

2025 hr trends report

FOR EMPLOYERS

Resource from STAFFLEASING-PEO.COM



There are clear traits of a strategic HR program that will always be relevant, such as taking a personalised approach to better manage employees, staying aware of useful technological updates, and providing meaning to the roles of the staff at every level.

To stay strategic, business owners need to look at both past HR trends and trends that will impact HR in the near future. With that, we give you 4 HR trends for employers to watch in 2025.

4 HR Trends for Employers to Watch in 2025

- Technology & AI advances
- Kindness in the workplace
- 3. Diversity & inclusion
- 4. Continuousperformancemanagement



I. Technology & AI advances

HR technology has quickly moved from the 'nice to have' category to become a major transformational driver. We're constantly finding more ways for technology to improve our processes.

HR Chatbots

Chatbots are already being used in customer service, IT technical support, and resume parsing. By 2025 we will see a greater reliance on chatbots, especially as a way to aid employees with the <u>onboarding process</u>. The challenge? Inputting things like FAQs and other lists into a chatbot program. The benefit? In the long run, having a robot field commonly asked HR questions (i.e. benefits, compensation, retirement can free up HR's time elsewhere.

Data-Driven HR

HR departments and employers now have a deluge of information available at their fingertips, including employee demographics, recruitment data, and performance KPIs. Using this data, you can <u>improve hiring decisions</u>, reduce adverse impact, and promote employees with a higher likelihood of company loyalty. These resources can assist us in decisions we make every day as business owners.



2. Kindness in the workplace

Kindness isn't a sign of weakness — on the contrary — it's a sign of strength that improves overall health and emotional well-being in the workplace. According to a study, people who were treated kindly at work repaid it by being 278% more generous to coworkers compared to a control group. Research has found that kindness encourages increased health and increased emotional well-being. When your employees experience kindness in the workplace they see an increase in energy levels, positive perspectives, and general well-being. Kindness is a promising HR trend for 2025.

How kindness impacts your bottom line:



workdays are lost each year due to stress on the job.



of workplace incidents (e.g., disagreements with coworkers) are attributed to stress.



of doctor visits are due to stress.

Workplace stress is linked to health problems ranging from metabolic syndrome to cardiovascular disease and mortality.

Source: Harvard Business Review



3. Diversity & inclusion

2025 isn't just asking for equality in the workplace, it's demanding it. True equality has been growing steadily, and organizations are finally reaching a point where employees feel they can be equally heard, valued, and involved in their company.

Leaders should continue to spend time addressing the challenges and opportunities presented by workforce diversity. Having a non-diverse company, especially in the boardroom and senior management, limits the different approaches and insights a diverse group could offer. A discussion held by too many similar minds can create an echo chamber of repetitive ideas. Increased diversity, properly managed, can lead to greater innovation and wealth.

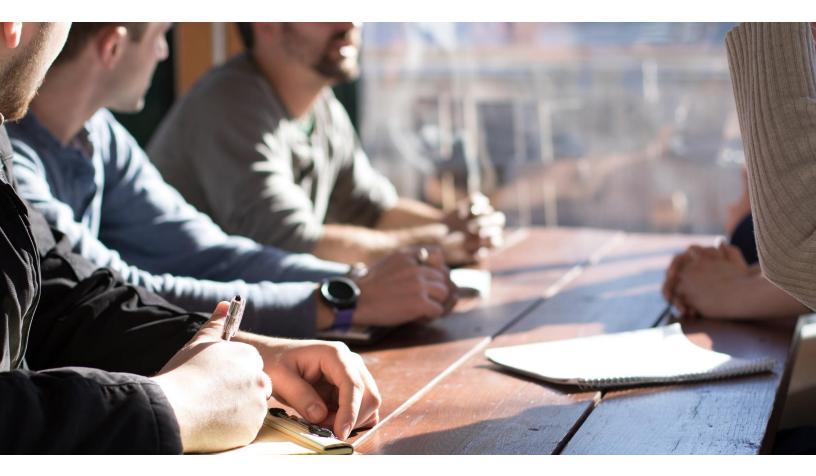




4. Continuous management

Performance reviews used to be a once-a-year occurrence which determined an employee's annual raise. This sometimes dreaded experience was carried out seriously and with formality. That era is ending. We continue to find that these annual evaluations just aren't enough.

Companies are realizing that regular 1-on-1 meetings between manager and employee help move projects along faster. Management should enable, not create bottlenecks. Because of this, many managers now conduct weekly or bi-weekly 1-on-1 meetings instead of or in addition to annual reviews.





Other trends to watch

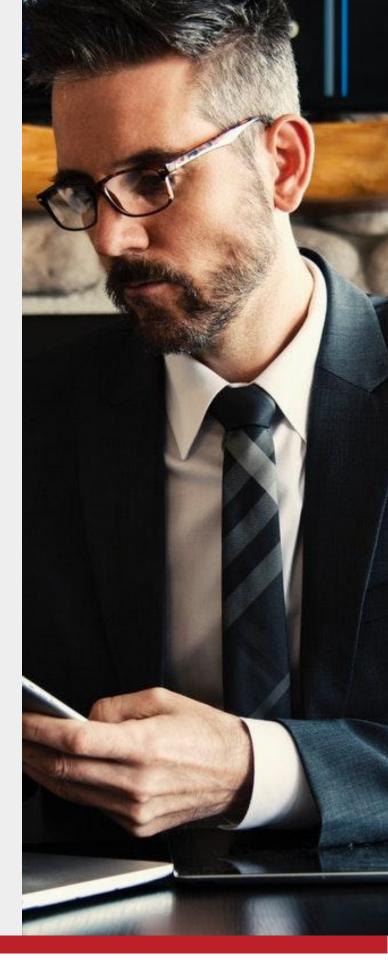
Gig economy: Full time jobs still win the majority. However, more Americans are choosing independent contracting (1099 over 9-to-5. The gig economy will see a large majority of the workforce shift away from full-time jobs into free agent employees. Intuit estimates that by 2025, 40% of American workers will be independent contractors.

Greater outsourcing of HR: The need for customized, flexible, by-the-hour, <u>outsourced HR solutions</u> has risen sharply.

Faster candidate screening: The need for a database to maintain job postings, filter resumes, short list candidates, schedule interviews, and send offer letters is growing in 2025. Companies are predicted to use more Al for the screening process.

Chat-style communication tools on the

rise: Teams will naturally gravitate to the most easy to use communication tool on the market, even if that tool is not an approved communications channel. Email chains on Outlook and G-mail are inefficient to sift through when compared with group based messaging apps like <u>Slack</u> and Google's <u>Hangouts</u>.







Here's how to implement these trends in your own activities:

Audit your HR technology and assess employee skill sets.

Review your HR technology platform. Does it need updating? Where is your current software falling short? Once you upgrade or make necessary changes, consider whether it is better to hire new employees who are more skilled at using advanced tech or retrain existing staff.

Avoid "analysis paralysis."

HR departments and employers now have a deluge of information available at their fingertips. The struggle with all this information? Too much data can cause confusion or "paralysis by analysis." Don't forget that data is supposed to support our decisions, not make them for us.

Review candidates thoroughly, even if pre-screening identifies them as a match

Tech-savvy people who know how to work the job search engines and applicant tracking systems may be the first candidates to appear in your job boards because they know how to use keywords to their benefit. But just because they can work the system well does not mean they are the right candidate for the position. The best business leaders leverage data, yes, but they still check in with their gut. When your instinctual reaction doesn't line up with the data we recommend looping in another decision maker or adding another step in the selection process.



Here's how to implement these trends in your own activities:

Promote a human-centric culture and kindness in the workplace

- Reward good work and celebrate success publicly.
- Stop rumors and spread positivity instead.
- Take coffee to someone when you go for a refill.
- Practice basic courtesy, like holding the door and letting others go first.
- Be the last to speak in a meeting and show appreciation for others contributions.
- Spontaneously help a stressed coworker with their deadline.
- Be willing to listen first and ask "how can I help?"
- Encourage company-wide participation in <u>Random Acts of Kindness week</u>

By being intentionally kind, we inherently bring out positive qualities in others.

Implement continuous employment management

If you haven't already, make 2025 the year you start giving more attention to the individual employee. If you review your team's performance more often, you're likely to have higher-performing employees. Regular check-ins help you stay on track throughout the review period, and make it easier to manage an effective performance review when the time comes. If you keep up with progress along the way, the actual review becomes more efficient. Also, frame evaluations in a way that isn't disciplining them to work harder, but helping them to work better.



Resource from staffleasing-peo.com/



To have a thriving company, you need employees who are producing their best possible work. And to have employees doing that, your company must have a strategic HR plan. HR does more than just support business outcomes, it drives them. Business owners need to look at both past HR trends and trends that will impact HR in the near future. Keep these trends in mind as you envision your business moving into the future.

Want to focus on your business with a partner that makes it easier to be an employer? Contact our team.



(315) 641-3600

149 Northern Concourse, North Syracuse, NY 13212

staffleasing-peo.com