Omnia

BEYOND COMFORT ZONES:

Inspiring Meaningful Connections and Growth in 2025

TALENT TRENDS REPORT
2025

Talent Trends Report 2025

Introduction

In 2024, the U.S. job market showed steady or reduced turnover, with the U.S. Bureau of Labor Statistics reporting an average <u>3.3% turnover rate</u> in the last quarter. This presents a particular challenge for small and medium businesses (SMBs), putting them in direct competition for talent with larger enterprises that often have more resources and numerous talent programs. With fewer professionals actively seeking new opportunities, SMBs face increased difficulty attracting candidates from their current positions.

Although employee retention rates showed stability in 2024, future prospects appear uncertain as businesses prepare for changes made by the new U.S. administration.

These changes present both challenges and opportunities for SMB leaders. We can expect larger organizations to respond to uncertainty with hiring freezes and cost-cutting measures, but SMBs have the agility to take a different approach.

In recent years, SMBs have repeatedly shown their ability to adjust and adapt amid challenges — from the rise of remote work to readily adopting new technologies. This adaptability has made them more resilient and better prepared to remain stable in an uncertain environment. Now, instead of pursuing stability at all costs, SMB leaders must leverage this agility to focus on enhancing employee connection via development and growth.

Talent Trends Report 2025

Introduction

Our annual Talent Trends survey reflects surface-level stability with employee turnover in check. Yet beneath this calm surface, our data reveals multiple paradoxes that mainly affect SMBs:

- **Declining employee engagement despite low turnover rates** - suggesting employees are staying but not thriving.

- **Lower AI adoption despite the excitement and its proven advantages** - missing out on opportunities to grow efficiencies and save on the bottom line.

- **Ineffective talent initiatives despite offering flexible working environments to employees** - indicating a need to rethink how we develop talent.

These paradoxes present unique challenges and opportunities for leaders to shake this seemingly stable environment and focus on development and growth. This report combines our survey findings with market trends and industry studies to present a holistic view and actionable strategies for building agile and growth-oriented organizations.

The time for cautious observation is over, particularly for SMB leaders who have traditionally waited to see how larger organizations handle market shifts. The winners in 2025 will be those who act now to change their talent strategies radically. Let's explore the five key trends that will shape talent acquisition and management in 2025.

TREND 1 — Stability in Turnover Masks Engagement Challenges

TREND 2 — An Urgent Need for Structured Career Development Processes and Programs

TREND 3 — The Shift in the Purpose of Workforce Assessments

TREND 4 — The Need for Proactive Leadership and Consistent Talent Initiatives

TREND 5 — Getting Strategic About AI Integration in HR

Talent Trends Report 2025

Approach and Methodology

The Omnia Group conducted its fourth annual Talent Trends survey during Q4 2024, gathering input from 413 respondents across 21 industries. The study uses a mixed-methods approach, combining quantitative survey data with qualitative insights to understand current trends comprehensively.

Our respondent pool represented diverse industries, company sizes, job functions, and roles. Manufacturing, professional services, and technology (IT) sectors had the highest participation, with small businesses forming a significant portion. Companies with less than 500 employees represented 59.2% of respondents, while 19.3% were from enterprises with over 5000 employees.
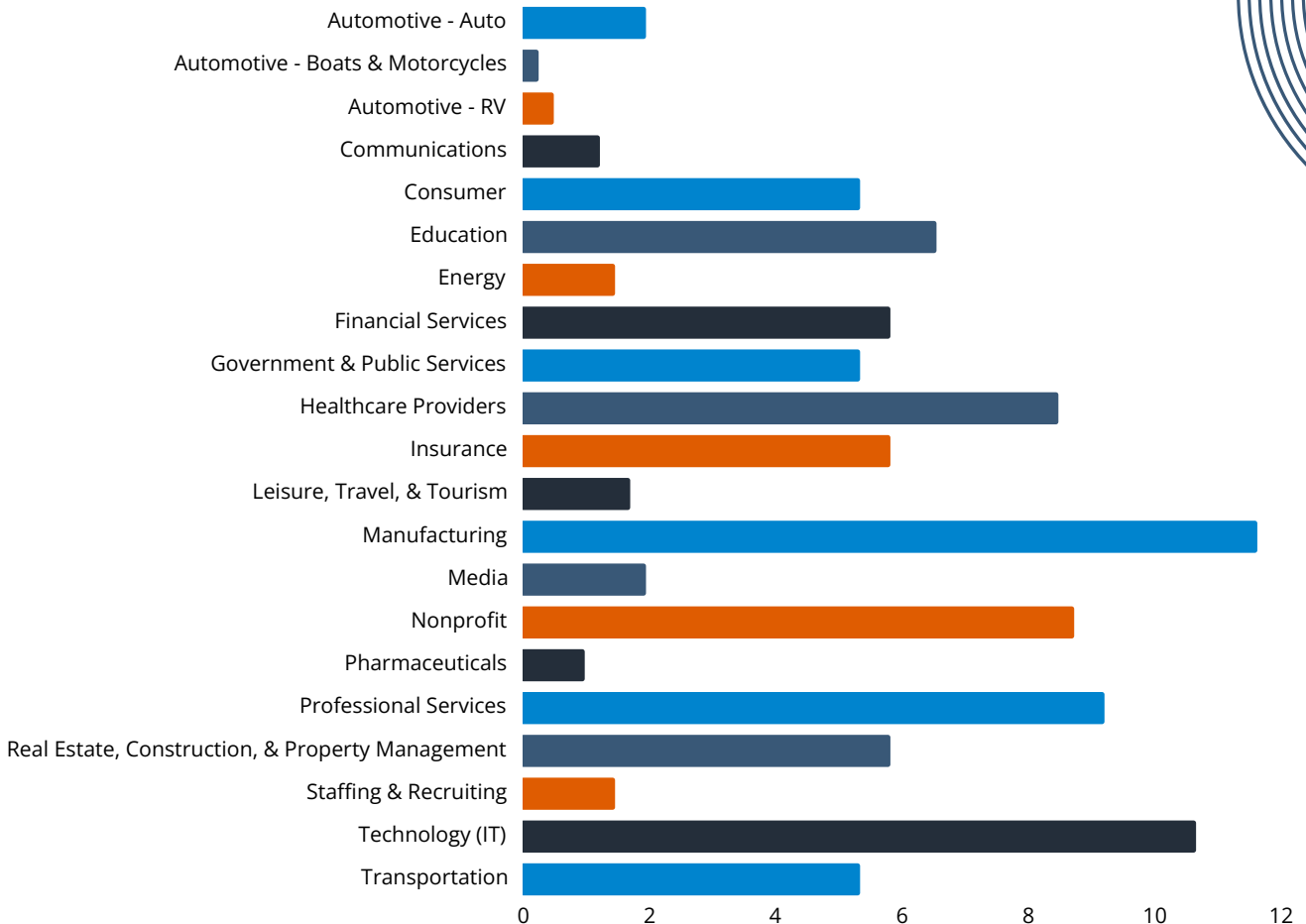
The participants spanned various organizational levels, with 26.6% in executive/C-suite positions, 35.4% in manager/supervisor roles, and 38% as individual contributors. They represented four main job functions: operations, HR, administrative, and sales. Only 9.9% of the respondents were Omnia clients, and 7.5% had participated in Omnia's previous Talent Trend Surveys.
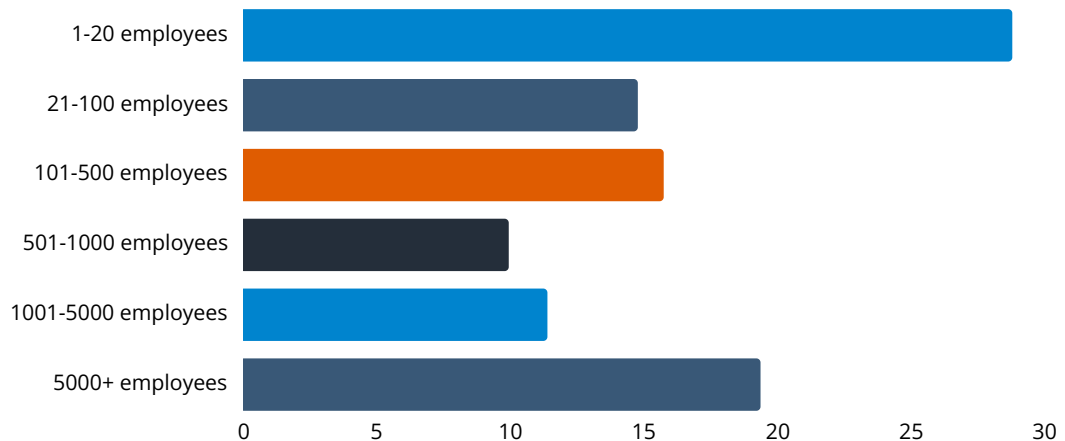
To maintain consistency and enable year-over-year comparisons, we conduct this survey during the same period each year, targeting similar organizational functions and sizes. We preserve the longitudinal nature of the study by maintaining core questions while adding select items that reflect current HR trends.

Talent Trends Report 2025

Approach and Methodology

What industry are you in?

Industry	Value
Automotive - Auto	4.5
Automotive - Boats & Motorcycles	0.5
Automotive - RV	1
Communications	2
Consumer	5.5
Education	6.5
Energy	2.5
Financial Services	5.8
Government & Public Services	5
Healthcare Providers	8.5
Insurance	5.8
Leisure, Travel, & Tourism	1.5
Manufacturing	11.5
Media	2
Nonprofit	8.5
Pharmaceuticals	1
Professional Services	9
Real Estate, Construction, & Property Management	5.8
Staffing & Recruiting	1.5
Technology (IT)	10.5
Transportation	5

What is the size of your organization? Please check one.

Size	Value
1-20 employees	29
21-100 employees	15
101-500 employees	16
501-1000 employees	10
1001-5000 employees	11.5
5000+ employees	19.5

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Approach and Methodology

What is your job function?
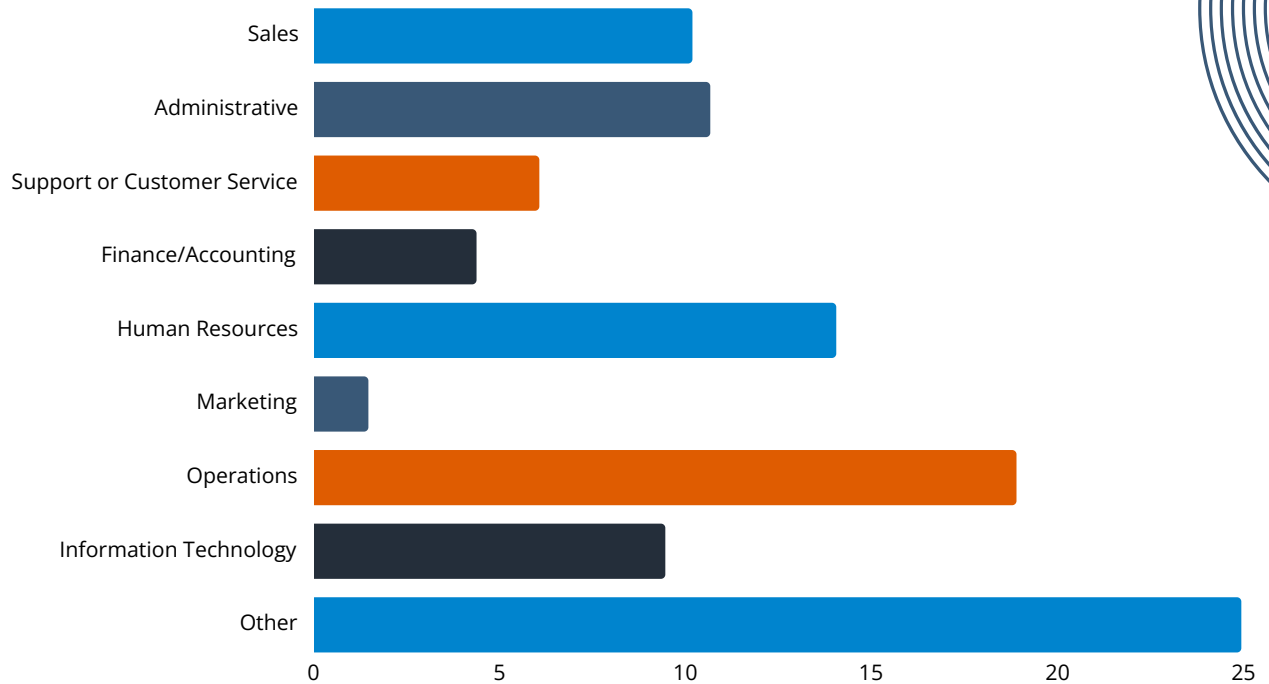
Job Function	Value
Sales	10
Administrative	10.5
Support or Customer Service	6
Finance/Accounting	4.5
Human Resources	14
Marketing	1.5
Operations	19
Information Technology	9.5
Other	25

What is your job level?

Job Level	Value
Executive/C-Suite	27
Manager/Supervisor	35
Individual Contributor	38

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Stability in Turnover Masks Engagement Challenges

TREND 1
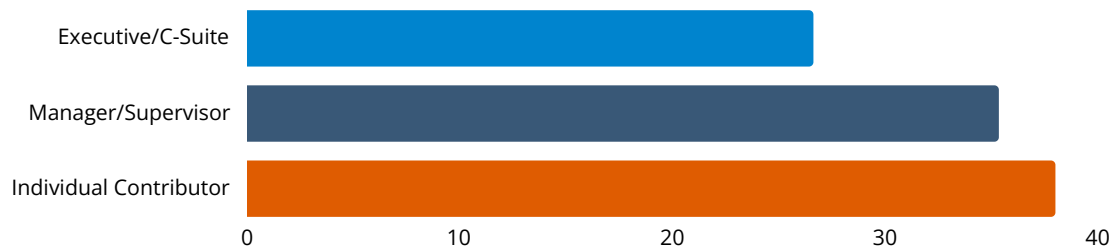
Our survey found that 52.5% of participants reported healthy employee turnover annual rates of less than 15%, with only 19.7% reporting an increase in turnover rates since last year. While low turnover is excellent, U.S. employee engagement has hit an alarming 11-year low.

This paradox likely stems from multiple factors including fatigue from grappling with constant changes in the past few years and concerns about inflation. Employees are also attempting to untangle cluttered and polarized views from the media on the state of the economy, as well as uncertainties surrounding federal policy changes.

U.S. employee engagement plunges to an 11-year low.

The result is what experts now call "**The Great Detachment**" – a concerning situation in which employees remain in their roles but become emotionally and mentally distanced from their work. This silent crisis manifests in lower productivity, reduced trust among team members, and overall impacts on the organization's performance and growth.

Reigniting the spark in employees, fostering engagement, and rebuilding employee commitment will be a critical leadership challenge in 2025.
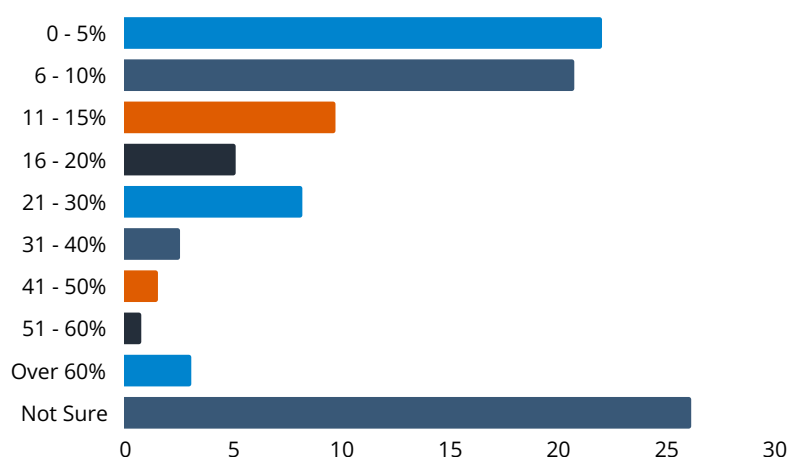
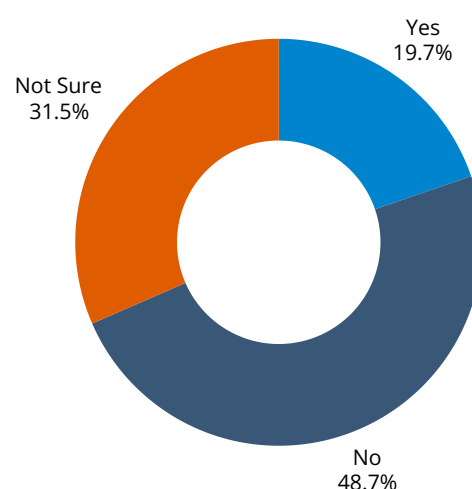omniagroup.com

4 ways to foster employee engagement:

1 Take the initiative to truly understand what your employees want. One-size-fits-all blanket policies don't cut it in today's workplaces. For example, a free yoga class won't help an employee looking for flexible schedule options to address their childcare responsibilities.

2 Create and tweak job roles that align with natural traits and strengths. Ensure your employees aren't going against their natural behavioral tendencies to perform in their jobs, as that's likely to cause burnout.

3 Offer personalized recognition. Find out what truly drives an individual and how they prefer to be recognized and implement strategies accordingly. Create a platform for timely and meaningful recognition.

4 Keep track of energy levels and watch out for signs of burnout. Create awareness in teams about recognizing warning signs in individuals and how to support them. Roll out burnout prevention strategies like promoting work-life balance and setting realistic expectations from work.

A free yoga class won't help an employee who needs flexible hours for childcare.

What is your annual total turnover?

Range	Value
0 - 5%	22
6 - 10%	21
11 - 15%	9.5
16 - 20%	5
21 - 30%	8
31 - 40%	2.5
41 - 50%	1.5
51 - 60%	0.5
Over 60%	3
Not Sure	26

Has your turnover rate increased since last year?

Yes 19.7%
No 48.7%
Not Sure 31.5%

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An Urgent Need for Structured Career Development Processes and Programs

The data reveals a significant gap: only 24.8% of organizations surveyed have implemented a formal career development process, while 56.4% rely on informal or casual approaches. The need for formalizing career development hasn't been more apparent.

Recent research from Korn Ferry's Workforce Survey highlights the stakes: 67% of employees would stay with their company if offered opportunities for advancement and upskilling—even if dissatisfied with their jobs. Conversely, a lack of career growth is the second biggest reason people leave.

Since employees are staying longer, SMBs need to change their focus from holding onto people to offering career development to motivate them to engage and perform better. The same Korn Ferry survey captured employees' interest in taking action: 32% of survey respondents plan to focus on upskilling to address skills gaps, and 30% are working on career paths for long-term growth.

Internal mobility is a powerful channel for career development. Survey responses show only 14.8% of employees have never moved to different functions, 23.3% frequently move, and a large group of 61.7% occasionally move. This suggests that businesses understand the value of moving talent within the organization but may not leverage it effectively. This presents significant untapped potential for empowering employees by creating a structured process for internal mobility.

With the pace at which new technology tools and automation have become part of our lives and workplaces, the skill sets and competencies for current roles and the jobs of the future will look different. Leaders must have the foresight to anticipate these changes, keep up with evolving trends, and take measures to prepare workforces and organizations.
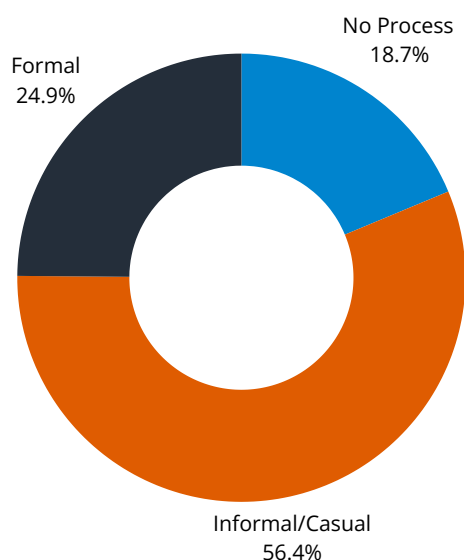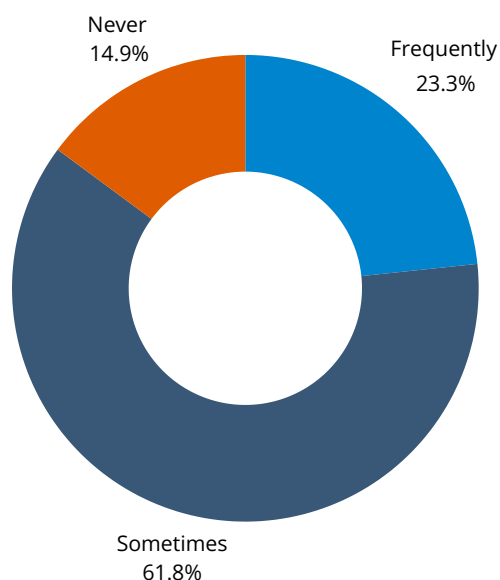
4 steps to formalize the career development process:

1 Create a company policy that mandates structured 2-year, 3-year, and 5-year growth plans. Define pathways and processes for vertical growth and lateral movements. Ensure you have half-yearly checkpoints for progress review and adjustments.

2 Assess skill gaps and create development roadmaps for every employee. Use data-driven tools and insights to factor in their individual strengths, interests, and aspirations in their plans.

3 Develop personalized training and coaching plans to upgrade existing skills, upskill, or reskill. Provide diverse learning opportunities by offering access to online learning libraries, live or virtual training programs by subject-matter experts, industry certificate programs, and workshops.

4 Introduce mentorship programs that thoughtfully match and pair employees and leaders with compatible personalities, temperaments, and working styles. Provide support, resources, and space for mentor-mentee relationships to flourish.

Internal mobility is a powerful channel for career development.

What kind of career development process does your organization have?

No Process
18.7%

Formal
24.9%

Informal/Casual
56.4%

How often do employees move to different functions within your organization?

Never
14.9%

Frequently
23.3%

Sometimes
61.8%

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# The Shift in the Purpose of Workforce Assessments

TREND 3

Historically, organizations have associated assessments primarily with talent selection. However, our survey reveals a significant shift in utilization. For the first time in four years, the use of assessments for personal awareness and growth has surpassed selection purposes. The data shows other key initiatives for which assessments are widely used are team building, transfers/promotions, and career planning.

While personality or behavioral assessments and tools for assessing job or technical skills have always taken top spots, this year's survey shows an increased use of emotional intelligence assessments. These findings indicate how organizations recognize the need for personal awareness and growth, soft skills, and emotional intelligence along with job skills.

95% of people believe they're self-aware, but only 10–15% truly are.

This shift is especially crucial for management and leadership positions, where self-awareness has become non-negotiable for effective team leadership. However, a striking gap exists. The study shared by IO psychologist Tasha Eurich in her Harvard Business Review article reveals that while 95% of people think they're self-aware, only 10 to 15% actually demonstrate self-awareness. This disconnect underscores the need for assessment tools.

This broader application of assessments gives them the tools, data sets, and insights they need to create an organization driven by self-aware leaders who have the emotional competence to guide teams through dynamic environments and uncertainties while maintaining steady performance levels.

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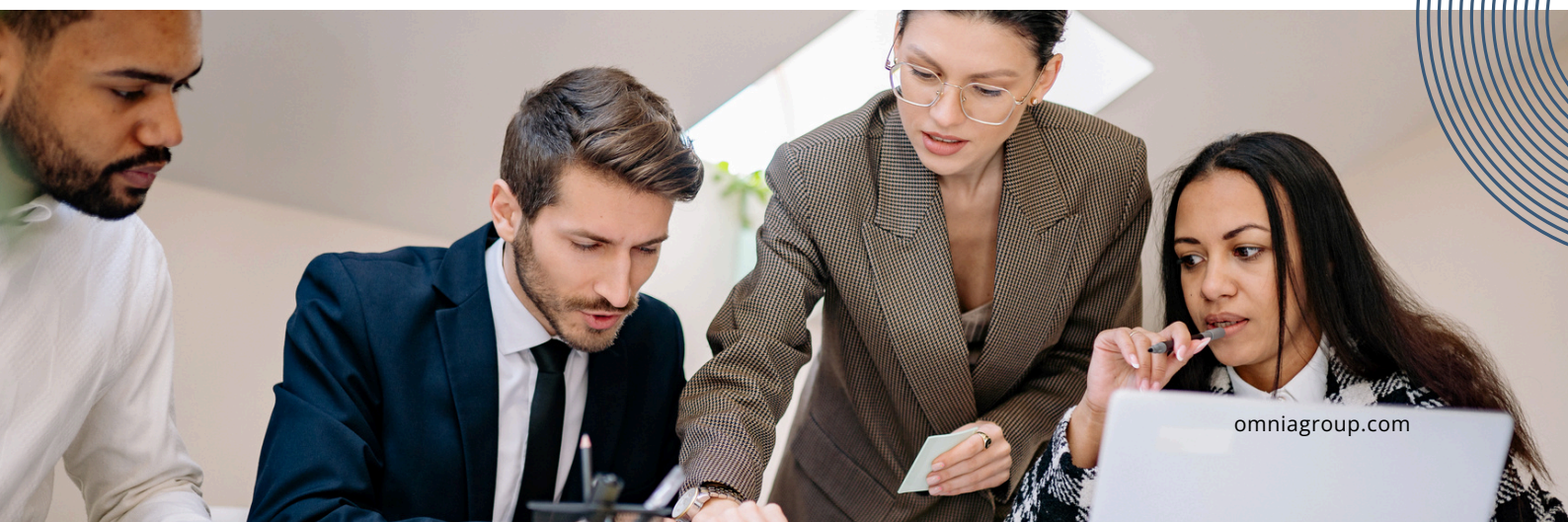
4 ways organizations can leverage assessments effectively are:

1 With the right mix of assessments, you can create a bias-free, fair, and fast recruitment process. Combining behavioral, cognitive, and skills assessments takes much of the guesswork out of hiring, maximizing your hiring process and ensuring you find the right person for the right role.

2 Assess the behavioral traits of your top performers to create job benchmarks for every role. You can build predictive indicators to compare candidates with top talent and identify potential gaps and development opportunities.

3 Improve employee engagement and team dynamics. Analyze the data you have on your employees to understand their inner drivers and take action to create a culture of engagement, trust, and team connection.

4 Share the assessment data with the employees to foster a culture of self-awareness and continuous learning and improvement. When employees operate from a place of self-awareness, they are more controlled and balanced in their interactions with others. And most importantly, they make better decisions.
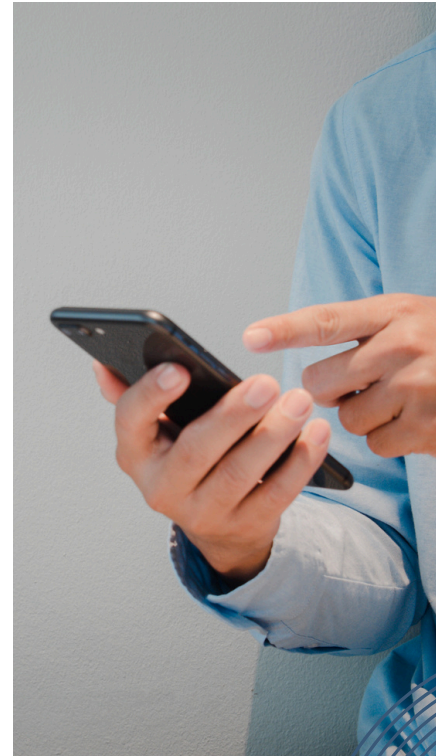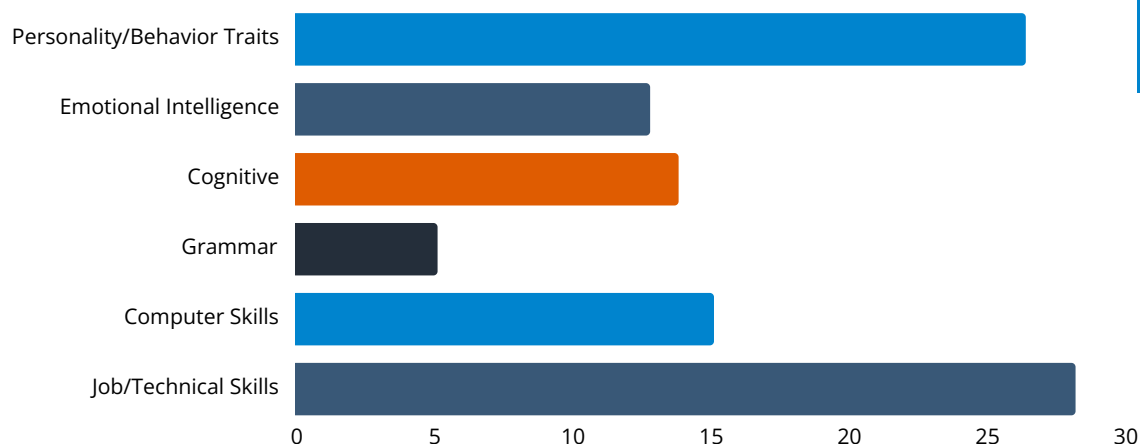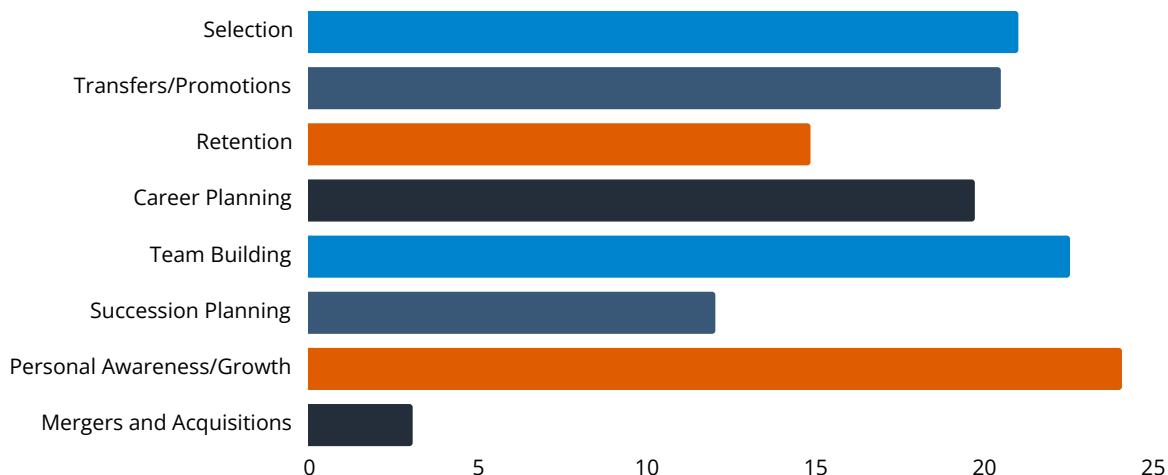
Do you currently use assessments?

Not Sure
20%

Yes
44.6%

No
35.4%
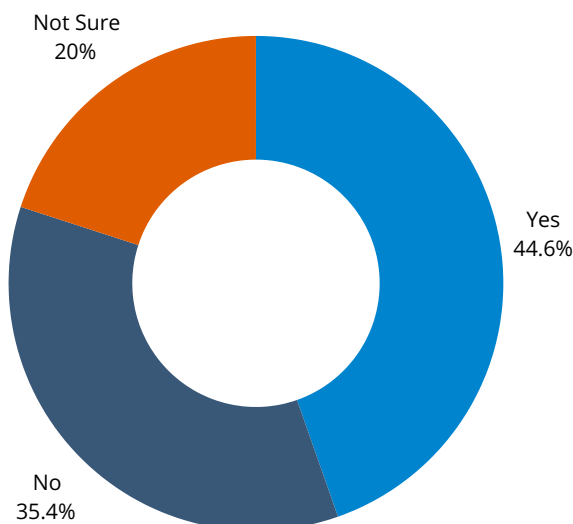
24.1%

use assessments to gauge employee self-awareness and growth.

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TREND 3

If yes, what kind of assessments does your organization use? Check all that apply.

Personality/Behavior Traits
Emotional Intelligence
Cognitive
Grammar
Computer Skills
Job/Technical Skills

0   5   10   15   20   25   30

How does your company use assessments? Check all that apply.

Selection
Transfers/Promotions
Retention
Career Planning
Team Building
Succession Planning
Personal Awareness/Growth
Mergers and Acquisitions

0   5   10   15   20   25

Have you assessed the behavioral traits of top performers to develop job benchmarks?

Not Sure
19.6%

Yes
27.1%

No
53.2%

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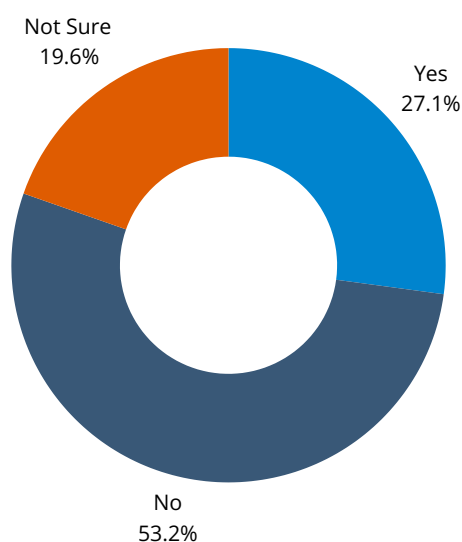
The Need for Proactive Leadership and Consistent Talent Initiatives

Our survey shows a critical insight into small business dynamics: 59.2% of responding organizations have less than 500 employees, of which 28.8% have 1-20 employees. Small businesses either have a small human resource (HR) department, a one-person HR team, or no team at all. In these environments, HR is driven and managed by the company's leadership team. Given the dual responsibilities falling on the leadership team, it is quite easy for inconsistencies to creep into HR initiatives despite best intentions.

Leadership engagement shows promise, and leaders are invested in their employees' growth. Our surveys over the past four years have consistently shown that more than 70% of leaders are committed to having regular one-on-one meetings with their teams. However, this commitment hasn't translated into comprehensive talent management practices. Only 49.4% of surveyed organizations conduct regular employee satisfaction surveys, and only 48.2% collect data on why employees leave the organization.

Our survey also found that 54% of organizations don't train their staff to conduct effective interviews. A gap like this can be easily bridged by facilitating a training workshop for mid-management involved in the interviewing process.

There's a real opportunity to create HR initiatives that are achievable for the leadership of small businesses. The data exposes a pressing challenge: how can small business leaders effectively manage talent initiatives while balancing their primary operational responsibilities?

Two survey respondents capture this reality:

> "We are a small business without any HR staff. We take a far more empowered approach to talent development. We challenge staff to proactively acquire professional skills that either a) interest them or b) will help them achieve better job results by filling knowledge gaps. We then empower them to figure out how to apply those skills to the company/role."

> "We do not have our own HR department so most of the initial hiring is handled by the department manager and/or partner depending on who found the candidate. We have never had a formal process but need one as well as additional HR resources like annual review process and forms, and how to give raises and bonuses fairly."
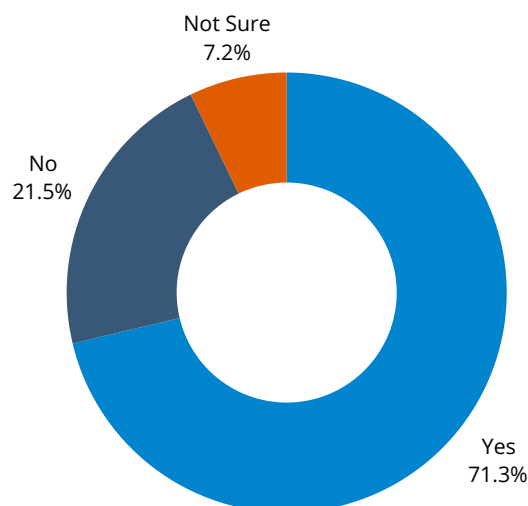
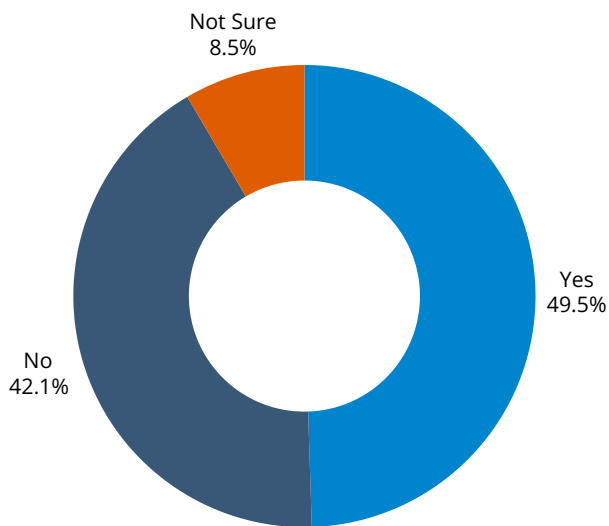## 4 effective talent management strategies for small businesses:

1 Build a cross-functional HR committee with mid-level and senior employees from all departments and allocate 10-15% of their time to HR responsibilities. This approach ensures HR initiatives remain connected to business realities.

2 Create documented processes for hiring, employee engagement, training and development, people welfare and grievances. Run these responsibilities in rotation between members of your HR committee so that all team members get an opportunity to be part of the process. This will help you build organizational HR capability while preventing individual overload.

3 Invest in your middle management to excel in both their primary job roles and as trainers, facilitators, and mentors. A strong bench of middle-level employees is always foundational for sustainable growth.

4 Maintain market competitiveness by keeping a pulse on standards for salaries, benefits, pay raises, and bonuses to ensure fair compensation. This proactive approach helps you with retention and avoids surprises during reviews.
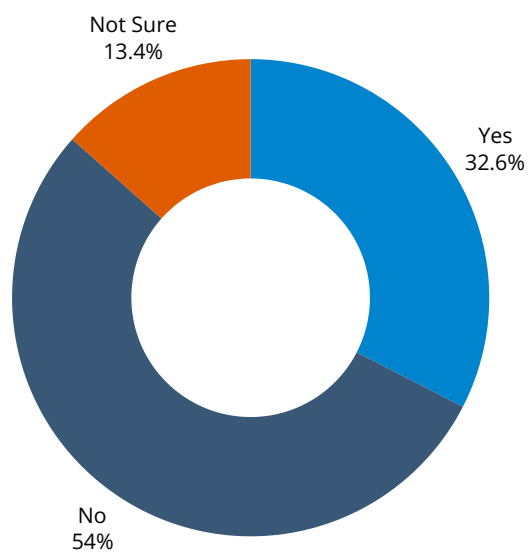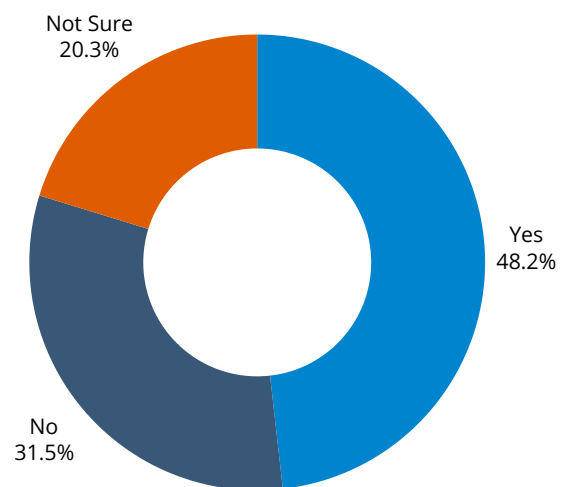
### Do leaders have regular one-on-one meetings with their staff?

Not Sure
7.2%

No
21.5%

Yes
71.3%

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TREND 4

Does your organization conduct employee satisfaction surveys regularly?

Not Sure
8.5%

Yes
49.5%

No
42.1%

Do you collect data on why employees leave your organization?

Not Sure
20.3%

Yes
48.2%

No
31.5%

Do you train staff on how to conduct effective interviews?

Not Sure
13.4%

Yes
32.6%

No
54%

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Getting Strategic About AI Integration in HR

TREND 5

Following technology news headlines gives the impression that generative artificial intelligence (AI) has become ubiquitous in workplaces. However, reality reveals a big disconnect between perception and actual implementation, particularly notable in talent management.
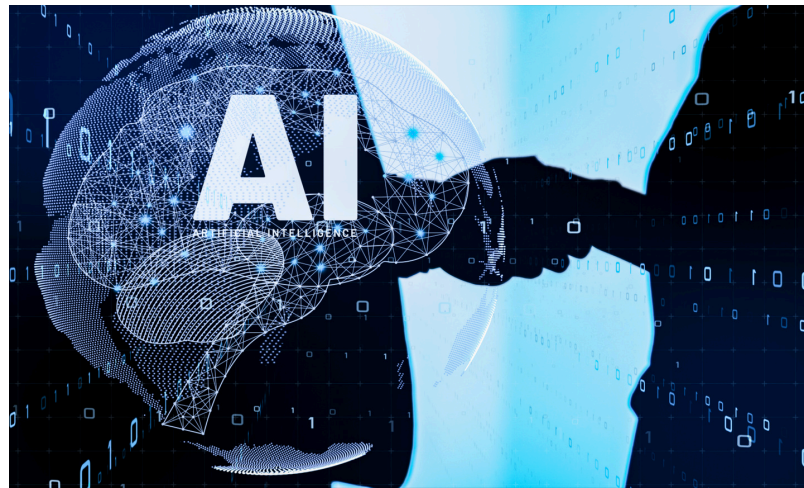
17.9%

use AI-powered tools in their talent strategies

76%

of HR professionals believe their organization risks lagging behind if they don't adopt AI within the next 12-18 months

Korn Ferry's Workforce Survey captures AI's growing pains in talent acquisition. 40% of talent specialists worry that too much AI in recruitment could impersonalize the process, and another 25% express concerns about algorithmic bias. This trend shows employers would rather use AI to improve the candidate journey instead of just automating hiring.

Our survey data reflects these concerns: only 17.9% of respondents report using AI-powered tools in their talent strategies, while 64.7% confirm no use of AI at all. Wherever AI-powered tools are being used in HR, they are mainly for recruiting and hiring/selection.
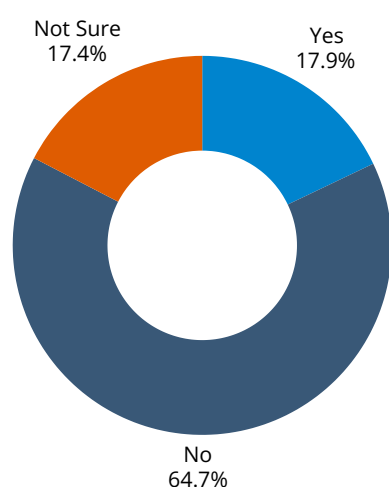
Limited adoption of AI may be holding SMBs back. A Gartner study found that 76% of HR professionals believe their organization risks lagging behind if they don't adopt AI within the next 12-18 months. Leaders, especially in small businesses, must critically reassess their AI adoption status in their organizations, evaluate and address concerns about bias and impersonalization, and reduce potential barriers.

TREND 5

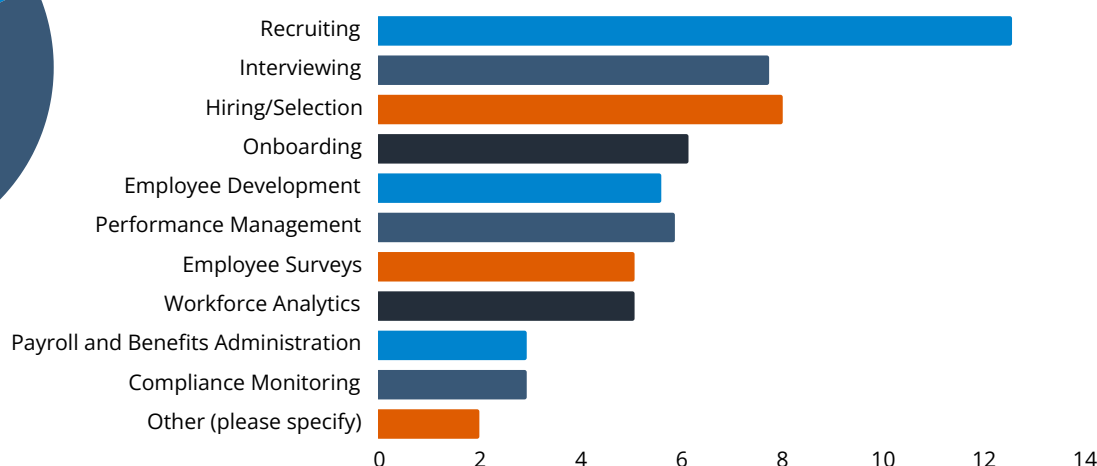## 3 things leaders can do to ramp up effective AI adoption in their organization:

1 Establish the potential and benefits of AI while addressing people's concerns. Make your teams aware of how it will help bring speed and efficiency to certain processes. Help them understand the tangible impacts on their daily work.

2 Identify initiatives where AI can add real value. AI's effectiveness is well documented in the areas of recruitment and hiring; onboarding, learning and development; and providing support using chatbots and virtual assistants.

3 Evaluate AI tools that are most relevant to your organizational needs. Roll out policies for using AI in a consistent manner. Remember, all your employees are using AI in some form or for some tasks; standardizing AI use will help you achieve consistency along with efficiency.

Are you currently using AI-powered tools in any of your talent strategies?

Not Sure 17.4%

Yes 17.9%

No 64.7%

If yes, which of the following talent management activities use AI-powered tools? Check all that apply.

Activity	Value
Recruiting	12.5
Interviewing	7.5
Hiring/Selection	8
Onboarding	6
Employee Development	5.5
Performance Management	5.8
Employee Surveys	5
Workforce Analytics	5
Payroll and Benefits Administration	3
Compliance Monitoring	3
Other (please specify)	2

(axis: 0 2 4 6 8 10 12 14)

Talent Trends Report 2025

Direct Voices from the Field: Real-World Suggestions for Talent Practices

We asked our survey participants what else should be considered while hiring, engaging, and developing talent. The majority emphasized the need to consider experience. Culture fit, skills, attitude, personality, and knowledge were the other top five besides experience.

Below are some valuable suggestions from respondents to bring you direct voices from the field.

01

"Hire people with different experiences that are not necessarily in line with the business domain in which the company works. Avoid slotting people in "lanes" when looking at their resumes. Understand if the candidate has failed and what he did to overcome failure.

02

Maintain an environment where all employees can work remotely and comfortably so they may be available for their children or other life necessities.

03

Retaining and developing [employees] costs less and have a lower impact than outside hiring.

" 04

Remove biases - tons of ageism in the marketplace. Skill validation is more important than ever too, in technical roles.

" 05

What you should know is people who are willing to do the job and aren't there just for money but they have a passion for it and no charity cases allowed.

" 06

I think it's important to be all on the same page regarding what we are looking for to benefit the same passion that we all have as one.

" 07

Employee satisfaction is directly tied to retention, and employers need to always keep that in mind.

" 08

Development of the brand and mission of the company. Not forcing candidates/employees into roles not suited for them.

" 09

Behavioral interview responses, cultural fit, professional development opportunities and commitment to promoting from within.

" 10

These days, we need to know how creative people are because the days of top-down innovation are over.

" 11

Companies should fire all their managers/supervisors who are incompetent, lie, play favorites, don't appreciate or support workers, micro-manage, or who only care about making themselves look good.

" 12

Mentors, onboarding training, peer-to-peer connections.

Talent Trends Report 2025

Conclusion: A Vision for 2025 and Beyond

The talent landscape of 2025 presents both challenges and opportunities. While surface-level stability might seem comforting, organizations must look deeper to address the underlying paradoxes: declining engagement despite low turnover, slow AI adoption despite its proven benefits, and the gap between talent initiatives and their effectiveness.

The five trends we've identified point to a clear imperative: organizations must shift from a stability-first mindset to one that embraces development and growth.

Success in 2025 will belong to organizations that take decisive action now. This requires courage to move beyond comfortable patterns, wisdom to leverage data-driven insights, and agility to adapt strategies as needed. Leaders must balance technology with human connection, efficiency with empathy, and stability with growth.

Leaders must balance technology with human connection, efficiency with empathy, and stability with growth.

The time for action is now. Organizations that wait for perfect conditions or complete certainty risk falling behind. By addressing these trends proactively and implementing the recommended strategies, organizations can build resilient, engaged, and high-performing teams ready for whatever challenges 2025 and beyond may bring.

The question is not whether to act but how quickly and effectively you can transform these insights into action. Your journey toward building a more dynamic, growth-oriented organization starts today.

About The Omnia Group, Inc.

At The Omnia Group, we empower companies to hire the right fit for every role and grow and inspire their workforce. Through scientifically validated, EEOC-compliant workforce assessments and benchmarking backed by behavioral science, we provide the insight and data necessary to confidently hire, develop, and retain top talent.

Founded in 1985, we pioneered behavioral analysis in the U.S. workplace. Today, we offer assessments in 15 countries and 15 languages, serving a diverse global clientele across industries. We help organizations build stronger, more effective teams, leading to a thriving company culture.

THANK YOU!

Maximize your workforce potential!
Let's talk about how these trends impact your team. Schedule a consultation with our experts.

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