SHRM® BETTER WORKPLACES BETTER WORLD™

10 TRENDS THAT SHAPED HR IN 2024

And SHRM's Predictions for 2025

Introduction

In 2024, HR departments faced significant upheaval driven by political, legal, and technological transformations. These shifts presented both challenges and opportunities, demanding that HR leaders adopt flexible strategies while maintaining a strategic focus on enhancing employee experience and fostering inclusion.

The U.S. presidential election not only increased stress and discord in workplaces but also set the stage for important regulatory changes. Legal decisions, such as those from the Supreme Court, further altered the regulatory environment, requiring agility from HR leaders. The labor market showed signs of softening, yet the competition for in-demand skills remained intense, forcing organizations to focus on retention and skills enhancement. Meanwhile, the integration of AI reached a pivotal moment, necessitating a balance between advancing technological adoption and leveraging human potential. Additionally, the emphasis on employee experience and inclusion became paramount, as companies recognized the strategic edge these factors offer in boosting retention and productivity.

This guide delves into pivotal HR trends from 2024 and offers insights into how they are reshaping HR practices and setting the course for 2025. You'll also find video commentaries from SHRM executives and a resource hub to help you dive deeper into the topics that are impacting your organization the most. As you work to navigate these challenges in the year ahead, turn to SHRM for the latest data, tools, and trends to help your organization respond effectively.

TABLE OF CONTENTS

2024 Election: The HR Impact of Trump's Victory

The 2024 presidential election reshaped the political landscape and set U.S. policy on a different course for the next four years under President Donald Trump. A second term for Trump will have far-reaching implications for economic strategies, social policies, and global relations, all of which will impact the business community.

2024 ELECTION'S WORKPLACE IMPACT

The 2024 election cycle was a significant source of discord and anxiety in the workplace. The polarized political climate led to heightened employee tensions, which often manifested in reduced productivity and increased incivility. The uncertainty surrounding potential policy changes led to feelings of instability, affecting employee morale and engagement. Businesses had to work to build a sense of community and encourage healthy dialogue that wasn't a distraction or a source of conflict.

THE POLICY IMPLICATIONS OF TRUMP'S WIN

The second Trump administration is likely to impact HR departments in several key areas[i]:

Artificial Intelligence—With states and local governments already taking steps to regulate AI, the approach advocated by the Trump White House will be crucial in setting a unified framework that will have wide-ranging impacts on the workplace. Trump signed an executive order in his first administration urging the federal government to use trustworthy AI systems. He also recognizes AI's potential to increase productivity, create new industries, and maintain America's technological edge.

Family and Medical Leave Act (FMLA)—The Trump administration may introduce changes to FMLA and paid family leave, which have gained renewed attention as the workforce adapts to modern demands. Previously, Trump supported paid-leave reforms that did not place undue burdens on businesses and provided flexibility for states to develop and implement policies that work for their communities. HR professionals should prepare for potential changes in legislation that could influence leave policies and require adjustments in company guidelines and compliance measures.

Inclusion and Diversity (I&D)—These policies remain at the forefront of HR priorities, with Trump expected to revisit inclusion and diversity programs in light of recent Supreme Court rulings. His approach will likely discourage federal support for any employment action motivated (positively or negatively) by characteristics such as race or sex, which will have implications for HR departments as they implement diversity initiatives. HR departments must remain agile and ready to adapt policies to align with new regulations and expectations.

Regulations—Trump's win signals a return to more business-friendly policies that define the boundaries of employer obligations and employee rights. This will potentially ease some regulatory burdens and require HR departments to stay vigilant in navigating state-level legislation. Additionally, the Trump administration may seek to slow enforcement of recently published final rules or withdraw litigation support for rules currently being challenged. However, the Supreme Court's *Loper Bright* decision may limit the latitude that regulatory agencies have to reverse recently published final rules from the prior administration.

Workforce Development—A second Trump term could see a return to policies proposed during his first term to expand apprenticeship programs and short-term career training initiatives. HR departments are crucial in implementing these initiatives and fostering a competitive, innovative job market.

Immigration—The Trump administration is expected to emphasize domestic workforce development while expressing openness to merit-based immigration plans and work authorization ("green cards") for noncitizens who have graduated from college. However, Trump will likely prioritize border security, and this "green card" proposal would only apply to the most thoroughly vetted candidates. HR departments must prioritize strategic planning and proactive adaptation to ensure their workforce remains competitive and can drive innovation in a rapidly evolving job market.

PREDICTIONS FOR 2025 UNDER THE TRUMP ADMINISTRATION

During the second Trump administration, HR professionals can expect a regulatory rollback consistent with his approach in his first term. Efforts may focus on narrowing federal oversight, particularly concerning labor regulations and I&D initiatives. The White House will likely prioritize flexibility in workplace policies, potentially withdrawing support for the 2024 worker classification rule or slowing enforcement of the recent overtime salary threshold. HR departments must navigate a landscape of decentralized policymaking, ensuring they stay compliant while fostering innovation and inclusivity.

GET ADDITIONAL RESOURCES FROM SHRM

Civility Is in Crisis

Incivility in U.S. workplaces is high, and it's causing disruptions. The SHRM Q3 2024 Civility Index reveals that U.S. workers have collectively experienced or witnessed almost 190 million acts of incivility per day.[ii] Worker productivity, mental health, and retention are suffering, and organizations are collectively losing over $2 billion per day due to lost productivity or absenteeism caused by incivility.

HEIGHTENED INCIVILITY IN THE WORKPLACE

SHRM reports that 74% of U.S. workers have personally experienced or witnessed acts of incivility in their lives—and more than half say at least one of these uncivil acts occurred in the workplace. Acts of incivility in the workplace are most often attributed to differences in opinions on social issues, political viewpoints, generational gaps, racial or ethnic backgrounds, and perceptions of the current state and direction of U.S. society. Ahead of the 2024 presidential election, acts of incivility experienced or witnessed by U.S. workers were most often fueled by political viewpoint differences (49%).

U.S. workers say managers are creating work environments that breed incivility. Nearly two-thirds (65%) say managers and supervisors care more about business objectives than about how people are treated, and 60% say their manager or supervisor has ignored acts of incivility.

WHY IT MATTERS TO HR

Employees who experience incivility at work also experience diminished trust in co-workers, poorer moods, and strained interpersonal relationships. They are also more likely to be dissatisfied with their job and to leave their organization. According to Q3 2024 Civility Index results, these employees intentionally took an average of 1.6 days off from work and lost 30 minutes of productivity per incivility occurrence.

The scores in the SHRM Q3 2024 Civility Index highlight the urgent need for companies to proactively prevent workplace incivility from escalating into more serious issues. To combat declining worker productivity and mental health, HR teams must provide employees with resources and training on handling difficult conversations with empathy and ensure support is available for those affected by incivility. In addition, HR must equip managers with the skills to effectively recognize and address acts of incivility to mitigate adverse impacts on employees and the organization.

Coaching leadership on how to approach sensitive topics will be crucial, as leaders set the tone for their organization's culture. When leaders model respectful behavior, it not only influences workplace dynamics but also establishes clear standards of conduct for employees. By prioritizing civility, HR teams can safeguard both employee well-being and organizational success.

PREDICTIONS FOR 2025

The current wave of incivility isn't just a byproduct of the 2024 election cycle. Civility will continue to be a key workplace issue in 2025. Organizations must prioritize civility to create healthier workplace cultures. Leaders and HR departments will play critical roles in fostering cultures of respect and helping workers navigate difficult conversations. By setting clear standards of conduct and addressing incivility head-on, they can ultimately improve productivity, employee morale, and organizational success.

GET ADDITIONAL RESOURCES FROM SHRM

Courts Remake Regulatory Landscape

A 2024 U.S. Supreme Court ruling has given courts greater discretion to strike down regulations, and some lower courts have acted quickly on it. The Supreme Court's decision in *Loper Bright Enterprises v. Raimondo* "overturns decades of established precedent, fundamentally changing how courts evaluate the boundaries of regulatory authority and executive actions," said Emily M. Dickens, chief of staff, head of government affairs, and corporate secretary for SHRM.[iii]

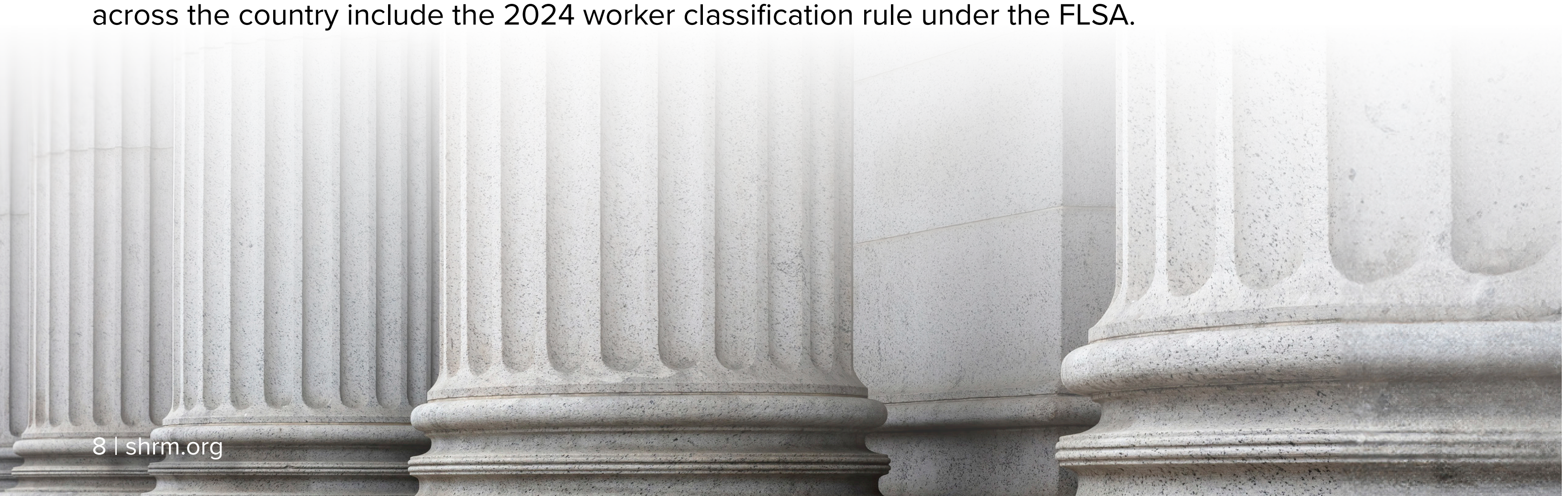
REGS STRUCK DOWN

Understanding the judiciary's influence in shaping workplace policies has become even more critical. *Loper Bright* overturned the long-standing *Chevron* doctrine, which had courts defer to regulatory agencies in interpreting ambiguous statutes. This change will give federal courts more freedom to use their own judgment when evaluating the legality of agency actions and even potentially reopen previously settled cases.

In another sweeping decision, a federal district court in Texas invalidated the Federal Trade Commission's (FTC's) proposed ban on noncompete agreements.[iv] The court ruled that the FTC overstepped its authority and declared the noncompete rule unlawful, meaning it would not be enforced or take effect. The court said the FTC's sweeping ban failed to explore less restrictive alternatives and ignored the positive impact noncompete agreements can have when applied appropriately.

Also in 2024, the 5th U.S. Circuit Court of Appeals vacated the U.S. Department of Labor's (DOL's) 80/20/30 tipped-wage rule.[v] Established to delineate the payment structure for tipped employees under the Fair Labor Standards Act (FLSA), the tipped-wage rule categorized work into three types and required full minimum wage compensation for time spent in nontipped work.

A key issue currently under judicial scrutiny is a DOL regulation under Section 702 of the Employee Retirement Income Security Act, which prohibits health plans from charging different premiums based on health factors, with exceptions for wellness programs.[vi] The DOL allows higher premiums for tobacco users, provided the penalty can be avoided by completing a smoking cessation program, regardless of its success. A case challenging the regulation raises broad questions about how courts will apply *Loper Bright* to regulatory interpretations. Other regulations being challenged in courts across the country include the 2024 worker classification rule under the FLSA.



WHY IT MATTERS TO HR

With the publication of final rules potentially being susceptible to legal challenges due to the *Loper Bright* decision, HR teams likely will become more frequently involved in compliance discussions–balancing the cost of compliance with the possibility of the rules being overturned or set aside by a federal court.

In weighing the cost of compliance with the possibility that a rule may not withstand legal scrutiny, HR professionals would be prudent to remember that not every regulation HR opposes will be rejected by the courts. *Loper Bright* does not instruct courts to completely disregard regulatory authority, and there are other Supreme Court cases that have upheld the authority of regulatory agencies. Even in the 5th Circuit, known for issuing employer-friendly rulings and overturning many of the Biden administration's final regulations, recognition of regulatory authority has not been completely set aside. For example, in deciding whether the DOL has the authority to set a salary threshold for white-collar exemptions to overtime pay, the 5th Circuit, even after *Loper Bright*, upheld the Trump administration's 2019 increase to the salary threshold, effective in 2020.

HR should remain vigilant about ongoing legal challenges and seek legal counsel for lingering questions about compliance. For example, the second increase in the salary threshold for overtime is slated to take effect on Jan. 1, 2025, but could still be vulnerable to legal challenges. Strategic HR and collaboration with counsel will be imperative to decide the proper course of action when assessing if and how to devote resources to compliance with any upcoming final rule.

PREDICTIONS FOR 2025

Employers and trade associations may be more willing to challenge regulations in court as unlawful extensions of agency authority, and agencies will likely need to pick their battles more carefully.

More aggressive rulemaking, especially when an agency attempts to assert new jurisdiction or extend novel interpretations of the law, may be harder to justify. Employers may have new opportunities to point out in public comment periods those proposals that are newly susceptible to legal challenge.

The practical effect for employers may be that rulemaking activity is dampened—but by no means ended—and that the *Loper Bright* decision supercharges rulemaking challenges.

GET ADDITIONAL RESOURCES FROM SHRM

The Labor Market Softens, But Hiring Challenges Remain

Following a period of heightened demand for labor and historically low unemployment, hiring finally began to slow in 2024, with unemployment creeping above 4%.[vii] But while the overall pace of recruitment has decelerated, U.S. organizations continue to face an ongoing shortage of qualified workers, and certain specialized roles are still seeing especially high demand as skills shortages persist.

HIRING HAS COOLED, BUT SKILLS GAPS REMAIN

In the post-pandemic years, employers faced fierce competition to secure talent amid record-low unemployment. Labor demand was well above supply in 2022 and 2023, which gave workers increased bargaining power and prompted companies to elevate their salary budgets and hand out bigger pay increases.[viii]

While demand continues to outpace supply toward the end of 2024, the ratio of job openings to unemployed workers is shifting closer to 2019 levels.[ix] This trend means wider talent pools for certain positions and less upward pressure on wages.

Yet companies are still struggling to fill positions in certain fields where demand for skilled workers exceeds supply.[x] This skills shortage is driven, in part, by technological advancements in fields such as artificial intelligence, which require a workforce that is both adaptable and proficient in emerging skills.

At the same time, U.S. employers are facing a pair of long-term demographic trends—rapidly declining birth rates and an increasingly aging population—that warn of a persistent shortage of skilled workers for many years. These two trends are reshaping the country's age distribution so that working-age adults represent an increasingly smaller part of the U.S. population.[xi]

WHY IT MATTERS TO HR

The gradual slowdown in hiring during 2024 may offer temporary relief to HR teams stretched thin by the frantic pace of recruitment over the past few years. However, this reprieve is tempered by the reality that critical skill and talent shortages remain in key areas. Without a monumental demographic, global, or technological change, it is reasonable to assume that labor shortages will be a common challenge for HR departments going forward.

In response, HR must take a strategic, skills-based approach to workforce planning. Organizations can no longer rely solely on traditional hiring practices focused on degrees or credentials. Instead, they'll emphasize identifying specific competencies and aptitudes that align with business needs, even if these come from nontraditional sources. Upskilling initiatives will help companies develop internal talent to fill gaps in specialized roles. HR leaders can play a pivotal role in fostering a continuous learning and development culture, ensuring employees can acquire new skills and advance within the organization.

PREDICTIONS FOR 2025

Many employers should enjoy comparatively favorable labor market conditions in 2025, even though the overall labor market will likely remain tight by historical standards. To compete for talent in 2025, HR departments must be prepared to invest in training and development programs to equip employees with the skills they need for future roles. This shift will be accompanied by a greater focus on skills-based hiring and training workers on the effective use of AI. While the labor market may be cooling, HR leaders must stay agile and forward-thinking to navigate the massive demographic and technology complexities ahead.

GET ADDITIONAL RESOURCES FROM SHRM

AI Comes to a Crossroads

Organizations began to get serious about strategically incorporating AI in 2024, prompting some workers to worry the technology might leave them without a job in the near future. HR departments must learn to navigate both the strategic potential of AI and its ability to provoke anxiety.

AI-DRIVEN WORKPLACE TRANSFORMATIONS

White-collar roles—especially in the financial services, law, and marketing research industries—are most likely to experience broad transformations as a result of AI, according to SHRM Research, while blue-collar positions are less likely to be affected.[xii] HR won't be immune to AI's effects, with around 25% of HR departments reporting using AI for job functions such as talent acquisition (42%), employee training and development (36%), and people analytics (21%).[xiii]

Although AI discussions are often focused on boosting employee productivity and effectiveness, HR professionals and company leaders must contend with increasing concerns from employees that AI could eliminate their roles or limit their career growth. In fact, nearly half of employees (45%) are concerned that AI will replace their job, according to Microsoft.[xiv]

Despite those fears, however, SHRM's *AI in the Workplace* report found that only 6% of HR leaders surveyed said that AI adoption led to job displacement within their organization. Instead, 50% of HR leaders at companies using AI report that the technology is leading to new upskilling or reskilling opportunities for workers, with another 30% saying that AI has resulted in shifts in job responsibilities.[xv]

WHY IT MATTERS TO HR

HR departments play a pivotal role in addressing workers' concerns about job displacement due to AI. Whenever there's a potential for workforce reduction, resulting employee anxiety can negatively impact morale, productivity, and retention, and trigger resistance to continued technology adoption and training.

It's essential that HR acknowledges these worries and positions AI as a tool that enhances, not replaces, human capabilities. They should also make clear how AI's role in the workplace can create new opportunities for upskilling and reskilling, boost efficiency, and remove burdensome tasks from employees. This can be achieved through open communication, transparency, and the development and implementation of training programs that educate workers on how to most effectively use AI in their daily work.

PREDICTIONS FOR 2025

Despite AI's growing prevalence, business investment in the technology has not yet reached its peak. It's estimated that by 2025, nearly $200 billion will be poured into AI technology globally, potentially leading to additional disruptions and possibilities for companies and employees alike, according to SHRM and The Burning Glass Institute's analysis. Although specific work tasks will certainly be automated away by AI, this will also provide the opportunity to elevate human skills and drive both productivity and creativity. When AI takes care of routine tasks in the workplace, employees can concentrate on the innovation and the interpersonal elements that fuel genuine advancement.

GET ADDITIONAL RESOURCES FROM SHRM

Employee Experience Becomes a Strategic Edge

Businesses have long tracked employee engagement as a measure of a worker's emotional investment in their job. However, in 2024, some organizations are looking at employee experience as a more comprehensive metric that can provide them with a strategic edge in the battle for top talent.

WHAT IS EMPLOYEE EXPERIENCE?

Employee experience is a holistic approach to understanding how workers engage with the workplace, encompassing organizational culture, technology access, and even the physical workspace. It is both a measure of how workers feel about their jobs and a reflection of HR departments' work to create conditions where workers feel valued and productive. A 2024 SHRM report found that 46% of HR professionals and 36% of workers say creating a positive employee experience is one of the most critical responsibilities of an HR department.[xvi] But realigning HR functions to focus on experience rather than solely engagement requires a shift in mindset that prioritizes empathy and inclusivity while maintaining organizational goals.

WHY IT MATTERS TO HR

Employers have increasingly turned to enhancing their employee experience to improve worker retention and make their organizations more attractive to new employees. While the job market softened in 2024, competition for workers with some in-demand skills remains fierce. Organizations must find ways to differentiate themselves in a crowded talent marketplace to remain competitive.

While not every employer can afford to compete on wages or benefits, creating a great employee experience can be low-cost and highly effective. SHRM data finds that looking at employee experience and engagement can explain 54% of employees' job satisfaction levels and 42% of their desire to quit. A world-class employee experience can provide a crucial advantage to organizations whose strategy relies on a vibrant and productive workforce.

What's the best way to create a world-class employee experience? While there is no one perfect recipe, SHRM Research finds that workers consistently rate the four following attributes as being essential elements of a great workplace:

- Feeling you are part of a team.
- Feeling a sense of purpose.
- Feeling you are fairly treated.
- Feeling valued.

PREDICTIONS FOR 2025

In 2025, employers are set to deepen their emphasis on employee experience. Technology has a role to play in helping organizations define and enhance employee experience. HR departments should increasingly look to people analytics tools to seamlessly monitor employee experience without worrying about employee survey fatigue. At the same time, they should consider how collaboration tools can enhance team bonding and provide regular reminders of an employee's connection to the organization's mission.

Leadership will be vital in defining the employee experience and ensuring it aligns with the organization's values. Everyone from executives to people managers can influence whether employees feel valued and fairly treated. HR leaders must also communicate the importance of employee experience to stakeholders across the enterprise.

Focusing on employee experience is a transformative approach to positioning organizations to thrive in a competitive marketplace. By embracing this shift, HR leaders can drive sustainable growth and foster a resilient workforce that is prepared to meet future challenges.

GET ADDITIONAL RESOURCES FROM SHRM

Companies Rethink Approach to I&D

In 2024, organizations continued to scale back and refocus their inclusion and diversity (I&D) efforts. The main reasons for this were economic uncertainty, political backlash, and a reckoning over whether traditional I&D programs yield the desired results.

I&D RETHINK

In 2024, a growing list of companies, including Ford, Harley-Davidson, John Deere, and Lowe's, announced that they would pull back on I&D initiatives.[xvii]

Corporate backtracking on I&D began in 2022 when signs of a potential economic downturn first surfaced. This shift followed a two-year boom in the I&D space following the wave of nationwide protests against racial inequality that followed the murder of George Floyd in 2020. Surveys show that I&D initiatives were among the first business areas to be cut in anticipation of a recession.[xviii]

Meanwhile, the Supreme Court's decision in 2023 to overturn the use of affirmative action in college and university admissions drew more attention to corporate diversity efforts, leading some to question their effectiveness and whether they should be continued.

The national political climate has also played a part, first in the recognition of the need for more employer investment in I&D in the summer of 2020 and, more recently, in the backlash against perceived "wokeness" at work. Some critics argue that I&D programs are unnecessary or divisive, while others say they are costly and fail to yield the desired results.

WHY IT MATTERS TO HR

Scaling back I&D programs has had real impacts on HR departments. Budgets were reallocated, and I&D practitioners lost jobs or moved into other HR function areas.

A small number of employers have outsourced I&D to consultants instead of internal teams,[xix] while others have suspended the function entirely. Some have pivoted to examining different ways to improve I&D, including expanding the parameters of diversity hiring beyond targeting specific racial or ethnic groups, as well as embracing technology.

HR must be mindful of avoiding legal scrutiny of I&D initiatives and programs. Employers should take care when setting up programs not to generate unintended consequences of disparate treatment or impact based on protected categories, such as tying I&D metrics to compensation structures and employment decisions. Any kind of hiring goals or quotas will draw unwanted attention.

While there has been a chilling effect on I&D this year, many organizations will continue the work in refocused ways. Even the companies that announced I&D pullbacks said they were changing their approach or reprioritizing their work—not abandoning those efforts or the underlying aims driving them.

PREDICTIONS FOR 2025

The most likely scenario is that the status quo will persist in the new year. A return to a more robust I&D push largely depends on the economy. As the economic picture improves, employer-led I&D activity will get a shot in the arm. Internal volunteer action furthering I&D will continue in organizations with employee resource groups that require minimal budget.

Looking further ahead, continued cutbacks in I&D could lead to declining organizational diversity. Managing diversity across dimensions is at a tipping point in the U.S., as the workforce is expected to be increasingly diverse in the years ahead,[xx] mandating the importance of understanding I&D in human capital management. Organizations must invest in leading with inclusion now so that they're positioned for long-term success.

GET ADDITIONAL RESOURCES FROM SHRM

C-Suites Evolve to Meet New Challenges

Leadership cannot stay the same in a world where change is the only constant. An analysis by SHRM and The Burning Glass Institute found that C-suites increasingly include a wide array of titles, with some of the more novel ones, such as chief wellness officer, chief investment officer, and chief program officer, becoming more common even as the broader market for executive talent contracts.[xxi]

HOW THE C-SUITE IS CHANGING

Traditional roles such as CFOs, COOs, CTOs, and CIOs are increasingly complemented by specialized roles such as chief revenue officer, chief growth officer, and chief data officer, reflecting a more diversified and less compartmentalized C-suite.

The importance of AI regulation and monitoring has also led to the growth of the chief AI officer role in the C-suite. A Gartner survey found that 54% of executive leaders reported having a specific AI leader in their organization.[xxii]

C-suite leaders need a wealth of experiences to meet the changing needs of today's workplace. A recent LinkedIn report revealed that the percentage of top executives who formerly worked in just one job function dropped significantly from 87% in 2018 to 59% in 2023. This shift reflects the growing challenges of being a C-suite leader, including adopting new technologies and meeting employees' growing demands.[xxiii]

WHY IT MATTERS TO HR

As organizations add more seats to the C-suite, HR must find ways to fill those roles with qualified executive candidates. Fewer people have held some of the more novel C-suite titles, which requires HR to be more creative when hiring for them.

To fill newly created C-suite roles, HR departments usually either look at executives from other disciplines who could make the leap or nonexecutive professionals who are ready to take on a bigger challenge. Both approaches require a little imagination to see how a candidate will fit into the existing structure. At the same time, new roles present opportunities to increase the diversity of an organization's leadership team and introduce new perspectives. No matter who the new C-suite members are, HR must provide appropriate executive development to ensure their success.

The increase in new C-suite seats shows how influential talent and succession planning can be for an organization's future. HR leaders must use their growing influence to steer the organization in wise directions and find leadership models that serve its strategy.

PREDICTIONS FOR 2025

Expect the C-suite to continue evolving with greater emphasis on cross-functional expertise and adaptability. As more organizations recognize the value of diverse perspectives, the trend toward diversified executive teams will gain momentum.

More organizations will move away from the idea of a standard set of C-suite roles in favor of greater experimentation. At the same time, the roles companies already have will be increasingly collaborative and interdisciplinary. Look for organizations to be increasingly willing to create, eliminate, split up, or combine C-suite roles to meet their evolving needs.

The proliferation of new C-suite titles will require a large pool of talent to be ready for senior leadership roles. HR departments must invest in leadership development to ensure they have the right people in place to move up and take the organization to the next level. As HR becomes an increasingly strategic function, more organizations will start to think about succession planning and talent development as part of business planning.

GET ADDITIONAL RESOURCES FROM SHRM

Flexibility Is in Flux

Workplace flexibility was a perennial hot topic in 2024. But it's one with dueling messages, as some employers are doing away with remote work and flexible schedules in favor of a full return-to-office mandate.[xxiv] Still, some organizations are embracing leave programs so employees can step away from work to deal with all that life has to offer, according to 2024 SHRM benefits data.[xxv] It appears organizations are reaching a compromise—telling employees they need to come together to work together, while also allowing them time to deal with health or family responsibilities or simply take a break.

RETURN-TO-OFFICE MANDATES MEET ENHANCED LEAVE PROGRAMS

Many employers say working in the office full time fosters collaboration and improves employee engagement and productivity. However, opponents have argued that such mandates will deter potential employees and cause workers to quit, as various research finds that flexible and remote work can improve employee satisfaction.[xxvi]

While some employers are mandating return-to-office plans, many also understand the value of giving workers time off to deal with life's challenges. Many companies are enhancing leave benefits—and even getting creative with those benefits in the process.[xxv]

There has been a big push for caregiving and parental leave benefits, with more companies giving workers paid time off to take care of family members when needed and allowing new parents to bond with their children.[xxvii] While maternity and paternity leave have been a benefits staple for years, more employers have enhanced parental leave policies to give all parents equal time off.

SHRM's benefits data shows a push toward innovative leave programs to meet the diverse needs of employees, including menopause or menstrual leave above what is already covered by regular sick time, grandparent leave, and paid time off for employees who experience a pregnancy loss or the death of a pet.

WHY IT MATTERS TO HR

This flux in flexibility has had a real impact on HR. First, HR professionals have often been tasked with mandating office returns, enforcing deadlines, and figuring out logistics while navigating employee sentiment and backlash over such moves. For instance, a recent survey of Amazon employees by anonymous job review site Blind Workplace Insights found that 73% said they are considering looking for a new job following the company's recent return-to-office announcement.[xxviii]

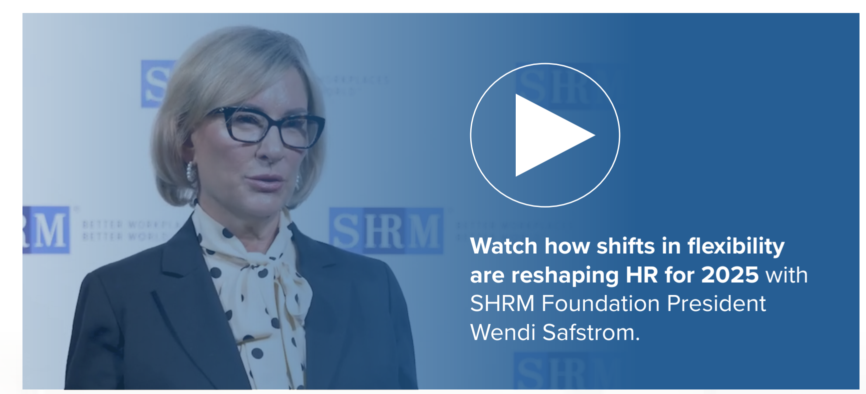
HR departments will have their hands full navigating such policies and figuring out how they impact attraction and retention.

PREDICTIONS FOR 2025

With some big-name employers set to enforce their return-to-office mandates at the beginning of the year, many other organizations will surely be watching to see how such plans go. Did employees return, or did they quit? Are employees happy or unhappy with the moves? What impact will it have on the organization at large? If companies report success, other firms will likely join the movement.

But regardless of what happens with return-to-office mandates, expect more employers to embrace flexibility and innovation in leave programs and other benefits that help employees achieve work/life balance. That creates a win-win for both employers and employees.

GET ADDITIONAL RESOURCES FROM SHRM



PR Comes to HR

HR departments' communications needs have evolved far beyond the company newsletter. While HR announcements are usually intended just for employees, the past year has seen brands large and small make headlines for seemingly internal matters.[xxix] Organizations increasingly need to collaborate with their colleagues in public relations, marketing, and/or communications to manage the messaging around their HR decisions.

INTERNAL GOES EXTERNAL

Companies rarely try to get media attention for their HR decisions, but that doesn't mean these stories are happening by accident. HR communications crises often start with an internal leak or an employee posting on social media about an HR decision, such as the handling of mass terminations, a shift in I&D priorities, cases of alleged harassment, or a mandate to return to the office.

Viral posts about the organization can then get picked up by media outlets, further amplifying the discussion. These stories can tie into larger discussions around the economy or social issues, prolonging the negative attention. Suddenly, what was an internal matter has turned into a large-scale PR crisis that could affect how customers and prospective employees see the brand.

WHY IT MATTERS TO HR

This trend impacts businesses on a few levels. First, it can influence purchasing decisions if customers feel a company is not aligned with their personal values. Second, it can make it harder for the company to break through with positive media outreach without reinvigorating a negative story. And finally, it can impact talent pipelines.

If a brand goes viral because of an HR decision, that story will turn up in any web searches candidates may perform before applying to a role. A wave of unflattering coverage could influence how candidates see the brand and whether they continue applying. If a story goes unaddressed, it could become a long-term part of the organization's employer brand.

Organizations should assume that nothing is guaranteed to stay purely internal, and both company and HR leaders should prepare for major decisions and draft messaging with that in mind.

Additionally, while human resources responsibilities don't often overlap with those of marketing, communications, and public relations departments, it's key that HR teams are comfortable talking to and collaborating with those who are managing a company PR crisis. Information on context, precedence, and other pertinent details can be invaluable to developing an effective response strategy. Form relationships before a crisis occurs so all stakeholders can work hand-in-hand when responding.

PREDICTIONS FOR 2025

With more channels than ever for people to voice their opinions—and the unpredictable nature of whether those opinions will gain traction on social media—organizations should expect HR-related PR crises to continue in 2025.

But HR leaders don't have to take these situations as a foregone conclusion. Organizations can take action before an HR-PR crisis to limit damage and potentially strengthen their branding. But HR must collaborate with the organization's communications or brand team to achieve the best outcome.

Before making a significant HR announcement:

» Decide on a communications strategy to counter negative attention and set consistent messaging for any responses.
» Consult with PR early to identify potential challenges.
» Make sure messaging is consistent.
» Identify champions who can help carry the correct message.

This kind of proactive consultation can help cement HR as a valuable strategic partner to the rest of the business. Once formed, these partnerships can be used to create positive narratives and counter negative ones. Creating HR-PR alignment can provide a significant advantage over competitive organizations that aren't thinking holistically about the intersection of their consumer and employer brands.

GET ADDITIONAL RESOURCES FROM SHRM

Watch how to align PR and HR in 2025 with SHRM Chief Brand & Marketing Officer Tina Beaty.

END NOTES

[i]The Presidential Effect 2024: What It Means for Your Workplace, SHRM, 2024
[ii]SHRM Q3 2024 Civility Index, SHRM, 2024
[iii]Supreme Court Decision Weakens Federal Agency Rules, SHRM, 2024
[iv]Federal Judge in Texas Strikes Down FTC Noncompete Ban, SHRM, 2024
[v]5th Circuit Strikes Down DOL Tipped-Wage Rule, SHRM, 2024
[vi]What is a wellness program?, SHRM, 2024
[vii]Civilian unemployment rate, Bureau of Labor Statistics, 2024
[viii]A Strong Year for the Labor Market, WhiteHouse.gov, 2024
[ix]Job Openings and Labor Turnover Survey, Bureau of Labor Statistics, 2024
[x]Understanding America's Labor Shortage: The Most Impacted Industries, U.S. Chamber of Commerce, 2024
[xi]New Research of U.S. Labor Force Participation and Employment Finds Shrinking Prime-Age Worker Population Being Filled by Older Workers, EBRI, 2024
[xii]Generative Artificial Intelligence and the Workforce, SHRM and The Burning Glass Institute, 2024
[xiii]2023-2024 SHRM State of the Workplace, SHRM, 2024
[xiv]AI at Work Is Here. Now Comes the Hard Part, Microsoft, 2024
[xv]New SHRM Research Shows How HR Leaders Really Feel About AI, SHRM, 2024
[xvi]The Case for Employee Experience, SHRM, 2024
[xvii]Ford, Lowe's join other big companies in backing off DEI policies amid conservative criticism, CBS News, 2024
[xviii]DEI job postings are down. Why do these roles lack longevity?, HR Dive, 2024
[xix]Cutting Costs at the Expense of Diversity, Revelio Labs, 2024
[XX]The Key Elements of an Impactful DEI Integration Strategy, SHRM, 2022
[xxi]A look at the future of the U.S. labor force to 2060, Bureau of Labor Statistics, 2016
[xxii]Considering Adding a Chief AI Officer? Here are the Pros, Cons, and 5 Characteristics to Look For, SHRM, 2024
[xxiii]The Evolution of the C-Suite: New Roles for a New Era, SHRM, 2024
[xxiv]Amazon to Require Workers Return to the Office Full Time, SHRM, 2024
[xxv]From Menopause Support to Grandparent Leave, Employers Add Benefits to Support Diverse Needs, SHRM, 2024
[xxvi]Hybrid Work Reigns Supreme, Despite Leadership Doubts, SHRM, 2024
[xxvii]Employers Leave Room for Flexible Thinking on Family Leave, Flexible Work, SHRM, 2024
[xxviii]Amazon RTO: Employees Don't Want to Work in the Office Five Days a Week, Blind Workplace Insights, 2024
[xxix]Viral Video Draws Attention to Layoff Process via Zoom, SHRM, 2024