

PwC's Workforce Hopes and Fears

Romania Survey 2024

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Workers are ready for change. Are leaders ready to engage them?



Dinu Bumbăcea
Country Managing Partner
PwC Romania



“Employees are increasingly feeling the pressure of change that organisations have faced in recent years as they struggle to keep up with new technologies, regulations and other business trends. The good news is that employees are optimistic and engaged, with most showing a willingness to adapt to new ways of working, learn new skills and embrace emerging technologies such as generative artificial intelligence (GenAI). In this context, employers need to ensure that they are investing in both people and technology to alleviate pressures and retain talent.”



Daniel Anghel
Partner, Tax, Legal and People Services Leader
PwC Romania



“GenAI has the potential to disrupt business models and fundamentally change certain industries. Companies need to carefully assess the risks involved, while moving quickly to seize the opportunities. This can only be done with the involvement of employees. Cultivating transparency and trust in the implementation of the GenAI strategy can help employees feel encouraged to experiment and ultimately innovate with this technology.”



Oana Munteanu
Director People & Organisation
PwC Romania



“Technological innovation has always reshaped the labour market and created new opportunities. Although AI is being rapidly adopted and can perform more tasks than previous technologies, it will not lead to an overall decline in jobs. However, it is essential to adapt to the new realities. The Hopes and Fears Survey 2024 confirms once more the need for a proactive attitude to continuous learning from both employers and employees, while flexibility and openness to change are key assets in a job market reshaped by artificial intelligence and significantly disrupted by the geopolitical and economic context.”

Key highlights:

Half of the Romanian workers say their workload has increased significantly in the past year, while almost two-thirds (61%) perceive a higher pace of change at work over the same period.



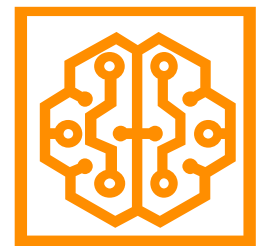
One fifth of the respondents (20%) say they are very or extremely likely to switch employers in the next 12 months – two percentage points higher than in the previous report.



Employees prioritise skills-growth: 59% agree that their employer provides adequate opportunities to learn new skills that will be helpful in the future career. Such opportunities are also a key factor in any decision to switch jobs for fewer than half (46%), who say opportunities to learn new skills are a key factor in any decision to make such a switch.



GenAI is used daily by 5% of Romanian workers, with 47% of those workers expecting it to make their time at work more efficient in the next 12 months, and 40% of all users expect it to lead to higher salaries. The same percentage believe it will increase job security.



Cost-of-living pressures ease slightly: the proportion of workers with money left over for saving, holidays and extras each month has risen to 32% (compared to 26% in 2023). However, 55% say they are still financially stressed (meaning that they are able to pay all bills every month but have very little or nothing left over for savings, holidays and extras), down from 57% in 2023.





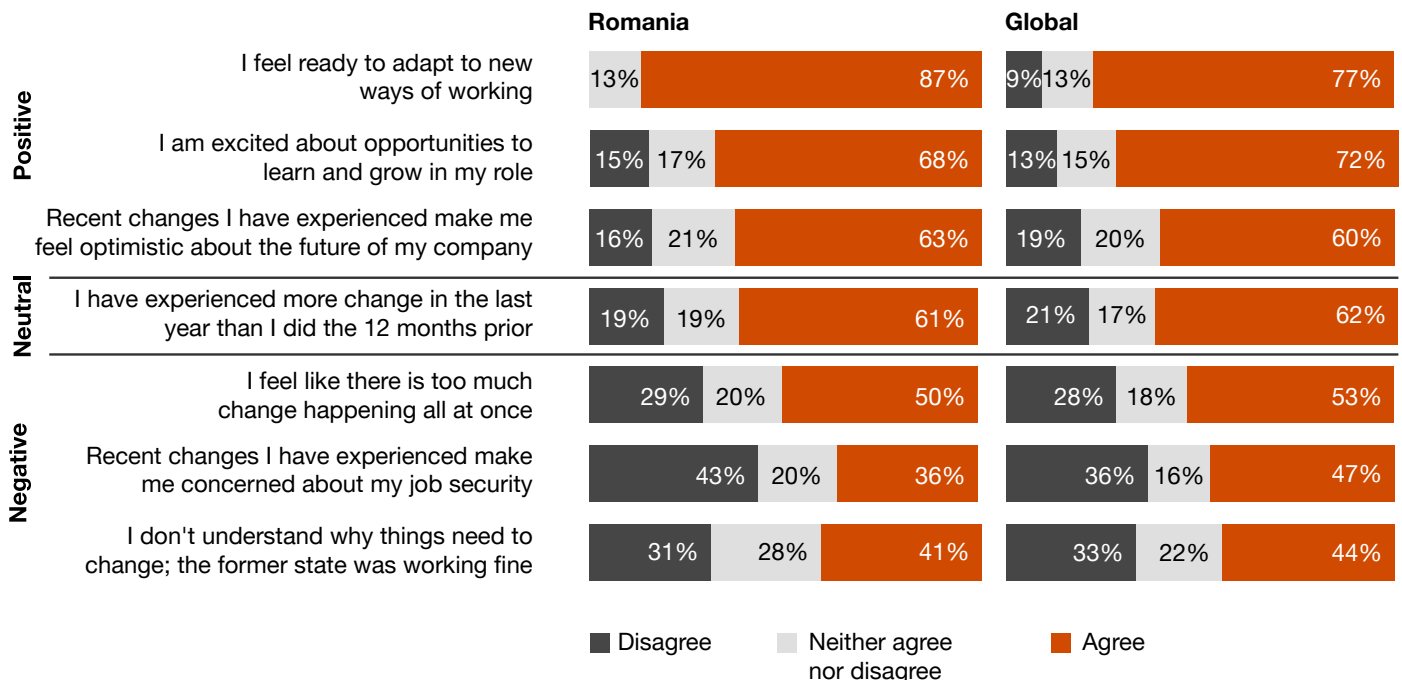
Change is everywhere, and employees are feeling it. PwC's latest Workforce Hopes and Fears Survey finds that half of the Romanian workers say there is too much change at work happening at once, and 41% do not understand why things need to change at all.

At the same time, workers also report increased workloads (50%) and some uncertainty about job security (36%). However, there are also strong signs of optimism and engagement. Most employees (87%) say they are ready to adapt to new ways of working. Many are eager to upskill and see potential in using GenAI to increase their efficiency.

Workers are open to the future, but current pressures may be clouding their vision of what it could look like and how they can contribute. While there are compelling business reasons for change, with CEOs urgently trying to evolve their companies to remain economically viable long term, leaders must double down on making the case to their most important stakeholders: their workforce. Unless employees understand and help drive change, transformation plans are unlikely to succeed.

This year's survey explores employee perceptions and attitudes relevant to six critical actions for C-suite leaders to build a change-ready workforce across key transformation themes: leading through transformation, unleashing GenAI and fuelling performance through upskilling and the employee experience.

Thinking about changes you have experienced in your role in the last 12 months, to what extent do you agree or disagree with the following statements?





1

Leading through transformation

Many of the changes that employees have experienced have made them feel optimistic, with nearly two-thirds of Romanian employees agreeing that recent changes make them excited about the future of their company.

However, even positive change can be stressful, especially when the rate of change is intense. Over 60% of employees say they have experienced more change at work in the last year than in the preceding 12 months, and 39% say their daily responsibilities have changed.

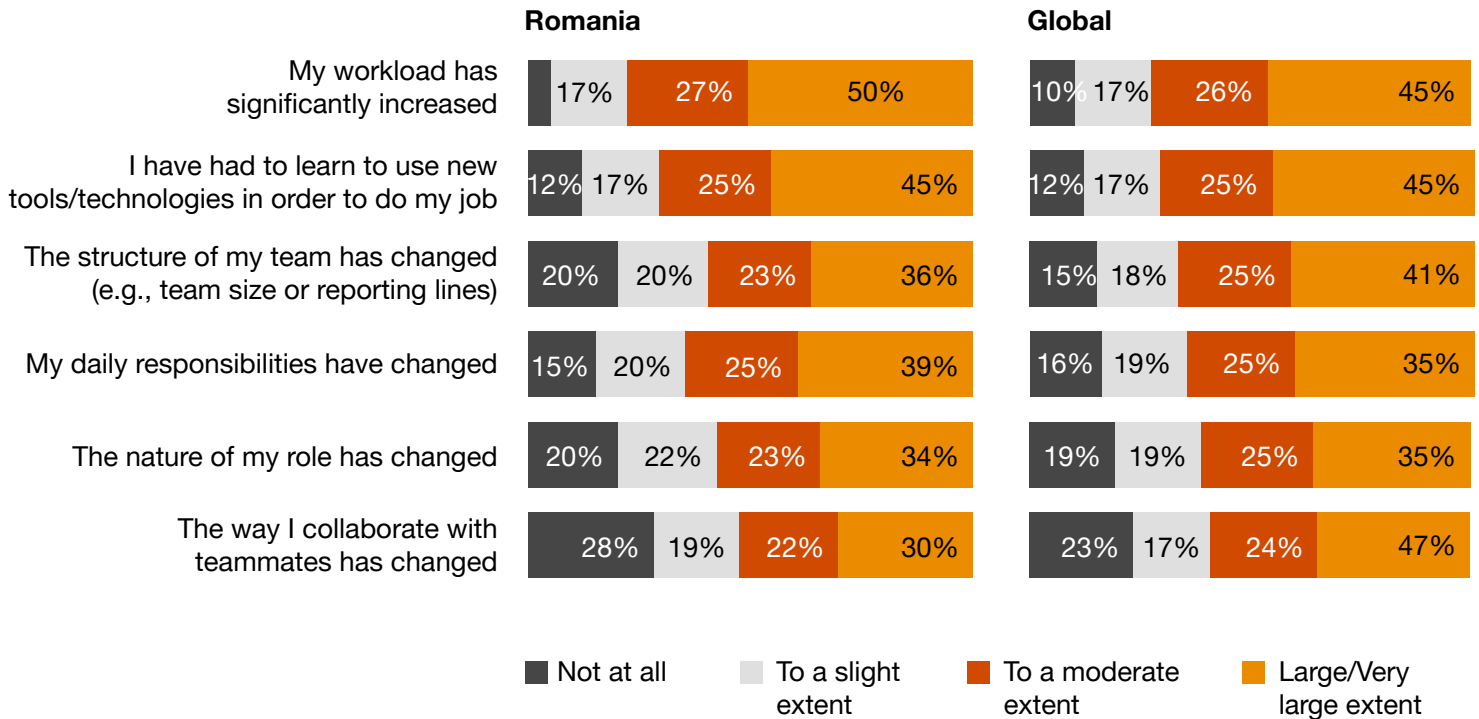
Leaders need to support their employees in new ways, as they accelerate companies' transformations. Two key leadership actions can help achieve this balance:



Lead in new ways to build resilience among a stressed-out workforce

The risk of your workforce experiencing fatigue and feeling overwhelmed is currently high. Half of respondents say their workload has increased significantly in the last 12 months, and 45% admit they have had to learn new technologies to do their job, among other changes in their roles and responsibilities.

To what extent do the following statements describe changes you have experienced in your role, if any, in the last 12 months?

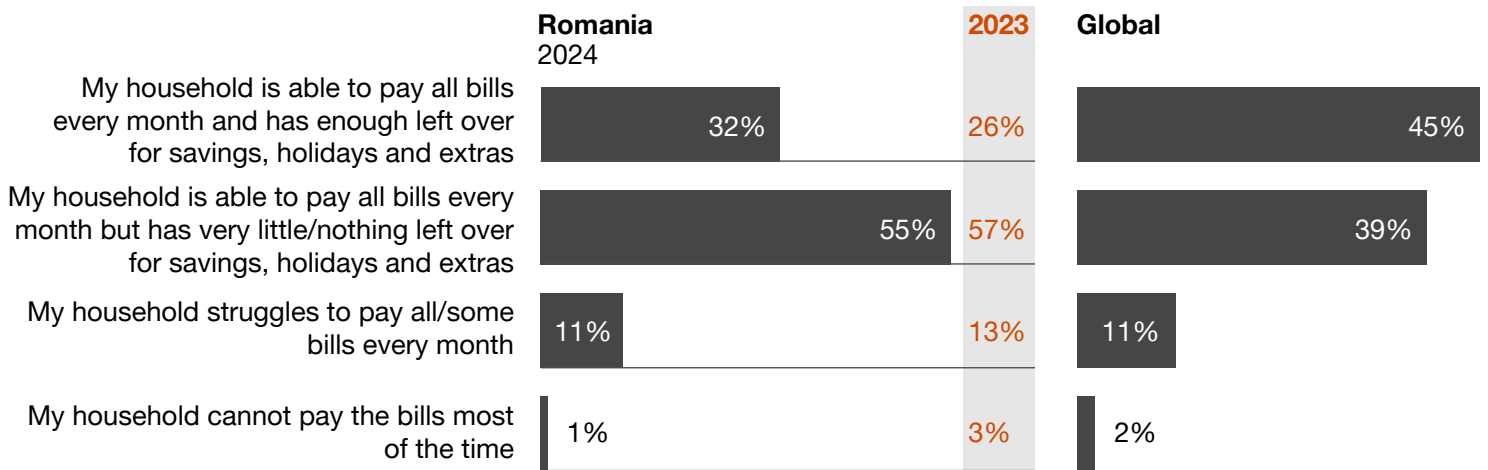


In addition, they are also experiencing stress from other work-related sources. Although respondents report somewhat higher levels of financial security than last year, the majority are still financially stressed. While 53% of Romanian workers feel extremely or very confident in their job security overall, a significant number (36%) say recent changes at work have them concerned about their job security. Taken together, it is likely that many workers may not be able to give their best at work due to increased stress and anxiety, fear of taking risks or decreased morale. All this is happening at a time when the world itself is rapidly changing, with geopolitical disruptions, AI, climate change and major elections reshaping many aspects of life.



Moreover, the proportion of workers with money left over each month has risen to 32% (compared to 26% in 2023). However, 55% say they are still financially stressed (meaning that they are able to pay all bills every month but have very little or nothing left over for savings, holidays and extras), down from 57% in 2023. Globally, the proportion of workers with money left over each month has risen to 45%, up from 38%, but 52% are financially stressed. Leaders have an important role to play in helping employees strengthen their abilities to navigate stress and change.

Which of the following best describes your current financial situation?



Where to focus: Leaders have an important role to play in helping employees strengthen their abilities to navigate stress and change. The rapid pace of change may make it difficult for employees to fully engage in their present work, let alone invest in how their jobs may change in the future. It is essential that leaders recognise that and prioritise wellbeing as a core value within their organisations. That includes creating a culture that encourages a healthy work-life balance, with leaders setting realistic expectations and communicating openly, with empathy and transparency. Such an approach benefits individuals and is a critical enabler of performance, as overstressed and distracted workers are less likely to perform well.

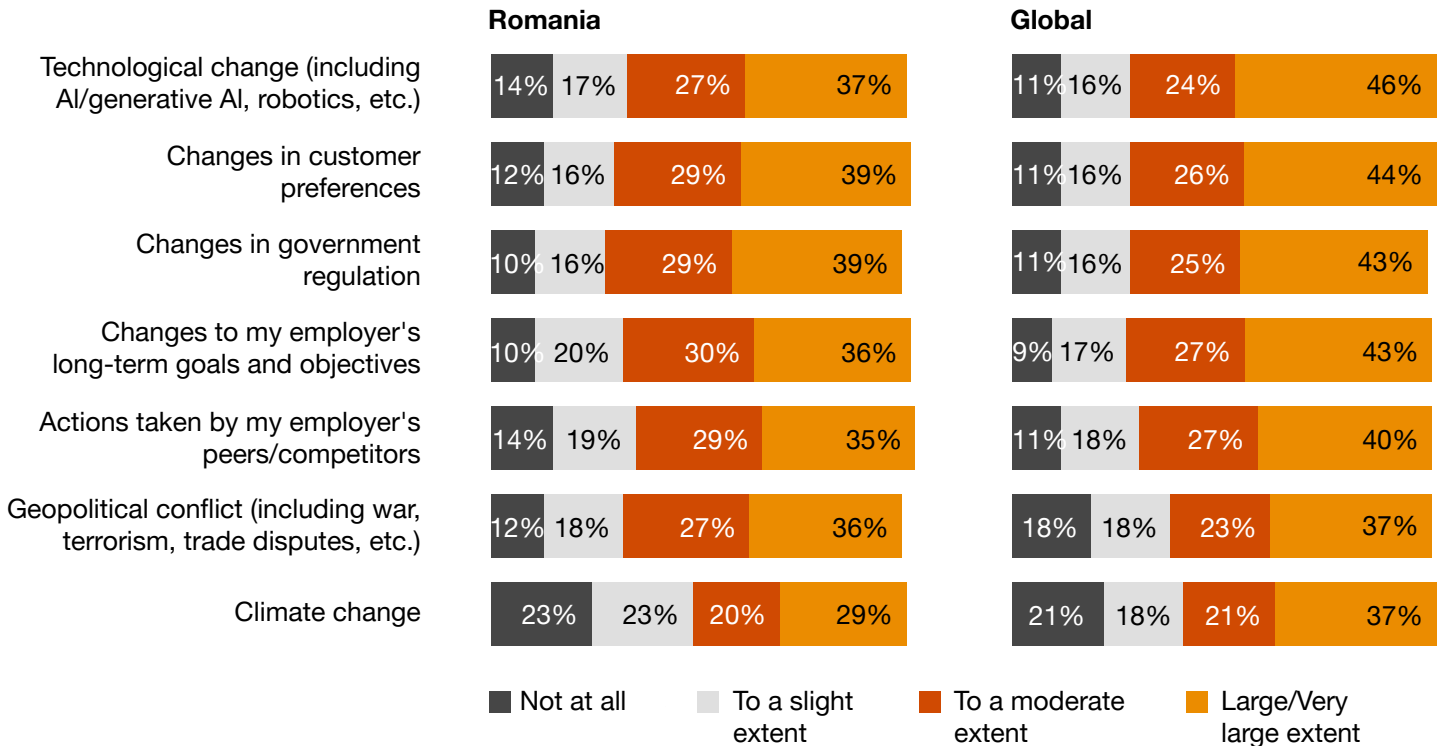




Forces that drive job transformation

Almost 40% of the Romanian employees believe that changes in customer preferences and changes in government regulation will be the main drivers reshaping jobs, followed by technological change (36%). By comparison, globally, technological change is considered the top factor that will impact jobs, as mentioned by 46% of respondents.

In the next three years, to what extent, if any, do you think each of the following will impact your job?*



Moreover, only 27% of Romanian respondents say GenAI will fundamentally change their profession within five years, compared to 40% globally, and 21% do not think GenAI will ever change their profession (vs 13% globally). Despite that, leaders must aim to engage all segments of their workforce in their vision for the future so that transformation efforts stick.



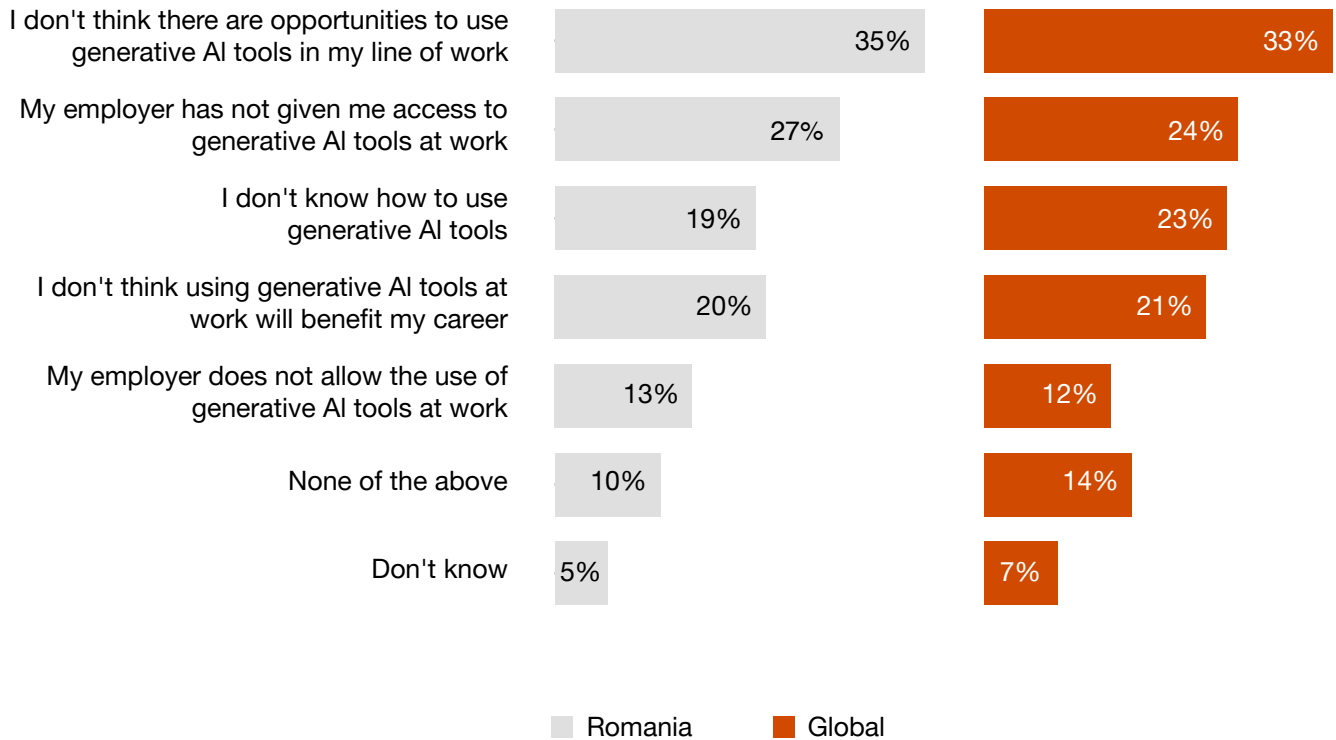
2

Unleashing GenAI

The true potential for groundbreaking innovations with GenAI will come from workers themselves, particularly those who actively use it. But widespread use of GenAI in the workplace has not yet caught on yet. While 51% of workers say they have used GenAI at work at least once in the past 12 months, far fewer are using it on a daily (5%) or even weekly basis (13%).

To maximise the benefits of GenAI, leaders must empower their workforce to experiment and use it to rethink how work gets done. They must also address the challenges that keep some employees (and leaders) from exploring its capabilities, such as not seeing opportunities to use it in their line of work. They must also enable employees to gain the skills they need to get the most out of GenAI while continuing to help them to build the human skills critical for their future.

Which of the following statements best describes why you have not used generative AI at work?



Note: This question was only asked to those who responded that they have not used Gen AI at work.

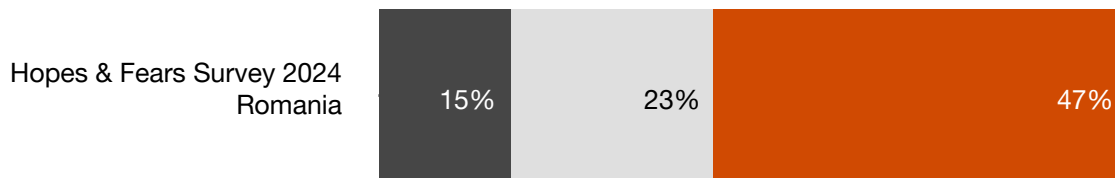


Help employees lead on innovation

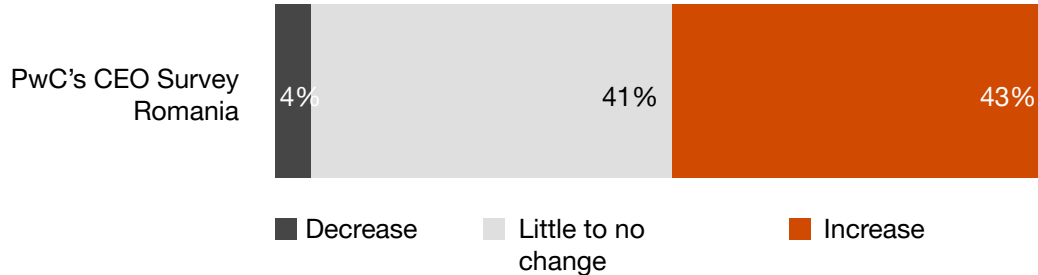
Workers and CEOs are on the same page when it comes to red tape, wasted time and organisational friction at work. A third of the employees and about 40% of the CEOs think their time spent on administrative activities is being spent inefficiently – and both groups agree that GenAI could help free up that time. Of workers who use GenAI daily 47% expect it to make their time at work more efficient in the next 12 months. Of course, organisational friction cannot be eased entirely by technology. It also takes people working together to address sticking points and change behaviours. Leaders play a key role in this by establishing policies and role modelling desired behaviours, while employees play a pivotal role in actioning change from the bottom up.

CEOs and workers agree on GenAI's potential to boost efficiencies

Global Workforce Hopes & Fears Survey 2024: In the next 12 months, to what extent do you think generative AI will increase or decrease efficiencies in your time at work?



PwC's 27th Annual Global CEO Survey: In the next 12 months, to what extent do you think generative AI will increase or decrease efficiencies in your employees' time at work?



Where to focus: Creating efficiencies with GenAI is important, but it is only scratching the surface. The promise of GenAI lies in going beyond simply improving the way work gets done to use it as a means for growth. That comes from giving employees the freedom to innovate and iterate, such as through a citizen-led approach and by empowering employees to interact with new digital intelligence to fill gaps in creativity and innovation. It is also essential to upskill everyone on GenAI regardless of industry or role.

Even if the benefits of GenAI are not immediately apparent in those areas, there may still be opportunities for employees to optimise their work processes or support decision making using AI technologies. AI technology is likely to significantly impact virtually all industries and job roles and upskilling everyone can help ensure employees are not left behind.

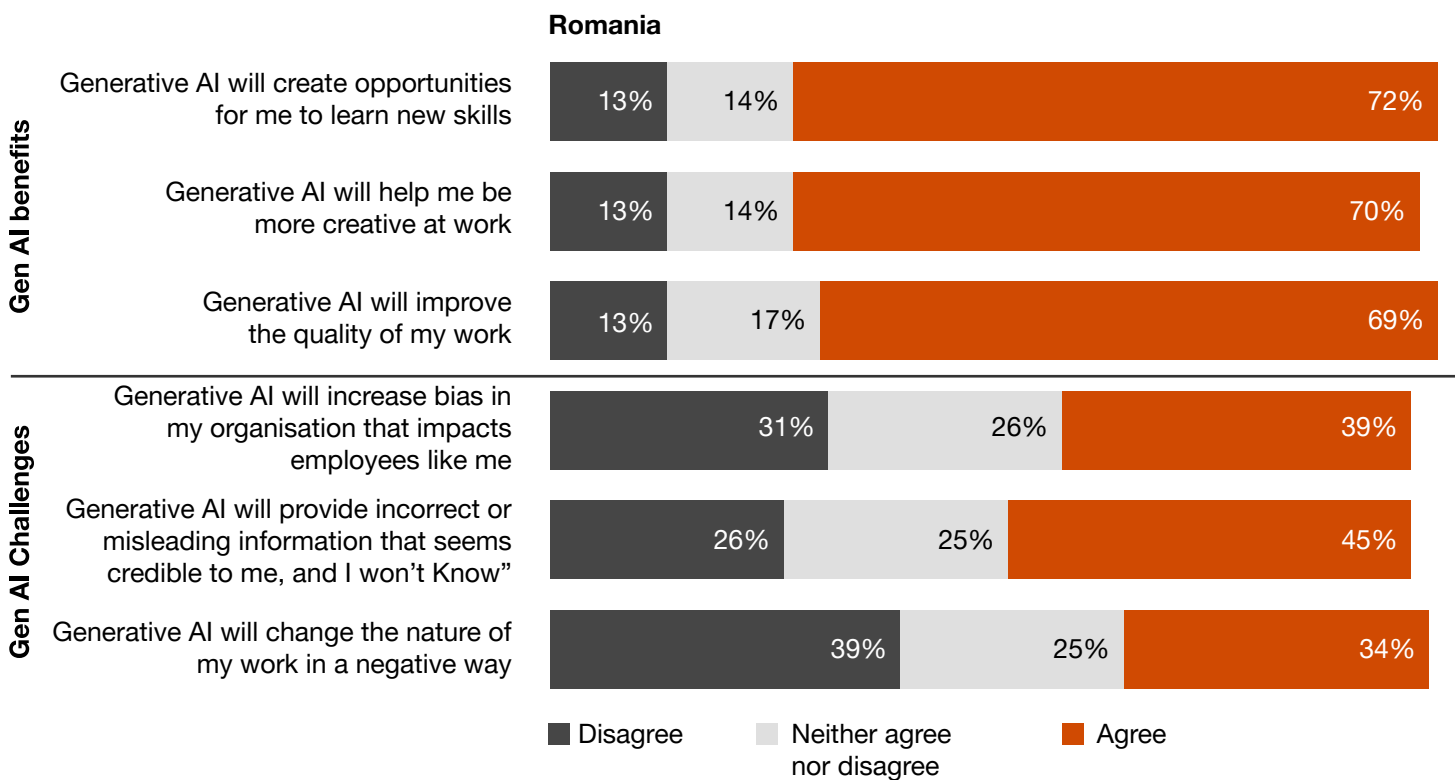
In addition, senior leaders can lead by example: only 5% of senior executives and 6% of managers say they use GenAI daily. This is a clear call to action for leaders to upskill and use GenAI as much as employees, not just for their own work but so that they can coach employees on ways to use it in theirs.

Instill confidence in GenAI

Employees recognise that GenAI, like any technology, has both strengths and weaknesses. Some of their concerns are that GenAI will increase bias against them at work and that GenAI may produce misinformation that they will not be able to recognize. These perceptions are more widespread among GenAI's most frequent users. This speaks to the importance of a supportive environment with clear governance, guidelines and training. That also includes having guardrails and a responsible AI strategy in place.

Despite their recognition of potential risks, employees' perception of GenAI is notably more positive than negative. More than 70% of employees in our survey agree that these tools will create opportunities to develop new skills, be more creative and improve the quality of their work. And 40% of all employees expect GenAI to lead to higher salaries.

Thinking about the potential impact of generative AI tools on your career, to what extent do you agree or disagree with the following statements?



Where to focus: A human-led, tech-powered approach can help leaders instil confidence that the risks associated with GenAI are understood and that there are guardrails in place. Education and training on responsible AI use is critical for both employees and leaders to spot bias and misinformation and to counteract their effects. This emphasises the need for human review and verification so that people can always oversee GenAI rigorously and make decisions in high-value or high-risk situations. In addition, people need support with software tools to identify AI-generated content, verify its output and assess it for bias. Transparency can help in building trust and confidence among employees and in addressing concerns about bias.



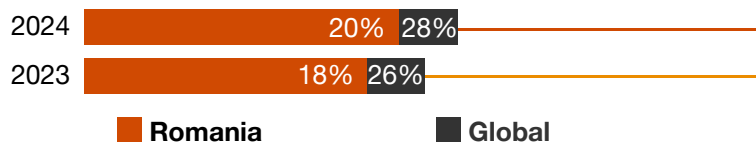
3

Fueling performance through upskilling and the employee experience

Our survey suggests job satisfaction has ticked up slightly from last year: 59% of employees say they are very or moderately satisfied, compared to 53% who said the same last year.

But job satisfaction does not necessarily mean employees will remain with their employer, and it appears much of the workforce is eyeing other opportunities. More employees say they are likely to change employers in the next 12 months – 20% now compared to 18% last year.

More Romanian employees say they are likely to change employer in the coming year



An employee's experience at work shapes everything from their perception of change to their willingness to participate in it. Getting it wrong raises the risk of disengagement, stalled innovation, attrition and diminished technology adoption. Here are two actions that can help.



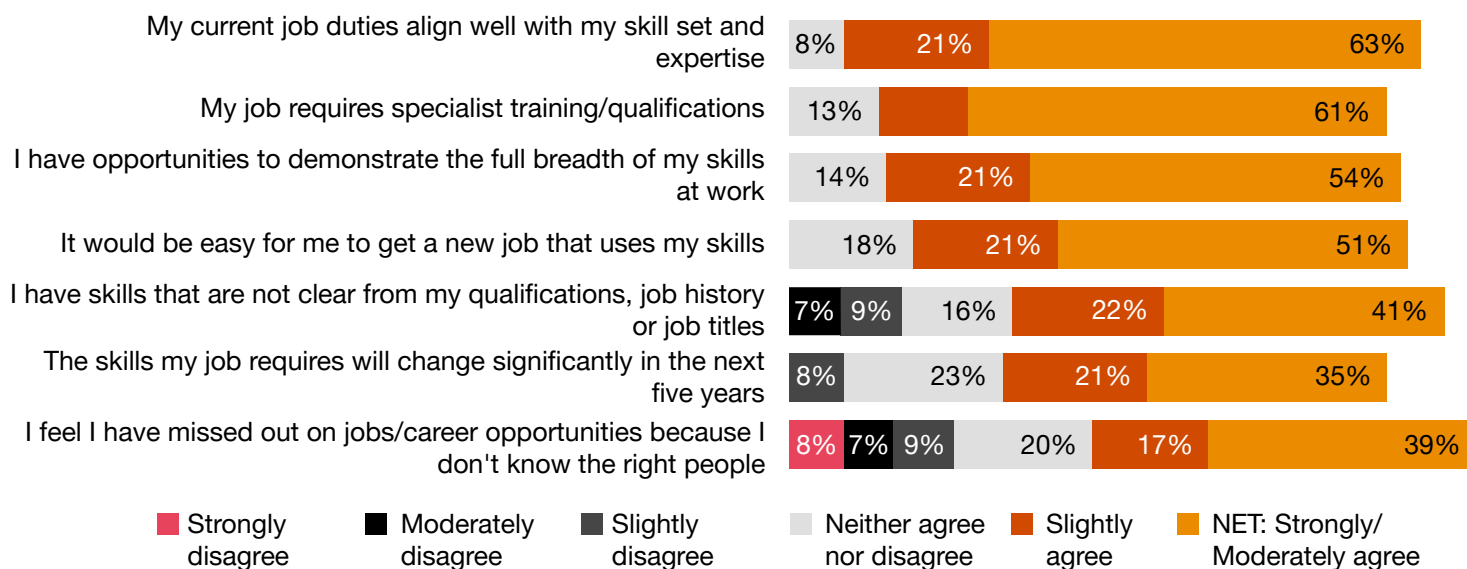
Recognize that skills are a currency to workers

Upskilling has become very valuable to employees, as they see it as a company differentiator. Of the Romanian employees, 46% say that opportunities to learn new skills are a key consideration when it comes to their decision to stay with their employer or leave for another job. In addition, 35% of respondents moderately or strongly agree that the skills their job requires will change in the next five years.

About 60% of Romanian workers surveyed say they strongly or moderately agree that their employer provides adequate opportunities to learn new skills that would be helpful to their career.

Regarding your current role, to what extent do you agree or disagree with the following statements?

Romania



It is also worth evaluating the scope of your upskilling programmes. On-the-job training, experience and mentorship are as important as formal classroom or online training programmes. Consider that:

- 41% of Romanian workers say they have skills that are not clear from their qualifications, job history or job title.
- Half agree that they have skills that would make it easy to find a new job that uses their skills.

Where to focus: Taken together, these statistics show how critical it is for companies to create ample opportunities for all employees to develop skills on the job and to ensure they are providing guidance and mentoring about what kinds of skills employees need to build. Meanwhile, do not overlook the talent hiding in plain sight. Use skills inventories to gain comprehensive insights into the skills and expertise of your workforce.

Prioritise the employee experience for performance

What would help employees be more productive and engaged? It is a timeless question from leaders, and one answer is to close the gaps between what employees say is most important and what they are actually getting at work. Our survey found several such gaps, including in pay, fulfilment and flexibility.

Unsurprisingly, the top factor employees say will help them to do their jobs better is fair pay for performance. Of the 86% of workers who rated being fairly paid as 'very important' or 'extremely important', less than three-fifths (72%) strongly or moderately agree their current job provides it.

Employees also ranked fulfilling, collaborative and flexible work as highly important.

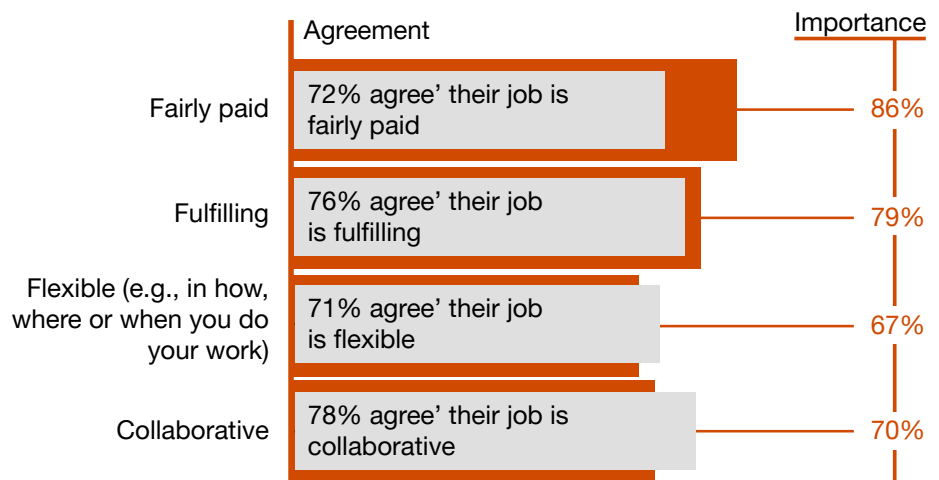
There is a gap between what workers say is important and what they're getting at work

How important is to you that your job is...

(Showing only 'very important' and 'extremely important' responses)

To what extent do you agree or disagree that your current job is...

(Showing only 'moderately agree' and 'strongly agree' responses)



Where to focus: As expected, pay counts for a lot, and it is critical that companies strive to ensure they are providing a competitive and liveable wage. PwC research shows that economic stress takes a toll on employees emotional and physical wellbeing, and it hurts their productivity and engagement.

In addition, factors like flexibility and fulfilling work are also highly valued aspects of the employee experience. Flexibility helps employees to better maintain their life-work balance, which helps them to be motivated and focused at work and have the energy and mental clarity to perform their jobs well.



The bottom line

Achieving a vision for your company's future is unlikely to happen unless leaders and workers are driving change together. That starts by helping them to understand why change is necessary and how they can contribute.

Six actions to build a future-fit workforce in an age of transformation

Leading through transformation

Lead in new ways to build resilience in a stressed-out workforce

Engage employees on change to drive transformation

Unleashing GenAI

Help employees lead on innovation

Instil confidence in GenAI

Fueling performance through upskilling and the employee experience

Recognise that skills are a currency for workers

Prioritise the employee experience for performance



About the survey

PwC's Global Workforce Hopes and Fears Survey 2024 is based on a survey of more than 56,000 workers in 50 countries and regions, of which over 500 from Romania.

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