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2023



Executive hiring trends reshaping 2024

Leveraging transparency and data, ON Partners anticipates four shifting leadership trends that will resonate in tomorrow's boardrooms.

1

Middle America Ignites: A Renaissance in the Heartland

Business Insider recently reported Middle America is increasingly becoming a competitive and attractive destination for tech and innovation. Our search data agrees.

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2

Payday Revolution: Unveiling Compensation Disparities

Companies in 2023 navigated a complex terrain, evaluating strategic decisions amidst market fluctuations and geopolitical challenges. What has the impact been on executive compensation trends?

[READ MORE >](#)

3

Calculated Moves in Human Capital Reshape PE Dynamics

A new talent strategy is needed for private equity, as highlighted by a recent article in the Harvard Business Review. ON data from PE executive hiring in 2023 offers valuable insights into this topic.

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4

Power Surge: New Talent Landscape in Energy and Cleantech

As the industry continues to evolve, the talent strategies in the energy and cleantech sectors have changed according to U.S. Energy Report. ON data confirms the shift in executive hiring.

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01 MIDDLE AMERICA IGNITES: A RENAISSANCE IN THE HEARTLAND



Market indicators observe shift in Middle America.

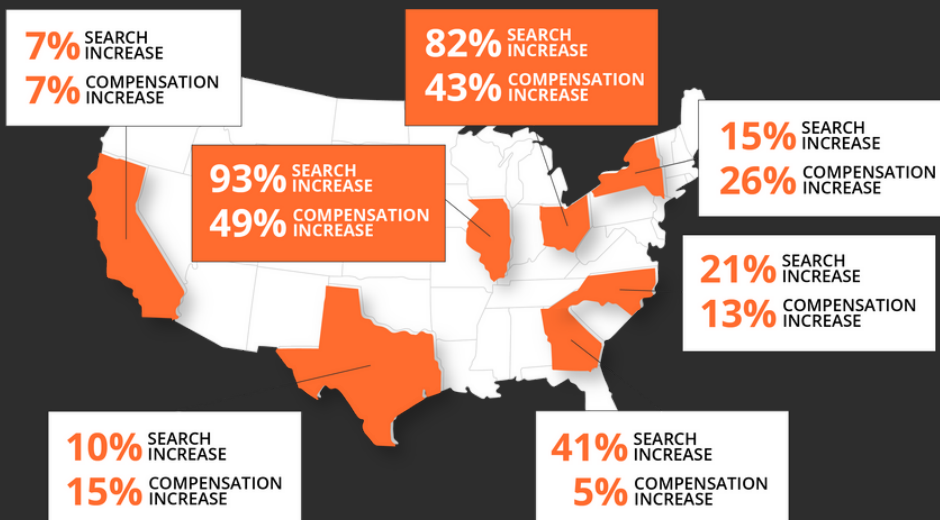
The recent Business Insider [article](#) highlights the burgeoning trend of tech and innovation companies thriving in Middle America. This shift signifies a departure from the traditional tech hubs in California and New York.

The growth can be attributed to several factors, including favorable economic conditions, business-friendly policies, and a skilled workforce.

ON data points to elevated executive hiring and compensation in Midwest and Southern regions.

Executive recruitment has notably surged by 58% in the Midwest region over the past two years, according to ON Partners' search data, surpassing the figures from the preceding two-year period. This notable shift is particularly pronounced in Illinois (IL) and Ohio (OH).

Texas (TX) has spearheaded a 10% uptick in executive leadership placements during the same period, while Georgia (GA) and North Carolina (NC) collectively witnessed a substantial 33% increase in executive hiring.



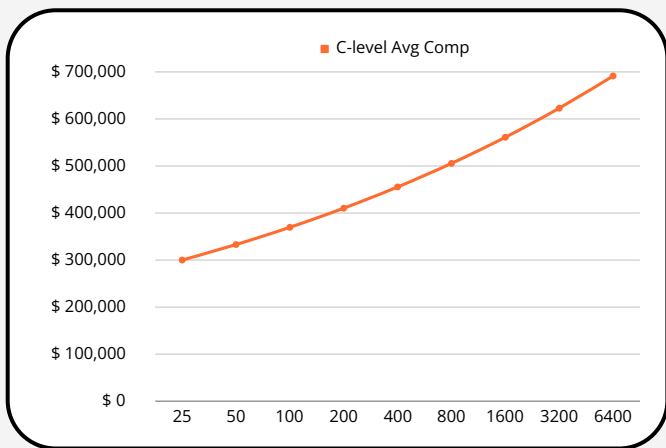
- ▶ **Midwest surging** in executive searches and compensation increase.
- ▶ **Southeast** seeing a **slight increase** in searches with relatively flat compensation.
- ▶ **Southern markets** **increased** in total executive searches with compensation starting to accelerate.

02 PAYDAY REVOLUTION: UNVEILING COMPENSATION DISPARITIES



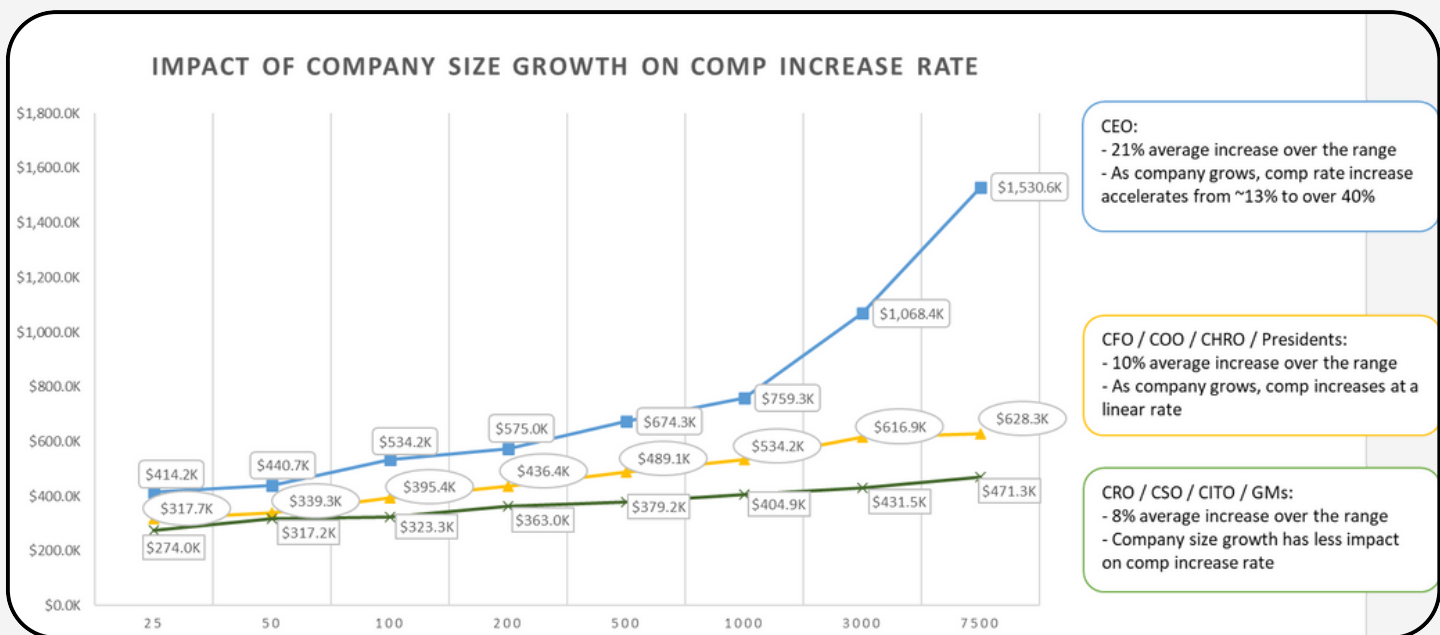
Compensation benchmarks for C-suite executives in growing organizations

In executive hiring, the top question is often about compensation expectations. ON data for 2023 discloses average compensation ranges for C-suite leaders, depending on the organization's current size. The CEO role rises in compensation at a higher % rate than any other C-level position.



11%
average increase rate of C-level comp as company size doubles

The comp increase is experienced at different rates of growth depending on C-suite role.



A new talent strategy is needed for private equity.

Harvard Business Review highlighted the evolving challenges facing private equity (PE) firms, emphasizing the increasing importance of effective leadership.

Historically, PE firms focused on financial engineering, often neglecting the development of leadership capabilities. Several factors, including a decline in attractive acquisition targets, rising interest rates, and longer investment hold times, have led to a shift in talent expectations and management.

Thus, the operational value creation has become more crucial than financial engineering, and PE executives recognize the significance of leadership effectiveness. A qualitative shift in the qualities sought in executives, with a growing emphasis on managing, motivating, inspiring, authenticity, credibility, emotional intelligence, and people skills.

ON innovates AI-enabled talent-sourcing solutions to solve PE hiring needs.

YoY ON data shows an increase in PE-backed searches by 70%+ in the last two years, but also an elongated time of executive search completion.

Identifying and ranking qualitative skillsets and experience for PE candidates is time-consuming, often creating a longer search process for talent.

In response to the evolving landscape of PE talent, ON is set to launch a new AI-enabled candidate sourcing and assessment product in early 2024. This innovative solution is informed by millions of data points within our network, facilitating candidate identification based on pertinent skills, experiences, and relevant events.



- ▶ Revenue growth size
- ▶ Exit lead experience
- ▶ Global experience
- ▶ Team management success

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04 POWER SURGE: NEW TALENT LANDSCAPE IN ENERGY AND CLEANTECH



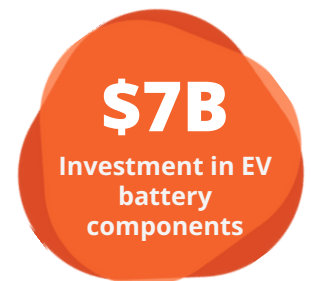
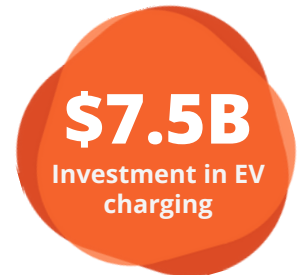
Growth and investment drives shift in sector talent pool

As the industry continues to evolve, the talent strategies in the energy and cleantech sectors have changed according to the latest [U.S. Energy Report](#).

The changing landscape of human capital talent strategies in the sector can be attributed to several factors including growing industry complexity, demand for specialized skills, innovation and technological advancements, increasing emphasis on sustainability, and the ongoing transition from traditional energy sources to renewable and clean energy.

Every technology category in the energy sector, according to the report, saw employment growth in 2022.

And with significant federal investments across several categories of the sector, the talent pool will continue to expand and shift, thus driving new expectations for executive leaders in the space.



ON data indicates increase in executive talent demand in energy and cleantech related sectors

When comparing the timing of federal investments and talent expansion within the energy and cleantech sectors, ON data illustrates a parallel uptrend in the demand for executive talent.

111%

Three-year growth average of executive hiring in the energy and cleantech sectors compared to the previous three-year period.




Executive hiring trends reshaping 2024


Thanks for diving into the 2023 Variance Report and joining our ON community of non-conformist leaders. We look forward to continuing our commitment to executive hiring data innovation and transparency as we build leadership teams in 2024 and beyond.


Don't hold back – share your thoughts on the 2023 Variance Report with ON Partners and stir up the dialogue.


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