



FROM STAGNATION TO AGILITY

Driving workforce transformation
in a **flatter world**



Introduction

As organisations navigate an ever-changing workforce landscape, HR leaders are uniquely positioned to address a critical challenge: balancing employee aspirations with organisational needs in order to drive true impact in their business. To understand the perspectives of leaders, HR professionals and employees, Right Management worked with Reputation Leaders to survey over 4,000 respondents from across eight European countries.

This report highlights a significant opportunity to reimagine career development to drive sustainable business growth.

Employees demonstrate strong loyalty, with 77% planning to remain with their current employer. However, internal mobility remains stagnant, with only 18% considering a role change within the next two years. Flatter organisational structures and shifting employee priorities have made traditional career progression less transparent, contributing to a gap in skill readiness and talent alignment – and a ticking time bomb when it comes to organisational growth and productivity. With the European [economy](#) growing by 21% between 2010 and 2023, it falls well behind the United States at 34%. In turn, the US consistently outperforms Europe when it comes to productivity, with [2024 data](#) showing an increase of 6.7% labour productivity per hour since 2019, vs. just 0.9% for the euro area. European businesses need to step up, or risk being left behind.

Methodology

Right Management and Reputation Leaders conducted an online survey between September 1st and October 6th, 2024, encompassing a total of 4,216 respondents in eight European markets: the UK, Germany, France, Italy, Spain, the Netherlands, Belgium and Switzerland. All respondents were from private companies with over 500 employees. The sample represents a mix of industries with 11-8% coming from each of the following industries: Information Technology, Transport & Logistics, Finance & Real Estate, Consumer Goods & Services, Industrials, Healthcare & Life Sciences, Automotive, Energy, and Communication Services and Materials.

We gathered 500 responses from each market, out of which at least 300 or more were full-time employees, 100 or more were HR leaders and 100 or more were business leaders.

Full-time employees (n=2,476) were defined as respondents in permanent, full-time paid employment on a standard employment screener question. Their job titles were classed as below Director or Head of Department.

HR leaders (n=864) were defined as respondents in full-time employment with a title of Director/Head of Department or above working in a HR function.

Business leaders (n=876) were defined as respondents in full-time employment with a title of Director/Head of Department working in another function besides HR, such as Executive Management, Information Technology or Finance, Accounting and Audit.

The data was weighted to match the labour force of each country by gender and age.

While businesses recognise retention as a key goal, they often overlook employees' desire for personal growth and skill development. Effective career interventions, such as tailored learning programmes and coaching, emerge as powerful tools for engagement, yet many organisations underutilise these solutions. Additionally, aligning leadership strategies with comprehensive talent assessment and development plans can foster internal mobility and workforce agility.

According to the President of the European Commission, Ursula von der Leyen, Europe's freedom depends more than ever on economic strength. Strengthening competitiveness is one of the main priorities of the new European Commission.

Right Management's focus is on realizing an adaptable, future-ready workforce with her clients, to meet both individual and organisational goals, ensuring success in that increasingly competitive environment.

Barbera

Barbera de Graaf
Regional Brand Leader
Right Management Europe



Campers not climbers: who's responsible for careers?

While employees show loyalty to their organisations, limited career progression and unclear development paths highlight a need for leaders to rethink talent strategies and empower individuals to take charge of their growth.



Employees are happy with the status quo

Over the past five years, only 18% of employees changed roles within their organisation, and just 16% applied for other a new internal role. The workforce is stagnating and employees are failing to mobilise. Despite this limited internal mobility, 77% of employees plan to stay with their current employer for the foreseeable future. However, looking ahead, only 18% are considering an internal role change in the next two years. This data suggests a strong sense of loyalty but highlights a concerning lack of internal mobility, presenting challenges when it comes to businesses driving innovation, upskilling and ongoing workforce development. But why are employees staying put?

Changing structures

With [flatter organisational structures](#), career steps are becoming increasingly larger. [Bloomberg](#) reports that middle manager job cuts made up more than 30% of laid-off employees by March 2024, up from 20% in 2018. Where in the past promotions were made in small steps, the data shows that people are more focused on developing within their current roles before making a significant career step, with 29% of employees looking to take on more responsibilities in their current role.

“With flattened organisational structures and fewer middle management roles, we’re seeing career progression is less transparent: in many organisations there are fewer clear opportunities for people to move up, and therefore promotions are being reserved for the most driven and proactive employees. Meanwhile, workers are questioning what they want from their careers – is a larger salary worth the longer hours and increased pressures? For many people, the payoff simply isn’t enough.”

**Amy Smyth, Vice President Sales and Solutions,
Right Management Europe**

Burnout

Employees are experiencing more overwhelm and burnout in the workplace than ever before, with [ManpowerGroup](#) reporting that 49% of employees worldwide are experiencing daily stress and [PWC](#) revealing that 45% say their workload has significantly increased. With talent scarcity and the removal of job levels, employees are facing higher pressure and expectations on productivity and workload. Since the pandemic in 2020 there has been an increased desire for people to feel safe and in control of their work/life balance; one way to do this is maintain the status quo. For many, there is a concern that taking on more training = taking on more responsibility. On the flip side, managers may think that if they offer more training, they are risking their employees leaving and taking their new skills elsewhere, causing immediate unwelcome impacts on team performance.

Changing priorities

Post-Covid, Europe didn’t see the same sweeping levels of the ‘Great Resignation’ experienced by the US, instead seeing greater levels of retention across many sectors. But employees have realised they want more: demanding greater work/life balance and time to focus on other priorities outside of the workplace. Individuals are weighing up the payoff between taking on additional responsibilities and the enhanced salary it may offer, versus the potential added stress and wider impact on their wellbeing. And this focus is becoming entrenched in employment legislation too, with 11 European countries currently adopting regulations on ‘the right to disconnect’ from employer contact outside of working hours, and organisations increasingly adopting a four-day working week.

Over the past 5 years...

Only
18%
changed role in
their organisation

and only
16%
applied for
another job inside
the organisation

77%
plan to stay with
their organisation for
the **foreseeable
future**



In the next 2
years, only
18%
are considering **changing role**
within their current organisation

...but employers think they're in control

A mismatch in expectations

There is a significant gap between how employees and employers perceive career ownership: 46% of employees said their employer controls their future career path – and even more employers agreed, with 66% of leaders saying the organisation is more in control of employees' future career paths than its employees. This lack of individual career ownership from employees is contributing to the static nature of the workforce, with employees waiting for their careers to happen to them, rather than actively driving them forwards.

Further, the data highlights that while 88% of leaders believe employees are looking for career opportunities within the company, a far smaller 62% of employees agree.



ManpowerGroup's latest Talent Barometer also highlights that [over a third](#) of employees don't believe they have opportunities for promotion or movement within the organisation. Leaders are overestimating the level of internal mobility and opportunities for career advancement, resulting in misaligned investments in talent development.

Whilst this lack of internal mobility suggests current interventions aren't working well, it also highlights a trend of underinvestment. 40% of leaders agree that learning and development is important at their organisation, but what about the remaining 60%? This situation is not expected to change in the near future, as half of leaders (50%) say they don't plan to make any changes in investment or focus of career interventions in the next 5 years. Meanwhile, only 29% of employees say career development help is available to them, suggesting that a large proportion (71%) of employees are not receiving the support they need to grow their careers.

"Skills needs are changing faster than ever. With a large proportion of employees remaining stagnant in their roles for a significant amount of time, organisations are facing a ticking time bomb, risking not having the talent or skills needed for the future. How will you bring in new people, grow and diversify? How will you motivate the quiet quitters? Combined with the growing number of retirees and the number of new jobs that will require AI or green skills moving forward, organisations need to act to mobilise their talent."

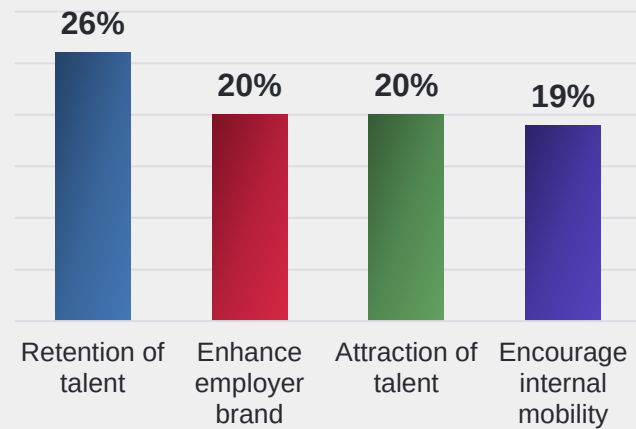
Nicola Rundle, Vice President Solutions and Market Development, Right Management Europe



Are leaders accidental talent blockers?

Business leaders are contributing to workforce stagnation with a short-term view of retention

What is the primary reason/desired outcome that your business invests in talent interventions?



While 27% of overall respondents cited **retention** as the main reason for investing in talent interventions, this figure rises to 32% among business leaders. In contrast, HR leaders selected a wider variety of priorities, citing **enhancing employer brand** as their top goal (22%). Meanwhile, saving on recruitment costs was the least popular choice, at 15%.

This discrepancy indicates the need for a mindset shift among business leaders. While they value retention to mitigate the immediate impact of departure, they may not be driving internal mobility to its maximum benefit, or understanding its power as a strategic workforce tool. In fact, over a third of employees said they had low trust that their manager has their best interests in mind for career development, with the figure rising to nearly 60% for Gen X women.

The short-term need to keep employees in their current roles, helping them meet KPIs and remain productive, outweighs the longer term, broader perspective on retention to grow skills within the organisation as a whole.

Are organisations adequately equipping and incentivising their leaders to promote internal growth and career movement? To drive workforce agility and navigate transformational changes effectively, leaders need to be motivated and rewarded to support career development within their workforce. Empowering leaders with the right tools and mindset can help align strategic goals, reduce unnecessary turnover, and boost employee engagement. This requires a cultural shift, emphasising the value of internal mobility as a key tactic for long-term business success.



“Internal mobility isn’t solely an HR responsibility - business leaders play a crucial role in facilitating workforce agility. But they need the right mindset, training and support to drive mobility effectively. Internal mobility needs to be viewed as a driver of business growth – it’s not about keeping everyone in their role for as long as possible, it’s about maximising talent in the right roles at the right time.”

**Tim Gilbert, Managing Director –
Right Management UK**

And it's sometimes making things worse...

1/3 employees said career support measures actually had a negative impact on their careers

Despite the growing emphasis on career support initiatives, one-third of employees report that such measures have had a negative impact on their careers. This includes various forms of support, such as skills assessments, development programmes, internal mobility, and coaching. The findings suggest that the way career support is communicated and delivered is critical. In some cases, employees may perceive these efforts as attempts to manage them out of the business, rather than providing genuine opportunities for growth and development.

Unless employees, managers and leaders are aligned on the goals of the support, and how that support should progress, they are at risk of a negative outcome, or a failure to engage altogether.

Employees are less likely to take up the support on offer if the communications aren't managed transparently, further contributing to the stagnation of the workforce.

Career development initiatives done well can unlock productivity and engagement but a well thought out development plan, with targeted communication is essential to minimise any negative impact. It's crucial to align motivations and expectations across all levels—managers, leadership, and employees—to ensure that career support is perceived as an opportunity for growth rather than a hidden agenda. By doing so, organisations can foster trust and ensure career development initiatives truly benefit their employees.



How can organisations mitigate the risk of a negative outcome?



“To maximise the positive impact of career development programmes and minimise any negative effects, organisations must focus on clear and transparent communication. We often see organisations who bring an intervention to the workforce disguised as a sheep – but in reality, it’s a wolf designed to reduce numbers and encourage voluntary turnover. As an employee, if you’ve seen this happen once, you’re more likely to be suspicious of future interventions and respond negatively. By contrast, the organisations that are doing it right are honest about the desired outcomes of a project from the get-go, for example: “We need to restructure... but we want to give employees the opportunity to make a move that’s right for them...”

Alessandra Masciadri - Vice President Solutions and Market Development, Right Management Europe

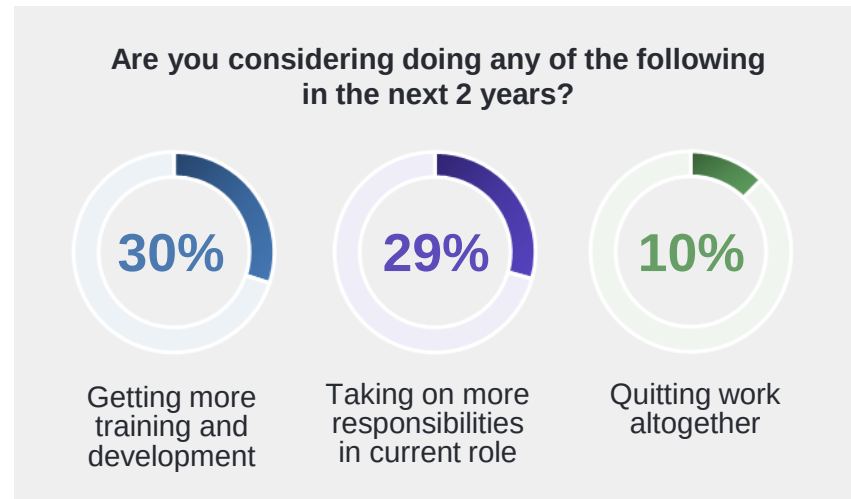
What workers want: learning or leaving

With younger generations prioritising both hard and soft skills, organisations must adapt by offering flexible, human-centred learning solutions to meet evolving workforce expectations and prevent attrition.



Learning or leaving?

Providing the right employee support creates a ripple effect



Employees are looking for support to develop both hard and soft skills, with Gen Z (41%) and Millennials (35%) most interested in expanding their skills over the next two years. When asked what their employer can do better to increase employability, 40% identified help in developing soft skills.

The data reveals that employees who have access to career support are significantly more inclined to pursue additional training (33% vs 16%), take on more responsibilities (32% vs

11%), or apply for internal roles (21% vs 10%) compared to those who have received no support.

Coaching emerges as especially impactful, with 44% of coached employees expressing interest in further training. On the flip side, dissatisfaction with learning and development correlates strongly with attrition - 47% of employees unhappy with their career support are actively job hunting, compared to 30% of those who are not dissatisfied.

Alarming, 21% of Gen Z employees (aged 18-27) are considering leaving the workforce altogether, with the figure surging to 43% for those aged between 18-24, signalling a trend towards gig work or self-employment. It's clear that the leaders of tomorrow have different expectations, and employers need to act now to ensure they understand the motivations and career goals of their employees.

Without strategic learning support, businesses may find themselves resorting to costly cycles of hiring and firing to facilitate growth. To achieve sustainable workforce transformation, HR leaders must prioritise comprehensive learning programmes that align employees' aspirations with organisational growth objectives.

“Effective career support creates a positive cycle, fostering continuous learning and ambition amongst the workforce. While hiring may be easier than nurturing internal talent, organisations that overlook career development risk increased turnover and reduced engagement.”

It's not just about retention, it's about building a sustainable workforce with skills for the future, and if organisations fail to provide the right learning and career support, they risk losing the talent they need to drive transformation and growth.”

**Sandrine Josse, Director,
Private Markets Consulting –
Talent Solutions France**



“We are focusing on talent to reduce turnover and retain top performers.” Survey respondent

How do people want to learn?

51% of leaders said they believe most employees are unhappy with their learning and development. The picture isn't quite so bleak for employees: 34% said they were unhappy. But it's clear that organisations have work to do to meet the needs of their employees.

Unsurprisingly, in a world where job roles are expanding and changing at rapid pace, nearly 1 in 5 employees are seeking better technology (19%) and more time to engage with career support (18%). Employees are already at capacity and are struggling with the expectation that they fit learning and development activities into their packed schedules.

A switch to learning in the flow of work

In a social media age, where attention spans are short and time comes at a premium, people want to learn differently: they want options, flexibility, and a choice in how and when they access their learning.

Whilst employers can't create more time, they can change the way they deliver learning and development. A two-day course shifts the focus for a defined period of time, allowing participants to fully step out – but what happens when they come back to the workplace? Too often, the learnings are forgotten as soon as the stresses of the day job return. By contrast, learning in the flow of work integrates upskilling activities such as on-demand coaching and bitesize learning seamlessly into the working day, rather than as an additional bolt-on – replacing lengthy courses with education, experience and exposure within the business, embedding learnings in real-life situations.

But success also takes compromise: it's essential for businesses to give participants the time and psychological permission to step out and reflect – or risk greater impact on wellbeing and performance, with 86% of [high-potential employees](#) globally saying they felt 'used up' at the end of the workday.

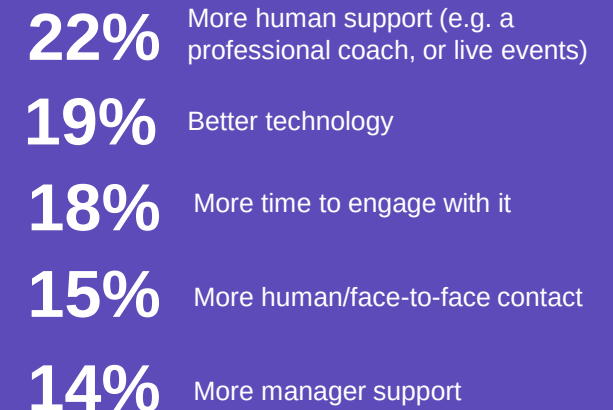


“A strong focus on talent development enhance the organisation reputation as an employer of choice attracting high quality candidates.” Survey respondent

What support has your employer provided to help you in your career?



Of the career support provided by your employer, what would make it more impactful/useful?



Looking beyond tech to drive meaningful change



“Workers are looking for a supportive work environment, advancement opportunity and meaningful career. In order to satisfy these demands and create a more engaged and contented workforce, our organisations is investing in people.” Survey respondent

A strong desire for the human touch

Despite the common stereotypes, Gen Z isn't as focussed on tech as many perceive them to be. The data reveals that when it comes to career development, young employees crave human interaction more than any other age group, with 42% of those aged 18-24 citing increased human support as their top priority for impactful career support. Meanwhile, only 5% want to use technology alone for career growth, signalling a high value placed on [empathy](#) and support for emotional wellbeing, which can only be achieved through human-to-human interventions.

What makes people make a change?

While technology is an essential tool and enabler, it's not the primary driver of change or learning. A blended approach—integrating tech with human-led development—is preferred by 59% of employees planning further training and 64% of those looking to take on more responsibilities. But too often, organisations are relying on ineffective or incomplete strategies to drive change because at surface-level they are the more cost-effective options.

Technology serves as a facilitator, but without human engagement, its impact is limited. Effective career development hinges on understanding how and why people want to learn and develop, and what motivates them during times of change. A blend of powerful tools and human insights is key to inspire meaningful action, as well as to encourage high performance and productivity. [Gartner](#) reports that employees who operate in human-centric work models – where they are seen as people, not just resources – are 3.8 times more likely to be high performing.



“For HR professionals, leaders and managers already contending with talent shortages and ongoing transformation, the implications here are significant. Whilst it may seem simplest to implement a ‘plug and play’ platform for employee learning and development, this could be a false economy. Technology alone isn’t enough to drive meaningful change.

Nobody makes a change in their life just by using a platform – they need human support to find the motivation, the courage, the confidence to make a change career or take the next step.”

Bernadette Hampton, Vice President Solutions and Market Development - Right Management Europe

Driving agility in a flatter world

The challenge is clear: businesses that fail to prioritise career and talent development risk losing top talent and falling behind in a rapidly evolving market.



Short-term vs. long-term investment: act now to build skills and mobilise

For employees, the key desired outcome from their employer's career support is 'Develop new skills to use in the future' (41%). In contrast, leaders selected 'More job satisfaction' (51%) as the outcome they most expected employees to choose, citing 'Retention of talent' as the primary reason the business invests (32%). Are leaders underestimating their employees' desire to learn and grow, distracted by the more short-term need to retain staff in their current positions rather than support career mobility across the business? And are they actually encouraging stagnation with this mind set?

Meanwhile, a third of employees (31%) expected their employers' career support to provide them with more satisfaction in their personal life. In a hybrid world with blurred boundaries, there's no longer a clear split between work life and home life. Employees are looking to their employers to create positive impact in all aspects of their lives, highlighting an increased focus on areas such as mental wellbeing and creating a sense of belonging.

The long-term risks of stagnation

With factors such as the rise in AI, growing skills gaps and an aging population, businesses must act now to mitigate the risks of a stagnant workforce, where unmotivated employees and talent blocking leaders drive loss of competitive edge,

attrition of skilled talents and workplace inefficiencies. Providing the right support to power careers, encourage ownership and boost employability makes business sense: according to research by [LinkedIn](#), employees who move into new jobs internally are 3.5x more likely to be engaged, and when organisations invest in [internal mobility](#) programs, they stay almost two times longer on average.

HR leaders must take a seat at the table

37% of HR leaders are planning to increase their talent investments in the next 5 years. The factors driving this increased investment demonstrate a focus on achieving strategic goals such as growth of the company (16%) and remaining competitive (12%), with very limited focus on the 'softer' outcomes or means of achieving them, such as increased diversity (3%) and collaboration (2%). It's clear that HR professionals are well equipped to contribute to the bottom line and understand the impact of not investing, but leaders must give them a seat at the table in order to create maximum impact.



“Increasing focus in talent investments helps our organization to give competitive advantage, with highly skilled and knowledgeable employees we can differentiate ourselves from competitors through superior service, products and solutions.” **Survey respondent**

HR leaders: what is driving your organisation's increased focus in talent investments?

Top 3 choices:



How can businesses drive agility?

The findings in this report reveal a pressing need for HR leaders to rethink their approaches to talent development and internal mobility. Whilst some employees are eager to grow, they feel unsupported in achieving their career aspirations, whilst many others are simply stuck where they are, unwilling to upskill or reskill to meet future needs. Meanwhile, organisations risk stagnation by underinvesting in career support and failing to align leadership priorities with broader business goals.

The challenge is clear: businesses that fail to prioritise career and talent development risk losing top talent and falling behind in a rapidly evolving market. By acting now to build a sustainable workforce strategy, HR leaders can harness the power of their workforce and ensure their organisations are prepared to thrive in the face of ongoing transformation and change.

Five key takeaways to act on now

1.

Focus on data-driven workforce decisions

Whilst [Gartner](#) reports that only 33% of leaders think their organisation is effective at using data in workforce planning, it's vital to understand the current status of your workforce; how long have people in their roles? Who's moved up or across in the past year? What's your level of turnover internally? You might be surprised at the results. Further, understand who holds your investment budget – is it getting lost in areas such as leader development rather than directed to the careers of your people?

2.

Redefine careers in a flatter world

Are you intentionally making a [flatter organisational structure](#) work for you, or simply removing layers to save costs? Strive to be more transparent about what a career looks like in your organisation; if vertical moves are less readily available, how can you motivate people to advance their careers horizontally? Are you assessing employees to understand their strengths and development areas, and coaching them to close the gaps?



How can businesses drive agility?

3.

Learning in the flow of work

Reevaluate what learning and upskilling looks like in your organisation. Are you providing the permission - both literally and psychologically - for employees to grow and upskill, or is the workforce so overwhelmed it can't think beyond tomorrow's deadline? Are lengthy courses or standalone tech platforms working to create the change you need? [Josh Bersin](#) reports that 49% of employees prefer to learn at the point of need, at 58% at their own pace. Consider how you can drive learning through self-reflection, in-the-moment coaching or peer-to-peer learning.

4.

Use human interventions to drive change

Technology should be viewed as an enabler rather than a solution: without human input to motivate, engage and encourage employees to utilise the technology, the benefit will be limited. Are you providing the right environment for change – whether that's around upskilling, role changes, or career coaching? And in a consumer-driven workplace, are you giving employees the experience they expect, with a human element in every intervention?

“Smart employers are looking to the future and effectively balancing short- and long-term business needs to optimise their workforces. It's not easy, but future success is dependent on acting now.”

Barbera de Graaf, Regional Brand Leader - Right Management Europe

5.

Use objective experts to deliver ROI

Careers are a field of expertise; do you have the right people to manage them? When support is delivered internally, unconscious biases or preconceptions can cloud judgements, and [academic studies](#) report higher outcomes for coachees receiving external coaching compared to internal coaching, due to increased confidentiality and freedom to share sensitive information. Use an objective third party to ensure clarity of messaging around the why and how of delivery and remove any potential biases from talent development decisions.



Interested in learning more? We'd love to chat.

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Elevate engagement. Increase retention.**

Right Management partners with organisations to translate business needs into impactful talent programmes, offering over 40 years' experience in outplacement, assessment, coaching, mobility and change. We work with you to design human-centred programmes that help you develop, retain and optimise a workforce for the future.

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