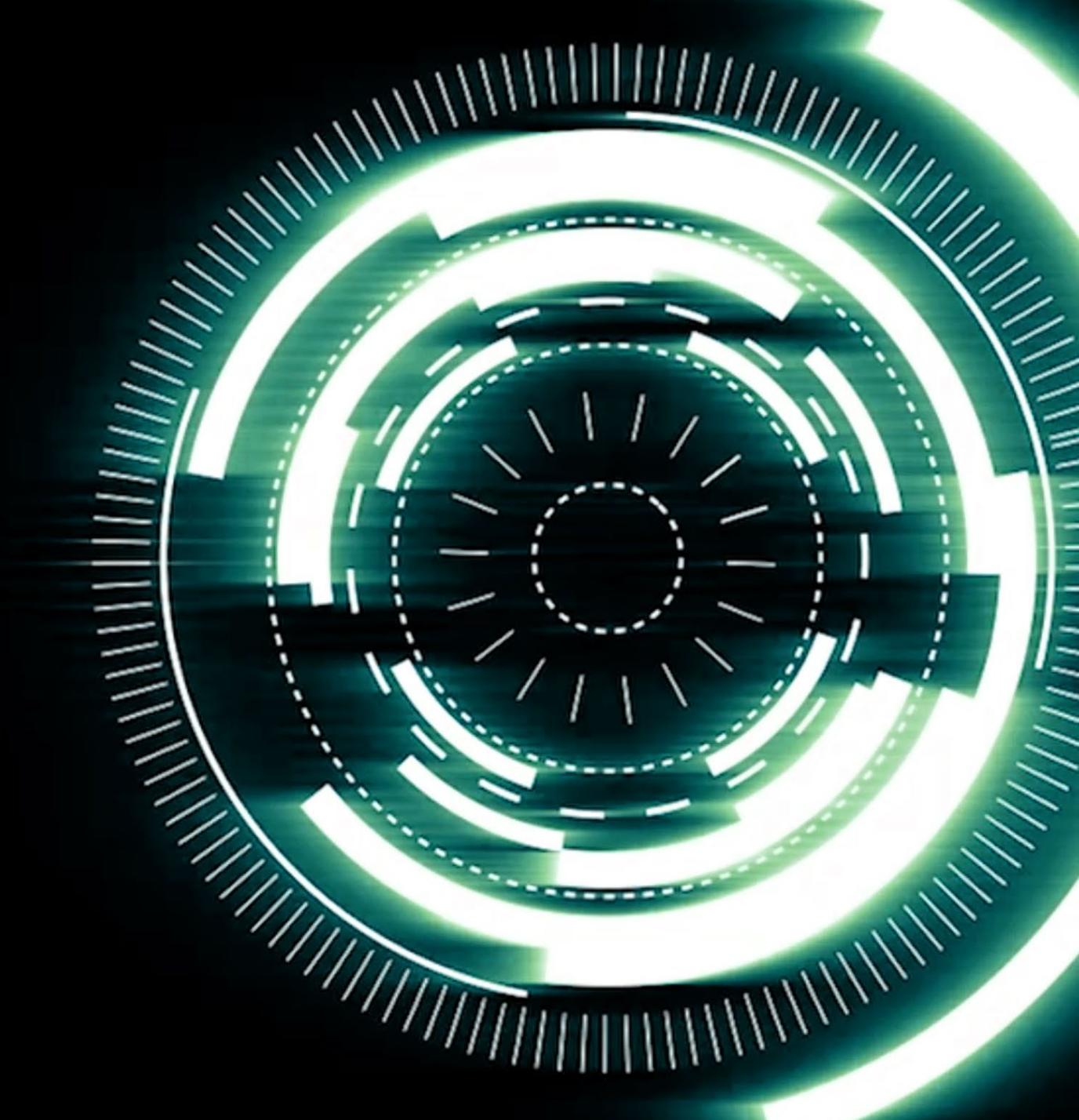


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Private company outlook:
Talent

December 2023



Deloitte Private asked **100 private company C-suite executives** about their hiring outlook and strategies to attract, engage and retain talent to achieve their business priorities in the next **12 months**.

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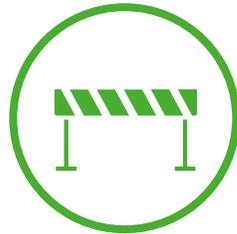
Deloitte Private's pulse survey, "Private Company Outlook," is intended to gauge private company leaders' perspectives on opportunities and risks to business now and in the future.

The survey of 100 private company executives was conducted online by an independent research company between November 7 and 9, 2023. Respondents represented C-level, president, board member, partner/owner roles at private companies in the US with annual revenues of US\$100 million to US\$1 billion+. Half of respondents were CEO or president, and more than one-quarter partner/owner.



Technology investments take priority

Private company leaders surveyed say productivity (45%), investments in technology (36%) and strategic alliances and partnerships (34%) are their top 3 business priorities in the next 12 months. Information technology (36%) is the No.1 skill needed to achieve these priorities, followed by sales/marketing (32%) and supply chain (32%).



Cash flow may affect hiring abilities

Nearly twice as many companies (78%) with annual revenue of US \$100 million to under US \$200 million report cash flow limits their ability to make new hires compared with those earning more than \$1 billion (41%).



Reskilling talent is a primary goal

Nearly two-thirds (64%) of private companies surveyed find it difficult to attract talent that matches their needs. Training/reskilling employees (43%) is the primary way companies surveyed plan to meet talent needs in the coming year, ahead of hiring (26%), engaging contract workers (19%) or automation (12%).



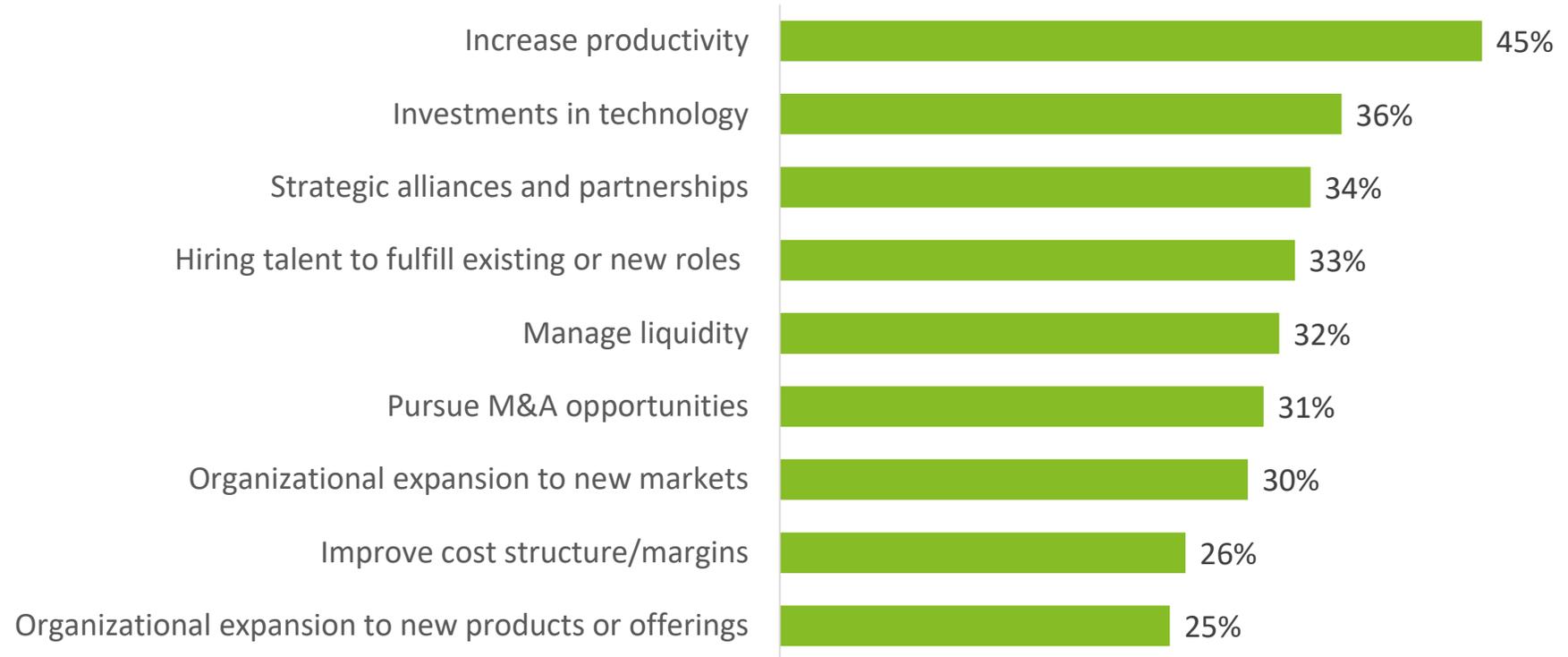
Acquisition strategies are shifting

More than half of respondents (51%) say their organization is increasing skills-based hiring to be more competitive, followed by hybrid work (48%) and implementing a new compensation strategy (47%).

Increasing productivity tops the list of priorities for the coming year among private company leaders surveyed.

What are the main priorities for your business over the next 12 months?

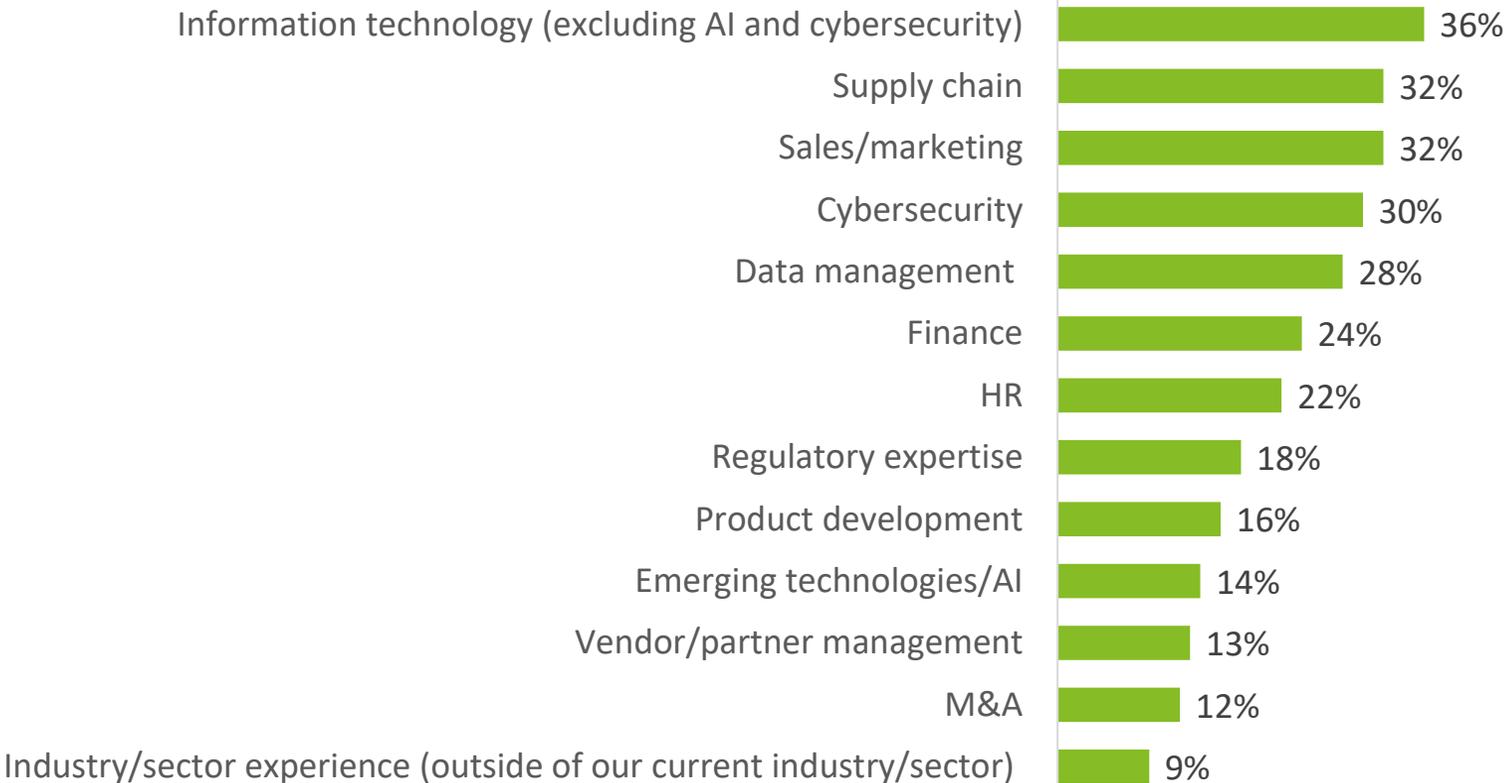
(Select up to three)



Private company leaders surveyed cite Information Technology as the No.1 skill their organizations need to meet their business priorities.

**What skills/
experience/
capabilities does
your organization
need most to
meet its business
priorities?**

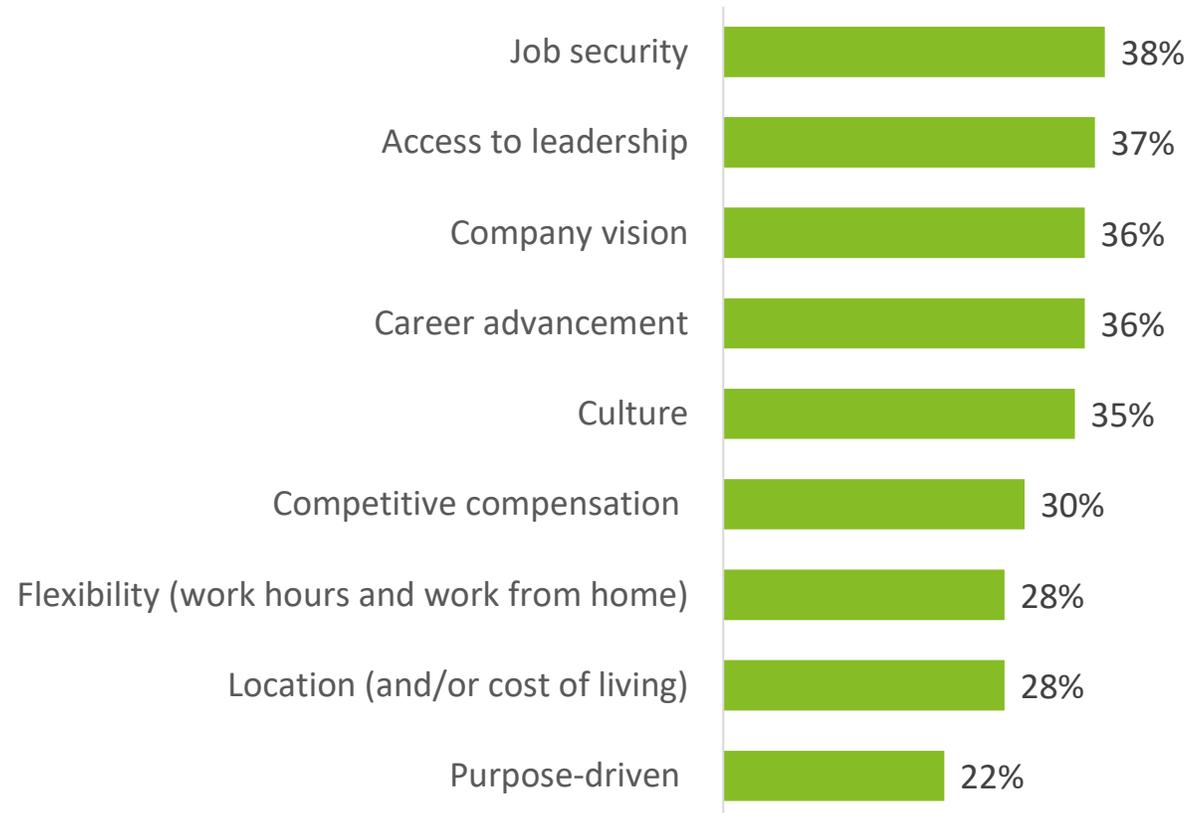
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Private company leaders surveyed indicate job security attracts people to their organizations, closely followed by access to leadership, company vision, career advancement and culture.

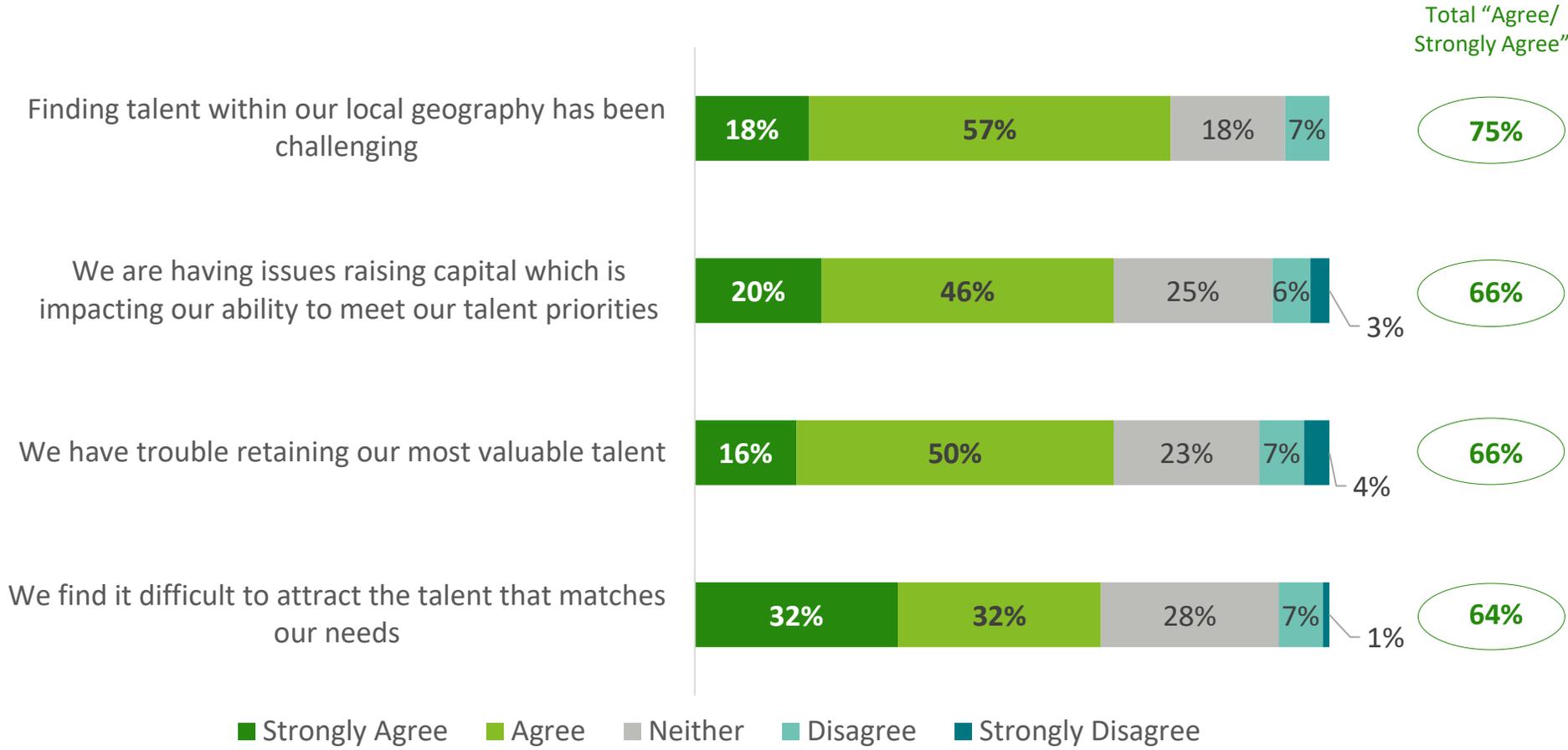
Which of the following attributes best describe what attracts talent to your organization?



Private company outlook: Talent

Three-quarters of private company leaders surveyed report challenges finding local talent over the past 6 months; roughly two-thirds cite issues raising capital, retention and attracting talent matching their needs.

Thinking about the past 6 months, please rate your agreement with the following statements related to recruiting and staffing at your organization.



Private company outlook: Talent

As they look ahead to the next 12 months, private company leaders surveyed say their organizations are maintaining or increasing hiring to avoid labor shortages, but many are limited by cash flow.

As you look to the next 12 months, please rate your agreement with the following statements.

(Percentage responding agree/strongly agree)

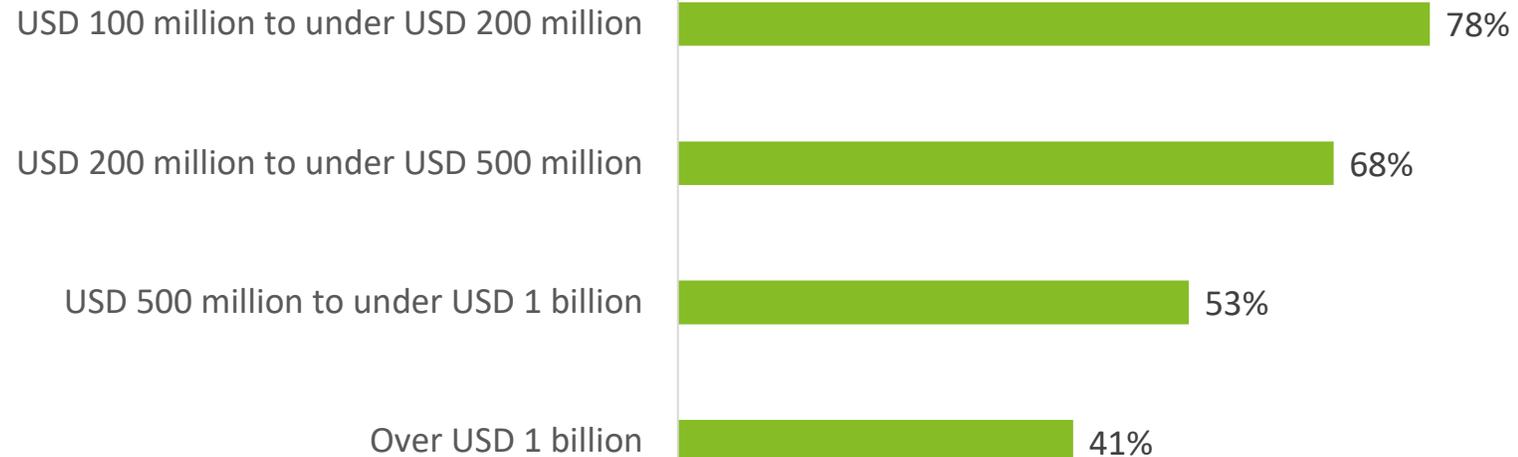


Private company outlook: Talent

Among private company leaders surveyed, 60% said cash flow limits their ability to hire in the next 12 months. This number is nearly twice as high among companies earning US \$100 to \$200 million in revenue compared with those earning more than US \$1 billion.

“Cash flow is limiting my ability to make new hires.”

(Percentage responding agree/strongly agree)

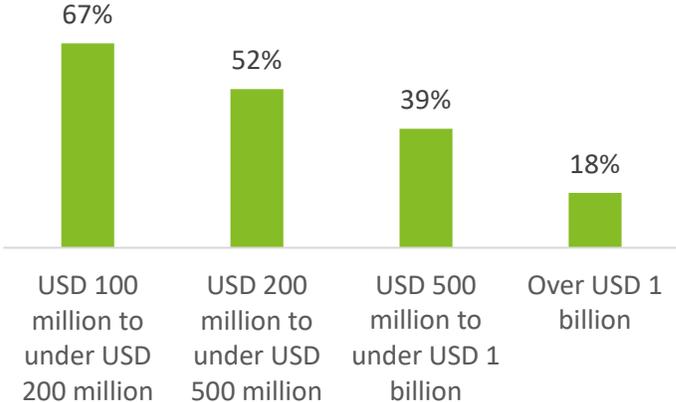


Private company outlook: Talent

Among company leaders surveyed, those with smaller annual revenues are more likely to decrease headcount and less likely to hire new employees in the next 12 months.

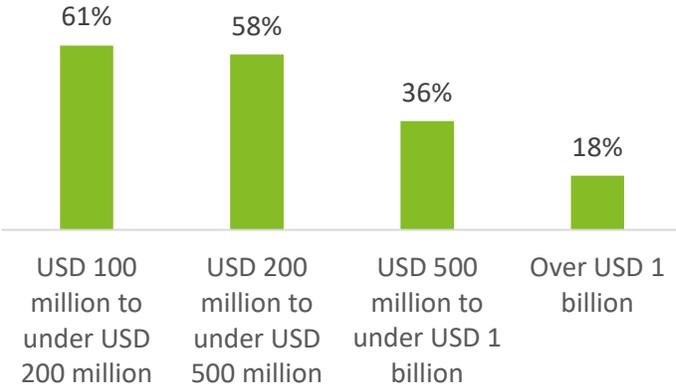
“My organization may decrease headcount.”

(Shown: percentage responding agree/strongly agree)



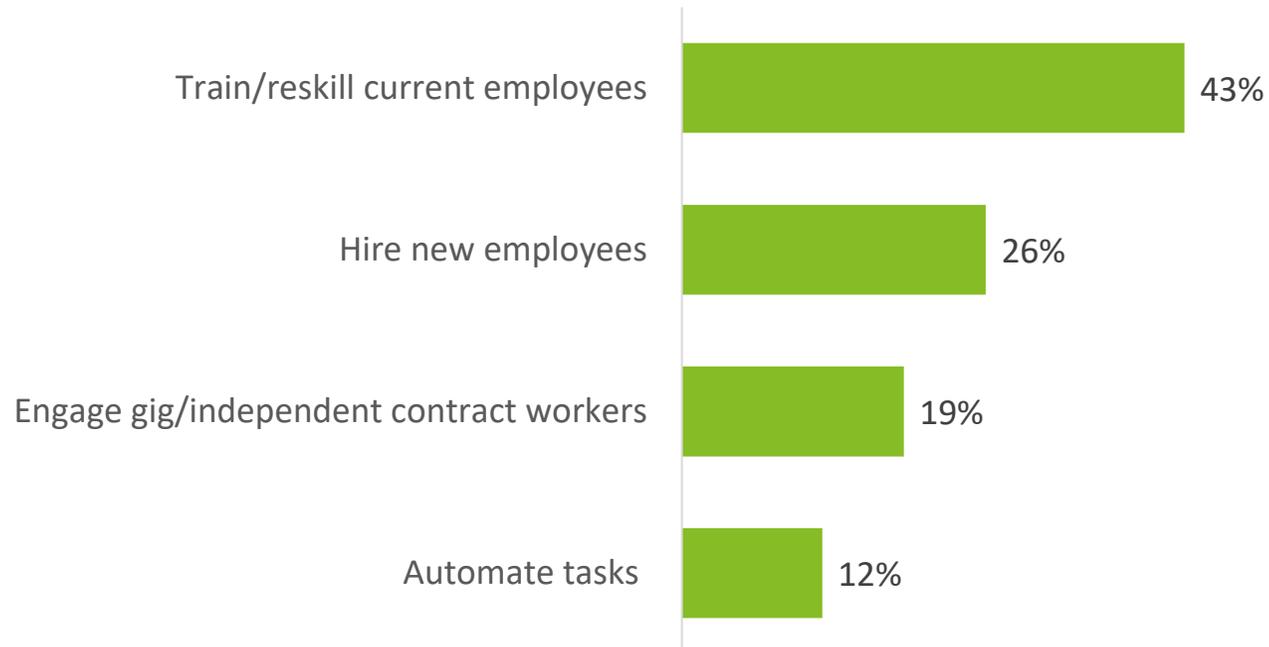
“My organization is not planning to hire new employees.”

(Shown: percentage responding agree/strongly agree)



Training/reskilling current employees is the primary way leaders surveyed expect their organizations will meet talent needs in the next 12 months, more than hiring new employees.

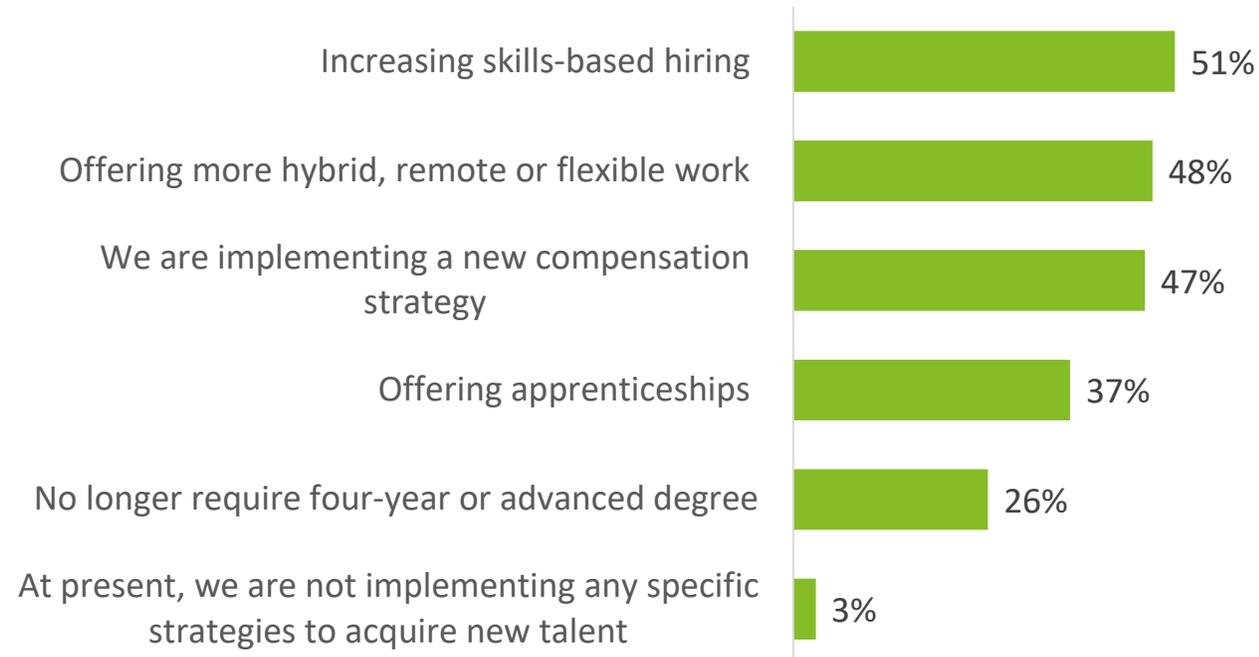
Looking ahead, in the next 12 months, what is the primary way you expect your organization to meet your talent needs?



Private company outlook: Talent

More than half of respondents are increasing skills-based hiring to be more competitive in the talent marketplace.

What steps is your organization taking to be more competitive in acquiring new talent?



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