

CEO Focus

Four Critical Issues for 2025

by **MICHAEL SIPE, Chairman — Vistage Int'l 667**

If you're a business leader, chances are you are beginning to turn your attention to strategic planning for 2025, like most CEOs around the world. As the world's largest private advisory program, serving 45,000 CEOs and business leaders worldwide, Vistage International has the best and most accurate insights into the challenges and opportunities facing small to mid-sized businesses as we move into a new year.



The following is a summary of the results of a recent survey of Vistage CEOs. These are the top four issues that CEOs worldwide and the business leaders in my Central Oregon Vistage Group are laser focused on. Consider paying critical attention to these areas as you launch your planning process for 2025.

1. Engagement and Culture. A positive workplace culture is essential for employee engagement, leading to higher productivity and reduced turnover. When team members feel valued, they are more motivated and committed to their work. Creating an environment of open communication, appreciation and work-life balance helps employees invest more in their roles and work more efficiently.

Addressing engagement and culture is more complicated than ever before due to challenges such as: a. Residual dis-engagement from the "quiet quitting" phenomenon of recent years, b. A multigenerational workforce, with at least four and perhaps five generations represented in your workplace, c. Embracing, accommodating, or rejecting hybrid work practices (in-office and remote), and d. Navigating a persistent talent shortage.

2. Workforce Development. Investing in employee development ensures team members have the skills they need to perform at their best. Businesses can build a more capable and adaptable workforce through targeted training programs, mentorship, coaching (which is different than mentoring), and continuous learning programs. This approach enhances productivity, and fosters a culture of growth and loyalty, encouraging employees to stay and grow with the company.

Investing in your teammates sometimes get pushback from financial types. One of my CEO clients reported that she faced resistance from an investor who objected to her plan for continual investment in employee development. The investor complained, "What if you spend the money on them and then they leave?" To which my friend replied, "But what if I don't invest in them and then they stay?" It's an insight to consider, because, of the CEOs in our survey who reported increased productivity in the past year, 82% invested in skills training and 81% have leadership development programs in place.

3. Optimizing Business Processes. With inflation and interest rates currently moderating incremental investments, one of the fastest ways to improve productivity is to get more from what you have today. The first step is to pause and evaluate the effectiveness and efficiency of your current processes. The time invested in refining your processes and team training will result in both short-and-long term returns. Consider this Vistage perspective:

"If you automate the menial and systematize the predictable, you can humanize the exceptional."

Your team's time will be used more effectively. They will be happier because they are adding more value to each other and to your customers. You'll be able to build a stronger culture, which will assure a brighter future for all.



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4. Automation and AI. Over 60% of our surveyed CEOs who experienced increased productivity invested in automation, while over 40% invested in artificial intelligence. It should be obvious that automation and artificial intelligence tools will be increasingly essential elements of your business going forward. However, they are not a panacea. If you ignore points 1-3 above when implementing automation and AI strategies, you risk: a. de-motivating and dehumanizing your business, b. having a team ill-equipped to utilize the new technologies, and c. automating and speeding up poor business processes, which is foolish.

However, when you invest the time to implement it wisely, automation and artificial intelligence tools can clearly produce a competitive advantage. The quicker you implement new technology well and streamline your business, the more difficult it will be for your competitors to catch up. The question is not whether you will need to invest in new technologies, the question is how soon, and how effectively will you do so.

As our CEO respondents noted, addressing these issues is essential, but it will not be easy. What is your plan to master them and excel in 2025?

One solution, that 45,000 of us have discovered, which makes facing challenges like those in the year ahead easier and less fraught with risk, is to leverage participation in a peer group, like a Vistage group, with non-competitive, confidential, high-performing business leaders. Your questions will get answered and your "answers" will get questioned. You'll avoid expensive mistakes, make wiser decisions and accelerate your growth dramatically, yet prudently.

If you'd like to review the CEO survey and our more detailed recommendations for addressing each point, email me at Michael.Sipe@VistageChair.com. I'll be happy to provide it at no cost or obligation, because, as our local businesses prosper, we all prosper.

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How can I keep a sale confidential?

How can I find a great buyer?

How can I protect my employees and customers?

How can I Finish Strong and Exit Well?

For the past 34 years, I've been helping entrepreneurs sell their businesses. I recently wrote an Amazon #1 best-selling book. It's a street-smart guide on how to prepare, position and sell your business for top dollar. You might not be considering selling now, but it's never too soon to plan and prepare for your eventual profitable exit. Grab your copy of Finish Strong – Exit Well on Amazon and contact me confidentially to explore your business options.



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