

DISCOVERING TALENT. FUELING GROWTH.

# MID-YEAR RECRUITMENT TRENDS REPORT 2025

# **ABOUT US**



Corporate Navigators is a Chicago-based recruitment research and candidate sourcing firm founded in the year 2000 by Mitch Golob.

As specialists in recruitment research, candidate sourcing, and competitive intelligence, we serve corporate talent acquisition teams and executive search firms in the United States and around the globe.

# A lot has changed in six months.

### A Mid-Year Checkpoint

Half a year ago, we distributed our 2025
Recruitment Trends Report, which contained
key metrics in the recruitment space, such as
time-to-fill, recruitment budgets, and
turnover rates.

Well, a lot has changed since our last report, which compelled us to create an updated edition using fresh data sets.



### Navigating 2025

The first half of 2025 has been dynamic for recruitment and talent acquisition. A cooling yet **still-competitive labor market**, rapid technological advances (especially AI), and evolving candidate expectations are reshaping how organizations attract and retain talent.

This mid-year report highlights current U.S. hiring trends, **expert projections into late 2025 and 2026**, key industry-specific insights, and a closer examination of generational expectations in the workplace. The goal is an insight-driven snapshot that **talent acquisition leaders** can quickly digest and use in strategy planning. Please enjoy this complimentary resource that we prepared so you can make the best recruitment decisions.

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# A Foreword by Mitch Golob, President of Corporate Navigators

As we approach Mid-2025, staying ahead of the shifting recruiting landscape is imperative. From changing generational workplace preferences to the increasing influence of social media on employer branding, this Mid-Year Recruitment Trends Report provides valuable insights into these critical developments.

Whether you're refining your hiring strategies or preparing for the future of work, our goal is to equip you with the data and analysis needed to navigate these changes with confidence.

Thank you for joining us on this journey. We look forward to helping you turn today's trends into tomorrow's successes.



Sincerely,
Mitch Golob
President and Founder of Corporate Navigators

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# Key Findings



**51% of U.S. recruiters** say one of their biggest pain points include a low number of qualified applicants.



**67% of Talent Acquisition leaders** still see increased AI usage as a top trend for 2025.



Top skills in demand include **UX design**, **AI Literacy**, **Data Analytics**, **Cybersecurity**, and **Project Management**.



The fastest growing job sectors growth sectors include **technology**, **green energy**, and human-centric roles like caregiving and healthcare.



**44% of workers** will need re-skilling or upskilling within the next five years to stay on top of rapid changes.



By 2030, <u>automation</u> will replace **92 million jobs** while creating **170** million new roles, resulting in a net increase of **78 million jobs** worldwide.



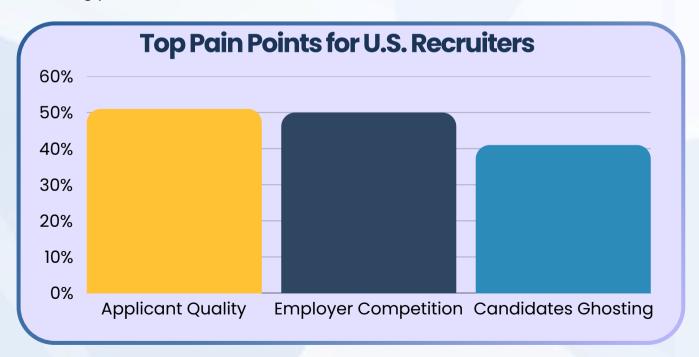
**59% of US companies** are willing to consider implementing a 4-day workweek.

# Top Hiring Hurdles

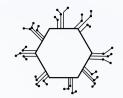
Like 2024, 2025 has proven to be a challenging year for recruitment, though its difficulties are not insurmountable. With proactive talent sourcing, effective branding and promotion, and proper candidate screening practices, common problems can be mitigated.

According to SHRM, the **biggest pain points for U.S. recruiters** include a low number of qualified applicants (51%), heavy competition from other employers (50%), and candidates "ghosting" or dropping out of processes (41%). Other common hurdles are skills mismatches (candidates lacking required experience) and inability to meet candidate demands for higher pay or flexible work.

In sum, talent acquisition teams must sift through more applicants than before, but often struggle to find the right talent who sticks through the hiring process.



# Rise of AI in Recruiting



Automation is playing a growing role in talent acquisition, expediting once time-consuming tasks like resume screening and sorting candidate data. This allows recruiters to reallocate time to high-value activities like candidate engagement. Here are some more facts about this year's updated trends regarding AI in recruiting:

- 73% of <u>talent acquisition</u> pros agree that AI will change how companies hire, and about 37% of TA teams are already experimenting with generative AI tools in their hiring process.
- Early adopters report that AI is saving them ~20% of their workweek (a full day) by automating routine tasks
- 40% of specialists worry that <u>over-reliance on Al</u> could make hiring too impersonal and cause top talent to slip away.
- ~25% of specialists are concerned about algorithmic bias.
- 67% of TA leaders still see increased AI usage as a top trend for 2025.

### The 2025 Consensus (so far):

Al is a crucial efficiency booster, but not a magical fix. Human judgment remains essential. When used strategically, Al can enhance candidate experience (chatbots, personalized outreach) and speed up screening. By 2026, expect more recruiters skilled in Al tools, routine tasks largely automated, and recruiting teams focusing on relationship-building, diversity efforts, and "high-touch" personalization that Al can't do.

# Resume Relevance



The resume, the once gold standard document to show off one's work history and credentials, remains relevant but not as authoritative as it has been. In the age of automation, <u>45% of job seekers</u> globally are using AI tools to create, update, or polish their resumes and job applications.

Consequentially, <u>75% of resumes are rejected</u> automatically by AI ATS systems, and recruiters spend an average of <u>6-8 seconds</u> looking at them after they pass AI screening.

In addition to this, there is a high chance that a majority of these documents contain falsehoods:

- <u>70% of applicants</u> have confessed to stretching the truth on their resume.
- While a <u>little over half (52%)</u> of these lies are mere stretches of the truth like embellishing responsibilities or a job role, a sobering 24% made up a job role altogether, while **31% invented working for a company**.

### What are employers using to support resumes?

- As of 2024, <u>81% of employers</u> were using skills-based hiring, up from 73% in 2023 and 56% in 2022.
- 48% of companies use data-driven assessments, up from 30% in 2023.
- 40% of companies use candidate experience surveys, up from 25% in 2023.
- 45% of companies use interview coaching programs.
- 56% of employers surveyed said they planned to use <u>e-portfolios</u> in the future for hiring purposes.
- 54% of companies use job simulations as part of their candidate screening process, according to a study by the Talent Board.

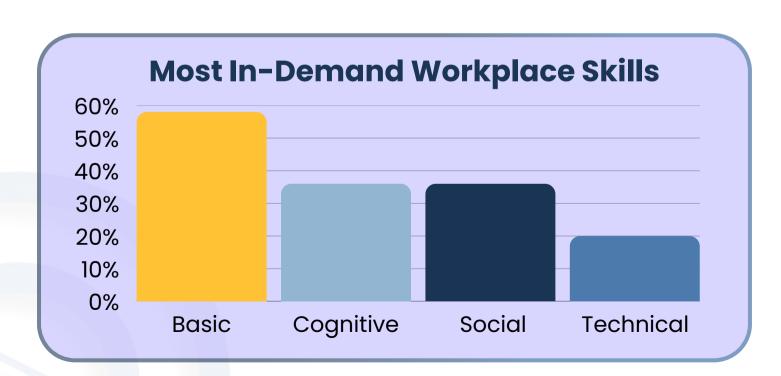
# Skills-Based Hiring

With traditional resumes holding less authority, companies are looking more to skills-based hiring. This ongoing shift to prioritizing what candidates can do over traditional credentials is strong going into 2025.

- LinkedIn reports over **93%** of TA professionals believe <u>better assessing</u> candidates' skills is key to improving the quality of hire.
- Organizations with the most <u>skills-based search</u> and assessment practices were **12% more likely** to make quality hires in LinkedIn's analysis.

In demand are both technical abilities and enduring "power skills" (soft skills) like problem-solving, communication, adaptability, and teamwork.

Notably, 58% of employers say basic job skills (reliability, literacy, etc.) are in highest demand, followed by complex cognitive skills (36%), social skills (36%), and technical skills (28%).



# Top Job Skills

**<u>UX Design</u>**: Designing intuitive and user-friendly digital experiences that are highly sought after across various industries.

**Al Literacy and Machine Learning**: harnessing the power of Al to optimize processes, enhance decision-making, and boost productivity.

By 2030, <u>automation</u> will replace **92 million jobs** while creating **170 million** new roles, resulting in a net increase of **78 million jobs** worldwide. Human only tasks are also expected to decrease from **47% to 33%.**

**Data Analytics and Visualization**: The skill of transforming complex data into practical insights that deliver meaningful outcomes.

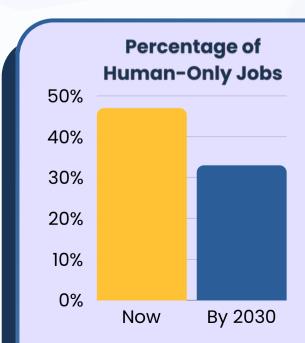
**Cybersecurity**: A tech professional with the ongoing goal to <u>protect sensitive</u> <u>information</u> and fortify digital systems.

**Project Management**: An organized professional who can <u>lead and manage</u> <u>teams</u> in fast-paced, tech-forward environments.

### **Predictions of Highest Growth Priority**

Growth sectors include technology, green energy, and human-centric roles like caregiving and healthcare.

Korn Ferry finds many employers in 2025 plan to prioritize hiring for roles most critical to growth, especially where new skills (like AI, data analytics, cybersecurity, etc.) are needed.



# Upskilling: Bridging Skill Gaps



instead of conducting massive hiring sprees, more companies are zeroing in on filling business-critical skill gaps internally. According to the <u>Future of Jobs Report</u>, **44% of workers** will need re-skilling or upskilling within the next five years to stay on top of rapid changes. While talent from outside can also counter skill shortages, organizations are starting to invest more in upskilling and career development for current employees. Plus:

- 32% of companies plan to ramp up upskilling programs.
- **30%** of companies are developing clearer career paths to groom talent from within.
- 70% of employers expect to hire staff with new skills.
- **50%** of employers plan to transition existing staff from declining to growing roles.

### **Building from Within**

Going into 2026, this "build vs. buy" approach to talent will intensify, with learning & development budgets rising to ensure key roles can be filled internally. Right now, **85% of organizations** around the world are already making upskiling a priority.

Not only is this approach beneficial in terms of legacy knowledge retention, but it saves companies money and time. Specifically, reskilling can save companies 70-92% compared to the cost of external hiring.

67% of employees would stay with a company if offered robust growth and upskilling opportunities – even if they "hated" their current job.

Reskilling existing employees saves companies <u>70-92%</u> compared to external hiring.

# "Parked" Employees



2025's job market has been directly affected by uncertainties about the immediate future, especially the economy. This has led to a slowdown in voluntary turnover has slowed as workers stay put.

"Potential job hoppers are staying put... Nobody wants to be last in and first out at a new organization," observes <u>Gartner's Jamie Kohn</u>. This has improved retention rates for many employers.

However, it raises a new challenge: ensuring those "parked" employees remain engaged and productive, rather than disengaged placeholders.

In our <u>2025 Recruitment Trends Report</u>, we discovered that employee engagement is at an **11-year low** (source: Gallup). In response to this, employers are doubling down on internal engagement and development to keep these retained workers motivated.

Insider Tip: 94% of employees are more likely to stay at companies that invest in their growth. In particular, inclusive training initiatives that foster diversity, creativity, and collaboration are effective at employee retention.



# Potential Hiring Rebound

Despite the current cooling in the job market, many experts warn companies not to become complacent. "There will be a return to normalcy... Don't get caught on your heels. Start thinking about what your hiring volumes will be," advises Jake Zabkowicz, a global RPO executive. Numbers to support his claim:

- 1. The unemployment rate is projected to decline slightly, from 4.1% in early 2025 to **3.9%** by the end of 2026, suggesting improved job market conditions.
- 2.Zabkowicz expects a <u>return to normalcy</u> in the job market, with attrition rates normalizing and increased but more steady hiring.
- 3. The global RPO market is projected to reach **\$8.14 billion** in **2025**, up from \$7 billion in 2024, indicating a growing demand for recruitment services.

As economic conditions stabilize, 2025's later months or early 2026 could bring a surge in hiring demand, and organizations that maintained talent pipelines (e.g. via "returnship" or boomerang hire programs) will be better positioned to capitalize.

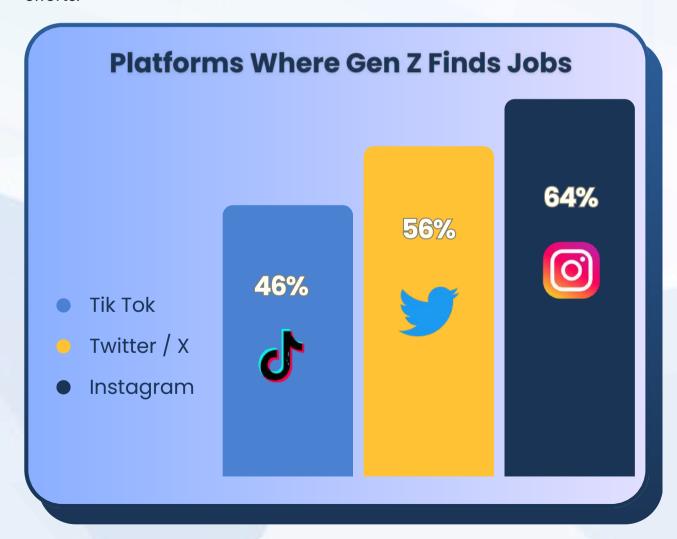
**The consensus:** Plan now for an eventual hiring uptick, even if 2025 has been cautious so far.



# Gen Z Job Acquisition... on Social Media?

In an early 2025 <u>Gen Z study</u> by Zety, 896 Gen Z employees were surveyed on a variety of topics that included job acquisition methods. In these findings, social media proved to be an overwhelmingly popular channel through which Gen Z acquires jobs.

This trend not only tells us where Gen Z is spending their time online, but shows recruiters where to spend theirs-and where to invest their outreach efforts.



# Intergenerational Trends



Gen Z, the first digitally native generation, is expanding its workforce presence with new expectations (e.g. a McKinsey study notes **77% of Gen Z** prioritize worklife balance) and digital-native skills.

The late 2020s will require employers to adapt to these generational shifts, offering greater flexibility, purpose, and development to attract emerging talent while also transferring knowledge from retiring workers.

**Tl:dr:** the war for talent is becoming a long game, where workforce planning and branding will be as crucial as immediate recruiting tactics.

In the next few sections, we will explore the differences between generations regarding key recruitment trends like:

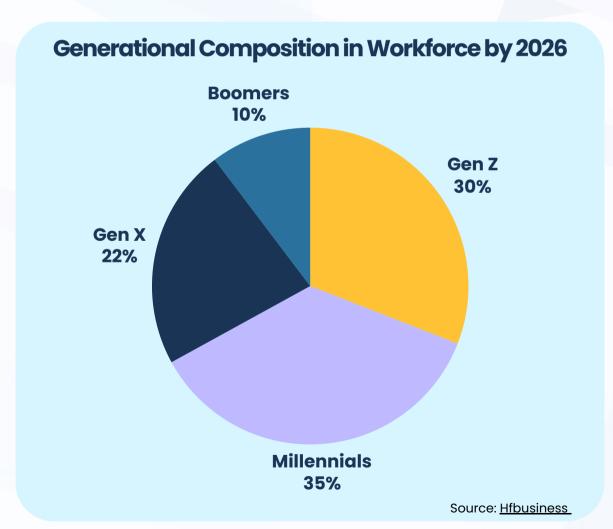
- Brand Image on Social Media
- Remote Work Preferences
- DEI Focus

Knowing where the future is heading with recruitment allows companies to prioritize their initiatives to attract the kind of talent they want and need. To plan for the future, it's imperative to create a work environment with policies and initiatives that are conducive to the ever evolving workforce.

# Intergenerational Trends:

# Generational Makeup in the Workforce by 2026

By 2026, Gen Z is expected to make up approximately 27-30% of the global workforce, Millennials 35%, Gen X 22%, and Boomers less than 10%. This number will decline daily as Boomers are retiring at 10k a day in the U.S. Understanding which generation the majority of workers belong to can help employers make the best recruitment and branding decisions to attract top talent.



# Intergenerational Trends:

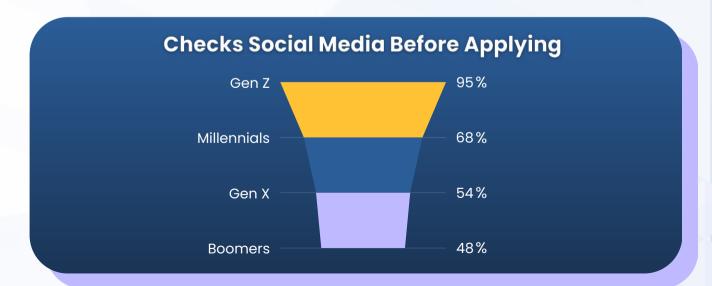


### Brand Image on Social Media

As technology only gets more integrated into daily life, social media has become a strong influencer of candidate decisions. With candidates more selective, companies are emphasizing their employer brand and culture. Gen Z and Millennials are particularly drawn to employers with a positive culture and social values, so those aspects will feature prominently in recruitment marketing.

For example, employers known for innovative projects are **11% more likely** to achieve quality hires. In 2025, organizations are highlighting career development, mission, and **culture** in recruiting pitches to stand out to talent that has plenty of options.

That said, statistics clearly correlate a **stronger social media impact** on younger candidates. Gen Z, the first digitally-native generation, almost unanimously checks a company's social media account before applying for a job. Millennials aren't too far behind at **68%**, while only around half of Gen X and Boomers check a company's social media account before applying.



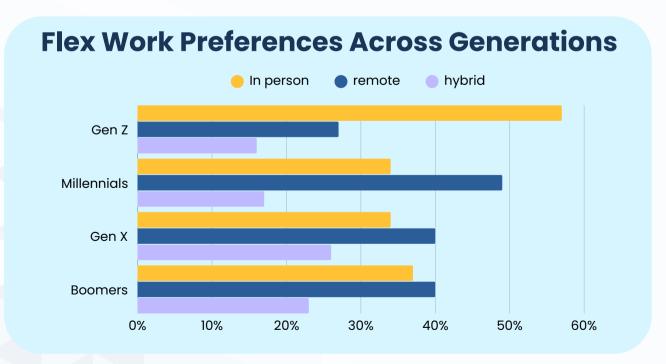
# Intergenerational Trends: Flex Work



Across generations, there are different preferences regarding work-life balance and how they prefer to work. While work-life balance is a big deal and a major focus of Gen Z, this generation surprisingly prefers more inperson collaboration than Millennials. Specifically, only **27% of Gen Z prefers fully remote work**, as opposed to 49% of Millennials, 40% of Gen X, and 40% of Boomers, according to <u>FlexJobs' Work Insights Survey</u>.

### **2025 Flex Work Forecast**

Given this data, one can expect **workplace flexibility** to remain a standard offering into 2026, which is already **76% of organizations** have adopted <a href="https://doi.org/10.2016/nc.10">https://doi.org/10.2016/nc.10</a> and many are expanding flexible hours and location-agnostic roles.

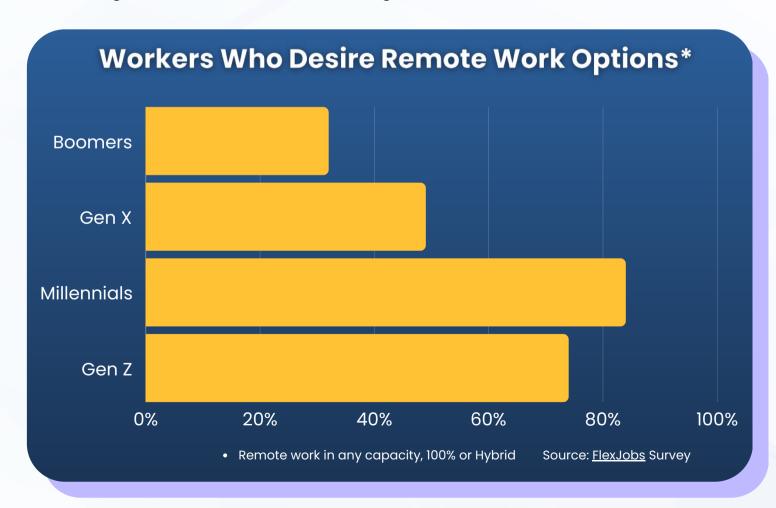


Source: LinkedIn

# Intergenerational Trends: Remote Work

While **77% of Gen Z** job seekers prioritize remote work opportunities when seeking a role, this is typically with hybrid work in mind. Why? Because the younger Gen Z values social connections and entry-level learning opportunities more than Millennials and Gen X, who are more likely to be juggling work and childcare.

As a whole, **95% of total working professionals** across all generations say they want remote work in some form—whether it's hybrid or fully remote. The verdict is in. Even if it's hybrid, having some kind of flex work option is attractive to all generations, with Millennials being the most attuned to it.



# Intergenerational Trends: DEl Focus



Gen Z is the <u>most diverse generation</u> yet, with approximately 50-52% of Gen Zers identifying as white, compared to 61% of Millennials, 70% of Gen Xers, and 82% of Baby Boomers. Therefore, it's no surprise that 48% of Gen Z is more likely to apply if a company highlighted DEI on social media.

However, this doesn't mean that diversity isn't important to older generations as well. According to a recent <u>DEI Report</u>, **99% of Gen Z** respondents reported that workplace DEI is important, with 87% saying it is very important. 77% of Millennials and Gen Z workers prioritize DEI, and 67% of Gen X and older workers prioritize DEI in the workplace.

# Workers who Consider DEI Important at Work 100% 80% 60% 40% 20% 0% cent willennings gent & Boomers Gent & Boomers

### **Additional Stats on DEI:**

- 86% of Gen Z job seekers cite a company's commitment to diversity as an important factor in deciding whether or not to accept an offer.
- More than two-thirds of Gen Z would be reluctant to accept an offer if they didn't meet any underrepresented employees during the interview process.
- Once hired, 78% would consider finding a new job if they found their employer wasn't committed to diversity in the workplace.

# 4-Day Work Week

In recent years, more companies and governments around the world have conducted trials with <u>four-day work weeks</u>. These could involve either four 8-hour days or four 10-hour compressed days.

The four-day workweek concept, while not without its challenges, has the potential to improve productivity, reduce burnout, and provide a better work-life balance. As companies and governments experiment with this concept, we may see a growing movement toward more flexible work arrangements. Here are some current statistics regarding this trend:

- 59% of US companies are willing to consider implementing a 4-day workweek.
- 22% of American employees report that their employers now offer a 4-day workweek, up from 14% in 2022.
- 77% of US workers believe a 4-day, 40-hour workweek would have a positive impact, with 46% expecting an "extremely positive" effect and 31% a "somewhat positive" effect.
- 94% of workers interested in a 4-day workweek are confident they can complete their work in 32 hours (four 8-hour days) rather than the traditional 40 hours.
- 74% of workers interested in a 4-day workweek expect improved work-life balance, while 60% anticipate better mental and physical health.
- 61% of US CEOs support using generative AI to automate routine tasks, potentially facilitating the transition to shorter workweeks.

1/3 of U.S. Companies are on Board

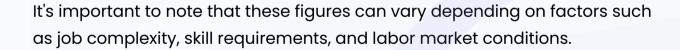
30% of large US
companies are
exploring new work
schedules, including
4-day and 4.5-day
weeks.



# Time-to-Hire

Based on the most recent 2025 data, the average time to fill (aka Time to Hire) varies across different job industries:

- 1. The <u>average time to hire</u> across industries remains **44 days**.
- 2. For specific industries:
  - Aerospace: <u>90-120 days</u>
  - Energy and Defense: Over 67 days
  - o Professional Services: 47 days
  - Technology/IT: <u>30 days</u>
  - o Government: 53.8 days
  - Healthcare: 28 days (global average)
  - o Construction: 28 days (global average)
  - Education: 24 days (global average)
  - Financial Services: 29 days (global average for Accounting/Finance)
  - Hospitality: 22 days (global average)
  - Retail: 21 days (global average)



Additionally, the use of Al-powered recruitment tools has been shown to reduce hiring timelines, with <u>some reports</u> indicating an **18% reduction** in average recruitment timelines for organizations using such tools.



## **Turnover Rates**

In the beginning of 2025, economic uncertainty and a still cool labor market has triggered a "parked employee" trend, which has caused a decrease in the average voluntary turnover rate across industries in the U.S. to 13.5%. Many of these rates represent total turnover, including both voluntary and involuntary separations.

### **Industry Turnover Rates**

• Big Tech: 20-40%

Retail and Wholesale: 24.9%

• Healthcare Services: 20.7%

• Chemical Production: 9.1%

Leisure and Hospitality: 5.3%

Professional Services: 4.2%

Trade, Transportation, and Utilities: 3.9%

• Construction Management: 3.4%

Education and Health Administration: 3.0%

• Manufacturing: 2.5%

• Information Technology: 2.5%

Financial Services: 2.3%

### Turnover Rates by Management Level

• Non-Managerial 11.73%

• Directors & Managers: 7.6%

C-Level Executives: 5.4%





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Sources / Works Cited



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