CIPD

HR practices in Ireland 2025

Report
May 2025

The CIPD has been championing better work and working lives for over 100 years. It helps organisations thrive by focusing on their people, supporting our economies and societies. It's the professional body for HR, L&D, OD and all people professionals – experts in people, work and change. With over 160,000 members globally – and a growing community using its research, insights and learning – it gives trusted advice and offers independent thought leadership. It's a leading voice in the call for good work that creates value for everyone.

Report

HR practices in Ireland 2025

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1 Introduction

The CIPD's *HR practices in Ireland* report provides annual insights on the strategies and challenges of the people profession in Ireland. The research is conducted in conjunction with Kemmy Business School, University of Limerick.

The external environment, uncertainty and the pace of change is impacting organisations and people professionals. Digital transformation across the globe is changing the nature of work, work processes and methods, requiring new mindsets, skills and organisational practices. HR's contribution is more critical than ever, and our survey provides insights into how organisations and HR practitioners are responding and facilitates benchmarking to improve practice and impact.

This year's report addresses key priorities, how challenges are being faced and the current impact of the profession. It looks at talent management and resourcing solutions, and the readiness of organisations for artificial intelligence (AI). It also explores digitalisation, hybrid working and productivity as well as wellbeing, inclusion and sustainable people practices.

2 Growing impact of the people profession

How is HR addressing external challenges, meeting employee expectations, focusing on skills and embedding technology and ways of working? Our 2025 survey looks at the ways people professionals are adding value and driving positive change in how work is managed, valued and rewarded. Overall, four in five reported an increase in the impact of the profession in the last 12 months.

Our findings show that HR teams say they add value in a range of ways, from championing diversity (95%), to enhancing the employee experience (90%) and contributing to the strategic direction of the organisation (91%). A positive trend was that 90% reported providing evidence-based insights for decision-making. These findings show the strong impact the people profession is having in significant strategic areas, especially in leading on diversity.

Areas where fewer, though still a majority, perceive that the profession brings added value are on sustainability (77%) and championing a people-centred approach to technology and AI (63%).

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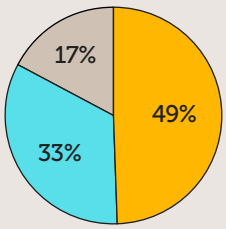
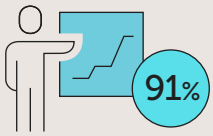
Increasing impact of the people profession

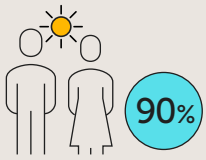


- Significantly increased – up from 38%
- Somewhat increased
- No increase

How HR teams add value

95%
Championing diversity

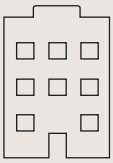

91%
Contributing to strategic direction


90%
Enhancing employee experience

90%
Providing evidence-based insights for decision-making

The response to how HR champions a people-centred approach to technology has fluctuated in the past three years – 77% in 2023, declining to 53% in 2024 and rising to 63% this year. There is a need to grow both the capability and confidence on this, to enable the profession to create clear ground rules on the organisational use of AI tools and understanding their impact. As the use of AI grows, people professionals and businesses need to understand the impact on people, work, jobs and productivity, to minimise the risks and maximise the benefits of AI usage.

Top priorities over the next two years



For organisations

- Cost management
- Digitalisation and technology
- Performance and productivity
- Agility of organisation
- Talent management

For HR functions

- Talent management: attracting, retaining and developing skills
- Leadership development
- Employee experience
- Performance and productivity
- Digitalisation and technology

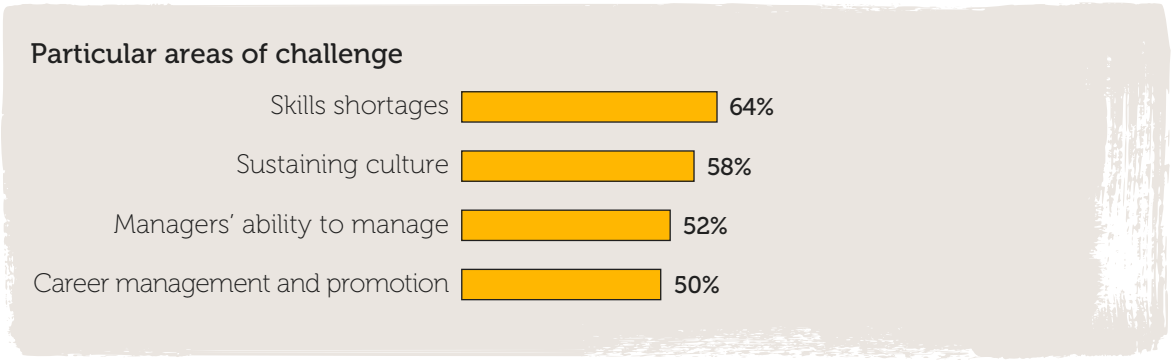
Top priorities over the next two years

Resourcing challenges and digital transformation will dominate the year ahead, though economic uncertainty may change this. In previous surveys, we have seen strong alignment between the organisations' and the people functions' priorities for the next two years, but a difference has emerged in this survey.

The HR function continues to report the same priorities for the next two years as in the 2024 survey, namely talent management (60%), leadership development (57%) and the employee experience (38%). However, the survey's HR respondents

are highlighting a different and more diverse set of priorities for the organisation as a whole, namely cost management (37%), digitalisation and technology (34%), and performance and productivity (32%).

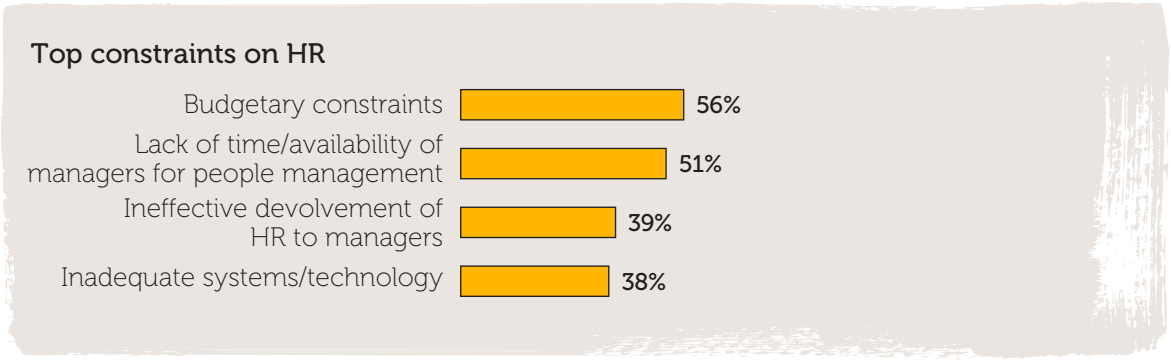
The low level of alignment highlights how the people function is focused on delivering the core activities of resourcing, development and retention, while the organisational context has moved on to the pressing issues of costs, technology and productivity. The profession needs to invest more in looking into the business and to better connect its work with key business challenges. This is increasingly critical as the level of change and uncertainty grows.



Particular areas of challenge

When it comes to the particular areas of challenge that organisations are facing around the people agenda, skills shortages top the list (reported by 64% of respondents), reflecting the recruitment and attraction challenges, especially around key skills. Career management and promotion were also mentioned (50%). A significant number of respondents called out the challenges of sustaining culture (58%), along with managers' ability to manage (52%).

To stay relevant and sustain our positive impact, the people profession must ensure their knowledge and skills are kept up to date and continue to grow. The key areas where respondents felt that skills development is needed are AI for the profession (59%), business acumen (32%), leadership (31%) and transformational change (27%). This year, concerns about HR analytics and technology as well as legislation and regulation have become lower priorities. The CIPD Learning Hub is a good place for members to start to assess their learning needs and progress them.



Key constraints around budgets and line managers remain

We ask respondents each year what constraints limit HR's contribution to the business, and budgetary constraints was at the top this year (56%), followed by line managers' lack of time/availability to carry out people management activities. Budgetary constraints reflect the impact of the cost-of-living crisis and ongoing cost increases, as well as the priority on cost management in many organisations.

Concern about the lack of time for people management activities among managers has decreased over the past three years (from 64% to 56% to 51%), a positive step that reflects the increase in investment in managers. The profession needs to evaluate whether manager support is effective, if boundaries of responsibilities are in the right place and if the expectations on people managers are realistic.

The survey findings over a five-year period highlight that this is an ongoing issue for HR. Given the growing importance of line managers in a hybrid work situation, and the trend to increase devolvement to this group, it is positive to see the significant increase in investment in line managers.

The evidence for this comes from the heightened emphasis on coaching and training and development that has emerged in this year's survey. More than four in five organisations (85%) are engaged in coaching of line managers, while 87% provide training and development support. These have jumped from 51% and 57% respectively in the 2024 survey. A growing number (65%, up from 51% in 2024) are supporting managers with HR technology and self-service functionality.

3 Ongoing challenge of resourcing

Top external drivers of change

- Availability of key skills
- Workforce expectations
- Automation, technology, AI
- Cost increases and inflation

90% of businesses are facing skills shortages

- Operations/frontline
- IT
- Leadership
- Analytics

Talent management and resourcing continue to be a critical focus as organisations compete to attract, retain and develop the workforce they need for the future. The changing nature of employee expectations – with people seeking a more personalised way of working and support structure – adds further pressure to these challenges.

In Ireland, while we operate in an uncertain environment, a shortage of skilled workers could risk organisation performance and economic growth. Indeed, 91% of respondents said they are facing skills shortages, a figure that has not dropped below 80% since we first asked this question in 2021.

Frontline and operations staff in particular were in short supply, reported by 37% of respondents, followed by IT skills (34%, up from 29% in 2023). The issue of leadership was also identified as a skill shortage and a capability gap for the future: 36% identified leadership and influencing skills as the top capability gap, far ahead of technology design and programming in second place at 13%.

Resourcing trends over the last 12 months

- Recruitment of more diverse workforce
- Talent more difficult to retain
- Housing issues causing more difficulty

Spotlight remains on recruitment and retention

Skills shortages continue to put recruitment practices and employee turnover in the spotlight. The survey found that talent was more difficult to retain (68%) and that access to housing has made recruitment more difficult (67%). Similarly to 2023 and 2024, this year's survey found that organisations are adopting strategies such as employing a more diverse workforce (80%) and recruiting from wider geographical areas (60%). Half the respondents reported experiencing difficulties relating to work permits and visas. Despite predictions of automation replacing jobs, only a minority of respondents reported this as a counterbalance to skills shortages (19%), similar to last year.

Most impactful recruitment and retention activities

With an increased emphasis on improving recruitment and employee retention, the findings show that the most impactful tactics used were offering flexible working (81%) and analysing current and future skills needs (78%). Upskilling employees was less impactful than in 2024 (72%, down 10 percentage points since 2024), as was investing in the employer brand (56%).

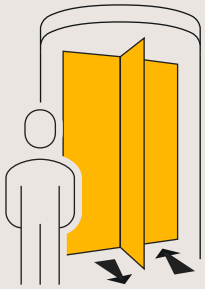
The focus on upskilling has resulted in an array of learning approaches. Short, focused L&D events were prioritised by 20%, then self-directed learning (16%) and greater use of learning technologies (14%). Funded educational programmes for individuals were the key focus for 13%, and communities of practice and peer learning was selected by 10%.

Employee turnover

26% reported an increase in employee turnover rates

Turnover rate

Less than 5%	6–9%	10–19%	Over 20%
31%	25%	28%	16%
		(down from 37%)	(up from 11%)



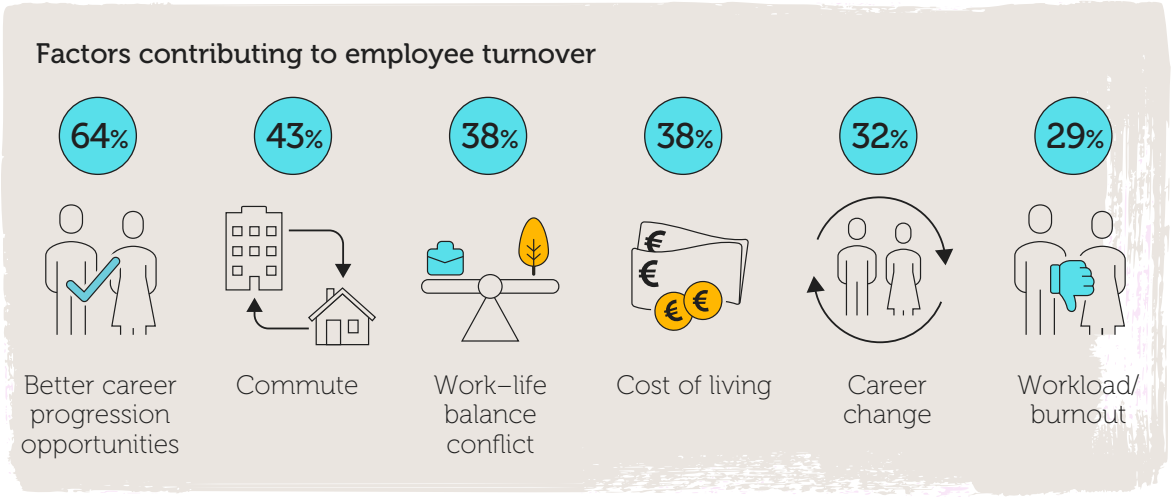
Employee turnover rates remain high, and reveal a level of fluctuation in the labour market. This year, 26% reported an increase in employee turnover rates (down from 37% in 2024 and 50% in 2023). A fifth (21%) reported a decrease in voluntary turnover rates (28% in 2024 and 13% in 2023).

The good news is that the most prevalent turnover rate is now less than 5% (31% of respondents reported this). However, turnover at the highest levels has increased this year, with 16% reporting a voluntary turnover rate over 20%, compared with only 11% in 2024. The most prevalent rate in the public sector was less than 5% (19%), whereas it was a turnover rate of 10–19% in the private sector (19% of respondents).

To help manage this, and to measure voluntary turnover intentions, 31% of organisations used employee surveys, a drop from 46% in 2024. There was a growth in the use of one-to-one conversations, carried out by nearly a third of respondents (31%). Only 8% used predictive analytics as part of this process, indicating that the profession could do more to better understand employee intentions to stay or leave.

While we commonly see employees moving for career progression or career change, the commute (43%) and work–life balance conflict (38%) are increasingly significant factors contributing to employee turnover this year. This shows the drive by employees to achieve better work–life balance and steer clear of significant commuting time, and the response by employers in terms of offering flexible working when recruiting.

From a workplace perspective, this year's survey continues to show the prevalence of workload/burnout (29%) as a contributory factor in employees' decisions to leave. This issue warrants concern in general and indicates employees' unwillingness to accept a poor working environment, and being prepared to change jobs to remedy this.



4 Digital transformation and preparedness for AI

Digital transformation is one of the most significant developments impacting current and future workplaces, and the people profession. Digital transformation across the globe is changing the nature of work, work processes and methods, requiring new mindsets, skills and organisational practices.

This transformation benefits from a strategy that delivers for the organisation through engaging with customers and employees to shape a culture that supports good work, agile decision-making, and collaboration, and that recognises anxiety around change.

Technological developments are increasingly impacting the people profession – in how we deliver the employee experience, the expertise we need, and how we lead and support its use in organisations.

Automation, technology and AI have been top external drivers of change for two years in a row, pushing organisations to take advantage of technological developments to stay competitive, manage costs, meet customer needs and remain attractive places to work.

However, looking forward for the next two years, the survey identified a different view of priorities for organisations compared with the people profession. Digitalisation and technology were placed second in terms of organisations' priorities, while it was placed fifth by the HR function. This highlights a risk of the people profession putting insufficient attention on how technology is being implemented in their organisation and inadequate investment in building the knowledge required.

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Only 19% of respondents reported that automation, technology and AI had replaced some jobs, a figure that has not shown any real change over the last three years. But skills in technology design, programming and AI remain a worrying capability gap for respondents, as do skills in technology use, monitoring and control.

Accelerated use of HR digitalisation

70%	59%	58%	58%	58%
Automated HR processes	Employee engagement platforms	Learning management systems	Analytical tools	Automated elements of talent acquisition

Digitalisation of HR

When it comes to how HR adds value, two-thirds of respondents (63%) identified how well the profession champions a people-centred approach to technology, an improvement on 53% last year. This still indicates a concern in the profession around the need to learn more and provide appropriate leadership in view of the expansion of generative AI and broader technology use.

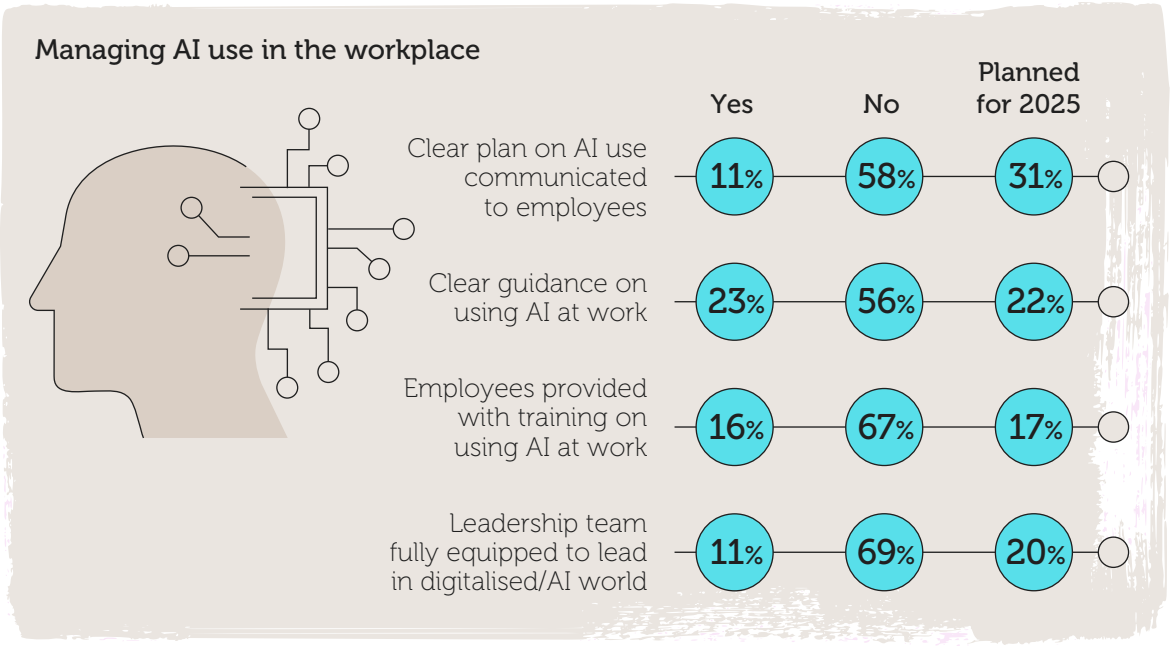
The use of AI is expanding globally, and it is clear that people professionals and businesses need to move quickly to provide guidance and to understand how to minimise the risks and maximise the benefits of these tools. When we examine the constraints facing people teams, inadequate systems/technology were identified as a barrier by 38% of respondents.

It is evident from the findings that HR is using a wide range of different methods and systems to accelerate the rate of the function's digitalisation.

The move to automated HR options for employees is clear from the fact that 70% of respondents had automated processes. Nearly three-fifths are using employee engagement platforms (59%) or have embedded learning management systems in the last 12 months (58%).

The increase in the use of HR analytics is also a positive move (58%). But, more worryingly, employee monitoring software and tools are visibly being introduced, used by 36%, similar to last year.

In relation to wellbeing, we continue to see strong use of online wellbeing and health initiatives (56%), and 50% reported that they encouraged employees to disconnect from technology. However, when we explored the factors contributing to mental health issues, close to the top were workload/volume of work, an 'always on' culture enabled by technology, job design and job changes. These show the risk of technology having a negative impact on employees and the need for an increasingly people-centred approach to its use.

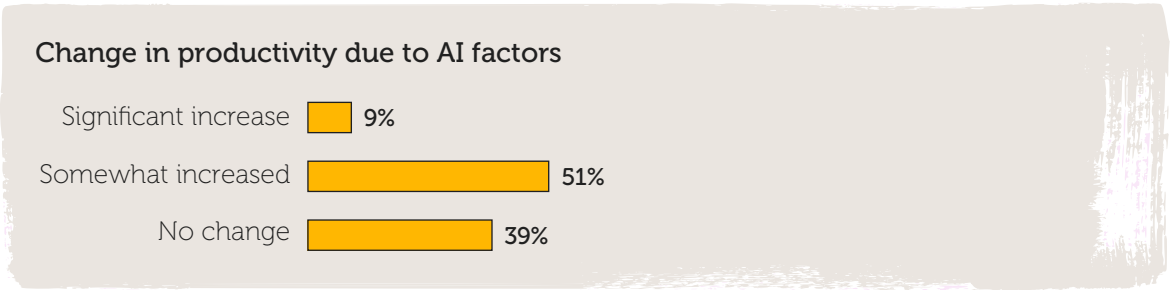


Managing AI in the workplace

Our 2025 survey has identified a low readiness for introducing and managing AI in the workplace. The level of employee engagement reported is low, risking the success of organisation change and AI initiatives.

At the time of the survey, only 11% of respondents identified that a clear plan on AI use had been communicated to employees, and the same low number considered that the leadership team was fully equipped to lead in a digitalised/AI world. Almost a quarter (23%) reported that there was clear guidance on using AI at work, but only 16% had rolled out training to employees on using AI at work. The survey found a slightly more positive trend in relation to activity in 2025, with a number of respondents planning to address these issues.

However, between 56% and 69% had no plans to address these issues in their organisations. These figures are a concern, revealing a lack of strategy or attention on AI use in workplaces. This business imperative provides the people profession with a very clear opportunity to step in and provide leadership in their organisations.

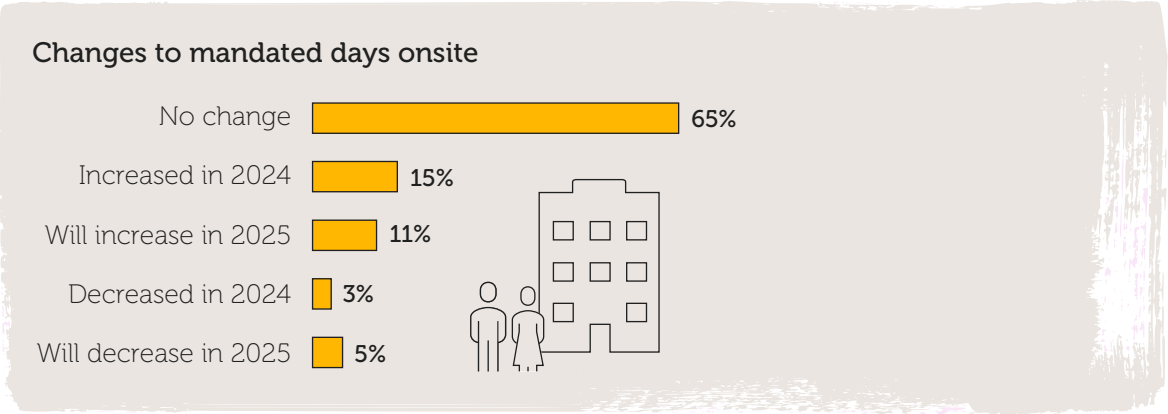


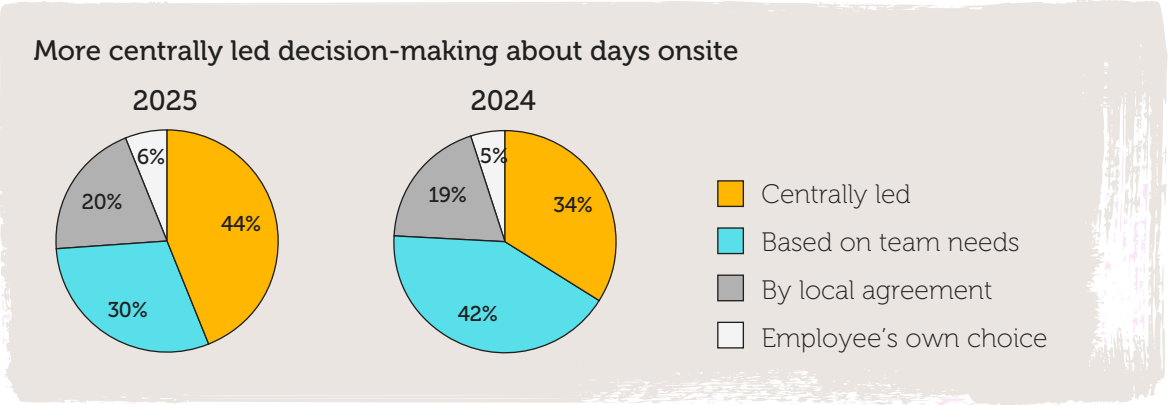
We also explored AI adoption, and identified that this was mainly happening on an organisation-wide basis (47%). The areas that were adopting it were administrative at 40%, and a third reported using AI to support both professional services and production/frontline.

It is understood that despite all the hype, the payoff for AI investment is unclear to many. Only 9% of respondents believed that productivity significantly increased due to AI factors. On the other hand, 51% believed that productivity had increased somewhat and 39% reported no change. Understanding the return on investment and planning for how roles will change are fundamental to adopting a people-centred approach to decisions and upskilling employees to increase their contribution and the success of digitalisation.

5 Hybrid working: the debate continues

The struggle to find the right balance between organisational requirements and employee expectations around flexible and hybrid working continues. Regardless of the public debate, each organisation has to find a solution that best meets customer, client and service user needs. Flexible working practices remain the most impactful tool for recruiting and retaining employees, according to nine in 10 organisations, and for more than two-thirds of organisations, it is a central tool for building an inclusive workplace (69%).





Organisations have recognised the need to understand the impact of remote and flexible working, and different patterns are emerging. Two-thirds of respondents found that it limits informal learning and half (48%) reported a negative impact on managers' ability to manage. On the other hand, nine in 10 said that it facilitated recruitment and retention, and three-quarters reported that it improved productivity as well as wellbeing. Half of respondents did not believe that it increased engagement and only 61% saw a positive impact on the culture.

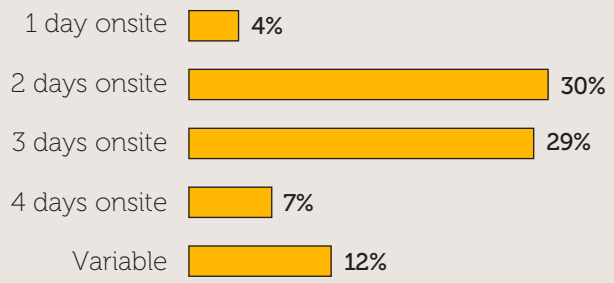
Despite this, 26% of organisations have or will increase the number of mandated days onsite. The survey found that 15% had carried this out in 2024, and another 11% are planning it for 2025.

We have also seen a shift in how decisions are made about mandating the number of days onsite, with a move to a more central direction. A sizeable number (44%) reported that this decision is made centrally, up 10 percentage points on last year. Only 30% said the decision is taken at team level, down from 42% last year. This more centralised control is likely to be part of an approach to change the days onsite or seek an improved level of compliance. Where employees are at the centre of this decision, it is likely to increase the engagement and sense of purpose of employees coming together in the workplace.

However, the survey found that access to flexible and hybrid working is holding steady but no longer growing as was found in previous surveys. Over two-fifths (43%) have more than half of employees working on a hybrid basis, slightly up from last year's 40%.

In 2025, we found that 43% of organisations had over half of their workforce working in a flexible/hybrid manner, a similar proportion to the last two years. When it came to working fully onsite, just a third of organisations had more than 75% of employees fully onsite (31%), and the same proportion had less than 10% fully onsite. There was a tendency for private sector employers to have employees fully working onsite (20% reported more than 75% fully onsite compared with 13% of public and 16% of not-for-profit organisations).

There's little change in mandated days onsite



Only 13% had no mandated days

Hybrid working models

The issue of the mandatory number of days onsite is regularly a sensitive issue when organisations seek to change working patterns or increase the number of days onsite. The survey investigates how many days per week employees are generally mandated to work onsite where they operate a hybrid working model. Despite the increased debate, the working pattern is similar to last year, with around a third mandating employees to work onsite two days per week (30%) and nearly the same number working onsite three days per week (29%).

Only 13% of respondents reported having no mandated days, which shows a general appetite for a structured hybrid model.

The variation between the public and private sectors continued this year. Nearly half of public sector organisations reported working two days per week (47%), while in private sector organisations 20% mandated two days per week and 38% mandated three days per week.

Just over two-thirds of organisations (69%) included hybrid working in their strategy to attract and retain talent. Only half of organisations supported/trained line managers to manage hybrid working employees (48%) and a surprising 44% reported addressing non-attendance onsite through their disciplinary process. Nearly two in five (39%) of survey respondents have amended contracts to formalise hybrid working.

Effect of location on productivity

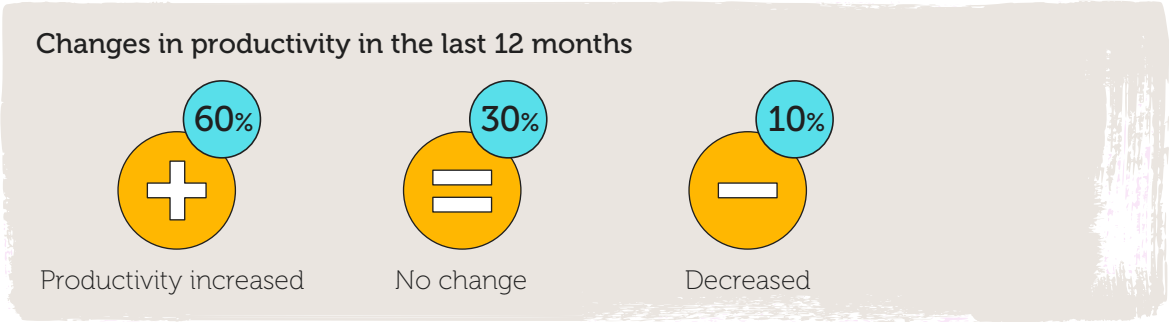
To help inform the debate on the impact of ways of working on productivity, we examined how location of work is perceived to impact productivity. The majority of respondents did not distinguish any difference in productivity levels. Over a quarter (28%) perceived productivity was higher for hybrid working; however, the same percentage (28%) perceived lower productivity for fully remote working.

Table 1: Effect of work location on productivity (%)

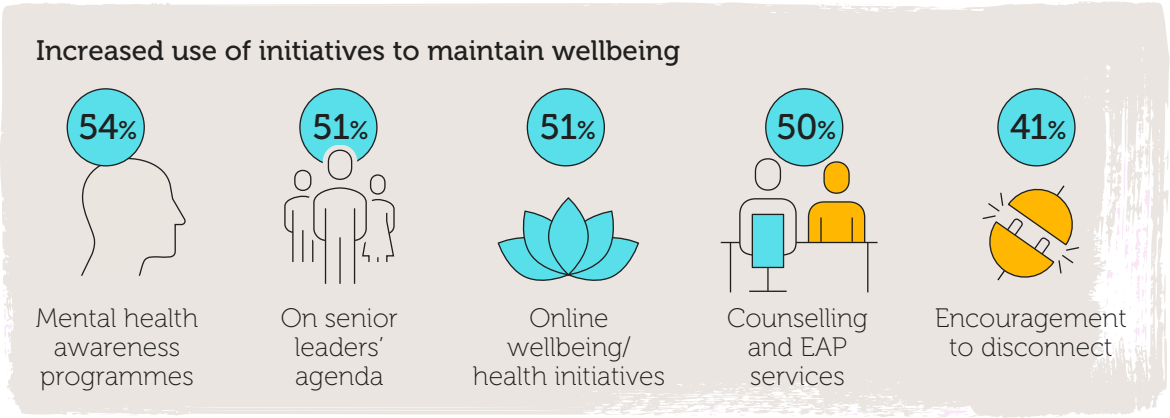
Work location	Hybrid	Fully onsite	Fully remote
No variation	53	69	60
Higher productivity	28	22	13
Lower productivity	19	9	28

Productivity

In line with last year, we also asked about productivity of the respondents' organisation. Here, 60% of organisations reported that their productivity had increased over the last year, 30% experienced no change and only 10% found a decrease.



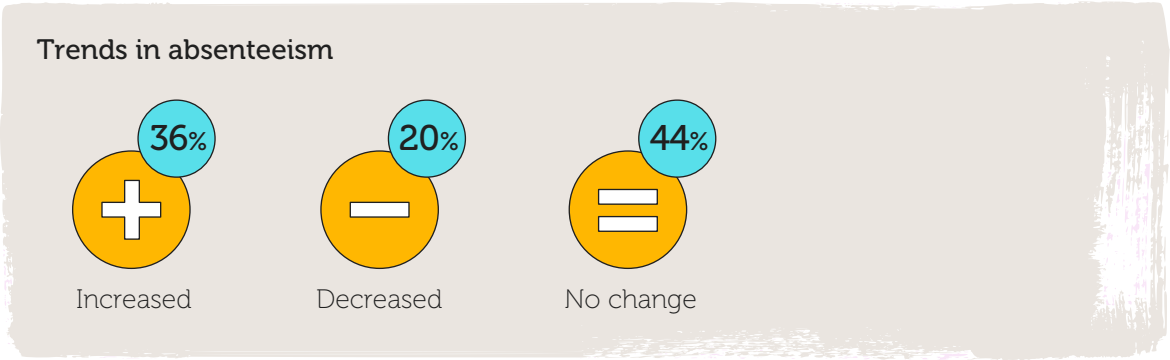
6 Wellbeing and mental health still a concern



Wellbeing culture

With growing levels of uncertainty and change, over a third of organisations reported that wellbeing has been more challenging over the past year. The survey found an increased emphasis on mental health support (54%) and online wellbeing/ health initiatives (51%). However, only half of respondents (51%) said wellbeing was increasingly on their senior leaders' agenda. The level of increase is at a lower level on all these indicators than in previous surveys. Is this telling us that there has been less attention on wellbeing initiatives, or that measures put in place in previous years are operating successfully?

The survey findings showed that flexible working delivers an improvement to wellbeing (78%). Attention is also growing to encourage employees to disconnect from work technology outside working hours and tackling a 'long hours' culture (41% and 29% respectively). This needs further care in light of the finding that workload/volume of work was one of the top factors contributing to employees leaving and to mental health issues.



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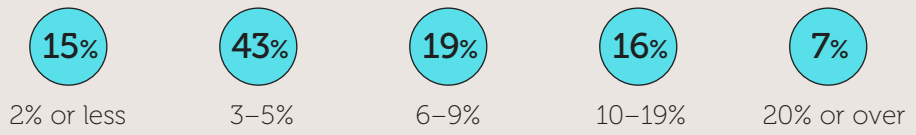
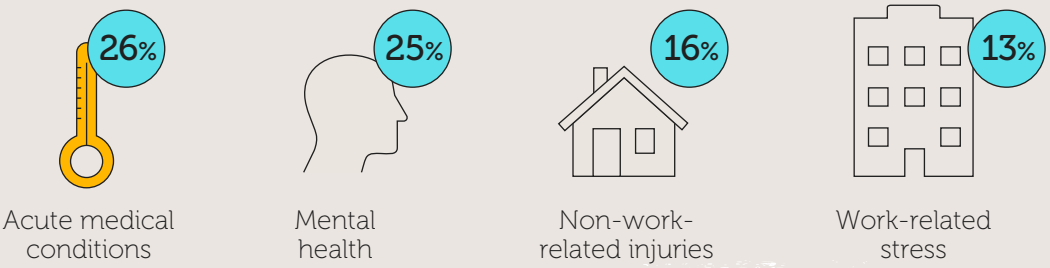
Absence

Managing absence is an ongoing challenge and over a third of organisations reported a less positive trend than in 2024. Over the past 12 months, absenteeism rates increased for 36% of organisations, decreased for 20% and stayed the same for 44%. Actual absenteeism rates have changed very little since 2024, with the biggest change being those who reported absenteeism over 20% (7%), compared with none a year ago.

Absenteeism rates



The most common causes of absenteeism

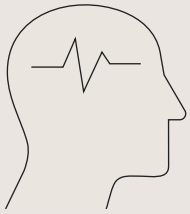


Mental health was identified as the most common reason of absence in the last year by a quarter of respondents, a worrying trend. Acute medical conditions were fractionally higher at 26%.

In terms of the factors contributing to mental health issues, workload featured significantly, with 58% of respondents identifying this as a contributing factor and 54% saying a perceived lack of management support. Bullying and harassment was called out by 23% of respondents. These factors are significant and warrant attention to reduce any negative impact of work on employees.

The findings highlight the need for managers to be more effective in managing workload and conflict. The increased investment in leaders and managers has the potential to directly contribute to cost savings from reduced absence and employee turnover.

Top factors contributing to mental health issues



- Non-work factors (relationship/family)
- Workload/volume of work
- Perceived lack of management support
- Bullying and harassment

7 Culture, inclusion and sustainability: ongoing challenges

One of the key challenges that respondents reported facing in the past year was sustaining culture (58%), a similar number to last year (56%). We wanted to understand if this was seen as a result of remote and flexible working practices. The survey found that the majority (61%) agreed that remote and flexible working positively impacted the culture, but 39% disagreed.

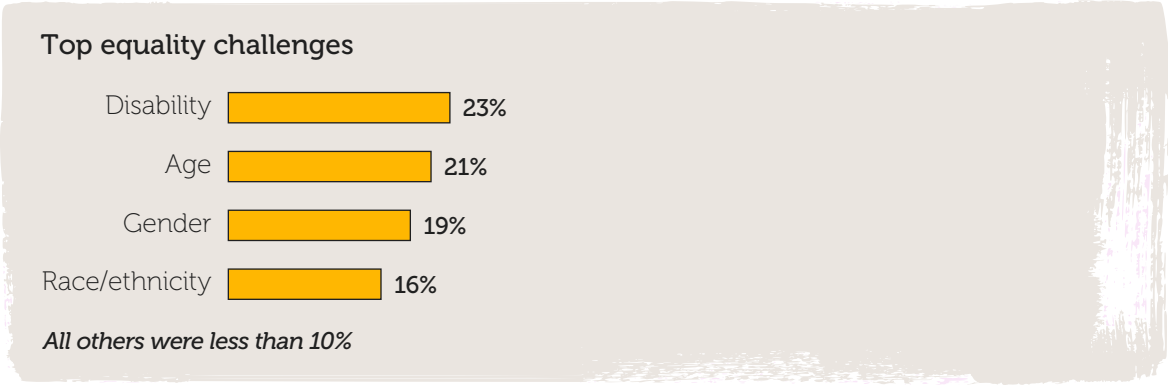
In the 2024 survey, we found that collaboration, leadership and technology were being called out as drivers of culture. Using time onsite to build a common purpose and collaborative behaviours will become of greater significance as digitalisation grows and patterns of remote and flexible working settle. This year's survey identified that 29% reported taking specific measures to address/reduce a long-hours work culture.

Inclusive culture

At the top of this report, we noted the strong impact and leadership of the people profession on inclusion, with 95% reporting that the function champions diversity. Having an inclusive culture is also central to the strategy for attracting and retaining talent, including activities such as flexible and remote working. Two-thirds (69%) identified that remote and flexible working contributes to an inclusive workplace.

The survey found that most respondents have a suite of approaches to promote diversity and inclusion. Most popular was inclusive recruitment/retention/promotion strategies (78%) and remote and flexible working (77%). Two-thirds had an inclusive working culture policy and 60% provided training and guidance for line managers. But only 45% invested in raising awareness of diversity among employees and just 16% reported the appointment of a diversity officer.

There is increasing evidence of organisations adopting progressive policies to address equality, diversity and inclusion. Following legislation in 2023 that provided domestic abuse leave to affected employees, 44% of respondents have introduced a domestic abuse policy, up from 37% last year, but still leaving a significant compliance gap. Over a quarter of organisations (27%) have introduced additional leave for parents, and 20% have miscarriage, fertility or menopause policies.



In this year's survey, we wanted to understand which of the nine equality grounds are presenting the most challenges to employers. Nearly a quarter (23%) identified disability as the biggest challenge, followed by age at 21%. With regard to disability, the issues related to providing reasonable accommodation, adapting and making workplaces accessible. As to age, issues included having a retirement age that was not agreeable to employees, the disparity between retirement age and pension age, and losing experienced professionals to retirement.

One-fifth reported that gender was their biggest challenge from an equality perspective, and this mainly related to respondents reporting a 'male culture'/male-dominated industry, and second that it was difficult to get male applicants.

As more organisations put a focus on positive inclusion practices, it is critical that basic workplace rights, including reasonable accommodation and an environment free from bullying and harassment, are safeguarded, and adequate attention is put on having a culture and mechanisms that can speedily address these.

Sustainable working practices

The issue of sustainability has gained much traction in recent times in both the area of climate sustainability and that of sustainable people practices. CIPD's sustainable HRM Skillnet produced a framework of sustainable people practices in 2024 to help people practitioners implement and evaluate sustainable people practices. The ambition is to ensure that employees are supported and developed to thrive personally and be 'net better off' in terms of health and employability.

The survey responses present a mixed picture in relation to sustainable people practices. Only 15% of people professionals said it was a top priority for the organisation over the next two years and 16% reported that it was a priority for HR.

More than four in five organisations did *not* have a specific strategy on sustainable people practices (82%). Despite this, when it comes to embedding sustainability into people practices, many organisations were actively engaged in making changes aligned to sustainability goals. Examples of this include having policies and practices relating to wellbeing (94%), fostering diversity and inclusion (87%), and providing flexible working arrangements (85%).

In addition, 83% were enhancing employee voice and employee participation, 67% were using external social engagement activities, and 66% were working to embed environmentally sustainable practices/behaviours. Overall, these results present a positive picture.

8 Summary of key findings and recommendations

Impact of the people profession – strengths and areas for development

The survey found that people professionals are significantly adding value through championing diversity, enhancing the employee experience and leading change. The response to championing a people-centred approach to technology has fluctuated since the recent advent of AI, reflecting a capability gap.

Resourcing challenges and digital transformation will dominate the year ahead. Priorities for HR for the next two years are talent and leadership development, with organisations' top priorities more focused on cost management and digital transformation. Budgetary constraint was the top constraint limiting HR's contribution to the business and, encouragingly, there was a decrease in reporting the lack of time/availability of managers to carry out people management activities.

Recommendations

- Provide ongoing upskilling and development for the people team, particularly on AI, technology and the skills to deliver transformational change and support people-centric decision-making.
- Align HR and organisation priorities – invest more in connecting the people profession's work to pressing business challenges.
- Sustain investment in developing line managers to deliver on their people management responsibilities.
- Put metrics in place to demonstrate the impact of effective line management on employee performance and retention.
- Use the CIPD Learning Hub to assess the learning needs of the people team and access relevant learning resources.

Ongoing challenge of resourcing

Despite the uncertain economic environment, nine out of 10 respondents faced skills shortages, especially in operational roles, and the top capability gap was leadership and influencing skills. Access to housing has made recruitment more difficult and flexible working was seen as a high-impact strategy to address recruitment and retention challenges.

The most prevalent employee turnover rate decreased to less than 5%, although a quarter reported an increase in the level of employee turnover. A fifth of organisations have responded to the skills shortage through use of automation.

Employees were moving for career reasons, and the commute and work–life balance conflict have also become significant factors in decisions to leave, and nearly a third called out workload/burnout as a contributory factor.

Recommendations

- Maximise the use of hybrid and flexible working arrangements in ways that address commuting and work–life balance concerns and improve recruitment and retention.
- Analyse future skills requirements and invest in upskilling to minimise the ongoing risks from skills gaps.
- Build leadership capability to steer a future-focused digital environment that engages employees and delivers a financial return from employee retention.
- Invest in manager training to reduce the impact of unacceptable workload, work–life balance and poor management.
- Increase the use of career pathways and development opportunities to upskill and minimise employee turnover.

Digital transformation and preparedness for AI

Automation, technology and AI was one of the top external drivers of change, and a top priority for organisations this year and next. The findings showed that people functions are accelerating the rate of digitalisation of their work through a range of different methods, particularly automating HR processes, employee engagement platforms and learning management systems. The findings showed just over a third use employee monitoring software and tools. As digitalisation progresses, we must be alert to the extent to which the 'always on' culture enabled by technology has a negative impact on mental health.

Our survey found a low readiness for introducing and managing AI in the workplace. The majority of organisations have not shared plans or clear guidance or trained employees, and two-thirds did not believe the leadership team was equipped to lead in a digitalised/AI world.

Recommendations

- Make an immediate investment in developing people professionals in AI, digitalisation and change management tools to have the credibility and confidence to contribute to technological developments, and lead people-centred decision-making.
- Take leadership in addressing the gaps in AI leadership through communications, training and providing ground rules for the organisation in the appropriate use and risks of AI tools and how to best augment quality work.
- Implement consultation and engagement with employees around technology changes to minimise fears, and involve those impacted in determining how tech will work in their area.
- Ensure that people-centric decisions are central to the introduction of technology and maximise the benefits of technology in delivering HR strategies and services.
- Grow digital and data analytical capability and be able to tell the 'people story' and influence business leaders on using transformation to create quality jobs.

Hybrid working: the debate continues

Organisations are more conscious of the impact of remote and flexible working, citing limitations on informal learning and managers' ability to manage. On the other hand, they positively impact recruitment and retention, productivity, wellbeing and culture. When it comes to where work gets done, over a quarter perceived productivity was higher for hybrid working, and a similar number reported lower productivity for remote working.

Attempting to find a better balance, a quarter have increased or will increase the number of mandated days onsite and a greater number have moved to centralised decisions about the number of days onsite. The pattern of mandated days onsite has not changed, with about a third requiring employees to work onsite two days per week and a similar number working onsite three days per week.

Recommendations

- Recognise the need to assess the impact of remote and hybrid working on an ongoing basis, know where it adds value and adjust to meet the changing needs of the organisation.
- Ensure policies allow for changes in the operation of flexible working to meet business needs and highlight the benefits of an onsite presence.
- Compile and present the data on joiners and leavers and other internal metrics related to access to flexible and hybrid working.
- Train and support managers to operate effectively in a hybrid world, and deal with challenging conversations about the need to attend onsite as required.
- Be creative in finding ways to increase access to hybrid working and meet the expectations of more applicants and employees.

Wellbeing and mental health still a concern

Over a third reported that wellbeing has become more challenging over the past year, and a similar number reported an increase in absenteeism. Mental health was one of the most common reasons for absence in the last year. Workload and lack of management support were identified as contributing factors and nearly a quarter called out bullying and harassment. These are significant and warrant attention to reduce the risk of a negative impact of work on employees.

About two in three organisations were placing an increased emphasis on mental health support and online wellbeing/health initiatives, and half were encouraging employees to disconnect from work technology outside of working hours.

Recommendations

- Visible senior leader support for wellbeing is critical, with a need for leaders to take responsibility for the impact of culture, technology and working hours on employee wellbeing.
- Adopt a more proactive approach to ways of working and job design, considering workload and technology challenges.
- Calculate and communicate the cost of absence regularly to provide evidence of its costs and spotlight how effectively it is managed in the organisation.
- Invest in leader and manager training, which could deliver cost savings from reduced absence and employee turnover.
- Increase commitment to addressing issues of workload, working hours, gaps in management support and bullying and harassment to minimise the negative employee impact on absence, mental health, and employee turnover, as well as minimising legal exposure for the organisation.

Culture, inclusion and sustainability: ongoing challenges

Sustaining the organisation's culture is an ongoing process. Three in five respondents believe that remote and flexible working have a positive impact on culture. Most respondents adopt a suite of approaches to promote diversity and inclusion, including recruitment and retention as well as flexible working.

Among the nine equality grounds, nearly a quarter identified disability as the biggest challenge, followed by age, gender and race. On the policy front, only 44% have policies on domestic abuse despite the legal entitlement to domestic abuse leave, and a quarter were providing additional leave for parents.

Leadership and influencing skills were identified as the capability gap of most concern as organisations recognise that future leaders are not adequately equipped to build the right culture and support the employee experience in a hybrid working world.

Similar to 2024, a significant majority of organisations did not have a specific strategy on sustainable people practices. However, most organisations were actively engaged in activities that support sustainability, such as wellbeing, diversity and inclusion, flexible working arrangements, employee voice and participation.

Recommendations

- Take the time to understand the extent and ways in which hybrid and flexible working is impacting the culture in your organisation. In this survey, nearly two-thirds reported that remote and flexible working positively impacted the organisation. Build such insight for your own organisation and understand the perceived constraints.
- Don't underestimate the impact of the line manager role in creating an inclusive environment – increase levels of training to ensure that appropriate behaviours and policies are driving the employee experience.
- Attend to the need for a culture, policies and procedures that provide basic workplace rights, and an environment free from bullying and harassment.
- Draw on the Sustainable people practices framework to build a relevant strategy and provide appropriate leadership on addressing sustainable people practices organisation-wide.

9 Methodology

Each year, the CIPD conducts its *HR practices in Ireland* survey in conjunction with the Kemmy Business School, University of Limerick, to collate annual insights on the challenges and concerns of the people profession in Ireland.

The CIPD conducted this survey of members and people professionals in Ireland in November 2024. Of the 233 responses received, the majority (61%) operated in the private sector, with 26% in the public sector and 13% in the not-for-profit sector.

A fifth of respondents (19%) were employed in organisations of 1–50 employees, 27% had 51–250 employees, 14% had 251–500 employees, 10% had 501–1,000 employees, and 30% of respondents' organisations had, 1000+ employees. Overall, 58% of respondents worked in HR teams with five or fewer people, 25% were in HR teams of 20 or more, and 76% of those who responded were CIPD members.

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