

FINDINGS OVERVIEW

Winning the Productivity Race

The era of cheap-labor convergence is over. The era of era of **capability extraction** has begun.

Labor scarcity has mutated from a supply constraint into a pricing crisis. With repricing off the table, competitive survival now hinges on the speed and scale of internal productivity execution.

THE CONFIDENCE GAP

Workforce strategy will meet needs

77%

Productivity strategy will offset wage inflation

65%

A **12-point gap** — boards trust they can hire, but doubt they can extract enough value to cover rising costs.

WHAT THE DATA SHOWS

69% A pricing crisis, not a shortage report labor costs up 10–35%+ in two years — even as 75% call supply "manageable."	84% Can't pass costs on must pull internal levers; only 16% can reprice escalating labor costs to customers.	60% The response is internal capability upskilling (35%) + automation (25%) eclipse recruitment (14%) and pay hikes (12%).
63% Past pilots, scaling tech deploy automation systematically; 27% stay stuck in disconnected experiments, 10% lag.	54% Buying tools, not skills give zero or ad-hoc funding to AI readiness; 53% run with no formal AI strategy at all.	40% Complexity is the #1 drag name organizational complexity the top productivity barrier — 2× technology gaps (17%).

Where automation pays off — by sector

SECTOR	BLUE-COLLAR AUTOMATION	WHITE-COLLAR AI
Manufacturing & Industrial	77%	60%
Trade, Retail & Logistics	39%	70%
Financial & Professional Services	25%	64%
Technology, IT & Digital Ops	38%	81%

THE REAL BOTTLENECK

29%

name **data & infrastructure quality** the biggest obstacle to AI gains — ahead of unclear ROI (18%) and talent shortages (17%).

"100% of firms that scaled AI had budgeted workforce-readiness programs."

THE BOARD-LEVEL PLAYBOOK

01 Manage productivity per euro Shift from headcount to value extracted per labor cost.	02 Run a complexity audit Simplify workflows before layering on automation.	03 Link procurement to readiness No software license without a ring-fenced skills budget.	04 Automate for defense Build the case on market relevance, not payroll cuts.	05 Reclassify training to R&D Move capability spend off OpEx into multi-year capital.
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Source: wiiw Executive Network · CEE Labor & Productivity Benchmark 2026 · n=170 board-level executives · fieldwork Mar-May 2026

The data tells you what happened. **wiiw tells you what it means.**

A condensed excerpt from the wiiw Executive Network data suite, trusted by senior leaders across 25 CEE markets.

DISCUSS YOUR EXPOSURE

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BRIEFINGS: WARSAW · PRAGUE · VIENNA