TOP 5 WORKPLACE POLICY ISSUES

FOR CEOS TO WATCH IN 2025



2025 will be a year of significant changes that require CEOs to make strategic, long-term decisions affecting the direction of their organizations. The Trump administration and Congress will be implementing new federal policies that will impact workplaces and their daily operations. As workplaces evolve, SHRM has identified the most pressing policy issues affecting workers and organizations.





Regulatory Changes Under a New Administration

In Brief: The Trump administration is making significant regulatory changes across key federal agencies, including the U.S. Department of Labor and the Federal Trade Commission. These changes will include efforts to deregulate by setting thresholds to remove old regulations before introducing new ones. The regulatory and administrative law landscape will become more complex following the Supreme Court's decisions in *Loper Bright Enterprises v. Raimondo* and *SEC v. Jarkesy*.

Top Action for CEOs: Stay informed and adaptable as existing policies are revisited, legal challenges unfold, and new rules emerge—including potential rollbacks, rescissions, or enforcement pauses of Biden-era regulations. As leadership changes and enforcement priorities shift, there are long-term impacts on regulatory agendas.

Top Resource: Federal Statues, Regulations, and Guidance and Compliance Resources

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Inclusion, Diversity, and Compliance with Workplace Laws

In Brief: Under President Donald Trump, agencies will shift their approach to inclusion and diversity (I&D), with increased attention on Title VII and employment practices related to protected characteristics.

Top Action for CEOs: Frame I&D objectives around lawful, achievable equal opportunity goals, avoiding public commitments to identity-based preferences that could pose legal and reputational risks.

Top Resource: How to Develop an Inclusion and Diversity Initiative

Workforce Displacement and Skills Gaps Driven by AI

In Brief: The integration of artificial intelligence and automation is transforming jobs and creating concerns about workforce displacement. SHRM research showed that more than 19 million current jobs (12.6%) face significant risk of displacement via automation.

Top Action for CEOs: Stay ahead of these issues by acknowledging the impact of technology and developing sustainable growth models, including investing in technical skills and enhancing digital literacy in the workplace.

Top Resource: SHRM Artificial Intelligence Hub

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Workforce Participation Gaps

In Brief: Persistent workforce participation gaps, along with declining birth rates and an aging population, hinder economic growth, productivity, and businesses' ability to attract and retain a skilled workforce.

Top Action for CEOs: Communicate priorities within your organization and engage with policymakers to support work and education opportunities, prioritize untapped talent pools, and address U.S. talent gaps through a modern, efficient workplace immigration system.

Top Resources: Bridging the Skills Gap: Preparing Future Talent for the Workforce

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The Growing Impact of Caregiving Responsibilities

In Brief: Workers with caregiving challenges will continue to place a significant strain on the long-term strategic goals of organizations and threaten their resilience and sustained growth. Organizations must address the resulting impacts on productivity, retention, and well-being.

Top Action for CEOs: Advocate for the government to invest in a broader care infrastructure that would support vital benefits to help workers facing caregiving challenges.

Top Resource: Creating a Caregiver-Friendly Workplace



To learn more about SHRM's workplace policy initiatives, visit the <u>SHRM Advocacy Hub</u> and subscribe to the <u>HR Policy</u> <u>Briefing newsletter</u> for the latest on state, federal, and global workplace laws and regulations.

