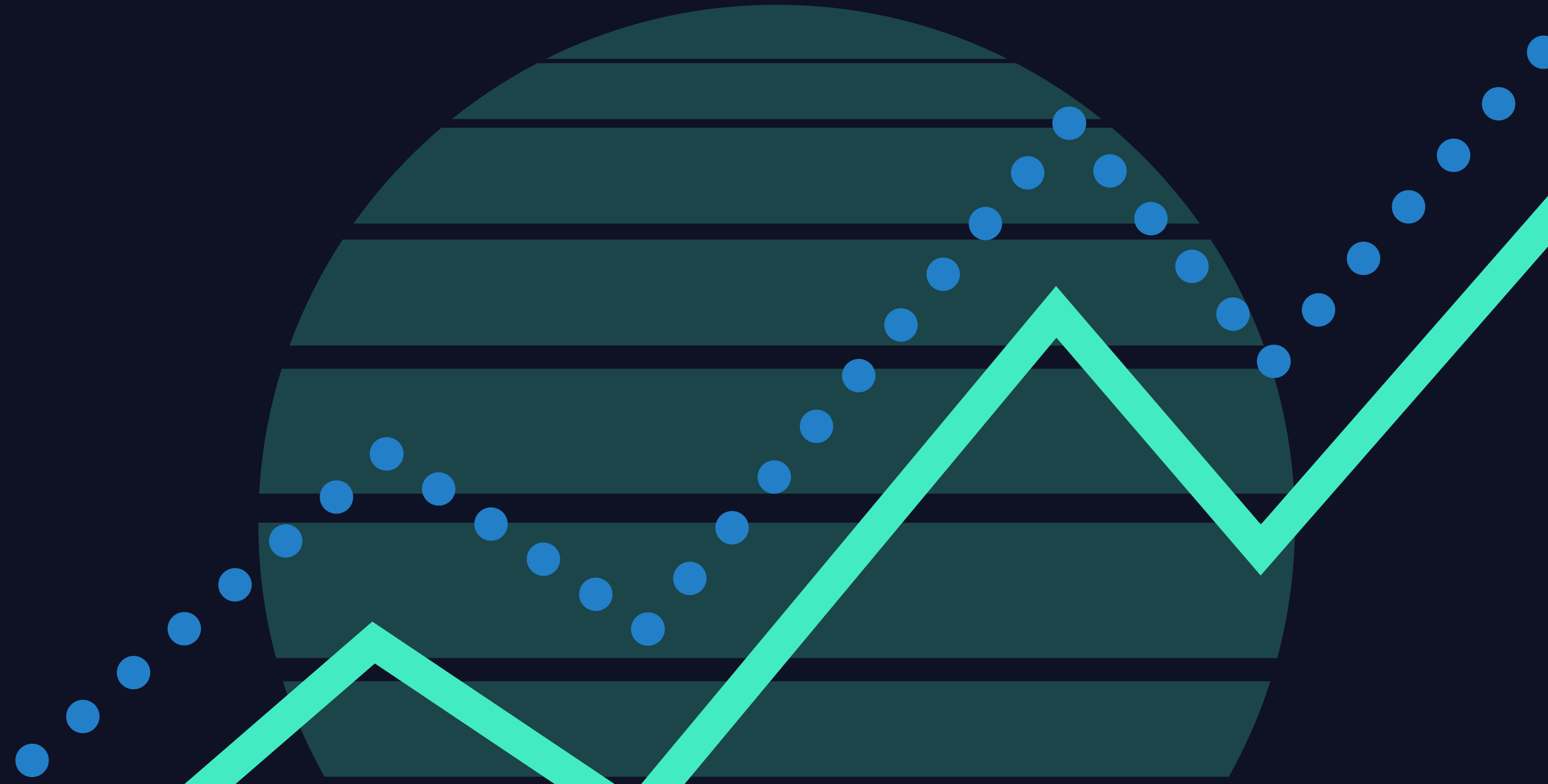Perceptyx

2025 Employee Experience Trends to Watch

Predictions From Our Experts

Based on work with hundreds of global organizations and extensive research into workplace dynamics, Perceptyx's team of experts at The Center for Workforce Transformation has identified 10 can't-ignore trends that will shape the employee experience in 2025. These trends tell the story of a workplace in transition, where organizations must balance technological advancement with human needs, standardization with personalization, and business performance with employee expectations.

1 As AI transforms HR, human connection becomes more critical than ever. →

2 Neglecting employee experience puts post-pandemic patient experience gains at risk. →

3 The rush to remove middle managers will have long-term consequences for employee experience. →

4 With flexible work dominating headlines, organizations risk leaving deskless workers behind. →

5 Personalized development is growing, but employee listening data remains the missing link. →

6 Employee listening must connect to business priorities to drive real value. →

7 Power has shifted back to employers — how they use it will define their future success. →

8 Skills-based hiring will drive a fundamental shift in career development. →

9 ESG initiatives are becoming core to the employee value proposition, especially for younger workers. →

10 Caregivers need more than programs — they need structural support and career protection. →

Trend #1
As AI transforms HR, human connection becomes more critical than ever.

As artificial intelligence reshapes HR processes, organizations face a daunting, but by no means insurmountable challenge: leveraging AI's capabilities while preserving and strengthening the human elements that drive employee experience. Our work has shown that employee perceptions of AI vary significantly, making thoughtful implementation essential for organizations planning new AI initiatives in 2025.

This delicate balance manifests in several key areas:

Employee Experience Enhancement
While AI excels at identifying patterns and surfacing relevant content, human connection remains irreplaceable within the workplace. AI can serve as a powerful tool for personalizing experiences — similar to how consumers interact with the algorithms that shape their behaviors on Netflix or Amazon — but it cannot replicate the nuanced understanding of emotions, motivations, and interpersonal dynamics that define effective leadership.

Leadership Evolution
AI is transforming how leaders work, but not replacing their core functions. Much as GPS can suggest the optimal route while requiring a human driver to navigate real-world conditions, AI can provide insights and recommendations while requiring human judgment to contextualize and implement them effectively.

Jobs of the Future
Employee attitudes regarding AI differ widely across generations and roles. Some see it as a threat to job security, while others view it as an enabler of more meaningful work. Leaders must navigate this tension to foster a culture of innovation while addressing valid concerns. People-centric leaders will have deep career discussions as jobs are targeted for evolution or sunsetting, ensuring employees also know what jobs are emerging or sunrising and how they can gain the requisite skills to be considered.

As we look to 2025, the most successful organizations will integrate AI while staying focused on the experience of their employees. Here are several ways to use AI to enhance the human experience:

Extraction and Analysis of Employee Listening Data
AI will play an increasingly crucial role in uncovering patterns and offering actionable insights from employee feedback. However, the effectiveness of these insights will depend heavily on humans' ability to contextualize them within organizational realities and external conditions. Leaders must develop the skills to collaborate with AI while maintaining emphasis on human connection and empathy.

Greater Personalization of Employee Growth and Development
Organizations are increasingly moving towards personalization and hyper-personalization of learning and development experiences. These include individualized learning plans, not just by job role, but unique to individuals by tenure or based on specific skills they want or need to learn. AI can be particularly helpful in identifying these gaps, but when done right, technology will add to, rather than take away from coaching employees receive from their leaders.

Innovation in Acting on Employee Feedback
While many organizations are adopting AI for data analysis and comment summarization, leading organizations will push further, using AI to deliver targeted recommendations for action that drive behavior change through personalized nudges delivered in the flow of work.

Development of Policies to Meet the Workforce Where They Are
Organizations must create frameworks that enable and empower employees to leverage AI tools while maintaining appropriate guardrails. Rather than implementing restrictive policies or worse, no policy at all, successful organizations will encourage innovation while providing clear guidance on intellectual property protection, as well as data privacy and security considerations.

Our Expert Predictions:

Bradley Wilson, Ph.D.
"Successful leaders will need to frame generative AI as an enabler and not a replacement, a tool that empowers and enhances experiences, amplifying human potential and unlocking new opportunities for growth and innovation."

Zachary Warman, M.S.
"AI will enable organizations to deliver hyper-personalized experiences for employees — from tailored feedback to bespoke development plans. However, the challenge will be ensuring that these tools remain a complement to and not a replacement for meaningful human interaction."

Megan Steckler, M.A.
"AI is going to play an integral role in employee listening, helping leaders efficiently uncover patterns and offer actionable insights to enhance employee experience and engagement. The effectiveness of AI in employee listening will rely on how well humans can contextualize these insights and act on them. To succeed, organizations will need to develop leaders' skills to collaborate with AI while emphasizing the irreplaceable value of human connection and empathy."

Trend #2

Neglecting employee experience puts post-pandemic patient experience gains at risk.

In 2025, healthcare organizations will continue to face a defining challenge of our generation: maintaining and building upon patient experience improvements while navigating unprecedented workforce pressures. Our research increasingly demonstrates that organizations known for patient experience excellence share a common foundation: a strong employee experience.

It may seem intuitive that caregivers and non-clinical staff who are engaged, motivated, and energized by their work create a more pleasant, safer, and more effective place to receive care. But, understanding the direct connection points are helpful to ensure they remain solid.

Engagement Transfer
Engaged employees are more likely to bring enthusiasm to patient interactions. When healthcare workers feel valued and supported, this positively impacts the patient care they deliver. Conversely, when employees feel disconnected from their organization's mission or values, patient care can suffer.

Mission Alignment
Healthcare workers often enter the field driven by purpose, but competing priorities between business operations and patient care can create friction. When employees perceive a misalignment between organizational decisions and patient-centered values, it can lead to disengagement and reduced quality of care.

Leadership Connection
Perceptyx research shows a widening gap between frontline healthcare workers and senior leadership. This disconnect is particularly evident in questions of whether leadership decisions reflect company values, suggesting a need to bridge this divide.

Our Expert Predictions:

Crystal Perel, M.A.
"Healthcare organizations that strategically prioritize the learning and development needs of their workforce will emerge as industry leaders. In a landscape defined by rapid change and mounting challenges, maintaining a competitive edge will require cultivating a workforce that is not only adaptable but also resilient. Success will hinge on fostering an environment and culture where employees are empowered to grow and thrive and consistently supported to deliver excellent care."

Ellen Lovell, Ph.D.
"Healthcare organizations are likely to increase support for their employees in order to improve patient outcomes. The focus will include transforming employee feedback into meaningful, simplified, and scalable action plans that drive key results, such as better patient experiences and improved financial and health outcomes. Accountability at all levels will be essential. In the end, bold action and workforce prioritization will define the leaders in healthcare's future."

Stephanie Schloemer, Ph.D.
"I anticipate that healthcare organizations will increasingly embrace flexible work as a critical element of their workforce strategies. This shift will involve integrating hybrid and remote options for non-clinical roles, expanding telehealth services, and adopting AI-driven scheduling tools to offer more adaptive, personalized workflows. By redefining traditional employment norms, these changes can improve work-life balance, reduce burnout, and boost employee satisfaction in a demanding field."

There are a variety of techniques that mature healthcare organizations use to capitalize on this connection:

Integrated EX-PX Feedback
Leading organizations are breaking down silos between employee and patient experience data. By implementing integrated listening strategies that span both domains, they can identify shared challenges like workflow inefficiencies, communication gaps, and staffing issues that impact both employees and patients.

Increased Focus on Training
Recent research highlights training satisfaction as the strongest driver of employees' willingness to recommend their facilities as safe places for care. Organizations excelling in patient experience are investing heavily to ensure their workforce has the skills needed to deliver care effectively, particularly as technology continues to reshape healthcare delivery.

Change Management Alignment
With healthcare transformation accelerating, successful organizations are finding ways to connect operational changes back to patient care impact. Rather than focusing solely on business metrics, they're deliberately tying changes to mission fulfillment and community benefit.

Cross-Functional Integration
Forward-thinking organizations are breaking down traditional barriers between employee experience and patient experience teams, creating opportunities for shared insights and coordinated improvement efforts.

Looking ahead to 2025, healthcare organizations must recognize that maintaining patient experience gains requires sustained investment in employee experience.

The rush to remove middle managers will have long-term consequences for employee experience.

Many organizations are targeting middle management layers as an obvious cost-saving measure. However, this approach often overlooks the role these leaders play in building culture, driving engagement, and enabling employee development. The impact of these decisions will become increasingly apparent in 2025 as organizations grapple with unintended consequences.

Our research shows middle managers aren't just conduits of information — they actively balance dual roles as both producers and people managers, with most prioritizing their direct contributions to business output while simultaneously handling significant team oversight responsibilities, talent development, and cultural maintenance.

Removal of the middle manager class creates significant challenges for organizations.

A Growing Career Development Gap
Middle managers play an important role in employee skill development and career progression, particularly for younger workers and those new to the organization. As spans of control increase (sometimes reaching 25 or more direct reports), the quality and frequency of development conversations inevitably decline. This impact is especially pronounced for deskless workers, who already face greater challenges in accessing growth opportunities.

Cultural Disconnects
These leaders serve as translators of organizational strategy, helping employees understand how their work connects to broader business objectives. They also act as early warning systems, identifying and addressing potential issues before they become significant problems. Their removal can create a vacuum in cultural transmission and organizational alignment.

Increased Operational Friction
While efficiency is often cited as a reason for removing management layers, the reality can be counterintuitive. Without middle managers to remove barriers and facilitate cross-functional collaboration, organizations often experience increased inefficiencies as employees spend more time seeking needed resources or securing approvals from more senior leaders.

Organizations contemplating any structural change, including removing middle managers from their hierarchy should measure the impact of those changes using productivity data, employee experience and listening data, and other metrics of business performance. Possible metrics to evaluate these changes include:

Before Structural Change
- Current spans of control and the optimal size by level or role
- Quality and frequency of development conversations
- Perceptions of cross-departmental collaboration effectiveness
- Process efficiency metrics
- Employee well-being indicators, particularly for remaining managers

After Structural Change
- Engagement and belonging scores, particularly among employees whose reporting relationships changed
- Pride in company and willingness to recommend as an employer
- Confidence in change management and senior leadership
- Perceptions of career development opportunities
- Process efficiency and decision-making speed
- Well-being indicators for both employees and remaining managers

Going into 2025, organizations should recognize that while AI and other technology-driven automation can alleviate some administrative tasks, they can never hope to replace the human elements of management — building relationships, providing contextual feedback, and fostering development. Those that have reduced management layers must find ways to preserve these critical functions. Some mitigation of these issues can happen through systems and processes like:

- Providing remaining managers with the tools and resources to lead larger teams effectively,
- Creating structured opportunities for development and feedback,
- Implementing systems and incentives to maintain cross-functional collaboration, and
- Ensuring clear decision-making frameworks when manager access is limited.

Our Expert Predictions:

Rob Beres, M.A.
"As we go forward, many organizations will experience the impacts of recent reductions in force. In such times of considerable change, some organizations pull back from employee listening. However, there's no more important time to listen and act on employee feedback than in these times of change, particularly when middle managers are impacted and spans of control are increased."

Ame Creglow, M.S.
"Organizations that focus on removing people costs solely to achieve financial targets will experience declines in productivity. Organizations that want continued growth will need to ensure managers have the tools necessary to help employees feel connected. They will also have to provide their employees with opportunities to develop the skills necessary to build a personal roadmap for career advancement."

Trend #4

With flexible work dominating headlines, organizations risk leaving deskless workers behind.

As organizations continue to refine flexible work policies, a crucial reality often goes overlooked: the majority of workers don't have the option of location flexibility and they often don't currently have schedule flexibility. These 'deskless' workers — nurses, truck drivers, restaurant servers, construction foremen, etc. — are experiencing a widening equity gap that threatens both employee engagement and business outcomes.

Collaboration Barriers

Deskless workers often miss important opportunities for collaboration. Data shows these workers consistently rate interdepartmental collaboration less favorably than their desk-bound counterparts. This cooperation gap extends beyond just work coordination — it impacts innovation and customer experience as well. Deskless workers, particularly those in manufacturing or customer-facing roles, have creative insights into product improvements and customer needs. Without natural channels to share these insights, organizations miss opportunities for innovation, service agility, and market adaptation.

Career Development Challenges

Deskless workers often lack regular access to leadership, as managers and executives typically work standard business hours or spend significant time in office settings away from frontline operations. For example, store managers may spend most of their time in back offices rather than on the retail floor, or manufacturing leaders may work primarily on the first shift while their teams operate across multiple shifts. This physical and temporal distance means fewer opportunities for the informal development that happens naturally through in-the-moment coaching, impromptu feedback, and spontaneous mentoring conversations. The cumulative effect of missing these learning opportunities can significantly impact career progression, despite workers' skills and capabilities. When leadership isn't regularly present where and when work happens, it becomes harder for them to recognize and develop talent effectively.

Technology Access Gaps

Many deskless workers lack regular access to traditional communication tools like email, making it harder to participate in company dialogue and feedback initiatives. This technological divide can leave them feeling disconnected from broader organizational conversations and decision-making.

Our Expert Predictions:

Zachary Warman, M.S.
"Organizations that choose to prioritize tailored listening strategies for deskless workers will set themselves apart. These employees make up a large share of the workforce, yet their needs often go unaddressed. Ignoring their voices not only risks turnover but also creates missed opportunities to build a truly equitable workplace where everyone feels heard and valued."

Jonathan Elbaz, M.B.A.
"Organizations are going to be increasingly deliberate in fostering innovation to meet the evolving needs of their business. To do so effectively, they need to democratize employee feedback through crowdsourcing and other listening events aimed at getting the perspective of deskless workers who, in many instances, are closest to their customers."

Stephanie Schloemer, Ph.D.
"Technology will continue to empower deskless workers with mobile-friendly tools that enhance efficiency, safety, and connectivity. Real-time communication apps, AI analytics, and Internet of Things (IoT) devices will improve operations and engagement. Healthcare workers will benefit from innovations like remote monitoring, smart hospital systems, and AI support, boosting patient care and performance. Prioritizing intuitive technologies and clear communication will drive productivity, loyalty, and long-term success."

Organizations successfully addressing these challenges are taking several best-in-class approaches:

Tailored Listening Strategies

Organizations are reimagining how they gather feedback from deskless workers, moving beyond traditional email-based surveys to meet workers where they are. This includes implementing mobile-friendly feedback tools with SMS and QR codes, creating dedicated time for off-floor feedback sessions, and using technology that aligns with deskless workers' daily routines rather than requiring access to traditional office tools.

Intentional Leadership Visibility

Taking cues from healthcare's executive rounding practices, organizations are creating structured opportunities for leader-employee interaction. This includes ensuring regular facetime between executives and frontline staff and scheduling consistent manager check-ins to replace the informal coaching moments that naturally occur in office settings. These intentional touchpoints help bridge the visibility gap that often impacts deskless workers' career progression.

Crowdsourcing and Voting

Forward-thinking organizations are implementing crowdsourcing platforms that allow all employees to share and vote on ideas, regardless of location or role. These platforms create channels for real-time feedback on customer needs and operational improvements, ensuring that deskless workers' unique proximity to customers becomes a strategic advantage. Formal ideation processes are being established to replace the spontaneous brainstorming that happens naturally in office settings.

Reimagining Flexibility

While location flexibility may not be possible for all roles, organizations are rethinking flexibility in other meaningful ways. This includes implementing predictable scheduling and shift-swapping tools, expanding benefits to address deskless workers' specific needs, creating clear career pathways that don't depend on physical presence, and establishing structured mentoring programs to replace informal development opportunities typically available to office workers.
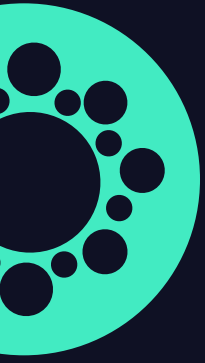
Personalized development is growing, but employee listening data remains the missing link.

The landscape of employee development is undergoing a transformation as organizations face pressure to address talent shortages while meeting rising expectations for personalized learning experiences. Traditional education and one-size-fits-all training programs are insufficient to prepare workers, driving organizations to rethink their approach to development.

This shift comes as employees increasingly expect workplace experiences to mirror the personalization they encounter in their daily lives — from Spotify recommendations to Amazon shopping suggestions. However, while many organizations recognize the need for more targeted development approaches, they often overlook one invaluable resource: their own employee listening data.

Organizations collect vast amounts of feedback through employee engagement surveys, pulse surveys, lifecycle touchpoints, 360 feedback assessments, and candidate experience surveys. This data contains rich insights about individual needs, barriers to success, and development opportunities. Yet many organizations struggle to connect these feedback sources to create truly personalized development experiences.

The impact of this disconnect is significant. Generic development initiatives often result in low engagement and participation, leading to wasted resources and missed opportunities.

Benefits of Hyper-Personalized Development
### Accelerated Speed to Effectiveness
By identifying specific skill gaps and development needs early through onboarding surveys and feedback, organizations can provide targeted support when it's most needed. This is particularly important as organizations hire more individuals without traditional qualifications and need to get them up to speed quickly.

Enhanced Learning Engagement
When development opportunities align with employees' expressed needs and career aspirations, participation and retention of learning content increases significantly. This alignment ensures that development resources are utilized rather than sitting idle.

Stronger Cultural Integration
Early identification of development needs through listening data helps create a learning-oriented culture where employees feel supported rather than penalized for skill gaps. This builds psychological safety and encourages ongoing growth.
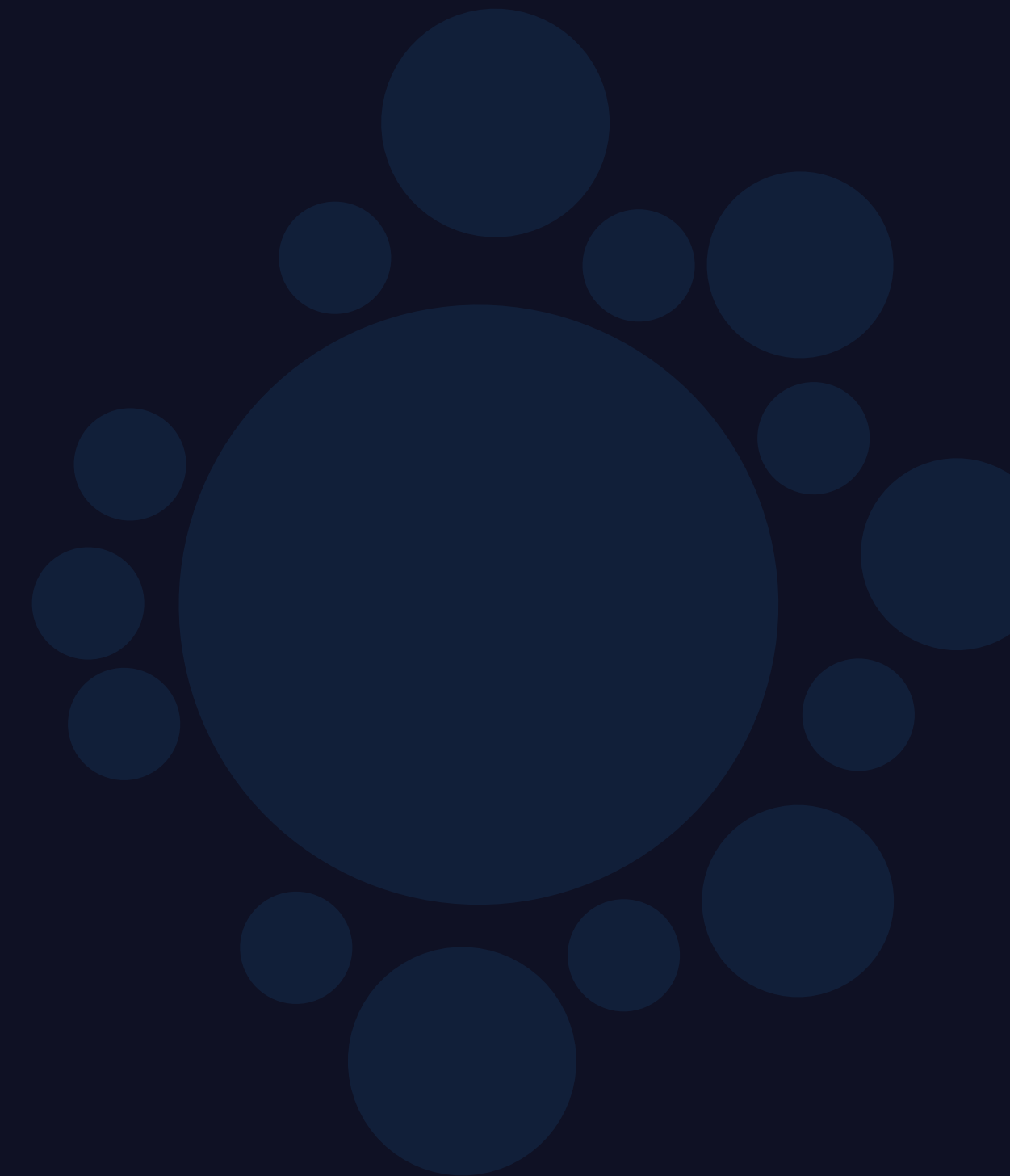
Organizations are using AI to assist in hyper-personalization efforts. AI can be used to identify patterns in employee feedback to match relevant learning resources based on expressed interests, development goals, and challenges. In addition, mature AI can be used to deliver relevant microlearning opportunities right in the flow of work and track participation and effectiveness of those learnings, adapting to the users over time.

However, successful implementation requires organizations to break down silos between their listening and development functions. This means:

- Integrating listening data from multiple sources to create comprehensive views of development needs,

- Involving learning and development stakeholders in survey design,

- Creating feedback loops to evaluate the impact of development initiatives, and

- Using lifecycle surveys to identify critical moments for development intervention.

Our Expert Predictions:

Bradley Wilson, Ph.D.
"The workplace of the future will be defined by hyper-personalized development powered by AI-driven insights that are derived from employee listening. We're going to see companies align individual growth and development goals in a way that really enables people and the organization to thrive. In contrast, those that ignore the employee experience or ignore the data that employees are willing to provide are going to continue to struggle with learning and development resources, underutilization, and ultimately with people who cannot unlock their full potential at work."

Megan Steckler, M.A.
"Hyper-personalized experiences are becoming a standard expectation for employee development. Organizations have a long way to go in catching up to consumer experiences. Those that do this effectively will take advantage of AI and employee listening data to make sure we're serving up content and opportunities tailored to individual focus areas, goals, and learning styles. This shift will empower employees to take greater ownership of their development and engagement."

Employee listening must connect to business priorities to drive real value.

As organizations face increasing pressure to demonstrate return on investment for every initiative, employee listening strategies disconnected from business priorities risk being viewed as dispensable "nice to have" programs rather than strategic imperatives. The challenge isn't just gathering feedback — it's transforming that feedback into measurable business impact.

The stakes are particularly high as organizations navigate cost containment pressures while trying to maintain the employee experience gains of recent years. Simply collecting and reporting employee feedback is no longer sufficient. Organizations need to demonstrate clear linkages between listening programs and business outcomes to justify continued investment and ensure employee voices meaningfully influence business decisions.

Three elements distinguish organizations successfully connecting listening to business impact:

Strategic Alignment from the Start

Leading organizations design their listening strategy around specific business priorities rather than conducting surveys in isolation. For example, if retention is a business goal, the listening strategy might integrate exit surveys, onboarding feedback, and employee census data to understand why people leave, why they stay, and what interventions could improve retention rates. This targeted approach ensures every listening activity generates actionable intelligence that drives business objectives.

Integration of Business Metrics

Forward-thinking organizations are moving beyond standalone employee feedback to create integrated listening ecosystems that incorporate business performance data. In customer service environments, this might mean analyzing how employee experience metrics correlate with customer satisfaction scores and first-call resolution rates. In retail settings, organizations are examining connections between store-level employee feedback and financial performance to identify cultural factors that drive business success.

Stakeholder Partnership

Rather than treating listening as an HR initiative, successful organizations actively involve business leaders in designing listening strategies. This ensures programs address leaders' specific questions about their workforce and provide actionable insights for decision-making. Some organizations use crowdsourcing to generate grassroots solutions to business challenges, demonstrating how employee feedback can directly drive operational improvements.

The impact of this integrated approach is becoming increasingly measurable. Organizations have documented clear connections between employee recognition programs and retention rates, allowing them to quantify the ROI of culture investments. Others have identified specific aspects of employee experience — such as access to resources and manager support — that directly influence customer satisfaction metrics.

However, this transformation requires new capabilities. Organizations need:

- Advanced analytics skills to connect employee feedback with business metrics,
- Strategic acumen to design listening programs around business priorities,
- Change management expertise to turn insights into action, and
- Leadership engagement to ensure findings influence decision-making.

Our Expert Predictions:

Lauren Beechly, Ph.D.
"Organizations that will be the most successful at integrating their listening strategy with their business goals will do three things differently. First, they'll align their listening strategy to business priorities from the start. Second, they'll involve key stakeholders in designing the strategy to answer their critical questions. Third, they'll bring in business metrics to understand and demonstrate the impact of employee experience on business outcomes that matter."

Ellen Lovell, Ph.D.
"Simply reporting employee feedback is not enough. We know that practice is table stakes. To drive real impact, organizations are going to need to connect different data sources for true insights and then take meaningful action. Leading companies will integrate feedback with business metrics like productivity and retention, turning data into measurable results. We don't just need to listen, we need to act, connect, and transform the business."

Power has shifted back to employers — how they use it will define their future success.

A significant shift in workplace power dynamics is underway as market conditions evolve, but our work with the world's leading organizations reminds us that this is a complicated story. While overall employee engagement remains relatively stable, there's a concerning decline in employee advocacy and pride. Our recent benchmark analysis shows that although intent to stay has increased — likely reflecting economic uncertainty — willingness to recommend employers and pride in company have both declined, particularly in organizations where employees feel pressed for goals without adequate support.

This decline in advocacy coincides with decreasing confidence in leadership and psychological safety, especially in organizations that have experienced layoffs or resource constraints. The pattern suggests that while economic conditions may keep employees in their roles, their emotional connection to their organizations is weakening. This disconnect could have far-reaching implications, as employee advocacy is strongly correlated with customer loyalty and brand perception.

As employers gain leverage in the labor market, many are tempted to roll back pandemic-era gains in flexibility and employee support. Some, inspired by the likes of Tesla and Amazon, are implementing strict return-to-office mandates or reducing investments in well-being programs. However, research indicates these actions may have disproportionate impacts on underrepresented groups, potentially eroding progress made in diversity, equity, inclusion, and belonging (DEIB).

The most forward-thinking organizations recognize that maintaining strong employee experiences isn't at odds with business needs — it's a driver of sustained success. While market pressures may create short-term incentives to prioritize cost-cutting over employee experience (with stock prices often rising on news of layoffs), this approach risks long-term damage to culture and performance.

Leaders who successfully navigate this transition will direct their attention to areas such as:

Transparent Communication
Grounding decisions in organizational values and clearly articulating the rationale for changes

Sustained Employee Listening
Using employee feedback as a compass to guide decisions and maintain open dialogue

Balance of Stability and Change
Anchoring on enduring elements like mission and values while implementing necessary changes

Equitable Impact
Ensuring that policy changes don't disproportionately affect certain employee groups

Authentic Leadership
Demonstrating genuine empathy and understanding while making difficult decisions

The concept of loss aversion is relevant here — research shows that the pain of losing something is perceived as twice as powerful as the pleasure of gaining something equivalent. Smart leaders will recognize this dynamic and focus not just on communicating disruptive changes, but on repeatedly emphasizing what will remain stable and consistent.

Our Expert Predictions:

Bradley Wilson, Ph.D.
"Responsible leaders will resist the urge to make changes solely based on what the market allows. The organizations that maintain their commitment to transparency, flexibility, and fairness won't just retain top talent — they'll strengthen their reputation and competitive position for the long term."

Ava Jones, Ph.D.
"Organizations and leaders who thrive in 2025 will have a well-thought-out strategy for change. The most successful will keep change simple, smooth, and social, while anchoring on what endures — their mission, vision, and core values. Although how we work may evolve, the foundations of strong leadership remain constant."

Trend #8
Skills-based hiring will drive a fundamental shift in career development.

The traditional career ladder has changed into something more fluid and dynamic, driven by the widespread adoption of skills-based hiring practices. This shift represents more than just a change in hiring preferences — it signals a transformation in how organizations approach talent development, internal mobility, and career progression.

The impact can be seen across multiple fields. In manufacturing and technical fields, where high-demand skills like specialized welding or soldering can command premium compensation regardless of formal education. This de-emphasis on degrees in favor of demonstrated capabilities is reshaping both external hiring and internal development practices. On the other hand, office workers may find themselves exploring different departments or business units, rather than aiming for a spot in management.

However, this transition creates new challenges for measuring and supporting employee growth. Traditional annual reviews and manager-driven development conversations are proving insufficient for employees pursuing portfolio-based careers consisting of multiple short-term projects or role transitions.

Organizations are responding by implementing more sophisticated approaches, including:

- AI-enabled talent marketplaces that automatically match employee skills with internal opportunities,
- Real-time employee listening systems that provide continuous insight into skill development,
- Project-based staffing models that enable employees to gain experience across functions, and
- Frameworks for validating and documenting skill acquisition.

The healthcare sector offers an example of this evolution, where organizations are creating customized career pathways that allow technically skilled workers without degrees to advance through certification and targeted skill development. These pathways often cross traditional departmental boundaries, creating more flexible career trajectories based on capability building rather than hierarchical progression.

Our Expert Predictions:

Stephanie Schloemer, Ph.D.
"Skills-based hiring is going to prioritize expertise over credentials, with portfolio careers recognized for their adaptability and impact. More organizations will adopt fluid career models leveraging AI for personalized guidance and real-time feedback. Internal marketplaces will enable mobility through short-term projects and mentorships. Companies will focus on skill verification and help employees frame portfolio experiences as strategic growth. HR will balance flexible structure, making adaptability and continuous learning central to career development."

Mary Ann Bucklan, M.S.
"More employers will start to embrace skills-based hiring practices as a means of addressing talent needs. Hiring for a collection of skills rather than for a particular job function widens the talent pool and removes barriers for candidates who don't have access to traditional degrees. It can also facilitate internal movement within an organization based on skills and skill acquisition."

Trend #9

ESG initiatives are becoming core to the employee value proposition, especially for younger workers.

Environmental, Social, and Governance (ESG) initiatives have evolved beyond traditional Corporate Social Responsibility (CSR) programs to become a crucial element of an organization's employee value proposition. This shift is particularly pronounced among younger workers, who seek employers whose values and actions align with their beliefs about sustainability, ethical governance, and social impact.

The emphasis on ESG is driven by a convergence of workforce and marketplace dynamics. Millennials and Gen Z workers (born between 1981-1996 and 1997-2012, respectively) are notably more purpose-driven than previous generations, considering an organization's commitment to sustainability and ethical practices when making employment decisions. This extends beyond the workplace — these same employees often make consumer choices based on companies' demonstrated commitment to environmental and social causes. Organizations that have adopted sustainable practices are seeing tangible benefits (i.e., "doing well by doing good"), with some studies showing they are outperforming competitors financially.

While some organizations were the first to the table with sustainability initiatives, others have been slow to embrace an ESG mindset. For those slow to embrace, this can create challenges. Some sectors, like offshore energy, report difficulty attracting talent due to perceptions about environmental impact. Meanwhile, smaller, more dynamic organizations and those in sectors like healthcare are leveraging their community impact and sustainability initiatives as key differentiators in the war for talent.

The landscape of ESG priorities continues to evolve with the broader societal context. Just as social justice issues gained prominence following the Black Lives Matter protests, different aspects of ESG will continue to rise and fall in importance with changing political and social climates. This dynamic nature underscores the importance of maintaining an active listening strategy to understand what matters most to current and potential employees.

To better understand what employees expect from and feel about an ESG program, it's important to ask them. To effectively measure and act on ESG perspectives and priorities, organizations need a multi-channel approach to gathering employee feedback:

Candidate Surveys
Both successful and unsuccessful candidates can provide valuable insights into how ESG initiatives influence employment decisions. Even adding a single item about social or climate concerns to existing surveys can yield meaningful data.

Employee Listening Programs
Regular employee feedback helps organizations avoid "greenwashing" — the perception that ESG commitments are merely superficial. Organizations should consider incorporating ESG-related questions into census surveys and topical pulses.

Crowdsourcing
ESG initiatives can spur innovation, and organizations should create channels for employees to suggest sustainable practices and improvements.

Open-ended Feedback
When survey space is limited, open-ended questions often reveal emerging ESG concerns. For example, many organizations saw an increase in comments about corporate policies following the Supreme Court's *Dobbs v. Jackson Women's Health Organization* (2022) decision on federal abortion regulation, indicating employees' growing expectation that employers take specific stands on certain social issues.

Moving forward, the connection between ESG and belonging will continue to grow in importance. Just as many organizations are shifting their diversity efforts to focus more on belonging, ESG initiatives are becoming part of how employees feel connected to something larger than themselves. This presents an opportunity to better integrate Employee Resource Groups (ERGs) with ESG initiatives, as ERG members often show higher engagement and can be powerful advocates for organizational change.

For organizations looking to strengthen their ESG initiatives, our experts had several pieces of advice.

Align actions with stated values
Avoid the perception of greenwashing by ensuring ESG initiatives are backed by concrete actions and measurable outcomes.

Involve ESG stakeholders in employee listening
While many organizations routinely involve DEI and culture stakeholders in survey design, ESG leaders are often overlooked. Their involvement is crucial for creating meaningful measurement strategies.

Consider industry context
Organizations in industries perceived as less environmentally friendly may need to work harder to demonstrate their commitment to sustainability and positive social impact.

Enable employee-driven initiatives
Create channels for employees to contribute to ESG efforts, particularly through ERGs and innovation programs.

Our Expert Predictions:

Crystal Perel, M.A.
"ESG practices will no longer be merely branding initiatives, but will become the core differentiator of leading organizations' competitive advantage. It's all about purpose, trust, and impact. When employees see their personal values reflected in their organization's actions, they don't just stay, they thrive. ESG isn't a box to check. It's the bridge to attracting, engaging, and retaining your best talent."

Michelle Mullins, M.A.
"Employees and candidates will be looking for more than just a job. They'll be looking for organizations that meaningfully impact the world. How can you be one of those organizations? Authenticity is the key. Authenticity means aligning your actions with your organization's mission, vision, and values."
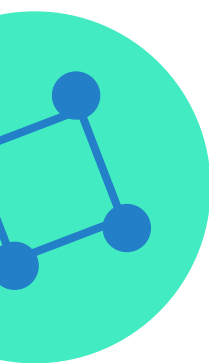
Caregivers need more than programs — they need structural support and career protection.

The conversation around supporting caregivers in the workplace has evolved beyond traditional benefits packages to encompass deeper structural challenges that impact both well-being and career progression. While organizations have focused on implementing caregiver support programs, the data reveals a more complex picture: a vast majority of children under age six have all available parents in the workforce, and working mothers perform the equivalent of two full-time jobs when combining paid work outside the home with domestic responsibilities.

The impact on caregiver well-being is significant and measurable. A 2022 Harris Poll showed that 42% of working mothers experience depression and/or anxiety — a rate significantly higher than the general population at 28%. This mental health challenge is particularly concerning as 23% of Americans report that caregiving has made their health worse. However, the consequences extend beyond immediate well-being to create what many term a "vicious cycle" of career impact.

Caregivers, particularly those with young children or elder care responsibilities, are experiencing career stagnation due to reduced visibility with leadership and decreased access to informal networking opportunities. The challenge is especially pronounced for working mothers, who often miss out on after-hours team building events where many promotion discussions occur. The compounding effect is clear: caregivers face both immediate well-being challenges and long-term career implications, creating a cascade of negative impacts on financial, physical, and mental health.

Organizations that have implemented targeted employee listening and actioning strategies are uncovering these deeper patterns. Through carefully designed employee surveys that identify caregiver status and track experiences around leave and return-to-work transitions, employers are finding significant differences in how caregivers perceive their career opportunities and sense of belonging. This is especially evident during critical transition periods, such as returning from parental leave, when employees report feeling disconnected from organizational changes and struggling to reestablish their workplace identity.
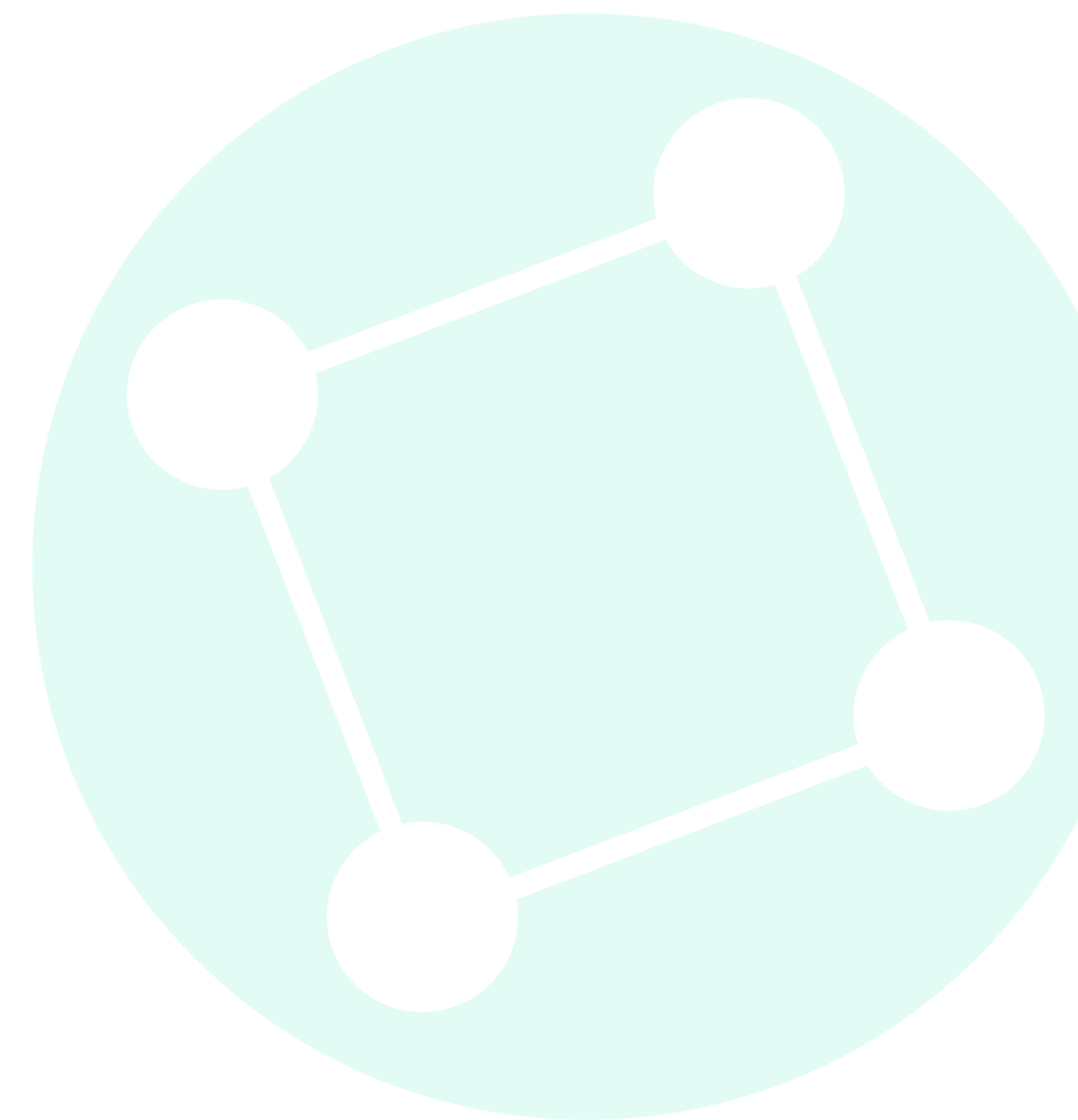
Some organizations are finding success with innovative approaches that go beyond traditional benefits:

- Lifecycle-triggered support systems that automatically check in with employees during major life transitions
- Peer support programs pairing returning caregivers with those who have navigated similar transitions
- Flexible benefit structures that allow all employees — not just caregivers — to customize their support package based on current life circumstances
- Manager training focused on providing personalized support while maintaining fairness and inclusion

The key to success appears to be creating infrastructure that enables flexibility while empowering managers to provide individualized support. This approach helps avoid the perception that caregiver support comes at the expense of other employees, while ensuring that those who need additional flexibility can access it without stigma.

Our Expert Predictions:

Michelle Mullins, M.A.
"Successful organizations will continue to increase the attention paid to employees' unique circumstances, expanding benefits to meet growing expectations of all workers, including caregivers. They will also focus on empowering managers to provide personalized support, ensuring every employee feels valued and supported. Managers who demonstrate empathy, compassion, and tailored consideration will play an essential role in enabling employees from all circumstances to thrive."

Liz Culhane, Ph.D.
"If organizations fail to prioritize support for working parents, the resulting disengagement and burnout could mark the tipping point where the workforce silently votes with their feet, leaving employers struggling to attract and retain talent in a rapidly changing workforce."

What's Next for Today's Leaders?

Artificial Intelligence. Human Connection. Equity. Career Protection. These emerging trends in our research reflect a workplace at a crossroads, where organizations must balance technological advancement with fundamental human needs. As we look toward 2025 and beyond, the challenge isn't just managing change — it's ensuring that change serves human connection and development, rather than supersedes it.

The trends we've identified point to several imperatives for organizations. First, they must resist the temptation to view AI as a replacement for human judgment and connection, instead leveraging it to enable more meaningful human interactions. Second, they need to address growing fragmentation in the employee experience, ensuring that initiatives supporting flexible work don't come at the expense of deskless workers, and that career progression remains accessible to caregivers and others with non-traditional work patterns.

Third, organizations must demonstrate clear business value from their people initiatives while maintaining their commitment to employee experience. Whether it's through ESG programs that authentically engage younger workers, listening strategies that drive measurable business outcomes, or development programs that build critical skills, the focus must be on impact rather than implementation.

The organizations that thrive will be those that can maintain this balance — using AI to enable rather than replace human connection, leveraging data while preserving empathy, and pursuing efficiency without sacrificing engagement. Whether you're a middle manager navigating an expanded span of control, a healthcare leader trying to maintain patient experience gains, or an HR professional implementing new listening strategies, success depends on understanding and addressing these trends in ways that strengthen rather than diminish the human elements of work.

In an era when technology makes personalization increasingly possible, the most successful organizations will be those that use these capabilities to create more human — not less human or more inhumane — workplaces. The future of work isn't about choosing between technology and human connection — it's about leveraging one to enhance and elevate the other. We can do both, but we must do so wisely, well, and with as much actionable employee listening data at our disposal as possible.

About the Principal Author

Emily Killham, M.A. - Senior Director, Head of the Center for Workforce Transformation.

Emily has dedicated more than two decades to fostering better workplaces through data-driven insights. Her career, marked by a deep understanding of the links between employee experience and organizational success, has included partnering with some of the world's largest organizations, spanning all major industries and geographies. Centered on solving complex challenges through empirical analysis, Emily's expertise in quantifying the impacts of the worker experience on key business outcomes — such as profitability, productivity, turnover, customer loyalty, safety, and absenteeism — has made her a leading voice in the study of the employee experience. She has authored numerous reports on the efficacy of employee listening and action, and is a frequent contributor to discussions on the future of work within HR, tech, and business media outlets such as Forbes, SHRM, The Wall Street Journal, Fast Company, and the BBC.

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Perceptyx

Perceptyx is the Employee Experience (EX) transformation company, providing enterprise-grade employee listening, analytics, and behavioral science that activates people and delivers business impact. More than 600 global enterprises, including one-third of the Fortune 100, use Perceptyx's multi-channel employee listening, AI-powered recommendations, and personalized coaching to close the loop between insights and action. With an unrivaled technology platform and an in-house team of EX Experts, Perceptyx makes it easy for managers, HR executives, and business leaders to align their key business and talent priorities and drive positive organizational change.

For more info, or to speak with a member of our team, visit www.perceptyx.com.

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