2026 Technology Leadership Conference

Session 1: Tech State of the Industry, Part 1: Where Are We Now & Where Are We Headed

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Network: ConveneGuest
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Today's Presenter & Moderator: Marcus Quigley, P.E.

Experience

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EFCG

Chief Executive Officer
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Founder and Chief Executive Officer, Board Member
OptiRTC, Inc.

Principal, Board Member (2011-2012)
Geosyntec Consultants

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Education

M.S., Civil Engineering
Oregon State University

B.S., Engineering & Environmental Science
University of Notre Dame

EFCG Technology Practice

Technology Advisory

Tech Investment Benchmarking and Strategy
Market Analysis and Technical Due Diligence
Innovative Business Model Partner
Knowledge Management and IP
Technology Organization Design
AI Workforce Resilience

Advanced Analytics

Custom Analytics Advisory
Innovation Network Analysis
Forecasting and Predictive Analytics
Market and Competition Monitoring

Quantitative Integration Analysis (QIA) – Monitor Integration Velocity for Post M&A and Org Redesigns

Technology State of the Industry: The EFCG perspective

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The state of the industry is **strong**

Growth and profitability remain historically high

High growth sectors of the economy continue to **rely on** new core **infrastructure** (power, water, transportation, land development)

This is a time of **unprecedented** technological **change**

Getting **technology strategy** and implementation right is an **imperative**

People and pace represent our greatest opportunities and our greatest challenges

The pace is the opportunity and the challenge

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2026	2030
4.8% ➡	**>10%**

of net revenue spent on IT

median, currency-neutral

doubling of
total IT spend over the next 5 years

2026	2030
2.5% ➡	**Flat**

of staff in technology roles

median technology workforce share

gradual decrease in core IT staff and increase in applied technology, cyber and embedded technology specialists throughout firms

2026	2030
35.6% ➡	**100%**

of employees use generative AI

mean across firms, 2026

upskilling the broad workforce remains the primary challenge.

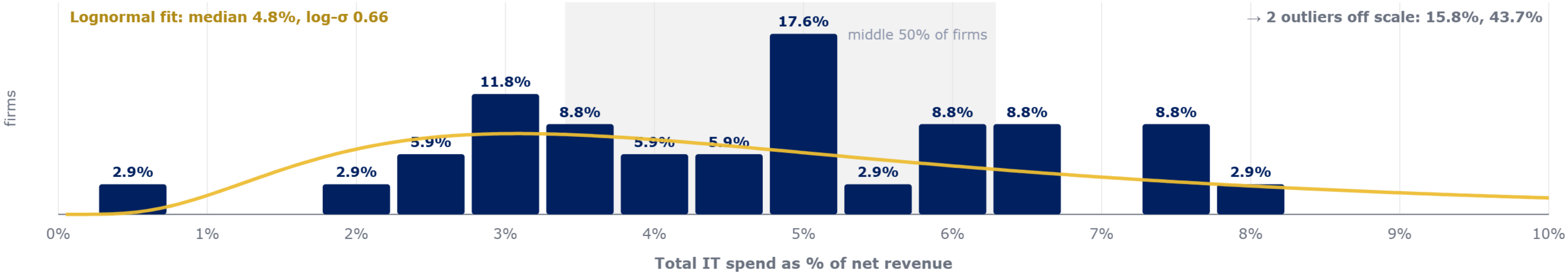
consider budgeting for 5% super users, 15% power users, 80% users

Firms will increasingly compete on
quality, complexity, and volume
and these demands
will outpace efficiency

We are funding transformation on a relatively thin budget

Q2.5 · IT spend as a share of net revenue

Tightly grouped: half of firms spend 3.4–6.3% of net revenue on IT

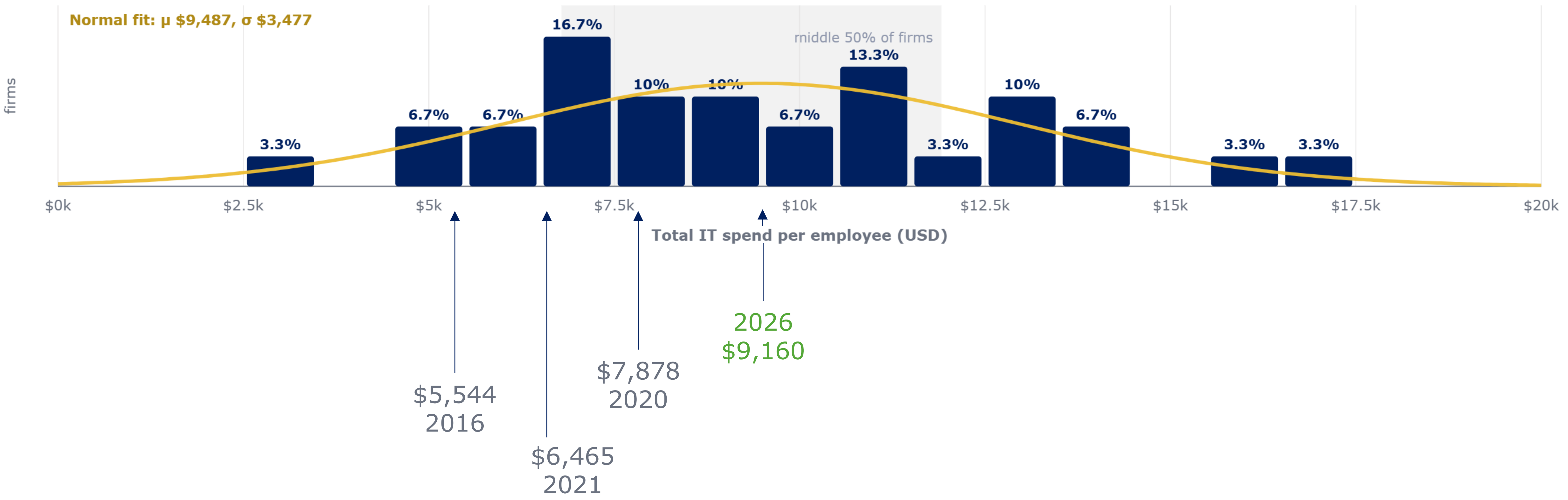


Source: EFCG 2026 Technology Leadership Survey · Bars: share of firms per 0.5-pp bin; labels are % of responding firms. Shaded band: middle 50% of firms. Gold curve: fitted lognormal distribution (a normal fit is rejected; goodness-of-fit favors lognormal). 2 outliers above 10% annotated, not plotted. Currency-neutral; excludes implausible/blank entries.

We are funding transformation on a relatively thin budget

Total IT spend per employee (USD-reporting firms)

A tight, bell-shaped norm: median $9,160 of IT spend per employee



and AI tools and platforms are a sliver of it

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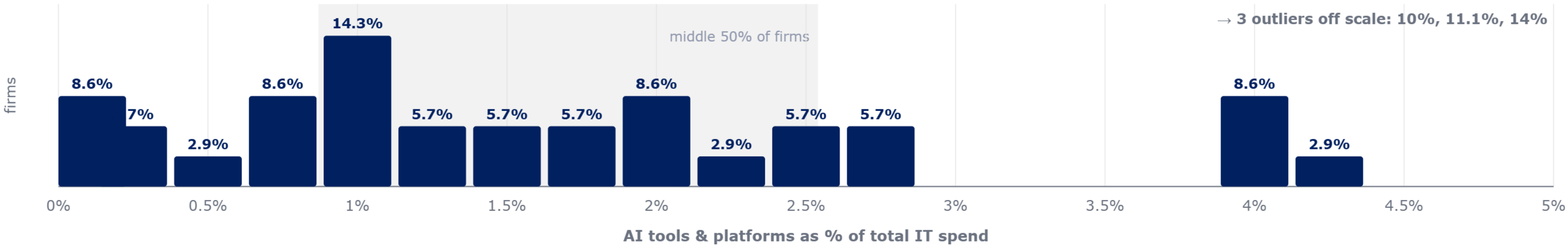
Q2.17 · AI tools & platforms as a share of IT spend

Concentrated at the low end: half of firms spend 0.9–2.5% of the IT budget on AI



Source: EFCG 2026 Technology Leadership Survey · Bars: share of firms per 0.25-pp bin; labels are % of responding firms. Shaded band: middle 50% of firms. 3 outliers above 5% annotated, not plotted. No fitted curve shown: a normal distribution is firmly rejected and a lognormal fit is marginal at best, given the cluster of near-zero values and the detached high tail. 2025 AI tools/platform spend ÷ total IT spend; currency-neutral.

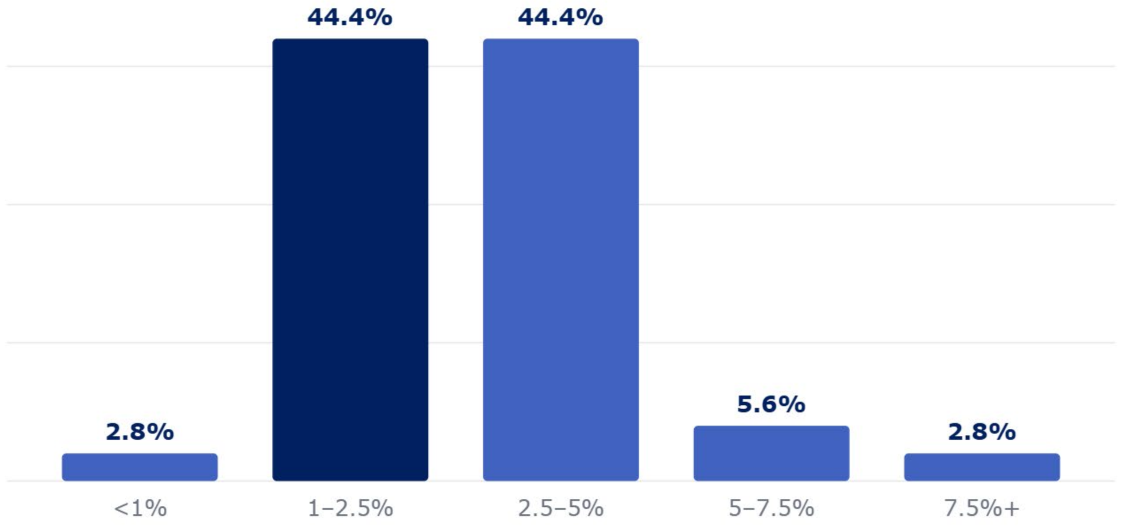
We expect this to increase significantly

Technology teams are lean
and still weighted to keeping the lights on, not innovation

Q1.8 · Technology staff as a share of total workforce

Median: 2.5% of staff are in technology roles

▼-0.14 pp vs 2025 (2.65%)

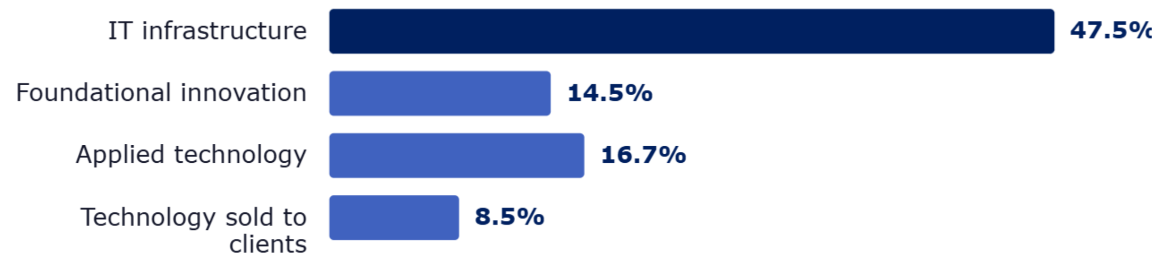


Source: EFCG 2026 Technology Leadership Survey · Technology FTEs ÷ total FTEs.

Q1.9 · Composition of the technology workforce

IT infrastructure is the largest technology function

▲+5.13 pp vs 2025 (42.4%)



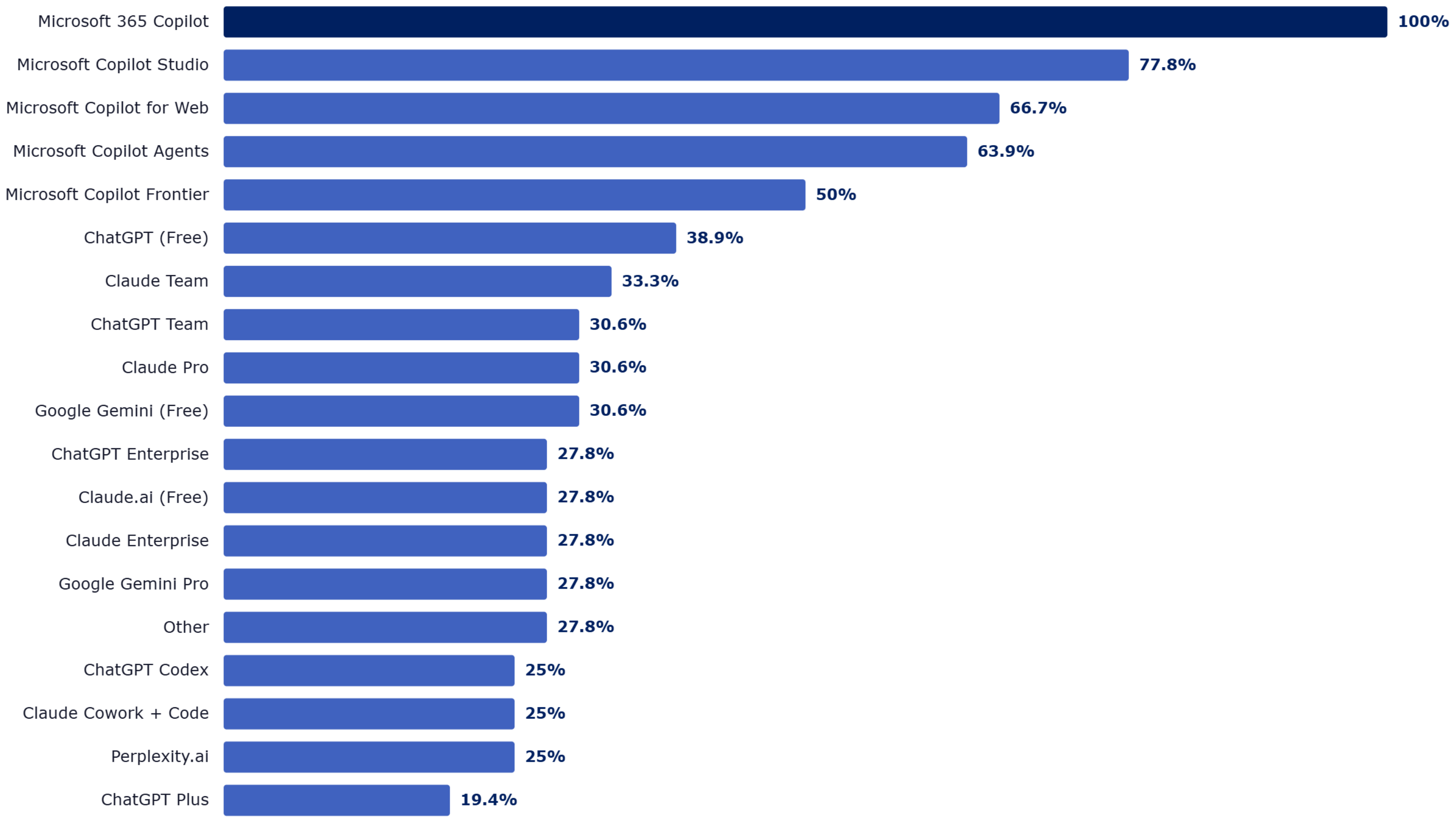
Source: EFCG 2026 Technology Leadership Survey · Median share of each function within technology staff.

Every firm has put AI tools in employees’ hands
The toolset is now table stakes

Q3.6 · Generative AI tools made available to employees

Microsoft 365 Copilot is the most widely deployed (100.0%)

▲+13.7 pp vs 2025 (86.3%)



Source: EFCG 2026 Technology Leadership Survey · Share of firms providing access to each tool.

In one year, the mean level of adoption moved up >10%...

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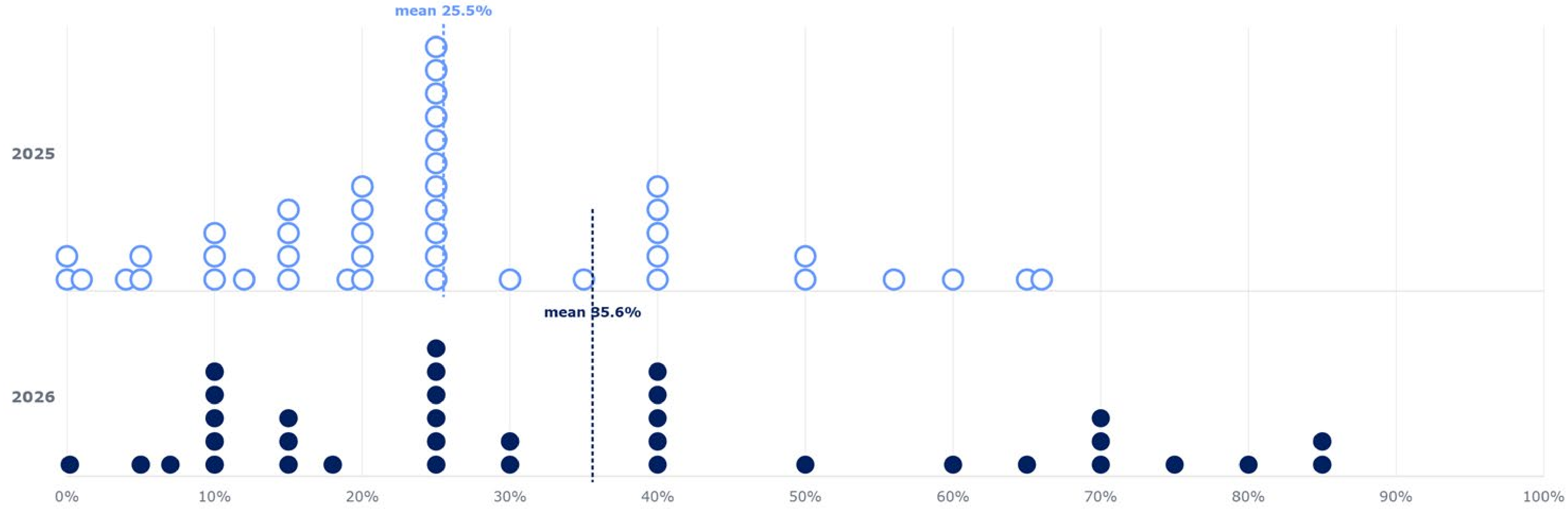
Q3.7 · SHARE OF EMPLOYEES USING GENERATIVE AI

Generative AI usage broadened — mean rose from 25.5% to 35.6% of employees



Source: EFCG 2025 & 2026 Technology Leadership Surveys · each dot is one firm · out-of-range responses excluded · curves: 2025 single normal fit (gold); 2026 separate fits for firms below 50% usage (gold) and at 50%+ (green); illustrative, height = expected firms per 5-pt step

However, the mean does not tell the full story

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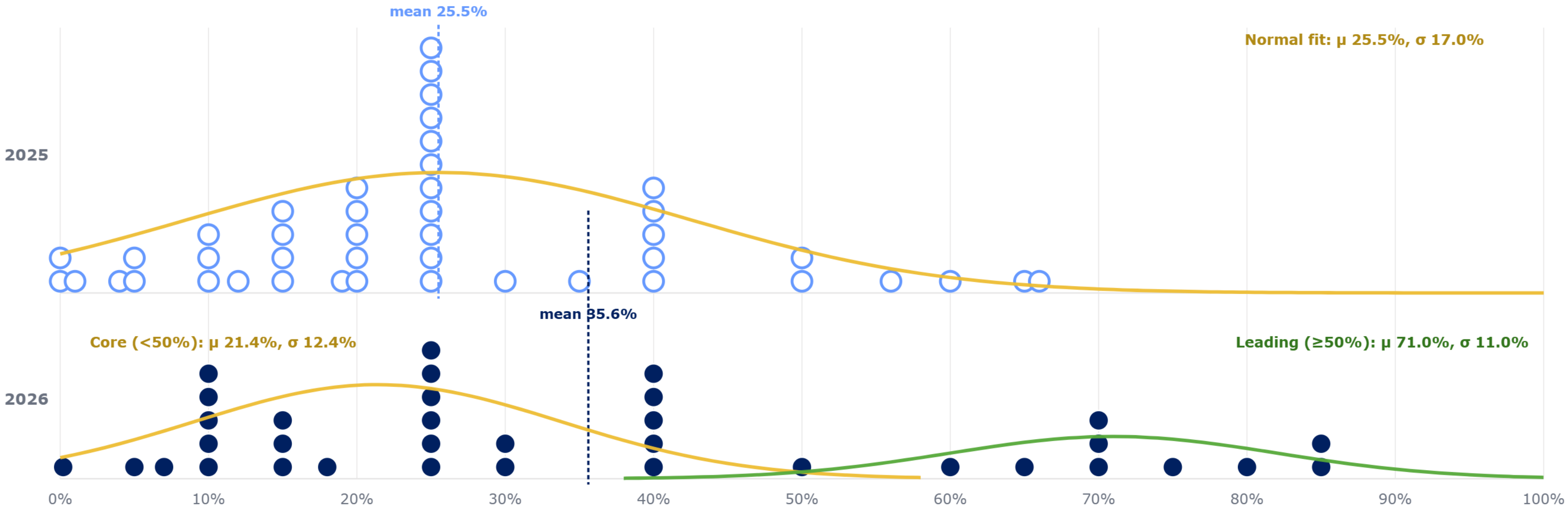
There is a group of “leading adopters” that have moved ahead

Q3.7 · SHARE OF EMPLOYEES USING GENERATIVE AI

Generative AI usage broadened — mean rose from 25.5% to 35.6% of employees



Source: EFCG 2025 & 2026 Technology Leadership Surveys · each dot is one firm · out-of-range responses excluded · curves: 2025 single normal fit (gold); 2026 separate fits for firms below 50% usage (gold) and at 50%+ (green); illustrative, height = expected firms per 5-pt step

Source: EFCG 2025 & 2026 Technology Leadership Conference Surveys. Independent annual cross-sections of conference participants.

The foundations that make change durable are still not ready
Data quality is the #1 blocker

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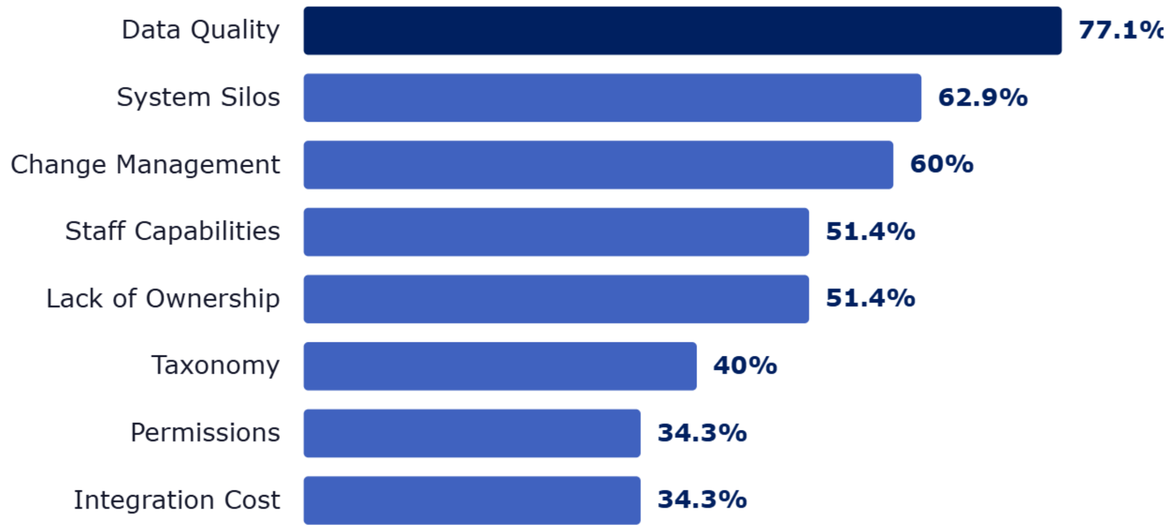
Q4.5 · Biggest challenges to implementing a data strategy

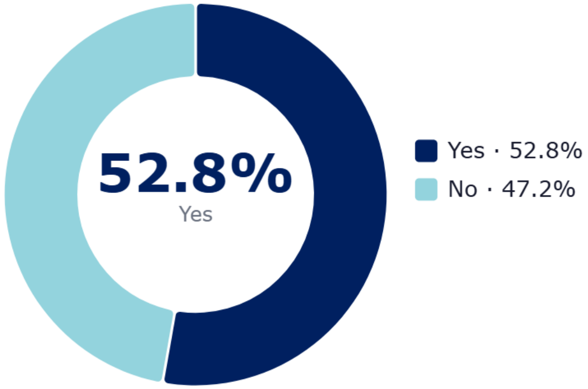
Data Quality leads at 77.1%



Source: EFCG 2026 Technology Leadership Survey

Q4.1 · Has a formal enterprise data strategy

Yes: 52.8%



Source: EFCG 2026 Technology Leadership Survey

Transformative innovation is already happening at the edges and it is mostly ungoverned

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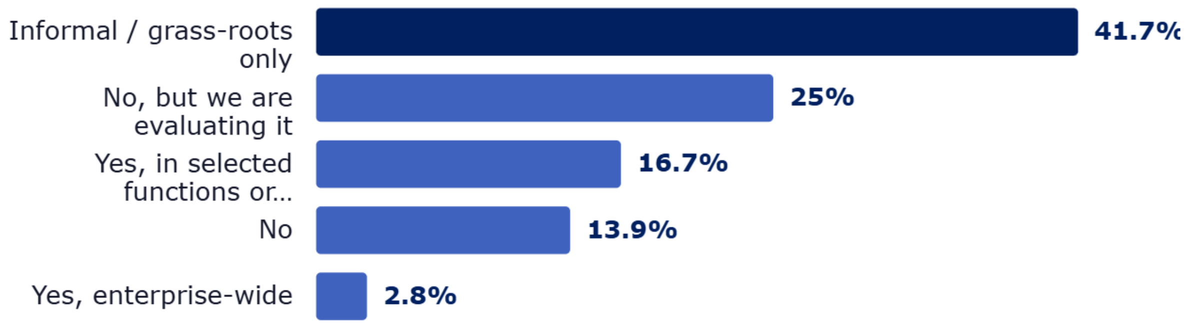
Q5.1 · Status of formal citizen-development program

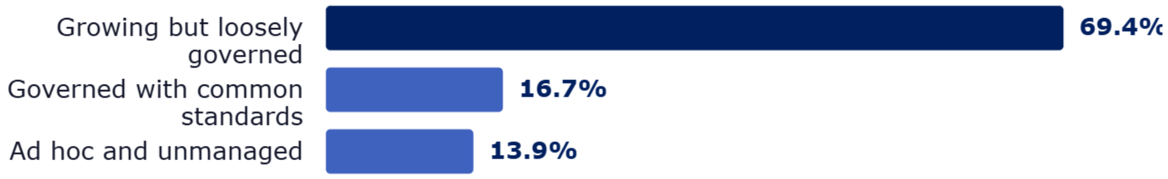
Most common: Informal / grass-roots only (41.7%)



Source: EFCG 2026 Technology Leadership Survey

Q5.12 · Current citizen-development maturity

Most common: Growing but loosely governed (69.4%)



Source: EFCG 2026 Technology Leadership Survey

Where we're headed:
Technology as an increasing source of revenue generation

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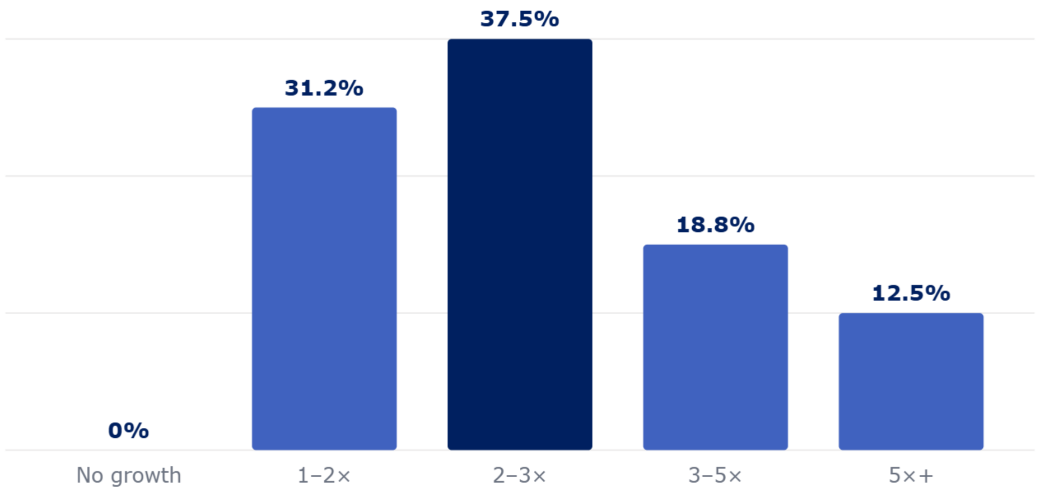
It is still early. The business models are immature, and growth expectations are still conservative

Q2.13 · Expected 5-year growth in technology-as-service revenue

Median expectation: 2.2× current revenue

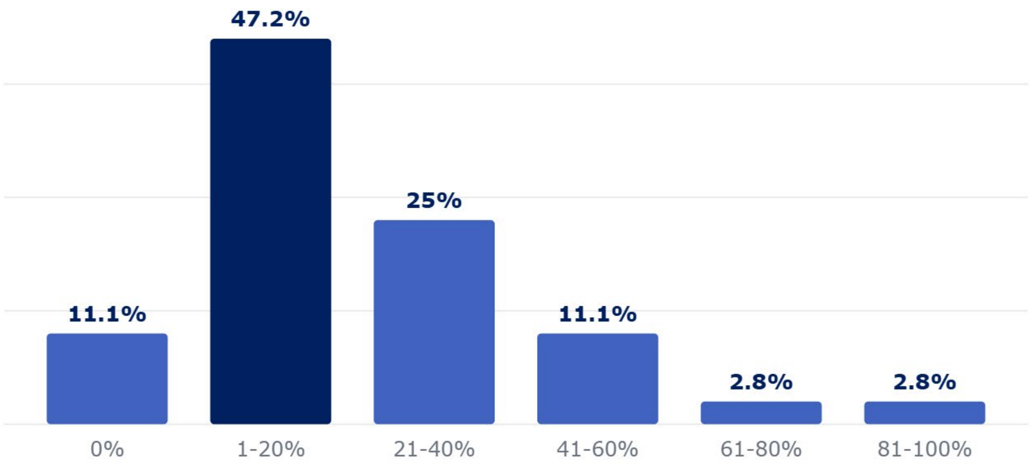
▼-0.93× vs 2025 (3.13×)



Source: EFCG 2026 Technology Leadership Survey · Projected revenue 5 yrs out ÷ current. Ratio is currency-neutral; firms reporting both.

Q3.10 · Client work including at least one AI-assisted step

Most common: 1-20% (47.2%)



Source: EFCG 2026 Technology Leadership Survey

Where we're headed: technology is becoming a core value, not just a cost center

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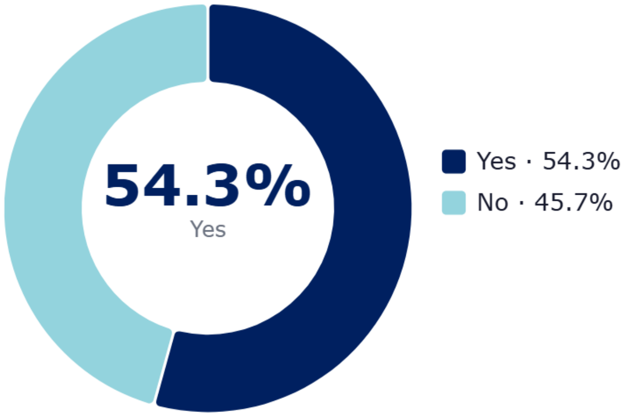
Q2.9 · Generates revenue from technology as a product/service

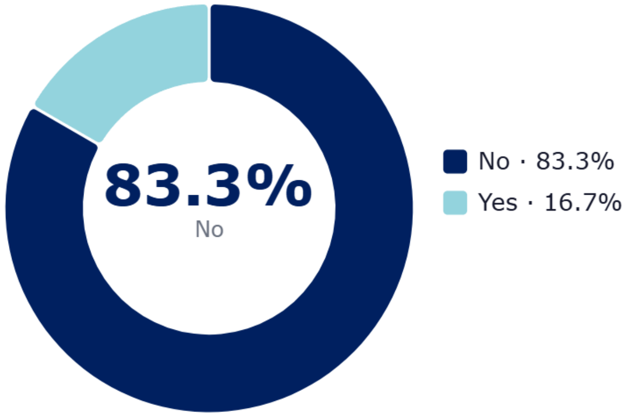
Yes: 54.3%



Source: EFCG 2026 Technology Leadership Survey

Q2.14 · Acquired a business for technology capability (past 5 yrs)

Yes: 16.7%



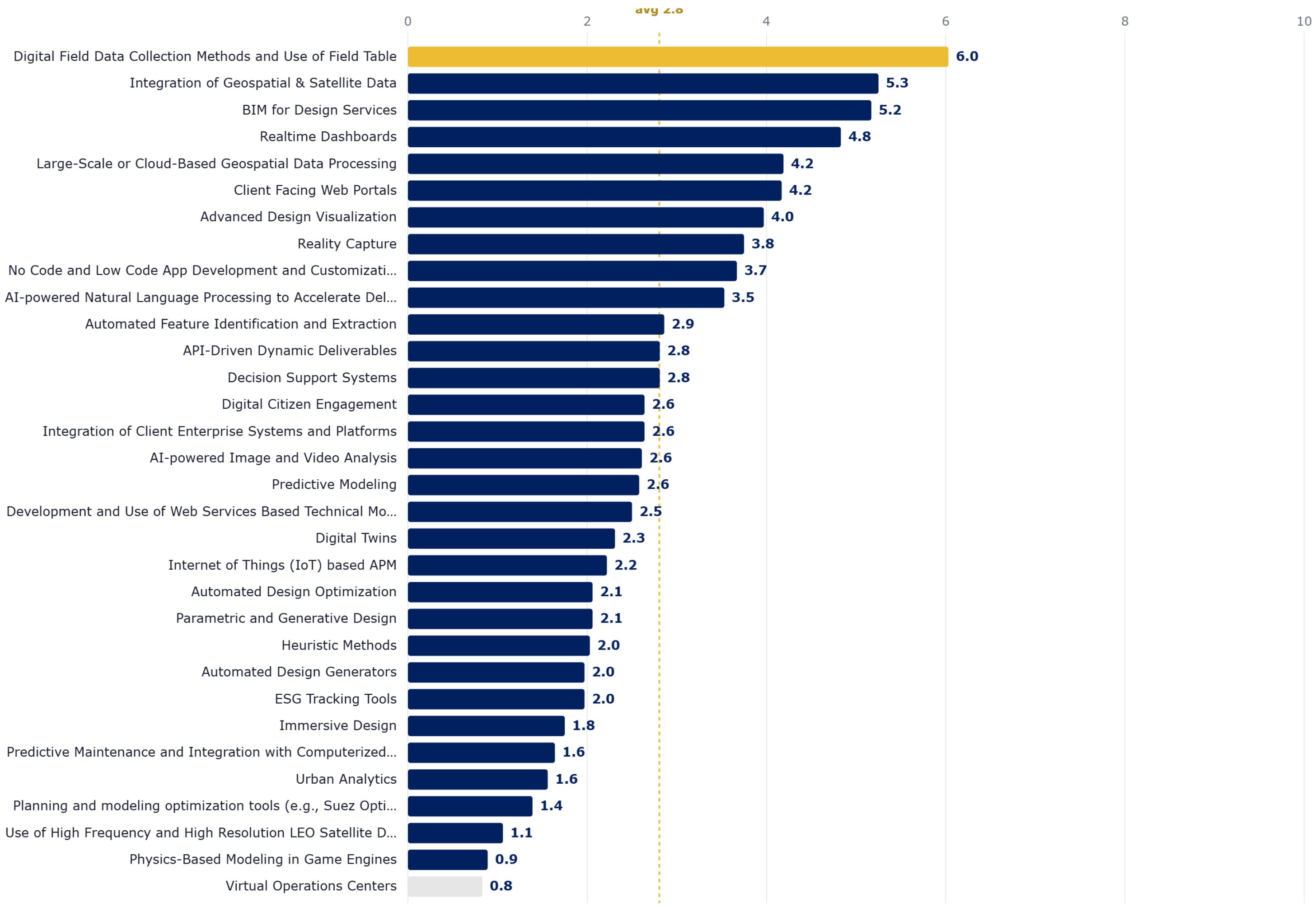
Source: EFCG 2026 Technology Leadership Survey

Source: EFCG 2026 Technology Leadership Conference Survey. All results aggregated and anonymized; financial views are currency-neutral ratios.

Today’s bets are pragmatic, not speculative
Delivery technologies lead the priority list

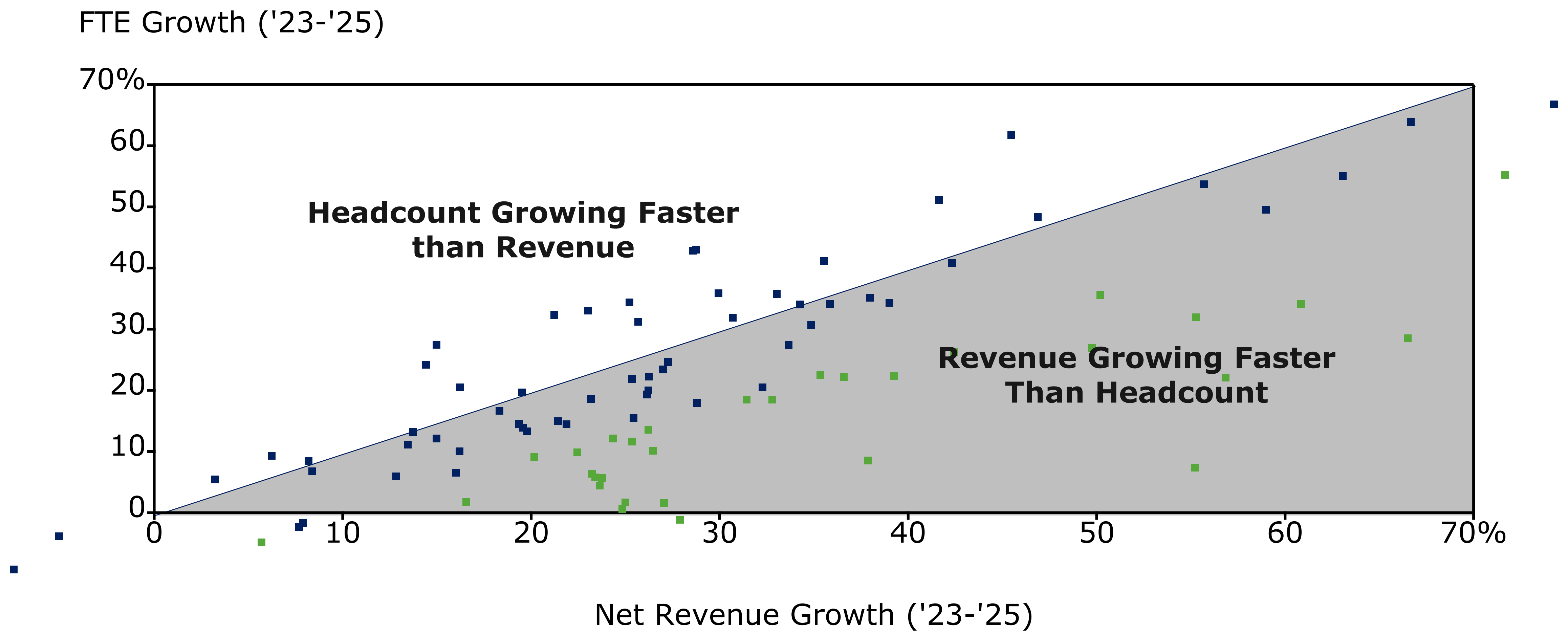
Q6.1 · Technology adoption & investment priority (0–10 self-rating)

Highest priority: Digital Field Data Collection Methods and Use of Field Table (6.03); lowest: Virtual Operations Centers (0.83)



Source: EFCG 2026 Technology Leadership Survey · Mean self-rated adoption/priority across all responding firms, ranked.

Technology represents the most significant opportunity to disconnect growth from FTEs



Source: 2025 EFCG CEO Survey Database

Key Takeaways

Ask Us Questions

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