

News Brief

Small Businesses Expect to Increase Employee Count in 2025

According to a quarterly [analysis](#) by CEO coaching organization Vistage, nearly 2 in 3 CEOs of small and mid-sized businesses (SMBs) expect their total number of employees to increase in 2025. These CEOs (65%) are optimistic about hiring and growth this year. The latest Vistage quarterly confidence score is the highest recorded since the second quarter of 2021.

“More than half of CEOs expect the economy to improve in the coming year, with many optimistic about the new administration and the potential for pro-business policies, reduced regulations, lower inflation and reduced borrowing costs to drive investment and fuel growth.”

- Joe Galvin, chief research officer, Vistage

Much of the SMB’s hiring confidence is tied to a new presidential administration and economic conditions, including administration policies, trade regulations and inflation. More than half (55%) of surveyed CEOs believe the economy will improve over the next year and anticipate that the following policy shifts will positively impact their businesses:

- Tax policy changes

- Regulatory compliance changes
- Labor and employment laws

SMBs are divided on whether environmental, sustainability and health care policy changes will negatively or positively impact their organizations. Despite optimism for other policy shifts, 60% of CEOs anticipate that tariffs and trade policy changes will negatively impact their business, and 29% anticipate that immigration policy changes will do so.

Several industry reports, including the National Federation of Independent Business Small Business Optimism Index and the MetLife and U.S. Chamber of Commerce Small Business Index, validate the Vistage analysis, supporting SMB owners’ optimism about economic expectations and business growth.

Employer Takeaway

As CEOs of SMBs express a positive outlook about revenue, profits and growth in 2025, their hiring plans are poised to exceed pre-COVID-19-pandemic levels this year.

Employers should continue to monitor labor market trends and economic conditions. Contact us for more resources.