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The Infrastructure Modernisation Wave — Spending the Pandemic Savings

A Practitioner's Perspective on Portfolio Pressure and the Post-Pandemic
Investment Surge

Giovanni Leonardi

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"A portfolio that attempts to clear two years of deferred investment in a single budget cycle is not a strategy — it is an overcorrection dressed as ambition."

1. The Deferred Investment Bulge

For the better part of two years, organisations across every sector deferred non-essential technology investment. During the acute phase of the pandemic, every available pound was directed toward operational survival: keeping systems running, enabling remote work, and maintaining customer-facing services. Infrastructure modernisation, platform upgrades, data centre migrations, and legacy system replacements — work that was important but not immediately existential — was paused, deprioritised, or quietly shelved.

Now, as organisations move from crisis response to recovery planning, that deferred investment is flooding back into the portfolio. Every programme that was paused wants to restart. Every platform upgrade that was deferred has become more urgent with the passage of time. Legacy systems that were already approaching end of life eighteen months ago are now well past it. And the pandemic itself has generated a new category of demand: the modernisation of the hastily-built capabilities that kept the organisation running but were never designed to be permanent.

The result is a portfolio problem of unusual intensity. Demand for infrastructure modernisation is at historically high levels. The supply of delivery capacity — funding, people, organisational bandwidth for change — has not increased proportionally. And the prioritisation challenge is made more difficult by the fact that almost every deferred programme has a legitimate claim to urgency.

2. The False Promise of the Recovery Budget

In many organisations, the response to this demand bulge has been to create a "recovery" or "rebuild" investment envelope — a dedicated budget for catching up on deferred work. The instinct is understandable: the organisation recognises that it has under-invested, and it wants to correct course.

But the recovery budget creates its own problems. It signals to every part of the organisation that investment is available, which accelerates demand rather than managing it. It often comes without the governance mechanisms needed to prioritise within it — the budget exists as a pool, and the assumption is that everything in the backlog will be funded. And it creates a time pressure that is artificial but powerful: the recovery budget is for this year, so everything must start now.

The pattern that emerges is predictable. The portfolio swells beyond the organisation's capacity to deliver. Programmes compete for the same scarce resources — architects, engineers, testing environments, and above all, the organisational attention of the leadership teams who must make decisions and remove blockers. Dependencies between programmes multiply as shared infrastructure components become bottlenecks. Timelines slip, costs escalate, and the recovery that was supposed to take a year begins to stretch into two, then three.

In my experience, the organisations that handle this moment well are not those that spend the most or start the most programmes. They are those that have the discipline to make choices — to prioritise ruthlessly, to sequence deliberately, and to accept that not everything can happen at once, no matter how urgent it feels.

3. The Prioritisation Deficit

Prioritisation in technology portfolios is always difficult. It is especially difficult in the current moment because the usual prioritisation frameworks do not map cleanly onto the problem.

Traditional portfolio prioritisation optimises for value: which investments will generate the greatest return? But much of the deferred infrastructure investment is not value-generating in the conventional sense. It is risk-reducing. Replacing an end-of-life platform does not create new revenue. It prevents a future outage, security breach, or regulatory failure. Quantifying the value of risk avoidance is notoriously difficult, and the result is that risk-reduction programmes consistently lose the prioritisation contest to value-creation programmes — until the risk materialises, at which point the calculus reverses dramatically.

The post-pandemic portfolio contains a disproportionate volume of risk-reduction work, because the work that was deferred during the pandemic was overwhelmingly of this type. The customer-facing investments continued; it was the foundations beneath them that were neglected. Prioritising this portfolio using value-based frameworks will, predictably, defer the infrastructure work again — creating a cycle in which the most important foundational investments are perpetually deprioritised in favour of more visible, more easily justified initiatives.

The portfolio challenge is not a shortage of investment. It is a shortage of the organisational discipline to choose what not to do — and to accept the consequences of that choice rather than pretending everything can be done simultaneously.

4. What Good Looks Like

The organisations navigating this moment most effectively share several characteristics that are worth naming, because they run counter to the prevailing instinct.

First, they are sequencing rather than parallelising. Instead of launching every deferred programme simultaneously, they are identifying the critical path — the infrastructure investments that unblock the largest number of downstream programmes — and investing disproportionately in those. This is slower in the short term but produces a portfolio that actually delivers, rather than one that starts everything and finishes nothing.

Second, they are separating risk decisions from value decisions. Rather than forcing risk-reduction investments to compete with revenue-generating initiatives in the same prioritisation framework, they are establishing a distinct risk-based allocation — a proportion of the portfolio explicitly reserved for foundational work, governed by risk appetite rather than business case arithmetic. This protects infrastructure investment from the inevitable gravitational pull of more glamorous programmes.

Third, they are honest about capacity. The most corrosive fiction in portfolio management is the assumption that the organisation can absorb more change than it actually can. The organisations that are getting this right have made a realistic assessment of their delivery capacity — not just funding, but people, environments, and above all, leadership attention — and have sized their portfolio to fit within it. The surplus demand is not denied; it is explicitly deferred, with a clear rationale and a committed timeline.

Fourth, they are managing dependencies as a first-order concern. In a portfolio dominated by infrastructure modernisation, dependencies between programmes are not edge cases — they are the primary source of delay and cost escalation. The organisations managing this well have invested in dependency mapping and active dependency management at the portfolio level, not as an afterthought but as the central discipline of portfolio governance.

5. The Temptation of Transformation

There is one further pattern worth noting, because it is both common and dangerous. Some organisations are using the post-pandemic investment moment not just to catch up on deferred maintenance but to reframe the entire modernisation effort as a transformation programme. The logic is appealing: if we are going to invest in infrastructure anyway, why not use it as an opportunity to transform the operating model, modernise the architecture, and leapfrog to a fundamentally different technology landscape?

The ambition is admirable. The risk is significant. Combining catch-up maintenance with forward-looking transformation in a single programme produces a scope that is almost impossible to govern, a timeline that is almost impossible to hold, and a business case that conflates two fundamentally different types of investment — the mandatory (risk reduction) and the discretionary (capability enhancement) — in ways that make both

harder to justify and harder to evaluate.

The wiser course is to separate the two. Stabilise the foundations first. Address the accumulated debt. And then, from a position of operational confidence rather than operational anxiety, make deliberate choices about where and how to transform. This is less exciting than a grand transformation narrative. It is considerably more likely to succeed.

The pandemic savings are real, and spending them wisely is essential. But wisdom, in this context, means discipline more than ambition — the discipline to choose, to sequence, to accept constraints, and to resist the organisational tendency to treat a recovery budget as permission to attempt everything at once.