McLEAN &
COMPANY

HR 2025 TRENDS

PREVIEW

HUMAN-CENTRICITY IN A COMPLEX DIGITAL WORLD

Introduction

Since 2011, McLean & Company has published an annual HR trends report, equipping HR leaders with the data and insights needed to ensure their organizations are prepared to thrive in the year ahead and beyond.

In a time marked by economic and political shifts, evolving technology, and a growing need for human-centric work practices, HR leaders are constantly called on to rethink priorities and approaches.

We are pleased to share this preview of the HR Trends Report 2025, grounded in the perspectives of 779 HR and business professionals from many regions and industries. The full report will be an important resource for leaders to better understand the shifting HR landscape and make informed decisions that will enable them to foster workplaces where everyone thrives.

Learn more about McLean & Company's HR Trends Report 2025

The full report with more detailed data and insights on HR trends and priorities will be published on January 7, 2025. For more information on practical actions and solutions you can act on today as you lead HR into the future of work, check out McLean & Company's HR Trends Resource Center.

Register for our complimentary webinars

HR Trends 2025: January 16, 2025, at 1 pm ET
HR Trends 2025: January 23, 2025, at 1 pm ET

Connect with your account representative to discuss how these trends will influence your priorities in 2025.

About

McLean & Company is the trusted partner of HR and leadership professionals around the world.

Our memberships are designed to provide what you need to drive the organization forward – from full-service assessments to practical action plans, impactful training, and more.

When you pair our comprehensive resources with our collaborative services, there's nothing between you and your goals. As a partner, we listen first to understand your situation, then guide you through each step of the way so you get where you want to be, faster and with confidence.

At McLean & Company, we're passionate about empowering leaders like you to shape a workplace where everyone thrives.

McLean & Company is a division of Info-Tech Research Group Inc.

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This preview of McLean & Company's HR Trends Report 2025 covers the following four sections that represent the most pressing and relevant HR trends and priorities in 2025 and beyond:

Read through this preview for an early view into the key data, findings, and insights that will be explored in greater depth in the full HR Trends Report, launching on January 7, 2025.

HR in 2025: Adapting to New Demands

As organizations navigate continued economic pressures and a labor market where skilled talent is both scarce and expensive, HR organizations are focused on developing internal talent pipelines, retaining employees, and managing labor costs.

The full report will delve into the top organizational priorities, HR's strategic leadership, and key challenges HR must overcome to help the organization meet the demands of 2025 and beyond.

This preview outlines the top organizational priorities for HR in 2025, as well as HR's low proficiency in a crucial strategic competency.

The top two HR priorities for organizations have shifted, while "controlling labor costs" remains constant

Top priorities for organizations in 2025

n=719

01 Developing leaders

02 Retaining employees*

03 Controlling labor costs

Top priorities for organizations in 2024

n=1,193

01 Recruiting

02 Providing a great employee experience

03 Controlling labor costs

HR's key strategic contribution will be driving talent development and retention. A focus on these top priorities will reduce recruiting expenses, helping to control labor costs while ensuring the organization has the talent and leadership required for 2025 and beyond.

The remainder of the top organizational priorities in HR will be explored and analyzed further in the full HR Trends Report 2025. In the meantime, explore related McLean & Company resources:

HR Trends Report 2024
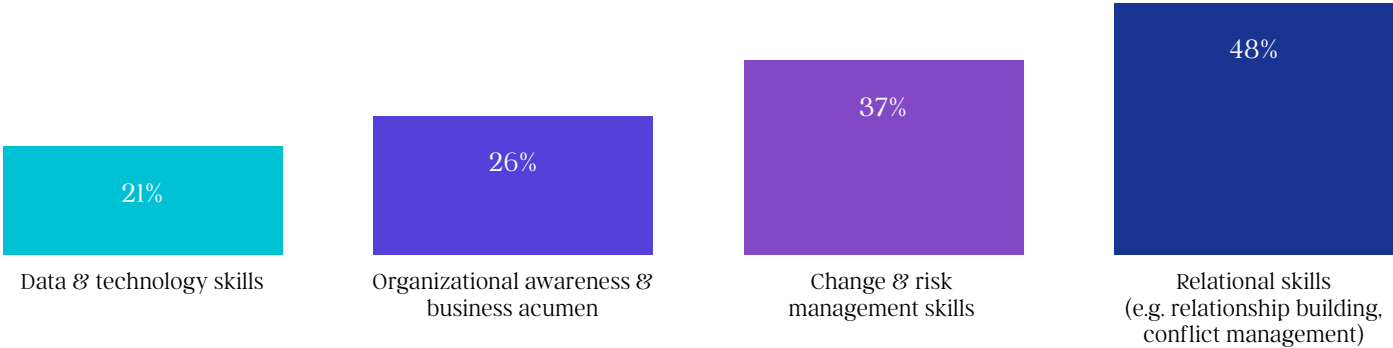
Build Impactful Leadership Development Programs

Develop an Effective Talent Retention Plan

Optimize HR Costs

*Retaining employees is a newly added item in 2025.

HR's data and technology skills are lagging behind

Out of several key HR skills and competencies, HR is least effective at data and technology skills. *n=759-771*

21%	26%	37%	48%
Data & technology skills	Organizational awareness & business acumen	Change & risk management skills	Relational skills (e.g. relationship building, conflict management)

As a result, HR's ability to facilitate data-driven people decisions for the organization remains stagnant.

Percentage of HR organizations highly effective at facilitating data-driven people decisions:

2023	2024	2025
29%	**29%**	**29%**
n=1,059	*n=1,330*	*n=766*
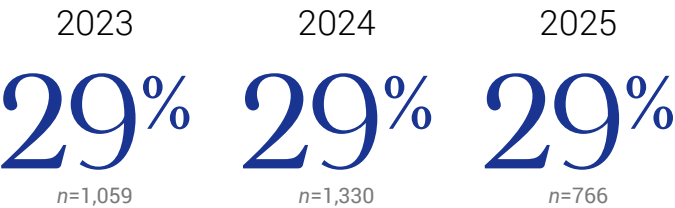
HR respondents report their own proficiency in data and technology skills to be lacking. While this may not be surprising, the lack of progress over the past three years certainly is concerning. To harness AI advancements and leverage large amounts of data effectively, investing now in a data-literate, tech-savvy HR workforce is essential.

HR's proficiency in data and more will be explored and analyzed further in the full HR Trends Report 2025. In the meantime, explore related McLean & Company resources:

HR Technology Resource Center

Use Dashboards to Become a Data-Driven HR Function

Learning Content: Data Literacy for HR Professionals

HR Metrics Library

Human Leadership in a Complex Digital World

The role of leaders is evolving, with a heightened focus on helping employees achieve growth, purpose, and fulfillment, all while caring for their wellbeing and experience.

The full report will explore leaders' current proficiency levels in human-centric leadership competencies and the key challenges organizations are facing in developing those competencies. Strategies for HR to overcome leadership development roadblocks and improve leadership proficiency will also be examined.

This preview shines a light on the gap between the importance of leadership and the current state of leadership development across organizations, as well as the importance of a strong HR organization in fostering strong leaders.

Prioritizing leadership development is one thing; delivering on it is another

#1 **Developing the organization's leaders** was ranked as the highest organizational priority (*n*=719).

73% of leaders feel that their skill sets will need to **change completely or almost completely** to adapt to the future of work in 2030 (McLean & Company's The Future of Work Report, *n*=452).

Despite the importance of leadership, only...

32% of respondents report **HR is highly effective at developing the organization's leaders** (*n*=768).

Effective leaders who possess the skills and competencies to help others thrive in today's increasingly complex environment are of critical importance for organizations. This gap must be closed to prepare the organization for 2025 and beyond.

A deeper investigation into leadership effectiveness and HR's role in developing leaders can be found in the full HR Trends Report 2025. In the meantime, explore related McLean & Company resources:

Develop a Leadership Strategy to Drive Organizational Results

Facilitated Training: Management Fundamentals

Facilitated Training: Essentials for Leaders of Leaders

Learning Content Library
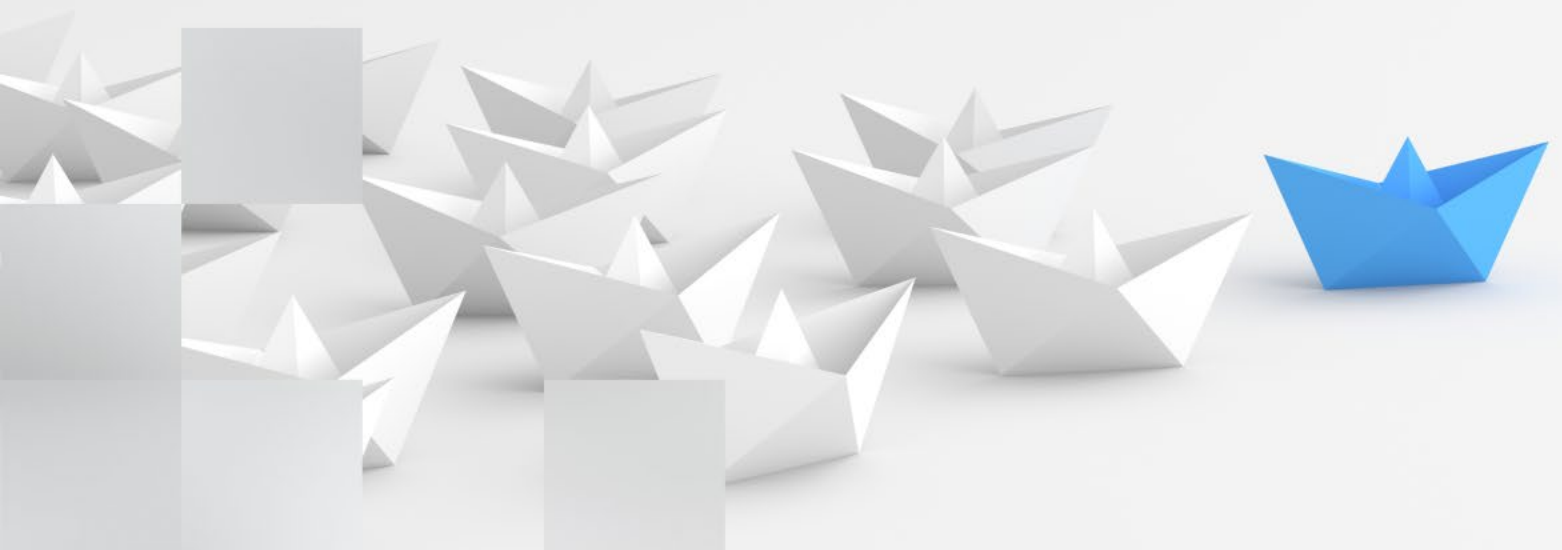
Failing to effectively develop leaders risks decreased organizational performance

When HR excels at leadership development, organizations are...

n=698-763

2.3ˣ more likely to be high performing at changing quickly to capitalize on new opportunities.

1.9ˣ more likely to be high performing at achieving strategic goals and objectives.

1.8ˣ more likely to be high performing at cost optimization.

1.7ˣ more likely to be high performing at revenue growth.

1.6ˣ more likely to be high performing at overall organizational performance.

HR's effectiveness at developing leaders has an immense impact on financial outcomes like optimizing costs and growing revenues. The case for increasing investments in HR's ability to develop leaders is clear.

The organizational impacts of HR's effectiveness at developing leaders will be discussed in more detail in the full HR Trends Report 2025. In the meantime, explore related McLean & Company resources:

Diagnostic: HR Organizational Alignment Diagnostic

Facilitated Training: Elevate HR

Facilitated Training: Strategic HR Essentials

AI Transformation in HR

With technologies, including AI, accelerating at an unprecedented rate, HR has a significant role to play in organizational technology enablement.

The full report will discuss HR's critical role in the organization's adoption of AI, as well as the importance of taking a strategic approach to AI adoption within HR. Key use cases where AI can effectively be leveraged to enhance employee experience outcomes will also be explored.

This preview explores the gaps HR must close to effectively harness the potential of AI, from having a formal AI strategy to improving HR's technology enablement competence.

The allure of artificial intelligence has led to a rise in its adoption. Yet very few are approaching it strategically

42% of HR respondents are **currently using AI** (e.g. generative AI, robotic process automation, advanced analytics) in their departments (*n*=685).

However, only...

7% of respondents report that their HR organization has a formal, documented AI strategy that is broadly communicated and is the main driver for relevant initiatives (*n*=646).

Many HR organizations have been eager to capitalize on AI's potential, but few have done so with a structured, strategic approach. HR must develop a strategic AI roadmap to maximize value, mitigate risks, and prepare the organization for the future.

The competitive advantage that can be achieved from having a formal AI strategy will be discussed in the full HR Trends Report 2025. In the meantime, explore related McLean & Company resources:

Build a Strategic AI Roadmap

Develop a Holistic Digital HR Strategy

Develop Responsible AI Guiding Principles

HR plays a key role in helping the organization adopt AI, but HR's effectiveness in technology enablement remains low

HR's effectiveness in technology enablement was ranked...

8th out of 8 across the key strategic skills and competencies surveyed (*n*=764).

This is a missed opportunity – when HR is highly effective at this competency, they are also...

4.1X more likely to be highly effective at enabling the **organization's adoption of new technology** (*n*=751).

HR's ability to play a crucial role in the selection, implementation, and use of advanced technologies will be critical in enabling success for organizations. This responsibility makes the need for HR to close the gap in its technology enablement competency stronger than ever.

Strategies to address this gap and prepare HR to lead the organization's AI adoption will be discussed in the full HR Trends Report 2025. In the meantime, explore related McLean & Company resources:

HR Technology Resource Center

Introduction to AI for HR

AI Preparation Guide for HR

Navigating Multiple Threats to Wellbeing

As the external environment increasingly affects employees' lives both at work and at home, organizations are called to play a leading role in supporting holistic wellbeing.

The full report will examine the external complexities threatening employee wellbeing and the ways organizations are addressing those needs. The crucial contributions of HR in developing a formal wellbeing strategy and enacting employee listening efforts will also be discussed.

This preview outlines some of the top threats to employee wellbeing and how organizations have reacted by changing investments in those areas.

Economic uncertainty puts immense pressure on workers. Organizational investments in financial wellbeing are falling short

70%

of respondents report **economic instability as one of the largest threat to the wellbeing of their workforce** (*n*=715).

Despite this concerning trend, financial wellbeing was ranked...

6th out of 6

among wellbeing dimensions that have received increased investment (*n*=273).

While additional investments into any wellbeing dimension will never be a wasted effort, HR must lead the way in uncovering what the workforce truly needs. This will be critical to ensuring investments are directed into wellbeing programs and initiatives that will make a difference for employees.

The full spectrum of threats to wellbeing and tactics to respond to them are explored in the full HR Trends Report 2025. In the meantime, explore related McLean & Company resources:

Create a Holistic Employee Wellbeing Program

Develop an Employee Listening Strategy

Workplace Wellness Survey

Legislative and political shifts have added complexities to supporting employee wellbeing

With many geopolitical changes, it's no surprise that legislative and political shifts were seen as the 3rd and 4th largest threats to employee wellbeing: *n=715*

#3
New legislation

Legislative changes can heighten stress and anxiety for employees, especially if new laws result in the removal of available offerings such as employer- or state-sponsored benefits.

#4
Political issues

Political shifts can heighten political discourse in the workplace; differing views can threaten interpersonal relationships, sense of belonging, and mental wellbeing.

Organizations recognize the impact that the intensity of differing views can have on employees' mental health and have responded accordingly:

86%
of organizations report that they have significantly increased their investments in the mental wellbeing dimension (*n=278*).

New legislation and political issues continue to impact employee wellbeing. These complexities require the organization to adapt their wellbeing resources to manage the impact on employees' interpersonal relationships, workplace presence, and overall mental health.

A fuller examination into how organizations have responded to these external threats will be discussed in the full HR Trends Report 2025. In the meantime, explore related McLean & Company resources:

[Create a Holistic Employee Wellbeing Program](#)

[Develop an Employee Listening Strategy](#)

[Workplace Wellness Survey](#)

One Partner to Optimize the Impact of HR

Who is McLean & Company?

We are the fastest-growing research and advisory organization for HR executives and their teams. We deliver comprehensive HR solutions that enable clients to elevate the execution and delivery of HR strategies and key initiatives.

What differentiates McLean & Company from others in this space?

We meet you where you are. In addition to world-class research and expert partnership, membership includes:

- Topical and timely manager and employee training content that is compatible with most learning management systems.

- McLean Academy, an unrivaled online development program for HR team members.

- Flexible and comprehensive advisory services, including guided implementations.

… all at a highly competitive price point.

How do we deliver extraordinary value to clients?

Our value proposition is clear – we pair evidence-based research and immediately applicable tools with deep HR expertise. McLean & Company's scalable team solutions allow clients to accelerate attainment of goals and completion of key initiatives.

Who does McLean & Company serve?

We have clients across all industries, covering the spectrum of organizational size and complexity. Whether you are a multinational enterprise, a government entity, or a fast-growing startup, our solutions scale to meet your needs.

What is the impact of a McLean & Company partnership?

Our clients have greater influence at the executive level, deliver effective talent solutions faster, and produce more direct and positive impacts on business objectives.

"We made more progress with the Digital HR Strategy workshop in one week than we would have in three months. The information and materials were excellent, and the research was top notch and easy to understand. Our facilitators were very knowledgeable and engaging. They asked great probing questions and were able to pivot as needed. The workshop helped us to understand what we can accomplish when we work together. It was an overall excellent experience."

Senior Vice President, Human Resources – Pharmaceuticals Manufacturing

"

My Executive Counselor is a thoughtful listener, really understands the challenges my company is facing, and provides valuable insights and approaches, enabling me to best leverage McLean's resources and advance my company's talent agenda."

Vice President, People – Software

"

I really appreciate having access to someone that 'gets it.' The Advisor I worked with on our Diversity, Equity, and Inclusion practices was wise and authentic in their approach. I am very thankful to have a thought partner in McLean."

Vice President, Diversity, Equity & Inclusion – Not-for-Profit

How are the core services structured?

Through a tiered, seat-based membership structure, McLean & Company meets the needs of all HR professionals:

Executive Counselor

Designed specifically for the most senior HR leader. A dedicated Executive Counselor partners with you to develop, enhance, and execute your business-aligned HR strategy.

Leadership

Created for HR leaders – vice presidents, directors, and managers. A dedicated Executive Advisor will curate the most relevant research and provide a custom key initiative plan based on client priorities. We couple that with ongoing support and counsel, which results in our clients driving positive impacts on the employee experience.

Advisory

Developed for team members accountable for delivering on HR initiatives within their functional area and supported by expert advisors and guided implementations.

What other services does McLean & Company offer?

Workshops

Delivered onsite or virtually, our workshops have a proven approach that helps you to accelerate your most pressing HR initiatives.

Diagnostics

Our suite of survey tools will allow you to gather data – including new hire, engagement, and exit insights – from your workforce. You'll also be able to turn feedback from key business stakeholders and the HR team into actions that drive organizational performance.

Learning Solutions

Our comprehensive set of development programs for managers, managers of managers, and HR professionals can be delivered through a variety of mediums to meet an array of organizational needs.

Development Coaching

Our one-on-one coaching program with certified and seasoned coaches supports the development of leaders to identify their career goals, enhance leadership skills, and increase self-awareness.

Learn more at mcleanco.com

*We offer DEI-specific options within our workshops, diagnostics, and learning solutions.