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The Infrastructure Modernisation Wave — When Every Deferred Programme Competes for the Same Budget

A Practitioner's Perspective on Portfolio Pressure in the Post-Pandemic Investment Cycle

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1. The Bulge in the Pipeline

Something predictable is happening across organisations this autumn, and it is causing more disruption than most leadership teams anticipated. The investment that was deferred during the pandemic — the infrastructure refreshes postponed, the platform migrations delayed, the modernisation programmes put on hold while everyone focused on keeping the lights on — has not disappeared. It has accumulated. And now it is all arriving at once.

The result is a portfolio problem of unusual intensity. Organisations are not short of programmes to fund. They are drowning in them. Every infrastructure refresh that was deferred in 2020 is now urgent. Every platform that limped through the pandemic on extended support is now critical. Every modernisation initiative that was paused to redirect resources toward emergency digital channels is now back on the table, with its sponsors arguing that the delay has made it more urgent, not less.

In my experience, most portfolio governance frameworks are designed to manage a steady flow of investment proposals, to prioritise among competing demands, and to allocate capacity to the initiatives that best serve the organisation's strategy. What they are not designed to handle is a sudden compression of eighteen months of deferred demand into a single investment cycle.

2. Why This Is Not a Normal Prioritisation Problem

The instinct in most organisations has been to treat this as a prioritisation exercise — to rank the competing demands, fund the top of the list, and defer the rest. This instinct is

understandable but insufficient, because the nature of the demand is different from what portfolio governance normally encounters.

The portfolio problem is not that organisations lack investment appetite — it is that eighteen months of deferred demand has created a compression effect that no governance framework was designed to handle.

In a normal year, deferred programmes are independent. You can delay a network refresh without affecting a data centre migration. You can postpone an ERP upgrade without constraining a customer platform modernisation. But after eighteen months of simultaneous deferral, these programmes have developed dependencies that did not previously exist. The network cannot be refreshed without considering the cloud migration that was also deferred. The data centre cannot be consolidated without accounting for the applications that were hastily deployed during the pandemic and now need to be either formalised or retired. The ERP upgrade cannot proceed without addressing the integration shortcuts that were built as temporary measures and have since become load-bearing.

This web of dependencies means that organisations cannot simply pick the top five programmes and proceed. The programmes interact. Sequencing one affects the viability of another. The portfolio must be planned as a system, not as a ranked list.

3. The Capacity Constraint

Compounding the prioritisation challenge is a capacity constraint that the pandemic has made significantly worse. The same technology teams that are expected to deliver the deferred modernisation portfolio are the teams that have spent eighteen months in emergency mode. They are tired. Their institutional knowledge is concentrated in a smaller number of people than is healthy. And they are being asked to absorb a surge in demand at precisely the moment when their capacity to absorb it is at its lowest.

The market for technology talent is not helping. Demand for infrastructure and cloud skills has surged across every sector simultaneously, because every organisation is experiencing the same deferred investment bulge at the same time. The result is that the people needed to deliver the programmes are both internally depleted and externally scarce.

Portfolio governance that does not account for this reality — that plans the portfolio against theoretical capacity rather than actual capacity — will produce a plan that cannot be delivered. This is not a risk. It is a near-certainty in any organisation that has not fundamentally reassessed its delivery capacity since before the pandemic.

4. The Hidden Cost of Further Deferral

The temptation, faced with an overwhelming portfolio and constrained capacity, is to defer again. To push some programmes into next year's cycle. To spread the load. This is, in many cases, the worst possible response.

The programmes in this portfolio were already overdue when they were first deferred. The infrastructure was already aging. The platforms were already approaching end of support. The technical debt was already accumulating. Every additional year of deferral increases cost, increases risk, and narrows the options available when the programme finally proceeds.

- Infrastructure that has been running beyond its planned life is not just more expensive to maintain — it is more expensive to replace, because the replacement must now account for all the unplanned integrations and workarounds that have grown around the aging platform
- Platforms on extended vendor support are not just more expensive to license — they are more vulnerable, because the vendor's investment in security patches and updates diminishes as the platform ages
- Technical debt that compounds over time does not simply get larger — it gets harder to quantify, as the people who understand the original decisions leave and the documentation that was never written becomes permanently unavailable

The organisations that defer again will find themselves in the same position next year, but with a larger portfolio, higher costs, greater risk, and fewer options.

5. What Effective Portfolio Governance Looks Like in This Environment

The organisations that are navigating this well — and there are some — share several characteristics.

They are planning the portfolio as a programme of programmes, not as independent initiatives. They are mapping the dependencies between deferred programmes, identifying the critical path, and sequencing based on architectural logic rather than political priority. This is harder than traditional portfolio governance. It requires a level of architectural understanding at the portfolio level that many organisations do not currently possess.

They are being honest about capacity. They are not planning against the capacity they wish they had or the capacity their resource plans say they should have. They are planning against the capacity they actually have, accounting for fatigue, for attrition risk, and for the realistic availability of skills in the current market.

They are making explicit trade-offs between modernisation and new capability. The pressure to continue building new digital capabilities alongside the deferred modernisation portfolio is intense. The organisations that are managing well are the ones that have had the difficult conversation about what will not happen this year — that have accepted that you cannot simultaneously modernise the foundations and build the next storey.

They are treating the portfolio itself as the unit of governance, not individual programmes. This means portfolio-level risk assessment, portfolio-level resource

allocation, and portfolio-level sequencing. It means accepting that the optimal outcome for the portfolio may require suboptimal timing for individual programmes. This is politically difficult. It is also essential.

6. The Wider Signal

The infrastructure modernisation wave is, at one level, a temporary phenomenon — a bolus of deferred demand that will eventually be absorbed. But at another level, it is a signal of something more permanent. The pandemic demonstrated that technology infrastructure is not a back-office concern. It is the platform on which the entire organisation operates. When it is neglected, the consequences are not merely technical. They are strategic.

The organisations that learn this lesson from the current portfolio crisis will invest differently in future — not in surges and deferrals, but in the sustained, disciplined renewal that prevents the bulge from forming in the first place. Those that do not will find themselves here again, with the same impossible portfolio, the same constrained capacity, and the same difficult choices. The wave will recede. Whether the lesson sticks is another matter entirely.