

Hey! What's New? 2024-136

Workforce Trends Report 2025: The Impact of AI, Executive Turnover and More

An article in the December edition of FEI Canada's *F. A. R.*, sponsored by DHR Global, notes that today's desk-based employees appear to be highly enthusiastic and invested in their jobs, with 88% of respondents feeling very or extremely engaged. A closer look at the data in the *Workforce Trends Report 2025* reveals a more complicated picture, however.

Says the report, "our survey defined being engaged" as 'feeling enthusiastic about your work and/or emotionally invested in achieving the goals of your team or overall organization.' However, when asked what drives their engagement, many employees cited factors that had more to do with external economic conditions than emotional investment. For example, over two-thirds of respondents (67%) say the tighter job market increases their engagement and 61% cite job insecurity as a motivator to stay engaged at work."

The report suggests that "one way to shift employees from fear-based engagement to emotional investment in their work might be to offer more relevant professional development opportunities. More than 3 in 4 respondents (80%) said professional development opportunities increase their engagement. In addition, almost all respondents (93%) agree that they would feel more engaged at work if employers offered more relevant professional development opportunities."

It also notes that remote and hybrid workers are less engaged than their in-office counterparts. "59% of respondents who work fully in person are extremely engaged — compared to 41% of hybrid respondents and 33% of remote respondents. However, 9 in 10 hybrid respondents also cite remote and hybrid work as a key driver of engagement, showing the importance of continuing to offer work flexibility. Leaders shouldn't jump to return-to-office initiatives as a cure-all for engagement gaps, but instead focus on how to engage employees who aren't physically present in the office."

Employee engagement is high, the report says, "but not for the reasons employers might want. Some employees may feel compelled to stay engaged not out of enthusiasm or commitment, but because they are wary of the potential risks of leaving their jobs. Bolstering professional development offerings can help boost engagement in a deeper way, building employees' emotional investment in their work."

Despite high rates of engagement, employees also reported high rates of burnout. "Defined as feeling mentally, physically, and/or emotionally exhausted and stressed at work, burnout remains a pervasive workplace issue. One in three employees (34%) say burnout reduces their engagement, and over 8 in 10 employees (82%) say they feel burnt out to some degree. Younger generations are more likely to say they feel burnt out. Baby boomers on the verge of retirement might not feel as much pressure at work as Gen Zers new to the workforce who are still proving themselves, or millennials who may be stepping into management or leadership roles for the first time."

The report makes it clear that drivers of burnout are similar across the board. "Top contributors include working too many hours (58%), overwhelming workloads (35%) and difficulty balancing

work obligations with personal/family life (34%). External factors can also exacerbate burnout. Sixty-one percent of employees agree that changes in their country's political environment make them less engaged and more distracted at work. This could put employees at more risk for burnout in times of political turmoil or in important election years.”

Another finding was that 22% of APAC respondents feel extremely burnt out, compared to 13% of European respondents and 10% of North American respondents. 69% of APAC respondents say politics distracts them at work, compared to only 59% of European and 54% of North American respondents.”

The report concludes that the top drivers of burnout — long hours, overwhelming workloads, and difficulty balancing work and personal life — “reveal systemic issues within organizations. To better support all employees, organizations must implement strategies to help manage workloads, promote work-life balance and give employees space to process difficult external events.”

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