

TALENT TRENDS 2025: **PROGRESS OVER PERFECTION**



After last year's AI boom and the shift to skills-based hiring, many global enterprises were caught in endless planning. Now's the time to stop overthinking and start acting with purpose.

We get it—making the wrong move can be scary. But if you're stuck in analysis paralysis, focus on progress, not perfection.

After all, the business world is constantly changing, with new tools and trends emerging overnight. Leaders are put in an awkward position—do you keep up with reactive tactics or risk falling behind competitors? This can lead to overthinking, which can delay action and cost you later. Looking ahead, employers need to combine smart planning with calculated risks and take imperfect but intentional action—make the leap on your next product or offering and embrace any setbacks as valuable lessons.

So, how will global companies drive business impact through talent acquisition in 2025? To find out, we interviewed over 40 Korn Ferry experts and surveyed more than 400 talent professionals worldwide.

The takeaway for 2025? Be intentional *and* brave.

Predicting the future isn't an exact science, but expert insights combined with comprehensive data provide a clear view of recruitment trends for the next 12 months. Our annual Talent Acquisition Trends report is your chance to see what's coming and how to stay ahead.

Here are the five hiring trends you need to know for 2025.

Survey Methodology: We surveyed nearly 400 talent professionals, from entry-level to CEO, across North America, Latin America, EMEA, and APAC, representing over 13 industries. Their insights, along with the knowledge of 40 Korn Ferry experts, provide a global snapshot of what to expect for talent acquisition trends in 2025.

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AS **Growing Pains:** Reality Kicks In

Al's potential is great, but it still has some maturing to do.



The hype around AI's potential to increase efficiency and cut costs drove companies to adopt the technology for recruitment—and most expected to see instant results. Yet, as more employers integrated AI into recruiting, it soon became clear that it wasn't the "quick fix" C-suites had hoped for.

With the right tools and expertise, AI can supercharge productivity and elevate the hiring process. Many companies are already using generative AI to handle recruiting tasks like job postings, interview scheduling, and candidate sourcing.

But as leaders have found, today's AI isn't capable of managing high-level TA strategy needs, such as identifying talent gaps and spotting potential when a resume doesn't tell the whole story. This could change in the future, as AI might support hiring decisions by analyzing emotional intelligence and non-verbal cues like tone and facial expressions.

Al's ROI

We're seeing increased scrutiny of AI's return on investment, with leaders recognizing that traditional metrics fail to capture its full impact. As reality sets in, companies face tough questions, including:

- Which AI recruiting tools can we trust for accuracy?
- How do we gauge their success?
- How can we address algorithmic bias?
- How much should we invest in tech that is imperfect or unproven?

Despite these challenges, AI will play a major role in acquiring and managing talent—from interview coaching to preboarding chatbots. More than two-thirds (67%) of our survey respondents believe that increased AI usage will be 2025's top talent trend, followed by data analytics at 53%.

Even if it feels daunting, companies should explore discussions about AI in talent acquisition. They can offer insight into recruitment tools and features for broader tech improvements.

The Human Touch

Employers who thought AI would be a game changer are now concerned about its inaccuracies and the impact of automation.

In fact, 40% of talent specialists we surveyed worry that too much AI in recruitment could make the process impersonal, causing them to miss out on top candidates. Another quarter are concerned about algorithmic bias—where biased training data leads to unfair outcomes.

If mismanaged, AI and other tech could undermine the hiring process, but when used strategically and appropriately, <u>they can add</u> <u>real value to the experience</u>—for candidates, recruiters, *and* hiring managers.

The top three ways employers plan to innovate talent acquisition next year are:

- Using AI to better search for and vet candidates (27%)
- Increasing people analytics in hiring (26%)
- Using automation tools to manage candidate relationships (21%)

Beyond Automation

In 2025, more employers will use AI to improve the *entire* candidate journey not just to automate hiring.

Besides drafting job descriptions and screening resumes, AI can send personalized messages to candidates, offer tailored interview feedback, and match skills and preferences more precisely. More than a third (39%) of our respondents plan to use tech for smoother hiring interactions.

It starts with thoughtful, holistic planning—fitting AI into current workflows, handling how recruitment tools are distributed, managing potential risks, and focusing on change management and incremental progress.

Rather than jumping in without an Al hiring strategy, employers should align technology with their broader business and talent goals. More importantly, they should provide training and resources for effective Al usage to make talent acquisition smarter and more efficient over time.

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How are we using current AI tools, including in-app features, and how do we stay updated on AI developments that could help our business?

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How are we leading change with a solid AI strategy, backed by the right support and resources?

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How are we providing AI training, tutorials, and webinars for effective AI use?

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How do we track progress with feedback from candidates, recruiters, and hiring managers to uncover Al's real impact?

Razor-Sharp FOCUS on Critical Skills

Prioritize critical roles to acquire the right skills for success.

Which skills will be most critical for your organization in 2025?

Leaders want to hire for skills, but many don't know where to start. There's no need for a complete overhaul. Instead, focus on the critical skills that will drive business impact.



<u>69%</u>

Leadership

skills





Many companies plan to prioritize skilled talent for critical roles in areas like AI, supply chain, and manufacturing—fields promising both immediate benefits and future growth. Nearly 24% of our survey respondents see finding the right skills as a top two challenge for 2025.

The First Step

Last year, skills-based hiring seemed like the go-to strategy, but now, it's clear there are some challenges for talent acquisition. Though 39% believe it will be a key trend in 2025, only 20% of employers have already adopted this approach, and just 17% plan to switch next year. About 43% are still on the fence.

Most see the benefits of skills-based hiring, and some are testing the waters by prioritizing their most critical roles. The tricky part? Many aren't sure how to define "critical skills," which is often the first step away from traditional hiring methods. In most cases, critical skills are what help a business innovate and grow. Companies can't thrive in a vacuum. They need a mix of capabilities to succeed. When hiring for skills, start with the roles that can drive the greatest transformation and identify which skills these roles need. Once employers spot the gaps, they can either upskill current employees or bring in new hires with the right skills.

Better Synergy

To ease the transition, educate and train recruiters and hiring managers on skillsbased hiring, and promote a strong skillsbased employee value proposition (EVP) to win support. Update talent systems and onboarding programs to better connect hiring with performance management and upskilling.

In 2025, more companies will integrate talent acquisition with talent management for better results. When these teams collaborate, hiring for critical skills can boost development, fill gaps, and encourage career growth. Our survey found that 31% of respondents expect talent acquisition to align more closely with business and transformation goals in the next five years, while over 30% see it becoming more strategic and data-driven.

The goal is to create a cohesive process where recruiting, onboarding, and development all work together, focusing on the skills needed for business success.

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How do we align our search for critical skills with business goals and employee development needs? Ø

How can we assess candidates based on their actual skills, and which tools and interview techniques do we use and need?

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How do we give our team from recruiters to executives the right training to understand and promote skills-based hiring?

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How do we diversify our recruitment strategy to find a steady pipeline of skilled candidates—either by building, buying, or borrowing—ready to jump into critical roles?

L&D'S Wake-**U D Call**

L&D is no longer a box to tick—it's crucial for retention.

Traditional L&D approaches won't cut it anymore when it comes to attracting talent. In 2025, it's all about creating a culture of continuous upskilling and reskilling. For too long, Learning and Development (L&D) has been treated like a checkbox item. In 2025, to find and keep the best talent, it needs to be a core element of your talent strategy.

Korn Ferry's latest <u>Workforce Survey</u> found that 67% of employees would stick with a company if offered upskilling and advancement opportunities—even if they hated their job. Conversely, a lack of career growth is the second biggest reason people said they would leave their role.

L&D, in other words, drives talent attraction and retention. People want to join companies that invest in their future.

A Win-Win for Everyone

Some companies are catching on—32% of our survey respondents plan to focus on upskilling current employees to address skills gaps, and 30% will work on creating career paths for long-term growth.

To attract early career talent, 61% will offer internships and apprenticeships, 32% will provide entry-level training programs, and 24% plan to partner with high schools for early career development programs.

But traditional L&D benefits like standardized training, in-person workshops, and online courses are no longer enough. In 2025, more employers will experiment with new approaches and invest in innovative methods, such as virtual reality (VR), gamification, and <u>Al-enabled coaching</u>, to help employees adapt to evolving needs.

Prioritize Learning

To make it work, companies need to build a culture that puts learning first.

A few ways to start: fill roles internally to promote continuous development, set up reverse mentorships where seasoned staff learn from newcomers, and offer personalized training that matches professional goals with business growth. Adding these tactics to an L&D strategy <u>can increase engagement</u>, <u>retention</u>, and overall agility.

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Partner with high schools



Development programs

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How do we promote our L&D programs and career growth opportunities in job postings, interviews, and other points of the hiring process?

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How do we collaborate with the right people to create effective skills assessments and use their feedback to refine our hiring and development strategies?



What are our growth and other business goals, what skills do we need to achieve them, and does our L&D strategy support this?

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How does our onboarding process provide new hires with the tools and information they need to help with their L&D path?

EVP is Finally a VIP

Say what you mean. Mean what you say.

People care about what employers deliver, not just what they offer. Companies need an authentic EVP that they live—every day—to find and keep the best talent. Once upon a time, companies could attract top talent with enticing EVPs that promised a lot but often fell short after hiring. Today, candidates are wise to this game.

Walk the Talk

For years, employers have touted their EVP during recruitment, but many new hires were soon disappointed to find it was just talk.

Word of mouth, social media, online reviews, and news reports have exposed companies that don't deliver on their promises—and talent is fed up with this disconnect. They're researching employers and asking more questions during the hiring process.

That's why 45% of HR professionals we surveyed said that integrating cultural values is key to talent attraction in 2025.

Yet, if a strong culture is not part of the employee experience, it can hurt retention. Korn Ferry's ongoing analysis of talent management investments found companies that publicly promote their culture but don't put it into practice with their workforce see higher turnover rates.

Uniquely Human

In 2025, unique human experiences will stand out in an era of automation and standardization. Employers can get ahead by understanding different audiences and their needs with innovative, inclusive strategies. By creating detailed profiles for each talent group—such as by location, generation, interests, or identity—they can tailor the EVP to improve recruiting efforts.

To create an authentic EVP, employers can start by defining their core values, and then weaving them into hiring messages and benefits. Showcasing employee stories and company culture during recruitment and onboarding can leave a strong impression.

For this to work, hiring and talent management have to go hand in hand. Using talent data can boost the EVP and create a seamless experience for everyone. <u>What's</u> <u>more, onboarding should go beyond a quick</u> <u>intro and cover</u> both emotional and practical needs to engage new hires.

Show your commitment to talent—don't just tell them.

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How is our EVP perceived and actualized at each stage of the talent journey, from candidate to employee?

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How do we use data to make sure the candidate experience matches up with the employee experience?

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How can we improve our EVP with flexible work options, personalized career growth, and experiences that resonate? What else can we do to connect employees with our brand and values?

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How does our onboarding show new hires our culture and EVP through meetups, mentorships, and real-life examples?

Beyond the Office: Hybrid 560

It's no longer just about where your people work.



Hybrid working isn't just about balancing home and office. From team setups to flexible cultures, it's shaping up to be the new ideal for people *and* organizations. There's no one-size-fits-all approach to talent acquisition, but in 2025, offering full-circle flexibility is key. We're calling this trend Hybrid 360—arguably one of the most important to your TA strategy.

At its core, Hybrid 360 is about inclusion and flexibility— <u>letting people work in ways that suit them best to unleash</u> <u>their full potential</u>. Companies that stick to traditional ways of working will likely struggle to attract and retain people. The more flexibility an organization offers, the better its chances of building an engaged, motivated, and loyal workforce.

The Hybrid Era

In one form or another, remote work is here to stay for most office workers. About 76% of our survey respondents said their employers have adopted hybrid working, offering fully or partially remote working options.

But Hybrid 360 isn't just about where people work—it's also about how jobs, rewards, and systems are structured. Think open schedules that offer autonomy and flexible benefits to meet different employee needs. About 34% of our survey respondents see the latter as a top trend for 2025.

Going forward, more employers will adopt hybrid models to balance business needs with employees' desire for flexibility. Korn Ferry's latest <u>Workforce Survey</u> shows that flexibility is a top priority and a big reason people stick around—or leave if they don't have enough of it.

Flexibility Matters

In 2025, more employers will use inclusive design to create cultures that keep everyone connected, even when they're not all in the same room.

This means training leaders to manage hybrid and virtual teams, updating remote hiring processes, and using the right tools for easy communication and collaboration.

On the other hand, companies with rigid working policies—like strict 9-to-5 schedules or close monitoring of computer activity could lose talent to more flexible competitors.

In fact, 48% of employers we surveyed said managing expectations for work-life balance will be a major challenge in hiring early career talent next year. After all, hybrid isn't a passing trend—it's the new standard for inclusive hiring.

Flexibility means different things to different people:



Customizing perks

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How sustainable is our current working model, and have we limited future opportunities by being rigid in our approach?

Which collaboration and communication tools do we need to manage and support remote and hybrid employees?

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How do we provide the mechanisms to keep people engaged and connected, even when they're not in the same room?

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How do we prepare our leaders to manage hybrid and remote teams and encourage peer learning to share best practices?



These trends are just the tip of the iceberg. There's much more change on the horizon, and it's an exciting time for talent leaders to make bold moves and futureproof their organizations.

Curious about how we can help shape your 2025 talent strategy?

CONTACT US TODAY

Want to hear more about these trends from our talent experts and clients?

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