



From ambition to readiness: securing people capabilities for Nordic defense



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Preface

The Nordic defense sector is entering a period of significant transformation. Shifts in the security environment, rising defense ambitions, and deeper regional and allied cooperation are accelerating the need for new capabilities across both public institutions and private industries. While much attention has rightly been placed on funding, material and operational readiness, another factor is becoming increasingly decisive: the ability to secure the skills and organizational capacity required to turn ambition into readiness.

This report explores how Nordic defense organizations are approaching the people dimension. Drawing from perspectives from across the Nordics, it examines how public and private actors are working to attract, develop and retain the workforce needed in the coming three to five years, and where common tensions and opportunities emerge. If a finding isn't stated as public or private, it applies to both sectors. Our ambition is to contribute to a more informed discussion on how the Nordic defense ecosystem can strengthen its long-term readiness, not only through investment in systems and structures but also through deliberate investment in people.

Acknowledgment

This report has benefited from the time, openness and experience of many contributors across the Nordic defense ecosystem. We would like to extend our sincere thanks to the representatives from public institutions, defense companies and other relevant organizations who shared their perspectives, experiences and reflections throughout the study. Their insights have been essential in shaping our understanding of the challenges and opportunities linked to securing people capabilities in a rapidly evolving defense context. We are equally grateful to all EY colleagues who supported the development of this report through discussion, review and practical input.

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Executive summary

Introduction: shifting workforce needs in the Nordic defense landscape

Geopolitical tensions and increasing uncertainty continue to reshape the global landscape and drive defense spending across the Nordics and wider Europe. In turn, approximately 130,000 additional jobs will be needed across the Nordics, increasing the pressure on defense organizations to attract and hire personnel, build critical skills, retain and renew personnel as well as enable the defense workforce.

This report explores how Nordic defense organizations are working to secure the people capabilities required to meet the current and medium-term needs over the next three to five years. People capabilities refer to the skills and organizational capacity required to sustain performance.

Nordic findings: people capability patterns shaping Nordic defense

1

Attract and hire

Candidates show growing interest in contributing to national security and defense. Long recruitment processes, with security clearances, limited role transparency and unclear career paths slow conversion from interest to hiring.

Advancements in digital technology and AI are reshaping workforce requirements and driving demand for specialized skills in areas such as AI, drone systems and advanced defense equipment. Securing these skills is a challenge due to labor market competition. While many organizations invest in development, closing skill gaps requires time, structure, and prioritization for employees to engage in development in practice.

2

Build critical skills

3

Retain and renew

Retention is strongly supported by purpose and work stability but is uneven across roles and constrained by unclear career paths and limited internal mobility, primarily in public defense organizations, and competition with other sectors, especially for specialized roles.

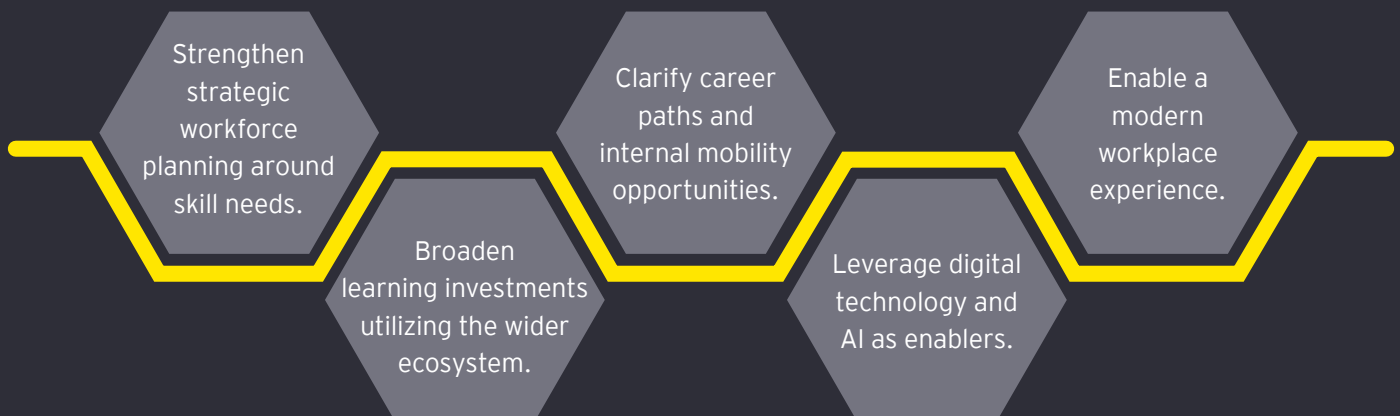
Fragmented systems and security requirements constrain organizations' ability to plan workforce needs, forecast gaps and use workforce data proactively. Furthermore, limitations in physical spaces, restricted remote work conditions and lack of digital collaboration tools create friction in how employees work.

4

Enable the workforce

Direction: from ambition to readiness in securing Nordic defense people capabilities

To increase defense readiness, prioritize five areas:



The organizations that act now will be better positioned to convert defense ambition into readiness.

Introduction:

shifting workforce needs in the Nordic defense landscape

The Nordic defense landscape is entering a period of transformation shaped by an increasingly uncertain security environment. The war in Ukraine has reshaped the regional security landscape and placed resilience, preparedness and defense capability high on the political agenda across Nordic countries¹ and wider Europe. In response, Nordic governments are making significant investments to strengthen the defense readiness across the region.^{2,3,4} Investments span across multiple areas such as equipment, infrastructure, technology, workforce and allied cooperation.^{5,6,7,8}

While much attention has rightly been placed on funding, material, and operational readiness, it is increasingly clear that workforce and talent challenges are not just an HR priority, they are a strategic imperative. Skills shortages and gaps in organizational capacity directly affect operational readiness, production capacity, organizational resilience, and the ability to meet national and NATO commitments. As highlighted in a recent EY study, defense organizations must develop six core capabilities: operational readiness, production and sustainment, organizational resilience, technological adaptation, strategic planning and coordination, and international commitments.⁹ Each of these capabilities depends fundamentally on the ability to attract, develop, and retain the right people and skills. Addressing workforce challenges is therefore essential to ensuring that defense ambitions translate into real, sustainable readiness across the Nordic region.

This is currently visible in the private defense sector, where the challenge is shifting from securing orders to expanding production, increasing supply chain capacity,

and recruiting and onboarding employees fast enough to meet growing demand.^{10,11} The recent EY study estimated that approximately 130,000 additional jobs are expected across the Nordics as a result of defense investments, underlining the scale of the workforce shift ahead.¹² It further points to the need of securing labor supply and building and retaining critical skills as a key enabler for success.¹³

Against this backdrop, both public and private defense organizations are facing increasing pressure to attract, develop and retain the employees needed to strengthen defense readiness.¹⁴ The challenge extends beyond recruiting; it is about mobilizing and sustaining the workforce required to meet current and future demands. This includes securing scarce specialist and technological skills, developing mission-critical skills over time, retaining and re-skilling experienced employees, and using data and technology to make more proactive workforce decisions.

This report explores how Nordic defense organizations are working to secure the people capabilities required over the next three to five years. People capabilities refer to the skills and organizational capacity required to sustain performance.

Drawing on perspectives from public and private defense organizations across the Nordics, the report examines how organizations are approaching four areas for securing people capabilities: attract and hire, build critical skills, retain and renew, and enable the workforce. It also identifies common tensions and opportunities seen across Nordic defense organizations.

Nordic findings:

people capability patterns shaping Nordic defense

2.1 Attract and hire

Geopolitics and purpose increase attractiveness for working in the defense sector

Across the Nordics, the current geopolitical context has increased the attractiveness for defense-related work across both public and private sectors. Defense organizations have a strong purpose-led employee value proposition; work is seen not just as a career choice but as a clear and meaningful contribution to society. Candidates are increasingly motivated by the opportunity to contribute to national security, resilience and the defense of their country.

This creates a window of opportunity to attract the candidates needed for future defense readiness. As momentum is partly driven by external geopolitical factors, its long-term stability remains uncertain.

Security clearance constrains recruitment

Throughout the Nordics, recruitment into defense-related roles is constrained by security clearance. The security process is necessary given the sensitivity of the sector and can take from a couple of weeks up to over a year, where each case is distinct. It creates a structural gap between candidate interest and actual hiring pace, limiting how quickly organizations can secure the employees needed.

Further, candidates are not always clear on what a specific role entails or what career paths are available, which makes it harder to align expectations between candidates and employers. Limited transparency in role description and career paths may therefore weaken conversion from interest to hiring.

Scarcity of digital technology and AI skills

Digital technology and AI-related skills are consistently described as difficult to secure across the Nordics. The challenges relate both to labor market competition and changing role requirements. Developments in AI (e.g., in drone technology, advanced aircraft technology and naval systems), as well as broader changes in how defense is built up and equipped with technology advances, are impacting how these roles are defined, making skill requirements less stable over time.

Investment in early talent pipelines; experience gaps remain

Across the Nordics, armed forces are investing in early talent pipeline development to strengthen future workforce capacity, including collaboration with educational institutions, conscription-based entry routes, and student or trainee programs. These efforts are important for long-term inflow, but they operate on longer timeframes and may not be sufficient to address more immediate experience gaps.

There is a distinction between attracting new entrants and securing experienced personnel who can contribute to readiness in the near term. Denmark highlights that conscription provides stable entry-level inflow, while gaps remain at mid and senior levels due to long development timelines. Sweden similarly points to the time required before new employees become productive. This suggests that early pipeline investments are necessary but do not automatically solve the need for experienced military or specialist profiles.

2.2 Build critical skills

Upskilling and re-skilling is becoming a strategic enabler of future defense readiness

Nordic defense organizations are increasingly investing in development to build the skills required for future defense demands. These efforts span across several areas, including technology learning pathways, specialist and certification-based training, senior leadership development, first-time manager training, and capabilities linked to international and NATO cooperation. This reflects a broader shift where development is not only seen as an isolated activity but also as a key enabler of scalability and readiness.

At the same time, upskilling and re-skilling alone cannot close capability gaps. The Nordic countries need to work proactively with strategic workforce planning, and organizations should create the time, structure and prioritization needed for employees to participate in learning in practice.

Time and workload hinder development in practice

While several defense organizations invest in development, operational workload often limits employees' ability to participate in training in practice. The challenge is not whether training exists but also whether employees and managers have the time and capacity to convert learning opportunities into actual upskilling or re-skilling. In Sweden, for example, employees sign up for training programs and drop out when operational demands take priority.

This creates a gap between intended and realized development. As organizations grow and upskilling and re-skilling becomes more urgent, learning opportunities may be deprioritized in favor of immediate delivery, reinforcing gaps in areas where skills cannot be quickly replaced through external hiring.

Critical skills take time to build

Many critical defense skills take time to build due to formal education pathways, certification requirements, internal career systems and role-specific training. These structures are necessary to facilitate quality, security and operational readiness. They also limit how quickly organizations can respond to changing needs. This is particularly relevant for senior military profiles, technicians, certified specialists, technology roles and hybrid military-technical profiles.

Denmark and Norway both highlight challenges in scaling senior profiles quickly due to formal career structures and long development pathways. Finland points to time-intensive training for specialized and certification-related

skills in the private sector, while public sector development is shaped by mandatory training and long military career paths. Together, this suggests that skill development is a structural scaling constraint; organizations may recruit new employees, but it can still take significant time before they become fully productive in mission-critical roles.

2.3 Retain and renew

Purpose supports retention but not sufficient on its own

Across the Nordics, purpose, understood as encompassing societal relevance, mission and meaningful work, is described as an important retention driver in defense organizations. Together with factors such as interesting work, collegial culture, employee benefits and stable employment conditions, it is a foundation for retaining employees in both public and private defense organizations.

What can also be observed is that as organizations grow and workloads increase, employees' day-to-day experience becomes more important in shaping retention. Factors such as role clarity, manageable demands, supporting leadership, fair compensation and benefits as well as development opportunities and credible long-term career paths are all important levers for retention and long-term commitment. Thus, purpose alone may not be sufficient to sustain retention over time.

Retention risks are increasingly role specific

Retention challenges are not evenly distributed across the workforce. Several Nordic organizations suggest that technology, specialist and digitally skilled profiles are more difficult to retain since these profiles are more exposed to competition, particularly where other sectors can offer stronger compensation, flexibility or career opportunities.

Broad workforce stability can therefore be masked by more targeted churn risks. Attrition in a small number of critical roles may have a disproportionate impact, particularly where the skills are difficult to replace externally and take time to build internally. Retention strategies may therefore need to become more segmented, with clearer focus on the roles that are business critical and hard to replace.

Career clarity and internal mobility are becoming key retention levers

Low turnover and long tenure provide loyalty, continuity and institutional knowledge, which are valuable in a sector where many capabilities take time to build. However, unclear career paths and limited internal mobility are recurring retention challenges, particularly for civilian employees and specialist profiles. In Denmark, career development is described as highly dependent on the

immediate manager, creating inconsistency and reducing transparency in progression. In Sweden, structural barriers to movement limit internal mobility and are described as contributing to a more static organization and loss of career development over time.

This points to a broader Nordic retention challenge: Employees may be motivated by purpose but still leave or disengage if they do not see how they can develop or move within the organization.

2.4 Enable the workforce

Technology remains more administrative than strategic

Across the Nordics, people technology is described as an important enabler for securing people capabilities. Its current use remains largely focused on administration, compliance and transactional processing. In several contexts, organizations still rely on fragmented systems, manual workarounds and limited integration between data sources, reducing the strategic value of available workforce data. This limits the ability of HR functions and business leaders to use workforce data to forecast workforce needs, identify skill gaps, prioritize upskilling and re-skilling, and support retention strategies such as structured internal mobility and career pathways.

As defense organizations scale, this creates a gap between growing workforce demands and the tools available to manage them.

Digital technology and AI enablement require governance, process and secure data foundation

Security sets clear boundaries for digital technology and AI adoption in defense organizations, particularly in public sector contexts. Several Nordic countries mention that constraints are not only about security. Digital technology and AI enablement also depend on governance, structured processes and shared data standards across organizational departments.

The implication is that new tools alone will not be sufficient. To realize the potential of people technology, defense organizations need process ownership, leadership commitment, implementation models, and relevant data classification and standardization. Without these foundations, digital technology and AI solutions risk remaining isolated improvements rather than becoming strategic enablers of future readiness.

The work environment is emerging as a factor in employee experience

In addition to people technology, the physical work environment emerged as a factor that may shape the day-to-day employee experience. Limitations in physical spaces, restricted remote work conditions and lack of modern digital tools can create friction in how employees collaborate and work. The topic requires deeper analysis across the Nordic context. It points to an important enabling condition for the employee experience: Organizations need workplace environments that allow people to contribute effectively.

Direction:

from ambition to readiness
in securing Nordic defense
people capabilities

The direction ahead focuses on dialogue and action around a few practical questions:

Which areas are most critical to future readiness?

Where do recruitment, onboarding, limited internal mobility, restricted career paths or workload create the greatest bottlenecks?

Which skills should be built internally, accessed through partnerships or recruited externally?

What modern work experiences will meet the demands of both defense and next generations?

Strengthen strategic workforce planning around skill needs

Move from individual talent initiatives toward an integrated people capability agenda. Enhance strategic workforce planning by systematically linking workforce planning more directly to talent acquisition, development, and retention, identifying future skill needs and mapping critical skill gaps. Include clear segmentation of scarce and mission-critical roles, such as engineers, hybrid military, digital technology and AI profiles.

Broaden learning investments utilizing the wider ecosystem

Benefit from utilizing the wider ecosystem and working with institutions and partners to access relevant skills and broaden the learning portfolios. Allocate protected time for training, to enable employees to upskill and re-skill. Prioritize development of digital technology and AI training pathways and leadership capabilities, supported by rotations and on-the-job training. Defense organizations should also build the capability to learn and adapt quickly, test new solutions, scale them into practice, and feed real-world experiences directly into training.

Clarify career paths and internal mobility opportunities

Complement purpose, as a powerful retention driver, with visible career paths. Define structured career pathways

for entering and progressing, particularly in civilian public defense, technical and specialist roles where retention is more challenging due to external competition. Extend internal mobility across the organization to stabilize retention of key roles over time.

Leverage digital technology and AI as enablers

Work to modernize and integrate digital technology while respecting security constraints. Set clear governance structures with shared data standards to use information across the organization. Speed up transactional processing and reduce administrative burden. Use workforce data proactively to identify emerging gaps and monitor retention risks.

Enable modern work experience

Take a holistic approach to work experience, combining physical location with digital collaboration tools as well as leadership and employee behaviors to make the workplace secure, connected and flexible. Work within security boundaries to make the defense sector an attractive place for current employees as well as coming generations of digital natives.

The organizations that act now – with clear workforce planning, investment in critical skills, deep ecosystem collaboration, clear and compelling career opportunities, integrated technology foundations and a modern work offering – will be better positioned to convert defense ambition into readiness.

Country dimension:

how people capability challenges
play out across Nordic countries

4.1 Denmark

Denmark's findings are shaped by experience gaps and specialist skill needs. While conscription enables stable entry-level inflow, building experienced ranks and hybrid military-technical profiles takes time. At the same time, public and private actors are scaling in parallel, intensifying competition for scarce talent and creating tension between rapid expansion and time to operational readiness.

Attract and hire

Denmark's defense expansion is constrained by a limited talent pool due to the low unemployment rate below 3% in recent years.¹⁵ As both public defense and private defense companies are scaling simultaneously, this further intensifies competition for the same specialist profiles.

In the public sector, conscription secures entry-level volume, but there is a long development timeline for senior ranks

Conscripts remain Denmark's primary recruitment channel and provide stable inflow into the workforce. The conscription has now extended to 11 months and increased annual intake to approximately 7,500 (including the Danish Emergency Management Agency), which expands the pool of deployable workforce.^{16,17} However, the significant growth of the permanent workforce, specifically military employees, has further increased demand for senior ranks, who require long development timelines.

“

It takes around 15 years [for a senior sergeant] to reach the required level of qualification if we are to meet the standards we apply today without compromise.”

Danish defense organization

Conscription covers entry-level needs but leaves persistent gaps at mid and senior ranks. The constraint is not inflow but how fast an experienced workforce can be built and deployed, requiring accelerated career paths or more flexible systems. There is a need to significantly increase flexibility in how roles are advertised and recruited.

Denmark must reach entirely new segments of society and build much broader public support, as mobilization units and reservists are critical. The reserve strengthens workforce resilience by retaining and reactivating both newly trained and experienced employees and preserving critical skills. By combining recent inflow with seasoned experience, it provides both short-term capacity and leadership depth for mobilization and operations.

Private sector growth increases competition for scarce digital talent

Private defense actors in Denmark are scaling through continuous hiring and strong student pipelines, but still face shortages in specialized profiles such as AI, data and software. As both public and private actors draw from a limited candidate pool, competition for critical digital skills is intensifying.

This suggests the challenge is not only within public defense. The broader defense ecosystem is competing for similar specialist profiles, which may increase pressure and skill gaps for public sector recruitment if supply is not increased.

Build critical skills

Growing demand for hybrid military-technical and specialized profiles

Demand for technical and specialized skills is rising, particularly in IT, networks and defense platform technologies (e.g., drones, armed vehicles, aircraft, frigates). At the same time, many of these roles also require military training to enable deployment in operational environments. This creates a need for hybrid profiles that combine advanced technology knowledge with defense-specific readiness. These hybrid military profiles are rare and narrow the available candidate pool, which increases the dependency on internal training. Despite dedicated training centers, organizations cannot

train employees fast enough, which reinforces existing bottlenecks in skill development. Denmark seeks to close this gap by exploring nontraditional candidate pools, for example, using gaming or hacking backgrounds within the cyber domain.

“

We actually recruit young people quite deliberately who have a hacker background.”

Danish defense organization

Retain and renew

Despite large recruitment in public defense, retention remains the bottleneck

Retention is driven by limited and inconsistent retainment mechanisms (e.g., civil education, bonuses), while workforce expectations are increasing. Employees desire better equipment, infrastructure, and rise in ranks due to high workloads. At the same time, the defense sector faces strong external competition, with private sector roles offering comparable or higher pay with lower

risk (i.e., no deployment missions), making it difficult to retain employees.

Unclear career paths limit retention, particularly for civilian personnel

In the defense and public sector, retaining employees, especially civilian employees, is seen as a challenge due to unclear and unstructured career paths. Career development is pointed out to be highly dependent on the immediate manager, who is also responsible for operational tasks, workforce management, and skill development, making it difficult to facilitate transparent and structured progression for employees.

“

It becomes very dependent on the individual and relies on the immediate manager.”

Danish defense organization

This suggests that structured career paths are critical to improving retention and maintaining continuity in key roles.

4.2 Finland

Finland's findings are shaped by long planning horizons, stable public sector careers and specialist technology needs. While conscription provides a stable foundation for public sector workforce supply, the effects of intake and development decisions unfold over long career cycles. In parallel, private sector growth increases demand for advanced technology and AI capabilities.

Attract and hire

Conscription and long career paths shape public sector workforce supply

In Finland's public defense sector, conscription remains an important foundation for securing workforce inflow

and sustaining long-term capability. Talent acquisition is closely linked to long-term workforce planning, as decisions on intake, education and career progression can have implications over many years due to extended training periods and long military careers. For example, adjustments to the number of cadets will shape the future availability of employees for years.

Finland's public sector challenge is therefore not just to attract candidates but to balance intake, development capacity and future organizational needs. Poor planning can result in either future workforce shortages or an inefficiently sized organization, making strategic workforce planning a critical lever for long-term defense readiness.

Private sector growth intensifies competition for technology skills

In Finland's private defense sector, growth is increasing demand for advanced technology skills. Competition for technology profiles is described as intense, and defense organizations may not always be able to compete on salary. While purpose and meaningful work strengthen attractiveness across both public and private organizations, acquiring employees with advanced technology experience, including AI professionals, may become a bottleneck for both public and private organizations.

Build critical skills

Continuous development is key; external recruitment cannot meet all skill needs

Finnish public and private organizations emphasize that existing workforce must continuously develop new skills, as external recruitment alone cannot meet future skill needs.

“

Recruiting top talent directly is difficult due to the highly specialized field and intense competition. Expertise needs to be developed internally by training existing employees.”

Finnish defense organization

In the public sector, skill development is shaped by long-standing internal training traditions, mandatory training and structured military career progression. NATO membership has also increased the need for skills that support international operations.¹⁸

In the private sector, employees may join without all required specialized skills, particularly where roles involve equipment-specific knowledge or certification requirements. Training is therefore time intensive, and skill gaps can re-emerge when trained employees leave. Together, this suggests that Finland's development

challenge is not only to provide training, but also to facilitate that learning capacity keeps pace with changing operational, technology and international requirements.

Retain and renew

Purpose supports retention, but specialist roles face stronger external competition

Public support for national defense and a clear sense of purpose contribute positively to retention across both public and private defense organizations.

“

That the work is perceived as meaningful is a key factor in employee retention.”

Finnish defense organization

In the public sector, retention appears stable, with retirement described as the primary reason employees leave and only a small share move to another employer. Long careers and strong institutional commitment therefore provide continuity and help preserve defense-specific knowledge over time.

In the private sector, retention risks are more closely linked to external competition, particularly for highly skilled technology professionals. Salaries in defense organizations may not always be able to match opportunities in other sectors. While purpose remains an important strength, retaining critical specialist capabilities may require more targeted measures, including competitive rewards, flexibility and clearer career opportunities.

Enable the workforce

Planning and forecasting tools are needed to support skill decisions

Both public and private defense organizations in Finland are increasingly adopting digital HR systems to support more data-driven decision-making.

However, the private sector in particular reports a continued need for better tools for planning and forecasting. Current analyses still rely heavily on manual work, increasing workload and the risk of errors. This limits the ability to anticipate future skill gaps, plan training needs and support workforce growth in a more systematic way. As demand for specialized and technology-related skills increases, stronger planning and

forecasting tools can help organizations move toward a more proactive workforce planning.

Security requirements limit technology adoption, but tools alone are not sufficient

Security requirements limit the adoption and use of new

technologies in Finnish defense organizations. Interest in AI exists, but adoption is cautious and controlled due to the nature of the sector. At the same time, technology alone will not solve challenges; HR systems need to be supported by clear processes and leadership commitment to become an enabler and improve efficiency.¹⁹

4.3 Norway

Norway's findings point at a strong purpose-led attraction, specialist capability shortages and increasing reliance on ecosystem-based approaches. Purpose supports attraction and retention, but recruitment pressure is high in technical, engineering and specialist roles. Strong loyalty and low turnover provide continuity but may slow renewal in aging workforces with limited inflow.

Attract and hire

Purpose strengthens employer attractiveness, but specialist and technical roles remain difficult to secure

Purpose is seen as a key strength in attracting candidates to the Norwegian defense sector, creating greater acceptance of lower pay. This gives defense organizations a strong foundation for employer attractiveness. However, this does not offset the difficulty of hiring specialized technology and engineering profiles in a highly competitive labor market. The challenge is increasingly about access to specific skills.

Talent acquisition is becoming a broader ecosystem question, experimenting with new methods

Traditional channels may be insufficient in securing supply. Recruitment shifts from a transactional HR activity to a strategic effort involving employer branding, partnerships and adaptive hiring. Examples include closer collaboration with educational institutions, ecosystem-based access to scarce competence and more iterative recruitment methods.

“

There are not enough people out there, so we must think in ecosystems and partnerships.”

Norwegian defense organization

Build critical skills

Learning is becoming more structured to reduce dependence on individual expertise

Learning is moving from informal, person-dependent knowledge transfer toward more documented and systematic approaches. Examples include process documentation, standardized knowledge capture, internal academies and onboarding models that shorten time to productivity. This creates a more repeatable way to build scarce skills internally and reduce vulnerability where knowledge has historically sat with a few employees. Formalization supports continuity, faster onboarding and resilience, while enabling organizations to scale and spread critical skills.

“

We are now starting to document, standardize and structure knowledge much better ... to avoid critical competence sitting with individuals.”

Norwegian defense organization

Cross-functional learning increases in importance as roles and operations grow more interconnected

Engineers need greater understanding of production realities, while other functions need broader system knowledge across interfaces. Capability needs can therefore no longer be addressed solely through narrow specialist development. As operations integrate, cross-functional learning strengthens adaptability and reduces execution risk. Learning is therefore less about training volume and more about enabling connected ways of working.

Retain and renew

Purpose creates strong retention and stability but risks slowing workforce renewal

Defense organizations in the public sector describe strong loyalty and low turnover. Meaningful work, stable environments and long-term commitment help employees stay, providing continuity and preserving institutional knowledge. At the same time, low turnover can create capability risks if combined with an aging workforce and limited inflow, making workforce renewal slower and more difficult.

Retention issue in technical roles where external competition is more intense

While retention is generally high, some workforce segments appear more exposed. Technical and specialist roles face attractive private sector alternatives, particularly where salary gaps are significant. Retention

risks may therefore be unevenly distributed in otherwise stable organizations.

“

It is difficult to compete with private sector salaries for technical roles.”

Norwegian defense organization

Enable the workforce

Fragmented people technology limits strategic workforce and skills planning

HR systems are only partly integrated and still reliant on manual processes, Excel workarounds and limited data flow across platforms. As a result, people technology mainly supports transactional needs rather than strategic workforce planning. Better integration is needed to improve workforce planning, skill visibility and operational responsiveness.

Technology enablement depends as much on governance and standardization as on systems themselves

Norway's people technology agenda should be understood as both a systems and operating model issue. Challenges are caused by missing tools, inconsistent data structures, limited standardization and unclear ownership. New systems are therefore unlikely to deliver strategic value unless supporting processes, governance and master data are strengthened.

4.4 Sweden

Sweden's findings highlight defense organizations have a strong ability to attract candidates driven by purpose. Challenges include long recruitment timelines and onboarding effectiveness. Upskilling and re-skilling is slowed by misaligned training and limited participation, while retention is pressured by leadership capacity, unclear career pathways and challenges related to diversity, equity and inclusion.

Attract and hire

Defense willingness is strong; recruitment and productivity take time

A strong purpose drives high candidate interest, and defense organizations have strong brands. Efforts to maintain a visible presence in student environments help build early brand recognition among candidates. However, long recruitment timelines, driven by security clearance processes, slow down conversion into hiring. A quick recruitment process typically takes up to six months. Furthermore, lack of clarity in roles and career paths in public defense organizations, particularly for civilian roles, leads to unclear employer value proposition. As a result, opportunities are not clearly understood, limiting conversion into hiring.

“

It is not always clear what our organization can offer.”

Swedish defense organization

New employees sometimes require considerable time before reaching productivity in public defense. Examples include delays in equipment provisioning and situations where the supervisor is unavailable to receive new hires, risking reducing organizational effectiveness and overall employee experience.

Based on current recruitment and onboarding timelines, Sweden's defense organizations face significant challenges in scaling up to meet future personnel targets. Despite strong candidate interest driven by purpose, the pace of personnel expansion is not sufficient to reach the 2035 target of 130,000 personnel.²⁰

Build critical skills

Investments in development are made with structural challenges

Defense organizations invest broadly in development, often in collaboration with academic institutions. Development efforts expanded considerably over time, as evidenced by increased organizational capacity. However, there is a clear gap between ambition and the actual development of skills that are in short supply. For example, Swedish fighter pilots reportedly log fewer than 100 flight hours per year, well below the NATO benchmark of 180 hours per pilot.²¹ This indicates a need to better align current training efforts with critical skill needs. Key roles such as technicians, engineers and IT roles take time to develop, resulting in key skill gaps over time. High operational workload also constrains employees' ability to participate in training, reducing effectiveness of investments.

Retain and renew

The growth places significant demands on being a modern employer

Strong underlying drivers of defense organizations such as purpose, meaningful work and favorable working conditions support retention of employees. At the same time, demands increase as defense organizations are growing, increasing the complexity of leadership roles putting more operational pressure on managers.

The growth has also driven a need for greater internal mobility and clearer career development opportunities to meet increasing organizational needs. This has pushed defense organizations to improve their internal mobility and career development opportunities.

“

In the expansion phase we are in, we have to work on clarifying internal opportunities.”

Swedish defense organization

Challenges related to diversity, equity and inclusion exist, including issues such as perceived favoritism and cultures of silence in some public defense. In addition, integration with NATO introduces both opportunities and new sources of friction, particularly in leadership and organizational culture, requiring public defense organizations to create awareness. For example, employees may gain opportunities to serve in international roles, where leadership styles and organizational norms differ from Swedish context. Another example is NATO members coming to Sweden, having to sign-off on the “core values card” encompassing both Swedish and NATO values, illustrating ongoing efforts to align organizational cultures.

Enable the workforce

Technology debt and working environment are growing issues

In public defense organizations, there is high technology debt that constrains efficiency and employer

attractiveness. Long procurement and implementation processes, security standards and data classification act as key barriers to advancing the adoption of technology.

“

The technology is a liability; the challenge is to prioritize IT over submarines.”

Swedish defense organization

One issue raised by a public defense organization was the tendency of employees to classify information at unnecessarily high security levels. This limits opportunities to use the data while remaining compliant with the associated security requirements.

Furthermore, working conditions emerged as a challenge throughout defense organizations. Lack of physical office spaces and constrained conditions for remote work contribute to employee frustration. Examples include poor facility conditions and temporary solutions such as barracks becoming a permanent feature. Over time, this could negatively impact employee productivity and retention, particularly for coming generations of digital natives.



Appendix 1:

Method



The report is based on a qualitative study conducted across Denmark, Finland, Norway and Sweden. Insights have primarily been gathered through interviews with

organizations that play an important role in the Nordic defense ecosystem, including both public authorities and private sector companies.

	Public organizations	Private organizations
Denmark	- Forsvaret - Forsvarsministeriet Materiel-og Indkøbsstyrelsen - Anonymous organization	Anonymous organization
Finland	- The Defence Command Finland - The Finnish Defence Forces Logistics Command	- Patria - Millog Group
Norway	- Forsvarsbygg - Anonymous organization - Anonymous organization - Forsvaret	Chemring Nobel
Sweden	- Försvarsmakten - Totalförsvarets forskningsinstitut - Försvarets materielverk - Försvarsförbundet	- Saab - GKN Aerospace Sweden

The participating organizations were selected using a consistent approach, targeting public and private defense actors that directly enable, support or deliver capabilities essential to national armed forces’ mission. Organizations were invited through formal written request via official channels, and interviews were held with those who accepted the invitation to contribute. The final interview base reflects a select group of defense organizations across Denmark, Finland, Norway and Sweden, as shown in the overview above. All participating organizations were given the option to be publicly mentioned in the report or to participate anonymously.

The interviews were mainly conducted during spring 2026 using a common interview guide to maintain consistency across the countries, while still allowing each conversation to reflect the specific context, role and experiences of the participating organization. The interviews focused on current and future workforce needs, challenges and

opportunities related to four areas: attract and hire, build critical skills, retain and renew, and enable the workforce.

The report also draws on publicly available material such as existing research, strategies, policies and other official documentation. This has enabled interview insights in a broader strategic context and provided the ability to identify recurring themes across countries. The findings presented in the report should be understood as a synthesis of perspectives from contributing organizations, supported by desk research and cross-country analysis.

The report does not aim to provide a statistically representative assessment of the entire Nordic defense sector. Rather, it is intended to capture key patterns, practical experiences and emerging priorities from the sample defense organizations. The ambition is to contribute to a more informed discussion on how Nordic defense organizations can strengthen and in the long term build their people capabilities and create the conditions required to meet future defense demands.

Appendix 2:

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Appendix 3:

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