

3

Megatrends Shaping the Future of Work

2025 Megatrends by UKG



[Click here to begin](#)



At UKG, we know that people are the real drivers of organizational success.

Through extensive collaboration, research, and analysis — along with one-on-one conversations with leaders and HR practitioners at organizations of all sizes — UKG determines which workplace trends are likely to impact organizations and employees across the global workforce in the year ahead. As a result of this concerted effort, UKG has identified three Megatrends set to shape workplaces worldwide in 2025 — and provides a roadmap for how to successfully navigate them.



MEGATREND 1

**THE ESCALATING GLOBAL
LABOR DEFICIT:**
REIMAGINING TALENT
ACQUISITION

MEGATREND 2

**THE AMPLIFIED EMPLOYEE
EXPERIENCE IMPERATIVE:**
UNLEASHING
ENGAGEMENT

MEGATREND 3

**THE HUMAN-AI
ADVANTAGE:**
UNLOCKING
PRODUCTIVITY



The Escalating Global Labor Deficit: Reimagining Talent Acquisition

In many countries, organizations across multiple industries report a talent scarcity that is making it difficult to recruit employees. Reasons for the shortage include demographic dynamics, geographic imbalances, skills gaps issues, shifting labor force participation rates, and changing employee expectations. This talent deficit is expected to grow significantly over the next decade.

THE PATH FORWARD:

Organizations must act now to implement a multifaceted talent acquisition strategy that will help them address the current talent shortage while simultaneously preparing them for what will inevitably become a much more challenging situation.



75%

of employers globally are having challenges filling open roles.

SOURCE: [Manpower Group](#)

92

is the number of workers for every 100 open jobs in the U.S.

SOURCE: [U.S. Chamber of Commerce](#) as of December 2024

85.2 million

is the number of jobs that could go unfilled by 2030, based on the global talent deficit.

SOURCE: [Korn Ferry](#)

61%

of manufacturers say they're struggling to fill critical labor gaps.

SOURCE: [UKG](#)

85%

of retailers say labor shortages impact their ability to meet customer service expectations.

SOURCE: [UKG](#)

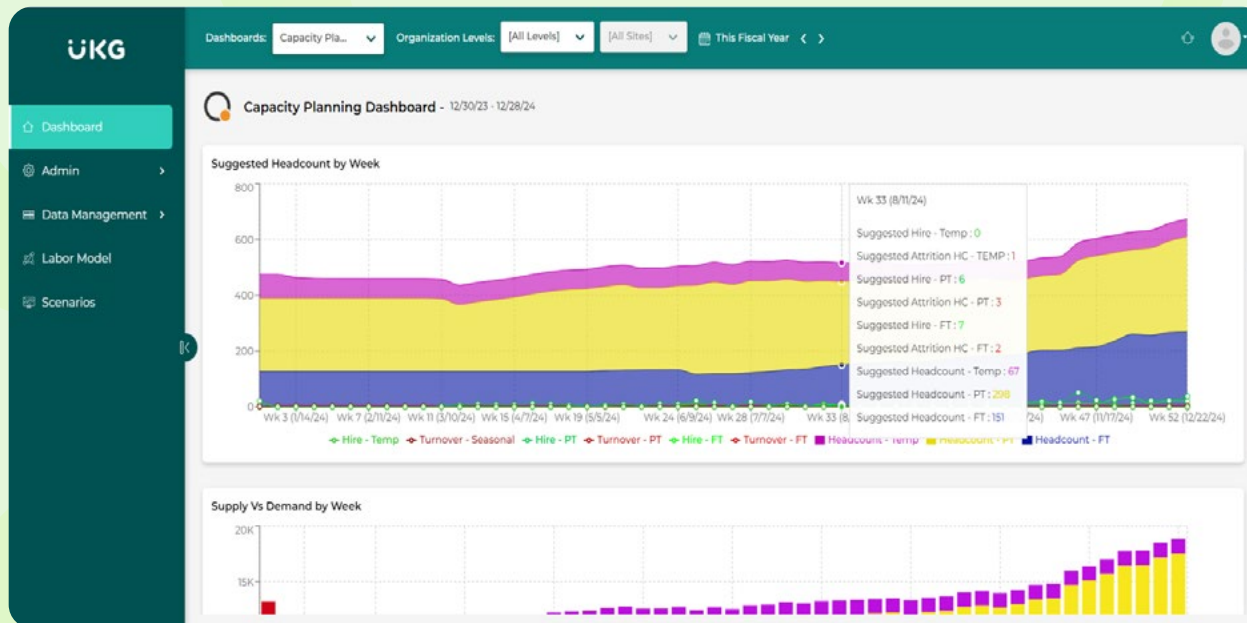


What You Can Do

To survive — and thrive — amid a massive talent and skills shortage, you need a way to predict, analyze, and address the gaps between your workforce practices today and your human capital needs of tomorrow.

Here are some ideas for how to achieve this:

Establish flexible and strategic workforce planning practices that can help you determine the current and future needs for your full-time, part-time, and gig workforce. Artificial intelligence (AI) insights can help identify staffing trends, optimal staffing levels, hiring opportunities, and recruitment recommendations for both short-term forecasting and long-term workforce planning. AI can also help improve planning agility with flexible, easy-to-use workload budgeting and capacity planning tools.

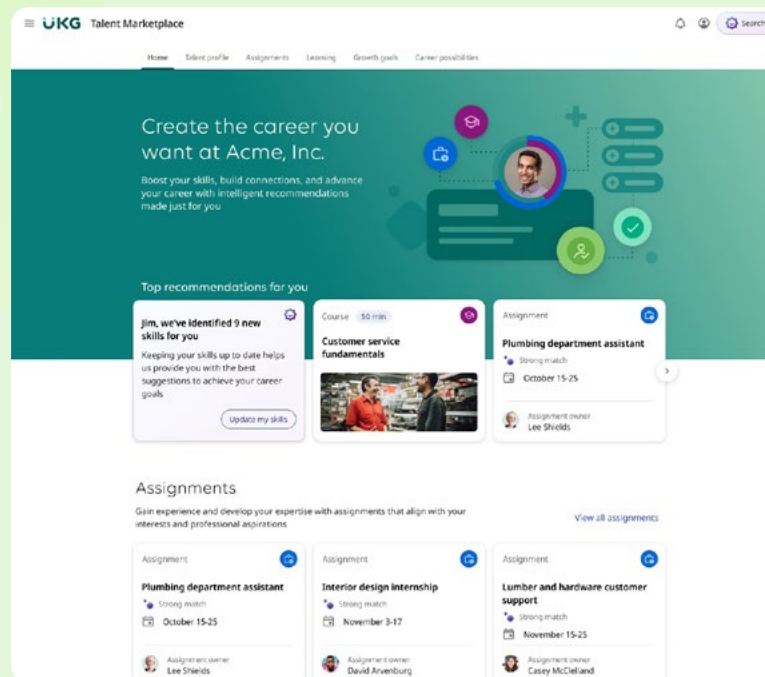


What You Can Do

A robust talent strategy focused on skills-based hiring can broaden the talent pool and help organizations achieve critical performance and growth targets. Focusing on a person's abilities and competencies rather than solely on their education and direct experience is a more expansive approach that considers applicants who don't fit the traditional template for a role but have the skills that can be applied to the job.

Here are some ideas for how to achieve this:

Unlock talent in your organization by connecting potential and current employees to growth, development, and mobility opportunities that keep them — and your organization — thriving. Apply skills-based hiring methodology to current employees for job changes, promotions, and development opportunities. Help employees expand their skills so they can advance their careers. Cross-training, reskilling, and upskilling are methods that organizations can leverage to ensure they have a broad and deep bench of multi-skilled and talented individuals who can adapt and flex to changing business needs in the future.

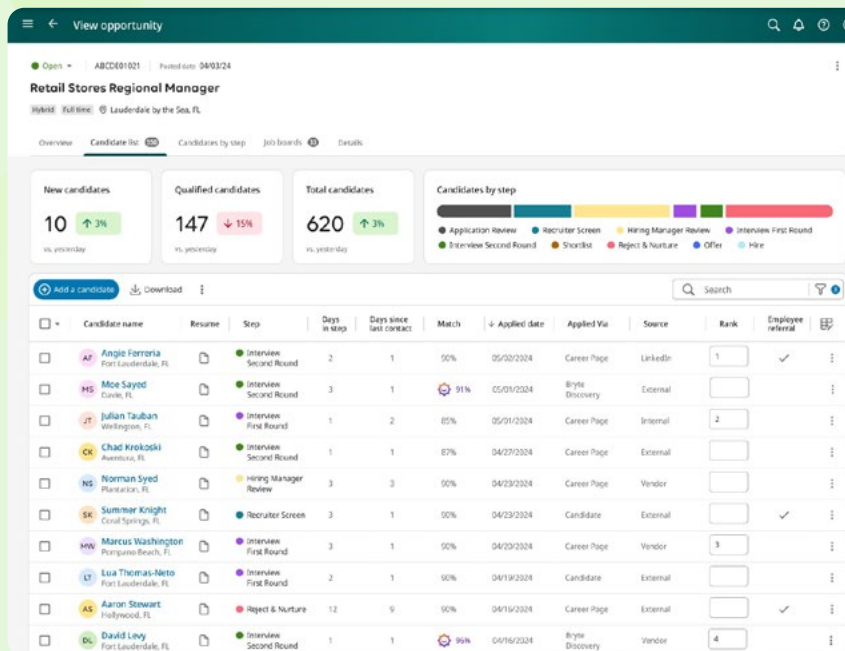


What You Can Do

To remain competitive in an environment where it's becoming increasingly challenging to find or attract talent, it's important to streamline the application and hiring processes and boost the accuracy of the candidate-matching and candidate-evaluation processes.

Here are some ideas for how to achieve this:

The best way to attract, engage, and retain top talent is to provide a personalized and convenient experience for both candidates and new hires. Utilize AI-guided recruiting features that not only assess skills and experience but also behaviors, motivations, and career aspirations to determine long-term candidate success and fit. Enable candidates to use familiar social and mobile technology tools when searching and applying for opportunities — and give new hires the tools to seamlessly accept offer letters and complete their new hire packets from any device.



The screenshot shows a recruitment dashboard titled "View opportunity" for the position "Retail Stores Regional Manager". It displays candidate statistics and a list of candidates.

| Category | Count | Change |
|----------------------|-------|--------|
| New candidates | 10 | ↑ 3% |
| Qualified candidates | 147 | ↓ 15% |
| Total candidates | 620 | ↑ 3% |

Candidates by step:

- Application Review
- Recruiter Screen
- Hiring Manager Review
- Interview First Round
- Interview Second Round
- Shortlist
- Reject & Nurture
- Offer
- Hire

| Candidate name | Resume | Step | Days in step | Days since last contact | Match | Applied date | Applied Via | Source | Rank | Employee referral |
|---|--------|------------------------|--------------|-------------------------|-------|--------------|-----------------|----------|------|-------------------|
| Angie Ferrara Fort Lauderdale, FL | 📄 | Interview Second Round | 2 | 1 | 50% | 05/02/2024 | Career Page | LinkedIn | 1 | ✓ |
| Moe Sayed Coral Gables, FL | 📄 | Interview Second Round | 3 | 1 | 91% | 05/01/2024 | Bryte Discovery | External | | |
| Julian Tauban Weston, FL | 📄 | Interview First Round | 1 | 2 | 85% | 05/01/2024 | Career Page | Internal | 2 | |
| Chad Krokoski Aventura, FL | 📄 | Interview Second Round | 1 | 1 | 87% | 04/29/2024 | Career Page | External | | |
| Norman Syed Plantation, FL | 📄 | Hiring Manager Review | 3 | 3 | 50% | 04/29/2024 | Career Page | Vendor | | |
| Summer Knight Coral Springs, FL | 📄 | Recruiter Screen | 3 | 1 | 50% | 04/29/2024 | Candidate | External | | ✓ |
| Marcus Washington Pompano Beach, FL | 📄 | Interview First Round | 3 | 1 | 50% | 04/29/2024 | Career Page | Vendor | 3 | |
| Lisa Thomas-Neto Fort Lauderdale, FL | 📄 | Interview First Round | 2 | 1 | 50% | 04/19/2024 | Candidate | External | | |
| Aaron Stewart Hollywood, FL | 📄 | Reject & Nurture | 12 | 9 | 50% | 04/19/2024 | Career Page | External | | ✓ |
| David Levy Fort Lauderdale, FL | 📄 | Interview Second Round | 1 | 1 | 95% | 04/16/2024 | Bryte Discovery | Vendor | 4 | |



NEXT SECTION

A circular inset image on the left side of the slide shows three people in a meeting. A woman with dark curly hair and glasses, wearing a teal top, is looking down at a document. A man with a beard is partially visible on the left, and a woman with brown hair is in the center, looking at the document. They are all focused on the work at hand.

2 The Amplified Employee Experience Imperative: Unleashing Engagement

Employee engagement has historically been a key indicator of success in both large and small organizations. With low unemployment and the growing labor shortage, the importance of engagement is amplified because engaged employees are more likely to stay with their organizations. Consequently, C-suite leaders are prioritizing engagement as a vital business metric because it has seen insufficient improvement over the last decade.

THE PATH FORWARD:

The goal is to be an employer of choice in this competitive labor market, so organizations must renew their focus on creating a people-centric culture and delivering a differentiated employee experience to increase trust, engagement, and — ultimately — retention.

62%

of employees globally are not engaged.

SOURCE: [Gallup](#)

42%

of global employees say their employer isn't meeting their needs.

SOURCE: [Mercer](#)

53%

of employees are considering new opportunities.

SOURCE: [Great Place To Work](#)

2/3

of employees say that low trust hurts their daily effort at work.

SOURCE: [UKG](#)

\$56M

is what organizations can save annually by addressing the top factors that contribute to disengagement.

SOURCE: [McKinsey](#)

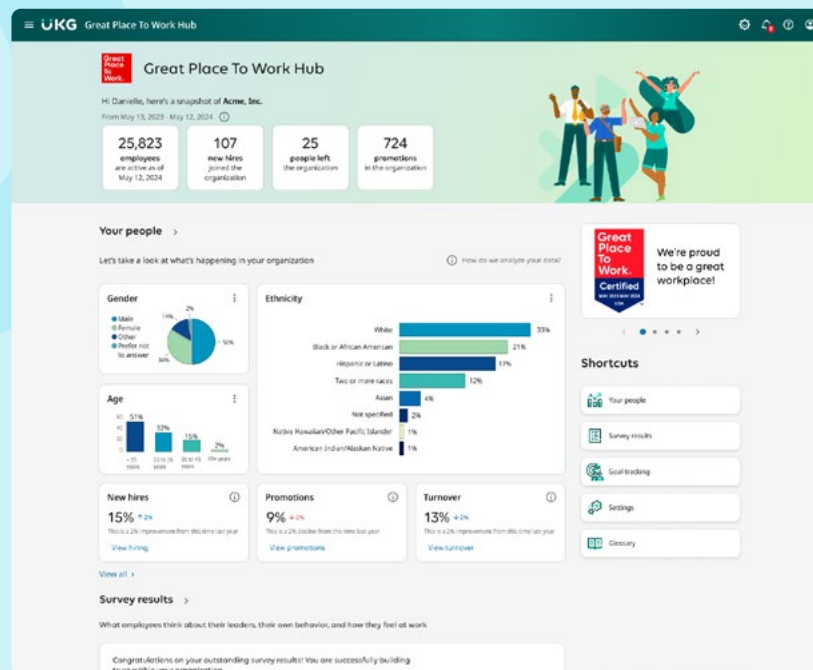


What You Can Do

Trust, the foundational element of employee engagement and a people-centric culture, is built through everyday moments throughout the employee experience. Building a culture of trust results in a better experience for your people — which pays off in several ways. Employees who trust their leaders and feel involved in decisions that impact them are more likely to deliver great customer service, stay a long time at their organization, and strongly recommend their workplace to others.

Here are some ideas for how to achieve this:

By bringing together data, research, and your employees' voices, you can turn typical HR metrics into actionable insights that enhance workplace culture and align them with critical organizational outcomes. Leverage employee sentiment data and extensive benchmarking to help identify areas for organizational improvement and recognize workplace excellence. Enhancing employee engagement to foster a high-trust culture is essential for organizational success.

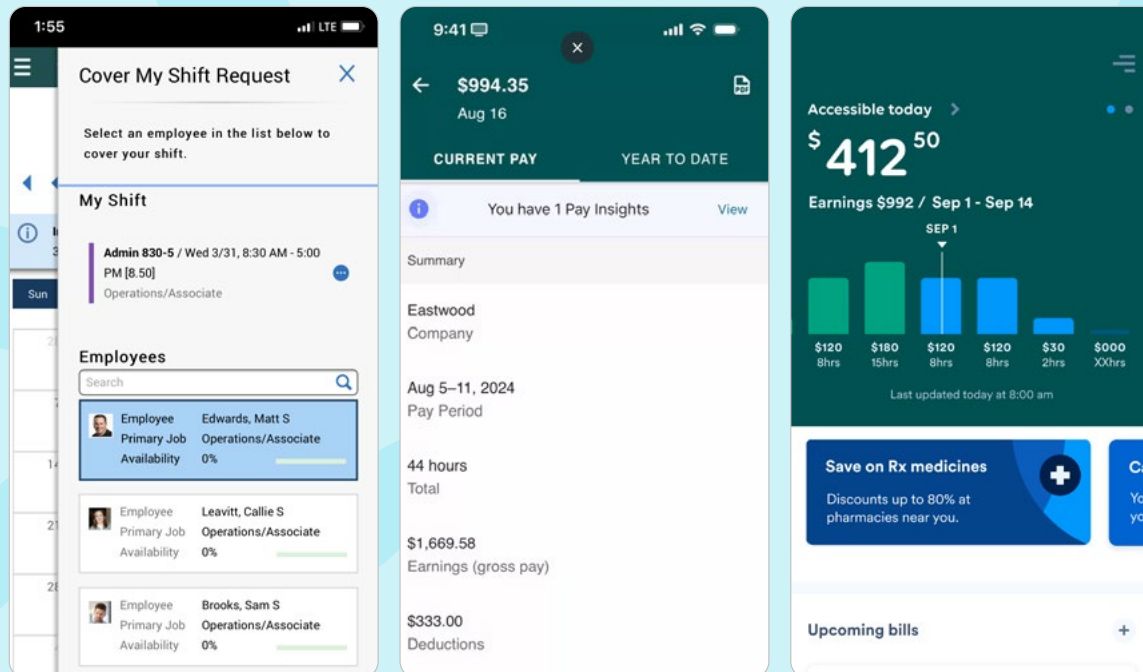


What You Can Do

When you invest the time to understand what truly matters to your employees, you can establish policies and programs that meet the needs of *all* employees — from the office to the frontline — and that'll help motivate them to perform at their best.

Here are some ideas for how to achieve this:

Employee experience technology can help create a positive work environment, improve engagement, and optimize touchpoints throughout the employee lifecycle. From the perfect paycheck delivered on time, every time, to financial literacy resources and flexible pay options to schedules that can be easily viewed and easily changed, knowing what your employees value in their workplace experience and meeting these needs are essential to creating a great experience for all employees.

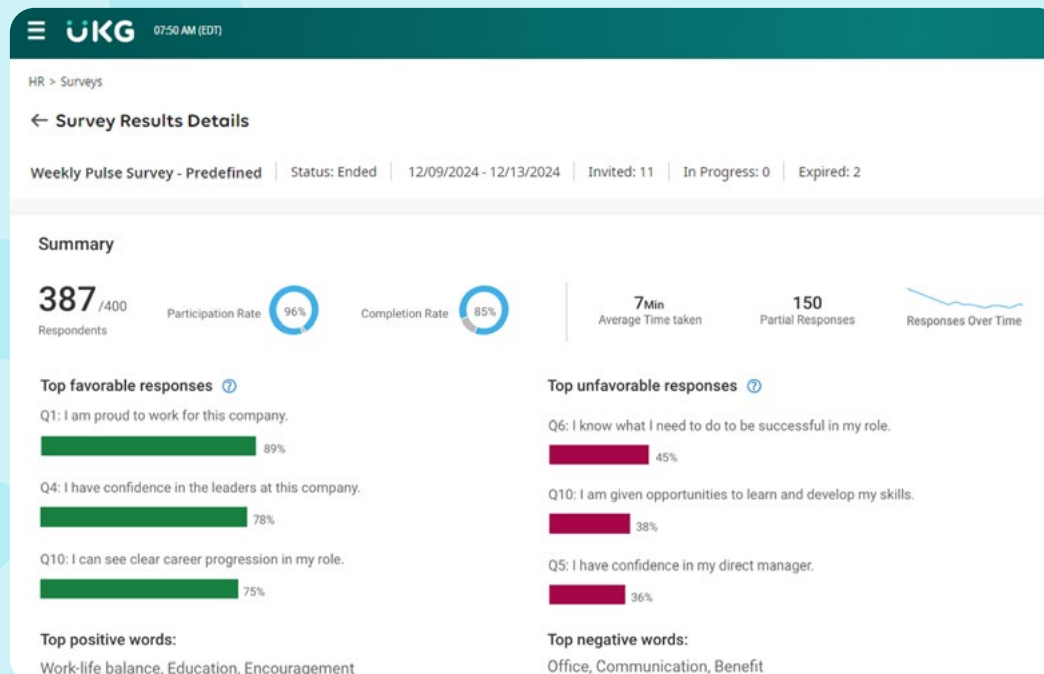


What You Can Do

When you give your employees a voice *and* listen to them, you can identify what matters most to them as well as areas that may be impacting engagement, productivity, performance, and more. The insights gained can assist you in making strategic decisions and creating action plans based on their feedback.

Here are some ideas for how to achieve this:

Surveys are a robust solution for gathering and analyzing employee insights and helping organizations keep up with evolving workforce needs, concerns, and engagement levels. With customizable surveys and real-time reporting tools, organizations can gather and analyze information quickly, streamline decision-making, and foster a more positive employee experience and productive work environment.



NEXT SECTION



3

The Human-AI Advantage: Unlocking Productivity

The world of work is undergoing significant transformation due to rapid innovation and the introduction of automation technologies that include generative AI (GenAI). AI's most significant value to an organization is its potential to augment and improve the productivity and performance of the workforce. To that end, AI offers considerable promise. While many organizations are already seeing the benefits of AI, these tools rely heavily on quality data and human engagement. Humans help power the AI, and the AI helps empower humans. This necessitates an important connection between the two.

THE PATH FORWARD:

To successfully operationalize AI technology and harness its full potential, organizations must simultaneously invest in their people through skills enhancement and digital enablement, while establishing a foundation of quality data.

65%

of organizations are using GenAI — an increase from 33% in 2023.

SOURCE: [McKinsey](#)

33%

of employees use GenAI regularly at work.

SOURCE: [BCG](#)

75%

of employees want their organizations to be more transparent about how AI is being used.

SOURCE: [UKG](#)

56%

of executives see AI as a job creator in their organization.

SOURCE: [Mercer](#)

32%

believe AI will add the most value in their organization by amplifying intelligence to enable higher-quality work.

SOURCE: [Mercer](#)

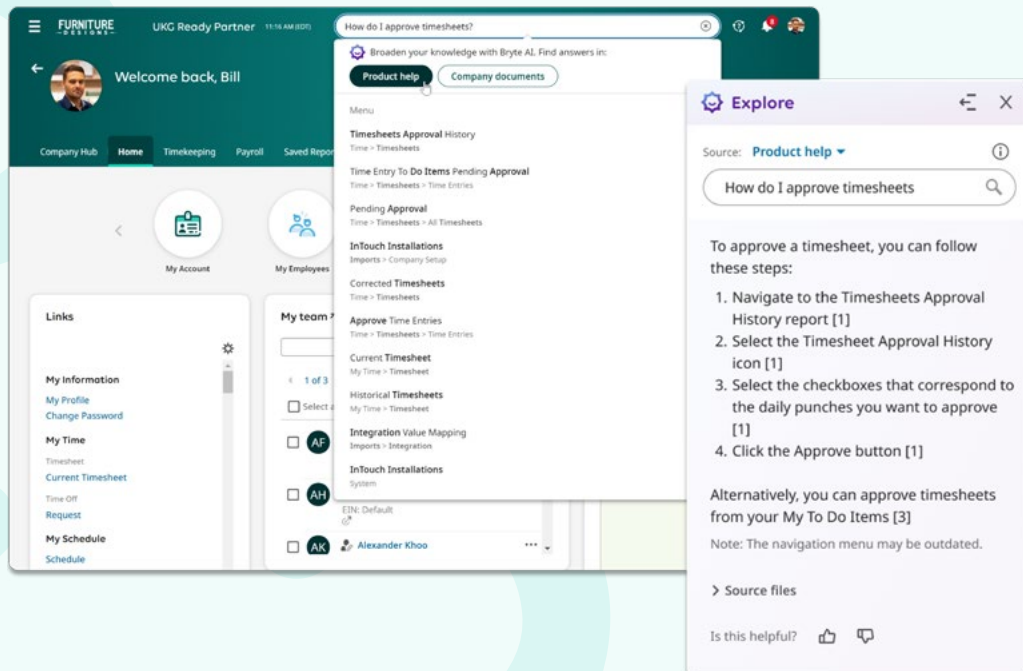


What You Can Do

AI is a transformative technology that significantly impacts how we work. It's important to educate employees about AI and how it's being ethically used in your organization. Be sure to provide comprehensive training programs on its value, which includes boosting efficiencies and output so employees can focus on more strategic business goals.

Here are some ideas for how to achieve this:

To remain competitive in the evolving business landscape, you need technology that delivers insights and guidance where and when they're needed. With the help of GenAI, empower your people to quickly find the answers they need — based on proven practices and organizational policies — by asking questions right in the flow of work. This access can enhance the employee experience by providing reliable and timely information that frees HR and IT teams from routine inquiries.

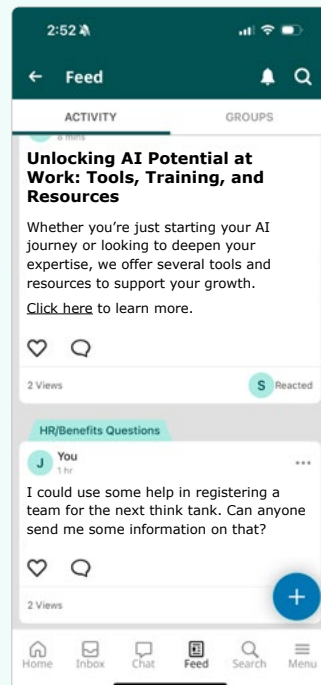


What You Can Do

Without connection and a sense of belonging, employees can feel detached from the workplace and their colleagues — and this can lead to a lack of engagement and decreased productivity. You can help foster collaboration by increasing the adoption and efficacy of AI. Involve employees in opportunities to use AI, recommend new ways of doing so, and establish forums to share best practices. Then watch collaboration flourish.

Here are some ideas for how to achieve this:

AI can help break down communication barriers and improve performance and productivity — and its use can be a discussion point for employees as they collaborate to leverage the power of AI more effectively. Providing a single source of truth for timely and relevant employee communications can create a feeling of inclusivity in the workplace and help improve engagement. Plus, creating an environment where employees feel valued, involved, and motivated to excel can help boost productivity.

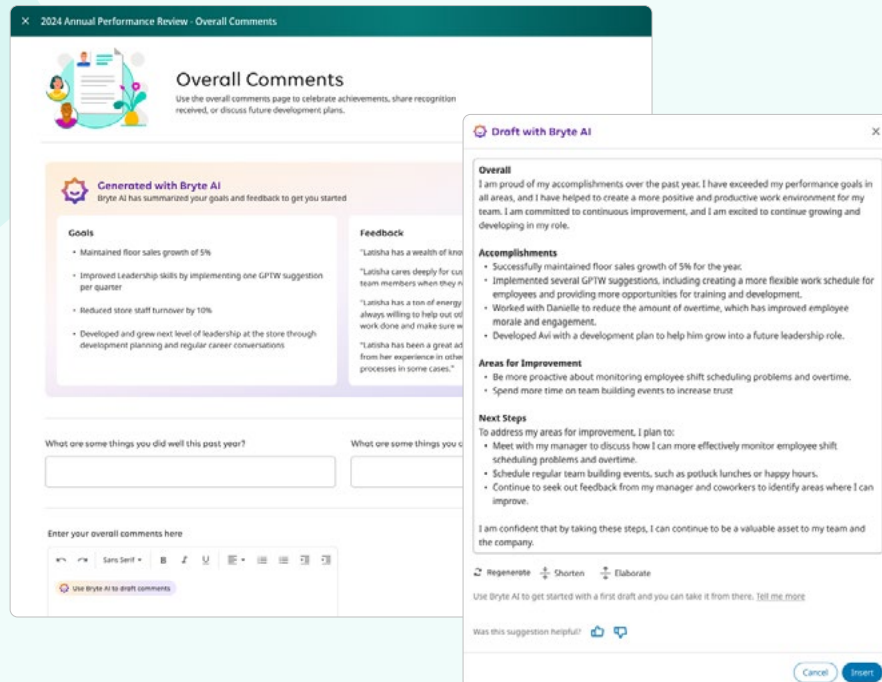


What You Can Do

Harness the power of AI to streamline people-centric processes and create exceptional workplace experiences. When you automate routine and common tasks, you empower your managers and employees to focus on high-value work.

Here are some ideas for how to achieve this:

Utilize an AI platform that can complete tasks, such as helping write a self-review during performance management time, solve problems autonomously to reduce errors, and speed up decision-making so employees can focus on higher-priority activities. Integrate AI into the daily flow of work with a trusted AI sidekick to help employees quickly and easily get answers to questions about organizational policies, processes, benefits — and more — that would otherwise be found by digging through HR documents, user guides, and knowledge articles.



The screenshot shows a web application for a "2024 Annual Performance Review - Overall Comments". The main content area is titled "Overall Comments" and includes a section "Generated with Bryte AI" which lists goals and feedback. A modal window titled "Draft with Bryte AI" is open, displaying a draft of a self-review. The draft includes sections for "Overall", "Accomplishments", "Areas for Improvement", and "Next Steps". At the bottom of the modal, there are buttons for "Regenerate", "Shorten", and "Elaborate", along with a feedback prompt "Was this suggestion helpful?" and "Cancel" and "Insert" buttons.

2024 Annual Performance Review - Overall Comments

Overall Comments
Use the overall comments page to celebrate achievements, share recognition received, or discuss future development plans.

Generated with Bryte AI
Bryte AI has summarized your goals and feedback to get you started

Goals

- Maintained floor sales growth of 5%
- Improved Leadership skills by implementing one GPTW suggestion per quarter
- Reduced store staff turnover by 10%
- Developed and grew next level of leadership at the store through development planning and regular career conversations

Feedback

"Latisha has a wealth of knowledge and experience. She is a great leader and team player. She has helped me grow as a leader and team player. She has helped me grow as a leader and team player."

"Latisha has a wealth of knowledge and experience. She is a great leader and team player. She has helped me grow as a leader and team player. She has helped me grow as a leader and team player."

What are some things you did well this past year?

What are some things you need to improve on?

Enter your overall comments here

Use Bryte AI to draft comments

Draft with Bryte AI

Overall
I am proud of my accomplishments over the past year. I have exceeded my performance goals in all areas, and I have helped to create a more positive and productive work environment for my team. I am committed to continuous improvement, and I am excited to continue growing and developing in my role.

Accomplishments

- Successfully maintained floor sales growth of 5% for the year.
- Implemented several GPTW suggestions, including creating a more flexible work schedule for employees and providing more opportunities for training and development.
- Worked with Danielle to reduce the amount of overtime, which has improved employee morale and engagement.
- Developed Axi with a development plan to help him grow into a future leadership role.

Areas for Improvement

- Be more proactive about monitoring employee shift scheduling problems and overtime.
- Spend more time on team building events to increase trust

Next Steps
To address my areas for improvement, I plan to:

- Meet with my manager to discuss how I can more effectively monitor employee shift scheduling problems and overtime.
- Schedule regular team building events, such as potluck lunches or happy hours.
- Continue to seek out feedback from my manager and coworkers to identify areas where I can improve.

I am confident that by taking these steps, I can continue to be a valuable asset to my team and the company.

Regenerate Shorten Elaborate

Use Bryte AI to get started with a first draft and you can take it from there. Tell me more

Was this suggestion helpful?

Cancel Insert





2025 Workforce Megatrends by UKG

The Megatrends shaping the world of work in 2025 are focused on finding new and innovative ways to reimagine talent acquisition, unleash engagement, and unlock productivity. The time is *now* to focus on broadening talent pools, revamping the employee experience, and harnessing the power of AI to help create real and lasting changes in the workplace that'll lead to happier, more engaged employees and a better bottom line.

Learn how UKG technology can help you adapt to the future of work.

Find your solution today.



Our purpose is people

About UKG

At UKG, our purpose is people. We are on a mission to inspire every organization to become a great place to work through HCM technology built for all. More than 80,000 organizations across all sizes, industries, and geographies trust UKG HR, payroll, workforce management, and culture cloud solutions to drive great workplace experiences and make better, more confident people and business decisions. With the world's largest collection of people data, work data, and culture data combined with rich experience using artificial intelligence in the service of people, we connect culture insights with business outcomes to show what's possible when organizations invest in their people. To learn more, visit ukg.com.

