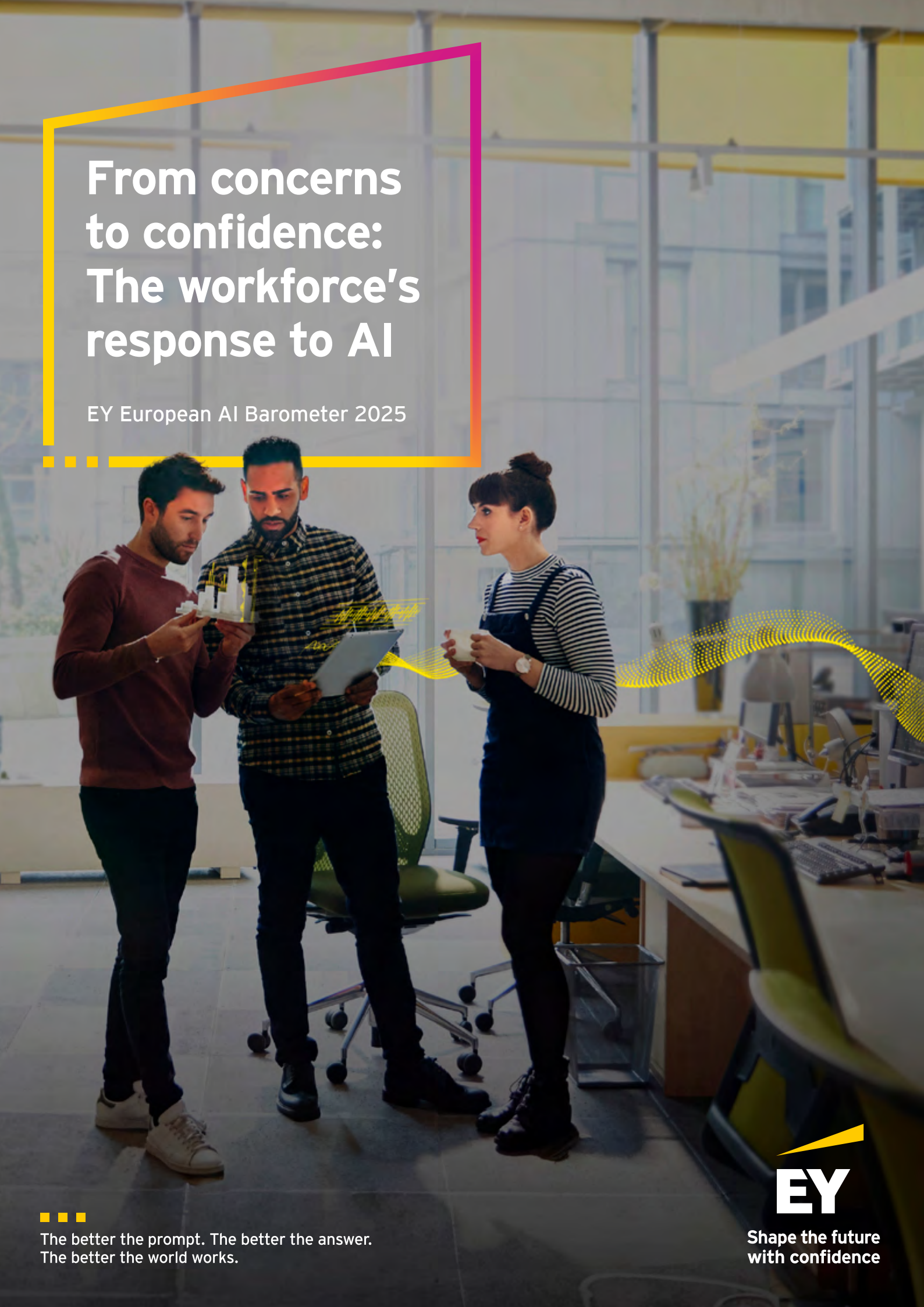
From concerns to confidence: The workforce's response to AI

EY European AI Barometer 2025



The better the prompt. The better the answer.
The better the world works.

Shape the future with confidence

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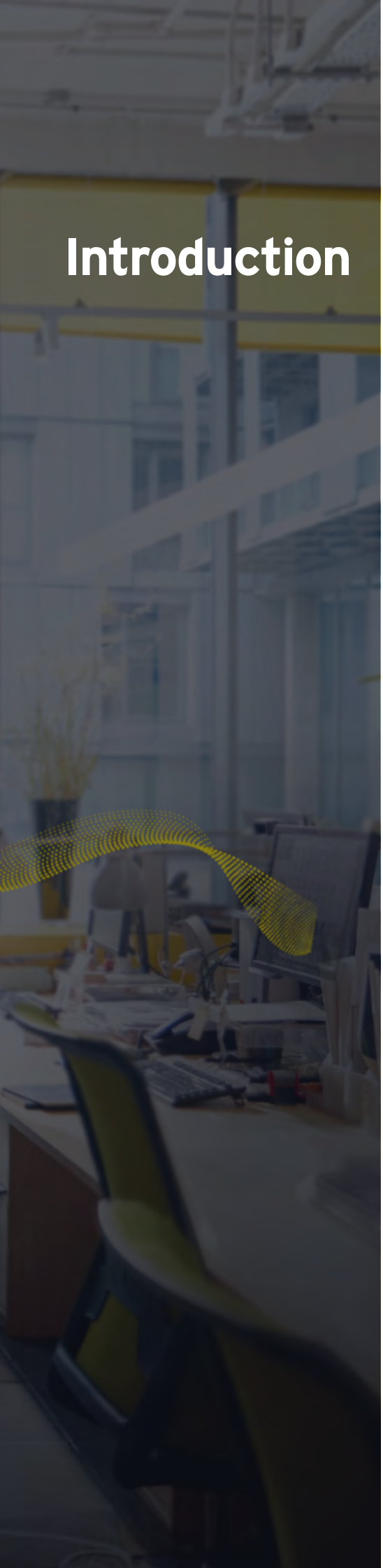


Introduction

Artificial intelligence (AI) is transforming industries and economies at an unprecedented pace, driving innovation while reshaping the way businesses operate. As AI moves to the forefront of technological advancement, it offers immense opportunities but also presents significant challenges. Organizations and policymakers face critical questions: What are the risks and rewards of AI adoption? How will AI redefine the workplace and what regulatory frameworks are necessary to address its complexities?

In this rapidly evolving technological landscape, businesses must rise to the challenge or risk becoming obsolete. Navigating the transformative power of AI requires thoughtful strategies, a commitment to innovation, and a deep understanding of its far-reaching implications. The stakes are high: getting AI-driven operational excellence right can pave the way for better jobs, enhanced customer experience and more sustainable use of finite resources. Missteps, in contrast, can expose organizations to existential risks and have severe repercussions for wider economies.

Leading organizations are making quantum leaps in AI-driven operational excellence, driven by AI literacy initiatives, business process innovation and refined monitoring and management systems. These trailblazers demonstrate how mindful AI integration can transform challenges into opportunities for growth and resilience.

We surveyed workers and business leaders across 21 sectors in 9 European countries to gain an insider's perspective on the state of AI adoption and integration on the ground in businesses and the public sector. By examining real-world applications, combined with our extensive expertise in guiding organizational transformations in the digital sphere, this report distills valuable insights and practical strategies for navigating the AI revolution.

Our goal is to unlock AI's potential to benefit economies and communities, championing a responsible, people-centered approach that prioritizes value creation for all. Together, we can step up to the challenge and ensure the power of AI is harnessed for the benefit of all stakeholders.

1. The state of play

AI adoption is accelerating at a breathtaking pace. Compared to last year's edition of the AI Barometer, our survey reveals a notable rise in user numbers, increasing demand for workforce training, education, and greater awareness of the tangible ethical challenges posed by individual AI technologies – from large language models (LLMs) and deep learning (DL) to computer vision and generative AI (GenAI).

On the shop floor, AI is raising the bar for operational excellence. By leveraging AI-supported systems, businesses can reap time savings, lower costs and reduce error rates for enhanced service delivery and product quality. This results not only in higher productivity but also in an improved customer experience. However, alongside these opportunities come significant challenges.

Accordingly, public discourse is becoming increasingly nuanced, moving beyond speculative debates about what the future may or may not bring and sharpening the focus on more pressing issues around privacy, data use and potential biases in AI models. With growing public awareness of the importance for smart oversight, governments and organizations are under increasing pressure to develop guidelines and regulations that ensure the responsible use of AI. Upcoming and recent initiatives aim to address the risks without restricting the opportunities to reap the benefits of AI.

The world's first comprehensive legal framework on AI, The EU's AI Act (Regulation (EU) 2024/1689), aims to maximize the benefits of this transformative technology while minimizing its risks and building confidence within the public. By addressing challenges such as potential biases and risks, the Act positions Europe as a global leader in AI governance. Yet despite, its pioneering role in AI-related governance, the continent risks being left behind in the increasingly global race for the development of the next generation of AI systems.

So far, it has primarily been U.S. companies that have largely set the standard for AI development and applications. Originally introduced by Google researchers in 2017, transformer technology has evolved far beyond early generations of ChatGPT that merely sounded human-like to sophisticated and versatile tools with use cases in a growing range of domains. Applications now encompass autonomous robots, self-driving cars and advanced drug development. Companies such as EvolutionaryScale are utilizing transformers to design novel proteins, with major breakthroughs anticipated in synthetic biology and personalized medicine.

But the United States' AI hegemony is not unassailable. The remarkable success of China's DeepSeek and its implications for AI pricing have not gone unnoticed in Silicon Valley. Indeed, the development of AI tools in China brings not only challenges for incumbent businesses and rival economies, it also opens up an array of sensitive ethical questions, not least with respect to the use of AI in military technology, underscoring its strategic importance for national security and, indeed, sovereignty.

How will these dynamic developments reshape both local and global markets? What are the implications for the growing concerns around employment, agency and security shared by the public, business leaders and employees alike? These are complex questions, and new ones arise every day. While this report cannot answer them all, it offers valuable data and analyses that serve as a solid foundation for decision-making around AI. Drawing on the experience, expectations and insights of the professionals on the ground who engage with AI in their daily work, it provides a meaningful basis for navigating the opportunities and challenges AI presents.

EY's European AI Barometer 2025 in numbers

4,942 managers and non-executive employees were asked in wave 2 of the European AI Barometer to share their experience, hopes and concerns with respect to AI in the world of work.

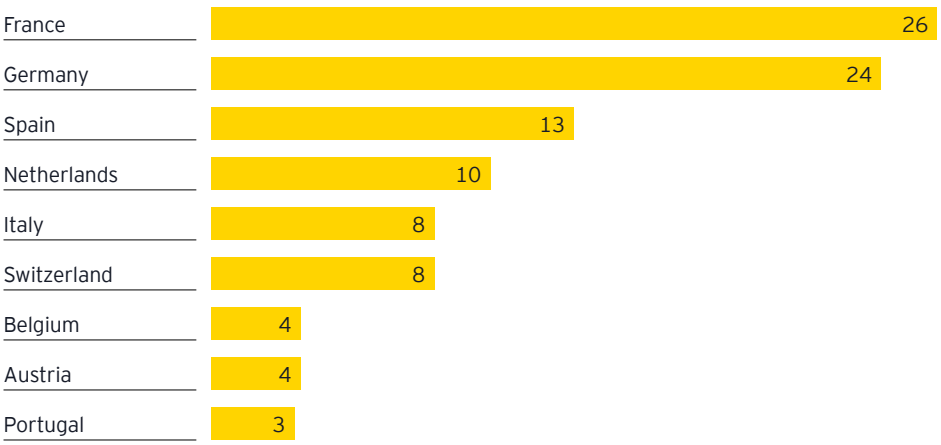
21 sectors were surveyed – a substantial increase on last year – for a more granular analysis of findings.

1 goal: Our aim is to show the transformative effects of AI on the workforce and explore both the opportunities and challenges it presents for employees, employers and the broader economy.

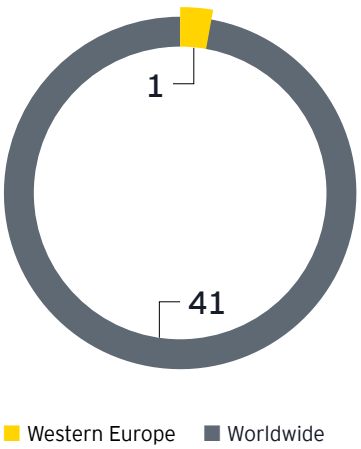
AI, in all its facets, is an extremely important topic – logically also in social networks. However, the share of voice that users in Western Europe have in global AI communication is low. Out of 41 million conversations in 2024 on LinkedIn, X (formerly Twitter), Instagram, and others, just over one million came from the countries in the Western Europe region – accounting for less than 3% (Figure 1). Users from France (26%) are slightly ahead of those from Germany (24%). Users from these two countries are thus responsible for half of all conversations.

Figure 1

Conversation volume regarding AI topics on Social Media



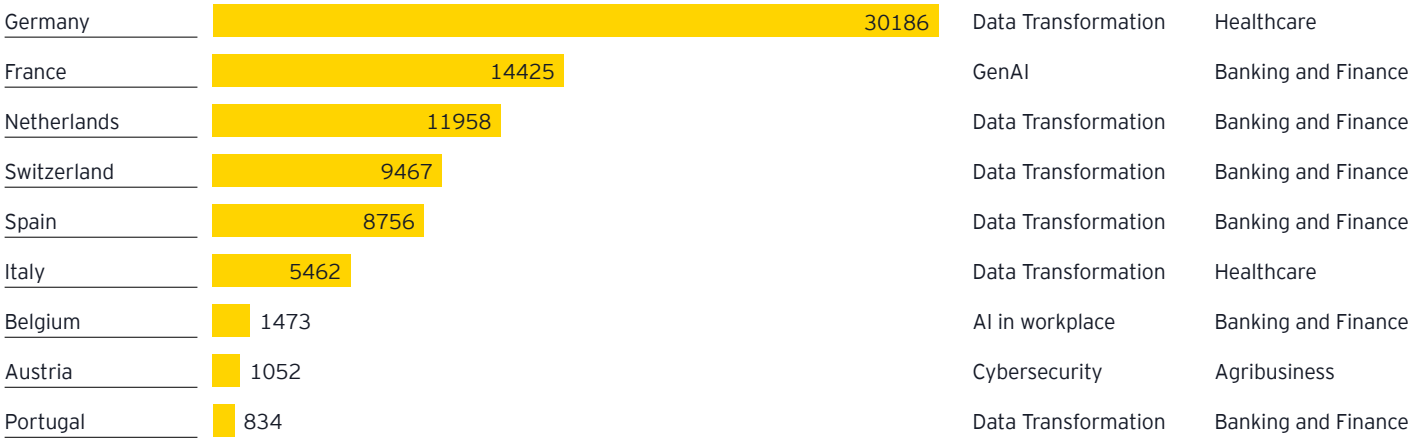
Data in percent



Data in million

Figure 2

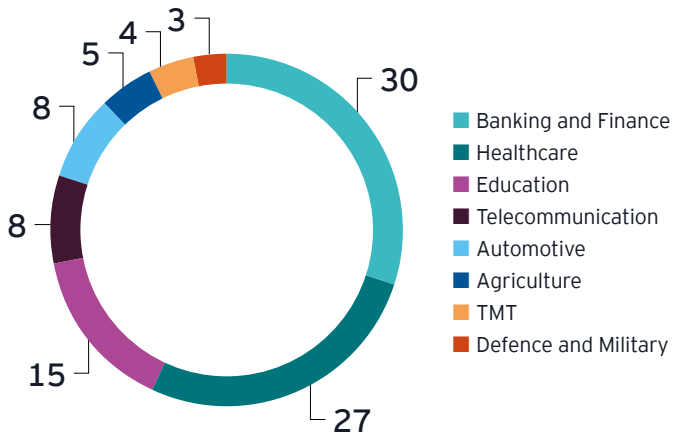
Top conversation topics and postings for that topic and industry



Number of postings for the topic

Figure 3

Industry analysis AI led conversations in Western Europe



Data in percent

In six of the nine countries, Data Transformation, which is the process of converting raw data into a structured format suitable for machine learning and AI models, is the top conversation topic (Figure 2). However, the topic of GenAI – short for generative AI – is also on users' minds. Simply put, it refers to AI models that are capable of generating new content rather than just analyzing existing data. Cyber-security and AI in the workplace in general are also of concern to the online community.

Looking into the sectors, AI adoption in the banking and finance area offers plenty of room for postings. Almost a third of the conversations (30%) take place in this industry (Figure 3). Closely following is the healthcare sector, which is also a core topic when it comes to AI adoption.
More than one in four conversations (27%) in Western Europe occur on this subject. Education (15%), as well as telecommunications and automotive (both at 8% each), follow at a significant distance.

Key takeaways

Uptake and impact on work

AI is reshaping job roles, with many workers expecting it to take over some of their tasks. There are concerns that organizations may cut jobs in the process as AI will enable them to do business with a smaller workforce. A growing share of workers are taking their future in their own hands and actively pursuing AI training, although engagement varies substantially by age, gender and pay grade.

Productivity gains

AI is enhancing workforce productivity, with 43% of respondents noting improvements. However, there is an evident disconnect between managers and non-executive employees in their perceptions of AI's benefits. To bridge this gap, businesses must implement systems to transparently and objectively measure productivity, cost savings and efficiency gains in real time.

Regulation and corporate policy

The EU AI Act is widely viewed as a positive development, with 61% of respondents expecting a beneficial impact. In contrast, AI-specific corporate policies and risk management are underdeveloped in many organizations, exposing them to potentially severe vulnerabilities. Many have no formal AI risk management, and only 24% respondents indicate that formal risk assessments are used for AI-related decisions.

Capability and capacity building

Successfully integrating AI requires businesses to invest in the right technologies and workforce development. Organizations must establish clear AI ambitions, provide tailored training programs and adopt merit-based frameworks for managing talent. Effective governance structures and policies on responsible AI use are also crucial to ensuring long-term success.

Financial gains from AI adoption

AI is generating measurable financial benefits, with 56% of organizations reporting increased profits or reduced costs from AI adoption, up 11 percentage points on the previous year's barometer. Although the financial impact varies widely between frontrunners and less successful adopters, over one-third of organizations report positive financial effects from AI initiatives of between EUR 5 million and EUR 15 million, with advanced manufacturing reaping remarkable gains.

Strategic AI investment

Organizations are budgeting significant AI investments, with 16% planning to invest between EUR 1 million and EUR 5 million. To maximize ROI, businesses need to take a deliberate, capability-driven approach by assessing AI readiness, prioritizing scalable technologies and aligning investments with long-term business goals. Collaboration with AI specialists and startups can further accelerate innovation and implementation.

2. Adoption levels

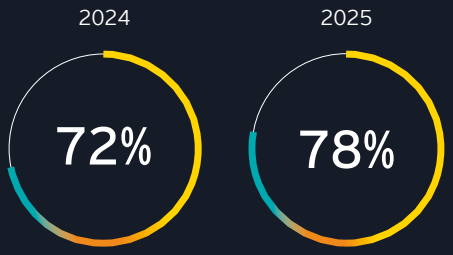
Among the stand-out findings of this year's edition of the AI barometer is the increased rate of uptake compared with the previous year and the more sanguine attitude toward the new technologies. More users are seeing the benefits that AI can deliver in the workplace. Switzerland still leads the way, with Spain fast in pursuit in the interim. Meanwhile, private equity firms are proving keen early adopters.

That said, as in the previous year, the government and public sector is still last in the AI ranking, both in terms of staff attitudes and adoption levels, despite efforts across the EU to modernize public sectors. In addition, business leaders need to do more to convince older and female employees of the benefits of AI.

Over the past 12 months, the proportion of respondents who say they use ChatGPT, DeepL and Co. has risen from 72% to 78% (Figure 4), up 6 percentage points, reflecting widespread use with almost four in five respondents meanwhile having been involved with or having actively used artificial intelligence. Close to half of respondents say they use AI tools in the workplace in the interim, with a further third reporting that they use AI outside of work only. There are no significant differences between genders or between management and non-executive employees. That said, leadership ranks (21%) use AI tools significantly more often in a business context than their employees (11%).

Figure 4

Have you ever been involved with Artificial Intelligence (for example ChatGPT, Perplexity, Midjourney) or have you actively used it?



In the past 12 months, the proportion of respondents who have used ChatGPT, DeepL and Co. has increased by 6 percentage points.

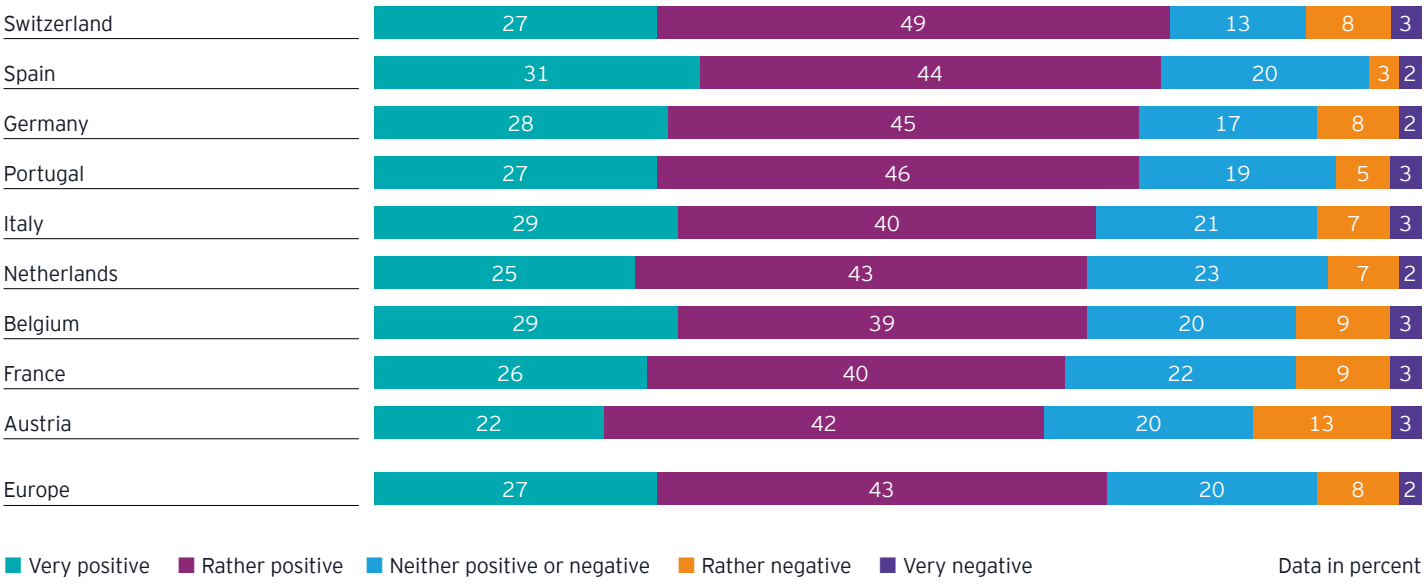
Percentage of respondents who indicated "Yes"

> The adoption piece isn't just about implementing new tech – it's about rethinking how we work, how we make decisions and how we create value for customers.

In the sectors technology, media and telecommunications (91%), advanced manufacturing (90%), energy and resources (90%) and banking, capital markets and financial services (89%) the use of AI is above average. In contrast, managers and employees in the consumer products and retail sector (71%) lag far behind. As in the previous year, the government and public services sector (70%) closes the ranking in last place, together with the health sector (also 70%). Viewed by country, users in Switzerland (85%) again continue to lead the rankings in the use of AI applications, followed by Spain (83%) and Portugal (83%). In contrast, uptake is much lower in Austria and France (both 73%) (Figure 5).

Figure 5

How do you classify your attitude towards Artificial Intelligence?



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We already have pretty good AI tools. Change management is the biggest challenge, if you ask me. Success hinges on aligning AI with business goals and empowering people to use it effectively.

Attitudes toward AI

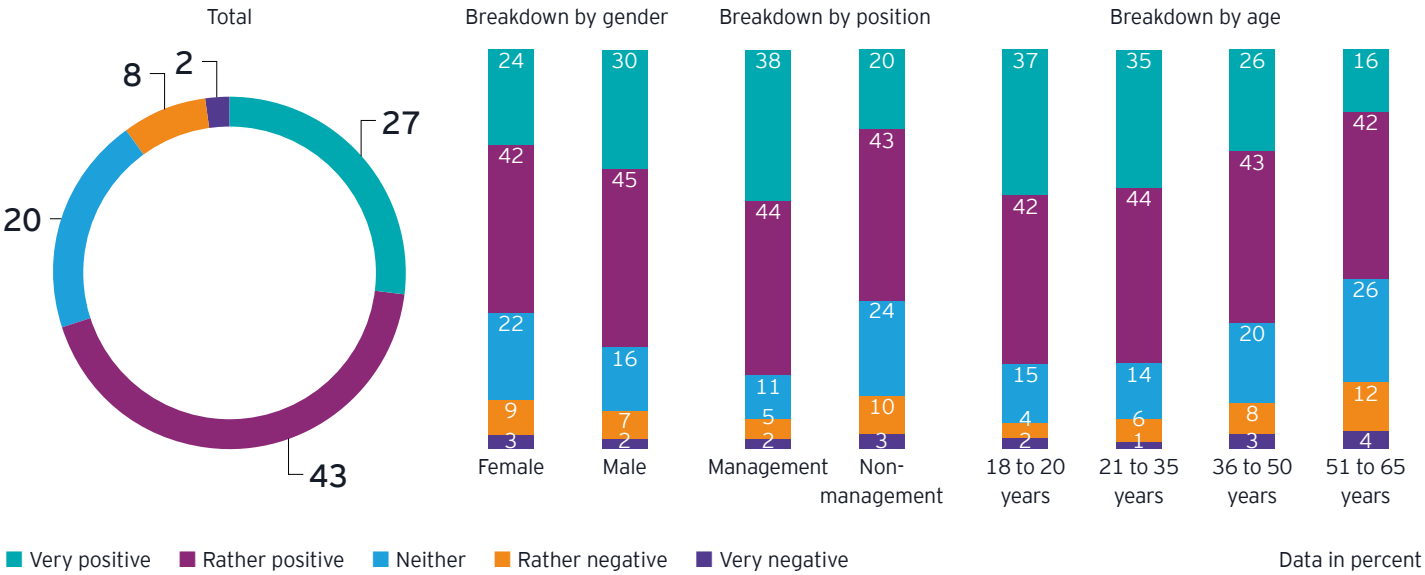
Consistent with the increased uptake, attitudes toward AI are generally more positive than a year ago. In total, 70% of respondents say they have a positive attitude toward the technology. That's a non-trivial 7 percentage point increase on the previous year (2024: 63%). Moreover, 27% of this year's respondents qualified their attitude as very positive.

An analysis by gender, pay grade, sector and region also reveals some interesting nuances. Fewer women respondents in our survey felt positive about AI compared with men (66% vs. 75%). A comparison by rank reveals an even more pronounced difference with 82% managers reporting a positive attitude, relative to 63% of non-executive employees, a gap of 19 percentage points (Figure 6). As one might expect, younger generations are significantly more positive than their older colleagues, who are more skeptical about the new tech trends both in the workplace and in their private lives. These findings suggest that business leaders need to do more to convince their teams, and in particular older and female employees, of the benefits of AI.

A breakdown by country puts Switzerland at the top of the AI ranking with 76% of respondents self-proclaimed AI enthusiasts. A similarly high proportion is evident in Spain (75%). Far fewer respondents, however, express a positive view in France (66%) and Austria (64%). Viewed by sector, 83% of technology, media and telecommunications employees have a positive attitude toward AI, which stands in stark contrast to the 59% in the government and public services sector at the lower end of the range. While acknowledging the understandable heightened sensitivity for data privacy in government institutions, this finding is consistent with the view that more needs to be done to kindle enthusiasm for AI in government agencies and administrations.

Figure 6

How do you classify your attitude towards Artificial Intelligence?



Experience with current AI tools

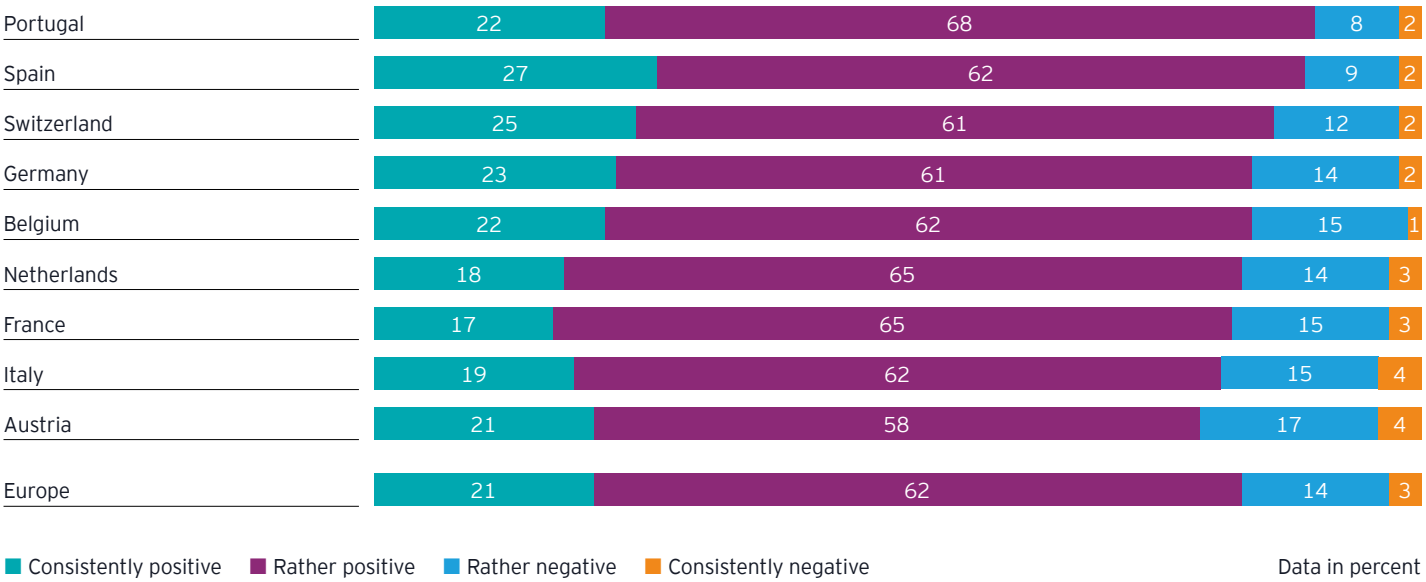
We also asked workers to share with us their actual experience using the AI-based tools currently at their disposal. More than eight in ten respondents (83%, up 3 percentage points year on year) rate their experience with AI tools positively. Differences between women and men are negligible on this point. In contrast, more notable differences are evident between managers (89%) and non-executive employees (80%), especially as regards the share of those who have had exclusively positive experiences, which is almost twice as high among management ranks (29% vs. 16%). In addition, younger users have generally had a more positive experience using AI tools.

Experience with AI scores above the European aggregate level (83%) in Portugal (90%), Spain (89%) and Switzerland (86%), and below the mean in France (82%), Italy (81%) and Austria (79%) (Figure 7). A sectoral analysis puts science (92%) - a small but still significant sample, aerospace and aviation (92%), and energy and resources (92%) in the lead as the sectors with the greatest share of workers who have had a positive experience with AI. Below average results were reported by staff in the health sector (80%) consumer products and retail (80%), chemicals (79%), with the government and public workforce again trailing in last position (77%) (Figure 8).

As regards the AI solutions currently used by Europe's workforce, at the forefront is text creation, in which six in ten respondents (61%) have experience. Following at a distance are voice assistants and chatbots (both 39%) and translation programs (30%). Voice generation or programs to transcribe meetings, on the other hand, are hardly used (10% and 11% respectively), the same as programs to optimize HR or financial processes (likewise 11% each).

Figure 7

How do you rate your experience with AI?



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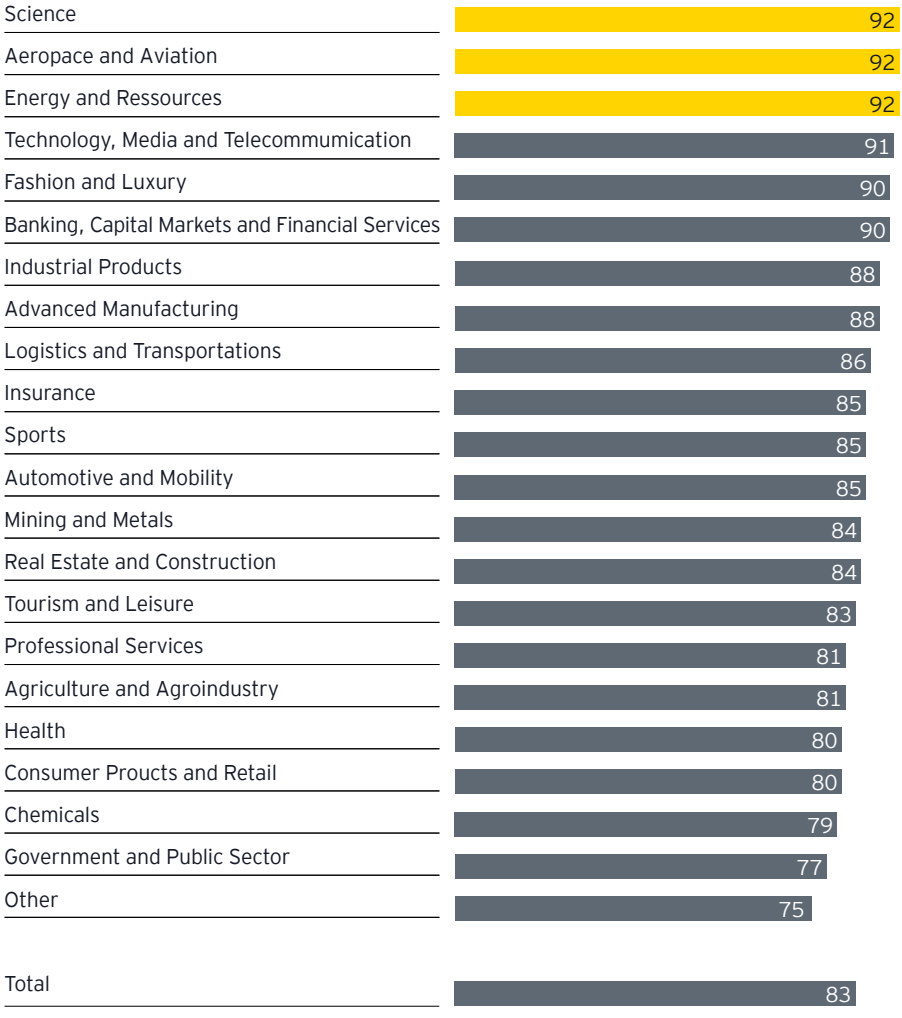
We can't afford to ignore the potential to take sustainability to the next level. Smarter energy management, efficient operations, green innovation – AI can make a huge difference.

Figure 8

How do you rate your experience with AI?

Percentage of respondents who indicated "Positive"



Data in percent

As AI adoption on the ground continues to grow, both in terms of scale as well as the level of sophistication of the solutions used, an impact on the way we work is inevitable. In the next section, we drill down into this topic to get a sense of how work is evolving in the AI revolution.

3. The evolution of work

As organizations seek to harness the potential that Artificial Intelligence offers, the rate of adoption is affecting jobs in all sectors. The trend is toward employing AI to increase efficiency and productivity by realizing opportunities to achieve cost and time savings and thereby drive operational excellence. Job profiles are changing as businesses identify the tasks and areas that AI lends itself to most.

Segments of the population are increasingly concerned that current developments will eventually lead to organizations needing fewer people. Administrative roles are expected to change most dramatically, but creative jobs are likewise expected to change, more so than managerial roles. Workers are increasingly accepting and voicing the need for upskilling to keep pace with technological advancement.

Employment

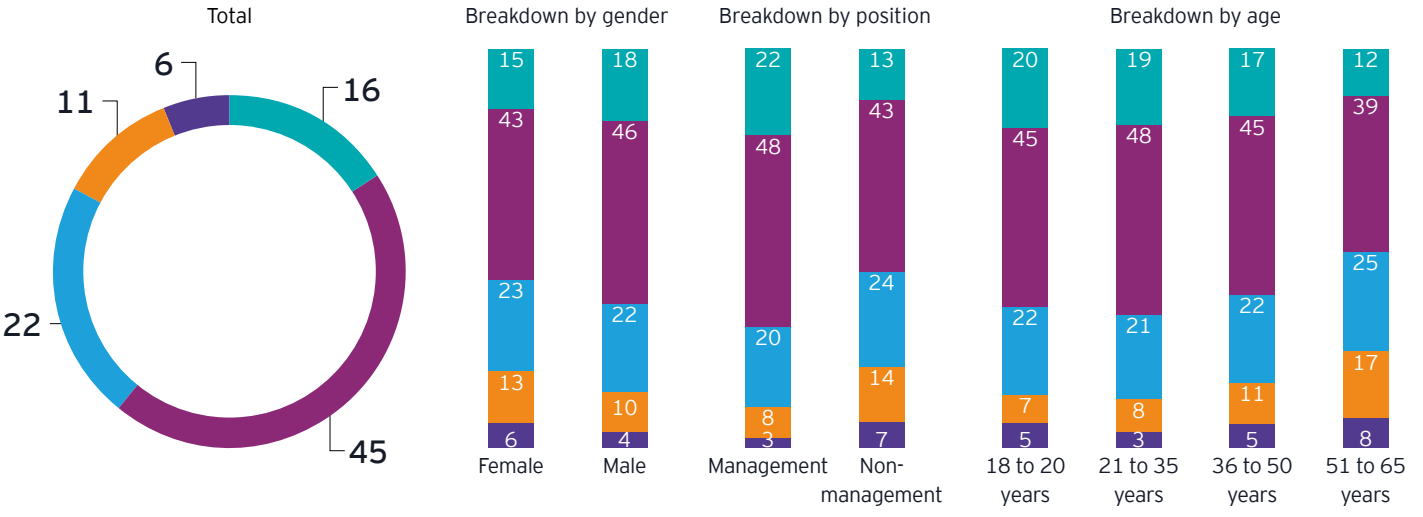
Asked about the biggest challenges and opportunities regarding the use of AI in everyday work and on the labor market, the advantages from the respondents' perspective are increased efficiency (30%), resource optimization (26%) and improved customer service (24%). To a slightly lesser extent, human augmentation and enhanced decision-making (both 20%) are also rated as fields in which AI offers potential. On the other hand, respondents see challenges in the areas of privacy concerns (30%), ethical issues (27%) and job displacement (25%), followed by regulatory compliance and transparency and accountability (both 21%).

Specifically, more than six in ten workers (61%) currently believe that AI applications will impact their work life one way or another – this represents a sizable leap of 11 percentage points compared with the previous year (2024: 50%). The proportion of men (64%) is slightly higher than that of women (58%) in this assessment. Corporate decision-makers (70%) are also more likely than non-executive employees (56%) to believe that AI will influence their work in some form (Figure 9).

Looking at the different sectors, the anticipated impact on jobs is greatest in technology, media and telecommunications (79%), energy and resources (72%), banking, capital markets and financial services (71%) and advanced manufacturing (70%). In contrast, the share of respondents who hold this view is comparatively lower in real estate and construction, consumer products and retail, professional services and in the government and public sector (each 57%) as well as in tourism and leisure and the health sector (both 55%). As an inherently "people business", it is perhaps unsurprising that workers in the tourism and leisure industry foresee little impact from AI on their jobs. More surprising is the stance in the health sector, where AI-driven diagnostics, clinical studies or patient triage, to name but a few examples, are already set to revolutionize established workflows and structures. The consensus in the public services sector, in contrast, is consistent with the other findings in this report.

Figure 9

Do you think your job will be affected by the developments around Artificial Intelligence?



> I don't see AI replacing people in big numbers anytime soon, not in our business. But those who fail to upgrade their AI skills will be replaced by those who do. That's for sure.

The good news is that the majority (58%) of the workforce for whom AI will play a role in their profession are not worried about this development. Conversely, however, a sizable 42% of respondents are concerned. Moreover, a differentiated analysis by gender and rank reveals a mixed picture, with women (47%) being significantly more worried than men (38%) and non-executive employees (45%) being more concerned than managers (39%) (Figure 10).

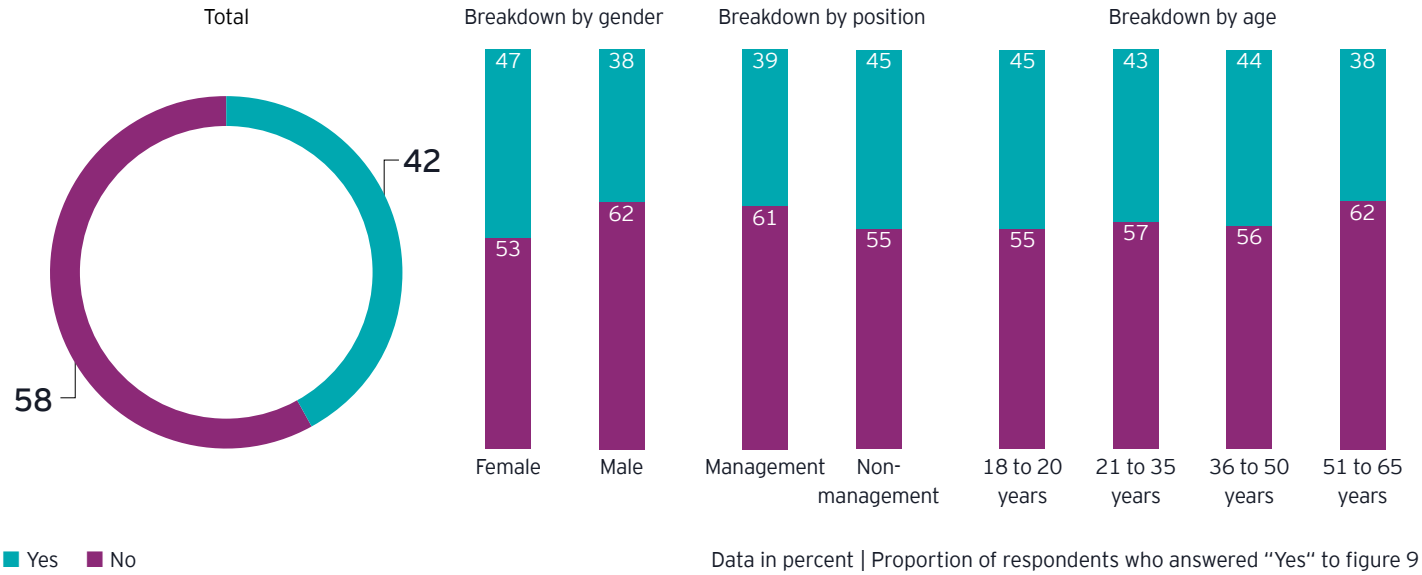
Looking at the individual sectors, workers in agriculture and agroindustry (62%) and science (52%) have the greatest concerns, mirroring the sectors' high rate of AI use (77% and 85% respectively), while those in mining and metals (26%) - a small but still significant sample, aerospace and aviation (32%), real estate and construction (33%) and telecommunications (36%) have significantly lower shares in this category despite the equally high rates of AI uptake ranging between 76% and 91% in these sectors.

In Spain, where the share of users of AI tools is very high, it may come as no surprise that the majority of respondents (54%) are worried about the impact of AI technology on their jobs. Workers are likewise uneasy in Portugal (49%), France (48%) and Belgium (47%). Conversely, less concern is expressed in Germany (36%) and Italy (37%).

Almost three in four respondents (74%) believe that AI transformation will lead to a reduced need for staff, an increase of 6 percentage points compared with the previous year (2024: 68%), indicating a greater sensitivity for the potential ramifications of AI tools. Job cuts are primarily expected in the oil and gas sector (90%), banking, capital markets and financial services (82%), aerospace and aviation (81%) and advanced manufacturing (78%) (Figure 11). More than eight in ten people in Spain (81%) believe that fewer staff will be needed in the future because AI can take over parts of the tasks. The share is also very high in Belgium (80%), while it is below average in Austria (66%).

Figure 10

Does that worry you?

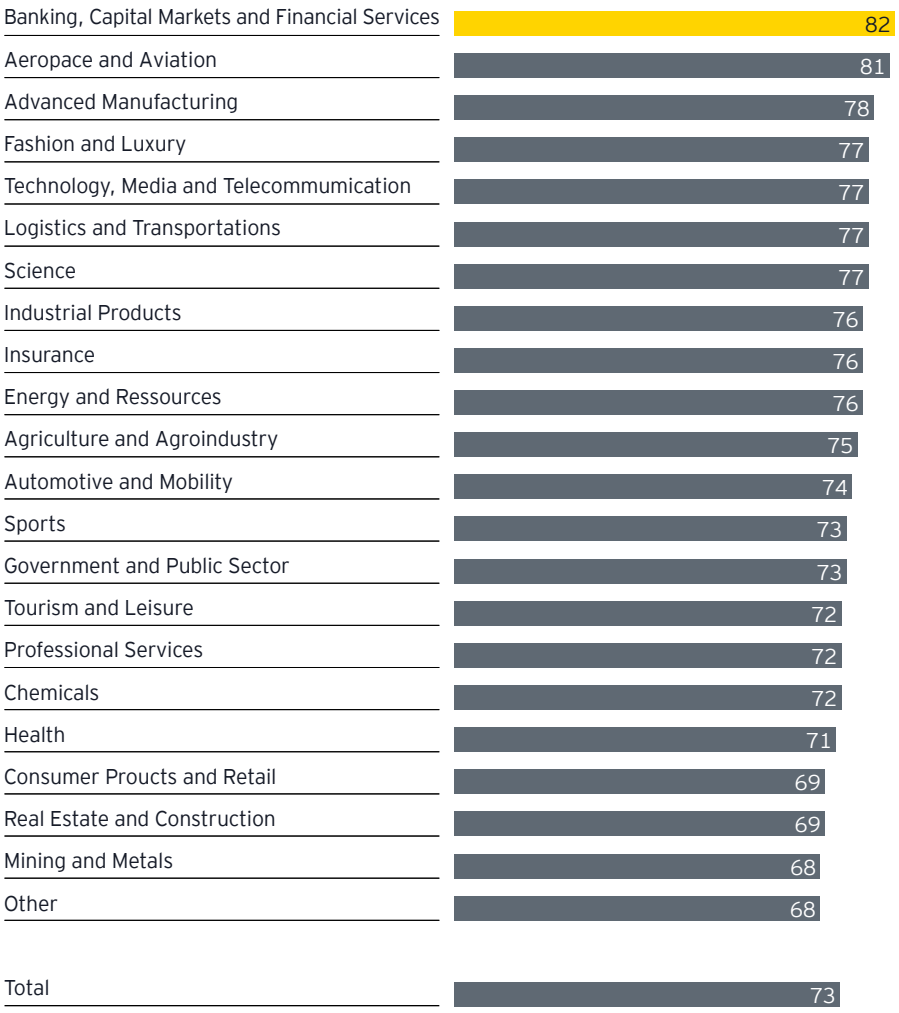


Data in percent | Proportion of respondents who answered "Yes" to figure 9

Figure 11

Do you think the use of AI will lead to companies needing fewer staff?

Percentage of respondents who indicated "Yes"



Data in percent

Job profiles

To what extent can AI systems and applications take over some of the workload? Two in three respondents (65%) believe that AI applications will take over at least some of their tasks. Compared with the previous year, this figure is virtually unchanged, edging up just 1 percentage point. One in six (16%) additionally believes this will happen in the near future. Interestingly, managers tend to expect handing over tasks to AI more often than non-executive employees (73% vs. 61%).

In financial services (84%) and advanced manufacturing (80%) a significantly higher proportion of respondents agree with this thesis, consistent with the elevated adoption levels in those sectors. In contrast, the share is below average in the mining and metals (53%), tourism and leisure (56%) and health (57%) sectors.

> There's a tremendous opportunity to elevate what we can achieve, provided we can equip our people with the skills they need to thrive in an AI-augmented world.

In Portugal, three in four respondents expect that parts of their work will be taken over by AI. The share is also very high in Switzerland and Spain (both 70%), while it is lower in Austria (58%) and France (60%). Having said that, respondents in Portugal (57%), the Netherlands (56%) and Italy (54%) in particular expect this process to take some time yet (Figure 12).

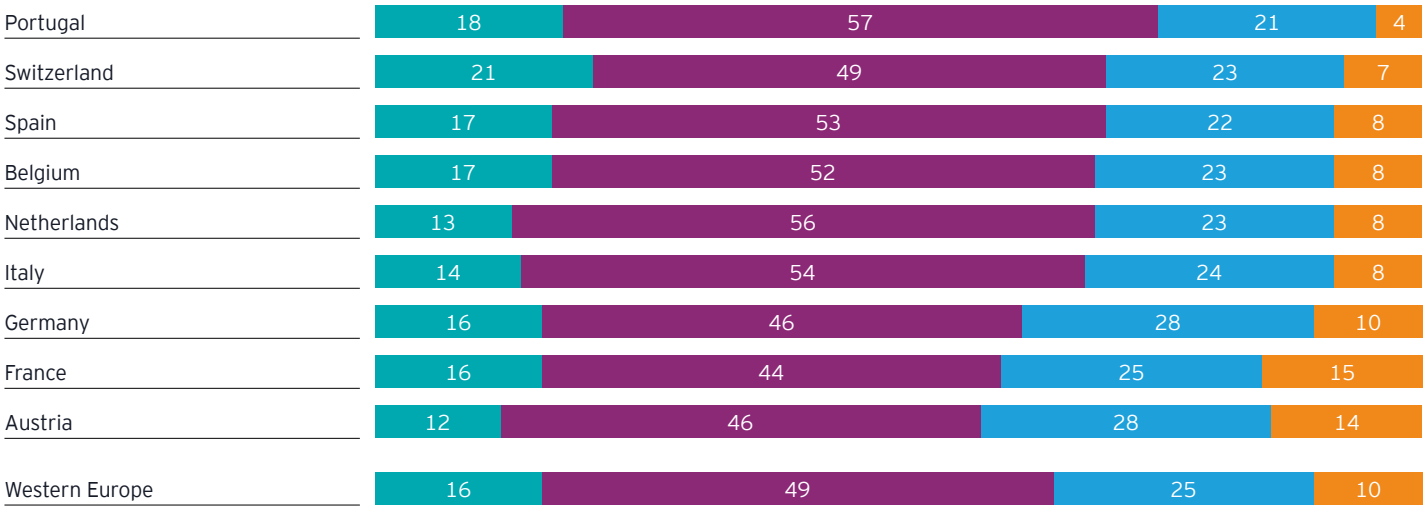
The areas and specific tasks on the job that are considered likely to be most impacted by AI, from the workforce's perspective, are those in which AI applications are expected to bring time savings (53%), cost savings (41%) or error reduction (38%), followed by improvements in the quality of the output (27%) and also innovation and creativity (25%). Administrative roles (49%) are seen as the most likely to feel the impact of AI in the workplace, with customer service roles (39%), technical roles (33%) and even creative roles (30%) likewise expected to be affected. Managerial roles (17%), in contrast, are believed less likely to be impacted, despite the fact that, as we saw above, managers anticipate a large impact on their job profiles. Clearly, there is still considerable uncertainty and a lack of consensus among professionals as to how AI will impact day-to-day work.

Upskilling

To keep abreast of new developments, more than half of respondents (57%) are pursuing education in AI, either professionally (20%), both privately and professionally (16%) or just privately (21%). Conversely, over four in ten respondents (43%) are not furthering their education in AI. Among women, the rate is almost one in two (49%), while the share is significantly lower among men (37%). Likewise, staff members over 50 years of age (42%) are less likely to pursue AI training compared with their younger counterparts among whom the rate is closer to 70%, a considerable portion of whom are doing so privately (33%). Among non-executive employees (52%), the proportion of those not pursuing further education is significantly higher than in management (30%) (Figure 13).

Figure 12

How likely is it in your opinion, that parts of your tasks on the job will be done by programs and applications from the field of AI?



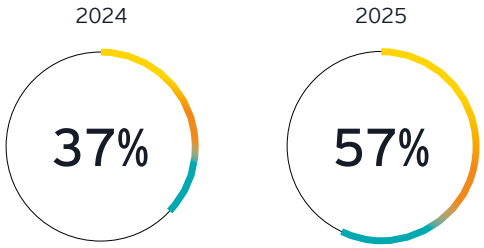
> We've always prided ourselves in our culture of continuous learning. With AI, that's more important than ever before – existentially important, I would argue.

However, overall, the share of those furthering their education has increased significantly compared with the previous year – by 20 percentage points (Figure 14).

Despite the notable increase in engagement with AI training, organizations need to make greater efforts to offer training and include older employees. Going forward, skills in the use and calibration of AI tools will be critical elements of lifelong learning. Without targeted initiatives, society risks leaving a valuable segment of the workforce behind. Part of the challenge lies in organizations formalizing their efforts and communicating them more effectively, as uncertainty remains high, with a notable share of respondents (12%) indicating they simply don't know enough about available opportunities. Meanwhile, younger employees are taking the initiative to educate themselves privately, highlighting the gap in organizational support and outreach.

Figure 13

Are you educating yourself in the field of AI?

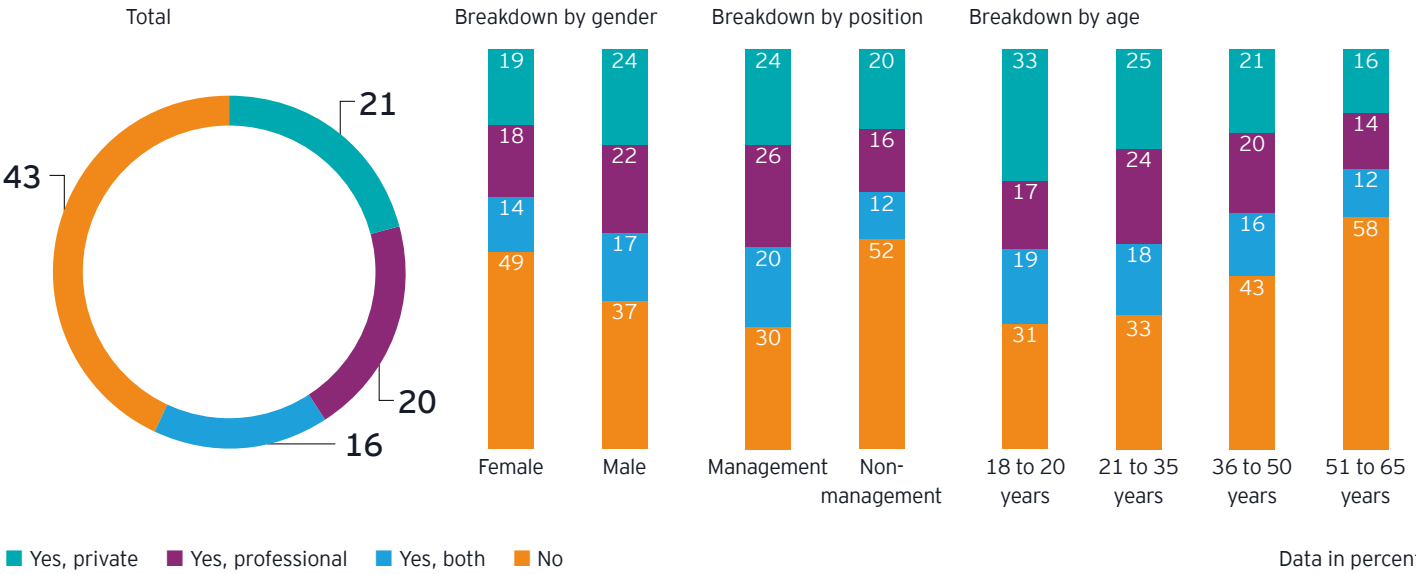


Those who are training in AI are now in the majority: While in 2024 it was just over a third, it is 57% in 2025 – a significant increase of 20 percentage points.

Percentage of respondents who indicated "Yes"

Figure 14

Are you educating yourself in the field of AI?



4. Smart regulation and corporate policy

The ethical integrity of AI systems is of critical importance. This necessitates smart regulation and corporate policy that clarifies any uncertainty and creates a healthy competitive playing field for responsible AI use. The EU AI Act is largely seen as a positive development in this respect. However, corporate policy still shows critical deficiencies in many instances, with risk management in particular underdeveloped in many organizations.

We asked Europe's workers to share their perspective on the most important factors for the use of AI applications. The factors cited most frequently, by a wide margin, were data privacy and security (57%), user experience (38%) and ethical considerations (31%). To put this into perspective, only 24% of respondents cited sustainability as a significant factor and as few as 23% considered bias and fairness. This finding reflects the keen sensitivity prevalent in Europe historically with respect to data privacy specifically as well as broader ethical considerations.

Regulation

Smart regulation that addresses legitimate concerns about AI development and use, without stifling its inherent opportunities will be key for economic development going forward. In this spirit, the EU's Artificial Intelligence Act (AI Act) aims to establish uniform regulations for the development, marketing and use of AI to minimize risks and build confidence in AI systems. Overall, the act is largely welcomed as a positive development. In total 61% of respondents believe it will have a positive effect on their organization, with 17% expecting very positive outcomes. Optimism is highest in the advanced manufacturing, as well as the energy and resources sectors (73-74%), while professional services, science as well as tourism and leisure are somewhat less optimistic (55-56%) (Figure 15). This positive attitude is grounded in hopes that the AI Act will above all provide a regulatory framework for data privacy and security (47%), ethical AI development (39%) and also transparency and accountability (36%) (Figure 16).

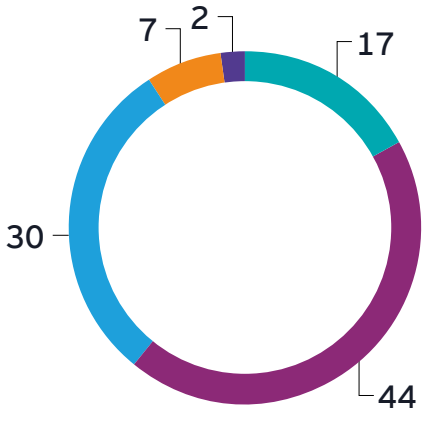
“

Good AI regulation and fast-paced innovation don't need to be mutually exclusive. There's no doubt in my mind that we can establish appropriate frameworks that allow us to make great AI systems that work for everyone.

Figure 15

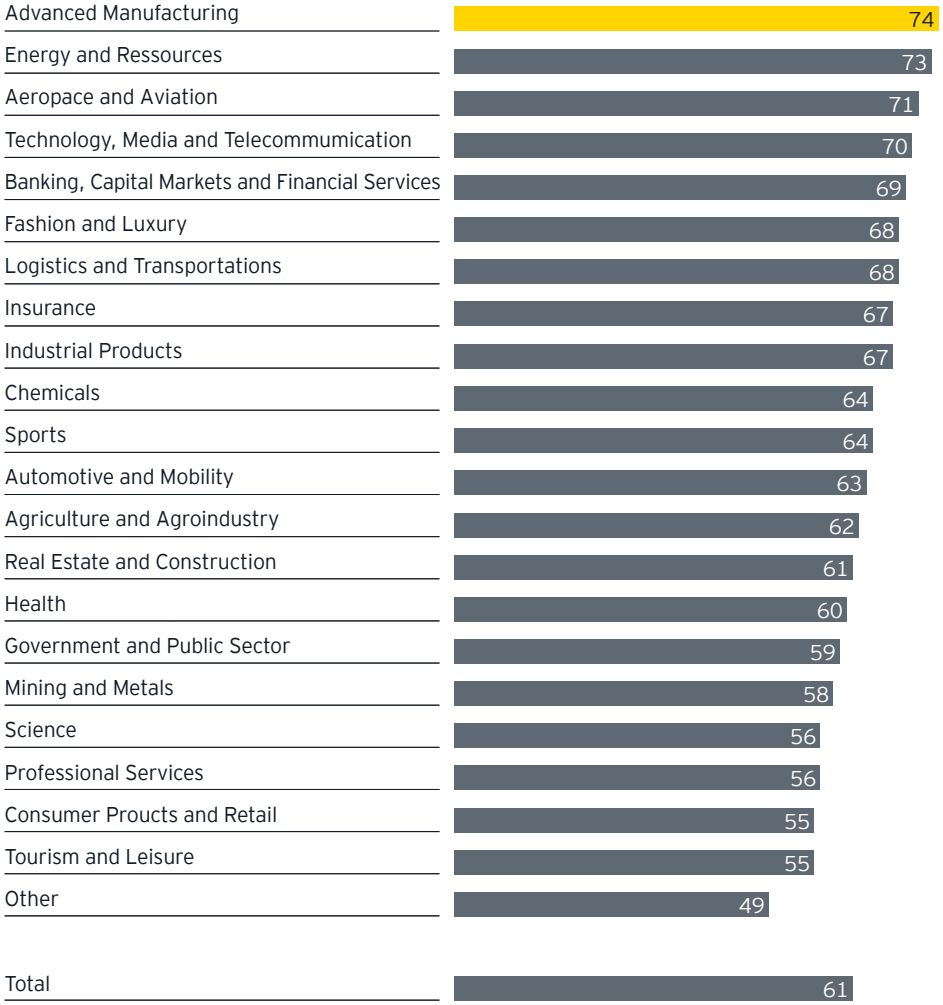
How do you believe the EU AI Act (that aims to establish uniform regulations for the development, marketing, and use of AI to minimize risks and build confidence in AI systems) will affect your company/organization?

Total



Data in percent

Sectors

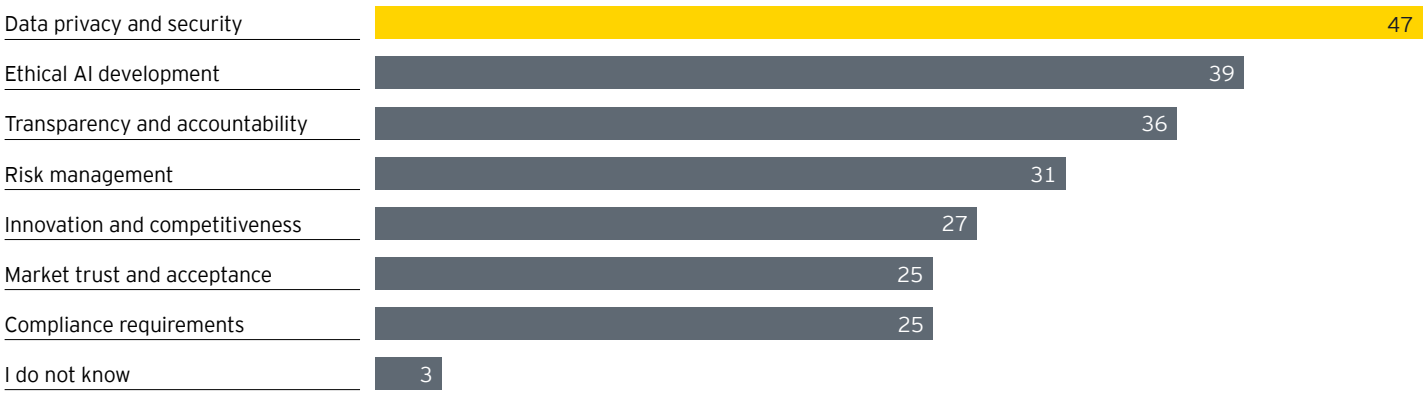


Data in percent
Percentage of respondents who indicated “Positive“

> We are paying a lot of attention to designing corporate governance that negotiates the right equilibrium between fostering innovation and ensuring ethical use of AI. Consistent AI policy is key to removing any ambivalence or uncertainty among our people – to protect them and the Company.

Figure 16

Please indicate which aspects of the EU AI Act you believe will have the most significant impact



Data in percent | Up to 3 answers possible

Corporate policy

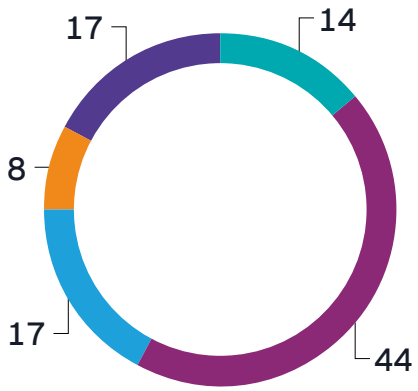
Aside from effective regulation, it is not possible to overstate the importance of clear and pertinent corporate policy to establishing an environment in which effective and reliable AI systems can operate with maximum efficacy and minimal risk. While 58% of respondents say that their leadership actively supports the integration of AI technologies and initiatives, the remaining 42% either don't know (17%) or don't agree (25%), highlighting a lack of communication accompanying the introduction of such tools (Figure 17). Internal efforts perceived by employees mainly concern training programs for employees (33%), with an almost equally high share of 28% saying that they don't know whether any efforts are being made within their organizations, followed by just 27% who confirm that their organization has set ethical guidelines for working with AI. This contrasts with almost half of respondents (48%) saying more generally that they believe their organizations have a clear ethical framework for AI deployment, although there is little consensus between management (61%) and non-executive employees (40%) on this point. In stark contrast, 30% of respondents say their organizations have no ethical policies in place and, just as alarmingly, a further 22% are unaware of any such policies.

AI poses a new set of challenges for corporate risk management. Yet AI-specific risk management remains woefully underdeveloped in many organizations, particularly considering that around a third of people are allowed to use AI without restrictions within their organization. Moreover, 16% of respondents do not know who to contact regarding AI risks and 12% report that their organizations have no formal risk management in place. Only 24% use formal risk assessments for decisions. Aside from contributing to employee hesitation in using AI tools, these risk managements gaps expose organizations to potentially disastrous vulnerabilities. These findings highlight the need for organizations to formalize their approach to AI and eliminate uncertainty to the extent possible by creating and communicating a policy framework for their employees.

Figure 17

Do you believe that your company's/organization's leadership actively supports the implementation and integration of AI technologies and initiatives?

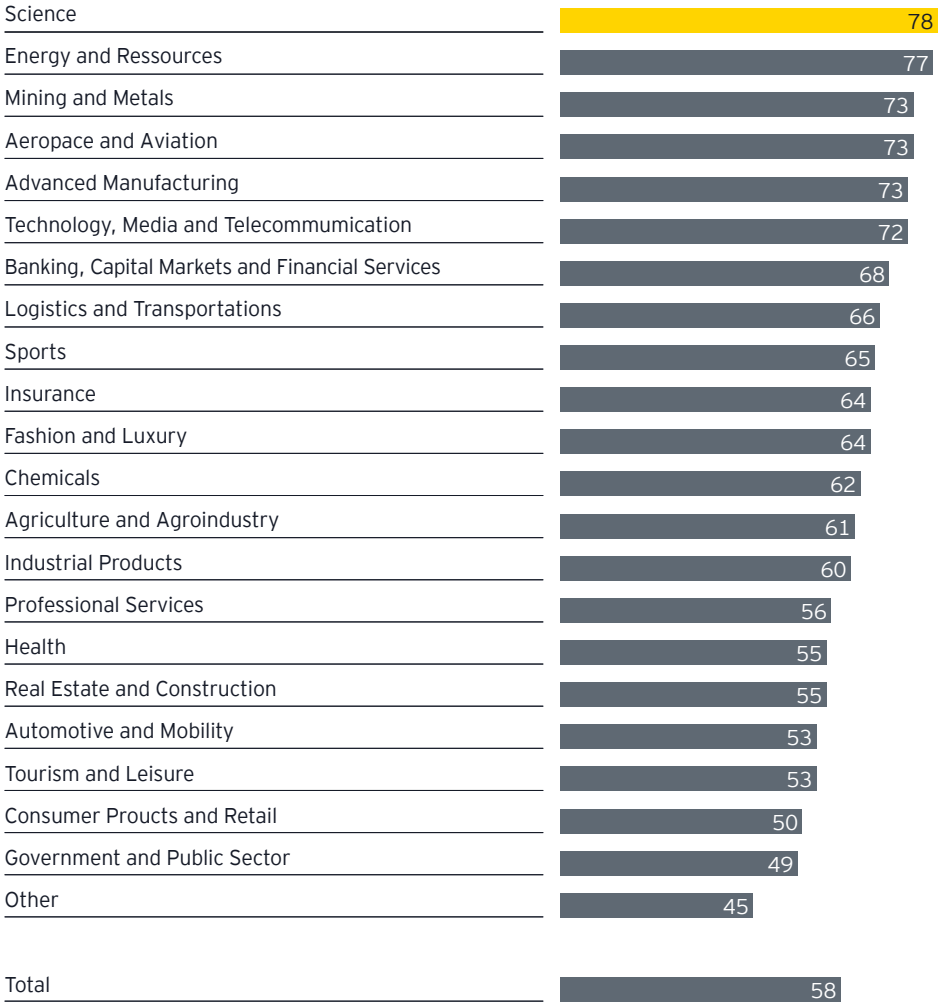
Total



- Yes, very strongly
- Yes, partially
- No, hardly
- No, not at all
- I do not know

Data in percent
Only employee positions

Sectors



Data in percent
Percentage of respondents who indicated "Yes"

5. Measurable impact

AI is delivering measurable impact on productivity, costs, revenues, and overall business performance. To fully leverage its potential, companies must measure this impact and upgrade their systems of metrics accordingly. This involves implementing advanced dashboards and integrating AI performance tracking into existing management, control and risk systems, ensuring a comprehensive and data-driven approach to managing and optimizing AI initiatives.

Financial gains from AI adoption

AI is delivering tangible financial benefits. A majority of respondents (56%) say their organization has either increased profits or reduced costs through AI adoption, an 11-percentage-point rise from the previous year's 45%. Only 16% say AI has not yet led to cost savings or profit increases, while 29% believe it is too early to assess (Figure 18 and 19).

In terms of scale, over a one-third of respondents report positive financial effects from AI initiatives of between EUR 5 million and EUR 15 million, further underscoring the transformative potential of AI when implemented effectively.

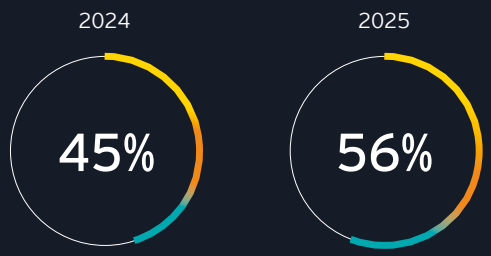
In certain sectors, such as advanced manufacturing (78%), sports (74%) and agriculture and agroindustry (73%), the financial gains from AI are evident. In contrast, government and public sector (35%), professional services (41%) and health (48%) report a significantly lower impact.

Regionally, Spain (70%), Belgium (60%) and Germany (59%) lead in observing AI's positive effects on financial performance, while Portugal (42%) and Austria (48%) trail behind (Figure 20).

This growing body of evidence shows that AI is a powerful tool for enhancing productivity and financial outcomes, but its success depends on measuring impact, addressing workforce concerns and aligning strategic initiatives to drive sustained value creation.

Figure 18

Has AI already led to cost savings or increased profits within your company/organization?



While last year slightly less than half of those surveyed said that their company was able to increase profits or reduce costs through AI, in 2025 it will be more than one in two – an increase of 11 percentage points.

Percentage of management who answered "Yes"

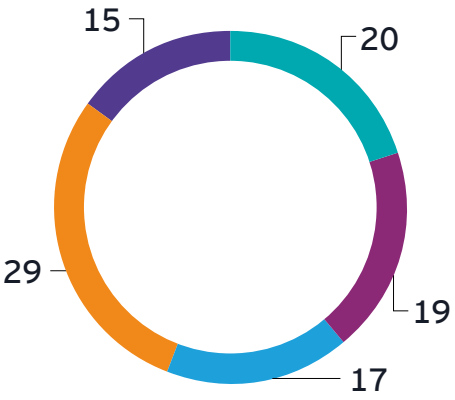
"

Give me something I can measure. If AI is creating real value, I want to see the numbers, be it in terms of efficiency, revenue or customer experience.

Figure 19

Has AI already led to cost savings or increased profits within your company/organization?

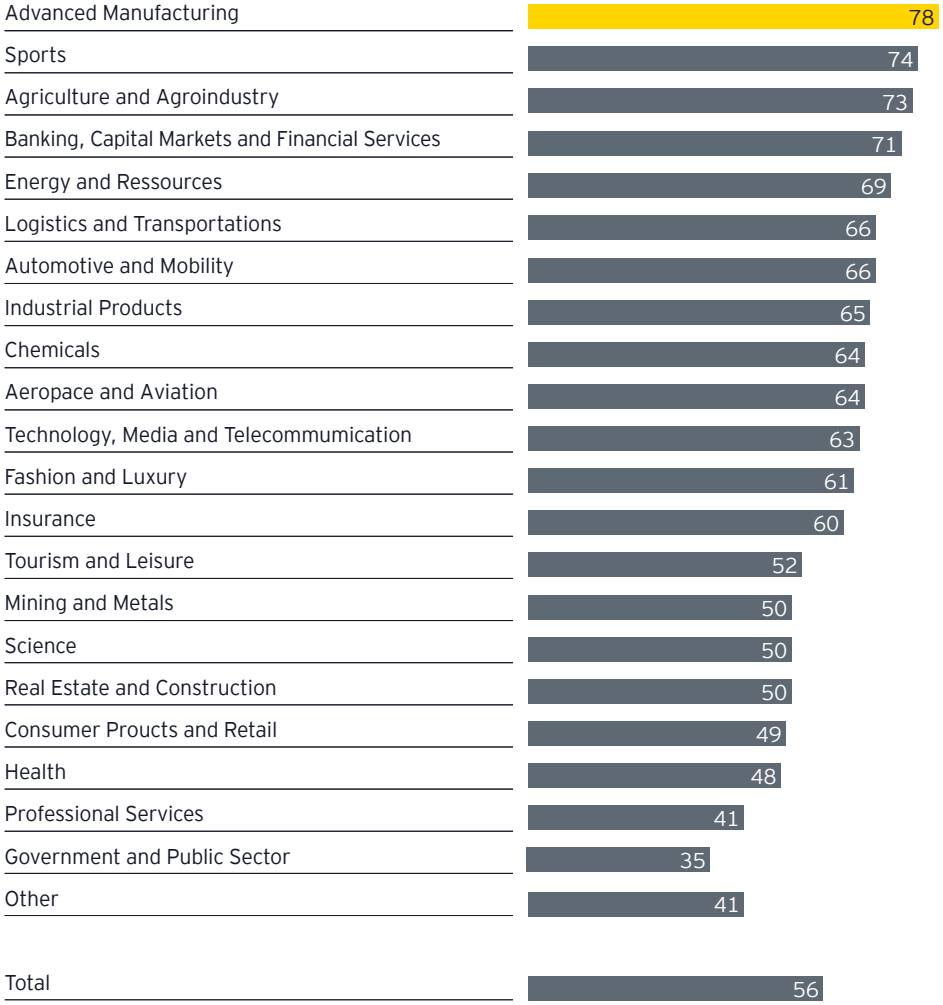
Total



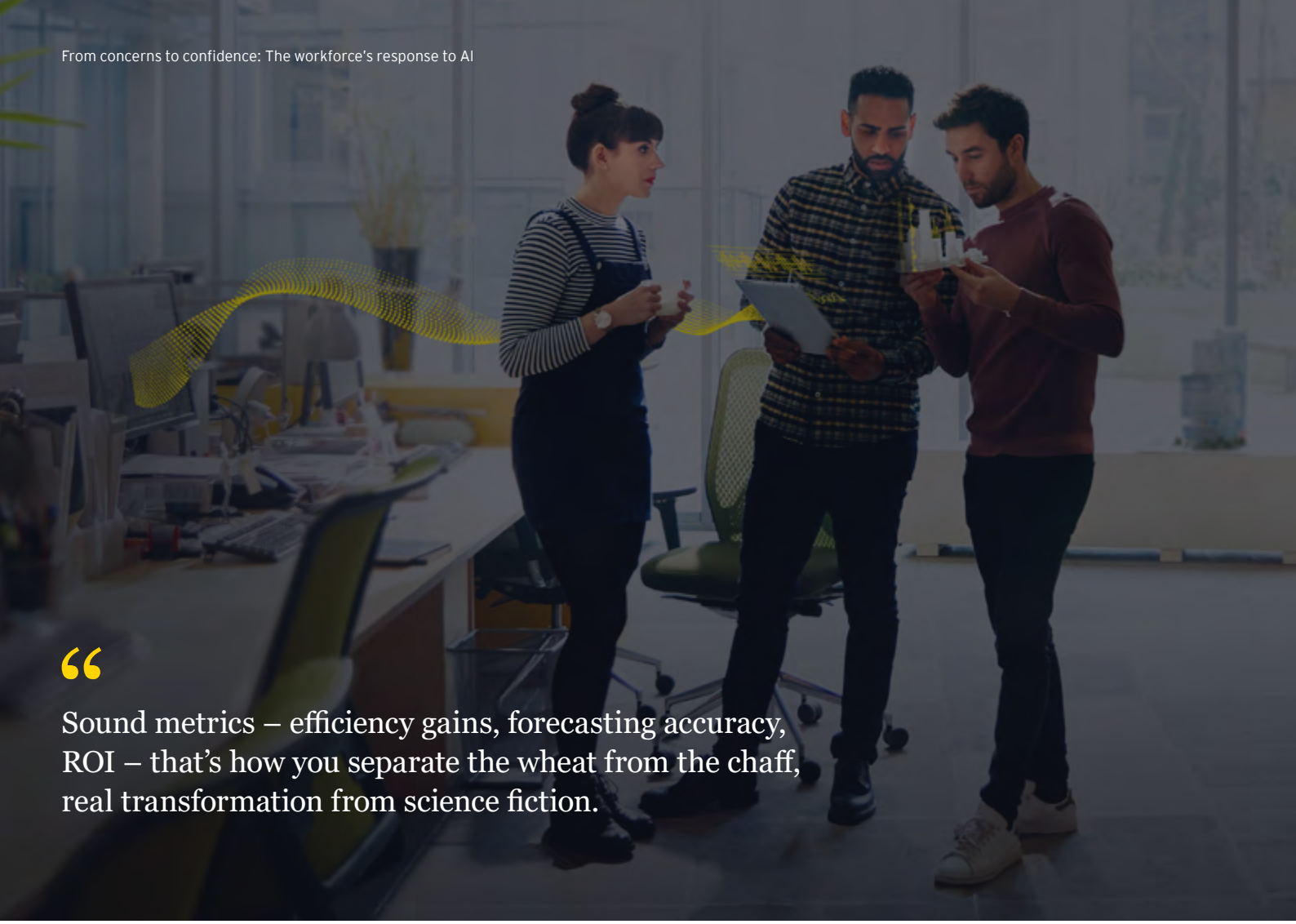
- Yes, we did save costs
- Yes, we increased revenues
- Yes, both
- It is too early to say that
- No, either

Data in percent

Sectors



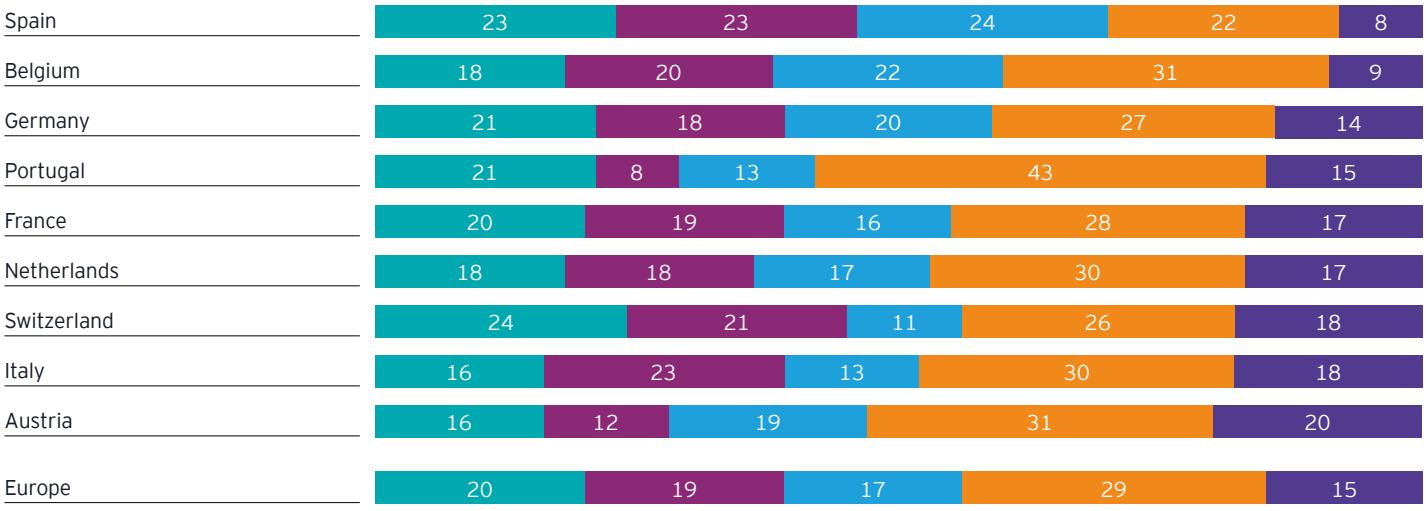
Data in percent
Percentage of respondents who indicated "Yes"



> Sound metrics – efficiency gains, forecasting accuracy, ROI – that's how you separate the wheat from the chaff, real transformation from science fiction.

Figure 20

Has AI already led to cost savings or increased profits within your company/organization?



"

Getting our technology bets right has never been more important. Now is not the time to go chasing a pie in the sky. We need hard data we can rely on.

Impact on workforce productivity

From the workforce's perspective, AI is already making an impact on productivity. A total of 43% of respondents report improved productivity due to AI, while 8% have noticed a decline, 24% see no change, and 25% do not use AI tools. Men (48%) report higher productivity gains than women (39%), and managers (56%) report significantly greater improvements than non-executive employees (35%). The positive effects are particularly pronounced in technology, media and telecommunications (60%) and advanced manufacturing (59%), reflecting the comparatively higher levels of AI adoption in these industries. Regionally, Belgium (52%) leads in reporting productivity increases, while Austria (34%) significantly lags behind.

Interestingly, perceptions of AI's impact on productivity reveal a notable divide. While 57% of managers believe AI has enhanced the productivity of their teams, only 35% of non-executive employees agree, and of those only 9% see a significant improvement in their productivity. On the other hand, although 56% of managers report productivity improvements in their own work, only 32% of non-executive employees believe their managers' productivity has increased. This disconnect underscores the need for organizations to adopt precise methods to measure the true benefits and costs of AI integration in live operations. Considering the stakes, this is not an area where intuition or subjective judgment should guide decision-making (Figure 21).

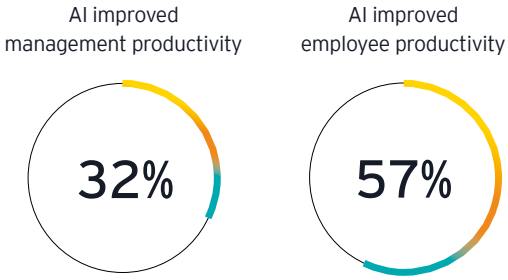
To effectively monitor and quantify AI's impact, businesses must modernize their corporate monitoring and reporting systems. Accurate measurement requires implementing advanced metrics and dashboards capable of tracking productivity gains, cost savings and other key performance indicators in real time. These systems should integrate seamlessly into existing management, control and risk frameworks, ensuring a consistent and holistic view of AI's contributions.

Beyond measuring productivity, updated systems should also capture the broader financial and operational impacts of AI, such as changes in workflow efficiency, employee satisfaction and customer outcomes. For example, correlating AI-driven productivity gains with specific investments in technology or training can help pinpoint areas of high ROI and inform future decision-making. Additionally, incorporating predictive analytics into monitoring systems can provide valuable insights into how AI adoption might influence long-term performance trends.

By upgrading their monitoring and reporting systems, businesses can go beyond anecdotal evidence to gain a clear, data-driven understanding of AI's true impact. This not only supports better strategic decisions but also helps bridge the perception gap between management and employees, fostering greater transparency and confidence in the organization's AI initiatives.

Figure 21

Has AI improved employee/your teams productivity?



Clear discrepancy: While the majority of managers appreciate the productivity leap of their own employees through AI, employees see this development much less pronounced among their superiors.

Percentage of respondents who indicated "Yes"

6. Capability and capacity building

Success in the AI era requires businesses to make smart investments in the right technologies and in people, while adopting more flexible, merit-based frameworks for managing their workforce. This includes implementing modern performance evaluation systems that align with the evolving nature of work.

To effectively integrate AI, organizations must first establish a clear AI ambition. This means understanding AI's impact on their workforce, focusing on career development and making strategic investments in technology. Strong governance is essential to this transformation, with clear policies, guidance on responsible AI use, and a commitment to training and employee development.

Career development

Building a strong foundation for AI is premised on fostering a data-driven culture. This involves nurturing the expertise needed to use AI tools effectively. Investments in talent development are crucial for enabling teams to fully leverage AI's potential. Career paths, too, need to be adjusted to the new reality of the AI-augmented workplace. These choices have to be consistent with the organization's predefined AI ambition.

While organizations are increasingly offering AI training, as discussed in section 3, the quality of these programs remains a significant concern. Employees need training tailored to their specific needs and roles. When asked, the vast majority of respondents (76%) said they were unsatisfied with the training available in their organizations. Although the share of those satisfied has increased substantially from 17% in 2024 to a current 24% (Figure 22), the share of those demanding more measures has also grown in the same period from 30% to 37% (Figure 23).

Geographically, employee satisfaction with the adequacy of AI training opportunities is rather low across the board. In Austria, fewer than one in five employees (19%) feel their company offers sufficient training, a trend echoed in Spain and Italy (both 23%). By contrast, countries like Belgium (31%), Switzerland (28%) and the Netherlands (27%) surpass the very modest European average of 25% (Figure 24).

Perceptions of AI preparedness also reveal a stark divide between management and non-executive employees. While just 17% of non-management employees feel satisfied with training opportunities, more than half of managers (53%) believe their workforce is adequately prepared for AI transformation. This disconnect highlights the need for organizations to bridge the gap and ensure AI training meets the expectations and needs of all employees.

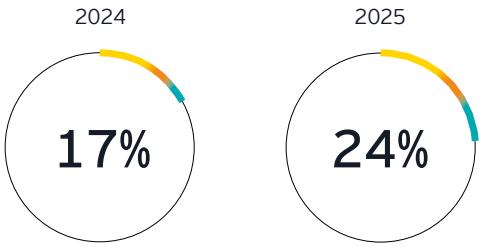
AI's true potential lies in skilled, well-trained employees, making workforce training and upskilling essential. Strategic partnerships with academic institutions and tech providers can further facilitate knowledge exchange and innovation.

"

The biggest returns? The future belongs to businesses that can integrate AI seamlessly into their operations, making data-driven decisions the norm rather than the exception.

Figure 22

Do you think your company/organization offers you enough help/training when it comes to AI?

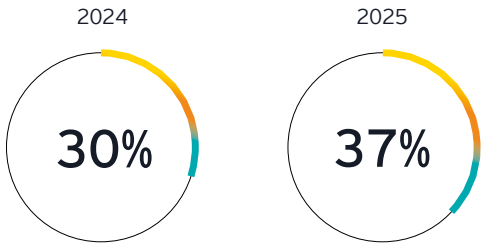


An increase of 7 percentage points means a sharp increase in the proportion of those who are satisfied with the level of help and training opportunities in AI. At 24%, however, the share remains relatively low overall.

Percentage of respondents who indicated "Yes"

Figure 23

Do you think your company/organization offers you enough help/training when it comes to AI?

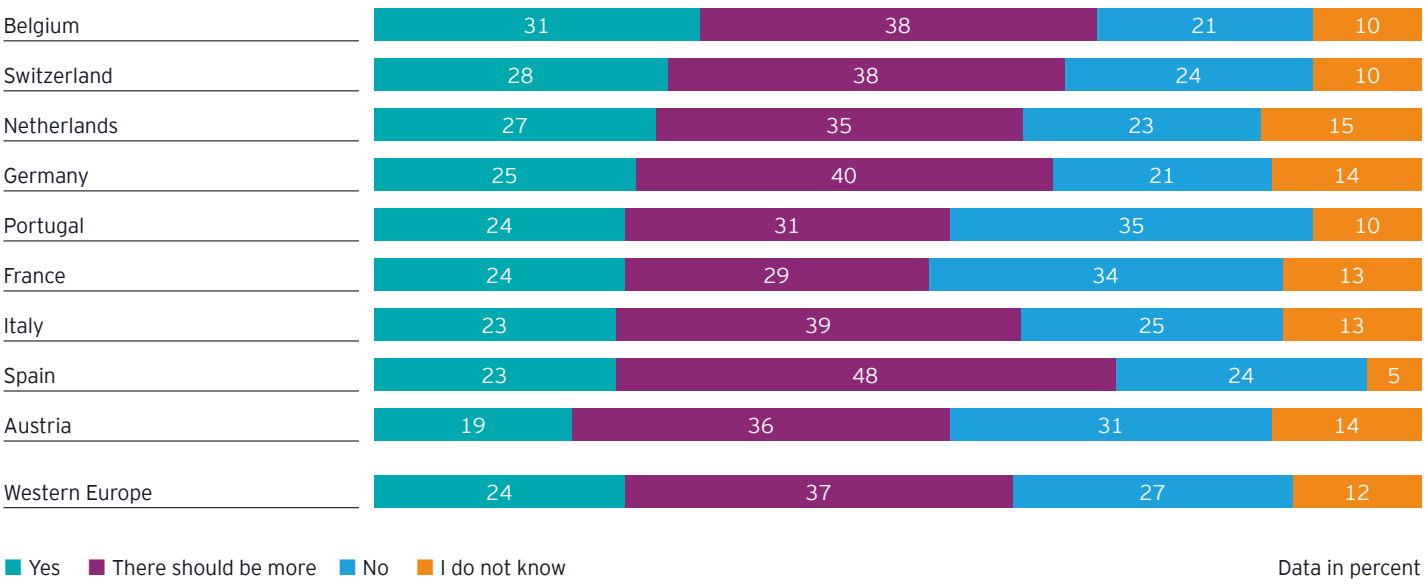


Opportunities to solve challenges in everyday work with AI are increasing – but with it the need for further training opportunities is also increasing. An increase of 7 percentage points in this category compared to the previous year clearly shows this.

Percentage of respondents who indicated "There should be more"

Figure 24

Do you think your company/organization offers you enough help/training when it comes to AI?



"

We're not investing in AI just because everyone else is – we're doing it to enhance our customers' experience, to streamline our operations and to make smarter decisions faster.

Investment

On average the surveyed organizations plan to invest just under EUR 1.5 million in AI technologies, with 16% planning to invest between EUR 1 million and EUR 5 million and a further 5% planning to invest more than that. To avoid missteps in the suite of technologies available to invest in, organizations must take a deliberate, capability-driven approach to AI ROI that is aligned to its predefined AI ambition.

The first step is assessing AI readiness across the organization to identify gaps in infrastructure, talent and processes. This readiness assessment ensures that resources are allocated effectively and that investments align with business objectives. Rather than adopting AI solutions indiscriminately, organizations should prioritize technologies that integrate seamlessly with existing systems and provide measurable value in multiple dimensions, including productivity, cost reduction and customer satisfaction.

Another critical consideration is aligning AI investments with long-term business strategies. Decision-makers must evaluate the scalability and flexibility of AI tools to ensure they can evolve alongside the organization's needs. Investing in modular, adaptable solutions reduces the risk of obsolescence and enables organizations to stay agile in a rapidly changing landscape. Additionally, partnerships with AI specialists or startups can accelerate innovation while mitigating the costs and risks associated with in-house development. As we saw in section 4, organizations also need to establish a framework for responsible AI use to accompany their investments in AI.

"

At the end of the day, it's about outcomes. Are we making better decisions? Are we delivering more value? That's what matters.

"

Let's be honest: There's no opting out of AI. We're systematically looking at all areas of our business to see what solutions can best be deployed on a case-by-case basis to extract maximum value.

7. Outlook

The future of AI technology holds immense promise, with advancements unfolding across a wide variety of sectors and with new geographies entering the fray. From breakthroughs in natural language processing to innovations in computer vision and generative AI, the potential applications are unfathomable. However, navigating this rapidly evolving landscape requires foresight and strategic planning.

At EY, we believe that there is no one-size-fits-all model when it comes to AI. Drawing on the rich experience we have gained working shoulder-to-shoulder with our clients across the full spectrum of industries and a huge variety of use cases, we are convinced that it is possible to create immense value by taking a holistic approach to AI and by augmenting people potential to drive extraordinary outcomes.

With a human-centered approach to AI, we help hone technology to maximize talent, driving efficiency and productivity gains across business functions. Our teams of world-leading multi-disciplinary professionals spanning risk, strategy, technology and transformation work hand in hand with clients to assist them in an implementation process that is aligned with their purpose, culture, values and key stakeholders so that AI drives positive human impact.

Ultimately, choosing the right AI investments requires balancing ambition with practicality. By focusing on readiness, fostering expertise and aligning AI initiatives with broader strategic goals, organizations can establish themselves as leaders in an increasingly competitive environment while avoiding costly missteps.

> "We're going to see a major reshuffling of market structures around new alliances, believe me. There's no alternative. We need to work together to share best practices and set industry standards.

Interview

Giuseppe Santonato
EY Europe West Data and AI Leader

> "Some skills will no longer be necessary, while new ones will become mandatory.

What do you see as the most significant challenge facing AI providers today, and how do you believe it impacts the development and deployment of AI technologies?

Our biggest challenge is meeting a set of new rules without slowing down innovation. The EU AI Act, APAC regulations, and U.S. standards now expect every provider to show hard evidence of bias checks, transparent reasoning, full audit trails, and real human validation. These safeguards must be integrated from day one: adding them after launch is too late and always too expensive. Providers that manage governance as a by-design requirement will maintain momentum, while those that treat it as an afterthought will find regulators — and customers — closing the door.

In your view, what are the most promising ways in which AI can benefit society?

Applied to concrete challenges, AI delivers measurable benefits. It is not just a way to improve economic KPIs, commercial appeal: AI agents are the AI industry's hypiest new product – intelligent assistants capable of completing tasks without human supervision. However, as it pushes the limits of the physical world, AI models are moving into disciplines that feel distinctly human and, instead of a big, monolithic logic-based intelligence, we are developing a "social" form of intelligence based on the interaction of many small, limited agents with a local view of their environment and neighbors. To achieve the most extended value the social AI solution must be situated, permanent, intelligent, social and building confidence.

How can organizations and governments work together to improve AI's benefits effectively, specifically through mechanisms such as government policy, public-private partnerships and AI governance frameworks?

Governments should design outcome-based regulations with clear risk tiers, pair them with "regulatory sandboxes" for safe experimentation and facilitate the definition of standards for implementing, building, and maintaining AI solutions. Furthermore, their proper adoption of AI will serve as an accelerator and enabler for transforming the business models of SMEs, in particular. Regulations such as the AI Act and Data Act, even if perceived as constraints, will facilitate the establishment of a cross-functional AI governance model, leveraging a common "glossary", process framework, and organizational roles.

As AI technologies become more integrated into daily life, attention is increasingly turning to ethical and social concerns. What specific social challenges do you foresee, and what steps can be taken to address them while ensuring equitable access to AI's benefits?

As AI advances and is being infused in our everyday life, there are three main social challenges to address. The first is access: training frontier models still requires capital and infrastructure that most organisations—and many regions—lack. Otherwise, we risk creating a new digital divide. The second challenge is fairness: skewed data and opaque logic can lead to discrimination, so bias tests and human-oversight logs must be built into every high-risk system from day one, exactly as the EU AI Act envisages. The third challenge is information integrity: generative deepfakes threaten the evidence base of public debate, making watermarking, provenance ledgers, and rapid-takedown protocols indispensable. These risks are manageable only if responsibility is shared—vendors, regulators, enterprises, and end-users alike must interrogate outputs and flag misuse so that AI becomes a common engine of progress rather than a source of division.

AI is expected to reshape the job market. How do you think AI will impact employment and skills development, and what strategies should be adopted to prepare the workforce for the changes ahead?

In the next ten years, Europe will face the biggest challenge in terms of workforce retirement: AI is one of the means to maintain the proper ecosystem balance. Some skills will no longer be necessary, while new ones will become mandatory. AI won't automate everything but will give rise to a category of human labor that monitors, verifies, and supervises AI. Governments are responsible for funding rapid reskilling programs, while companies must redesign jobs so people handle context, empathy, and oversight while systems manage routine tasks. Proactive workforce planning now will smooth the transition and sustain competitiveness.

Interview

Gabriele Mazzini
Architect & Lead Author EU AI Act

> "You need to have an understanding of the potential opportunities and risks.

What do you see as the most significant challenge facing AI providers today, and how do you believe it impacts the development and deployment of AI technologies?

I think it really depends what kind of provider we are talking about. Are we talking about big tech companies, small and medium-sized enterprises (SME) or startups? One of the major challenges is how do we make this technology useful. Now there is a lot of interest in GenAI, large language models and chat bots, but what are the actual products that we can use them in? I think the first challenge is really understanding good use cases. And then the second challenge is of course considering the EU regulatory framework. We know not all details are there. How are companies going to respond?

In your view, what are the most promising ways in which AI can benefit society?

When I think about the bigger benefits of AI, particularly in more developed economies and societies, certainly we can benefit from a lot of efficiency gains. We want to have better services, including public services. I think AI can definitely help with that. I'm a believer that the bigger gains may be actually outside more developed economies if we think about how to address some basic human needs, like healthcare or education. So where we simply may not have either the human resources to actually deliver those services or the knowledge, the expertise to do that. I would hope that AI can play a role there as well. Of course, there are a lot of complex issues to solve, but I'm quite excited about that perspective.

How can organizations and governments work together to improve AI's benefits effectively, specifically through mechanisms such as government policy, public-private partnerships and AI governance frameworks?

I think collaboration is essential, in a way policy makers don't have innate knowledge, especially when it comes to new technologies or AI. The driver of the technology is the private sector and not the public sector. Having this constant exchange is key, making sure that indeed there is a flow of information and that the public administrations, the governments really increase their expertise. You want to speak to the providers, to the companies, to the developers but also you need to filter that information. The job of the policy makers is to actually have a broader view about society. You want to encourage innovation, productivity growth and so on. For that, you need to have your own understanding of the potential opportunities and risk of the technology.

As AI technologies become more integrated into daily life, attention is increasingly turning to ethical and social concerns. What specific social challenges do you foresee, and what steps can be taken to address them while ensuring equitable access to AI's benefits?

When I think about the critical challenges in technology, I think about those questions that cannot be solved with one legislation. For instance, think about the impact of AI on the workforce. For us humans, we have been used to being active contributors to society. And we want to have a salary, but we also want to have meaning in our life. We hear a lot of tech companies talking about AI will not replace human judgement. We want AI to supplement human judgement. So we are going to be at the center fine, that looks great and I believe in that. But at the same time, AI is able to increasingly perform congnitive functions on which we had an exclusivity until not long ago and for which we have needed extensive training too. We have grown into what we are today as humans because we have invested a lot of time in developing our cognitve skills and others as individuals. What will we be if we do not exercise, or exercise less, some of them? We need to think more broadly in terms of what is the educational strategy, whether we want AI to actually replace some of the things we actually do today. Yes, it will be more efficient, but efficiency is not the only thing we need to care about in society.

AI is expected to reshape the job market. How do you think AI will impact employment and skills development, and what strategies should be adopted to prepare the workforce for the changes ahead?

I think the main focus should be data collection. I'm a big supporter of evidence-based policy making. It's true that things happen and sometimes you just want to have a quick reaction, but policy makers need to think longer-term. And if there are changes potentially coming at the horizon, you need to start collecting data, doing studies, really understanding what the impact is, and then have a longer-term strategy about it. Most likely, the solution is not going to be banning certain tools because it's just not going to work. But really investing into the reskilling the educational component, which this takes time. So in a way we have to move in the right direction based on evidence, but we also have to start thinking seriously already now about these issues.

Interview

Gjergji Kasneci

Professor for Responsible Data Science at the TUM

> AI integration into daily life comes with various ethical and social challenges.

What do you see as the most significant challenge facing AI providers today, and how do you believe it impacts the development and deployment of AI technologies?

The main challenge for AI providers today is establishing trust through transparency and accountability while pursuing and navigating rapid innovation. This significantly impacts AI development and deployment, as it requires robust training and safety protocols, enhanced interpretability, and rigorous alignment with regulation and societal norms. Hence, it is highly challenging to pursue performance optimization and AI innovation while addressing trustworthiness and related concerns such as bias, misinformation, privacy, and misuse.

In your view, what are the most promising ways in which AI can benefit society?

AI can revolutionize healthcare through personalized medicine and diagnostics, enhance education with adaptive and individualized learning experiences, and significantly contribute to addressing climate change by optimizing energy systems and resource management. We are already seeing promising solutions in all these areas. More generally, as AI systems advance and become more complex, their core strength of processing extensive datasets efficiently is complemented by new, so-called "emergent abilities", that allow these systems to combine information in a logically consistent way to derive new knowledge, which can be transformative for research and societal advancement. The combination of AI with other emerging technologies can drive innovation and production in an unprecedented and yet sustainable way.

How can organizations and governments work together to improve AI's benefits effectively, specifically through mechanisms such as government policy, public-private partnerships and AI governance frameworks?

To maximize AI's societal benefits, organizations and governments should collaboratively implement clear governmental policies that emphasize privacy, societal norms, and accountability. At the same time, a sector-wise, best-practice-oriented regulation of AI systems should be established and incentivized. There should be stronger incentives to foster public-private partnerships, especially those providing joint funding for socially focused and responsible AI research and innovation. On a more global level, establishing international AI governance frameworks promotes interoperability, standardization, and global accountability, which simplifies economic processes and amplifies innovation while managing associated risks.

As AI technologies become more integrated into daily life, attention is increasingly turning to ethical and social concerns. What specific social challenges do you foresee, and what steps can be taken to address them while ensuring equitable access to AI's benefits?

When AI integration into daily life comes with various ethical and social challenges. For example, it can widen inequality due to lack of understanding or unequal possibilities for access; it can erode privacy or lead to bias-driven discrimination and societal disruption through misinformation, exemplified by deepfakes. Effective solutions include enforcing equitable access through education, subsidies, and public-private AI initiatives that promote inclusive, culturally sensitive AI design. These actions together with the regulatory and governance aspects mentioned earlier can help establish AI as a positive driving force that benefits society.

AI is expected to reshape the job market. How do you think AI will impact employment and skills development, and what strategies should be adopted to prepare the workforce for the changes ahead?

I expect AI's impact on the job market to be significant; routine tasks are already being automated; employment landscapes are shifting and will shift more strongly toward roles emphasizing creativity, interpersonal skills, and socio-technological competence. In the mid- and long-term, AI and robotics will certainly displace many (white-collar and blue-collar) jobs, but there will also be new opportunities. Preparing the workforce requires proactive investments in lifelong learning, prioritizing STEM and social sciences, as well as in digital and AI literacy education. There is going to be a need for transition programs designed to support workers adapting to technology-induced shifts in the labor market. But I believe AI-driven strategies and programs can help us with such transitions. At the Technical University of Munich, we've launched a new Master's program, AI in Society, to prepare the next generation of leaders to address the challenges at the intersection of AI, regulation, governance, and ethics.

Study design

Study scope and methodology

This study presents the results of a survey of 4,942 managers and non-executive employees across 9 western European countries conducted in March 2025.

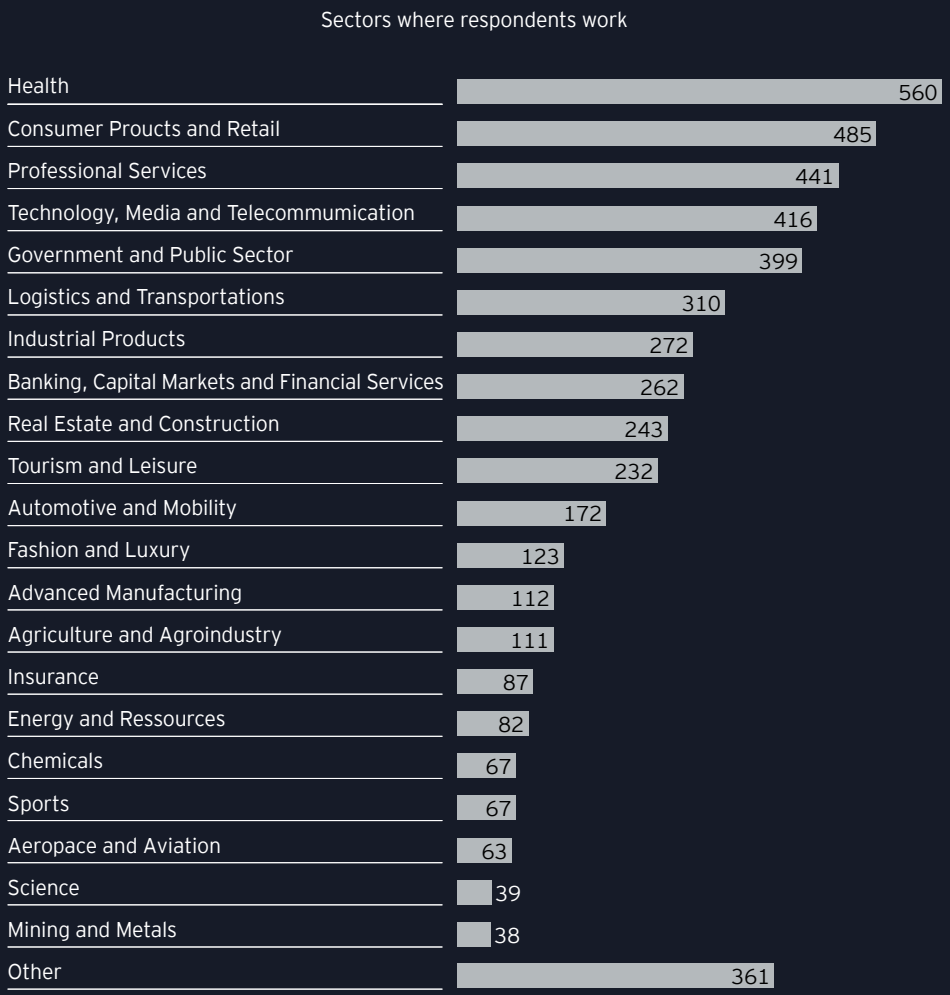


Figure 25

Countries in which the respondents work	Number of respondents
Germany	1000
France	1000
Italy	539
Netherlands	503
Spain	500
Austria	500
Switzerland	500
Portugal	200
Belgium	200

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