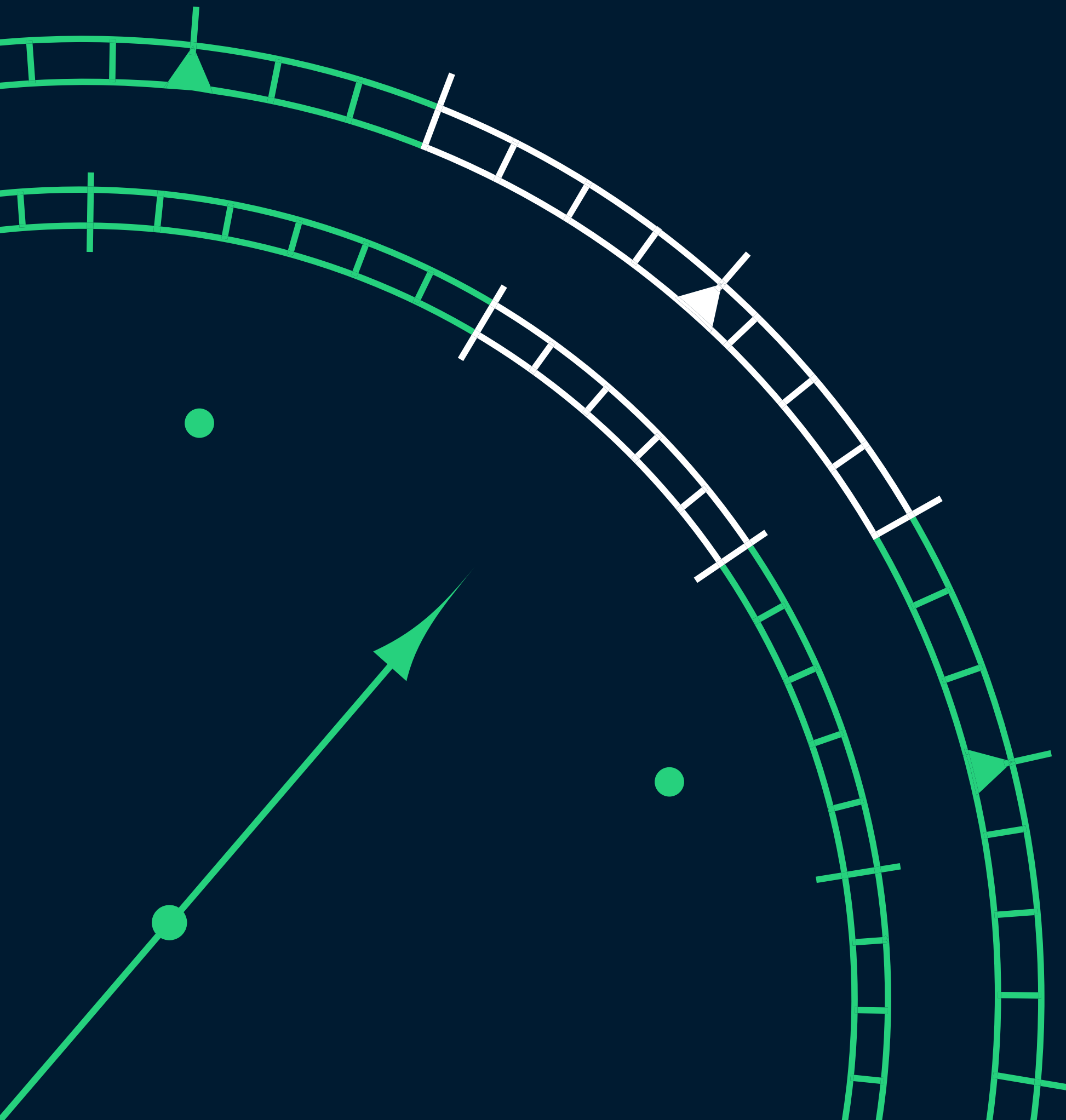


Q2 | 2026

Azets Barometer

Turning insights into direction



AZETS BAROMETER Q2

Business Insights

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The Azets Barometer report is **your strategic guide** to the emerging business threats and growth opportunities in Europe.

The Azets Barometer is based on the perspectives of ambitious business leaders across the international markets we serve, including the UK, Ireland, and the Nordics. We have analysed their perspectives to provide detailed metrics on turnover, industry trends, and leadership risks and quarterly insight into the evolving business climate.

The report evaluates how organisations are navigating modern challenges such as AI integration, geopolitical risks, and regulatory compliance.

About the Barometer

The Azets Barometer is conducted quarterly in partnership with independent research agency Reputation Leaders.

Wave 7 surveyed 1,576 senior business leaders across the UK, Ireland, Norway, Sweden, Denmark, and Finland in May–June 2026, combining Azets clients with externally recruited businesses with revenues of €10mn+.

We spoke to business leaders who were at management level and above.

Results are weighted by country and company turnover to ensure comparability across markets and over time.

The margin of error is $\pm 2.5\%$ for aggregate findings and ranges between $\pm 4.7\%$ – $\pm 7.8\%$ for country-specific results at a 95% confidence level.

In This Report

Focus & Foresight:

How mid-market leaders are navigating the now and planning for the opportunities of tomorrow

Quarterly
Insights

Hundreds of
Business Leaders

Trend Data &
Real-World Stories

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Azets Perspective

Confidence amidst complexity: prioritising action, investing in people and practical AI

Business leaders across Northern Europe are reporting continued high levels of optimism and business performance, counterbalanced by ongoing geopolitical uncertainty, regulatory pressures, and predictions of interest rate increases on the horizon. We take a deep dive into how business leaders are future-proofing with AI and what this means for the people skills of the future.

For leading SMEs right now, the operating environment remains intensely complex. While inflation, high labour costs, and global unrest persist, our Q2 2026 Barometer reveals continued resilience.

During uncertain times, it helps to know what peers are doing. That is why the **Azets Barometer** surveyed over 1,500 ambitious business leaders across the UK, Ireland, and the Nordics. We didn't just focus on their balance sheets; we asked them about their fears, their hopes, and the strategic bets they are placing for the future.

Highlights this quarter include:

- **Economic optimism prevails but divergence is deepening:** reports of high financial performance continue but the gap is widening between thriving larger enterprises and smaller firms facing ongoing structural and cost pressures
- **Geopolitical uncertainty as a catalyst for change:** it remains the number one concern, driving supply chain restructuring and delayed investments, but agile leaders are spotting new opportunities emerging as a result of geopolitical unrest

- **AI maturity meets realism:** adoption has moved past basic experimentation, but many say the benefits are currently overhyped
- **People-powered resilience:** as capability gaps in strategic planning and change management persist, businesses recognise that their workforce is their ultimate safety net. Leaders rank operational agility and high-quality people and talent as the top factors critical to their organisation's survival

We hope the Azets Barometer will allow you to compare your own experiences against the hundreds of leaders in these pages, understanding how others are focusing their energy to survive the now, and plan for what comes next.

In periods of uncertainty, it's about having real-time information that gives you predictability. If you can make your business as predictable as possible, you'll have a low-stress life. Smart SMEs are looking at things a bit differently and looking at a digital way forward.

Key Takeaways

Confidence amidst complexity

Confidence & optimism still edging up

- Economic optimism and financial performance levels continue to rise despite persistent geopolitical uncertainty and economic complexity
- Ireland remains buoyant and Nordic markets are still gaining momentum - Denmark leads, Finland continues to trail
- UK optimism has dropped since Q1, as businesses continue to feel the pressure of rising costs, regulation, and an uncertain growth environment



77%

ARE OPTIMISTIC ABOUT THE OVERALL ECONOMIC OUTLOOK OVER THE NEXT 12 MONTHS



82%

RATE THEIR BUSINESS'S FINANCIAL PERFORMANCE ABOVE AVERAGE

Ongoing geopolitical pressures act as a catalyst for new opportunities

- Ongoing geopolitical risks are reshaping how businesses operate, invest, and compete as over two thirds say geopolitical uncertainty is directly influencing strategic decisions and creating financial pressures
- But six in 10 are starting to see new opportunities emerging as a result of unrest



68%

SAY NAVIGATING GEOPOLITICAL UNCERTAINTY HAS PUSHED OUR ORGANISATION TO BECOME MORE AGILE AND RESILIENT



63%

SAY GEOPOLITICAL SHIFTS HAVE CREATED NEW COMMERCIAL OPPORTUNITIES FOR OUR ORGANISATION

AI deep dive: ambition continues to outpace readiness

- Nearly three quarters believe AI will be critical to their success and the benefits outweigh the risks but only around half feel they have the infrastructure in place to scale it effectively
- Organisations are using AI across a full range of tasks; but the biggest impact of AI remains in supporting on the basics - very few are taking AI to the next level – e.g. R&D, client interactions
- Concerns linger as almost three-quarters also believe AI will make some roles redundant within five years
- The role of advisory shifts as the AI adoption curve continues and the focus is now on how to effectively upskill for AI and prepare your people, i.e. how should SMEs adopt and adapt to future-proof with AI?



73%

SAY AI WILL BE CRITICAL TO THEIR ORGANISATION'S COMPETITIVENESS (NEXT 3 YRS)



59%

SAY THEY WORRY THAT AI WILL MAKE SOME ROLES IN MY ORGANISATION REDUNDANT WITHIN FIVE YEARS

Economic Outlook

Business leaders across Europe's northern economies enter the second half of 2026 with confidence still edging up

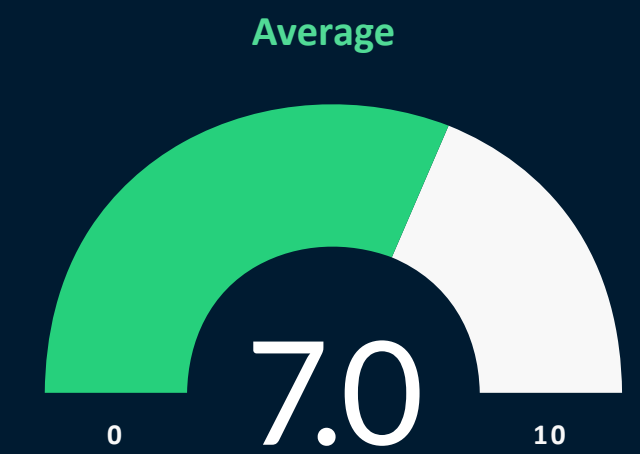
Economic optimism continues to climb, with 77% of senior leaders now optimistic about the economic outlook in their country over the next 12 months, against just 16% who are pessimistic.

Average optimism has reached 7.0, the highest score recorded since tracking began, as confidence builds steadily following the lows of 2025.

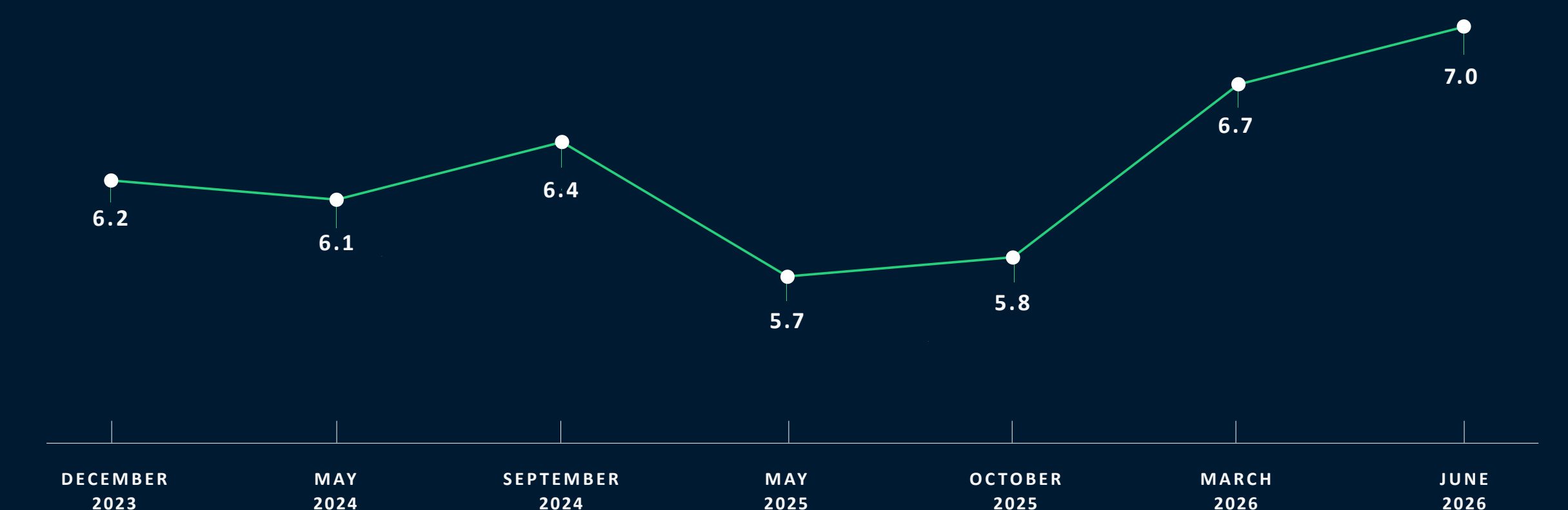
At a Glance

Most Optimistic	Sweden & Denmark	Finance, Technology, Construction	Bigger Corporations
Least Optimistic	United Kingdom	Hospitality, Public Services, Property	Smaller Businesses

How optimistic are you about the overall economic outlook in the next 12 months?



Economic Optimism: Average on a scale of 0-10



2025 confidence was low as businesses grappled with geopolitical instability and the lingering uncertainty of a difficult trading environment/tariffs

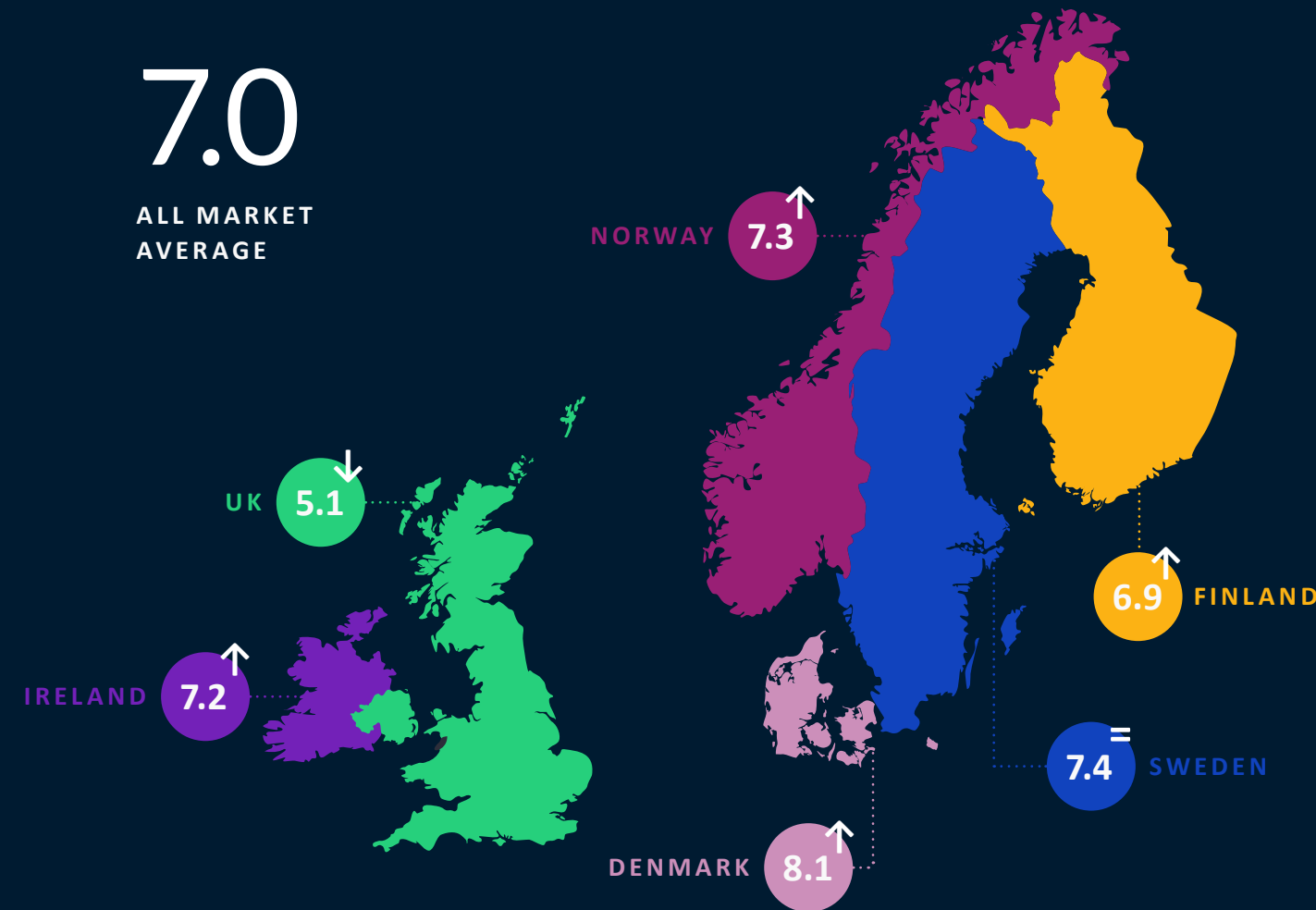
Azets Barometer - Q2 2026; How optimistic are you about the overall economic outlook in your country over the next 12 months?

Weight: Equal country weight + turnover; base n = 1576
Data from previous waves was weighted equally to wave 6

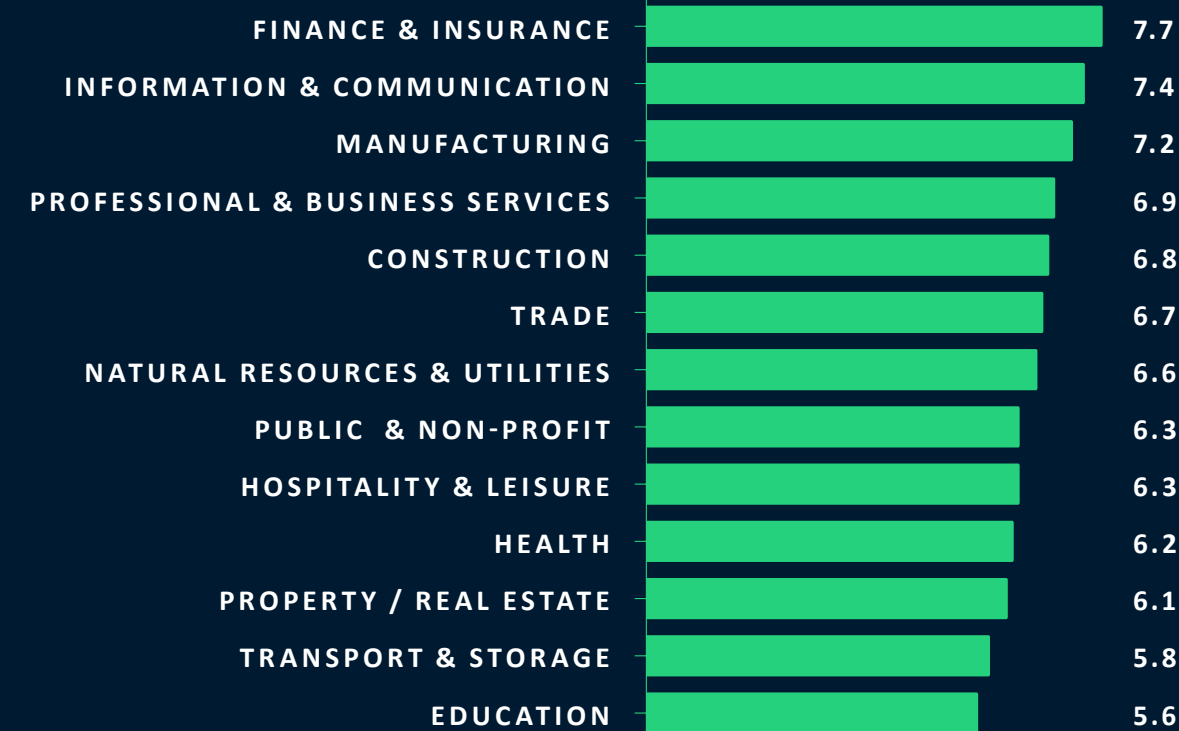
Economic Outlook

A view across markets, sectors, and company sizes

Economic Optimism: Average on a scale of 0-10



Economic Optimism: Average on a scale of 0-10



Economic Optimism: Average on a scale of 0-10



Contrast in mindset between regions

Nordic & Irish leaders express higher levels of optimism. UK leaders are losing confidence.

- Denmark is the most confident market and saw one of the largest gains this wave, while Sweden held steady at a consistently high level, both reflecting the relative stability of their domestic economies and strong export positions
- UK reports the lowest optimism of any market and is the only market to decline this wave, as business continues to feel the pressure of rising costs, regulation, and an uncertain growth environment

Investment-driven sectors lead; education and transport lag

- Finance, technology, and manufacturing lead on optimism, driven by investment activity, digital demand, and resilient order books
- Education stands out at the bottom, with transport and property also lagging, reflecting funding constraints, subdued demand, and limited pricing power

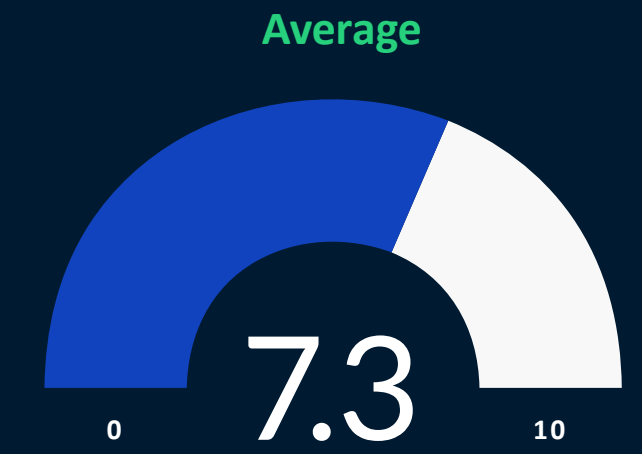
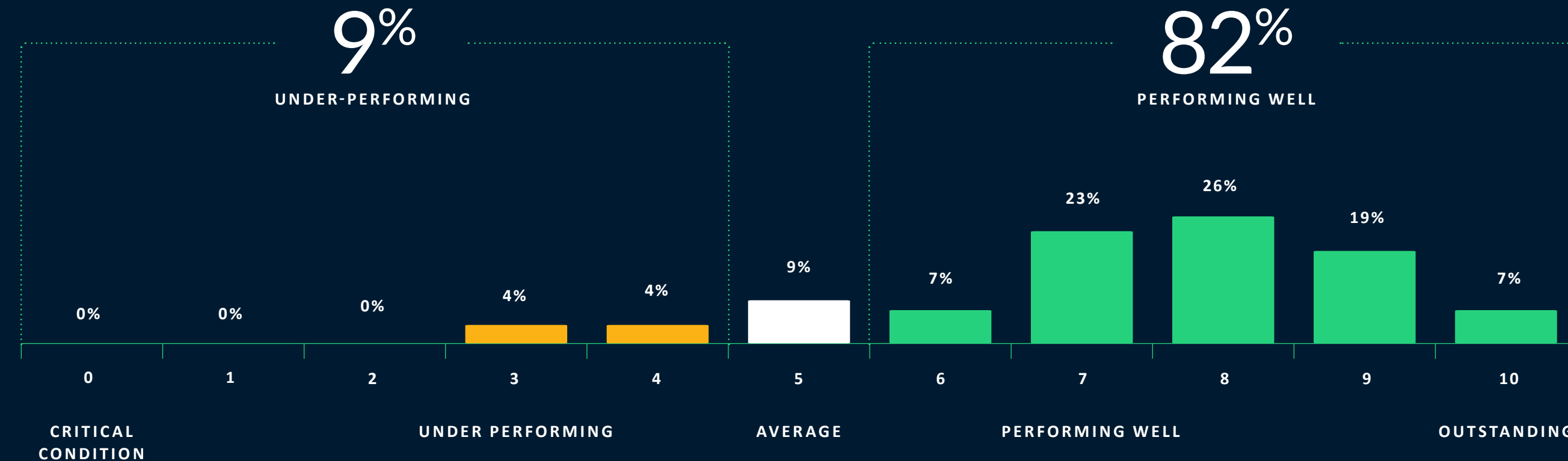
Smaller businesses remain less optimistic

- Businesses with fewer than 50 employees score just 4.8 on economic outlook (a drop from 5.1 in March 2026) compared to 7.6 for businesses with 500 or more staff (jump up from 7.5 in March 2026)
- Broader recovery in sentiment is experienced most strongly by larger organisations. Smaller businesses, typically carrying less financial buffer, less pricing power, and fewer resources to invest, are experiencing a more challenging economic reality than headline figures imply; and the gap with larger businesses has widened this wave

Business Financial Performance

Confidence & business performance are on the rise, both at a new high for Q2

How would you describe your business's financial performance?

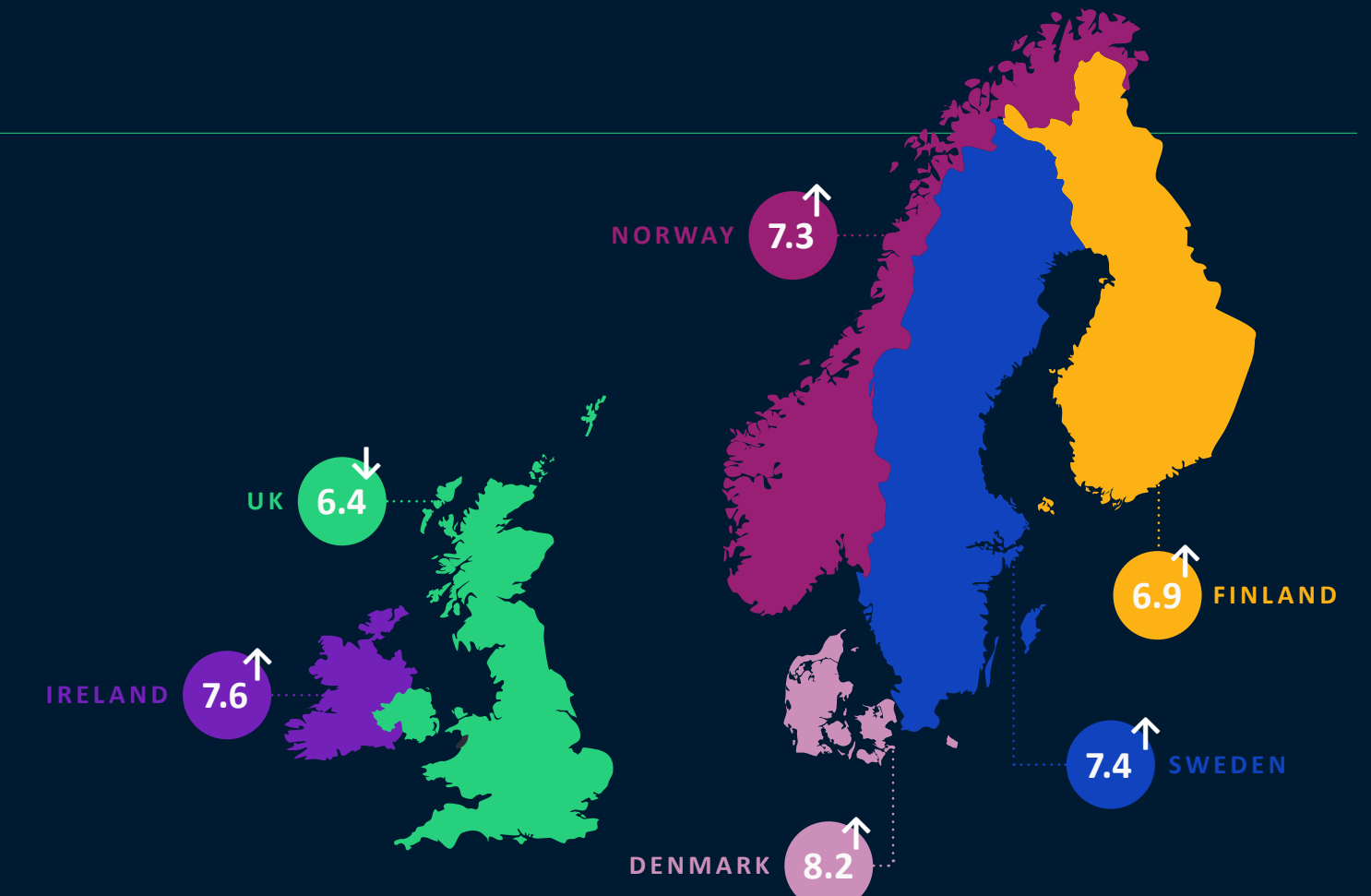


Smaller firms still face structural disadvantages

The gap is widening.

While businesses with 50 or more employees all saw financial performance improve this wave, the smallest firms were the only group to see a decline, from 5.8 to 5.5. Less financial buffer, less pricing power, and more exposure to cost pressures they cannot easily pass on continue to weigh disproportionately on smaller organisations.

7.3
ALL MARKET AVERAGE



Danish companies are thriving; the UK and Finland trail

Denmark tops the performance table, with Ireland close behind, both reporting notably stronger results than the six-market average.

The UK and Finland sit below the all-market average, consistent with the more cautious outlook both markets report.

Strong performers see a stronger future. Confidence in the economic outlook tracks closely with how well a business performs.

Four in five senior leaders (82%) describe their financial performance as above average. Just 9% say they are under performing.

Macro Concerns

Geopolitical and economic uncertainty remain the top concerns

Business leaders are feeling steadier about their own operations and home markets, but the broader global picture continues to weigh heavily.

While **geopolitical uncertainty** holds firm at the top, **economic uncertainty** is close behind, and a new set of pressures has moved sharply up the agenda this quarter: **interest rates & inflation**, regulatory compliance, and **cybersecurity threats**, reflecting growing concern across financial, regulatory, and operational fronts.

Notably, **competition** has fallen to seventh place. The weight of macroeconomic pressure has pushed competitive concerns into the background.

“We’re seeing uncertainty over some of the geopolitical matters, the uncertainty in terms of interest rates and the labour market issues”

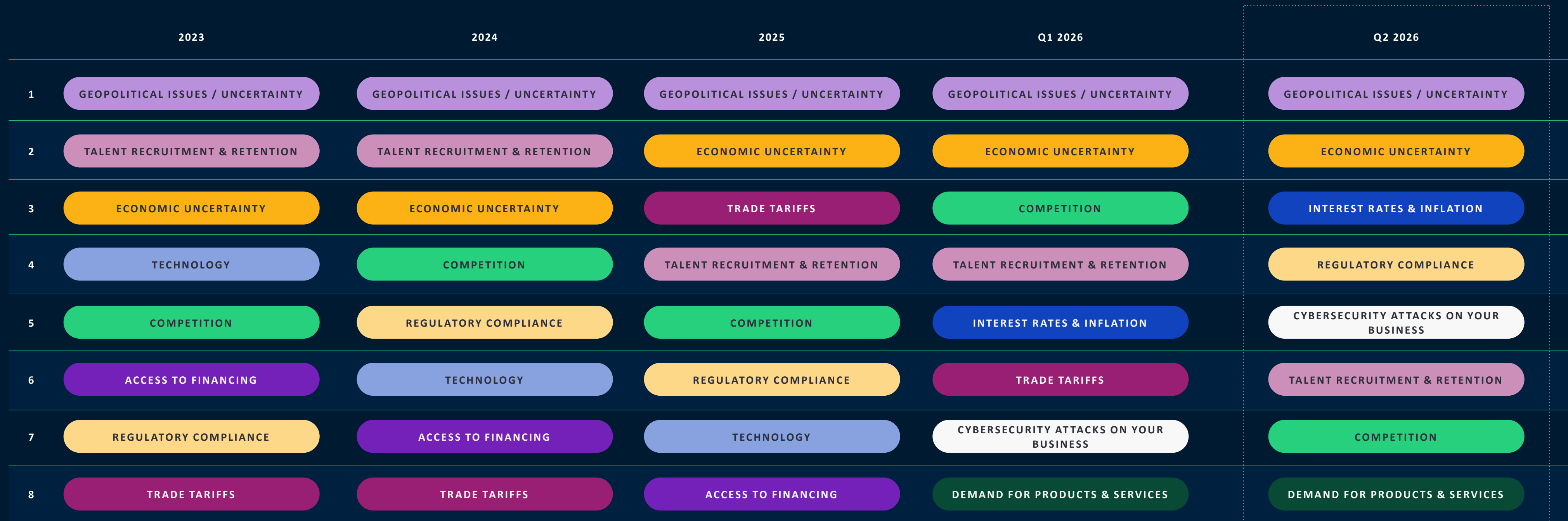
DONALD BOYD, HEAD OF GROWTH & SALES, AZETS, UK

“The instability in the world makes it very unclear what the future will look like.”

COO, TECHNOLOGY, 500-999 EMPLOYEES

“Everything costs too much - more than it ought to. Taxes are too high - hard work is discouraged. There is no overall planning for things like power supply, water supply, accommodation, jobs or education. There is no prospect of anything getting better.”

SENIOR MANAGER, FINANCE & INSURANCE, 100 TO 249 EMPLOYEES, NORWAY



For the following items, please rate your level of concern over the next 12 months: Concerned (7-10)

Azets Barometer - Q2 2026; For the following items, please rate your level of concern over the next 12 months. Weight: Equal country weight + turnover; base n = 1576 Data from previous waves was weighted equally to wave 6 * New options introduced Q2 2026

Top Concern: Ongoing Geopolitical Risks Are Reshaping How Businesses Operate, Invest, And Compete

Geopolitical Threat



"The wars in Europe and the Middle East, not least in Africa which all could escalate to a global conflict at any moment despite all the peace talks."

CEO, TECHNOLOGY, 1000+ EMPLOYEES, SWEDEN

"Opportunities for investment remain, but a poor political environment and global factors such as wars and unrest provide challenges."

CEO, PROFESSIONAL SERVICES, 100-249 EMPLOYEES, UK

"External factors such as the war in Ukraine, Iran versus the USA and Israel."

MANAGER, CONSTRUCTION, 50-99 EMPLOYEES, SWEDEN

"Weak growth, cost of living pressures, inflation still a little high, interest rates may need to go up. Geopolitics and energy prices creating tension. So I'm mildly pessimistic, not super fearful."

"Global economic volatility is delaying companies' investment decisions."

MANAGER, MANUFACTURING, 100-249 EMPLOYEES, NORWAY

CFO, EDUCATION, 100-249 EMPLOYEES, UK

More Than Six In 10 Leaders Starting To See Benefits And Opportunities Emerge From The Unrest

“It is reasonable to be concerned about geopolitical risks, but despite this Danish companies have handled this uncertainty quite well.”

COO, MANUFACTURING, 500-999 EMPLOYEES, DENMARK

“We are seeing a temporary spike in inflation caused by geopolitical risks, which should taper off and result in an improved global outlook, albeit slowly.”

DIRECTOR, FINANCE, 0-9 EMPLOYEES, UK

“Conflicting financial signals give sceptical investors opportunities.”

CHRO, FINANCE & INSURANCE, 250-499 EMPLOYEES, NORWAY

“I believe economic conditions are improving because companies are focusing on long-term strategy, operational resilience, and sustainable growth rather than just short-term reactions.”

CEO, PROFESSIONAL SERVICES, 100-249 EMPLOYEES, UK

“Firms are building resilience through smarter planning and stronger risk oversight.”

VP OF BUSINESS DEVELOPMENT, MINING, 100-249 EMPLOYEES, UK

“The war and exports, so to speak, are helping economic growth.”

COO, 1000+ EMPLOYEES, NORWAY

The Flip Side: Opportunities



NAVIGATING GEOPOLITICAL UNCERTAINTY HAS PUSHED OUR ORGANISATION TO BECOME MORE AGILE AND RESILIENT



GEOPOLITICAL SHIFTS HAVE CREATED NEW COMMERCIAL OPPORTUNITIES FOR OUR ORGANISATION



OUR ORGANISATION HAS NOT BEEN IMPACTED BY GEOPOLITICAL EVENTS IN THE PAST 12 MONTHS

Leadership/ Capability Gaps

Strategic planning and change management capabilities continue to top the list of capability gaps putting organisations at risk

In times of uncertainty, employees are looking for strong leadership

“People want to be on the winning team or work in a company that’s successful, and they’re looking for at least a view around what the future holds. If you can do that and tell a story that has a positive outlook for them, then you’ll get people really motivated. Uncertainty makes trust a hard currency between employees and management. In times of such complex change, the fundamental ability of a team to function well becomes the key differentiator.”

KRISTER AANSEN, CEO NORDICS , AZETS

Strategic planning, change management, and data analytics remain the three capability gaps leaders see as the greatest risk over the next two years.

People management has overtaken succession planning as a more pressing concern.

Digital and technology leadership also ranks as a high-risk gap, even as AI investment continues to accelerate, pointing to a widening gap between how fast businesses want to move on technology and how equipped their leadership is to drive that change.

Risk & compliance expertise has also moved up the rankings this wave, suggesting growing concern about organisations’ ability to navigate an increasingly complex regulatory environment.

Which leadership or capability gap(s) pose(s) the greatest risk to your organisation over the next two years?



Staying Resilient: Quality People To Support Agility & Decision-Making

People first; put in place the right talent to allow you to move quickly and make decisions fast

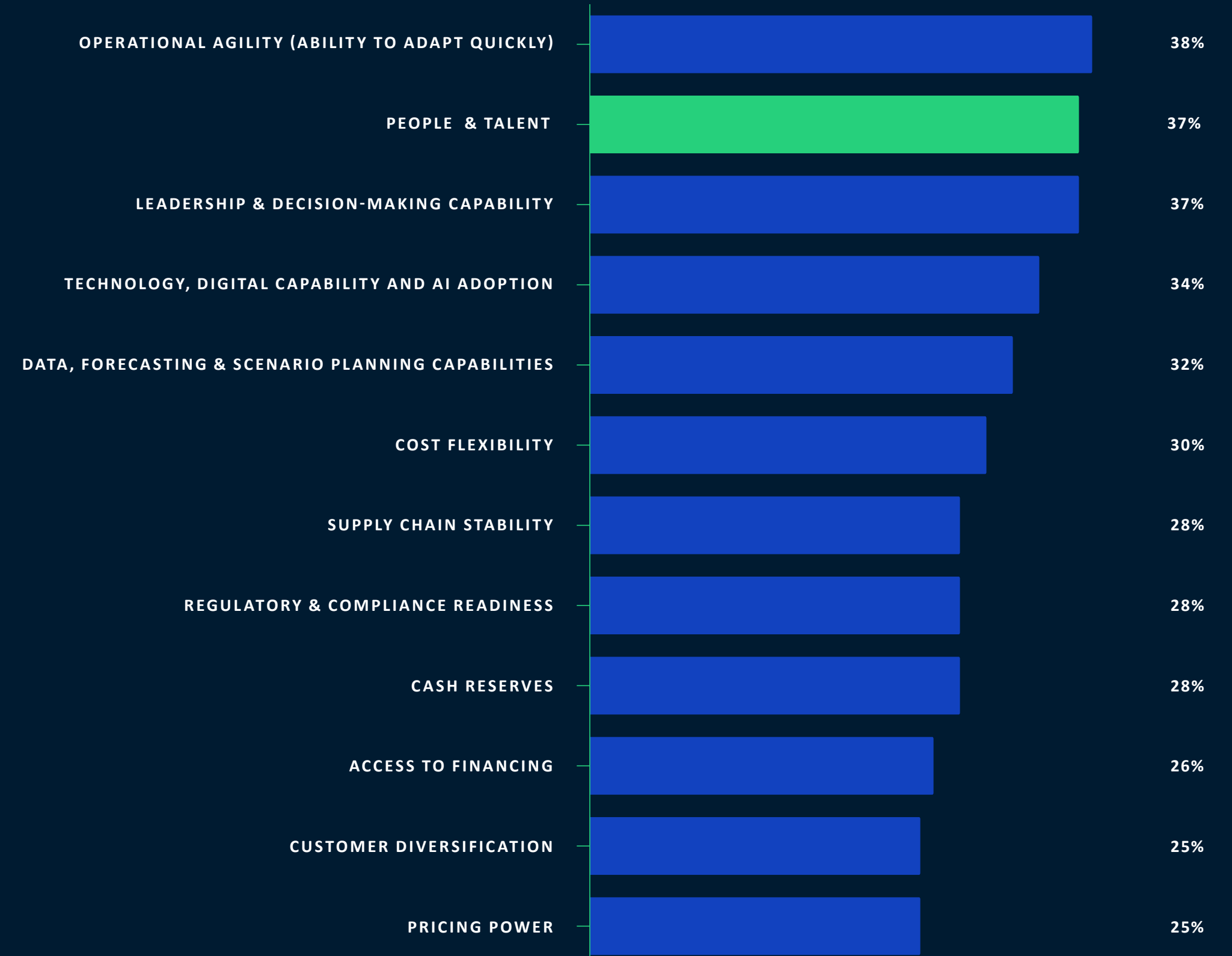
“When you enter into a testing period, if interest rates are going to start ramping up and inflation stays high, that really separates out the good businesspeople. It puts to the test who has really put in place the right team to be able to handle those sorts of situations in terms of HR, regulatory and people challenges.”

NEIL HUGHES, CEO IRELAND, AZETS

“SMEs are highly resilient. They have the ability to pivot and change their business more so than a very large organisation. It’s the eyeball test. Most SME owners can actually view their business from their office and walk the floor every day and they’re close to what is really going on. You also find that SME employees tend to have a high level of longevity and loyalty. So, when times are tough, SME owners have an ability to galvanize the team and people around a common purpose, which you sometimes find more difficult in larger organisations.”

DONALD BOYD, HEAD OF GROWTH & SALES, AZETS, UK

Which factor(s) is/are most critical to your organisation’s resilience?



Azets Barometer - Q2 2026; Which factor(s) is/are most critical to your organisation’s resilience? Weight: Equal country weight + turnover; base n = 1576

Expectations For The Year Ahead

Expectations for the next 12 months reveal a business agenda increasingly defined by AI investment, a renewed focus on sustainability, and a more inward-looking approach to growth

Business leaders expect the strongest increases in automation and AI tools, and digitalisation. This signals growing confidence in AI as a core driver of the business rather than an emerging capability. Cybersecurity remains in the top three, highlighting the continued need to protect increasingly digital businesses.

Sustainability commitments have returned to the top four after dropping out of the rankings in Q1. This rebound suggests sustainability is regaining priority even as commercial pressures persist. By contrast, international trade has fallen further down the rankings this wave, as leaders express subdued expectations for cross-border activity amid ongoing global uncertainty.



Spotlight

On Sweden: innovation through a new lens

Azets spoke to Regis Cabral, a Sweden-based businessman, academic, physicist, and expert mentor to SMEs in crisis. A specialist in technology and knowledge transfer, he believes the future of business isn't just about maximising profit; it's about buying back time, elevating human connection, and redefining what it means to be a wealthy enterprise.



FEPRO

“When you innovate and you increase the wealth of your company, what you really want is not the money, you want the possibility of buying free time. The companies that can offer their customers innovations that will allow them to have more time to be happy are the ones that are going to have a future.”

REGIS CABRAL, DIRECTOR, FEPRO

Redefining Innovation In Terms Of ‘Time Back’

For Cabral, true innovation reduces the total ‘cost’ of transactions (both financial and personal) to give business owners and employees their time back.

- **The Ultimate Commodity:** The most successful businesses of the future will be those that use innovation not just to sell another product, but to buy free time for their workforce and their customers
- **Holistic Productivity:** A stressed employee working ten hours is far less productive than a balanced employee working six. Businesses that recognise happiness and wellbeing as critical business metrics will naturally outpace those relying solely on traditional cost functions

The Hidden SME Threat: Personal Crisis

- **Root Cause:** Many small business crises are driven not by market failures, but by the founder’s personal or family issues (e.g., divorce, succession planning, or burnout) bleeding into the business
- **Succession Vacuum:** A major hurdle for Swedish SMEs today is aging founders whose highly educated children often have no desire to take over the family business.
- **Holistic Advisory:** True business resilience requires advisors to look beyond the balance sheet. If the personal well-being of the leadership team isn’t secured, the business cannot effectively innovate or survive.

Solving the Talent Shortage: The Immigrant Entrepreneur

Like much of the global market, Sweden is facing a severe talent shortage. Yet, the solution may lie in shifting how the system views incoming populations.

Lowering the Barrier for Diverse Entrepreneurs with Targeted Support for Startups:

- Current systems often push immigrants toward vital but entry-level jobs (e.g., driving buses, care work) – which doesn’t harness the inherent tenacious, often entrepreneurial, spirit of those who migrate.
- Solving the skills gap may be aided by a targeted effort to help first and second-generation immigrants so they can launch their own SMEs and employ others. For these first- and second-generation innovators, the greatest hurdle isn’t a lack of ideas—it’s navigating a complex web of corporate registration and local tax laws

Sweden, Home Of Innovation & Supporter Of Start-Ups:

Sweden’s culture has consistently fostered a climate where new ideas and technologies can thrive (Spotify, Skype, Klarna, Minecraft). The World Intellectual Property Organization (WIPO), ranks Sweden at the very top of the Global Innovation Index (#2 in 2025, just behind Switzerland).

Historical Transformation:

“About 200 years ago, Sweden was extremely poor. A large number of Swedes were forced to emigrate because life here was impossible. And what the Swedish culture has done is take this extremely negative situation and transform it, making Sweden the great nation it is today.”

A Persistent Culture of Innovation:

“Sweden is a very innovative culture, and it has been historically so. It’s not a new element in Swedish history, it’s been there all the time.”

Public Investment & Infrastructure:

“To be innovative, you do need public investment because all businesses confront risk. Innovation is risky. So it’s much better to have a collective system to invest in innovation - Sweden has a very good structure for that.”

Multiculturalism & Global Exchange:

“Sweden is actually a country of immigrants... it’s multicultural. And that has provided tremendous advantages. Not only do people come from other cultures but also Swedes who have gone abroad come back with ideas and contacts and networks. This has provided new ideas, new inputs, new ways of asking questions, and networks of potential buyers.”

AI Balance: Hype Vs Reality

Ambition continues to outpace readiness

Nearly three quarters believe AI will be critical to their success and the benefits outweigh the risks — however:

- only around half feel they have the infrastructure in place to scale it effectively
- six in ten worry about falling behind competitors on AI adoption
- nearly six in ten feel the business benefits of AI have been overhyped

Business leaders find themselves at a tipping point where confidence in AI’s potential is counterbalanced by uncertainty about whether they can keep up.

“The best use of AI now is not just out of the box. It’s more about integration and automation. We’re calling out for some government support for SMEs, to do the business analyst work so that they understand how best to deploy AI, allowing them to be competitive in the global sense. A lot of AI is being embedded in existing software and sold to SMEs without looking and understanding the user and what their business processes are.”

DONALD BOYD, HEAD OF GROWTH & SALES, AZETS, UK

“I think a lot of SMEs don’t even know where to start.”

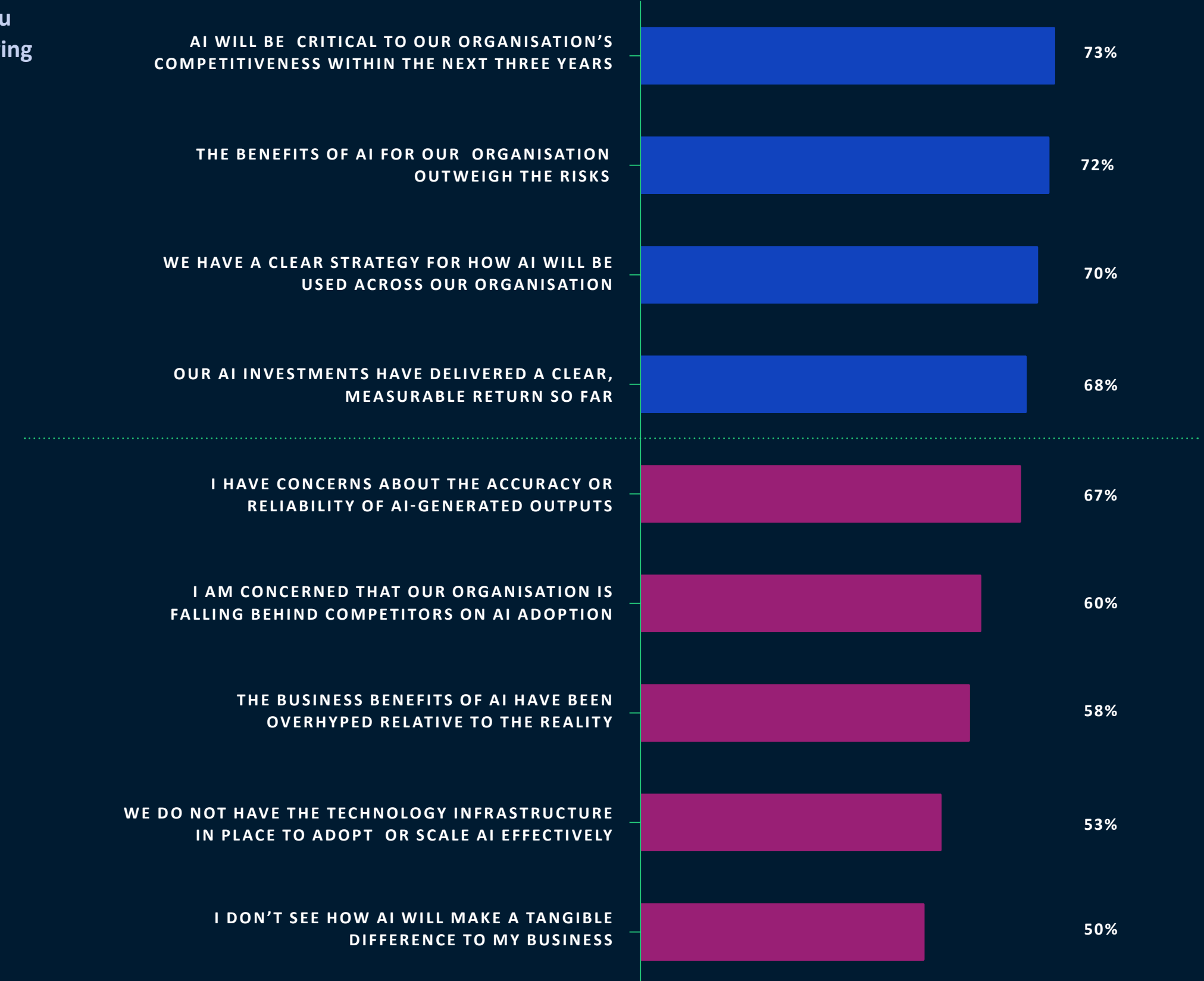
NEIL HUGHES, CEO IRELAND, AZETS

AI Confidence

“AI adoption is creating new productivity gains and opening up fresh revenue opportunities for businesses.”

CTO, MANUFACTURING, 1000+ EMPLOYEES, UK

To what extent do you agree with the following statements? Agree



AI Concerns

“I am very sceptical about the impact of artificial intelligence on employment.”

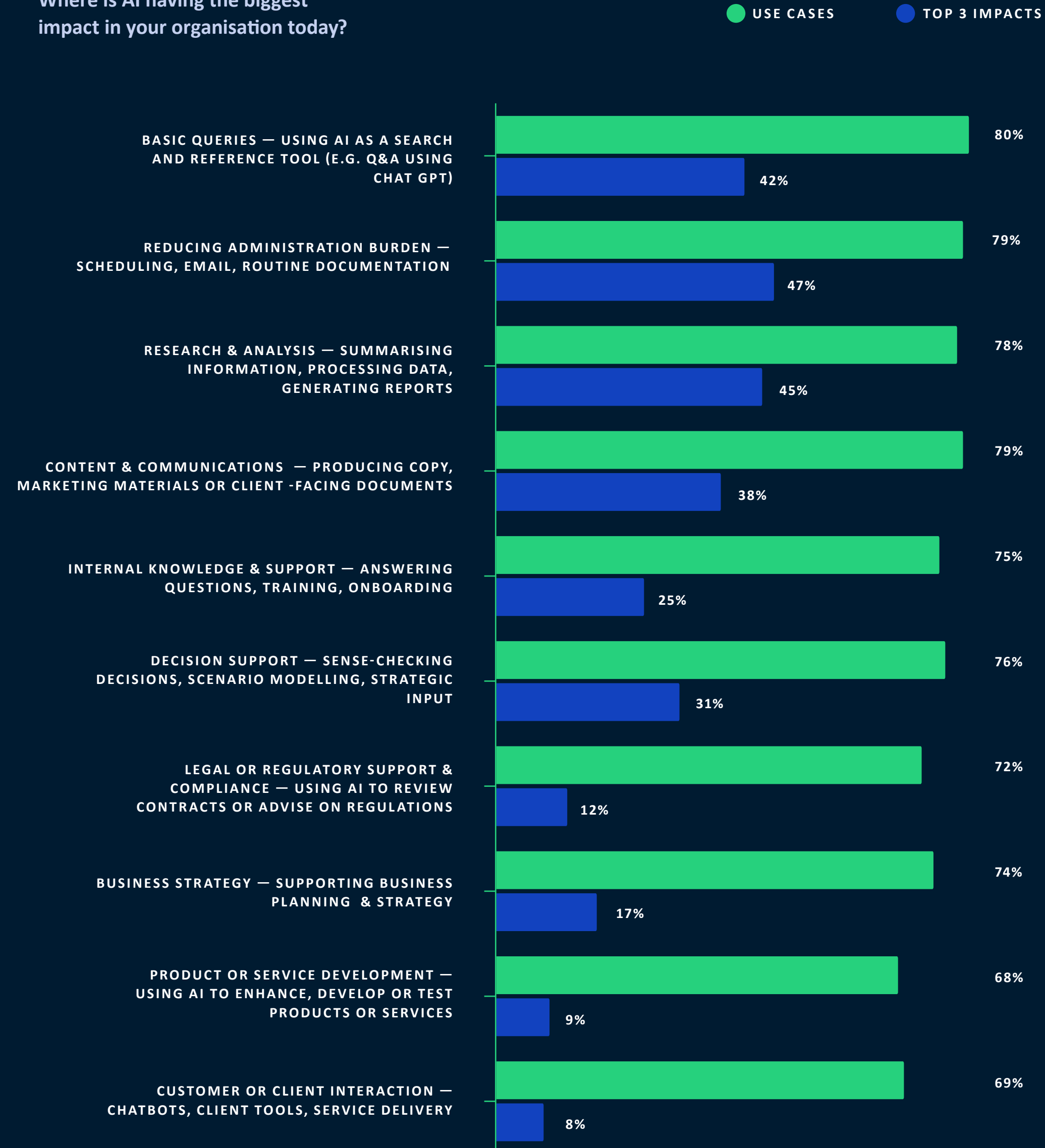
CONTROLLER, TRANSPORT & STORAGE, 10-49 EMPLOYEES, FINLAND

Organisations Are Using AI Across A Full Range Of Tasks; But Biggest Impact In The Basics

Very few are taking AI to the next level (e.g., R&D, client interactions). Is a gap quietly opening up?

AI is used everywhere, but its biggest impact is still felt in everyday tasks. Higher- value applications like business strategy and product development are tested widely but are rarely where AI is making the biggest difference.

Where is AI having the biggest impact in your organisation today?



73%

AGREE AI WILL BE CRITICAL TO OUR ORGANISATION'S COMPETITIVENESS WITHIN THE NEXT THREE YEARS

“AI is now hitting more and more businesses. They are getting exposed to the AI mega trend and they’re beginning to see the technology having real impact on either the marketplace or the core processes. We’re beyond the experimental phase where playing around with Copilot will be enough to position yourself long-term. So people are really grappling with the AI dilemma and raising their head a bit around making new investments.”

Concerns Linger: AI Will Steal Jobs

Confidence and concern coexist

Most leaders trust their workforce has the skills to use AI effectively, but almost two-thirds believe AI will make some roles redundant within five years.

The question isn't whether jobs will change, but how quickly and who will be affected.

"AI in the Nordics is influencing the job market for new graduates coming into the office, where it's very clear that the larger consultants are reducing the number of new hires and graduates entering their graduate programmes, and they're looking for different skill sets. It's a shift in relevant competence and the number of jobs available. So the younger generation is actually getting increasingly concerned about the outlook."

KRISTER AANESEN, CEO NORDICS, AZETS



OUR WORKFORCE HAS THE SKILLS
NEEDED TO USE AI EFFECTIVELY



I WORRY THAT AI WILL
MAKE SOME ROLES IN MY
ORGANISATION REDUNDANT
WITHIN FIVE YEARS

Whose role is it to upskill and get SMEs onboard the AI train?

SME owners have an obligation to educate themselves

"SME owners will be left behind, they will find that they're being outstripped unless they understand what's happening. They don't have to be technical experts. They don't have to know how to build a model in OpenAI or whatever, to build an agent, but they do need to know what is going on. They have an obligation to educate themselves. They are going to have to actually catch up with the younger generation who are coming through and are going to push the change anyway."

NEIL HUGHES, CEO IRELAND, AZETS

Could digital natives be the key to training up older generations?

"One of the issues that we've got today, is the tragic increase in youth unemployment. I think what a lot of SMEs could be doing with is a real good boost of the digital natives...those people around the table working hand in hand with the grey hairs in the business who fundamentally understand the business, but don't necessarily understand the tech. If we can encourage SMEs to employ the young people, then I think we've got a fighting chance of upskilling the overall business because just naturally, they are using tooling that those of us of a certain age would have to learn."

DONALD BOYD, HEAD OF GROWTH & SALES, AZETS, UK

AI is Shifting The Role of Advisory

From reporting to relationships

As AI takes over routine financial tasks, advisors are spending more time on strategic guidance and human connections.

Clients increasingly expect real-time insight and proactive advice, not just historic reporting.

“It’s a further affirmation of the role that we play as trusted business advisors and the role that the accountant in society is going to play in the future following the advent of AI. Our clients need us to be out there empathizing, connecting, communicating with them in a really clear and jargon-free way on what they need to do next. SMEs rightly are saying, “Well, what value are you bringing to the table?” But actually it’s the enabler to allow a smaller business access to better management information, better real time information to make that decision, and deal with the regulation in a smart way.”

NEIL HUGHES, CEO IRELAND, AZETS

Advice for SMEs meeting the AI transition head-on

- Prepare your people
- Those with the right skill sets will rise to the challenge
- Adopt and adapt to future-proof with AI

“We have been advising our SMEs to have a look at their people - are they ready for this new world? You need to be out in the marketplace, generating business and building trust. AI has taken over a lot of what’s happening in the back office, but the strength of your business is going to be how strong your people are at building human connections. AI is going to force people to show up in a positive and empathetic way in their interactions with others. You have to adopt the new technologies that come in and then you have to adapt the way you operate. How do they show up? Culture is a choice, you can choose to show up in a positive way in your workplace with your colleagues, or you can choose just to be downbeat and drain the energy. AI is going to help create more positive workplaces by enabling self-management.”

NEIL HUGHES, CEO IRELAND, AZETS

“The best SMEs are the ones that have embraced all the tooling available in the financial world today. Those who struggle are the ones who are still stuck 20, 30 years ago, who run their business by the bank statement, and who’re learning the altitude of their plane half an hour ago, when they’re on the ground and crashed. So there is no excuse now not to have really good tooling, because there is some great stuff out there to help SMEs get real-time financial information to make informed decisions. These tools were probably 20 years ago only available to those with scale in the enterprise segment of the market, whereas today there’s a democratisation of that.”

DONALD BOYD, HEAD OF GROWTH & SALES, AZETS UK

Insights By Market



United Kingdom

Insights and Trends – Q2 2026

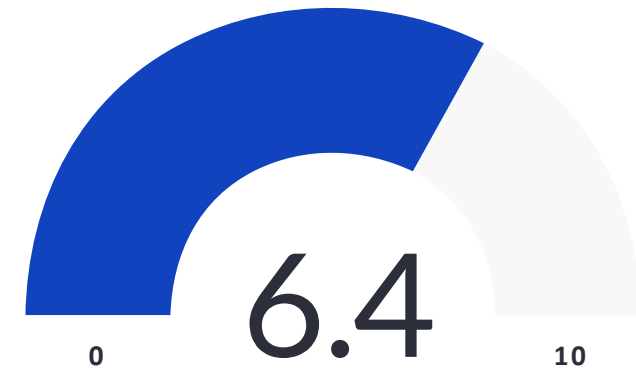
Outlook

Average



Performance

Average



Concerns

Higher labour costs dominate UK business concerns

What are your main concerns regarding potential negative impacts on your business?

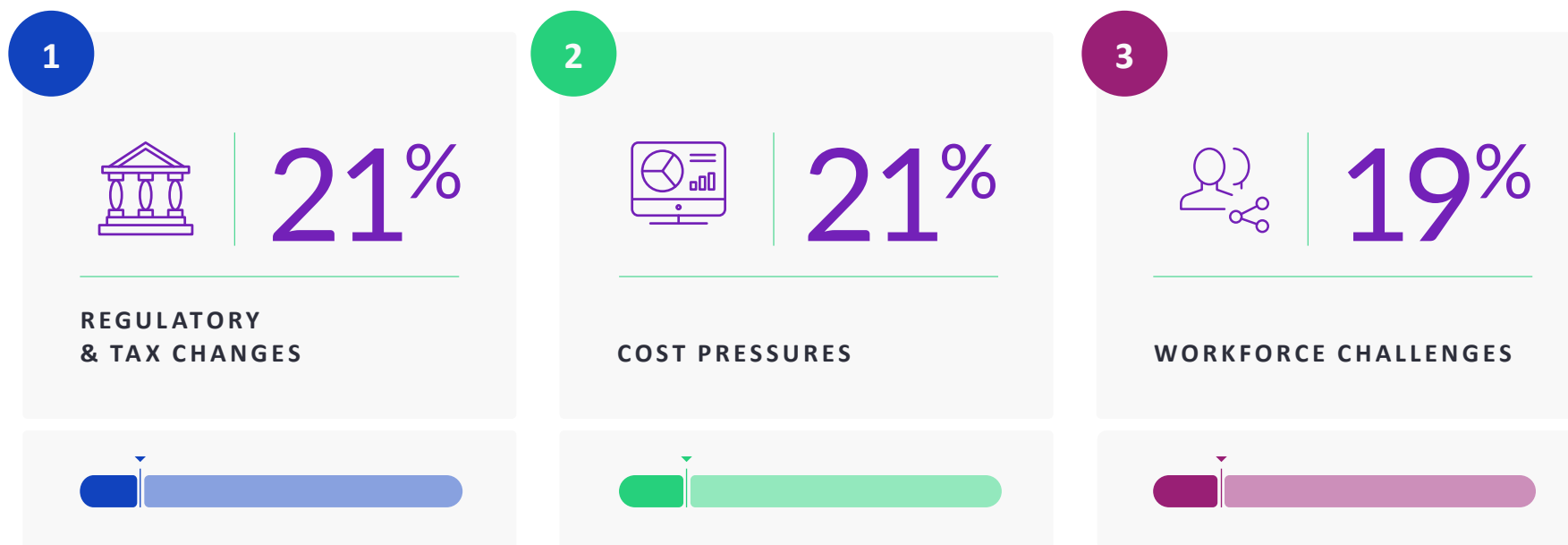


- The UK remains the most cautious market in the survey. Economic optimism has slipped to 5.1 and financial performance to 5.4, both the lowest of all six markets and both down on Q1
- UK business performance also sees a slight decline to 6.4 this quarter (again below the all-market average at 7.3)
- Higher labour costs and reduced profit margins have led business concerns in every wave since 2025 and show no sign of easing — with tax uncertainty, cashflow pressure, and labour skills shortages all rising up the rankings in Q2
- Regulatory and tax change is the single greatest pressure on UK businesses, unchanged from Q1 — cost pressures and workforce challenges follow close behind

Impacts

Regulatory & tax changes having most impact on UK business

Which type of pressure is currently having the greatest impact on your business?



LEADERSHIP PERSPECTIVES

“Overall the average sentiment is quite uncertain at the moment. Uncertainty over some of the geopolitical matters that we’re talking about, the uncertainty in interest rates, it’s almost the mood music of the economy. So, with interest rates rising, people feel confidence waning.

The other matter really coming through today is the labour market issues and SMEs where we’re probably seeing a lack of hiring, wanting to protect their current cohort and their business.

There is a huge amount of regulation that disproportionately hits the SMEs because they don’t have the scale to spread the cost of implementation when it comes down to it.

DONALD BOYD, HEAD OF GROWTH & SALES, AZETS, UK



United Kingdom

Insights and Trends – Q2 2026

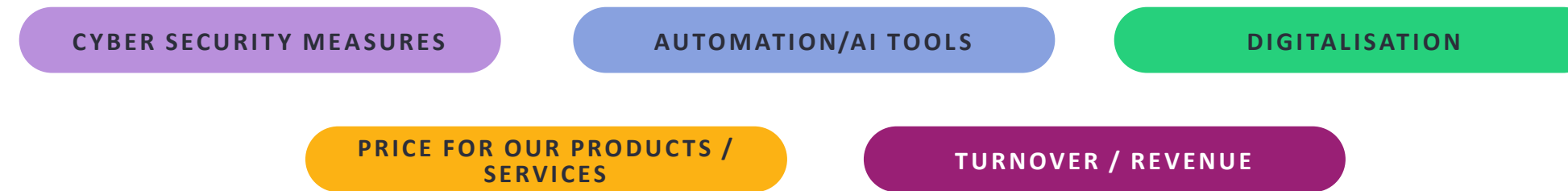
Key Insights

- UK businesses are less confident than their peers on AI readiness.
- Just 41% of UK leaders feel their workforce has the skills needed to use AI effectively (vs 65% across all markets), only 46% say AI investments have delivered a measurable return (vs 68%), and only 45% have a clear strategy for AI use (vs 70%)
- This reflects the cautious operating environment UK businesses are navigating, where cost pressures, regulatory uncertainty, and subdued confidence are making it harder to commit to transformative investment

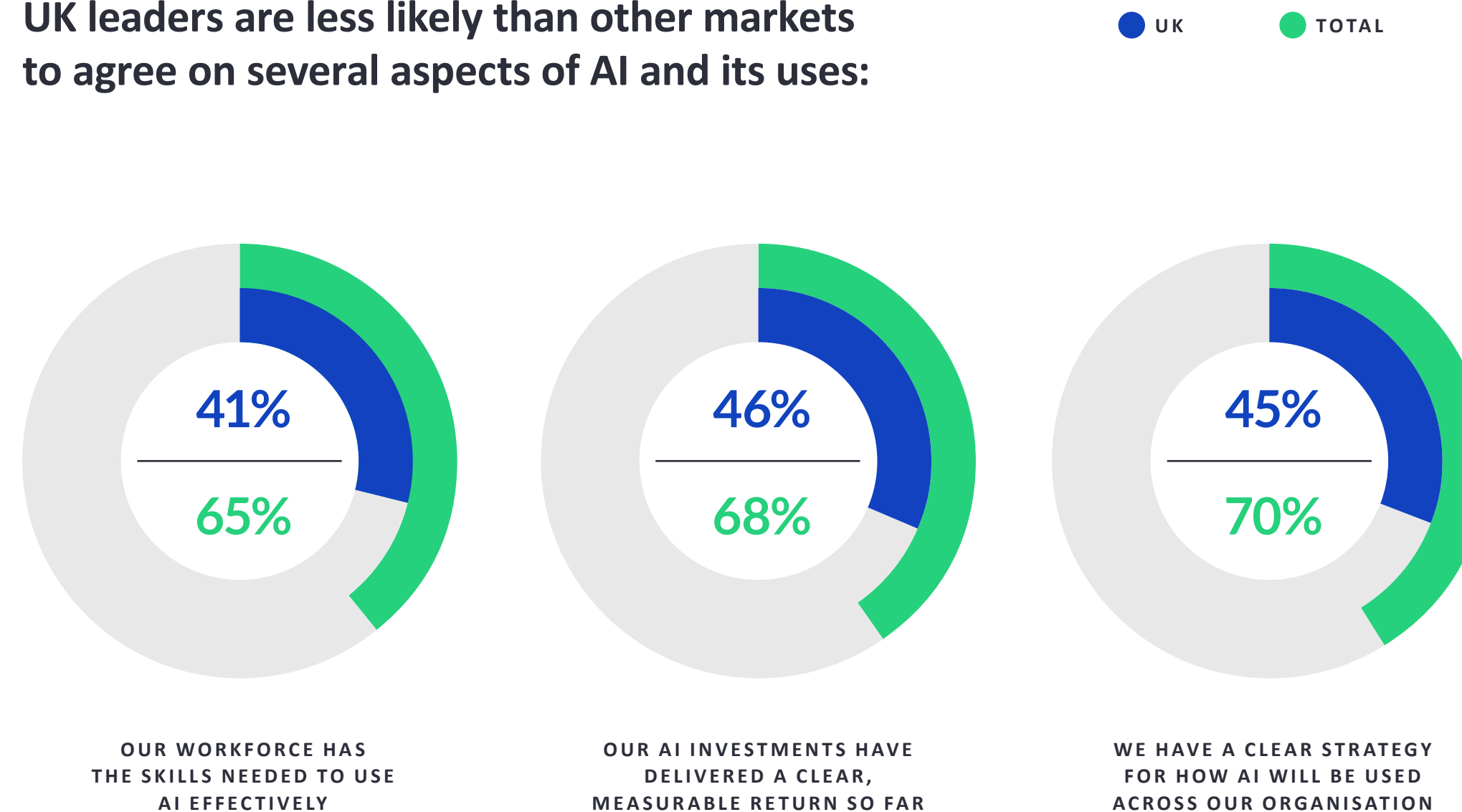
“Don’t think the new policies applied by the current government promotes economic growth. Businesses are closing as shown by the empty shops on the high street and NI increases and minimum wage means there’s no incentive to flourish.”

IT OPERATIONS DIRECTOR, FINANCE, 1000+ EMPLOYEES, UK

Top Investments in the next 12 Months:



UK leaders are less likely than other markets to agree on several aspects of AI and its uses:



LEADERSHIP PERSPECTIVES

LEADERSHIP PERSPECTIVES

“I’m encouraged by how the UK continues to attract global businesses and investment despite recent economic challenges.”

VP, BUSINESS ADMINISTRATION, 100-249 EMPLOYEES, UK

“AI adoption is creating new productivity gains and opening up fresh revenue opportunities for businesses.”

CTO, MANUFACTURING, 1000+ EMPLOYEES, UK

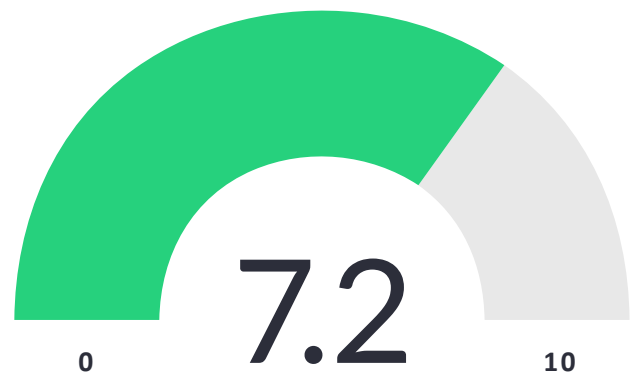


Ireland

Insights and Trends – Q2 2026

Outlook

Average



Performance

Average



Concerns

Financial predictability costs tops Irish business concerns

What are your main concerns regarding potential negative impacts on your business?

	MAY 2025	OCTOBER 2025	MARCH 2026	JUNE 2026
1	HIGHER LABOUR COSTS	GEOPOLITICAL EVENTS	HIGHER LABOUR COSTS	FINANCIAL PREDICTABILITY
2	PRESSURE ON CASHFLOW	HIGHER LABOUR COSTS	GEOPOLITICAL EVENTS	PRESSURE TO IMPROVE OPERATIONAL EFFICIENCY
3	REDUCED PROFIT MARGINS	LABOUR SKILLS SHORTAGE	FINANCIAL PREDICTABILITY	CHANGE IN CONSUMER DEMAND
4	FINANCIAL PREDICTABILITY	PRESSURE ON CASHFLOW	LABOUR SKILLS SHORTAGE	REDUCED PROFIT MARGINS
5	PRICE INCREASE TO CUSTOMERS	PRESSURE TO IMPROVE OPERATIONAL EFFICIENCY	REDUCED PROFIT MARGINS	HIGHER LABOUR COSTS

- Irish average optimism is on an upward trend at 7.2 (was 6.9 in Q1)
- Irish business performance remains on the up (now 7.6, above the all-market average at 7.3)
- In Ireland economic uncertainty is overtaking geopolitical uncertainty

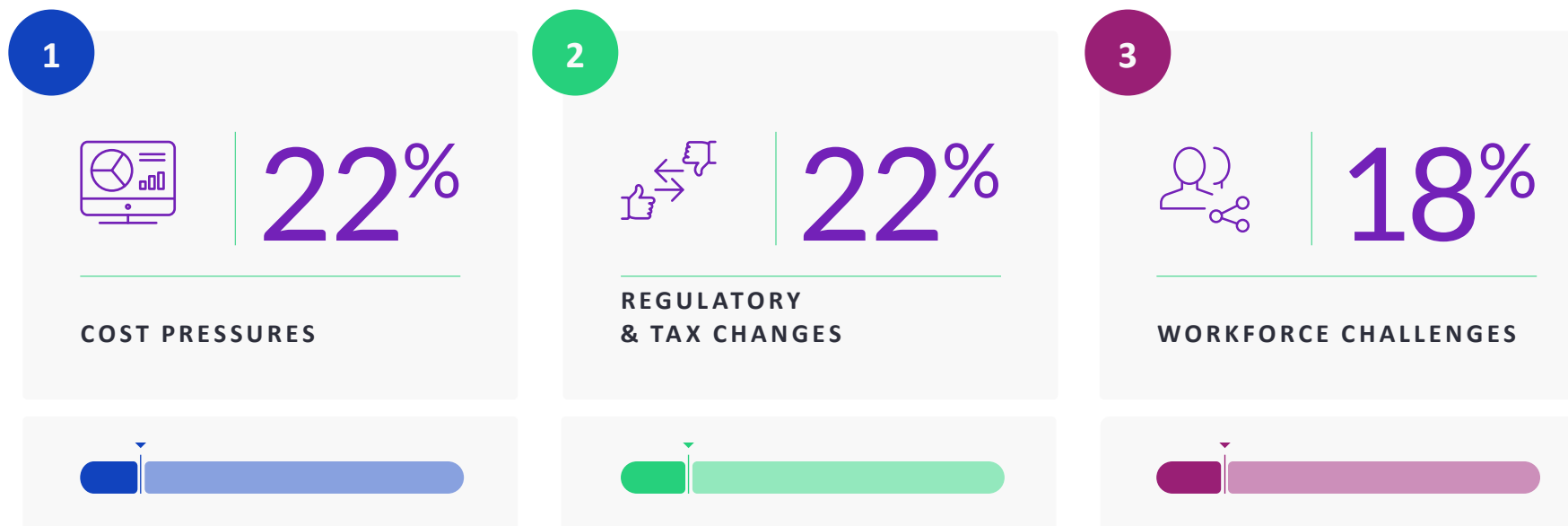
“I think the multinational sector will continue to be strong. It seems like everybody has gotten over the threat of tariffs as being a massive threat to the multinational pharma, tech, and ICT sector in Ireland.”

NEIL HUGHES, CEO IRELAND, AZETS

Impacts

Cost pressures having most impact on Irish business

Which type of pressure is currently having the greatest impact on your business?



LEADERSHIP PERSPECTIVES

“When you see interest rates going up, when you see inflation in excess of 3%, you see energy costs very high, those who are in the know will realise that this probably is a turning point and a pivot.”

There is common talk that interest rates could go from 2% to 3% within a short period. That’s very significant for SMEs. Many of our SME clients have some form of lending. But not only that, they are relying on consumers’ discretionary spending and disposable income, which are inevitably going to get squeezed. This is a blow to SME confidence and stability. We’re going to see people planning for this new cycle in terms of projections, business modelling, and financial planning.

Generally speaking, the backdrop is pretty strong as we enter into this uncertain time of high inflation, high interest rates, and more instability. Our SME owners tend to be wise from learned experience, which is much more valuable than something they’ll read in a newspaper or in a book.”

NEIL HUGHES, CEO IRELAND, AZETS



Ireland

Insights and Trends – Q2 2026

Key Insights

- Irish leaders see the value in AI to help them stay competitive – but right now are mostly using GenAI for Research and analysis — e.g. summarising information, processing data, generating reports
- 83% of Irish leaders agree (top 2 agree) they have a clear strategy for how AI will be used across the organisation
- 82% of Irish leaders agree (top 2 agree) that AI will be critical to their organisations competitiveness within the next 3 years.
- The Irish are more likely than other markets to say Digital / technology leadership is a capability gap for them



83%

OF IRISH LEADERS SAY THEY HAVE A CLEAR STRATEGY FOR HOW AI WILL BE USED ACROSS THEIR ORGANISATION



82%

OF IRISH LEADERS SAY AI WILL BE CRITICAL TO THEIR ORGANISATION'S COMPETITIVENESS IN THE NEXT 3 YEARS



46%

OF IRISH LEADERS SAY DIGITAL / TECHNOLOGY LEADERSHIP IS A CAPABILITY GAP FOR THEIR ORGANISATIONS, HIGHEST ACROSS ALL MARKETS

LEADERSHIP PERSPECTIVES

“I think the vast majority of businesses are using AI for research-related tasks, answering questions, coming up with suggested solutions, and first drafts of work that they are doing. So that’s certainly the case.”

What’s not happening is that agentic AI has not really taken hold at all with SMEs in Ireland. And that’s understandable; they don’t have either the knowledge or the resources to really exploit the power of multi- agentic AI. And we’re probably a couple of years away from that.”

NEIL HUGHES, CEO IRELAND, AZETS



Denmark

Insights and Trends – Q2 2026

Outlook

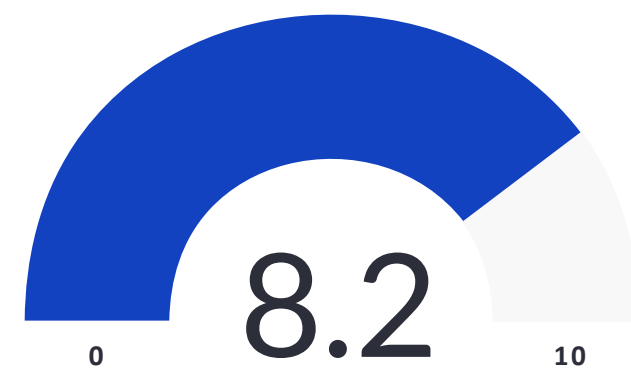
Average



- Denmark leads on both economic optimism (8.1) and financial performance (8.2); both up from 7.2 and 7.1 in Q1
- Interest rates & inflation and cybersecurity attacks are the joint top concerns (86%), with geopolitical uncertainty ranking only fifth (84%), unlike other markets where it dominates concerns

Performance

Average



- Expectations for the year ahead reinforce an outward-looking stance, with 91% planning expansion into new markets and 89% planning increased capital investment — among the highest growth intentions in the survey

Top Concerns

- INTEREST RATES & INFLATION
- CYBER SECURITY ATTACKS ON YOUR BUSINESS
- COMPETITION
- TECHNOLOGY
- GEOPOLITICAL UNCERTAINTY

Future Expectations

- EXPANSION INTO NEW MARKETS
- CAPITAL INVESTMENT
- SUSTAINABILITY COMMITMENTS
- TURNOVER /REVENUE
- DIGITALISATION



72%

OF DANISH LEADERS SAY THEIR ORGANISATION HAS NOT BEEN IMPACTED BY GEOPOLITICAL EVENTS IN THE PAST 12 MONTHS

“Denmark has a stable welfare system, a strong green industry and export competitiveness, as well as employment and inflation under control.”

CIO, BUSINESS ADMINISTRATION & SUPPORT SERVICES, 500 TO 999 EMPLOYEES, DENMARK

LEADERSHIP PERSPECTIVES

“Things certainly look brighter, and we are more confident that we have gotten over the worst.”

OPERATIONS MANAGER, CONSTRUCTION, 100-249 EMPLOYEES, DENMARK

“I believe that Denmark will continue to grow because employment is high and companies are still investing in new projects.”

CEO, CONSTRUCTION, 50-99 EMPLOYEES, DENMARK



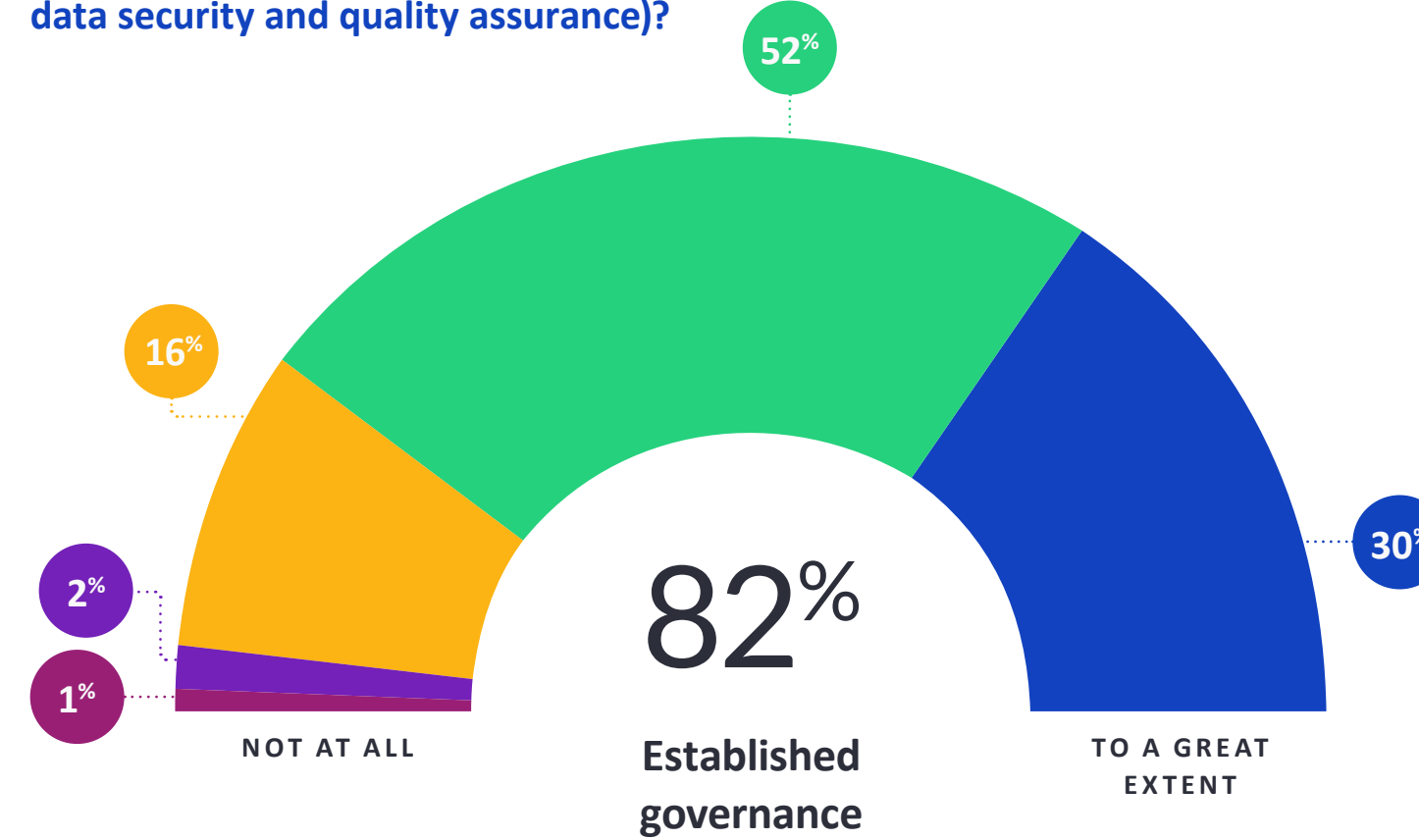
Denmark

Insights and Trends – Q2 2026

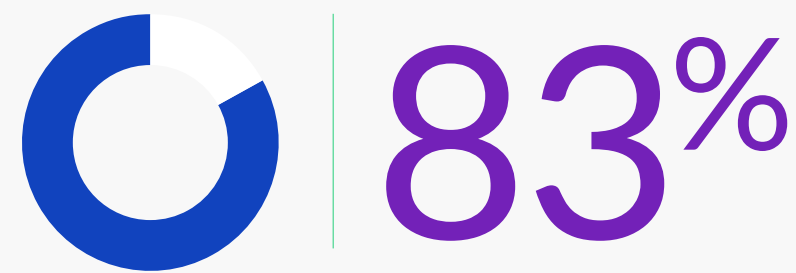
Key Insights

- 82% of Danish businesses rate themselves a 4 or 5 (out of 5) on how far along they are in establishing clear guidelines and governance for the use of AI
- Over 1/3 (36%) of Danish leaders also state that they are going to use AI and automation to increase productivity

How far along are you in establishing clear guidelines and governance for use of AI (e.g. policies, responsibilities, data security and quality assurance)?



How do you primarily expect to increase productivity over the next 12 months?



AGREE AI WILL BE CRITICAL TO OUR ORGANISATION'S COMPETITIVENESS WITHIN THE NEXT THREE YEARS

LEADERSHIP PERSPECTIVES

"People recognise that you need to control your data. The data security hygiene is now widely accepted, people understand that."

In terms of understanding the risks associated with business or ethical dilemmas when you combine lots of data and make decisions... I don't think we have fully covered that risk aspect well enough. There's more to learn as we better understand AI to manage risks adequately.

At the moment, it's a lot about cybersecurity and data privacy and making sure you contain your data within your domain, but as we evolve and learn to use AI more and more, we will probably get a more nuanced view on risks."

KRISTER AANESEN, CEO NORDICS, AZETS

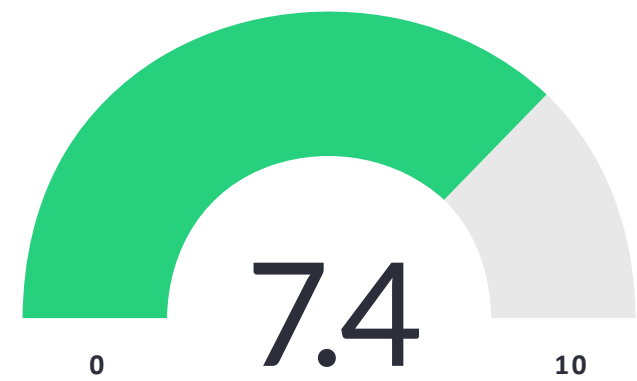


Sweden

Insights and Trends – Q2 2026

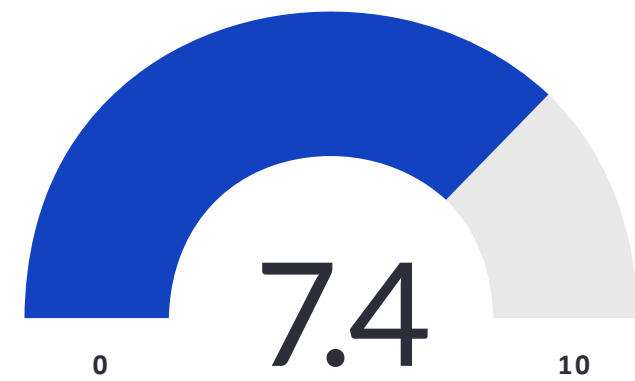
Outlook

Average



Performance

Average



What do you anticipate your organisation’s resourcing situation will be over the next 12 months?



Key Insights

- Economic optimism (7.4) and financial performance (7.4) have both held steady from Q1 — Sweden remains one of the more confident markets
- Six in ten organisations (65%) are planning to expand or recruit in the next 12 months, up from 60% in Q1



LEADERSHIP PERSPECTIVES

“The resilient economy, growing technology sector and steady employment trends all encourage optimism about future growth.”

VP OF FINANCE, INFORMATION & COMMUNICATION, 1000+ EMPLOYEES, SWEDEN

“I am optimistic about the economy and that the key factors are the pace of innovation and that most companies are adopting AI technology for the new era.”

VP, FINANCE, 500-999 EMPLOYEES, SWEDEN



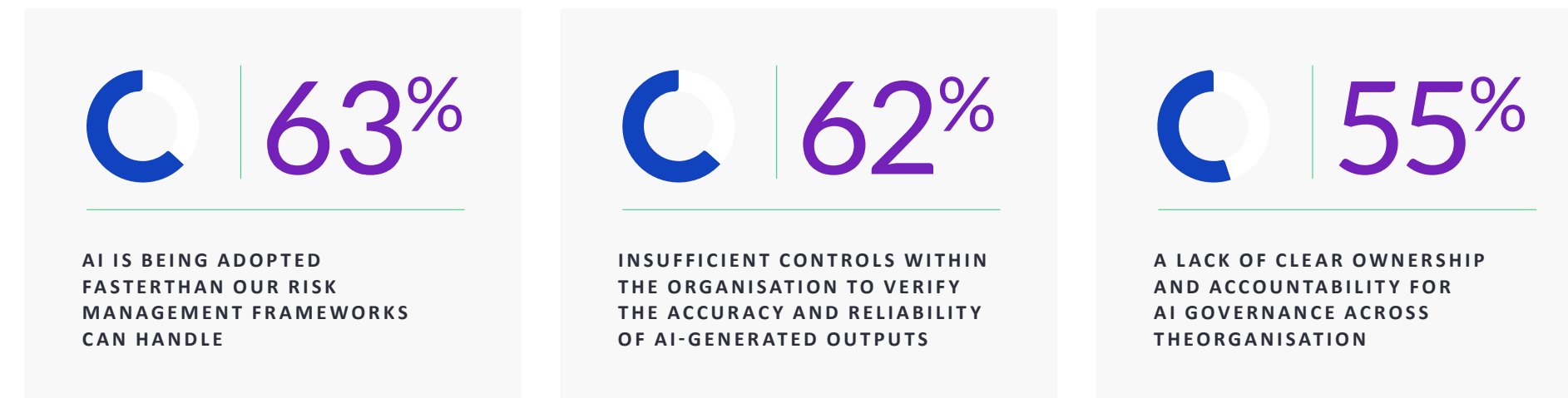
Sweden

Insights and Trends – Q2 2026

Key Insights

- Six in ten Swedish businesses are concerned that AI is being adopted faster than their risk management frameworks can handle, a tension between the speed of rollout and the governance needed to manage it safely
- Concerns about output reliability (62%) and unclear AI ownership (55%) follow closely, suggesting the challenge is not whether to use AI but how to use it responsibly
- Swedish businesses are particularly concerned about ‘Cyber-enabled fraud such as invoice scams or payment diversion’ and also ‘Fraud or financial crime carried out by third parties such as suppliers or contractors’
- More worrying: six in ten (61%) doubt their organisation would detect fraud before significant damage is done

How concerned are you about each of the following in relation to AI use in your organisation?



Please rate your level of concern regarding the risk of internal fraud or employment-related financial crime within your organisation over the next 12 months.



LEADERSHIP PERSPECTIVES

“The cyber risk is there regardless of AI, because the people who are tracking you have a new set of tools available.”

AI is still seen as a key enabler, and a lot of the challenges are actually around the internal change agenda, etc. Yes, cybersecurity is on the agenda, but it's still seen as a technical necessity, which has always been there, as opposed to the fact due to AI that the risk is suddenly multiplied by a factor of X.

I don't think we've seen the full contours of the threat yet. It's there, and people see it's there, but it's still a bit theoretical in many people's minds. Until we see large new fraud cases happening, I don't think people will fully wake up. But once they come, things may change.”

KRISTER AANESEN, CEO NORDICS, AZETS



Finland

Insights and Trends – Q2 2026

Outlook

Average



Performance

Average



- Economic optimism (6.9) has reached a higher level, recovering from a low of 4.7 in October 2025
- Financial performance has also improved, reaching 6.9 — Finland’s highest reading to date but it still lags the other Nordic markets

Data-Driven Financial Forecasting

- 70% of Finnish leaders say automation and AI already support their company’s financial forecasting and scenario planning

Top Concerns

GEOPOLITICAL UNCERTAINTY

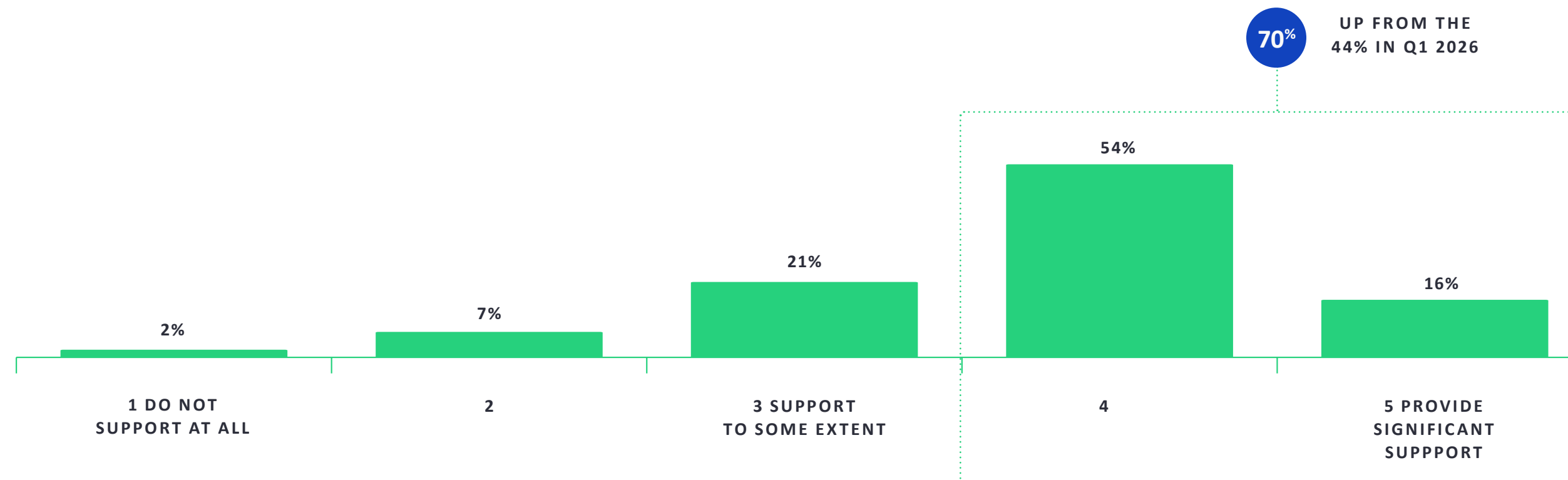
REGULATORY COMPLIANCE

COMPETITION

TECHNOLOGY

TRADE TARIFFS

To what extent do automation and/or AI support your company’s financial forecasting and scenario planning?



LEADERSHIP PERSPECTIVES

“I am optimistic because opportunities in international trade are growing, which could significantly increase exports, corporate profits, and employment opportunities.”

SENIOR MANAGER, TRANSPORT & STORAGE, 250-499 EMPLOYEES, FINLAND

“I strongly believe that improvements in education and digital skills will help future workers make a positive contribution to the country’s future economic development.”

VICE PRESIDENT, FINANCE & INSURANCE, 1000+ EMPLOYEES, FINLAND

“In terms of statistics, Finland’s economic development has been at the absolute tail end among European/OECD countries. I am also very sceptical about the impact of artificial intelligence on employment.”

CONTROLLER, TRANSPORT & STORAGE, 10-49 EMPLOYEES, FINLAND



Finland

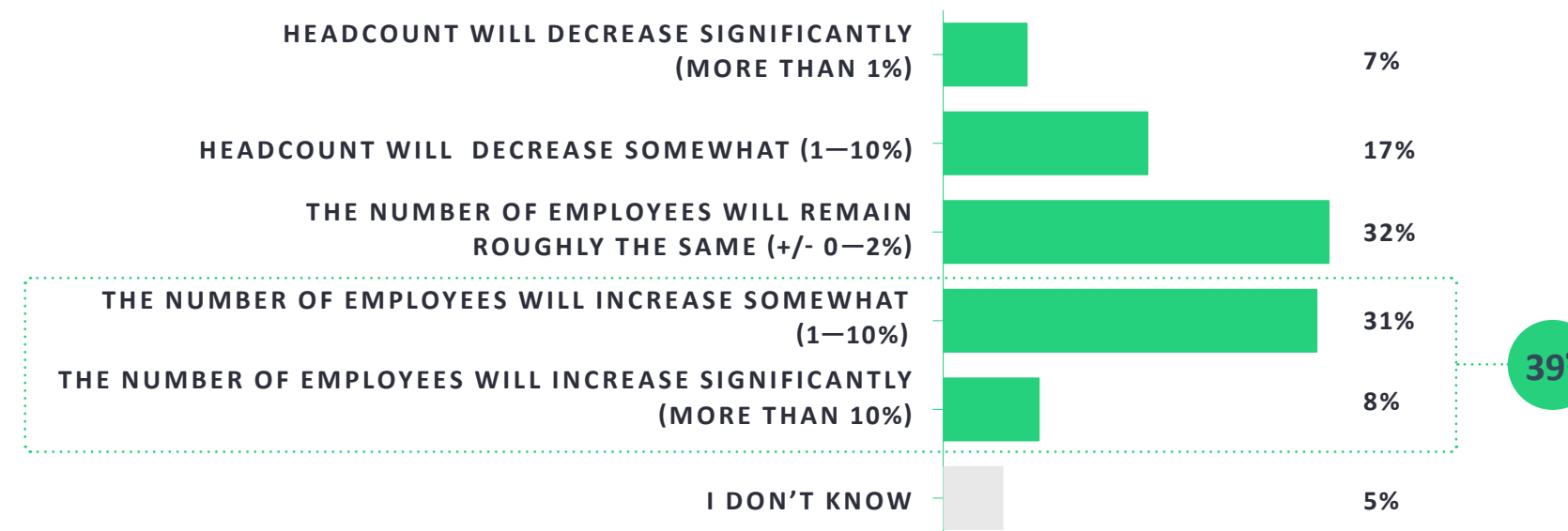
Insights and Trends – Q2 2026

How much has your company invested / does it plan to invest in expanding its AI capabilities over the next year or two?

- Finnish businesses are backing AI with serious investment
- Six in 10 are committing €100,000 or more to expanding their AI capabilities over the next year or two, with only 7% planning to sit it out

How do you think artificial intelligence will affect your company’s headcount within the next year or two?

- Finnish businesses are divided on the impact of AI on headcount
- While nearly a quarter expect workforce reductions, even more anticipate hiring growth as AI creates new demand for people



39%

LEADERSHIP PERSPECTIVES

“The Fins have cut back quite a bit on employment over a few years . Having cut back and been prudent for a while, given the macro setting, there is a sentiment that AI is an opportunity and that it will give new opportunities to adapt and develop the business models and create new businesses as well.

It’s a consequence of the fact that they have cut back for a while now and have been in the slump and downsized their businesses and are now are beginning to see, okay, beyond that cycle, what’s next? So that’s actually been a shift in sentiment”

KRISTER AANESEN, CEO NORDICS, AZETS



Norway

Insights and Trends – Q2 2026

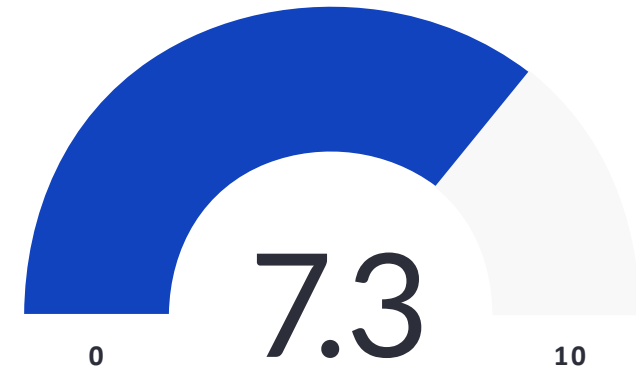
Outlook

Average



Performance

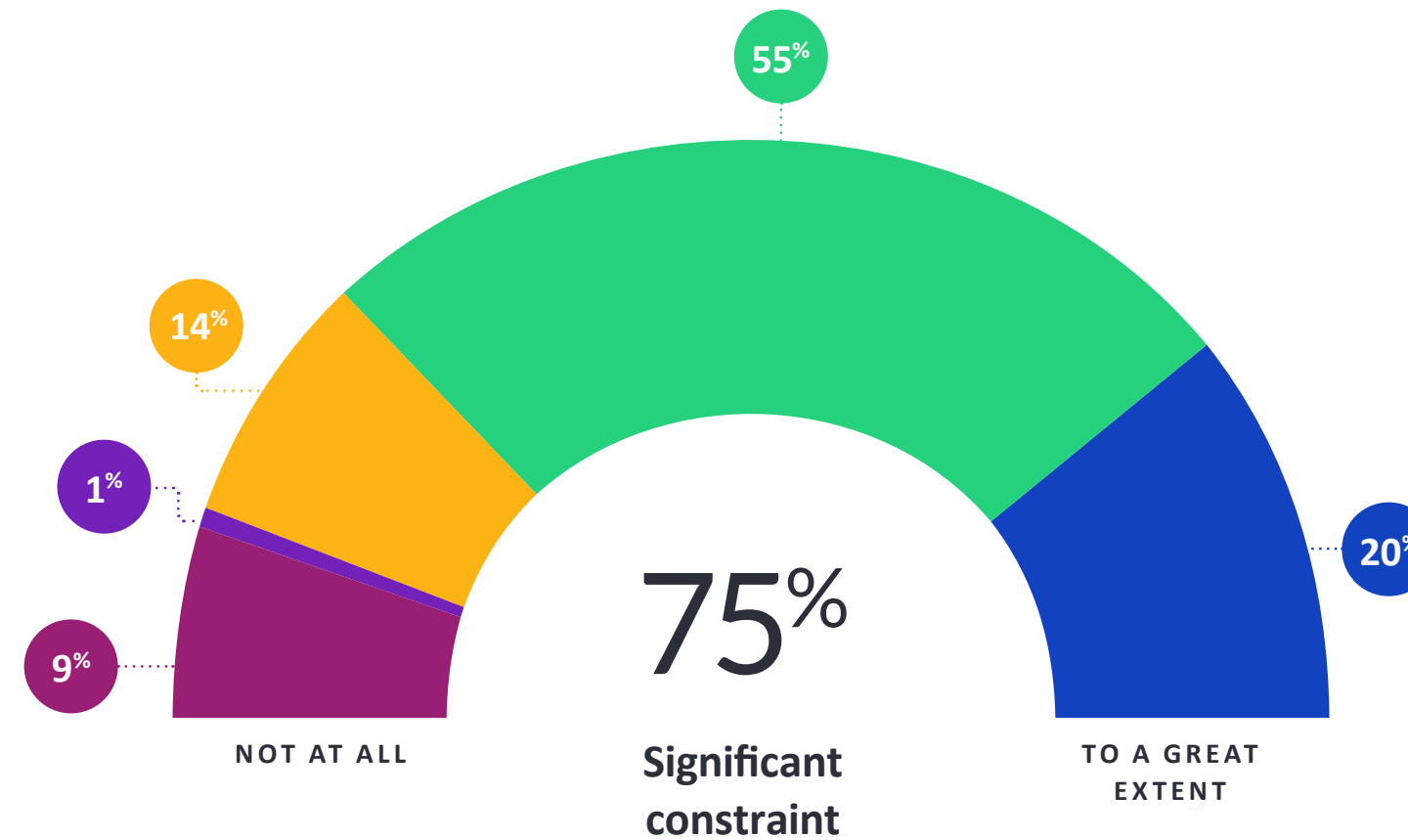
Average



Key Insights

- Norway reaches its highest economic optimism (7.3) and financial performance (7.3) scores since tracking began — both up from 6.9 and 7.1 in Q1
- Skills shortages are intensifying as 75% say a lack of people with the right skills is limiting their ability to deliver and grow, up sharply from 63% in Q1

To what extent does a lack of people with the right skills limit the organisation’s ability to deliver, grow, or take on new assignments?



“There is an increasing need for initiatives for professional skills enhancement and retraining.”

VICE PRESIDENT, EDUCATION,
250 TO 499 EMPLOYEES, NORWAY

LEADERSHIP PERSPECTIVES

“I am optimistic because there are now more opportunities for innovation and economic growth across a range of sectors”

SENIOR MANAGEMENT, RETAIL, 500-999 EMPLOYEES,
NORWAY

“The pressure of costs has lessened. That makes it easier to plan and invest with greater confidence.”

GENERAL MANAGER, FINANCE, 500-999 EMPLOYEES,
NORWAY

“Oil and gas revenues give us a solid financial buffer that not many other economies possess.”

CFO, MANUFACTURING, 500-999 EMPLOYEES,
NORWAY

“Norway is doing very well. The country has large oil revenues, a stable labour market and wages rising faster than inflation. Citizens have financial security.”

SENIOR MANAGEMENT, RETAIL, 500-999 EMPLOYEES,
NORWAY



Norway

Insights and Trends – Q2 2026

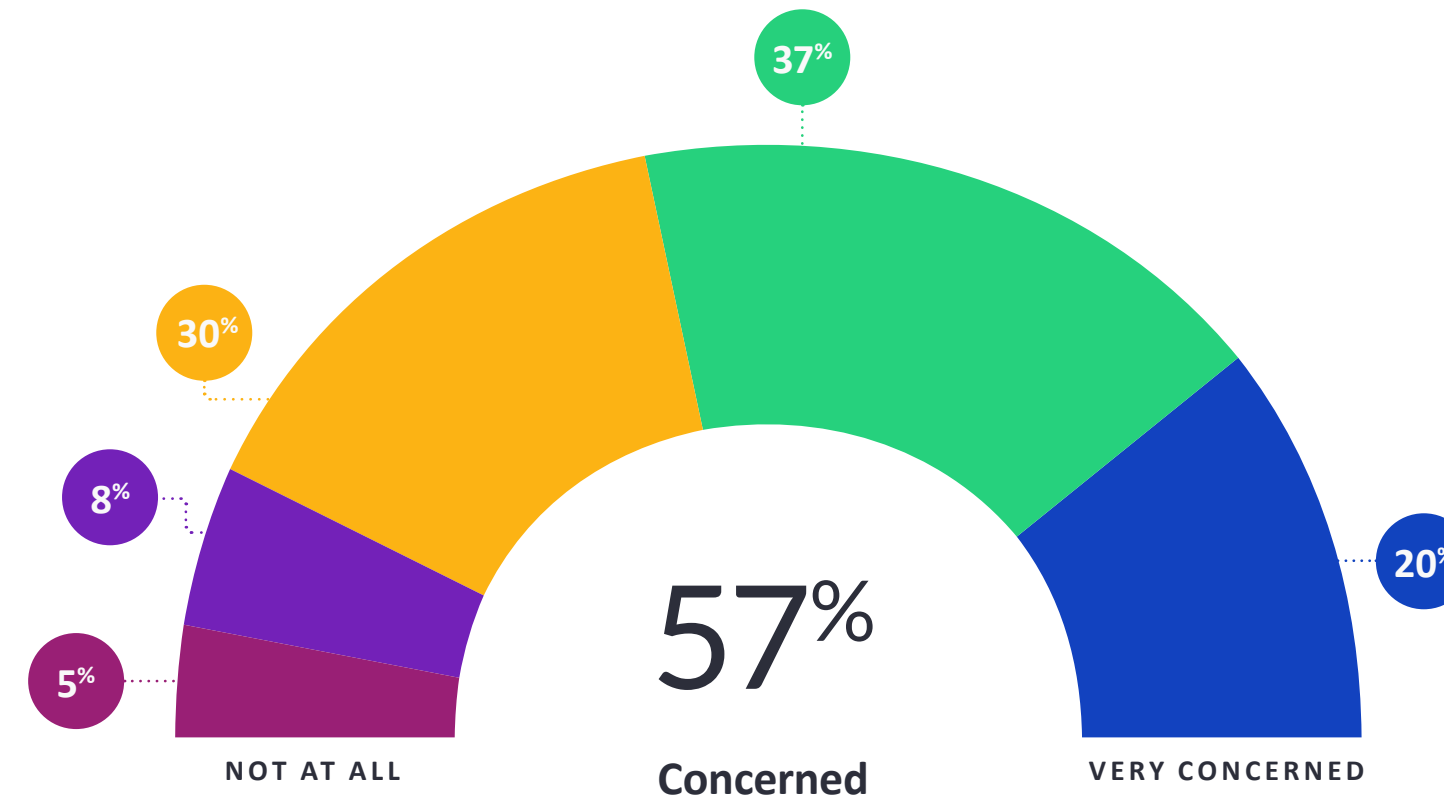
Key Insights

- More than half of Norwegian business leaders (57%) are concerned about liquidity and access to financing over the next 6–12 months, up from 53% in Q1
- EU regulatory complexity is a growing burden. 71% of Norwegian businesses now report feeling the weight of increased and more complex EU requirements, up sharply from since May 2025

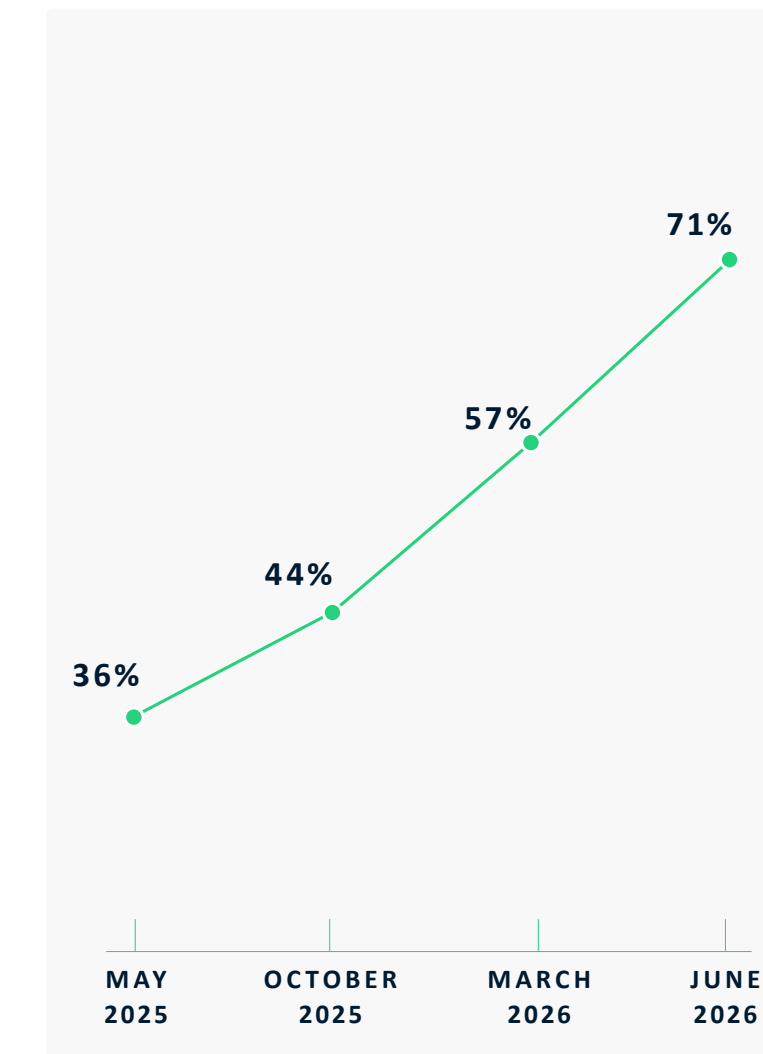
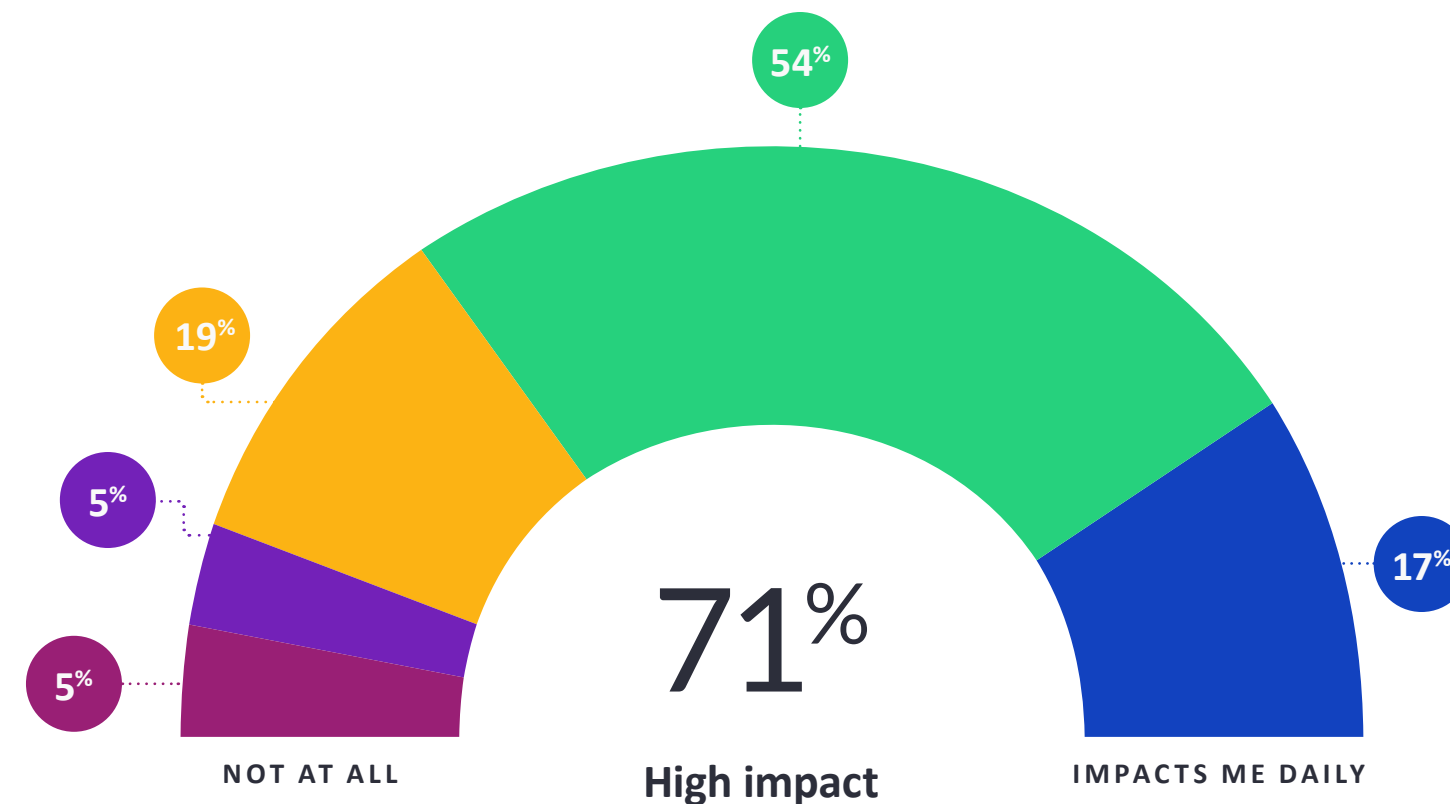
“I am concerned about limited investments in new technology, monopolised markets in maritime/ defence, slow and uninformed government decisions.”

CEO, PROFESSIONAL & SCIENTIFIC, 0-9 EMPLOYEES, NORWAY

How concerned are you about liquidity or access to financing over the next 6–12 months?



To what extent does your company notice increased and more complex regulatory requirements from the EU?



LEADERSHIP PERSPECTIVES

“Funding start-ups is certainly very high on the agenda in the Norwegian papers and in the business community and the debate is increasingly focused on the fact that the Swedish market has more venture capital available to fund startups.”

There are better tax benefits or tax setups for foreigners who join or move to the country and who are given stock options. There’s clearly a negative sentiment around the Norwegian capital market and regulatory setup for entrepreneurs.”

KRISTER AANESEN, CEO NORDICS, AZETS

Peer To Peer

Closing Thoughts

Advice to SMEs

“The one thing is to believe in yourself. If you’re doing it right, believe in yourself because you will get through it. If you’re not doing it right then you need to take advice. You need to come to someone who can guide you and help you. And whether that be Azets, a legal firm, or wherever it may be, you need to take advice to enable you to navigate these difficult periods. If you’re not doing those simple things, you’re putting your business at greater risk.”

PETER GALLANAGH, CEO UK, AZETS

Staying Positive

“One way or the other, the international crises will ultimately have to be resolved. It may take a little bit longer than perhaps Donald Trump expected, but they will ultimately have to be resolved. You have to stay positive. but don’t take things for granted. Don’t just keep doing what you’re doing. People have to look at their business plan again and again, self-manage themselves and their business in this new world that we’re heading into.”

NEIL HUGHES, CEO IRELAND, AZETS

The best operator wins

“Business owners know best themselves, but in a challenging market, the best operator wins. It’s about doing what you do well and operating well, efficiently, driving for productivity improvement, finding value and operating as well as possible whilst looking after your customers and understanding which customers to serve. It’s really focusing on what you’re good at, also daring to make some choices around the direction of travel and which investments you make, because doing nothing is also a risky strategy.”

KRISTER AANESEN, CEO NORDICS, AZETS

Methodology & Demographics

Research Methodology

The Azets Barometer is a quarterly survey tracking business confidence, financial performance, and strategic priorities across six European markets.

Wave 7 was conducted in Q2 2026 across the UK, Ireland, Norway, Sweden, Denmark, and Finland.

Total sample: 1,576 respondents

Combining an Azets client sample (n=175) and an externally recruited panel (n=1,401, revenues €10mn+).

	PANEL	CLIENT	TOTAL
TOTAL	1401	175	1576
UK	315	127	442
IRELAND	156	0	156
DENMARK	265	0	265
FINLAND	215	19	234
NORWAY	185	20	205
SWEDEN	265	9	274

Qualitative Research

Reputation Leaders conducted four in-depth qualitative interviews with Azets executives and external opinion leaders to provide expert commentary and verbatim quotes within the report.

Q2 2026 participants:

- Neil Hughes, CEO Ireland, Azets
- Krister Aanesen, CEO Nordics, Azets
- Donald Boyd, Head of Growth & Sales, Azets UK
- Regis Cabral, Director, FEPRO

Quantitative Research

Respondents are senior decision-makers at manager level and above, including finance executives, general B2B & tech leaders. Fieldwork was conducted in May–June 2026.

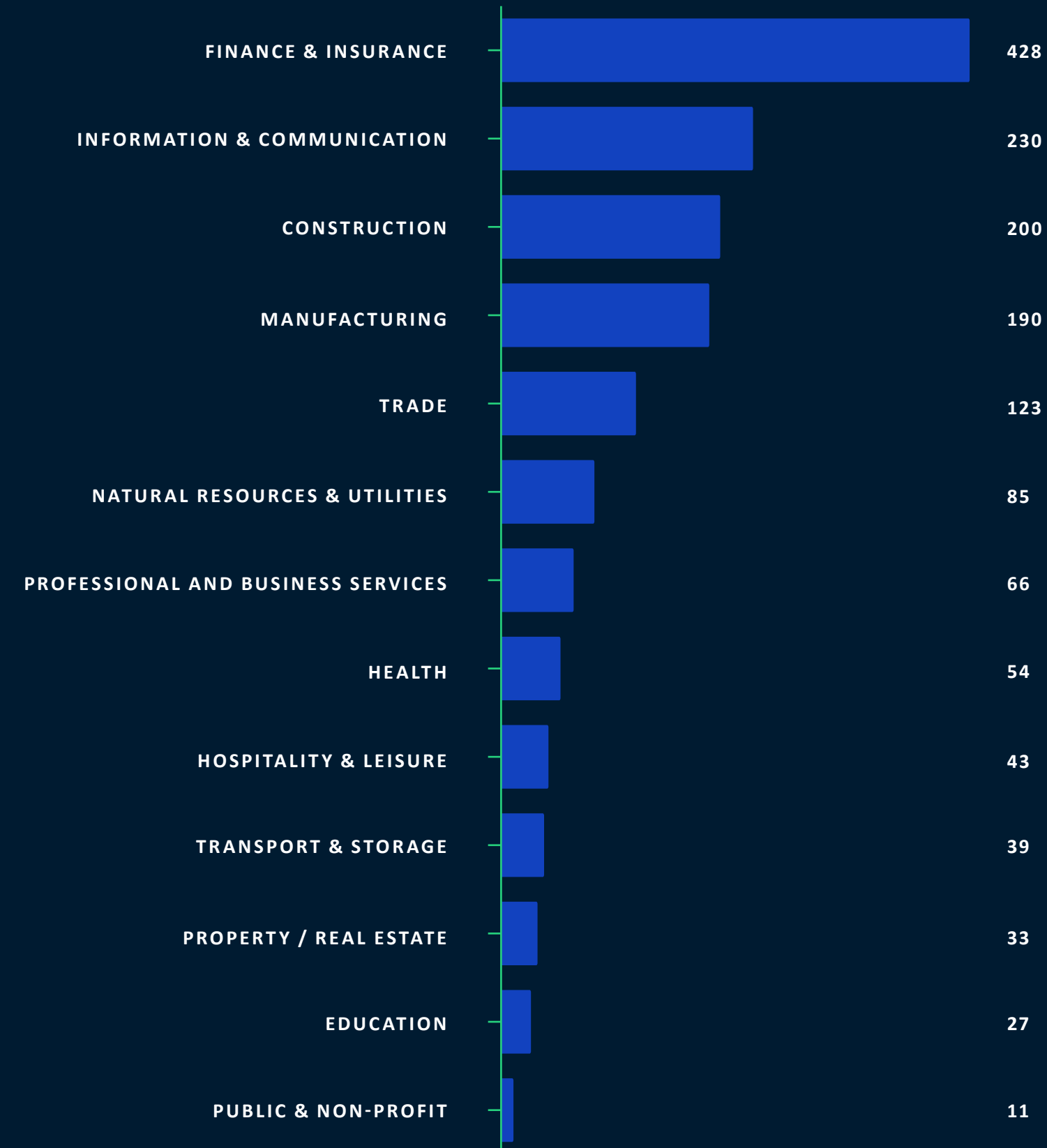
A note on weighting

Two adjustments have been applied to ensure the data is comparable across markets and over time.

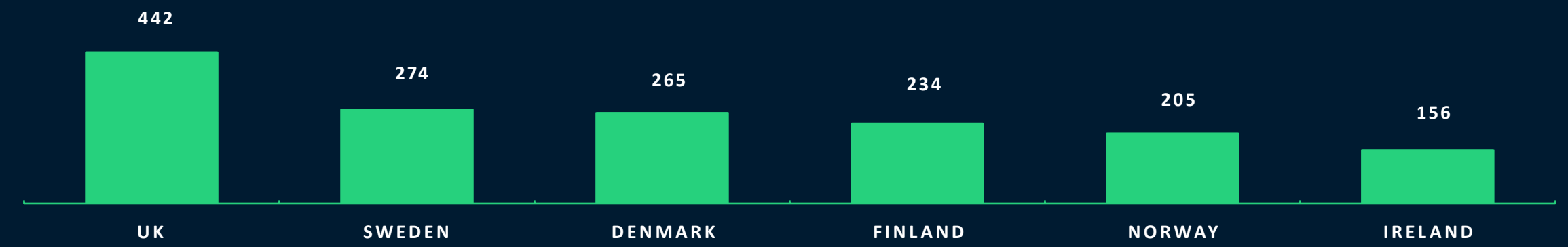
- **Country weighting:** Each of the six markets has been given equal weight in the total figures. This prevents overall results from being skewed towards markets with larger samples in any given wave
- **Turnover weighting:** Earlier waves have been weighted to match the turnover profile of Q1 2026, which includes a higher proportion of larger businesses than previous waves. This ensures wave-on-wave movements reflect genuine shifts in sentiment rather than changes in sample composition

Demographics

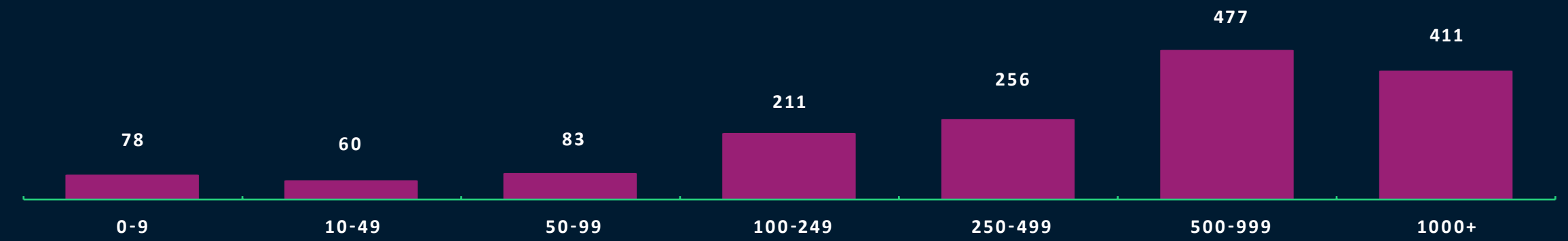
Industry



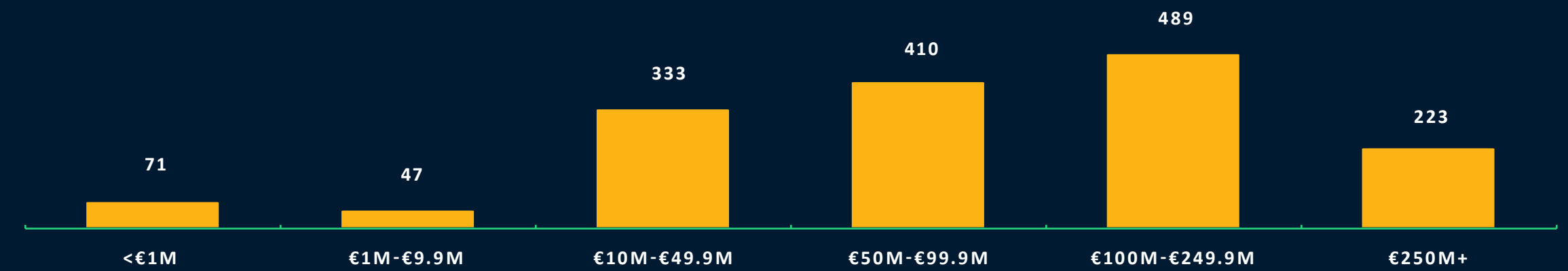
Country



Employee Size

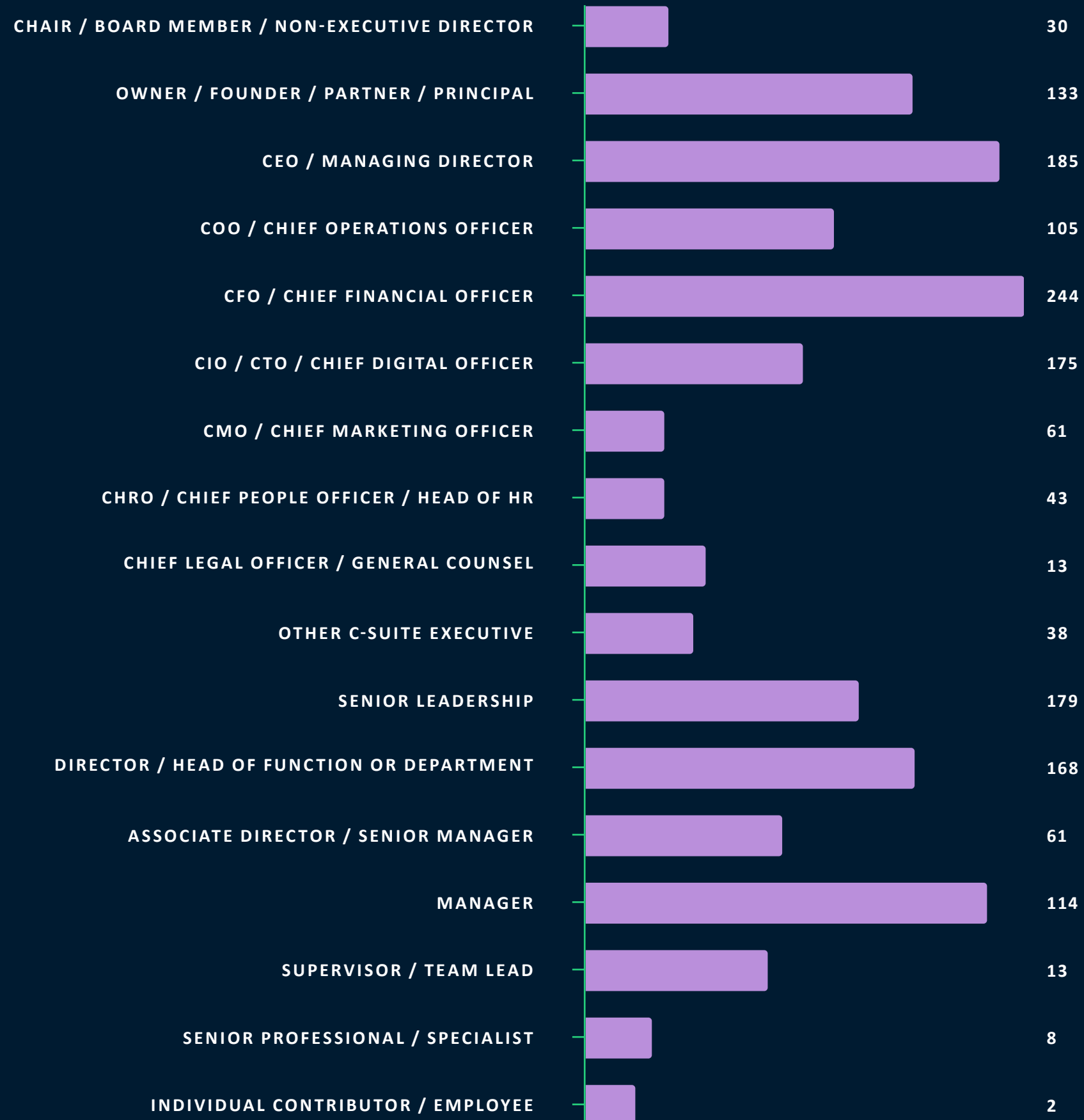


Turnover

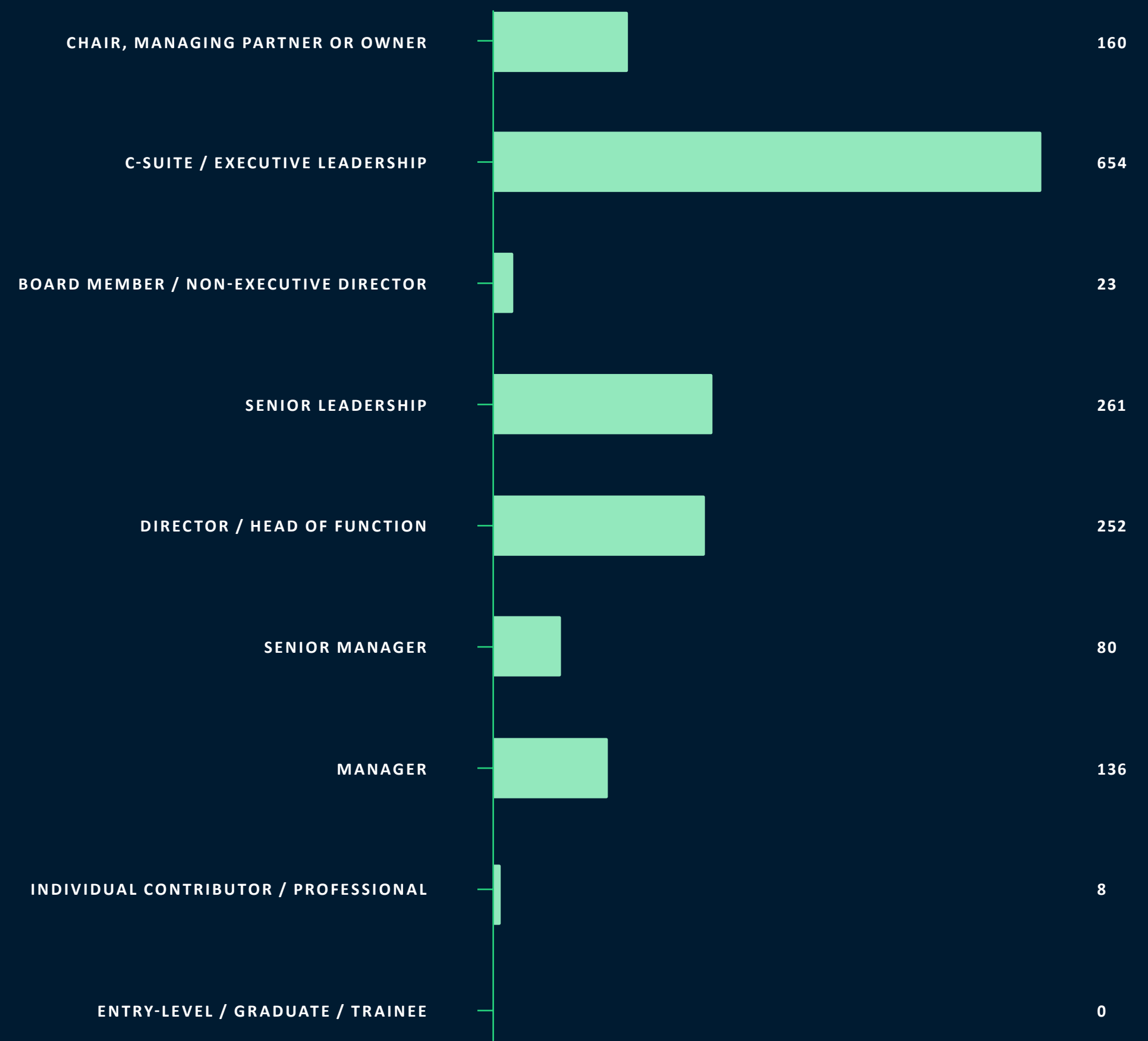


Respondent Profiles

Job/Role



Level of Seniority



At Azets, we combine human expertise, progressive technology and international scale to provide local services that deliver sustained outcomes. Your goals, our people, a fresh mindset - solving problems so you can confidently focus on what you do best.

Our 9,000 local experts are backed by international strength and progressive technology to deliver sustained outcomes for our clients. Your goals, our people, a fresh mindset – discover how you can move forward with confidence.



“Our outstanding SMEs, indigenous Irish businesses looking to move from being good to great, deserve the exact same level and breadth of services the larger corporates would typically enjoy. What you see is what you get. We are the specialists in their sector, giving common sense, down-to-earth advice. It’s a personal relationship, actually...it’s something we’re very proud of.”

NEIL HUGHES, CEO IRELAND, AZETS



“Azets is well-balanced across the Nordics. We have talented individuals, strong financial backing, expertise in various industries and service lines...and credibility with regulators and the market. The SMB segment, the main driver in all economies...is typically underserved in many ways, at least by the premium advisors. Azets is really plugged into this centre of value creation and shaking up the professional services sector.”

KRISTER AANESEN, CEO NORDICS, AZETS

Contact Us

**Ready to discuss
your business needs?**

Contact Azets today for
expert advice and support.

www.azets.com/en/contact-us

About Azets

Azets is an international business advisory group, with 9,000 local experts in 190 locations across eight countries, backed by progressive technology. We are united by one clear purpose: to improve the lives of our clients, colleagues and communities in a sustainable way.

100,000+ clients on unique journeys trust us to meet their immediate and evolving needs, remove barriers, and deliver sustained outcomes so they can move forward with confidence.

Move forward with confidence.



“We are in headwinds and turbulent times. Nevertheless, from a longer-term viewpoint in our SMEs, we’ll get through this, do well, and continue to grow. If SMEs are backed by the appropriate professionals; accountants, lawyers, bankers, to support them, then they will outperform. The historical evidence supports that our SMEs have been, and continue to be, the backbone of the UK economy.”

PETER GALLANAGH, CEO, AZETS UK



Want to read more?
Click to see the full data
in our online dashboard

[AZETS BAROMETER DASHBOARD](#)