



EXECUTIVE SEARCH | CONTRACT & INTERIM | TALENT INTELLIGENCE

Irish businesses face a new range of challenges & risks.

The **competencies & values** leaders see as core to the success of their firms.

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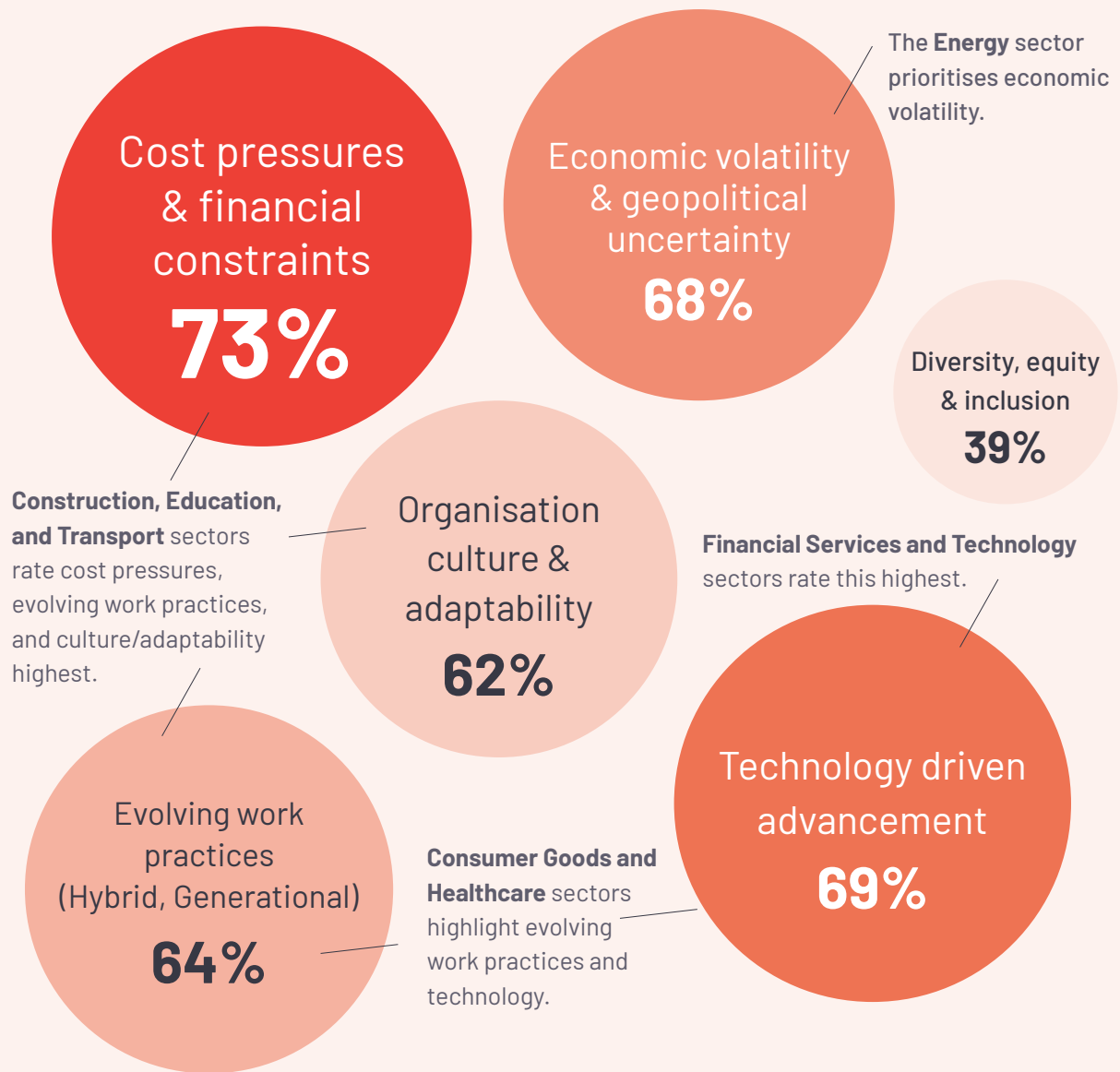
2026 marks a critical inflection point for organisations in all sectors, of all sizes and across all industries. The seismic shifts borne from AI and other technology advancements, our changing workforce needs and expectations and an increasingly volatile global economy, are urgent realities.

Towards the end of 2025 we asked 180 senior leaders in client organisations about the challenges they faced, the competencies they felt were necessary to address these and the extent to which those competencies were in their business. Almost 50% of participants suggested that their leadership teams were not adequately prepared to address the headwinds identified. The respondents identified that a need to balance between tactical and strategic priorities posed a particular challenge, along with a shortage of critical skills and change management capability.

We asked about succession planning, building organisation agility and where leaders felt the organisation's talent gaps were impacting the business. Using a mixture of survey and interviews, participants shared their firm's outlook towards AI. The absence of AI leadership, understanding and capability was a reoccurring concern in many of the conversations. Perhaps therefore, it's unsurprising that in July 2025, Harvard Business Review reported only 6% of companies fully trust AI to run their core business processes, while 43% only trust AI agents with limited or routine operational tasks.

The data was collected, with thanks, from firms of various sizes and included those who operate in Ireland and abroad, and from sectors including: Financial, Professional, Business and Consumer Services; Technology, Engineering, Construction and Energy; Manufacturing and Supply Chain; and Life Science industries.

Q1. To what extent does your **organisation face any of the following challenges?**



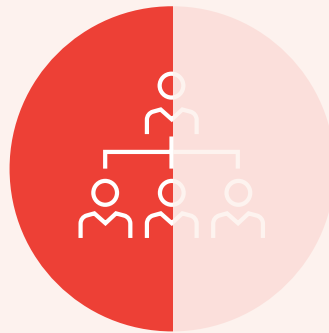
The above graphic displays challenges for all sectors as a whole. Outside of the above, other frequent concerns highlighted included access to talent and critical skills, challenges borne from tariffs and geopolitical change and the adoption of AI. Top leadership challenges vary by sector. Diversity, equity, and inclusion is generally a lower concern across most sectors.

Through interviews we learn that leaders can struggle to balance between operational and strategic priorities. Change management is a frequently reoccurring need, in particular in aligning organisation processes with AI capabilities. Critical skill acquisition remains a challenge for most firms but particularly those seeking high value technical skills and leadership.

Q2. How well **prepared is your leadership team** to address your organisation's current challenges?

Just **under 1/2** of respondents see their leadership teams as prepared to address the challenges their organisations face.

Manufacturing/Engineering and **Healthcare/Life Sciences** feel best equipped with the necessary leadership competencies.



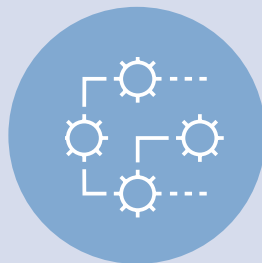
Only 4% of survey participants see their firms as being extremely well prepared.

Financial Services and **Construction** sectors feel least well prepared and report the highest number of leadership team deficits.

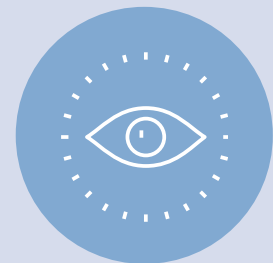
Survey participating leaders ranged from Business Unit Manager to C-Suite levels. Collectively, they identified six personal leadership competencies, essential to leading organisations through these turbulent times:



1. Communication



2. Agility / Adaptability



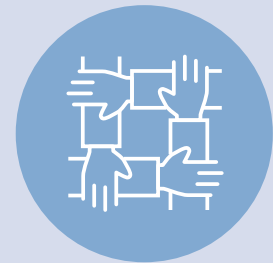
3. Openness



4. Ability to navigate and provide clarity in uncertain times

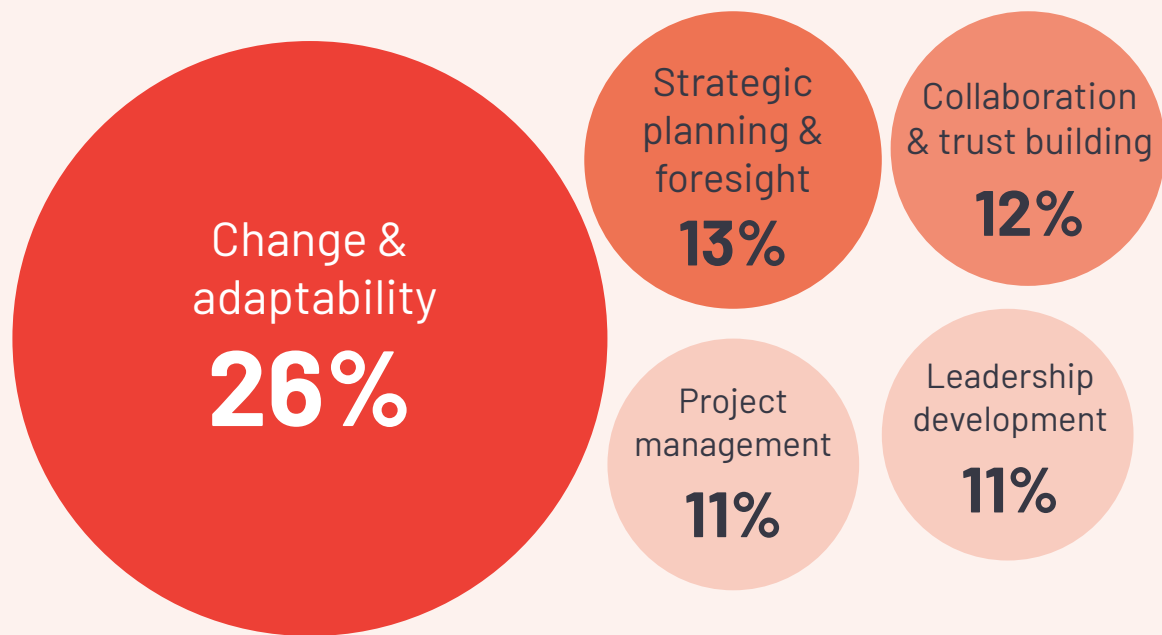


5. Learning mindset



6. Capacity to build trust and confidence

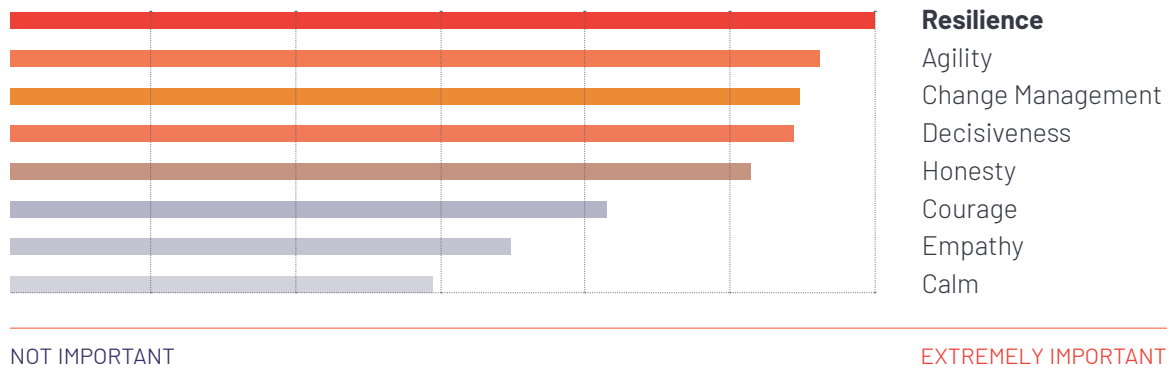
Q3. What **competency gap** does your organisation most need to address?



During participant interviews, other skill and competency gaps that arose included:



Q4. How important are the following **cultural values** to your organisation's success in the year(s) ahead?



Participants discussed the challenge posed to culture and values alignment borne from “working from home” arrangements. However, most suggested the key was to be clear about how values link to expected behaviours, while promoting employee trust, ownership and autonomy. Growing engagement and connection is challenging so communication becomes even more important.

Q5. What capability **gaps or challenges**, if any, does your organisation face in executing its technology strategy?

Before looking in more detail at how prepared leaders felt their organisations were to leverage AI, we asked participants about their overall technology gaps. The top 5 challenges being faced are:



Unsurprisingly, Technology/Digital organisations rate themselves highly for having the talent and skills to determine AI's role in their strategy. Government/Public Sector, Consumer Goods/Retail, Not-for-Profit, and Transport/Logistics follow at above average, while Healthcare/Life Sciences, Professional Services, Manufacturing/Engineering and Financial Services report lower confidence.

Many organisations find the pace of change in AI challenging to keep up with. Respondents shared how some of their organisations had wasted resources trying to find the right tools and applications. Regulatory challenges and cost of implementation were also presented as hurdles. This was further exacerbated for organisations that had acquired other firms and consequently were using different systems at different locations and were poorly integrated. Participants from the Professional Services sector suggested that AI could be very significant for them, but they found that the right automation skills are difficult to source.

Those leaders working in organisations that had made good progress with AI talked through their approaches to overcoming some of the challenges that had arisen.

Many leaders in their responses suggested their organisations have overall AI weaknesses that need to be addressed. Their suggestions as to how to approach overcoming this included:

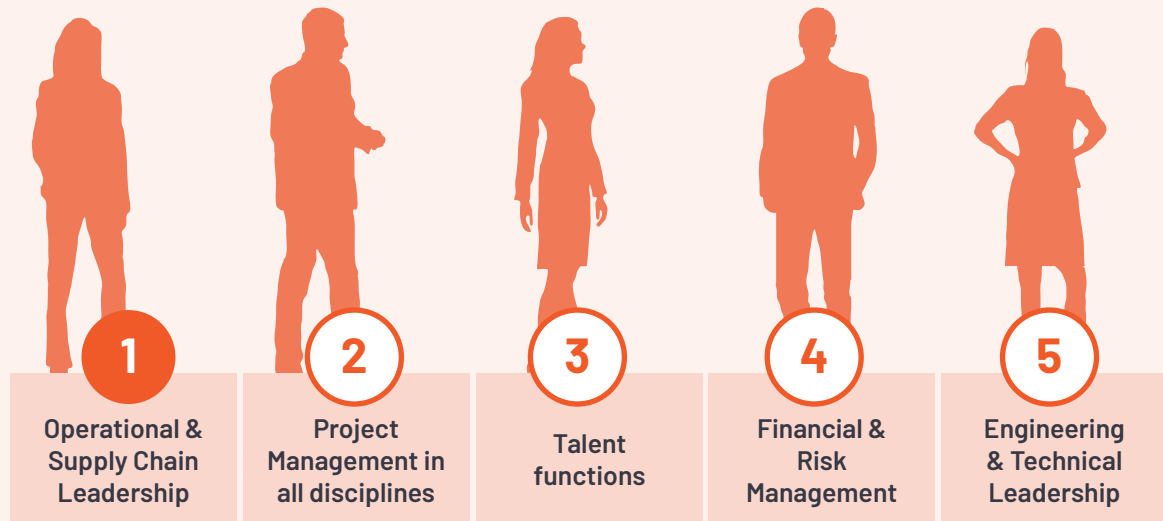
<p>Avoid the hype. Start small, get to know the advantages and reliability and then expand.</p>	<p>Build organisation wide confidence to maximise efficiencies.</p>	<p>Build and know your business case, sell it repeatedly.</p>	<p>Work to have AI driven processes incorporated in daily tasks, as typical desktop packages are.</p>	<p>Use AI to eliminate low level tasks, benefiting senior employee decision making while allowing management to concentrate on higher value tasks.</p>
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Participants were asked what was the most important action for their organisation to focus on currently, to get AI successfully implemented. The five most common responses were:

<p>AI Strategic Planning aligned to business value generation.</p>	<p>AI in industry investigation, what it impacts and drives.</p>	<p>Process automation and efficiency.</p>	<p>Efficiently planned technology adoption.</p>	<p>AI governance and policy.</p>
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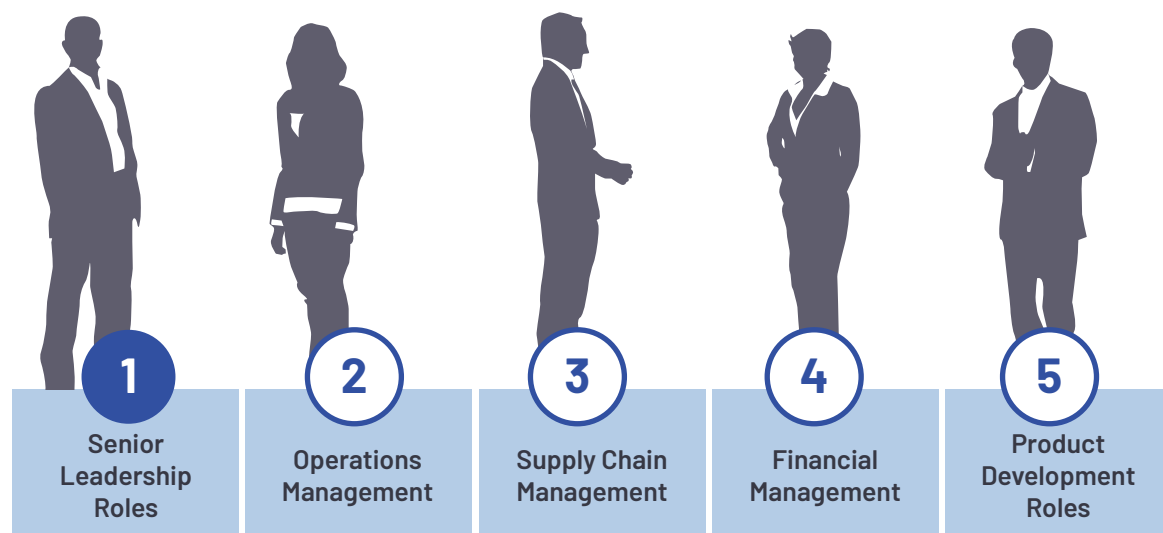
Q6. In which functional areas could your organisation **strengthen its capabilities** to meet current and future demands?

The responses to this question suggest that organisations are especially focused on strengthening management, leadership, project delivery and financial / risk management capabilities. The top five functions, outside of technology, that organisations want to strengthen are:



Commercial, business and product management come out strongly from the interviews, with participants responding to the need for their organisations to develop new customers, alternative markets and innovative sales and marketing channels.

We asked participants which functions were most crucial to them. The top five responses were as set out here:



This indicates that organisations are most reliant on core leadership and operational management functions, with supply chain, finance, and strategic planning also playing important roles.

Q7. How well is your organisation succession planned and where could it be improved to address future leadership requirements?

More than half of all organisations undertake succession planning with particular emphasis on business leadership and business value development roles. Technology is also a function of particular focus for succession planning. We asked interviewees what their organisations could do to widen and improve succession planning in their organisations. The following were the top five responses.

- 1 "Lean more quickly into, and better predict, evolving organisational needs"
- 2 "Align more closely with performance management reviews"
- 3 "Build out a leadership pipeline"
- 4 "Tighten up coaching and mentoring programmes"
- 5 "Broaden out succession planning to include all functions, creating a better internal talent pool and value proposition"

The range of responses suggests that succession planning is perhaps the least well defined and implemented of organisation talent strategies. Interviewee responses varied from being "in great shape in planning terms" to there being "no succession planning in place at all". Absence of consistency and bias were given as the main obstacles to effective programmes.

Q8. Which of the following best describes how your organisation typically utilises contract or interim executives?

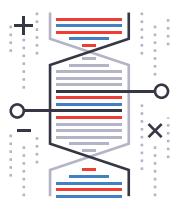
Aligned to the need for agility as an organisation competence, almost 60% of responding firms now use contract and interim specialists. The industry sectors with the highest usage are in this order:



Manufacturing /
Engineering



Financial
Services



Healthcare /
Life Sciences

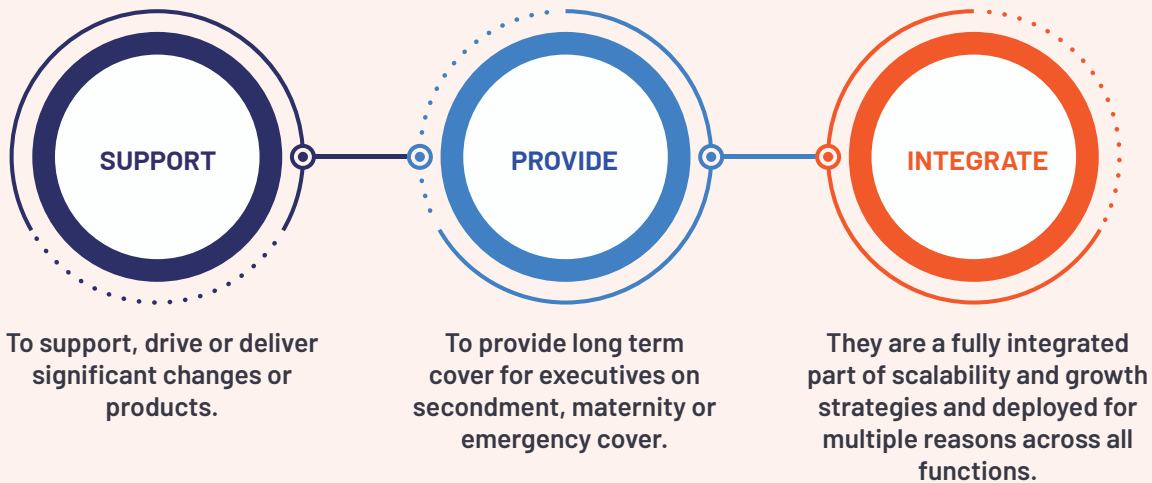


Technology /
Digital



Professional
Services

Of those respondents who deploy flexible leadership and specialist talent, the top three drivers to bring in contractors or interim executives are:



Q9. What challenges keep you and your shareholders **awake at night**?



Business & Sales Performance



Supply Chain & Manufacturing Risk



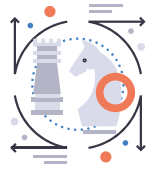
Market Competition & Development



Cost Management



Regulatory & Policy Impact



Talent & Workforce Development



Business Continuity Planning



Workplace Safety



Cybersecurity Risk



Economic & Market Uncertainty

These are the ten themes that most concern senior leaders in Irish businesses today. Geopolitical uncertainty means firms need resilient business models and adaptable supply chains to withstand sudden disruptions and pivots. Agility really is essential. What challenges us today may not even level up to the difficulties and economic volatility ahead. AI adoption simply adds to the complexity and like each of the challenges identified by participants above, requires its own mindset shift. For Talent Leaders this presents a particular challenge, working to understand what the future looks like and the skills their firms will need. Added to this, they must compete for higher value employees as AI reduces entry level hires, disrupting future internal succession pipelines. All of this while developing effective hybrid cultures that will support the attraction, engagement and retention of high performing talent.

How can we help **you**?

We are a unique talent acquisition firm specialising in leadership selection, through Executive Search and Contract & Interim solutions.

For over 33 years, we have worked with firms and organisations of all sizes across multiple markets to identify, assess and attain the very best talent to meet their needs.

The differentiator at HRM is the depth and breadth of our research. We apply this to all our search solutions and to ensuring we understand clearly the location and decision drivers of the very best leadership talent and contract specialists.

Our uniqueness is built around our four step solution model creating a high value customer experience:

1. **Discovery**
2. **Reach**
3. **Assessment**
4. **Impact**

Our in-house research team underpins the quality of outcomes from our Executive Search and Contract & Interim solutions while also being at the heart of our insights business, Talent Intelligence.

Working in partnership with you, we draw on our expertise and technology to find the best solution and deliver the results your organisation demands for executive and contract critical talent needs.

Industries

- Healthcare & Life Sciences
- Customer Markets
- Industrial
- Financial Services
- Professional Services
- Technology & Technology Services
- Public & Social Sectors
- Food & Beverage

Functions

- CEO & General Management
- Supply Chain & Operations
- Human Resource Leadership
- Financial Officers
- Scientific Leadership
- Marketing & Sales Leaders
- Engineering & Technology Leaders
- Legal, Regulatory & Risk

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