



Research Report

The confidence gap: Why leaders are driving AI, but teams need more support.

A pan-European study into how organisations are adopting AI today, why employee confidence will shape tomorrow's success, and practical steps for leaders to take.

SHARP

The AI confidence gap.

AI adoption is accelerating across Europe, but not evenly. Leaders are forging ahead while teams often feel unsure. This report explores the confidence gap, and what organisations can do to close it, securely and sustainably.

In this report, you'll find:

Executive summary	3
AI adoption across Europe	4
The AI confidence gap	5
Shadow AI: Hidden behaviour, real risks	7
What teams need next	8
Measuring AI's impact	10
Europe's plans for the next three years	11
Recommendations for organisations & conclusion	12
How we can help	13

Executive summary.

A growing AI divide.

Across Europe, artificial intelligence has moved firmly into the everyday fabric of work. Most organisations now have active AI users, published policies, and clear intentions to build new AI-enabled processes and applications in the coming years. Yet beneath this momentum lies a growing divide: leaders are confident, vocal adopters of AI, while teams often feel uncertain, under-skilled, and sometimes reluctant.

This is a confidence gap. When leaders surge ahead, but teams hesitate, adoption becomes patchy, shadow AI proliferates and the measurable value organisations are seeking becomes harder to achieve. Our pan-European research explores this gap in depth, revealing how organisations can confidently scale AI in a way that's secure, transparent, and embraced across every level of the business.



AI adoption across Europe.

Leaders are now the most active AI users in organisations.

AI usage across Europe has matured rapidly. Most businesses describe AI as being embedded to varying degrees, with a growing number reporting widespread usage. However, there's considerable variation between countries, sectors and company sizes.

Leaders are driving use from the top

Senior leadership teams consistently report the highest levels of AI usage. AI is now a routine part of strategic decision-making, communication, content creation and operational oversight. Across Europe, senior leaders report the highest adoption of AI compared with any other group in the organisation.

Middle management follows, but with noticeably lower confidence and less consistent usage. Junior employees remain the least likely to use AI, despite being the largest user base in most organisations.

In Europe...

In Europe, leadership adoption is particularly strong: around 70% of senior board members and 43% of middle management use AI today, compared with only around 20% of junior employees. The national picture reinforces the central theme: leaders are out in front, while teams are still navigating their relationship with AI.

AI adoption by EU leaders:



The AI confidence gap.

The research shows a consistent pattern across Europe: leaders feel confident in AI, while many employees feel uncertain, underprepared or concerned about how AI will shape their roles.

This dynamic is most visible in three areas: **skills, trust and perception.**

Skills gaps are holding teams back.

Across European markets, a perceived lack of technical knowledge or AI capability is one of the most common barriers for employees.

Employees worry about:

- Not having the skills to use AI effectively.
- Making mistakes or producing inaccurate outputs.
- Falling behind colleagues who embrace AI more quickly.
- Leaders recognise these concerns. Many feel their teams need more training, clearer guidance and more accessible entry points.

EU leaders report skills gaps at:

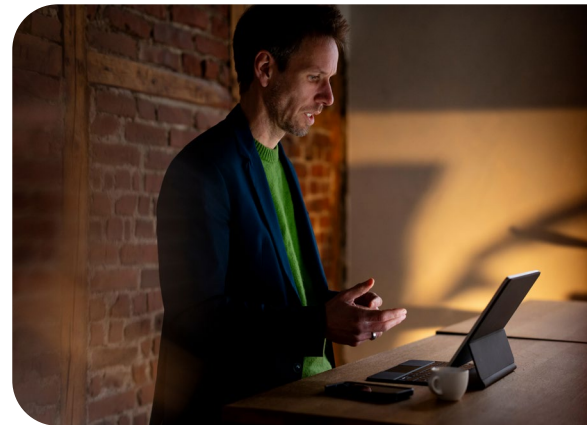
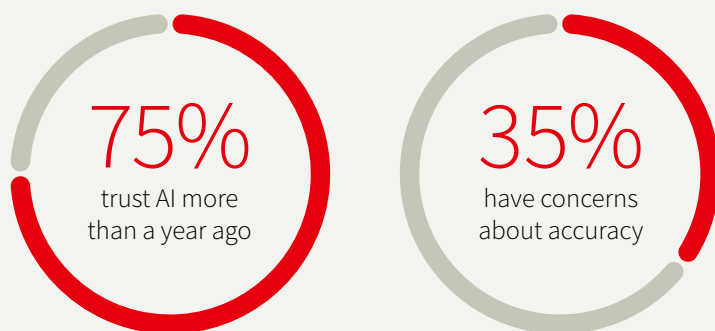


This mirrors concerns about trust and accuracy in outputs (around 34%). The combination contributes to a particularly strong confidence gap between leadership and teams.

Trust in accuracy is improving - but unevenly.

Trust in AI is rising across Europe, with most businesses now reporting higher trust levels than a year ago. This reflects better tools, stronger policies and clearer evidence of impact. But employees often retain doubts, particularly around:

- The accuracy of AI generated content.
- Whether confidential information is being handled safely.
- When AI should and shouldn't be used.



Perception challenges remain.

Many employees worry about how their use of AI will be interpreted. Some feel that relying on AI may be seen as cutting corners, being “lazy” or even “cheating”.

Others worry about the opposite - that if they don't use AI enough, they may fall behind more confident colleagues or be perceived as less capable.

These perception challenges contribute directly to shadow AI, as employees quietly use tools without disclosure.



one
third

of European employees are concerned about being perceived as lazy or cheating when using AI.

Leaders expressed similar concerns about their teams' perceptions.

Shadow AI: A growing operational risk.

As the confidence gap widens, shadow AI becomes an increasingly important issue. Employees engage with free or unapproved tools when official support or training feels insufficient.

Shadow AI usage is widespread across Europe.

Shadow AI isn't a niche problem. Almost half of European leaders believe employees in their own organisation use AI tools without telling management. This includes signing up for external AI platforms independently or using personal accounts in ways that fall outside approved processes.

Shadow AI creates risks around:

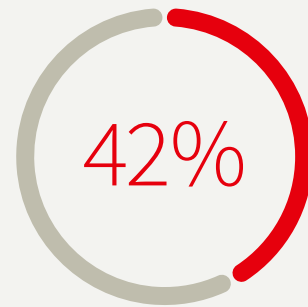
- Data privacy and confidentiality
- Auditability and compliance
- Brand safety
- Inaccurate or inconsistent outputs
- Disconnected processes that weaken ROI

A culture of secrecy intensifies the gap.

Employees who lack confidence with AI often resort to quiet, unreported experimentation. Many say they'd rather "try things privately" than ask for help.



of leaders say employees sign up for AI tools without management knowing.



believe employees use AI without disclosing it.

What teams need: Clarity, capability and consistency.

The European data shows a clear path forward. Organisations that want to scale AI safely and confidently need to give their teams:

Clear, operational AI policies.

Policy maturity is one of Europe's strongest areas of AI progress. Most businesses now have formal AI policies that are widely understood across the workforce.

Well-designed policies simplify decision making by clarifying:

- Approved tools
- Appropriate use cases
- Confidentiality and data handling requirements
- Disclosure and citation expectations
- Escalation routes for exceptions



of EU leaders say their AI policy is understood across the entire company.

This is a strong survey response, yet a policy alone in the EU isn't enough - policies may create fear or hesitancy, so employees need help translating it into their everyday work.

Practical, role-based training.

Employees who receive hands on, task oriented instruction adopt AI more confidently. Practical guidance helps them understand what good looks like, where AI adds value and how to avoid common pitfalls.

Training that works:

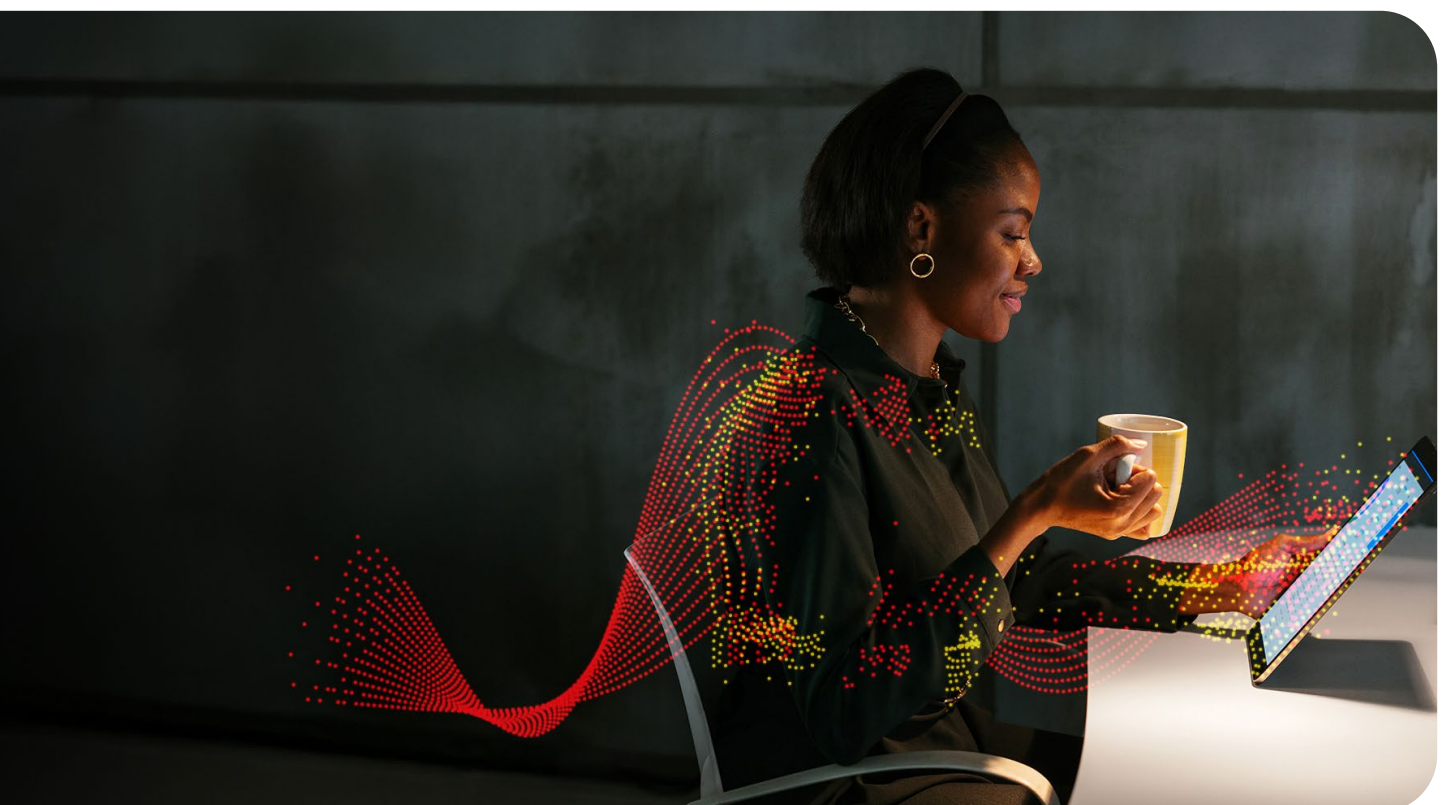
- Is tailored to tasks, not just tools.
- Focuses on prompts, review steps and accuracy checks.
- Encourages open discussion and shared learning.

Strong guardrails for accuracy and brand safety.

AI is at its most powerful when supported by quality controls. Review workflows, approved templates, structured prompts and clear audit trails reduce risk while improving consistency.

Employees feel more confident when they know:

- What accuracy checks are expected.
- How to validate sources.
- How to report issues or escalate uncertainties.



Measuring the impact of AI.

European businesses increasingly recognise the importance of measuring AI's real impact. Many have started to track productivity gains, quality improvements and reductions in time spent on routine tasks.

Leaders who want to build confidence across their teams should use measurement not only to demonstrate ROI, but also to celebrate progress and normalise AI usage.

Measurement approaches include:

- Time-on-task comparisons.
- Output quality reviews.
- Productivity indicators linked to core KPIs.
- Employee feedback loops.



EU leaders show high AI policy awareness across the board. However, this does not necessarily translate to confident usage.

AI confidence should be built through training and support, ensuring greater usage alongside meeting regulations or company policies.

Looking ahead: Europe's AI intentions for the next three years.

Across Europe, businesses anticipate a shift from generic tool usage to deeper AI integration. This includes building internal workflows, developing bespoke applications and investing in cloud and data infrastructure.

Planned activity often includes:

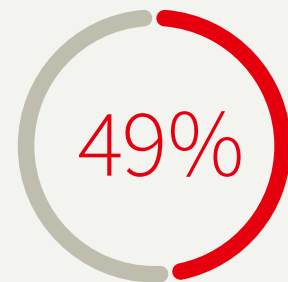
- Creating new AI-enabled ways of working.
- Developing internal AI apps that support specific processes.
- Building external AI-driven tools or services for customers.
- Upgrading cloud and data capabilities to support scalable AI.



of EU leaders show a strong intent to create new AI-based workflows.



of EU leaders show a strong intent to develop internal and external applications.



of EU leaders have plans to upgrade cloud environments.

What organisations should do now.

To close the confidence gap and unlock the value AI promises, businesses across Europe can take clear, practical steps.

1

Make AI accessible to everyone.

AI shouldn't feel like a specialist tool. Clear, easy to use guidance helps employees see where AI fits into their work and reduces the fear of doing something wrong.

2

Build skills where they matter most.

Role based workflows, short tutorials and practical prompts help teams move from cautious experimentation to confident, everyday usage.

3

Strengthen trust with transparent guardrails.

Employees trust AI more when they know what's expected of them and what the organisation will take responsibility for.

4

Reduce shadow AI with supportive governance.

Encouraging openness, providing approved tools and making policies easy to understand helps reduce the need for unapproved workarounds.

5

Anchor progress with measurement.

Tracking time savings, output quality and team sentiment helps build momentum and reinforces the case for continued investment.

Conclusion:

AI adoption across Europe is accelerating, but leadership enthusiasm isn't yet matched by team confidence. The result is a growing confidence gap – one that affects productivity, quality, governance and overall readiness for the next phase of AI enabled work.

By focusing on clarity, capability and consistency, organisations can build an environment where every employee feels supported to use AI confidently. When leaders and teams move together, safely and transparently, AI becomes a shared capability with the power to transform everyday work.

How we can help.

AI has the potential to transform how you work, but it needs clarity, confidence and the right foundations in place. That's where we can support you. Our **Microsoft Copilot Consulting Services** are designed to help you adopt AI in a way that's secure, practical and relevant to your organisation.

We focus on making sure you get real value from AI tools by shaping how they're introduced, understood and used across your business.

Our approach:

1. We help you understand your readiness

Every organisation starts from a different point. We work with you to assess where AI already fits within your workflows, where the opportunities are, and how ready your people and data are for wider adoption. This gives you a clear, honest baseline to build from.

2. We support you in creating a safe, practical AI policy.

A strong AI policy gives your teams confidence. We help you define where AI should be used, what good practice looks like and how to keep data secure. Your people get the clarity they need to use AI responsibly, and your organisation keeps control of risk.

3. We show your teams how to use AI in their everyday work.

Training works best when it's grounded in real tasks. We take your business scenarios and show your teams how to use the right tools for the job, helping them build the confidence and skills to use AI well. This includes hands on support with Copilot across Microsoft 365.

4. We help you redesign workflows for measurable value

To get the most benefit from AI, it needs to sit within well designed processes. We help you reimagine everyday tasks, from meetings and emails to documentation and reporting – so your teams work faster, smarter and with greater consistency.

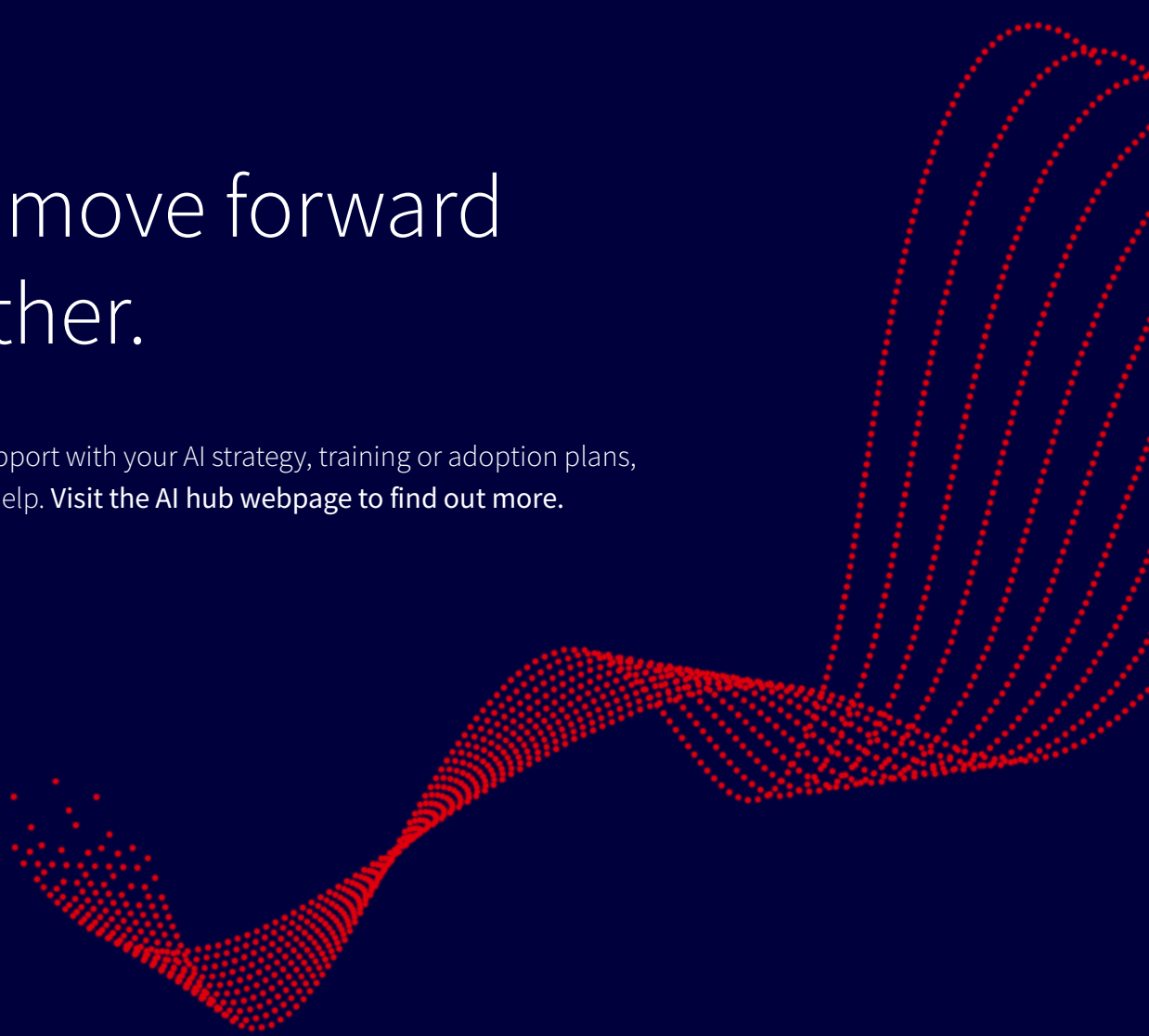
5. We support you in building the right foundations for long term use

Many organisations want to move beyond basic usage and build their own AI enabled apps or automation. We can help you plan what this looks like, develop early solutions and make sure your cloud and data environment can support your long term goals.

The outcome: You get a clear, secure and confident approach to AI that works across your whole organisation, not just for early adopters. Your people understand how to use AI safely. Your processes become more efficient. And you build the foundations for future innovation without unnecessary risk.

Let's move forward together.

If you'd like support with your AI strategy, training or adoption plans, we're here to help. Visit the [AI hub webpage](#) to find out more.



Research

The research was conducted by Censuswide from 17 June 2025 - 25 June 2025 and responded to by 2,500 business owners in companies with 50-250 employees across Austria, Belgium, France, Germany, the Netherlands, Poland, Spain, Sweden, Switzerland, and the UK. The sample size for each of these markets, including the UK, was 250.

[sharp.eu](#)

SHARP