SEEK INSIGHTS FOR TALENT ACQUISITION

The challenges and opportunities faced by Talent Acquisition, and what this means for 2025



Contents

Introduction	01
The economic landscape and its impact on the employment industry	
Economic and labour market outlook	
Hiring and business outlook	
Candidate trends shaping talent management	
Cost of living concerns	
Workplace happiness	
Workplace flexibility	
A transforming industry: AI trends in Talent Acquisition	07
The latest AI developments	
Growing use of AI in Talent Acquisition	
How candidates are using AI	
Talent Acquisition's biggest challenges in 2025	
The changing role of Talent Acquisition	
 Managing high volumes of applications while maintaining quality 	
Addressing the use of AI	
Innovative approaches to deliver on people strategies	11
Work out your role	11
Two ears and one mouth	
Cultural change takes the hard yards	13
About SEEK	15

Introduction

In a fast-changing world driven by technological advancements, Talent Acquisition (TA) teams are responsible for understanding and leveraging AI to drive results, while businesses and candidates feel the weight of economic pressures. With the right approach, TA professionals have the chance to shape a resilient TA function for the future.

SEEK has collected the following insights from Australia's top TA leaders and workforce experts, as well as SEEK's own leadership team and extensive data.

These insights are designed to highlight the challenges and opportunities faced by TA teams across Australia and help you plan for FY26, with an understanding of industry trends, changes in the job market, as well as information about candidates that will affect the year ahead.

Key insights:

- Australia's labour market remains strong: The market is stabilising postpandemic and outperforming most of the Organisation for Economic Cooperation and Development (OECD) countries.
- Rising cost of living reshapes candidate priorities: Australians are feeling financial pressure and are therefore placing greater emphasis on salary while exploring new income opportunities.
- The rubber has hit the road on Al: Employers and candidates are using Al more than ever, leading to both new benefits and challenges, and there's only more change to come.

Key actions for TA teams in 2025:

- **Plan for Al now, not later:** Most TA teams (77%) are already embracing Al. As its use grows, TA professionals must not only think about how they use it for hiring, but how to tackle challenges from growing use among candidates.
- **Hero happiness:** With only 55% of Australians happy at work, TA professionals should champion their company's values and cultural fit to attract talent.
- **Be transparent about pay:** Since candidates now prioritise salary over worklife balance, be upfront about remuneration and cost of living measures.
- Lean on others: As the industry faces big shifts, learning from others, whether in your organisation, peers or broader industry, unveils powerful insights to help you navigate change.

The economic landscape and its impact on the employment industry

Economic and labour market outlook

Shifting to slower movement

The Australian labour market is now stabilising after several years of post-pandemic volatility, though geopolitical factors could still introduce uncertainty.

Blair Chapman, Senior Economist at SEEK, says changes to the labour market have slowed this year. The participation rate reached 67.1% in December 2024 before dropping slightly to 67% in February this year. Meanwhile, unemployment remains low at 4.1% and wage growth has eased. With this slowing pace, the Reserve Bank of Australia (RBA) predicts an average unemployment rate of 4.2% until 2027.

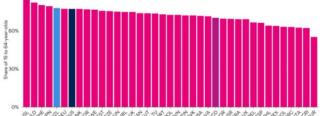
Job advertisement volumes confirm this stabilisation, returning to pre-pandemic levels as the market rebalances. "The labour market is broadly balanced and not moving as quickly as it had been," says Chapman, "marking a return to slower movement after the rapid growth of last year."

Australia's labour market remains strong

Australia's robust labour market is outperforming many of our peers, says Chapman. Australia's strong working-age employment to population ratio of 77.3% outpaces most OECD countries, with just six nations ranking higher.

"This makes Australia look very attractive for people overseas wanting to move and work here," says Chapman. "There's no expectation this is going to decline quickly – it's going to continue performing well by international standards into the future."

Employment-to-population ratio of 15 to 64-year-olds



More Australians taking on multiple jobs

The growing cost of living crisis is being felt across the board. Average household costs have gone up by almost 25% since December 2019, especially for those paying mortgages, pushing more people to join the labour force.

"Consider a two-person household where only one person was previously employed. With rising mortgage rates and living costs, the other person now needs to enter the workforce," explains Chapman.

More people are also taking on multiple jobs to make ends meet. More than one million Australians now hold two or more jobs, a figure that has rapidly gone up post-Covid, likely spurred by the rising cost of living.



Regional demand stays high

Demand for candidates is still high outside of Sydney and Melbourne, SEEK data shows. Job ads have grown consistently in regional areas since February 2020, particularly in Tasmania (+75%), South Australia (+74%) and Queensland (+48%).

Job ads, however, have dipped in Sydney (-25%) and Melbourne (-23%). At the same time, the number of applications per ad has risen, partly due to economic pressures, Chapman notes.

Industry snapshots

Most industries have seen strong jobs growth and it looks likely to continue as jobs are being filled at a high rate. Job ads are still above pre-Covid levels in most large industries: Manufacturing, Transport & Logistics jumped the most (44.3%), followed by Community Services & Development (39.7%) and Trades & Services (38.6%).

"Almost every industry has grown," says Chapman. "Manufacturing has turned around. While wholesale has dipped, logistics has grown to fill this space as more manufacturers sell direct to consumers."

Hiring and business outlook

Businesses are doing it tough

While jobs are growing, businesses say they are doing it tough in the current economic climate. Three-quarters (77%) report a big jump in running costs, SEEK data shows, with rising prices for materials, high costs of debt and interest rates. Around half (49%) of businesses say it is hard to feel in control with these conditions, while one-third (35%) are fearful for the future.

Businesses are taking proactive steps to reduce costs and counter the economic climate.

Behaviours to save money in the last 12 months

()

34% Reviewed budgets and forecasting



26% Reduced travel and are having more online meetings



35%

of **Corporate** businesses have restructured in the last 12 months



19% Decreased the use of temp and contract staff



22% Restructured the business

Retaining talent

Other than economic pressures, retaining staff is the biggest challenge faced by businesses of all sizes. More than eight in 10 (82%) have struggled to keep staff on board, especially corporate and government employers.

This could be because record numbers of candidates are monitoring the market. SEEK data shows a shift in candidate behaviour, likely due to the cost of living. Fewer candidates report being settled and more are keeping an eye out for the right opportunity.

Three in five (59%) monitoring candidates browse job ads occasionally and would apply if they found the right job. A further 22% view jobs ads often. Low-income earners are more likely (32%) to actively search for jobs compared to candidates overall (29%).

Despite these challenges, businesses are optimistic. Most are confident about their current (71%) and future (62%) business performance.

Talking about your generation

Workplaces are going through another generational shift: the rise of Gen Z. Born between 1997 and 2012, Gen Z makes up close to one-third of the workforce in 2025.

Attracting and retaining younger candidates comes with its own hurdles. Over half (51%) of businesses say the biggest challenge when hiring Gen Z is ensuring work-life balance. This is followed by career growth expectations (38%) and not being flexible with overtime, and going above and beyond at work (34%).

As life expectancy and retirement age continue to climb, and with more generations working together than ever before, the Evolving Working Life Report provides insights into how Australian and New Zealand workers perceive their careers and work life within an everchanging landscape.

3 tips to attract and retain top talent:

Use what candidates want

Focus on what's top of mind for candidates looking for jobs, such as salary transparency, company culture and flexibility.

Think like a Gen Z

If Gen Z is a priority, make sure your job ads and other materials highlight what matters most to them - work-life balance, career growth and a preference for digital communication, such as email or instant messenger.

Cost vs benefit

For businesses struggling to retain talent, striking the right balance between managing costs and meeting employees' needs is essential - especially in today's economic climate.

Candidate trends shaping talent management

Cost of living concerns

Australians are almost all (96%) concerned about the cost of living. To combat it, they're working on side hustles (26%), picking up additional jobs (17%) or simply changing jobs entirely (16%).

Half of all candidates say their workplace has not done anything to help with cost-of-living pressures. Of those that do, some employers offer subsidised childcare (17%), company equity (15%) and added paid learning and development (13%) to help.

"When we look at why candidates are searching for their next job, one third say it's because they're not earning enough," says Megan Kwee, Voice of the Customer Insights Lead at SEEK.

"On the other hand, some candidates are concerned about the uncertainty of the job market. One third are worried about redundancy in the next six months."

One in five (21%) are hesitant about switching jobs in this economic environment. And a growing number feel more appreciative of their current role – 58% of Australians value their job more than before.

Workplace happiness

Only 55% of Australian employees are happy with their job. Why does this matter? Because happiness at work is key to the success of employees and organisations, says Kwee. "When employees are happy, they're more productive, more loyal and have higher overall engagement."

Happy employees are motivated to go above and beyond what is expected of them (69%) – and are more likely to stick around, according to <u>SEEK's</u> <u>Workplace Happiness Index</u> report. This is especially vital for employers worried about keeping talent on board.

What's driving employee happiness?

Employees tend to be happiest about the factors they knew when they took the role, such as location (65%), day-to-day responsibilities (61%), work-life balance (61%) and their purpose at work (58%).

On the flipside, people are unhappiest with factors out of their control, such as company commitment to ESG (35%), career progression opportunities (37%), stress levels (41%) and salary (42%).

Contrary to popular belief, higher income earners aren't significantly happier at work overall, but are happier with their flexible working arrangements, job security, career progression opportunities and salary.

Top three factors contributing to workplace happiness

Purpose is Manager is why we come who we report to at work to work Manager Purpose WHO Workplace happiness Responsibilities WHAT Day-to-day responsibilities are what we do at work

Workplace flexibility

Flexible working has seen huge shifts in recent years. With the rising cost of living, candidates are choosing salary over work-life balance. Often, they will even go into the office five days a week for higher pay.

SEEK surveyed TA leaders from large Australian organisations to learn more about how they are approaching flexible work. Most (71%) have set expectations about remote and hybrid work, such as set days in the office. One in five (21%) gives employees the choice. Only 4% had no remote options at all. In general, employers have kept or reduced their approach to flexible working post-pandemic. Only 7% of respondents have expanded their options for remote work, while close to onethird (29%) have kept things the same. A further one in five (21%) TA leaders surveyed have scaled back flexibility.

Businesses are taking a top-down approach to getting people back in the office. Almost half (46%) say clear leadership has been the best way to increase workplace attendance. One in five (21%) are taking steps to make their workspaces better.

3 ways to address happiness in talent acquisition:

Focusing on boosting employees' happiness at work helps productivity and retention, says Kwee, reducing recruitment costs and improving business performance. She suggests:

Hero purpose

Highlighting a role's purpose in the recruitment process helps candidates understand how their work will fit into the bigger picture.

2

Ladder up

To ensure cultural alignment and attract top talent, clearly connect the candidate's role with the organisation's goals, mission and values.

Paint a bigger picture

During the hiring process, communicate the who, the why and the what of the role to candidates – who they're working with and reporting to, why their work is important and what they're responsible for day-to-day – as these shape happiness.



A transforming industry: Al trends in Talent Acquisition

Al is gaining momentum and shifting from hype to productivity gains. "We are now in a period where these tools are truly making an impact," says Florian Dehne, Strategy Director at SEEK. "The rubber has hit the road and we're in a phase where there's beginning to be an impact."

The latest AI developments

The past 12-18 months have brought huge developments to AI and how businesses use it.

This includes:

- A shift to reasoning models that take longer to 'think' but come up with more reliable responses and are better suited to complex work.
- The movement towards AI tools with agentic capabilities, which autonomously complete tasks. For TA, an AI agent could analyse resumés, email candidates and schedule next steps all on its own.
- Continued steep declines in cost to use Al models, including previously high cost thinking models. This is increasing the potential for broad adoption.

Al is progressing towards the creation of a very different world but isn't there yet, advises Dehne. Adoption in businesses takes time.

"We're at the equivalent of 1998 in internet days on this journey – it's like we just figured out there's a NetScape browser. We expect dramatic change in the next few years," says Dehne.

Growing use of AI in Talent Acquisition

Al is being increasingly utilised with the influx of new products designed to assist with hiring. These products include resumé parsing, job ad writing, predictive analysis and Al hiring help.

Most TA teams are already using AI - and at a faster pace than last year.

SEEK's survey results of TA leaders on AI usage shows that 77% of them use AI at least once during the TA process. Even more (86%), would recommend AI to others.

Despite this, adoption of AI in all hiring stages is rare. "Many corporates have yet to extract material value from using AI in the TA lifecycle," says Dehne. "But those that have been able to adopt AI in their hiring process have almost all had a positive experience."

TA leaders see the most transformative benefits from using AI to advertise opportunities (14%) and evaluate fit and interest (23%) but report less impact for hiring and onboarding new talent.

In most cases, AI adoption is going to plan or even better than expected.

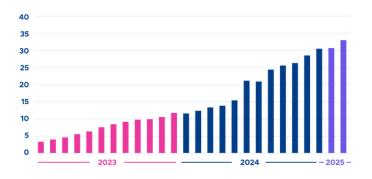
Almost one-third (33%) of those surveyed said setting up Al was easier and more valuable (34%) than expected, while half (50%) say it met their expectations.

Very few TA teams found it harder or less valuable than expected.

How candidates are using AI

Candidate use of AI in job applications is growing fast; almost 35% of resumés uploaded to SEEK in February 2025 were AI-generated. It won't be long before this is more than half.

Percentage of AI-generated resumés updated per month in ANZ*



*Data on CVs sourced from SEEK's website and processed by SEEK's internal AI team to determine whether AI was used

What does this mean for TA teams? It is making existing challenges worse and increasing the risk of a bad hire, as it becomes harder to assess fit or interest, especially with candidates potentially using AI for assessments. "Everything is much more polished and vanilla. You might be selecting the people who can game the system the best," says Dehne.

Candidates can easily apply to more roles with Al, which means a loss of intent signals and extra screening for TA teams. They can also use it to cover up gaps in their knowledge. Some automated solutions include implementing a human verification system into the process at the outset, such as including human verification screening questions or a 100pt ID checks to prevent fraudulent or spam applications.

But verifying claims made within applications, or the authenticity of case studies or skills test results is trickier. It requires more one-to-one candidate interactions and increases the role of people skills for TA teams. This is not a new problem, but it has been made much worse by advances in Al.

5 actions for TA leaders around AI:

Prioritise ethics

Businesses have a responsibility to use AI in an ethical way. Keep equity and transparency front-of-mind in all AI-supported decisions and comply with evolving regulations.

Carefully select tools

With so many tools on the market, it's hard to choose the right one for their particular hiring needs. But beyond selecting a tool, TA leaders must integrate them into workflows and existing systems to drive use – and results.

3

Protect the candidate experience

Ensure Al use doesn't negatively impact talent. Continue to build and maintain genuine human connections with candidates.

4

Plan for change

Weigh up the pace of work and resource allocation needed to adopt new technology while supporting your team to maximise the value they get from AI tools at each hiring stage.

Drive results

Test, iterate and learn to help your organisation see the benefits and find what works in the long-term.

Talent Acquisition's biggest challenges in 2025

TA leaders face numerous challenges, balancing an evolving hiring landscape with business objectives. SEEK interviewed Australian TA leaders about their biggest challenges for the coming year and potential solutions. Here are their insights:

The changing role of Talent Acquisition

A TA's role varies by organisation, but many TA professionals agree they go well beyond the usual scope of the role, such as helping with onboarding. At the same time, AI and automation are freeing teams from manual tasks to focus on more strategic work.

What does this all mean for the role of talent acquisition, both within their organisations and as a broader career? TA leaders say TA is often seen as a "stepping stone" to other roles in HR or their organisation – but will these changes bring in a new era? What might help: While TA leaders can't control the industry, they can work with their teams and business to define TA roles, build career pathways and structure what TA means for them, now and into the future.

Managing high volumes of applications while maintaining quality

These days, it's not uncommon to receive a flood of resumés in response to a job ad. This is for a few reasons. New technologies like AI, a candidate-rich market, growing migration and cost of living concerns are leading to more people pressing 'submit'.

But many TA leaders say it's hard to balance these high volumes with quality, especially at peak hiring times, like the holidays. What might help: Emerging Al technologies augment the hiring process to help review and evaluate candidate applications based on certain criteria, especially when used alongside structured candidate mapping. New tools even support early screening processes with selfrecorded video interviews.

Addressing the use of AI

With AI, TA professionals can work faster and more efficiently. But candidate use – which isn't bound by the same regulatory and ethical parameters – has its own challenges.

Although many candidates simply use it to save time and augment their existing skills, some are using it to hide a lack of skills or knowledge. In some cases, candidates might even lie about their qualifications or identity. What might help: Better verification during recruitment. This could be special tools, asking candidates to share 100 points of ID early on, setting up face-to-face interactions or adding a checkpoint to flag the use of generative AI. This will evolve as use of AI expands and verification tools come onto the market.

TA leaders identified a few common ways to address challenges. These are:

Work collaboratively

Whether you're in a small business or a large company, learning from others in the same industry can be beneficial, as they often face similar challenges.

Embrace technology

Consider how new technologies, such as AI or automation, can streamline processes, save time, and boost efficiency, while maintaining high-quality work and a strong candidate experience.

Prioritise strategic processes

Chaos can arise when everyone works independently. TA leaders recommend addressing challenges with robust processes.



Innovative approaches to deliver on people strategies

Sally Elson, **Chief People Officer, MYOB** Kylie Bishop, **Group Lead - People, Spaces and Sustainability, Medibank** Damian Zahra, **Chief People Officer, Bunnings**

In a competitive and, at times, unpredictable business landscape, delivering on people strategies can take some creative thinking. From four-day work weeks to multigenerational workforces and scaling startups, ambitious people strategies might sound lofty – so how do you achieve them and what role does TA play?

What follows are learnings from people leaders who have brought innovative strategies to life, with results to match.

Work out your role

Bringing in a four-day work week is a huge undertaking. At Medibank, this ties into the organisation's goal of being the healthiest workplace in Australia. But the four-day work week didn't happen in one go. Instead, it's an ongoing trial that's still being reviewed and revised, says Kylie Bishop, Group Lead – People, Spaces and Sustainability at Medibank.

Her advice for other leaders is to work out their role in the bigger picture.

"Sometimes our role is to just get out of the way and invite others in. That's been one of the main learnings for me as a leader – sometimes you're itching to get into it but you need to bring people in." That's exactly what she and the team did when putting the trial into practice. Teams work independently to ensure they still meet output targets and are always reviewing and iterating to figure out what works best.

"We're trying to design for the 99% of people who are amazing in our business, and ensure we are maximising their joy and potential," she advises.



Two ears and one mouth

Age diversity is often overlooked in DEI. Yet one business that's doing it right is Bunnings, which has a workforce of 60,000 spanning from 15–93 years old. So how does the business engage this broad group of people, with different working histories, skills and capabilities?

"It's important to listen to what your customers, team and candidates tell you about their experience," says Damian Zahra, Chief People Officer at Bunnings.

"You'll find things like stereotypes are completely false but very embedded. Those need to be parked, enabling you to be more flexible."

That's why it's critical to listen, to learn and to see what comes from it. This is how Bunnings developed its model. While the business receives circa 120,000 applications a year, it doesn't just limit these to online. It has walk up applications and a flexible recruitment model that feeds into the business' goals and objectives. "Many of our mature-age team members feel more confident walking up to a service desk and speaking to a leader about what they can offer the business," says Zahra. "Having a flexible recruitment model is a segue into the business. Then once they're in, we think about the purpose of what we do and how to align everyone under that."

Having so many generations under one roof brings a wealth of experience to the business and its customers. Many of Bunnings' matureaged hires have had a past career, whether as a tradie, teacher, nurse or other role, and exchange knowledge cross-generationally, while younger team members share their tech skills and fresh approaches to work.



Cultural change takes the hard yards

Culture is central to an organisation's people, but shifting the dial takes more than just lip service. "The hard work happens after the presentation and sparklers," says Sally Elson, Chief People Officer, MYOB.

"In cultural change, it becomes how do we actually recruit for it, develop the right structures and back those values up. The launch date is big and exciting, but the real work happens after the launch."

Last year, the team at MYOB launched new values to underpin the organisation's current culture and where it wants to be in the future as it grows. This started with extensive focus groups and team research to find out what truly sets the business apart. Now, there's ongoing work with leaders and the team to make sure this carries forward.

This all links back to Elson's three C's approach to managing the people of a growing business: culture, capability and capacity. "When I think about our workforce, we think about the culture we need to be successful, how we understand the capability we need, and how we will bring that capacity into the organisation and how many people we need in each business area."

TA plays a critical role in this at MYOB. The team has a deep understanding of the culture, capability and capacity the business is looking for and actively feeds back to the business on what's happening in the external market. "Our TA team is very aligned. They know exactly where we're going and they're the first ones to tell us talent is in short supply and what's growing."

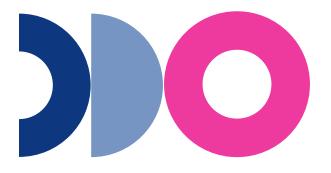
3 key takeaways for TA leaders:

- Consider how to best **collaborate** with your broader organisation and **bring in the right people.**
- **Listen** before taking action what you learn might surprise you.

Transformation doesn't have an end. Instead, it's an **always-evolving process**.

Sources

- Economic & labour market data: ABS, DHA, DSS, SEEK, OECD
- Hiring Outlook Report conducted by Nature October 2024
- SEEK Candidate Sentiment Research, 2019-2024
- SEEK Workplace Happiness Index Report, June 2024
- SEEK Evolving Working Life Report, March 2025
- SEEK Workplace Flexibility Survey, March 2025
- SEEK AI in Talent Acquisition Survey, March 2025
- SEEK Internal Data, March 2025



ABOUT SEEK

A leader in online employment marketplaces, SEEK has been helping people live more fulfilling and productive working lives and helping organisations succeed for more than 25 years.

Founded and headquartered in Melbourne, Australia, SEEK has grown into a multinational technology company with more than 3,300 employees and is listed on the Australian Securities Exchange.

SEEK's presence spans Australia, New Zealand, Hong Kong, Indonesia, Malaysia, the Philippines, Singapore and Thailand. Additionally, SEEK has minority investments in employment marketplaces in China, South Korea and Bangladesh.

In 2021, 2022, 2023 and 2024, SEEK was recognised as one of Australia's Top Ten Places to Work in Technology in the AFR BOSS Best Places to Work awards.

