

Promise and Pressure in 2026

Middle market finance teams are responding to shifting market dynamics with AI, payments innovation, and sophisticated security





AvidXchange surveyed more than 500 middle market finance professionals in September 2025 about how they're navigating economic uncertainty, 2026 planning, and critical trends including payments modernization, fraud prevention, and AI adoption.

Executive Summary

AvidXchange conducted its 2026 Trends Survey in September 2025, gathering insights from middle market finance professionals in the United States. The findings and key takeaways from this research are summarized in this report.

Throughout 2025, finance professionals in the United States have navigated a changing economic landscape marked by mixed signals. After a modest decrease in GDP in the first quarter, the economy rebounded in the second quarter, exceeding estimates. The unemployment rate has remained near 4%, though job growth has slowed. Inflation rates have held relatively steady while recent interest rate cuts aim to support economic stability.

Middle market finance professionals appear to be taking a cautious approach to 2026 planning. Consistent with AvidXchange's [Economic Sentiment Survey](#) conducted in April 2025, 86% of respondents are concerned about the current state of the economy, and in response they're focusing on budget discipline and workforce freezes. However, these measures are adding pressure, with 96% of our survey respondents reporting they are being asked to "do more with less."



To meet this challenge, leaders are turning to technology. AI and automation are delivering ROI in efficiency, accuracy, and decision-making, while also reshaping hiring priorities with greater emphasis on adaptability and continuous learning. Payments modernization is also accelerating, driven by efficiency goals, outsourcing, and the federal government's phase-out of paper checks.

Fraud and security risks remain defining concerns, but finance teams are responding with stronger safeguards. The takeaway: pressure is real, but finance leaders are turning it into momentum for transformation in 2026.



71% of finance professionals expect to moderately or considerably change their business plans for 2026.



Steady Amid Shifting Economic Currents

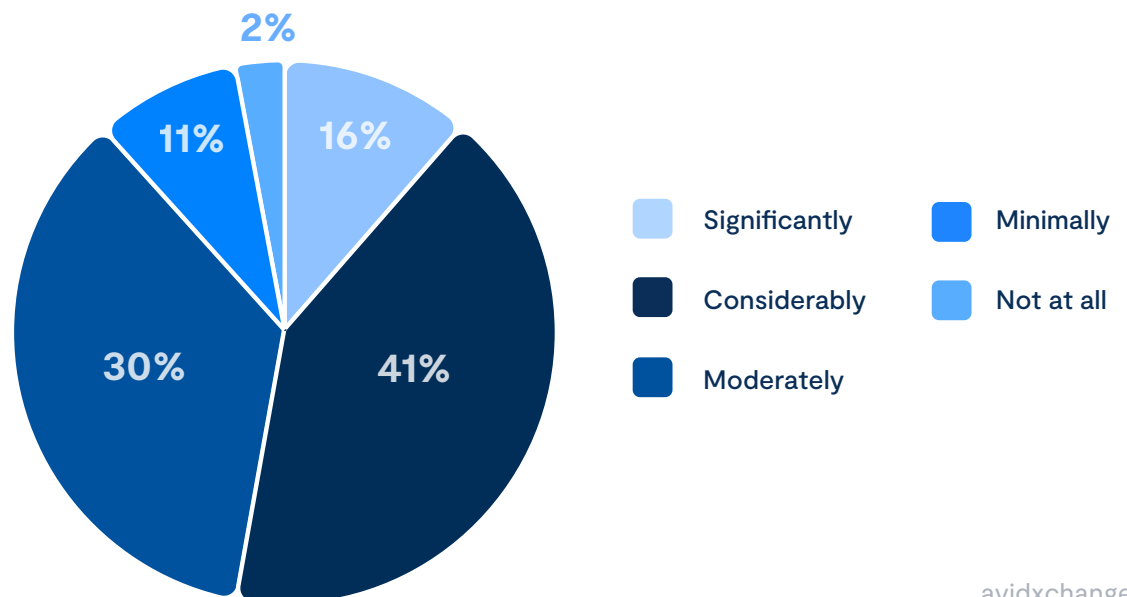
Mixed economic signals are shaping business planning as we head into 2026, with finance professionals strengthening their financial foundations and tightening their operations to increase their organizations' resiliency.

Middle market finance professionals identify economic downturn or recession as their biggest concern (41%). However, the majority expect adjustments or a mix of minor and moderate changes rather than major changes to strategy, operations, or financial planning.

Their top strategies to prepare for a recession mirror what we saw in [April 2025](#): re-evaluating budgets and cutting discretionary spending (55%) and implementing hiring freezes or slowing recruitment (38%).

These measures may help keep core plans intact, but they are also compounding the workload and pressure on finance teams.

As your organization approaches 2026 planning, to what degree do you expect to change your business plans in response to current macroeconomic trends?



Doing More with Less Becomes the New Normal

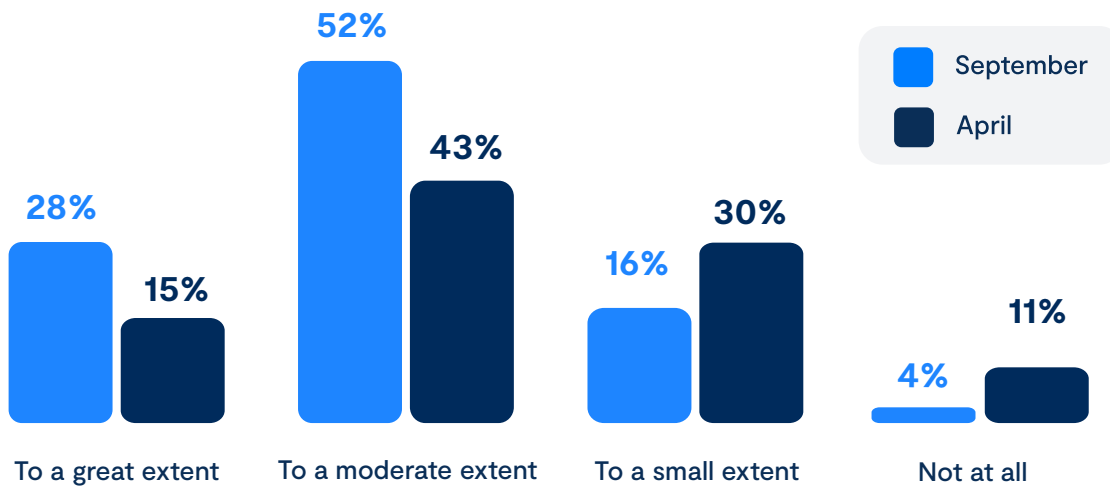
Compared to [April 2025](#), the number of middle market finance professionals who are “very concerned” about labor market conditions increased eight percentage points to 39% in September 2025.

This could be driven by demands for greater efficiency and productivity, paired with increasing AI adoption and 40% of respondents saying they were implementing or considering hiring freezes back in [April 2025](#).

The strain on finance teams may worsen as the 2026 Trends Survey showed 29% of respondents plan to reduce their workforce through layoffs or attrition.

The top ways they’re addressing this pressure to do more with less are by cross-training existing employees to handle multiple roles (55%) and implementing new technology or automation tools (49%). Labor constraints are pushing the continual evolution of the finance function, and technology is emerging as the critical lever.

To what extent is your finance department being asked to “do more with less” due to current labor market challenges?



80% report being asked to ‘do more with less’ to a moderate or great extent, up 22 points since April 2025.



Source: [Are Finance Teams Equipped for Sustained Economic Volatility?](#), AvidXchange, April 2025; 2026 Trends, AvidXchange, September 2025



Tech-Led Strategies Fill the Workforce Gap

Creating operational efficiencies remains the top priority for 2026. But with pockets of labor constraints, middle market companies are taking a tech-forward approach.

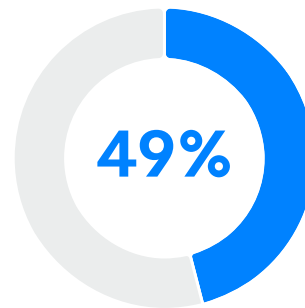
More than one-third (34%) of respondents said they're expanding the number of technology tools they use in 2026—and 38% say it's to improve operational efficiency.

The top tech they're investing in are AI and machine learning (57%); data security, fraud prevention, and compliance tools (42%); and automation (36%).

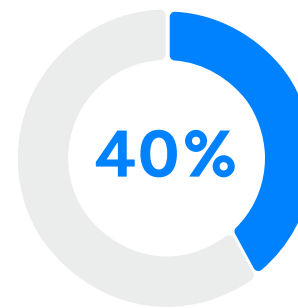
This investment signals a vote of confidence in AI and the value it brings to their organizations—as well as the desired hard and soft skills of finance professionals.

AI and machine learning is the top area where finance teams are increasing investment in 2026.

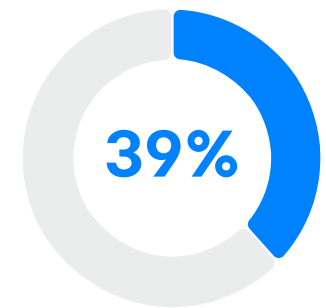
Increasing investment



Artificial Intelligence (AI) and machine learning

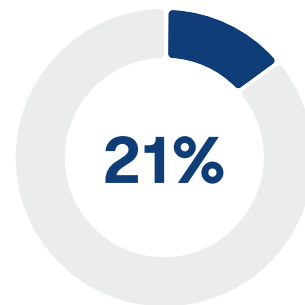


Data security and compliance

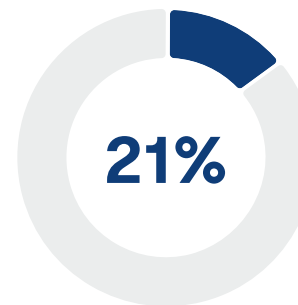


Technology and automation (excluding AI)

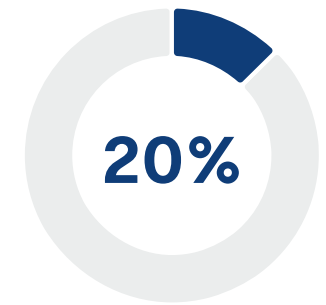
Decreasing investment



Diversity, Equity, and Inclusion (DEI) initiatives



Talent acquisition and retention



Other capital investments (e.g., facilities, equipment)



Of those currently using AI tools, **79%** are confident their organization can achieve maximum ROI from its investments.



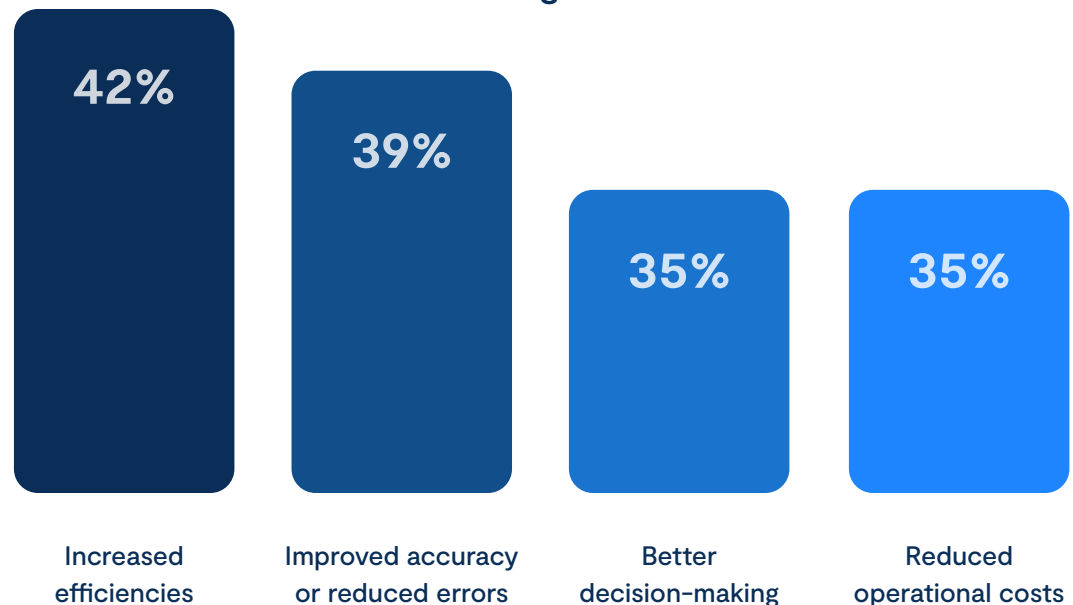
From Efficiency to Adaptability in the AI Era

Finance teams are no longer testing AI—they're actively realizing the benefits. And they're using the resulting ROI to double down on it: 44% are investing AI savings in additional technology or automation. Additionally, 35% are using it to grow the business by investing in new products or service lines, and more than one-third (34%) are using it to fund training and development for employees.

While more than three-quarters (77%) said proficiency with new technologies is more important when hiring today, finance teams are also looking to strengthen soft skills. When hiring new team members, there's a greater emphasis on adaptability and continuous learning (42%), and communication and collaboration skills (34%).

As finance leaders strengthen their teams' technical skills and adaptability, they're also modernizing core processes, with payments emerging as a key area of focus.

Where has your finance department seen ROI from using AI tools?



Check Phase-Out Accelerates Payments Modernization

In 2026, 30% of finance teams plan to increase investment in payments modernization.

Given the federal government's decision to phase out paper checks, two-thirds of respondents (66%) are planning to either expand the range of payment options offered or move primarily to ePayments over the next two years.

Their primary drivers are to: improve payment processing efficiency (30%), reduce costs (25%), and strengthen payment security and fraud prevention (21%).

While 21% adopt ePayments for security, 43% avoid them over the same concern. This paradox keeps fraud prevention at the forefront of 2026 planning.

How does your organization plan to handle the execution of vendor and supplier payments in 2026?



- 31%** Execute payments fully in-house
- 43%** Execute payments primarily in-house but outsource certain methods
- 17%** Primarily outsource payment execution to third-party providers
- 5%** Fully outsource payment execution to third-party providers
- 5%** Unsure



65% plan to outsource payments in 2026 —accelerating modernization while easing labor pressures and overcoming barriers like fraud, compliance, and expertise.



Security Shifts from Defense to Offense

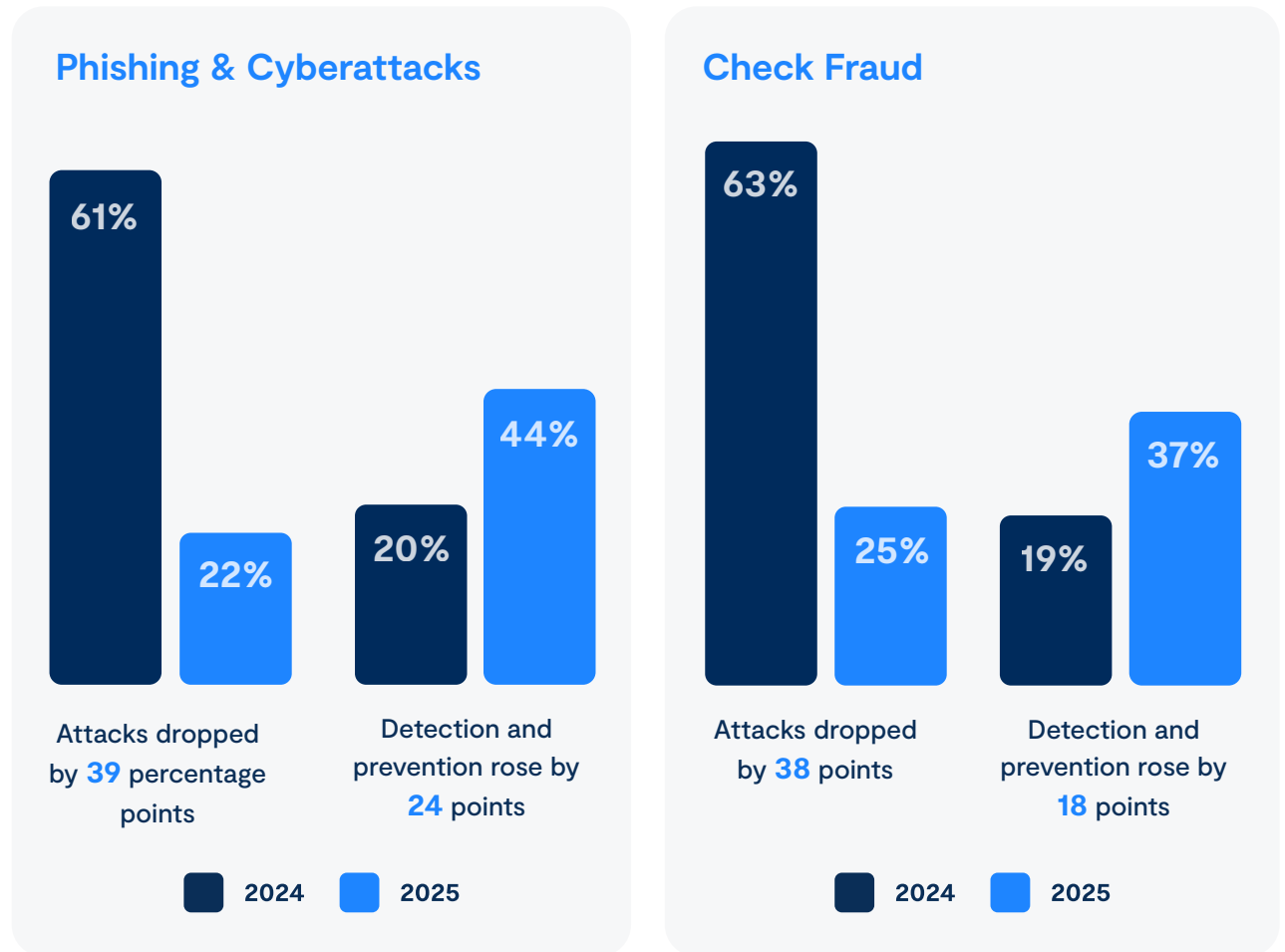
AI and [economic uncertainty](#) are raising fraud risks, but finance teams are turning the tide. Year over year, successful phishing and check fraud attacks are down, while detection rates are climbing.

However, finance teams aren't letting their guard down. In 2026, they plan to invest in employee training and awareness programs on phishing and fraud (53%), enhancing cybersecurity tools and monitoring (50%), and strengthening payment security and fraud prevention controls (43%).

By making security a strategic priority, finance teams aren't just reacting to threats, but enabling confidence, efficiency, and readiness in a rapidly changing business environment.



Successful fraud attacks ripple across the business, causing data breaches (**46%**), disrupted operations (**43%**), and strained supplier relationships (**38%**).



Source: [2025 Finance Focus, AvidXchange, September 2024](#); [2026 Trends, AvidXchange, September 2025](#)



Trusted technology partners can help finance teams strengthen security, modernize payments, and close critical workforce gaps—empowering them to do more with less and drive growth in 2026.

Turning Pressure into Momentum for Transformation

Finance professionals are navigating sustained economic uncertainty by making strategic adjustments to business planning. As labor market challenges push teams to do more with less, they're accelerating investment in technology to maximize ROI, strengthen decision making, and fill workforce gaps.

AI, in particular, is delivering measurable efficiencies while also elevating the importance of adaptability and soft skills across finance teams. At the same time, the federal phase-out of paper checks and the move toward digital and outsourced payments reflect a broader modernization trend—one complicated by security and fraud concerns that remain top of mind. Encouragingly, fewer organizations are reporting successful attacks, and more are investing in proactive defenses.



Taken together, these insights show a finance function that is no longer defined only by cost control, but by its ability to anticipate risk, enable innovation, and chart the path forward. Those who lean into modernization, strengthen their teams, and partner strategically will be best positioned to not just withstand 2026's challenges but to drive organizational growth.

To learn more about how accounts payable (AP) automation can help your finance team increase efficiencies, improve visibility, and maintain control within your payables process, visit [AvidXchange.com](https://www.avidxchange.com).

About AvidXchange®

AvidXchange is a leading provider in accounts payable (AP) automation, offering intelligent AP software and payment solutions specifically designed for middle market businesses and their suppliers. With 25 years of industry experience, AvidXchange modernizes the way businesses manage their expenses and payments by offering AI-enhanced software coupled with support from experts. Empowering over 8,500 growth driven businesses, AvidXchange increases efficiency, control, and visibility in financial operations and has securely processed payments to more than 1.3 million suppliers through its proprietary payment network over the past five years. For more information, visit [AvidXchange.com](https://www.avidxchange.com).

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