Platned

The age of innovation in construction and engineering

Top AI and ERP trends and predictions for 2026

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Disruption, digitisation, and diversification

At Platned, we work closely with construction and engineering organisations navigating a period of unprecedented change. Volatile markets, growing regulatory pressure, supply chain disruption, and rising project complexity are now familiar challenges across the sector.

What has accelerated more rapidly than anything else is interest in Artificial Intelligence. Over the last year, AI has moved from consumer experimentation into industrial, mission-critical environments. Like the internet and mobile technology before it, AI is now reshaping how organisations operate, plan, and compete.

Yet despite the noise and enthusiasm, many construction and engineering leaders are still asking the same fundamental questions: How should AI be applied? Where does it deliver real value? And how can it be introduced without increasing risk?

This is where a practical, industry-grounded approach matters. At Platned, we help organisations apply AI and ERP capabilities in ways that directly support control, predictability, and profitability, using IFS Cloud as the digital foundation.

Accelerating industry growth demands AI

Global investment in AI continues to rise sharply. Enterprises worldwide were expected to invest over $300 billion in AI solutions in 2025, with spending forecast to more than double by 2028.

At the same time, the construction and engineering sector is entering a new phase of growth. Market expansion is being driven by large-scale infrastructure programmes, housing demand, renewable energy investment, and data-driven industries such as data centres and utilities modernisation.

What is clear from our work with customers is this: organisations that delay AI adoption beyond 2026 risk losing ground. Not because AI is a trend, but because its application to project control, forecasting, resource optimisation, and decision-making is already delivering tangible results.

AI is proving most effective when it addresses long-standing industry challenges, including:

- Limited project control and predictability
- Fragmented enterprise-wide visibility
- Slow access to trusted, real-time data
- Skills shortages and workforce pressure
- Sustainability and compliance demands

These are not abstract technology problems. They are operational realities that Platned helps customers address by embedding AI within IFS Cloud in a controlled, value-driven way.

Early adopter success is changing mindsets

In a global study of construction and engineering leaders, Artificial Intelligence emerged as the number one technology investment priority for the coming year.

However, the sector remains cautious. Construction and engineering firms are not interested in technology for its own sake. Adoption only happens when value is clear, measurable, and aligned with operational outcomes.

This caution is justified. Many organisations report ongoing budget overruns, schedule delays, or both. What is changing now is the evidence from early adopters. Those applying AI within core project and enterprise systems are seeing measurable improvements in profitability, efficiency, and control.

From a Platned perspective, the message is consistent. AI delivers value when it is embedded into the systems that already run the business, not layered on top as a disconnected tool. This is why IFS.ai, embedded within IFS Cloud, is designed around industrial use cases rather than generic automation.

Prediction 1:

91% of organisations will invest in Industrial AI, automation, and robotics

Understanding the impact of Industrial AI starts with defining it correctly. Unlike consumer AI, Industrial AI is designed for accuracy, resilience, and mission-critical operations. It supports complex environments where decisions affect safety, margins, and long-term asset performance.

IFS.ai represents this approach. Embedded directly within IFS Cloud, it combines machine learning, automation, and intelligent workflows to improve predictability and reduce risk across construction and engineering operations.

From Platned's delivery experience, Industrial AI delivers the strongest results when applied to:

- Project financial forecasting
- Anomaly detection across cost, schedule, and performance
- Risk identification and mitigation
- Predictive insights across assets and resources

These capabilities help organisations move from reactive management to proactive control, which is essential in an industry where every project is unique.

Industrial AI use cases that deliver ROI

Industrial AI use cases must align with real operational needs. Examples we commonly deploy with customers include:

Data extraction from documents

Construction projects generate large volumes of unstructured data, from invoices to delivery notes. AI-driven data extraction reduces manual effort while improving accuracy and timeliness.

Invoice payment prediction

Cash flow is critical in project-driven businesses. AI can analyse historical behaviour to improve payment forecasting, helping finance teams manage liquidity with greater confidence.

Engineering and asset data visualisation

AI-assisted integration of 2D and 3D data into IFS Cloud provides earlier insight into asset performance, maintainability, and lifecycle cost.

Platned's role is to ensure these capabilities are implemented in a way that supports governance, transparency, and measurable return on investment.

Robotics and intelligent automation in practice

Robotics is gaining traction across construction and engineering, particularly in hazardous, repetitive, or precision-based tasks. From material handling to inspections, robotics combined with AI is improving safety, accuracy, and efficiency.

IFS is actively advancing this space through partnerships with innovators such as Boston Dynamics. When combined with IFS Cloud, robotic data can be connected directly into enterprise workflows, enabling real-time insight and faster decision-making.

From Platned's perspective, the value of robotics lies not in experimentation, but in integration. When robotic and AI-driven data feeds into core ERP, asset, and project systems, organisations gain a unified view of operations that supports safer, more efficient delivery.

Prediction 2:

71% of organisations will transform their workforce with agentic AI and digital workers

With AI investment accelerating, construction and engineering firms are also facing an equally urgent challenge: workforce capacity. In the IFS research, 71% of firms expect at least half their workforce will require retraining or reskilling in order to embrace AI. At the same time, 80% of construction firms struggle to find qualified hourly craft workers, which continues to drive higher costs and project delays.

To address this need to augment and evolve the workforce, organisations will increasingly adopt agentic AI, often described as “digital workers”. These agents operate like virtual colleagues. They do not simply automate highly repetitive tasks. They process information, make decisions, seek goals, and take action across multiple systems to deliver outcomes with minimal human intervention.

At Platned, we see that the effectiveness of agentic AI depends on how well it is contextualised into construction and engineering operations. When these capabilities are connected to the right data and governed through a platform approach, they can help teams move faster without compromising control.

Solution spotlight: digital workers

Whether you are bringing on the supplier order manager, operations analyst or material replenisher, each digital worker boosts your team's efficiency by at least 30%, freeing them to focus on outcomes, strategy, and delivering greater value.

COOs, CFOs, heads of operations or finance:

- Operations analyst: provides teams with consolidated, actionable information from multiple sources
- Reasoning analyst: supports decision-making by analysing complex scenarios and recommending next steps

Supply chain and procurement managers:

- Supplier order manager: ensures supplier orders are accurate, on time, and coordinated, reducing delays and operational risk
- Inventory replenisher: reduces stockouts and overstock by automatically monitoring and replenishing inventory
- Material replenisher: ensures critical materials are available on time, preventing production or service delays

Service management leaders:

- Field technician: optimises field work by providing actionable instructions and scheduling insights

Compliance, risk management, QA leaders:

- Quality analyst: speeds up QA processes by automatically evaluating compliance and identifying anomalies

From Platned's perspective, the practical value comes when organisations deploy these capabilities with clear ownership, strong governance, and integrated data foundations, rather than treating them as isolated experiments.

Prediction 3:

60% of IT leaders will prioritise data consolidation and analysis

As of February 2025, 33% of IT leaders across industries said their organisations will be developing data management capabilities in the next year. This includes data consolidation, governance, and cleansing work to make AI and machine learning viable.

Data foundations matter. Since they remain a barrier to AI adoption, there will be focused efforts on data initiatives to drive AI success. Construction and engineering CIOs are therefore faced with critical questions: how do we create trusted, compliant and responsible AI, and what are the best practices for integrating data from validated systems across the wider landscape?

Data is inherently complicated, but to realise the full value of Industrial AI, data must become “uncomplicated”. It must be combined from different sources, organised, and analysed by merging information into one enterprise platform to create a single, stronger whole.

Data foundations are the foundation for creating organisational trust in AI. The sector’s confidence levels reflect that relationship:

- 75% of industry leaders trust AI in strategic decisions,
- 78% in automation and operations,
- 75% in budget allocation, and 80% in sales and marketing.

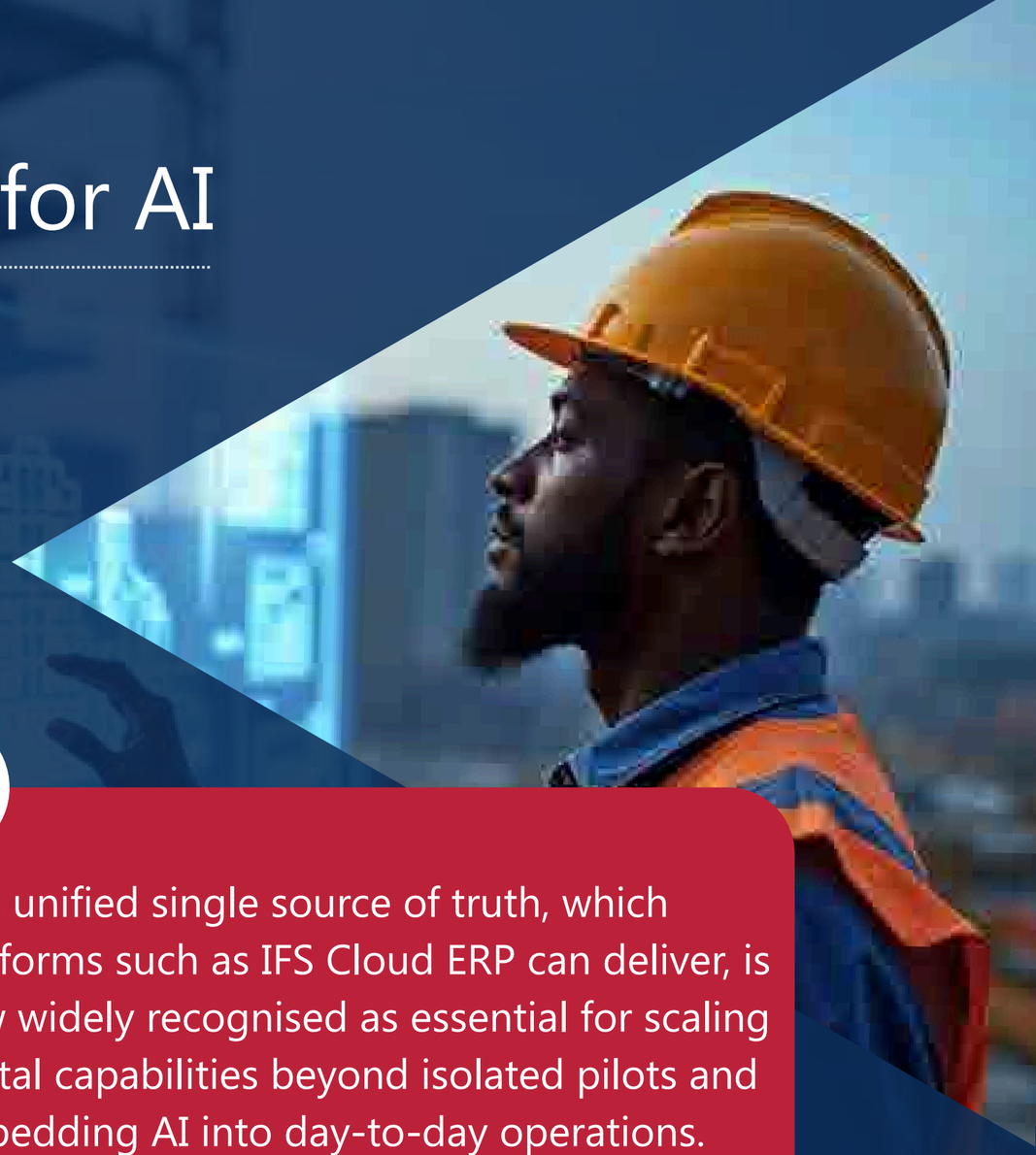
At Platned, we position this as a staged journey: build reliable data foundations first, then scale Industrial AI and agentic AI with confidence.

Industry spotlight: preparing data for AI

Construction and engineering CIOs are preparing for AI-driven innovation by treating data management as a core capability across the entire project and asset lifecycle, not as a one-off IT initiative.

Key priorities include standardising project data through common data environments, establishing ongoing data governance and quality programmes, and integrating BIM and CDE information with enterprise systems to create a single source of truth. In parallel, leaders are building digital twin-ready data foundations, improving real-time project visibility, and modernising data platforms to ensure trusted data at scale.

This work is critical because practical AI use cases depend on it. To enable predictive scheduling, procurement optimisation, cost forecasting, and carbon tracking, CIOs are connecting ERP and finance systems with project controls, supply chain platforms, and field execution tools.



This unified single source of truth, which platforms such as IFS Cloud ERP can deliver, is now widely recognised as essential for scaling digital capabilities beyond isolated pilots and embedding AI into day-to-day operations.

Prediction 4:

65% of CEOs will prioritise business diversification strategies as a pathway for future growth

In the IFS research, business diversification was the most important short-term goal. The direction of travel is clear. To add recurring revenue, boost profit margins, and increase market value, firms are pursuing a combination of organic and inorganic diversification.

Construction and engineering businesses are increasingly shifting or broadening focus beyond traditional contracts by:

- Expanding services to include field service, asset operations or maintenance, facilities management, or modular, prefab and offsite manufacturing.
- Expanding project-type mix across sectors.
- Expanding into new geographies domestically or internationally.

From Platned's perspective, diversification is not only a commercial strategy. It is a systems and operating model challenge. Organisations need platforms that can support multiple business models in one environment, while keeping common processes, visibility, and control.

Industry spotlight: M&A activity

M&A will play a key role in helping engineering and construction firms evolve their business models and seize growth opportunities. Since 2020, the average number of deals per year increased by approximately 60%.

Drivers behind this trend include large-scale infrastructure programmes and megaprojects that collectively represent more than $5 trillion in investment, alongside substantial unmet housing demand. The United Nations estimates that approximately 1.6 billion people lack adequate housing globally. In the US alone, the housing shortfall is estimated at 3.7 million units, while more than 15 percent of the eurozone population lives in overcrowded households.

Critical infrastructure investment is also accelerating to modernise utilities, support high-growth sectors, and meet the needs of ageing populations. This includes strengthening electric grids, expanding power for data centres and semiconductor facilities driven by generative AI, and scaling renewable energy to meet decarbonisation targets. Supply chain decoupling is also driving increased demand for warehousing and manufacturing capacity.

Falling interest rates in North America and Europe, following peaks of 4.0 to 5.5 percent in the US, are expected to stimulate renewed demand for housing and infrastructure investment.

Platned's role is to help organisations translate this growth into operational reality through an ERP backbone that can absorb new entities, new service lines, and new operating models without creating fragmentation.

Prediction 5:

75% of firms will commit to decarbonisation sustainability targets to meet demand for net-zero energy buildings and infrastructure

Sustainability initiatives are now influencing every stage of the construction and engineering value chain. From early design decisions through to construction, operation, and long-term asset management, environmental performance is becoming a core business requirement rather than a secondary consideration.

In response, organisations are increasingly adopting practices such as:

- Leveraging BIM models to optimise design, simulate energy usage, and reduce waste
- Constructing buildings that support water efficiency and climate resilience
- Focusing on resilient and regenerative design that supports biodiversity
- Installing IoT sensors and smart building technologies to monitor energy and water consumption
- Deep retrofitting of existing buildings to improve energy efficiency
- Using sustainable, bio-based materials such as engineered timber, recycled steel and plastics, low-carbon concrete, and bio-based insulation
- Expanding modular and prefabricated construction methods to reduce waste and improve predictability

The construction sector generates roughly one-third of all global waste. In absolute terms, this equates to approximately 2 billion tons of construction and demolition waste every year. To address this, circular construction practices are increasingly being adopted across the industry.

Industry spotlight: drive to zero carbon

Cities, governments, and asset owners are moving from sustainability ambition to execution. Entire regions are now mandating low-emission construction practices, including the use of electric and battery-powered construction machinery.

Beyond environmental responsibility, sustainability is also becoming a commercial and financial priority. Investors are placing greater emphasis on ESG alignment, and construction firms are increasingly evaluated on sustainability performance. In parallel, regulatory requirements around emissions reporting, sustainability disclosures, and building certifications continue to expand, including frameworks such as LEED, BREEAM, and CSRD.

This shift highlights how sustainability is becoming operational rather than aspirational. Construction and engineering organisations are increasingly expected to demonstrate traceability, accuracy, and control over emissions, materials, and asset lifecycle impact.

To remain competitive, organisations will need systems that provide real-time visibility into sustainability performance across projects and portfolios. When environmental data is integrated with enterprise processes, firms can respond faster to regulatory demands, secure green financing, and differentiate themselves in the market.

A leading example is Oslo, the Norwegian capital, which reported that 98% of its construction sites were free of fossil fuels last year.

Platned supports customers on this journey by helping embed sustainability into everyday operations using a connected ERP and asset management foundation, ensuring decarbonisation efforts are measurable, auditable, and repeatable.

Reinvent, do not optimise. Embrace innovation with IFS.

Disruption is the catalyst to change and the precursor to innovation. As momentum builds behind AI, digital workers, diversification, and decarbonisation, construction and engineering leaders must define a clear vision for the future of their organisations.

Incremental optimisation is no longer sufficient. Organisations need to rethink how work is delivered, how data is used, and how systems support long-term adaptability. This requires a digital foundation that can evolve without increasing risk.

Embedded Industrial AI accelerates the value of modern ERP by connecting intelligence directly to operational workflows. When AI is applied within core project, asset, and financial processes, organisations can move faster while maintaining control and predictability.

Most AI investment to date has focused on office-based roles. However, the greatest opportunity lies in industrial operations, where the majority of the workforce operates and where the most mission-critical decisions are made.

> Most AI effort to date has gone to the 30% of workers behind a desk. The real ROI is in the 70% out in industrial operations, that's why Industrial AI is the big opportunity ahead of us.
>
> – Jay Crotts, ex-CIO Shell

Rather than piloting AI in isolation, organisations that succeed will be those that embed intelligence into a connected ERP foundation. As an IFS partner, Platned helps construction and engineering organisations adopt IFS Cloud as that foundation, applying Industrial AI in a controlled, value-driven way that supports both immediate outcomes and long-term transformation.

About Platned

Platned is a global IFS Gold Services Partner, helping organisations get the most from IFS Cloud™ across industries including manufacturing, construction, energy, utilities, service, and more. With offices across the UK, US, Sri Lanka, and the Nordics, we combine deep technical expertise with industry knowledge to deliver successful transformations.

Our portfolio goes beyond implementation – we provide ongoing optimisation, managed services, and specialist tools such as Mahara for automated testing, ParsaAI for finance automation, Platned Gateway for proactive support, Boomi for integration, and Power BI for data insights.

We are trusted by leading organisations worldwide to deliver solutions that improve resilience, increase profitability, and support sustainable growth.

Find out more about how Platned can help your business today: platned.com

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