COST BRIEF

Where Mid-Market IT Budgets Leak in 2026

Barrier Consulting Group | Technology and Operations Advisory

Mid-market IT budgets rarely lose money in one visible place. They drain out of five ordinary ones. **Below is where we find the money and what it takes to close each gap.** Percentages marked as our results were delivered on client engagements.

1 Cloud spend that nobody owns

29% of cloud spend is wasted industry-wide, and 2026 is the first year in five that the number rose. In our work, most of that traces to idle instances, oversized databases, and storage tiers set once and never revisited. The cause is ownership. Nobody owns the monthly bill, so nobody questions it.

> **Closing it:** name one FinOps owner, review cost weekly, and rightsize against real utilization, not the original build estimate. **Our result: 33% cloud cost savings.**

2 Duplicate and overlapping tools

Organizations leave 36% of their software licenses unused on average. Departments buy their own tools, renewals process automatically, and nobody prunes the portfolio. In our work we regularly find three ticketing systems and two monitoring stacks inside one mid-market company, with the spend hidden in line items too small to trigger a review.

> **Closing it:** one owned application inventory, one standard per capability, and renewals consolidated into a single calendar with a named approver. **Our result: 21% lower operating spend.**

3 Legacy applications eating the modernization budget

Maintenance contracts, aging hardware, and scarce specialist contractors keep old systems alive at a price that rises every year. Every dollar spent running yesterday's platform is a dollar unavailable to build the next one. Most teams we work with already know which applications are the problem and have no funded path off them.

> **Closing it:** rank every application by cost per user, then retire, replace, or re-platform on a funded schedule instead of a wish list. **Our result: 36% lower run cost and 24% less capital spend.**

4 Tickets that automation should have prevented

Password resets, access requests, and routine provisioning consume the service desk one small ticket at a time. Each is cheap alone and expensive in volume, and the queue keeps the team too reactive to build the automation that would end it. You pay twice, once in labor and once in the automation never built.

> **Closing it:** self-service for the ten highest-volume request types, with automated fulfillment behind it, not a form that still lands on a human. **Our result: 22% fewer tickets and a 34% efficiency gain.**

5 Delivery drag on projects already funded

Slow delivery burns labor budget without producing anything the business can use. We routinely see handoffs, unclear decision rights, and approval queues stretch a three-month project into six, and the extra three months buy no additional value. The cost never shows as a variance because the money was already approved.

> **Closing it:** smaller releases, one accountable owner per initiative, and decision rights written down before the work starts. **Our result: 23% faster time to market and a 38% efficiency gain.**

Industry sources. Cloud waste: Flexera, 2026 State of the Cloud Report (29% of cloud spend wasted, the first increase in five years). Software licenses: Zylo, 2026 SaaS Management Index (36% of licenses unused against recommended utilization). All other percentages are results Barrier Consulting Group delivered on client engagements.

If any of these five look familiar, I'm happy to share how we've closed them elsewhere.

ryan@barrierconsultinggroup.com | **barrierconsultinggroup.com**