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Bold hiring intentions for HR teams allude to pent-up demand amid a time of business complexity

- Learning and development, AI in HR, and human capital reporting for ESG are the strategic priorities within human resources that employers plan to hire for in 2025
- **Highest intention to hire <u>permanent</u> employees:** Learning and development, AI in HR and employee retention
- Highest intention to hire <u>contract</u> employees: Implementing HRIS systems to improve efficiencies, learning and development, and workforce planning/analytics
- The biggest challenges for attracting and retaining HR talent include meeting high salary expectations (42%), and scarcity of qualified candidates (38%)

Sydney, 11 August 2025 – Areas of relative focus for specialised talent skilled in learning and development, AI in HR, and human capital reporting for ESG are driving a strategic hiring evolution by businesses in their human resources departments for the remainder of 2025.

However, the hiring landscape is marked by historically low unemployment¹ rates coexisting with a sustained decline in job advertisements². Companies who have intentions to hire are up against navigating a more cost-conscious and economically challenging environment.

New independent research by specialised recruiter <u>Robert Half</u> finds employers are opting for a mix of contract and permanent staff, as they strive to meet immediate skills needs as well as transform their workforces for future capability. The dual talent strategy will also help organisations remain agile as they complete project-based work as well as navigate long-term growth in an increasingly complex environment.

"In the current economic climate, we are seeing a clear shift in how companies are approaching recruitment. The market is characterised by the 'Big Slow.' While there's strong interest in strategic hiring, in practice it's marked by delayed decisions, cautious budgeting, and a lack of clarity around what AI hiring actually involves. This has led to a more strategic hiring process where business-critical roles are prioritised and often filled only after receiving explicit budget and board approval," says Emma Sestic, Associate Director at Robert Half.

L&D and AI top the priority list

Employers are looking to recruit human resources staff for several strategic priorities surrounding business growth, particularly in creating more productive and effective workforces. Learning and development, retention, and workforce planning remain important areas for employers to recruit talent for, however they also want to respond to AI advances and the need for ESG reporting.

When asked if they planned to hire permanent or contract staff this year to successfully implement strategic priorities in 2025, employers revealed the top five areas they are most likely to hire in:

- 1. Learning and development
- 2. Al in HR
- 3. Human capital reporting for ESG
- 4. Employee retention

¹ Labour Force, Australia, June 2025

² SEEK, Employment Report – June, 2025



5. Workforce planning/analytics

"Beyond traditional compliance, HR is now front and centre in driving organisational resilience and future growth. The top strategic priorities for 2025 clearly show that businesses are looking to HR to cultivate their talent, harness transformative technology, and meet critical sustainability and ethical reporting mandates," **Sestic** says.

Permanent and contract workers required for different areas

A clear distinction in HR hiring priorities shows permanent staff being brought on for long-term strategic goals such as learning and development, and AI in HR, whereas contractors are seen as more beneficial for HRIS implementations and workforce planning.

Employers hiring for permanent staff:	Employers hiring for contract staff:
 Learning and development 	1. Implementing HRIS systems to improve
	efficiencies
2. Al in HR	Learning and development
3. Employee retention	3. Workforce planning/analytics
4. Human capital reporting for ESG	4. Al in HR

Source: Independent survey commissioned by Robert Half among 100 hiring managers in human resources.

"For permanent hiring, employers are prioritising long-term foundational capabilities within HR to equip the workforce for continuous change and to leverage technology for efficiency and insight. Organisations are bringing in focused expertise on a contract basis to manage complex projects, and accelerate critical HR transformations and strategic initiatives without committing to expanding their workforce," says **Sestic**.

Planning to hire but not without its challenges

While the <u>intention</u> to hire is there, the majority (88%) of human resources leaders say they are facing challenges in attracting and retaining talent to successfully implement their strategic priorities.

The top five challenges cited by HR hiring managers include:

- High salary expectations (42%)
- Scarcity of qualified candidates (38%)
- Candidates not having the right mix of technical and soft skills (29%)
- Lack of relevant industry experience among candidates (28%)
- Difficulty assessing true capabilities during interviews (26%)

"Hiring intentions often suggest a clear path forward, but the reality for companies is more complex. The journey from an initial plan to a successful hire is fraught with challenges, from finding niche skills to securing final budget approval. For HR teams, these intentions reflect a clear, pent-up demand for talent in an increasingly complex business environment," concludes **Sestic**.

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Notes to editors

About the research

The study is developed by Robert Half and was conducted online in July 2025, by an independent research company of 500 hiring managers in finance, technology and human resources. Respondents are drawn from a sample of SMEs as well as large private, publicly-listed and public sector



organisations across Australia. This survey is part of the international workplace survey, a questionnaire about job trends, talent management, and trends in the workplace.

About Robert Half

Robert Half is the global, specialised talent solutions provider that helps employers find their next great hire and jobseekers uncover their next opportunity. Robert Half offers both contract and permanent placement services, and is the parent company of Protiviti, a global consulting firm. Robert Half Australia has offices in Brisbane, Melbourne, Melbourne South East, Perth, and Sydney. More information on roberthalf.com/au.

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