent data access create barriers to AI maturity and governance**

92%

### Data gaps and visibility challenges threaten progress

The type of data available also plays a critical role. Eighty-seven percent of respondents indicated that usage data is easily accessible, followed closely by those who said the same for performance and inventory data (86%). This sentiment drops slightly for IT lifecycle (83%), contractual (80%), sustainability (79%) and security data (77%).

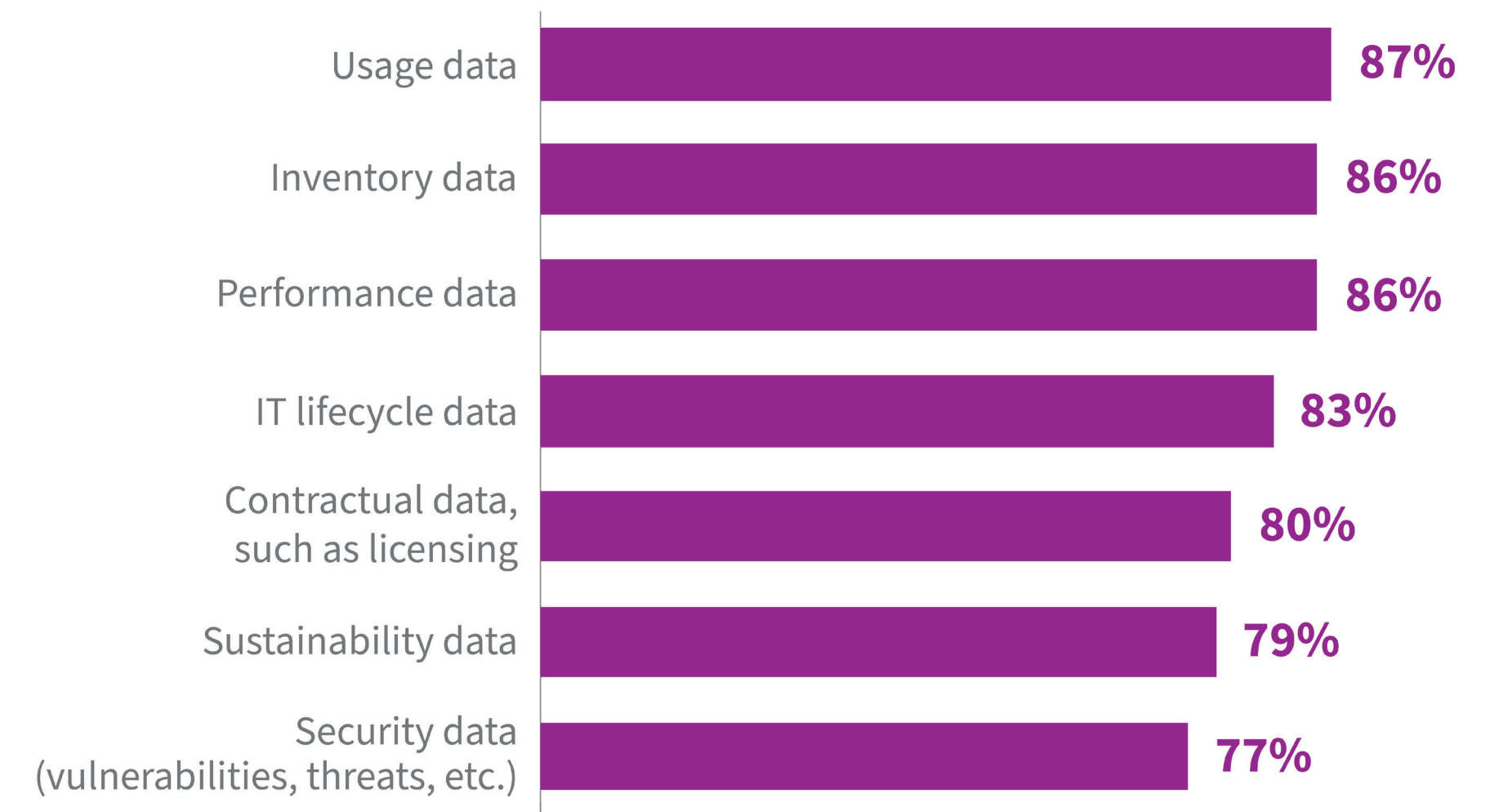
These latter datasets are essential for regulatory compliance and risk management. Inaccessibility here increases the likelihood of visibility gaps in audits, contract violations or data breaches—particularly in highly regulated sectors. This data is also increasingly vital for strategic initiatives like AI, which rely on diverse, high-quality data.

say their employees are using AI technology well, yet 45% don't know how or when their employees use AI

Indeed, high-fidelity data is a linchpin for AI success.

Despite the promise of AI, **MIT reports** that despite \$30-\$40 billion in enterprise investment into generative AI (GenAI), 95% of AI projects are getting zero return—raising the question of whether poor data quality or accessibility is to blame. While 92% of IT leaders say their employees are using AI effectively, nearly half (45%) admit they don't always know when or how AI tools are being used. This lack of visibility, coupled with inconsistent data access, creates barriers to AI maturity and governance.

Respondents indicating it's very or somewhat easy to access different types of data



N=834

Source: Flexera 2026 IT Priorities Report

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Organizations are making strides in data management, with over 90% of IT decision-makers stating their companies are effective at capturing, managing and cleaning data.

But the emotional toll of data overload is evident: 36% are disappointed by the quality of data they receive, and nearly half (48%) feel overwhelmed. This paradox—where data is both abundant and burdensome—highlights the need for smarter data strategies that prioritize clarity, relevance and automation.

Ultimately, the success of AI initiatives and broader organizational goals hinges on the quality, accessibility and governance of IT data. In practice, many AI projects fail because of bad, disconnected or misgoverned data. It’s not just a technical problem; it’s a boardroom-level issue that can cost millions—sometimes billions—in wasted technology spend.

AI needs fuel, and if the inputs are based on unreliable data, then the outputs will also be unreliable. As AI eats more of the IT stack, the data layer can become an organization’s biggest risk—or biggest asset.

As companies continue to invest in data infrastructure, the focus must shift from collection to curation, ensuring that data not only exists but is usable, trustworthy and aligned with strategic outcomes. Only then can organizations unlock the full potential of AI and drive sustained success in an increasingly complex digital world.

Discover how to use high-fidelity data to power mission-critical decisions at scale

Speak to an expert →

How effective, if at all, is your organization at each of these?

	2025	2024
Using data to make informed decisions	96%	91%
Managing our data	95%	93%
Capturing data	94%	94%
Managing the accuracy and quality of our data	94%	92%
Cleaning up and/or normalizing our data, such as deduping or changing titles, etc.	92%	n/a

N=834  
Source: Flexera 2026 IT Priorities Report

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Leading with vision:  
Harnessing AI for  
sustainable success



# Conclusion

## Turning AI potential into measurable impact: The path forward for leaders

The *Flexera 2026 IT Priorities Report* offers a revealing portrait of how IT leaders across the U.S., UK, Germany and Australia are steering their organizations through an era of profound technological change. Central to this transformation is the rapid integration of AI, which stands out as the dominant priority shaping today's IT strategies. AI is no longer a future consideration; it's now a pivotal driver of operational efficiency, innovation and competitive advantage. Organizations recognize that success depends on their ability to harness AI's potential—transforming vast troves of raw data into actionable intelligence that can inform decisions and unlock new sources of value.

But the widespread adoption of AI introduces new layers of complexity to IT environments. The survey highlights challenges ranging from the rise of shadow SaaS tools to persistent gaps in IT visibility—both of which are magnified as AI becomes more embedded in technology ecosystems. In addition, as AI-driven initiatives generate larger volumes of data, the importance of curation over mere collection grows clearer. IT leaders are tasked with ensuring that data is not only abundant but also reliable, secure and aligned with strategic objectives, so that AI deployments can deliver on their promise without introducing unnecessary risk.

Sustainability is also rising in importance, but many organizations are still striving to turn intent into action, particularly as AI's compute requirements and data storage needs impact environmental goals. At the same time, spend optimization continues to be a top concern. Nearly two in five leaders cite uncontrolled IT spend as a top challenge, with particular attention on the costs and returns associated with AI, cloud and SaaS investments. The push for platform consolidation is a direct response to this complexity, as IT leaders seek integrated solutions that can centralize AI initiatives and maximize value while minimizing waste.

For IT leaders, these trends point to an imperative: to lead with both vision and discipline. The future belongs to organizations that don't just adopt AI, but do so thoughtfully—curating data, closing visibility gaps and implementing robust governance to balance agility with control. Those who succeed will be able to leverage AI not only for operational gain, but as a catalyst for growth, sustainability and long-term resilience. In the rapidly evolving digital world of 2026 and beyond, the ability to transform the promise of AI into measurable impact will define both IT leadership and organizational success.



# Appendix



# Methodology

Flexera commissioned Regina Corso Consulting to conduct a survey of IT decision-makers in the U.S., UK, Germany and Australia to understand how they feel about their current challenges and upcoming priorities. This survey was conducted among 834 IT decision-makers from companies with at least 100 employees between July 25 and August 7, 2025.

Notes for reading charts and tables: Percentages may not add up to 100% due to rounding or because the question allowed multiple responses. For the company size breaks, smaller companies are those with 100-499 employees, midsize companies are those with 500-999 employees and enterprise companies are those with 1,000 or more employees.

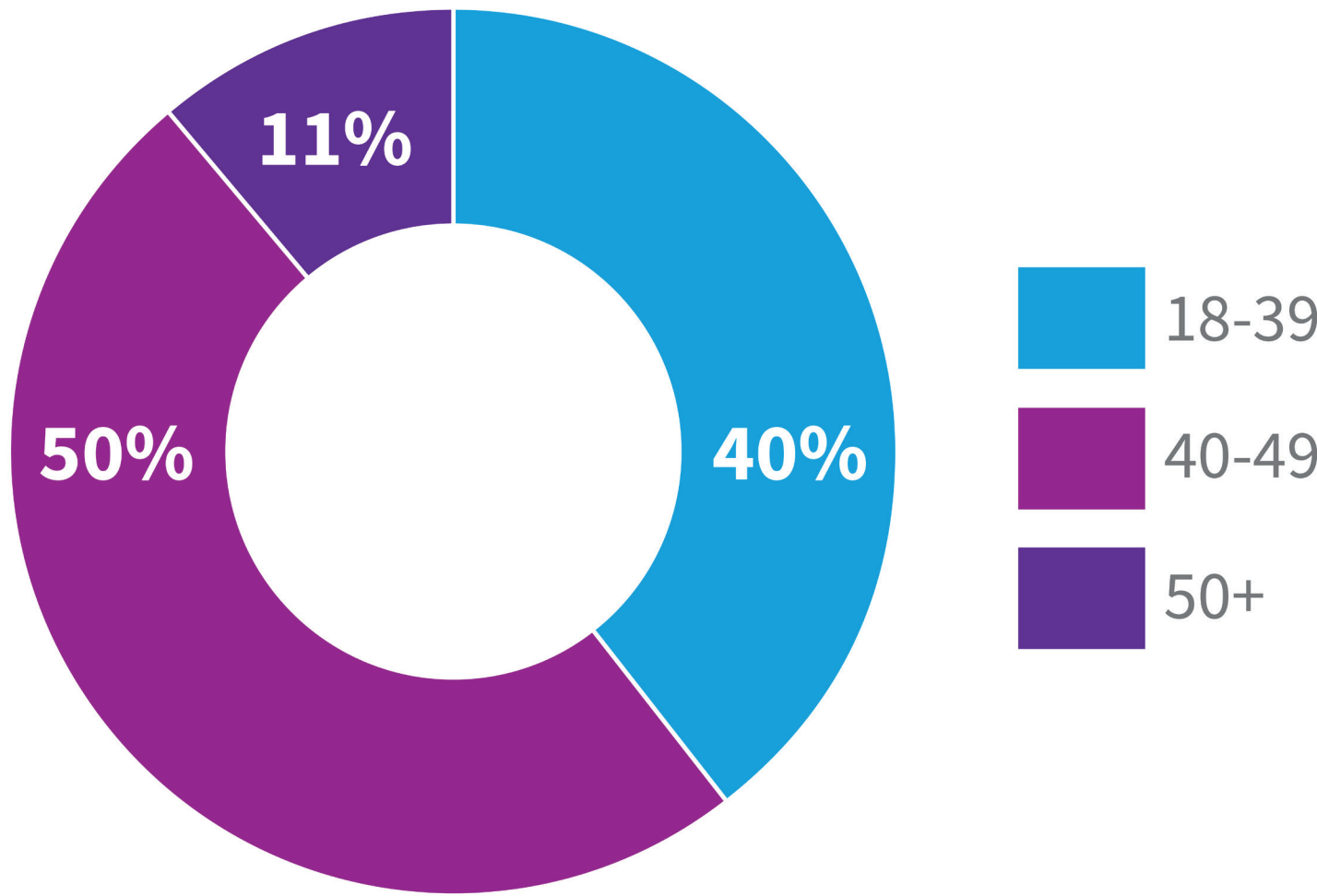
Where possible, trends from the previous surveys are noted. In 2020, 2022, 2023 and 2024 we surveyed leaders from four countries (U.S., UK, Australia and Germany), but in 2021 we surveyed individuals from five countries, with the inclusion of India. The pool of IT decision-makers surveyed varies slightly over the years: In 2021, we surveyed 1,008 respondents; in 2022 there were 812; in 2023 we had 807 respondents; and in 2024 there were 800 respondents.

The majority of the 834 respondents surveyed for this year’s report come from organizations with 500-999 employees (33%) and were the primary IT decision-maker (72%). Most (45%) had between 6-10 years of experience in IT, followed by 11-20 years of experience (38%). Many come from a computer hardware/software industry (41%), followed by manufacturing (14%) and retail (10%).

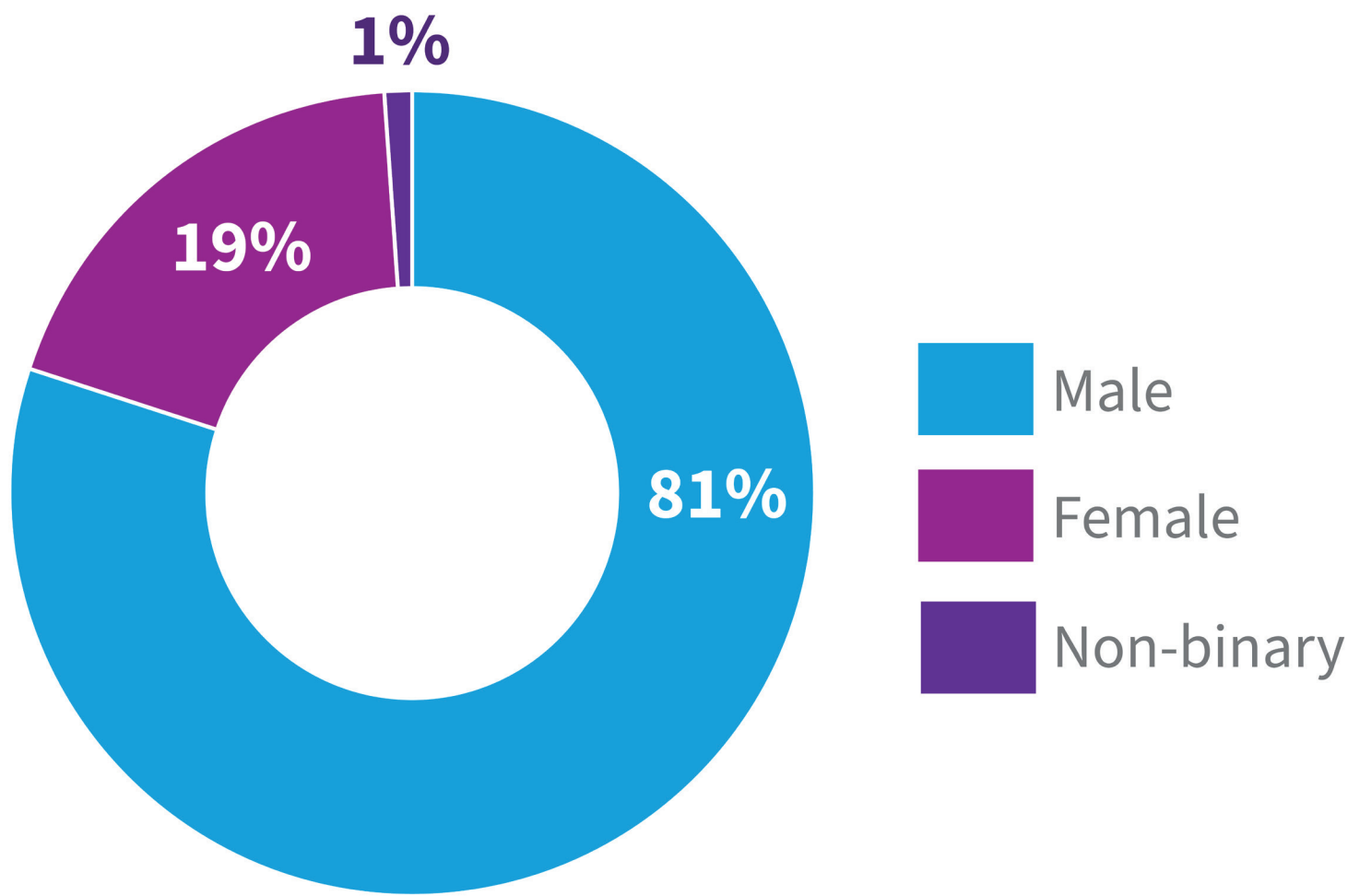


Demographics

Age



Gender

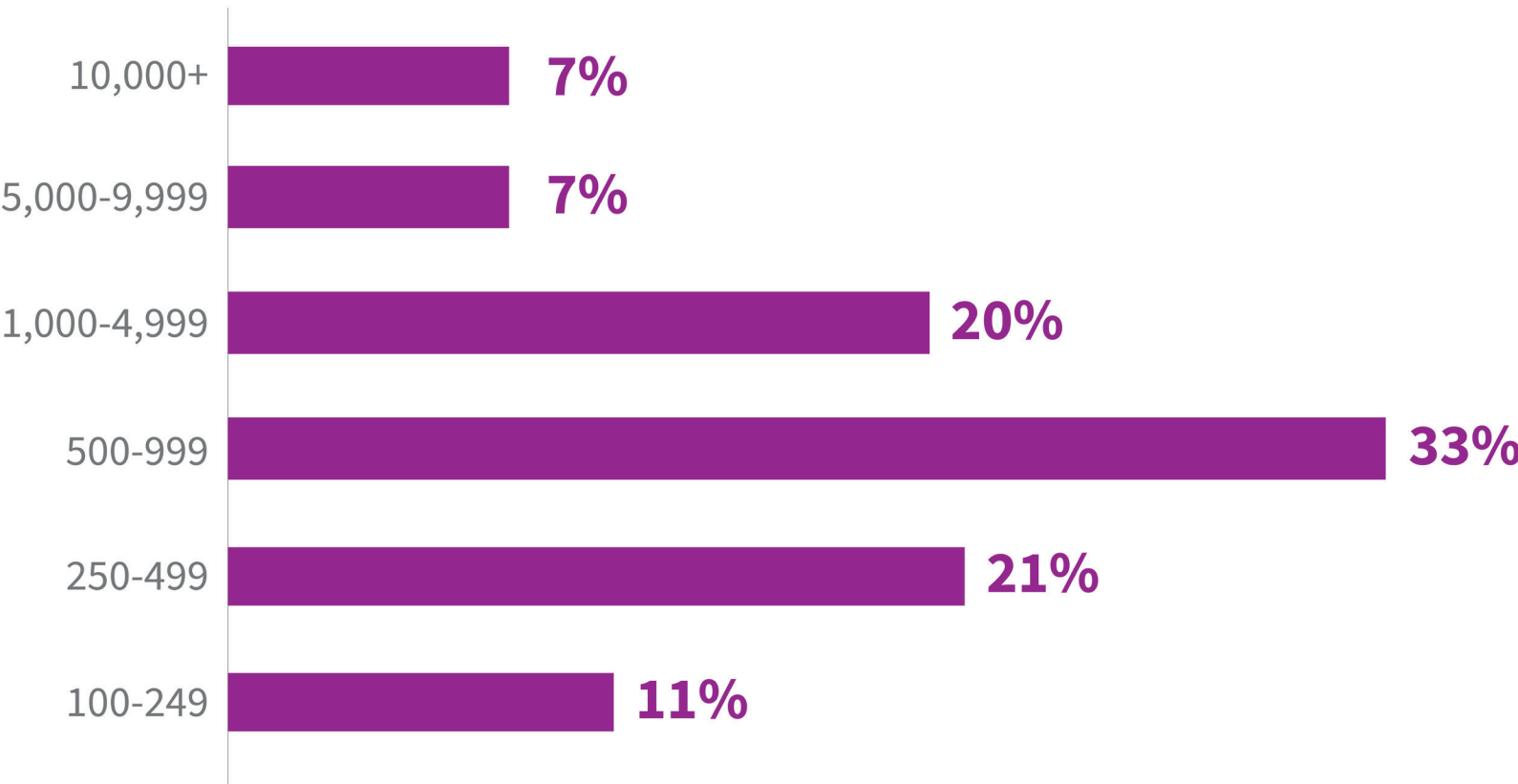


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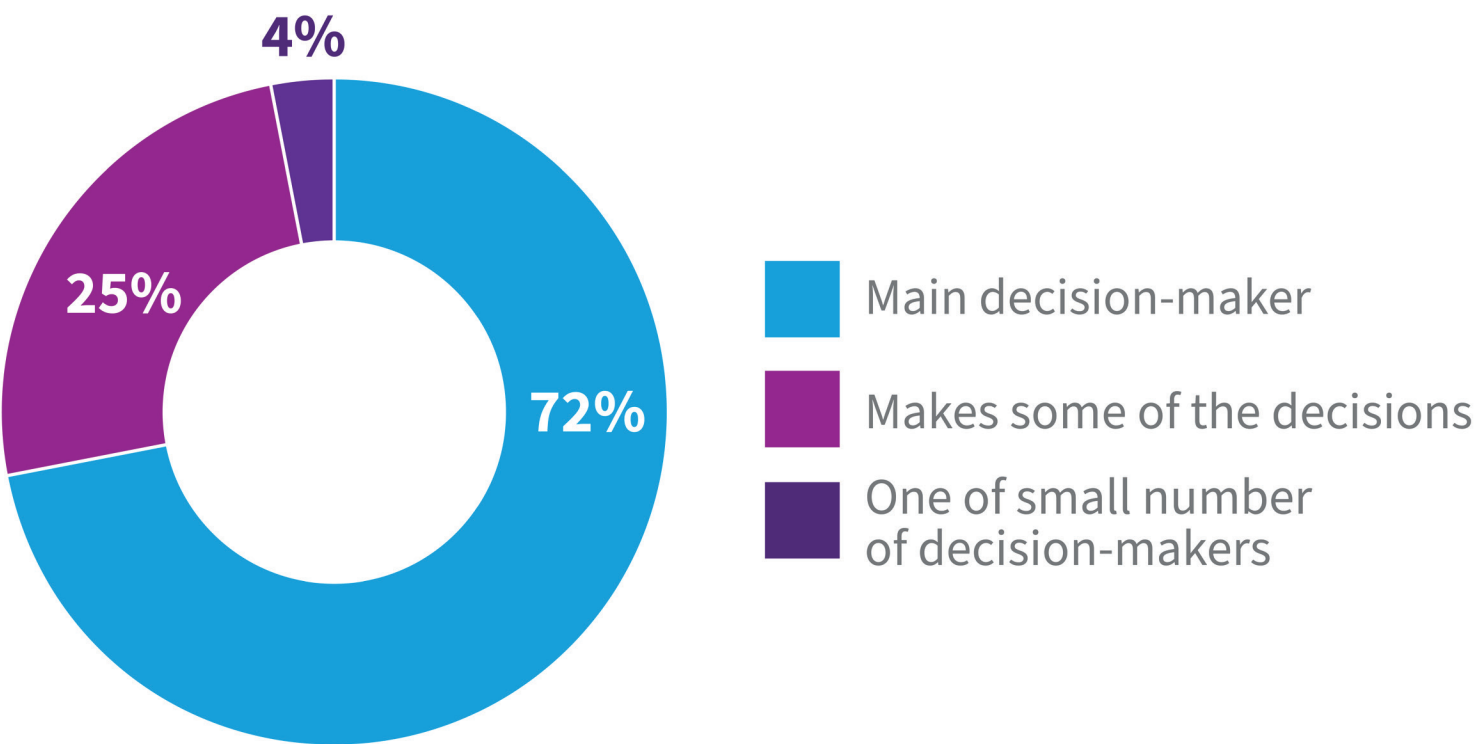


Demographics

Company size



Type of IT decision-makers

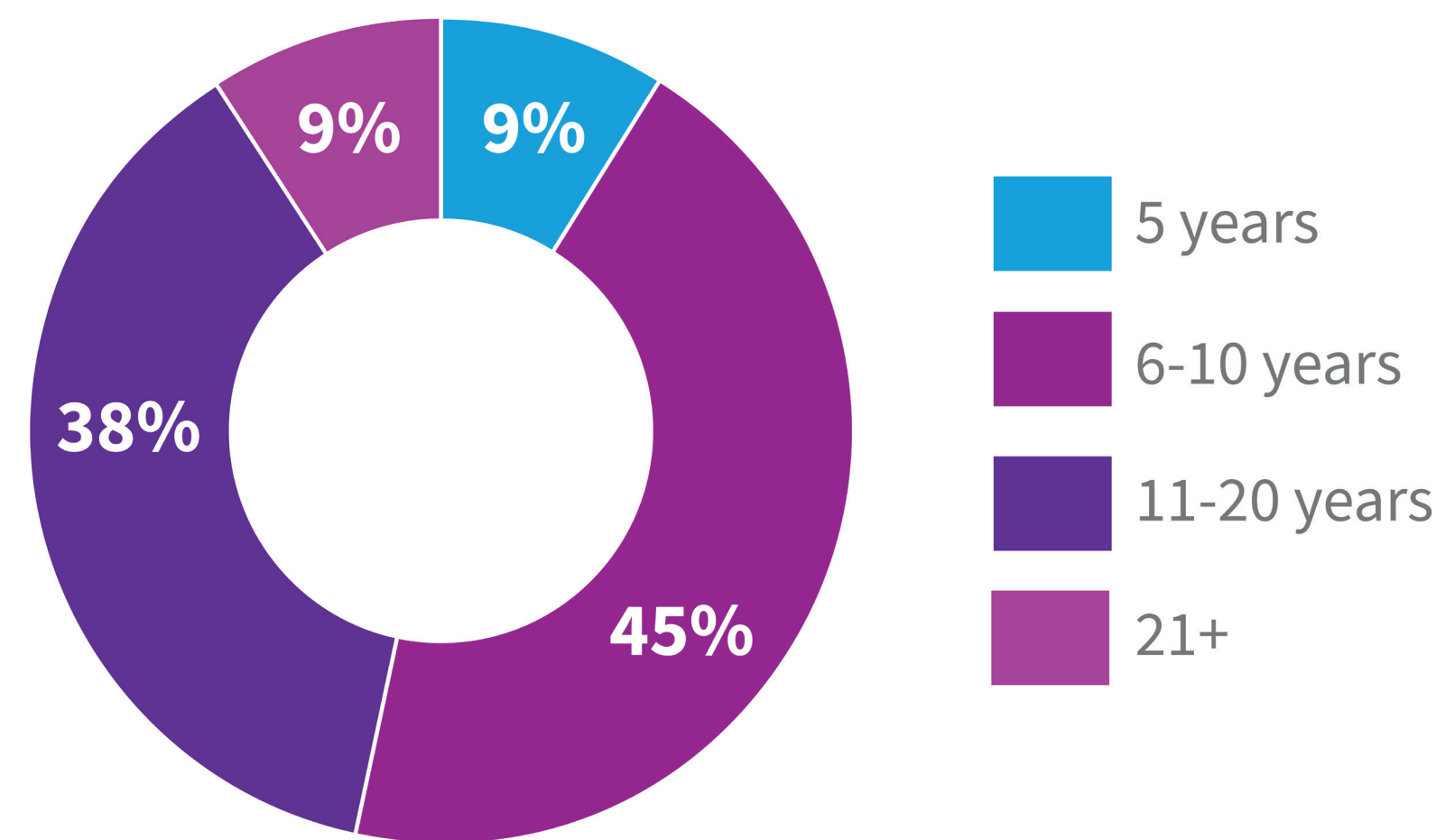


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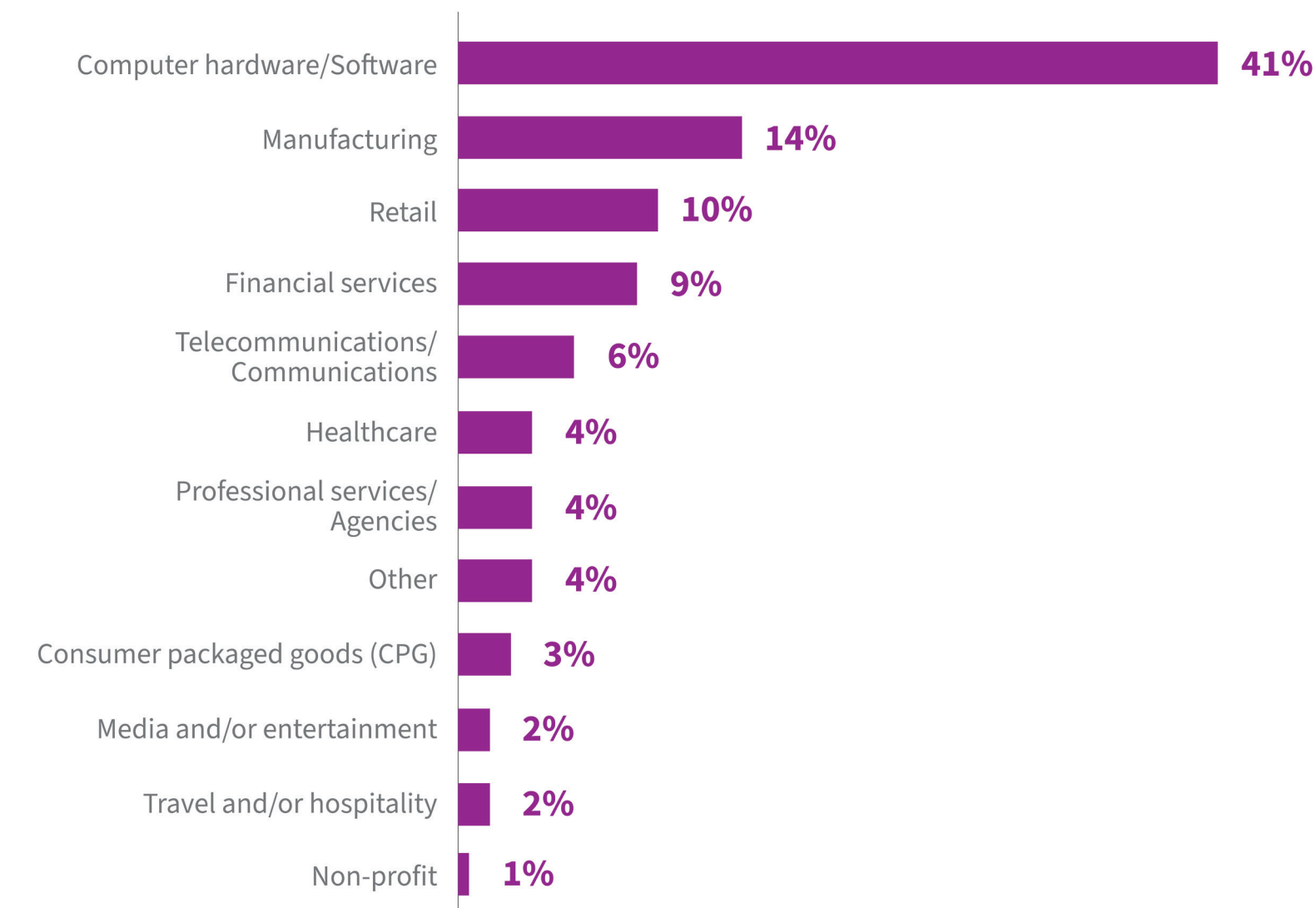


Demographics

Time in IT



Industry



N=834  
Source: Flexera 2026 IT Priorities Report  
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## About

Flexera helps organizations understand and maximize the value of their technology, saving billions of dollars in wasted spend. Powered by the Flexera Technology Intelligence Platform, our award-winning IT asset management, FinOps and SaaS management solutions provide comprehensive visibility and actionable insights on an organization's entire IT ecosystem. This intelligence enables IT, finance, procurement and cloud teams to address skyrocketing costs, optimize spend, mitigate risk and identify opportunities to create positive business outcomes.

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