



THE **PULSE** OF GREATER BOSTON BUSINESS

Insights for Greater Boston's Business Leaders

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STRATEGIES

Results from July 2025 Survey on Economic Conditions



As economic conditions continue to evolve both nationally and globally, the Greater Boston Chamber of Commerce conducted this survey to better understand how businesses in our region are adapting. With responses from 145 business leaders across a range of industries and company sizes, this edition of *The Pulse of Greater Boston Business survey* series provides insight into how economic headwinds are shaping decisions around hiring, investment, real estate, supply chains, and budgeting.

This survey is part of an ongoing effort to uncover trends, identify common challenges, and offer benchmarks that organizations can use to guide their strategies in uncertain times. The findings highlighted here are intended to support informed decision-making, foster collaboration, and enhance resilience throughout our regional business community.



Key Findings

1 HIRING & WORKFORCE ADJUSTMENTS

Over the past six months, hiring activity among Greater Boston businesses has remained relatively stable, with 34% of respondents reporting no change.

However, the data reveals a near split between companies that have increased hiring (28%) and those that have decreased it (35%). This reflects a divide in the local business landscape, with some companies pursuing growth while others are pulling back in response to economic challenges.

Expectations for the next six months suggest a cautious outlook, with 40% of businesses planning to maintain current headcount and a smaller segment anticipating growth or reductions.

2 SELECTIVE CAPITAL INVESTMENT

Capital investment is cautious: 41% are maintaining current levels, while 40% are delaying or reducing spending. Just 9% are increasing investments, indicating that most companies are taking a wait-and-see approach to capital allocation. Among those investing, technology and digital transformation are a clear priority, with other top priorities including employee well-being and office space.

3 SHIFTING OFFICE FOOTPRINT

Office space strategies are evolving in response to shifting work models and cost considerations. Just over half of respondents (51%) made no changes to their office footprint in the past year, while 27% reduced space. Decisions were driven by cost savings and hybrid work adoption, followed by lease expirations and employee preferences. These findings reflect a broader trend toward flexible work environments and a reevaluation of traditional office needs.

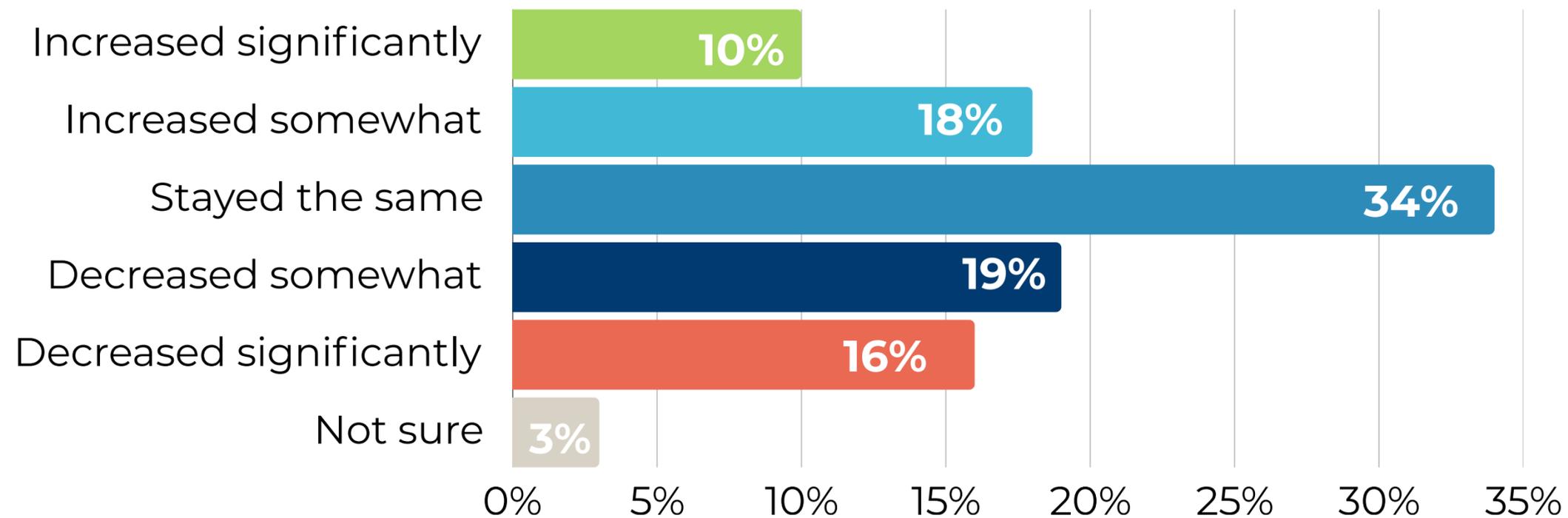
4 TIGHTENED BUDGET & EXPENSE STRATEGIES

Amid growing economic uncertainty, companies have begun to limit discretionary spending. When asked about specific areas of budget cuts, business travel (51%), marketing (40%), and employee perks (33%) were some of the most affected areas. Training and professional development (31%) and participation in trade organizations (38%) were also impacted. Overall, 65% of respondents are cutting spending across 3 or more categories. These reductions suggest a widespread effort to preserve cash flow and prioritize essential operations.



HIRING & WORKFORCE PLANNING

Q1: How has your company's hiring activity changed over the past 6 months?



N=145

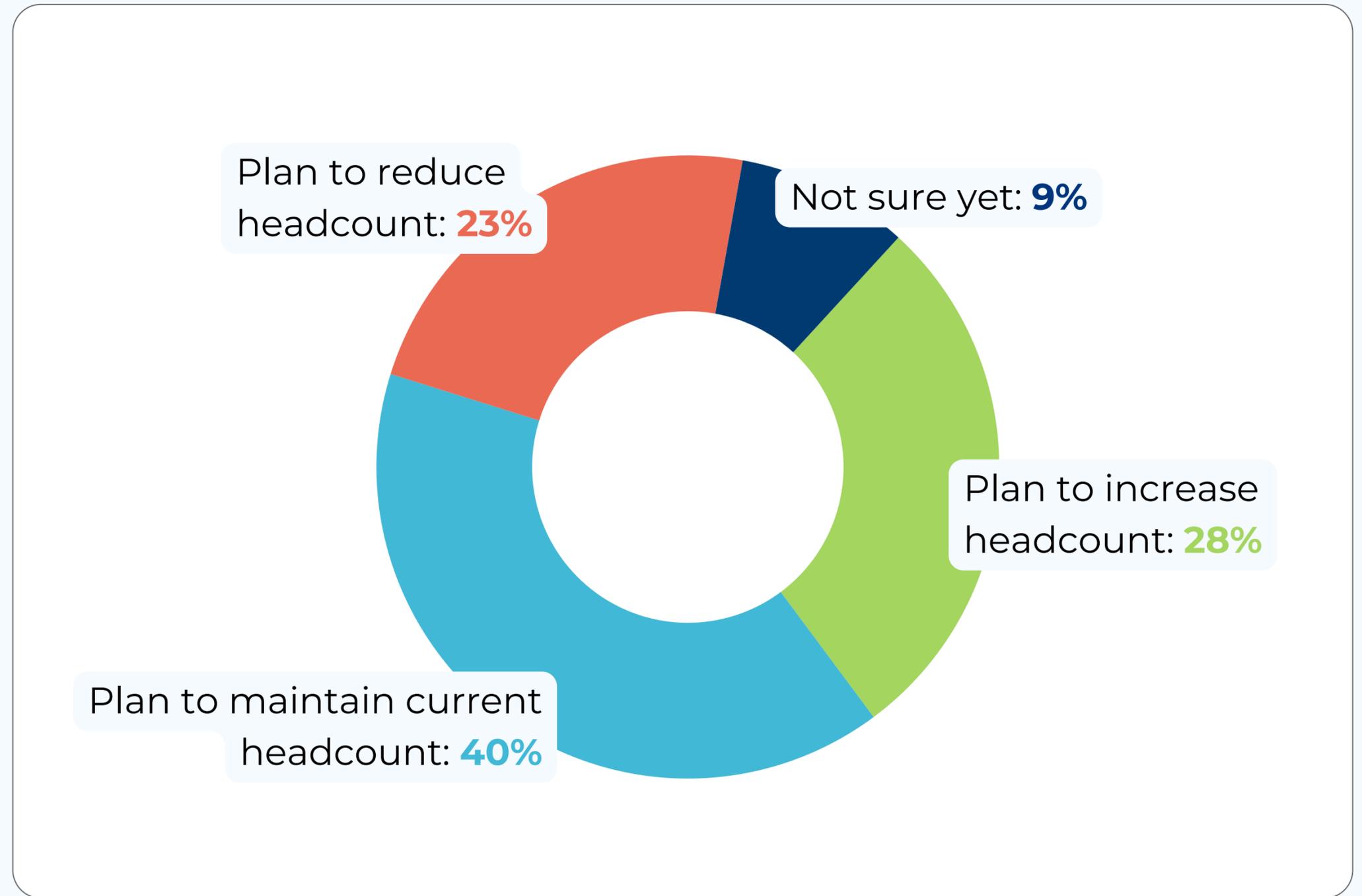


68%

of companies surveyed plan to
maintain or increase headcount
in the next six months.

HIRING & WORKFORCE PLANNING

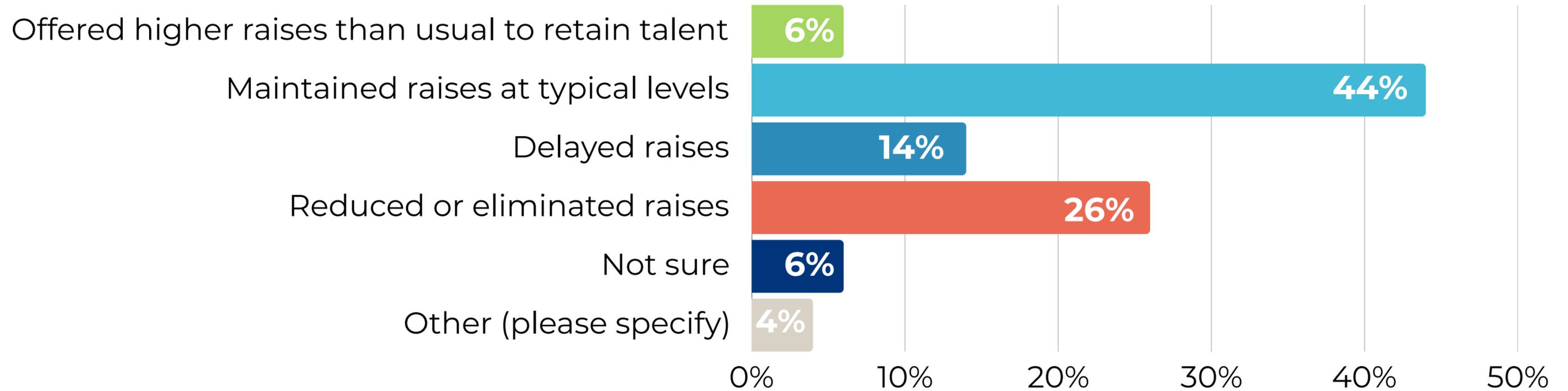
Q2: What are your company's hiring expectations for the next 6 months?





COMPENSATION STRATEGY

Q3. How have current economic conditions impacted your company's approach to employee raises and salary adjustments in the past year?



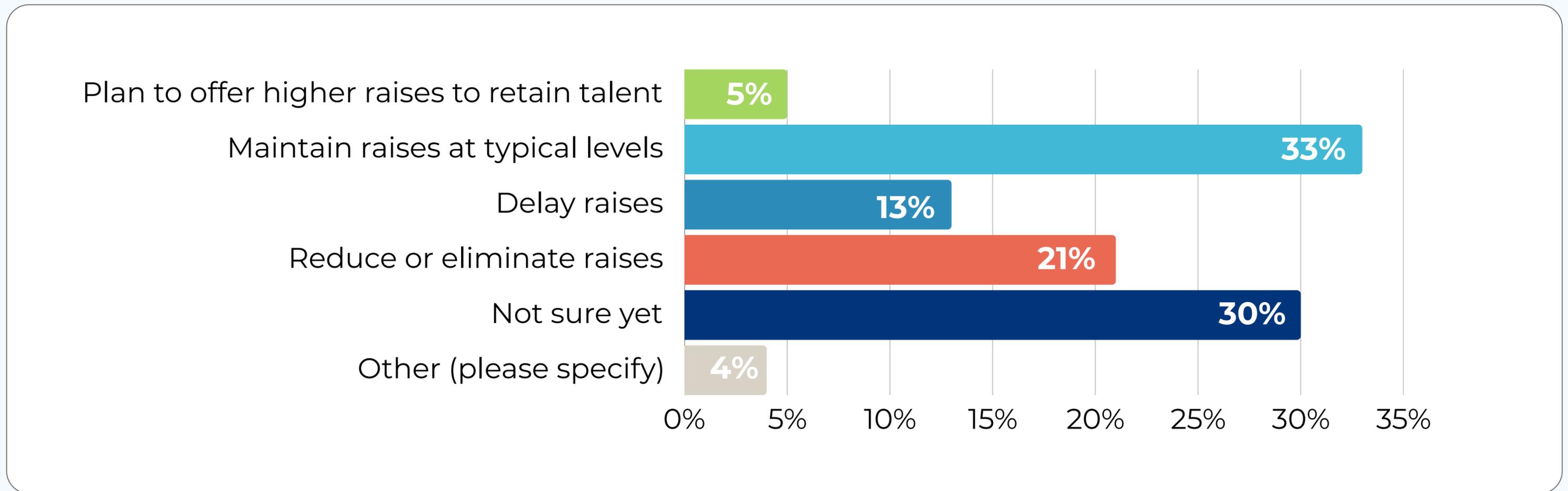
4% chose “Other,” citing additional approaches including pay incentive to retain top talent; postponing bonuses; and getting creative with other benefits.

N=80



COMPENSATION STRATEGY

Q4. Looking ahead to the next 12 months, how do you anticipate your company's approach to employee raises and salary adjustments will change in response to economic conditions? (Select all that apply)



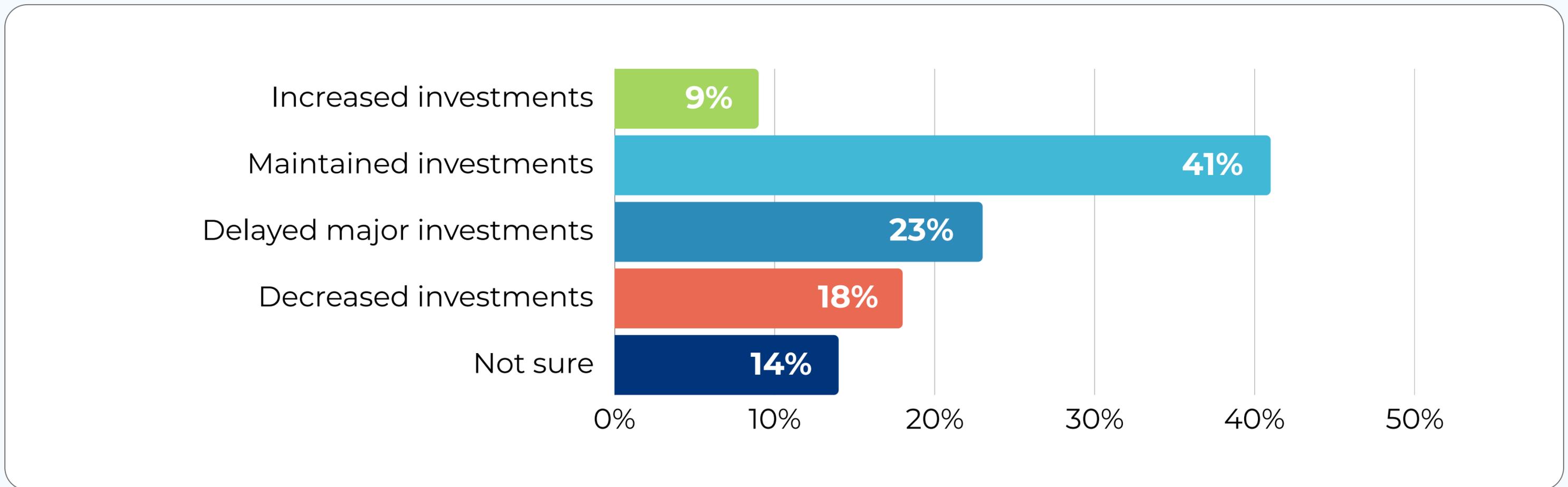
4% chose **“Other,”** citing additional approaches like doing retroactive raises if budget is met; conducting a compensation assessment; or noting it depends on grant funding (for non-profits).

N=80



CAPITAL INVESTMENT STRATEGY

Q5. In response to the current economic climate, how has your company's capital investment strategy changed? (Select all that apply)



N=80

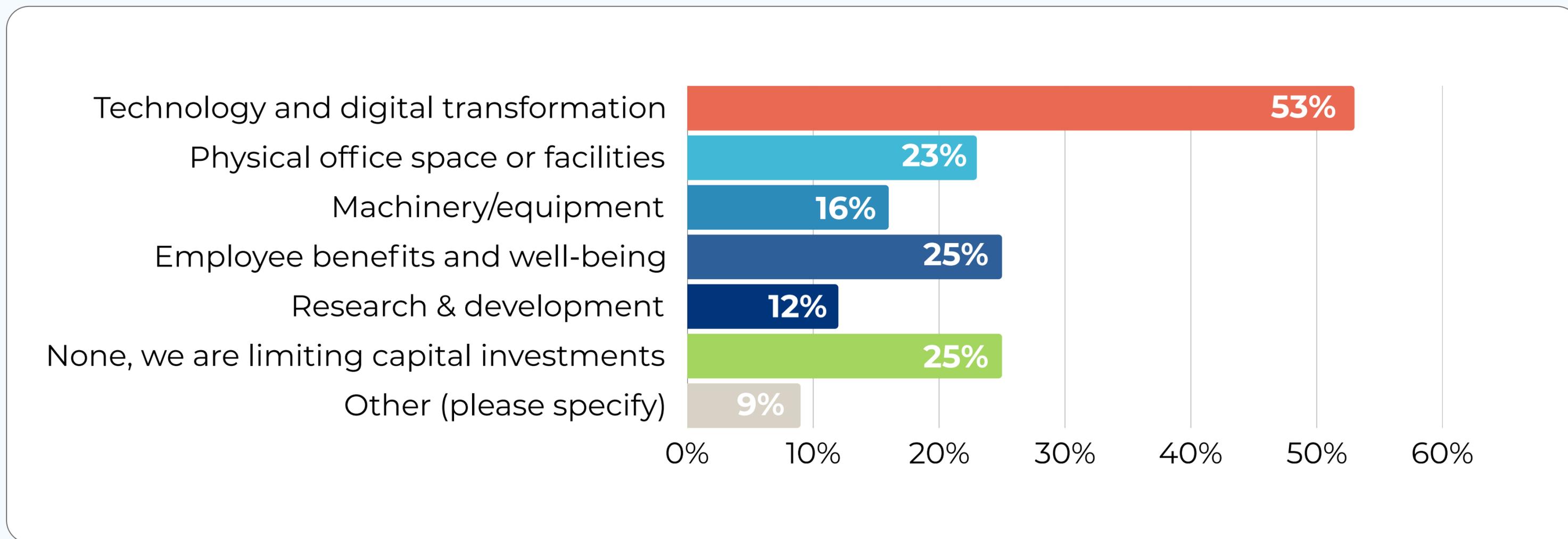


Companies that are still investing are prioritizing **technology and digital transformation**—indicating a strategic shift toward modernization despite economic headwinds.



CAPITAL INVESTMENT PRIORITIES

Q6. Which of the following areas are you prioritizing for capital investments in the next 12 months? (Select up to 3)



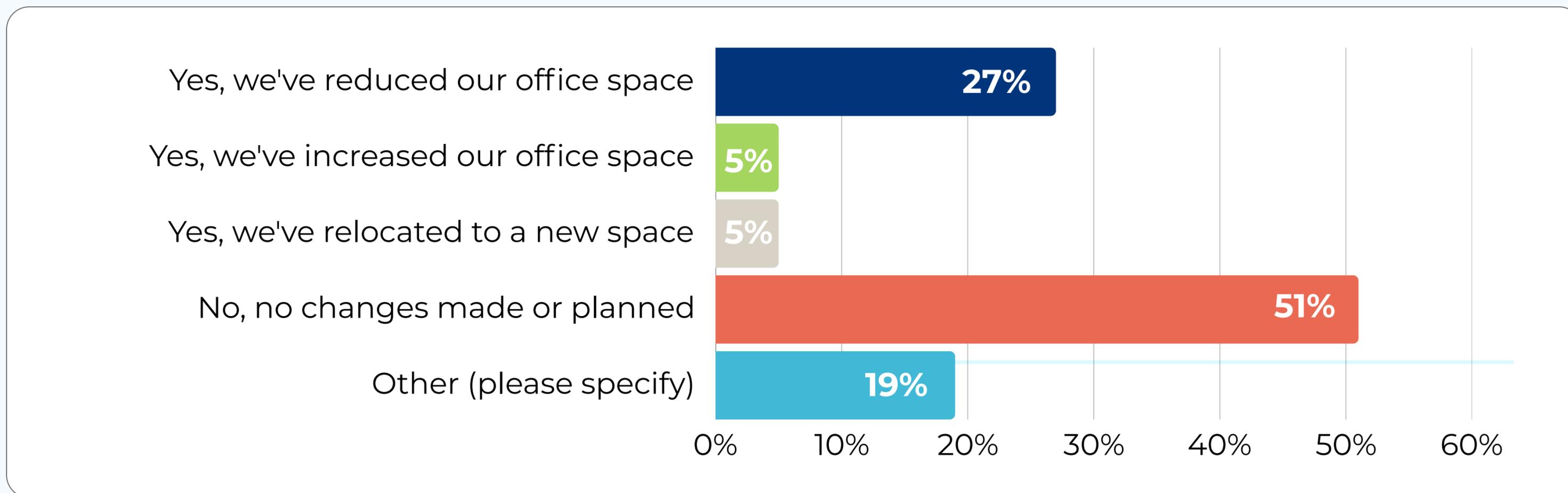
9% chose **“Other,”** citing additional areas such as upgrading creative and business development systems and adding solar panels to facilities.

N=57



OFFICE FOOTPRINT STRATEGY

Q7. Has your company made or considered changes to your office space footprint in the past year? (Select all that apply)



19% chose **“Other,”** some citing they do not have existing office space; they are looking to reduce space once lease is up; or are looking to sublease their office to add a line of revenue.

N=74



27%

of companies surveyed
**reduced their office
space** in the past year.

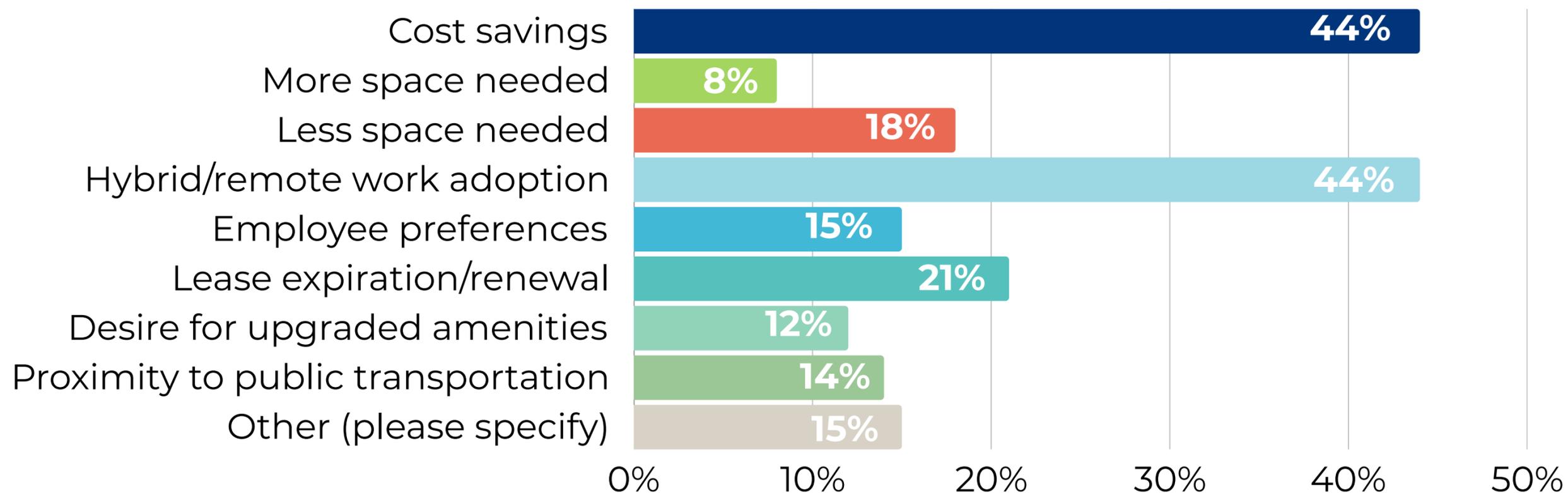
44%

cited **cost savings** and
hybrid/remote work adoption
as the top factors influencing
office space decisions.



OFFICE FOOTPRINT CONSIDERATIONS

Q8. What factors most influenced your office space decisions? (Select up to 3)



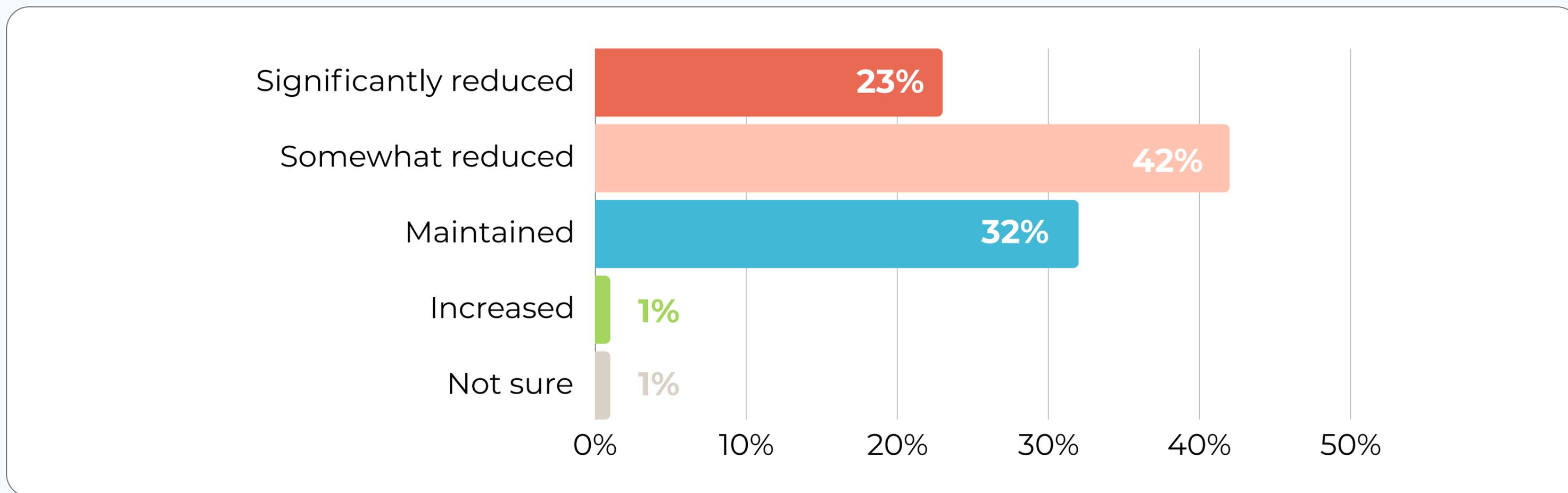
15% chose “Other,” some noting additional factors like high cost of parking in the city; the need to increase in-person collaboration; more employees working from home; or they never had space to begin with.

N=66



SPENDING & BUDGET ADJUSTMENTS

Q9. How would you describe your company's current approach to spending (travel, events, offsites, etc.)?

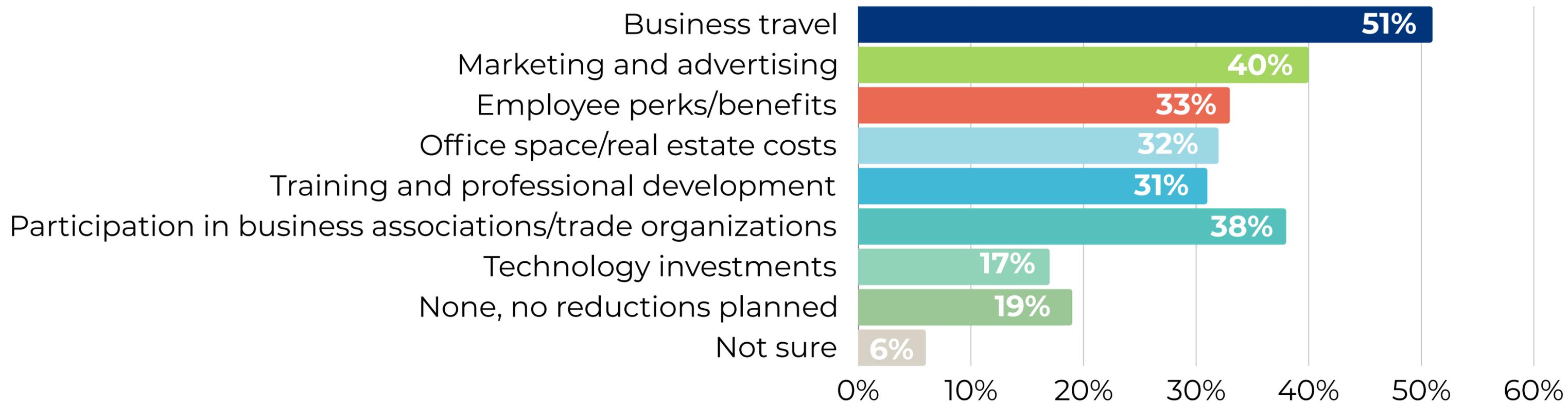


N=74



SPENDING & BUDGET ADJUSTMENTS

Q10. Which types of spending has your company reduced or is planning to reduce in response to economic conditions? (Select all that apply)

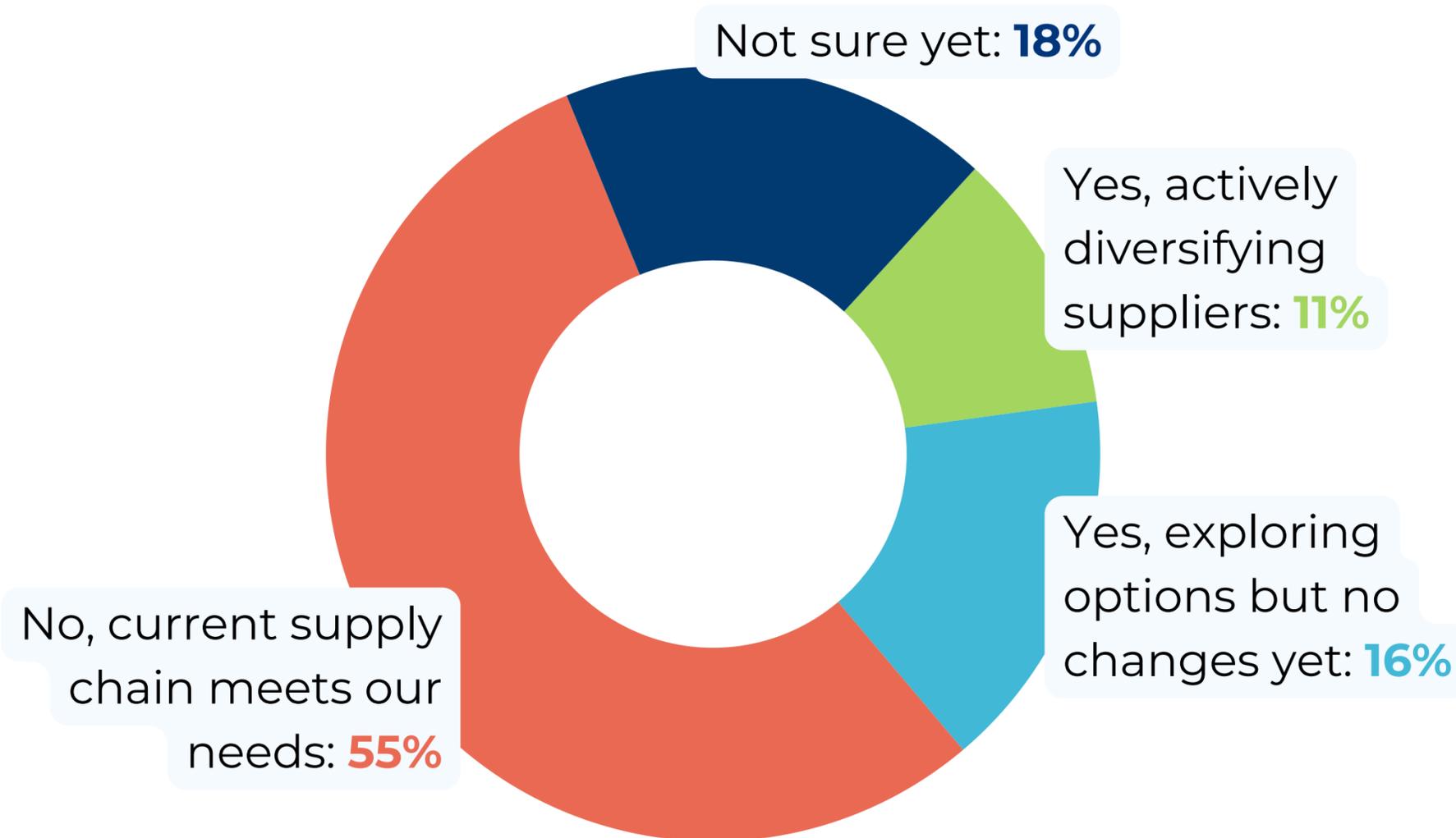


N=72



SUPPLY CHAIN RESILIENCE

Q11. Is your business currently taking steps to diversify or restructure your supply chain due to economic conditions or global disruptions?

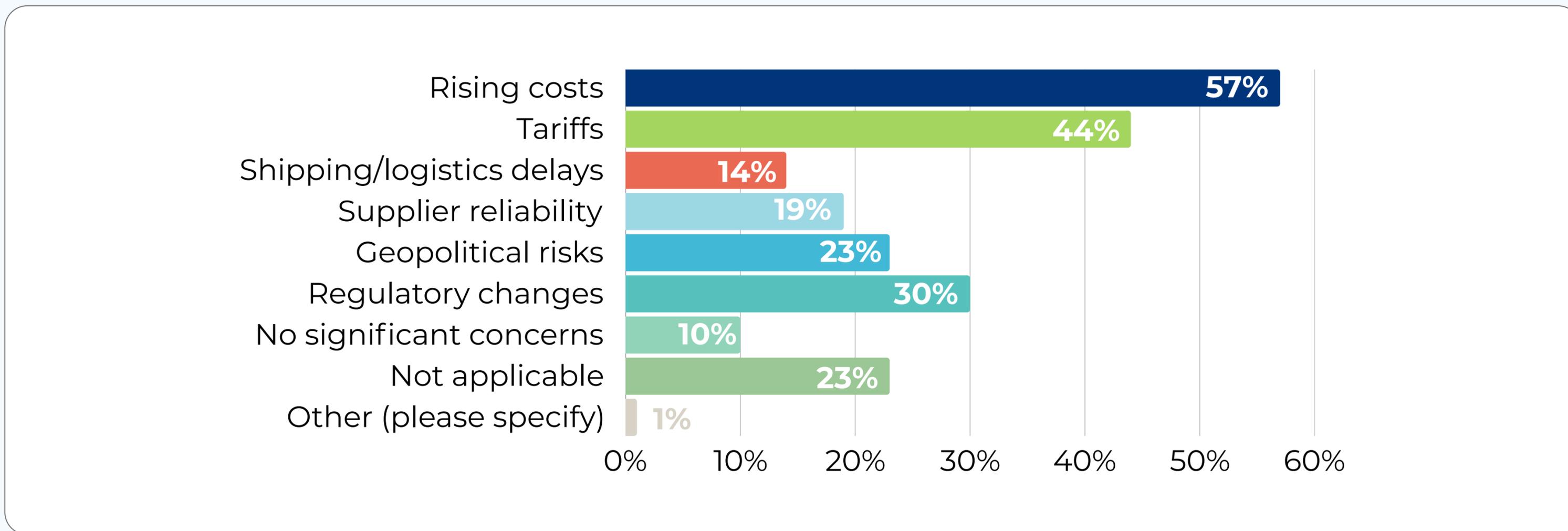


N=81



SUPPLY CHAIN RESILIENCE

Q12. What are your company's primary supply chain concerns for the year ahead? (Select up to 3)



1% chose **“Other,”** citing a lack of fair bidding due to lack of supplier inventory.

N=70



The findings from *The Pulse of Greater Boston Business* survey reveal how Greater Boston's business leaders are responding to economic pressures with thoughtful adjustments, positioning their organizations to weather uncertainty while remaining agile enough to seize emerging opportunities.

While growth has not stalled entirely, many leaders are making deliberate choices across hiring, compensation, investment, and operational strategy, to balance stability and adaptability. By benchmarking these trends, we hope to equip our region's organizations with the insights needed to thrive.

The Chamber will continue to monitor and share evolving data through the Pulse survey series, helping ensure that local leaders stay informed, connected, and resilient.

THANK YOU

If you have any questions, reach out to us at
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