Exploring the future of HR: 10 trends and priorities for 2025



Throughout 2025, the landscape of HR management will evolve, with significant shifts in talent, compliance and technology. Understanding these shifts is crucial for fostering a compliant and growth-conducive workplace year-round and beyond.

Generative AI is affecting employer-candidate interactions

85% of workers believe AI will impact **their jobs** in the next two to three years.¹ For recruiters, it could dramatically reduce screening time, sifting through résumés and so much more.





65%

Engaged at work

Remain loyal



The employee experience and well-being are ongoing business priorities

Employees who feel cared for by their employer are 92% more likely to feel engaged at work and 65% more likely to remain loyal.2

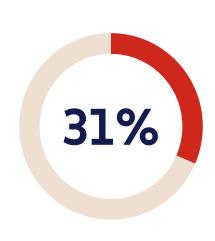
Skills have emerged as a strong indicator of employee success

94% of organizations using a skills-based hiring method agree it's more predictive of on-the-job success than résumés.3



Talent is becoming more geographically dispersed

Remote work has increased the share of cross-metropolitan workers to over 31%.4



New laws are limiting how Al is developed and used in employment decisions

New Al laws are shaping how organizations use Al in hiring, manage bias and ensure fairness. 5,6,7

6.

Pay equity and pay transparency remain business priorities as gaps persist

Pay gaps persist, driving the need for

more pay equity and pay transparency initiatives.8

Multiple wage-and-hour developments are giving employers pause

Recent developments in wage-and-hour laws are prompting the re-evaluation of employer pay strategies.

Generative AI continues to revolutionize HR, jobs and the workplace

or are piloting generative AI, attempting to benefit from its potential.9

63% of large businesses have adopted



Firms are looking to expand

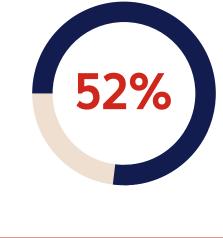
skills to benefit from emerging technologies 57% of employers aim to close

generative AI skills gaps through targeted upskilling.¹⁰

Well-being technology is helping firms

humanize the employee experience **52%** of employees say they are **burned**

out, pushing firms to integrate well-being technology into their benefits strategy. 11



Learn more in ADP's trends report

in talent, compliance and technology

Unveiling the next anything: Navigating new frontiers

- 1. ADP Research, Today at Work: Remote work hits home, 2024 2. MetLife, MetLife's 2023 Annual U.S. Employee Benefit Trends Study, 2023 3. TestGorilla, The State of Skills-Based Hiring 2024, 2024
- 4. ADP Research, Today at Work: Remote work hits home, 2024

11. NAMI, The 2024 NAMI Workplace Mental Health Poll, 2024

- 5. Future of Life Institute (FLI), EU Artificial Intelligence Act, accessed 2024 6. Colorado General Assembly, SB24-205 Consumer Protections for Artificial Intelligence, 2024
- 7. New York City Consumer Protection Division, Automated Employment Decision Tools: Frequently Asked Questions, 2023 $8. \ U.S. \ Department \ of \ Labor, \ What \ you \ need \ to \ know \ about \ the \ gender \ pay \ gap, \ 2024$
- 9. ADP Market Insights, Market Pulse Study: Small, Midsized and Large Companies, 2024
- 10. McKinsey, The human side of generative Al: Creating a path to productivity, 2024

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