

EXECUTIVE SUMMARY

RECRUITING EXECUTIVES: PRIORITIES AND PERSPECTIVES



INTRODUCTION

Recruiting has evolved into a strategic priority central to business success, with recruiting executives and chief human resources officers (CHROs) playing an essential role in securing an organization's most valuable resource: its people. Leaders in this field must excel in attracting, sourcing, and selecting top-tier talent while crafting strategies that align with broader organizational goals. This task has grown more complex with emerging challenges, such as evolving inclusion and diversity (I&D) standards, adding more pressure amid a difficult labor economy that has seen more job openings than unemployed individuals nearly every month since March 2018.¹ For organizations to thrive, recruiting executives must adapt and anticipate future trends for their organizations to remain competitive for talent.

To understand priorities, challenges, and their perceptions of future trends, SHRM Thought Leadership surveyed 292 recruiting executives (i.e., those who lead their organization's recruitment or talent acquisition function, including CHROs where applicable). This research aims to provide recruiting and talent acquisition leaders with an understanding of their peers' top priorities for 2025, while also offering valuable insights into the shared challenges and perspectives within this group.



RECRUITING EXECUTIVES: PRIORITIES AND PERSPECTIVES



¹U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis, on May 30, 2025.

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RECRUITING EXECUTIVES' TOP PRIORITY IS TO SECURE CRITICAL TALENT

Setting clear objectives and strategies is a vital responsibility for recruiting executives. The success of an organization is directly tied to the effectiveness of the recruiting function, as departments and teams across the business often depend on it to hire top talent. In 2025, recruiting executives most often cite securing critical talent, sourcing, and establishing their recruiting strategies as their top priorities.

KEY INSIGHTS

- Recruiting critical talent is the most common priority for recruitment executives: One-third (33%) of recruiting leaders cite recruiting critical talent as their primary focus for 2025. This priority highlights the growing emphasis organizations place on finding the right individuals to drive growth and success at their business, particularly amid a labor market that has averaged around 650,000 more job openings than unemployed people per month over the past year² and many organizations having difficulty recruiting talent during this time.³
- Sourcing, primarily active sourcing, is one of recruiting executives' top priorities: Beyond securing critical talent, many recruiting executives report improving their sourcing efforts (21%) as a top priority in 2025. Among these leaders, more than one-third (37%) report that their top sourcing priority is active sourcing or finding and engaging with potential candidates who are actively searching for a new job. This priority highlights that many recruiting leaders are exploring methods to develop new talent pipelines and areas where they can find active job seekers to fill critical open roles.
- Enhancing the recruitment strategy, especially within their function, is a top priority for recruiting executives: Twenty-one percent of recruiting executives report that enhancing their organization's recruiting strategy, including methods of attracting, selecting, and hiring candidates, is their top priority in 2025. Among these executives, 30% are focusing on refining their recruitment function strategy to ensure it aligns with broader business objectives.



²U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis, on May 12, 2025.
³2025 Talent Trends, SHRM, 2025 (forthcoming).

Recruiting Executives' Top Priorities in 2025 -

Recruiting critical talent 33% Sourcing 21% **Recruiting strategy** 21% Onboarding 11% Technology 5% Employer branding 5% Talent intelligence 3% Diversity recruiting 2%

Respondents could select one option that best described their top priority within the recruiting function for 2025.

SOURCE: RECRUITING EXECUTIVES: PRIORITIES AND PERSPECTIVES, SHRM, 2025. VISIT SHRM.ORG/RESEARCH TO LEARN MORE.

Results are based on responses from 292 recruiting executives. Percentages have been rounded to the nearest whole number.

KEY TAKEAWAY

Together, these top three priorities confirm that most recruiting leaders remain focused on various methods of finding, attracting, and hiring talent rather than other topics. As businesses across the U.S. face difficult labor market conditions, it is imperative for recruiting executives to ensure these recruitment efforts are aligned with broader business objectives.



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RECRUITING EXECUTIVES FACE UNIQUE CHALLENGES, WITH TALENT SHORTAGES AMONG THE MOST COMMON

Amid persistent competition for top talent, recruiting leaders play a critical role in guiding their organizations through navigating a range of challenges, from economic uncertainty to operational complexities. Among these challenges, talent shortages and a lack of qualified candidates often emerge as the most common and urgent concerns these leaders must address.

KEY INSIGHTS

- Wage inflation is a chief macroeconomic concern, along with talent shortages and market competition: Aligning with SHRM research on CHROs,⁴ wage inflation is the most cited macroeconomic concern among recruiting executives, with 57% highlighting it as a challenge. This challenge highlights persistent pressure from recent wage and salary increases, which have remained elevated across the broader labor market.⁵ Talent shortages follow closely, however, with 56% of these leaders citing this as a concern and 1 in 5 (20%) naming it their most pressing issue. Additionally, over half (51%) report facing challenges in staying competitive in the labor market.
- Across the organization, a lack of qualified job candidates for open roles is the most common and pressing challenge: Sixty-one percent of recruiting executives identify a lack of qualified candidates for open roles as a challenge, with nearly one-third (31%) saying it is their most pressing organizational issue. In addition, 53% highlight difficulties in sourcing hard-to-fill positions, while 48% cite challenges in offering competitive wages.
- » Hiring manager collaboration and budget constraints are the top recruiting function challenges: More than one-quarter (28%) of recruiting executives cite budget constraints within their function as a challenge, with 17% ranking it as their most pressing concern. Similarly, 28% say collaborating with hiring managers and other stakeholders is a challenge.



⁴ CHRO Priorities and Perspectives, SHRM, 2025.

⁵U.S. Bureau of Labor Statistics, U.S. Department of Labor, The Economics Daily, Compensation costs up 3.6 percent from March 2024 to March 2025 at <u>https://www.bls.gov/opub/ted/2025/compensation-costs-up-3-6-percent-from-march-2024-to-march-2025.htm</u>, visited May 19, 2025.



SOURCE: RECRUITING EXECUTIVES: PRIORITIES AND PERSPECTIVES, SHRM, 2025. VISIT SHRM.ORG/RESEARCH TO LEARN MORE.

Results based on responses from 292 recruiting executives. Top five results are shown in descending order based on "Percent who report as a challenge." Percentages have been rounded to the nearest whole number.

KEY TAKEAWAY

These challenges, particularly the functional ones, highlight the crucial role organizational stakeholders play in the recruitment process and reinforce the importance of forging effective partnerships to achieve success. Recruiting executives must not only guide their functions but also foster collaboration with hiring managers and stakeholders, developing innovative strategies to source talent such as exploring nontraditional methods or focusing on untapped talent pools.⁶



⁶Accessing Untapped Talent, SHRM, Nov. 18, 2024.

RECRUITING EXECUTIVES ANTICIPATE AI WILL TRANSFORM THE FUNCTION

Many recruiting executives are optimistic about AI's future impact. Despite artificial intelligence already being a common tool used within recruiting functions,⁷ these leaders foresee AI playing a more prominent role throughout their organization and in their teams. In addition, many expect job candidates to make greater use of AI resources during their job search. Beyond AI, many recruiting executives anticipate more job postings that list pay information and increased in-person work requirements.

KEY INSIGHTS

- Recruiting executives expect candidates to use AI during applications and interviews: More than three-quarters (78%) of recruiting leaders say they expect job candidate use of AI tools while submitting applications to become more or much more prevalent in the future. Furthermore, 63% expect candidates to leverage AI tools during interviews more often.
- » Many recruiting leaders expect AI to have a greater role in the recruitment process: Within their own teams, 73% of recruiting executives believe AI will be used more often to perform traditional recruiting metrics. Seventy-two percent anticipate AI to play a greater role in determining hiring and recruiting tasks, while two-thirds (66%) say they believe AI will take over tasks often done by employees.
- » Posted job salaries and in-person work are projected to increase while remote work, visa opportunities, and I&D recruitment strategies are expected to diminish: Many recruitment leaders (65%) believe salary ranges or pay bands included in job postings will increase. In addition, 61% of these leaders expect job postings requiring fully in-person or onsite work to become more prevalent. Trends expected to decline over the next year include I&D recruitment strategies (73%), fully remote work opportunities (61%), work visa sponsorship opportunities (58%), and hybrid work opportunities (33%).



⁷2025 Talent Trends, SHRM, 2025 (forthcoming).

Recruiting Executives' Predictions of How AI Trends in the World of Work Will Change Over the Next Year



SOURCE: RECRUITING EXECUTIVES: PRIORITIES AND PERSPECTIVES, SHRM, 2025. VISIT SHRM.ORG/RESEARCH TO LEARN MORE.

Results based on responses from 292 recruiting executives. Percentages have been rounded to the nearest whole number. Any discrepancies with the text are the result of rounding.

KEY TAKEAWAY

As AI continues to transform the workplace, recruiting executives must remain attuned to its growing impact on their function. These leaders must guide their teams in effectively harnessing AI to strengthen capabilities while also anticipating how job candidates will use AI to apply and interview for jobs. In doing so, recruiting executives can ensure a streamlined, cohesive recruiting and hiring experience that attracts top talent.



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WHAT'S NEXT FOR RECRUITING EXECUTIVES?

Recruitment executives will continue to lead and inspire their organizations in devising the best methods of attracting and securing top talent. Notably, recruiting executives are poised to play a critical role in their organizations by:

- 1. Discovering new and innovative ways to overcome talent shortages and secure critical talent.
- 2. Partnering with hiring managers and stakeholders to execute recruitment and hiring initiatives in 2025.
- 3. Enhancing recruiting strategies that address key labor market challenges and incorporating rising trends such as AI into the function to improve functional efficiency and performance.



CONCLUSION

Recruiting executives play a key role in positioning their organizations to secure top talent in 2025 and beyond. Many of these leaders are focusing on initiatives and strategies that source and attract individuals with the critical knowledge, skills, and abilities needed to drive success in a rapidly evolving workforce landscape. With AI and advancing technologies reshaping workplaces and recruitment functions, organizations across industries face the pressing challenge of building a workforce prepared to adapt and thrive. By advancing their recruitment strategies, these leaders are creating new opportunities to connect with and secure the talent essential for long-term success.

To learn more, including greater details about recruiting executives' priorities, challenges, and anticipated workplace trends, download the full report at <u>shrm.org/topics-tools/research/recruiting-executives-priorities-and-perspectives-report</u>.

METHODOLOGY

A sample of 292 heads of recruiting were surveyed between Feb. 21 and March 8, 2025. The survey was fielded electronically using the SHRM Voice of Work Research Panel. For the purposes of this survey, participants were required to lead their organization's recruiting function, either as their defined role or as a part of their broader responsibilities. Participants represent organizations across multiple types of industries, sectors, sizes, and locations. Data was not weighted.

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