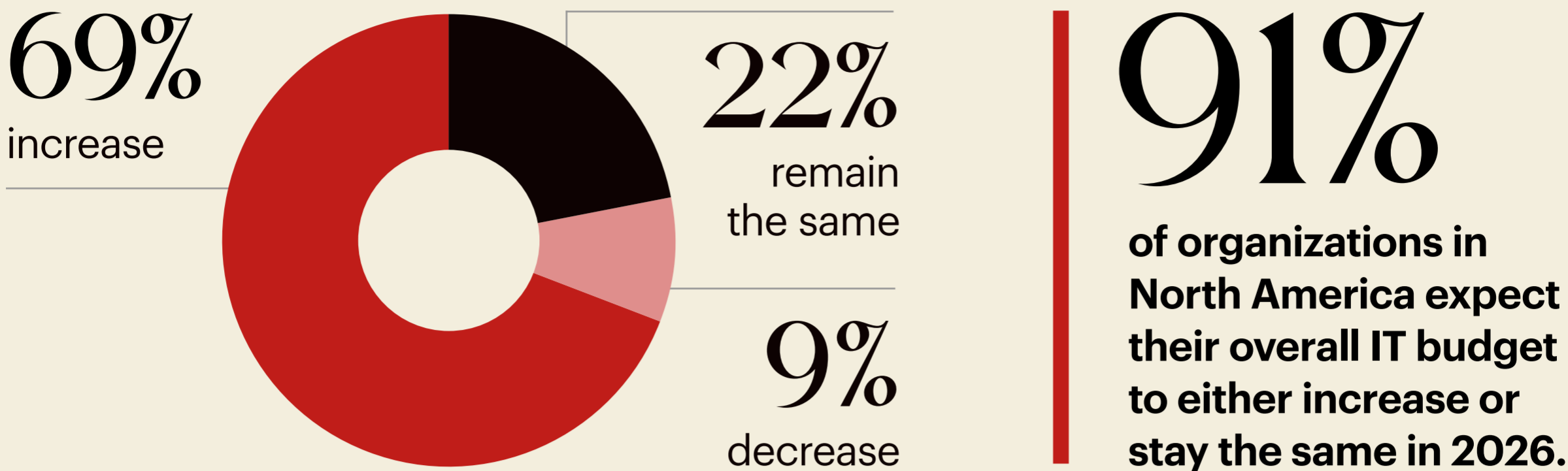


State of the CIO 2026

Technology budgets on the incline

Budget expectations



What's driving budget growth?

Additional investments in AI/ML projects and/or products services	31%
Investment in new skills/talent	27%
Application modernization	27%
Need for security improvements	25%
Keep pace with rising costs of technology and services	25%
To scale IT operations in support of business growth	24%

What's driving budget cuts?

Company finances/performance	45%
Economic instability/uncertainty	41%
Downsized or closed physical offices/facilities	27%
Reduced employee headcount	27%
Less focusing on emerging technology	14%
Tech budget is moving to a different line of business	14%

Where CIO attention is moving in 2026

Compared to last year, North American CIOs are spending...

More time on...

1. Creating a framework and organizational structure to support AI initiatives
2. Aligning IT initiatives with business goals
3. Working more closely with business leaders on potential AI initiatives

Less time on...

1. Managing IT crises
2. Negotiating with IT vendors
3. Modernizing infrastructure and applications

AI skills top the hiring list

In which tech-related areas do North American CIOs expect to hire talent over the next 6-12 months?

1. AI/Machine learning	41%
2. Cybersecurity	39%
3. Data science/analytics	30%
4. Business/IT automation	26%
5. Risk management	20%

North American business and technology initiatives in 2026



Which business initiatives are driving IT investments?

Accelerating AI-driven innovation and applications	42%
Increasing operational efficiency	34%
Improving profitability	34%
Increasing cybersecurity protections	31%
Increasing employee productivity	31%

Which technology initiatives are driving IT investments?

Agentic AI	65%
Generative AI	64%
Machine learning/AI	62%
Data/business analytics	59%
Business process/IT automation	57%

AI is reshaping the CIO agenda in North America

