

# 2023 HIRING & LEADERSHIP TRENDS SURVEY RESULTS WITH ANALYSIS



## OUR APPROACH

This year we took a multi-pronged approach to gathering data. We started by surveying 30 C-level leaders across multiple consumer sectors in companies of different sizes to get baseline data for how they are thinking about talent strategy in the year ahead. In addition to the survey results, we consumed a plethora of content and conducted over a dozen in-depth interviews with client company CEO's. Our summary analysis also includes soundbites and perspectives from Noto Group's principal recruiting team in a recent episode of [How I Hire](#).

## HEADCOUNT / HIRING

48%

anticipate headcount (hiring)  
to increase slightly

26%

anticipate headcount to  
stay the same

26%

anticipate headcount will  
decrease slightly



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## ABILITY TO IDENTIFY AND HIRE

48%

became more difficult  
over the last 12 months

30%

has not changed  
over the last 12 months

22%

became easier  
over the last 12 months

## TOP 3 HIRING CHALLENGES

1. Talent availability / relocation hurdle (not open to relocation)
2. Compensation not competitive with market
3. Talent quality (experience level)

## HYBRID WORKFORCE AND FLEXIBILITY PREVAILS

71%

reported the majority (> 50%)  
of their workforce is hybrid

56%

reported arrangements  
will stay the same

23%

reported  
more flexibility is likely

## TOP PEOPLE & ORGANIZATIONAL CULTURE PRIORITIES

1. Leadership development (incl. succession planning, retention)
2. Strengthening connection to purpose and mission
3. Diversity, equity, and inclusion
4. Trust, teamwork and collaboration
5. Creativity and innovation



## SUMMARY ANALYSIS

### We're Not in Kansas Anymore.

*So then, Where are We?* It should come as no surprise to hear that the landscape of recruiting has made quite the departure from what it once was. Over the past few years, we've seen great cultural shifts in the working world. Switching to remote work seemingly overnight, movements toward social justice and pushes for environmental sustainability, women leaving the workforce in record numbers, the Great Resignation, Quiet Quitting... the list could go on, but we'll cut it there. Things have changed.

It's natural to have some hiring hesitancy with economic uncertainty floating in the air, but we're here to tell you that hiring is still happening. While no one expected hiring to increase significantly in the year ahead, 48% of the respondents in our survey expect that hiring will increase slightly, and 26% expect for it to stay the same.

### 4 TOOLS YOUR COMPANY CAN USE TO ATTRACT & RETAIN KEY EMPLOYEES IN 2023

For companies looking to attract the best candidates, and hold tight to the people they already have, allow us to guide you through this new landscape and provide you with a better understanding of what it means to be a great place to work in 2023.

## 1. LEAN INTO MOBILITY & FLEXIBILITY

Mobility and flexibility, or hybrid/remote work, has become the number one priority for candidates considering a new position. "People are having a hard time giving up the flexibility they experienced during the pandemic", says Sara Spirko, Managing Director at Noto Group, "Work life integration is a huge factor for candidates when they look at a new company".

The people have spoken, flexibility should be here to stay. And that's the plan, or at least it is according to the respondents in our survey: 71% of respondents noted that 50% or more of their workforce is hybrid, and 56% noted that arrangements will stay the same. 23% reported that more flexibility is likely.

On the topic of flexibility, 4-day work weeks are on the horizon after a recent study conducted in the UK touted its many benefits for employees and employers alike, including things like reduced burnout, improvements in mental and physical health, and lower turnover – all this with no decrease in participating companies' revenue.

Of course, flexibility isn't the only priority that climbed the corporate ladder over the last few years. As Lena Knofler, Principal Search Consultant at Noto Group, touched on in How I Hire, "During the last 2-3 years, I felt like people really started looking inward to figure out what was



really important to them and how they wanted to spend their time". She went on to say how this refocus showed up in a variety of ways, from leaving the workforce for family matters to moving to a different state.

## 2. DIG DEEP INTO YOUR MISSION & CALL OUT YOUR BLIND SPOTS

For many people, looking inward meant searching for purpose. It meant finding mission-driven companies, brands that they felt were truly making a difference. People are becoming increasingly concerned with whether or not they believe their company shares their values.

As [Tami Bumiller, Principal Search Consultant at Noto Group](#), put it in *How I Hire*, "over the past 3 years, the souls of brands have really been tested and judged on the world stage, specifically in the outdoor industry [...] leaders have had to really take a look at their teams and the makeup of diversity or the lack thereof". She continued on to say, "We're starting to see employers open up to the transformation that can happen when leaders acknowledge different lived experiences and leverage those experiences as they build their workforce."

This [Glassdoor survey](#) reported that more than 3 in 4 employees and job seekers (76%) believe that a diverse workforce is an important factor when evaluating companies and job offers.

Companies that made diversity commitments during 2020 are holding steadfast to their pledges. According to a recent LinkedIn report, 74% of recruiting professionals say [the current economic uncertainty] is not lowering the priority of DEI hiring.

A [study](#) conducted by Remote showed that skills-based hiring is up 63% in the past year. Not only will this help to increase the talent pool, but it also helps to level the playing field for those without college degrees who are still qualified for roles.

## 3. YOU GET WHAT YOU PAY FOR

We have also noticed a push for higher pay. Of the top three hiring challenges ranked in our survey, compensation was ranked second behind the hurdle of relocation. Companies are struggling to keep up with the significant pay increases that have come with inflation. According to a recent LinkedIn report, only 45% of recruiting professionals say their companies increased salaries enough to keep pace with inflation. This helps to explain why many companies are increasingly advertising their retirement, health insurance, and paid time off plans as a way to keep themselves competitive in job listings.

Despite a rash of newsworthy layoffs in the tech, banking, and consumer sectors, tight labor supply at the executive level is still a major factor in pay increases. That said, we expect this trend to cool slightly in 2023.



And then there is pay transparency. While it might complicate things, the movement is gaining momentum and, as far as we're concerned, it's here to stay. That means your company should be prepared to play ball- but it isn't necessarily a bad thing. Forbes recently reported that companies that are open and honest about salary and compensation early in the process will attract better talent. In this market, you get what you pay for.

#### 4. LEAD WITH EMPATHY

The participants in our survey ranked leadership development as their number one priority. Our team believes that this priority is tied to the challenges leaders of teams face as they continue to operate on a remote or hybrid basis.

Leaders who have the soft skills (or as we like to refer to as "power skills") that enable them to really listen and adapt to the needs of their employees are much more likely to have a better understanding of what motivates their team to do quality work. This is especially important in a remote setting where connecting with colleagues often feels less natural than it would in person.

So for hiring executives, this means we need to be on the lookout for power skills in leadership. For those already in leadership roles, this means learning how to lead with empathy and leaning into your soft skill set.

By helping leaders to grow in this area, you also encourage growth and development within their teams.

The same can be said for what organization development experts [Fred Miller and Judith Katz at Kaleel Jamison](#) refer to as Interaction Safety.

**Empathetic leadership and fostering an environment of Interaction Safety will also come in handy with the growing expectation for mental health support in the workplace.**

**In a [recent study](#) conducted by the Surgeon General, 81% of workers reported that they will be looking for workplaces that support mental health in the future.**







**Ted Freeman, Noto Group's Organization Effectiveness and Leadership Advisor, put it this way in his recent blog post:**

“

Without the right kind of leadership, people focus on protecting themselves, keep their heads down, withhold their ideas until they are fully polished and resist making trade-offs in service of the whole because they want to defend their area of the organization.

They play not to lose, as opposed to playing to win.

When people are invited to share their still-in-formation ideas, valued and seen for who they are as individuals, and approached with curiosity and interest rather than fear and criticism, the environment leads to better organizational outcomes.”

**— Ted Freeman, Psy.D.**



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## The Times They Are A-Changin'

*And you must change with them.* With all of the big changes taking shape in the hiring market today, it's imperative that your company adapts along with them in order to attract and maintain the key players who will make your business a success. If your company can meet leadership candidates where they are and help them grow as leaders once they are on your team, you will do well.

This is a **pivotal moment in the evolution of executive-level talent acquisition**. It's time to dive in and swim with the current, or you'll risk getting swept away by it.

### HOW I HIRE PODCAST

For more on topics like this, check out [How I Hire](#), a podcast that taps directly into the best executive hiring advice and insights.

