

Microsoft identity modernization

Peer insights:

Microsoft identity modernization

Microsoft identity modernization has become a top priority for IT leaders at many organizations today. While identity modernization offers multiple benefits, 76% of Quest migration customers tell us their ultimate goal is improved security.¹

However, shifting from Active Directory (AD) to Entra ID brings a wide range of security, cyber resilience, and compliance challenges. Properly preparing for the future and laying a foundation for AI requires a comprehensive strategy.

To help you on your journey to Entra ID, we asked our migration customers — your IT peers — for their top insights.

1

What does “identity modernization” mean to you?

“Identity plays a crucial role in the organizations; it’s a heart of the organization and plays as a gatekeeper. without a strong identity model in this cloud & AI era is asking for trouble.”

— Senior Principal Architect, Large Enterprise Industrials Company²

76%

of Quest migration customers say their ultimate goal for identity modernization is “Improved security posture.”³

“To me, modernization means evolving technology, processes, and culture to meet current and future business needs. It’s not just about upgrading software — it’s about rethinking how systems are built, managed, and used.”

— Senior M365 Migration Engineer, Large Enterprise Financials Company⁴

“To me, identity modernization means moving beyond traditional identity management to a more adaptive, secure, and user-friendly approach. It’s about leveraging cloud-native, zero-trust, and AI-driven capabilities to provide seamless access while strengthening security, improving governance, and enabling digital transformation.”

— Group IT Architect, Large Enterprise Financials Company⁵

2

Hybrid is the reality.

Most organizations are still operating in hybrid identity environments that combine on-premises Active Directory with Entra ID. This reflects the reality that legacy infrastructure and cloud-first goals must coexist. Hybrid identity is often a steppingstone toward full modernization; 6% of our migration customers are currently in the midst of moving to Entra ID. Overall, 4% of Quest users expect AD to remain for the long term, 33% plan to eliminate it, and 26% are still unsure.

60%

of Quest migration customers are “currently in the midst” of their journey to Entra ID.⁶

Do you foresee a future where Active Directory is no longer part of your identity infrastructure??

No, we expect AD to remain in our environment

40%

Yes, we plan to eliminate AD entirely

33%

Not sure

26%

3

95%

of Quest migration customers say “Moving Microsoft devices to Entra ID is a significant step toward identity modernization.”⁸

Migrating devices matters.

Organizations are increasingly moving employee devices from older systems to Entra ID. This shift helps reduce reliance on outdated infrastructure and makes it easier to protect against cyber threats. By joining devices directly to Entra ID, companies gain better control, simplify management, and improve security across their environment. It also allows them to retire old tools and policies, replacing them with more streamlined, cloud-based solutions. This move is often the first step in a broader strategy to modernize IT, improve user experience, and prepare

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92%

of Quest migration customers say “Consolidating multiple Active Directory domains is a significant step toward identity modernization.”⁹

Security is a primary driver for identity modernization.

Reducing the attack surface is a primary motivator for identity modernization, and consolidating Active Directory environments plays a major role in that effort. Many organizations are working to simplify complex AD structures — often built over years of mergers and acquisitions — to eliminate outdated configurations, excessive permissions, and legacy protocols. Security is the leading driver behind these changes, with customers focused on minimizing dependencies, implementing conditional access policies, and adopting passwordless solutions. Securing high-value assets, improving governance, and reducing exposure to threats are essential steps. Innovations like AI and advanced data protection.

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What advice would you give to peers just starting their identity modernization journey?

“Make this strategic, bake it into the business and IT strategies. Find/use an experienced partner. Start small and focus on blending security and user experience/requirements (Remote/flexible working, Zero Trust, cloud/SaaS first).”

— IT Solution Architect, Small Business Industrials Company¹⁰

“Take your time and understand that identity modernization is a strategic journey. Begin by assessing your current environment and dependencies, align your approach with long-term goals, and adopt a hybrid model that supports both legacy and cloud systems. Avoid rushing the process and focus on building a secure and scalable foundation that evolves with your organization.”

— SOCOM Service Owner, Large Enterprise Industrials Company¹¹

“Focus on getting the basics right first, directory cleanup, governance, and strong authentication. Start small with high-impact use cases, prove value quickly, and build momentum. Always design with the end-user experience in mind, since adoption is as critical as security.”

— Technical Consultant, Medium Enterprise Information Technology Company¹²

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Modernizing legacy infrastructure

Many organizations are untangling years of legacy application dependencies in order to create a more secure and manageable identity foundation. As legacy workloads are retired, replatformed, or migrated to the cloud, it is essential to secure high-value assets, eliminate outdated protocols, and improve governance. Modern identity platforms are no longer just about managing access to necessary applications and services — they’re designed to protect every access point across hybrid and multi-cloud environments.

88%

of Quest migration customers say “Gaining visibility into on-prem server applications to make informed migration decisions is a significant step toward identity modernization.”¹³

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The greatest benefit we’ll realize once we achieve our Entra ID goal is...

“A unified, secure, and scalable identity platform that simplifies access management, strengthens our security posture, and supports our hybrid and cloud transformation initiatives. It will also enhance user experience through seamless authentication and enable better governance and compliance across our digital ecosystem.”

— CTO, Hospitality and Restaurant Industry¹⁴

“The greatest benefit we’ll realize once we achieve our Entra ID goal is streamlined and secure access for all users. We’ll reduce reliance on legacy systems, minimizing operational complexity and risk. Enhanced security features like multi-factor authentication will better protect our data and resources. Users will enjoy a seamless experience with single sign-on across applications, whether on-prem or in the cloud. Ultimately, this positions us for greater agility, scalability, and compliance as our organization grows.”

— Manager, Professional Services Industry¹⁵

“We are global company having employees and applications all over the world, so an Entra ID solution would enable fast scalability and a zero-trust philosophy implementation.”

— CIO, Freight Transportation Industry¹⁶

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Quest’s Microsoft identity modernization solutions

Quest supports you on your identity modernization journey with solutions purpose-built to reduce risk, simplify consolidation, and strengthen security. We offer three Microsoft identity modernization suites — Base, Plus, and Premium — that deliver increasingly robust capabilities to fit different modernization scenarios.

Contact your Quest account team to learn more and discuss which suite best fits your journey to Entra ID.

Quest’s Microsoft identity modernization suites

Capability	Base	Plus	Premium
AD, Entra ID, device migration	✓	✓	✓
Pre-migration & security assessment (w/AD Modernization Report Pack)	✓	✓	✓
Backup & recovery	✓	✓	✓
Audit & compliance		✓	✓
GPO management & protection		✓	✓
Cloud-native audit & compliance			✓
Tier 0 discovery and protection			✓
AI-powered ITDR for AD & Entra ID			✓
Shields Up attack disruption			✓
Legacy Application Migration Assessment		Add-on service	

Sources:

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