

frends

The State of Integration & AI

EUROPE'S FIRST INDEPENDENT
BENCHMARK OF AI ADOPTION

INTEGRATION MATURITY AND
AUTOMATION READINESS

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The integration gap hindering AI ambition

There is a gap between what organizations know they need and what they have actually built. Most leaders will tell you that AI is a strategic priority. Most IT teams will tell you, quietly, that their systems are not ready for it. Both are right.

THIS REPORT IS ABOUT THAT GAP AND WHAT IT ACTUALLY COSTS.

We surveyed 611 IT and business decision-makers across Denmark, Finland, Germany, the Netherlands, Norway and Sweden. Not to find out whether AI is happening, but to understand where it gets stuck. The results are both clarifying and, in places, uncomfortable. The data suggests that, for a typical organization of 1,000 employees,

the cost of manual work alone can amount to over €10 million each year.

The models exist. The ambition is there. So what is missing? The infrastructure to turn that ambition into results. In most organizations, automation still lacks the integration layer needed to connect AI to the workflows, data and systems where it can actually create value.

Consider this: only 34% of organizations have AI running in production. A third have not moved beyond investigation or planning. Among those who have deployed AI, integration challenges are cited as the single largest barrier to achieving meaningful outcomes, alongside skills gaps and security and governance concerns. Across all AI projects

attempted, only 25.5% reached any measurable impact on profit and loss.

The Nordic countries often top rankings for digital readiness. Yet even here, the manual labor burden is substantial. These findings reflect the lived experiences of technology leaders operating in some of the most digitally advanced economies in the world.

What gives Europe confidence is the direction of travel. Organizations that have embraced an integration-first approach report faster project delivery, better return on their automation and AI investments and an easier path to AI and automation adoption.

This report is a contribution to that conversation. Our aim is that it makes that gap visible, measurable and,

ultimately, solvable to the leaders shaping the strategy; to the teams building the systems; and to the policymakers shaping the environment in which we operate.



A handwritten signature in blue ink, which appears to be 'JR' or 'J. Rautio'.

JUKKA RAUTIO
CEO AT FRIENDS

The era of architecture and European sovereignty

European organizations are facing a structural challenge: how to connect legacy systems to modern workflows; govern automated processes in an increasingly demanding regulatory environment; and build the data infrastructure required for AI-first automation at scale.

In parallel, a second pressure needs calling out: most of the infrastructure

European organizations are building on was designed elsewhere, and under different assumptions about data governance, control and risk.

Sovereignty was once a background detail, now is a foreground issue. The EU AI Act, the General Data Protection Regulation (GDPR) and ongoing global geopolitical tension have brought sovereignty firmly into the mix. The

architecture decisions organizations are making right now will determine how exposed they are to risk – for the long term.

The organizations that are pulling ahead are those building on infrastructure they can govern, audit and account for, in line with the regulatory framework within which they operate. That is what the moment

asks for and what will determine European competitiveness.

Within this context, this report documents the current state of AI adoption, integration maturity and automation readiness within enterprises across Europe.

FIVE FINDINGS STAND OUT.

1. THE "MANUAL LABOR TAX" IS HIGH WITH ONE WORKDAY LOST EVERY WEEK

€10M+

MEAN ESTIMATED ANNUAL COST OF UNNECESSARY MANUAL WORK PER ORGANIZATION WITH 1,000 EMPLOYEES.

The average knowledge worker spends 7.6 hours every week on tasks that could be automated: the equivalent of 44 full working days a year, equating to a cost of €10.7 million for a 1,000-employee organization. Germany reports the highest individual burden (8.5 hours), while the Netherlands reports the lowest (6.6 hours).

2. MOST ORGANIZATIONS ARE STILL IN THE EXPERIMENTAL PHASE

63%

OF ORGANIZATIONS ARE STILL INVESTIGATING OR PILOTING AI. ONLY 27% HAVE IT IN PRODUCTION IN ONE OR MORE DEPARTMENTS, AND JUST 7% HAVE DEPLOYED IT WIDELY.

The gap between AI ambition and AI reality is large and expensive. Despite near-universal intent to adopt, the majority of organizations remain stuck in pre-production. The largest single cohort, at 33%, is in piloting or proof-of-concept. Finland shows this most acutely: 45% are piloting, yet only 2% are widely deployed.

3. THREE IN FOUR AI PROJECTS DELIVER NO MEASURABLE BUSINESS IMPACT

26%

IS THE MEAN SHARE OF AI PROJECTS ACHIEVING MEASURABLE P&L IMPACT. ONLY 12% OF ORGANIZATIONS REPORT THAT MORE THAN HALF THEIR AI PROJECTS SUCCEED.

This finding is in tune with research by MIT researcher Aditya Challapally, who found that 95% of enterprise AI pilots fail to hit their target performance. The root cause, according to leaders surveyed by the State of Integration & AI report, seems to be an inability to connect AI to the workflows and systems where it needs to operate.

36%

OF ORGANIZATIONS DEPLOYING AI CITE
INTEGRATION CHALLENGES AS TOP BARRIER
TO FURTHER PROGRESS, TIED WITH SKILLS
GAPS AND SECURITY CONCERNS.

4. LACK OF INTEGRATION IS THE BIG
AI BARRIER

For the third of organizations that have crossed
from pilot to production, the inability to connect
AI to data and processes is what stops it from
delivering value.

64%

RATE CENTRALIZED GOVERNANCE TOOLING
AS CRITICALLY OR VERY IMPORTANT. YET
ONLY 12% SEE INTEGRATION AS A CENTRAL
GOVERNANCE AND CONTROL LAYER.

5. GOVERNANCE URGENCY IS HIGH,
GOVERNANCE INFRASTRUCTURE IS
ALMOST ABSENT

With the EU AI Act, GDPR and the Corporate
Sustainability Reporting Directive (CSRD)
all demanding more rigorous oversight of
automated systems, this gap carries real
compliance risk. The Energy sector leads on
centralized governance awareness (77%), but
has zero organizations with AI widely deployed.
Norway is the only country where lack of
integration governance ranks highest (45%) as a
barrier to AI deployment impact.

The state of enterprise efficiency: what is holding back European businesses in the age of AI

Every conversation about AI eventually runs into the same wall: the systems that need to be connected are not, the data that needs to flow does not, and the people who were supposed to be freed up are still doing the same things they were doing three years ago.

Across the countries surveyed, knowledge workers spend a mean of 7.6 hours every week on manual tasks that could, in principle, be automated. That is nearly a full working day, every week, for every knowledge worker in the organization. The cost is high.

This chapter puts numbers on that wall. Not to argue that the problem is insurmountable, but because its scale tends to be underestimated until someone adds it up.

1.1 The manual labor tax

The term “manual labor tax” is not rhetorical. Every hour a knowledge worker spends on data entry, report generation, error correction or chasing approvals is an hour the organization has effectively paid for twice: once in salary, and again in the opportunity cost of what that person could have been doing instead.

FOR THIS REPORT, THE NUMBERS REFLECT ONLY THE DIRECT SALARY IMPACT, NOT THE UNREALIZED GAINS FROM HIGHER-VALUE WORK. STILL, THE NUMBERS PAINT A GLOOMY PICTURE.

Eighty-five percent of knowledge workers in this survey spend three

or more hours per week on manual, repetitive tasks. One in four spends more than ten hours per week. This is not a marginal efficiency issue.

Asana’s Anatomy of Work Index, surveying more than 10,000 knowledge workers globally, found that 60% of a typical person’s time goes to “work about work”: communicating about tasks, searching for information, switching between applications, managing shifting priorities and chasing status updates. While the research went beyond automatable tasks, the picture in this survey is consistent with that global pattern.



€10.7M

MEAN ESTIMATED ANNUAL COST OF UNNECESSARY MANUAL WORK PER ORGANIZATION WITH 1,000 EMPLOYEES



7.6hours

MEAN HOURS PER KNOWLEDGE WORKER PER WEEK SPENT ON MANUAL TASKS THAT COULD BE AUTOMATED

THE ESTIMATED ANNUAL COST OF MANUAL WORK



*average for a company of 1,000 employees

Germany carries the heaviest individual burden in this survey: workers average 8.5 hours of manual work per week, the equivalent of 102 minutes of every working day. Denmark's organizations bear the highest mean annual cost per organization (€14,080,000 for those with 1,000 employees), reflecting both scale and integration complexity.

59% of Norwegian workers spend seven or more hours per week on manual tasks, the highest proportion of any country. The Netherlands sits at the opposite end on volume (6.6 hours per week), but expresses the highest levels of concern over the downstream impact of remaining manual work, as explored in Chapter 4.

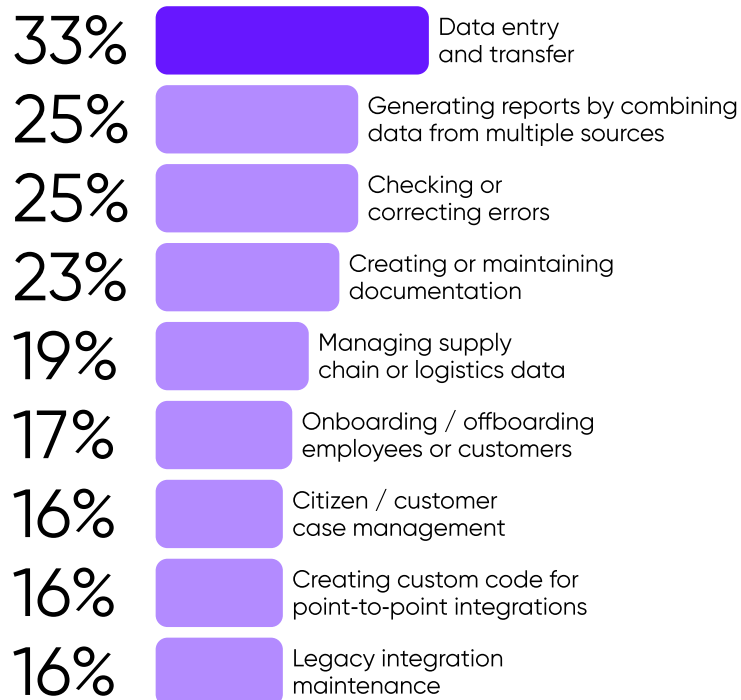


Industry lens
Where the manual burden is heaviest

Professional services organizations report the highest levels of manual work (8.4 hours), with 92% saying manual work slows decision-making. At the lowest end is the Energy & Utilities sector, with 5.3 hours. The Public sector – while below average at 6.5 hours – faces the sharpest governance consequence: 93% of public sector organizations say manual work increases the risk of human error, acknowledging the potential impact directly on communities and citizens. In Manufacturing, an average 7.3 hours a week is spent on manual work.

1.2 Where the time goes: the biggest bottlenecks

BIGGEST MANUAL BOTTLENECKS



Not all manual work carries equal risk or cost. Some tasks will be low-stakes; others will directly impact critical business processes. The survey asked respondents to identify which manual processes create the biggest time burden.

All countries ranked data entry and transfer as the single largest drain on time (33%), reflecting a fundamental structural problem: where data pipelines are weak or

absent, people become the integration layer, moving data between systems. Report generation with multiple-source data follows at 25%, a bottleneck that is almost entirely an integration problem. When systems do not talk to each other, someone has to manually consolidate the data. Error checking and correction (25%) and creating and maintaining documentation (23%) complete the top four.



The country-level picture reveals meaningful differences. Germany's top bottleneck is report generation at 35%, ten percentage points above the European average; a reflection of a culture of process documentation that has not yet been automated. The Netherlands reports the highest level of manual data entry at 43%. Sweden and Denmark both show elevated rates of point-to-point integration code writing at 22% and 21% respectively, suggesting that even in more technically advanced markets integration debt continues to accumulate.

Among sectors, supply chain data management is the second-largest bottleneck for manufacturing at 28% (with data entry and transfer being the biggest at 43%), while onboarding and offboarding is disproportionately high in Finland at 24%, pointing to HR automation as a near-term opportunity.

"Automation of tasks is important - It's not just that I don't need to do the task. I also have a higher confidence that the task will be done correctly because it's been automated. It's not relying on me having had sufficient caffeine to do the task correctly."

Amanda Lindén | Head of Enterprise Platform |
GlobalConnect

1.3 The human cost: morale, errors, silos and slow decisions

The financial cost of manual work is measurable. The organizational cost is harder to quantify but, if anything, more consequential.

The survey asked respondents to rate the impact of manual work across eight business dimensions. Every dimension was negatively impacted according to more than 80% of respondents.

Human error risk (87%) and operational costs (87%) rank highest. The connection is direct: when data moves between systems manually,

the scope for error scales with volume and complexity.

Speed of decision-making (85%) and data accuracy in reporting (84%) follow. These two are closely linked: slow, inaccurate data delays decisions. It also erodes confidence in data quality over time. The result? Organizations add manual verification steps, which slows things down further.

Employee morale is also negatively affected by manual tasks, according to 81% of respondents. This tends to be treated as a soft metric, but research

context adds weight. A February 2026 Harvard Business Review article on in-progress research suggests that generative AI can intensify work rather than reduce it if poorly implemented, increasing task load, parallel rather than linear tasking, and blurring work-life boundaries. If organizations automate the wrong things in the wrong sequence, they risk compounding the morale problem rather than relieving it.

The operational cascade that manual work creates is captured well by Amanda Lindén at GlobalConnect: “Every person that needs to take an action is probably

delaying somebody else. If somebody else is delayed, they are likely context switching to other matters and the more work in progress means less work finished.”

The cascade effect is not unique to her team. Most European organizations right now operate under similar conditions, running on infrastructure that was never designed to carry this load.

This begs a practical question: if that time were recovered, what would organizations actually do with it?

1.4 The opportunity cost: what recovered time could unlock

The survey asked respondents what they would do with time freed by successful automation. The answer is a loud and clear indicator of organizations' intended direction of travel.

This is the automation flywheel in practice. As capacity is freed, it is commonly reinvested into further

automation capability, compounding returns over time. Organizations that initiate this cycle earlier gain structural advantage. Those that wait face a growing structural gap.

Data analysis and strategic decision-making (38%) and strategic planning and innovation (32%) follow as the next most common uses for recovered



40%

WOULD REINVEST RECOVERED TIME INTO ACCELERATING AI ADOPTION, THE TOP ANSWER. COST AND HEADCOUNT REDUCTION COME LAST (28%)

time. This suggests that organizations want to give their people more time for judgment, not to replace judgment entirely. The human not only stays in the loop, but time is redirected toward higher-value activities.

The revenue upside from full automation is meaningful: respondents estimate an average revenue gain of 11.3% if all possible manual tasks were automated. Half of respondents believe the uplift could exceed 10%, and 8% believe it could exceed 20%.

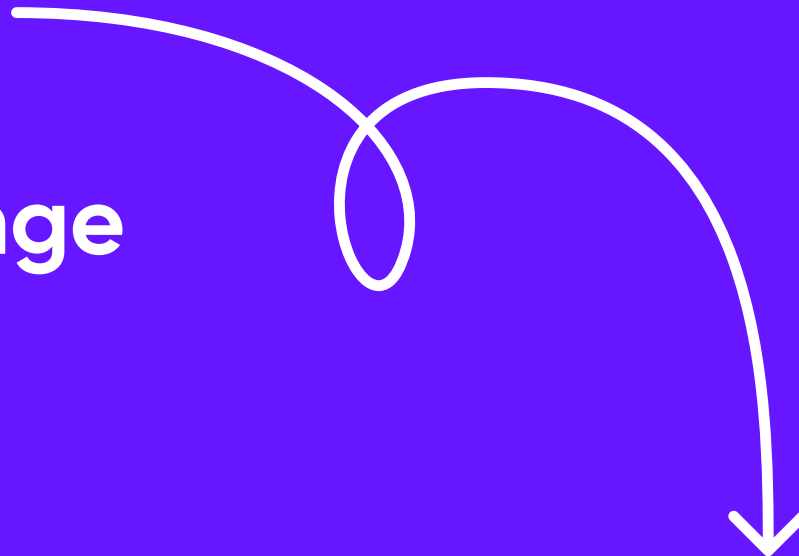
These are self-reported, directional projections, but the signal is consistent with the European Investment Bank's publication on more than 12,000 firms in the EU and US: AI adoption increases labor productivity by 4% on average. Simultaneously, the study identifies key enablers of AI's productivity gains: firms that invest more in software and data and employee training see stronger productivity outcomes, with an additional percentage point of investment in each area increasing gains by around 2.4% and 5.9% respectively.

"AI won't lead to mass layoffs in the way people expect. The shift is subtler. What happens instead is that one person can now do the work of several, so you won't hire the next people that you would have needed. The impact shows up as unrealized headcount, not immediate cuts."

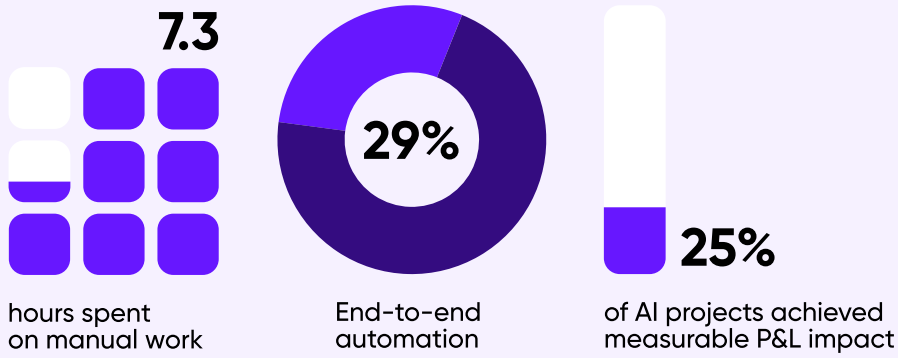
Asmo Urpilainen | CTO | Friends

1.5 How sectors are facing the automation challenge

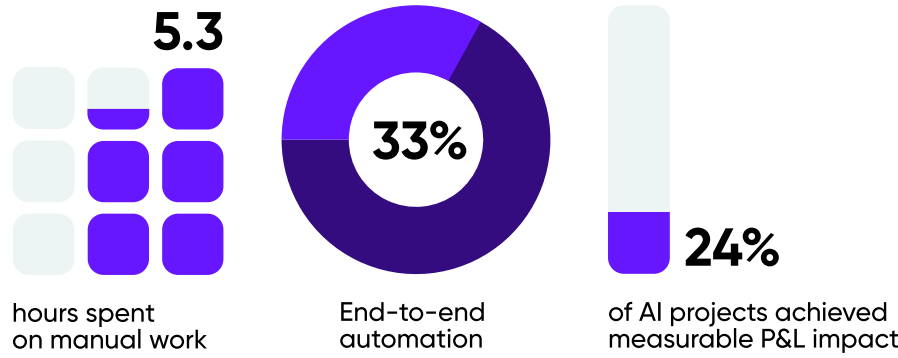
Each sector tells a different story about where AI and integration stand, what's blocking progress and what the path forward looks like.



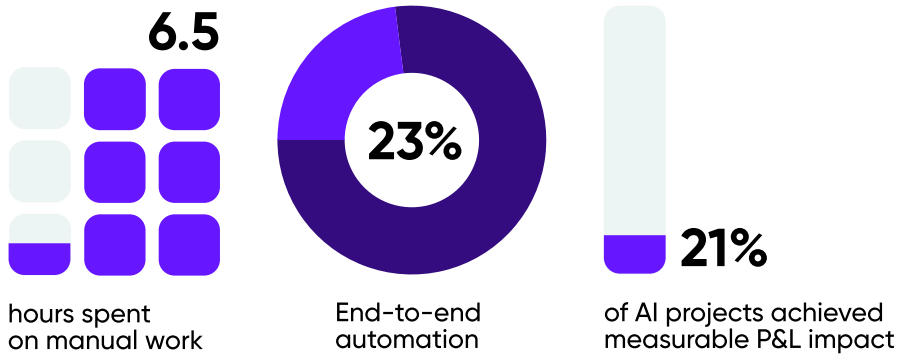
MANUFACTURING



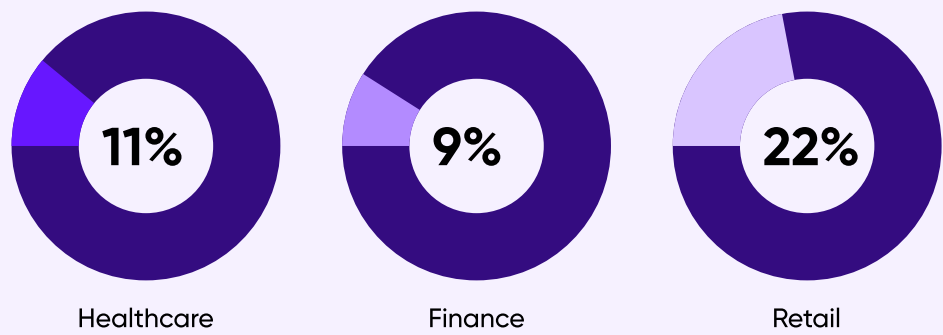
ENERGY



PUBLIC SECTOR



AI WIDELY DEPLOYED ACROSS THE ORGANIZATION:



The integration gap: why automation keeps stalling

Integration debt is not the consequence of a single bad decision. It accumulated over years, in organizations that were growing, acquiring, modernizing and under pressure to ship.

Every quick fix that connected two systems was rational in the moment.

It is only now, when organizations are trying to automate without a cohesive underlying architecture, that they are realizing that the aggregate of those decisions will not hold.

Moreover, the struggle organizations face in scaling AI projects stems

from the same issue: systems cannot talk to each other, data pipelines are incomplete, and the integration layer was designed for an obsolete reality.

This chapter considers the structural integration problem: what it looks like, what it costs in time and money, and

what integration—first means in this context.

2.1 Integration spaghetti: fragmented systems and broken data flows

"Integration spaghetti" describes an architecture where systems are connected through a tangle of point-to-point links; some built intentionally, some bolted on through circumstance, some with knowledge that has since left the organizations. Each connection works in isolation. But the aggregate cannot be governed, extended or corrected without significant effort.

Every point-to-point connection created to solve a "today" problem inadvertently added to "tomorrow's" maintenance burden and technical debt. The data on platform fragmentation reinforces this. Two-thirds of organizations (66%) are running between two and five integration platforms simultaneously. Only 21% are running a single platform. Norway has the highest fragmentation rate,

with 21% running more than five platforms (compared to a country mean of 11%).

Sixteen percent of respondents still write custom point-to-point integration code manually, despite considering it a major bottleneck. In the technology sector that figure rises to 23%. Rather than an issue limited to legacy IT, the data indicates that custom point-to-point code occurs equally in organizations with mature IT functions. Under time pressure, writing a custom script is faster than building it properly.

The data also highlights a counterintuitive finding: organizations that have adopted an iPaaS solution are actually more likely to operate across multiple platforms, suggesting iPaaS has been adopted to manage existing complexity rather than to consolidate it.

59%

OF ORGANIZATIONS SAY THEY STRUGGLE WITH INTEGRATION COMPLEXITY FROM POINT-TO-POINT CONNECTIONS THAT ARE HARD TO MANAGE AT SCALE

65%

SAY INTEGRATING LEGACY SYSTEMS AND MODERN CLOUD PLATFORMS IS A SIGNIFICANT CHALLENGE FOR THEIR ORGANIZATION

2.2 The hidden cost of slowness: how long integration actually takes

Seventy-nine person-hours is roughly two working weeks of effort, not counting the calendar time while the integration waits for other dependencies: API access, firewall openings, approvals, testing cycles. More than a quarter of integrations (28%) take three to four weeks in elapsed time. Seventeen percent take two to six months. Five percent take seven to twelve months.

Integration build time is highest (99 hours) in Demark, reflecting the complexity tax of organizations that have built more integrations and

are now managing a more complex landscape. Integration speed slows as the architecture grows, unless consolidation and governance are actively maintained.

The cost of slow integrations extends beyond the person-hours. When integration takes too long, the business finds another way, usually through point-to-point connections. Organizations under time pressure default to the quick fix, which becomes the architecture, which has a compound effect on further integrations.



79 person-hours

MEAN TIME TO BUILD AND DEPLOY A SINGLE PRODUCTION-READY INTEGRATION BETWEEN TWO SYSTEMS



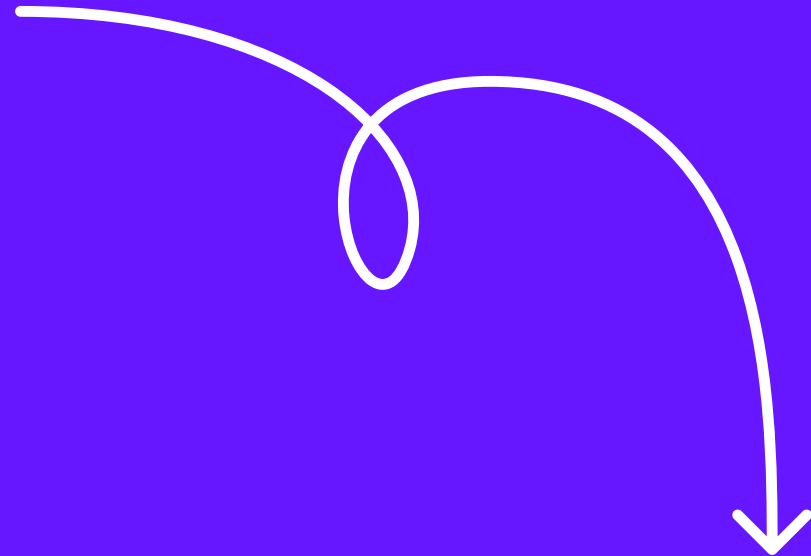
51%

OF INTEGRATIONS TAKE THREE WEEKS OR MORE IN ELAPSED CALENDAR TIME

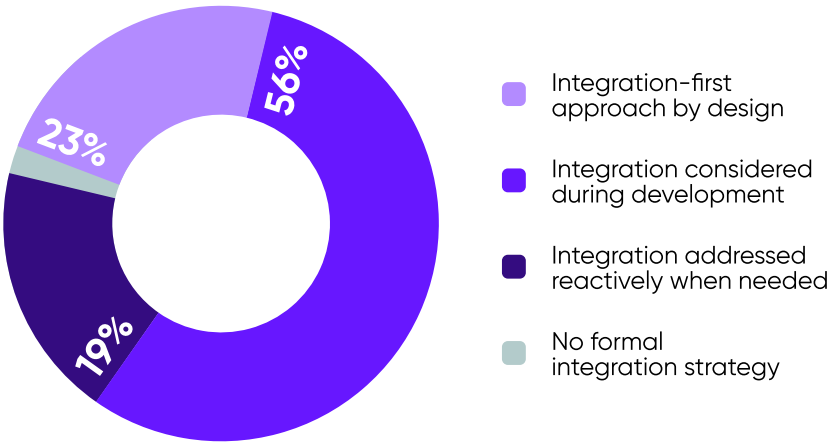
2.3 Budget blind spots: what organizations spend and what they overlook

Nearly 16% of IT budget dedicated to integration, platforms, development and maintenance sounds substantial. But the breakdown reveals the problem. Seven percent of organizations spend more than 30% of their IT budget on integration, a signal not of strategic investment but of likely technical debt and fragmentation costs that have grown too large to ignore.

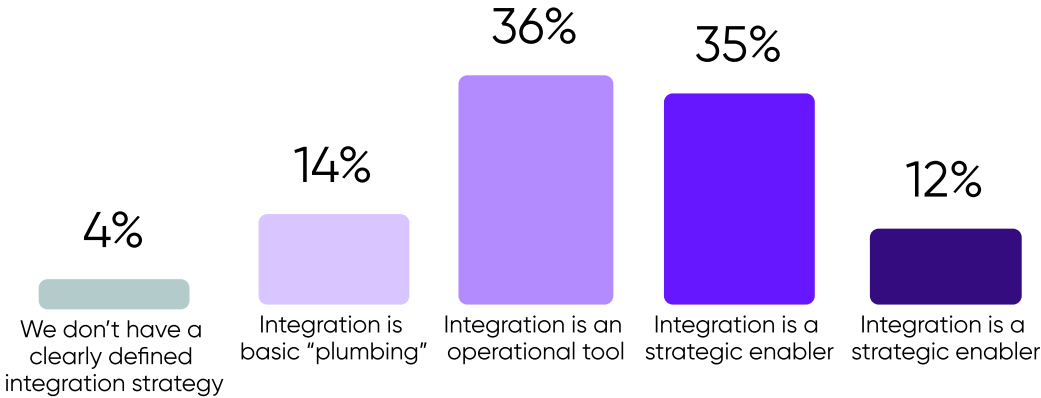
The strategic framing of integration varies significantly by country. Finland is most likely to view integration as a strategic enabler (44%). The Netherlands and Germany are most likely to view it as an operational tool (45% and 40%), a maintenance mindset that helps explain their low integration-first rate (12% and 16%). Across the full survey, 35% see integration as a strategic enabler, while 14% still view it as basic plumbing.



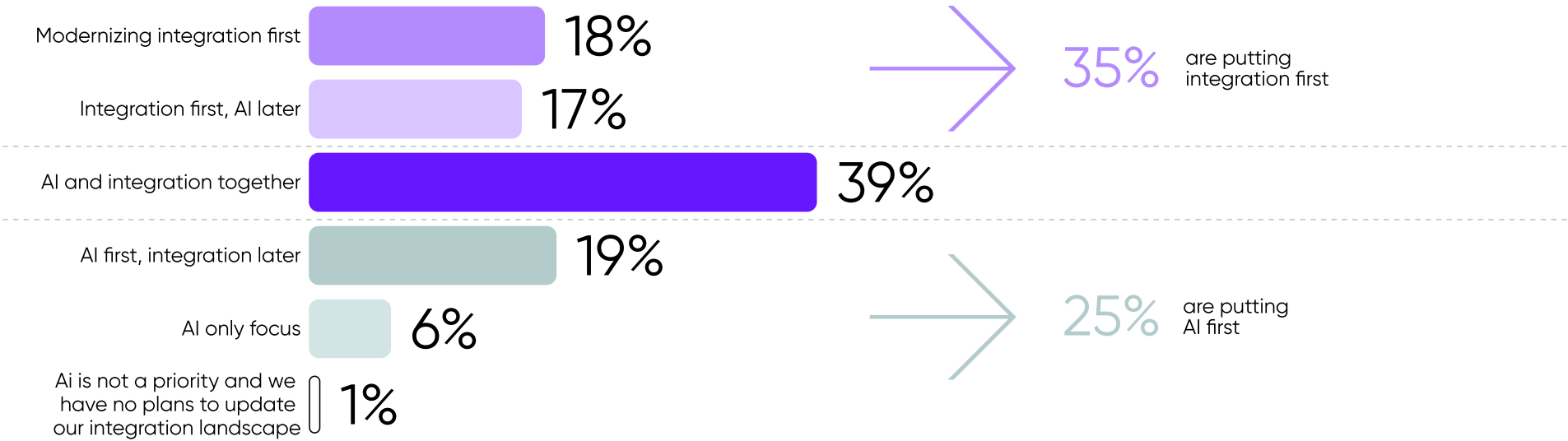
ORGANIZATIONAL APPROACHES TO INTEGRATION



THE ROLE OF INTEGRATION IN BUSINESS STRATEGY



HOW ORGANIZATIONS ARE APPROACHING AI AND INTEGRATION



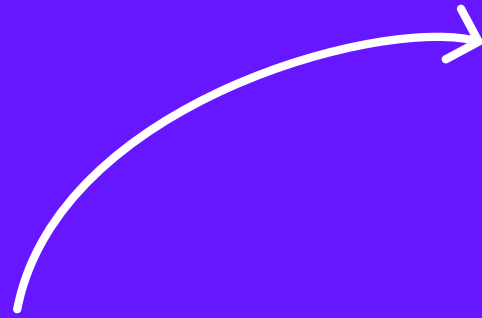
"If AI isn't delivering results, the problem is almost never the AI. Most organizations don't have the infrastructure for it yet. Integration comes first, and then you gradually evolve towards that more advanced model."

Asmo Urpilainen | CTO | Frends

The gap between treating integration as plumbing and treating it as infrastructure is not merely a technical question. It shows up first in how organizations frame the budget conversation. The 23% who have made integration a design principle made that framing decision before the technical one. What they gained as a result is documented in the next section.

15.8%

MEAN SHARE OF IT BUDGET DEDICATED TO INTEGRATION, PLATFORMS, TOOLS, DEVELOPMENT AND MAINTENANCE



2.4 What integration-first looks like: the organizations that got it right

One hundred and thirty-eight organizations in this survey, 23% of the total, take what they describe as an integration-first approach: building integration architecture as a deliberate design decision before deploying new systems or automation tools.

What separates them from the rest is measurable.

43%

FASTER PROJECT DELIVERY, THE TOP BENEFIT REPORTED BY INTEGRATION-FIRST ORGANIZATIONS

36%

IMPROVED DATA QUALITY

35%

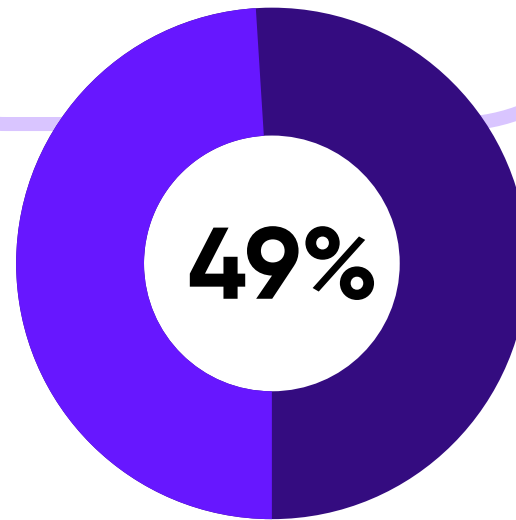
BETTER AI AND AUTOMATION ROI

33%

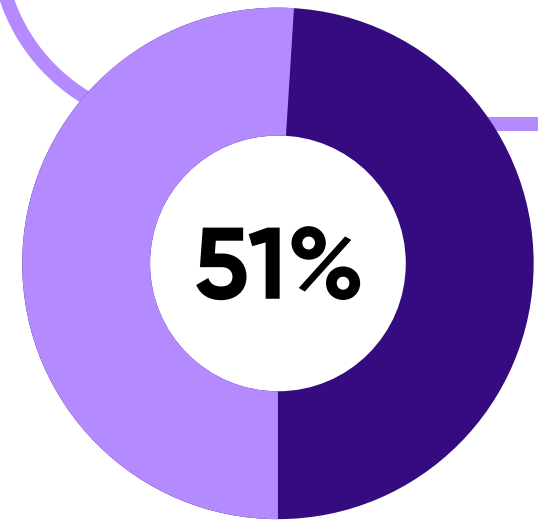
EASIER AI ADOPTION

The AI and workflow automation time savings already being realized support the same picture. AI tools save a mean of 7.9 hours per employee per month. Workflow automation saves 8.2 hours. Combined, this equates to over two working days per month per knowledge worker – a meaningful productivity dividend. For integration-first organizations, those savings come potentially faster and apply more broadly because the underlying connections already exist.

Integration-first is a composite of behaviors: approaching integration by design rather than reactively. Consequently, it is an approach that enables higher automation levels at a lower cost by deploying integrations faster; allocating integration budget strategically and treating governance as part of the architecture from the start. Organizations that score consistently across these dimensions will be those seeing the compounding returns.



AI



Workflow automation

% SPLIT OF THE TOTAL TIME SAVED PER EMPLOYEE BY ORGANIZATIONS
DEPLOYING BOTH AI AND WORKFLOW AUTOMATION

The AI gap: why most deployments fail to deliver

AI adoption in European enterprises is accelerating. But acceleration and success are not the same thing: three in four AI projects across European organizations are still not delivering measurable results. The infrastructure gap is real.

The European context has another critical element: much of the infrastructure organizations are deploying AI on was built outside of Europe, under regulatory assumptions that predate the EU AI Act, GDPR enforcement actions around automated

systems and CSRD reporting requirements.

The organizations that have given more consideration to these issues of sovereignty, regulation and governance have better stakes amid the current

scenario. Understanding today's state of play is one of the most important analytical tasks this report can do.

“EU data sovereignty has become a strategic issue for European companies. If organizations are embedding sensitive data, decision logic or operational intelligence into AI-enabled systems, they need to know exactly where the data resides. Governance should be an enabler, not bureaucracy. Without governance, you just can’t scale — at least not scale with trust.”

Prof. Dr. Moritz E. Behm | Fresenius University Munich

3.1 Where Europe stands: AI adoption and the digital divide

According to Eurostat's 2025 EU Survey on ICT usage and e-commerce in enterprises, 20% of EU enterprises with ten or more employees use AI technologies, up from 13.5% in 2024. Denmark leads EU enterprise AI adoption at 42%, followed by Finland at 37.8% and Sweden at 35%.

The adoption curve is increasing, but what happens next?

Our survey shows a complementary picture. These are organizations with 201 or more employees, surveyed at senior IT level, in some of Europe's more digitally advanced economies. Even here, only 27% have AI running in production in one or more departments, and a minimal 7% have deployed it widely. Thirty percent are still investigating or planning.



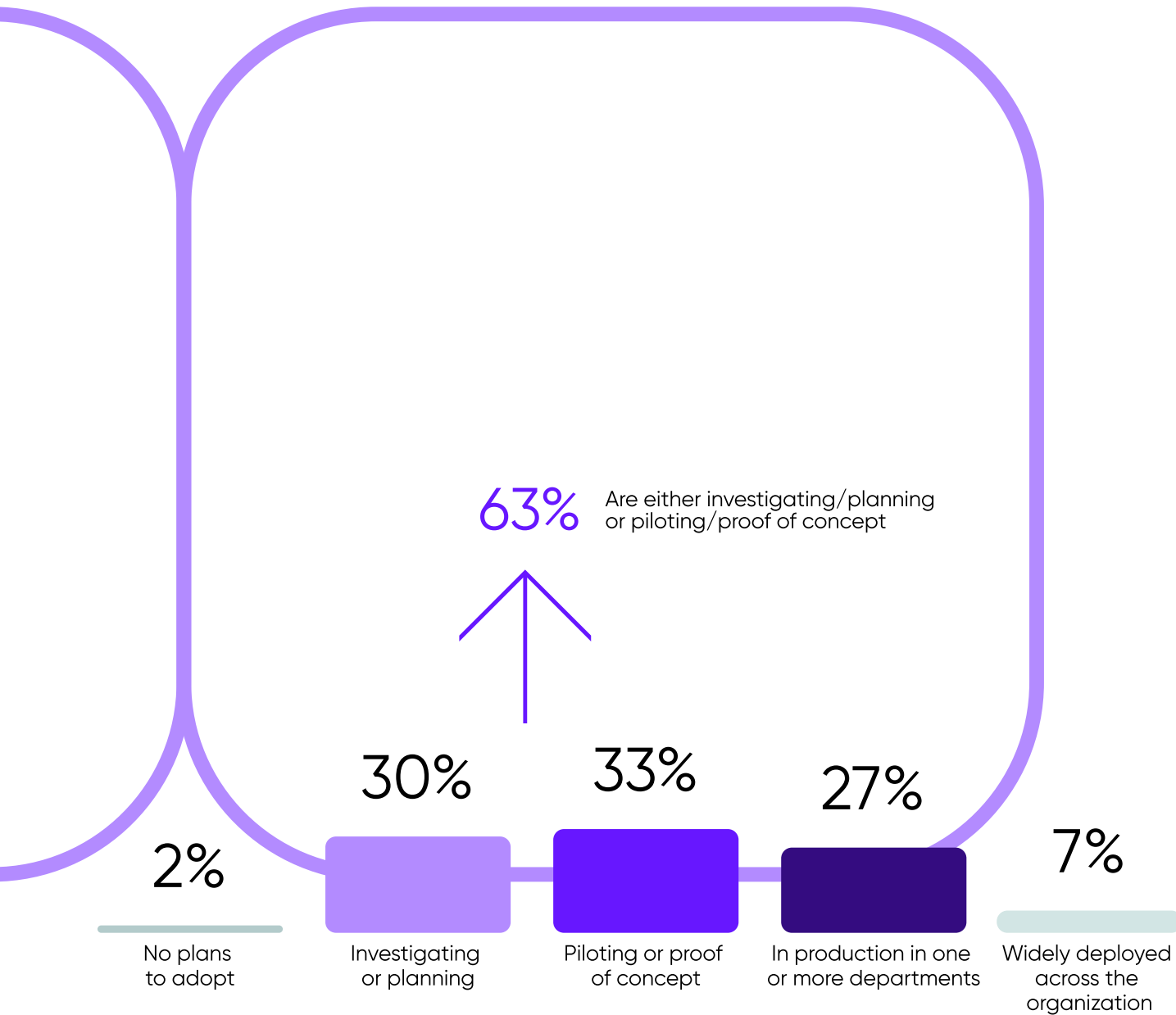
34%

HAVE AI IN PRODUCTION. ONLY ONE IN THREE HAS CROSSED FROM PILOT TO REALITY.



33%

ARE PILOTING OR IN PROOF-OF-CONCEPT, THE LARGEST SINGLE COHORT.



STAGES OF AI ADOPTION



The country variation within this survey mirrors the broader European picture. Denmark leads with 44% of organizations in production or beyond and 17% widely deployed, more than double the survey average of 7%. Finland sits at the opposite end: 45% still piloting, only 2% widely deployed. Both are Nordic markets with strong digital infrastructure.

Anthropic's January 2026 Economic Index, based on large-scale analysis of Claude usage and the country's share of working-age population, found that Denmark's AI usage runs at roughly twice the rate its population would predict. The survey data in this report aligns with that picture.

3.2 The real problem: pilots that go nowhere

Among the 411 organizations that have piloted or deployed AI, the mean share of projects achieving measurable P&L impact is 25.5%. Three percent of organizations report that none of their AI projects have succeeded. Only 12% report that more than half their AI projects are succeeding.

This rather gloomy finding is consistent with, though methodologically distinct from, research from MIT's Project NANDA, led by Aditya Challapally. The study, conducted between January and June 2025 and based on a

multi-method approach including analysis of publicly disclosed AI initiatives, structured interviews and a survey of senior leaders, found that approximately 95% of organizations report little-to-no measurable return on their AI investments.

It is important to be precise about what these numbers mean. The MIT figures describe organizations, while the State of Integration & AI report looks at project success rates within organizations. They measure related but not identical metrics.

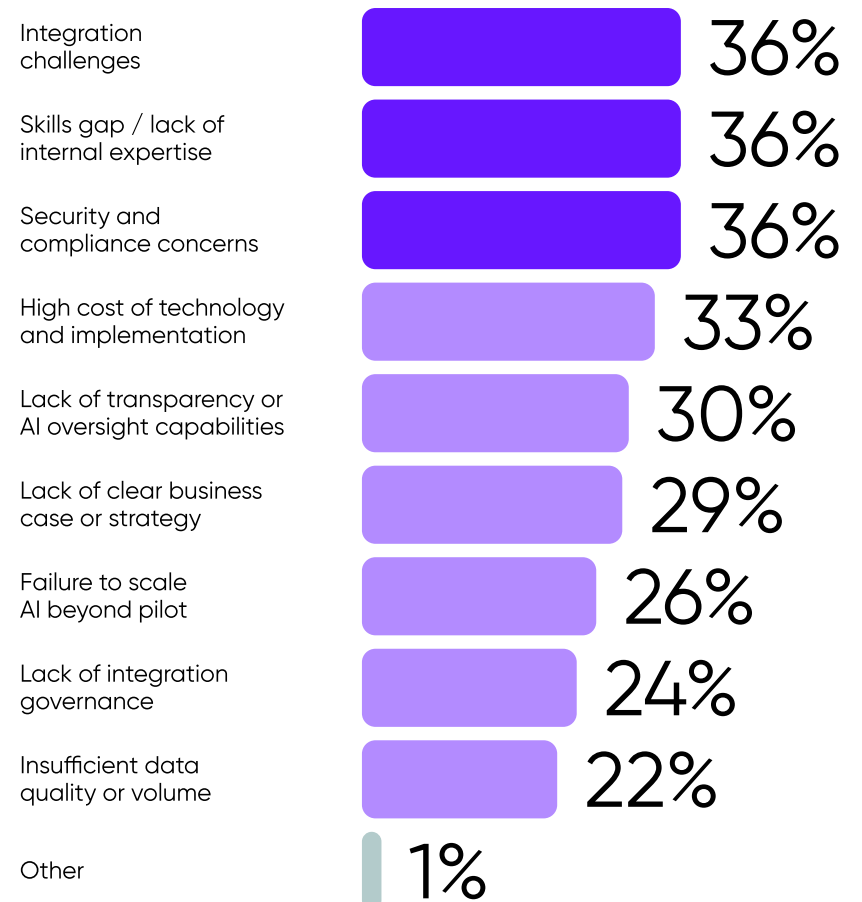


25.5%

MEAN SHARE OF AI PROJECTS ACHIEVING MEASURABLE P&L IMPACT, ACROSS 411 ORGANIZATIONS WITH PILOTING OR DEPLOYMENT EXPERIENCE

What they share is the diagnosis: the problem is not the AI models themselves, but their inability to integrate into the workflows and systems where they need to operate.

BARRIERS TO ACHIEVING AI IMPACT



"While executives often blame regulation or model performance, MIT's research points to flawed enterprise integration," said researcher Aditya Challapally during an interview with Fortune magazine. As one business leader cited in the MIT NANDA research put it: "If it doesn't plug into Salesforce or our internal systems, no one's going to use it."

Among organizations that have already deployed AI, integration challenges are the single largest obstacle to further progress, alongside skills gaps and security concerns – all at 36%. The fact that organizations deploying or piloting AI face an average of three barriers simultaneously goes a significant way to explain why progress remains slow. Addressing one problem in isolation – e.g. hiring the right skills – still leaves issues around security and data quality unaddressed.

"Most organizations don't know how to measure the impact of AI properly. If you expect it to show up as an immediate top-line impact, you're probably looking at it the wrong way. The real value of AI comes from building a multiplier into your business, and that only materializes over time."

Asmo Urpilainen | CTO | Friends

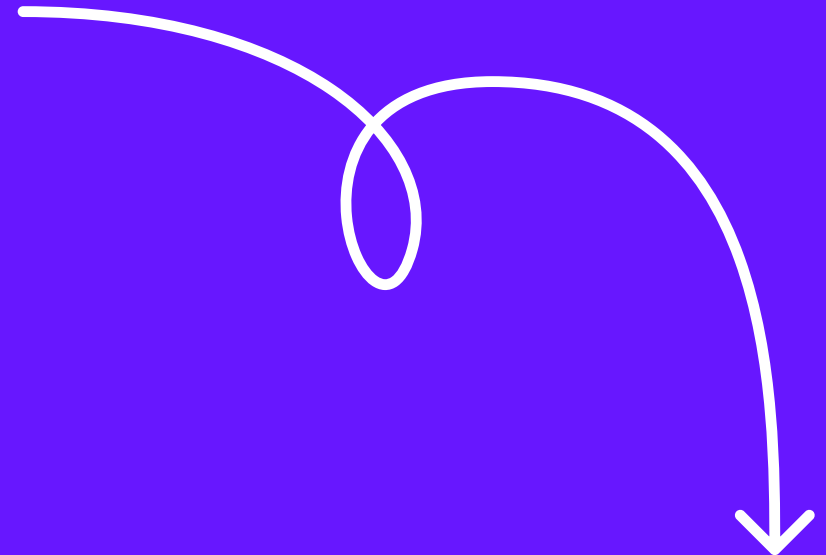
3.3

The integration–AI flywheel: why infrastructure is the prerequisite

The evidence for why integration is the prerequisite for AI success comes from multiple directions in the data.

The deployment leaders in the survey consistently combine high AI production rates with stronger integration discipline. Denmark's 38% integration-first rate is the highest of any country. Organizations in

Transport & Logistics / Construction, with the highest AI production rate in the survey (56%), operate in a sector where integrating vehicle data, logistics systems and supply chains is not optional. Retail, with the highest AI success rate at 35.2%, has clear customer-facing ROI metrics that demand connected data.



"The biggest technical wall is always the integration into the existing enterprise IT infrastructure and architecture. Pilots work very well in close, controlled environments – limited data, limited stakeholders, reduced process complexity. But the real impact comes when you roll it out in production: the solution has to interact with the ERP system, the CRM system, the PIM system, the document system, security standards – all the stuff that makes things complex. That integration is where the real impact can be generated."

Prof. Dr. Moritz E. Behm | Fresenius University Munich



The organizations that are AI-first without integration support, with Finland being the clearest example, show the consequences: high pilot rates, near-zero deployment at scale and a wall of security and connectivity problems that emerges precisely when scale is attempted.

39%

ARE WORKING ON AI AND INTEGRATION SIMULTANEOUSLY, THE LARGEST GROUP. ONLY 18% TAKE INTEGRATION-FIRST BEFORE AI. SIX PERCENT ARE PURSUING AI WITH NO INTEGRATION PLANS AT ALL.

3.4 Governance, compliance and the European context

Sixty-one percent of organizations say EU data sovereignty concerns are already critical in their operations. Sixty-four percent rate centralized governance of integrations as "critically" or "very important". Only 12% have built integration as a governance and control layer.

The EU regulatory context makes this gap increasingly consequential. The EU AI Act, which entered into force in August 2024 and is being phased in through 2025 and 2026, introduces risk-based requirements for AI systems, including documentation, human oversight and transparency for high-risk applications. GDPR continues to impose strict requirements on personal

"Governance should increase transparency, which is important with AI. The term 'governance' can be seen as a hinder. If you consider it more like a 'frame' or 'safeguard', I believe it would be viewed more positively especially around AI adoption."

Amanda Lindén | Head of Enterprise Platforms |
GlobalConnect

data governance, while CSRD expands mandatory sustainability reporting, requiring organizations to disclose standardized and auditable ESG information.

Together, these create a regulatory environment where ungoverned automation is a liability, not just a technical risk.

The governance gap is sharpest where the regulatory stakes are highest. The Energy sector leads on governance urgency (77%) but has zero organizations with AI in wide deployment – and 13% with no AI plans at all. These numbers can indicate skepticism in current technologies and their ability to provide a secure interface with LLMs.

At the same time, high awareness without a path to action is not a future-proof strategy.

On the other hand, Public Sector organizations, where the affected parties are citizens, have only 7% using integration as a governance layer, while AI piloting and planning combined total 82% of cases.

The survey asked which governance capability will be most critical for deploying autonomous AI agents. Security and guardrails rank highest (35%), followed by cost and token management (23%), orchestration (20%) and observability and audit trails (19%). The distribution matters: there is no single capability that resolves the governance challenge.

Industry lens AI adoption and project success by sector



Transport & Logistics / Construction lead on AI production rate (56%), with only 23% still in proof-of-concept. Retail has the highest AI success rate (35.2%) and the highest proportion of organizations in wide deployment (22%). Finance has the strongest automation ambition among regulated sectors, expecting a 51.4% mean reduction in manual work. Healthcare has the lowest AI success rate (17.5%), with integration challenges named as the primary barrier to AI deployment by 50% of respondents. Public Sector is the furthest behind: zero organizations have widely deployed AI, zero organizations have widely deployed AI (tied with Energy & Utilities), and 49% of those who have tried AI cite “no clear business case” as the top barrier, nearly double the survey average.

The state of integration and AI, market by market

The aggregate European picture tells one story. The country-level data tells six. While the structural challenges are consistent across markets, their specific manifestations, severity and paths forward differ meaningfully.

One thing runs through all profiles that practitioners in each market will recognize: the question of where digital infrastructure is built and under what rules it operates is no longer abstract.

Sixty-one percent of organizations across Europe already say EU data sovereignty is critical in their operations.

That figure is not driven by policy compliance teams. It comes from IT leaders who are making platform decisions and increasingly aware that the regulatory environment they operate in was not the one their current infrastructure was designed for.

This chapter profiles each of the surveyed countries against a common framework: the manual labor tax; integration maturity; AI adoption stage; AI project success rate; and governance readiness. Each profile is benchmarked against the European average across those metrics.

EUROPEAN BENCHMARK

The reference figures used across all country profiles are:

- Manual work / labor tax: 7.6 hours per week per knowledge worker; €10,676 mean annual cost per employee
- Integration maturity: 23% integration-first; 56% integration during development; 19% reactive; 3% no strategy
- AI adoption: 34% in production in one or more departments or widely deployed; 33% piloting; 30% investigating
- AI project success: 25.5% mean share of projects achieving measurable P&L impact
- Governance: 64% rate centralized governance critically or very important; 12% have built it as a layer

THE CLEAR LEADER

Denmark



Denmark is the standout market in this survey. It leads on AI deployment; integration maturity; AI project success rate; and governance urgency, and by margins that are significant. Understanding what Denmark is doing differently is, in many ways, the most practically useful thing this report can offer to organizations in other markets.

AT A GLANCE

€14.08M

MEAN ANNUAL COST OF MANUAL WORK PER ORGANIZATION WITH 1,000 EMPLOYEES, HIGHEST IN THE SURVEY (EUROPEAN AVG: €10.7M)

38%

INTEGRATION-FIRST BY DESIGN, HIGHEST IN THE SURVEY (EUROPEAN AVG: 23%)

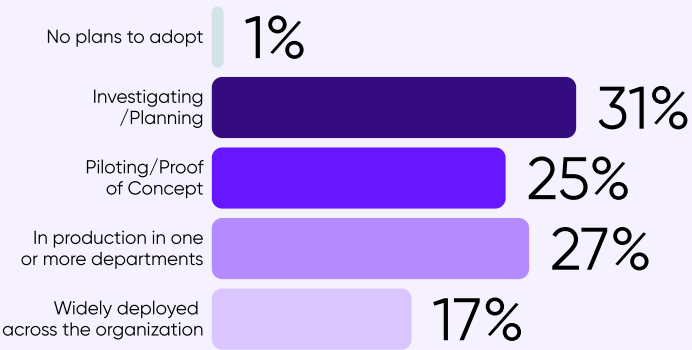
44%

AI IN PRODUCTION OR WIDELY DEPLOYED, HIGHEST IN THE SURVEY (EUROPEAN AVG: 34%)

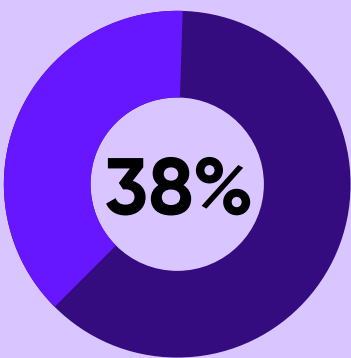
32.6%

MEAN AI PROJECT SUCCESS RATE, HIGHEST IN THE SURVEY (EUROPEAN AVG: 25.5%)

DENMARK'S CURRENT STAGE OF AI ADOPTION



INTEGRATION-FIRST BY DESIGN

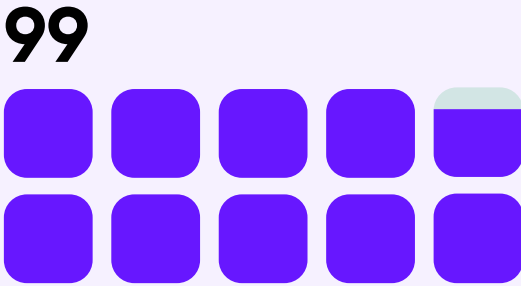


of organizations take an integration-first approach by design in Denmark

BARRIERS TO ACHIEVING AI IMPACT



PERSON-HOURS TO DEPLOY INTEGRATION



Time required to build and deploy a production-ready integration

Where time is lost

Danish workers average 7.9 hours of manual work per week, slightly above the European mean. The higher organizational cost reflects the scale and complexity of an integration landscape that is more developed than most. Legacy integration maintenance (21%) and point-to-point integration code writing (21%) both rank above the European average in Denmark.

Denmark's expected reduction of manual work as a result of full automation is the second highest in the survey (51.8%), with 14% expecting reductions of 91-99%. The ambition is significant, and the current burden is the baseline from which that ambition starts.

"Nordic countries take a more pragmatic and experimental approach. Organizations tend to accept more risk, move faster from pilots to production, and receive stronger government support that act as early adopters."

Robert Daniëls | Managing Director | Harmony

Integration maturity

Denmark's integration-first rate (38%) is nearly double the European average. It is the only country where an integration-first approach outranks parallel AI-and-integration adoption as the dominant strategy. Denmark has built the architecture before deploying on top of it, and the results are visible across metrics.

The integration budget commitment ranks the highest: a mean of 17.75% of IT budget allocated to integration. Twenty percent of Danish

organizations spend more than 30% of their IT budget on integration, nearly three times the European average.

Integration build time is Denmark's most significant structural challenge at 99.4 person-hours on average, 25% above the European mean. Denmark's ambition has generated a complexity that now imposes a speed cost. Nineteen percent run more than five integration platforms, the second-highest fragmentation rate after Norway.

AI adoption and what is blocking it

Denmark has the highest deployment rate of AI-at-scale in the survey (17%), more than double the European average of 7%. Four percent of Danish AI-deploying organizations report 100% project success, a figure that appears nowhere else in the survey. For organizations that have already deployed AI, the primary barrier has shifted: AI transparency is now the top obstacle (39%), not integration connectivity. Denmark has moved past foundational integration problems into more sophisticated governance territory.

Data sovereignty is a critical topic for 73% of organizations, reflecting local urgency for EU-based solutions.

Eurostat's 2025 enterprise AI survey places Denmark at 42% in AI usage to conduct business, the highest in the EU. The Anthropic Economic Index notes that Denmark's AI usage runs at twice the rate its population would predict. The survey data here is consistent: Denmark is not just an early mover. It appears to be building the compounding advantage that comes from having moved early and built correctly.

Three things that would move the needle

1

Consolidate the platform landscape. Having 19% of organizations run on five or more platforms is high for a market of Denmark's maturity. The next phase of performance gains likely comes from simplification rather than further expansion.

2

Build governance infrastructure at the pace of deployment. AI transparency is now the primary barrier for deployed AI organizations. The capability gaps are observability, audit trails and explainability, not basic connectivity.

3

Document and share the integration-first playbook. Denmark's integration-first approach is a genuine market differentiator. Organizations in Germany and the Netherlands, where integration-first rates are 16% and 12% respectively, could benefit from Denmark's architectural experience.

STUCK IN THE PILOT TRAP

Finland



Finland presents the most acute example of what happens when AI ambition runs ahead of integration infrastructure. It has the most AI-first strategic orientation of any country surveyed, the highest piloting rate and, at 2%, almost nobody who has broken through to wide deployment. The gap between aspiration and execution is nowhere more visible than here.

AT A GLANCE

€9.76M

MEAN ANNUAL COST OF MANUAL
WORK PER ORGANIZATION WITH
1,000 EMPLOYEES

28%

AI IN PRODUCTION OR WIDELY
DEPLOYED, LOWEST IN THE SURVEY
(EUROPEAN AVG: 34%)

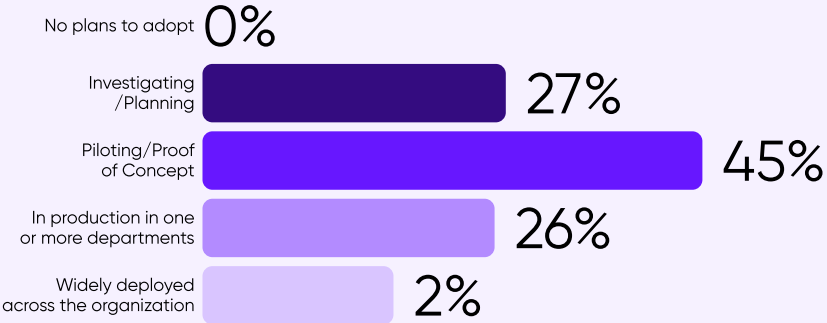
45%

STILL IN PILOTING OR PROOF-OF-
CONCEPT, HIGHEST IN THE SURVEY

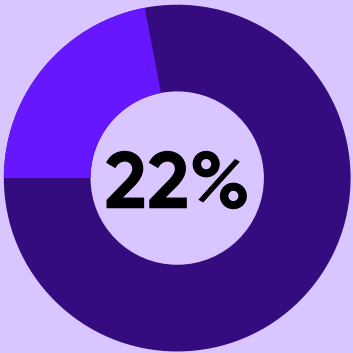
3%

RUN MORE THAN FIVE INTEGRATION
PLATFORMS, LOWEST
FRAGMENTATION IN THE SURVEY

FINLAND'S CURRENT STAGE OF AI ADOPTION



INTEGRATION-FIRST BY DESIGN

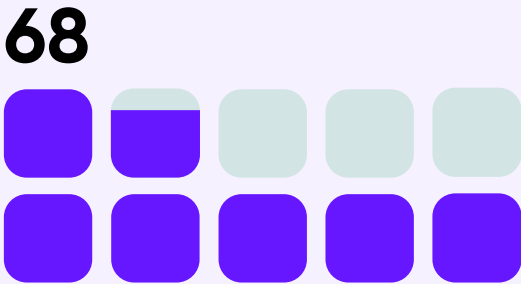


of organizations take an integration-first approach by design in Finland

BARRIERS TO ACHIEVING AI IMPACT



PERSON-HOURS TO DEPLOY INTEGRATION



Time required to build and deploy a production-ready integration

Where time is lost

Finnish workers average 7.9 hours per week on manual tasks, close to the European mean. The more distinctive signal is which departments bear the burden. For 58% of Finnish organizations, data entry and transfer is the greatest issue within IT and technology departments, compared to a European average of 43%. This is a structural signal: organizations without mature integration architecture rely on technical teams to compensate,

manually moving data between systems rather than automating the pipelines. IT is compensating for integration debt.

Onboarding and offboarding is Finland's third most common bottleneck at 24%, the highest of any country, pointing to HR process automation as a near-term priority with high ROI potential.

Integration maturity

Finland has the most consolidated platform landscape of any country: only 3% run more than five integration platforms and all of organizations surveyed have at least one platform dedicated to integrating systems and data. That is a genuine structural advantage. The question is whether it is being used effectively.

Finland's combined integration-first share (all who prioritize integration

before AI) is 24%, the lowest of any country.

Eight percent of Finnish organizations are pursuing AI with no integration plans at all, the highest AI-without-integration rate in the survey. In a market where security is a top scaling blocker at 37%, just behind cost of implementation, this is a structural risk that will become apparent precisely at the moment of deployment.

AI adoption and what is blocking it

Cost is Finland's primary AI blocker (40%), not skills. That framing explains why the integration foundation is not being built first. If the perceived constraint is budget, the explainable reaction is minimum viable deployment, which typically means AI without the integration work that makes it sustainable. Forty-eight percent of Finnish organizations say that if they recovered time from automation, they would invest it in

accelerating AI adoption, the highest of any country. The will is there.

The Eurostat figure for Finnish enterprise AI adoption (37.8% of enterprises with 10 or more employees using AI to conduct business) describes a market moving fast. This survey's finding that only 2% of organizations have AI widely deployed describes a market moving fast without landing anywhere durable. Yet, at least.

"In Finland, the organizations that succeed tend to treat integration as a shared capability, not a collection of one-off projects. They standardize early, so multiple teams can build without creating a fragmented landscape."

Juho Elometsä | Head of Integration | Netum

Three things that would move the needle

1

Treat integration architecture as the prerequisite for AI deployment, not the subsequent phase. Finland's pilot trap appears to be fundamentally a sequencing problem. AI-first without integration support creates walls at deployment that are expensive to fix retrospectively.

2

Finnish organizations can use the data to support budget and time investments and focus automation efforts on low-hanging fruits with high ROI potential, like HR process automation.

3

Use the consolidated platform landscape as a foundation. Finland's low fragmentation rate is an underutilized asset. Building a governance layer on top of a clean architecture is far easier than building it on top of five platforms. The asset exists. The challenge is to use it.

HIGH BURDEN, STRUCTURAL CAUTION

Germany



Germany carries the heaviest individual manual work burden in the survey; the lowest integration-first rate of any country; and the highest percentage of organizations with no integration strategy. But the data also surfaces something the headline numbers miss: when German organizations recover time through automation, they want to invest it in AI more than almost any other country. The barrier is structural, and acknowledging it is the first step to accelerating digital transformation.

Eurostat shows that 25.97% of German enterprises with 10 or more employees are using AI to conduct business.

AT A GLANCE

€11.43M

MEAN ANNUAL COST OF MANUAL WORK PER ORGANIZATION WITH 1,000 EMPLOYEES

8.5 hours

MEAN MANUAL WORK PER WEEK, HIGHEST IN THE SURVEY (102 MINUTES EVERY WORKING DAY)

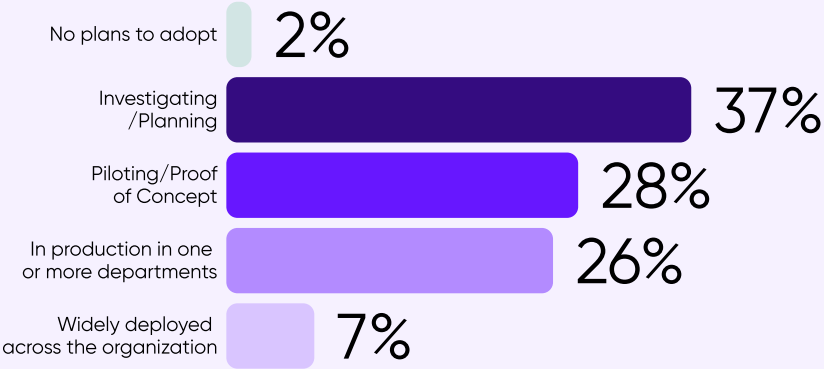
16%

INTEGRATION-FIRST BY DESIGN, SECOND LOWEST IN THE SURVEY (EUROPEAN AVG: 23%)

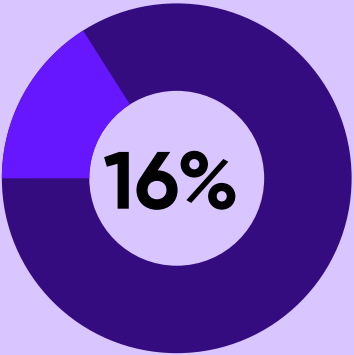
40%

CITE INTEGRATION COMPLEXITY AS THEIR PRIMARY AI BARRIER, HIGHEST OF ANY COUNTRY

GERMANY'S CURRENT STAGE OF AI ADOPTION



INTEGRATION-FIRST BY DESIGN

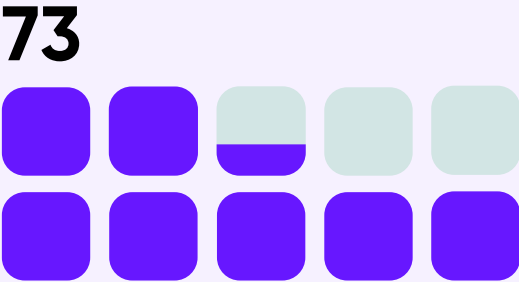


of organizations take an integration-first approach by design in Germany

BARRIERS TO ACHIEVING AI IMPACT



PERSON-HOURS TO DEPLOY INTEGRATION



Time required to build and deploy a production-ready integration

Where time is lost

Germany's process-intensive documentation culture creates a measurable operational cost: German workers lose an average of 49 working days per year to manual tasks, the highest of any country. Report generation is Germany's top manual bottleneck at 35%, ten percentage points above the European average. Data entry and transfer (30%), documentation (28%) and error correction (26%) follow.

Ninety-one percent of German organizations say manual work increases human error risk, the second highest figure of any country. The mean annual cost per employee (€11,431) is the third highest in the survey. The manual labor tax in Germany is profound.

"Germany has strong process discipline. But in many companies, that has not yet translated into true end-to-end digital execution. The cultural strengths – quality orientation, precision, strong awareness of risk and compliance – become a problem when they turn into over-caution, perfectionism or decision paralysis. That's what we see, big time, in small and mid-sized companies."

Prof. Dr. Moritz E. Behm | Fresenius University Munich

Integration maturity

Germany's integration posture is the weakest of any country surveyed. Its integration-first rate (16%) is the lowest. Eight percent have no integration strategy at all. The majority views integration as an operational tool (40%), the most maintenance-minded framing in the survey.

Germany's integration build time (73 person-hours) is below the European average, and its platform

fragmentation is moderate (7% run five or more platforms). These are not indicators of a technically incapable market. They suggest a market that has not yet made the strategic decision to treat integration as a design discipline. Integration complexity is the number one AI blocker for 40% of those surveyed, the highest of any country.

AI adoption and what is blocking it

Germany's AI production rate (33%) is close to the European average, but its wide deployment rate (7%) is neither advanced, nor lags. This suggests progress has stalled at a departmental level rather than scaling across organizations. Its AI success rate (22.2%) is below average.

The most important signal in the German data is the reinvestment intention: 43% of German organizations say that if they recovered time through automation, they would invest it in data analysis and data-based decision making, followed by

strengthening security, compliance and risk management at 41%.

Germany's challenge is the structural gap between where organizations are and where they need to be to deploy AI successfully, much more so than resistance to AI. Governance urgency is high (69% rate it "critically" or "very" important). When it comes to deploying autonomous AI agents, German organizations cite security & guardrails and orchestration as key governance capabilities (30% and 24%, respectively), reflecting an understanding of the complexity involved in connecting AI to fragmented systems.

Three things that would move the needle

1

Shift the integration conversation from cost management to strategic investment. The data consistently shows that integration is viewed as an operational tool in Germany. That framing determines budget decisions, architectural decisions and organizational priority. Reframing it is a prerequisite for progress.

2

Address the report generation bottleneck directly. At 35%, report generation is disproportionately consuming knowledge workers' time. It is also one of the most addressable automation problems. Targeted investment in automated report pipelines would produce visible ROI and build internal confidence for broader automation work.

3

Use governance urgency as the entry point. Germany's high governance awareness is an underutilized asset. Organizations already motivated by compliance and risk management can be engaged through that lens to build the integration infrastructure that both governance and AI deployment require.

THE HIGH-STAKES PARADOX

The Netherlands

The Netherlands presents the most analytically striking country profile in the survey. Its knowledge workers spend the least time on manual tasks of any country but suffer the highest human error risk and operational cost impact. Internal resistance is its biggest AI barrier. At the same time, the Eurostat figure for Dutch enterprise AI adoption shows that 33.21% of enterprises with 10 or more employees are using AI to conduct business. It has the lowest governance urgency and the lowest integration-first rate. And yet Dutch organizations already save meaningful hours through automation. Understanding this paradox tells you something important about what happens when partial automation reaches a certain stage.

AT A GLANCE



€7.93M

MEAN ANNUAL COST OF MANUAL
WORK PER ORGANIZATION WITH 1,000
EMPLOYEES (EUROPEAN AVG: €10.7M)

6.6 hours

MEAN MANUAL WORK PER
WEEK, LOWEST IN THE SURVEY
(EUROPEAN AVG: 7.6 HRS)

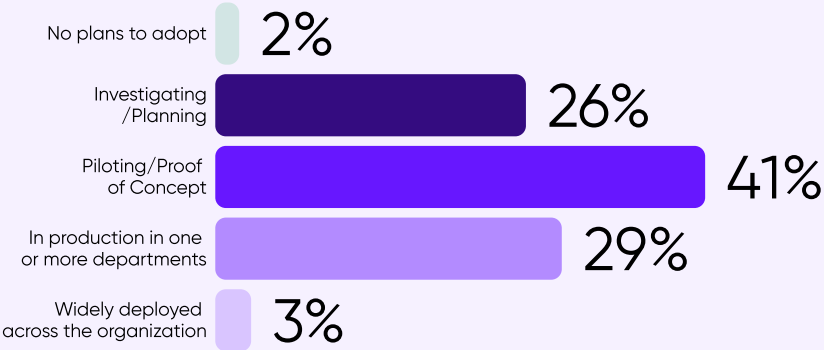
12%

INTEGRATION-FIRST BY DESIGN,
LOWEST IN THE SURVEY
(EUROPEAN AVG: 23%)

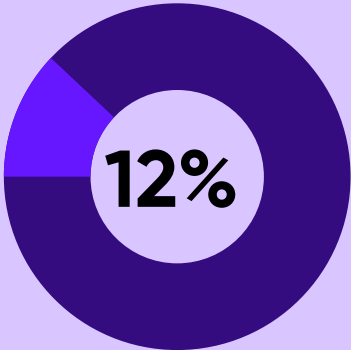
21%

MEAN AI PROJECT SUCCESS RATE,
LOWEST IN THE SURVEY

THE NETHERLANDS' CURRENT STAGE OF AI ADOPTION



INTEGRATION-FIRST BY DESIGN

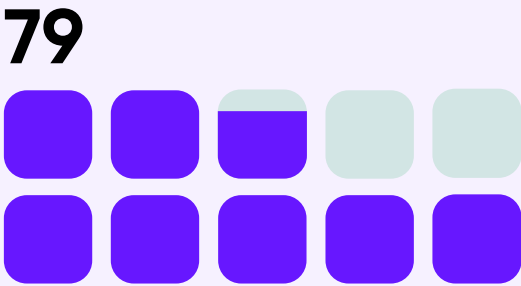


of organizations take an integration-first approach by design in the Netherlands

BARRIERS TO ACHIEVING AI IMPACT



PERSON-HOURS TO DEPLOY INTEGRATION



Time required to build and deploy a production-ready integration

Where time is lost

Dutch organizations rank data entry and transfer (43%) and error correction (28%) as the primary bottlenecks – higher than any other country. Ninety-seven percent report that manual work increases human error risk, the highest of any country (10 points above average), and 90% of organizations say that employee morale suffers from manual work. Yet, as reported, workers in the Netherlands spend the least amount of time on manual tasks.

This paradox has a potential structural explanation. With the country joint lowest (29%) for end-to-end core process automation, it suggests that Dutch organizations may have automated the high-volume, low-stakes tasks, leaving the remaining manual work to those most error-prone and business critical.

The solution is completing the automation of the high-stakes tasks that remain.

"The Netherlands is still somewhat behind in AI adoption. Organizations here tend to be cautious, consensus-driven and highly cost-conscious, which can slow down experimentation and large-scale rollout. Strong privacy and compliance concerns add to that, and the government has not yet fully acted as a launching customer for AI."

Robert Daniëls | Managing Director | Harmony

Integration maturity

The Netherlands has the lowest integration-first rate of any country (12%) and one of the highest reactive integration rates (22%), but the majority (63%) sits at the development phase.

Only half of local organizations report “integration spaghetti” struggles. Forty-five percent of Dutch organizations say integration is “an operational tool” (highest of all countries), which is reflected in the lowest mean budget dedicated to integration (13.59%).

AI adoption and what is blocking it

Organizations in the Netherlands seem to display the lowest levels of openness to AI amongst all countries surveyed. Internal resistance is highest (38%), also the most pronounced cultural barrier in the survey. Nine percent are not yet considering AI agents, also the highest in this survey – while the Netherlands also displays the lowest forward-looking AI disposition, with 4% seeing it as “not a priority”.

Moreover, more than any other country, 34% of Dutch organizations with deployed AI cite “failure to scale beyond pilot” as the primary barrier to achieving

a measurable impact. This is a direct consequence of a reactive integration posture: when AI is deployed without the connective infrastructure, problems appear not at deployment, but when scale is attempted.

This combination of a reactive approach to integration, high internal resistance to AI and the lowest sense of governance urgency (45% see it as only moderately or slightly important) describes a market managing its current state rather than building toward a competitive AI-first future.

The result? The AI success rate (21%) is the lowest in the survey.

Three things that would move the needle

1

Focus automation investment on the high-stakes manual tasks that remain. The Netherlands has done the easy automation work. Completing the automation of data entry and error correction in high-consequence contexts requires a better integration architecture, not just more tools.

2

Address internal resistance as a strategic priority. Organizations that succeed with AI typically build internal use cases with visible ROI before seeking broader buy-in. Demonstrating value before mandating adoption tends to work better than the reverse.

3

Connect governance investment to the error risk organizations are experiencing. The Netherlands' governance urgency is the lowest in the survey. Opportunity for change lies in the 97% reporting the risk of human error as a negative impact of manual work. Error risk in high-stakes processes is the most practical argument for governance infrastructure. Making that connection concrete is more effective than abstract compliance arguments.

HIGH AMBITION, FRAGMENTED ARCHITECTURE

Norway



Norway holds a set of contradictions that are instructive. It has the most fragmented integration platform landscape in the survey. Its workers spend the most time on manual tasks of any country by proportion. It has the highest percentage of organizations with no current plans to adopt AI. And yet, among organizations that have deployed automation, Norway saves more hours per month than any other country. The capacity and potential are there. It's just a matter of structuring the architecture that will scale these gains.

Additionally, the Eurostat figure for Norwegian enterprise AI adoption shows that 28.89% of enterprises with 10 or more employees are using AI to conduct business.

AT A GLANCE

€12.59M

MEAN ANNUAL COST OF MANUAL WORK PER ORGANIZATION WITH 1,000 EMPLOYEES (EUROPEAN AVG: €10.7M); 59% SPEND 7 OR MORE HOURS, HIGHEST PROPORTION IN SURVEY

21%

RUN MORE THAN FIVE INTEGRATION PLATFORMS, MOST FRAGMENTED IN THE SURVEY (EUROPEAN AVG: 11%)

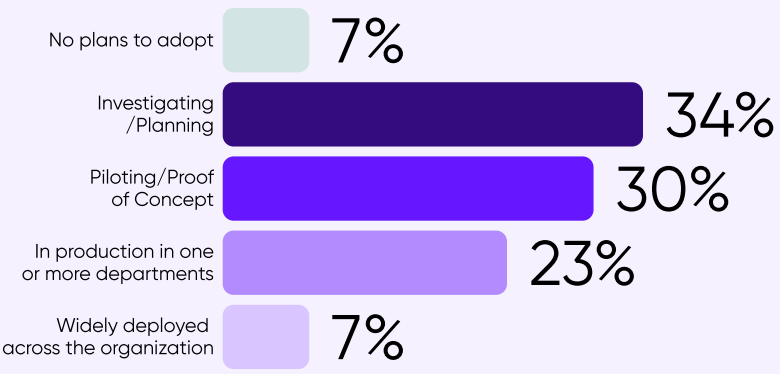
30.4%

MEAN AI PROJECT SUCCESS RATE (EUROPEAN AVG: 25.5%)

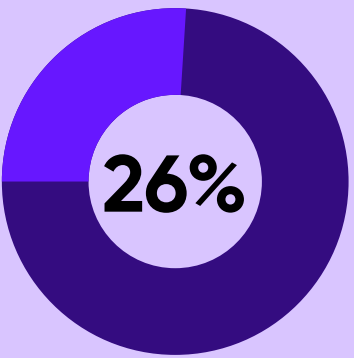
22.3 hours

COMBINED TIME SAVINGS PER EMPLOYEE FROM AI AND WORKFLOW AUTOMATION IN 2025, HIGHEST IN THE SURVEY

NORWAYS' CURRENT STAGE OF AI ADOPTION

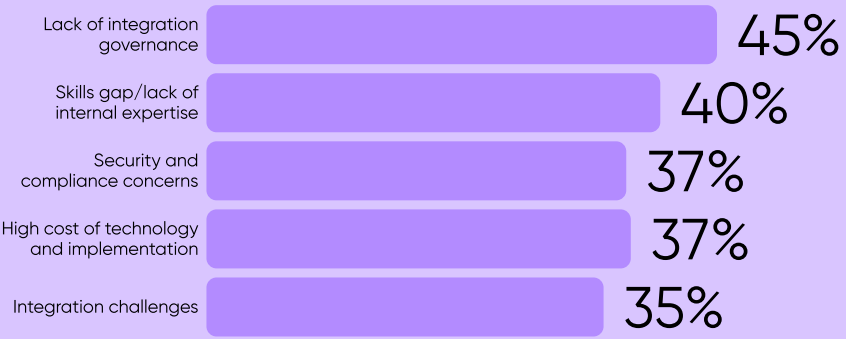


INTEGRATION-FIRST BY DESIGN

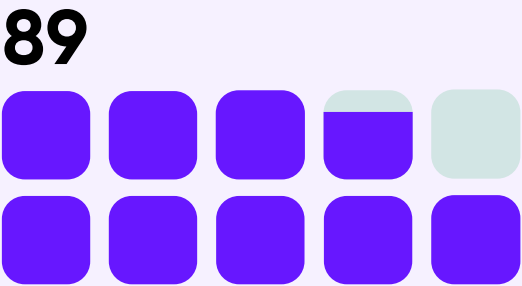


of organizations take an integration-first approach by design in Norway

BARRIERS TO ACHIEVING AI IMPACT



PERSON-HOURS TO DEPLOY INTEGRATION



Time required to build and deploy a production-ready integration

Where time is lost

Norway has the highest proportion of workers spending seven or more hours per week on manual tasks (59%) and an above-average mean of 7.8 hours. The estimated annual cost? €12,594 per employee, the second highest. Supply chain and logistics data management is Norway's second most common bottleneck at 25%, above the European average, which could reflect the significance of maritime, energy and logistics industries in

the Norwegian economy. Legacy integration maintenance is also above average at 20%.

IT and technology departments in Norway bear a disproportionate share of the data entry and transfer burden (55%), second only to Finland at 58%. This is the signature of organizations using technical teams to compensate for a lack of automated pipelines.

Integration maturity

Norway's integration fragmentation is the defining structural challenge in this profile. At 21% running more than five platforms, Norway's rate is almost double the European average and seven times Finland's. This is not primarily a spending problem: Norway allocates 16.4% of IT budget to integration, close to the European mean. As highlighted previously in this report, architecture problems tend to accumulate through years of tactical decisions.

The consequence, however, is unique to Norway: it is the only

country where lack of integration governance is the single most common barrier for organizations that have already deployed AI, cited by 45%. Norway has deployed AI into a fragmented landscape and is discovering that governing it is harder than deploying it.

Paradoxically, Norway also has the highest rate of organizations that have built integration as a governance layer (18%). A minority has done this correctly. The majority that still struggles with it has somewhere to look for inspiration.

AI adoption and what is blocking it

Norway's AI production rate (30%) is slightly below the European average. Seven percent of Norwegian organizations have no current AI deployment plans, the highest in the survey. Security and compliance are top AI blockers for 43%, tied with internal skills gap. For those organizations that have deployed AI, integration governance is the top barrier to measurable impact by 21 percentage points greater than the overall mean.

The bright spots are genuine: Norway's combined time savings from AI and workflow automation in the last year (22.3 hours) exceed every other country. Norwegian organizations that have deployed automation well are among the best performers in the survey. The structural fragmentation means this success is not evenly distributed and the potential is high.

"Norwegians tend to be quick to adopt new technology and capture value early. From smartphones, EVs, and digital public services, the same can be said for AI and automation. But that speed can create structural debt if implementation moves faster than orchestration. In typical Norwegian organizations, with flat hierarchies and high trust, projects can easily become siloed unless clear integration guidelines are in place."

Asgeir Olafsson | ISV Sales Director | Friends

Three things that would move the needle

1

Make platform consolidation a strategic priority. Running more than five platforms is an operational inefficiency and the direct reason why integration governance is Norway's top barrier to deployed-AI impact. Consolidation is a prerequisite for governing AI at scale.

2

Learn from the 18% who have built integration governance. Norway has the highest rate of organizations using integration as a governance layer. Treating those organizations as benchmarks for success and sharing their architectural approach more widely within the Norwegian market would accelerate the rest.

3

Match ambition to architecture. Norway's time savings from automation are the highest in the survey. Closing the gap between Norway's best-performing organizations and its fragmented majority requires treating integration architecture as a strategic asset, instead of a maintenance cost.

THE BALANCED OPERATOR

Sweden



Sweden occupies a capable, deliberate middle position. It has above-average AI production rates, the highest parallel AI-and-integration adoption of any country and a market that is treating integration as strategic discipline. The data also surfaces a specific execution gap: Sweden's AI success rate (21.2%) sits below the European average despite its relatively strong integration posture. That gap is worth examining.

AT A GLANCE

€8.26M

MEAN ANNUAL COST OF MANUAL WORK PER ORGANIZATION WITH 1,000 EMPLOYEES (EUROPEAN AVG: €10.7M)

38%

AI IN PRODUCTION OR WIDELY DEPLOYED (EUROPEAN AVG: 34%)

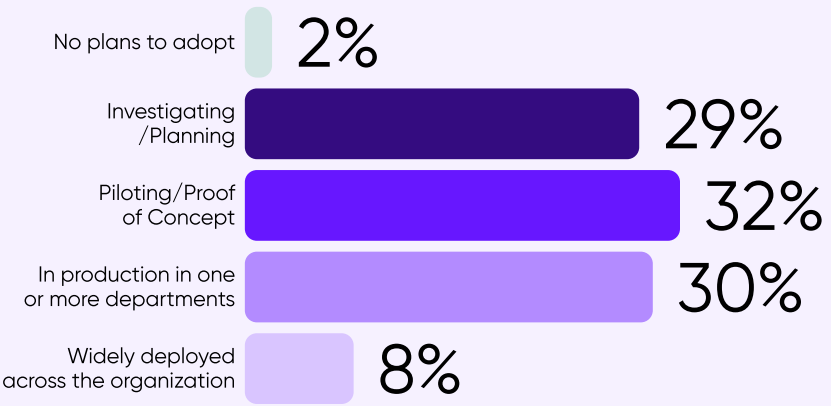
43%

WORKING ON AI AND INTEGRATION SIMULTANEOUSLY, HIGHEST PARALLEL ADOPTION IN THE SURVEY

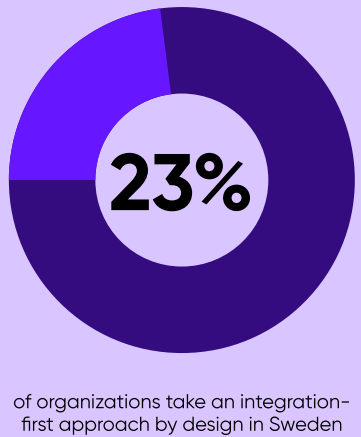
21.2%

MEAN AI PROJECT SUCCESS RATE, BELOW AVERAGE DESPITE RELATIVELY ADVANCED POSTURE

SWEDEN'S CURRENT STAGE OF AI ADOPTION



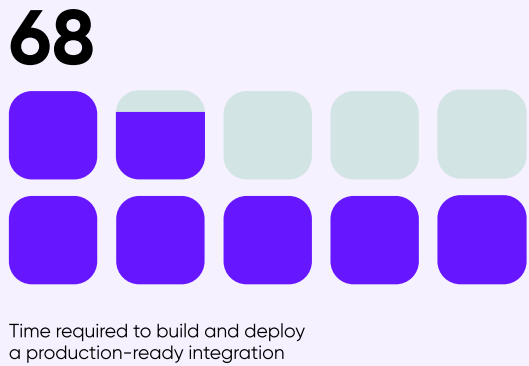
INTEGRATION-FIRST BY DESIGN



BARRIERS TO ACHIEVING AI IMPACT



PERSON-HOURS TO DEPLOY INTEGRATION



Where time is lost

Swedish workers average 7.1 hours of manual work per week, slightly below the European mean, and the organization-level annual cost (€8,258 per employee) is below average. Point-to-point integration code writing stands out at 22%, the highest in the survey. This is a technical debt signal in a market that describes itself as relatively integration-mature: manual integration code is still being written

with each new connection increasing its future technical debt.

Eighty-four percent of Swedish organizations say manual work negatively impacts employee productivity and 78% say it impacts employee morale. The baseline cost is real, even if the acute burden is lower than in Germany or Norway.

"Any transformation journey is challenging when you have unknowns in the integration landscape, and it can delay transformation progress. Don't push integration technical debt ahead of you as it will ultimately slow you down."

Amanda Lindén | Head of Enterprise Platforms |
GlobalConnect

Integration maturity

Sweden's integration posture is the most balanced in the survey. Its 23% integration-first rate matches the European average exactly. It has the highest parallel AI-and-integration adoption (43%), suggesting a market that understands both need to move together. Only 10% of Swedish organizations view integration as basic plumbing.

The technical debt signal is the exception. Twenty-two percent of

Swedish organizations cite point-to-point integrations as the biggest time sink: a clear sign of struggling integration strategy.

There's awareness around integration challenges. Forty-one percent point at difficulty connecting AI to data and workflows as the main barrier to achieving a positive outcome in AI projects.

AI adoption and what is blocking it

Sweden's combined rate for AI in production and in wide deployment (38%) is above the European average. Together with integration challenges, the skills gap is the number one barrier to success at 44%, the highest in the survey. The country also has the highest rate of governance as a blocker to deploying and scaling AI, with 39% of Swedish organizations citing it.

The AI success rate gap (21.2% vs 25.5% European average) is Sweden's most puzzling data point. The likely explanation is

the parallel approach: working on AI and integration simultaneously creates exposure to integration gaps during deployment that a sequenced, integration-first approach would avoid. Sweden may be encountering the execution friction that comes from doing both at the same time without completing either.

Eurostat's 2025 data shows that 35% of enterprises with 10 or more employees in Sweden use AI to conduct business, placing it behind Denmark (42%) and Finland (37.8%) despite Sweden's larger and more diverse economy.

Three things that would move the needle

1

Resolve the point-to-point code debt. Sweden's 22% rate of manual point-to-point integration code writing is the highest in the survey. A systematic program to replace custom connections with platform-managed integrations would reduce maintenance burden, improve governance and free technical capacity for higher-value work.

2

Convert governance awareness into investment in infrastructure. With the highest recognition of governance as a barrier to AI in this survey, the task is not increasing awareness but translating that existing awareness into proactive infrastructure decisions. Making governance practical and operational, rather than a compliance concern to navigate, is the relevant shift.

3

Address the execution gap in AI projects. Sweden's below-average success rate despite above-average integration posture suggests the problem is in how AI is being deployed, not in the underlying architecture. Better sequencing, completing integration work before AI deployment rather than simultaneously, is the most likely lever.

The agentic horizon: what comes next for European automation

The previous four chapters documented several gaps: between AI ambition and AI delivery; between governance urgency and governance infrastructure; between what the leading organizations have built and what the majority has not yet started. This chapter looks at what happens when that gap meets a shift in the technology itself.

AI agents (systems that take actions on behalf of organizations with minimal human involvement) are not a future

scenario. Ninety-seven percent of organizations in this survey are already factoring them into their governance thinking.

Is the infrastructure being built now capable of governing them when they arrive at scale? An AI agent operating inside a European organization, processing data across systems and jurisdictions in real time, on infrastructure that was not designed for EU regulatory accountability or sovereignty, is

not a theoretical compliance risk. Organizations that understand this are building the governance layer now, before the first incident forces the question.

The State of Integration & AI report has documented where European enterprises stand on AI adoption and integration maturity in 2026. Now, it's time to look forward: at the shift from AI tools to autonomous agents; at the productivity curve the data implies; at

the risks of moving fast without the right infrastructure; and at the capabilities organizations say will matter most.

A note of precision upfront: this chapter is anchored in survey data and published research. It is not a forecast. The agentic AI transition is underway, but its pace and distribution across sectors and geographies are genuinely uncertain. The honest answer to what happens next is: it depends on what organizations build between now and then.

5.1 From tools to agents: the shift already underway

Organizations are not claiming they are ready for agentic AI. They are stating they are thinking about it. Will their infrastructure support the ambition when it becomes operational? This remains to be seen.

The transition from tools to agents is occurring now, at different rates across different contexts, but the direction of travel is clear, and the governance

implication, significant. Tools that assist humans are governed by the quality of human judgment applied to them. Agents that act with minimal oversight require infrastructure to audit, control and correct their actions. Only 12% of organizations in this survey have built integration as a governance and control layer. That gap needs to close as agentic deployment scales.



OF ORGANIZATIONS ARE ALREADY FACTORING AI AGENTS INTO THEIR GOVERNANCE CAPABILITIES THINKING. ONLY 3% ARE NOT YET CONSIDERING THEM.

5.2 The productivity J-curve: why the payoff is coming but requires investment now

The expected outcomes from automation in this survey are large. Respondents expect to reduce manual work per employee by an average of 45% through a successful automation strategy, and 38% expect reductions of more than 50%. The revenue upside from full automation is estimated at 11.3% on average. These are ambitious numbers.

The productivity J-curve framework explains this pattern: it shows that general-purpose technologies require substantial complementary investments, with productivity gains often underestimated in the early stages and becoming more visible over time. As those gains materialize, their impact can even be overestimated.

The initial dip is therefore not a failure, but a reflection of the investment phase required to build the foundations for long-term gains.

Organizations that skip the foundational investment to avoid the short-term cost are the ones that end up with just 25.5% project success rates.

As Asmo Urpilainen has mentioned, productivity multipliers will become the norm as AI is scaled. He shares an example from his own work as a CTO where 183 hours are being saved in a month, more than a worker's full-time job in the same period. "This is the extreme example where I'm utilizing automation very heavily. I have automated myself away," he says.

5.3 The paradox of more: why AI intensification can be a risk

Organizations that automate the high-volume, low-judgment work and use the recovered capacity for higher-value work will benefit from AI capability. Organizations that deploy AI into poorly defined workflows will create more work, not less.

The survey data's finding that 40% of organizations would

reinvest recovered time into accelerating AI adoption further – the automation flywheel – is encouraging precisely because it implies intentionality. The organizations most deliberate about where automation goes and what replaces it are the ones most likely to realize the gains without the burnout.

Cost or headcount reductions ranked at the bottom of priorities, meaning productivity of current employees is what truly matters for European businesses.

5.4 What European organizations need to do differently

A FOUR-PHASE MATURITY MODEL
EMERGES FROM THE SURVEY DATA.

1

MANUAL & REACTIVE:

- Integration addressed reactively or not at all (22%)
- 0-10% of core processes automated (12%)
- AI not on the agenda or stuck in investigation (32%)

2

PILOTING & EXPERIMENTING

- Integration considered during development (56%)
- 11-25% of processes automated (34%)
- AI in PoC or piloting (33%)

3

SCALING WITH INTEGRATION:

- AI in production in one or more departments (27%)
- Integration-first approach (23%)
- 26-50% automated (35%)
- Time savings reinvested in accelerating AI (40%)

4

AI-NATIVE & AGENTIC:

- Integration is the governance and control layer (12%)
- AI widely deployed (7%)
- 50%+ automated (19%)
- 15 hours or more saved with AI per employee (17%)

The capabilities organizations identify as most important for their automation strategy cluster tightly: monitoring and managing integrations (36%); AI-assisted development (35%); AI embedded directly into core processes (33%); and a single platform for all integrations (32%). No single capability dominates; the market is asking for improvements across the entire integration and automation stack.

The governance infrastructure required for agentic AI has security and guardrails (35%) as its most critical capability, followed by cost and token management (23%), orchestration (20%) and observability and audit trails (19%). They require deliberate investment in the integration layer that connects AI agents to the systems they need to act on and gives organizations the visibility to govern those actions.

"Security and data breaches are in the news almost every day in the Netherlands, which creates awareness across organizations. At the same time, we are introducing AI and low-code tools to make work easier and faster. But if governance and security don't move at the same speed, you create new risks. This is why companies are becoming much more conscious about putting AI in the right place, with the right controls and responsibilities."

Robert Daniëls | Managing Director | Harmony

The path forward: European competitiveness requires realized gains

The case for integration as the prerequisite for AI success is, at this point, made. The survey data supported by other relevant and previously published works, like the MIT research, the European Investment Bank findings and the operational experience of practitioners, all point in the same direction.

What remains is the harder question: given that the path is reasonably clear, why are 75% of AI projects unable to

achieve measurable results?

Part of the answer is organizational. Building integration infrastructure requires cross-functional commitment, sustained investment and a willingness to treat architecture as a strategic asset rather than a cost center. Those decisions are not easy when the pressure to show short-term AI results is intense.

Part of the answer is sequencing. The organizations that have made most

progress have tended to let operational necessity and clear ROI guide their automation investments. They did not wait for a perfect strategy. They built the integration layer required by their most pressing use cases and continued from there.

And part, as Asmo Urpilainen explained, is an inability to properly measure the impact of AI by applying metrics that don't work in this new context. It's also worth remembering the "productivity

curve": the reality that the gains from AI are not immediate, but compounding.

The infrastructure question has a European dimension that will only get more pronounced. The organizations that build integration and governance on a foundation they control, designed with the right security guardrails and regulatory environment, are making a different kind of bet than those still deciding. The data in this report makes the terms of that bet visible.

6.1 What this report does not answer yet

This is the first edition of this research. There are questions the data raises that it cannot yet answer.

The most important is causal direction. The survey shows a strong correlation between an integration-first posture and better AI outcomes. It does not prove that integration-first causes better outcomes. The pattern is consistent with causation, and the

external research strongly suggests it, but a longitudinal study tracking the same organizations over time would be required to establish the relationship definitively – something this report proposes to do annually.

The sector-level findings are directionally reliable but based on sub-samples that limit granularity. Transport and Construction's AI leadership,

Retail's success rate dominance, Healthcare's integration gap: these findings are worth calling out, but should be cross-referenced with operational experience.

This survey covers six European markets. It does not (yet) represent Eastern Europe, Southern Europe or the UK, all of which have distinct AI and integration landscapes. The European

picture here is Northern Europe and Germany.

Finally, the agentic AI horizon is genuinely uncertain in ways that quantitative surveying cannot resolve. This report documents where things stand now. The 2027 edition will be able to say how those investments paid off.

How this research was conducted

The State of Integration & AI 2026 is an independent research study commissioned by FrenDS and conducted by Sapio Research. All fieldwork, sampling and data processing was handled independently by Sapio Research. The questions were developed collaboratively to ensure they addressed the real operational and strategic challenges facing IT leaders, rather than leading toward any vendor conclusion.



Sample and fieldwork

The survey ran in April 2026 and collected responses from 611 IT and business decision-makers across six European countries: Denmark, Finland, Germany, the Netherlands, Norway and Sweden.

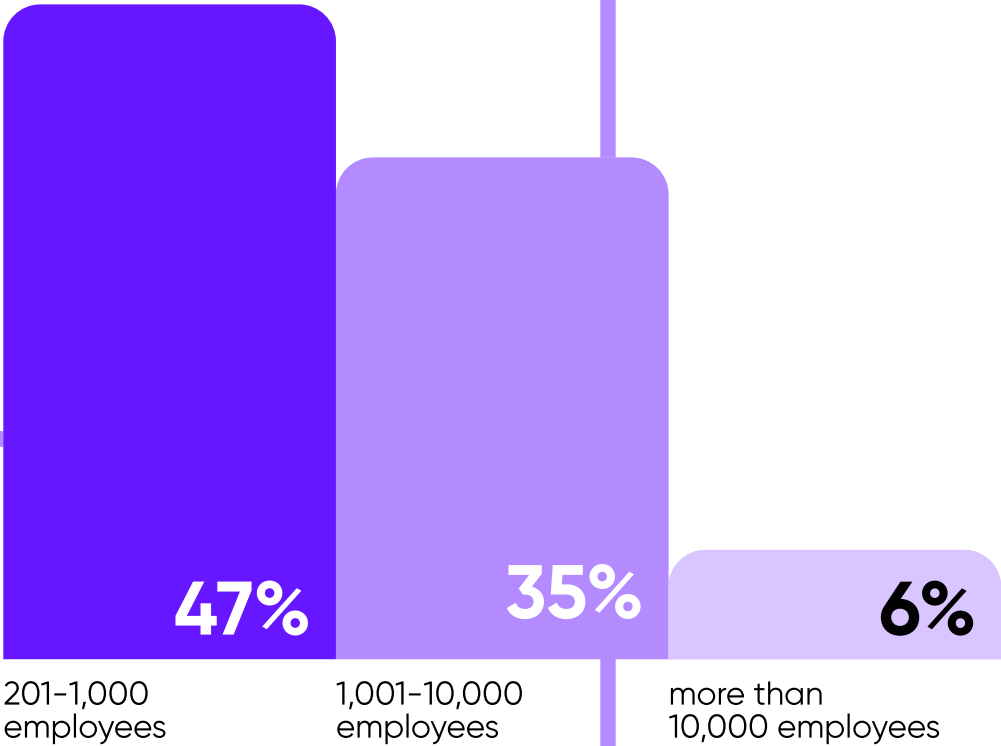
Nine sectors are represented: Finance and Insurance, Technology, Transportation, Logistics and Construction, Professional Services, Manufacturing, Public Sector and

Government, Retail and Hospitality, Healthcare and Pharmaceuticals and Energy and Utilities.

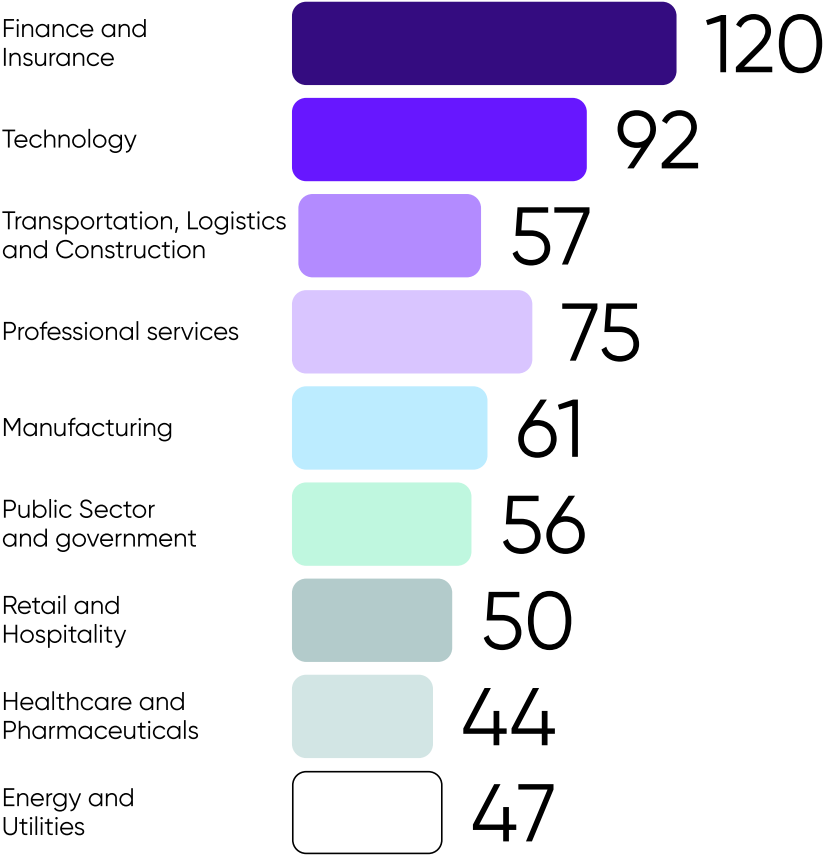
Country sub-samples are approximately 100 respondents each. Directional differences are reliable. Where a country's figure deviates by five or more percentage points from the European average, it is noted as a significant divergence.



BY COMPANY SIZE



BY SECTOR



About Frends

Frends is the European iPaaS company offering low-code, AI-augmented solutions built for mission-critical automation that connect cloud, hybrid and on-premises systems with full transparency and visibility. Founded in Finland in 1988, Frends has industry leaders, municipalities and public sector organizations among its over 6,000 customers, including Fazer, Mehiläinen, Haypp Group, Onemed, the City of Helsinki and Eltel. Frends' usability, integration and API management capabilities have been constantly recognized by G2 and Gartner's Magic Quadrant for iPaaS.

About Sapio Research

Sapio Research is a Certified B Corp™ full-service market research agency that helps businesses grow thanks to high quality, efficient and honest research solutions.

We are an enthusiastic, purpose-driven team of expert market researchers specializing in all areas of quantitative and qualitative research. We deliver valuable evidence to help our clients understand their market, grow distinctive brands, and cut through the noise with compelling data-driven content.

We deeply care about our craft and are committed to delivering high-quality, honest insights.

For our ethically minded team of researchers, providing "data confidence for all" is also about helping the world understand the power of data. In line with our values, we believe in conducting business for better and commit to dedicating at least 1% of our revenue to good causes each year. We aim to consider the impact of our actions and business within the wider community and all stakeholders before making decisions.

Sources and further reading

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