

Hey! What's New? 2026-19

Firms Predict an AI Productivity Boom Is Coming

An international survey on artificial intelligence adoption, carried out by *VOXEU*, shows that “around 70% of firms actively use AI, particularly younger, more productive firms. Firms report little impact of AI over the last three years, with over 80% of firms reporting no impact on either employment or productivity. At the same time, firms forecast AI will boost productivity by 1.4%, increase output by 0.8%, and cut employment by 0.7% over the next three years.” The survey covers 5,000 CFOs, CEOs and executives from firms across the US, UK, Germany and Australia.

The survey found that, across all four countries, a majority of businesses are currently using some AI technology. “Adoption is highest in the US (78% of firms), followed by the UK (71%), Germany (65%) and Australia (59%). On average, 69% of all firms are currently using AI. The most popular current use is ‘text generation using LLMs’ (by 41% of firms on average), but around 30% of firms also report using data processing using machine learning and visual content creation.” As well, 75% of firms expect to be using some AI technology over the next three years.

Firms were asked to estimate the impact of AI adoption on their employment using five categories, ranging from a large positive impact (increasing employment by more than 5%) to a large negative impact (decreasing employment by more than 5%). The survey assigned numerical values to each category to estimate the average impacts. “The employment impact of AI on average across all firms is essentially zero over the past three years.”

Going forward, however, “firms expect much larger impacts of AI on employment. 63% of businesses across the four surveys expect no impact, and 26% expect a negative impact on employment. On average, firms across the four countries expect AI to lower employment by around 0.7% over the next three years, or around 0.23% per year. The largest effects are in the UK (-1.4%), followed by the US (-1.2%). German and Australian firms do not expect AI to have as large an effect on overall employment over the next three years, possibly due to more regulated labour markets.”

One important caveat here is that this analysis refers to the expected employment impacts in existing firms. But the survey authors note that “AI technologies may lead to the creation of new businesses and professions, which could change the net employment outcomes.”

The survey also found that, across all firms, “AI is reported to have boosted productivity by around 0.29% over the past three years. Nevertheless, 89% of all firms report no impact of AI on their productivity, suggesting that the impacts are limited and contained in a small subset of businesses.”

Nevertheless, “firms expect much larger positive impacts of AI technologies on their productivity over the next three years. 60% of all firms expect no impact, and 37% of firms expect a positive boost to productivity. On average, firms across the four countries expect AI to increase productivity by an average of around 1.4%, equivalent to around 0.5% *per year*. The largest effects are in the US (+2.3%), followed by the UK (+1.9%), Australia (+0.9%), and Germany (+0.9%).”

The authors note that, “in addition to the survey data of firm executives, in December 2025 we also surveyed US employees in the [Survey of Working Arrangements and Attitudes](#). We find that employees are far more optimistic than executives about the impact of AI on future employment, while less optimistic about the positive productivity impacts. Employees predict that AI will increase employment by approximately 0.5% in their firms over the next three years compared to the prediction from executives that it will *reduce* employment by 0.7% in all firms and 1.2% in US firms. Hence, there appears to be a large gap in the perceptions of the impact of AI, from a view by employees that AI will create jobs versus a view from executives that it will reduce jobs. Likewise, employees expect AI to increase productivity by around 0.9% over the next three years, compared to an expected increase of 1.4% across all firms and 2.3% by US firm executives.”

Get the details at [Firms predict an AI productivity boom is coming | CEPR](#).