



2025 Global Human Capital Trends

Consumer Industry Companion Report

May 2025



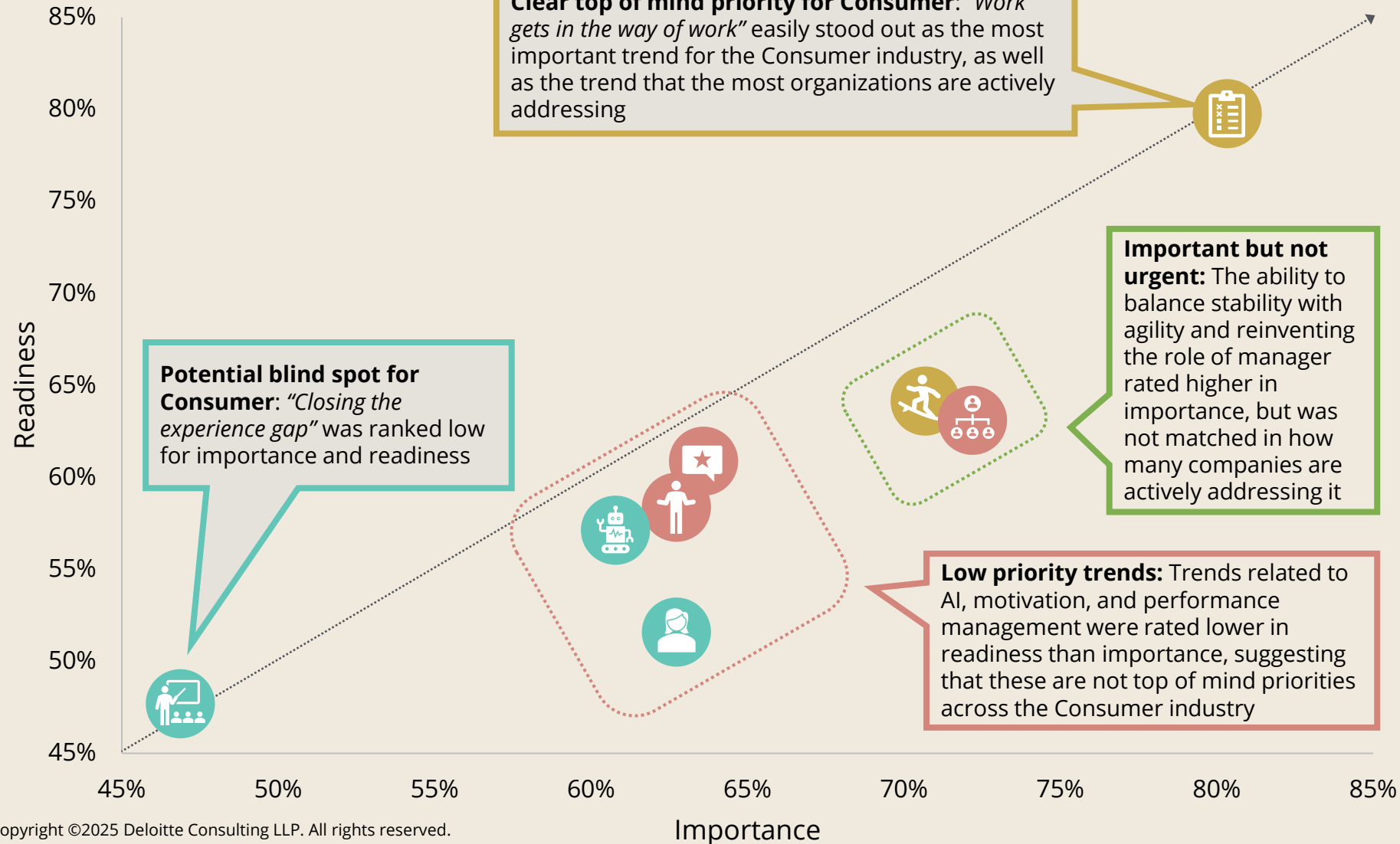
Table of Contents

- [Global Human Capital Trends Overview](#)
- [Human Capital Consumer Industry Overview](#)
- **Consumer Industry Top Trends by Sector**
 - [Transportation, Hospitality & Services \(THS\)](#)
 - [Automotive \(Auto\)](#)
 - [Retail & Consumer Products \(RCP\)](#)



2025 Human Capital Trends | Global Consumer Industry

% of respondents that said their organization is "exploring", "expanding", or "leading" in addressing this trend



Legend

(in order by Importance score)

- When work gets in the way of work
- The evolving role of manager
- Creating stability for workers for organizations to move at speed
- Reinventing performance management processes
- You need a human value proposition for the age of AI
- What moves your people?
- New tech. New work. Your old value proposition isn't enough
- Closing the experience gap

% of respondents that found associated phrases "very important" or "of critical importance" to their organization's success

2025 Human Capital Trends | Consumer Industry

These four trends were identified as relevant across the Consumer industry:



When work gets in the way of work



Consumer employees feel that only 59% of their time is **adding value** to their organization

same as non-Consumer industry average

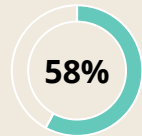
By removing non-value-adding tasks, employers can streamline operations, boost productivity, and enable creative innovation.

So what?

Eliminating unproductive work not only boosts efficiency but also enhances employee well-being by freeing up time for more impactful and innovative tasks.



You need a human value proposition for the age of AI



58% of Consumer employers plan to **use generative AI** to enhance human capabilities

↑6% higher than non-Consumer industry average

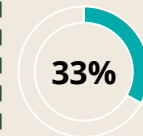
As generative AI continues to expand its role in the workplace, it is essential for Consumer organizations to clearly articulate its value to employees.

So what?

By proving the benefits of AI to workers, Consumer companies can overcome resistance to the adoption of AI into daily processes, ensuring productive collaboration between their human employees and advanced technology.



Closing the experience gap



Only 33% of Consumer respondents felt that new hires were **well prepared in skills and experience** for their first day of work

↓2% lower than non-Consumer industry average

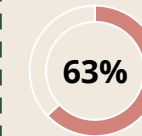
Integration of AI and automation is removing entry-level work, creating a gap between what experience new hires can bring and what is needed.

So what?

As the Consumer industry attempts to make processes more efficient through emerging technologies, organizations will need to address the gap in experience crucial for effective integration and innovation.



What moves your people?



63% of Consumer respondents believe that their manager **knows what motivates them** to do the work they do

↓4% lower than non-Consumer industry average

Understanding what inspires people to act can help organizations boost performance, spark innovation, and drive collective action for change.

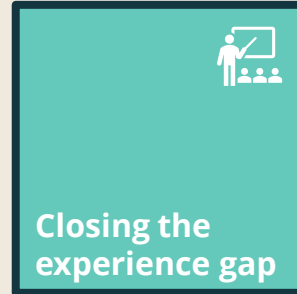
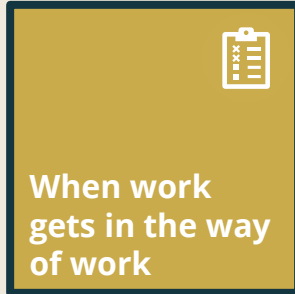
So what?

In an unprecedented time of uncertainty and tension, organizations that know their workers will be uniquely positioned to find a path through the instability and continue driving forward.

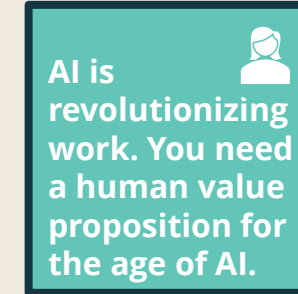
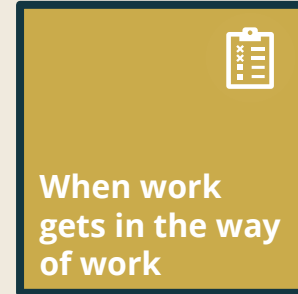
2025 Human Capital Trends | Global Consumer Sector Overview

While there are many commonalities among trends identified for the Consumer industry, each sector has nuances in market forces and priorities that highlight different worker experiences and use cases

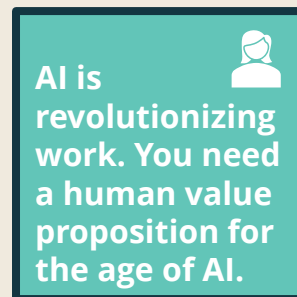
TRANSPORTATION, HOSPITALITY & SERVICES (THS)



AUTOMOTIVE



RETAIL & CONSUMER PRODUCTS (RCP)



The following section will dive deeper into the nuances of these Consumer Sub-Sector Trends

***Transportation,
Hospitality, &
Services (THS)***



What moves your people? | Transportation, Hospitality & Services (THS)

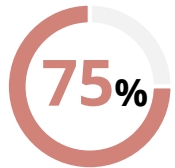
Identifying what motivates THS workers can help them see their ability to stay and grow at your company



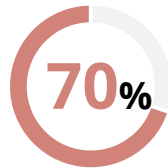
Summary of trend relevance

Understanding and leveraging individual motivations to enhance performance and innovation is particularly important to Transportation, Hospitality, and Services (THS) companies, who generally have high turnover rates. In uncertain and turbulent times, it becomes even more important to be in touch with what is motivating and inspiring workers to do their best at work. By collecting and analyzing data on worker motivations, THS organizations can create hyper-personalized strategies that align with employees' personal goals. This approach can help motivate the workforce to perform at their best by fostering a deeper connection to their work and encouraging growth within the company.

KEY STATISTICS



of THS companies believe it is **very or critically important** to prioritize human capabilities (e.g., curiosity, emotional intelligence, etc.) in the organization's workforce practices



of THS companies believe it is **very or critically important** to customize the design and experience of work based on worker skills, behavioral patterns, motivations, passions, styles, etc.

RECOMMENDED ACTIONS

- **Understand worker motivations** through collecting and analyzing data
- Co-create use cases on what circumstances have the **greatest impact on inspiring workers** and realizing both business and human outcomes
- **Hyper-personalize workforce experiences** based on individual motivations

EXAMPLES IN ACTION

A large hotel company introduced a program focused on associate well-being by offering tools and resources to support physical, mental, and financial health. Leadership involvement, such as CEO-hosted fireside chats, reinforces the program's commitment to **destigmatizing mental health discussions and building a culture of trust**.

Several hospitality brands provide **customized coaching and performance tracking** for frontline employees. Their approach includes classroom training, ongoing coaching, and digital platforms that offer real-time performance feedback, leading to significant improvements in employee engagement.

A hospitality operator offers structured development programs that enable frontline employees to progress into leadership roles. By providing **skill-specific workshops and mentorship opportunities**, the company fosters career advancement and builds a resilient leadership pipeline from within.

When work gets in the way of work | Transportation, Hospitality & Services (THS)

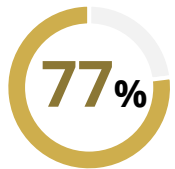
As THS organizations adjust to post-pandemic operations, they are finding ways to define organizational capacity and reduce administrative burden



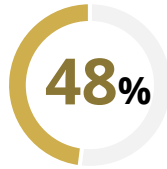
Summary of trend relevance

THS companies are focusing on reclaiming organizational capacity by reducing unnecessary tasks and improving efficiency. This trend is particularly relevant as the industry continues to recover from the significant impacts of the pandemic. Many companies have undertaken efforts to right-size their organizations, including a focus on reducing administrative burdens, leveraging AI and technology to streamline operations. By identifying value-adding and value-robbing activities, THS organizations can optimize organizational capacity to better meet current and future challenges.

KEY STATISTICS



of THS companies believe it is **very or critically important** to increase the capacity of workers to grow while removing non-value added, bureaucratic work



of THS companies are **leading or expanding** the capacity of workers to grow while removing non-value added work

RECOMMENDED ACTIONS

- Use workforce data to identify **value-added and value-robbing activities** at a task level
- Help your workers **identify and understand the value** of their roles
- Make AI your ally in **identifying and addressing inefficiencies**
- Co-create metrics that **focus on outcomes** defined in the work reset

EXAMPLES IN ACTION

A large freight company uses AI to optimize truck routing, **addressing inefficiencies** in the industry. By matching truckers with continuous loads and minimizing empty miles, the platform has reduced empty miles by 10-15%.

A large hotel chain introduced an AI-powered concierge that assists guests with information about local attractions and hotel amenities. By handling routine inquiries, this concierge **frees up human staff to focus on more complex guest needs**, improving overall efficiency.

A large restaurant chain leverages AI to analyze complex data, guiding better decision-making in staffing, scheduling, and purchasing. This **optimization of operations** drives productivity, efficiency, and profitability while reducing waste and errors.

Closing the experience gap | Transportation, Hospitality & Services (THS)

THS organizations have a unique need to quickly teach job skills in-person, due to the nature of frontline roles with a high turnover rate and evolving needs



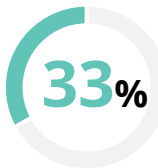
Summary of trend relevance

Organizations across Transportation, Hospitality, and Services face the challenge of quickly getting value from new hires, particularly frontline workers, as new technologies and staffing shortages necessitate quicker onboarding. To bridge the experience gap, THS companies can focus on providing on-the-job training tailored to their specific needs, creating micro-opportunities that allow new hires to gain practical experience, and considering internship or apprenticeship opportunities that could provide students with learning and mentorship that lead to a full-time role upon graduation.

KEY STATISTICS



of THS companies believe that it is **very or critically important** to overcome the rapid disappearance of entry-level roles and informal, on-the-job learning opportunities



of THS companies are **leading or expanding** in overcoming the rapid disappearance of entry-level roles and informal, on-the-job learning opportunities

RECOMMENDED ACTIONS

- Upskill in the **context of work**, creating small opportunities to assess new hires' abilities without having to do separate training
- Design the training process with clear gateways to a **long-term career path**
- Accelerate the development of updated training materials **utilizing AI**

EXAMPLES IN ACTION

A large train company launched an Apprenticeship Pilot Program with the Transport Workers Union to provide **structured on-the-job training** for both new and existing employees. The program includes hands-on experience, and after three years, apprentices take a final exam to become full mechanics, creating a clear career path to fill critical roles.

A local transit company offers an apprenticeship program to become a certified maintenance technician. The program provides apprentices mentorship, regular progress check-ins, and access to union benefits after 90 days. **Upon successful completion, apprentices transition into full-time roles.**

A hospitality foundation offers an apprenticeship program that pairs participants with mentors and **provides training across various hotel departments**, including Human Resources, Sales, and Operations. Participants engage in online class and on-the-job training, facilitating career advancement within the hospitality industry.

Automotive (Auto)



When work gets in the way of work | Automotive (Auto)

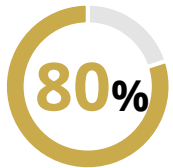
Unlocking auto worker capacity for net new work will unlock greater productivity and increase responsiveness to market changes



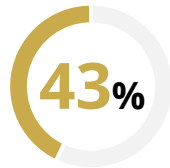
Summary of trend relevance

Auto companies are focused on improving efficiency by examining individual worker tasks through a cost-conscious lens. Cost optimization has become increasingly important as the Auto sector has recently faced major disruptions in their supply chains in the form of tariffs, in addition to increased labor union activity. This has led to many Auto companies reviewing their end-to-end manufacturing and distribution processes with their goal to streamline activities and remove non-value added tasks where possible. Keeping talent engaged should remain a priority as Auto companies reframe how they think about value slack and shift their focus to truly value-add business and human outcomes.

KEY STATISTICS



of Automotive companies believe that it is **very** or **critically important** to increase the capacity of workers to grow while removing non-value added work



of Automotive companies are **leading** or **expanding** the capacity of workers to grow while removing non-value added work

RECOMMENDED ACTIONS

- **Collect and analyze workforce data** to identify essential, value-add tasks
- Reframe how you think about value slack with a **focus on business and human outcomes**
- Help your workers **identify and understand the value** of their roles

EXAMPLES IN ACTION

An automotive company is shifting some business support functions to shared service centers. They have established a Global Payment Delivery Center in India, resulting in reduced operational costs and **increased focus on core activities**. They are also considering offshoring additional back-office functions to further streamline operations and boost worker productivity.

Many Automotive OEMs are integrating computer vision and AI technology in their manufacturing lines to avoid repetitive inspections of the same area. It is also detecting errors early, preventing the need for repeat actions such as painting and polishing, **reducing errors and saving time for more value-add tasks**.

An automotive company is utilizing additive manufacturing (3D printing) to quickly produce multiple designs and prototypes without the need for molds. This significantly **reduces lead times and speeds up the production process**, reduces material wastes, and minimizes costs associated with traditional manufacturing methods.

You need a human value proposition for the age of AI | Automotive (Auto)

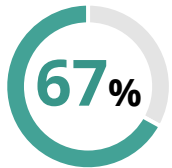
Auto companies are integrating AI across their enterprises, increasing the need for humans to collaborate with AI to create human and business value



Summary of trend relevance

AI is disrupting the auto industry in many ways, requiring workers to embrace adoption to better leverage AI and automation in their jobs. Auto companies are utilizing data and AI in various ways, including to streamline production processes and manage their fleets. Larger Auto companies may have more traditional workforces, which presents challenges such as high learning curves and resistance to change. To motivate workers to encourage buy-in, Auto companies will need to study their worker's use of AI, empower their workers to experiment with it, and evolve their Employee Value Propositions to encourage a greater collaboration between humans and technology.

KEY STATISTICS



67% of Automotive companies believe that it is **very** or **critically important** to reinvent the employee value proposition to reflect the increased collaboration between humans and technology



56% of Automotive companies believe that it is **very** or **critically important** to share the value that AI creates for organizations with workers

RECOMMENDED ACTIONS

- Study workers' use of AI and its **silent impacts on your workforce**
- Consider using AI to **personalize work** and create **greater worker autonomy**
- **Empower and recognize workers** that experiment with AI
- Share the plan for AI with workers to **build trust**

EXAMPLES IN ACTION

Auto companies are utilizing autonomous fleet management of equipment on their manufacturing floors, using AI to map floor activities, collect usage data, and more. These advancements **allow employees to focus on knowledge-based activities, augmenting their work** and overall productivity.

An automotive company is utilizing AI for predictive maintenance to predict component failures, thereby reducing vehicle downtime. Employees are **collaborating with AI and leveraging these predictive capabilities**, allowing them to focus on more complex tasks and strategic decision making.

Closing the experience gap | Automotive (Auto)

Recent technological advancements and trends within the auto sector have deepened the disparity between the technical skills that employers need and the availability of such skills in the job market



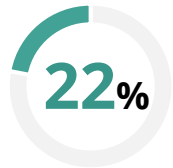
Summary of trend relevance

Having the right talent for the future, not just for today, remains a top concern among Auto companies. With the Auto industry shifting towards more autonomous and smart vehicles, this challenge is growing, and organizations are seeking more varied types of experience. Auto companies must prioritize upskilling their workforce, consider an increase in internship and apprenticeship programs, and work to remove barriers for job seekers.

KEY STATISTICS



of Automotive companies believe that it is **very** or **critically important** to overcome the rapid disappearance of entry-level roles and informal, on-the-job learning opportunities



of Automotive companies are **leading** or **expanding** in overcoming the rapid disappearance of entry-level roles and informal, on-the-job learning opportunities

RECOMMENDED ACTIONS

- Upskill in the **context of work**
- Partner with higher education to attract engineers, capitalizing on **internships and apprenticeship programs**
- Design the training process with clear gateways to a **long-term career path**
- Supplement less-experienced employees with **AI and automation**

EXAMPLES IN ACTION

Some automotive companies are **establishing internal certification programs** to formally recognize and validate the skillsets of their workers. This enhances the skills of their current workforce and can also be an opportunity to include modules on electric vehicle technology.

Some companies are transitioning to **skills-based organization models** where employees are categorized by their skill sets rather than job titles. This allows for more flexibility and ensures that workers are continually developing new skills and adapting to changing job requirements.

RETAIL & CONSUMER PRODUCTS



You need a human value proposition in the age of AI | Retail Consumer Products (RCP)

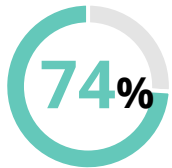
AI is transforming RCP operations rapidly, creating challenges in workforce readiness and business efficiency that must be addressed



Summary of trend relevance

AI is transforming Retail & Consumer Products operations for both frontline and corporate workers, impacting supply chain management and customer experiences. Increased automation and data-driven decisions are reshaping job roles and skill requirements. This creates challenges like the need for new skills, potential job displacement, and pressure to keep up with rapid tech advancements. Evolving workforce expectations and the need for continuous adaptation to AI are critical, and it will be essential that Retail & Consumer Products companies demonstrate the Value Proposition that AI offers their employees. Failing to motivate employees to adopt new technology could leave the workforce ill-prepared, impacting business efficiency and innovation.

KEY STATISTICS



of RCP respondents say that sharing the value that AI creates for the organization with workers (e.g., compensation, ownership of intellectual property, opportunities for advancement, etc.) is **of very or critical importance**



of RCP respondents say that they have **not started considering** addressing the blurring boundaries between humans and technology

RECOMMENDED ACTIONS

- Study workers' use of AI and its **silent impacts on your workforce**
- Share the plan for AI with all employees to **build trust**
- Strengthen the relationship between **HR and tech** functions
- Look at **evolving all aspects** of your Employee Value Proposition considering AI and how this can play into each employee's career path

EXAMPLES IN ACTION

A major E-commerce retailer uses AI to augment human workers rather than replace them. For example, their AI-driven tools assist warehouse workers in managing inventory and improving efficiency, **allowing employees to focus on more complex and strategic tasks.**

A major food and drink processing corporation makes sure to approach AI as an **enabler for their people**. Each tool they've introduced has been centered on how it can equip their employees to support productivity and efficiency, from supporting sales to product innovation insights **to upgrading production and supply chain processes to automate demand forecasting.**

A leading grocery retailer has implemented AI tools in its distribution centers to streamline operations. These tools provide employees with real-time data, enhancing their ability to manage inventory and logistics efficiently. This **empowers workers with advanced technology to ensure smooth operations.**

Closing the experience gap | Retail Consumer Products (RCP)

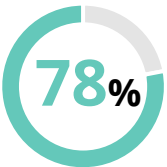
New hires in the RCP industry face an experience gap due to evolving standards, insufficient training, and AI's impact on entry-level tasks, affecting performance and competitiveness



Summary of trend relevance

New hires in the Retail & Consumer Products industry are struggling to contribute effectively, highlighting a significant experience gap. This gap is driven by rapidly evolving industry standards, insufficient practical training, and the impact of AI eliminating many entry-level tasks. These factors create a challenging environment for new employees, who often lack the necessary skills and experience to meet the industry's dynamic demands from day one. Although responsibilities being replaced by AI can be mundane, such as taking notes, roles like these for entry level folks or new hires from non-RCP backgrounds is what builds industry specific knowledge. This issue is critical, as it affects employee performance and weakens the competitive position in the market.

KEY STATISTICS



of RCP surveyors say that addressing the blurring boundaries between humans and technology is **of very or critical importance**



of RCP surveyors say that overcoming the rapid disappearance of entry-level roles and informal, on-the-job learning opportunities is **not something they have started considering**

RECOMMENDED ACTIONS

- Upskill in the **context of work**, creating small opportunities to develop judgement of new hires
- Design the training process with clear gateways to a **long-term career path**
- Accelerate the development of updated training materials **utilizing AI**
- Leverage a **skills-based organizational approach** to ensure that employees are developing the skills needed to grow in your organization.

EXAMPLES IN ACTION

A major grocery retailer has experienced challenges with new hires as AI automates many entry-level tasks, leaving new employees with fewer opportunities to gain practical experience. They have responded by **focusing on reskilling programs and creating new roles that leverage human skills.**

A global leader in agricultural machinery has faced challenges in attracting and retaining skilled technicians in a competitive job market. To address this, they've implemented a multi-pronged approach focusing on **upskilling** and **creating clear career pathways**. This was accomplished through apprenticeships and partnering with local universities.

A major British goods company offers new hires clear career development paths and growth opportunities. They provide access to various learning resources and **career coaching to help new employees plan and achieve their career goals.**

What moves your people? | Retail Consumer Products (RCP)

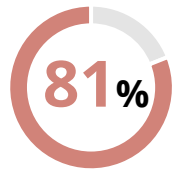
Motivating employees in the RCP industry to unleash their full potential can be achieved by getting to know what drives individual workers to do their best



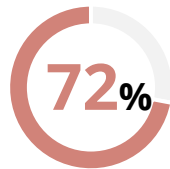
Summary of trend relevance

As the Retail & Consumer Products sector faces uncertainty, motivating frontline workers in manufacturing, production lines, and warehouses is crucial. These employees are essential for stable operations, ensuring seamless production and distribution. Keeping them engaged and motivated is vital, as their dedication directly impacts efficiency and supply chain reliability. In retail settings, frontline workers also represent the company, influencing customer loyalty and trust through positive interactions. By recognizing their contributions, offering incentives, and fostering a supportive work environment, companies can enhance morale and maintain consistent operations during challenging times.

KEY STATISTICS



of RCP surveyors find that increasing the capacity of workers to grow personally, use their imagination, and think deeply; while also removing non-value added, bureaucratic work is of **very or critical importance**



of RCP surveyors say that prioritizing human capabilities (e.g., curiosity, emotional intelligence, etc.) in the organization's workforce practices is of **very or critical importance**

RECOMMENDED ACTIONS

- **Understand worker motivations** through collecting and analyzing data
- Co-create use cases on what circumstances have the **greatest impact on inspiring workers** and realizing both business and human outcomes
- **Hyper-personalize workforce experiences** based on individual motivations
- Examine your workforce's **well-being** and **reward** strategy
- Analyze each employee group's learning and development opportunities

EXAMPLES IN ACTION

A major toy manufacturer encourages employees to pursue their passions through its "Ideas" platform, where employees can **submit their own product ideas** and **collaborate with others** to bring them to life.

A global manufacturer of consumer goods encourages a "promote from within" culture, investing heavily on the growth, development, and **empowerment** of their employees. In addition to recognizing high performers, they also recognize those who contribute **innovative** and **creative** ideas.

A major grocery retailer uses advanced data analytics and machine learning to understand frontline worker motivations by analyzing behavior, performance, and engagement data from HR systems, attendance records, and productivity tools. They offer personalized career paths and training opportunities, tailoring development programs to individual goals and **motivations for a unique and supportive experience**.