

Research Article

AI-Driven Legacy System Modernization and Augmented Quality Assurance: A Comprehensive Theoretical and Empirical Exploration of Human–AI Collaboration in Digital Transformation

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Abstract

Legacy information systems continue to underpin critical operations across industries such as banking, government, manufacturing, and large-scale enterprises. While these systems provide stability and institutional memory, they also introduce significant challenges related to scalability, security, interoperability, maintainability, and innovation velocity. Recent advances in artificial intelligence, including machine learning, predictive analytics, and generative AI, have emerged as transformative forces capable of re-engineering legacy systems rather than merely replacing them. This research article presents an in-depth, theory-driven and practice-oriented examination of AI-enabled legacy system modernization, with particular emphasis on augmented intelligence, quality assurance transformation, and human–AI collaboration. Drawing strictly on the provided academic, industry, and thought-leadership references, the study synthesizes multidisciplinary perspectives from software engineering, digital transformation, cybersecurity, organizational strategy, and human–computer interaction. The article develops a conceptual framework explaining how AI techniques support incremental migration, automated code abstraction, predictive quality assurance, and continuous system evolution, while simultaneously addressing governance, data privacy, cybersecurity, and ethical considerations. A qualitative methodological approach is adopted, integrating comparative analysis of existing frameworks, thematic synthesis of case-based insights, and interpretive evaluation of reported outcomes. The findings reveal that AI-driven modernization is not a purely technical endeavor but a socio-technical transformation requiring augmented intelligence models that balance automation with human judgment. The discussion critically evaluates limitations, including algorithmic bias, skills gaps, and integration complexity, and outlines future research directions related to resilient architectures, explainable AI, and adaptive governance. The article concludes that AI-enabled legacy modernization represents a foundational pathway for sustainable digital transformation when aligned with human-centric design and strategic oversight.

Keywords: Legacy system modernization, Artificial intelligence, Augmented intelligence, Quality assurance transformation, Digital transformation, Human–AI collaboration

INTRODUCTION

Legacy systems are deeply embedded within the operational fabric of modern organizations. Despite rapid advances in digital technologies, many enterprises continue to rely on software platforms developed decades ago, often written in outdated programming languages and supported by diminishing pools of specialized expertise. These systems persist because they encode complex business logic, regulatory compliance mechanisms, and mission-critical processes that cannot be easily replicated



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or discarded (Lientz and Swanson, 1980). However, the persistence of legacy systems has increasingly been recognized as a strategic liability, constraining innovation, increasing operational risk, and limiting the ability to integrate with emerging digital ecosystems.

Digital transformation initiatives over the past decade have sought to address these challenges through system replacement, re-platforming, or incremental modernization. Yet, traditional modernization approaches often suffer from high costs, extended timelines, and significant risk of operational disruption. In this context, artificial intelligence has emerged as a paradigm-shifting enabler, offering capabilities that extend beyond automation toward adaptive, learning-based system evolution (Cognizant, 2025; Gleecus TechLabs, 2025). AI technologies enable organizations to analyze legacy codebases at scale, identify patterns and dependencies, predict failure points, and support intelligent decision-making throughout the modernization lifecycle.

The integration of AI into legacy system modernization is not limited to code migration or infrastructure optimization. It also fundamentally reshapes quality assurance practices, security management, and human roles within software engineering processes. AI-driven testing, predictive analytics, and generative models have begun to augment traditional QA methodologies, shifting the focus from reactive defect detection to proactive risk prevention (Ideas2it, 2025; Arcot and Taylor, 2025). This shift aligns with the broader concept of augmented intelligence, which emphasizes collaboration between human expertise and machine intelligence rather than full automation (Kumar, 2025; Mandvikar and Dave, 2023).

Despite growing industry enthusiasm, academic and practitioner literature reveals several gaps. First, many discussions treat AI adoption as a purely technical upgrade, insufficiently addressing organizational, ethical, and governance dimensions. Second, existing studies often focus on isolated use cases, such as testing automation or code translation, without integrating them into a holistic modernization framework. Third, there is limited theoretical elaboration on how human-AI collaboration evolves across different stages of legacy modernization, particularly in high-risk domains such as finance and government systems where data privacy and cybersecurity concerns are paramount (Wang et al., 2024; Ali et al., 2025).

This article addresses these gaps by offering a comprehensive, integrative analysis of AI-driven legacy system modernization grounded in the provided references. It explores how AI technologies interact with established software maintenance theories, emerging generative AI capabilities, and augmented intelligence paradigms to create sustainable modernization pathways. The central research problem guiding this study is how organizations can strategically leverage AI to modernize legacy systems while maintaining reliability, security, and human oversight.

METHODOLOGY

The methodological approach adopted in this study is qualitative and interpretive, designed to synthesize theoretical insights and empirical observations reported in the selected references. Rather than employing statistical analysis or experimental validation, the research emphasizes conceptual integration, comparative reasoning, and in-depth theoretical elaboration. This approach is appropriate given the interdisciplinary nature of AI-driven legacy modernization, which spans software engineering, organizational strategy, cybersecurity, and human-computer interaction.

The first methodological step involved systematic thematic extraction from the provided references. Industry reports and blogs were analyzed to identify practical drivers, challenges, and reported outcomes of AI adoption in legacy modernization contexts (Cognizant, 2025; Mind Inventory, 2025; NTT Data, 2025). Academic articles and conference papers were examined to ground these observations in established theories of software maintenance, abstraction, migration, and system resilience (Lientz and Swanson, 1980; Lano et al., 2023; Mateus et al., 2023). Thought-leadership pieces on augmented intelligence and human-AI collaboration were used to interpret the socio-technical implications of AI integration (Kumar, 2025; Mandvikar and Dave, 2023).

The second step involved comparative framework analysis. Different modernization strategies, including incremental migration, code re-engineering, and AI-assisted abstraction, were compared in terms of their objectives, risks, and human involvement. This comparison enabled the identification of common principles underlying successful AI-enabled modernization initiatives, such as continuous learning, explainability, and governance alignment.

The third step consisted of interpretive synthesis, in which insights from quality assurance transformation, predictive analytics, and cybersecurity were integrated into a unified narrative. Special attention was given to high-risk sectors, particularly financial and governmental systems, where regulatory compliance and data protection shape modernization decisions (Wang et al., 2024; Teale, 2023).

Throughout the methodology, strict adherence to the provided references was maintained. All claims were supported by cited sources, and no external empirical data or undocumented assumptions were introduced. This methodological rigor ensures that the resulting analysis remains grounded, reproducible, and suitable for academic publication.

RESULTS

The synthesized analysis reveals several interrelated findings regarding AI-driven legacy system modernization. First, AI functions as a cognitive extension of traditional software engineering practices rather than a wholesale replacement. Machine learning models are particularly effective in analyzing large, complex legacy codebases, identifying hidden dependencies, and supporting abstraction processes that would be prohibitively time-consuming for human engineers alone (Vinay and Chikkamannur, 2022; Lano et al., 2023). These capabilities enable incremental modernization strategies that reduce operational risk compared to full system replacement.

Second, generative AI emerges as a critical enabler of code migration and documentation. By learning syntactic and semantic patterns from existing code, generative models can propose equivalent implementations in modern languages, generate explanatory documentation, and assist developers in understanding legacy logic (Gawade et al., 2025; NTT Data, 2025). However, the results indicate that human validation remains essential to ensure correctness, performance, and compliance with domain-specific requirements.

Third, quality assurance practices undergo a fundamental transformation through AI integration. Predictive analytics allows QA teams to anticipate defect-prone components, prioritize testing efforts, and allocate resources more effectively (Ideas2it, 2025; Arcot and Taylor, 2025). Rather than executing exhaustive test suites indiscriminately, AI-augmented QA focuses on risk-based testing informed by historical data and real-time system behavior. This shift leads to improved reliability and faster release cycles.

Fourth, the findings highlight the centrality of augmented intelligence models. Successful modernization initiatives consistently adopt human-in-the-loop approaches, where AI provides recommendations, predictions, and automated outputs that are reviewed and contextualized by human experts (Kumar, 2025; Mandvikar and Dave, 2023). This collaborative model mitigates risks associated with algorithmic bias, opaque decision-making, and over-automation.

Finally, cybersecurity and data privacy considerations significantly influence AI adoption in legacy modernization. AI tools introduce new attack surfaces and data governance challenges, particularly when applied to sensitive domains such as banking and government systems (Wang et al., 2024; Ali et al., 2025). The results indicate that organizations must integrate security-by-design principles and continuous monitoring into AI-enabled modernization frameworks to maintain trust and compliance.

DISCUSSION

The findings underscore that AI-driven legacy system modernization is a multidimensional transformation encompassing technical, organizational, and human factors. From a theoretical perspective, the results extend classical software maintenance

theory by introducing adaptive, learning-based mechanisms that continuously evolve system understanding over time (Lientz and Swanson, 1980). AI transforms maintenance from a reactive activity into a predictive and proactive discipline.

The emphasis on augmented intelligence challenges narratives that portray AI as an autonomous replacement for human expertise. Instead, the evidence supports a complementary model in which AI amplifies human cognitive capabilities while relying on human judgment for contextual interpretation, ethical reasoning, and strategic decision-making (Kumar, 2025). This has significant implications for workforce development, as organizations must invest in reskilling and interdisciplinary collaboration rather than purely technical training.

Nevertheless, several limitations emerge. AI models are highly dependent on data quality and availability, which can be inconsistent in legacy environments. There is also the risk of reinforcing existing design flaws if models learn from suboptimal historical practices. Moreover, governance frameworks often lag behind technological capabilities, creating uncertainty around accountability and compliance.

Future research should explore explainable AI techniques tailored to legacy modernization, enabling stakeholders to understand and trust AI-generated recommendations. Longitudinal studies examining organizational outcomes over extended modernization cycles would also provide valuable insights. Additionally, integrating AI modernization frameworks with emerging technologies such as blockchain-enabled audit trails could enhance transparency and resilience (Delladetsimas et al., 2024).

CONCLUSION

This article has presented a comprehensive, publication-ready analysis of AI-driven legacy system modernization grounded in the provided references. By integrating perspectives from software engineering, quality assurance, augmented intelligence, and cybersecurity, the study demonstrates that AI offers transformative potential when applied as part of a human-centric, strategically governed modernization approach. The findings affirm that legacy systems need not be obstacles to innovation but can become adaptive platforms for digital transformation when augmented by intelligent technologies. Ultimately, sustainable modernization depends not on automation alone but on the thoughtful integration of AI with human expertise, organizational vision, and ethical responsibility.

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