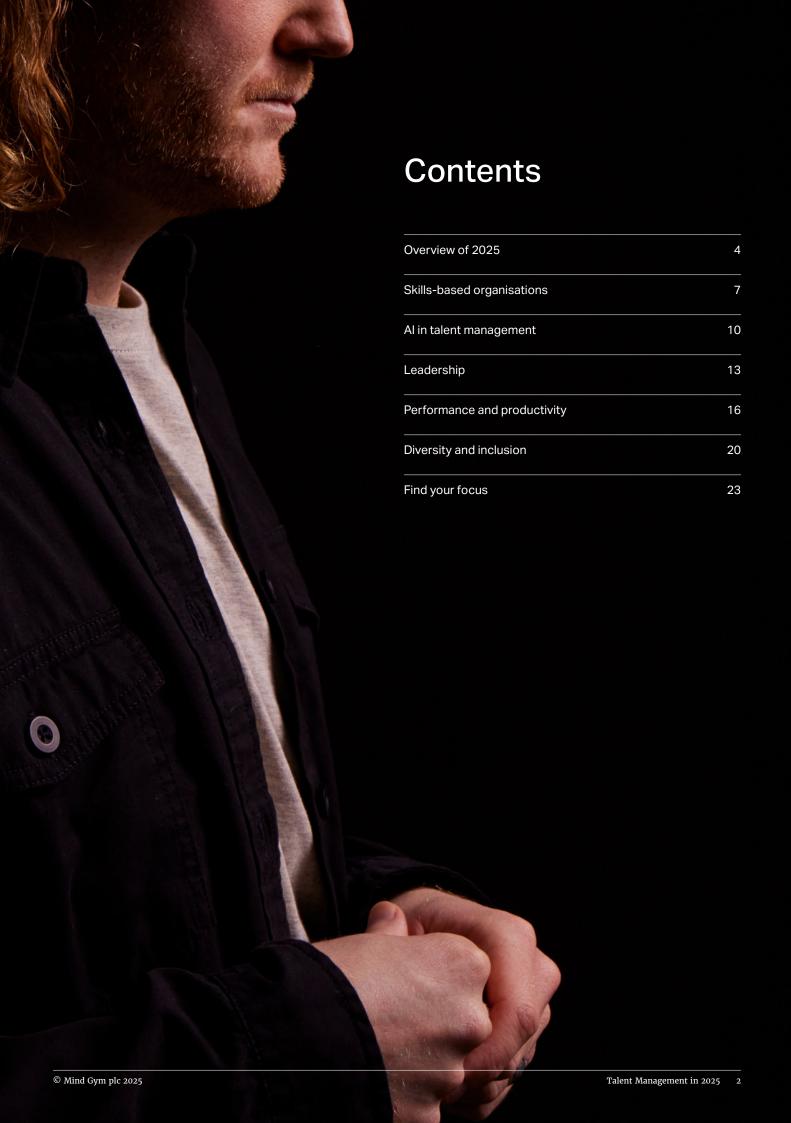


Talent Management in 2025

Insights from MindGym's Future of Talent Management Survey





A note from our CEO

I'm pleased to share the key insights from MindGym's Talent Management 2025 Survey, which capture the trends and challenges faced by talent leaders across the globe.

The message is clear: business transformation and productivity are top priorities for 2025.

Developing leadership capabilities remains crucial, yet many struggle to embed effective development into leaders' daily routines. Notably, employee wellbeing and DEI initiatives have taken a back seat as the focus shifts towards performance.

Interestingly, while organisations have heavily invested in performance management, results have been limited. Many face a 'productivity paradox' – managers feel employees are underperforming, while employees report feeling burned out. Bridging this gap through more effective performance conversations will be key.

With over 70% of talent leaders working with flat or declining budgets, the challenge is real. But there's optimism – many are turning to skills-based talent strategies and exploring AI to accelerate change.

Thank you to everyone who participated in the survey, your insights are invaluable as we navigate the road ahead.



Christoffer Ellehuus CEO, MindGym

From data to insights

Data collected from 200 global participants. Insights taken from 129 C-suite & global talent leaders.

This report explores the year's top talent priorities and offers insights to shape your strategy and drive meaningful change. It highlights key trends shaping the future of work, based on findings from MindGym's 2025 Talent Management Survey, conducted in January with senior HR, L&D and People Leaders from global organisations.

The report also includes perspectives from MindGym's Talent Leaders Network – an exclusive community of senior talent executives across EMEA and the US, where Global Heads of Talent Management engage in strategic discussions on the challenges and innovations shaping global talent agendas.

Overview of 2025



We asked talent leaders for their #1 talent management priority in 2025

33% said building leadership capability

33% of talent leaders ranked building leadership capabilities as their top priority in 2025. As organisations face global uncertainty and pressure for corporate performance, strong leadership is critical. Yet many leadership programmes aren't integrated into leaders' day-to-day work – a gap that must be closed to drive real behaviour change and build the skills today's leaders need.



31% said boosting performance and productivity

31% of talent leaders are focused on boosting performance and productivity in 2025. Despite major investments, many organisations remain stuck in a 'productivity paradox', with managers thinking that employees are slacking off, while employees feel burned out. Talent leaders are addressing this by developing their skills and empowering more effective manager-employee conversations.

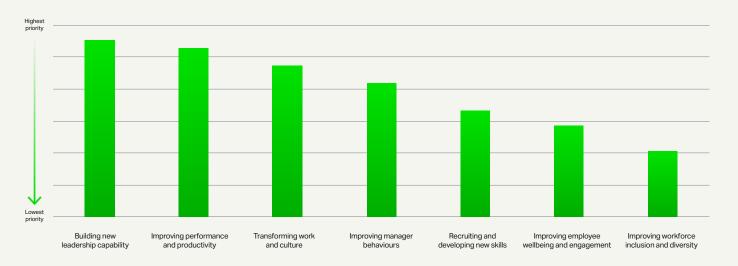


24% said transforming work and culture

24% of talent leaders ranked transforming work and culture as their top priority. As business needs evolve, companies are building agile, resilient cultures that balance wellbeing with performance demands. While wellbeing and DEI have slipped in relative priority, they remain essential for helping employees thrive and sustaining high performance.



Organisational priorities: Ranked in order of relevance and priority

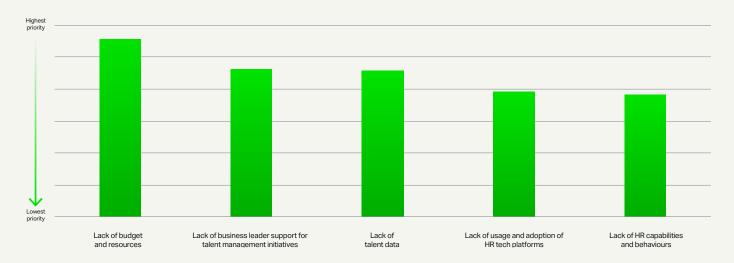


of talent leaders have seen 2025 budget stay flat

28%

have seen a budget reduction of more than 10%

Talent function challenges: Ranked in order of relevance and priority



Skills-based organisations



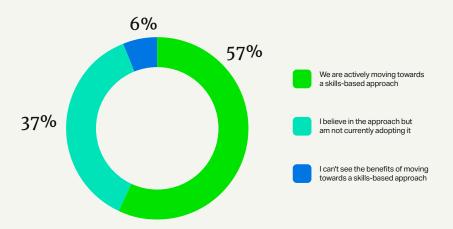
What are skills-based organisations?

As a reminder, skills-based organisations look at employee capabilities to decide how work is organised, rather than relying on strict job roles and responsibilities to inform that decision. The shift towards a skills-based approach will affect many aspects of the talent ecosystem, including workforce planning, corporate hiring, talent mobility and retention and development strategies.

Insights at a glance

A growing number of talent management organisations are adopting skills-based talent strategies to **boost talent mobility** and better **align employee skills with evolving business needs**. However, many face challenges in delivering meaningful business and career benefits due **to gaps in skills taxonomies and talent infrastructure**.

How talent leaders are adopting a skills-based approach

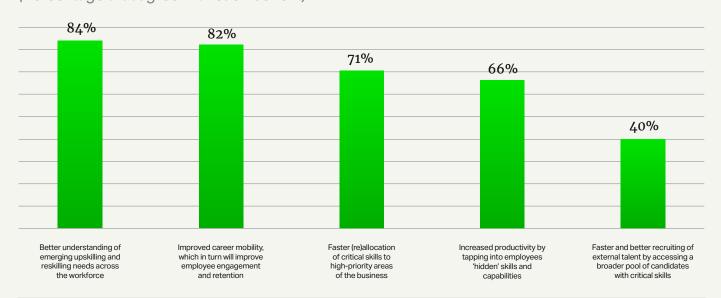


27%

of talent leaders say they have made investments in skillbased talent-mobility platforms across the past two years

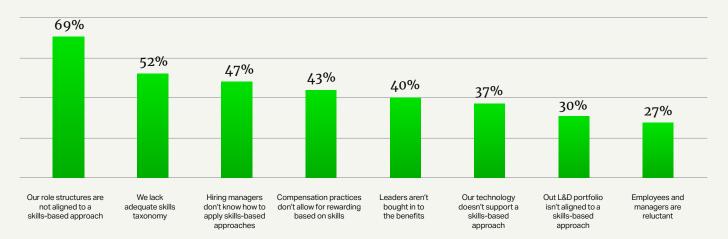
Benefits of a skills-based approach

(Percentage that agree with each benefit)



Barriers to implementing a skills-based approach

(Percentage experiencing barriers to implementing)



Is the juice worth the squeeze?

Skills-based organisation pitfalls, based on respondents' feedback



Boil the ocean

Sophisticated skills taxonomies take ages to build, require ongoing effort to update, risk confusion and are hard to navigate.



Business return

Mixed commitment with unclear business case and time horizon.



Focus on technical skills

While technical skills are easier to define and assess, interpersonal skills are in the shortest supply despite their impact on hard outcomes.

What stands out

- ✓ Most talent leaders believe in a skills-based approach and are starting to make investments but only a few have fully scaled their efforts so far.
- Leaders see big potential to boost upskilling, career mobility and retention, but the real barriers are practical: outdated structures, missing skills data and a need to better equip managers and employees to work differently.
- Moving forward, success will depend on closing the infrastructure gaps and building skills confidence at every level of the organisation.

Al in talent management

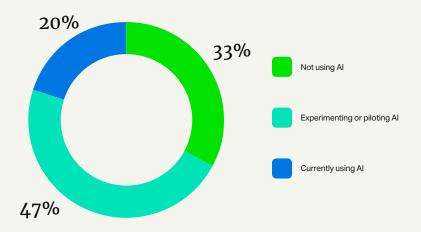


Al in talent management

Insights at a glance

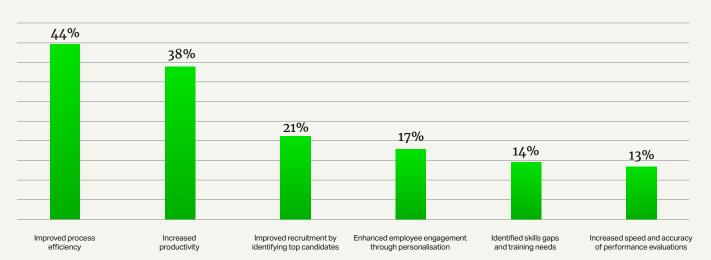
While few organisations are currently using AI in talent management, many recognise its potential to accelerate the development of learning programmes and deliver more personalised employee experiences. However, navigating data privacy concerns remains a significant challenge.

Current use of AI in talent management.



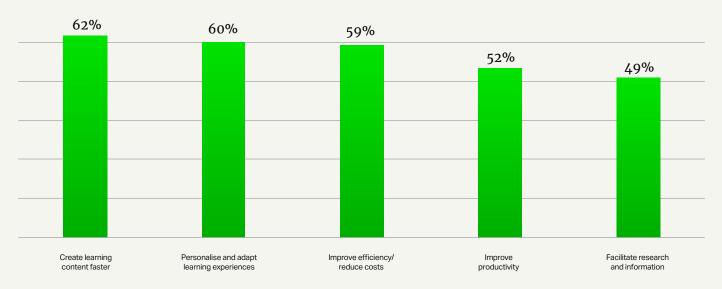
Areas where AI has improved the talent management process

(Percentage experiencing each benefit)



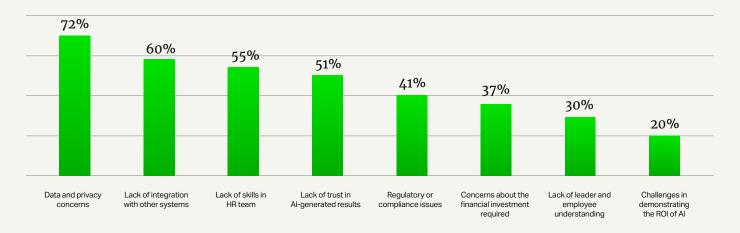
How AI will enhance talent management

(Percentage that agree with each area)



Challenges to integrating Al into talent management

(Percentage that agree with each barrier)



What stands out

- Most organisations are still in early exploration or pilot phases. Very few have fully embedded AI in talent management.
- Early adopters are already seeing real benefits, like greater efficiency and higher productivity.
- ✓ Big opportunities exist for those who move quickly, especially in areas like faster content creation and personalised learning.
- Major hurdles include data privacy concerns, system integration challenges, and a need to build AI skills and trust within talent teams.

Explore MindGym's latest AI tool, Lio the Manager Conversation Coach.

Leadership



Leadership

Insights at a glance

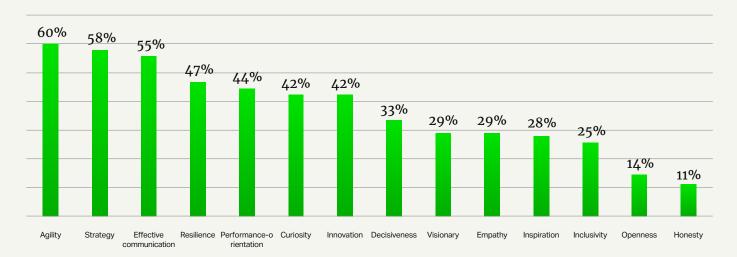
While nearly all talent leaders agree that leadership capabilities must evolve quickly, only 37% feel their current programmes are successfully upskilling leaders. Gaps in continuous development, experiential learning and leader engagement are key obstacles holding progress back.



of talent leaders agree that leaders must develop new capabilities within the next two years to adapt to evolving demands

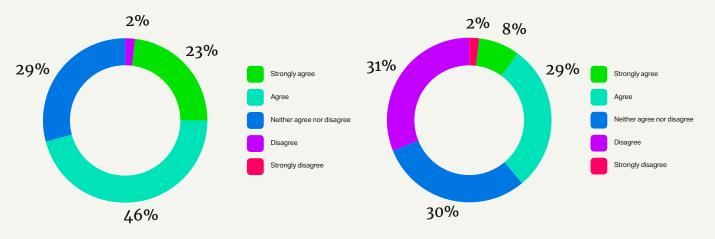
Key behaviours leaders need to develop to drive business success

(Percentage that agree with each behaviour)



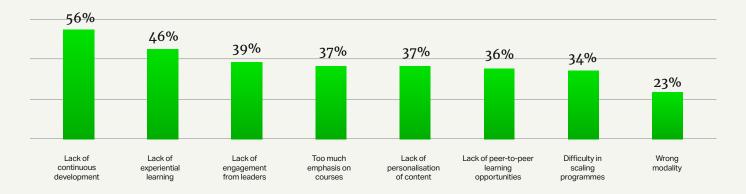
Our leadership development programmes drive better outcomes

Our current leadership development efforts are effectively meeting our needs



agree that current leadership development efforts are meeting needs effectively

Obstacles blocking leadership development programmes from delivering on their goals (Percentage that agree with each obstacle)



What stands out

- Most talent leaders agree their leaders need new skills like agility, strategy and communication, but current development programmes aren't hitting the mark.
- At MindGym, we've identified the missing link as attunement: the ability to read the room, spot tensions and apply the right skills at the right time.

Want to help your leaders grow in a way that sticks? Check out MindGym's <u>Leadership Development solution</u>.

Performance and productivity



Performance and productivity

Insights at a glance

Productivity is a top priority, with growing pressure on managers to improve performance and ask more of employees than ever before. But many managers don't have the tools to coach effectively or hold people accountable, and employees are increasingly struggling with performance, wellbeing and change fatigue.

Pressure is on: productivity is a top priority.

72%

of HR leaders say enhancing workforce productivity is a top-three priority for 2025



The productivity paradox:

'85 percent of the managers think their employees are slacking off work; 85 percent of employees think they are working too hard and are burned out.'

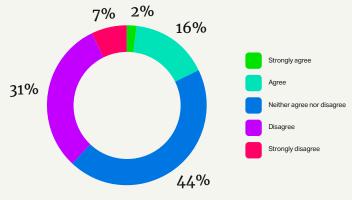
Satya Nadella, CEO Microsoft

The survey responses confirm what Satya Nadella called the 'productivity paradox': a growing disconnect between managers who think employees aren't doing enough and employees who feel they're already doing too much.

Managers are missing the mark

Managers play a critical role in turning effort into impact – but the data suggests many lack the tools or support to do it well. This gap between expectation and execution reflects the heart of the productivity paradox: managers are under pressure to deliver results but aren't fully equipped to lead performance in a sustainable way.

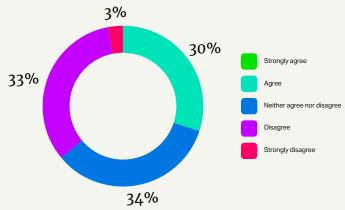
Our managers hold people accountable for high performance



Employees are struggling to stay on track

While expectations of employees continue to rise, many are finding it hard to keep up. From managing their own performance issues to navigating constant change, employees are feeling the strain. And when energy is low and clarity is missing, it's no surprise that productivity takes a hit.

Our employees manage their own career and performance issues

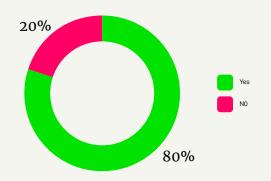


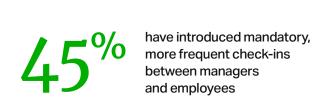
18%

of talent leaders agree their managers are coaching or developing their teams to improve productivity of talent leaders say their workforce is struggling with wellbeing and change fatigue

Performance conversations

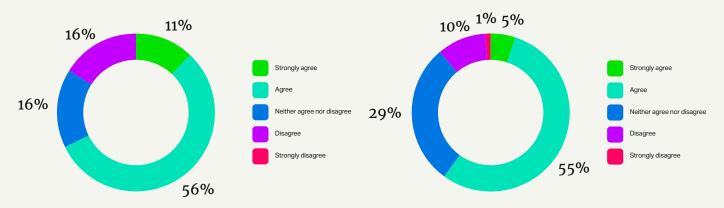
We still use performance ratings





Our managers lack the tools to tackle challenging discussions with their teams

Our investment in manager development has enhanced performance conversations

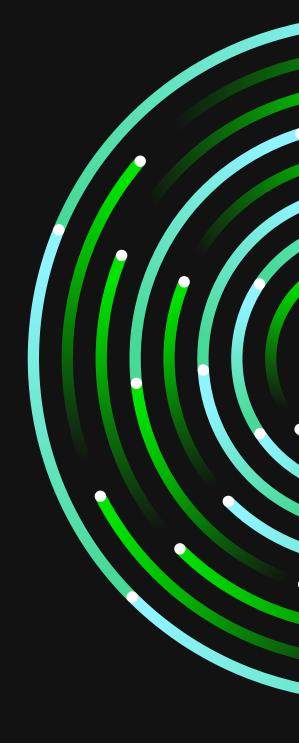


What stands out

- ✓ The productivity paradox is clear: managers are under pressure to drive performance but lack the tools and confidence to do it well, while employees are struggling to sustain high performance in the face of constant change.
- MindGym's approach to performance management focuses on the six psychological conditions proven to drive high performance: Purpose, Challenge, Attention, Growth, Recognition and Choice. These conditions help close the gap between pressure and performance so both managers and their teams can thrive.

Want to help your managers lead more impactful performance conversations? Explore MindGym's Manager Conversation Solution.

Diversity and inclusion



Diversity and inclusion

Insights at a glance

While leaders face competing priorities, most remain committed to supporting diversity and inclusion with both funding and strategic focus. However, there is a noticeable shift from stand-alone DEI programmes towards embedding DEI initiatives within broader talent development efforts and adopting more neutral language.

With so much public talk of DEI dwindling, the future seems unclear - what's the truth?



Despite certain big companies publicly pulling out from DEI initiatives, only:

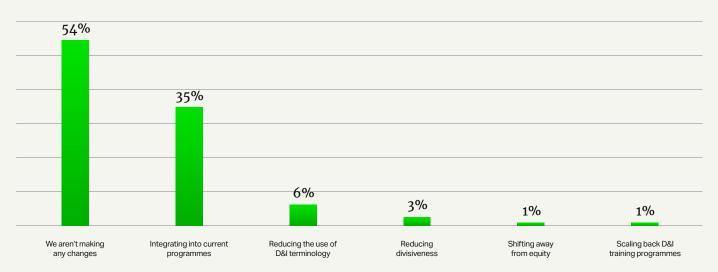
6%

of respondents reported planning to scale back their efforts

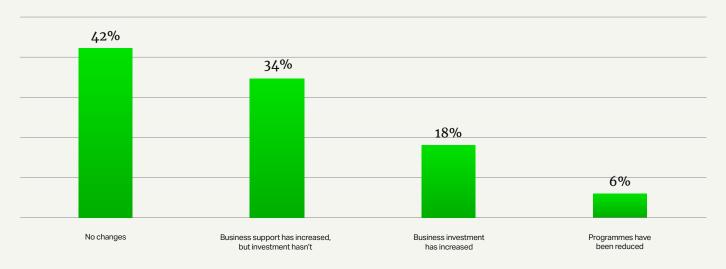
94%

report the same level of business support or more for DEI initiatives as compared to last year

How talent leaders are changing their approach to diversity and inclusion



How business support for diversity and inclusion initiatives is changing



What stands out

- Support for diversity and inclusion remains stable, but talent leaders are working to depoliticise their approach by embedding it into core talent programmes and shifting away from polarising language.
- MindGym's approach to diversity and inclusion is rooted in behavioural science, helping people outsmart bias, challenge exclusion and turn inclusive values into everyday actions.

Want to build inclusion into the way your organisation works? Explore MindGym's diversity and inclusion solutions.

Find your focus



What should you tackle first?

Mini diagnostic tool

For each of the statements in green below, review the six responses and select the one that best fits how you would respond to the statement. Note the letter you selected most across all the statements. Then find the letter on the next page to see where how MindGym can help based on your organisation's needs.

My organisation would benefit most from:

- a. An agile workforce with relevant skills.
- Ensuring fair decision-making across all levels.
- More effective and inspiring leaders.
- d. Increasing operational efficiency.
- e. Managers better able to support development.
- f. More robust ways to support wellbeing at work.

To prepare for the future, my organisation needs to:

- Prioritise upskilling and reskilling its workforce.
- b. Embed psychological safety in the culture.
- c. Equip leaders to act strategically.
- d. Optimise processes to drive productivity.
- e. Help managers coach and develop talent.
- f. Build wellbeing support into the flow of work.

Our greatest challenge in retaining top talent is:

- a. Providing upskilling based on future needs.
- b. Ensuring a fair and equitable employee experience.
- c. Sustaining highquality leadership.
- Removing structural blockers to high performance.
- e. Creating clarity through solid feedback.
- f. Combating stress and disengagement.

To drive business growth, we need to:

- a. Adopt skillsbased workforce strategies.
- b. Involve diverse perspectives in innovation.
- c. Enhance our leadership capability.
- d. Set clearer goals linked to business outcomes.
- e. Support managers in driving team performance.
- f. Use wellbeing to sustain high performance.

Our HR strategy would benefit from:

- Implementing skills-based workforce planning.
- b. Creating a more inclusive employee life cycle.
- c. Enhancing our leadership development offer.
- d. Prioritising individual and team performance.
- e. Collaborating with managers to support teams.
- f. A more holistic wellbeing offer.

The most significant gap in our organisation is:

- a. Aligning roles with evolving skills.
- b. Ensuring decisions are fair and equitable.
- c. Developing inspiring and engaging leaders.
- d. Optimising people's workflows with new tools.
- e. Developing managers who can coach people.
- f. Addressing employee burnout and stress.

To support long-term success, we need to:

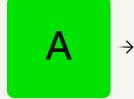
- a. Build a culture of learning in our workforce.
- b. Create a safe space to collaborate and innovate.
- c. Cultivate a strong leadership pipeline.
- d. Drive performance through operational excellence.
- e. Improve managerial effectiveness.
- f. Promote and protect employee wellbeing.

The letter selected most is:



Results

How MindGym can help



Focus on supporting talent by driving a skills-based organisation.

Use our 300+ learning assets to:

- Build a culture of change readiness, which includes the adoption of Al.
- Engage everyone by building belief.
- Equip leaders and individuals with a skills-powered mindset.



Focus on fostering Diversity, Equity and Inclusion to support employees.



- Drive business performance outcomes by embedding inclusion via a selection of live products and <u>eLearning</u> modules.
- These can be seamlessly integrated into current programmes and learning journeys or curated into their own.



Focus on driving leadership capability to boost your leaders' impact.



- Equip leaders with the basics of great leadership via a selection of live products and <u>eLearning</u> modules.
- Support leaders navigating complexities and uncertainty to drive key business outcomes with our diagnostics, summits and individual performance coaching via Performa.



Focus on driving performance and productivity in your employees.

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Increase productivity and nurture high performance in managers and employees by drawing on our portfolio of sessions on performance management, manager conversations and wellbeing and change. For scalable, costeffective buying options, see our <u>Content Subscriptions</u>. Some of our ready-to-go solutions include the ones outlined in E and F.



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Focus on supporting manager effectiveness in performance management.

Give managers everything they need for success in performance discussions with our Manager Conversation Solution:

- 5 live sessions.
 - Lio, Al conversation coaching.
 - Engagement and Nudges.
 - Pre- and post-assessments.
 - Certificate of completion.



Focus on actively caring for employee wellbeing and avoiding burnout.



- Help the organisation understand which interventions will alleviate blockers to sustainable productivity with our <u>Diagnostics</u>.
- Help colleagues understand their drivers and what they need to improve their productivity by using our Individual diagnostics.
- Support colleagues in enhancing wellbeing and reducing illbeing with live products and eLearning aligned to diagnostic recommendations.

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Performance starts with people

We turn behavioural science into experiences that slip into your people's days, hands and minds – creating behaviour change that drives results.

We can work with you to find solutions for:



Leadership development

Change leadership behaviours. Change business results

Learn more



Performance management

70% of employees say performance management doesn't improve performance.
We don't fix the system – we fix conversations.

Learn more



Diversity and inclusion

Embed inclusion into daily decisions, turning diversity investment into diversity dividends.

Learn more



Change and transformation

Whatever the change, success hinges on your people. We help them adapt and perform, fast.

Learn more



Professional skills

Build the everyday behaviours that fuel extraordinary performance.

Learn more



Culture

Your culture is already shaping results, whether you're steering it or not.

Learn more



What makes MindGym different?



One size fits no-one

Off-the-shelf training isn't built for you – but fully custom programmes are risky, take forever and cost a fortune. We cut through both – delivering science-backed, trusted solutions that flex to fit your needs, without the complexity.



Partners in performance

We're not just a vendor – we're your performance partner.
Everything we do is built to deliver results that stick, shaping solutions around your goals to drive lasting impact.



Science that works

We don't just talk about behavioural science – we've pressure-tested it with five million leaders in 40+ countries. It's not theory. It's what drives results.



We don't teach, we change

Most providers deliver knowledge. We deliver measurable, business-critical change. If you want results – not just learning – we make it happen, from boosting your bottom line to retaining top talent.



We make change feel exciting

Most sessions are a snooze.

Ours aren't. MindGym facilitators turn every session into an energising, insight-packed experience that people love – one that actually changes how they think and act.



Our brainpower, your breakthroughs

Why spend months researching complex behavioural science when we've already cracked the code? Think of us as your outsourced behavioural science department – delivering answers, not reports, and turning insight into strategies that drive real results.

Want to find out how you can drive behavioural change at scale in a way that works for your business?

Learn More

