

# 3

## Megatrends Shaping the Future of Work

2025 Megatrends by UKG



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

Through extensive collaboration, research, and analysis — along with one-on-one conversations with leaders and HR practitioners at organisations of all sizes — UKG determines which workplace trends are likely to impact organisations 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  
LABOUR DEFICIT:**  
REIMAGINING TALENT  
ACQUISITION

## MEGATREND 2

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

## MEGATREND 3

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





# The Escalating Global Labour Deficit: Reimagining Talent Acquisition

In many countries, organisations 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 labour force participation rates, and changing employee expectations. This talent deficit is expected to grow significantly over the next decade.

## THE PATH FORWARD:

Organisations 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](#)

# 85.2 million

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

SOURCE: [Korn Ferry](#)

# 44%

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

SOURCE: [UKG](#)

# 68%

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

SOURCE: [UKG](#)



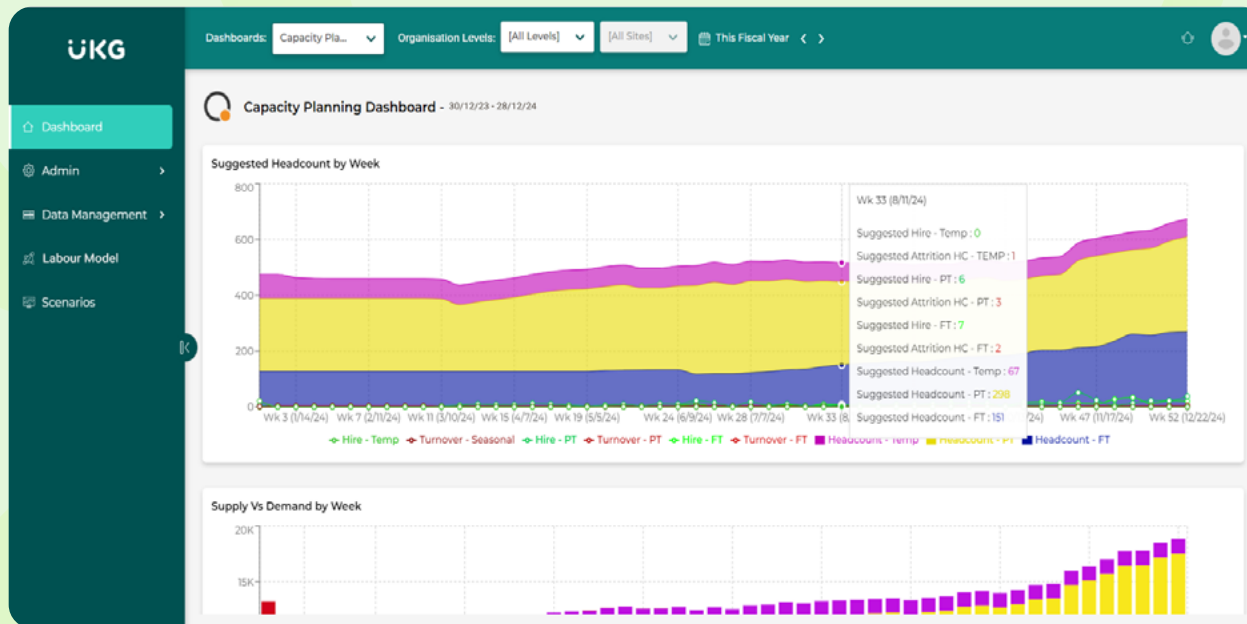


# What You Can Do

To survive — and thrive — amid a massive talent and skills shortage, you need a way to predict, analyse, 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.

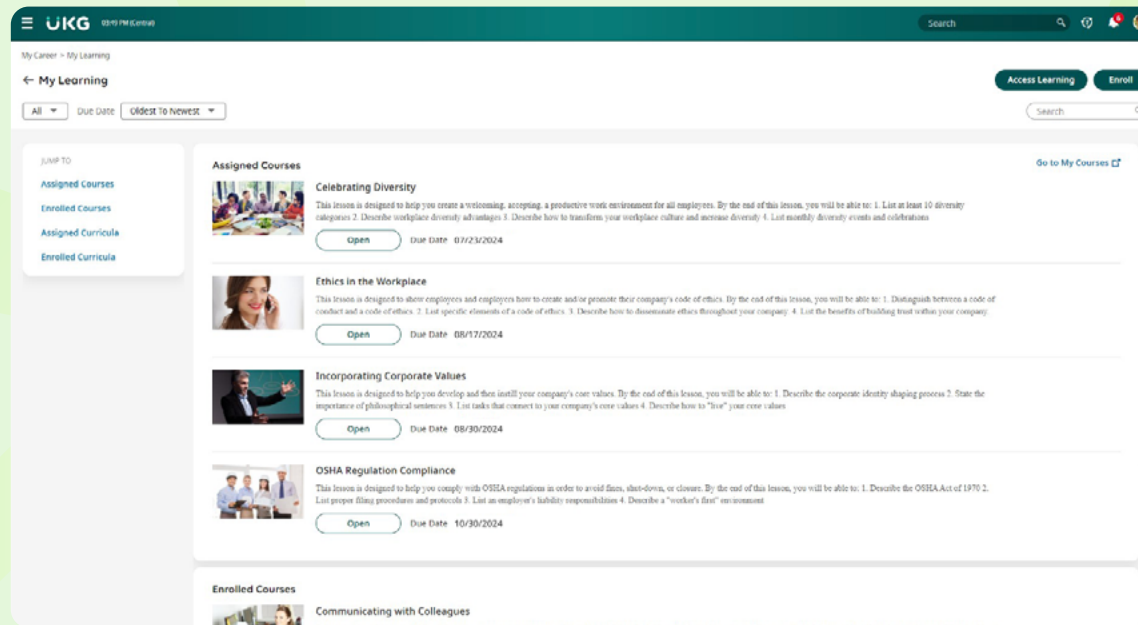


# What You Can Do

A robust talent strategy focused on skills-based hiring can broaden the talent pool and help organisations 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 organisation by connecting potential and current employees to growth, development, and mobility opportunities that keep them — and your organisation — 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 organisations 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.



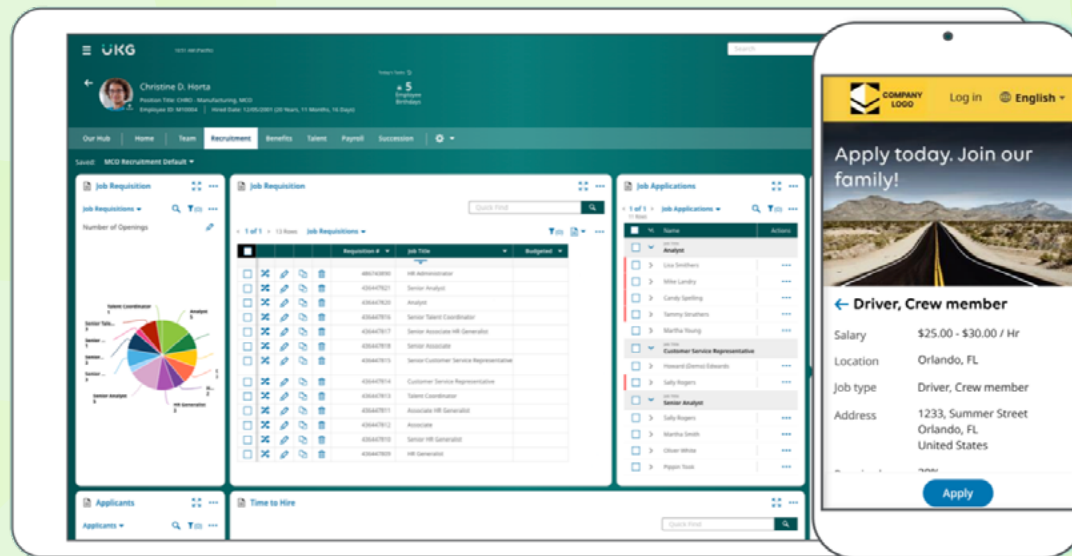


# What You Can Do

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 effectively source, track, and evaluate talent, to attract the best people for your organisation, is to use tools designed to continuously improve the recruitment process and hiring practices, to help you build an inclusive and people-driven culture. Utilise recruiting features that not only assess skills and experience but also behaviours, 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.



NEXT SECTION



# 2 The Amplified Employee Experience Imperative: Unleashing Engagement

Employee engagement has historically been a key indicator of success in both large and small organisations. With low unemployment and the growing labour shortage, the importance of engagement is amplified because engaged employees are more likely to stay with their organisations. Consequently, C-suite leaders are prioritising 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 labour market, so organisations 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](#)

# 3/4

frontline employees globally feel burned out.

SOURCE: [UKG](#)

# £45M

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

SOURCE: [McKinsey](#)

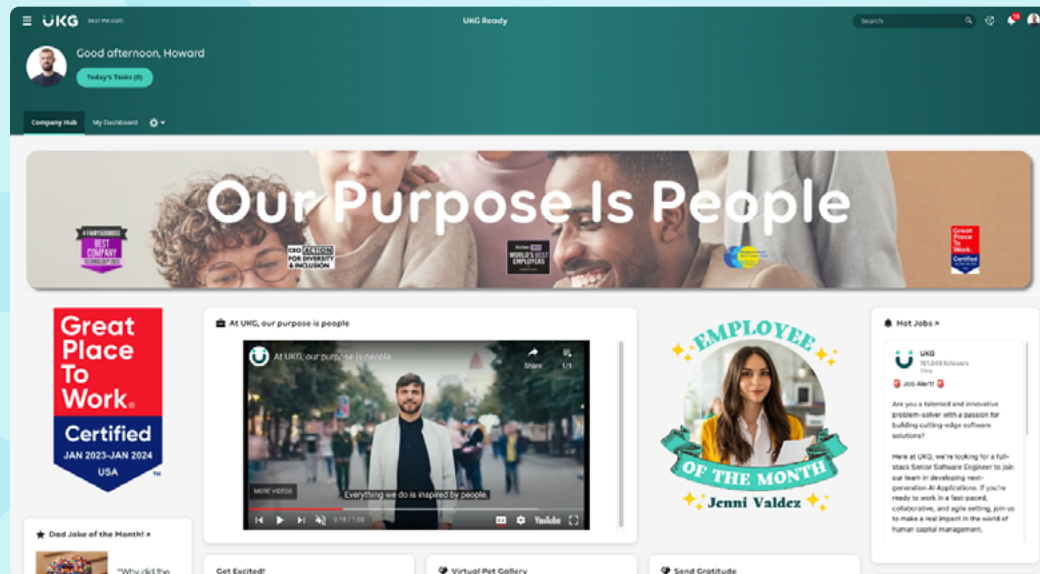


# What You Can Do

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 organisation, 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 organisational outcomes. Leverage employee sentiment data and extensive benchmarking to help identify areas for organisational improvement and recognise workplace excellence. Enhancing employee engagement to foster a high-trust culture is essential for organisational success.



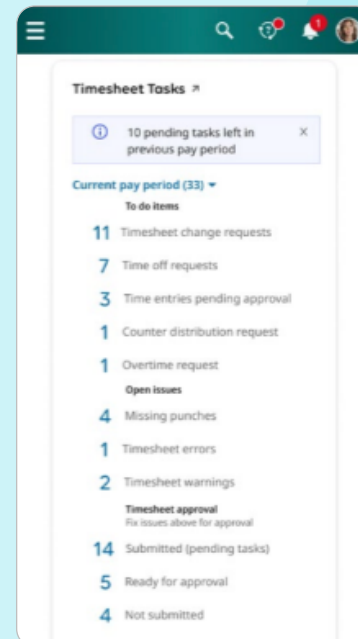
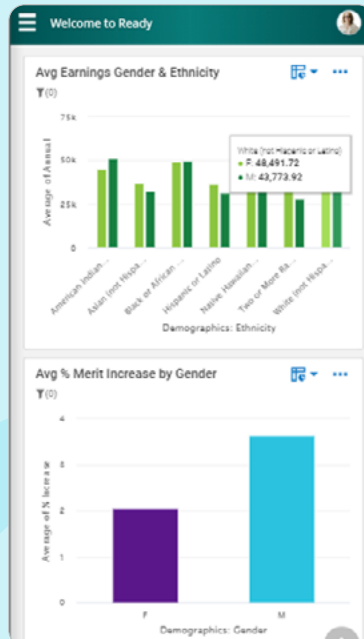
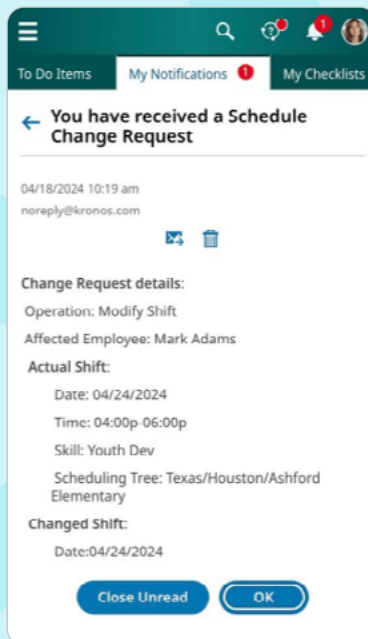


# What You Can Do

When you invest the time to understand what truly matters to your employees, you can establish policies and programmes 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 optimise touchpoints throughout the employee lifecycle. From accurate pay delivered on time, to financial literacy resources and flexible pay options to flexible 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 and sense of belonging for all employees.

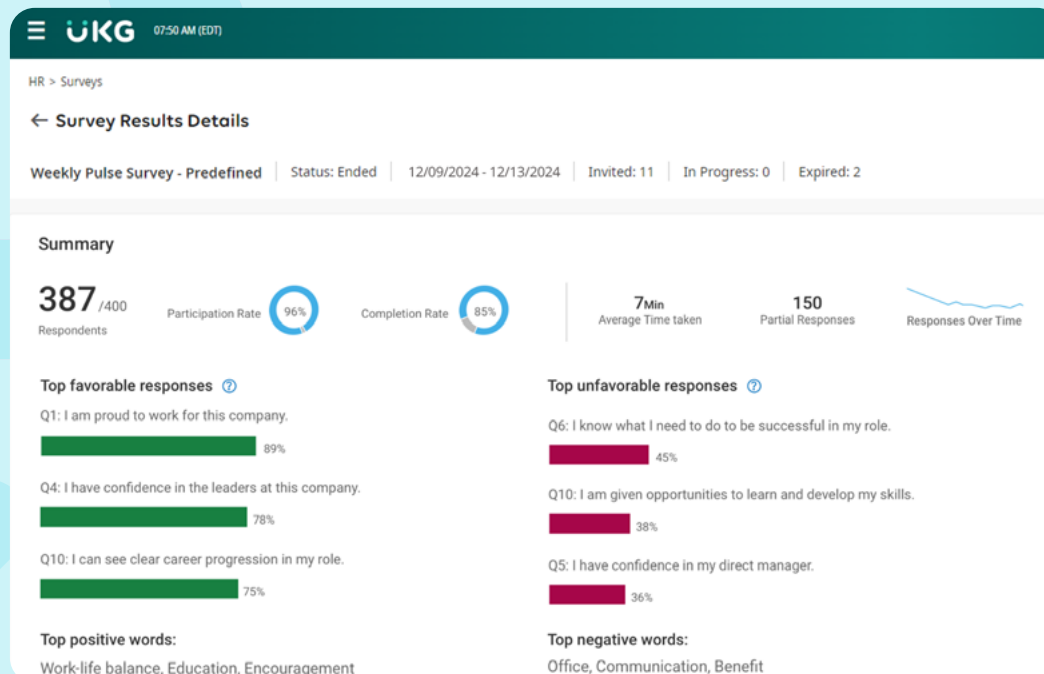


# What You Can Do

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 analysing employee insights and helping organisations keep up with evolving workforce needs, concerns, and engagement levels. With customisable surveys and real-time reporting tools, organisations can gather and analyse 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 organisation is its potential to augment and improve the productivity and performance of the workforce. To that end, AI offers considerable promise. While many organisations 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 operationalise AI technology and harness its full potential, organisations must simultaneously invest in their people through skills enhancement and digital enablement, while establishing a foundation of quality data to unlock future AI outcomes.

# 65%

of organisations 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 organisations to be more transparent about how AI is being used.

SOURCE: [UKG](#)

# 56%

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

SOURCE: [Mercer](#)

# 32%

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

SOURCE: [Mercer](#)

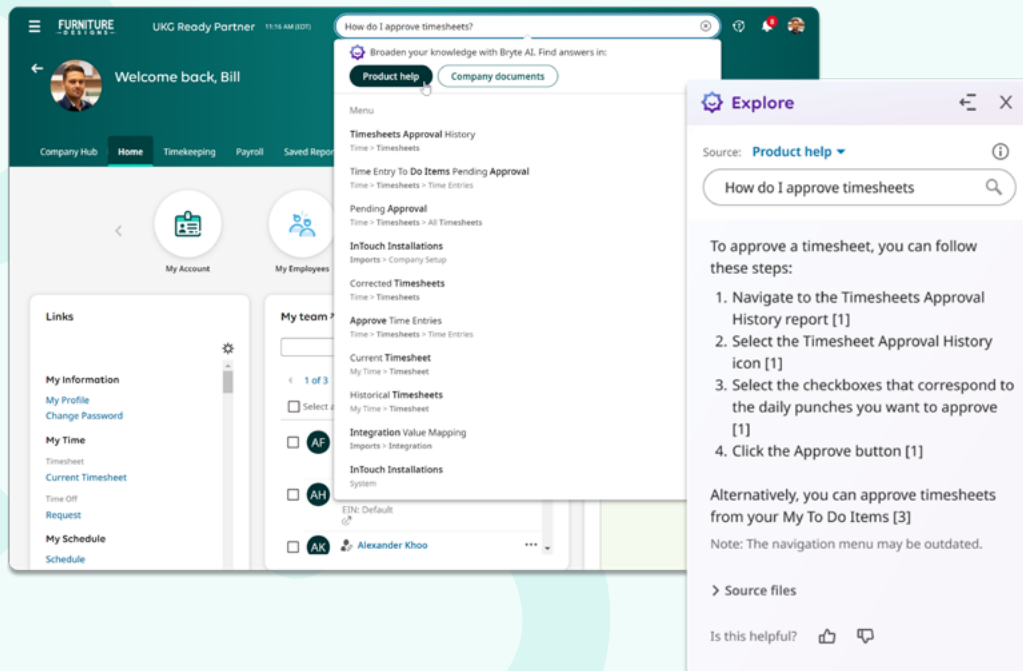


# What You Can Do

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 organisation. 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 organisational 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.



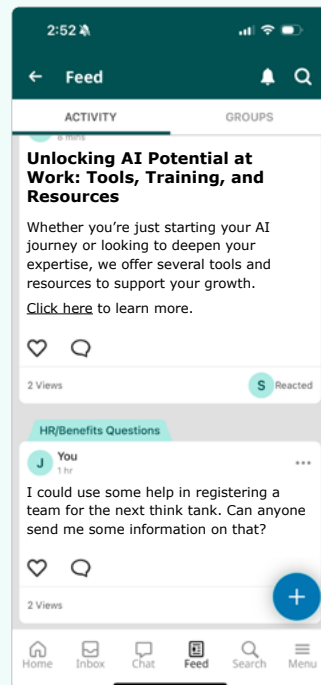


# What You Can Do

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.

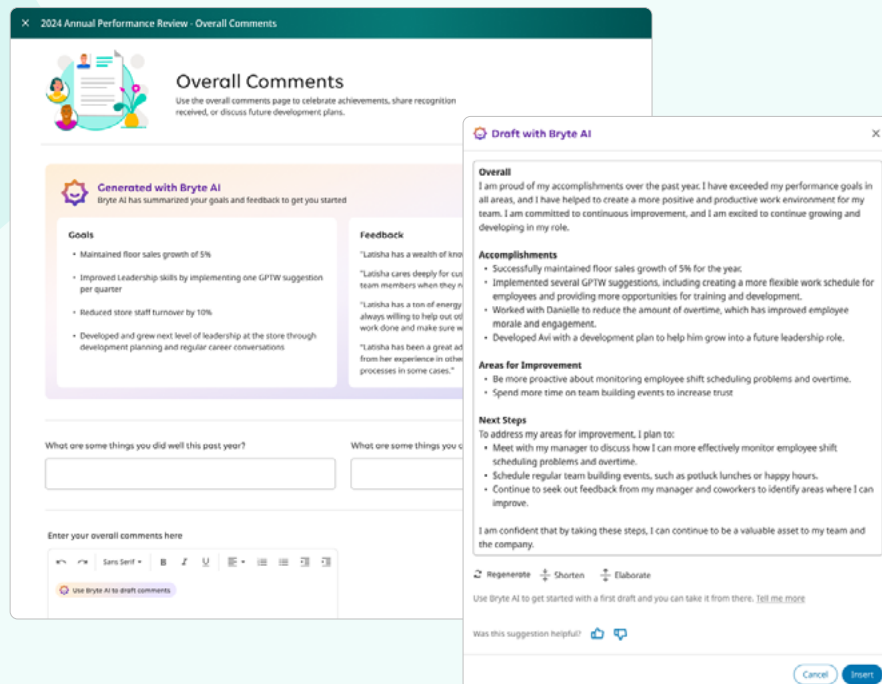


# What You Can Do

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:

Utilise an AI platform that can complete tasks, such as request PTO, shift swap, get feedback on employee headcount, 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 organisational policies, processes, benefits — and more — that would otherwise be found by digging through HR documents, user guides, and knowledge articles.



**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 is a great leader. She cares deeply for her team members when they need it and is always willing to help out of work done and make sure we are successful in our processes in some cases."

What are some things you did well this past year?

What are some things you want 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 organisation to become a great place to work through HCM technology built for all. More than 80,000 customers 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 organisations invest in their people. To learn more, visit [ukg.co.uk](https://ukg.co.uk).

