

2025: The year of business agility

Why being able to react, adjust and maintain focus can help clarify your goals

After a tumultuous first half of the decade, business leaders nationwide are anticipating what is to come in the decade's second half. Some are still considering their options, while others are on the balls of their feet, anxious to make business investments they've been trying to time amid changing inflation and interest rates.

Regardless of where you stand on the anticipation spectrum, chances are that you're looking at 2025 ready for action. That's good news! You should be.

As a Pennsylvania commercial banker with nearly 30 years of experience, I believe that local businesses should be preparing to focus on agility in 2025. And being agile in business requires four skills: being able to react, adjust, stay poised and maintain focus.

Whatever your business's most pressing issues, here are four principles you can follow when thinking through your approach to 2025:

1. React: Make decisions with up-to-date data

Historically, "business as usual" may have allowed data analysis semiannually or annually, with results providing a report card on whether the right decisions had been made. Today, data review should be continuous, evaluating a variety of scenarios.

Using accurate data ensures your business is making decisions based on fact, rather than history or hope. According to McKinsey Digital, companies that prioritize data management typically cite four main objectives: improved customer experience, increased cross-selling and upselling opportunities, increased sales and streamlined reporting.¹

Regular data evaluation can increase awareness of vulnerabilities and opportunities while serving as a loss-mitigation tool. While investing in regular analysis may seem daunting, or like an unnecessary spend, the possible upside for doing could be substantial.

2. Adjust: Be strategic about labor needs

The labor market has seen considerable fluctuation in the past few years. The U.S. has moved from an employee market to an employer market and back again.

Regardless of who owns the market, companies considering their 2025 hiring projections will be best served by evaluating their business needs, how human capital will fit into their plans, and their growth goals. A recent [Commercial Business Sentiment Study](#) published by Wells Fargo, found that of the 380 commercial business senior executives surveyed, 27% identified an improved labor market as a key factor to help improve their business.²

¹ [Master data management: The key to getting more from your data, McKinsey Digital \(May 15, 2024\)](#)

² ["Commercial Business Sentiment Study," Wells Fargo and Barlow Research Associates, Third Quarter, 2024](#)

At the same time, 34% of respondents noted that increased efficiency has a significant positive impact on business operations and return.² So, if a company need or task can be automated, that should also be considered. Though much of the work that leads to growth still requires human capital. As business owners weigh the decision on whether to invest in growing their team, through full-time or part-time employees or contractors, they need to remember that labor ROI isn't limited to out of pocket, but to possible profit loss from delaying hiring.

For many companies, finding and retaining top talent can be an arduous process. In fact, according to a recent Society for Human Resource Management survey of 2,366 Human Resource professionals in January 2024, 77% cited difficulty recruiting for full-time positions.³ So, businesses should always keep one eye on the talent pool and the other on their prospective needs.

3. Stay Poised: Be ready to strike when opportunities arise

Adhering to your balance sheet, maintaining a lean inventory, reducing float, and being aware of your rate environment are all components of a healthy business.

Each of those practices should help enable your company to engage when opportunity arises, potentially preventing the cost of delay. Some companies may choose to use a formal calculation quantifying the impact of postponing or missing an opportunity, but all businesses should be aware of the potential for lost revenue, reduced profit, and the impact to their net present value when action is delayed.

There will always be unknowns—global, political, environmental—but being proactive is required for growth. Looking towards 2025, 50% of senior executives surveyed in the [Commercial Business Sentiment Study](#) noted their plans to focus on growth or expansion in the next year.² Not every opportunity is the right one, but by being aware, engaged, and poised, you'll be well-equipped to act when the right opportunity comes along.

4. Maintain focus: Let your priorities dictate your strategy

Nothing causes chaos faster than too many priorities. As business owners look at 2025, they should reassess their goals, using a single priority as the cornerstone of their strategy. While economic uncertainty often causes owners to delay large investments while they wait on lower interest rates, lower inflation, or a reduction in global tensions, by refusing to lose focus of their priorities they will be better positioned to determine true “decision ROI.”

Further, they'll be better equipped to understand the real value of data, labor, and investment, because their analysis will be tied to their overall key company objective, rather than a theoretical assumption.

Conclusion

In 2025, good business will require agility. In this commercial banker's opinion, the best way to stay ready, is to stay aware—aware of your data, transactions, costs, rates, and other inputs. Stay engaged. Know your needs, who can meet them, and the cost of delay in meeting them, and stay focused. Focus on your top goals and allow those goals to shape and dictate your strategy.

³ [Talent Scarcity, Skills Gaps Challenge Recruiting \(shrm.org\) Roy Mauer, April 12, 2024](#)