



EXECUTIVE SUMMARY

# CHRO PRIORITIES AND PERSPECTIVES





# INTRODUCTION

Leading organizations through the evolving demands of the modern workplace is a growing challenge, with HR teams and CHROs at the forefront. CHROs play a critical role in aligning people strategies with broader business objectives to foster organizational cohesion and drive effective initiatives. However, just 18% of CHROs reported having seamlessly integrated HR strategies, often resulting in slower profit growth for misaligned organizations.<sup>1</sup>

In 2025, CHROs must anticipate emerging trends and redefine their priorities to address both immediate organizational needs and long-term challenges. The accelerating pace of workplace change has made strategic alignment more urgent than ever. CHROs are tasked with navigating macro-level and personal challenges while ensuring their HR functions remain aligned with broader goals to support organizational adaptability.

To address these demands, SHRM surveyed 212 CHROs to understand their priorities, challenges, and perspectives on workplace trends in 2025. The findings aim to provide HR leaders with insights into the most common priorities and shared challenges, equipping them to better align their strategies and address the evolving needs of their organizations.



<sup>1</sup>From Alignment to Integration: Perspectives on HR Strategy from Executives and Workers, *People + Strategy* journal, Winter 2025.

# TOP CHRO PRIORITIES ALIGN WITH STRATEGIC BUSINESS GOALS FOR 2025

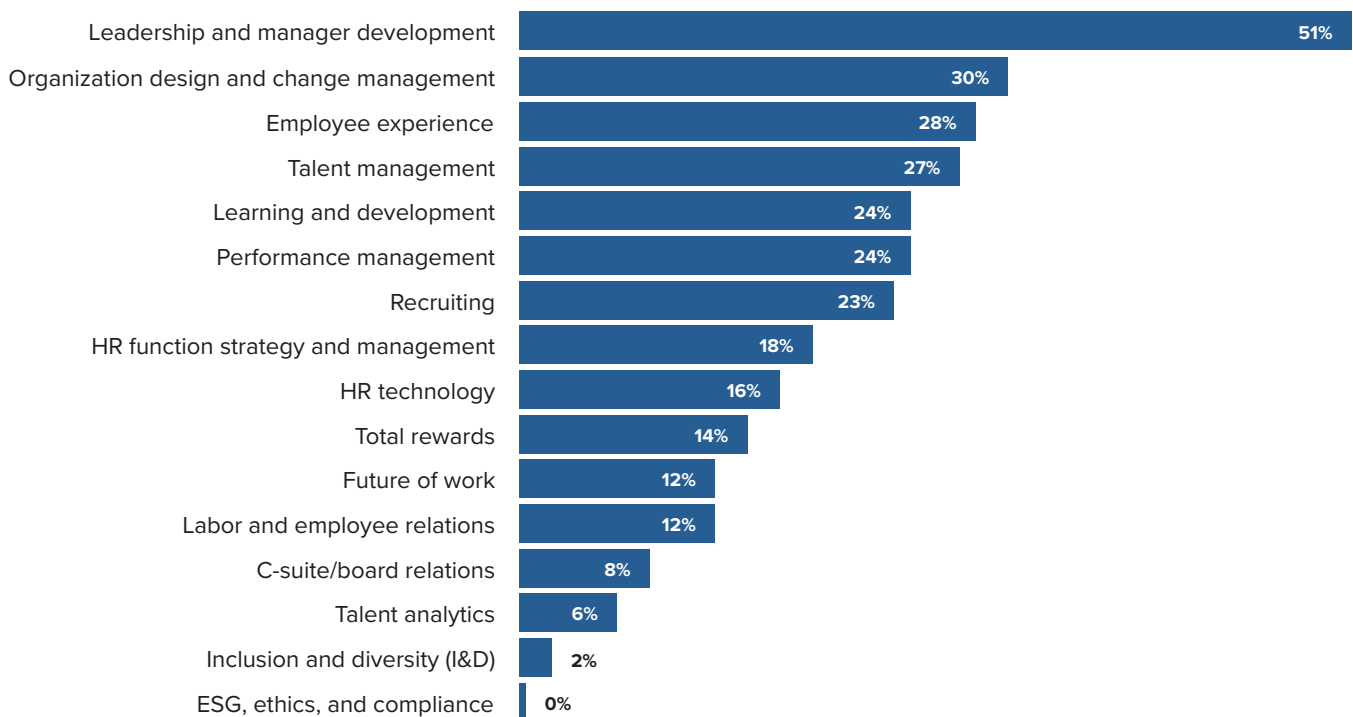
Setting objectives for the year ahead is a critical yet complex task for CHROs, requiring alignment with business goals and collaboration with executive leaders to address shifting market dynamics. For 2025, CHROs most frequently cited leadership and manager development, change, and employee experience among their top priorities.

## KEY INSIGHTS

- » **Leadership and manager development is a top priority for many CHROs:** More than half of CHROs (51%) identified leadership and manager development as a top priority in 2025, making this topic the most frequently cited focus among these leaders. This emphasis reflects a shift in HR priorities toward fostering efforts to support sustainable business practices.
- » **Other CHRO priorities focus on change and the employee experience:** Beyond leadership and manager development, other top areas of focus for HR in 2025 include organization design and change management (30% selecting as a top priority), employee experience (28%), and talent management (27%).

## CHROs’ selections for their top HR priorities in 2025

Respondents could select up to three options across 16 HR practice areas.



*Results based on responses from 212 CHROs. Percentages have been rounded to the nearest whole number. Any discrepancies with the text are the result of rounding.*

## KEY TAKEAWAY

CHROs’ 2025 priorities highlight a strategic shift in HR, with leadership and manager development taking center stage. Collectively, these priorities reflect HR’s growing influence in aligning people-centric initiatives with broader organizational goals.



# CHROS TACKLE DIVERSE CHALLENGES, WITH FINANCIAL PRESSURES LEADING THE WAY

As strategic leaders of HR, CHROs are instrumental in shaping strategies that tackle challenges at every level, from broad market dynamics down to specific departmental issues. While financial and economic pressures remain prevalent, CHROs also navigate critical talent challenges such as maintaining employee engagement, attracting skilled professionals, and retaining top talent.

## KEY INSIGHTS

- » **Economic and financial challenges rank as top concerns for CHROs:** Spanning from macroeconomic factors to the HR function itself, many CHROs identified economic and financial pressures among their most significant challenges. Among them, 61% of CHROs cited wage inflation and 45% pointed to rising operational costs as key challenges. At the departmental level, 31% of CHROs identified HR budget constraints and limited resources as a challenge.
- » **Employee engagement, attraction, and retention are among the greatest organizational talent challenges CHROs are facing:** Half of CHROs (50%) reported facing challenges related to maintaining morale and motivation among their workforce. Attracting skilled employees was cited by 41% as another talent challenge, and 40% pointed to retaining talent as a major issue.
- » **Work/life integration and workload management are the greatest personal challenges for CHROs:** Work/life integration and workload management emerged as the most prevalent personal challenges faced by CHROs, reflecting the demanding nature of senior executive roles. One-third of CHROs (34%) identified one of these issues as their biggest ongoing challenge, with 17% citing workload management as their most pressing concern and 15% viewing work/life integration as their greatest personal challenge.

## KEY TAKEAWAY

CHROs encounter significant challenges in their role, particularly in the areas of finance and talent management. Partnering with fellow executives, especially the CFO, is crucial for crafting aligned strategic solutions and ensuring organizational resilience in the face of these complexities.





# CHROS' OPTIMISM ABOUT AI'S ROLE BALANCED BY FUTURE ANTICIPATION OF HUMAN ELEMENT IN THE WORKPLACE

Many CHROs expressed strong optimism about the growing role of artificial intelligence in the workplace, but they also remained deeply committed to human-centric priorities, with many predicting a heightened focus on employee well-being and mental health in 2025.

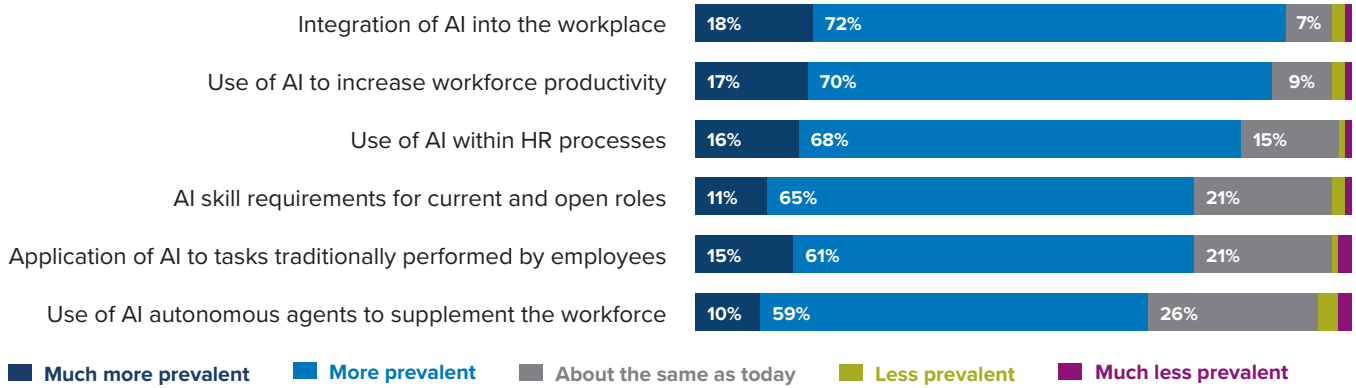
## KEY INSIGHTS

- » **CHROs overwhelmingly believe AI will become more prevalent in the workplace in 2025:** A dominant 90% of CHROs said they expect AI integration in the workplace to become more or much more prevalent. Alongside this rise, 87% foresee AI playing a critical role in boosting workforce productivity, highlighting widespread confidence in its potential to drive widespread organizational benefits. In addition, AI is projected to make significant inroads within HR functions, with 83% of CHROs predicting a more prominent role for AI in managing HR tasks and processes.
- » **Many CHROs anticipate an increased focus on employee well-being, skills development, and human-centered leadership:** Fifty-nine percent of CHROs said they believe an increased focus on employee well-being and mental health will occur in 2025. Additionally, 53% expect heightened investment in rapid skills development and half (50%) anticipate a growing shift toward human-centered leadership.
- » **CHROs expect changes to workplace policies in 2025:** More than half of CHROs (55%) said they anticipate an increase in companies scaling back or eliminating inclusion and diversity (I&D) initiatives. Furthermore, 50% of CHROs expect a rise in return-to-office mandates, with more workplaces requiring employees to be onsite full time or more frequently than they currently are.





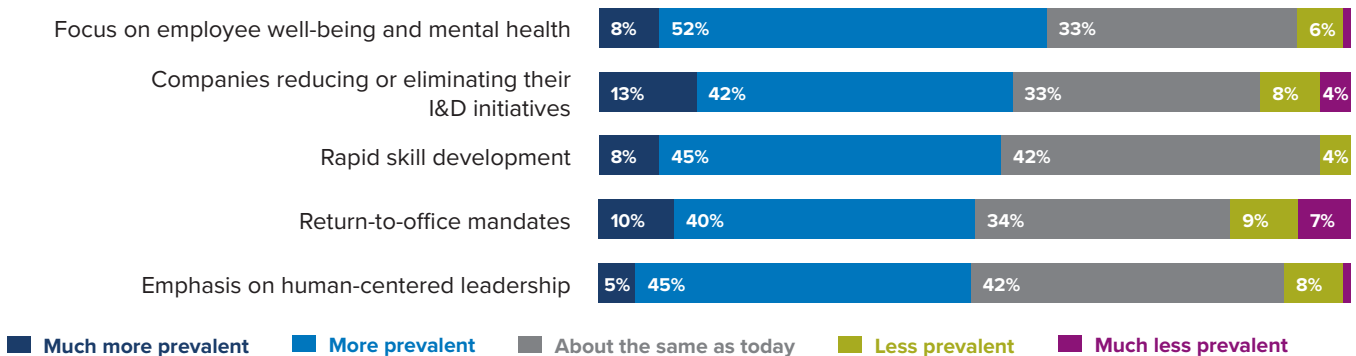
## CHROs' predictions of how AI trends in the world of work will change in 2025



Results based on responses from 212 CHROs. Percentages have been rounded to the nearest whole number. Any discrepancies with the text are the result of rounding.



## CHROs' predictions of how other trends in the world of work will change in 2025



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### KEY TAKEAWAY

CHROs and leaders are aligning workplace strategies with AI-driven transformations and adapting policies to support long-term success amid a dynamic business and political landscape.



## WHAT'S NEXT FOR **TODAY'S CHROS?**

In 2025, CHROs will continue to serve as key architects of their organizations' success, shaping strategic direction and providing expert leadership in response to rapid technological evolution and dynamic market and political landscapes. Notably, CHROs are poised to play a pivotal role in their organizations by:

1. Cultivating current and future leaders to ensure resilience and sustained success.
2. Guiding their teams in executing strategic organizational initiatives throughout 2025.
3. Taking a central role in addressing key organizational challenges, including those related to talent management and the growing prevalence of AI in the workplace.





# CONCLUSION

CHROs are focusing on key business areas to ensure their organizations are ready for tomorrow's challenges, such as developing future leaders and managers and managing the change that comes with the evolving world of work. As AI and other technological advancements reshape workplaces — an expectation many CHROs have for 2025 — businesses will face complex decisions about their workforces' future. By combining their traditional responsibilities with a bold, forward-looking vision, CHROs are elevating HR into a pivotal role, positioning it as a key driver of enterprisewide success.

To learn more, including greater details about CHROs' priorities, challenges, and anticipated workplace trends, download the full report at [shrm.org/topics-tools/research/chro-priorities-perspectives](https://shrm.org/topics-tools/research/chro-priorities-perspectives).

## METHODOLOGY

A sample of 212 CHROs or those who sit as the senior-most human resource professional in their organization were surveyed between Nov. 20 and Dec. 19, 2024. The survey was fielded electronically using the SHRM Voice of Work Research Panel and the SHRM Executive Network to U.S.-based CHROs and senior HR executives. In total, 147 participants were fielded from the SHRM Voice of Work Research Panel and 65 participants were fielded from the SHRM Executive Network. For the purposes of this survey, participants were required to be the senior-most human resource representative in their organization across a variety of titles they held. Participants represent organizations across multiple types of industries, sectors, sizes, and locations. The data was not weighted.

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**BETTER WORKPLACES, BETTER WORLD.**

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