



C-LEVEL INSIGHTS

Top Challenges and the State of AI

!< THE TAKEOFF

The **Klippa Executive Survey** gathered insights from top-tier decision-makers across various sectors in the Netherlands. It aimed to pinpoint challenges faced by C-level executives in a dynamic economic environment. The focus was on the impacts of inflation, investment distortions, and labor shortages.

Based on responses from 100 C-Suite Executives, this research provides valuable benchmarking data for businesses navigating challenging conditions. The survey delves into issues such as the state of AI in these companies, allowing executives to benchmark against peers and gain a clearer understanding of industry trends.

As companies confront continued economic uncertainty into 2024, we guide executives on navigating challenges and emerging stronger.



Yeelen Knegtering
CEO, Klippa

KEY TAKEAWAYS



More than 30% of Dutch executives struggle with labor shortages



One in four CEOs concerned about a lack of capital for investments



Labor shortage challenges grow by 45% outside the Randstad



36% of startups and scaleups are burdened by a lack of capital to invest



Eight out of ten decision-makers trust AI will solve challenges



Almost 20% of executives plan to double their investments in AI



29% of executives hesitate to invest more in AI due to lack of time & people



Automation listed in top 3 solutions to help with lack of available talent

DATASET OVERVIEW



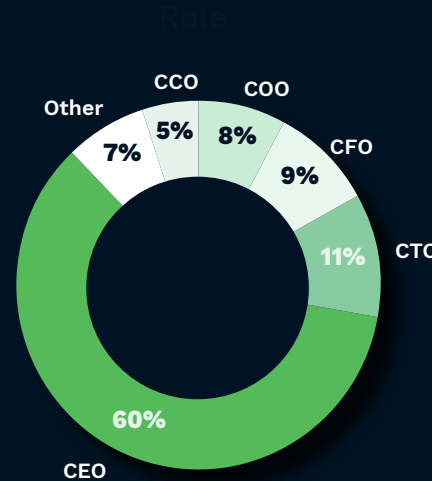
OUR DATASET AT A GLANCE

Who?

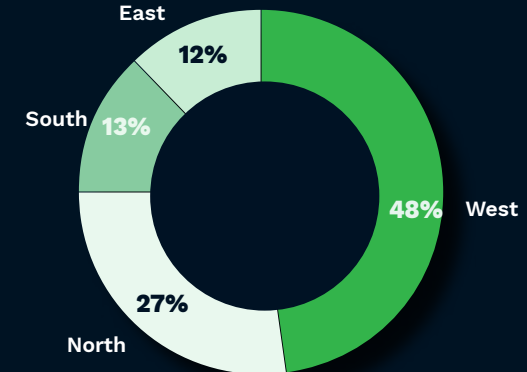
Our dataset includes responses from 100 C-Suite Executives, primarily CEOs (60%) and CTOs (11%). They lead firms with an estimated annual revenue starting at \$500,000 to over \$1 billion.

What?

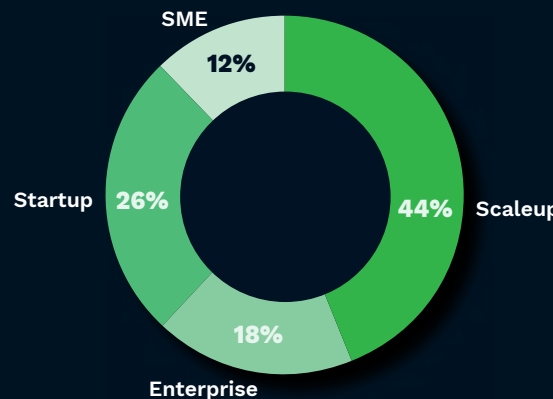
We compare executive insights from companies of all sizes and Dutch regions, as measured by annual revenue, company type and headquarters location. We gathered data on key challenges, solutions, and the state of AI.



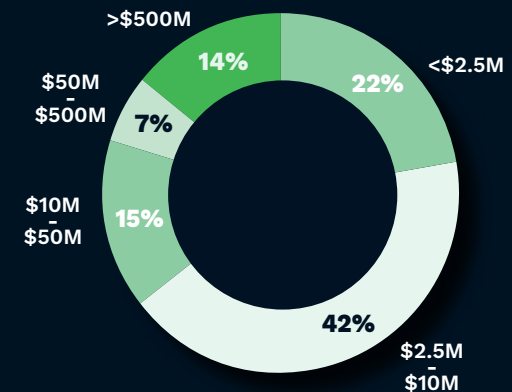
Geographical Distribution



Company Type



Estimated Revenues



C-LEVEL INSIGHTS

Top Challenges



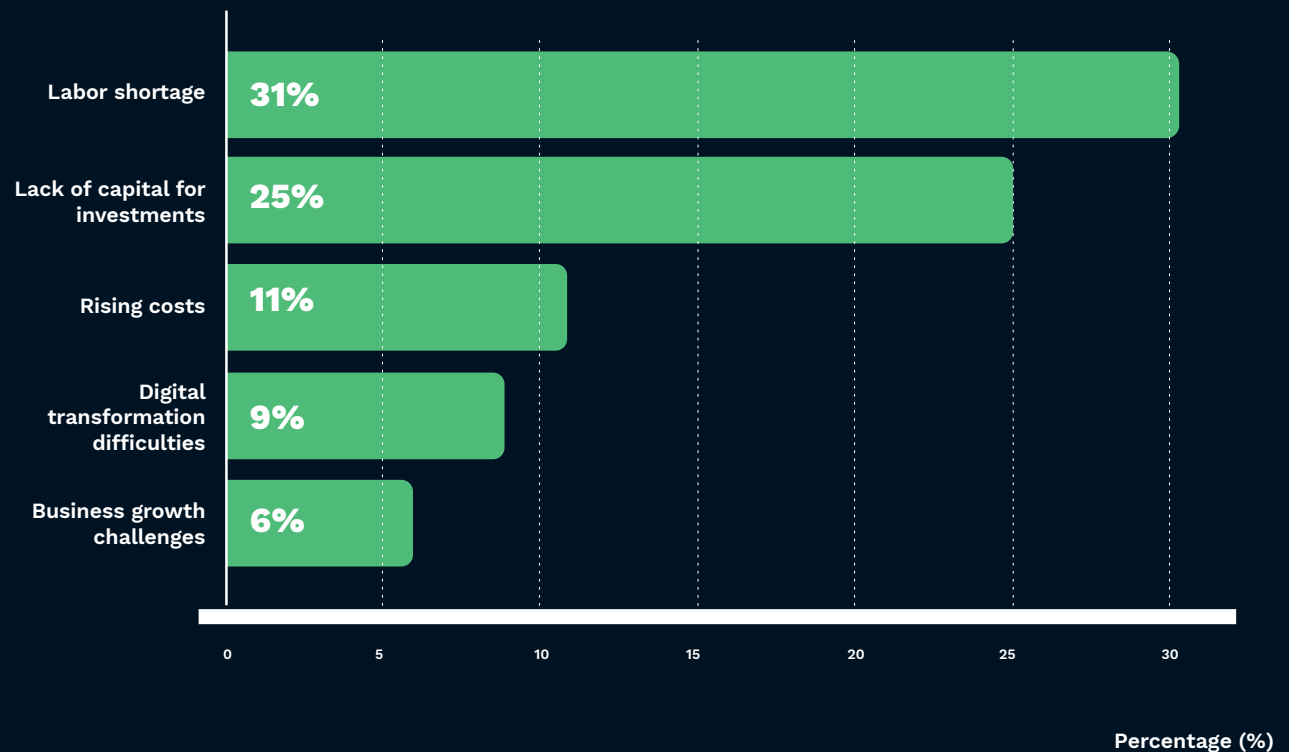
TOP CHALLENGES

MORE THAN 30% OF DUTCH EXECUTIVES STRUGGLE WITH LABOR SHORTAGES

Labor shortage is the main current C-level challenge, pointed at by almost a third of respondents. The significant gap in availability of skilled labor is clearly impacting how Dutch companies operate.

One out of four decision-makers reported struggling with a lack of capital for investments. Scarcity is hindering growth and development opportunities in countless organizations from the Netherlands.

Top 5 Major Problems Faced by Dutch Executives





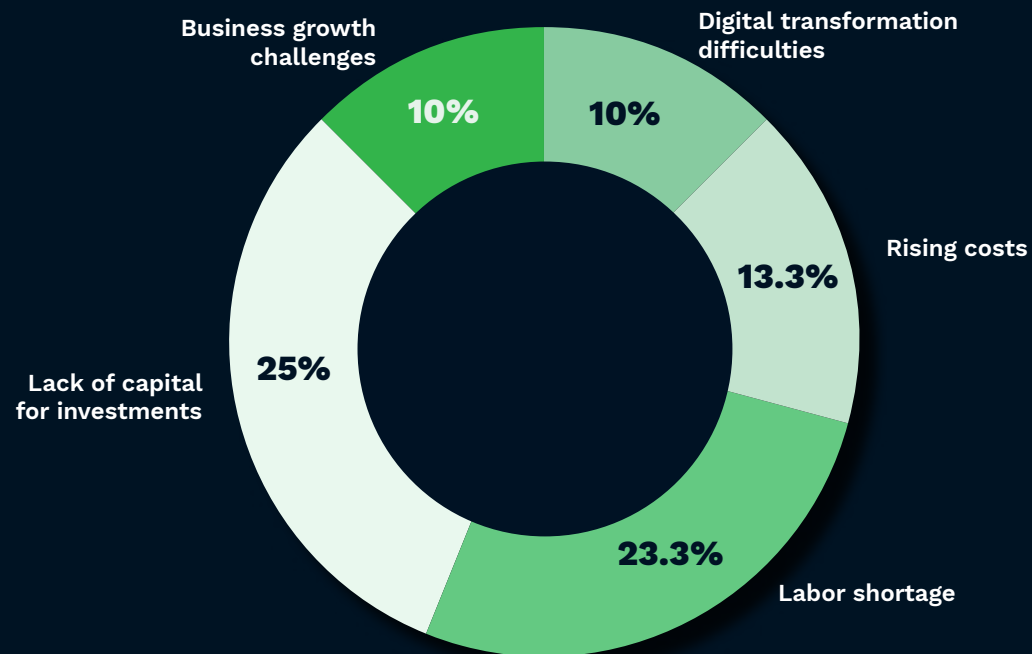
TOP CHALLENGES

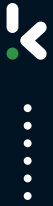
ONE IN FOUR CEOS CONCERNED ABOUT A LACK OF CAPITAL FOR INVESTMENTS

CEOs - who represent 60% of our respondents - saw the lack of capital for investments as the most significant current problem (25%). Labor shortage reached a close second position (23%).

High inflation created hardships not only for Dutch consumers, but for decision-makers as well, reflecting in 13% of responses. Rising costs have had a multifaceted impact on Dutch businesses, from direct operational expenses to broader market and economic influences.

Top 5 Problems Indicated by CEOs



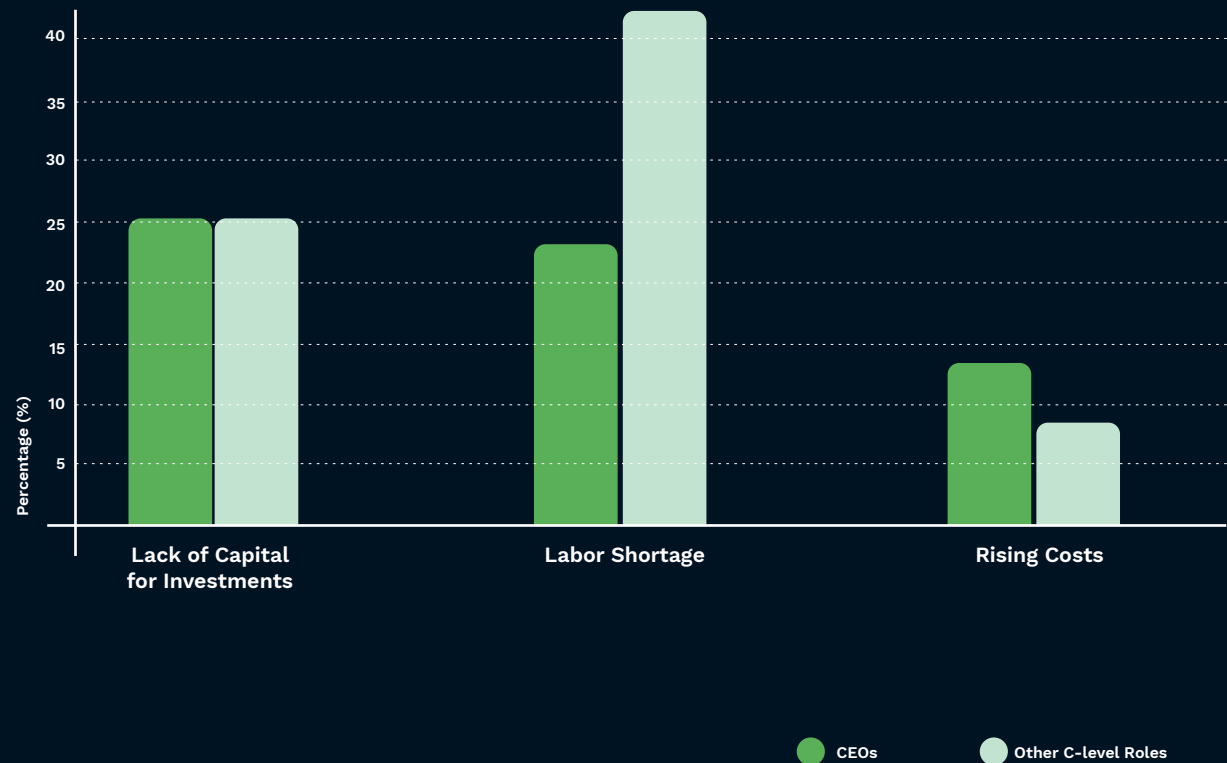


OTHER C-LEVEL EXECUTIVES VIEW LABOR SHORTAGES AS TWICE AS PRESSING AS CEOS DO

The lack of available skilled workers is seen as more concerning by other C-level executives (42%), such as CTOs and CFOs, when compared to CEOs (23%). Top decision-makers shared the same level of concern (25%) about a lack of capital for investments.

Only 8% of other C-level executives consider rising costs a major challenge. The figure shows considerably lower concern compared to the 13% of CEOs who do.

Main Challenges Indicated by CEOs vs Other C-level Roles





THE LACK OF CAPITAL IS ALMOST TWICE AS PRESSING IN THE RANDSTAD

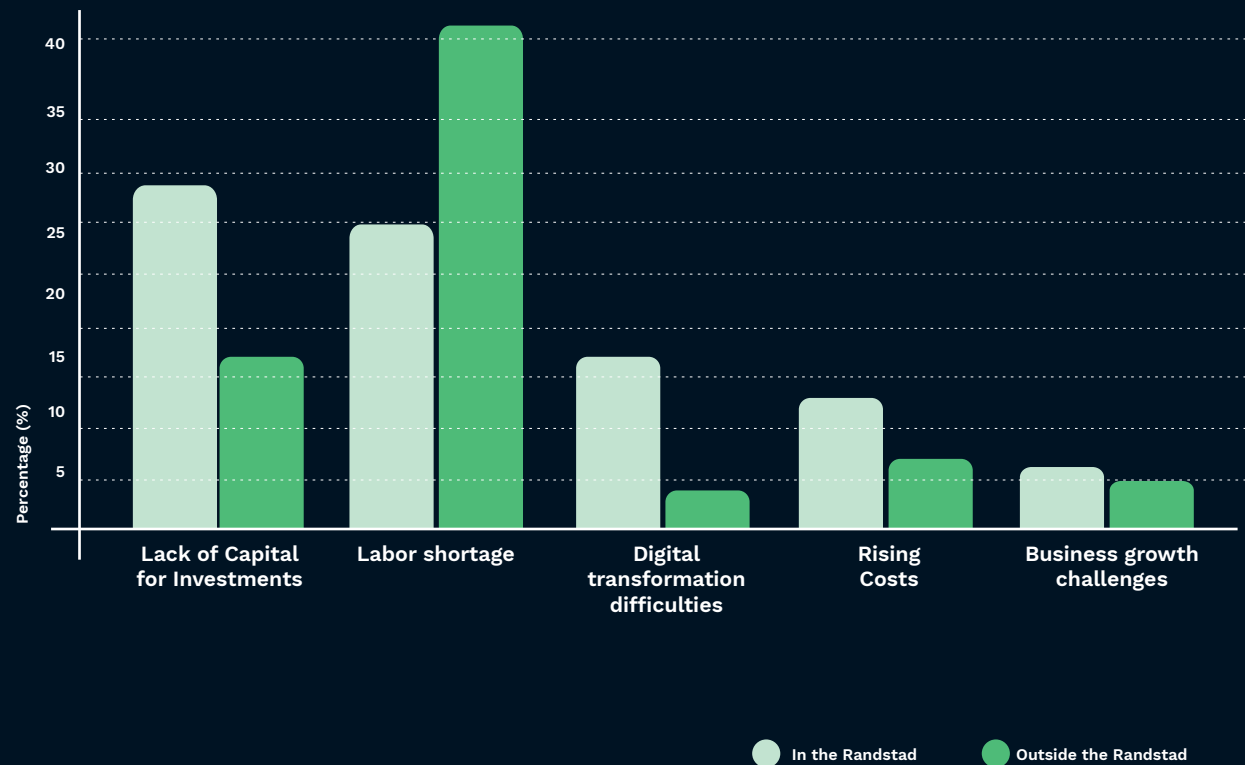
In the Randstad

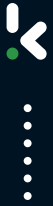
Companies within the Randstad mainly struggle with a lack of capital for investments, which was the most-mentioned challenge (29%).

Outside the Randstad

Outside of the Randstad, only 17% of respondents pointed towards a lack of capital for investments as their main challenge.

Top Issues Indicated by Executives Inside/Outside the Randstad





LABOR SHORTAGE CHALLENGES GROW BY 45% OUTSIDE THE RANDSTAD

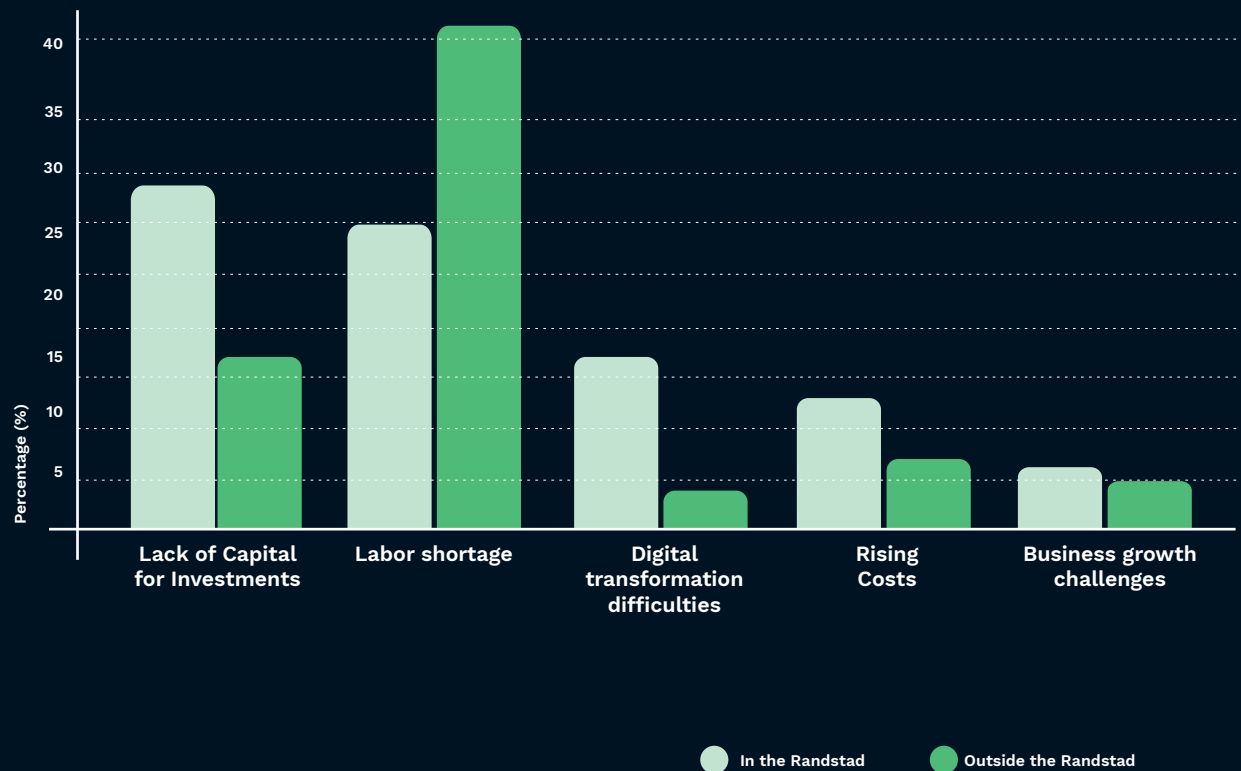
Outside the Randstad

Outside of the Randstad, the labor shortage has a deeper impact, with 42% of all surveyed executives reporting it as the main ongoing problem.

In the Randstad

Within the Randstad's executive circle, 25% of respondents identified labor shortages as their primary concern. It's the second most mentioned challenge.

Top Issues Indicated by Executives Inside/ Outside the Randstad





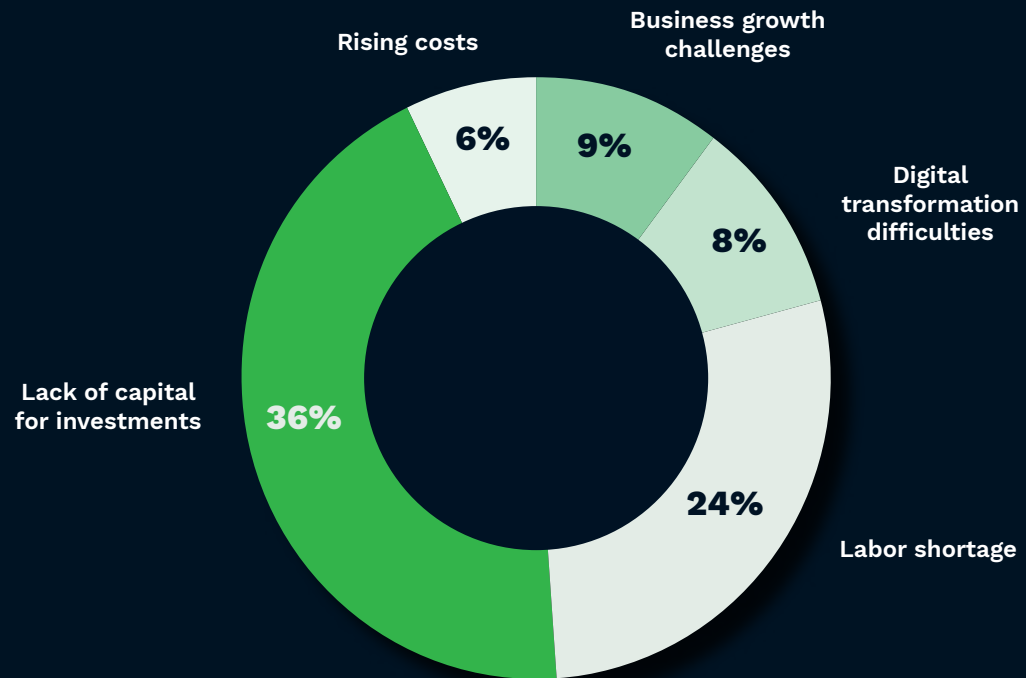
TOP CHALLENGES

36% OF STARTUPS AND SCALEUPS ARE BURDENED BY A LACK OF CAPITAL TO INVEST

More than one-third of startups and scaleups struggle to secure sufficient capital for investments, essential for growth and product development (36%). Interestingly, none of the SMEs and enterprises mentioned this as a challenge, indicating they have more stable revenue streams and access to diverse funding sources.

On the other hand, SME and enterprise leaders wrestle more with the lack of available talent. Almost half (47%) of respondents from these types of organizations pointed at the labor shortage as their main problem.

Top 5 Problems for Startups and Scaleups





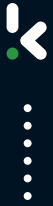
SHARED SOLUTIONS BY EXECUTIVES

Recruitment and talent acquisition issues

- 1** **Build networks and be innovative:** Partner with universities and host industry events to attract top talent and enhance brand visibility in professional circles.
- 2** **Increase employee engagement & retention:** Implement comprehensive onboarding, continuous learning opportunities, and flexible work arrangements to boost employee morale and loyalty.
- 3** **Automation:** Adopt advanced HR software for efficient candidate screening and use AI-driven tools for skill assessments.

Technology and innovation issues

- 1** **Research and test different technologies:** Continuously explore and experiment with emerging technologies to identify solutions that can enhance business processes.
- 2** **Raise investment in technology:** Allocate more resources and budget towards technology development to stay ahead in the competitive market.
- 3** **Migrate to newer technology & refactor:** Update to advanced technologies and refine existing systems for improved efficiency and scalability.



SHARED SOLUTIONS BY EXECUTIVES

Funding and capital raising issues

- 1 Debt and equity raising:** Explore options for raising funds through loans or by selling company shares to investors.
- 2 Crowdfunding:** Utilize crowdfunding platforms to gather small investments from a large number of people, leveraging community support and interest.
- 3 Organic growth:** Focus on reinvesting profits back into the business to grow at a sustainable pace without external funding.

Cost reduction and efficiency issues

- 1 Offshoring and outsourcing:** Delegate non-core functions to external or overseas entities for cost-effective operations.
- 2 Look for new and quicker revenue streams:** Identify and tap into emerging market or innovate in product offerings for rapid revenue generation.
- 3 Cost awareness:** Implement strict budget management and regular cost audits to identify and eliminate unnecessary expenses.

C-LEVEL INSIGHTS

The State of AI

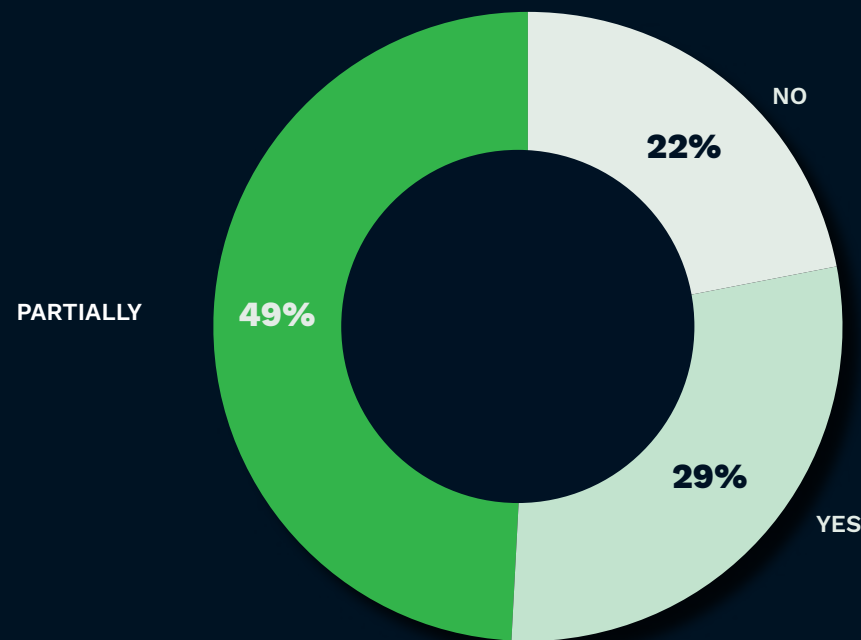


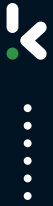
ALMOST 80% OF EXECUTIVES TRUST AI TO SOLVE THEIR CHALLENGES

A whopping 78% of decision makers view AI and automation as powerful tools to at least partially address their main business challenges.

The technology can dramatically streamline operations and reduce human error, which in turn leads to increased efficiency and cost savings.

Belief in AI/Automation to Resolve Challenges



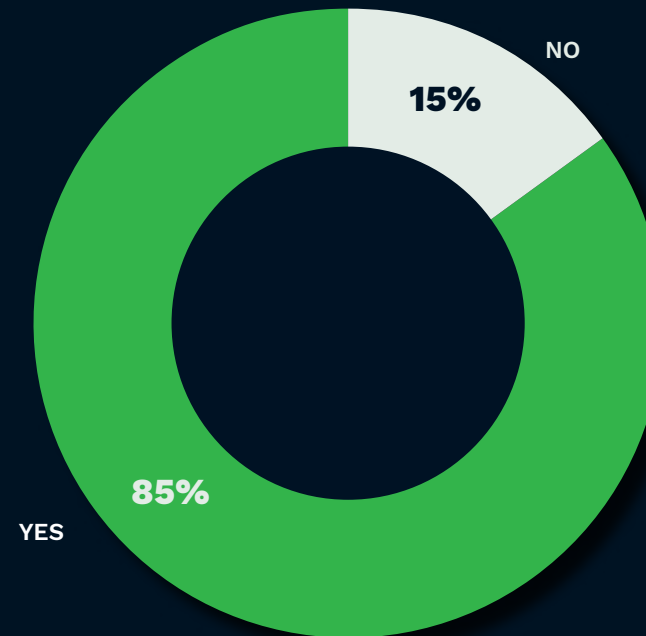


85% OF DECISION-MAKERS PLAN TO INCREASE INVESTMENTS IN AI

Most respondents plan an overall increase of investment in artificial intelligence and automation in the near future.

More reluctance to spend exists marginally in the SME and enterprise categories where 20% responded “No”, as well as in the 50-59 and >60 age categories - 21% responded “No”.

Plans to Increase Investment in AI/Automation



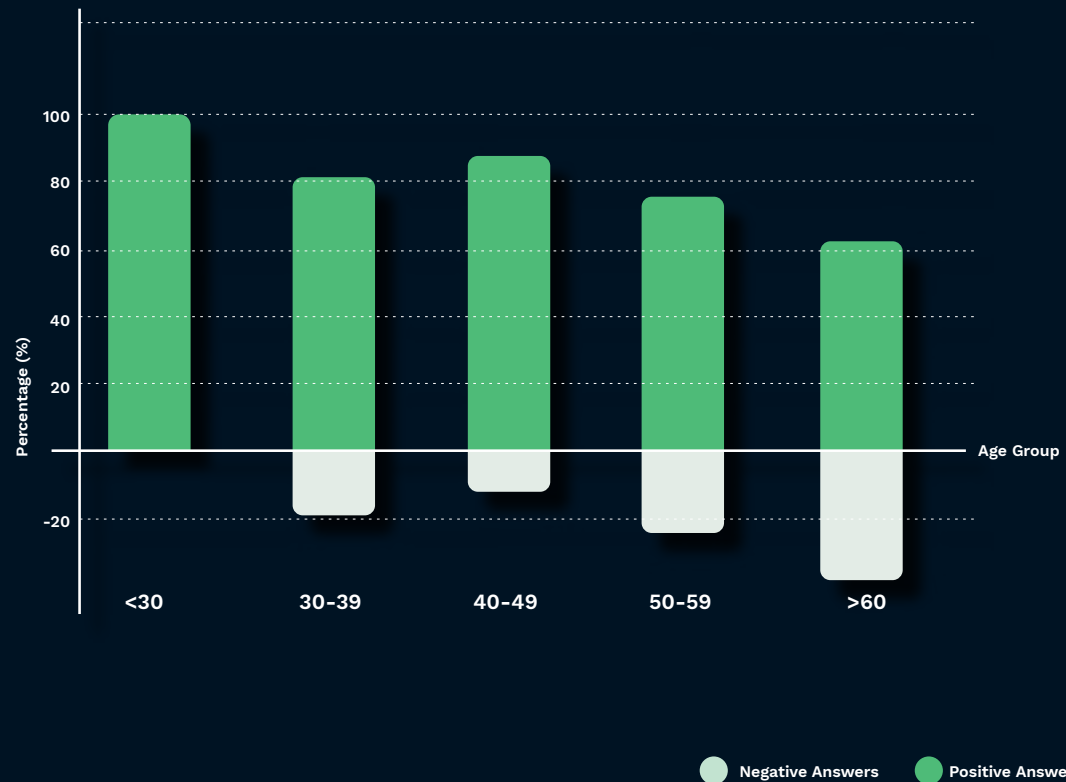


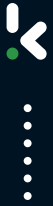
YOUNGER EXECUTIVES SHOW 13% HIGHER TRUST IN AI THAN THEIR OVER-50 COUNTERPARTS

Executives over 50 have slightly less belief (71%) that AI will at least partially solve their current problems. Comparatively, trust in AI is at 84% for executives up to 39 years old. In the age category below 30 years old, an even 100% of respondents declared trust.

There is also less intention to increase investment in AI for the over-50 age groups: 79% are planning increases, compared to 94% of respondents in <40 age groups.

Positive vs. Negative Responses to AI and Automation by Age Group



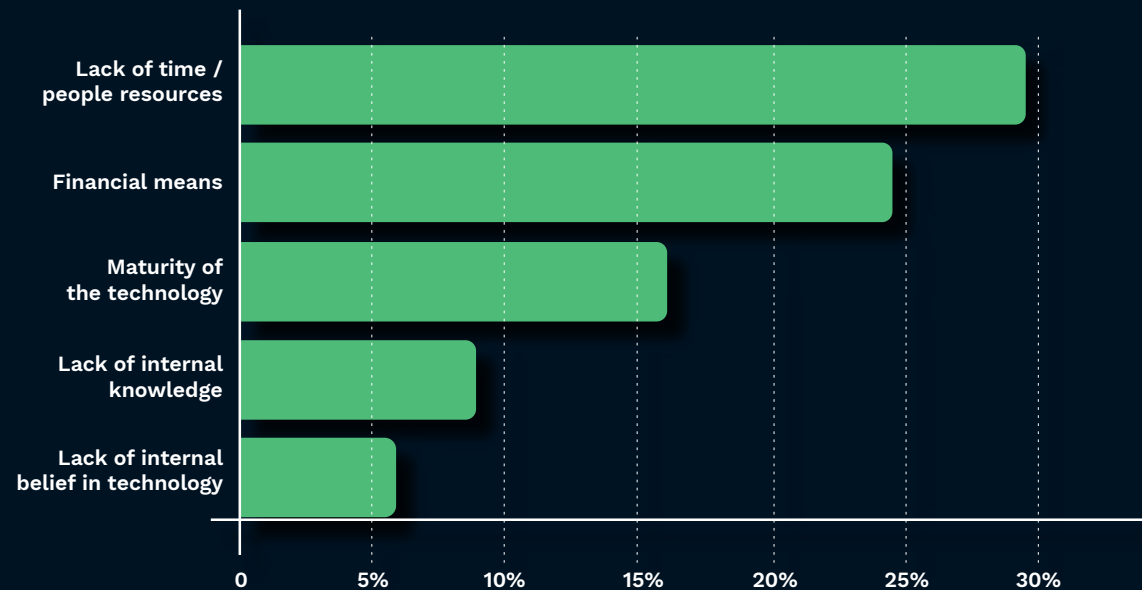


29% OF EXECUTIVES ARE HELD BACK FROM INVESTING MORE IN AI DUE TO LACK OF TIME AND PEOPLE

Time and personnel shortages are the main barriers to increasing AI investment budgets (29%), underscoring the struggle to allocate skilled staff and sufficient time amidst current commitments and labor shortages.

Additionally, 24% of decision-makers find the costs of AI/automation solutions to be a significant challenge, along with concerns about the technology's maturity (16%), internal expertise gaps (9%), and resistance to new technological solutions (6%).

Main Indicated Limitations for AI/Automation Investment Increase





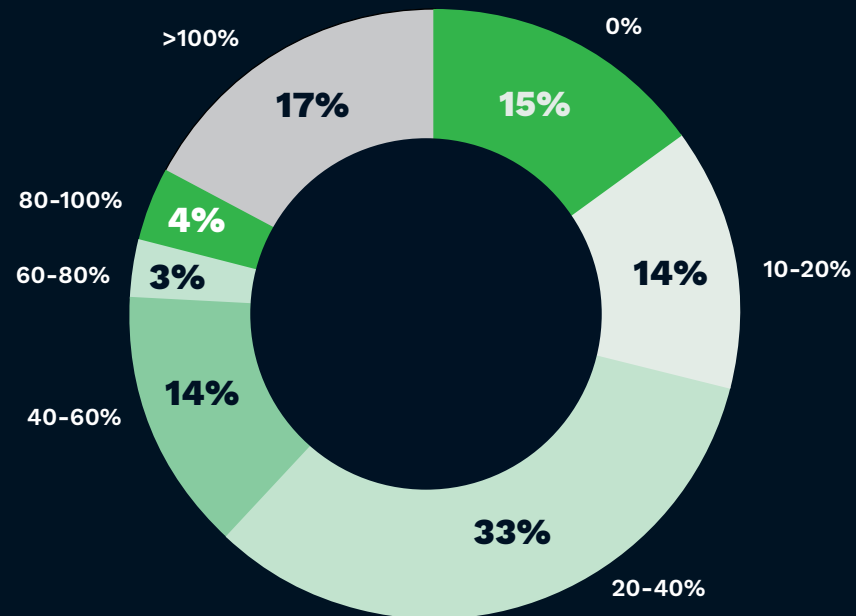
ALMOST 20% OF EXECUTIVES PLAN TO DOUBLE THEIR INVESTMENTS IN AI

85% of C-level executives in the Netherlands are planning at least some increase in their AI/automation investments.

While a third of respondents (33%) are planning a strategic increase, between 20 to 40 percent, there is also significant intent to considerably raise investment.

In total, 17% of decision makers expect to increase AI investments between 40 and 80 percent, while another 17% say that they will more than double their investments in the technology.

Planned Increase of Investment in AI/Automation



ABOUT KLIPPA

OUR STORY

Founded in 2015, Klippa is on a mission to digitize and automate tedious and costly administrative workflows.

Our solutions leverage AI and [Optical Character Recognition](#) to automate tasks like reading, sorting, extracting, approving, and verifying information. This automation helps businesses effectively manage workflows with fewer office staff, directly addressing labor shortage issues.

Klippa has expanded globally, now serving over 1,000 clients worldwide, with offices in Amsterdam, Groningen, Hamburg, and Brasov (Romania). Our rapid growth was recognized in 2022 and 2023 when we were named among the Deloitte Technology Fast 50.



BRANDS THAT TRUST US





Find out more about our
solutions on our website:

 www.klippa.com