

# 2025 HIRING & LEADERSHIP TRENDS SURVEY RESULTS

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## SUMMARY

Noto Group surveyed executives across athletic and outdoor, apparel and footwear, recreation, and retail consumer segments about the challenges, opportunities, leadership priorities, and trends shaping their business. The survey collected responses from 56 executive leaders with knowledge of their company's hiring roadmap and strategy.

## KEY TAKEAWAYS

As businesses navigate 2025, organizations are settling into established hybrid work patterns while pursuing a balanced approach to growth. Companies are placing equal emphasis on profitability, innovation, and market strategy, with hiring continuing at a measured pace focused on strategic backfills. While talent acquisition challenges persist, organizations report improving conditions in attracting key talent, with a renewed focus on performance management and team effectiveness.

- Most companies continue to embrace hybrid office arrangements, with far less requiring in-office presence or remaining fully remote.
- Business priorities have evolved, with companies now focusing equally on three key areas: profitability and bottom line, product innovation, and go-to-market/sales strategy.
- Hiring activity remains slow but steady, with the majority of respondents planning to hire in 2025. Of these planned hires, most will be backfills and with less new positions, indicating a focus on profitability while supporting strategic growth.
- Organizations are finding it slightly easier to identify and hire top talent, with the majority reporting improved conditions. However, familiar challenges remain—most notably, relocation hurdles, total compensation, and competition for talent.
- Performance management and team effectiveness have emerged as top priorities for organizational culture, marking a shift from previous years.

## 1. HYBRID WORK CONTINUES TO DOMINATE

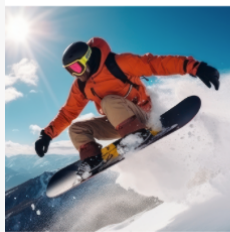
Most organizations (66%) are planning to maintain hybrid work arrangements, while 28% will continue to require full (4-5 days) in-office presence and 7% operating remotely. Additionally, we saw a notable increase from 6% to 15% of organizations that are planning to transition to return-to-office arrangements in 2025.

As we enter a multigenerational workforce, from Baby Boomers to Gen-Alpha, it is also integral that businesses address the generational differences and priorities. Opportunities could include flexible work arrangements, personalized learning programs, and leadership development to bridge generational gaps.

### OUR TAKE

The continued dominance of hybrid work arrangements reflects a maturing understanding of modern workplace dynamics. While the initial hybrid work adoption was driven by necessity during the pandemic, its persistence through 2025 demonstrates that organizations have found a sustainable balance between flexibility and collaboration. The slight increase in companies planning return-to-office transitions indicates that some organizations are reevaluating their approach, but the overwhelming majority see hybrid work as a permanent fixture of their operational model.

Companies that maintain flexible arrangements continue to see advantages in talent acquisition and retention, particularly as the workforce becomes increasingly diverse in age and work style preferences.



## 2. BUSINESS PRIORITIES SHIFT

Unlike 2024's singular focus on profitability, 2025's top business imperatives also include product innovation and go-to-market strategy. Notably, sustainability, digital commerce, and technology received lower prioritization, suggesting a focus on core business fundamentals and growth strategies.

### TOP BUSINESS IMPERATIVES FOR 2025

1. Profitability
2. Product innovation
3. Go-to-market and sales strategy
4. Sustainability
5. Digital Commerce
6. Technology

These results do not reflect the broader market, which has seen a significant increase in investment in AI and sustainability. In one external survey, 75% of executives ranked AI as a top priority, looking to use technology to enhance innovation within their brand. In another, ESG principles are becoming integral to business initiatives, focusing on green technologies and transparent reporting. One reason for this could be the industries surveyed in this report are not as immediately affected by sustainability and AI innovation, leading to a difference in key priorities.

### OUR TAKE

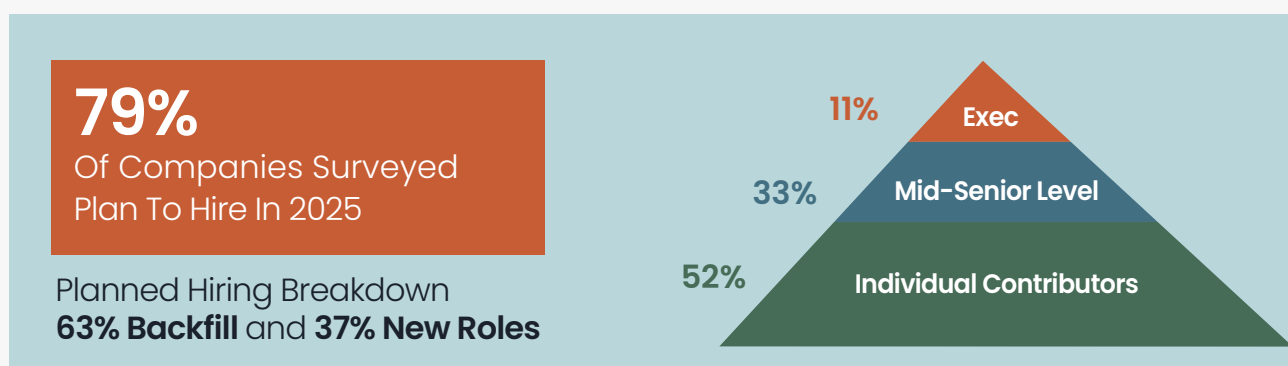
This shift toward equal emphasis on profitability, product innovation, and go-to-market strategy suggests companies are moving from pure survival mode to strategic growth planning. The reduced focus on digital commerce and technology initiatives, particularly when compared to broader market trends in AI adoption and sustainability, presents an interesting divergence between industry-specific needs and general market movements.

This prioritization pattern indicates that companies in the athletic, outdoor, and consumer sectors are taking a back-to-basics approach, focusing on core business fundamentals rather than chasing technological trends. However, the lower prioritization of sustainability and AI initiatives might create future challenges as these areas become increasingly critical to consumer preferences and operational efficiency. Companies will need to carefully balance their focus on immediate business fundamentals with longer-term technological and sustainability imperatives.

### 3. HIRING LANDSCAPE REMAINS ACTIVE

A significant majority (**79%**) of organizations plan to hire in 2025, with most smaller organizations planning to fill under 10 positions and mid-sized organizations hiring for up to 50 roles. Only 2% of respondents were planning to hire 51-100+ positions. The distribution of these roles reflects a full-organization approach:

#### HIRING FORECAST



Of particular note, **63% of planned hiring will focus on backfilling existing positions**, while **37% will be new roles**, emphasizing efficiency and profitability.

With the shifting economy, **CEO turnover is also on the rise**. The number of short-term appointments (<3 years) has reached its highest since 2019, indicating a need for better succession planning and onboarding support. Additionally, female CEO appointments have increased but remain a small percentage (17% in Q3 2024). At the current pace, gender parity in leadership could take 81 years.

#### OUR TAKE

Hiring will be mostly maintenance oriented, balanced with some investment in strategic hiring. The industry is seemingly finding its footing after years of post-pandemic adjustment. The distribution between backfilling and new roles suggests a balanced approach to workforce management compared to the volatile patterns seen in previous years.

The slow progress toward gender parity in leadership positions highlights ongoing challenges to diversifying the top ranks. Organizations will need to strengthen their succession planning and leadership development programs to address these challenges effectively.

## 4. ACCESS TO TALENT IMPROVES

The hiring landscape shows signs of improvement with 41% of respondents reporting that it has become easier to hire top talent. 42% of respondents claim that there has been no change and only 17% report that it has increased difficulty.



### SIGNIFICANT CHALLENGES PERSIST IN HIRING TOP TALENT INCLUDING:

1. Relocation Hurdles
2. Total Compensation
3. Competition For Talent
4. Diverse Candidate Pool
5. Need For Stronger Brand
6. Lack Of Resources

Notably, specialized positions in Marketing, Ecommerce, and Operations have become the hardest roles to fill.

### OUR TAKE

The improvement in hiring conditions represents a significant shift in the talent marketplace. This is most likely due to active job seekers entering the market as a result of layoffs or back-to-office policies that require relocations of remote talent. This trend, combined with persistent challenges in specific areas like relocation and compensation, suggests a market that is becoming more nuanced rather than universally easier or harder. The continued difficulty in filling specialized roles, particularly in marketing, ecommerce, and operations, indicates that while the overall talent pool may be more accessible, the competition for specialized skills remains intense.

## 5. LEADERSHIP PRIORITIES EVOLVE

Strategic thinking and team effectiveness have emerged as the primary areas for leadership improvement. Performance management has become the top priority for organizational culture, followed by fostering collaboration and trust, company culture, and succession planning. Additionally, 82% of respondents were only somewhat confident in their leadership's performance. Notably, very few participants were strongly confident in their leadership performance.

### OUR TAKE

The emergence of strategic thinking and team effectiveness as primary areas for leadership improvement reflects a sophisticated understanding of modern organizational needs. The data suggests that while leaders are generally competent, there's a challenge and an opportunity for organizations to develop their leadership capabilities more fully to close the gap between acceptable and exceptional leadership. This disparity becomes more pressing as leadership pipelines continue to thin due to the pace of retirements, burnout and declining trust in management.

The data suggests that there is a general decline in trust in management. While organizations recognize these challenges, current leadership development and engagement efforts may not be sufficient.

## 6. COMPENSATION STRATEGIES DRIVE RETENTION

Organizations are taking proactive steps to retain talent including cost of living increases, more significant increases to retaining top performers, and elevation of bonus potential.

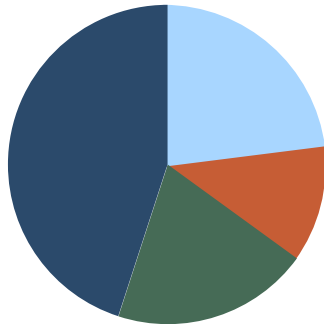
Greater research suggests that **to truly retain talent, businesses must go beyond basic retention strategies**. Key priorities include **offering flexible work arrangements**, creating transparent career paths, and providing **competitive compensation** that exceeds standard cost-of-living adjustments.

### OUR TAKE

The widespread adoption of cost of living increases alongside targeted retention strategies indicates a more nuanced approach to compensation management. However, the focus on basic cost of living adjustments rather than more significant increases suggests that organizations may be taking a conservative approach to compensation. This strategy, while fiscally prudent, might create challenges in retaining top talent, particularly given the data suggesting that career advancement opportunities and competitive compensation packages beyond cost-of-living increases are increasingly important to employee retention. In Noto Group's experience, candidates have been prioritizing cash compensation in the form of base, bonus, and long term incentives, demonstrating the level of uncertainty in the economy and looking for base financial security.

## ABOUT THE SURVEY

### SURVEY RESPONDENTS BY INDUSTRY



- Athletics + Outdoor 45%
- Consumer Products Food, Beverage, Personal Care 20%
- Consumer Products: Housewares, Home goods 12%
- Other Categories 23%

Company Sizes Primarily Between \$20M-\$200M  
(64% of Respondents)

### SURVEY RESPONDENT PROFILE



- GM, President, VP/SVP Level or above 92%
- C-Level 75%

The survey included 56 executives with an oversight of hiring across various industries.

### ABOUT NOTO GROUP

Noto Group is an industry-leading executive search and leadership consulting firm. Over the past decade, we have worked with over 225 notable brands in the athletic, outdoor, food & beverage, and healthy living consumer sectors.

Our clients turn to us when they need to recruit, select, and integrate exceptional leaders in response to rapid growth, a new initiative, a turn-around, or change in strategy. We are proud to be a Certified B Corporation since 2013 and a member of 1% for the Planet.

**Subscribe** to our email updates to stay informed of active searches and talent market insights. For more information, check out [www.notogroup.com](http://www.notogroup.com) and the [How I Hire podcast](#).

**Contact us** to talk about your leadership and hiring needs.