Leadership in the New: Changing Expectations, New Approaches

A Strategic Leadership Guide for CEOs, CHROs, and Learning & Development Teams

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Leadership in the 21st Century: No Map, Just a Journey



The business world is transforming at an unprecedented speed. Technological advancements, the wave of artificial intelligence, changing workforce demographics, hybrid work structures, and increasing uncertainties are forcing companies to put their old playbooks aside. In this environment, leadership is no longer about "management" as it once was; it has been redefined as a transformative role that gives meaning, builds trust, and makes data-driven decisions.

This guide is designed to serve HR leaders, CEOs, and senior executives who are at the heart of this transformation, guiding them on how to develop the leaders they need. The resource you are holding reveals the key trends in leadership development, the most common challenges, and the changing expectations of various stakeholders (Employees, Managers, HR, Organization). Additionally, it provides practical solutions to turn these challenges into advantages.

At Lumolead, we have prepared this guide as a result of working with thousands of leaders and designing leadership transformation journeys with hundreds of organizations. Our goal is clear:

- To provide HR leaders with meaningful insights,
- To offer CEOs a strategic roadmap,
- To give L&D teams a powerful design guide.

If you are ready, let's rewrite the design of leadership development together in the new playing field of the business world.

Tomorrow's Leaders Are Not Ready

The Leadership Crisis Is Near: Are the **Next-Generation Leaders Ready? Are We?**

According to a recent survey, 55% of CEOs identify developing the next generation of leaders as their biggest challenge.

Source: Gallup, 2025

Leadership today is no longer just a position; it is a strategic role that carries the organization's culture, drives change, and builds trust. This role is undergoing more transformation than ever before. Research indicates that for 41% of CEOs, one of the most significant challenges is preparing the next generation of leaders.

Why?

- Traditional training methods are losing their effectiveness,
- The new generation of employees seeks meaning and development,
- Managers feel overwhelmed and exhausted under increasing pressure,
- The old leadership mindset is no longer sufficient for this fast-paced, hybrid, and uncertain new world.



Key Findings

HR

- Impact Measurement: Measuring ROI is becoming increasingly challenging.
- **Budget Constraints:** Limited budgets restrict effectiveness.
- Engagement Issues: Participation in programs is declining, leading to reduced commitment.
- **Hybrid Work:** The hybrid work model poses challenges for leadership development.

Employees

- Coaching & Feedback: There is a growing need for more support and guidance.
- Transparent Management: Open and supportive leadership is more important than ever.
- Flexibility: Flexible work and trust are fundamental expectations from leaders.

Organizations

- Business Outcomes: Leadership programs are expected to improve business results.
- Data-Driven Management: Skills in artificial intelligence and data analysis are becoming fundamental.
- Engagement & Culture: Leaders are expected to build organizational culture and enhance employee commitment.

Leaders

- Support Mechanisms: New managers do not want to feel left alone during their transition.
- Real Experiences: Instead of mentorship, practical examples are preferred.
- Efficient Training: Short, impactful, and applicable training sessions are increasingly valued.

Leadership Trends

What Do Organizations and Teams Expect from Leaders?

The New Era of Leadership: What Organizations Expect

Don't Just See Data, Capture the Meaning

Data literacy is now fundamental. However, the leaders who truly make a difference are not the ones who merely observe data, but those who interpret it and transform insights into action.

Being a Good Person Isn't **Enough, Make an Impact**

Empathy, kindness, and understanding are valuable traits, but organizations seek impactful leadership. They need leaders who guide, make decisions, and deliver results.

Don't Obey the Rules, Create New Games

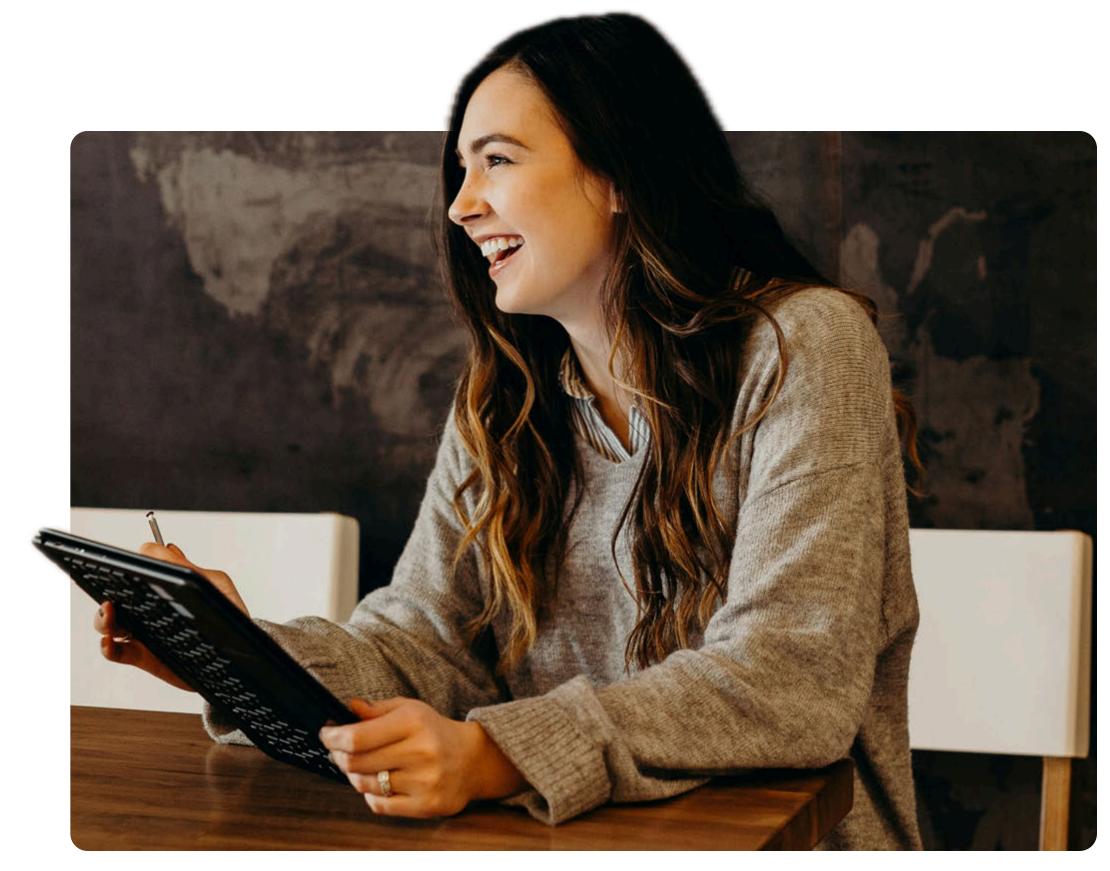
The new world is an infinite game, everything is constantly changing. It's not just about being adaptive; it's about being the kind of leader who can write new rules and shape the future.



The New Era of Leadership: What Teams Expect

The new generation of employees is looking for more than just a job. They seek a space where purpose and values align. According to 83% of HR organizations, there will be a revolutionary shift in leadership skills within the next five years. The demand for leaders who inspire, connect, and coach is rapidly growing.

Source: DDI (2025) Global Leadership Forecast.



Hearing Is Not Enough, **Understanding Is Essential**

The new generation of employees expects their leaders to truly listen. Listening is not just about hearing what they say; it means understanding their feelings, needs, and values. According to Microsoft's 2022 Work Trend Index report, 54% of managers believe that leaders in their companies are disconnected from employee expectations.

No Empathy, No Trust

Empathetic leadership is not an innate trait; it is a skill that can be learned and developed. When employees see strong interpersonal skills in their leaders, they are 19 times more likely to trust them. This trust is the key to effective leadership. In fact, 70% of Gen Z believes that emotional intelligence is one of the most critical skills for leaders.

Source: DDI (2025) Global Leadership Forecast.



Remote Work Requires Closer Leadership

Hybrid and remote work is no longer a choice; it has become a permanent norm. However, as physical distance increases, maintaining employee engagement requires more human-centric leadership skills. According to Gallup's 2023 research, teams working remotely are three times more engaged when their leader is emotionally accessible.

There's a Difference Between Giving Feedback and Making an Impact

New generation employees want real-time, constructive feedback. While 70% of managers claim they have given constructive feedback in the past week, only 37% of employees feel that they actually received it. This gap highlights a significant issue in how leaders deliver feedback, emphasizing the need for a more impactful approach.

Source: Leapsome 2024 Workforce Trends Report.



Not a Boss, But a Role Model



A Leader Who Doesn't See Potential Can't Keep the Team

The new generation of employees does not just want leaders who say "do it. They need leaders who actively support their development.

Leaders who provide growth opportunities are 11 times more likely to earn their employees' trust. On the other hand, leaders who fail to do so face a 3.7 times higher risk of employee turnover.

Source: DDI (2025) Global Leadership Forecast.

Leaders Are Becoming Ambassadors of Purpose

The business world is evolving rapidly, and traditional leadership approaches are becoming insufficient. With the rise of Artificial Intelligence and hybrid work, the demand for new leadership skills is increasing significantly.

Employees Expect Coaching from Leaders

Managers who can effectively coach their teams do more than just guide—they build trust and drive high performance.

Employees are nine times more likely to trust leaders who take on a coaching role.



Talent Gap in Leadership

What Awaits Managers Who Fail to Develop These Competencies?

The Leadership Skills Gap is Widening

28%

Only 28% of employees would recommend their managers to others, highlighting the disconnect between leadership practices and employee satisfaction.

Source: Achievers (2023) The Foundations of Manager Effectiveness.

As the competencies expected from leaders evolve rapidly, organizations that fail to adapt their leadership approach are facing significant challenges.

Leaders are finding it increasingly difficult to meet rising expectations with their existing skill sets.



For 41% of CEOs, one of the biggest concerns is developing the next generation of leaders.

Source: DDI (2025) Global Leadership Forecast.



Trust in Leaders is Declining When Expectations Aren't Met

Trust is one of the most crucial qualities employees expect from their leaders, coming right after hope. However, recent data shows a significant drop in trust towards immediate managers.



The trust level in immediate managers was at 46% in 2022, but by 2024, it has decreased to 29%.

Source: Gallup (2025) Global Leadership Report: What Followers Want.

%29*

2024



%46*

2022

Managers Lacking Coaching Skills Accelerate Employee Turnover

Half of the leaders acknowledge the importance of coaching skills and agree that each employee should receive support tailored to their individual needs. However, many are unsure of how to put this into practice.

While dedicating time is crucial, it is not enough on its own. To provide the expected support, leaders need to enhance their coaching skills, such as active listening, giving feedback, and providing guidance.



If managers fall short in coaching, employees are **2.7 times** more likely to leave the company within the next year.

Source: DDI (2025) Global Leadership Forecast.



Increasing Expectations Are Pushing Managers Towards Burnout

Management is no longer just a title; it has become a multifaceted package of expectations. The role itself may not have changed, but the weight it carries has significantly increased. Leaders are now expected to coach, manage engagement, make data-driven decisions, and demonstrate empathy all at once.

However, in most organizations, systemic support to meet these expectations is sorely lacking.

Teams have shrunk, goals have grown, and the emotional toll of the hybrid work environment has become invisible. The result? Management has turned into a position that retains the same name but carries a much heavier burden.

71% of managers report an increase in workload.

63% of leaders cite self-care skills as one of their weakest areas.

Silent Burnout in Leadership

60% of managers say they feel more overwhelmed compared to last year.

Source: Leapsome (2024) Workforce Trends Report & Lumolead 6-Pillar Assessment Results More than 50% of managers and employees state that their mental health has deteriorated over the past year.



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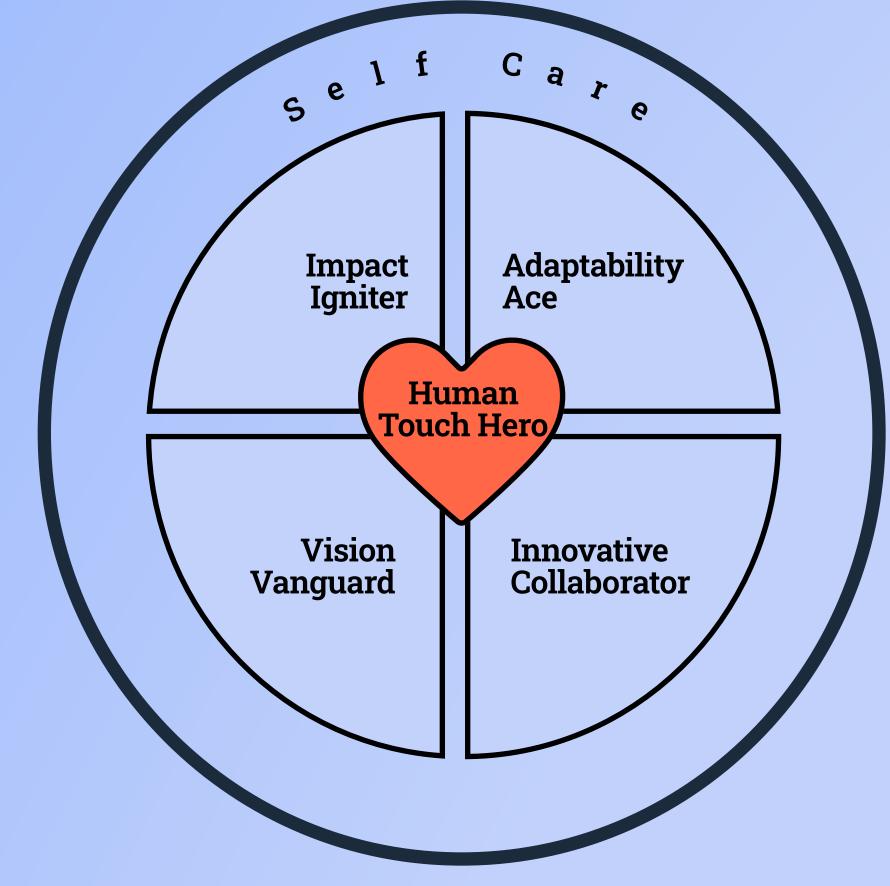
Where Do Your Leaders Stand

in This Transformation?

From Self-Care to Human-Touch Leadership, discover your leaders' strongest competencies and growth areas with the 6-Pillar Leadership Assessment, rooted in leadership talent trends.

Identify talent gaps before it's too late and provide your managers with the support they need.

Give Success A Try



Leadership Development and L&D Trends

How to Design Leadership Programs That Meet Both Managers' and Organizations' Expectations?

Demand for Multifaceted Training Is Growing

Organizations that utilize five or more development approaches report a 4.9 times greater improvement in leadership skills. The demand in development programs is concentrated around four key trends.

Source: DDI (2025) Global Leadership Forecast.

01

Facilitation, Not Just Training

Leaders no longer just want to receive information; they want to put it into practice. However, HR faces challenges in finding the right facilitators.

02

Short and Interactive Formats

Time is limited, and events need to be quick and interactive. Leaders learn more efficiently through short, application-focused formats.

03

Development Through Real Experiences

Peer learning and reflection techniques enable leaders to achieve deeper development through real-life experiences. 04

Hybrid Learning Environments

Combining digital and inperson models not only provides flexibility but also enhances the learning experience.



Well-Being Amplifies The Impact

Expectations for leadership programs to enhance stress management skills are on the rise. As a result, coping with stress and learning from it are becoming foundational elements of future leadership programs. Moreover, leaders who learn to manage stress effectively are observed to be more successful in developing other leadership competencies.

Managers and employees prefer the following methods for coping with stress:



Source: DDI (2025) Global Leadership Forecast.



Personal Experiences are in Demand

47%

47% of leaders find external coaching services valuable.

Source: DDI (2025) Global Leadership Forecast.

Leadership development needs are becoming increasingly personalized. Leaders are gravitating towards unique experiences to maximize their potential.

According to recent data:



46% of leaders believe that outcomefocused activities within programs are essential for leadership development.



Learning Becomes Social

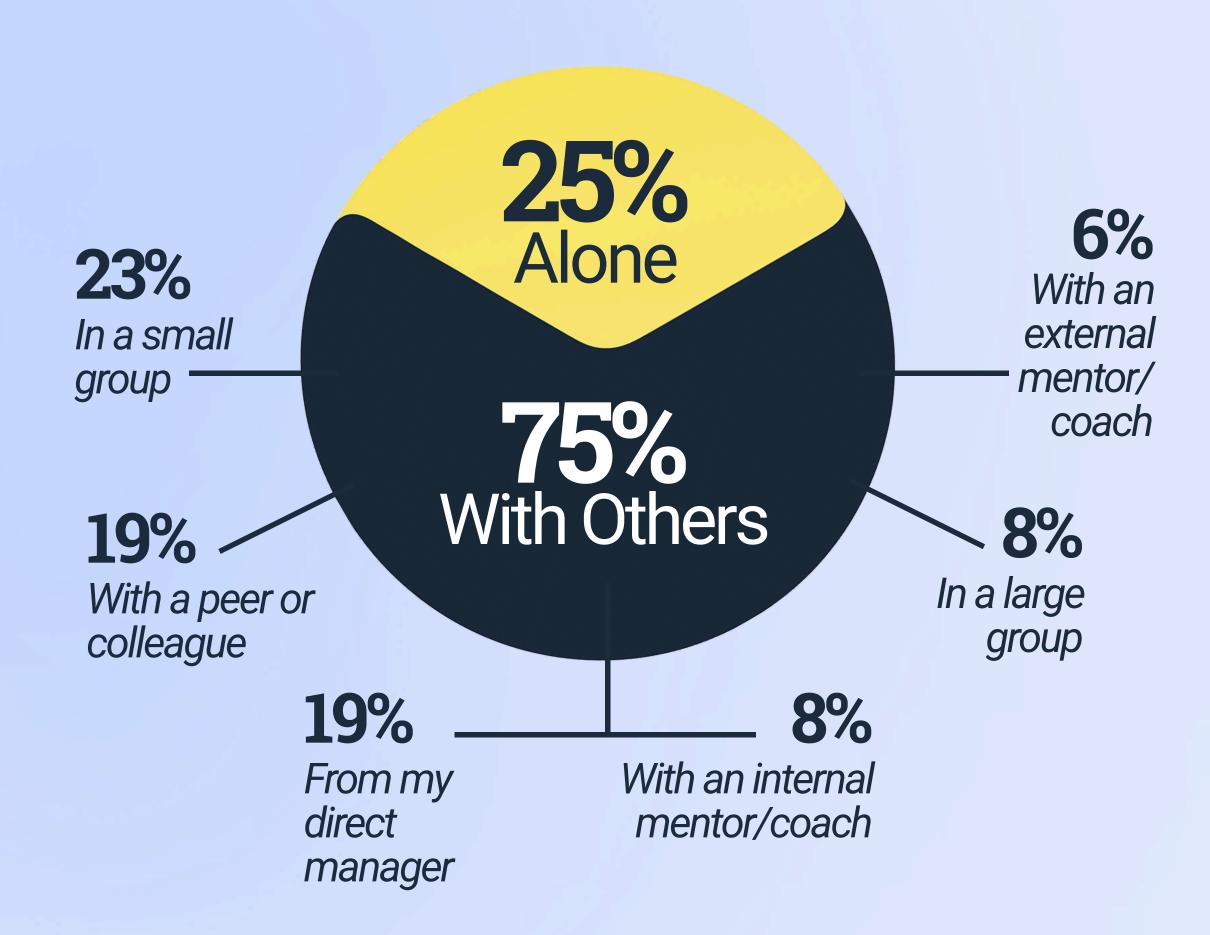
Learning is no longer just an individual process; it is increasingly shaped by a team spirit.

According to a study by Degreed, 75% of employees prefer learning through interaction with colleagues rather than individually. Small group activities and one-on-one learning sessions are among the most in-demand development methods.

Source: Degreed (2023) How the Workforce Learns.

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How do you prefer to learn at work?



Microlearning Replaces Long Theoretical Trainings

Microlearning, with its focused content lasting 5-10 minutes, is becoming a model that allows leaders to quickly and effectively acquire knowledge within their limited time. Compared to long and monotonous theoretical training, the need for short yet powerful learning experiences is rapidly increasing.



There is a strong belief that microlearning will become even more popular this year.

Source: The Training Marketplace (2025) Training Trends Survey.



AI Coaches Step into the Field

The time constraints faced by leaders are increasingly boosting the role of artificial intelligence in leadership coaching. Alpowered coaching platforms offer real-time feedback, predictive analytics, and leadership insights that enable leaders to make faster and more accurate decisions.

Source: Forbes, 2025

To truly succeed with AI, leaders must understand that the power of AI lies not in replacing human connection but in complementing it. This approach allows leaders to merge technology with human interaction, leading to more effective and efficient leadership.



Focus of HR and L&D Teams

What are HR's expectations from leadership programs, and what challenges do they face?



Measuring the impact of programs and ROI data is becoming more difficult.

1 in 2 HR leaders struggles to demonstrate ROI (Return on Investment) with data.

Limited budgets are restricting the effectiveness of development programs.

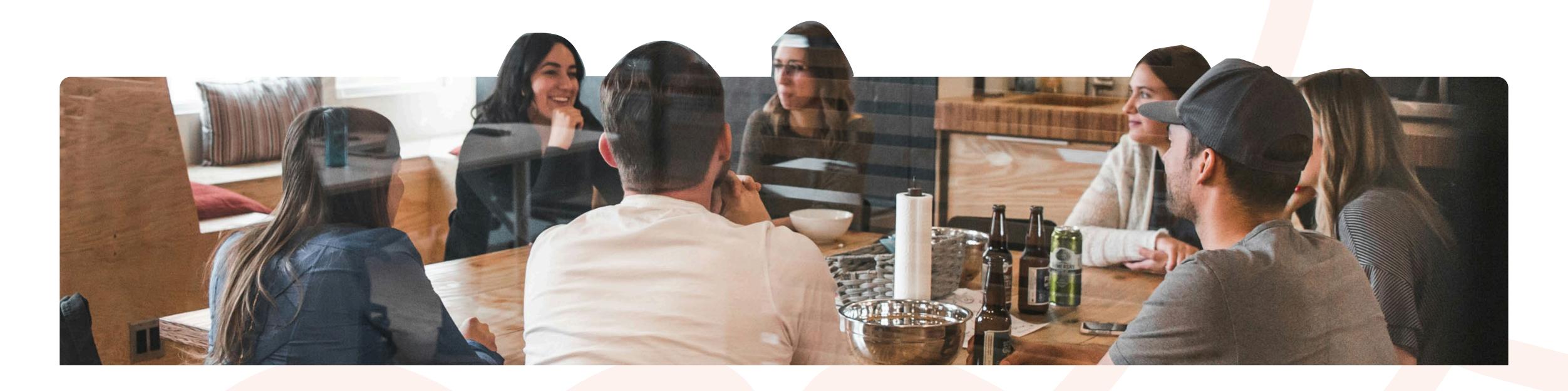
Last year, half of HR leaders faced budget cuts, and this rate is expected to increase in 2025.

Linking training outcomes to business results is becoming challenging.

47% of HR leaders report difficulties in aligning initiatives with business objectives

Source: Leapsome (2024) Workforce Trends Report.





Scaling effective programs remains challenging.

One in four Learning & Development leaders considers scalability the most important criterion for leadership development programs.

Source: Harvard Business Publishing (2024) Global Leadership Development Study.

When physical connection decreases, leadership development falters.

When employees work remotely for more than half of their time, leadership skill development weakens.

Participation in programs decreases over time, diminishing impact.

Only one in four companies believes that leadership training is both completed and effective.



Summary of Trends and Next Steps

What's Next?

Key Findings

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What Makes an Ideal Leadership Program?

Assess

Start by evaluating the competencies of the managers you want to include in the development journey. Implement data-driven, personalized development journeys to ensure targeted growth.

Teach

Create personalized learning paths tailored to the needs of your organization and your leaders. Offer new-generation, short, and interactive training sessions focused on practical application.

Implement

Design training programs that translate awareness into action without losing their connection to real-life scenarios. Support managers in taking initiatives by providing opportunities to practice the skills they've internalized. Create a journey where training outcomes align with business initiatives.

Develop

Closely monitor the initiatives and competencies demonstrated by your managers. Support their development with coaching and mentoring while fostering peer interaction to build a continuous learning culture within the organization. This approach will accelerate change and growth at the team level as well.

For Your Future-Ready Leaders



Leadership development is not only the key to your organization's success but also to the future of the business world. Research and emerging trends clearly indicate the need to move beyond conventional methods and outdated leadership approaches. It's time to embrace more flexible, innovative, and holistic opportunities. Long, theory-heavy leadership programs disconnected from real-world challenges no longer engage employees or prepare organizations for the future.

This development and transformation process is an opportunity that directly impacts not only the success of leaders but also the adaptability and growth of entire organizations. At Lumolead, we are here to support you on development journeys that will drive your organization forward, strengthen the learning culture, and keep you ahead in the infinite game.

We're Shaping Your Next-Generation of Leaders

Discover Lumolead, the one-stop platform designed to address your organization's leadership needs in a measurable and scalable way.

Let's explore the transformative impact Lumolead can have on your company.

Click For Demo Request

