

The 2024 CEO Outlook: 7 Predictions and How to Prepare for a Volatile Year

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The C-suite is rarely a place you'll find smooth waters, and there certainly was turbulence in 2023. CEOs struggled last year to deal with major disruptions of both the traditional variety (roaring inflation, high interest rates, global instability) and the relatively new (the explosion of AI, the advancement of remote work).

“For many CEOs, 2023 was a challenging year because they had to navigate major technological, societal and geopolitical shifts,” says Chris McCarthy, CEO of Skillable, a workplace skills training platform.

With a chance to flip the calendar and hit the reset button, what do corporate leaders expect for 2024? SHRM's Executive Network canvassed a group of chief executives to learn the trends they expect and the actions they're taking to prepare.

1. Aggressive Deployment and Use of AI

While only in their infancy, generative artificial intelligence tools such as ChatGPT are going to change the entire nature of how work operates in 2024. Companies need to step back and rethink which tasks could and should now be completed by a human, by AI or by a blend of the two (a “cyborg” or “centaur”).

This will be the year organizations jump heavily into adopting AI. More companies have also begun incentivizing their employees to experiment with AI to identify ways to improve the business process and product.

Robert Brill, the CEO of Brill Media, a media buying advertising agency, says he foresees adopting AI into several everyday business functions.

“This trend has accelerated based on ChatGPT's debut of chat agents,” Brill says. “We're currently using a custom-built chat agent to improve our copywriting capabilities. We create copy faster, create a greater volume of ad options and iterate on revisions faster.”

Brill says the company is also tapping into AI on the data side.

“We'll use artificial intelligence to analyze data by uploading documents into a chat agent,” he says. “We'll be able to upload big documents and distill the key ideas from them.”

In the past, those long documents had been difficult to review and took a long time. Now, Brill employees can upload the documents to their AI tool and get the key points instantly.

Brill's agency has also begun using AI to review long YouTube videos by simply asking it to scan the link and provide the key points. "Now we can condense an hour podcast into five key elements I need to know," Brill says.

2. More Hiring for Mindset, Not Just Skill Set

"Since the roles that people are applying for now may very well not exist in two to four years, 2024 should bring some significant change on the employment front," says Karoli Hindriks, co-founder and CEO of Jobbatical, an employee relocation provider.

Hindriks expects companies to shift toward a more long-term outlook with strategic hires. Expect organizations to look closer into hiring people who can demonstrate they're able to adapt to change.

"Investing in personal development and coaching to strengthen these interpersonal skills may pay off in the long run," Hindriks notes.

In addition, aging populations, technological advances and prohibitive skilled immigration policies mean that existing skills shortages in many industries will become more acute in 2024. Sectors such as health care and technology will continue to struggle to attract workers unless the hiring climate improves significantly. As a result, businesses will turn to international talent (when possible) to plug those skills gaps.

"For workers, this will open up more opportunities to combine international work and travel and to negotiate competitive salaries and benefits," Hindriks adds.

3. A Continued Laser-Like Focus on Retention

With AI elbowing some humans away from traditional tasks and the economy moving forward at a glacial pace, companies will have big decisions to make about in-house talent in 2024.

"The economy continues to be a pressure point for many leaders, and we will continue to see a strong focus on return on investment and reducing unnecessary costs," says David Blake, CEO of Degreed, a tech-based workplace learning company. "Employee turnover may well become a target for senior leaders to improve on, since it costs less to retain and redeploy an employee compared to attracting a new one."

Studies estimate that it costs one-half to two times an employee's salary to replace them, so retaining talent with savvy tactics will be critical for senior leadership.

“Think about tactics like strong career development, meaningful work, value alignment and a positive culture, all of which can help to optimize costs amid a tight economic climate,” Blake notes.

4. Tighter Cybersecurity, Especially on the Supply Chain

Repeated news of major data breaches and ransomware attacks will trigger more efforts to stop cybercriminals in their tracks—and that’s not an easy task.

“The challenge of spotting attacks in advance continues to dominate the cybersecurity landscape,” says Nick Mistry, chief information security officer of Lineaje, a software supply chain security platform. “We need to address the danger landscape quicker than before in order to effectively secure our digital future.”

In 2024, companies will ramp up their cybersafety spending and conduct more mock cyberattacks, and include vendors, suppliers, board members and others in this effort. In-house drills should go to the last level of detail, including who calls the shots in the case of a cyberattack. Organizations are also making it as easy as possible for employees to report suspicious emails by including one simple “Phishing Alert” button on their email systems.

In addition, expect 2024 to be the year of SBOM. Effective Software Bill of Materials management leverages identification of software components to protect the cybersecurity supply chain. SBOM is a list of all the open-source and third-party components in a codebase. SBOM enables company security specialists to more efficiently note and target any software security or license risks. The proactive adoption of SBOMs is not only a response to heightened awareness but a crucial step in securing the software supply chain.

“In 2024, the software landscape is poised for significant changes, with a growing emphasis on SBOMs,” Mistry notes. “As concerns about supply chain attacks continue to escalate, compliance measures will tighten, due to the increasing frequency and visibility of such incidents.”

5. Higher Health Costs—and a Spotlight on Preventative Care

Fueled by chronic health conditions, catastrophic claims and rising prescription drug prices, health care costs will be a bigger hit on employers’ bottom lines in 2024. Multiple studies project a health care cost increase of between 7 percent and 8.5 percent for 2024, higher than what companies have experienced for the past few years.

Employers [cite](#) the cost of chronic conditions as the top reason for rising medical plan costs for 2024. The trend is partly attributed to later diagnoses of conditions after many

employees skipped screenings such as mammograms and colonoscopies during the pandemic. Inflation and the cost of prescriptions are also pushing up expenditures.

This return to higher annual health costs is driving more employers to push preventative care as a cost-saver, says Cesar Carvalho, CEO of Gympass, a corporate well-being platform.

“This shift will prompt a more proactive approach from CFOs, urging HR teams to critically assess wellness offerings to leverage them for long-term savings,” Carvalho says. “Preventive care will become more important than ever, and organizations will rethink and strengthen their commitment to wellness.”

6. Personalized, High-Touch Training and Development

The need to scale learning and skills development quickly—especially during the COVID-19 pandemic—forced many organizations to sacrifice personalization of their training and development to reach broad audiences.

“But that’s not good enough for employees today,” says Skillable’s McCarthy. “They want personalized guidance and specific career development.”

Just as the last 10 years saw the explosion of knowledge-based content, the next decade will be about high-touch employee development and training.

“The answer isn’t more tools and technology—the market is already saturated,” McCarthy adds. “Customers are looking for organizations that can deliver impact and personalization at scale.”

7. An Ongoing Shift to the Cloud

Cloud computing services [were estimated to grow](#) by nearly 22 percent in 2023, and 80 percent of organizations have invested more than \$1.2 million annually in the cloud.

“In 2024, we will see growth and investment in cloud security solutions to improve productivity and functionality,” says Or Shoshani, CEO of software solutions company Stream Security. “As 2023 ends, we’re already seeing these businesses adopting technology to diagnose and detect threats to their cloud infrastructure before they occur. Going into 2024, we only expect to see even greater integration of this technology.”

In the coming year, Shoshani also expects to see organizations work to close the disconnect between their DevOps and software security teams. “By empowering these teams to work more cohesively,” Shoshani says, “companies will have an easier time ensuring that applications and data are protected from security threats and vulnerabilities.”

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