

Manufacturing case study

Veidekke

Veidekke accelerates cloud transformation and AI adoption

Veidekke partnered with Cognizant to modernize its IT landscape, migrate to Microsoft Azure and establish a secure, scalable digital foundation to reduce costs, increase agility and enable AI-driven innovation.



At a glance

Industry

Manufacturing

Location

Norway

Products and services

Cloud transformation, Microsoft Azure migration, cybersecurity modernization, digital workplace migration, AI enablement

Challenge

Modernize legacy IT, reduce costs and build a secure cloud foundation to enable digitalization and AI adoption.

Success Highlights

- ~20% reduction in total data center costs
- >99% reduction in provisioning lead time, from months to minutes
- ~18% reduction in Microsoft Azure consumption from peak levels after migration
- Improved cost efficiency through elastic resource usage, minimizing sunk costs when testing or discontinuing solutions
- Secure cloud foundation enabling AI innovation

The challenge



Veidekke is one of Scandinavia's largest construction and civil engineering companies, delivering complex building and infrastructure projects across Norway, Sweden and Denmark. Operating in a highly competitive industry with increasing regulatory requirements and productivity pressure, the company recognized the need for a more modern and scalable digital foundation.

A complex IT landscape with limited flexibility

Its legacy IT landscape consisted of on-premises data centers, fragmented systems and a complex application portfolio spread across hundreds of locations. Rising operational costs, limited flexibility and growing security risks made it difficult to innovate at speed. Veidekke needed a future-ready platform that would reduce technical debt, improve cost control, strengthen security and enable long-term digitalization and AI adoption.

The company made a strategic decision to modernize its IT foundation, not only to upgrade infrastructure, but to strengthen long-term competitiveness and operational performance.

Our approach

Veidekke partnered with Cognizant to design and execute a comprehensive cloud transformation strategy. The objective was to replace legacy on-premises infrastructure with a modern, secure and scalable Microsoft-based cloud platform aligned with business priorities.

The program focused on building a robust cloud foundation while minimizing disruption to ongoing project operations. Cognizant worked closely with Veidekke and Microsoft to ensure governance, security and operational resilience were embedded from the outset.



From on-premises data centers to a modern cloud platform, the transformation included:

- Full migration from on-premises data centers to Microsoft Azure
- Establishment of a scalable cloud foundation and governance model
- Modernization of network and security architecture based on zero trust principles
- Migration of applications, data and digital workplace environments
- Continuous monitoring through a centralized security operations center

Strong partnership: Working with Cognizant and Microsoft, Veidekke strengthened its internal capabilities while building on the combined expertise of both partners, freeing internal capacity to focus on innovation and business development. Integrated cloud services, data-driven platforms and modern integration architectures now enable rapid digitalization and AI adoption, allowing experimentation at speed with controlled costs and accelerated development cycles.

IT as a strategic business partner: Beyond infrastructure modernization, the engagement repositioned IT as a strategic business partner. IT and digitalization, both centrally and locally, are now closely integrated with project operations—with solutions developed and managed where value is actually created—in bidding, planning and project execution.

The new platform enables faster deployment of services and scalable innovation, including AI-powered solutions, without large upfront capital investments.

“Together with Cognizant and Microsoft, we designed and built a modern cloud platform in Microsoft Azure. We reduced platform costs by around 20 percent. Provisioning that used to take months now takes minutes. We have significantly lifted the security. Cognizant played an important role as a strategic advisor and execution partner. They helped us migrate from the old infrastructure while maintaining stability and providing governance.”

—André Hellum, COO & Head of IT, Veidekke ASA

Business outcomes

Veidekke has established a secure, scalable and cost-efficient digital platform that improves agility, reduces operational costs and accelerates innovation. The transformation has strengthened cybersecurity with substantial savings from leveraging this infrastructure, compared to investing in security solutions independently. It also eliminated technical debt and positioned the company to deploy AI solutions that enhance productivity and project performance.

Digitalization as a strategic growth engine: Digitalization is integrated into Veidekke’s corporate and business strategy and supports project execution, productivity and operational efficiency across the organization. The strategy focuses on business value, user adoption and continuous innovation. Digital capabilities are essential to address the industry’s historically low productivity and increasing requirements for documentation and quality assurance. The highest value potential lies in project execution, particularly in construction processes and collaboration with customers and suppliers. Digitalization is therefore prioritized where value is created.

Data as a competitive advantage: Through internal platforms for analytics, integrations and master data management, Veidekke has established a robust foundation for leveraging data more effectively. When employees’ domain expertise is combined with historical project data and modern digital tools, learning velocity and organizational quality increase significantly, and it is the professionals who deliver the results. When their expertise is augmented by data-driven solutions and digital tools, Veidekke sees measurable improvements in quality across the enterprise.

AI as the next step in Veidekke’s transformation: Veidekke aims to position itself as an industry player that actively explores and adopts AI. The company has moved quickly and taken important first steps on this journey. One of the initial initiatives is the Tender Assistant, an AI agent in development. It supports the review of large volumes of requirements and documentation during the tendering phase, demonstrating how AI can enable more structured and efficient processes. Veidekke is also exploring a dedicated Health, Safety and Environment (HSE) Assistant, with the goal of strengthening safety and efficiency in HSE operations. Over time, such an assistant is expected to improve visibility, structure documentation and simplify regulatory compliance.

The modernization has delivered:

- **Achieved an overall ~20% reduction in total data center costs** following the transition to a cloud-based operating model
- **Optimized cloud consumption in Microsoft Azure with an ~18% reduction** from peak levels after migration
- **Strengthened security posture** through a unified architecture, reducing vulnerabilities and enhancing compliance
- **Reduced provisioning lead time for IT infrastructure services by >99%**, from months to minutes
- **Improved cost efficiency** through elastic resource usage when testing or researching products, effectively minimizing sunk costs
- **Modern digital foundation enabling rapid AI experimentation** and deployment



Looking ahead

With a modern cloud foundation in place, Veidekke is advancing its AI strategy. Early initiatives, such as the Tender Assistant and HSE Assistant, will mature alongside additional assistants planned for the next phase. The next step is deploying AI where it can create the greatest impact: on construction sites. With a unified digital platform, employees will increasingly leverage insights from previous projects to improve decision-making and reduce repeated errors. In the long term, AI may support deviation management, reporting, risk management and decision support. The objective is to develop intelligent assistants that handle routine tasks, freeing time for specialized expertise and value creation. For Veidekke, AI is not about adding more technology, but about working smarter, improving quality and ensuring safer projects—augmenting people, not replacing them.

The transformation has positioned Veidekke to innovate faster and to improve its competitiveness, with technology that directly supports the way it builds and delivers projects. By combining employee expertise with data-driven insights and intelligent automation, Veidekke is strengthening quality, productivity and safety across projects, ensuring its technology platform supports long-term strategy.

20%

reduction in total data center costs

99%

reduction in provisioning lead time, from months to minutes

18%

reduction in Microsoft Azure consumption from peak levels



Customer story: Cloud transformation and AI innovation

Watch video :

www.youtube.com/watch?v=YYAGEnPbYNw

About Veidekke

Veidekke is one of Scandinavia's largest construction and civil engineering companies, delivering building and infrastructure projects across Norway, Sweden and Denmark. The company combines strong local expertise with industrial efficiency and a commitment to sustainable project execution. For more information, visit www.veidekke.com



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