



S&W

The BOSS

The Business Owners
Sentiment Survey
Ireland 2026

Autumn
2026



Exploring the big issues for
Irish business owners

Ireland edition September 2026

Executive summary

Irish businesses are embracing AI, but at what cost?

AI is already a boon for Irish businesses, but not necessarily for workers, according to S&W's 2026 Ireland Business Owners Sentiment Survey (The BOSS).

Our survey of 500 business owners* shows they're all in on AI:

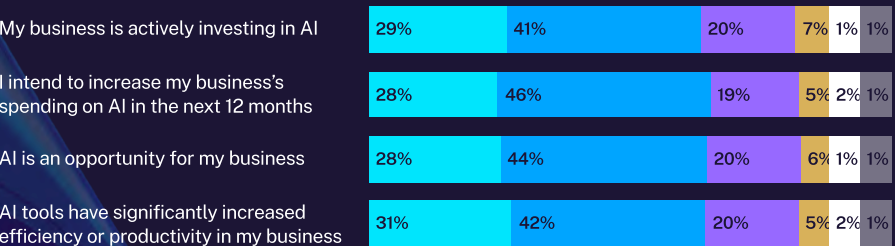
- 71% of owners say their business is actively investing in AI
- 73% intend to boost AI spending in the next 12 months
- 72% see it as an opportunity for their business
- 73% say AI tools have significantly increased efficiency or productivity

Across all of these, fewer than one in ten disagree.

Cutting costs and cutting staff?

It's bringing a range of benefits, and not just increased efficiency or productivity. More than two-thirds (67%) say they expect AI to enable development of new products or services. But it could also have a significant impact on the workforce: Half of the business owners in our survey (50%) said that they expect AI would reduce headcounts or hiring.

In fact, it's already happening: More than half of business owners say they've seen redundancies (58%) or hiring freezes (56%) or these are likely in the next 12 months. The most common reason for these was efficiencies or productivity benefits from artificial intelligence tools (23%), followed by increasing automation (21%).



Strongly agree Somewhat agree Neither agree nor disagree
Somewhat disagree Strongly disagree Not applicable

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Other key findings from the report

Confidence and conflict on government policy

Backed by strong growth figures, the government's economic strategy commands confidence with more than three quarters of business owners. But troubles with tax and infrastructure also mean that more than half (56%) now agree strongly or somewhat that the government is anti-business.

Tax rates and a reliance on high earners are holding Ireland back

Almost two thirds say the personal tax regime impacts hiring and retention, and a similar proportion (65%) agree strongly or somewhat that capital gains tax should be reduced back to 20%. Under one in ten (7%) say they disagree strongly or somewhat. Irish business owners will be hoping for action in the October Budget.

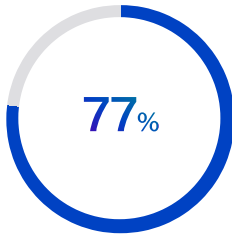
Amid the growing opportunities from AI, the survey shows that business owners face these and a range of other challenges, from funding and inflation to skills shortages and succession. Regardless of what the Budget brings, Irish business owners will need resourcefulness and the right advice to navigate these and fully realise the promise the new technology seems to bring.

Business owners back an Irish ISA

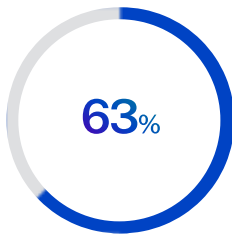
There's also strong support for another policy expected in the Budget: the new tax-efficient savings and investment account similar to the UK ISA: Two-thirds (66%) agree somewhat or strongly that it will encourage them to redirect capital into domestic investment and almost the same say it will encourage the public to invest. Only one in ten (10%) disagree strongly or somewhat.

Housing is hobbling growth

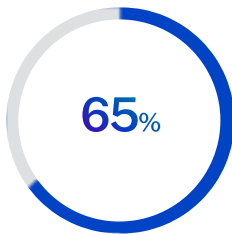
Persistent problems with housing and infrastructure are hampering growth. The proportion of business owners agreeing strongly or somewhat that the pace of infrastructure development threatens the country's long-term economic competitiveness has increased from 41% last year to 67% today. Almost two-thirds, meanwhile, say housing shortages make recruiting talent more difficult.



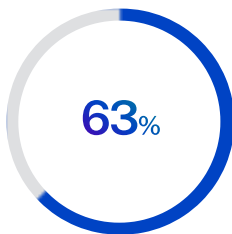
strongly or somewhat agree that they have confidence in the government's strategy for economic growth



strongly or somewhat agree that Ireland's personal tax regime is a significant barrier in their ability to attract and retain senior talent



strongly or somewhat agree that a new government-backed savings and investment account similar to the UK ISA or Swedish ISK would encourage the public to invest



strongly or somewhat agree that the housing shortage makes it difficult for their company to attract qualified candidates to relocate to Ireland

*Research was conducted by Censuswide among a sample of 500 ROI Business Owners with a turnover of €5m+ between 03.07.2026 and 24.07.2026. Censuswide abides by and employs members of the Market Research Society and follows the MRS code of conduct and ESOMAR principles. Censuswide is also a member of the British Polling Council.



Introduction: The economic outlook

Despite challenges, the outlook for Ireland's economy is among the brightest in Europe. IMF projections put GDP per capita in the country at the top in Europe by 2030, bumping Luxembourg into second place.

That's distorted by the multinationals based in the country and profit shifting, of course, but given the tax revenues they contribute, they should not be ignored. While many other states are running a budget deficit, Ireland's surplus in 2025 – its fourth in a row – was 1.8% of GDP.

Moreover, gross national income (GNI) and modified domestic demand (MDD), both designed to better reflect the strength of the domestic economy, also grew robustly by 4.7% in 2025. GDP growth in the Euro area, by contrast, was just 0.3%, and 1.3% in the UK.

That's despite the headwinds the Irish economy faced, including the tariffs introduced by President Trump in the US, the country's largest trading partner for exports.

In fact, a large part of the growth in 2025 was driven by exports, and some of these were brought forward to beat tariffs. Nevertheless, it's continued strongly.

As the IMF put it in June 2026, "The Irish economy has remained resilient in the face of consecutive external shocks."

Growth is expected to slow in 2026 but still compare very favourably with its neighbours. In the first quarter, modified domestic demand (MDD) grew 4.3%, according to the Central Bank of Ireland (CBI), and its forecast for the year is 3.3%. The European Central Bank's baseline projection for the Eurozone in 2026 is 0.9%.



The Irish economy has remained resilient in the face of consecutive external shocks."

– *International Monetary Fund, June 2026*

3.3%

CBI forecast for MDD growth in 2026

0.9%

ECB baseline projection for the Eurozone in 2026

Good and lucky

It's not that Ireland is immune to global economic turbulence; rather, the opposite. But it's been fortunate in its exposures.

Take the tariffs, for example, a key issue last year. Fears of these saw Irish exports reach a record high in 2025 as companies rushed to beat them. Exports to the US [jumped by more than half](#).

Yet the impact has been relatively contained compared with some of the early fears. The EU-US framework has capped tariffs at 15%, and many of the major pharmaceutical firms operating in Ireland have reached pricing and onshoring agreements to qualify [for "most favoured nation" 0% tariff rates](#).

Perhaps more significantly, Ireland continues to benefit from the AI boom, as home to Microsoft, Alphabet, Meta and other giants pouring investments into the technology. Others are joining them. In the first six months of 2026, IDA Ireland, the government agency promoting foreign direct investment, reported 190 investments, creating over 10,000 jobs.

"Investment activity points to a strong concentration of next-generation technology projects," the [IDA has noted](#).

A bright future

Ireland is not without challenges, of course. In some cases, even the factors bolstering its economy bring inherent risks (as we'll see) and, in others, such as its challenges with infrastructure and housing, it's already somewhat a victim of its own success.

Ireland also faces the headwinds common across the continent, such as the conflict in the Middle East and the energy crisis. Inflation, just 2.1% in 2025, is forecast to [rise to 3.5%](#) this year, according to the CBI. The labour market, boosted by pharma and ICT sectors, is softening, it adds, and unemployment is up marginally.

Still, the bank expects inflation to fall next year and return to 2.0% by 2028, and unemployment, even if it does reach 5.1% this year, will still be relatively low. [It's 6.3% in the Eurozone](#).

Budget 2027 on 6 October is expected to reflect this relative strength, with scope for both public spending increases and tax cuts (potentially through more generous income tax thresholds).

Irish business owners have cause for optimism, then, and, particularly in an economy and world being transformed by AI, opportunities for growth. Which best realise these, to what extent and how sustainable growth proves, however, will depend on the domestic economy, international factors and business owners' decisions in the months and years ahead.

4.7%

growth in GNI and modified domestic demand in 2025

1.8%

of GDP: Ireland's surplus in 2025, its fourth in a row

190

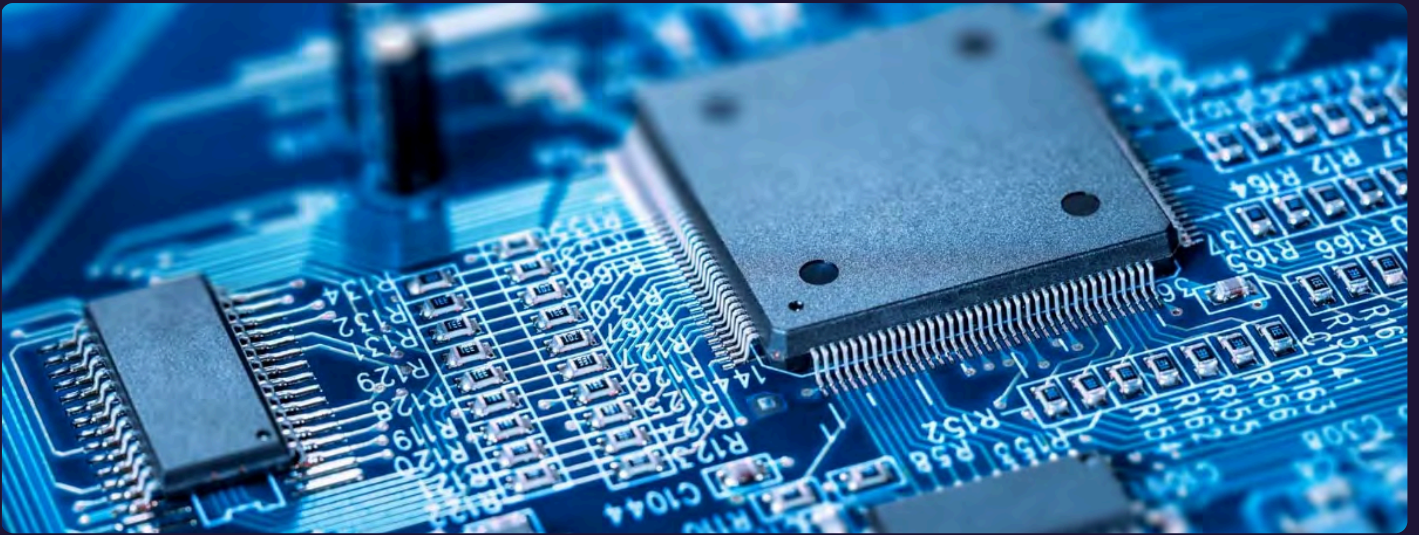
investments reported by IDA Ireland in the first six months of 2026

3.5%

forecast inflation for 2026, up from 2.1% in 2025

5.1%

unemployment expected this year, against 6.3% in the Eurozone



The AI opportunity

Ireland is already benefiting from the AI boom. Technology giants with operations in the country have helped swell the corporate tax take, while business group Ibec says AI-related trade is set to double over the next five years to reach €56 billion annually.

“We may not be at the forefront of developing new AI models, but early evidence suggests we have an opportunity to be a central node in AI-related supply chains,” Gerard Brady, Ibec’s Chief Economist and Head of National Policy, [said](#) at the launch of Ibec’s Economic Forecast published in July 2026.

But it has a wider impact, too. In July, Minister of State for Trade Promotion, Artificial Intelligence and Digital Transformation, Niamh Smyth launched a new consultation to help inform her department’s sectoral strategy for enterprise adoption of AI.

“Artificial Intelligence is rapidly transforming how businesses operate, compete and innovate,” she said. “From improving productivity and efficiency to creating new products, services and customer experiences, AI presents significant opportunities for enterprises of all sizes.”

€56bn

AI-related trade a year Ibec says Ireland is set to reach within five years

All in on AI

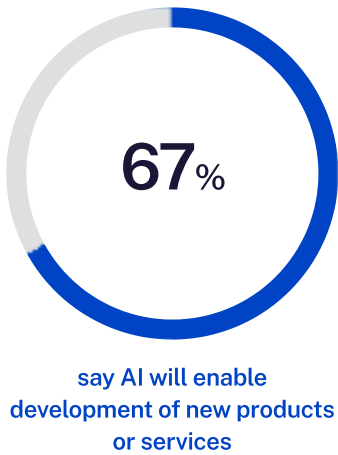
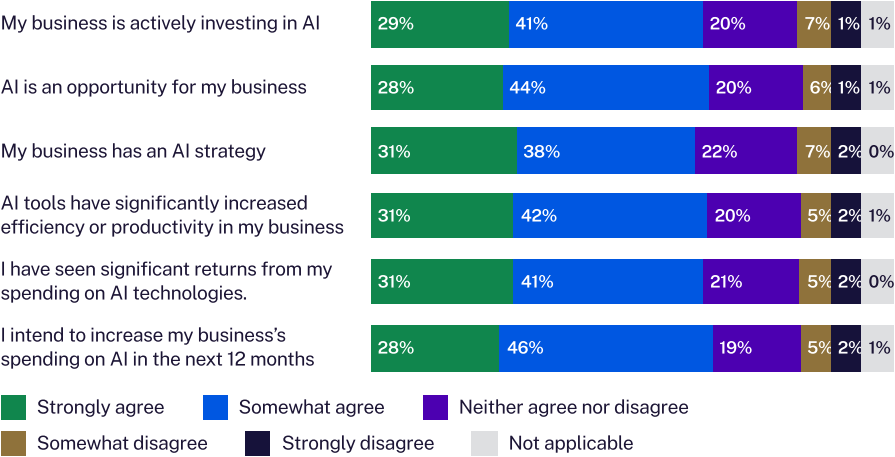
The BOSS more than bears this out. Irish business owners are all in on AI:

- 71% of businesses say they are actively investing in AI
- 72% see it as an opportunity for their business
- 69% have an AI strategy
- 73% say AI tools have significantly increased efficiency or productivity

- 72% have seen significant returns from spending on AI technologies
- 73% intend to boost AI spending in the next 12 months

Back in July 2025, MIT's NANDA initiative in the US investigated over 300 enterprise investments into generative initiatives and found [95% were getting no measurable return](#). The BOSS paints a much more optimistic picture, and it's not just efficiencies and savings business leaders expect AI to bring.

To what extent, if at all, do you agree or disagree with the following statements?



Benefits across the board

Asked what key benefits they expected from AI, the most common response was increased efficiency or productivity (71%). However, almost as many, 67%, said that they expected the technology to enable the development of new products or services.

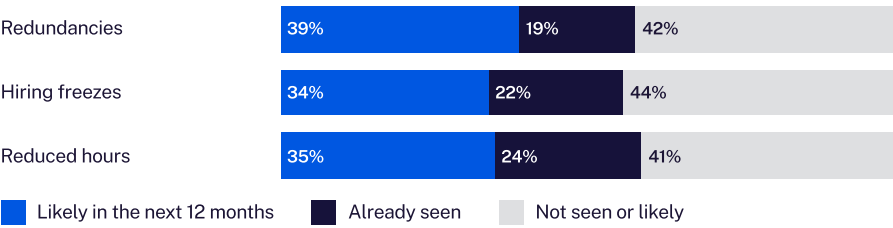
Enthusiasm is widespread, but younger business owners are particularly enthusiastic, with those under 45 significantly more likely to agree strongly or somewhat that they have seen significant returns on AI spending than older owners (75% against 67%, respectively). They are also more likely to intend to increase spending on AI in the next 12 months (76% against 70%).

A human cost?

The transition might not all be painless, however. Half in our survey (50%) said that they expect AI would allow them to reduce headcounts or hiring, and there's evidence it's already happening.

On the one hand, over a quarter (27%) say they are looking to hire more staff within a year and almost a third said in one to five years (31%) or longer term (18%).

Which, if any, of the following has your business seen in the last 12 months and which are likely in the next 12 months?



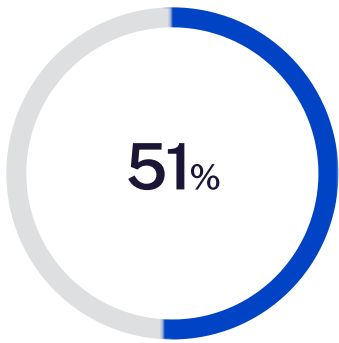
When we ask why those freezing or reducing headcounts are doing so, the two most common answers are, first, efficiencies or productivity benefits from artificial intelligence tools (23%), and second, increasing automation (21%).

Add in offshoring (7%), and this accounts for more than half of the respondents who have seen redundancies or hiring freezes or think they are likely in the next 12 months.

But at the same time, substantial numbers say redundancies, hiring freezes and reduced hours are likely in the next 12 months (if not seen already).

How great any job losses may be is uncertain. A study from the [Economic and Social Research Institute](#) in April 2026 suggested that AI adoption by Irish firms could displace around 7% of jobs in the short to medium term.

The BOSS suggests this displacement may have already begun.



of those freezing or cutting headcounts cite AI, automation or offshoring

A vote of confidence: The government's economic policy and the Irish ISA

It's not just AI that explains business owners' bullishness, though. The government should get some credit, too.

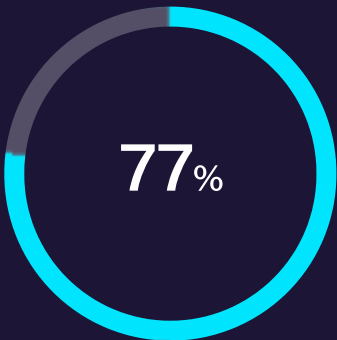
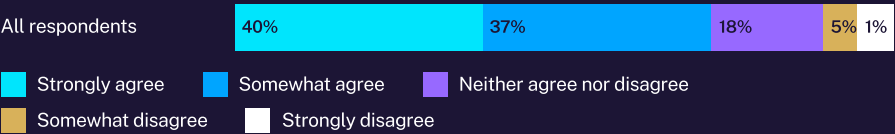
For one, business owners feel their AI efforts are supported. Even though Ireland's R&D reliefs are not as generous as some elsewhere, the increase in the 2025 Budget for accounting periods commencing on or after 1 January 2026 has improved it somewhat.

Two-thirds in our survey agreed strongly (28%) or somewhat (38%) that the current tax environment is supportive of AI investment.

More generally, in contrast to its near neighbours, Irish BOSS businesses believe the country is on the right track.

Across the EU, the [Commission's Economic Sentiment Survey](#) has seen some recovery lately but is still below its long-term average. In Britain, the [Confederation of British Industry's](#) recent surveys suggested "broad-based declines in business activity". In our survey, however, more than three-quarters of Irish business owners (77%) say they have confidence in the government's strategy for economic growth. Just 6% disagree.

I have confidence in the government's strategy for economic growth



of Irish business owners have confidence in the government's strategy for growth



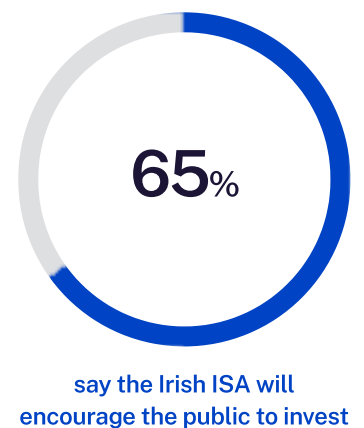
The tax-free savings vehicle

That confidence could be bolstered at the Budget, too, with some of the government's likely proposals set to be warmly received by business owners.

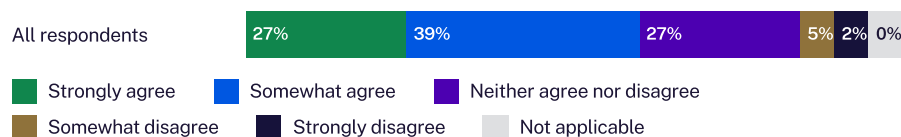
Among these is the "Irish ISA" – the proposed new tax-free savings vehicle replicating the benefits of the country's personal retirement savings accounts (PRSAs) but with greater flexibility and administrative simplicity

for shorter-term savings or general investing.

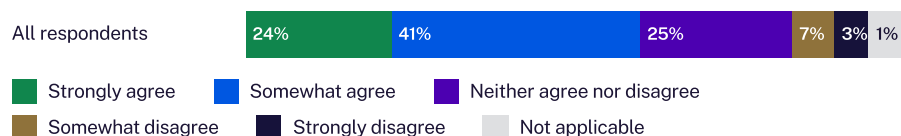
With more than [£850 billion held in UK ISA funds](#), an Irish equivalent could transform savings and investment, and most business owners are optimistic for its future: About two-thirds say it will both encourage them and the public to put capital into domestic investment. Fewer than one in ten disagree.



A new government-backed savings and investment account similar to the UK ISA or Swedish ISK would encourage me to redirect retained business or personal capital into domestic investment



Such a savings and investment account will encourage the public more widely to invest



Supporting expansion

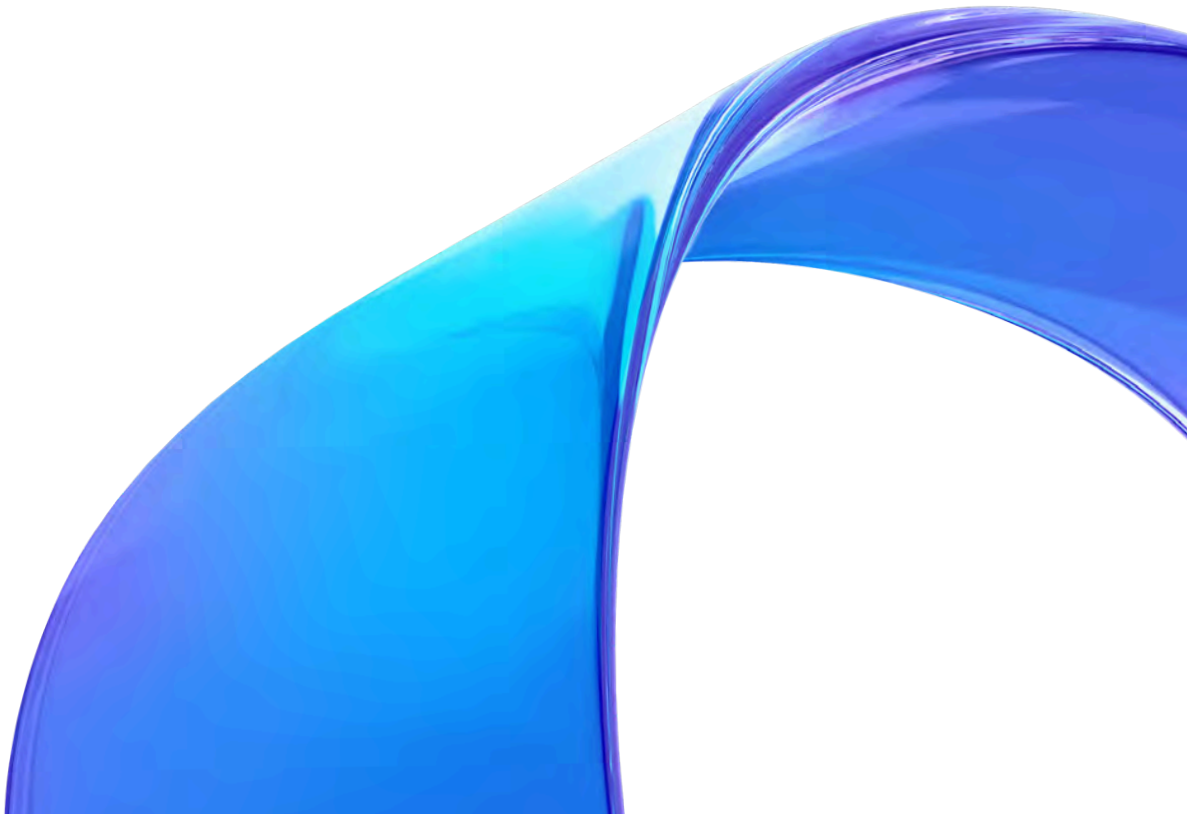
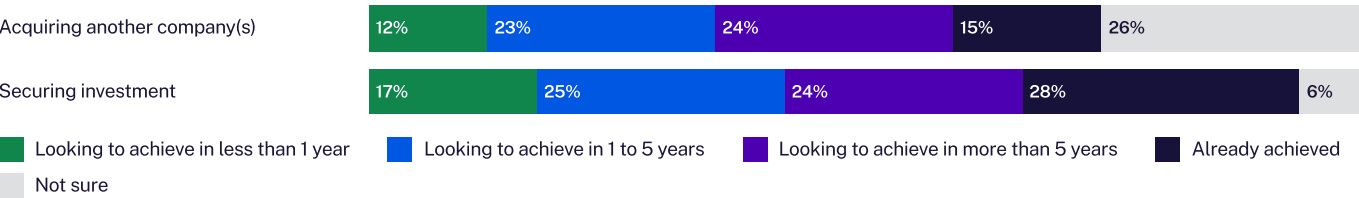
Confidence in the country’s economic direction and optimism regarding the opportunities new policies may unlock are supporting an ambitious programme of expansion among many Irish businesses.

Their plans include securing investment, acquiring other businesses and expanding internationally, to Europe, the UK, the US and elsewhere. In many cases, those are plans for the medium and long term, but for some they are imminent.

More than one in six (17%), for instance, say they are looking to secure investment in under a year. Close to one in eight (12%) say they are seeking to acquire another company in the same timeframe.

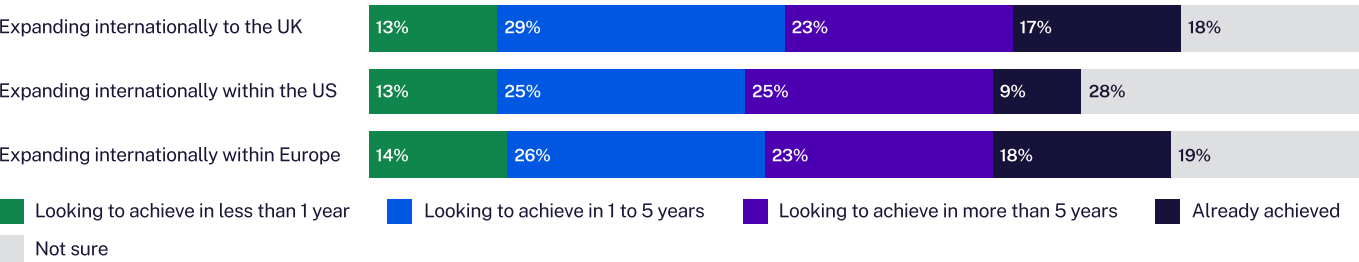
Younger owners are particularly ambitious, with 17% of those under 45 looking to acquire a business within a year, compared with 7% of older owners, although that’s partly because many of the latter have already done so.

As a business owner, which of the following, if any, are you currently looking to achieve or have achieved?



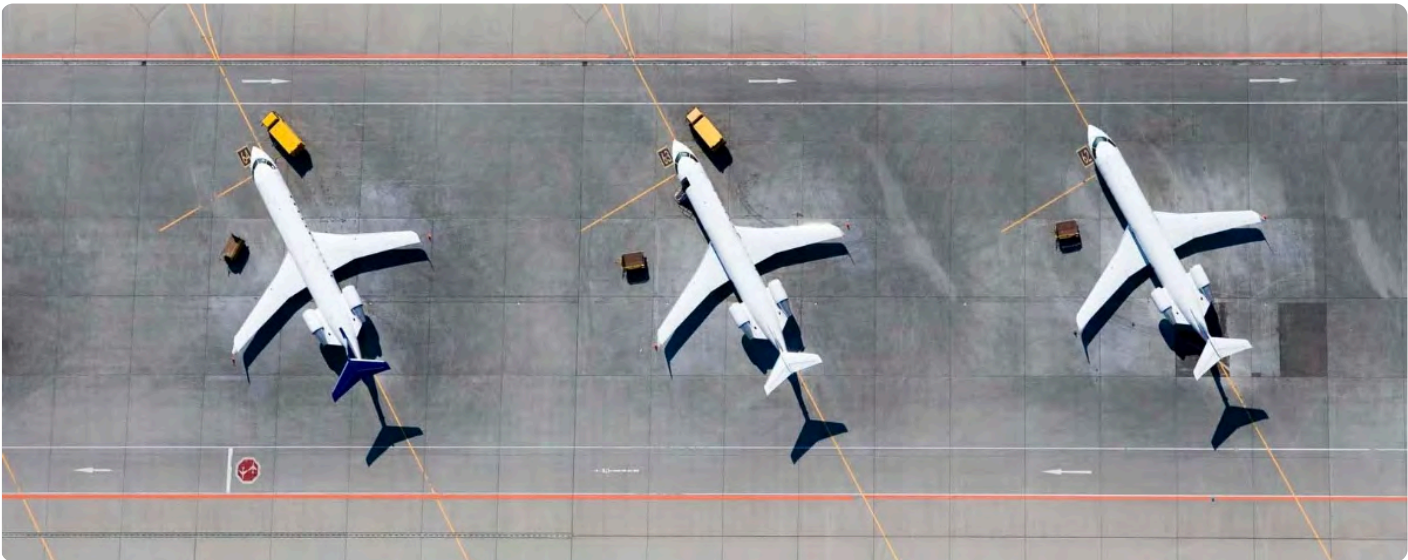
Looking abroad

When it comes to international expansion, the UK is still the most common target, but almost as many plan to expand to Europe or the US.



Again, this drive benefits from government support. In March this year, the Department of Enterprise, Tourism and Employment and the Department of Foreign Affairs and Trade published its progress report on the “action plan on market diversification”, designed to expand opportunities for Irish businesses in global markets.

“Diversifying markets is an important part of Ireland’s ongoing management of risks to our continued prosperity,” Minister for Foreign Affairs and Trade Helen McEntee [said](#) at the report’s launch.



Tax and other troubles: CGT, higher earners and homes

The Irish ISA isn't the only potential policy in the Budget that would be welcomed by business owners. In its Summer Economic Statement, the Irish government set aside €1.5bn for tax cuts in the coming Budget.

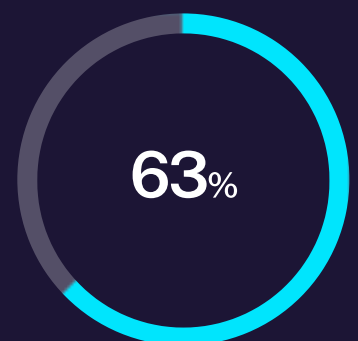
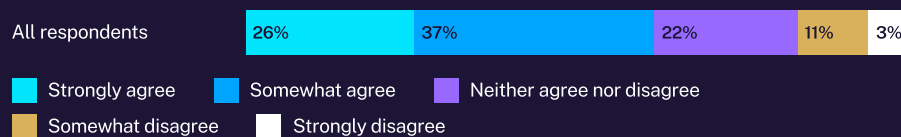
For many business owners, that's not before time.

The higher 40% income tax threshold in Ireland has been raised in recent years, increasing from €36,800 in 2022 to now stand at €44,000, but that's still significantly lower than some of its neighbours. In the UK, the 40% rate kicks in at almost €15,000 more: £50,270 (c.€58,800).

The country's income tax system is highly progressive by international standards, with heavy dependence on the top earners. Nearly 60% of PAYE income tax revenue comes from the top decile.

Business owners will welcome some relief, with 63% saying that the current personal tax regime puts off senior talent.

Ireland's personal tax regime is a significant barrier in our ability to attract and retain senior talent



say the personal tax regime hampers hiring

Capital gains tax

It's a similar story with capital gains tax (CGT), where Ireland has among the highest rates in Europe.

Most agree that the increase in the entrepreneur relief lifetime limit in the last Budget from €1 million to €1.5m didn't go far enough, and argue that Ireland's CGT rate should be cut back to 20%.

The CGT entrepreneur relief lifetime limit of €1.5m is inadequate for a business of our scale



The rate of CGT should be reduced back to 20%



Strongly agree Somewhat agree Neither agree nor disagree
Somewhat disagree Strongly disagree

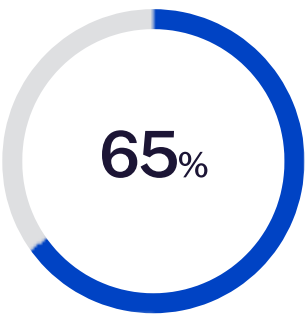
If both income tax and CGT cuts also materialise, it might be enough to win over business owners, but the government has its work cut out: Although most business owners think the plan for economic growth is working (hard to deny, given the MDD and GDP figures), they're much less convinced the government is on their side.

In fact, a small majority now say they think that the government is anti-business, up from just 36% last year.

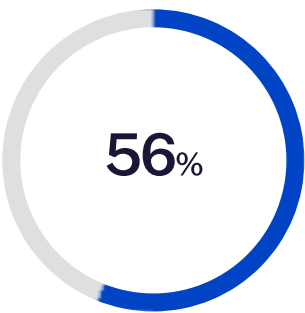
I believe the government is anti-business



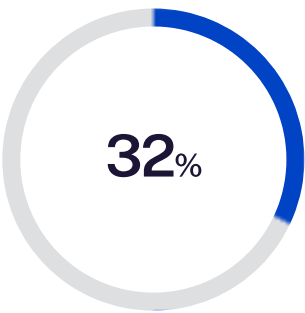
Strongly agree Somewhat agree Neither agree nor disagree
Somewhat disagree Strongly disagree



say capital gains tax should be cut to 20%



Agree (Net)



Disagree (Net)

Infrastructure and housing

Tackling tax rates is also far from the only thing in the government’s in-tray.

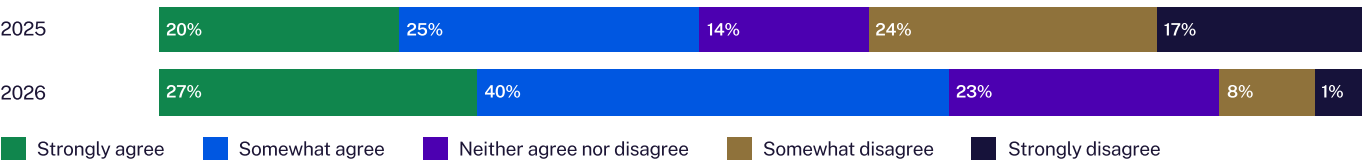
Housing and infrastructure remain perennial problems. Despite progress, the Irish Fiscal Advisory Council estimates that the country has an infrastructure “gap” of about 25% compared with other high-income European countries.

The government’s [Accelerating Infrastructure Action Plan](#) is meant to address this through legal and regulatory reform and improved delivery alongside a €275.4 billion investment by 2035 under the National Development Plan.

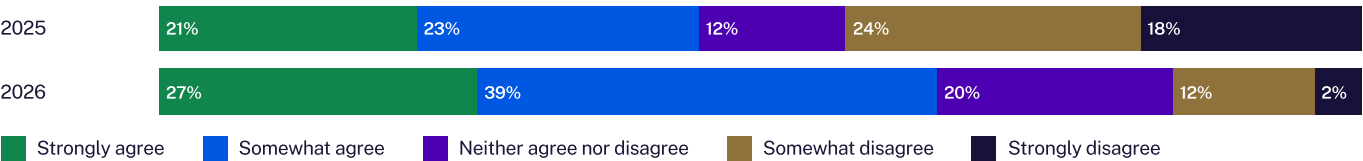
That’s yet to come, however, and discontent is growing. In last year’s BOSS, 41% of business owners agreed strongly or somewhat that the current pace of infrastructure development threatened the country’s long-term economic competitiveness. This year, the proportion saying the same has jumped to 67%.

In fact, Irish business owners are more frustrated about the state of infrastructure than ever.

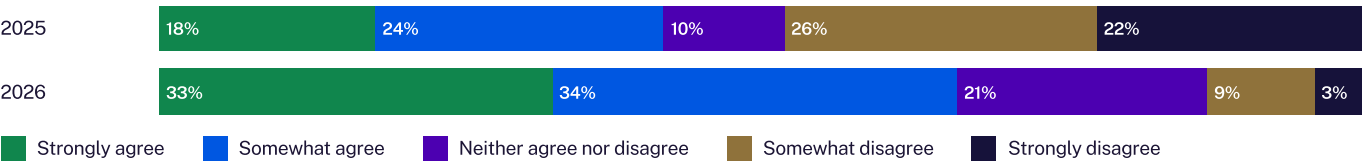
Planning timelines in Ireland are overly long and cumbersome.



Infrastructure deficits are directly affecting my organisation’s operational decisions.



The current pace of infrastructure delivery threatens Ireland’s long-term economic competitiveness.





Far from home and dry

Likewise, with housing, the government has a plan – to build 300,000 homes by 2030 – but the message from business is that it needs to go further and faster.

Almost two-thirds of business owners agree strongly (26%) or somewhat (37%) that the housing shortage makes it difficult to attract qualified candidates to relocate to Ireland. Similar proportions say they have lost candidates because of housing (up from 43% last year) and have seen it influence their decisions about where to locate new offices or facilities.

Not surprisingly, the young feel this most acutely. Business owners under 45 are significantly more likely to say they have had difficulties attracting candidates than older owners (69% agreeing strongly or somewhat compared with 56%).

The housing shortage makes it difficult for our company to attract qualified candidates to relocate to Ireland.



We have lost a candidate or employee specifically because of Ireland's housing availability or cost



The housing shortage has influenced our decisions about where to locate new offices or facilities in Ireland.



■ Strongly agree
 ■ Somewhat agree
 ■ Neither agree nor disagree
 ■ Somewhat disagree
 ■ Strongly disagree



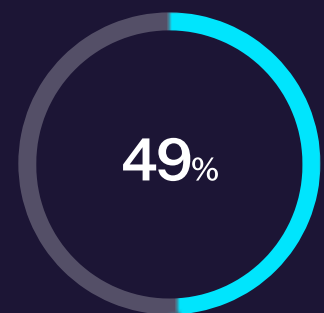
Other findings: Prices and people

Of course, not everything is within the government's control.

Its reliance on multinationals leaves it particularly exposed to international headwinds. Corporation taxes account for [more than a fifth](#) of all tax revenues in Ireland (more than double the proportion [in the UK](#)). Close to 60% of that comes [from just ten companies](#), including the tech giants, with potentially as much as [46% from just the top three groups](#).

Nor are domestic businesses immune. Perhaps most obviously, the war in Iran has continued to put pressure on prices, and with expectations that inflation will hit 3.5% this year, almost half (49%) of business owners think they'll see price rises in the next 12 months.

Perhaps unsurprisingly, it's the younger cohort that feels the risk of price rises most: 59% of those under 45 think price rises are very or somewhat likely, compared with 36% of older owners.



think they'll see price rises in the next 12 months

How likely or unlikely do you think the following are in your business in the next 12 months?



Mind the gaps: funding and skills

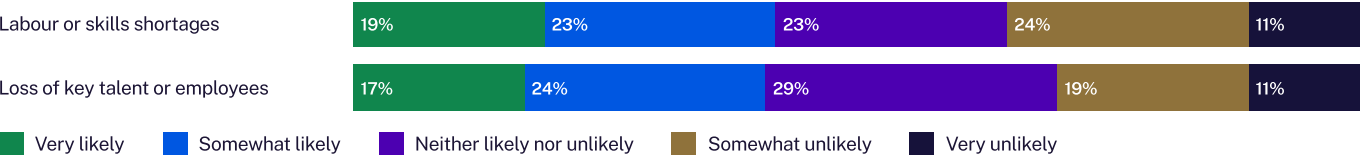
To both broaden the tax base and to build resilience, Ireland needs to build up its domestic businesses. Our survey suggests there are several barriers to doing so, however. Key among them is funding.

The funding gap for scaling organisations was [recognised by the government](#) in its Market Demand for and Supply of Scaling Finance in Ireland 2025 report, but it has not yet been convincingly addressed. While 43% in our survey are seeking investment within five years, over a third think it is very (12%) or somewhat (24%) likely they'll have difficulties securing funding.

It's not just a question of supply, either. Firms can lack personnel with the capabilities to secure later-stage financing and scale-up, as the government also [noted](#) in its report. This reflects a wider problem. Ibec's 2025 Skills Survey [found](#) that "the mismatch between available talent and the needs of a modern economy has moved from a marginal concern to a major strategic threat".

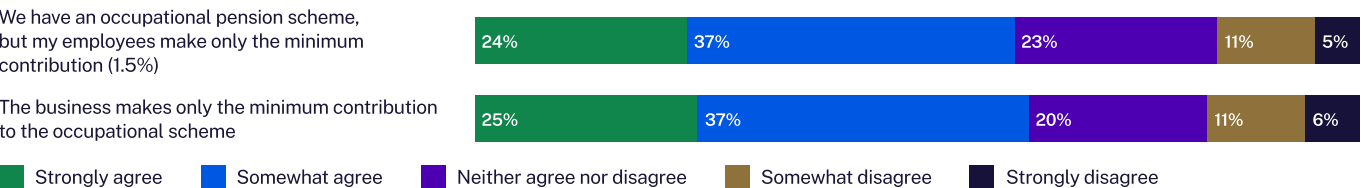
That's borne out in our survey, where 40% say that loss of key talent or employees is very or somewhat likely, and 42% say the same for labour or skills shortages.

How likely or unlikely do you think the following are in your business in the next 12 months?



This may be at least partly self-inflicted, with firms reluctant to invest in benefits, such as pensions. Most either strongly agree (25%) or somewhat agree (37%) that their business makes only the minimum contribution to the occupational pension scheme.

In fairness, however, this may reflect a failure to value pensions on the part of employees, too: Most say staff only make the minimum contribution.



Success without succession?

Perhaps the other reason many Irish businesses fail to achieve greater scale is that they don't plan for it.

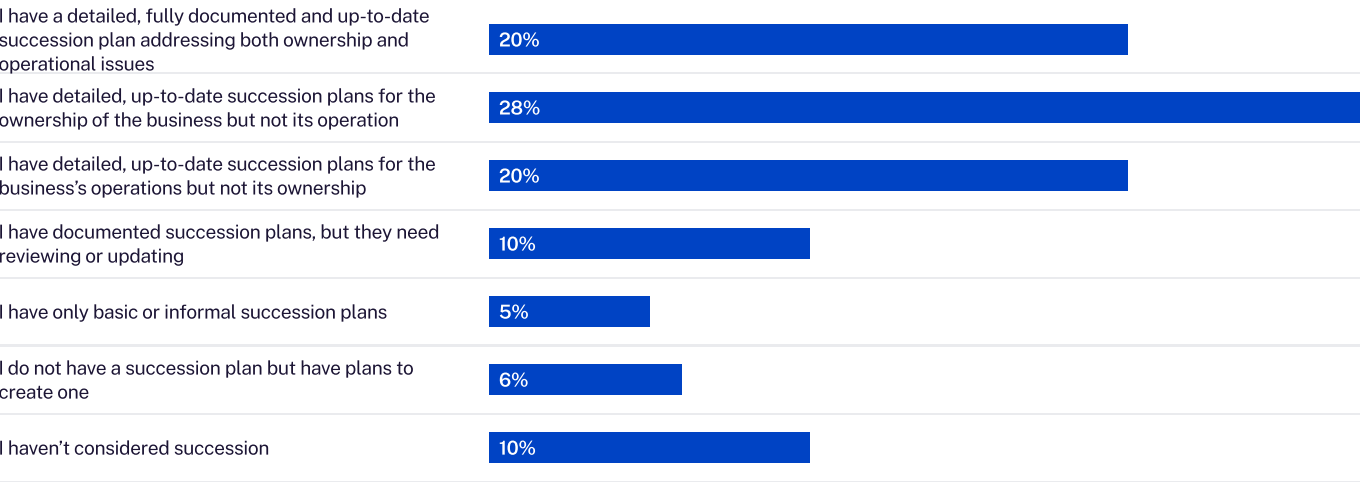
Family businesses account for about [two-thirds of enterprises](#) in Ireland, for example, but only about [30% survive to the second generation](#). Firms that don't survive don't continue to scale. As the National Centre for Family Business at Dublin City University has [noted](#), "Like all businesses, they must future-proof themselves by adapting to ever-changing operating environments".

Our survey suggests that many are failing to do so. Across business

owners, only 20% say they have comprehensive succession plans addressing both ownership and operational issues. A similar proportion have only basic or informal succession plans, don't yet have a plan or haven't even considered succession.

Moreover, both these remain true even as businesses grow: It's similar proportions among businesses with 250 employees or more. Even among businesses with between €50m and €500m revenue, little over a third (36%) say they have detailed succession plans across ownership and operations.

Regardless of your exit plans, do you have a succession plan?



This inevitably leaves businesses exposed.

Irish business owners face an exciting but fast-changing and unpredictable world. Developments in geopolitics, government policy, funding and technology are all hard to anticipate, and the continued success of Ireland's business

owners is worthy of praise. But planning for their firms' futures is within their control.

To give them the best chance of long-term success, it's an opportunity they should grasp.

Navigating complexity.
Creating opportunity.



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