



2026 REPORT

The Impact of AI on Professional Services

Benchmarking adoption,
value and business impact.

A word from Teamwork.com

Two numbers in SPI Research's 2026 Impact of AI on Professional Services study stayed with me. **84.8% of services firms say AI is saving them time, while only 29.9% say it is generating revenue.** That gap runs through this year's research. AI now touches 43.6% of projects, nearly double a year ago, and firms using AI on most of their projects deliver far more of them on time.

For most firms, the profit hasn't followed. The report calls this the Leak. Utilization is flat, and the firms reporting the biggest time savings from AI are further from their revenue targets than firms that saw no change at all.

My read is that very few firms are choosing to hand the gain back to clients. It drains away on its own. On hourly work, fewer hours means a smaller invoice. On retainers and fixed fees, the saved hours get absorbed into unbilled extras. The rest turn into bench time nobody resells, which is exactly what flat utilization looks like.

Saved hours become a choice the moment you can see them. Hold the fee and keep the margin. Price sharper and win work competitors can't touch. Or put the freed capacity onto new clients and grow without hiring.

Every one of those choices starts with knowing what a deliverable costs you to produce. That is where the research finds AI helping least: demand planning and rate analysis sit at the bottom of the table because they depend on clean operational data and integrated systems. The report concludes that the next wave of value comes when AI can use the data in PSA, CRM and financial systems.

The firms that do capture the profit have built the foundations first: ready data, a way to measure what AI delivers, trained people and agents doing real work. SPI Research calls this the Readiness Premium. One firm in five already has agents running multi-step processes across its systems, and firms running complex agents or an AI-first model report EBITDA of 20.5%, against 13.3% for firms using AI only as a chat assistant, or not at all. That isn't proof agents cause the profit, but it shows where the leaders are heading.

I believe AI is becoming a resource to be planned, costed and supervised like the people on your team. When the cost of delivery is one number, whether a person or an agent did the job, leaders can answer the question that matters: who did this work, what did it cost, and was it any good? That is why we're building delivery agents at Teamwork.com that are as visible as your people.

As you read, ask yourself three questions. Do you know what AI is saving you, hour by hour? Do you know where that time goes? And would you know if margin on a project started to slip while the work was still running?

Teamwork.com is proud to support this research, and I'd be glad to talk it through with you.

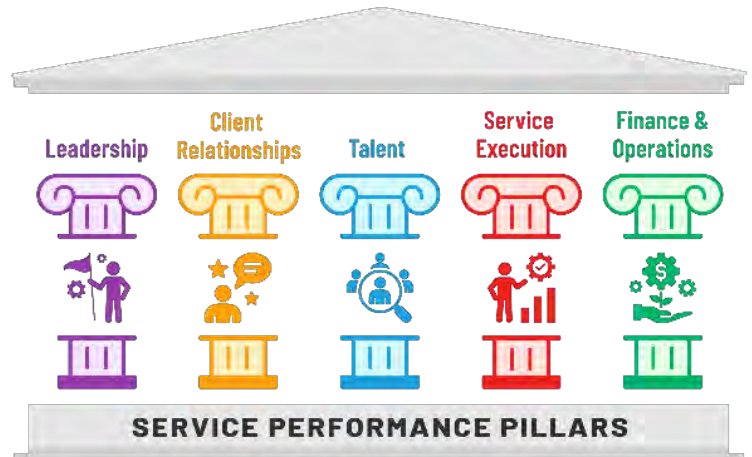
Mossy O'Mahony
Chief Revenue Officer, Teamwork.com

Service Performance Insight

Service Performance Insight, LLC (SPI Research) is a global research, consulting and training organization dedicated to helping professional services organizations (PSOs) achieve quantum improvements in productivity and profitability. In 2007, SPI developed the PS Maturity Model™ as a strategic planning and management framework. It is now the industry-leading performance improvement tool that over 50,000 service- and project-oriented organizations use to chart their course to service excellence.

The core tenet of the PS Maturity Model™ is that PSOs achieve success through the optimization of five Service Performance Pillars™:

- ◆ **Leadership**
- ◆ **Client Relationships**
- ◆ **Talent**
- ◆ **Service Execution**
- ◆ **Finance & Operations**



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FOREWORD – THE BACKDROP OF AI IN PROFESSIONAL SERVICES

In the past three years since SPI began tracking AI's use in professional services, it has gone from a curiosity most PS leaders tried on a weekend to being used in 43.6% of their firm's projects in 2026. Half of all PS firms now sell it, and one in five say AI agents now run multi-step processes across their systems. For PS leaders, the question is no longer whether to use AI but how far to let it run and how to prove it pays.

As with every SPI benchmark, the purpose is to replace opinions with data: how many firms use AI, where they use it, what it returns and how it relates to the KPIs that run a PS business. This year the results are organized around one story: the Delivery Dividend, the Readiness Premium and the Leak. Along the way, we compare High-Performance PSOs (HPOs) with the rest and independent professional services organizations (PSOs) with embedded service organizations (ESOs), and we use SPI's five Service Performance Pillars™ to show where in the firm AI is helping.

The findings show an industry that is rapidly experimenting but progressing unevenly. **AI is now present in more than two in five projects, yet its impact varies widely depending on data quality, process discipline and workforce capability.** Early gains appear in time savings and delivery, with on-time performance highest for the firms furthest along on each of the main measures of AI use, while margin and profit remain harder to unlock. A clear performance divide is also emerging between firms that have built the operational foundations for AI-enabled work and those still addressing skills gaps, inconsistent processes and fragmented systems.

This report gives leaders a practical lens on AI's role in professional services today. It helps firms distinguish early signals from noise, understand where AI is already supporting productivity and client outcomes and identify the conditions required for AI to strengthen performance at scale. As with all SPI benchmarks, the emphasis is on comparable evidence that helps each firm see where it stands and what AI can and cannot solve today.

***“AI will not eliminate Professional Services,
but AI-enabled firms will outperform and eventually leave behind those that don't evolve.”***

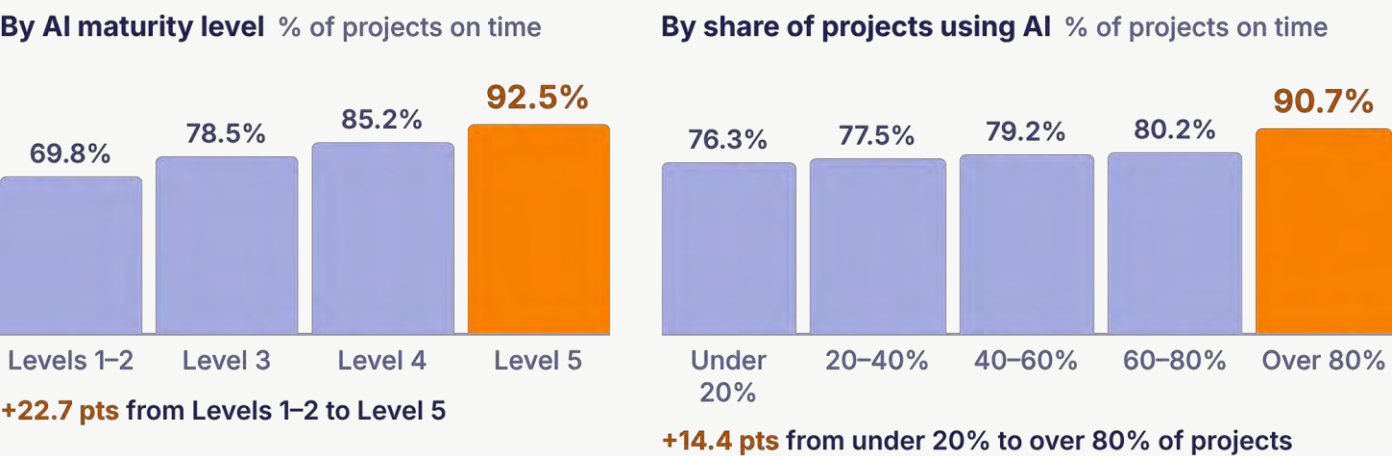
CHAPTER 1 – EXECUTIVE SUMMARY

The Delivery Dividend and the Readiness Premium

Why AI’s use in professional services now pays every firm in delivery, but profit only goes to the firms that have built the right foundations

Last year, AI paid off in EBITDA gains. This year, it pays off in delivery. Firms using AI on nearly every project **deliver 90.7% of projects on time, compared with 76.3%** for firms using it on fewer than 20% of projects. SPI calls this the Delivery Dividend, and it is open to every firm. On-time delivery climbs at every step of the SPI AI Maturity Model™, from 69.8% at Levels 1 and 2 to 92.5% at Level 5, and it is not just larger firms pulling ahead.

Figure 1: On-Time Delivery by AI Maturity Level and by Share of Projects Using AI



Source: SPI Research, October 2026. Levels 1 and 2 are combined because few firms are at Level 1.

Profit is different. It goes only to firms that have built the right foundations: ready data, a scorecard for AI outcomes, trained people and agents doing real work. SPI calls this the Readiness Premium. Firms running complex agents or an AI-first model **earn EBITDA of 20.5%, compared with 13.3%** at the chat stage or with no formal AI use. At Level 5 of the SPI AI Maturity Model™, a small group reaches 28.3% EBITDA.

For everyone else, part of the dividend leaks away. Firms say AI saves them time, but **the savings are not yet showing up in utilization or revenue**. Where firms bill by the hour, they must resell or reprice every hour AI saves, or the client keeps the gain.

THE STORY OF THIS REPORT

PART I

The Delivery Dividend

More AI use means more projects on time

90.7% vs. 76.3%

of projects on time at firms using AI on more than 80% of their projects vs. fewer than 20%

PART II

The Readiness Premium

Profit goes to firms that go further with AI, on ready foundations

Ready data · A scorecard
Trained people · Agents at work

28.3% vs. 14.7–16.7%

EBITDA at the top level of the SPI AI Maturity Model™ (Level 5) vs. the levels below

PART III

The Leak

AI saves time, but few firms turn it into revenue

84.8% vs. 29.9%

of firms say AI saves them time vs. say it generates revenue

Where firms bill by the hour, every hour AI saves has to be resold or repriced, or the client keeps the gain.

Source: SPI Research, October 2026

Key Findings

AI is now used on 43.6% of projects, up from 23.1% in 2025, and one pattern runs through the results: using AI pays in delivery, and using it more deeply, on solid foundations, pays in profit. Neither shows up in utilization yet: 84.8% of firms say AI saves them time, but only 29.9% say it generates revenue, which suggests the hours AI saves are not being sold again.

Figure 2: Where AI Moved the Needle in 2026

Each column compares a different pair of firm groups, so values do not carry from one column to the next.

	How widely firms use AI Firms using AI on under 20% vs. over 80% of projects	How advanced their AI use is Chat or no formal AI vs. complex agents or AI-first
THE DIVIDEND		
On-time delivery	Up 14.4 pts 76.3% → 90.7% of projects	Up 7.7 pts 77.2% → 84.9% of projects
Revenue per PS employee	Up 34% \$155k → \$207k	Trending up 20% \$162k → \$195k
Day rate	Trending up 28% \$990 → \$1,268	Up 42% \$962 → \$1,364
THE PREMIUM		
Project margin	No clear trend 32.7% to 43.8%, up and down	Trending up 4.1 pts 35.1% → 39.2%
EBITDA	No clear trend 15.6% → 18.7%, mostly top band	Up 7.2 pts 13.3% → 20.5%
THE LEAK		
Utilization	Flat 66.6% to 68.9% across bands	Flat 65.2% to 70.3%, no steady rise

Also higher on-time delivery: with higher AI maturity levels, 4+ governance controls and AI-improved training.

Also higher EBITDA: with AI-improved training (22.0% vs. 15.3%) or demand planning (27.6% vs. 15.2%).

Up: a clear, reliable gain. Trending up: higher, with a smaller or less steady gap.

Source: SPI Research, October 2026 (Tables 8 and 12; Chapters 4 and 5)

Top 5 Takeaways for PS Leaders

1. **DIVIDEND: Move up the SPI AI Maturity Model™.** Chat assistants are a start, not a destination. On-time delivery climbs from 69.8% at Levels 1 and 2 of the SPI AI Maturity Model™ to 85.2% at Level 4 and 92.5% at Level 5.
2. **PREMIUM: Fix the data before scaling agents.** Firms with highly ready data report project margins of 43.6% vs. 35.2% for firms whose data is not ready or fragmented and deliver 85.3% of projects on time vs. 71.8%. For a \$20mm PS organization, that margin gap is worth about \$1.7mm in gross profit.
3. **PREMIUM: Measure what AI is doing.** Firms that formally track three or more AI outcomes report EBITDA of 18.7% vs. 14.0% for firms that track none, and earn more than twice the share of revenue from AI (33.0% vs. 15.7%).
4. **PREMIUM: Take AI to the talent and back-office functions.** Talent acquisition, demand planning and rate analysis all score below 2.0. These are the next places where AI can move utilization and margin, and the firms already getting the most help from AI in training and demand planning report EBITDA 7 to 12 points higher than the rest.
5. **LEAK: Reprice or resell the hours AI saves.** 84.8% of firms say AI saves them time, but only 29.9% say it generates revenue. For a 100-person PS organization, every 10% of time-and-materials effort AI removes puts about \$1.9mm of revenue at stake unless the work is repriced or the hours are sold again. **Selling AI is not a strategy on its own.** Firms selling AI services report almost the same EBITDA as those that do not (17.3% vs. 16.6%) and deliver about the same share of projects on time (79.6% vs. 81.4%).

HOW THIS REPORT IS ORGANIZED

Part I – The Delivery Dividend (Chapters 2–3): what every firm gets from AI.

Part II – The Readiness Premium (Chapters 4–5): what only firms with the right foundations earn, and what those foundations are.

Part III – The Leak (Chapter 6): why most firms miss the premium. Chapter 7 turns the story into recommendations and closes with the outlook for the next three years.

Part IV (Chapter 8) holds the reference results, and a companion data supplement holds every table in full.



Part I – The Delivery Dividend

AI is now part of the job, and it makes delivery better at every step.

IN THIS PART

- Chapter 2 – AI Is Now Part of the Job
- Chapter 3 – The Dividend Shows Up in Delivery

PART I The Delivery Dividend What every firm gets	PART II The Readiness Premium What firms with the right foundations earn	PART III The Leak Why most firms miss it	PART IV Reference Results in detail
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CHAPTER 2 – AI IS NOW PART OF THE JOB

Bottom line: AI use nearly doubled in a year, from 23.1% of projects in 2025 to 43.6%, which puts the Delivery Dividend within reach of every firm.

CHAPTER 2 SCORECARD • 2026 VS. 2025

WHAT MOVED THE NEEDLE

Projects using AI: 43.6% vs. 23.1%
AI-related share of PS revenue: 24.1% vs. 13.6%
Client-facing agentic AI offerings: 42.6% vs. 28.1%

MOVED LITTLE

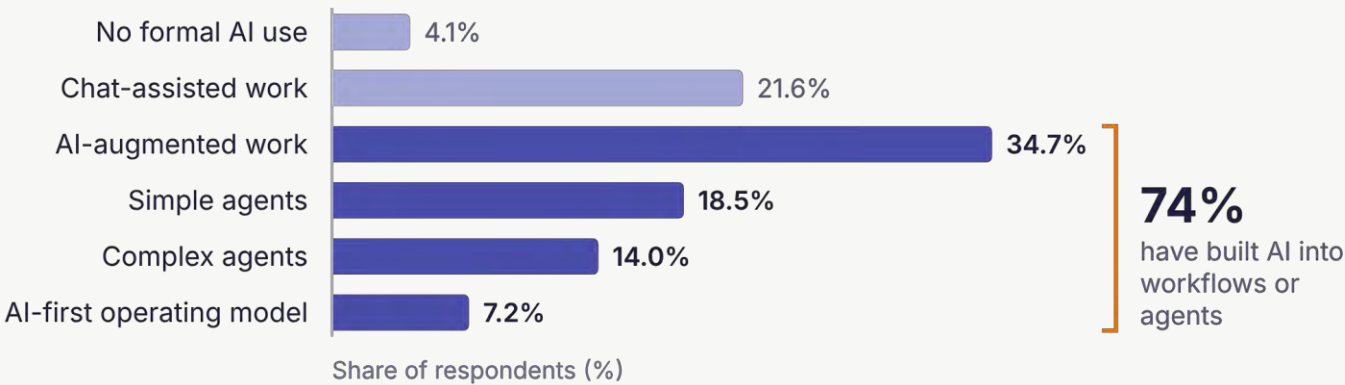
Operating KPIs: up 11% or less
Billable utilization: 67.8% vs. 65.7%
EBITDA: 16.5% vs. 15.0%

AI Is Now in the Work

- ◆ Fewer than 5% of PS firms make no formal use of AI.
- ◆ The largest group of firms (34.7%) now use AI to augment defined workflows.
- ◆ The six stages of the AI adoption ladder are defined in Appendix C: Methodology.

Figure 3 shows where firms sit on a six-step AI adoption ladder, a new question this year. Only 4.1% report no formal AI use and 21.6% are still at the chat-assisted stage, where employees use chatbots and copilots for ad hoc help. The largest group (34.7%) has built AI into defined workflows with a human reviewing every output, and 39.6% already run task-specific or multi-step AI agents.

Figure 3: Stage of AI Adoption



Source: SPI Research, October 2026

The year-over-year gains are large:

- 43.6% of projects use AI, up from 23.1% in 2025
- 51.3% of firms sell AI services, up from 40.4%
- 49.0% have an established AI practice, up from 38.9%
- 24.1% of PS revenue comes from AI-related initiatives, up from 13.6%

Three years of data show firms built skills first and sold later. Between 2024 and 2025, the share of projects using AI rose from 18.7% to 23.1% and employee proficiency from 30.1% to 39.9%, but the share of firms selling AI services held flat (40.8% vs. 40.4%). In 2026, use accelerated and selling began to follow (Figure 4).

Size changes how firms get there. Firms with fewer than 10 employees use AI on 51.3% of their projects vs. 38.0% for firms with more than 700 (Table 3). The largest firms put AI into what they sell instead. 76.9% of them offer a client-facing agentic AI product or service, compared with 30.0% of the smallest firms.

The Year in Review: AI Moved from Chat to Workflow

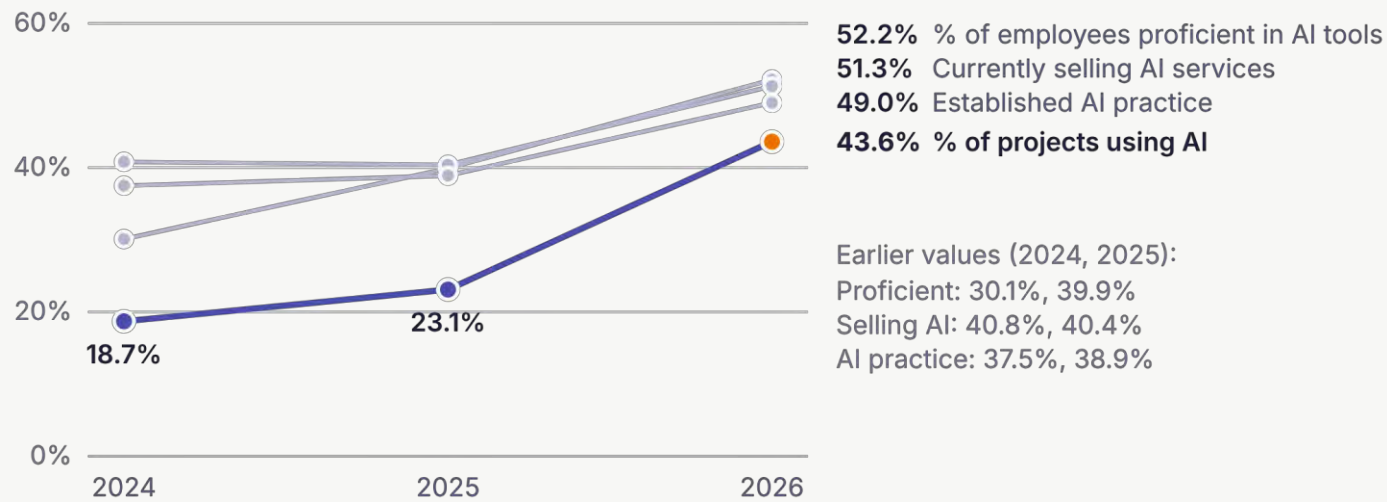
The biggest change in 2026 is where AI sits. A year ago, it was mostly a personal productivity tool. Now 34.7% of firms have built it into defined workflows and another 39.6% use AI agents for at least some tasks. The share of firms reporting higher productivity rose from 71.5% to 86.6%.

Operating results edged up too: billable utilization is 67.8% vs. 65.7%, and EBITDA is 16.5% vs. 15.0%. This year’s participants are smaller firms (376 employees on average vs. 480 in 2025), so SPI Research reads the KPI changes with caution.

2024 to 2026: Skills First, Then a Surge

Figure 4 adds the 2024 study for the four adoption measures asked in all three years, and Table 1 does the same for four opinion scores. The 2024 survey asked about Gen AI and about creating a new AI practice, so the 2024 points are close matches rather than exact ones.

Figure 4: AI Adoption, 2024 to 2026



Source: SPI Research, October 2026

AI use rose every year, while selling AI stalled in 2025 and began to follow in 2026. Figure 4 shows the share of projects using AI rose from 18.7% to 23.1% between 2024 and 2025, a real increase on a like-for-like basis, so use of AI kept growing through 2025. The commercial side stalled. Firms selling AI services held flat (40.8% vs. 40.4%) and AI practices barely moved (37.5% vs. 38.9%). Table 1 shows AI’s impact on productivity stayed at 3.75 to 3.78 and leadership support dipped from 4.26 to 4.04. In 2026 use accelerated and both scores rose. Projects using AI nearly doubled to 43.6%, productivity rose to 4.01 and leadership support rose to 4.41, above

its 2024 level. The 2026 jump is clearest for leadership support and nearly as clear for projects using AI. Firms selling AI services (51.3%) and AI practices (49.0%) rose too, but those gains could still be chance.

Table 1: Three-Year AI Opinion Scores, 2024 to 2026 (1-5 Scale)

Key Performance Indicator (KPI)	2024	2025	2026	▲ 2024 to 2026
Leadership support in adopting and integrating AI (1-5)	4.26	4.04	4.41	4%
AI impact on productivity and efficiency (1-5)	3.75	3.78	4.01	7%
AI has enhanced our ability to deliver services (1-5)*	3.52	3.77	3.96	13%
Level of concern about AI security (1-5)	3.56	3.43	3.32	-7%

Source: SPI Research, October 2026. ▲ is the relative change from 2024 to 2026. The 2024 survey asked about generative AI; 2025 and 2026 asked about AI. *In 2024 this question was rated from not at all to very much rather than on an agreement scale.

Two measures climbed at the same pace every year. Employee proficiency rose from 30.1% to 39.9% to 52.2%, about 10 to 12 points a year, and AI’s contribution to service delivery rose from 3.52 to 3.77 to 3.96. Concern about AI security fell a little each year, from 3.56 to 3.43 to 3.32. SPI Research’s reading is that firms spent 2025 building skills and in 2026 put those skills to work across more of their projects and their service catalog. If proficiency keeps its pace, nearly two-thirds of PS employees will be proficient in AI tools in 2027.

Leaders Are Moving to AI

Leadership decides whether AI becomes part of how the firm runs or another stalled initiative. The 2026 results show leaders are leaning in. Table 2 shows leadership support rose from 4.04 to 4.41 and the share of projects using AI climbed from 23.1% to 43.6%. PSOs use AI on more of their projects than ESOs (47.6% vs. 33.8%). 29.8% of firms use AI on more than 60% of their projects.

Leadership support and AI use rose together. Return expectations improved with use. Firms estimate a 12-month ROI of 14.5%, up from 9.5%, and 31.6% expect a return above 20%. The expected time to a positive ROI fell from 18.5 to 10.3 months and 63.0% expect a positive return within a year. Another 9.1% are unsure. The use of company-wide AI assistant tooling rose from 3.29 to 3.67, with 67.1% of firms agreeing they have it in place or are implementing it.

Table 2: PS Leadership Movement to AI

Key Performance Indicator (KPI)	2025	2026	ESO	PSO	Amer.	EMEA	APac
LEADERSHIP AND AI USE							
Leadership support in adopting and integrating AI (1-5)	4.04	4.41	4.44	4.41	4.44	4.40	4.25
% of projects currently utilizing AI	23.1%	43.6%	33.8%	47.6%	41.3%	47.7%	48.9%
AI impact on productivity and efficiency (1-5)	3.78	4.01	3.95	4.04	4.04	3.94	4.00
Estimated ROI from AI in first 12 months	9.5%	14.5%	13.0%	15.2%	13.7%	16.1%	16.3%
Expected months to a positive ROI from AI	18.5	10.3	11.5	9.8	10.9	9.2	8.7
Using or implementing company-wide AI assistant tooling (1-5)	3.29	3.67	3.76	3.64	3.66	3.79	3.45
CONTEXT							
Stage of AI adoption (1-6)	new	3.38	3.38	3.38	3.36	3.59	3.00
Data readiness for reliable AI use (1-5)	new	3.35	3.39	3.34	3.45	3.13	3.25
Level of concern about AI security (1-5)	3.43	3.32	3.27	3.34	3.41	3.17	3.10

Source: SPI Research, October 2026

Support Is Turning into Strategy, Focused on Delivery

Figure 5 shows **88.9% of firms report supportive or very supportive leadership**, up from 75.0% in 2025. The average score rose from 4.04 to 4.41 and only 3.2% described their leadership as unsupportive or very unsupportive. AI initiatives are rarely blocked at the top.

Figure 5: PS Leadership Support in Adopting and Integrating AI

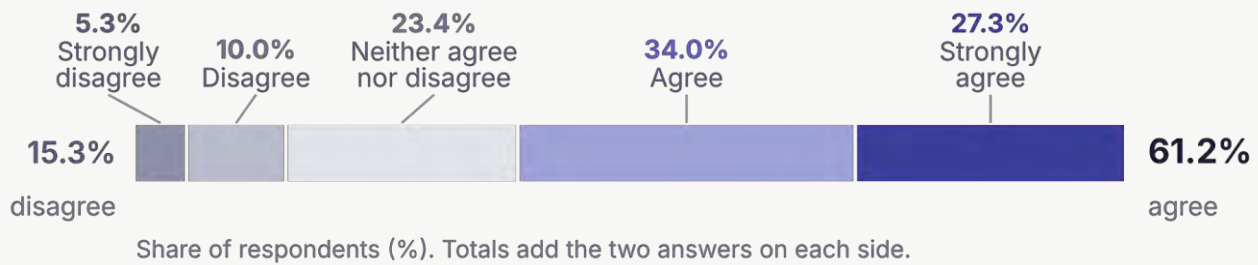


Share of respondents (%). Totals add the two answers on each side.

Source: SPI Research, October 2026

Nine in ten firms now have supportive leadership. Support is also turning into strategy. In Figure 6, 61.2% of firms agree or strongly agree that AI forms a significant part of their current product and service strategy and only 15.3% disagree. The average score rose from 3.20 in 2025 to 3.68.

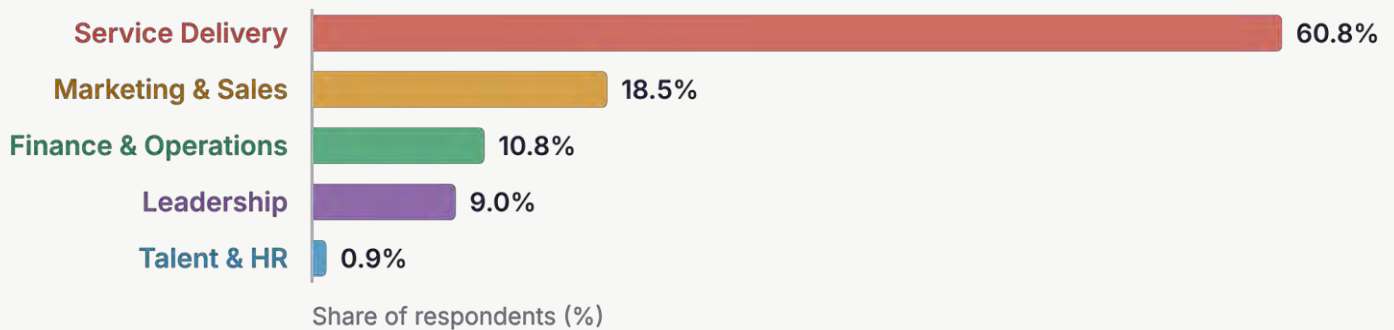
Figure 6: AI is a Significant Part of our Current Product and Service Strategy



Source: SPI Research, October 2026

Six in ten firms say AI is now a significant part of their strategy. Leaders have moved their bets from the front of the funnel to delivery. Figure 7 shows 60.8% expect service delivery to see the most impact from AI, up from 50.0% in 2025, while marketing and sales fell from 32.6% to 18.5%. **Leadership** nearly doubled to 9.0% (from 4.6%). Only two firms picked **Talent & HR**, which matches the low impact scores for the talent function later in this report.

Figure 7: Area of the PSO Expected to See the Most Impact from AI



Source: SPI Research, October 2026

Two Routes: Small Firms Change the Work, Large Firms Change the Offer

Table 3 shows results by PS organization size. Larger firms grew faster. PS organizations with more than 700 employees grew 11.7%, while firms with fewer than 30 employees grew 5% or less.

Table 3: Key Demographics and AI Adoption by Organization Size (employees)

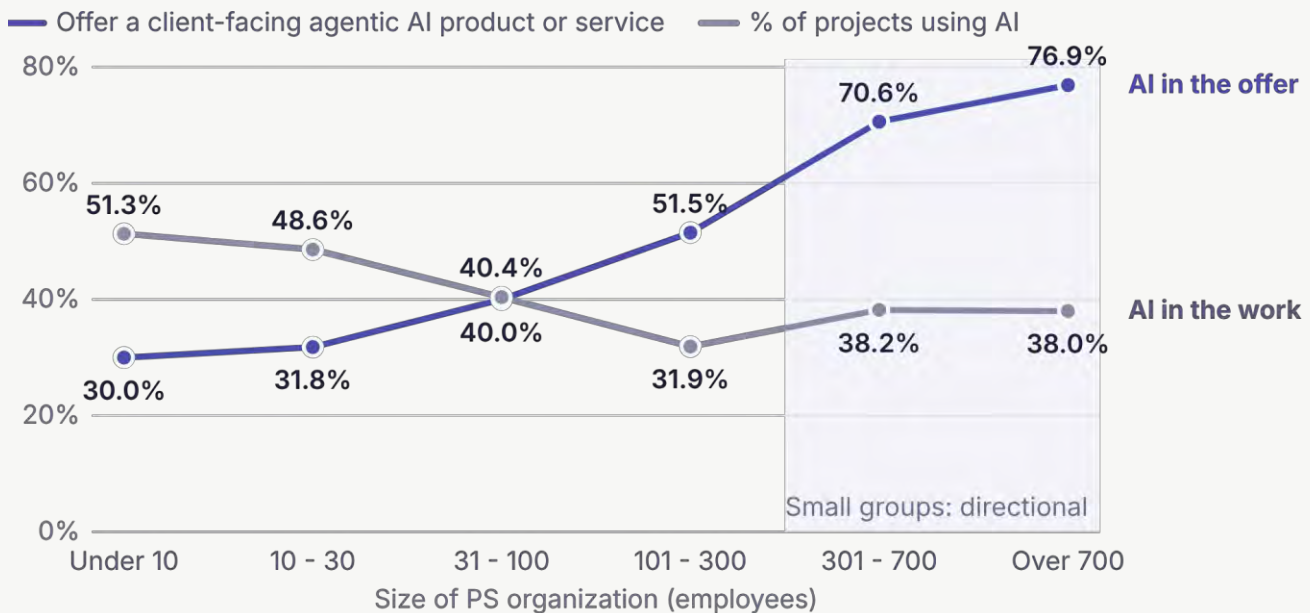
	2026	Under 10	10 - 30	31 - 100	101 - 300	301 - 700	Over 700
Surveys	245	67	48	55	38	17	20
AI IN THE WORK: THE SMALLEST FIRMS LEAD							
% of projects currently utilizing AI	43.6%	51.3%	48.6%	40.4%	31.9%	38.2%	38.0%
% of employees proficient in using AI tools	52.2%	62.1%	57.5%	45.8%	44.8%	43.8%	47.1%
% of PS revenue from AI-related initiatives	24.1%	35.0%	26.0%	18.4%	14.4%	21.4%	17.7%



	2026	Under 10	10 - 30	31 - 100	101 - 300	301 - 700	Over 700
AI IN THE OFFER: LARGER FIRMS LEAD							
Currently selling AI services	51.3%	39.8%	43.9%	52.2%	66.1%	75.0%	57.7%
Client-facing Agentic AI product or service offering	42.6%	30.0%	31.8%	40.0%	51.5%	70.6%	76.9%
Established AI practice	49.0%	40.2%	35.2%	59.2%	40.3%	68.8%	89.3%
AI governance controls in place (of 6)	3.4	2.7	3.3	3.5	3.8	3.9	4.5
FIRM PROFILE							
Size of PS organization (employees)	376	5	20	65	200	500	3,560
Total company revenue (USD mm)	\$132.5	\$2.9	\$12.2	\$80.9	\$252.9	\$346.9	\$618.4
Total professional services revenue (USD mm)	\$53.3	\$2.6	\$4.8	\$30.6	\$50.1	\$74.6	\$398.4
Year-over-year change in PS revenue	6.3%	4.9%	4.5%	6.8%	7.0%	7.9%	11.7%
Forecasted revenue growth in 2026 (over 2025)	8.1%	9.1%	6.9%	8.0%	7.8%	5.7%	10.4%

Source: SPI Research, October 2026. Shaded: the two measures on each side of the heading, firms with fewer than 10 vs. more than 700 employees.

Size also changes how firms use AI. The smallest firms use it most in their own work. Firms with fewer than 10 employees use AI on 51.3% of their projects, compared with 38.0% for firms with more than 700, and 62.1% of their employees are proficient vs. 47.1%. They also earn 35.0% of PS revenue from AI-related initiatives, nearly twice the 17.7% reported by the largest firms. Larger firms build AI into what they sell and how they govern it. 76.9% of firms with more than 700 employees offer a client-facing agentic AI product or service vs. 30.0% of the smallest firms; 89.3% have an established AI practice vs. 40.2% and they run 4.5 of the six governance controls vs. 2.7. The two largest bands are small groups, so their figures are directional, but the size trend holds on most measures. SPI Research sees two routes to the same goal. Small firms are changing how the work gets done. Large firms are changing what they sell.

Figure 8: AI in the Work and AI in the Offer by Size of PS Organization


Source: SPI Research, October 2026 (Table 3). The two largest size bands have 17 and 20 firms.

Why do larger firms trail on day-to-day use? SPI Research's reading is that scale brings variety: more roles, skill levels, languages, pay grades and years of experience. Each is another group to train and another workflow to change, so AI spreads more slowly through a firm of 700 than through a firm of 10. The same pattern shows up between PSOs and ESOs, which are larger on average (487 vs. 332 employees) and have fewer proficient employees (42.4% vs. 56.1%). Larger firms are not standing still. They are putting AI into what they sell and how they govern it first.

ESOs and PSOs Have Traded Places

Table 4 shows the biggest shift in leadership. In 2024, ESOs were the AI sellers. 61.1% sold AI services and 44.4% had an AI practice, compared with 35.7% and 35.2% of PSOs, but ESOs used AI on only 12.2% of their projects vs. 20.2%. By 2026, the commercial lead is gone. PSOs are slightly ahead on selling AI services (52.8% vs. 47.4%) and ESOs are slightly ahead on AI practices (50.8% vs. 48.3%). PSOs now lead on use by the widest margin in three years, with AI on 47.6% of projects vs. 33.8% for ESOs and 56.1% of employees proficient vs. 42.4%. Neither gap is explained by PSOs being smaller.

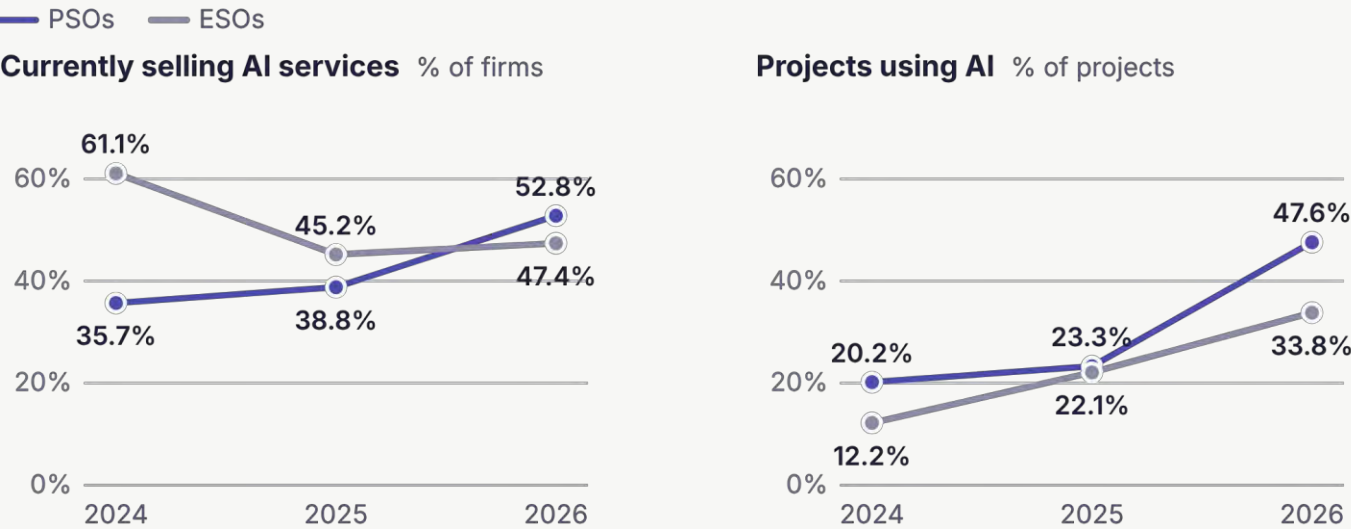
Table 4: ESO vs. PSO AI Adoption, 2024 to 2026

Key Performance Indicator (KPI)	ESO 2024	ESO 2025	ESO 2026	PSO 2024	PSO 2025	PSO 2026
% of projects currently utilizing AI	12.2%	22.1%	33.8%	20.2%	23.3%	47.6%
% of employees proficient in using AI tools	20.8%	35.9%	42.4%	32.4%	41.1%	56.1%
Currently selling AI services	61.1%	45.2%	47.4%	35.7%	38.8%	52.8%
Established AI practice	44.4%	46.7%	50.8%	35.2%	36.4%	48.3%
Level of concern about AI security (1-5)	3.81	3.69	3.27	3.54	3.36	3.34

Source: SPI Research, October 2026. 2024 and 2025 figures are from published studies.

PSOs now lead ESOs on AI use, and ESOs have lost their selling lead. ESOs have the products and platforms. 64.5% offer a client-facing agentic AI product or service, compared with 32.9% of PSOs. What they have not yet done is put AI to work in their own delivery at the pace of PSOs.

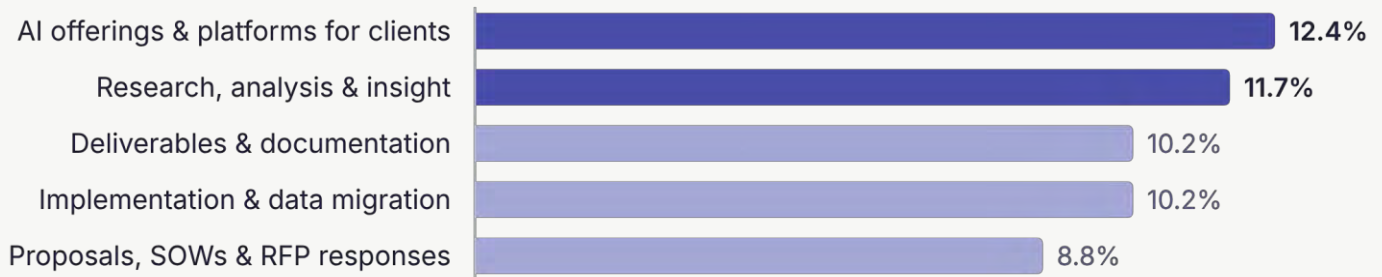
Figure 9: PSOs vs. ESOs, 2024 to 2026



Source: SPI Research, October 2026 (Table 4). 2024 and 2025 figures are from the published studies.

Delivery Use Cases Now Dominate

SPI coded 137 free-text answers to the question “What is the most valuable AI use case your business has deployed, and why?” into 16 themes. Figure 10 shows the top five. AI services or platforms the firm sells to its clients lead (12.4%), followed by research and analysis (11.7%). Drafting deliverables and documentation and implementation and data migration tie for third (10.2% each). Proposal and RFP work, a top-three theme in 2025, is fifth at 8.8%.

Figure 10: Top Participant AI Use Case Themes

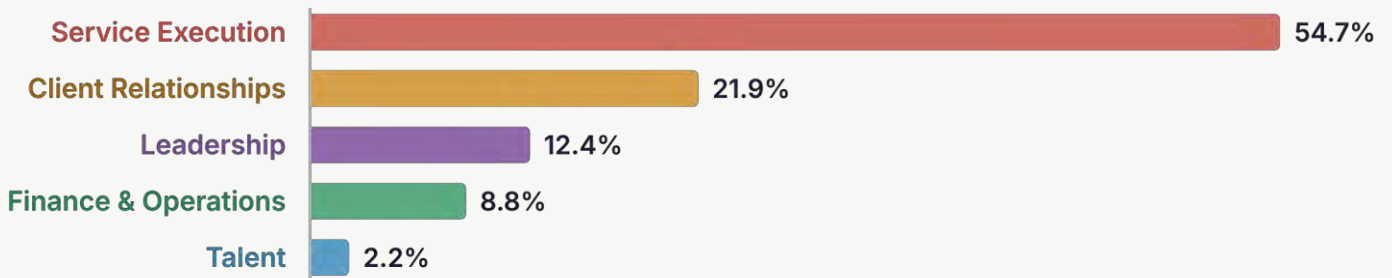
Source: SPI Research, October 2026

More than half of the top use cases (54.7%) now sit in the **Service Execution** pillar, up from 44% in 2025. They are also more ambitious. SPI rated 49.6% of this year's top use cases at Level 2 or Level 3 complexity, up from 38.6% last year.

In Their Own Words: The Most Valuable Use Cases

Participants described, in their own words, the most valuable AI use case their business has deployed and why. SPI received 146 answers. After quality checks, 137 were usable, and SPI coded these by theme, pillar and complexity level.

Figure 11 shows the split by pillar. After **Service Execution**, **Client Relationships** follows at 21.9% (24% in 2025), then **Leadership** at 12.4% and **Finance & Operations** at 8.8% (17% in 2025). SPI placed AI services and platforms the firm has built for clients under **Leadership**. **Talent** is last again at 2.2%.

Figure 11: Top Use Cases by Service Performance Pillar

Source: SPI Research, October 2026

Figure 12 shows no single theme dominates. The top theme, at 12.4%, is an AI product, platform or service the firm now sells, such as AI readiness assessments, forward-deployed engineering or its own agentic delivery platform. Research, analysis and insight follow at 11.7%. Drafting deliverables and documentation and implementation, configuration and data migration tie next at 10.2% each, followed by proposals, SOWs and RFP responses (8.8%) and software development and testing (8.0%).

Figure 12: Top 10 Actual AI Use Cases from PS Leaders – Themed Popularity



Source: SPI Research, October 2026

The best answers put a number on the value. One firm is “Scanning Zoom call transcripts and generating client facing summaries and action items, saves roughly 1,400 hours a year and recaps are more detailed.” Another uses an “AI Development Lifecycle for R&D. It’s allowing a team of 10 engineers to deliver the output of 50+ engineers.” A third built an “Agent that reviews all proposals, tender responses and low value PS quotes prior to landing in final approver’s queue. Assesses quality, risk, accuracy of financials and reconciles with PSA/CRM hygiene. Improving tender/proposal turnaround time by half.”

“It’s allowing a team of 10 engineers to deliver the output of 50+ engineers.”
— PARTICIPANT, ON ITS AI DEVELOPMENT LIFECYCLE FOR R&D

Several participants tie AI directly to their pricing model. One is “Incorporating an agent into our iPaaS to speed up the time it takes to build integrations. Most of our projects are sold on a fixed fee basis. If we are able to deliver projects faster our project profitability increases.” Another has “created an end-to-end AI assisted implementation tool” and is “using it as a means to get to subscription pricing.” Not everyone is on board. One participant wrote, “We don’t use it and hopefully never will.”

Use Cases Are Getting More Ambitious

Not every AI idea requires the same lift. SPI’s AI Project Complexity Levels, introduced in the 2025 report, separate quick wins from heavy lifts:

- ◆ **Level 1: Assist and accelerate.** Improves individual productivity without changing how the business runs. Single system or structured data, minimal integration, low-risk tasks and a human decision-maker. Examples include drafting proposals and SOWs, meeting summaries and first-pass research.
- ◆ **Level 2: Embed into workflows.** AI begins to influence team-level planning and monitoring. Draws on multiple systems within one domain, relies on clean data and requires configuration, governance and

cross-functional change. Examples include AI-assisted resourcing, project risk scoring and data migration.

- ◆ **Level 3: Orchestrate and transform.** Designed to reshape operations, often with agentic capabilities across platforms. Combines several core systems, automates decisions tied to revenue or risk and requires role and process redesign. Examples include agentic delivery orchestration and AI-first implementation platforms.

Table 5 shows the mix moving up. SPI rated 50.4% of this year’s top use cases at Level 1, down from 61.4% in 2025. Level 2 rose from 28.4% to 34.3% and Level 3 from 10.2% to 15.3%. HPOs lean toward Level 2, with 61.1% of their top use cases at Level 2 or 3 vs. 47.9% for the rest, although the HPO group is small. The adoption stages tell the same story. Only one of the 31 use cases from firms at the chat stage or with no formal AI use reached Level 3 (3.2%), compared with 33.3% of those from firms running complex agents or an AI-first model.

Table 5: AI Use Case Complexity Levels

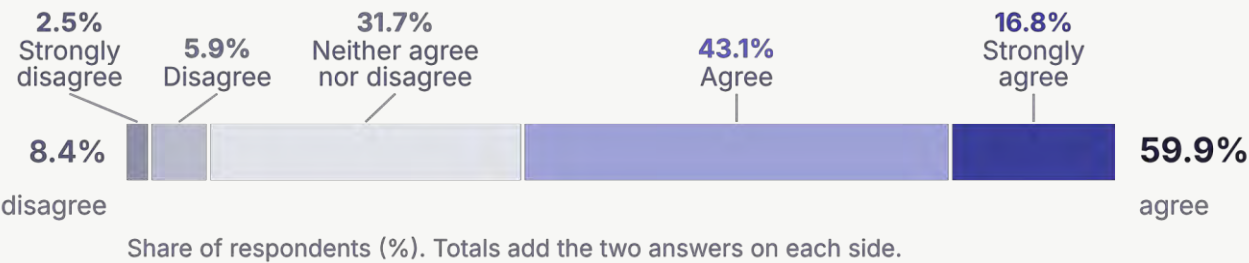
Complexity Level	2025	2026	HPO	Rest
Level 1: Assist and accelerate	61.4%	50.4%	38.9%	52.1%
Level 2: Embed into workflows	28.4%	34.3%	55.6%	31.1%
Level 3: Orchestrate and transform	10.2%	15.3%	5.6%	16.8%

Source: SPI Research, October 2026

Clients Expect It

Client expectations are outpacing client results. Figure 13 shows 59.9% of firms agree or strongly agree that their clients expect them to use AI in service delivery, up from 45.0% in 2025. Only 8.4% disagree. APac firms feel the most pressure (4.06), although the APac result is directional.

Figure 13: % of Firms Saying Clients Expect AI-enabled Service Delivery



Source: SPI Research, October 2026

The commercial side grew quickly. Table 6 shows 40.9% of firms have a client-facing generative AI offering, up from 31.8%, and 42.6% have a client-facing agentic AI offering, up from 28.1%. ESOs lead by a wide margin, with 64.5% offering an agentic AI product or service vs. 32.9% of PSOs, as software companies build agents into their platforms and their PS teams deploy them. AI’s role in client support rose from 2.96 to 3.28.

Table 6: Client Relationships Key Metrics

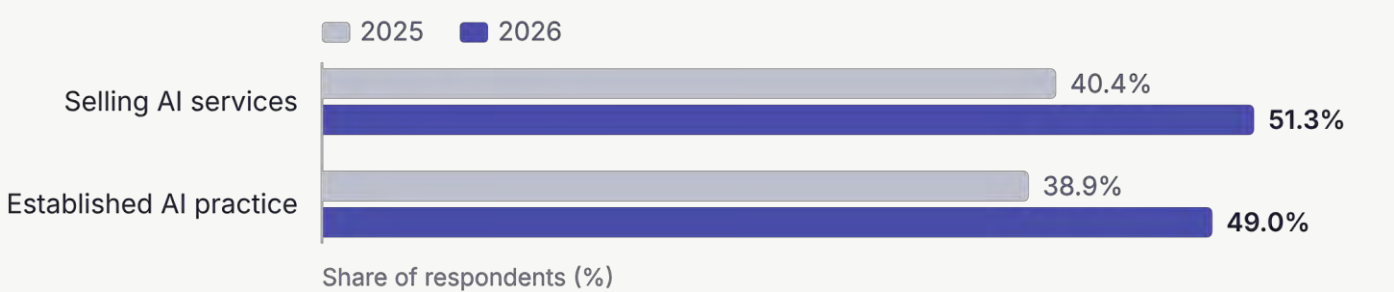
Key Performance Indicator (KPI)	2025	2026	ESO	PSO	Amer.	EMEA	APac
Currently selling AI services	40.4%	51.3%	47.4%	52.8%	50.4%	50.0%	61.1%
Client-facing Generative AI product or service offering	31.8%	40.9%	57.9%	34.2%	42.2%	40.8%	31.6%
Client-facing Agentic AI product or service offering	28.1%	42.6%	64.5%	32.9%	44.1%	38.3%	42.1%
AI plays a significant role in client support (1-5)	2.96	3.28	3.40	3.22	3.26	3.34	3.25
Clients expect us to use AI in service delivery (1-5)	3.25	3.66	3.63	3.67	3.58	3.74	4.06

Source: SPI Research, October 2026

Half the Market Now Sells AI

Figure 14 shows 51.3% of firms now sell AI services, up from 40.4% in 2025, and 49.0% have an established AI practice, up from 38.9%. Both figures count an “Unsure” answer as half a yes, as SPI did in 2025. Sellers and non-sellers are split almost evenly (50.0% say yes and 47.5% no) and 2.5% are unsure. Generative AI entered the mainstream less than four years ago. For half the market to be selling AI-related services already is fast by any PS standard.

Figure 14: % of Firms Selling AI Services and With an Established AI Practice



Source: SPI Research, October 2026

CHAPTER 3 – THE DIVIDEND SHOWS UP IN DELIVERY

Bottom line: AI improves delivery at every step. Firms using AI on more than 80% of their projects deliver 90.7% of projects on time, compared with 76.3% for firms using it on fewer than 20%. Operating KPIs moved far less.

CHAPTER 3 SCORECARD · AI ON MORE THAN 80% OF PROJECTS VS. FEWER THAN 20%

WHAT MOVED THE NEEDLE

- **On-time delivery:** 90.7% vs. 76.3%
- **Revenue per PS employee:** \$207k vs. \$155k
- **Day rate:** \$1,268 vs. \$990

DID NOT MOVE (YET)

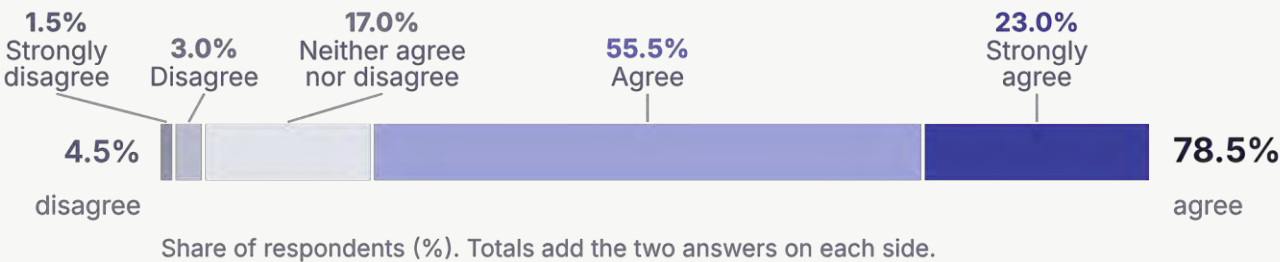
- EBITDA: no reliable link to AI use
- Project margin: gap too small to rely on
- Utilization: 66.6% to 68.9% in every band

● Reliable gap (see Appendix C). ○ Same direction, not confirmed as reliable.

Every Delivery Area Now Scores at or Above Neutral

The **Service Execution** pillar is where money is made in professional services, and it is where AI has made the most progress. Nearly four in five firms say AI has improved delivery. Figure 15 shows 78.5% of firms agree or strongly agree that generative AI has enhanced their ability to deliver services, up from 67.8% in 2025. Only 4.5% disagree.

Figure 15: Gen AI (e.g., ChatGPT) has Enhanced Organizations’ Service Delivery Capability



Source: SPI Research, October 2026

These questions kept the same agreement scale as 2025, so Table 7 is a true year-over-year comparison. Every **Service Execution** area improved, and everyone now scores at or above neutral 3.0, compared with only three of seven last year. Creation of project deliverables leads at 4.02, up from 3.66, with 82.8% of firms in agreement. Review of master services agreements rose from 3.35 to 3.79. The largest gain was in project risk analysis, up 16% from 2.82 to 3.26, suggesting AI is starting to help with judgment as well as drafting.

Table 7: Service Execution Improvements by Organization Type and Geography (1-5 Scale)

Service Execution Activity	2025	2026	▲	ESO	PSO	Amer.	EMEA	APac
Gen AI has enhanced our ability to deliver services	3.77	3.96	5%	3.93	3.97	4.00	3.91	3.74
Creation of project deliverables	3.66	4.02	10%	3.93	4.05	4.01	4.06	3.95
Review master services agreements	3.35	3.79	13%	3.56	3.88	3.86	3.59	3.75
Project management	3.29	3.56	8%	3.56	3.56	3.60	3.55	3.30
Project risk analysis	2.82	3.26	16%	3.08	3.33	3.23	3.27	3.45
Resource management	2.93	3.15	8%	2.98	3.22	3.13	3.14	3.35
Project accounting	2.80	3.08	10%	3.00	3.11	3.06	3.18	3.00
Workforce skill gap analysis	2.81	3.04	8%	2.87	3.11	2.99	3.12	3.20

Source: SPI Research, October 2026

The areas at the bottom of the table, resource management (3.15), project accounting (3.08) and workforce skill gap analysis (3.04), are the ones that depend on clean data in PSA and financial systems. They improved, but only just reached the midpoint. PSOs score higher than ESOs on most delivery areas. MSA review shows the biggest difference (3.88 vs. 3.56) and is the only one large enough to be statistically reliable.

Part of the gain in risk analysis comes from AI catching what people miss. One firm uses AI to review complex documents and flag execution risks for its experts. It wrote that “it reveals gaps that are often missed by humans, who tend to assess what they see instead of looking for what is missing. Keeping the human in the loop is essential for this approach to be reliable.”

“It reveals gaps that are often missed by humans, who tend to assess what they see instead of looking for what is missing.”

— PARTICIPANT USING AI TO REVIEW DATA

Table 8 shows that AI's payoff in delivery comes on a scale. Firms using AI on more than 80% of their projects deliver 90.7% of projects on time, compared with 76.3% for firms using it on fewer than 20%. Their day rates are \$1,268 vs. \$990 and revenue per PS employee is \$207k vs. \$155k. The on-time and revenue gaps are the reliable ones (● in Table 8); the day rate gap and their higher project margins (43.8% vs. 37.7%) are too small to rely on. The middle bands look much alike. Using AI on some projects produces some gains. Using it on nearly every project changes the numbers.

Table 8: Impact – % of Projects Currently Utilizing AI

Key Performance Indicator (KPI)	2026	Under 20%	20% - 40%	40% - 60%	60% - 80%	Over 80%	Gap, top vs. bottom
% of Survey	100%	26.0%	25.6%	18.6%	14.0%	15.8%	
WHERE MORE AI USE MOVED THE NEEDLE							
● % of projects delivered on time	80.3%	76.3%	77.5%	79.2%	80.2%	90.7%	+14.4 pts
● Annual revenue per PS employee (USD)	\$179k	\$155k	\$188k	\$171k	\$172k	\$207k	+34%
○ Consultant billable day rate achieved (USD)	\$1,101	\$990	\$1,065	\$1,133	\$1,050	\$1,268	+28%
WHERE IT DID NOT (NO RELIABLE LINK)							
PS Profit (EBITDA %)	16.5%	15.6%	15.7%	15.3%	16.6%	18.7%	
Project margin	36.1%	37.7%	33.7%	33.9%	32.7%	43.8%	
Employee billable utilization	67.8%	67.1%	66.6%	68.9%	68.4%	68.1%	
Year-over-year change in PS revenue	6.3%	3.5%	7.5%	5.7%	6.7%	7.9%	
Annual revenue per billable consultant (USD)	\$199k	\$184k	\$219k	\$200k	\$170k	\$211k	
% of annual revenue target achieved	90.8%	91.7%	90.2%	90.8%	87.3%	92.6%	
Total annual employee attrition	5.9%	5.2%	6.8%	5.6%	7.3%	4.8%	

● Reliable gap (see Appendix C). ○ Same direction, not confirmed as reliable. Gap = top group minus bottom group, in points for rates and percent for dollar values.

Source: SPI Research, October 2026

On-time delivery is the most consistent result in this study. It is highest for the firms at the top of each of the four main AI measures in this study: AI use on projects, employee proficiency, data readiness and stage of adoption. SPI Research believes this is the first place most firms will see AI in their KPIs, because faster drafting, better status reporting and earlier risk flags all show up in the schedule before they show up in the margin.

AI Shows Up in Delivery Before Profit

AI use tracks on-time delivery most closely, then revenue per PS employee and day rate. Its link to project margin and EBITDA is weak, and what link there is runs through revenue per PS employee. SPI Research believes AI will pay in that order in most firms. It shows up first in the schedule, then in productivity and pricing and last in the bottom line.

Delivery Gains Broadened

The **Service Execution** impact areas, the only pillar questions asked on the same scale both years, all improved by 5% to 16% (Table 7). In 2025, four of the seven scored below the neutral 3.0. In 2026, none did. AI's impact on business applications also improved on every application, as Chapter 8 shows.

The bottom line is that 2026 is the year AI stopped being an experiment for most PS firms. The adoption measures, from projects using AI to AI-related revenue, rose by 26% to 89% in a single year. The operating KPIs moved by 11% or less. SPI Research expects the second set to follow the first, but only for firms that measure what AI is doing.

AI Helps Most with Documents, Least where Clean Data is Needed

Table 9 ranks the processes where participants feel AI has helped most. It should not be read as a list of the best AI investments, since a task can score high simply because it is easy to automate. The **Service Execution** questions kept the 2025 agreement scale, while the other pillars moved to an extent scale this year, so the table ranks each group separately and scores should not be compared across the two groups. “% Positive” is the share answering a lot or a great deal (extent) or agree or strongly agree (agreement).

Table 9: AI's Impact on PS Processes, Ranked (1-5 Scale)

Activity	Pillar*	2026 Score	% Positive
Extent scale (1: not at all to 5: a great deal)			
Proposal development	CR	3.29	44.0%
Go-to-market research	CR	3.12	38.3%
Targeted client research	CR	3.11	37.4%
Creating marketing assets	CR	3.10	37.0%
Data analytics	FO	2.86	32.3%
Personalizing client services	CR	2.58	18.7%
Corporate reporting	FO	2.52	18.9%
Marketing program management	CR	2.52	20.1%
Lead generation	CR	2.46	21.2%
Employee training	TA	2.43	19.6%
Reviewing resumes	TA	2.29	15.3%
Acquiring clients	CR	2.27	14.8%
Retaining clients	CR	2.26	14.9%



Activity	Pillar*	2026 Score	% Positive
Project profitability analysis	FO	2.23	15.8%
Talent strategy	TA	2.19	13.9%
Retaining talent	TA	2.15	12.7%
Demand planning	FO	1.98	10.7%
Rate analysis	FO	1.97	9.6%
Acquiring talent	TA	1.93	6.1%

Agreement scale (1: strongly disagree to 5: strongly agree)

Creation of project deliverables	SE	4.02	82.8%
Review master services agreements	SE	3.79	70.2%
Project management	SE	3.56	58.1%
Project risk analysis	SE	3.26	41.6%
Resource management	SE	3.15	34.6%
Project accounting	SE	3.08	30.8%
Workforce skill gap analysis	SE	3.04	27.9%

*CR = **Client Relationships**, SE = **Service Execution**, TA = **Talent**, FO = **Finance & Operations**. Each row's label, edge and light tint are in its pillar's color.

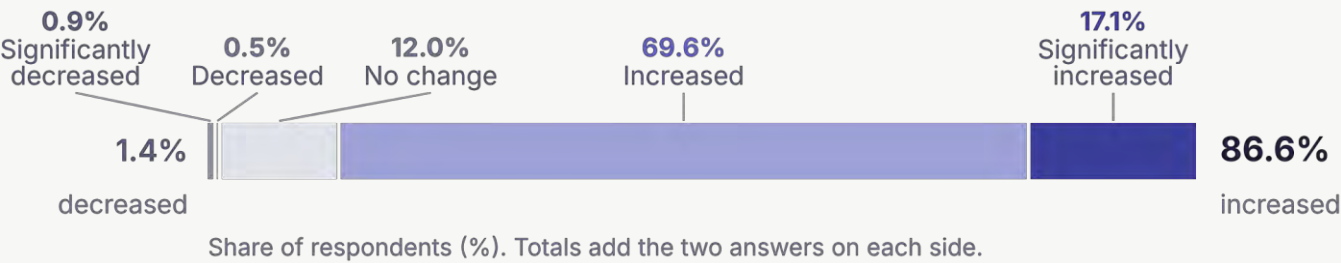
Source: SPI Research, October 2026

The pattern from 2025 holds. AI helps most where the inputs are text, drafts and documents: project deliverables (4.02), MSA review (3.79) and proposal development (3.29). It helps least where success depends on clean operational data and integrated systems. Demand planning (1.98), rate analysis (1.97) and acquiring talent (1.93) sit at the bottom, with about one firm in ten or fewer reporting a lot or a great deal of impact. A firm struggling with proposals will find plenty of proof points at the top of this table. A firm struggling with forecasting should read the bottom as a sign that its data and systems must improve before AI can help.

Productivity Gains Are Now Widespread

Figure 16 settles the productivity question for most firms. 86.6% say AI has increased or significantly increased productivity and efficiency, up from 71.5% in 2025. Only 12.0% see no change and 1.4% report a decrease.

Figure 16: Has AI Impacted Organizations’ Productivity & Efficiency



Source: SPI Research, October 2026

But the Operating KPIs Barely Moved

Every KPI Improved, but Only Slightly

Table 10 shows this year’s participant base is smaller. The average PS organization has 376 employees vs. 480 in 2025 (22% fewer) and PS revenue averages \$53.3mm vs. \$58.9mm. Despite that, every operating KPI improved a little. Utilization rose from 65.7% to 67.8%, project margin from 34.6% to 36.1% and EBITDA from 15.0% to 16.5%. Revenue per PS employee grew 5%, from \$170k to \$179k.

Table 10: 2025 vs. 2026 KPIs

Key Performance Indicator (KPI)	2025	2026	▲
OPERATING KPIS (SORTED BY CHANGE)			
PS Profit (EBITDA %)	15.0%	16.5%	10%
Annual revenue per PS employee (USD)	\$170k	\$179k	5%
Project margin	34.6%	36.1%	4%
Employee billable utilization	65.7%	67.8%	3%
Consultant billable day rate achieved (USD)	\$1,067	\$1,101	3%
% of projects delivered on time	78.8%	80.3%	2%
Annual revenue per billable consultant (USD)	\$196k	\$199k	2%
% of annual revenue target achieved	90.1%	90.8%	1%
% of annual margin target achieved	88.8%	89.2%	0%
Total annual employee attrition	6.6%	5.9%	-11%

Key Performance Indicator (KPI)	2025	2026	▲
SAMPLE			
Size of PS organization (employees)	480	376	-22%
Total professional services revenue (USD mm)	\$58.9	\$53.3	-10%

Source: SPI Research, October 2026. ▲ is the relative change.

Selling AI Is Not the Dividend

Selling AI services still does not create a performance advantage on its own. Table 11 shows firms that sell AI services grew PS revenue a little faster (7.0% vs. 6.1%), report slightly higher EBITDA (17.3% vs. 16.6%) and have higher attrition (6.3% vs. 4.5%). None of these gaps is reliable, and day rates, revenue per consultant, project margins and on-time delivery are similar for the two groups. SPI Research’s view has not changed from last year. The performance gains come from using AI well inside the firm, not from adding AI to the service catalog.

Table 11: Firms Currently Selling AI Services vs. Those Who Aren’t

Key Performance Indicator (KPI)	Yes	No	▲
% of Survey	50.0%	47.5%	
NO RELIABLE GAP			
Total annual employee attrition	6.3%	4.5%	40%
Employee billable utilization	68.2%	67.2%	1%
% of projects delivered on time	79.6%	81.4%	-2%
Project margin	36.7%	36.8%	0%
Consultant billable day rate achieved (USD)	\$1,121	\$1,162	-4%
Annual revenue per billable consultant (USD)	\$197k	\$206k	-4%
Annual revenue per PS employee (USD)	\$180k	\$181k	-1%
Year-over-year change in PS revenue	7.0%	6.1%	15%
% of annual revenue target achieved	91.1%	90.3%	1%
PS Profit (EBITDA %)	17.3%	16.6%	4%

Source: SPI Research, October 2026. ▲ is the relative difference between the two groups; 2.5% of firms were unsure whether they sell AI services, so % of Survey shows 50.0% selling, vs. the 51.3% of firms that answered yes or no quoted elsewhere.

Part II – The Readiness Premium

What only firms with the right foundations earn. Using AI on more projects does not predict profit. Going further with AI, on ready foundations, does.

IN THIS PART

Chapter 4 – Profit Goes to Firms With the Right Foundations

Chapter 5 – The Four Foundations

PART I The Delivery Dividend What every firm gets	PART II The Readiness Premium What firms with the right foundations earn	PART III The Leak Why most firms miss it	PART IV Reference Results in detail
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CHAPTER 4 – PROFIT GOES TO FIRMS WITH THE RIGHT FOUNDATIONS

Bottom line: Using AI on more projects does not predict profit; going further with AI, on ready foundations, does. Firms running complex agents or an AI-first model report EBITDA of 20.5%, compared with 13.3% for firms at the chat stage or with no formal AI use, and EBITDA reaches 28.3% at Level 5 of the SPI AI Maturity Model™, a small group.

CHAPTER 4 SCORECARD · COMPLEX AGENTS OR AI-FIRST VS. CHAT OR NONE

WHAT MOVED THE NEEDLE

- **EBITDA:** 20.5% vs. 13.3%
- **Day rate:** \$1,364 vs. \$962
- **On-time delivery:** 84.9% vs. 77.2%

● Reliable gap (see Appendix C).

DID NOT MOVE (YET)

Utilization: 65.2% to 70.3%, no consistent pattern
EBITDA by maturity level below Level 5: 14.7% to 16.7%
EBITDA by leadership support: 12.7% to 17.9%, no pattern

How Far Firms Have Gone Predicts Profit

The further firms go with AI, the higher their profit, but utilization does not move. Table 12, the most important table in this year’s study, groups firms by their stage of AI adoption and compares their performance. Compared with firms at the chat stage or with no formal AI use, firms running complex agents or an AI-first model report:

- EBITDA of 20.5% vs. 13.3%
- Day rates 42% higher (\$1,364 vs. \$962)
- More projects delivered on time (84.9% vs. 77.2%)
- Faster PS revenue growth (8.8% vs. 3.1%)

The AI measures move the same way. Firms at the top of the ladder use AI on 60.7% of their projects, expect a 12-month ROI of 21.6% and earn 41.3% of PS revenue from AI-related initiatives.

Table 12: Impact – Stage of AI Adoption

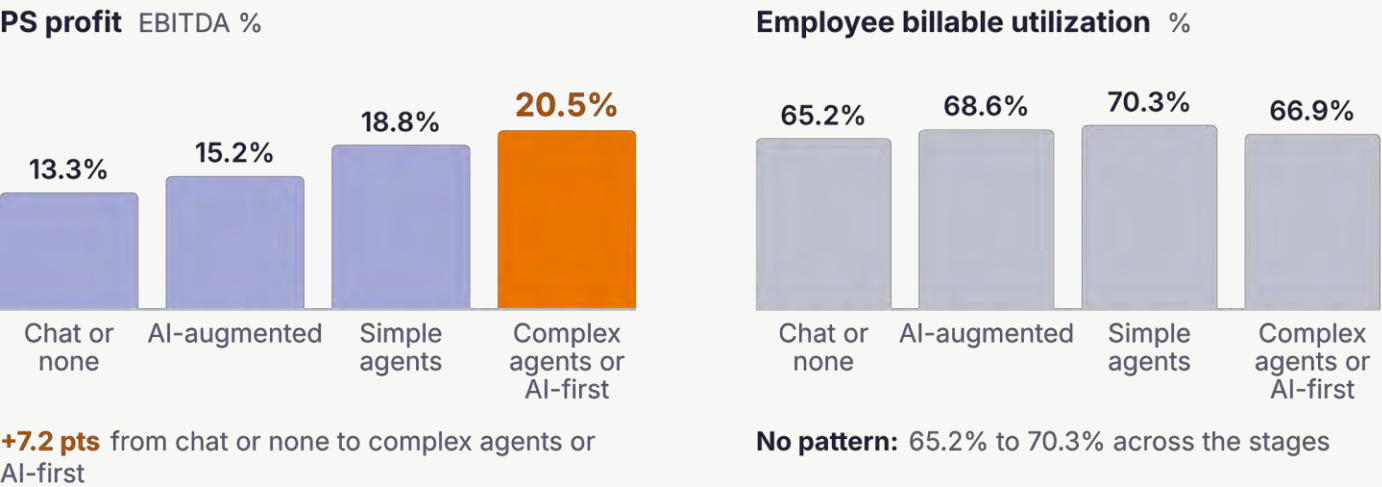
Key Performance Indicator (KPI)	2026	Chat or none	AI-augmented	Simple agents	Complex agents or AI-first	Gap, top vs. bottom
% of Survey	100%	25.7%	34.7%	18.5%	21.2%	
WHERE GOING FURTHER WITH AI MOVED THE NEEDLE						
● PS Profit (EBITDA %)	16.5%	13.3%	15.2%	18.8%	20.5%	+7.2 pts
● Consultant billable day rate achieved (USD)	\$1,101	\$962	\$949	\$1,234	\$1,364	+42%
● % of projects delivered on time	80.3%	77.2%	78.4%	81.8%	84.9%	+7.7 pts
○ Annual revenue per PS employee (USD)	\$179k	\$162k	\$170k	\$194k	\$195k	+20%
○ Year-over-year change in PS revenue	6.3%	3.1%	5.9%	7.6%	8.8%	+5.7 pts
○ Project margin	36.1%	35.1%	35.3%	36.0%	39.2%	+4.1 pts
WHERE IT DID NOT (NO CLEAR PATTERN)						
Employee billable utilization	67.8%	65.2%	68.6%	70.3%	66.9%	
Annual revenue per billable consultant (USD)	\$199k	\$186k	\$182k	\$228k	\$210k	
% of annual revenue target achieved	90.8%	89.5%	91.0%	92.1%	90.8%	
Total annual employee attrition	5.9%	4.7%	6.8%	7.2%	4.8%	
AI PROFILE OF EACH GROUP						
% of projects currently utilizing AI	43.6%	26.9%	42.7%	48.0%	60.7%	
% of employees proficient in AI tools	52.2%	42.4%	47.4%	59.1%	65.1%	
Estimated ROI from AI in first 12 months	14.5%	8.9%	14.3%	15.1%	21.6%	
Expected months to a positive ROI from AI	10.3	13.0	10.9	10.1	6.6	
% of PS revenue from AI-related initiatives	24.1%	14.0%	18.7%	24.9%	41.3%	

● Reliable gap (see Appendix C). ○ Same direction, not confirmed as reliable. Gap = top group minus bottom group, in points for rates and percent for dollar values.

Source: SPI Research, October 2026. “Chat or none” combines chat-assisted work with no formal AI use. “Complex agents or AI-first” combines complex agents with AI-first operating models.

The data does not prove that AI agents cause higher profit. Better-run firms may simply adopt AI faster. But the gaps in profit, day rate and on-time delivery are not just larger firms or ESOs pulling the averages up. SPI Research believes these gaps will widen as agentic tools mature. Utilization is the exception. It ranges from 65.2% to 70.3% across the stages with no consistent pattern, so AI has not yet changed how many hours firms bill, in either direction.

Figure 17: PS Profit and Billable Utilization by Stage of AI Adoption



Source: SPI Research, October 2026 (Table 12).

The SPI AI Maturity Model™

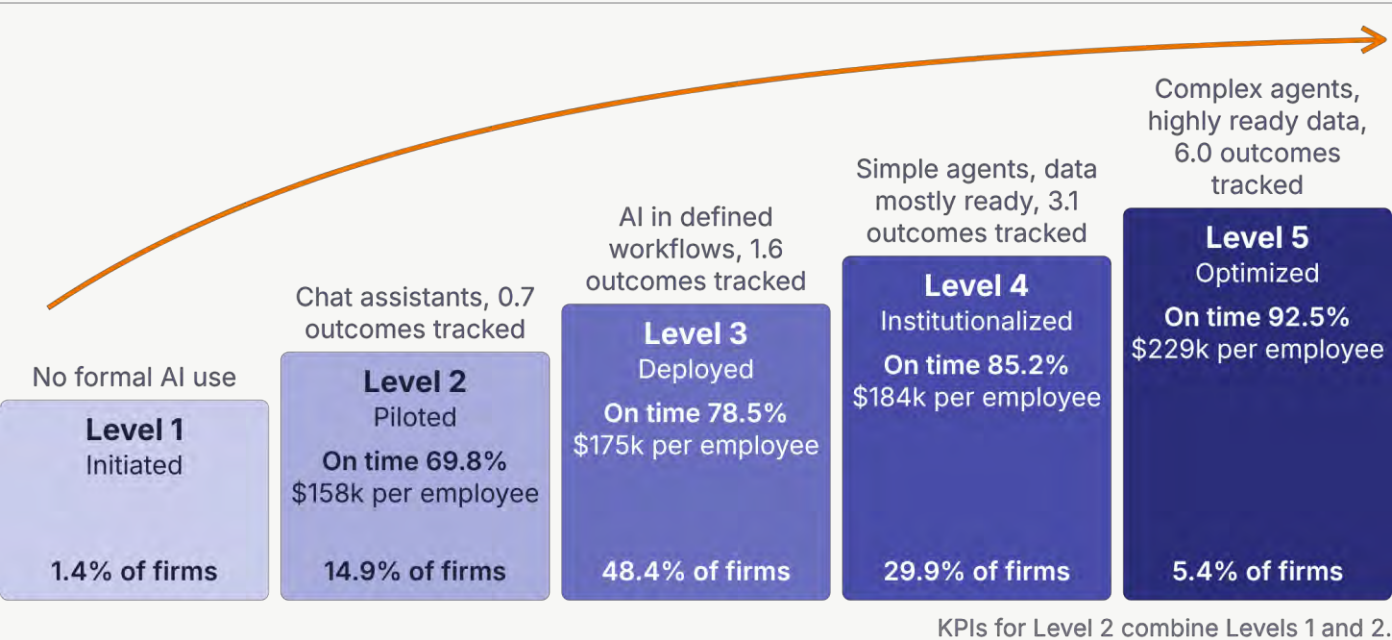
Every firm in this study has access to the same AI tools. What separates them is how deeply AI is built into how the firm operates. SPI’s PS Maturity Model™ has placed PS organizations on five levels of maturity since 2007, and this year SPI built the same kind of model for AI.

How the Model Works

The SPI AI Maturity Model™ scores each firm on seven questions from this study: stage of AI adoption, data readiness, the share of projects using AI, the share of employees proficient in AI tools, leadership support, the number of AI outcomes formally tracked and the number of AI governance controls in place. Each answer is converted to a 1-to-5 scale, and the seven are averaged. The average sets the level, from Level 1 (below 1.5) to Level 5 (4.5 or higher).

Nearly half of firms sit at Level 3; only 5.4% have reached Level 5. Figure 18 shows the five levels. Level 1 firms have no formal AI use. Level 5 firms run complex agents on highly ready data and track 6.0 AI outcomes on average. Any firm can place itself on the model with the seven questions and the scoring rules described above.

Figure 18: The SPI AI Maturity Model™



Source: SPI Research, October 2026

What Each Level Looks Like

Each level is a step up on all seven measures, as Table 13 shows. Nearly half of all firms (48.4%) are at Level 3, Deployed. AI is built into defined workflows, about half of employees are proficient and a third of projects use AI, but the average Level 3 firm tracks only one or two AI outcomes. Only 5.4% have reached Level 5, Optimized, where agents run multi-step processes on highly ready data, 90.0% of projects use AI and firms track 6.0 outcomes on average.

Table 13: SPI AI Maturity Model™ – Level Profiles

AI Maturity Level	Level 1: Initiated	Level 2: Piloted	Level 3: Deployed	Level 4: Institution.	Level 5: Optimized
% of firms	1.4%	14.9%	48.4%	29.9%	5.4%
Stage of AI adoption (1-6)	-	2.15	3.25	3.82	5.75
Data readiness for reliable AI use (1-5)	-	2.19	3.21	4.03	4.75
% of projects currently utilizing AI	-	16.2%	32.6%	65.8%	90.0%
% of employees proficient in using AI tools	-	25.6%	47.1%	67.7%	88.3%
Leadership support in adopting and integrating AI (1-5)	-	3.52	4.39	4.86	5.00
AI outcomes formally tracked (of 9)	-	0.7	1.6	3.1	6.0
AI governance controls in place (of 6)	-	1.8	3.3	4.2	5.3
AI Maturity score (1-5)	-	2.11	3.03	3.89	4.82

Source: SPI Research, October 2026. Averages for the firms at each level.

The differences show up in the use cases. At Level 2, one firm’s most valuable use of AI is “Reducing ‘grunt’ work”. At Level 5, another runs an “Agentic workflow for annual reviews - agents initiate the review cycles, gather feedback, consolidate feedback, compare against expectations, and prepare narratives for presentation.”

Each Level Brings Better Pricing and Delivery

Table 14 shows that each step up the model brings better delivery and pricing. On-time delivery rises from 69.8% at Levels 1 and 2 to 78.5% at Level 3, 85.2% at Level 4 and 92.5% at Level 5. Day rates rise from \$966 to \$1,588 and revenue per PS employee from \$158k to \$229k. The climb in all three is not just the larger firms moving up. For a 100-person PS organization, the \$26k gap in revenue per PS employee between Levels 1-2 and Level 4 is worth about \$2.6mm a year with the same headcount. Between Levels 1-2 and Level 5 the gap is \$71k, or about \$7.1mm a year.

WHAT IT'S WORTH

\$2.6mm

a year

The \$26k gap in revenue per PS employee between Levels 1–2 and Level 4 (\$158k vs. \$184k), for a 100-person PS organization with the same headcount.

Between Levels 1–2 and Level 5 the gap is \$71k, or about \$7.1mm a year.

Table 14: Impact – AI Maturity Level

Key Performance Indicator (KPI)	2026	Levels 1-2	Level 3	Level 4	Level 5	Gap, top vs. bottom
% of Survey	100%	16.3%	48.4%	29.9%	5.4%	
WHERE EACH LEVEL UP MOVED THE NEEDLE						
● % of projects delivered on time	80.3%	69.8%	78.5%	85.2%	92.5%	+22.7 pts
● Consultant billable day rate achieved (USD)	\$1,101	\$966	\$1,070	\$1,107	\$1,588	+64%
● Annual revenue per PS employee (USD)	\$179k	\$158k	\$175k	\$184k	\$229k	+45%
○ Year-over-year change in PS revenue	6.3%	0.8%	6.8%	6.9%	10.2%	+9.4 pts
NO CLEAR PATTERN BELOW LEVEL 5 (A SMALL GROUP)						
PS Profit (EBITDA %)	16.5%	16.7%	14.7%	16.0%	28.3%	
Project margin	36.1%	36.1%	34.1%	37.0%	48.3%	
Employee billable utilization	67.8%	66.7%	66.8%	67.8%	77.9%	
% of annual revenue target achieved	90.8%	90.5%	89.9%	90.9%	96.7%	
% of annual margin target achieved	89.2%	89.0%	87.0%	91.1%	98.3%	
Annual revenue per billable consultant (USD)	\$199k	\$182k	\$203k	\$192k	\$240k	
Total annual employee attrition	5.9%	4.7%	6.4%	5.8%	5.0%	
AI PROFILE OF EACH GROUP						
Estimated ROI from AI in first 12 months	14.5%	5.6%	13.7%	18.6%	23.6%	
% of PS revenue from AI-related initiatives	24.1%	11.6%	16.4%	30.8%	82.0%	
HPO share of firms	17.6%	13.3%	14.0%	16.1%	50.0%	

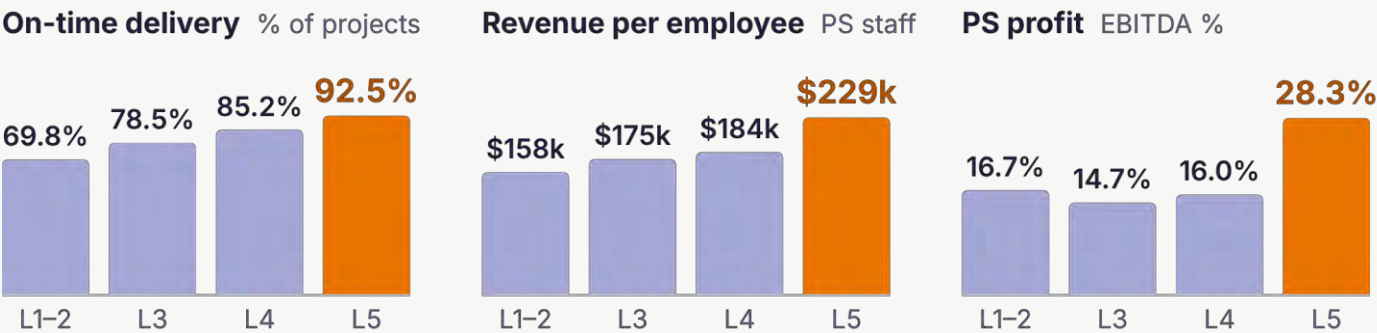
● Reliable gap (see Appendix C). ○ Same direction, not confirmed as reliable. Gap = top group minus bottom group, in points for rates and percent for dollar values.

Source: SPI Research, October 2026. Levels 1 and 2 are combined because few firms are at Level 1.

Each level brings better delivery and pricing; profit jumps only at Level 5. Profit is the exception. EBITDA is 16.7% at Levels 1 and 2, 14.7% at Level 3 and 16.0% at Level 4, then jumps to 28.3% at Level 5, where half the firms are HPOs. Level 5 is a small group, so SPI treats that jump as directional. The AI results climb much

faster. Expected 12-month ROI rises from 5.6% at Levels 1 and 2 to 18.6% at Level 4 and AI-related revenue from 11.6% to 30.8% of PS revenue.

Figure 19: On-Time Delivery, Revenue per PS Employee and PS Profit by AI Maturity Level



Source: SPI Research, October 2026 (Table 14). Levels 1 and 2 are combined because few firms are at Level 1.

PSOs Are Furthest Along, Led by IT Consultancies

PSOs are further along than ESOs. 39.5% of PSOs have reached Level 4 or 5, compared with 25.0% of ESOs, and 7.0% of PSOs are at Level 5, compared with 1.6% of ESOs. Smaller, more nimble firms do not explain the gap. By market, IT consulting firms lead (3.43 on the 1 to 5 scale), ahead of the ESOs inside SaaS (3.08) and software companies (3.09). Management consultancies sit at about the average (3.21 vs. 3.22). Architecture & Engineering firms score lowest (2.49), although this is a small group. HPOs are more likely to have reached the top level. 18.2% of HPOs are at Level 5, compared with 3.2% of the rest.

What It Takes to Move Up a Level

Table 13 also shows what changes between the levels. SPI Research recommends a different focus at each step:

- 1. Level 2 to Level 3: Build AI into the work.** Level 3 firms have data that is partially ready (3.21 vs. 2.19 on the 1 to 5 scale), nearly twice the share of proficient employees (47.1% vs. 25.6%) and more governance controls (3.3 vs. 1.8). Pick the workflows where AI already helps, such as deliverables and proposals, put controls around them and train everyone who does that work.
- 2. Level 3 to Level 4: Use AI on most projects and measure it.** The biggest jumps are in projects using AI (65.8% vs. 32.6%), outcomes tracked (3.1 vs. 1.6) and employee proficiency (67.7% vs. 47.1%). Move AI from some projects to nearly all of them and track at least three outcomes, including utilization and project margin.
- 3. Level 4 to Level 5: Hand whole processes to agents.** Level 5 firms run complex agents or an AI-first model (5.75 vs. 3.82 on the six-step ladder), use AI on 90.0% of projects and track 6.0 outcomes on average. The step is only safe once the data is highly ready (4.75) and the scorecard is in place.

SPI Research expects the SPI AI Maturity Model™ to become the yardstick for this study. Any firm can place itself on it with the same seven questions, and moving up one level is a more useful goal than chasing the latest tool.

How the AI Model Builds on the PS Maturity Model™

The SPI AI Maturity Model™ builds on SPI’s classic PS Maturity Model™, which SPI developed in 2007 and over 50,000 service- and project-oriented organizations now use to chart their course. The classic model measures how well a PS organization runs across the five Service Performance Pillars™ (**Leadership**, **Client Relationships**, **Talent**, **Service Execution** and **Finance & Operations**), from Level 1, Initiated, to Level 5, Optimized. Each year the PS Maturity™ Benchmark places firms on it using 160+ metrics. The AI model uses the same five levels to measure how deeply AI is built into how the firm operates. Table 15 sets the two side by side.

Table 15: The PS Maturity Model™ and the SPI AI Maturity Model™

Level	PS Maturity Model™: how the PS organization runs	SPI AI Maturity Model™: how far AI is built in
Level 1: Initiated	The PSO is in its early stages; operating processes are ad hoc and fluid.	No formal AI use. Individuals may experiment, but AI is not part of any recurring process.
Level 2: Piloted	Core operating processes are becoming repeatable.	Chat assistants and early pilots. AI is used on 16.2% of projects and a quarter of employees are proficient.
Level 3: Deployed	Standard processes and operating principles are in place for all major Service Performance Pillars™.	AI is built into defined workflows. A third of projects use AI and about half of employees are proficient.
Level 4: Institutionalized	Management uses precise measurements, metrics and controls to manage the PSO effectively.	AI runs on most projects (65.8%) and firms track 3.1 AI outcomes on average.
Level 5: Optimized	The PSO focuses on continual improvement of all elements of the five Service Performance Pillars™.	Agents run multi-step processes on highly ready data. AI is used on 90.0% of projects and firms track 6.0 outcomes on average.

Source: SPI Research. PS Maturity Model™ level definitions from SPI’s published model; SPI AI Maturity Model™ figures from Table 13 (2026).

The two models point the same way. In SPI’s 2025 PS Maturity™ Benchmark, firms at Level 5 grew revenue 23.2% vs. 1.7% at Level 1. In this study, firms at Level 5 of the AI model deliver 92.5% of projects on time vs. 69.8% at Levels 1–2. A firm that knows its level on both models can see whether its operations are ready for the next step with AI. The [2026 PS Maturity™ Benchmark](#) covers 509 PS organizations.

High Performers Show What Good Looks Like

SPI identified 35 High-Performance PSOs (HPOs), the most profitable participants, made up of every firm reporting EBITDA of 30% or more (17.6% of the firms that reported EBITDA). They average EBITDA of 40.6%, compared with 11.4% for the rest, project margins of 45.0% vs. 34.3% and PS revenue growth of 11.4% vs. 5.4%. HPOs also:

- Sit further up the AI adoption ladder (3.88 vs. 3.29 on the 1 to 6 scale)

- Agree more strongly that agentic tools complete multi-step internal tasks (3.34 vs. 2.86)
- Get far more help from AI in demand planning (2.67 vs. 1.84) and employee training (2.91 vs. 2.34)

What HPOs lack is better access to generative AI, which scores almost the same for both groups on service delivery (4.00 vs. 3.95). The gaps that hold up are in how far up the adoption ladder HPOs sit, in agentic tools for internal work and in taking AI beyond delivery into training and the back office.

HPOs Lead on Every KPI, Not Just Profit

To understand how the most profitable firms approach AI, SPI ranked every participant that reported EBITDA and took the top 20%. Because EBITDA was reported in bands, the cut-off is 30%. The rest includes every other participant.

Table 16 shows HPOs lead on every KPI, not just profit. **Their EBITDA averages 40.6% vs. 11.4% for the rest**, and their project margins are 45.0% vs. 34.3%. Their utilization of 75.3% beats SPI's 75% target, while the rest sit at 66.3%. HPOs grew PS revenue 11.4%, more than twice the rest (5.4%), report lower attrition (4.8% vs. 6.1%) and earn \$227k per PS employee vs. \$170k.

Table 16: High-Performance PSO Comparison – Performance

Key Performance Indicator (KPI)	HPO	Rest	▲
% of Survey	14.3%	85.7%	
HPOS LEAD ON EVERY KPI (SORTED BY THE SIZE OF THE GAP)			
PS Profit (EBITDA %)	40.6%	11.4%	256%
Year-over-year change in PS revenue	11.4%	5.4%	111%
Annual revenue per PS employee (USD)	\$227k	\$170k	34%
Project margin	45.0%	34.3%	31%
Consultant billable day rate achieved (USD)	\$1,343	\$1,053	28%
Annual revenue per billable consultant (USD)	\$227k	\$194k	17%
Employee billable utilization	75.3%	66.3%	14%
% of annual margin target achieved	97.0%	87.7%	11%
% of projects delivered on time	86.1%	79.1%	9%
% of annual revenue target achieved	95.6%	89.8%	6%
Total annual employee attrition	4.8%	6.1%	-21%

Source: SPI Research, October 2026. ▲ is the relative difference between HPOs and the rest. % of Survey is the share of all 245 respondents; HPOs are 17.6% of the 199 firms that reported EBITDA, the share quoted in the text.

HPOs pull ahead on agents, the back office and measurement, not on access to AI. They are further up the AI adoption ladder. Table 17 shows their average stage is 3.88 vs. 3.29 on the 1 to 6 scale, and 18.2% of HPOs have reached Level 5 of the SPI AI Maturity Model™ vs. 3.2% of the rest. They also do better on data readiness (3.59 vs. 3.31), outcome tracking (23.5% track no AI outcomes vs. 39.4%), expected 12-month ROI (17.2% vs. 14.0%) and time to a positive return (7.8 vs. 10.7 months). The tracking and payback gaps are the reliable ones (● in Table 17); the ROI and data readiness gaps point the same way but are not confirmed.



Table 17: High-Performance PSO Comparison – AI Approaches

Key Performance Indicator (KPI)	HPO	Rest	▲
WHERE HPOS PULL AHEAD			
● Stage of AI adoption (1-6)	3.88	3.29	18%
● Agentic AI tools complete multi-step internal tasks (1-5)	3.34	2.86	17%
● AI has improved demand planning (1-5)	2.67	1.84	45%
● AI has improved employee training (1-5)	2.91	2.34	24%
● No AI outcomes formally tracked	23.5%	39.4%	-40%
● Expected months to a positive ROI from AI	7.8	10.7	-27%
○ Using complex agents or an AI-first model	35.3%	18.6%	90%
○ Estimated ROI from AI in first 12 months	17.2%	14.0%	23%
○ % of projects currently utilizing AI	50.0%	42.4%	18%
○ Leadership support in adopting and integrating AI (1-5)	4.58	4.39	4%
○ Data readiness for reliable AI use (1-5)	3.59	3.31	8%
○ Currently selling AI services	58.1%	50.0%	16%
○ Client-facing Generative AI offering	45.5%	40.0%	14%
○ Client-facing Agentic AI offering	48.4%	41.5%	17%
○ Current % of PS revenue from AI-related initiatives	30.0%	22.7%	32%
○ % of PS revenue from AI initiatives in 3 years	57.1%	50.6%	13%
WHERE THEY DO NOT DIFFER			
Gen AI has enhanced our ability to deliver services (1-5)	4.00	3.95	1%
% of employees proficient in using AI tools	55.9%	51.4%	9%
Clients expect us to use AI in service delivery (1-5)	3.56	3.68	-3%
Level of concern about AI security (1-5)	3.36	3.31	2%
Data quality concerns (1-5)	3.29	3.49	-6%

● Reliable gap (see Appendix C). ○ Same direction, not confirmed.

Source: SPI Research, October 2026

HPOs are also more commercial about AI, although these gaps are not large enough to be certain. 58.1% sell AI services vs. 50.0% of the rest and they earn 30.0% of PS revenue from AI-related initiatives vs. 22.7%. The gaps that do hold up are in the back office and in training. HPOs score AI's impact on demand planning at 2.67 vs. 1.84 for the rest and on employee training at 2.91 vs. 2.34, and they agree more strongly that agentic tools complete multi-step internal tasks (3.34 vs. 2.86).

Two results show where the gap is not. Generative AI's contribution to delivery scores 4.00 for HPOs and 3.95 for the rest and employee proficiency is only slightly higher among HPOs (55.9% vs. 51.4%). Every firm now gets help from generative AI in drafting and documents. What separates HPOs is the work around it, starting with agentic tools for internal work and AI in the back office. One HPO described its most valuable use case as "Running diagnostic engagements that fully human are 100+days and with AI we reduce this to under 30 days".

"Running diagnostic engagements that fully human are 100+days and with AI we reduce this to under 30days"

— HIGH-PERFORMANCE PSO,
ON ITS MOST VALUABLE AI USE
CASE

Same Tools, Different Habits

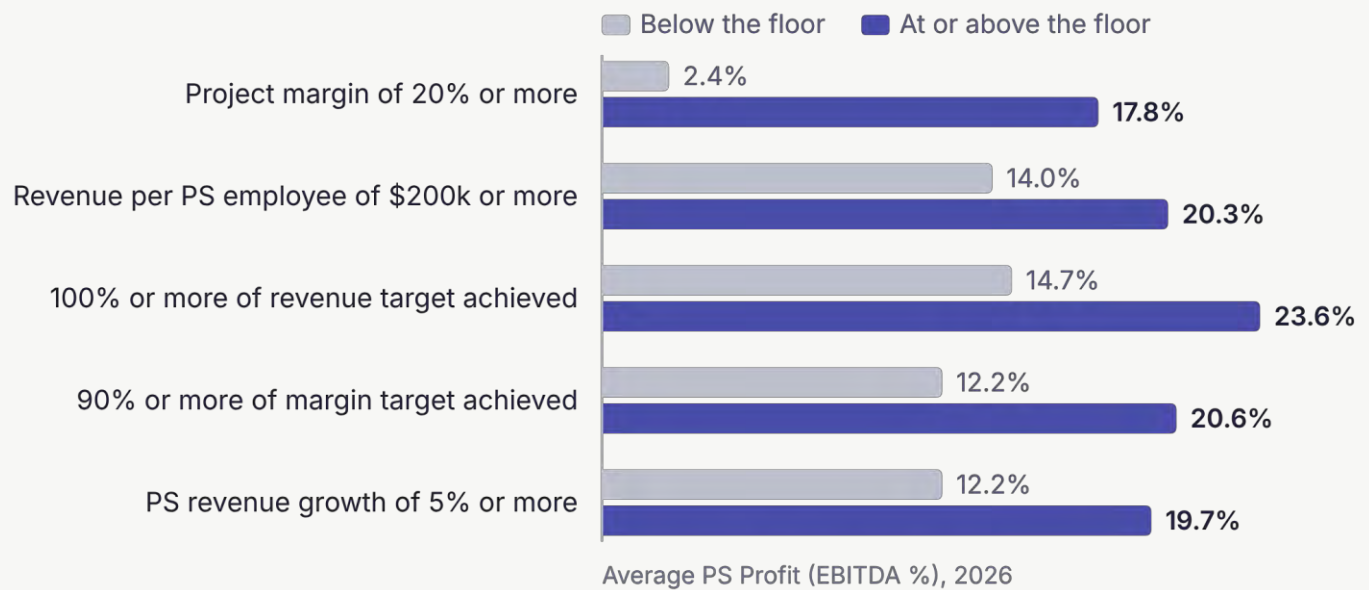
AI alone did not put HPOs at 40.6% EBITDA. Their utilization, pricing and delivery discipline would put them at the top of any SPI benchmark. But they are using AI to extend the lead. They sit further up the adoption ladder, use agentic tools for internal work and apply AI in the back office where the rest do not.

A Wide Gap Between Top and Bottom

17.6% of firms report EBITDA of 30% or more, and this is not just small firms, which often report high margins. Excluding firms with fewer than 10 employees, the share is 15.3%, and 17.4% of firms with 101 to 700 employees reach 30% or more. The bottom is larger. 34.2% of firms report EBITDA below 10%. That is why average EBITDA is only 16.5%, 1.5 points above the 15.0% reported in 2025, even with more than one firm in six at 30% or more.

Five Profit Floors Every Firm Should Manage To

Some KPI levels separate profitable firms from the rest. Figure 20 shows five thresholds that split EBITDA, using the 2026 results.

Figure 20: EBITDA of Firms Above and Below Each Profit Floor

Source: SPI Research, October 2026

Firms below a 20% project margin average EBITDA of just 2.4%. SPI Research believes these are floors every PS organization should manage to. A project margin of 20% is the first. The 18 firms below it this year averaged EBITDA of just 2.4% and not one was an HPO. Revenue per PS employee of \$200k is the second. Firms at or above it averaged EBITDA of 20.3% vs. 14.0%, and for a \$20mm PS organization those 6.3 points are worth \$1.3mm a year. Hitting the full revenue target, hitting at least 90% of the margin target and growing PS revenue by 5% or more complete the list.

WHAT IT'S WORTH

\$1.3mm

a year

The 6.3-point EBITDA gap between firms at or above \$200k revenue per PS employee and firms below it (20.3% vs. 14.0%), on a \$20mm PS organization.

Utilization is not on the list, but it still matters. SPI's target of 75% still stands and HPOs beat it (75.3%). Firms at or above 75% utilization average EBITDA of 18.7% vs. 14.4% for firms below it, but they also earn more per consultant (\$214k vs. \$187k) and hit more of their revenue target (93.7% vs. 88.1%). Utilization works through revenue: once revenue is accounted for, it is not directly correlated with EBITDA, which is why it is not one of the five floors.

Support Is Necessary but Not Enough

Strong leadership support lifts delivery and growth but not profit (Table 18). Firms with very supportive leaders deliver 83.0% of projects on time vs. 73.0% where leadership is neutral or unsupportive and grew PS revenue 7.9% vs. 1.3%. Profit tells a different story. EBITDA is almost identical at the two ends (17.3% vs. 17.9%) and lowest for firms with merely supportive leaders (12.7%). Few firms report neutral or unsupportive leadership.



Table 18: Impact – Organizational Leadership Support in Adopting and Integrating AI

Key Performance Indicator (KPI)	2026	Neutral or less	Supportive	Very supportive	Gap, top vs. bottom
% of Survey	100%	11.1%	30.4%	58.5%	
WHERE STRONGER SUPPORT MOVED THE NEEDLE					
○ % of projects delivered on time	80.3%	73.0%	76.6%	83.0%	+10.0 pts
○ Year-over-year change in PS revenue	6.3%	1.3%	4.7%	7.9%	+6.6 pts
○ Consultant billable day rate achieved (USD)	\$1,101	\$953	\$1,002	\$1,171	+23%
WHERE IT DID NOT (NO CLEAR PATTERN)					
PS Profit (EBITDA %)	16.5%	17.9%	12.7%	17.3%	
Project margin	36.1%	35.3%	33.2%	37.4%	
Employee billable utilization	67.8%	70.5%	63.7%	69.0%	
Annual revenue per PS employee (USD)	\$179k	\$168k	\$160k	\$190k	
Annual revenue per billable consultant (USD)	\$199k	\$186k	\$181k	\$211k	
% of annual revenue target achieved	90.8%	90.3%	89.8%	91.2%	
Total annual employee attrition	5.9%	6.8%	5.4%	6.1%	

○ Same direction, not confirmed as reliable. Gap = top group minus bottom group, in points for rates and percent for dollar values.

Source: SPI Research, October 2026

Top support is necessary but not enough. Firms that turn support into results pair it with what this study measures directly: data readiness, employee proficiency and a scorecard for AI outcomes.

The payoff can be large for firms that commit. One participant turns meeting transcripts into next steps, client outputs and playbooks. The firm wrote, “It’s institutionalizing heavy lifting, highly complex and rare skills which are otherwise very difficult to train. It is creating continuity and output at a high standard and speed unimaginable before.”

CHAPTER 5 – THE FOUR FOUNDATIONS

Bottom line: Four foundations separate the firms that earn the premium: ready data, a scorecard, trained people and agents doing real work.

CHAPTER 5 SCORECARD · EACH FOUNDATION, TOP GROUP VS. BOTTOM GROUP

WHAT MOVED THE NEEDLE

- **AI-improved training:** EBITDA 22.0% vs. 15.3%
- **4+ governance controls:** on-time 83.0% vs. 77.9%
- **Highly ready data:** project margin 43.6% vs. 35.2%
- **3+ AI outcomes tracked:** EBITDA 18.7% vs. 14.0%

DID NOT MOVE (YET)

EBITDA by employee proficiency: 15.2% to 18.0% in every band

AI’s help in demand planning and rate analysis: 1.98 and 1.97 (1-5)

AI’s help in acquiring talent: 1.93, the lowest score in the study

● Reliable gap (see Appendix C). ○ Same direction, not confirmed as reliable.

01

Ready data

43.6% vs. 35.2%

PROJECT MARGIN

Highly ready data vs. data that is not ready or fragmented

02

A scorecard

18.7% vs. 14.0%

EBITDA

Firms tracking 3+ AI outcomes vs. firms tracking none

03

Trained people

22.0% vs. 15.3%

EBITDA

AI has improved employee training a lot or a great deal vs. the rest

04

Agents at work

20.5% vs. 13.3%

EBITDA

Complex agents or AI-first vs. chat-assisted or no formal AI use

Source: SPI Research, October 2026

Foundation 1: Ready Data

Ready Data Lifts On-Time Delivery at Every Step

Two new questions this year ask whether firms are ready to trust AI with client work. The first asks how ready the firm’s services data is to support reliable AI use, considering data quality, consistency, structure, accessibility and governance. Only 46.5% describe their data as mostly or highly ready. Another 31.2% say partially ready and 22.3% say not ready or early and fragmented. ESOs (3.39) and firms in the Americas (3.45) rate their data slightly higher than PSOs (3.34) and EMEA firms (3.13).

Data readiness matters. Table 19 shows firms with highly ready data **deliver 85.3% of projects on time, compared with 71.8%** for firms whose data is not ready or fragmented, and earn project margins of 43.6% vs. 35.2%. For a PS organization with \$20mm in revenue, 8.4 points of project margin is about \$1.7mm in gross profit. EBITDA peaks with firms whose data is mostly ready (18.2%) and project margin barely moves until data is highly ready, so the relationship is not perfectly linear, but on-time delivery rises with every step of data readiness. Readier data goes with better results on almost every KPI.

WHAT IT'S WORTH

\$1.7mm

in gross profit

The 8.4-point project margin gap between firms with highly ready data and firms whose data is not ready or fragmented (43.6% vs. 35.2%), on a \$20mm PS organization.

Table 19: Impact – Data Readiness

Key Performance Indicator (KPI)	2026	Not ready or early	Partially ready	Mostly ready	Highly ready	Gap, top vs. bottom
% of Survey	100%	22.3%	31.2%	31.2%	15.3%	
WHERE READIER DATA MOVED THE NEEDLE						
○ % of projects delivered on time	80.3%	71.8%	80.3%	82.5%	85.3%	+13.5 pts
○ Project margin	36.1%	35.2%	34.1%	35.8%	43.6%	+8.4 pts
○ PS Profit (EBITDA %)	16.5%	12.9%	15.7%	18.2%	17.5%	+4.6 pts
○ Consultant billable day rate achieved (USD)	\$1,101	\$1,022	\$1,041	\$1,175	\$1,206	+18%
○ Annual revenue per PS employee (USD)	\$179k	\$156k	\$172k	\$192k	\$189k	+21%
○ Year-over-year change in PS revenue	6.3%	3.2%	6.8%	7.7%	7.0%	+3.8 pts
○ % of annual revenue target achieved	90.8%	89.9%	89.1%	91.5%	94.5%	+4.6 pts
○ Employee billable utilization	67.8%	65.7%	66.3%	68.2%	71.9%	+6.2 pts
○ Annual revenue per billable consultant (USD)	\$199k	\$183k	\$200k	\$205k	\$205k	+12%
WHERE IT DID NOT (NO CLEAR PATTERN)						
Total annual employee attrition	5.9%	6.1%	6.4%	5.6%	5.9%	

○ Same direction, not confirmed as reliable. Gap = top group minus bottom group, in points for rates and percent for dollar values.

Source: SPI Research, October 2026

Finance and Operations Lag Because the Data Is Not Ready

The back office is still waiting for AI. Table 20 shows data analytics is the only **Finance & Operations** area near the midpoint (2.86 on the extent scale), with 32.3% of firms reporting a lot or a great deal of impact. The rest trail badly. Corporate reporting scores 2.52 and project profitability analysis 2.23. Rate analysis and demand planning score 1.97 and 1.98, and more than 40% of firms say AI has not helped these areas at all (45.5% and 42.7%).

Table 20: Finance & Operations Improvements by Organization Type and Geography (1-5 Scale)

Finance & Operations Activity	2026	ESO	PSO	Amer.	EMEA	APac
Data analytics	2.86	2.82	2.87	2.95	2.71	2.61
Corporate reporting	2.52	2.64	2.48	2.57	2.49	2.24
Project profitability analysis	2.23	2.04	2.30	2.26	2.22	2.06
Demand planning	1.98	1.96	1.99	2.00	1.89	2.13
Rate analysis	1.97	1.86	2.02	1.97	1.96	2.00

Source: SPI Research, October 2026

These are the processes that depend most on clean, connected data across CRM, PSA and financial systems, which is why they lag. A few participants show what is possible once the data is in reach. One firm built “Internal management dashboards. Our homegrown source management system is very complex, making it hard to create the right insights. With Claude integration we can now easily get the insights we were looking for in years.” Another has “Automated pricing & scoping; automated project budget & health updates.”

The few firms that have put AI to work here are already ahead. Only 19 firms (10.7%) say AI has improved demand planning a lot or a great deal. They report EBITDA of 27.6%, compared with 15.2% for the rest, project margins of 43.2% vs. 34.7% and an average day rate of \$1,636 vs. \$1,051. The group is small, but the gaps match the HPO results in Table 17. Demand planning drives staffing and pricing, so better forecasts reach the bottom line quickly.

PSA Users Are Moving Past Chat Faster

PSA users are moving past chat assistants faster. Only 17.7% of firms using a commercial PSA solution are still at the chat stage or have no formal AI use, compared with 44.4% of firms with no PSA solution. PSA users also run more AI governance controls (3.7 vs. 2.6 of the six). As this chapter shows, a PSA solution lets AI reach firm-wide data, and SPI Research believes that is why PSA users are moving faster. The shape of the advantage has changed since 2024, when firms using a commercial PSA reported stronger leadership support (4.55 vs. 3.60) and used AI on more of their projects (20.4% vs. 15.3%). In 2026, firms without a commercial PSA use AI on slightly more projects (49.1% vs. 39.8%), but that is because they are much smaller firms (a median of 5 employees vs. 65).

Chapter 8 covers AI inside the core business applications in full: which applications firms use, how much AI has improved each one and how the results differ by firm type. That is where much of the data behind this foundation lives.

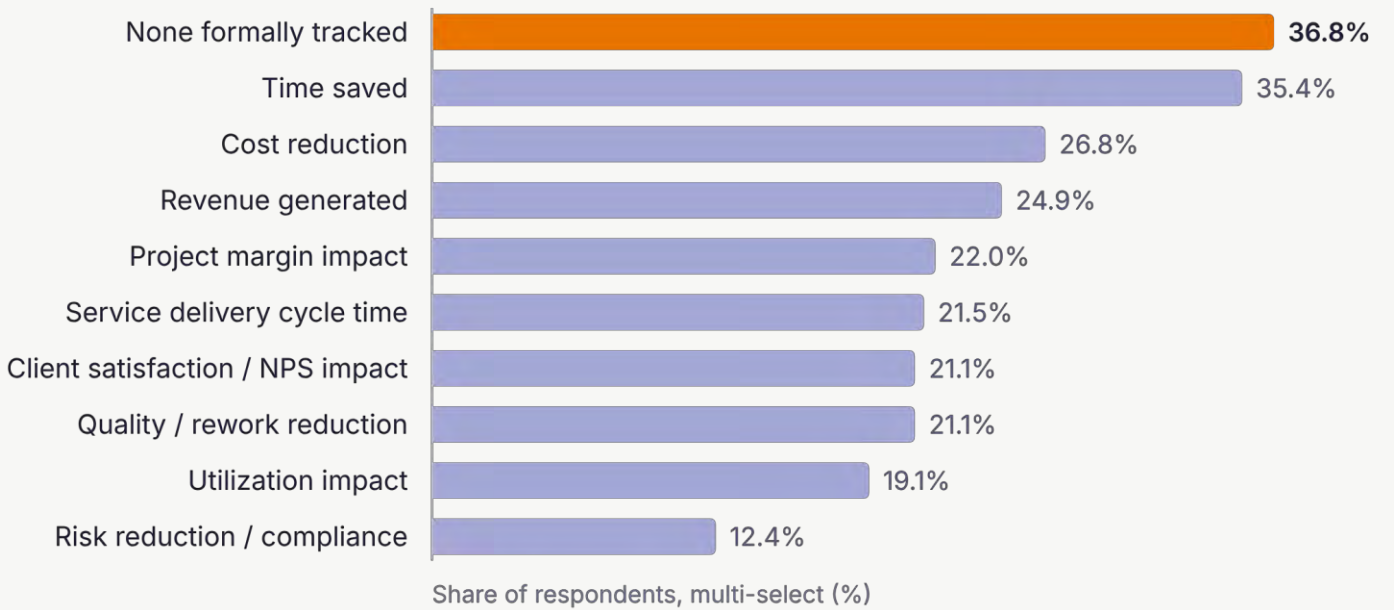
Foundation 2: A Scorecard

Measurement has not kept pace. **More than a third of firms (36.8%) do not formally track a single AI outcome**, even though 84.8% say AI is already saving them time. SPI Research believes this is the gap PS leaders must close in 2027, because the firms that do measure are the ones reporting the strongest results.

A Third of Firms Track No AI Outcome

More than a third of firms track no AI outcome. Figure 21 shows the weak spot. Time saved is the most-tracked measure at 35.4%, so while 84.8% of firms say AI saves them time, only 36.7% of those firms measure it. Only 19.1% track the impact on utilization and 22.0% the impact on project margin, the two KPIs that decide profit in a PS business. ESOs appear more disciplined than PSOs, with 28.8% tracking nothing vs. 40.0% of PSOs, although most of that gap comes from firm size.

Figure 21: AI-related Outcomes Formally Tracked



Source: SPI Research, October 2026

Table 21 shows why tracking matters. Firms that formally track three or more AI outcomes report EBITDA of 18.7%, compared with 14.0% for firms that track none, and revenue growth of 8.5% vs. 4.0%. They estimate a higher 12-month return from AI (17.3% vs. 12.6%) and earn twice the share of PS revenue from AI-related initiatives (33.0% vs. 15.7%). For a \$20mm PS organization, 4.7 points of EBITDA is about \$0.9mm a year. Firms tracking only one or two outcomes sit much closer to firms tracking none than to the leaders on EBITDA (15.1%), so the payoff comes from a full scorecard, not a single metric.

WHAT IT'S WORTH

\$0.9mm
a year

The 4.7-point EBITDA gap between firms that track three or more AI outcomes and firms that track none (18.7% vs. 14.0%), on a \$20mm PS organization.

Table 21: Impact – Number of AI Outcomes Formally Tracked

Key Performance Indicator (KPI)	2026	None tracked	1-2 outcomes	3+ outcomes	Gap, top vs. bottom
% of Survey	100%	37.8%	21.9%	40.3%	
WHERE A FULLER SCORECARD MOVED THE NEEDLE					
○ PS Profit (EBITDA %)	16.5%	14.0%	15.1%	18.7%	+4.7 pts
○ Year-over-year change in PS revenue	6.3%	4.0%	5.8%	8.5%	+4.5 pts
WHERE IT DID NOT (NO CLEAR PATTERN)					
% of projects delivered on time	80.3%	80.0%	77.1%	82.8%	
Project margin	36.1%	34.5%	38.9%	36.8%	
Consultant billable day rate achieved (USD)	\$1,101	\$1,080	\$1,138	\$1,053	
Annual revenue per PS employee (USD)	\$179k	\$183k	\$163k	\$179k	
Annual revenue per billable consultant (USD)	\$199k	\$201k	\$191k	\$196k	
% of annual revenue target achieved	90.8%	89.9%	88.2%	92.4%	
Employee billable utilization	67.8%	68.6%	66.1%	68.1%	
Total annual employee attrition	5.9%	6.1%	7.9%	5.1%	
AI PROFILE OF EACH GROUP					
Estimated 12-month ROI from AI	14.5%	12.6%	13.6%	17.3%	
% of PS revenue from AI-related initiatives	24.1%	15.7%	24.9%	33.0%	

○ Same direction, not confirmed as reliable. Gap = top group minus bottom group, in points for rates and percent for dollar values.

Source: SPI Research, October 2026. Firms that answered only “Unsure” are excluded, so None tracked is 37.8% here vs. 36.8% of all firms that answered in Figure 21.

Firms tracking three or more AI outcomes report higher EBITDA and growth. Tracking does not make AI work on its own. But firms that treat AI as an investment with a scorecard get more from it, and they can prove it to their boards and clients.

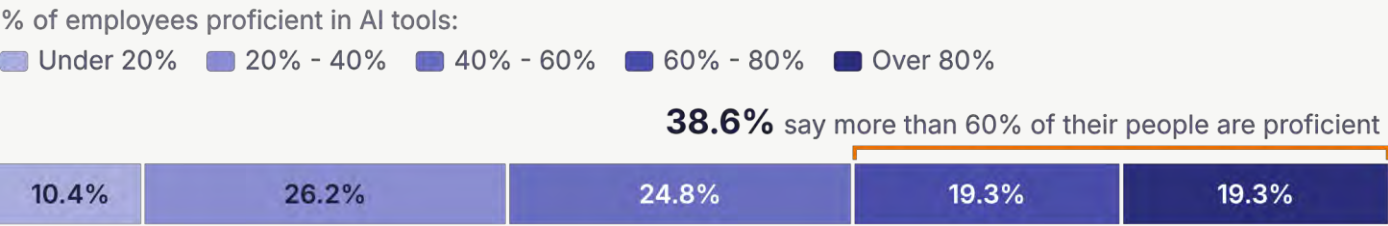
Foundation 3: Trained People

People Are Trained; the Talent Function Is Not Yet Helped

PS firms have trained their people faster than they have used AI to manage them. On average, **52.2% of employees are now proficient in using AI tools, up from 39.9% in 2025**. Figure 22 shows 38.6% of firms say

more than 60% of their employees are proficient, compared with 23.2% last year. PSOs are ahead of ESOs (56.1% vs. 42.4%) and HPOs are slightly ahead of the rest (55.9% vs. 51.4%).

Figure 22: % of Employees Proficient in Using AI Tools



Share of firms (%)

Source: SPI Research, October 2026

38.6% of firms say more than 60% of their people are proficient. The talent function itself has seen little benefit. Table 22 shows every **Talent** impact area scores below 2.5 on the extent scale. Employee training scores highest (2.43), while acquiring talent (1.93) is the lowest-scoring impact area in the entire study. Only 6.1% of firms say AI has helped them acquire talent a lot or a great deal. HCM applications show the same pattern in Foundation 1 of this chapter. The **Talent** questions moved from an agreement scale to an extent scale this year, so only the proficiency figure compares with 2025.

Table 22: Talent Improvements by Organization Type and Geography

Talent Measure	2025	2026	ESO	PSO	Amer.	EMEA	APac
% of employees proficient in using AI tools	39.9%	52.2%	42.4%	56.1%	52.2%	51.7%	53.2%
Employee training (1-5)	new	2.43	2.14	2.55	2.45	2.29	2.68
Reviewing resumes (1-5)	new	2.29	2.33	2.27	2.39	1.98	2.36
Talent strategy (1-5)	new	2.19	2.20	2.18	2.26	1.98	2.27
Retaining talent (1-5)	new	2.15	1.93	2.24	2.08	2.20	2.59
Acquiring talent (1-5)	new	1.93	1.82	1.98	1.98	1.75	2.07

Source: SPI Research, October 2026

Proficiency rose, but AI’s help to the talent function stays low. The firms that do use AI in the talent function see it in delivery. 19.6% of firms say AI has improved employee training a lot or a great deal. They deliver 86.9% of projects on time, compared with 77.5% for the rest, and report EBITDA of 22.0% vs. 15.3%, a 6.7-point profit gap. This is not just the heaviest AI users doing well. Training is the one talent process that reaches every consultant, and SPI Research expects more firms to use AI there as proficiency becomes part of the job.

Proficiency pays off in delivery and revenue per consultant, but not in profit. Table 23 shows firms where more than 80% of employees are proficient deliver 89.5% of projects on time, compared with 76.6% where fewer than 20% are proficient. Their revenue per billable consultant is \$220k vs. \$160k. Day rates tend to rise with proficiency and peak in the top band at \$1,368, but the steps between bands are uneven. Profit does not follow

the same line. EBITDA is between 15.2% and 18.0% in every band, which suggests proficiency lifts pricing and delivery but other factors decide what reaches the bottom line. The lowest band is a small group, so its figures are directional.

Table 23: Impact – % of Employees Proficient in Using AI Tools

Key Performance Indicator (KPI)	2026	Under 20%	20% - 40%	40% - 60%	60% - 80%	Over 80%	Gap, top vs. bottom
% of Survey	100%	10.4%	26.2%	24.8%	19.3%	19.3%	
WHERE PROFICIENCY MOVED THE NEEDLE							
○ % of projects delivered on time	80.3%	76.6%	75.2%	79.7%	82.1%	89.5%	+12.9 pts
○ Annual revenue per billable consultant (USD)	\$199k	\$160k	\$185k	\$212k	\$209k	\$220k	+38%
○ Annual revenue per PS employee (USD)	\$179k	\$150k	\$153k	\$211k	\$185k	\$201k	+34%
○ Consultant billable day rate achieved (USD)	\$1,101	\$1,097	\$940	\$1,071	\$1,083	\$1,368	+25%
○ Year-over-year change in PS revenue	6.3%	-2.5%	5.6%	8.0%	7.1%	8.4%	+10.9 pts
WHERE IT DID NOT (NO CLEAR PATTERN)							
PS Profit (EBITDA %)	16.5%	17.2%	15.2%	18.0%	17.4%	17.9%	
Project margin	36.1%	41.6%	31.4%	36.4%	34.7%	42.4%	
Employee billable utilization	67.8%	64.2%	66.3%	72.0%	67.6%	67.6%	
% of annual revenue target achieved	90.8%	88.9%	89.9%	95.2%	87.5%	90.7%	
Total annual employee attrition	5.9%	5.3%	6.0%	5.7%	6.5%	5.7%	

○ Same direction, not confirmed as reliable. Gap = top group minus bottom group, in points for rates and percent for dollar values.

Source: SPI Research, October 2026

AI is also starting to change who does the work. One participant's most valuable use case is "Reducing resources on engagements by leveraging AI for business analysis in lieu of junior consultants." SPI Research expects more firms to follow. That saves cost today, but it also removes the roles where consultants have learned the business. Firms that cut junior roles without a new path to build experience will have a leadership gap in five years.

"Reducing resources on engagements by leveraging AI for business analysis in lieu of junior consultants."

— PARTICIPANT, ON ITS MOST VALUABLE AI USE CASE

Client pressure shows up in attrition as well. Firms that agree their clients expect them to use AI report attrition of 6.1%, compared with 3.1% for firms that disagree. SPI Research’s reading is that consultants with AI experience are in demand, and firms whose clients ask for AI are the ones most exposed to losing them. The group that disagrees is small, so the gap is directional.

Professional Services Is Still a People Business

Professional services is still a people business and the data says so. Even among the 7.2% of firms running an AI-first operating model, humans set strategy and governance and handle exceptions. Human review before client delivery is one of the two most common AI controls in the study. Clients still buy judgment, accountability and trust from people they know. What changes is the work those people do. When AI drafts the first version of the deliverable, the consultant’s value moves to framing the problem, checking the answer and standing behind it. Firms that train for that change will get more from every billable hour.

Foundation 4: Agents Doing Real Work, Within Guardrails

Agentic AI, which acts rather than only generating content, is arriving faster than the controls around it. 42.6% of firms now offer a client-facing agentic AI product or service, up from 28.1%. Most have basic controls in place, with 73.3% operating an approved AI use policy and 71.9% requiring human review before anything reaches a client. Only 35.0% require source attribution or validation, and 22.3% describe their data as not ready or fragmented. An agent that acts on bad data makes mistakes faster. SPI Research expects data readiness and outcome tracking to separate the leaders from the rest in 2027.

Inside the firm, agents are starting to take on internal operations. Figure 23 shows 38.2% of firms agree they use agentic AI tools or workflows that complete multi-step internal tasks with limited human prompting, while 40.2% disagree, down from 51% in 2025. The question was reworded this year, so that comparison is approximate. ESOs (3.03) and EMEA firms (3.02) are furthest along.

Figure 23: Firms Use Agentic AI for Multi-step Internal Tasks



Source: SPI Research, October 2026

Participants describe agents at work on both sides of the business. They review proposals before approval, orchestrate marketing operations for clients, fix client-reported defects end to end and run annual performance reviews.

The firms that get the most from agents will be the ones that already know their processes well enough to hand them over. An agent cannot fix a broken process; it can only run it faster.

Security Now Tops the List of Concerns

Security risks moved into first place this year with a score of 3.64 on the 1 to 5 concern scale (Table 24). 53.6% of firms rate it a major or significant concern. Data quality, the top concern in 2025 and the top challenge in 2024, is now second. High costs climbed from seventh to third, which SPI Research expects as AI spending moves from free trials to enterprise licenses and usage-based pricing. The concern scale changed in 2026, so SPI compares the rankings rather than the scores.

Costs Are Rising; Integration Worries Are Fading

From an SPI-defined list of eight AI challenges, participants rated their level of concern from 1 (not a concern) to 5 (significant concern). Data quality scores 3.46 and high costs 3.43 (Table 24).

Security ranks first even though general concern about AI security fell slightly this year, from 3.43 to 3.32 on an unchanged question. It has now fallen every year since 3.56 in 2024. Policies are not the reason. Firms with an approved AI use policy are no less concerned than firms without one (3.37 vs. 3.21). SPI Research's reading is that general worry fades as AI becomes familiar, while specific risks grow as AI moves into client work and agents gain access to systems and client data.

Table 24: Organizational Challenges with Artificial Intelligence (1-5 Scale)

Challenge	2026 Rank	ESO	PSO	Amer.	EMEA	APac	2025 Rank
Security risks	3.64	3.62	3.66	3.64	3.67	3.65	2
Data quality concerns	3.46	3.52	3.44	3.48	3.48	3.26	1
High costs	3.43	3.64	3.34	3.42	3.53	3.20	7
Ensuring transparency & accountability in AI use	3.37	3.25	3.42	3.44	3.39	2.85	3
Risk of IP loss	3.07	3.13	3.04	3.16	2.91	2.85	8
Managing workforce impact & reskilling	3.01	2.89	3.06	2.94	3.29	2.85	6
Too many tools	3.00	3.17	2.93	3.02	3.04	2.75	4
Technical integration issues	2.90	2.97	2.87	2.86	3.15	2.53	5

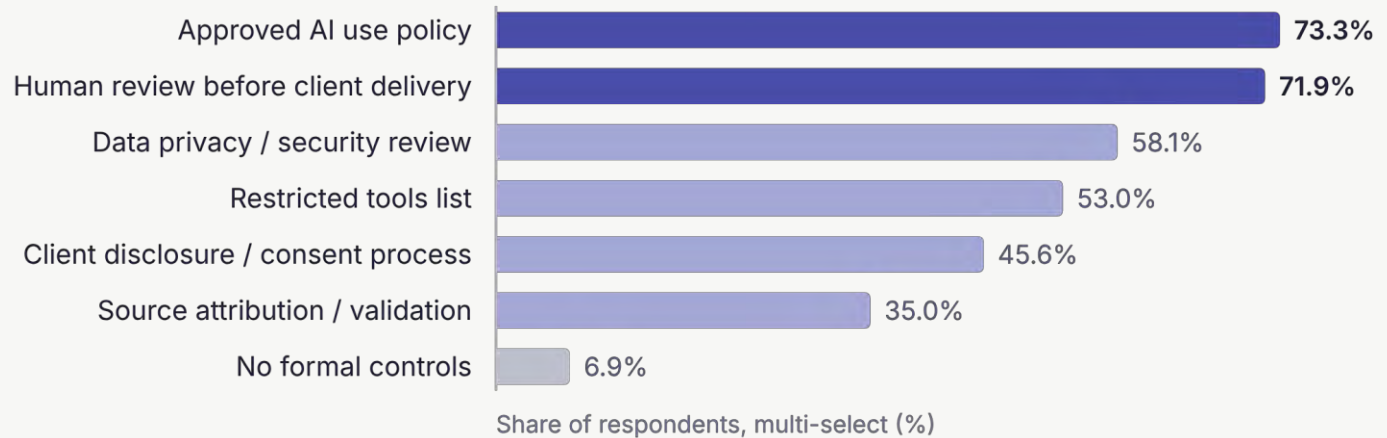
Source: SPI Research, October 2026

High costs rose from seventh to third. ESOs rate costs higher than PSOs (3.64 vs. 3.34), as do EMEA firms (3.53), although neither gap is reliable. The good news is that the practical problems are shrinking. Technical integration issues (2.90) now score below the midpoint, and managing workforce impact and reskilling sit right at it (3.01), which suggests most firms have found ways to get the tools working and their people using them. APac firms report lower concern than the total on every challenge except security.

Governance Does Not Slow Firms Down

The second new question asks which AI governance controls are in place for client delivery. Figure 24 shows 73.3% of firms have an approved AI use policy and 71.9% require human review before anything reaches a client. Fewer have a client disclosure or consent process (45.6%) and only 35.0% require source attribution or validation. ESOs report more controls than PSOs, with 76.6% operating an approved policy vs. 71.9% and only 4.7% reporting no formal controls vs. 7.8%. Most of that gap comes from firm size, so the difference between ESOs and PSOs is too small to rely on.

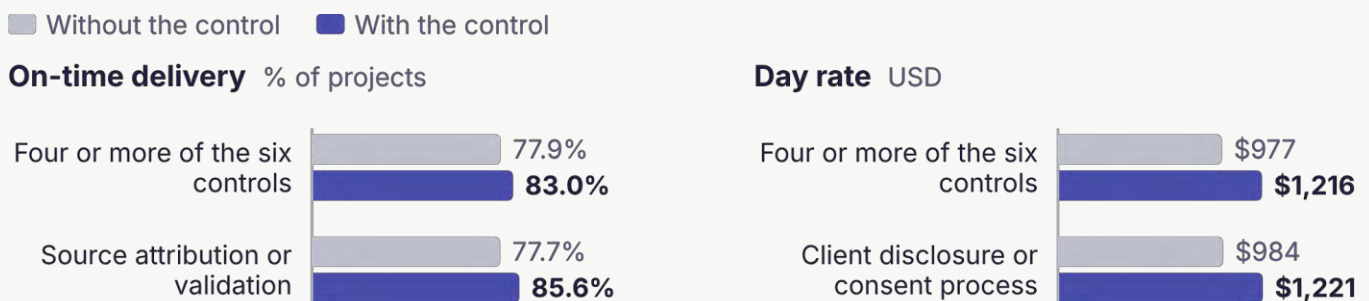
Figure 24: AI Governance Controls in Place for Client Delivery



Source: SPI Research, October 2026

Most firms have a policy and human review; few require source validation. Controls do not slow firms down. **Firms with four or more of the six controls deliver 83.0% of projects on time**, compared with 77.9% for firms with fewer, and bill an average day rate of \$1,216 vs. \$977. The individual controls tell the same story. Firms that require source attribution or validation deliver 85.6% of projects on time vs. 77.7%, and firms that review AI output before it reaches a client achieve 90.4% of their margin target vs. 85.3%. Firms with a client disclosure or consent process bill \$1,221 per day vs. \$984, which suggests clients do not mark down work because they know AI helped produce it. The on-time, day rate and disclosure gaps are not just bigger or more AI-intensive firms at work; the margin-target gap is less certain.

Figure 25: On-Time Delivery and Day Rate With and Without Key AI Governance Controls



Source: SPI Research, October 2026. For "four or more", the comparison is firms with fewer than four.



SPI Research expects client disclosure to become a contract term rather than a courtesy. One participant described it this way: “the requests for changes to legal agreements (MSA) are getting more complex as clients & prospects are figuring out what they need incorporated into a legal contract for protections related to AI use, data protection”. Firms without a disclosure process should build one before their clients’ legal teams ask for it.

Part III – The Leak

Why most firms miss the premium. The time AI saves is not yet showing up in utilization or revenue. Where firms bill by the hour, every hour AI saves has to be resold or repriced, or the client keeps the gain.

IN THIS PART

Chapter 6 – Every Hour AI Saves Must Be Resold or Repriced

PART I The Delivery Dividend What every firm gets	PART II The Readiness Premium What firms with the right foundations earn	PART III The Leak Why most firms miss it	PART IV Reference Results in detail
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CHAPTER 6 – EVERY HOUR AI SAVES MUST BE RESOLD OR REPRICED

Bottom line: Time saved is not yet revenue. Firms reporting the biggest productivity gains from AI achieved 85.9% of their revenue target, compared with 93.5% for firms reporting no change, even though the same firms earn more revenue per PS employee (\$185k vs. \$162k).

CHAPTER 6 SCORECARD · TIME SAVED VS. REVENUE EARNED

WHAT AI DELIVERED

Firms realizing value in time saved: 84.8%
Firms reporting higher productivity: 86.6%
Expected AI-related revenue in three years: 51.7% of PS revenue

WHAT FIRMS CAPTURED

Firms realizing value in revenue: 29.9%
Revenue target, biggest productivity gains: 85.9% vs. 93.5% with no change
Firms tracking AI’s impact on utilization: 19.1%

This chapter looks at what happens to a business that sells hours when AI can do part of the work.

Firms Save Time With AI, but Few Turn It into Revenue

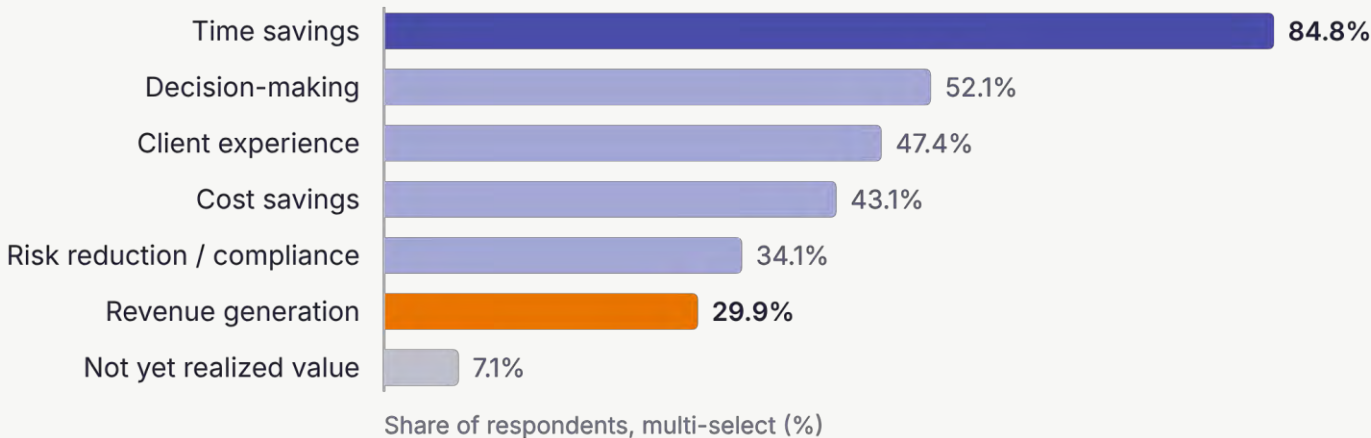
AI saves time, but most firms have not turned the saved hours into revenue. Firms answering that AI has “significantly increased” productivity and efficiency achieved 85.9% of their revenue target this year, compared with 93.5% for firms reporting no change, even though the same firms earn more revenue per PS employee (\$185k vs. \$162k). One firm reports “Agents in delivery, reducing repetitive work by 60%”. A firm that bills by the hour and removes 60% of the repetitive work has to sell that capacity again or reprice the work, or the productivity gain turns into lost revenue. This is the hourly billing trap described in this chapter.

“Agents in delivery, reducing repetitive work by 60%”
— PARTICIPANT, ON ITS MOST VALUABLE AI USE CASE

The gap shows up across the study. The AI adoption measures rose by 26% to 89% in a single year, while the operating KPIs moved by 11% or less (Chapter 3). Utilization, the measure that shows whether saved hours are being sold again, does not rise with AI use (66.6% to 68.9% across the bands in Table 8) or with the stage of adoption (65.2% to 70.3%, with no consistent pattern, Table 12). Only 19.1% of firms track AI’s impact on utilization. The survey does not measure hours, so it cannot show whether firms are billing fewer of them. It does show that the savings are not yet reaching utilization or revenue.

This year, participants could select every area where they are realizing value from AI, rather than a single answer as in 2025. Figure 26 shows **time savings lead by a wide margin at 84.8%**, followed by better decision-making (52.1%) and client experience (47.4%). Revenue generation is last of the named benefits at 29.9%. The average firm names 3.0 areas of value and only 7.1% have not yet realized any value, compared with 13.3% in 2025’s single-choice question. 84.8% of firms save time with AI; only 29.9% see revenue from it.

Figure 26: Where is your Business Currently Realizing Value from AI?



Source: SPI Research, October 2026

The Hourly Billing Trap

The hourly billing trap is the risk SPI Research watches most closely. For a 100-person PS organization at 67.8% utilization, every 10% of delivery effort that AI removes from time-and-materials work is 13,560 billable hours. At about \$138 per hour, the study’s average day rate of \$1,101 over eight hours, that is about \$1.9mm in revenue that disappears unless the firm changes how it prices.

THE HOURLY BILLING TRAP

\$1.9mm

of revenue a year at risk

100 PS employees × 1,356 billable hours a year (67.8% utilization)

10% of time-and-materials effort removed by AI = 13,560 hours

× about \$138 an hour (\$1,101 average day rate ÷ 8 hours)

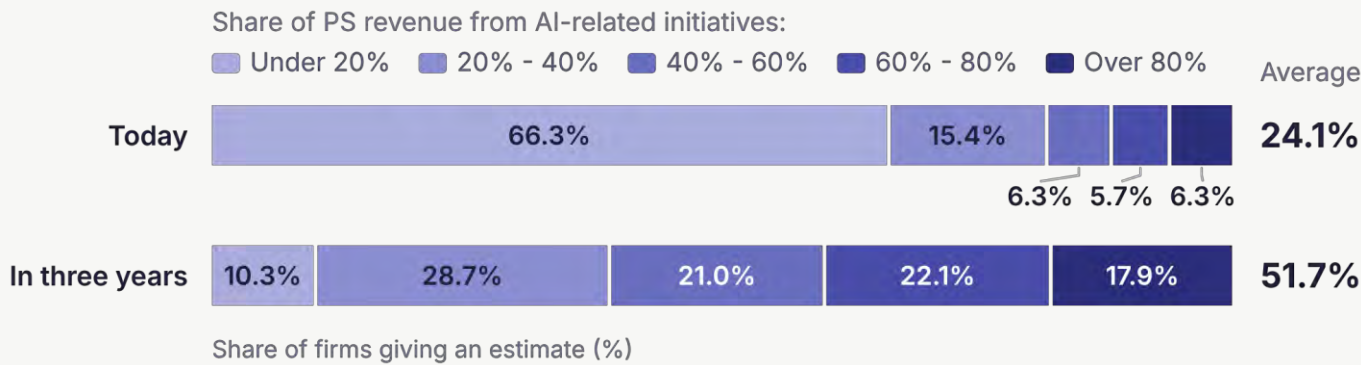
= about \$1.9mm of revenue a year, unless the firm reprices the work or sells the hours again

Some participants have already made the move. One firm sells most of its projects “on a fixed fee basis. If we can deliver projects faster, our project profitability increases.” Another is using its AI-assisted implementation tool “as a means to get to subscription pricing.” A third “just launched an estimator tool to move away from Proposals”. SPI Research expects fixed-fee, outcome-based and subscription pricing to grow quickly in firms that deliver with AI, because those models let the firm keep the productivity gain instead of passing it to the client as fewer billable hours.

AI Revenue: Today and in Three Years

Revenue expectations keep climbing. Table 25 shows firms earn 24.1% of PS revenue from AI-related initiatives today, up from 13.6% in 2025, and **expect 51.7% within three years**, up from the 36.9% they forecast last year. Figure 27 shows the change. Today, 66.3% of the firms that gave an estimate earn less than a fifth of their PS revenue from AI. In three years, only 10.3% expect to be in that band and 40.0% expect AI to drive more than 60% of their PS revenue.

Figure 27: % of PS Revenue from AI-related Initiatives, Today and in Three Years



Source: SPI Research, October 2026

Last year’s three-year forecast looked ambitious. One year later, participants report AI-related revenue of 24.1%, so the forecast looks less far-fetched than it did. Of course, this year’s sample is different, and firms define “AI-related” revenue in different ways. Only 29.9% of firms say they are realizing value from AI in revenue generation (Figure 26), and SPI Research suspects some firms count any engagement where AI is used as AI-related revenue.

Table 25: Finance & Operations Key Metrics by Type and Geography

Key Performance Indicator (KPI)	2025	2026	ESO	PSO	Amer.	EMEA	APac
% of PS revenue from AI-related initiatives	13.6%	24.1%	16.8%	27.2%	22.8%	27.7%	23.8%
% of PS revenue from AI initiatives in 3 years	36.9%	51.7%	45.7%	54.2%	52.2%	51.2%	50.0%
Established AI practice	38.9%	49.0%	50.8%	48.3%	49.3%	53.9%	34.2%
AI forms a significant part of our current product and service strategy (1-5)	3.20	3.68	3.69	3.68	3.65	3.78	3.63
Disagree that they use agentic AI tools for multi-step internal tasks	51%	40.2%	37.3%	41.4%	39.6%	40.4%	44.4%

Source: SPI Research, October 2026

PSOs earn a larger share of PS revenue from AI than ESOs (27.2% vs. 16.8%), which makes sense because ESOs mostly implement their parent company’s products while PSOs can package AI advisory and delivery services of their own. APac firms are least likely to have an established AI practice (34.2%).

CHAPTER 7 – CONCLUSIONS & RECOMMENDATIONS

Collect the Dividend, Build the Foundations, Plug the Leak

Bottom line: Collect the dividend, build the four foundations, then plug the leak.

SPI Research has benchmarked professional services organizations since 2006 and the PS Maturity™ Benchmark is now in its 19th year. The lesson from every technology cycle is the same: the firms that win pair new tools with better operating discipline. The recommendations for the year ahead are grouped under the three parts of this report: collect the dividend, build the foundations and plug the leak, and each one is tagged with the Service Performance Pillar™ it belongs to.

Collect the Dividend

1. **Service Execution:** Take AI from some projects to nearly every project. Firms using AI on more than 80% of their projects deliver 90.7% of projects on time and earn \$207k per PS employee, compared with 76.3% and \$155k for firms using it on fewer than 20%. Start with deliverables, MSA review and risk analysis, then move to agents on the workflows you know best.

Build the Foundations

2. **Benchmark and Scorecard:** Any realistic AI plan must start with a fact-based view of where the firm stands. Place your firm on the SPI AI Maturity Model™ and set a target of one level up in 2027. Track at least three AI outcomes, including the impact on utilization and project margin. 36.8% of firms track none today.
3. **Leadership:** Support is no longer the constraint: 88.9% of firms report supportive leadership. Give AI a named owner, a budget and a scorecard. Review it with the same cadence as utilization and margin. Put at least four of the six governance controls in Figure 24 in place. Firms that have them deliver 83.0% of projects on time vs. 77.9% and bill \$1,216 per day vs. \$977, so governance does not slow the work down.
4. **Talent:** Make AI proficiency universal and rebuild the apprenticeship path. Firms where more than 80% of employees are proficient deliver 89.5% of projects on time vs. 76.6% where fewer than 20% are. Start with training. Firms where AI has improved employee training a lot or a great deal report EBITDA of 22.0% vs. 15.3%. Replace the junior tasks AI now does with structured ways for new consultants to learn the business.
5. **Finance & Operations:** Fix the data before scaling agents. Demand planning, rate analysis and project profitability analysis all score below 2.5 because the data behind them is fragmented. Connect PSA, CRM and ERP. Firms with no PSA solution are more than twice as likely to still be at the chat stage or have no formal AI use (44.4% vs. 17.7%). Clean the project and resource data, starting with demand planning. The 19 firms where AI has improved demand planning a lot or a great deal report EBITDA of 27.6% vs. 15.2%. Manage to the profit floors in Figure 20, starting with project margin of at least 20% and revenue per PS employee of at least \$200k.

Plug the Leak

6. **Client Relationships:** Put AI in the contract. Only 45.6% of firms have a client disclosure or consent process, yet those that do bill \$1,221 per day vs. \$984. Build disclosure, data protection and pricing for AI-enabled work into every proposal and MSA before your clients' lawyers ask for it.
7. **Finance & Operations:** Reprice and resell the hours AI saves. Every 10% of delivery effort that AI removes from time-and-materials work puts about \$1.9mm of revenue at stake for a 100-person PS organization (Chapter 6). Move AI-enabled work to fixed-fee, outcome-based or subscription pricing, and put the freed hours back into billable work by tracking hours saved and utilization together. Only 19.1% of firms track AI's impact on utilization today.

Choosing the Next AI Move

Three SPI tools help leaders decide which AI initiatives to fund next: the PS Performance Diamond, the goals firms set for AI and the AI Prioritization Matrix.

Every AI Initiative Should Serve the Four PS Goals

Professional services may be complex to run, but its goals are simple. Every PS organization balances four outcomes: Revenue Growth, Organizational Profit, Client Satisfaction and Talent Optimization. SPI's PS Performance Diamond (Figure 28) places **Leadership** around the four goals because its job is to keep them in balance. Grow faster than you can hire and quality suffers. Hire ahead of demand and utilization and margin fall. Overservice clients and profit disappears. Cut too deep and the best people leave.

Figure 28: The PS Performance Diamond



Source: SPI Research, October 2026

AI does not change these mechanics. Every AI initiative should face the same four questions:

1. Does it support sustainable growth?
2. Does it strengthen talent without creating new pressures or dependencies?
3. Does it improve the client experience?
4. Does it add to organizational profit?

Leaders Put Delivery and New Offerings First

Participants rated five AI strategic goals from 1 (not a priority) to 5 (critical priority). Table 26 shows improving service delivery leads at 3.98, with 77.0% of firms rating it a high or critical priority. Innovating service offerings follows at 3.90 (71.9%). Optimizing internal financial operations (2.95) and business planning (2.90) fall below the midpoint and only about a third of firms rate them high or critical.

PSOs put more weight on new service offerings than ESOs (3.93 vs. 3.82), although the gap is borderline. ESOs rate service delivery slightly higher (4.03 vs. 3.96), but that gap is too small to rely on. APac firms rate financial operations lowest (2.70). The order is the same as in 2025, although the scale changed and last year's top goal was worded "increase efficiency".

Table 26: AI Strategic Goals by Organization Type and Geography (1-5 Scale)

AI Strategic Goal	2026	% High or Critical	ESO	PSO	Amer.	EMEA	APac
Improve service delivery	3.98	77.0%	4.03	3.96	3.97	4.06	3.90
Innovate service offerings	3.90	71.9%	3.82	3.93	3.87	3.98	3.90
Enhance client engagement	3.54	56.3%	3.42	3.58	3.54	3.60	3.35
Optimize internal financial operations	2.95	30.9%	2.92	2.96	3.05	2.77	2.70
Business planning	2.90	34.2%	2.88	2.90	2.93	2.83	2.80

Source: SPI Research, October 2026

SPI Research believes the low priority on financial operations and planning is a mistake. Forecasting, pricing, resource planning and revenue recognition are where a few points of accuracy are worth the most money, and they are the numbers boards and CFOs watch most closely.

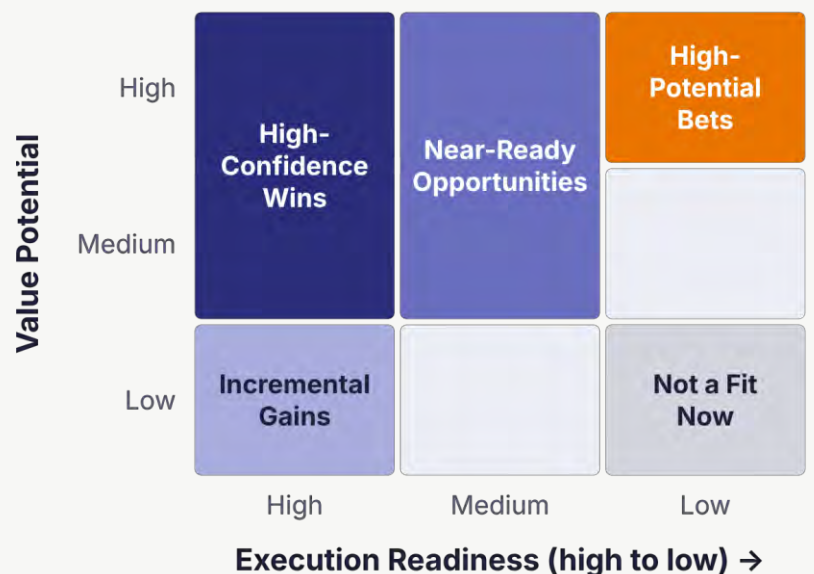
Rank Each Initiative on Value and Readiness

SPI's Project Initiative Diamond and AI Prioritization Matrix, both introduced in 2025, give leaders a shared way to place and rank AI initiatives. The Diamond maps each initiative to the front office, service portfolio, business strengths or back office. The Matrix (Figure 29) ranks it on two factors: Value Potential, the expected impact on performance, and Execution Readiness, which covers data quality, workflow clarity, integration, talent capability, security, governance and the maturity of the tools on the market.

Applied to the 2026 data, the five categories of the Matrix look like this:

- **High-Confidence Wins:** drafting deliverables and documentation,

Figure 29: SPI's AI Prioritization Matrix



Source: SPI Research, October 2026

proposals and RFP responses, contract and MSA review and meeting summaries. These score 3.29 to 4.02 in Table 9 and most sit at Level 1.

- **Near-Ready Opportunities:** project risk analysis (up from 2.82 to 3.26), resource management (3.15) and data analytics for clients. These need clean project and resource data, so pair them with the data work in Table 19
- **High-Potential Bets:** agentic delivery orchestration, AI-assisted implementation platforms and AI services sold to clients. SPI rated 21 of this year's top use cases at Level 3 and most of them fall here.
- **Incremental Gains:** marketing assets, admin assistants and research summaries. They save time and teach teams to use the tools, but they should not crowd out higher-value work.
- **Not a Fit Now:** demand planning (1.98), rate analysis (1.97) and project profitability analysis (2.23). These are worth revisiting once PSA, CRM and financial data can be trusted.

Outlook: The Next Three Years

What Firms Expect by 2029

Participants expect AI to drive 51.7% of their PS revenue within three years, more than twice today's 24.1%. They expect a 14.5% return on AI in the first year and a positive return in 10.3 months. And 21.2% of firms already say AI agents run multi-step processes across their systems, with 7.2% describing an AI-first operating model. If the forecasts hold, the typical PS firm in 2029 will sell AI-enabled services, deliver them with agents doing much of the routine work and staff projects with fewer, more experienced people.

SPI Research has tracked professional services through several technology cycles and most took longer to change the business than early forecasts suggested. AI is moving faster. In one year, the share of projects using AI rose from 23.1% to 43.6%. For most firms, the open question is who will change their business model first: the firm itself or a competitor.

What the Data Tells Us About That Future

1. **The adoption ladder is also a performance ladder.** Firms running complex agents or an AI-first model report EBITDA of 20.5% vs. 13.3% for firms at the chat stage or with no formal AI use (Table 12). SPI Research expects more firms to climb, because the tools are getting easier and the gap is visible in the numbers.
2. **Delivery moves first, the back office follows.** Every **Service Execution** area now scores 3.0 or higher on the agreement scale, while demand planning and rate analysis score 1.98 and 1.97 on the extent scale (Table 9). The next wave of value will come when AI can use the data in PSA, CRM and financial systems, not just the documents on a consultant's laptop.
3. **Measurement will separate the winners.** Firms tracking three or more AI outcomes report EBITDA of 18.7% vs. 14.0% for firms tracking none (Table 21). As AI spending grows, boards will ask for proof and only the firms with a scorecard will have it.

Five Risks to Manage

1. **Agents acting on bad data.** 22.3% of firms say their data is not ready or fragmented. An agent that staffs a project or prices a bid from bad data makes mistakes faster and at scale.
2. **The hourly billing trap.** Firms reporting the biggest productivity gains from AI achieved 85.9% of their revenue target vs. 93.5% for firms reporting no change. If AI does in 10 hours what took 40, an hourly-billing firm loses 30 hours of revenue unless it reprices the work.
3. **An empty talent pipeline.** When AI takes over the analysis once done by junior consultants, firms save money today but lose the roles where future managers learn the business.
4. **Security and client trust.** Security is now the top AI concern (53.6% rate it major or significant), yet only 45.6% of firms have a client disclosure or consent process and 35.0% require source attribution or validation.
5. **Running AI without a scorecard.** 36.8% of firms track no AI outcomes. Without measurement, AI spending becomes a cost center that is the first to be cut in a downturn.

Every firm can collect the Delivery Dividend. Only the firms that build the right foundations will earn the Readiness Premium.

Every firm in this study has access to the same AI tools. The HPOs show what happens when those tools meet strong leadership, operating discipline and a scorecard.

***R. David Hofferberth, Founder & Managing Director and Connor Budden, Global Director
Service Performance Insight (SPI Research)***

Part IV – Reference

The detail behind the story: who took part, how they performed and results by segment. Full tables by organization type and geography are in the companion data supplement.

IN THIS PART

Chapter 8 – Who Took Part and How They Performed

PART I The Delivery Dividend What every firm gets	PART II The Readiness Premium What firms with the right foundations earn	PART III The Leak Why most firms miss it	PART IV Reference Results in detail
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CHAPTER 8 – WHO TOOK PART AND HOW THEY PERFORMED

Bottom line: This year’s participants are smaller firms than last year’s and performed slightly better, though the gains are small next to the jump in AI use. Inside core business applications, AI’s help is rising but still modest.

Who Took Part

The 2026 Impact of AI on Professional Services study is based on input from 245 organizations across independent professional services organizations (PSOs) and embedded service organizations (ESOs) inside software, SaaS, hardware and reseller businesses. Participants range from consultancies with fewer than 10 employees to PS organizations with more than 5,000.

The survey includes 175 PSOs and 70 ESOs. ESOs report far higher company revenue (\$275.9mm vs. \$77.0mm) because they sit inside larger product companies, but their PS revenue is lower than that of PSOs (\$40.1mm vs. \$58.6mm). ESOs also grew more slowly, with PS revenue up 4.3% vs. 7.1% for PSOs, and they forecast 5.7% growth for 2026 vs. 9.0%.

The Americas account for 161 firms, EMEA 63 and APac 21. EMEA firms reported the fastest PS revenue growth (8.2%), while APac grew 5.5%. This year’s participants are smaller than last year’s. The average PS organization has 376 employees, compared with 480 in 2025, and PS revenue averages \$53.3mm vs. \$58.9mm. Firms with fewer than 10 employees make up 27.3% of the sample.

Table 27: Key Demographics of Surveyed Participants by Organization Type and Geography

Key Performance Indicator (KPI)	2026	ESO	PSO	Amer.	EMEA	APac
Surveys	245	70	175	161	63	21
Size of PS organization (employees)	376	487	332	298	617	252
Total company revenue (USD mm)	\$132.5	\$275.9	\$77.0	\$136.8	\$120.4	\$135.6
Total professional services revenue (USD mm)	\$53.3	\$40.1	\$58.6	\$50.7	\$71.4	\$20.1
Year-over-year change in PS revenue	6.3%	4.3%	7.1%	5.6%	8.2%	5.5%
Forecasted revenue growth in 2026 (over 2025)	8.1%	5.7%	9.0%	8.1%	8.4%	6.4%

Source: SPI Research, October 2026

Seven PS markets are represented: Management Consulting (63), IT Consulting (61), PS within SaaS companies (32), PS within software companies (16), value-added resellers (16), Architecture & Engineering (13) and Other PS (44). Table 29 shows IT consulting firms grew fastest (9.7%) and forecast 11.0% growth for 2026. PS teams inside software (2.0%) and SaaS companies (3.8%) grew the least, and software PS teams expect little improvement (2.2%).

Demographic Performance

Table 28 shows this year’s participants performed slightly better than last year’s, but the gains are small next to the jump in AI use. Billable utilization rose from 65.7% to 67.8%, project margin from 34.6% to 36.1% and EBITDA from 15.0% to 16.5%. They also outperform the wider market on delivery and profit, as measured in SPI’s 2026 PS Maturity Benchmark, where on-time delivery was 73.8% (vs. 80.3% here) and EBITDA 9.9% (vs. 16.5%).

Utilization is still the weak spot. At 67.8%, it is above the benchmark’s record low of 66.4% but below its 5-year average of 69.8%, and it equals 1,356 billable hours a year against SPI’s target of at least 75%, or 1,500 hours. For a 100-person PS organization, closing that gap adds 14,400 billable hours. At about \$138 per hour, the study’s average day rate of \$1,101 over eight hours, that is about \$2.0mm in revenue.

WHAT IT’S WORTH

\$2.0mm
a year

Raising utilization from 67.8% (1,356 billable hours a year) to SPI’s 75% target (1,500 hours) adds 14,400 billable hours for a 100-person PS organization.

At about \$138 an hour, the study’s average day rate of \$1,101 over eight hours.

Table 28: Performance KPIs by Organization Type and Geography

Key Performance Indicator (KPI)	2025	2026	ESO	PSO	Amer.	EMEA	APac
Total annual employee attrition	6.6%	5.9%	6.4%	5.7%	5.7%	6.7%	5.0%
Employee billable utilization	65.7%	67.8%	67.4%	68.0%	67.8%	67.3%	68.9%
% of projects delivered on time	78.8%	80.3%	75.5%	82.2%	80.8%	77.7%	82.9%
Project margin	34.6%	36.1%	33.9%	37.0%	36.7%	34.7%	35.8%
Consultant billable day rate achieved (USD)	\$1,067	\$1,101	\$1,095	\$1,104	\$1,086	\$1,077	\$1,274
Ann. revenue per billable consultant (USD)	\$196k	\$199k	\$203k	\$197k	\$211k	\$174k	\$180k
Annual revenue per PS employee (USD)	\$170k	\$179k	\$172k	\$182k	\$188k	\$151k	\$188k
% of annual revenue target achieved	90.1%	90.8%	92.8%	89.9%	91.1%	89.5%	91.9%
% of annual margin target achieved	88.8%	89.2%	90.3%	88.8%	89.2%	88.4%	91.4%
PS Profit (EBITDA %)	15.0%	16.5%	17.5%	16.1%	16.4%	16.4%	17.8%

Source: SPI Research, October 2026

ESOs deliver fewer projects on time than PSOs (75.5% vs. 82.2%), the largest ESO vs. PSO gap in Table 28. Part of that gap comes from ESOs’ larger size. They also report lower project margins (33.9% vs. 37.0%), higher EBITDA (17.5% vs. 16.1%) and more of their revenue target achieved (92.8% vs. 89.9%), but those differences are within the normal spread of the data. EMEA firms trail on revenue per billable consultant (\$174k vs. \$211k

in the Americas). APac reports the highest day rate (\$1,274), but SPI treats the APac figures as directional. Attrition of 5.9% is far below the 11.4% in the PS Maturity Benchmark, but the two surveys use different answer bands, so SPI does not compare them.

AI Adoption and Performance by PS Market

Table 29 shows the two largest markets taking different routes with AI. IT consulting firms sell it. 75.5% sell AI services and 64.9% have an established AI practice, compared with 37.8% and 31.5% of management consultancies. Management consultancies use AI in their work instead. They apply it to as many projects (50.4% vs. 49.3%), earn a similar share of PS revenue from AI-related initiatives (29.1% vs. 27.0%) and deliver more projects on time than any other market (87.1%). IT consultancies bill more of their time (73.8% vs. 66.1%) and more than one in four is an HPO (25.9% vs. 12.2%). Part of both gaps comes from firm size.

Table 29: Demographics, AI Adoption and Performance by PS Market

	2026	Arch. & Eng.	IT Cons.	Mgmt. Cons.	SaaS PS	Soft. PS	VAR	Other
Surveys	245	13	61	63	32	16	16	44
FIRM PROFILE								
Size of PS organization (employees)	376	83	377	144	761	298	258	586
Total company revenue (USD mm)	\$132.5	\$22.9	\$73.6	\$51.5	\$223.5	\$403.6	\$143.1	\$199.9
Total professional services revenue (USD mm)	\$53.3	\$22.9	\$66.7	\$34.5	\$39.1	\$27.7	\$36.1	\$97.1
Year-over-year change in PS revenue	6.3%	8.1%	9.7%	6.0%	3.8%	2.0%	4.5%	5.4%
Forecasted revenue growth in 2026 (over 2025)	8.1%	9.6%	11.0%	6.7%	6.0%	2.2%	5.0%	10.2%
AI ADOPTION								
Stage of AI adoption (1-6)	3.38	2.80	3.58	3.25	3.50	3.44	3.33	3.33
% of projects currently utilizing AI	43.6%	-	49.3%	50.4%	32.2%	30.0%	42.0%	43.0%
% of employ. proficient in using AI tools	52.2%	-	60.5%	54.9%	38.7%	36.7%	47.3%	54.6%
Currently selling AI services	51.3%	10.0%	75.5%	37.8%	47.7%	46.9%	57.1%	48.6%
Established AI practice	49.0%	30.0%	64.9%	31.5%	66.0%	43.3%	33.3%	52.9%
PS revenue from AI-related initiatives	24.1%	-	27.0%	29.1%	15.0%	18.6%	16.7%	30.0%
Data readiness for reliable AI use (1-5)	3.35	-	3.55	3.04	3.15	3.47	3.71	3.65
No AI outcomes formally tracked	36.8%	100.0%	29.8%	37.7%	19.2%	20.0%	38.5%	48.6%
PERFORMANCE								
Employee billable utilization	67.8%	64.0%	73.8%	66.1%	64.4%	67.7%	67.0%	65.0%
% of projects delivered on time	80.3%	-	77.4%	87.1%	72.1%	75.3%	78.3%	85.6%
Project margin	36.1%	30.5%	37.2%	38.3%	32.3%	38.6%	35.3%	35.0%
PS Profit (EBITDA %)	16.5%	-	17.5%	14.0%	17.3%	19.6%	17.1%	17.1%
HPO share of firms	17.6%	-	25.9%	12.2%	19.2%	21.4%	7.1%	17.6%

Source: SPI Research, October 2026

PS teams inside software and SaaS companies use AI on the fewest projects of the markets shown (30.0% and 32.2%) and have the fewest proficient employees (36.7% and 38.7%), even though they sit at the same stage of adoption as the consultancies. Their companies build AI into the product, but their consultants have been slower to use it in their own work. Architecture & Engineering firms are furthest behind. Only one sells AI services, and none formally tracks an AI outcome.

Results by Pillar

- ◆ **Leadership (Executive)**. SPI Research found leadership support for AI rose to 4.41 (1: very unsupportive to 5: very supportive), up from 4.04 in 2025, with 88.9% of firms supportive or very supportive. The share reporting that AI has increased productivity and efficiency rose from 71.5% to 86.6%.
- ◆ **Client Relationships (Marketing & Sales)**. Proposal development is the client-facing activity where AI helps most (3.29 on a 1 to 5 scale), while acquiring clients (2.27) and retaining clients (2.26) remain near the bottom. Client expectations are rising faster than results. 59.9% of firms agree their clients expect them to use AI in delivery, up from 45.0%.
- ◆ **Talent (Human Resources)**. On average, 52.2% of employees are proficient in AI tools, up from 39.9%. AI has done far less for the talent function itself. Acquiring talent (1.93) and talent strategy (2.19) are among the lowest-scoring impact areas in the study. Training is the exception that pays. The 19.6% of firms where AI has improved employee training a lot or a great deal deliver 86.9% of projects on time vs. 77.5% and report EBITDA of 22.0% vs. 15.3%.
- ◆ **Service Execution (Delivery)**. Every **Service Execution** impact area scored at or above the neutral 3.0 this year. Creation of project deliverables leads at 4.02, up from 3.66, and project risk analysis rose from 2.82 to 3.26.
- ◆ **Finance & Operations (CFO)**. Firms expect 51.7% of PS revenue to come from AI-related initiatives in three years, up from the 36.9% they forecast in 2025. The back office is further behind. Demand planning (1.98) and rate analysis (1.97) both score below 2.0 and only 38.2% of firms agree they use agentic AI tools for multi-step internal tasks. The 19 firms where AI has improved demand planning a lot or a great deal show what is possible, with EBITDA of 27.6% vs. 15.2% for the rest.

Client Relationships

AI's biggest client-facing gains are still in the work that happens before the contract is signed. Table 30 shows proposal development scores highest at 3.29 on the extent scale (1: not at all to 5: a great deal), followed by go-to-market research (3.12), targeted client research (3.11) and creating marketing assets (3.10). These are high-volume writing and research tasks where AI shortens the cycle without changing how the firm delivers.

The scores fall off once the work depends on the relationship itself.

Personalizing client services (2.58), acquiring clients (2.27) and retaining clients (2.26) all sit well below the midpoint. AI can help a firm get to the table. It is not yet helping firms win or keep clients. PSOs report more help with proposals than ESOs (3.42 vs. 2.98), which makes sense since PSOs write far more proposals. These

"It has replaced a fractional CMO and a marketing agency."

— PARTICIPANT, ON AI FOR MARKETING RESEARCH AND EXECUTION

questions moved from an agreement scale in 2025 to an extent scale this year, so the scores are not comparable with last year's.

Table 30: Client Relationships Improvements by Organization Type and Geography (1-5 Scale)

Client Relationships Activity	2026	ESO	PSO	Amer.	EMEA	APac
Proposal development	3.29	2.98	3.42	3.26	3.41	3.25
Go-to-market research	3.12	2.97	3.18	3.07	3.24	3.15
Targeted client research	3.11	2.95	3.17	3.00	3.32	3.35
Creating marketing assets	3.10	3.00	3.14	3.15	2.96	3.11
Personalizing client services	2.58	2.30	2.69	2.60	2.55	2.50
Marketing program management	2.52	2.32	2.60	2.51	2.52	2.58
Lead generation	2.46	2.45	2.46	2.45	2.54	2.30
Acquiring clients	2.27	2.20	2.30	2.22	2.42	2.26
Retaining clients	2.26	2.08	2.33	2.26	2.25	2.32

Source: SPI Research, October 2026

Participants describe the value in plain terms. One wrote, “Writing RFP responses. The repetitive parts of telling the same stories and facts is something AI does well.” Another uses AI for “Marketing research and execution - it has replaced a fractional CMO and a marketing agency.”

AI in Business Applications

“Positive sentiment toward AI’s impact on PSA grew 156% year over year — the strongest improvement across all core business applications.”

To clarify the survey results, below are definitions of the five business applications assessed in this study.



Business Planning (BPL): The assembly and use of information to improve decision-making, extensively used for planning and analysis.



Client Relationship Management (CRM): Automating client relationship processes to improve sales and marketing efficiency and effectiveness.



Human Capital Management (HCM): Talent management solutions for recruiting, hiring, compensation, goal setting and career and performance management.



Professional Services Automation (PSA): The initiation, planning, execution, closing and control of projects and services through the management and scheduling of resources that include people (both internal and partners), materials and equipment.



Corporate Financial Management (CFM): The fundamental solution required to collect and report financial transactions accurately. **Also referred to as ERP platforms.**

AI’s impact on the core business applications rose for all five applications this year, but none has reached the midpoint.

Application use limits where AI can help. Table 31 shows 86.3% of firms use a commercial CFM solution, and 81.1% use a commercial CRM, but only 58.8% use a commercial PSA solution, 57.9% a commercial HCM and 38.0% a commercial planning or BI tool. A new “None” answer this year shows 29.2% of firms have no PSA at all and 45.0% have no planning tool. ESOs are far better equipped than PSOs, with 77.6% using a commercial PSA vs. 51.2%.

Table 31: Business Application Use by Organization Type and Geography

Application	2026	ESO	PSO	Amer.	EMEA	APac
Commercial CFM	86.3%	91.0%	84.3%	91.0%	71.9%	90.5%
Commercial CRM	81.1%	93.9%	76.0%	83.9%	73.7%	81.0%
Commercial PSA	58.8%	77.6%	51.2%	60.0%	54.4%	61.9%
Commercial HCM	57.9%	73.1%	51.8%	60.6%	56.1%	42.9%
Commercial BPL	38.0%	43.9%	35.6%	39.6%	33.3%	38.1%

Source: SPI Research, October 2026

AI’s Impact on Business Application Performance

Planning and BI changed most, up 36% to 2.67, and the share of firms reporting a lot or a great deal of AI impact across the five applications more than doubled, from 7.8% to 18.8%. The 1–5 scale is the same as in 2025, so the scores and changes in Table 32 are a true comparison.

Table 32: AI has Improved the Performance of Core Business Applications

AI has improved performance	PSA	CFM / ERP	CRM	HCM	BPL	Average
Not at all (1)	17.9%	29.1%	10.8%	38.7%	21.6%	23.3%
A little	36.9%	34.0%	39.2%	37.0%	26.5%	35.0%
A moderate amount	22.6%	22.8%	27.5%	14.5%	26.5%	22.9%
A lot	14.9%	7.3%	14.7%	4.6%	14.2%	11.2%
A great deal (5)	7.7%	6.8%	7.8%	5.2%	11.1%	7.7%
2026 average score	2.57	2.29	2.70	2.01	2.67	2.45
2025 average score	2.10	1.79	2.24	1.62	1.97	1.94
Change in average score, 2025 to 2026	23%	28%	20%	24%	36%	26%
% a lot or a great deal, 2026	22.6%	14.1%	22.5%	9.8%	25.3%	18.8%

Source: SPI Research, October 2026

Application vendors have been adding AI assistants and agents to their products, and users are starting to feel it. But an average score of 2.45 means most firms still see only a little help from AI inside the systems they use every day. CRM, which holds some of the most structured data in the firm, scores highest; HCM, which holds some of the most sensitive data, scores lowest, and 38.7% of firms say AI has not improved it at all.

Firms that built their own systems rate AI's impact higher than firms using commercial products on most applications. Firms with a homegrown PSA score AI's impact at 2.96 vs. 2.51 for commercial PSA users, and firms with a homegrown CRM score 3.25 vs. 2.66. These are small groups, but they match the use cases in Chapter 2, where several firms describe connecting AI directly to their own tools and data.

SPI's detailed results by organization type and geography, in the companion data supplement, show PSOs rate AI's impact on CRM, PSA and planning higher than ESOs do (2.77 vs. 2.51 for CRM and 2.64 vs. 2.43 for PSA), even though ESOs use more commercial applications. EMEA rates PSA highest (2.80) and APac rates HCM lowest (1.69).

In SPI's detailed results by PS market (not shown in this report), IT consulting firms rate AI's impact at or above the average on most applications, while architecture and engineering firms, PS teams inside software companies and VARs rate CRM and PSA lowest (2.38 to 2.42 and 2.25 to 2.30).

SPI's detailed results by firm size (not shown in this report) show the smallest firms report the most help from AI in CRM (3.00), PSA (2.91) and planning (3.13). SPI Research suspects many of these firms run on newer, lighter tools that are easier to change. The 31 to 100 employee band reports the lowest scores on four of the five applications.

SPI Research believes business applications are where AI will move from personal productivity to firm-wide productivity. A consultant using a chat assistant saves an hour. A PSA that forecasts demand, flags margin risk

and staffs the next project changes the utilization and margin of the whole firm. That only works if the data inside the application can be trusted.

Plan-to-Profit

Across the Plan-to-Profit lifecycle, AI embedded in core business applications helps professional services organizations turn fragmented operational data into integrated, forward-looking intelligence. BPL, CRM, HCM, PSA and CFM each contribute a different but connected view of performance—strategy, demand, talent, delivery and financial outcomes. When these applications apply AI to historical trends, real-time activity, capacity constraints, client signals, project performance, and financial results, leaders gain a clearer understanding of where the business performs well, where risks emerge, and which decisions will most impact growth, margin, utilization, and client success.

The strategic value of AI is not limited to automating individual tasks; it lies in creating a more intelligent operating model for the services firm. AI helps executives connect planning assumptions to sales opportunities, align workforce capacity with market demand, manage projects more proactively, protect profitability and make course corrections faster as conditions change. As a result, professional services organizations can move from reactive reporting and manual coordination to predictive, data-driven management — improving execution discipline, strengthening financial performance and building a more scalable foundation for profitable growth.

APPENDICES

Appendix A: Acronyms Used in This Report

Table 33: Lexicon of Acronyms and Abbreviations

Acronym		Meaning	
AI		Artificial Intelligence	
APac		Asia-Pacific	
BI		Business Intelligence	
BPL		Business Planning	
CEO		Chief Executive Officer	
CFM		Core/Corporate Financial Management	
CFO		Chief Financial Officer	
CRM		Client Relationship Management	
EMEA		Europe, Middle East, Africa	
ERP		Enterprise Resource Planning	
ESO		Embedded Service Organization	

Acronym		Meaning	
HCM		Human Capital Management	
HPO		High-Performance PSO	
HR		Human Resources	
IT		Information Technology	
KPI		Key Performance Indicator	
PS		Professional Services	
PSA		Professional Services Automation	
PSO		Professional Services Organization	
ROI		Return on Investment	
SaaS		Software as a Service	
VAR		Value-added Reseller	

Source: SPI Research, October 2026

Appendix B: Related SPI Research

SPI Research has produced several publications for services-driven organizations that include:

- ◆ **[2026 Professional Services Automation End-user Survey](#)** (August 2026) SPI Research's 2026 PSA End-User Survey captures insights from 101 billable organizations using Professional Services Automation solutions. Conducted independently with no vendor input, the study explores why firms select PSA, which capabilities matter most and how users perceive value. It examines both pre- and post-deployment performance, user satisfaction across core modules and real-world adoption patterns, supported by 44 quantitative and qualitative figures and tables.
- ◆ **[2026 Professional Services Maturity Benchmark™](#)** (February 2026) With participation from over 509 Professional Services organizations, the 2026 Professional Services Maturity™ Benchmark provides the industry's most comprehensive performance view across Leadership, Client Relationships, Talent, Service Execution and Finance & Operations. Now in its 18th year, the benchmark highlights the operational drivers that differentiate high-performing firms and offers a clear path for organizations seeking measurable productivity and profitability gains.
- ◆ **[2025 Service Productization Benchmark](#)** (October 2025) The 2025 Service Productization Benchmark, based on responses from more than 100 services organizations, delivers the industry's first data-driven view of how productized services improve scalability, margin and delivery consistency. The report maps productization maturity across firms and offers clear guidance on how organizations can package, standardize and operationalize their expertise for more predictable growth.
- ◆ **[The Structural Divide – Why Sales & PS Clash and the Strategies to Fix it](#)** (September 2025) The Structural Divide: Why Sales and PS Clash analyzes why Sales and Professional Services often work at cross-purposes and how this misalignment erodes margin and delivery predictability. Based on SPI's research into sales-to-delivery friction points, the report outlines the structural, incentive and process gaps that create conflict – and provides practical actions leaders can take.
- ◆ **[2024 Project-based Enterprise Resource Planning \(ERP\)](#)** (May 2024) The 50-page report provides data-based guidance for professional services executives with 29 informative graphics and tables supporting strategic initiatives to improve organizational performance by implementing Project-based ERP solutions. Data was taken from 2,898 firms over the past five years.
- ◆ **[2023 Professional Services Talent Benchmark](#)** (September 2023) SPI Research's 2023 Talent Benchmark analyzes 137 billable PS organizations representing over 50,000 consultants. This 122-page study examines talent priorities, virtual delivery trends, employee investment and the role of business applications. It provides detailed insight into target and realized bill rates, compensation and utilization across major PS verticals and 12 global job levels, offering a comprehensive view of workforce structure and composition across IT Consulting, Management Consulting, Architects and Engineers and embedded SaaS services teams.

Information on these and any other SPI Research publications can be found at www.spiresearch.com or by e-mail at info@spiresearch.com.

Appendix C: Methodology

Survey Background – Response and Methodology

This year, 245 firms took part in the survey between July 15 and September 16, 2026, and 224 completed it in full. They are not a random slice of the market.

- ◆ 175 independent professional services organizations (PSOs) and 70 embedded service organizations (ESOs)
- ◆ 161 firms headquartered in the Americas, 63 in EMEA and 21 in APac.
- ◆ 43.6% of respondents are CEOs or managing directors, and they rate leadership support (4.46 vs. 4.39), productivity gains (4.01 vs. 4.03) and expected 12-month ROI (15.4% vs. 13.9%) almost exactly as other leaders do. Their firms use AI on more projects, but they are also smaller, and that gap disappears once you account for size.

Definitions

SPI Research uses the following definitions to define AI in this report:

- ◆ **Artificial Intelligence:** Artificial intelligence (AI) applies advanced analysis and logic-based techniques, including machine learning (ML), to interpret events, support and automate decisions and take actions. (Source: Gartner)
- ◆ **Generative AI:** Generative AI refers to AI techniques that learn a representation of artifacts from data and use it to generate brand-new, unique artifacts that resemble the original data but don't repeat it. (Source: Gartner)
- ◆ **Agentic AI:** Agentic AI is an artificial intelligence system that can accomplish a specific goal with limited supervision. It consists of AI agents that mimic human decision-making to solve problems in real time. (Source: IBM Think)

AI Adoption Stages (new in 2026): Participants chose the stage that best describes their organization today.

1. No formal AI use: AI is not used in any recurring process, although individuals may experiment.
2. Chat-assisted work: employees use AI chatbots or copilots for search, Q&A and drafting. Humans initiate, direct and complete the work.
3. AI-augmented work: AI is built into defined workflows such as drafting, research and analysis. Humans review and approve all outputs.
4. Simple agents: task-specific agents complete defined workflow steps such as scheduling, triage or data entry, with human approval for decisions.
5. Complex agents: agents orchestrate multi-step processes across systems within defined guardrails, with human oversight.
6. AI-first operating model: agents manage significant end-to-end business processes. Humans set strategy and governance and handle exceptions.

Scoring: Most opinion questions use a 1 to 5 scale where 3 is the midpoint. This year the survey uses four scales: agreement (1: strongly disagree to 5: strongly agree), extent (1: not at all to 5: a great deal), concern (1: not a concern to 5: significant concern) and priority (1: not a priority to 5: critical priority). Scores on different scales should not be compared with each other. “Unsure” and “not applicable” answers are left out of averages. For whether a firm sells AI services or has an established AI practice, an “Unsure” answer counts as half a yes, as in SPI’s 2025 study; for the other yes or no questions, “Unsure” is left out. KPI averages use the midpoint of each answer band; open-ended bands use a set value (for example, “Negative” EBITDA counts as -10% and “Over 40%” as 50%). Averages for combined groups are weighted by the number of firms in each group.

Profit: “Profit” in this report means PS Profit (EBITDA %), as asked in the survey: each firm’s self-reported professional services EBITDA as a share of PS revenue. The survey did not specify how allocated corporate costs should be treated.

Percentages: Percentages are shares of the firms that answered each question, unless a note under the exhibit says otherwise.

Payback: The time to a positive ROI is the time firms expect it to take, as the survey asks, not a measured payback.

Testing the results: SPI tested whether the main differences in this report are statistically reliable, allowing for firm size and for organization type (ESOs vs. PSOs). A gap marked ● in a table holds after that adjustment, so bigger firms or ESOs are not what is driving it; a gap marked ○ points the same way but is not confirmed. Where a gap is too small to rely on, the report says so, because it could be chance. Each result is based on the firms that answered that question. Results based on fewer than 10 firms are not shown and appear as “-” in tables.

Adjusted results: The ● and ○ markers in Tables 8, 12, 14, 17, 18, 19, 21 and 23 and in the chapter scorecards show which gaps hold after allowing for firm size and type. The same test applies to the gains in Figures 1, 2 and 17 and to the governance results in Figure 25. For the training and governance results in Chapter 5, SPI also allowed for how widely the firm uses AI, so they are not just the heaviest AI users doing well.

Year-over-year comparisons: Comparisons of 2026 with 2025 use only questions asked the same way in both years, apart from the reworded agentic AI question, which is noted where it appears. The 2024 study is added for the questions asked in all three years. Because this year’s participants are smaller firms, SPI reweighted the 2026 results to match the 2025 size mix. The share of projects using AI is then 43.1% instead of 43.6% and employee proficiency 52.0% instead of 52.2%, so the gains do not come from a different mix of firms.

How AI use tracks the KPIs: AI use combines the share of projects using AI and the share of employees proficient in AI tools. SPI compared it with each KPI using Spearman rank correlation, where 0 is no relationship and 1 is a perfect match: on-time delivery 0.33, revenue per PS employee 0.26, day rate 0.17, EBITDA 0.13 and project margin 0.12. The first two links hold after allowing for firm size and type and the day rate link only just misses; there is no reliable link to EBITDA or project margin.

SPI AI Maturity Model™ scoring: The seven answers move together closely enough to combine into one score, with a Cronbach’s alpha of 0.76, where 0.70 or more is considered reliable.



Sample Compared with the PS Maturity Benchmark

This year's numbers tell a clear story. EBITDA has grown significantly, with participants in this study reporting an average of 16.5%, well above the 9.9% reported in SPI's 2026 Professional Services Maturity™ Benchmark. This suggests firms further along in AI adoption were more likely to participate.

About Service Performance Insight



R. David Hofferberth, PE, founder and Managing Director of Service Performance Insight, has over 35 years of experience in information technology (IT), serving as a consultant, industry analyst, market consultant and product director with firms including Aberdeen Group and Oracle. He focuses on the services economy, particularly white-collar productivity issues and the technologies that enable people to perform at their highest capacity.

Dave (with his former partner, Jeanne Urich) is the co-author of the **Professional Service Maturity Model™** benchmark used by over 50,000 project-oriented organizations to diagnose and improve their performance. He frequently speaks at key industry events on information technology worldwide and has provided advisory services to project- and service-driven organizations.

Dave's background includes developing applications and analytical tools to support business decision-making, dating back to the early 1980s. In 1999, he introduced the solution area now known as Professional Services Automation (PSA) when he published the seminal report: **Professional Services Automation: Increasing Efficiencies and Profitability in Professional Services Organizations**.

Dave earned an MBA from Duke University and a BS in Industrial Engineering from the University of Tennessee. He was a licensed Professional Engineer (PE) earlier in his career.



Connor Budden – Global Director (London-based). Connor brings over a decade of experience in operational transformation for high-growth, PE-backed organizations, with expertise in systems integration, process optimization and cross-functional alignment. He has led global post-merger integrations and operational change at SoftwareOne and ITRS Group, improving revenue, margin and delivery performance.

As co-founder of The 1801 Consulting Group, Connor has worked with leadership teams worldwide to embed scalable, data-driven processes and prepare PE-backed firms for successful exits. He champions applied AI and automation to simplify complexity, improve decision-making and accelerate time-to-value.

Service Performance Insight (SPI Research) is a global research, consulting and training organization dedicated to helping professional service organizations (PSOs) make quantum improvements in productivity and profit. In 2007, SPI developed the PS Maturity Model™ as a strategic planning and management framework. It is now the industry-leading performance improvement tool used by over 50,000 service and project-oriented organizations to chart their course to service excellence.

SPI provides a unique depth of operating experience combined with unsurpassed analytic capability. We not only diagnose areas for improvement but also provide the business value of change. We then work collaboratively with our clients to create new management processes to transform and ignite performance. Visit <https://SPIresearch.com> for more information on Service Performance Insight, LLC.