

Our mission



# MAGMA ADVISORY COUNCIL JUNE 6, 2025 MEETING

## DELOITTE GLOBAL HUMAN CAPITAL TRENDS

# DELOITTE GLOBAL HUMAN CAPITAL TRENDS

To create a comprehensive and cohesive workforce development system in Southeast Michigan that provides employers with the talent they need

## TURNING TENSIONS INTO TRIUMPHS: HELPING LEADERS TRANSFORM UNCERTAINTY INTO OPPORTUNITY

Jason Flynn, Carrie Commisso, David Mallon,  
Yves Van Durme, Stephen Harrington, and  
Gaurav Lahiri

Outreach &  
Communication

# DELOITTE GLOBAL HUMAN CAPITAL TRENDS

To create a comprehensive and cohesive workforce development system in Southeast Michigan that provides employers with the talent they need for success.

- ✓ **Polled nearly 10,000 businesses and HR leaders across sectors (worker, manager, and executive levels)...posing some of the following questions:**
  - ✓ **Should we consider eliminating managers?**
  - ✓ **Should we consider replacing some entry level work with AI?**
  - ✓ **Should we consider people coming back to work onsite?**
  - ✓ **Should we consider investing in AI?**

# DELOITTE GLOBAL HUMAN CAPITAL TRENDS: FINDINGS FOCUS

1. **Turning Tensions into Triumphs: Transforming Uncertainty into Opportunity**
2. **Stagility: Creating stability in a high motion workplace**
3. **Reclaiming organizational capacity**
4. **Human value proposition for artificial intelligence**
5. **Closing the experience gap**
6. **New tech, new work**
7. **Motivation at the value of one**
8. **Reinventing performance management**
9. **Value of manager role**

# Turning Tensions Into Triumphs

- Leaders are unsure about how to make choices to balance business and human outcomes
- Remote work and AI
- Balance between business and human outcomes
- Only 6% of respondents report strong progress in establishing human sustainability
- This year's theme reflects the duality leaders face of navigating uncertainty and challenges with leadership strategies and structure.

# Turning Tensions Into Triumphs

- To making good decisions in ambiguity
- Increasing the capacity of workers to grow personally are:
  - 1.8 times more likely to report better financial results
  - 1.4 times more likely to create broad value for customers, community, and society
  - 1.6 times more likely to say they provide workers with meaningful work
- Motivating people to do what needs to be done can unleash human performance

# Stagility: Stability + Agility

- Survey results demonstrates a disconnect between executives and worker
- 85% of leaders are striving to create more agile ways to respond to market changes
- 75% of employees favor stability and 49% of employees are concerned about being left behind
- Balance between stability and agility
- Organizations should understand that there is a gap between knowledge and action

# Reclaiming Organizational Capacity

- 80% of employees respond that they are “busy”
- New tools add layers of complexity and shift attention from outcomes that matter most.
- 41% of work is considered nonessential by employees.
- Improving worker capacity hinges on two things: 1) new corporate mindset on how to value **slack** or **unassigned time** that workers have autonomy to use, and 2) a new mechanism to evaluate the best path to reducing or streamlining tasks



# Human Value Proposition in the Age of AI

- Organizations must be intentional about how they are applying technology in ways that create new value for both the organization and the worker.
- AI does mundane tasks, makes work easier.
- AI is reshaping work; 60% of workers already view AI as a co-worker.
- The value proposition must evolve to reflect human-machine collaboration
- Employees believe that the employer is responsible for their upskilling, reskilling and employability

# Closing the Experience Gap

- 66% of new hires lack required experience
- 61% of jobs demand more experience
- AI takes on tasks and apprenticeship is eroded from remote work
- Half of US workers with a bachelor's degree secure employment in a college-level job within a year of education and the other half end up underemployed for approximately 10 years.
- Hiring organizations, job seekers and academia need to reflect on capabilities organizations truly seek
- Atrophied pipelines for future talent.
- Both workers (72%) and executives (73%) believe that workers need more opportunities to gain experience

# Closing the Experience Gap

- Managers only dedicate 13% of their time on hiring and onboarding
- Critical role of **providing tacit knowledge**.
- **Internships** yield high rate of return on investment
- **Apprenticeships** are profitable investments for organizations and workers. For example, the UK's National Health Service developed a pathway to becoming a doctor through apprenticeship
- **Cooperative education and work-integrated learning programs** combine periods of classroom instruction at educational institutions with paid, discipline-related work experience at organizations. Northeastern University in the U.S. and University of Waterloo in Canada are some examples.

# New Tech, New Work

- Case drivers for technology investment
- Most important drivers are enabling workers and machines to create value together, enabling new value creation, and improving worker well-being.
- Not few core technologies but hundreds across multiple functions and stakeholders.
- 62% of leaders say it is critically important to organize and orchestrate new technologies
- Many challenges due to increased technology advancements and options
- Start by defining the intent of the technology.
- Failing to invest can undermine performance.

# New Tech, New Work

- Technology will reshape work
- Technologies are intended to enhance or improve human capabilities
- Some next-gen technologies are *probabilistic*
- Time horizon factor
- 73% of executives said the number one challenge to determining the value of tech investments was the inability to define metrics.
- Productivity, cost avoidance, and slack for value-added work.
- Feedback loops

# Motivation at the Unit of One

- Tapping into the individual to understand what motivates them
- 32% work to live or provide for a family
- 25% work for purpose
- 18% work due to craft or trade
- 13% work for tangible rewards
- 11% work to win or compete
- 33% of employees believe their organization understands what motivates them

# Motivation at the Unit of One

- Organizations say customizing the design and experience of work is important, but few do it.
- Motivating at the unit of one requires “Understanding” and “Acting” through:
  - Collecting data about individual worker motivations and turning data into insights using AI and human judgement
  - Matching people to meaningful work based on motivations



# Reinventing Performance Management

- 61% of managers and 72% of workers could not say that they trust their organization's performance management process.
- Only 6% are doing a great job using data to capture the value of worker performance while enhancing trust.
- Do we need performance management?
- Consider shifting from **performance management** to **engineering human performance**
- Redesign to build trust and fairness, simplify and model it from the top!



# Reinventing the Role of Managers

- 42% fewer middle management job postings since 2022
- Strong management achieves 15% higher financial performance
- Manager time allocation: 21% on problem solving, 16% on administrative tasks, 15% on planning and strategizing, 15% on engaging with stakeholders and leaders; 14% on collaborating with other teams, 13% on developing subordinates, and 6% other.
- Manager role is shifting to developing, coaching, motivating, nurturing, redesigning work, reallocating resources, optimizing human and machine interactions, enabling agility, strategic problem solving, and creating innovation.

# Human Value Proposition in the Age of AI-Key Insights

- As stated earlier 60 % of workers view AI as a co-worker which has fundamentally reshaped work and the worker-employer relationship.
- Organizations must evolve their Employee Value Proposition (EVP) to reflect a new reality of human-machine collaboration
- AI often removes routine tasks, leaving workers with only the most complex, cognitively demanding work.
- Lack of trust

# Evolving the EVP for AI

To remain competitive and human-centered, organizations should:

- Acknowledge AI's impacts on workload, autonomy, and learning.
- Use AI to personalize work and treat every worker like high potential by AI serving as a personal intern and as a personalized coach.
- Share the plan on how AI will help create value for workers as human beings thereby improving trust and human sustainability.
- *Over 70% of managers and workers are more likely to join and remain with an organization if its EVP helps them thrive in an AI-driven world.*

# Thank You!

- For more information please refer to the
- online report at
- [2025 Global Human Capital Trends | Deloitte Insights](#)