



EU CEO Survey Findings

The future of the Single Market – the challenge to business

The views of 875 CEOs across the EU
April 2024



Two in five EU CEOs think their business won't last a decade without **radical change**, almost double the proportion of US CEOs.

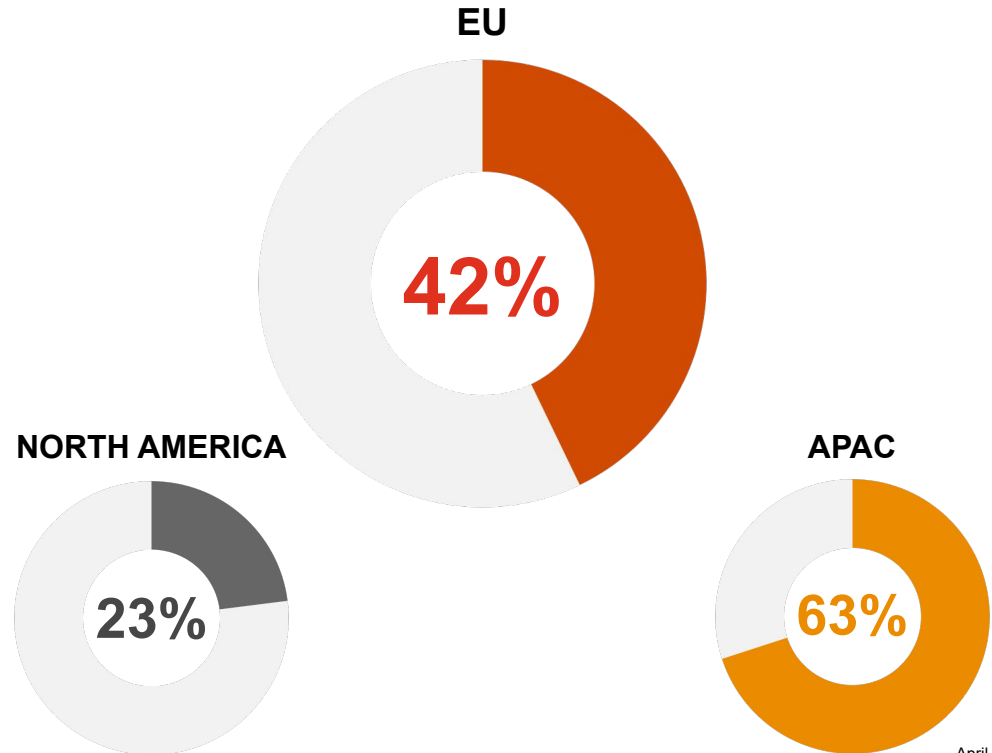
Notes:

Q. If your company continues running on its current path, for how long do you think your business will be economically viable?

(Not shown: 'More than 10 years' and 'Don't Know')

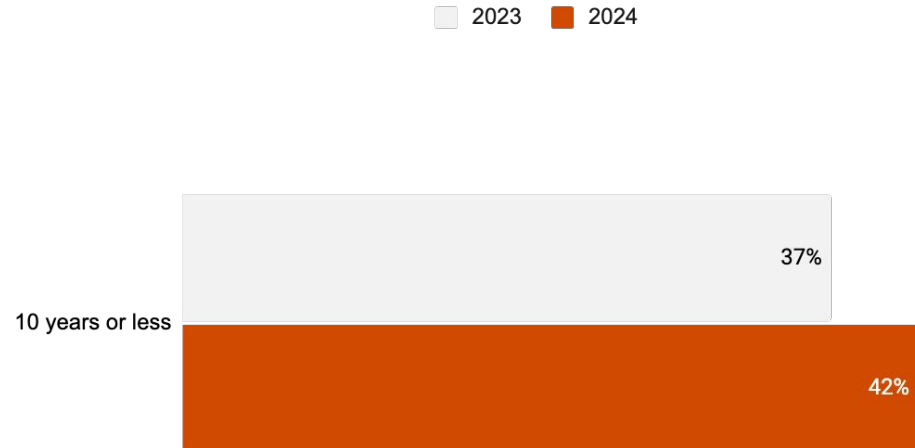
Base: All respondents EU (n=875), US (n=1,072), APAC (n=1,774)

% who think their company won't be viable in 10 years without reinvention



Their sense of urgency has increased year-on-year

% who think their company won't be viable in 10 years without reinvention



Notes:

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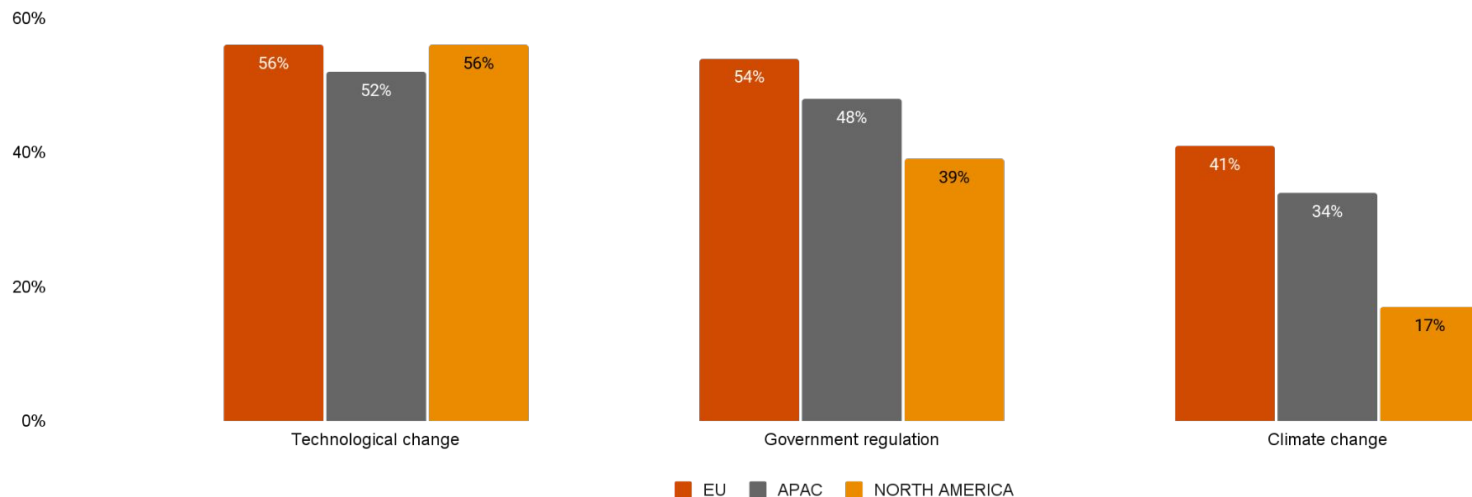
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Base: All respondents EU (n=875), US (n=1,072), APAC (n=1,774)

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Like other CEOs, they see **tech** as a key force. They are distinctive on **regulation** and **climate**.

% who say the following will drive a large change to the way they create value the next three years.



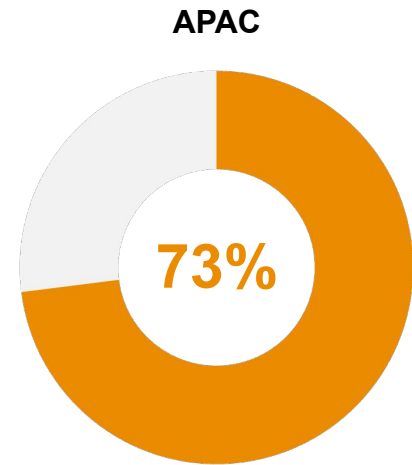
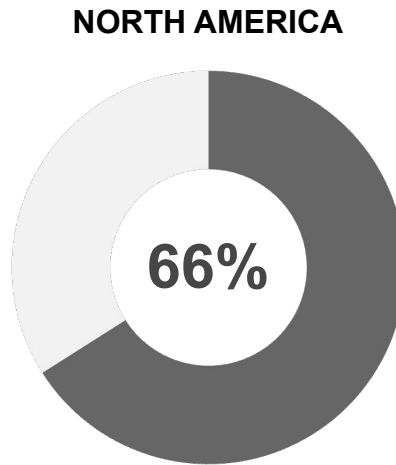
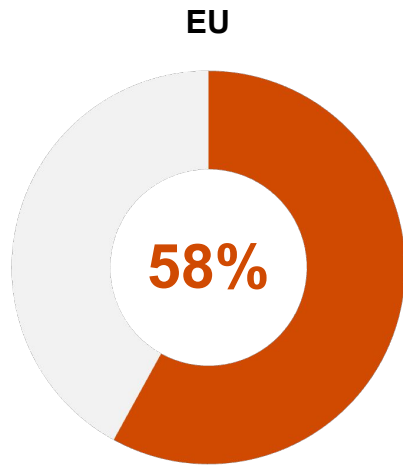
Notes:

Q. Please indicate the extent to which the following factors will drive changes to the way your company creates, delivers and captures value in the next three years? (Showing only 'to a large extent' & 'to a very large extent')

Base: All respondents EU (n=875), US (n=1,072), APAC (n=1,774)

The challenge: EU CEOs are not changing their businesses as fast as CEOs elsewhere

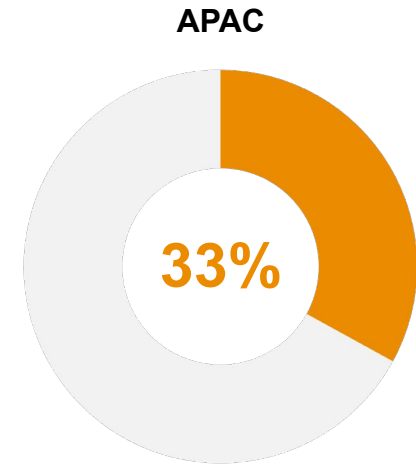
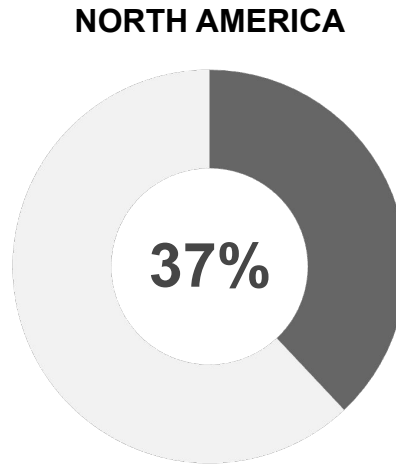
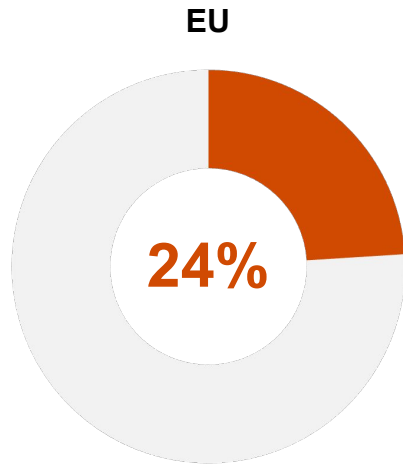
Proportion of CEOs who re-allocate >10% of company resources across the business from year-to-year



Notes:
Q. What share of your company's resources (financial and human) do you and your management team re-allocate across your businesses from year-to-year? (More than 10%)
Base: All respondents EU (n=875), US (n=1,072), APAC (n=1,774)
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This is particularly marked in relation to **generative AI**

% who have adopted generative AI across their company in the last year



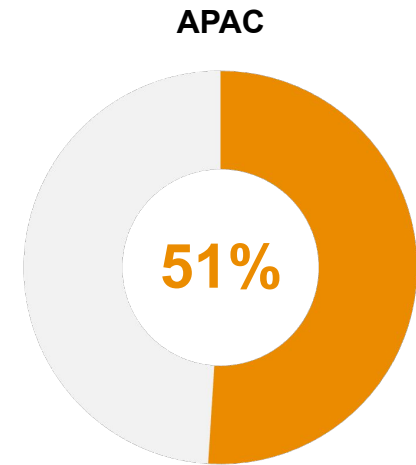
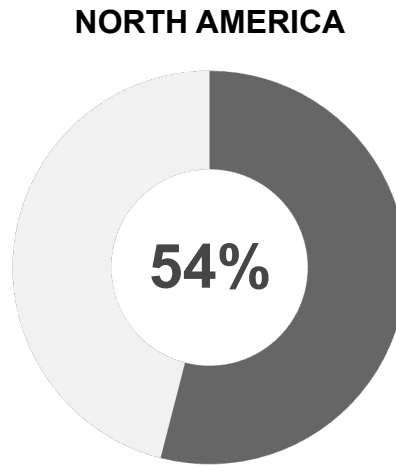
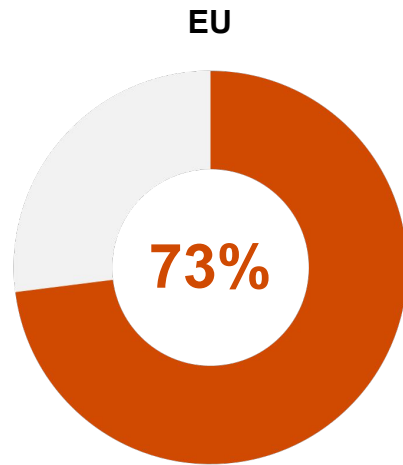
Notes:

Q. To what extent do you agree or disagree with the following statements about generative AI? (In the last 12 months, generative AI has been adopted across my company) (Slightly, moderately, strongly agree)

Base: All respondents EU (n=875), US (n=1,072), APAC (n=1,774)

However, EU CEOs lead the world in responding to the **climate transition**

% who have developed new, climate-friendly products, services or technologies in the last year



Notes:

Q. Which of the following best describes your company's level of progress on each of these actions? (Innovating new, climate-friendly products, services or technologies) (In progress or Completed)

Base: All respondents EU (n=875), US (n=1,072), APAC (n=1,774)

A woman with short grey hair, wearing a blue jacket and a grey and white striped scarf, is leaning over a workbench in a workshop. She is looking down at a piece of equipment, possibly a computer or a piece of machinery. The background is a blurred workshop environment. The image is decorated with geometric shapes: a red and white striped square in the top left, a white L-shaped graphic with a red and white striped border in the top right, a red and white striped square in the middle right, and a white L-shaped graphic with a red and white striped border in the bottom right.

The ask and the challenge for EU CEOs

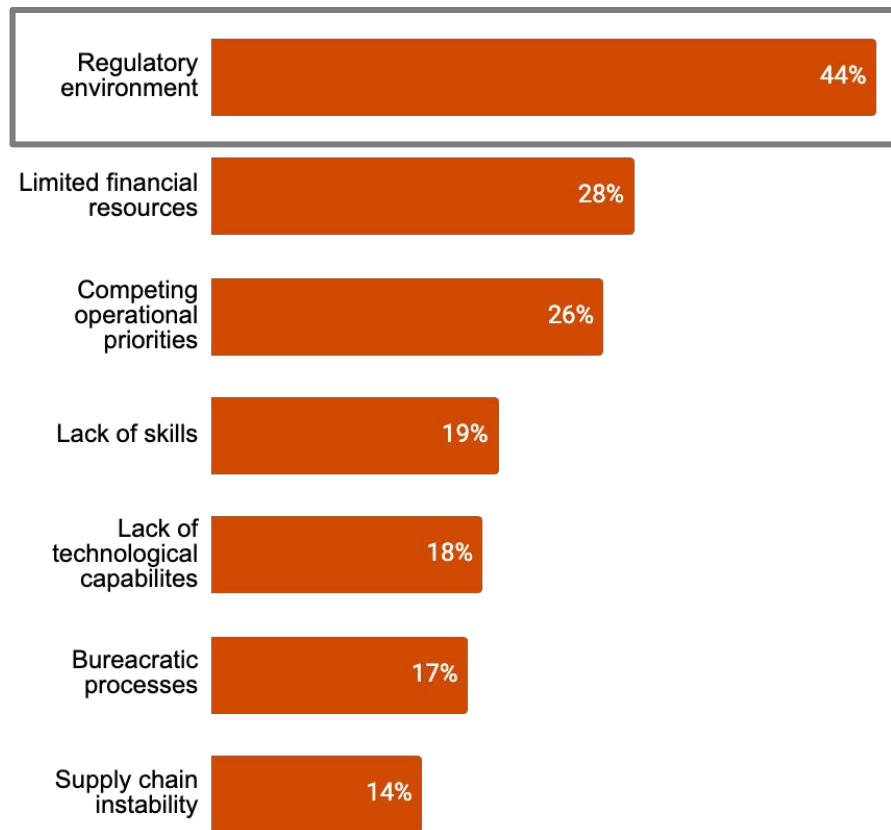
Navigating regulation. EU CEOs see regulation as the lead barrier to reinvention.

Notes:

Q. To what extent, if at all, are the following factors inhibiting your company from changing the way it creates, delivers and captures value? (Showing only 'to a large extent' and 'to a very large extent')

Base: All respondents EU (n=875)

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Navigating regulation.

EU CEOs are more likely to see regulation as a barrier, but it is more pronounced for EU CEOs outside the Single Market.

% who say the regulatory environment is inhibiting their company from changing how they create value



Notes:
Q. To what extent, if at all, is the regulatory environment inhibiting your company from changing the way it creates, delivers and captures value? (To a 'large' or 'very large' extent)
Base: More Integrated (n=729), Less integrated (n=569)

Upskilling the workforce. 66% of EU CEOs think their workforce will need to be re-skilled because of GenAI requirements.

% of CEOs who agree that in the next three years genAI will require most of their workforce to develop new skills



Notes:

Q. To what extent do you agree or disagree with the statement 'In the next three years, generative AI will require most of my workforce to develop new skills'? ['Slightly', 'moderately' or 'Strongly agree']

Base: All respondents EU (n=875), US (n=231), APAC (n=1,774)

% of workers who are confident their employer will provide the resources to build digital skills in the next five years



Notes:

Q. How confident are you that your employer will provide the tools, resources and opportunities you need to build upon the following skills within the next five years? [Showing only 'very confident' and 'extremely confident']

Base: All respondents EU (n=15,748), US (n=19,502), APAC (n=5,003)

Source: PwC's Global Workforce Hopes and Fears Survey 2023

Deploying tech. EU

CEOs are currently expecting fewer GenAI productivity improvements than international counterparts.

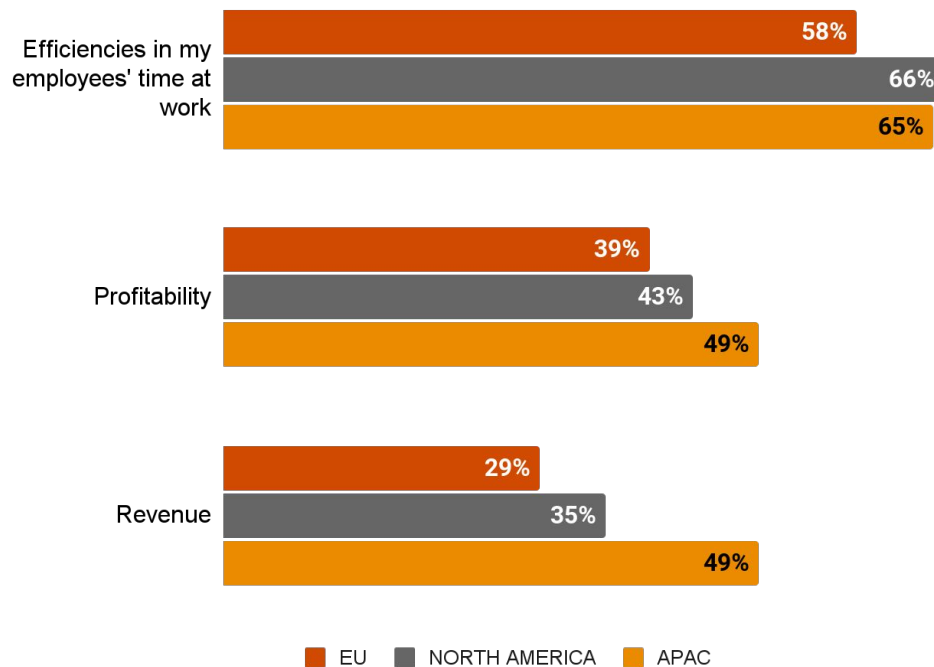
Notes:

Q. To what extent will generative AI increase or decrease the following in your company in the next 12 months?

(Showing only 'Increase slightly (5-15% increase)', 'Increase moderately (16-25% increase)' and 'Increase significantly (more than 25% increase)')

Base: All respondents EU (n=875), US (n=1,072), APAC (n=1,774)

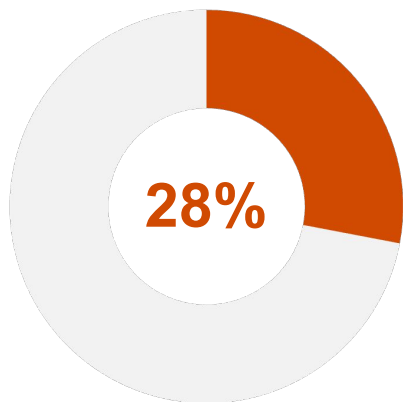
% expecting GenAI to deliver improvements in the next 12 months



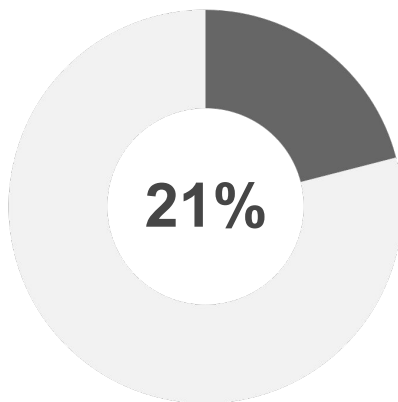
Difficulty raising capital. EU CEOs are more likely to mention issues with raising capital than international peers.

% who think limited financial resources inhibit their company's ability to provide value

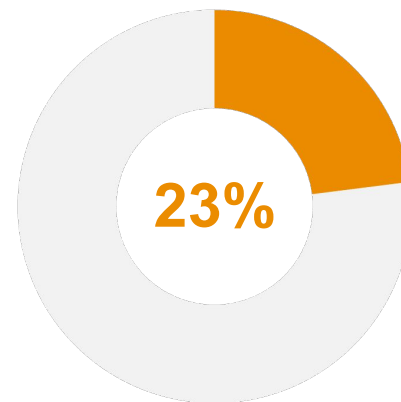
EU



NORTH AMERICA



APAC



Notes:

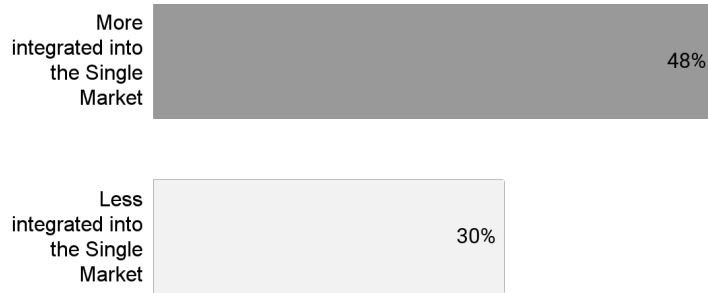
Q. To what extent, if at all, are the following factors inhibiting your company from changing the way it creates, delivers and captures value? (Limited financial resources (e.g., inadequate cash flows, difficulty raising capital)) (To a 'Large' or 'Very large' extent)

Base: All respondents EU (n=875), US (n=1,072), APAC (n=1,774)

Strengthen security.

Almost 30% of EU CEOs believe they are highly exposed to cyber threats. Nearshoring has been a bigger trend for businesses in the Single Market.

% of companies with a shift from a global supply chain model towards a regional one

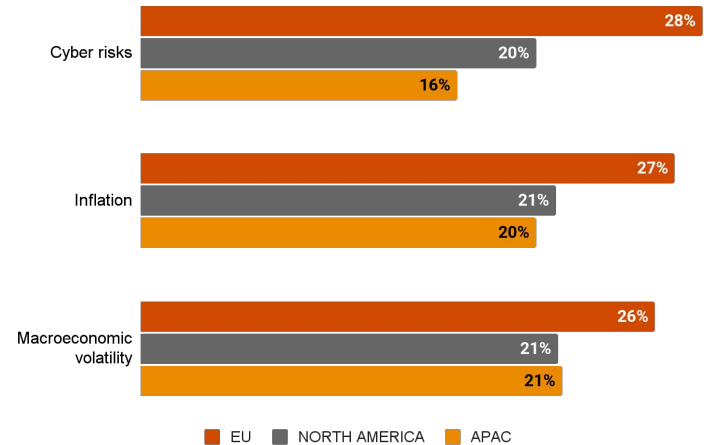


Notes:

Q. To what extent have the following actions impacted the way your company creates, delivers and captures value over the last five years? (Shifted from a global supply chain model to a regional one) (Showing only to a 'limited', 'moderate', 'large' and 'very large extent')

Base: More integrated (n=729), Less integrated (n=569)

How exposed do you believe your company will be to the following key threats in the next 12 months?



Notes:

Q. How exposed do you believe your company will be to the following key threats in the next 12 months? (Showing only the top 3 'Highly' & 'extremely' exposed)

Base: All respondents EU (n=875), US (n=231), APAC (n=1,774)

Summary



1. EU business recognises the challenges ahead, but is not yet positioned to meet them in a way that can maximise the benefits to the EU economy and EU citizens

2. While they lead the world on responding to climate change, they lag on technology adoption

3. There is a need for business and government to work together to address challenges around regulation, skills, capital markets, tech deployment and security

4. The Single Market is a powerful mechanism for addressing many of these challenges

5. Reform is an important step towards meeting the challenges ahead

Thank you

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Methodology

PwC surveyed a global sample of 4,702 CEOs across 105 countries and territories in October and November of 2023.

The EU figures are based on unweighted data from 875 responses across 20 EU countries:

Austria, Belgium, Croatia, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, Netherlands, Poland, Portugal, Romania, Slovenia, Spain and Sweden

