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Securing Executive Leaders in the CPG Talent War

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Shifting market dynamics and compressed executive tenures are forcing CPG companies to fundamentally reimagine their approach to leadership acquisition and retention.

The escalating global talent shortage has emerged as a critical challenge for organizations seeking executive leadership, particularly within the U.S. consumer goods sector. Significantly, [63% of employers](#) report that skills gaps are the primary barrier to business growth, while 42% expect talent availability to decline over the next five years. As market complexities intensify and industry transformation accelerates, CPG companies face mounting pressure to develop innovative strategies for attracting and retaining top-tier leadership talent.

Current State of Executive Talent in the Consumer Goods Industry

Recent analysis reveals shifting dynamics in consumer goods leadership, with [CEO tenure averaging 7.7 years in 2024](#)—a notable decrease from previous decades. This shortened tenure reflects the mounting pressures on CPG leaders, particularly in consumer sectors where boards are operating with heightened urgency.

The challenge grows particularly acute as organizations seek leaders capable of driving digital transformation while managing complex global supply chains. [According to McKinsey](#), the consumer goods industry must shift from the reliable formula that worked from 1980-2012, as population growth slows and consumer preferences fragment. Rigid hierarchies and traditional skillsets will hinder CPG companies that are trying to stay ahead of these trends and [stay resilient](#).

Key Trends Impacting Executive Talent Acquisition

The evolving consumer goods landscape is fundamentally changing what organizations need in their executive leaders, making the competition for qualified talent increasingly complex. Companies must understand these shifts not only to identify the right leadership candidates, but also to create compelling value propositions that will attract and retain top executives. Several critical trends are reshaping both the qualities organizations must seek in potential leaders and the challenges they face in securing this talent:

Technology Integration and Digital Transformation

The technology imperative continues reshaping leadership requirements across the consumer

goods sector. With digital transformation happening across the supply chain, back office, and commercial functions, executives who work closely with IT and technology departments often prove to be more resilient in today's landscape.

Consumer Dynamics and Market Pressures

[McKinsey research indicates](#) that underlying market growth will be 50% lower than in the 2000s, with over 75% derived from developing markets. This shift requires leaders who can identify and capitalize on new growth pockets while managing established markets effectively. It will be imperative to drive growth through consumer-centric innovation and market responsiveness.

Strategies for Attracting and Retaining Executive Talent

The current state of the CPG market demands a comprehensive approach to executive talent acquisition and retention. As CEO tenures compress and leadership requirements grow more complex, organizations must develop sophisticated strategies that address both immediate recruitment needs and long-term talent development.

Strengthening Employer Branding

Leading CPG organizations recognize that attracting top executive talent requires more than competitive compensation. Successful companies craft compelling narratives that showcase their mission, market impact, and commitment to innovation. By highlighting concrete examples of leadership success and organizational transformation, these narratives build credibility with potential candidates and differentiate the organization in a competitive talent market.

Evolving Compensation Strategies

Modern compensation approaches extend beyond traditional frameworks to address changing executive priorities. Successful packages typically combine performance-based incentives and equity options with comprehensive benefits addressing both professional and personal needs. Organizations increasingly offer flexible work arrangements and sabbatical opportunities, recognizing that work-life integration has become a crucial factor in attracting diverse executive talent.

Leadership Development and Succession

[Internal CEO appointments reached an all-time high in 2024](#), highlighting the critical importance of robust succession planning. Leading organizations invest substantially in continuous learning programs tailored for executive growth, complemented by structured

mentorship initiatives and cross-functional leadership opportunities. Clear succession planning demonstrates organizational commitment to internal talent advancement while ensuring leadership continuity during transitions.

Leveraging Executive Search Partnerships

Strategic partnerships with [executive search firms](#) have become increasingly vital in accessing high-caliber leadership talent. These relationships provide organizations with broader candidate access and valuable market intelligence, enabling more informed recruitment strategies. CPG-focused executive search partners offer particular value in identifying emerging leadership talent and facilitating connections with passive candidates who may not actively seek new opportunities.

Emerging CPG Leadership Requirements

As the consumer goods industry confronts unprecedented change and shortening executive tenures, the profile of successful CPG leadership has fundamentally evolved. The qualities that drove success during the industry's more predictable decades - steady brand building, consistent market expansion, and methodical cost management - no longer suffice on their own. Today's environment demands a more nuanced and multifaceted leadership approach. Against a backdrop of technological disruption, shifting consumer behaviors, and market volatility, successful CPG organizations are seeking leaders who can embody several essential characteristics that often appear paradoxical: maintaining heritage while driving change, taking bold action while showing resilience, and balancing consumer empathy with commercial acumen.

At the foundation is the ability to shape organizational culture while developing talent—these leaders must artfully preserve what works in their company's heritage while fostering the agility needed for future success. This cultural dexterity pairs with a calculated appetite for risk-taking, as modern CPG executives need both the confidence to make bold decisions and the resilience to weather their consequences.

Rounding out these qualities is sophisticated capital allocation skill. As the industry undergoes rapid transformation, executives must demonstrate strategic acumen in M&A activities, portfolio management, and value creation. This includes not only identifying promising opportunities but also making difficult decisions about divestitures and strategic partnerships.

Future Outlook and Strategic Imperatives

The consumer goods industry faces substantial transformation ahead. Organizations must maintain agility in their executive talent strategies while building sustainable talent pipelines.

CPG executive search success requires:

- Balancing immediate leadership needs with long-term talent development
- Maintaining flexibility to adapt as market conditions change
- Building robust succession planning processes
- Developing strong internal leadership pipelines
- Creating effective knowledge transfer mechanisms

The intensifying competition for executive talent demands proactive approaches to both acquisition and retention. Organizations must remain cognizant of emerging leadership requirements while developing internal capabilities to support executive success. Those that implement comprehensive talent strategies while maintaining adaptability to market changes will be best positioned to attract and retain the executive talent necessary for sustained success.