

The Connected Frontline Worker Market Is Evolving from Digitization to Intelligent Execution

After attending the Connected Worker Manufacturing Summit in October 2026, Lincoln International's experts identified a consistent theme across discussions with manufacturers and technology providers: investments in the connected worker market are moving beyond digitizing frontline workflows and surfacing operational insights toward solutions that deliver measurable operating outcomes.

AI-enabled execution, workforce readiness and enterprise-wide scalability are increasingly shaping purchasing priorities and creating important strategic and investment implications for organizations across the frontline worker landscape.

What Manufacturers Are Prioritizing

Results from audience polling at the 2026 Connected Worker Manufacturing Summit highlight key investment priorities and expected value drivers.

62% Consider workforce training and skills management or digital work instructions their top priority among connected worker investments in the next 12 months.

56% Believe reduced downtime or improved labor productivity will have the largest positive impact on their operation today.

29% Identified frontline decision support as the area where AI could create the greatest operational value.

Source: 2026 Connected Worker Manufacturing Summit audience polling; results are directional.

The Market Evolution: From Information to Outcomes

The connected worker market is progressing through three phases, expanding beyond systems of record and insight toward AI-enabled systems of execution and outcomes.

1 Digitize

Replace paper, capture data and standardize processes.

Systems of Record

2 Connect

Provide real-time visibility and collaboration across people, assets and systems.

Systems of Insight

3 Execute & Optimize

Enable AI-supported decisions, coordinated action and measurable results at the point of work.

Outcome-based Systems of Execution

Six Trends Shaping the Next Phase of the Connected Frontline Workforce

These interrelated trends are shaping customer demand, product innovation and investment activity across the connected frontline worker market.

1 From Insights to Action: The Emergence of Systems of Execution

- Manufacturers are focused on closing the loop between identifying an issue and executing the required response.
- Reducing decision latency across manual handoffs and disconnected systems is a key operational priority.
- Value is shifting from passive visibility and reporting toward workflow-driven action and measurable outcomes.

2 Embedded AI Enables the Frontline to Do More with Less

- AI is moving into practical frontline workflows, including work-instruction creation, knowledge retrieval, troubleshooting, recommendations and guided execution.
- Embedded AI can drive significant ROI by reducing administrative burden, accelerating decisions and enabling workers to perform more effectively in the field and on the shop floor.
- Trusted data, governance and human oversight remain critical to adoption and efficacy.

3 Workforce Transformation Is Making Knowledge and Competency Strategic

- Retirements, labor shortages and employee turnover are accelerating the need to capture and institutionalize tribal knowledge.
- Manufacturers are moving from tracking training completion to validating actual competency and workforce readiness.
- Highly governed job and skills data is increasingly connected to scheduling, machine access, workforce planning and career progression.

4 Adoption and Change Management Determine Whether Technology Creates Value

- Technology deployment alone does not produce business impact; sustained frontline adoption does.
- Usability, workflow integration, executive sponsorship and local champions are essential to changing daily behavior.
- Leading solutions replace legacy workflows rather than adding another disconnected tool.

5 Enterprise Standardization and Integration Enable Scalable Deployments

- Manufacturers are considering global deployments rather than isolated pilots when making purchasing decisions.
- Common standards, data governance and integrations with ERP, EAM, MES and HCM[1] systems are increasingly important.
- Balance global consistency with local flexibility across languages, regulations and workforce needs.

6 Manufacturers Are Buying Outcomes, Not Software Categories

- Buyers are prioritizing measurable improvements in labor productivity, uptime, quality, safety and workforce readiness.
- Faster time-to-value and credible financial baselines are increasingly required to secure investment and expand deployments.
- Vendors that consistently demonstrate operational outcomes should be better positioned among competing software priorities.

[1] ERP, enterprise resource planning; EAM, enterprise asset management; MES, manufacturing execution system; HCM, human capital management

Lincoln Perspective

Manufacturers are increasingly buying measurable outcomes—not just another point solution or even a broader software platform—with a focus on productivity, uptime, quality and workforce readiness.

What Market Evolution Means for Investors and Strategic Acquirers

The connected frontline worker market is creating meaningful opportunities for both strategic acquirers and financial sponsors. Six key investment implications stand out:

1 Strategic M&A Is Accelerating as Industrial Software Converges

- ERP, EAM, MES, EHSQ and other industrial software vendors are acquiring frontline capabilities to close product gaps and extend into daily operational workflows.
- Ownership of the frontline interface creates opportunities to increase installed-base penetration, expand addressable markets and connect insight directly to execution.
- The fragmented landscape may create actionable investment and acquisition opportunities over the next 12-24 months for both strategic buyers and financial sponsors.

2 Structural Workforce Challenges Create Enduring Demand

- The expected loss of tribal knowledge from a retiring workforce is a real and growing concern.
- Investments in learning, work instructions, skills and competency management to upskill workers and drive workforce retention remain enduring priorities.
- These structural demand drivers are less dependent on short-term technology cycles than many discretionary software categories.

3 Customers and Investors Favor Platforms Over Point Solutions

- The overwhelming number of solution vendors, coupled with budgetary pressures, is reinforcing the desire to consolidate vendors, favoring broader platforms that support multiple use cases over point solutions.
- In this increasingly competitive market, sustained new-logo momentum is critical to demonstrating market adoption and the ability to compete against larger incumbents.
- Breadth must be supported by genuine product integration and customer adoption rather than a loosely assembled collection of functionality.

4 Mission-Critical Workflows, Core Systems of Record and Demonstrable ROI Through Outcomes Underpin Durable Retention

- Solutions embedded in daily operations with measurable financial impact are more resilient to budget pressure.
- Customer retention, renewal rates and pricing models are under greater scrutiny by investors, reflecting broader software market dynamics around AI risk.
- Usage frequency, operator dependency and enterprise-wide adoption increasingly help distinguish durable platforms from replaceable tools.

5 AI Expands the Category's Product and Monetization Upside

- AI can materially increase frontline productivity by enabling employees to make faster decisions and perform more complex work with less administrative support.
- Agentic capabilities create potential opportunities for premium modules, new workflows and incremental monetization.
- Differentiation will increasingly depend on proprietary operational data, domain expertise, workflow context and frontline worker adoption – not AI functionality alone – tools that actually make the frontline workers' jobs easier.

6 Enterprise Expansion Is Attractive, but Execution Quality Determines Scalability

- Multi-site deployments, cross-selling modules and expanding use cases create attractive organic growth opportunities, particularly since the initial sale is still often greenfield.
- Strategic acquirers are placing heightened emphasis on identifying the ultimate buyer persona and budget authority to assess the practical cross-sell opportunity within their installed bases.
- Vendors that achieve high frontline adoption through repeatable, low-friction deployments and proactive change management are better positioned to scale efficiently.

Lincoln Perspective

The next category leaders will combine mission-critical workflows, measurable operational outcomes, multi-use-case platform breadth and repeatable enterprise deployments. These attributes should support durable customer retention while creating compelling platform-building and strategic acquisition opportunities across a fragmented market.

Capturing the Opportunity with Lincoln International

Lincoln International's Global Technology Group has advised on more than 120 transactions in the last 24 months, including 15 industrial software and technology transactions in the last 12 months. The team sees strong momentum across subsectors, including the connected frontline worker market, and is uniquely positioned to provide advisory services and insights in the sector. Reach out to the team members below to discuss opportunities and tailwinds we are seeing in the market.

Ready to discuss the opportunities ahead for you?
Connect with a senior professional at connect@lincolninternational.com