FORRESTER®

2026

PREDICTIONS

Technology & Security

THE RACE TO TRUST AND VALUE

In 2026, the era of volatility continues, challenging CIOs and CISOs to lead with precision, resilience, and strategic clarity. The AI hype period is over, and the pressure to deliver real, measurable results from secure AI initiatives will intensify — while the margin for error continues to shrink. Geopolitical pressures and security risks will continue to command attention, making 2026 a year to focus on outcomes that align to business goals and build trust across the business. Tech and security leaders will be called upon to recalibrate investments under tighter financial scrutiny and governance, navigating increasingly complex geopolitical and economic risks.

For CIOs and CISOs, the race to trust and business value is on. Use these predictions to make your bold decisions and get a jump on the competition.

PREDICTION
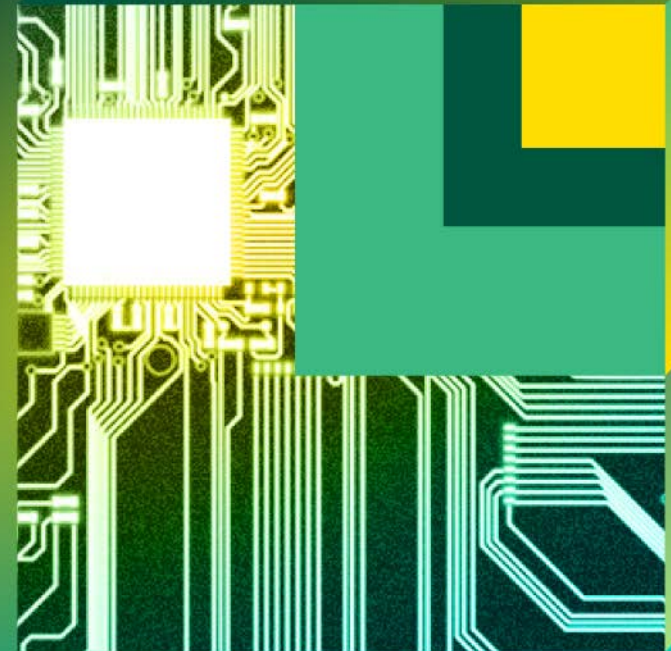# A quarter of CIOs will be asked to bail out business-led AI failures in their organization.

Agentic systems hold tremendous promise to automate mundane tasks and empower employees with AI power tools. But when agent adoption lags and accuracy errors compound, CEOs will turn to their technology chiefs to fix it. Already, 39% of AI decision-makers whose organizations have a documented AI strategy said their CIO or CTO leads AI technology strategy, and 21% lead AI business strategy. These numbers will double as firms realize that tech leaders are in a prime position to marshal the teams it will take to build successful agents. They will establish the right governance and capabilities to curate data and knowledge assets, design great user experiences, and carefully manage output quality. CEOs can't wait for a high-profile AI ethics or policy violation failure hitting the headlines to be the impetus for establishing this governance. Tech leaders must prepare now by improving their governance process, getting a handle on the valid scenarios, and assessing where their agentic grounding strategies are falling short.

PREDICTION
Enterprises will delay 25% of AI spend into 2027.

AI value is failing to land: Only 15% of AI decision-makers reported an EBITDA lift for their organization in the past 12 months, and fewer than one-third can tie the value of AI to P&L changes. The payback expectations are high — 85% of C-level AI decision-makers expect a positive return within three years to consider an investment successful. Given this, we believe that CEOs will pull more CFOs into AI deals in 2026. Finance-gated decisions will slow production deployments and decimate proofs of concept, leading enterprises to delay 25% of their planned spend into 2027. The disconnect between the inflated promises of AI vendors and the value created for enterprises will force a market correction. As demand slips, utilization will lag, cost per useful inference will remain high, and providers will chase fill rate with discounts and oversized commitments. Savvy buyers should capitalize on this supply-side frailty by manipulating the levers of AI cost while refocusing investment on top- and bottom-line impact.

PREDICTION

Neoclouds will grab $20 billion in revenue, eroding hyperscaler dominance in genAI.

Backed by NVIDIA chips and VC funding, neoclouds like CoreWeave, Lambda, Nebius, and Vultr prioritize GPU workloads over x86/ARM, offering scalable, high-performance AI infrastructure. Microsoft validated the model with multibillion-dollar commitments to CoreWeave in 2023. In 2026, enterprise adoption will surge as neoclouds expand orchestration capabilities, support open-source models, and offer sovereign AI solutions. Expect tripled growth in enterprise neocloud deployments, regional expansions across Europe and Asia, and deeper integration into enterprise AI stacks — forcing hyperscalers to rethink their agentic strategies.

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PREDICTION
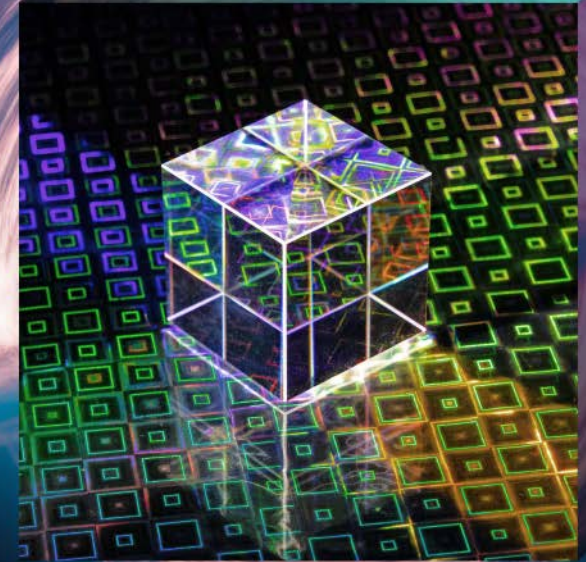# The time to fill developer positions will double.

AI will disrupt the time it takes to hire developers in four ways. First, organizations will seek to pair AI with senior developers, and some organizations will stop hiring junior developers. This will lead to increased demand for those who already have AI development experience. Second, companies will look outside their immediate talent pools for candidates with strong grasps of architecture. Those will be harder to find. Third, AI will overwhelm HR departments as many developers looking for jobs will use AI to automate the application process. HR will need to tool up in return. Finally, hiring teams, faced with added uncertainty when extending offers, will slow down and verify developer candidates more. Forrester recommends that technology leaders don't shirk hiring entry-level developer talent, look within their organizations for AI-enhanced upstarts, equip HR with AI to handle the AI application deluge, and incorporate more AI expertise within recruitment teams to find the right candidates quicker.

PREDICTION
Quantum security spending will exceed 5% of the overall IT security budget.

We estimate that commercial quantum computers will break today's asymmetric cryptography in less than 10 years — perhaps even sooner, given regular advances. Meanwhile, NIST guidance dictates that RSA and ECC support will be deprecated in 2030 and disallowed in 2035. In response, security teams will rapidly ramp up quantum security spending in several areas. First, many will retain consulting services to help plan quantum security migrations. Second, product security teams will work with their developer peers to replace outdated cryptographic libraries and components. Third, security teams will work with their risk and procurement colleagues to track vendors' and partners' quantum migration plans. Finally, teams will invest heavily in cryptographic discovery and inventory tools to prioritize migrating high-impact systems; many will pilot cryptographic agility solutions. Quantum security is no longer simply a concern for banking and critical infrastructure: All CISOs must consider similar investments in it.

ACTIVATE OUR PREDICTIONS WITHIN YOUR ORGANIZATION

Take the next steps to dig deeper into the details of our 2026 predictions as well as strategies for driving positive growth. We invite you to join us for the following:

2026 Technology & Security Predictions Webinar

AI hype is cooling. Risk exposure is rising. In 2026, technology and security leaders will be called to deliver real, defensible value. Join us Thursday, January 22, to learn how our 2026 predictions can shape your technology and security strategy for the year ahead.

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2026 Technology & Security Predictions Webinar — APAC Region

If you're in the Asia Pacific region, join our webinar on November 27, where analysts based in the region will review our technology and security predictions for 2026.

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