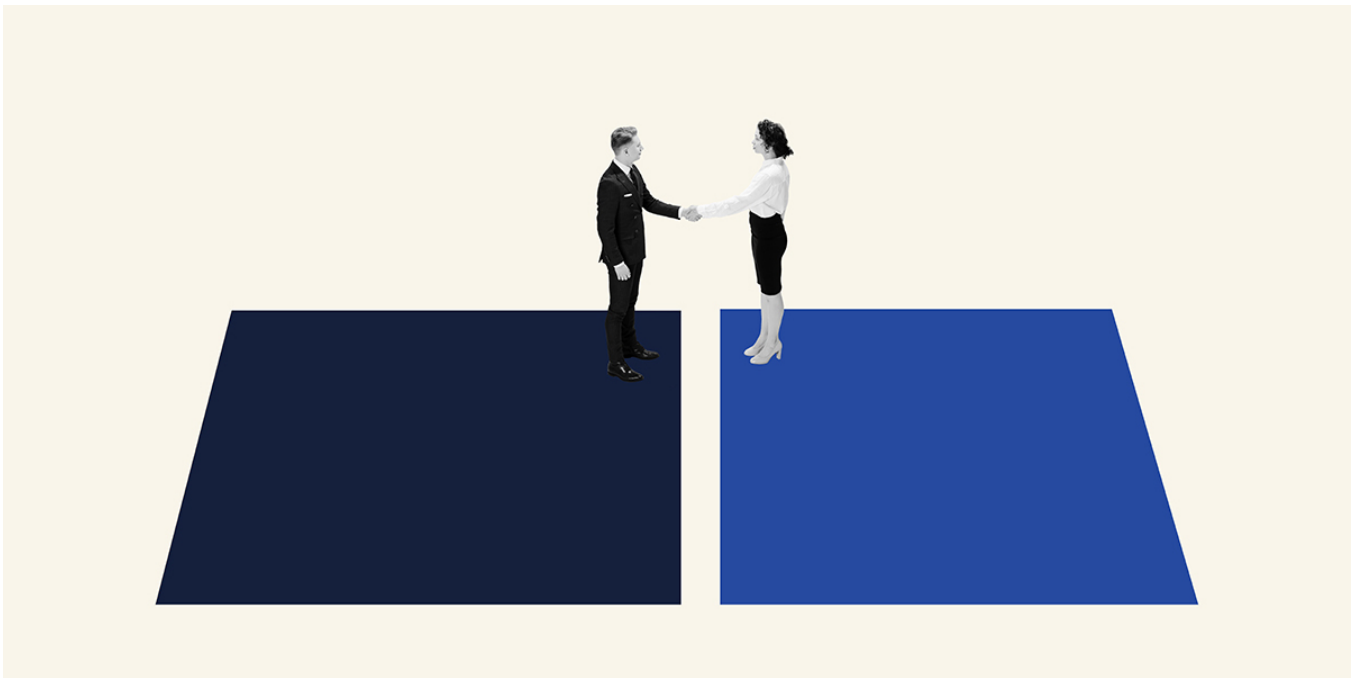


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Understanding the Expectations Gap: What Today's Talent Market is Telling Us

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Earlier this year, a [Wall Street Journal article](#) bluntly claimed that hiring power is shifting “back toward bosses.” The reality is more nuanced. This [past August](#) saw a mere 22,000 jobs added to the economy, a sign of a slow labor market and greater employer power. However, unemployment hovers around 4.3%, with a [negligible increase](#) in labor force participation rate, a sign of a tight labor market and increased employee power. These signals are [mixed at best](#), or as *The New York Times* puts it: “chaotic.”

High demand for experienced talent in the post-pandemic period gave experienced leaders a leg up during negotiations. Remote work, flexible hours, and high compensation became core expectations. However, now that the market is cooling, employers have expectations of their own: return-to-office, business-as-usual, and conservative growth opportunities.

Failure to navigate this expectation gap effectively can lead to tensions and resentment on both sides, which can impede effective leadership and operational efficiency post-hire. The solution isn't to point fingers or decide who's right or who's wrong. It's to approach the issue honestly and transparently, so all parties can better align themselves with the nuanced reality of today's talent market.

The Expectation Gap: Where Employers and Employees Diverge

Over the past few years, the talent market was such that high-value professionals and senior leaders could demand more from their employers: workplace flexibility, compensation, culture, and more. Now that the scales are rebalancing, employers are dialing back on those demands.

Workplace Flexibility

Several large employers, including JPMorgan and Amazon, famously issued sweeping [return-to-office \(RTO\)](#) mandates [earlier this year](#). According to McKinsey & Co., these policies weren't limited to the major players. In 2024, [58% of surveyed U.S. professionals working fully on-site](#) compared to 53% in 2023.

Some argue that sweeping RTO orders may be a [shortsighted move](#). Rather than a rigid approach to remote or RTO, both employers and employees should be honest about the benefits and drawbacks of each. Some executives may be skeptical about the fact that their employees can be more productive with less oversight, and that [effective leadership and management](#) can happen in remote environments. At the same time, some leaders may enjoy the perks and lifestyle of remote work and undervalue the need for in-person connection in

building great teams and cultures.

For many employees, however, flexible hours and location arrangements are essential to their living—especially for those who relocated to more affordable locations during Covid. As Slayton sees more in-person expectations from employers and fewer remote opportunities, it's possible there will be another wave of relocations as employees return to locations nearer their employers' offices.

Trust and Culture

There are plenty of legitimate reasons for RTO policies and for implementing changes to accommodate budget cycles and performance evaluation periods. However, when implemented without context or transparency, they signal declining trust in employees and can foment resentment among the team. It's especially dangerous if this resentment starts among senior leaders, as it will quickly trickle down to the rest of the team.

Given that employee confidence has [fallen to 47%](#) among mid-level employees—a record low since 2016—this is a risk employers should hesitate to take. If you are not offering remote work or plan to shift new responsibilities to current employees without an increase in compensation, it is important to explain why this is the case. Although not everyone will understand these decisions, at least they will seem less arbitrary.

Why is the Expectation Divide Widening?

In 2025, the employer-employee expectation divide is widening. Employers hold more cards than previously, thanks in part to a cooling market. As a result, many employers (though not all) are walking back perks and budget flexibility. At the same time, however, employees are doubling down on their demands for flexible work and equity.

These divides are not insurmountable, but they require clear, open communication to address. Otherwise, employers could expose themselves to serious risk. For example, many leaders look exclusively at productivity as a measure of success. However, if employers fail to meet employee expectations without an explanation, then [satisfaction and disengagement starts to dip](#).

Disengagement, likewise, leads to attrition. By the time these employees leave, it is too late to address the problem. Even with AI-driven advancements that [accelerate the hiring process](#), hiring senior leadership roles still can take months. This creates a gap that puts your company on the back foot while your competitors are continuing to innovate and grow.

Strategies to Meet in the Middle

If companies are going to create a positive and effective work environment, then it is critical to make sure employer preferences and employee expectations align. Given the divides between the two, here are some steps organizations can take to meet in the middle:

- Take a diagnostic approach to evaluate candidate and client expectations upfront
- Leverage data-based insights on salary, total rewards, and flexibility norms to help both sides better align with reality
- Match not only on skills, but also values such as autonomy, communication, and long-term growth orientation
- Post-offer, clarify misalignments and reinforce acceptance on both sides

The Role of a Search Partner in Closing the Gap

Approaching today's workplace with adversarial negotiation will not help bridge the expectation gap, nor set either party up for success post-offer. Slayton Search Partners can help to ease tensions, bridge gaps, and align opportunities with reality.

As the market continues to stabilize after several years of post-pandemic turnover, Slayton stands ready to guide, creating a space for candidates and clients where expectations, engagement, and trust meet.

How are you preparing to tackle this gap head-on?