

The AI Race is on: How Construction & Engineering firms will play digital catch-up in 2026



Today, Construction and Engineering is a \$15 Trillion Industry

By 2030, Construction and Engineering will be a \$20 Trillion Industry



How do **Construction and Engineering** firms grow along with projected industry growth? By overcoming **disruption**, embracing **diversification**, prioritizing **digital transformation**—and most importantly—going **'full throttle'** on **AI adoption**.

As of 2024, **63%** of companies were planning ERP upgrades to lay the groundwork for enterprise-wide AI deployments. But momentum is building: **91%** of Construction and Engineering firms expect to increase AI investment in 2026, reflecting a clear commitment to winning the AI race.

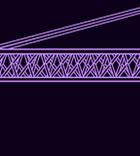
Key Insights



91% of Construction & Engineering firms will **INCREASE AI investment** in 2026



64% projected to become AI-First within 12 months (2nd highest across ALL industries)



89% AI early adopters in the sector already report profitability gains from AI

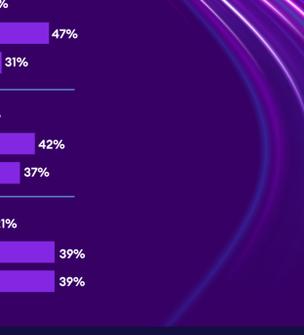
Where AI is Making the Biggest Impact across the Industry:



- 62%** ▶ Project delivery
- 59%** ▶ Business intelligence
- 55%** ▶ Business development
- 53%** ▶ Computing capabilities
- 52%** ▶ R&D

The Paradox:

The Construction & Engineering sector sits at **mid-range** in AI maturity as compared to other industries ... yet in **2026**, it will **springboard forward**.



AI early adopters are achieving remarkable business improvements—and thus setting the pace for innovation.

89% of these firms report profitability gains and outperform the cross-sector average in:

- 44%** ▶ Operational efficiency
- 42%** ▶ Supply cost reduction
- 37%** ▶ Client targeting
- 36%** ▶ Pricing efficiency
- 36%** ▶ Lowering project expenditure



But there's a workforce challenge:

71% expect to **lose half** their workforce will require **retraining** or **reskilling** to keep pace.

81% of **construction & engineering** leaders say they're most worried about **AI's impact on traditional jobs**—the **HIGHEST** concern across all industries surveyed.

Yet here's the reality check:

35% disagree that lack of employee knowledge will limit adoption (highest across sectors)

This tells us something important: Construction and Engineering workers are more confident and capable than leaders may realize. The workforce is ready—but they need the most modern tools and innovative solutions. The firms that win will be those who invest in technology such as Industrial and Agentic AI to augment workers.

Where, why, how to apply AI to Construction & Engineering Operations



Key steps for CIOs and IT leaders to prepare for digital transformation.



91% of C&E companies are investing in industrial AI, automation, and robotics. This isn't gradual change—it's wholesale transformation. From optimizing project scheduling to predicting equipment failures, AI is solving the industry's most pressing challenges.

71% of businesses will integrate "agentic AI" into their workforce by the end of 2024. These aren't simple automation tools—they're AI agents that learn, adapt, and make decisions independently. They'll manage procurement, coordinate schedules, review compliance, and optimize designs alongside human teams.

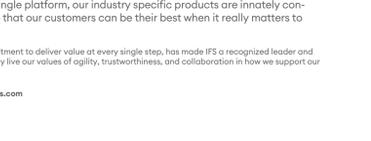


60%+ of IT leaders are launching major data consolidation projects. BIM models, IoT sensors, project management systems—all this data currently exists in silos. 2026 is the year we break them down and unlock real-time, intelligent decision-making.

The Construction & Engineering sector is ready to race.

The firms that lead in 2026 are those embracing transformation TODAY—investing in technology, reimagining workforce capabilities, consolidating data, diversifying business models, and committing to sustainability. Those who hesitate risk being left behind.

Join the ranks of innovative firms setting the pace for transformation



Discover all five top predictions for the future of Construction & Engineering in 2026.

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