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COME FOR THE INSIGHTS, STAY FOR THE COMMUNITY

CEE 2026
WINNING THE PRODUCTIVITY RACE

The era of cheap labor convergence is over.

The era of capability extraction has begun…..

Preliminary Findings from CEE Labor & Productivity Benchmark

wiiw Executive Network · Vienna · May 29, 2026

Three Questions Every CEE Board Is Defending Right Now

01 Are you still optimizing for cheap labor, or are you extracting more value from the workforce you already have?

02 Are you investing in productivity at the same intensity as the peers you are competing against?

03 Is your automation and AI bet building a competitive moat, or just adding cost?

Each section that follows answers one of these questions and ends with a board level move.

Labor Scarcity Has Changed Shape.

Q4 *"How would you describe the overall availability of labor for your CEE operations?"*

Q23 *"By how much have your total CEE labor costs increased over the past 2 years?"*

76%

describe current labor availability as Manageable or not significant

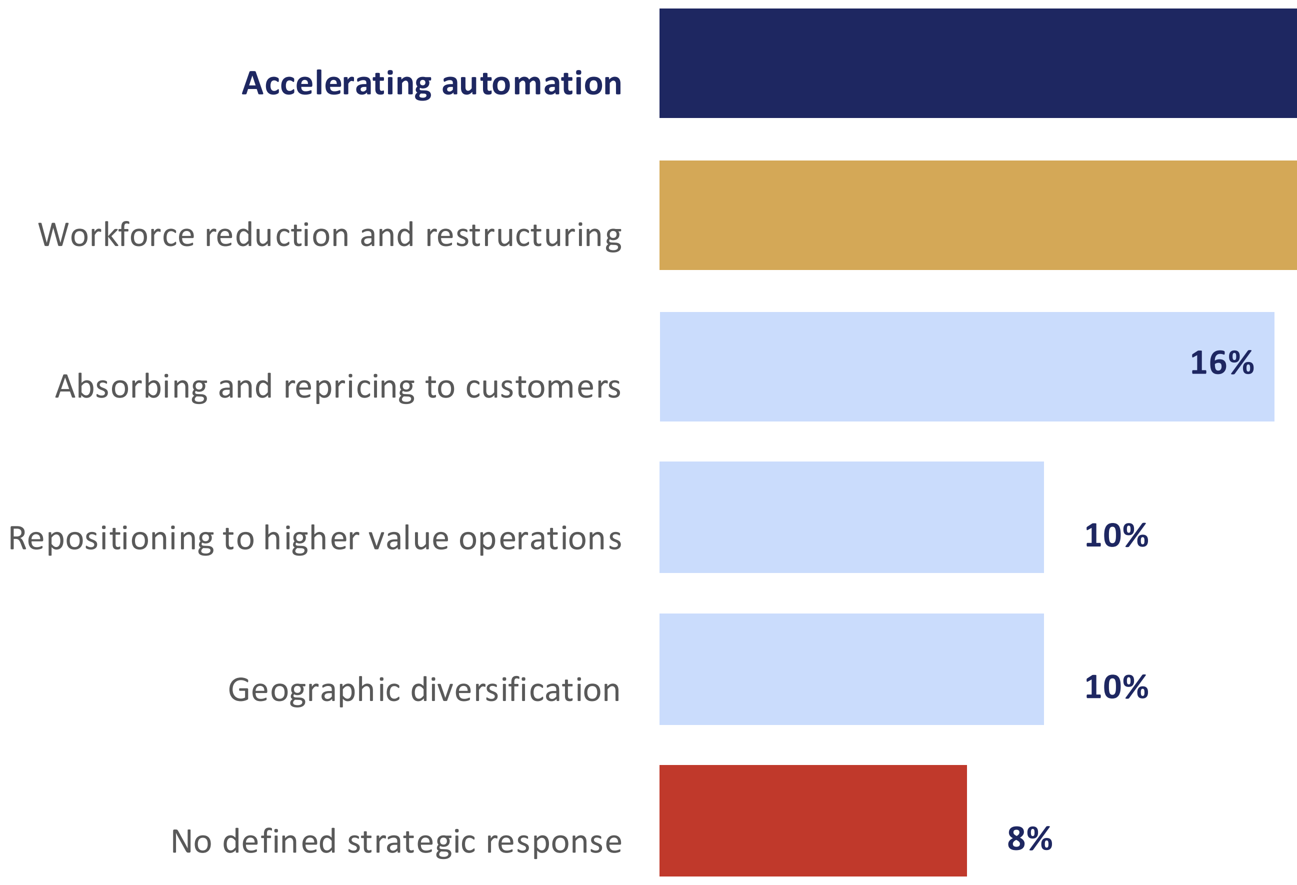
69%

report labor cost increases of at least 10% over two years

Internal Levers Dominate the Response. Customer Pricing Is Closed.

Q24 *"What is your organization's primary strategic response to rising CEE labor costs?"*

Primary strategic response to rising CEE labor costs

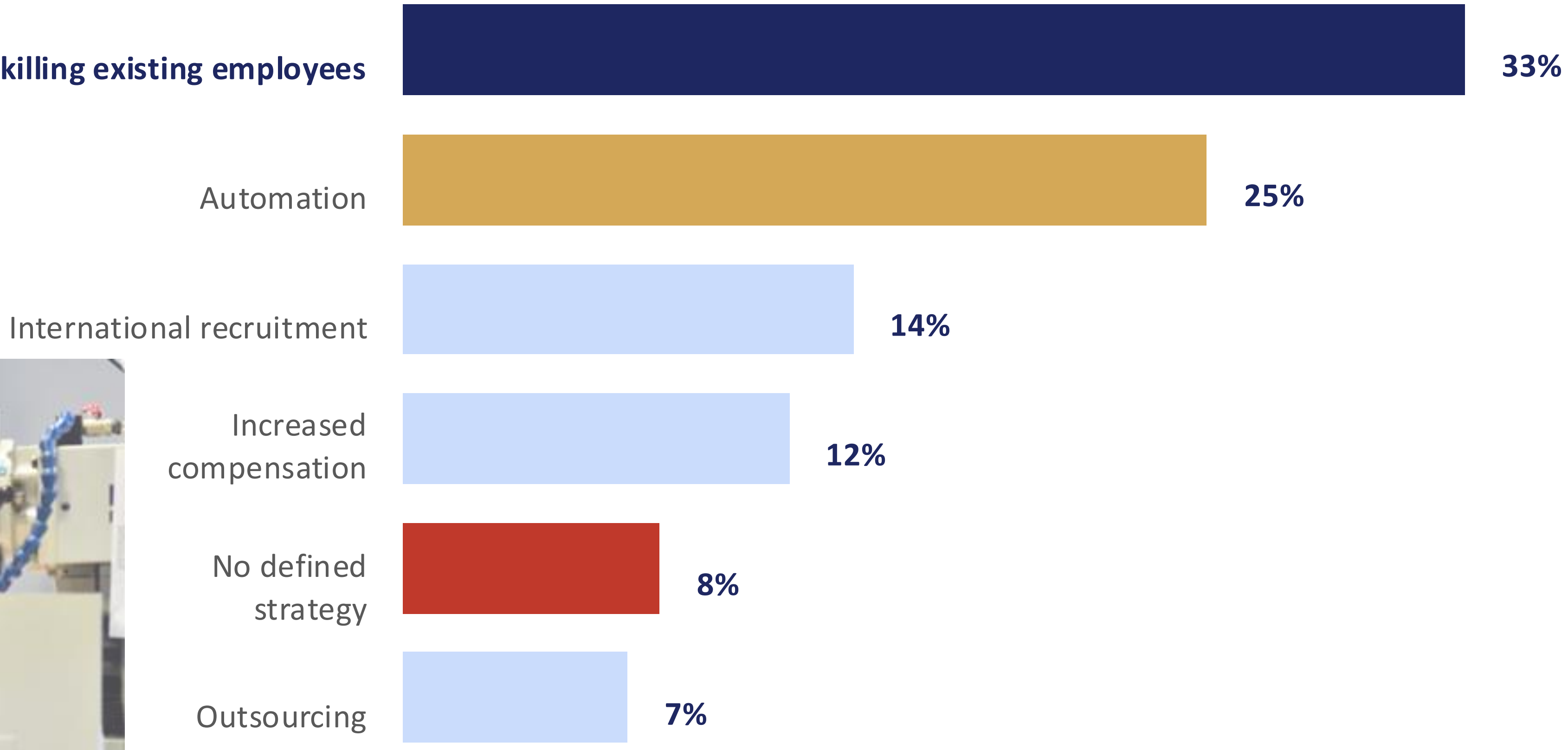


INSIGHT 3

Upskilling Is the #1 Labor Strategy in CEE.

Q5 *"What is your primary strategy for addressing labor scarcity in CEE?"*

Primary labor strategy



Three Quarters Are Betting on Tech. Only 15% Are Funding the Workforce.

Q25 *"Where is the balance of your investment shifting over the next 2 to 3 years?"*

Q22 *"How much is your organization investing in AI readiness for the workforce?"*

33%

Primarily toward technology and automation

42%

Balanced. Both technology and people.

15%

Primarily toward workforce development and people

THE WORKFORCE SIDE OF THE BET IS THINNER THAN IT LOOKS

This survey: 56% report no investment or only ad hoc workforce readiness investment.

Supply Chain Survey: organizational design 24% + workforce skills 18% = 42% of productivity gains attributed to people and organization, vs technology at 20%.

Automation Has Moved Past the Pilot Stage.

Q14 *"How would you describe your organization's current approach to automation in CEE?"*

Where CEE companies sit on the automation maturity curve

9%	31%	40%	14%	7%
Not a priority	Exploratory pilots	Strategic commitment	Embedded	Core differentiator
BEHIND		MAJORITY	AHEAD	AHEAD

60%
at Strategic Commitment or beyond

21%
at Embedded or Core Differentiator

31%
still in Exploratory pilots

INSIGHT 9

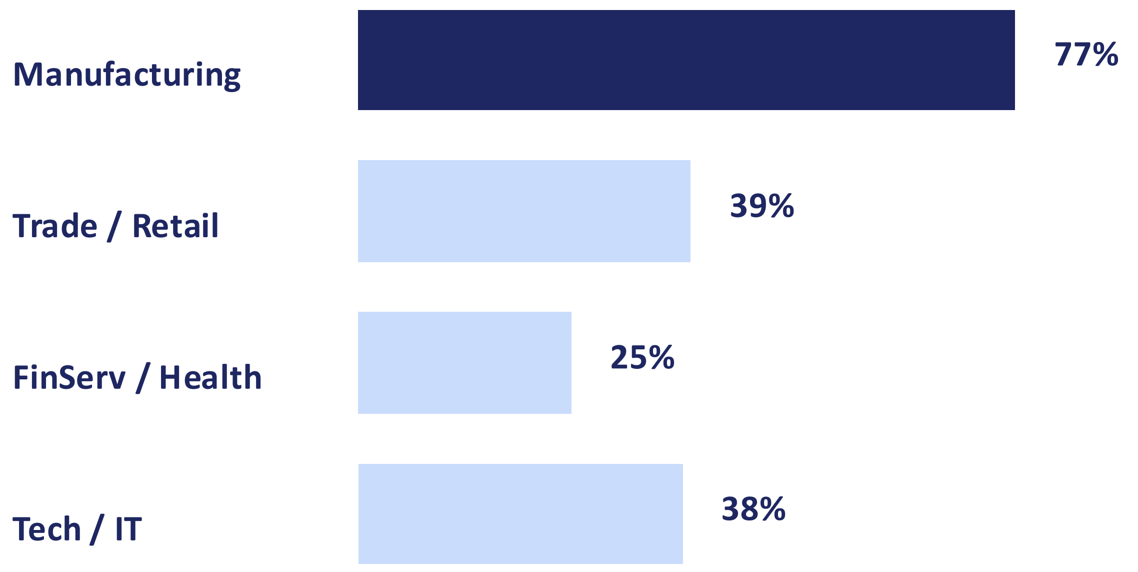
Two Transformations, Two Different Distributions.

Q18 *"What impact has automation had on your blue-collar productivity?"*

Q20 *"What impact has AI had on your white-collar workforce productivity?"*

Share of companies reporting MEASURABLE impact (marginal or above), by industry

BLUE COLLAR — Automation impact (Q18)



WHITE COLLAR — AI impact (Q20)

Most CEE Executives Are Not Automating Because of Labor Scarcity.

Q15 *"What is the primary driver of your automation investment?"*

Primary driver of automation investment in CEE

Competitive positioning	**41%**
Customer service and delivery requirements	22%
Quality and operational risk reduction	14%
Labor scarcity	11%
Wage inflation	10%
Not currently investing in automation	3%

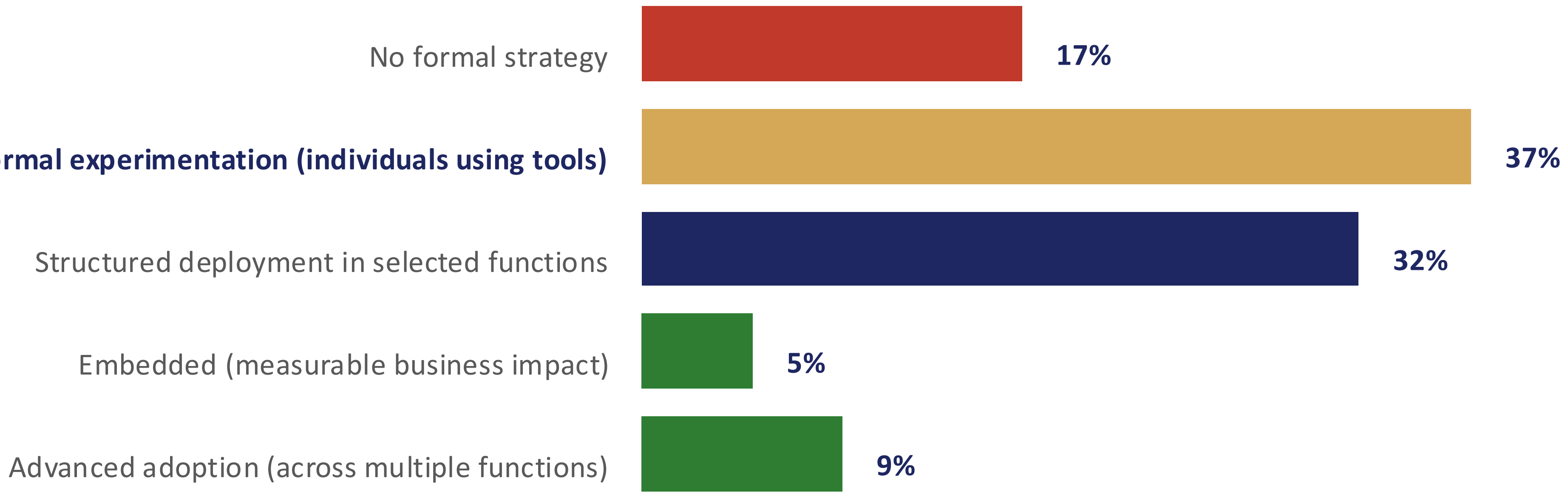
THE CONTRARIAN FINDING

1 in 5 executives frames automation as a labor problem. 4 in 5 frame it as a market position problem.

Most CEE Companies Are Still in Informal AI Experimentation.

Q19 *"How would you describe your organization's current AI strategy for CEE operations?"*

CEE AI strategy maturity



54%
at No Formal Strategy or Informal Experimentation

32%
at Structured Deployment

14%
at Embedded or Advanced

The AI Execution Gap Is the Most Defensible First-Mover Advantage in the Race.

Q19 *"How would you describe your organization's current AI strategy for CEE operations?"*

Q22 *"How much is your organization investing in AI readiness for the workforce?"*

84%

of companies running AI tools as informal experimentation are doing it without strategy AND without workforce readiness investment.

56%

of CEE companies overall report no investment or ad hoc workforce readiness for AI.

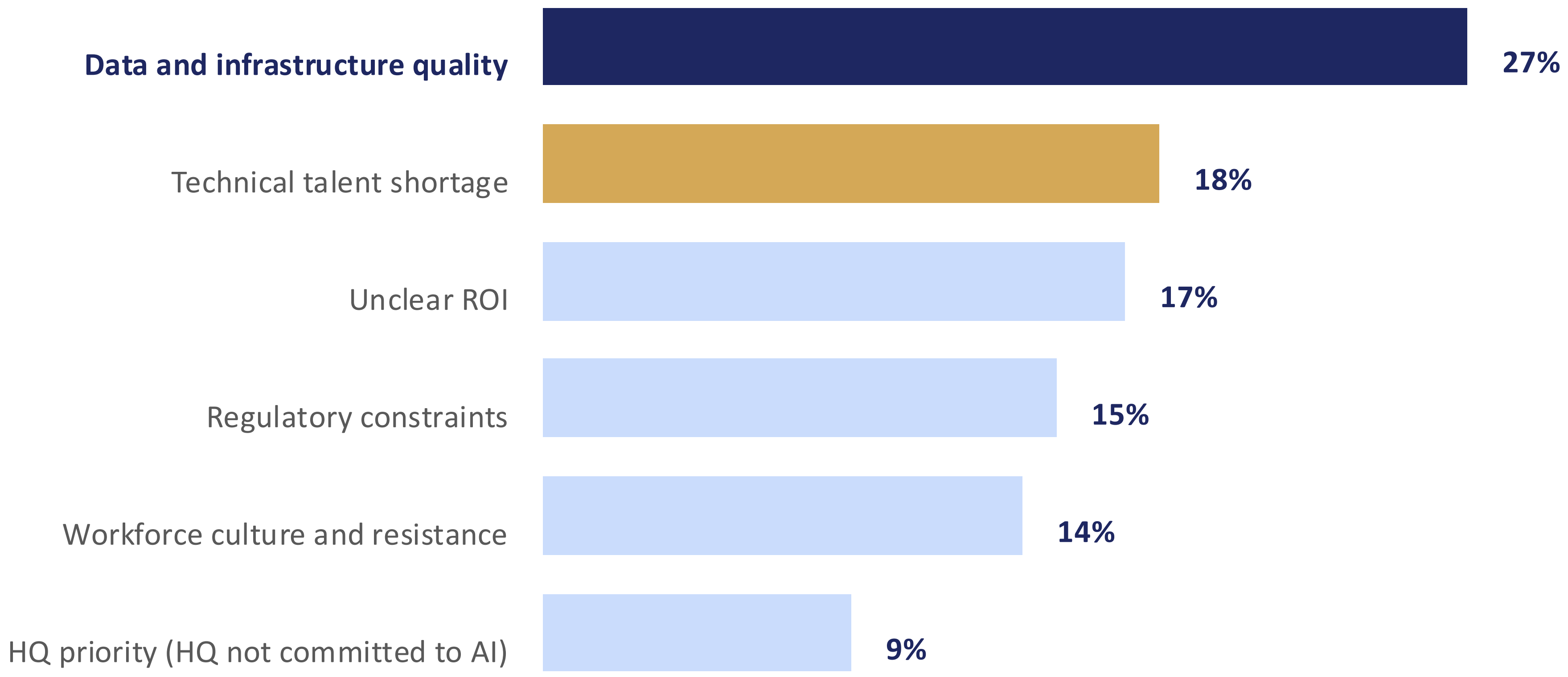
100%

of companies at Embedded or Advanced AI strategy report a formal readiness program.

What's Blocking AI Beyond Readiness — Data Quality Is the Structural Issue.

Q21 *"What is the biggest obstacle to realizing AI driven productivity gains?"*

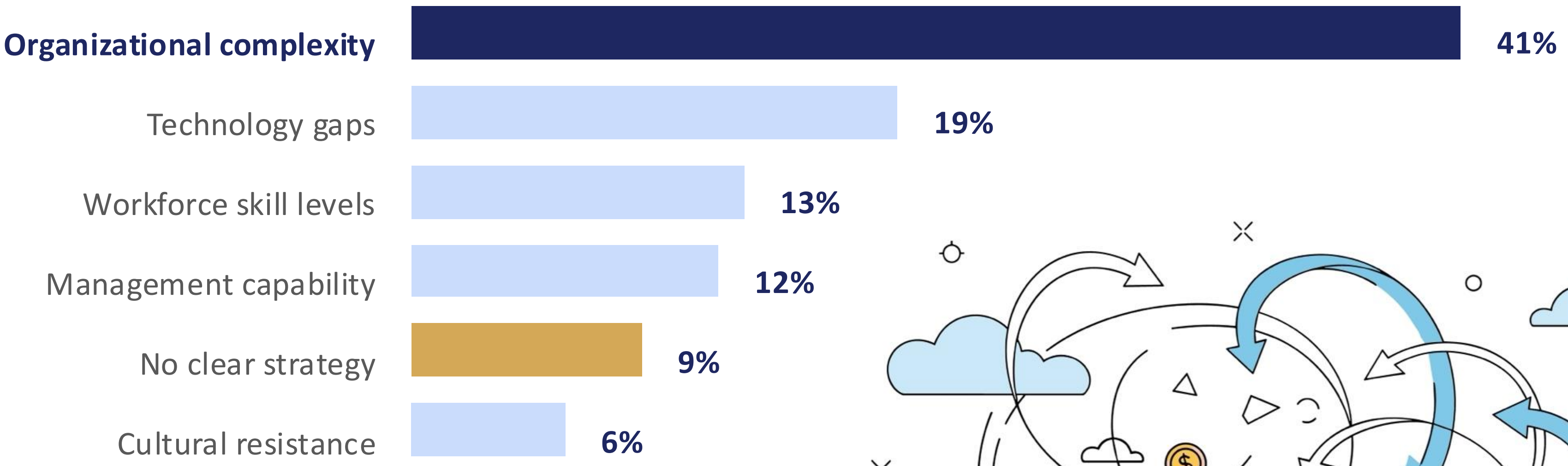
Biggest obstacle to AI driven productivity gains in CEE



The #1 Productivity Barrier Is Organizational Complexity. Two Surveys Confirm It.

Q13 *"What is the single biggest barrier to improving workforce productivity?"*

Single biggest barrier to improving workforce productivity (Q13)

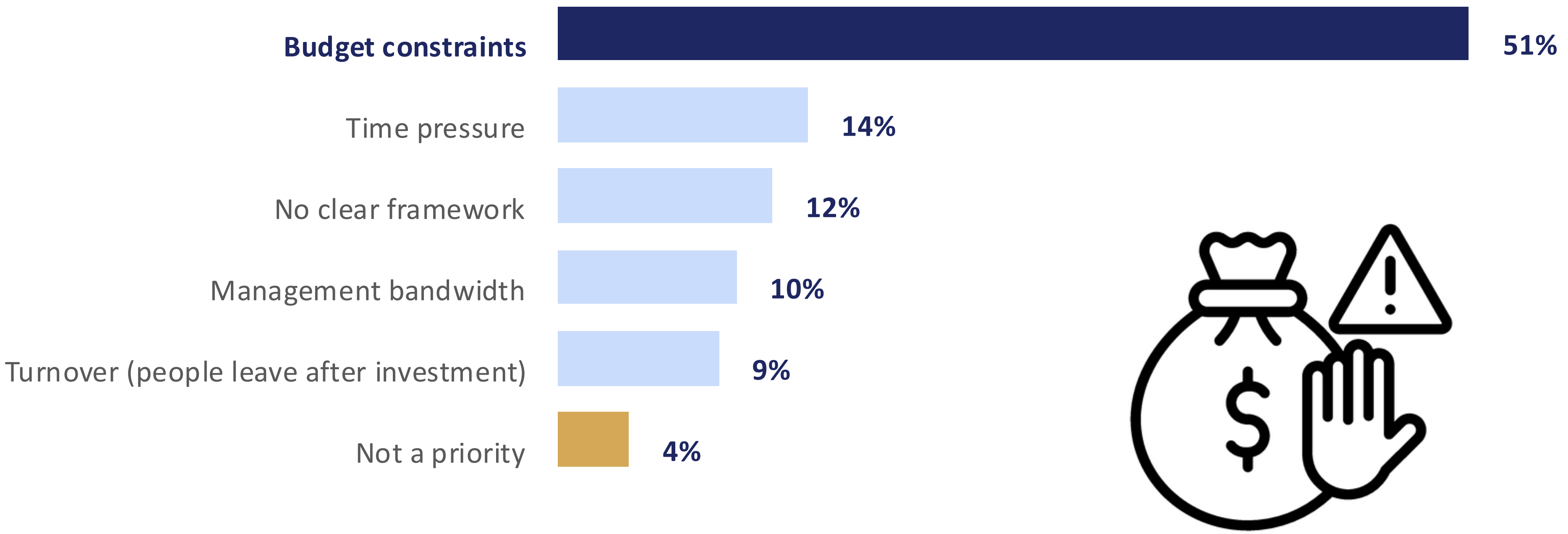


INSIGHT 11

The Workforce Development Barrier Is Budget. The Capital Conversation Is Where the Unlock Sits.

Q10 *"What is the single biggest barrier to investing more in workforce development?"*

Single biggest barrier to investing more in workforce development (Q10)



BUDGET CONSTRAINTS

Do You Believe Your Own Productivity Strategy?

Q26 *"Do you believe your current workforce strategy will be sufficient to meet your CEE labor needs over the next 2 to 3 years?"*

Q27 *"Do you believe your current productivity strategy will be sufficient to offset rising labor costs in CEE?"*

WORKFORCE

78%

confident their workforce strategy will meet CEE labor needs

15pp

PRODUCTIVITY

63%

confident their productivity strategy will offset rising labor costs

Five Suggested Actions to Consider. Five Survey Anchors.

What this data suggests you take to your next board meeting.

Strategic Goal	Suggested Action	Survey
Capital Allocation	Reframe the labor conversation around productivity per euro, or your local currency unit, not headcount. The economic equation has changed from a supply problem to a price problem.	Q4 + Q23
Productivity	Launch a complexity audit. Simplify the organization before you tool it. Two surveys confirm organization is the lever.	Q13
AI Value	Move budget from procurement to workforce readiness. Pair that with a data and infrastructure audit. Readiness and data quality are the two structural gaps in AI execution. Both need closing.	Q19 + Q21 + Q22
Competitive Position	Reframe your automation business case as competitive positioning, not labor substitution. 41% of your peers use competitive language; only 11% use labor scarcity.	Q15
Talent Strategy	33% name upskilling as the strategy. 51% name budget as the binding barrier, nearly 4 times the next answer. The strategy is named. The funding is not. The unlock is multi-year capital commitment for workforce capability.	Q5 + Q10

Discussion: If your confidence in your productivity strategy is low, what is the one organizational complexity you can remove tomorrow to change that?

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Thank you for your attention.

Fred Schneider, Managing Director

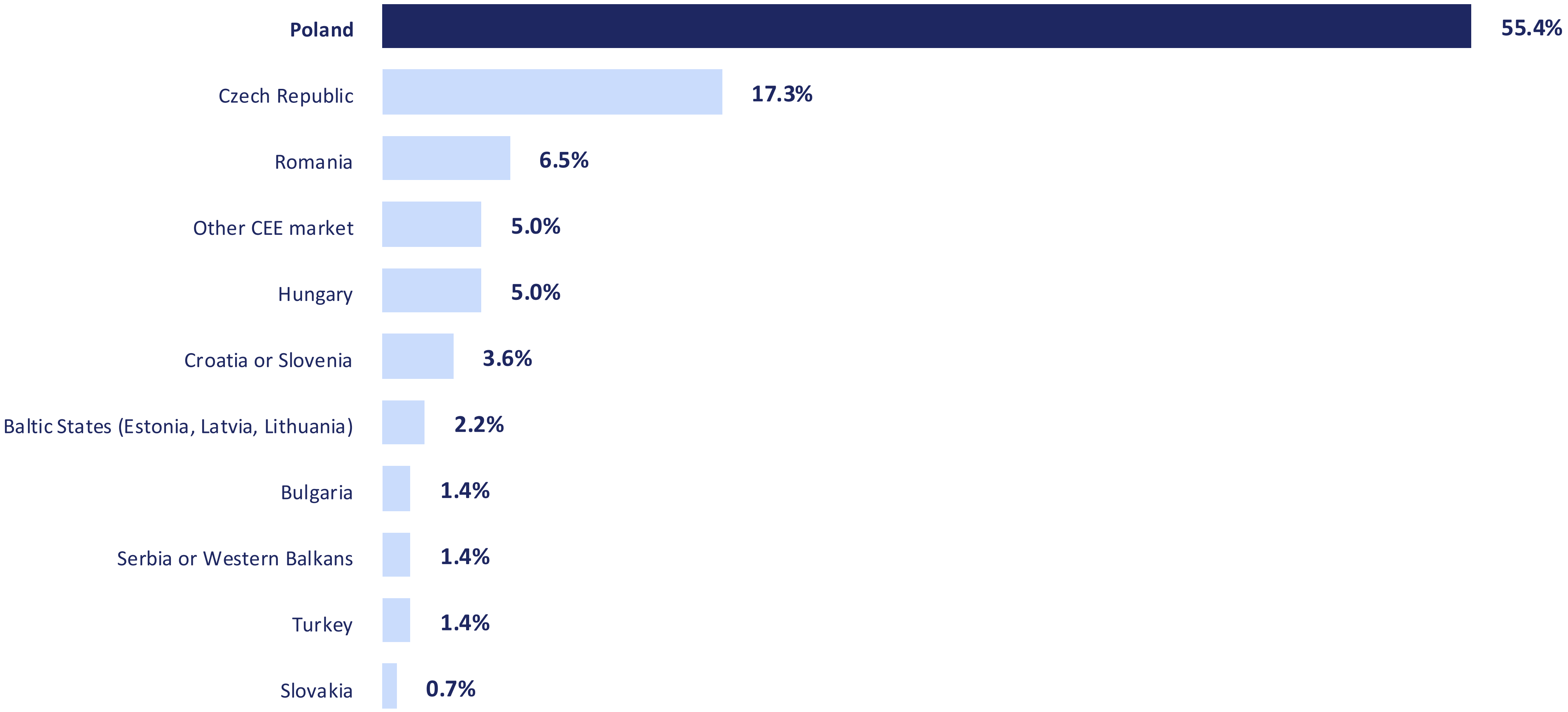
wiiw Executive Network

APPENDIX

Question by Question Findings

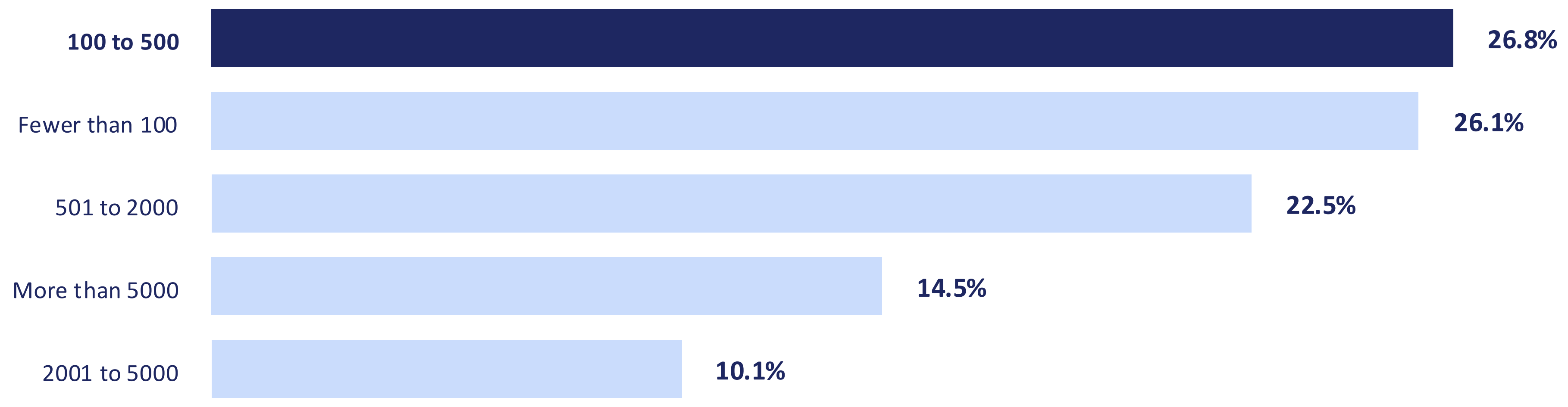
All 27 survey questions, with response distributions in percent of respondents.

Q1. In which CEE market does your organization have its largest workforce?



Highlighted bar: most common response · Percentages of respondents who answered this question

Q2. What is your total employee headcount across CEE operations?



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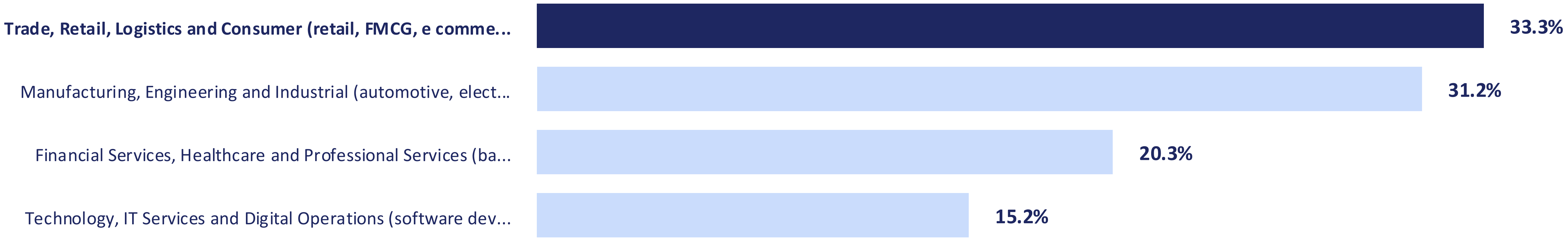
Q3. Which best describes your organization's primary sector in CEE?



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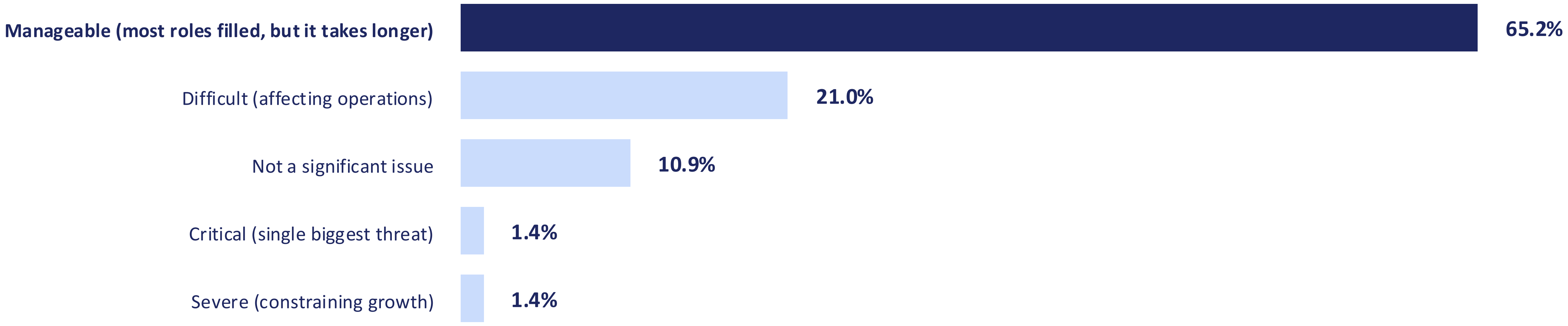
Q4. How would you describe the overall availability of labor for your CEE operations?



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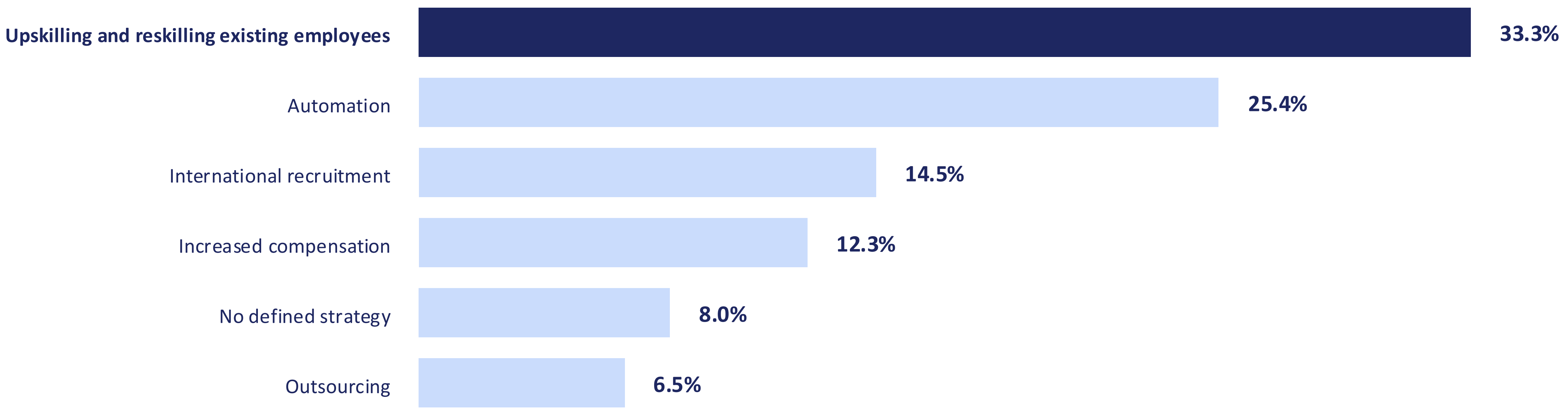
Q5. What is your primary strategy for addressing labor scarcity in CEE?



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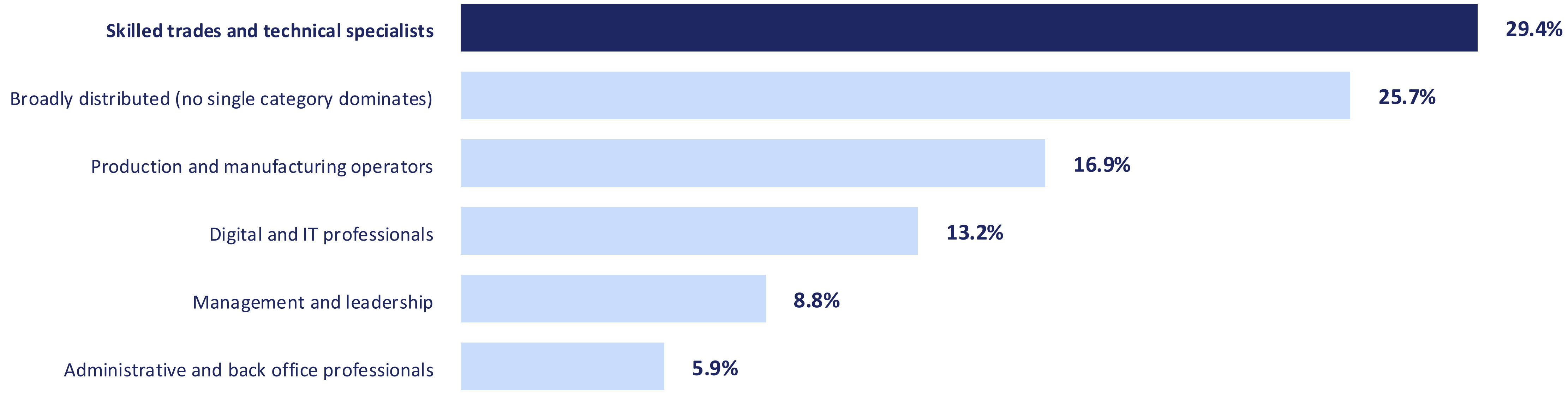
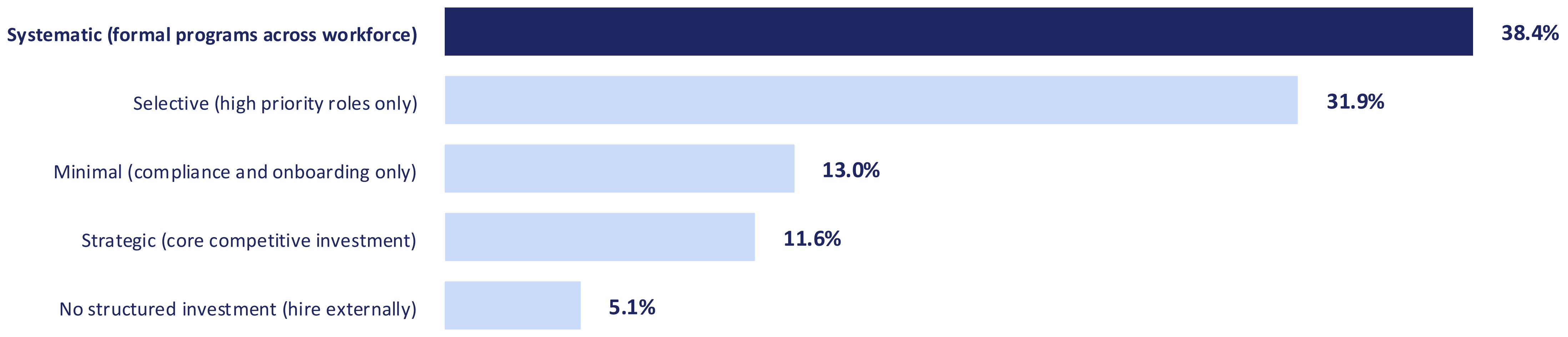
Q6. Which workforce category represents your most critical talent constraint in CEE?



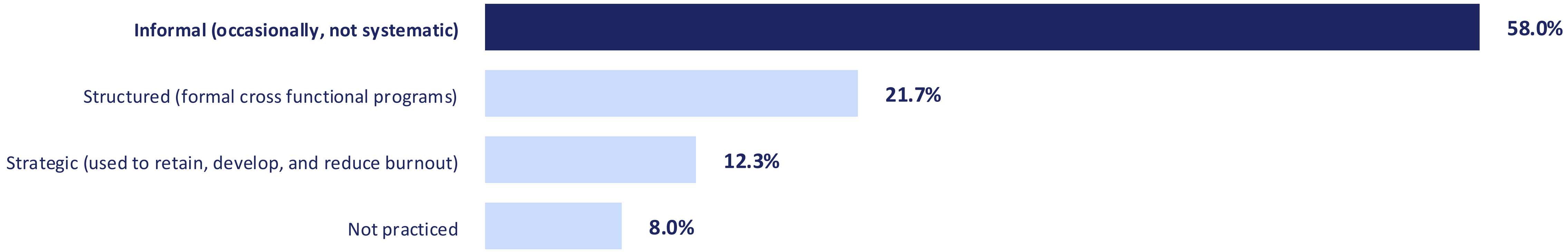
Highlighted bar: most common response · Percentages of respondents who answered this question

Q7. How would you describe your investment in developing your existing CEE workforce?



Highlighted bar: most common response · Percentages of respondents who answered this question

Q8. To what extent does your organization use internal redeployment and move employees across functions, roles, or locations?



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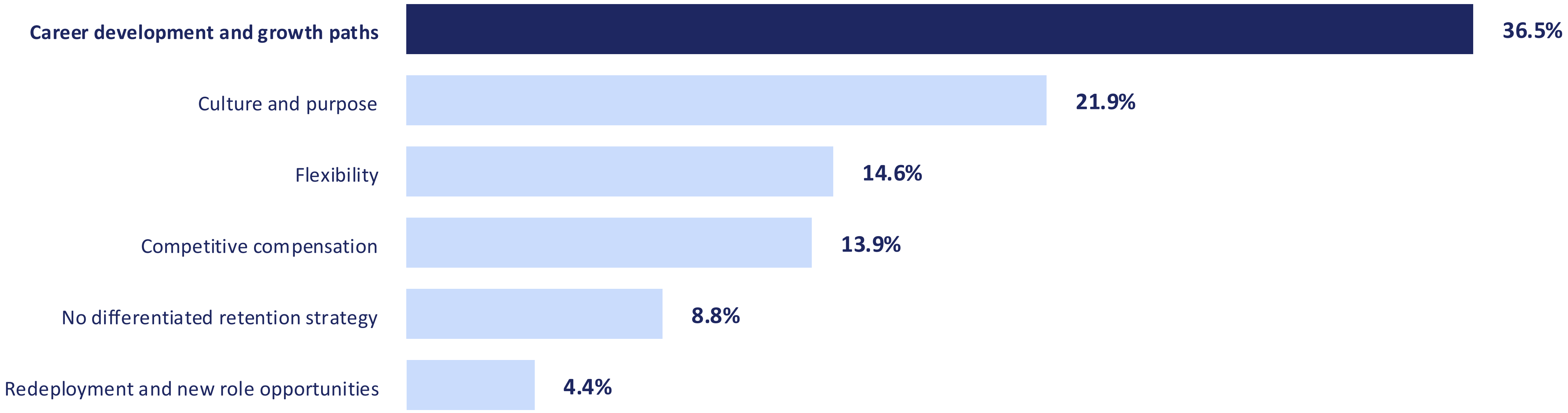
Q9. What is your primary strategy for retaining your most valuable employees?



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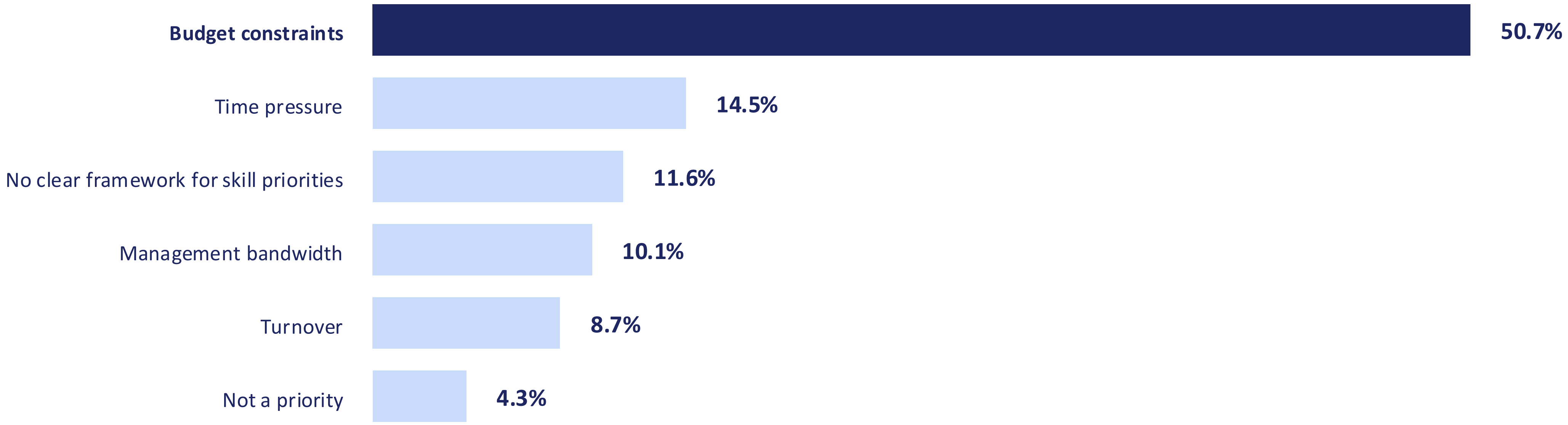
Q10. What is the single biggest barrier to investing more in workforce development?



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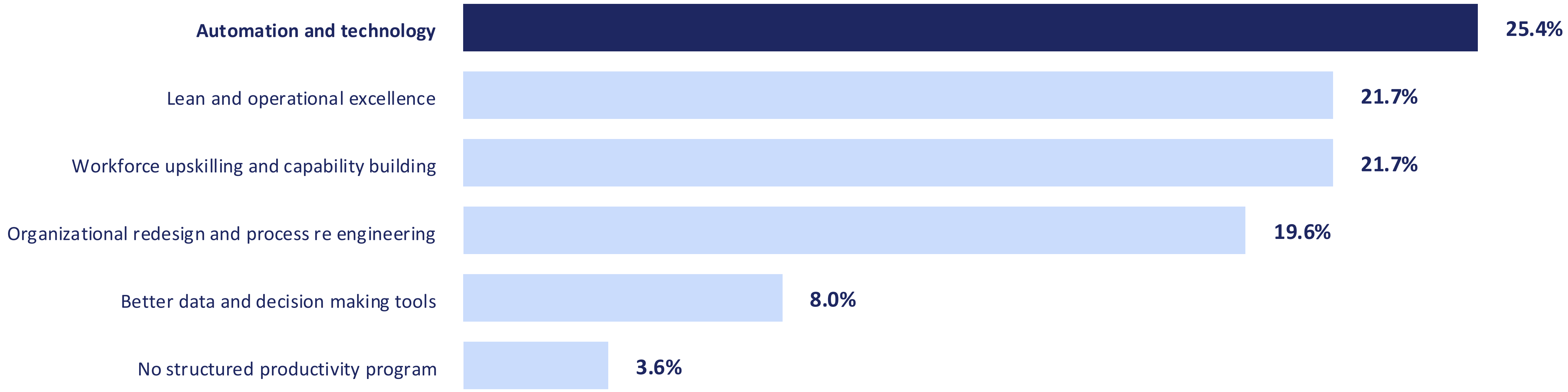
Q11. What has been your most effective lever for improving workforce productivity in CEE?



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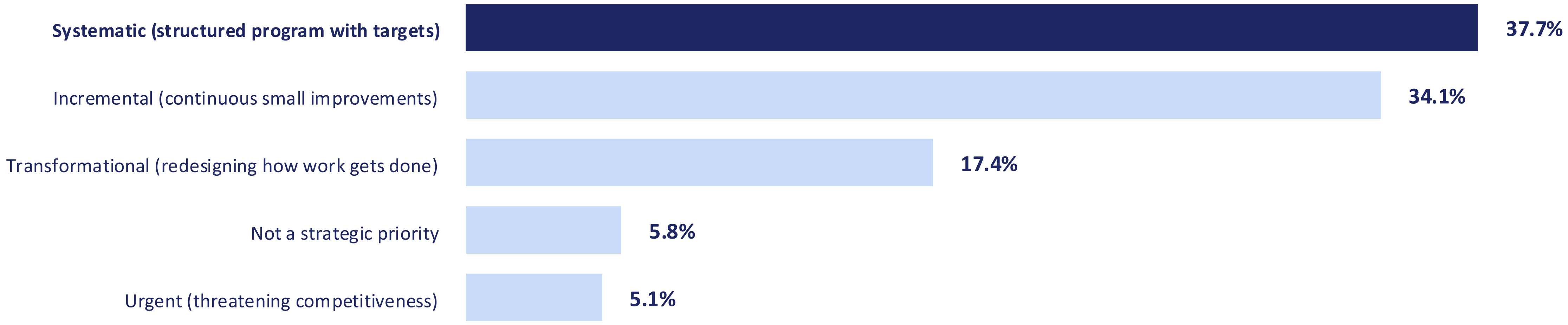
Q12. How would you describe your organization's current approach to productivity improvement in CEE?



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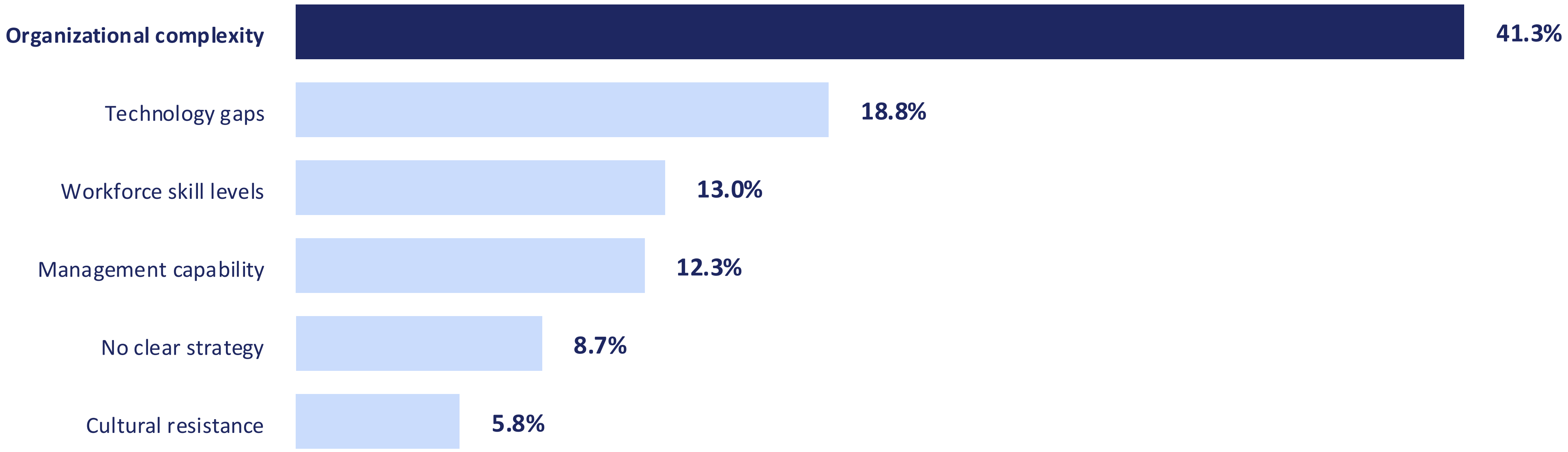
Q13. What is the single biggest barrier to improving workforce productivity?



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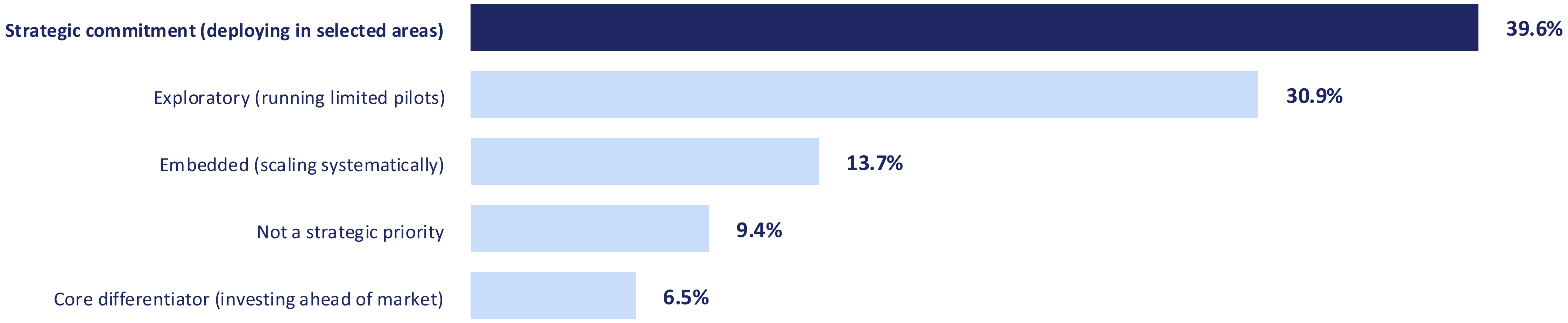
Q14. How would you describe your organization's current approach to automation in CEE?



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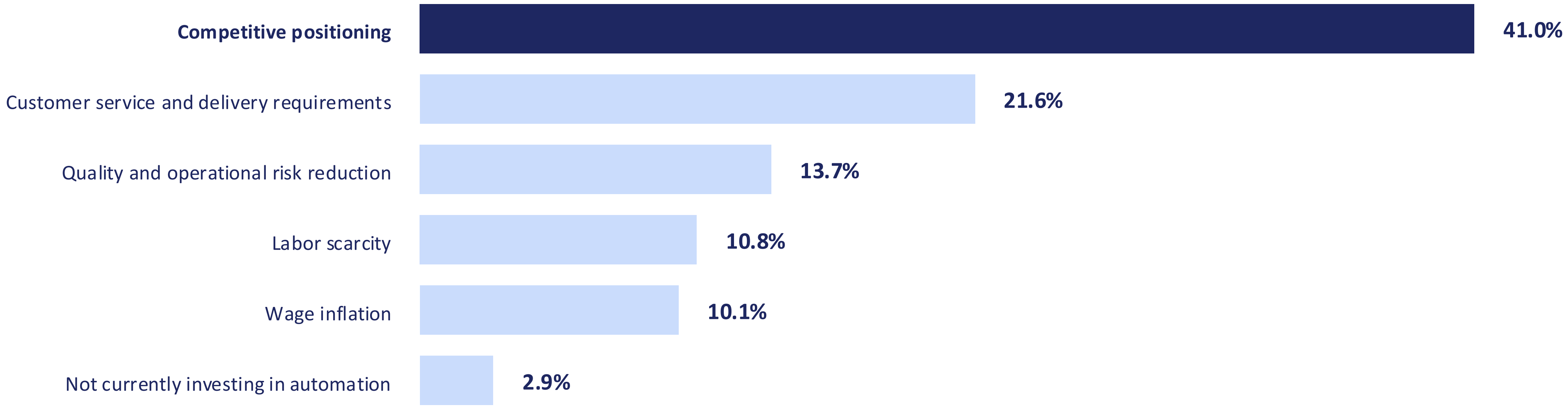
Q15. What is the primary driver of your automation investment?



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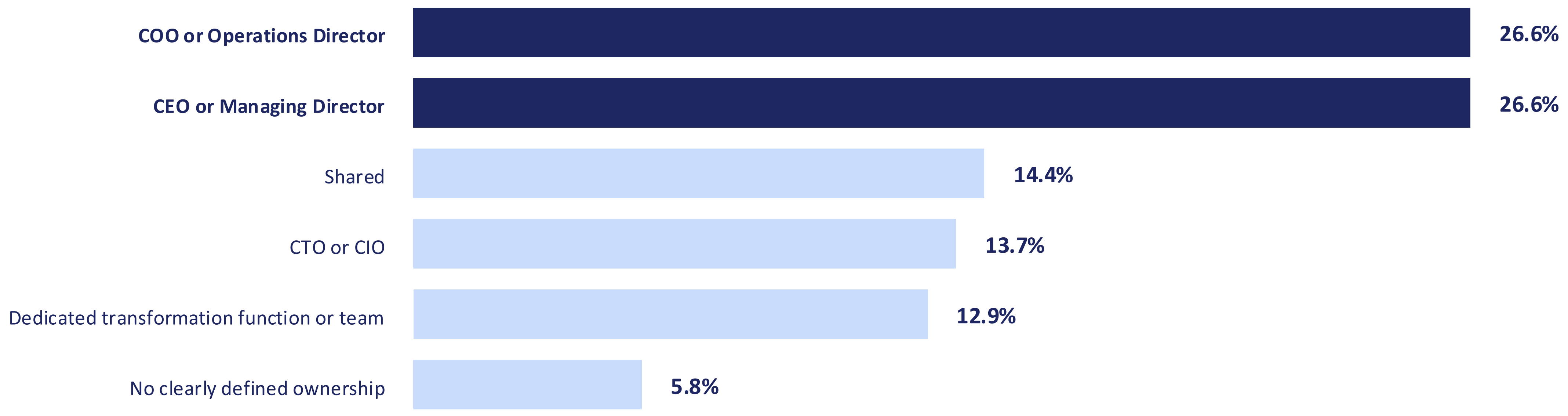
Q16. Who has primary accountability for automation strategy in your CEE operations?



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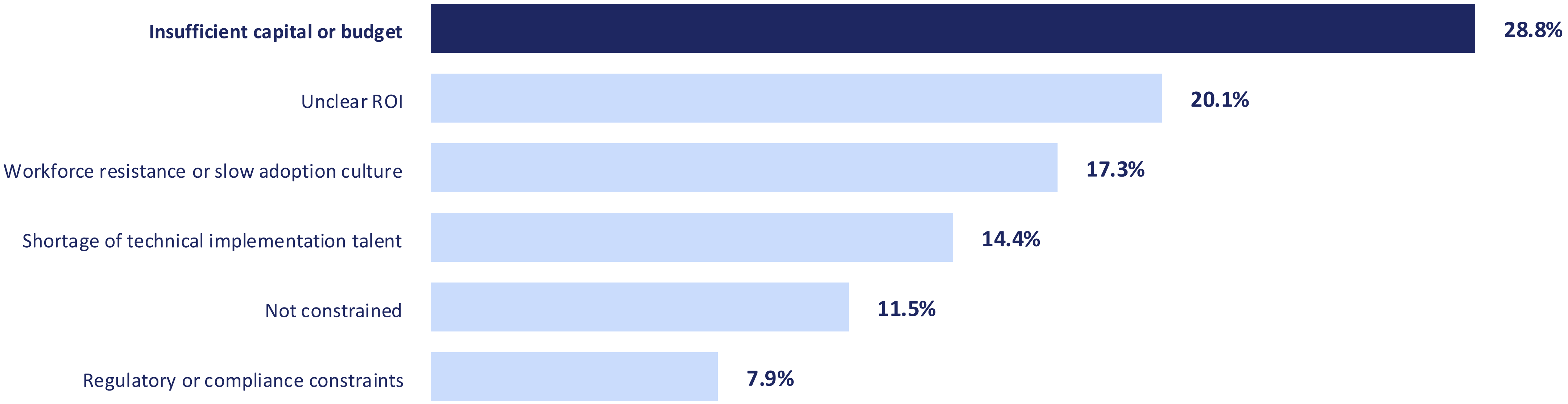
Q17. What is the single biggest barrier to accelerating automation?



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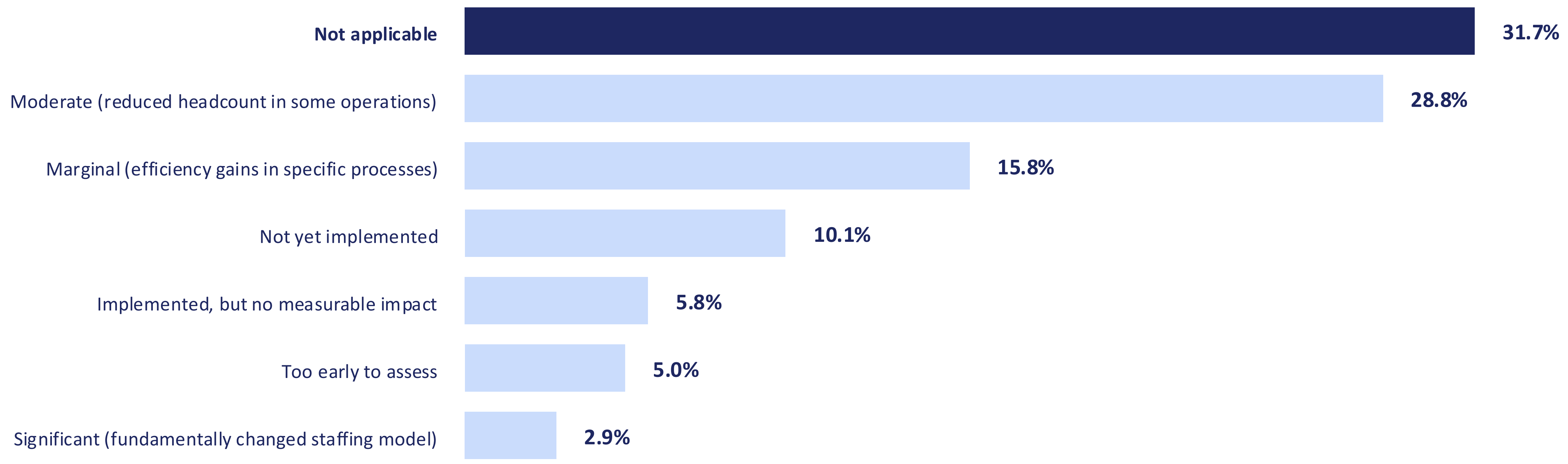
Q18. What impact has automation had on your blue collar productivity (non management, factory workers, non specialized support and administrative staff)?



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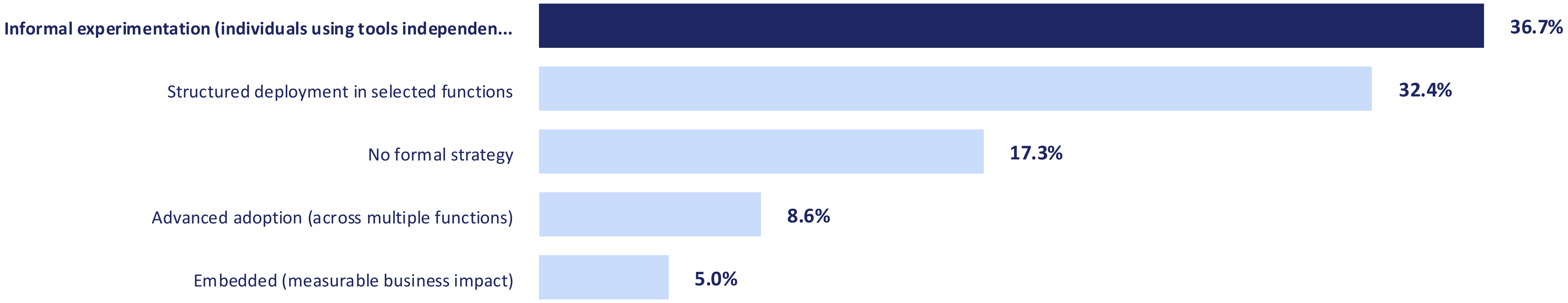
Q19. How would you describe your organization's current AI strategy for CEE operations?



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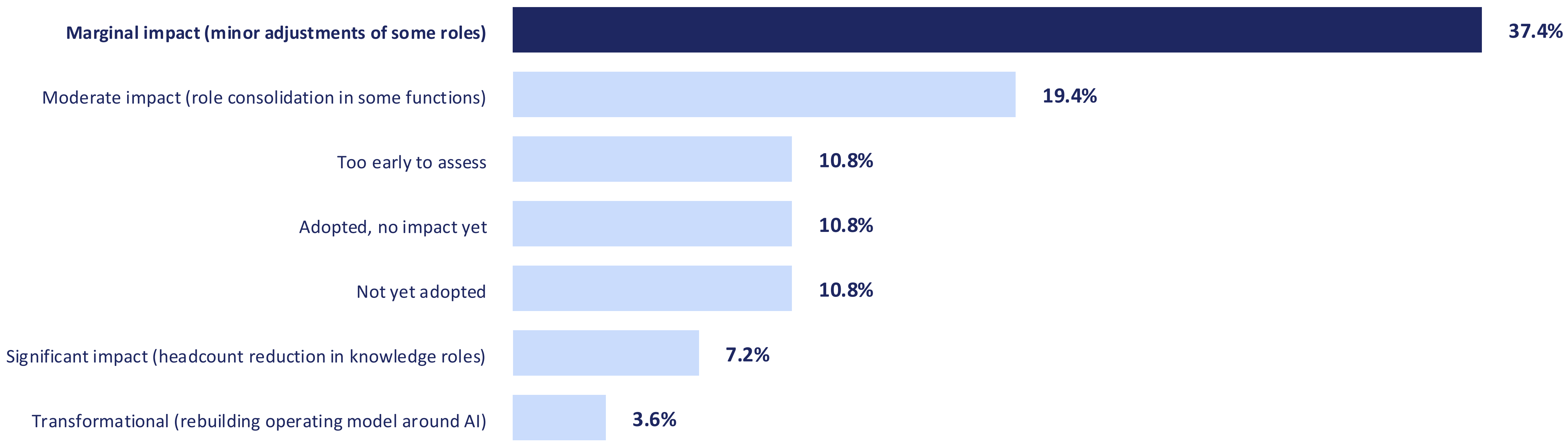
Q20. What impact has AI had on your white collar workforce productivity?



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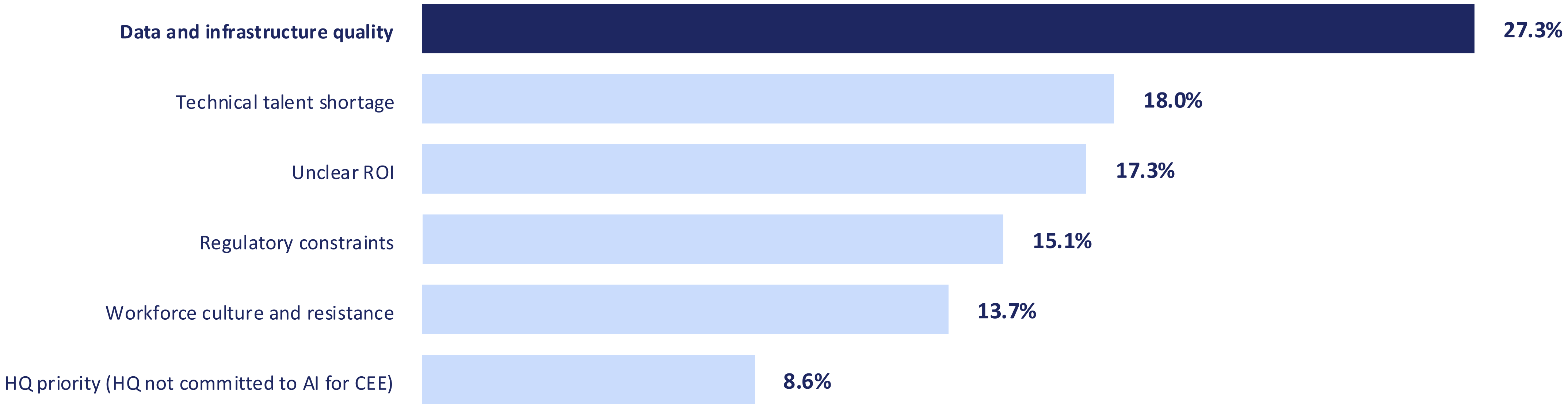
Q21. What is the biggest obstacle to realizing AI driven productivity gains?



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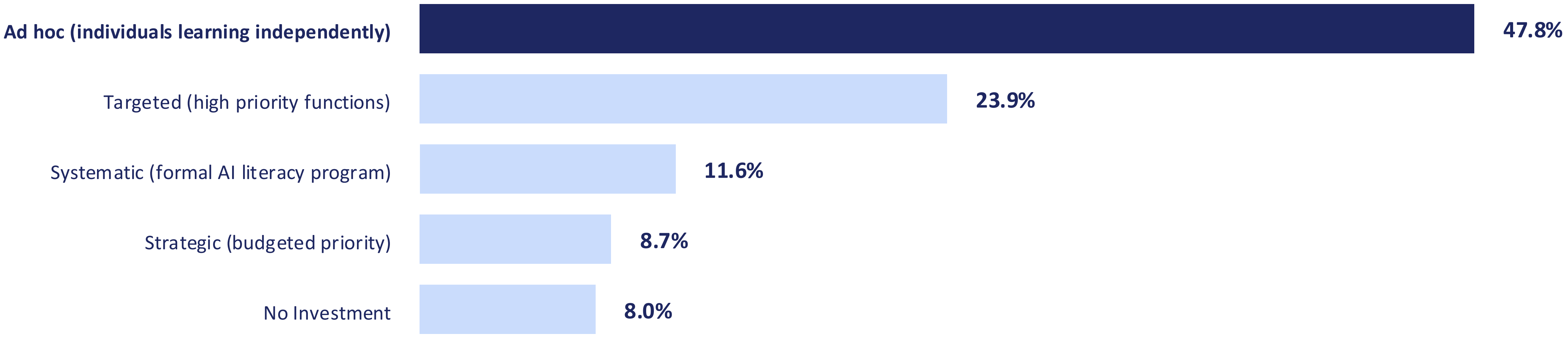
Q22. How much is your organization investing in AI readiness for the workforce?



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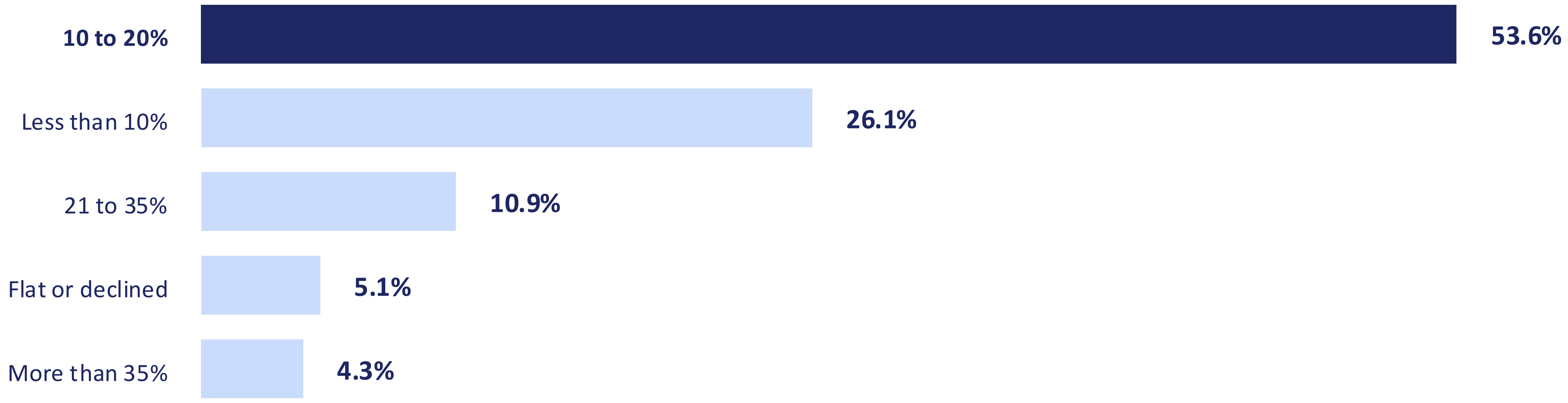
Q23. By how much have your total CEE labor costs increased over the past 2 years?



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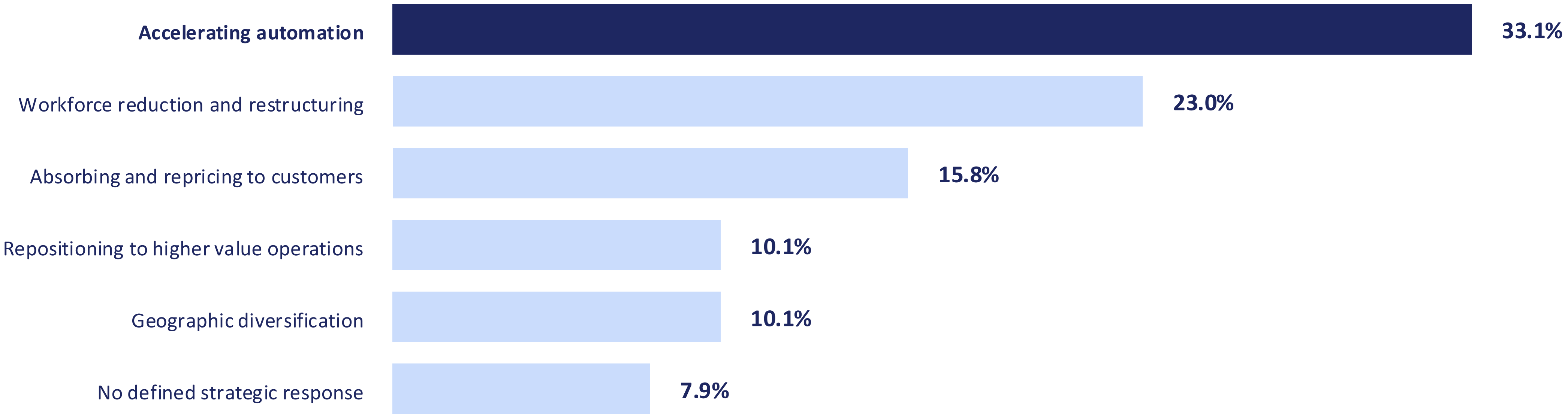
Q24. What is your organization's primary strategic response to rising CEE labor costs?



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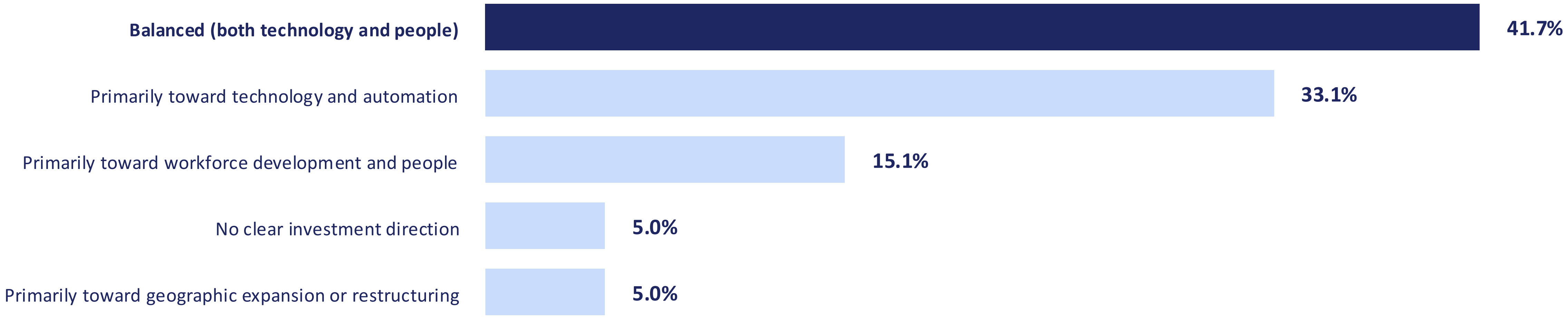
Q25. Where is the balance of your investment shifting over the next 2 to 3 years?



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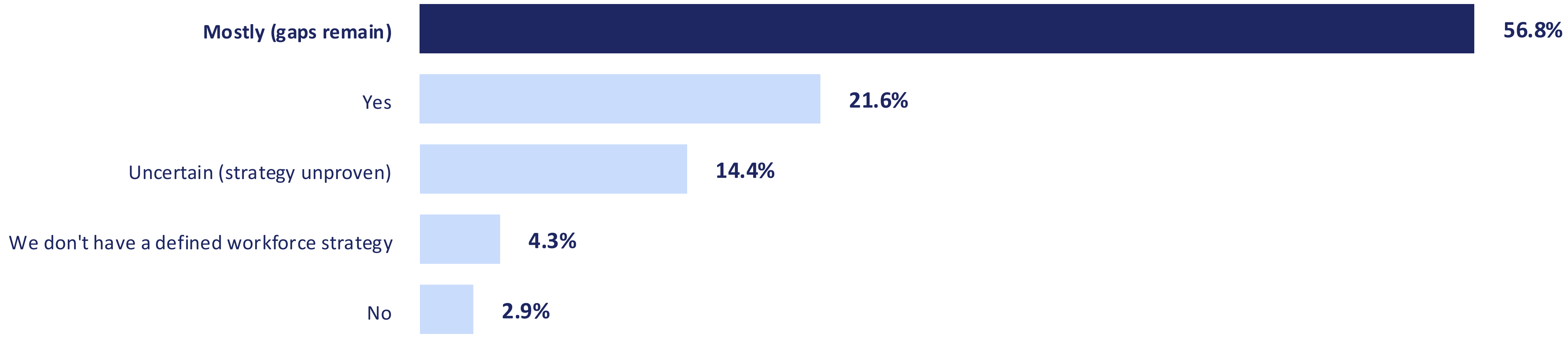
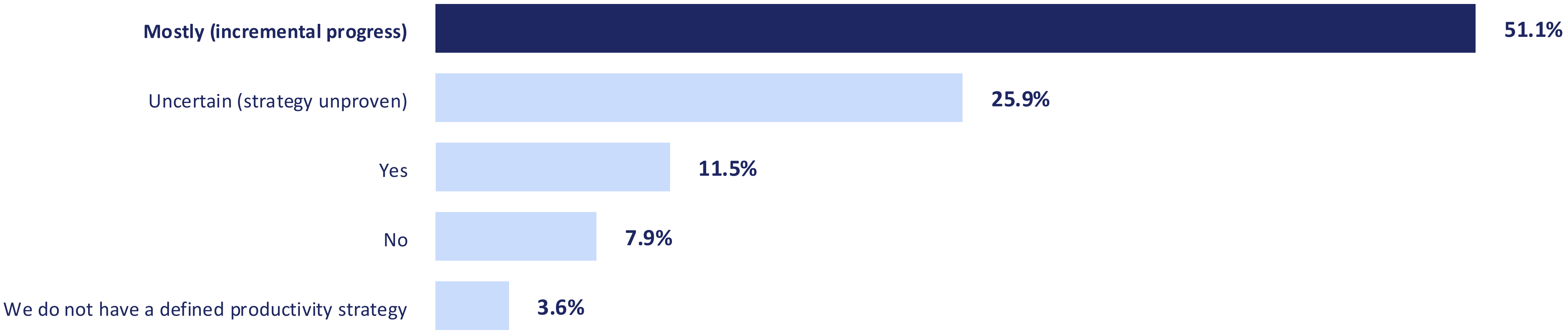
Q26. Do you believe your current workforce strategy will be sufficient to meet your CEE labor needs over the next 2 to 3 years?



Highlighted bar: most common response · Percentages of respondents who answered this question

Q27. Do you believe your current productivity strategy will be sufficient to offset rising labor costs in CEE?



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