

Channel Islands CEO Survey 2025

Embracing reinvention

February 2025



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Welcome to PwC's first Channel Islands CEO Survey report

At the end of 2024, we surveyed business leaders from across Guernsey and Jersey. These Channel Islands CEOs were among more than four thousand CEOs from around the world who took part in PwC's [28th Annual Global CEO Survey](#).

The Channel Islands findings reveal what's on the minds of local business leaders, the risks and opportunities they face and their strategies for addressing them. We've also compared the Channel Islands findings with those from CEOs in other international finance centres, including Ireland, Luxembourg, Switzerland, Cyprus and Hong Kong as well as against the global peer group.

Ramping up ambitions

What comes through strongly from our survey is the need for bold strategic thinking as geopolitical shifts, solving the climate and nature crisis, and emerging technologies like generative artificial intelligence (GenAI) dramatically change how the local and global economy works.

In this challenging and rapidly changing context, the attractions of Guernsey and Jersey as dynamic, responsible, respected and stable international finance centres are arguably greater than ever. The Channel Islands are ideally placed to facilitate flows of finance to where it's most needed, especially against a backdrop of capital flight to stable and well regulated financial centres. As we explore in this report, the big question is how to further strengthen our competitiveness and harness this potential.

I would like to thank all the CEOs who took part in the survey for sharing their valuable insights. If you would like to discuss any of the issues raised in this report, please get in touch.



Nick Vermeulen
Territory Senior Partner,
PwC Channel Islands



The optimism of Channel Islands CEOs is encouraging and indicates a desire to grab our share of global growth. CEOs will need to be ‘proactive disruptors’ to reinvent their businesses and stay relevant. However fast they feel they are moving on AI and climate action, our message would be to double your scope and speed.”

Nick Vermeulen

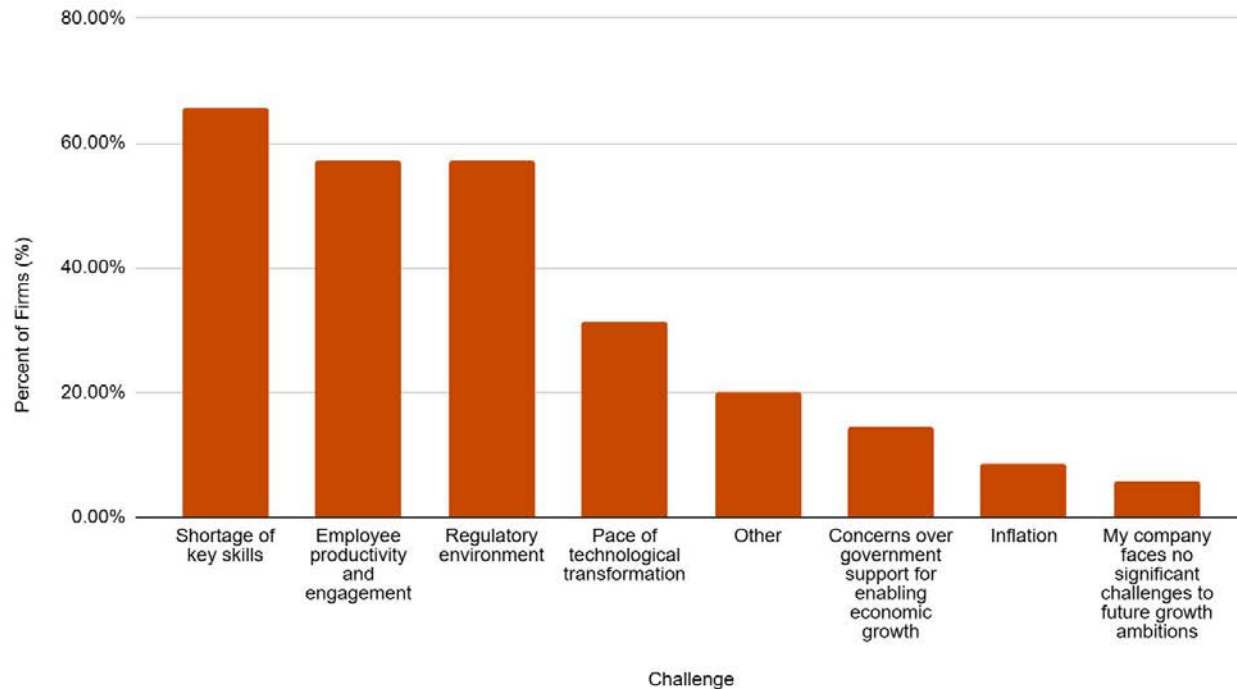
Territory Senior Partner, PwC Channel Islands

Key findings



66% of Channel Islands CEOs see a shortage of skills as the biggest challenge to business growth

Exhibit 1: Biggest challenges to realising growth ambitions of Channel Islands CEOs



Source: PwC CEO Survey 2025 (specific question for Channel Islands CEOs)

Channel Islands CEOs are the most optimistic about the prospects for global economic growth

Confidence in global growth opens up international opportunities



Compared to our international peers, Channel Islands CEOs are the most optimistic about the prospects for global economic growth. This underlines the opportunity to attract more international clients, businesses and investment to the Channel Islands.

Limited availability of skills risks impeding growth



More than half of Channel Islands CEOs plan to take on extra staff over the coming year. However, in full employment economies, it's no surprise they see skills shortages as the biggest threat to their businesses and greatest barrier to growth.

Regulation



Channel Islands CEOs struggle with the challenges of regulatory change, citing this as the joint second threat to growth. Compliance and remediation costs have been a burden on a number of local businesses in recent years. Faster adoption of technology could significantly reduce the time and manpower required to complete compliance tasks. Very favourable Moneyval inspection reports in both Jersey and Guernsey in the last year, further cement the reputation of the islands as safe, well governed and regulated financial centres and makes the islands attractive places to do business on an international stage.

The optimism of Channel Islands CEOs is encouraging

How viable are CI businesses in 10 years time?



Channel Islands CEOs are more confident that their businesses will still be economically viable in ten years' time than any of their international peers. But their overall 'reinvention score' is behind international peers. The need to keep pace calls for an urgent acceleration in business model reinvention.

Adopting of tech and AI is well under way in the CI



Most Channel Islands CEOs are optimistic that AI, including GenAI, will boost productivity and profitability. Integration of AI into systems, processes and workforce operations is on a par with international peers. But Channel Islands CEOs recognise the need to build stakeholder trust in AI before they can deploy, scale up and realise its full potential.

CI Deals are on the cards over the next 3 years



A third of Channel Islands CEOs plan to make at least one acquisition in the next three years. This is a sign of more consolidation ahead as organisations seek to reap the economies of scale from tech transformation.

40% of CI CEOs have their pay linked to sustainability goals



Nearly 40% of Channel Islands CEOs include performance- related pay linked to sustainability within their remuneration packages, highlighting both the importance of climate action and opportunities for business growth in areas such as sustainable finance.

Seeking out opportunities for growth

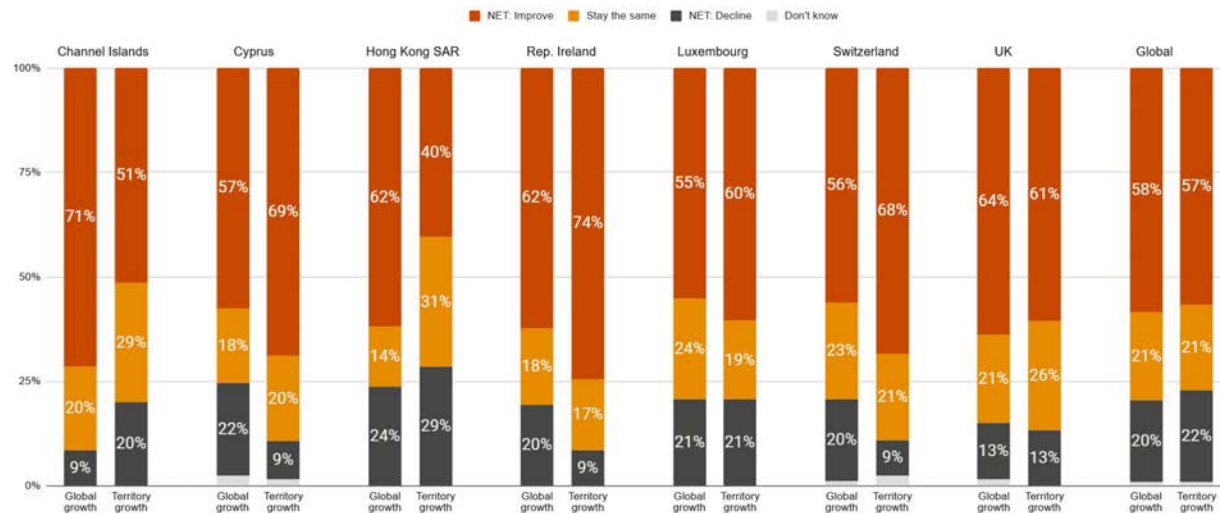
1

Channel Islands business leaders are more optimistic about global economic growth

Channel Islands business leaders are more optimistic about the outlook for global economic growth in the year ahead than all of their international peers. This optimism is mirrored in revenue growth prospects, where Channel Island business leaders are more bullish than both their international peers and the global CEO average - with almost 50% of CI CEO's being extremely/very confident in their 12 month revenue growth prospects.

Most expect the Channel Islands economy as a whole to improve over the coming year, though they tend to be less bullish about the local economy, relative to their international peers.

Exhibit 2: Comparing confidence in global and local growth



Source: PwC CEO Survey 2025

Local economic growth could be more of a challenge

As our previous [Island Index](#) research highlights, sustaining historic levels of economic growth across the Channel Islands could be challenging as a result of constraints on available talent, housing and development land.

However, Channel Islands CEOs' confidence in global growth underlines the opportunities for local businesses to expand internationally, compensating for any perceived slower growth at home.

Channel Islands wealth managers are a case in point. [Research](#) carried out for PwC's Channel Islands Wealth Management Insights 2024 reveals that their international clients have higher average levels of investable wealth than local counterparts. Securing more international business could therefore offer a bigger boost to assets under management and associated economic value.



Reinventing how you create,
deliver and capture value

2

One in eight Channel Islands CEOs believe their businesses won't be viable in ten years' time

In an era of heightened disruption and change, the critical question for organisations is whether their current business models and operational capabilities will remain viable and, if not, how to accelerate the necessary reinvention.

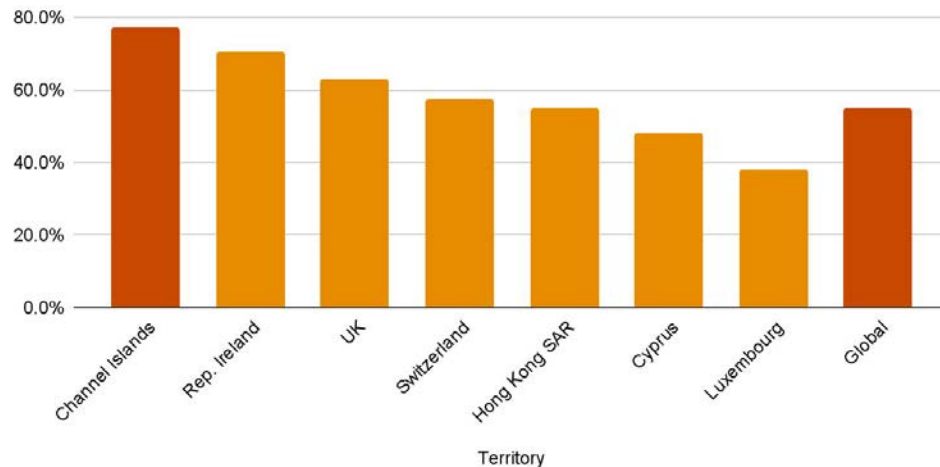
Only around one in eight Channel Islands CEOs believe their businesses won't be viable in ten years' time, compared to a global average of more than 40%. Is this an indication of confidence or complacency? Only time will tell.

What is clear is that the Channel Islands' overall reinvention actions, which reflects if companies are transforming the way they create, deliver and capture value, trails behind their global counterparts. Specifically, the proportion of Channel Island firms which undertake reinvention actions to a very large extent is the lowest amongst its peers and lower than the global average.

How might this business model reinvention apply to organisations here in the Channel Islands? If we look at a fund administration business as an example, the forces driving reinvention in an increasingly fast-moving and competitive global landscape could include the need to implement new digital platforms, develop fresh client offerings or expand into different markets.

Exhibit 3: Confidence in business viability

Percentage of CEOs which expect their company to be viable for more than 10 years per territory.



Source: PwC CEO Survey 2025

60% of Channel Island CEOs believe GenAI will boost returns

Harnessing AI

So, if local businesses are at risk of falling behind, how can they close the gap on their peers and accelerate the business model reinvention needed to compete?

Both technology and the skills needed to make the most of its potential are a key part of the answer. GenAI is proving to be a particular focus for reinvention, with nearly 60% of Channel Islands CEOs believing that it will boost returns. But the way forward requires consideration. Right now, most AI use cases are targeted at productivity improvements. But as important as these are, the even bigger potential lies in transforming offerings and tapping into new markets.

A clear case in point within Financial Services is reaching out to the beneficiaries of the 'great wealth transfer' as baby-boomers pass on their wealth to younger generations. With these market openings comes a generational shift in expectations as Financial Services organisations compete for digital native customers who've become accustomed to high levels of tech-enabled engagement, experience and personalisation.

As the survey findings further underline, the keys to capitalising on AI don't just include investment, but also trust.

In line with their peers, CEOs are integrating AI at a cautious pace, recognising that safe and successful deployment of AI is a complex process that requires planning and coordination across the organisation.

The other big impact of tech transformation is as a spur for consolidation as companies look to bolster economies of scale. A third of Channel Islands CEOs plan to make at least one acquisition in the next three years. If historic trends continue, consolidation could help to strengthen both productivity and profitability.

Securing future-ready skills

3

More than half of Channel Islands CEOs plan to take on new staff

A clear sign of the confidence of Channel Islands CEOs is that more than half plan to take on new staff in 2025. Few are planning job cuts, in stark contrast to the picture globally.

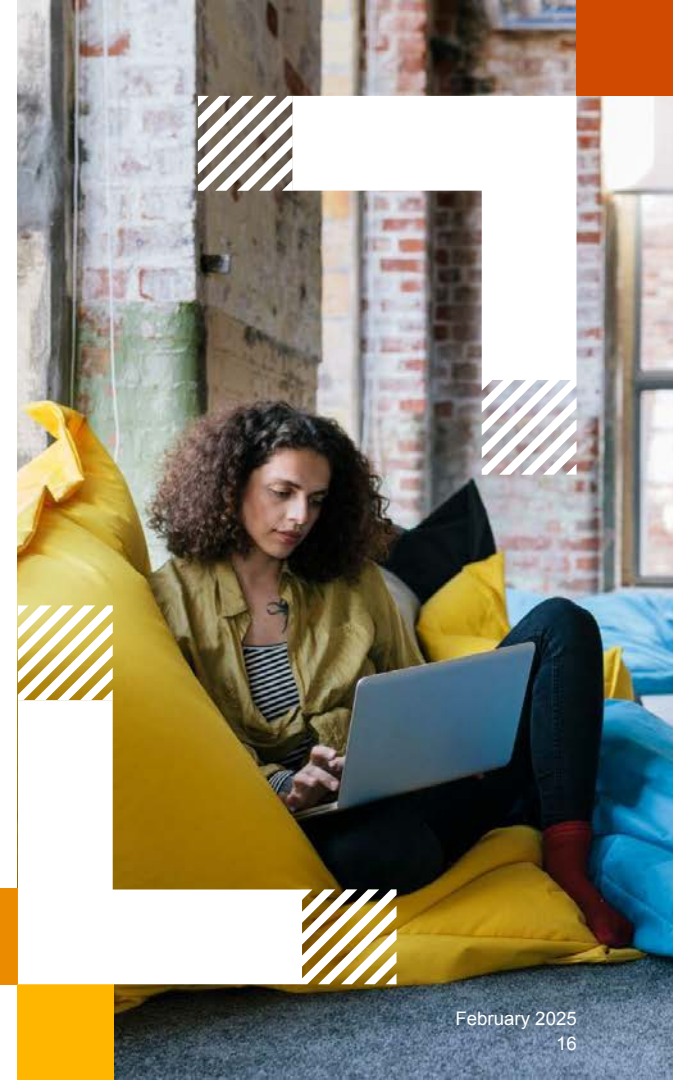
The central question is how to recruit and retain key talent when Channel Islands CEOs see shortage of skills as the biggest barrier to realising their growth ambitions.

It's equally telling that employee productivity and engagement rank number two on the Channel Islands CEOs' list of growth challenges. These barriers could not only dent performance and return in the short-term, but also make it harder to secure the workforce buy-in needed to drive transformation and change.



Nurturing future leaders

Tackling the talent gap starts at the top. As our survey highlights, Channel Islands CEOs expect to spend much longer in their posts than their global counterparts. This length of tenure confers stability and continuity. However, it could also impede new thinking and hold back career development and engagement further down the leadership pipeline. This underlines the need to step up succession planning and promote leaders who can mobilise their workforce around change.



Build, borrow, buy and 'bot'

With the supply of available skills limited, workforce strategies need to be pragmatic.

Pressing priorities include the need to step up workforce upskilling – identifying the roles and tasks that could become obsolete through tech and AI, and training staff in the skills that are needed in a digital economy.

It's also important for policymakers, businesses and educators to come together to develop the training, career opportunities, affordable housing and quality of life that would encourage young people to build lives and careers here.

As PwC's [Women in Work Index](#) highlights, further priorities include encouraging people who have stepped out of the labour market to move back into work and providing them with the skills and incentives needed to secure employment. These currently 'non-employed' people include a significant proportion of women over aged 25 and men aged over 50. Bringing them into work could make a crucial difference as importing talent can be difficult, costly and time-consuming.

In turn, technology can play its part by taking care of routine work and hence freeing up time to spend on critical, value-generating tasks. Another opportunity could be to outsource some functions and roles to different jurisdictions to expand the talent pool available to local businesses.



Driving value from climate action

4

40% of Channel Islands CEOs include performance-related pay linked to sustainability within their remuneration packages

Globally, one of the clear messages from PwC's [28th Annual Global CEO Survey](#) is that climate action in areas such as emissions reduction, energy efficiency and greener products and services is paying off financially as well as environmentally. Globally, these moves are six times more likely to have increased revenue as to have decreased it.

As the urgency of the climate and nature crises becomes ever more evident, companies within the Channel Islands are looking at how to step up action. It's certainly significant that nearly 40% of Channel Islands CEOs include performance-related pay linked to sustainability within their remuneration packages, further strengthening the islands' reputation for good governance. In a tight local labour market, climate action has the further benefit of helping to attract key talent. Our [Hopes and Fears](#) Channel Islands workforce survey reveals that most local employees expect their employers to take action to address climate change.

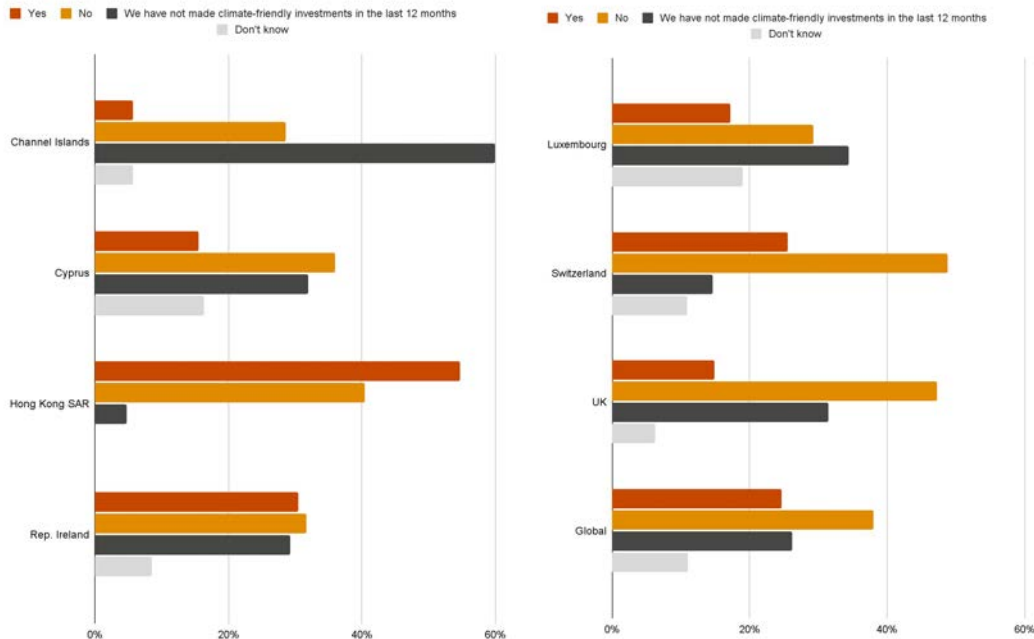
For Financial Services organisations, the business opportunities include servicing the Channel Islands' growth ambitions in international sustainable finance and environmental, social and governance (ESG)-orientated fund management. For example, more than 50% of the respondents to [PwC's Channel Islands Wealth Management Insights 2024](#) survey report that their clients have significant or at least some interest in ESG or sustainable investing. The islands have [policies underway](#) to protect the industry from risks, ensure equivalence and continued access to key markets, promote jurisdictional strengths and evolve product offerings and incentives where needed. The challenge is how CEOs will apply this and collaborate in new ways to capture a slice of the global growth opportunity, and how this is nuanced for different sectors and markets.

Does recent business investment by CEOs reflect this potential? The findings from the CEO Survey suggest that Channel Islands' businesses are less likely to have made climate-friendly investments (such as energy-efficient operations) in the past year and are less likely to accept a lower rate of return when they do. However, this does not necessarily imply a lag across the board. The Channel Islands survey participants are more likely to be in service industries, less likely to be high emitters or users of energy, and electricity is already decarbonised locally. As reflected in [PwC's Channel Islands Green Jobs Barometer](#), the islands are already well on their way to becoming green economies. Nonetheless, there is still room for progress in areas ranging from logistics and heating to reducing Scope 3 financed emissions within investment portfolios.

Climate-related investments

Exhibit 4: Are climate related investments paying off?

In the last 12 months, has your company accepted rates of return for climate-friendly investments that were lower than the minimum acceptable rate of return your company uses for other investments?



Source: PwC CEO Survey 2025



Calls to action



For business leaders

We live in an era defined by both the historic opportunities opened up by new technology and the threats posed by geopolitical instability and climate change. The Channel Islands companies most likely to thrive are those that move now to understand how these forces will reshape their industry and reimagine their business models, their operations and their use of scarce resources.

Conduct a robust and honest appraisal of how your company's operations, capabilities and business model need to change as technology and AI create new opportunities and constraints. Identify the opportunities for tech to drive productivity gains, but also unlock new markets, products and opportunities for growth.

Put yourself in the strongest position to capitalise on global opportunities for growth. This means proactively targeting markets with a compelling Jersey or Guernsey proposition to sell. This can be more successfully achieved by working collectively with other companies in your sector to attract more investment into the Channel Islands, strengthen international competitiveness and ensure business models keep pace with fast-evolving customer demands.

Drive value from sustainability starting with CEOs challenging themselves and their top teams to make more efficient use of resources and bring climate-friendly products, services and technologies to market. It's important to back this up with the timely and reliable sustainability data needed to inform decisions and target investment where it can make the most difference.

Invest in the upskilling needed to drive reinvention and to capitalise on its potential, while nurturing future talent and leaders to take your business forward. Tap into the hidden talent pools in our islands to help fill your skill gaps.

For policymakers

Step up investment in the infrastructure, affordable housing and quality of life needed to attract and retain skilled people on our islands. The more you can invest, the more this will strengthen business confidence and encourage increased investment from the private sector.

Support the development of the digital skills, infrastructure and incentives needed to drive innovation, attract new businesses and help our islands to thrive in an increasingly digitised global economy. Promote the islands' digital capabilities as core strengths.

Develop the policies in areas such as upskilling and childcare needed to encourage higher workforce participation.

Foster a business environment that supports green sectors, accelerates [green job creation](#) and encourages more sustainable ways of working and commuting.

Seek consensus on how to bring public funding and investment up to OECD average levels to drive economic growth, sustain prosperity and reflect the impact of changing demographics and other pressures on public services. By increasing government investment in the public realm, we will not only improve the wellbeing of islanders, but will likely crowd in further investment from the private sector.



About this report

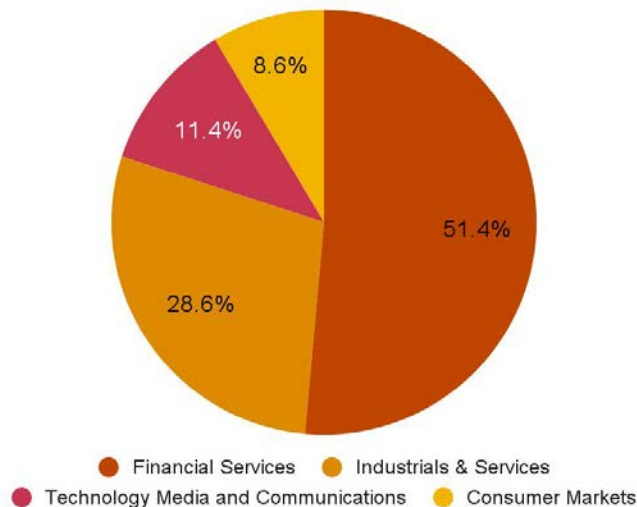


Survey respondents largely mirror the economic make-up of the Channel Islands

At the end of 2024, PwC surveyed 35 Channel Islands' business leaders as part of its [28th Annual Global CEO Survey](#).

Survey respondents largely mirror the economic make-up of the Channel Islands with those from firms in the financial sector accounting for just over half of responses.

CEO survey representation by industry



In relative terms, the Channel Islands survey sample size is broadly in line with similar economies in our international peer group comparisons – Ireland, Luxembourg, Switzerland, Cyprus and Hong Kong. Like the Channel Islands, these economies are leading international Financial Service centres.

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