

THE CAREER EQUATION

**What Attracts Talent Isn't
What Keeps Them**

Right Management's 2025 State of Careers



**THE
RIGHT
WAY**

Dear Fellow Executives and People Leaders,

Today's global workforce is evolving faster than ever — and so are the expectations of the people who power it. As business leaders, we're all feeling the pressure to attract, engage and retain top talent in a world where the old playbooks no longer apply.

That's why The State of Careers research matters.

In this global report, we uncover a critical disconnect between how leaders perceive engagement and how employees actually experience it. More importantly, we shed light on overlooked core issues: career management, transition and development.

Too often, career development is treated as a personal responsibility or pushed aside entirely — from the education system to active workforce management. But people want to grow, and they shouldn't feel they need to leave a company to evolve.

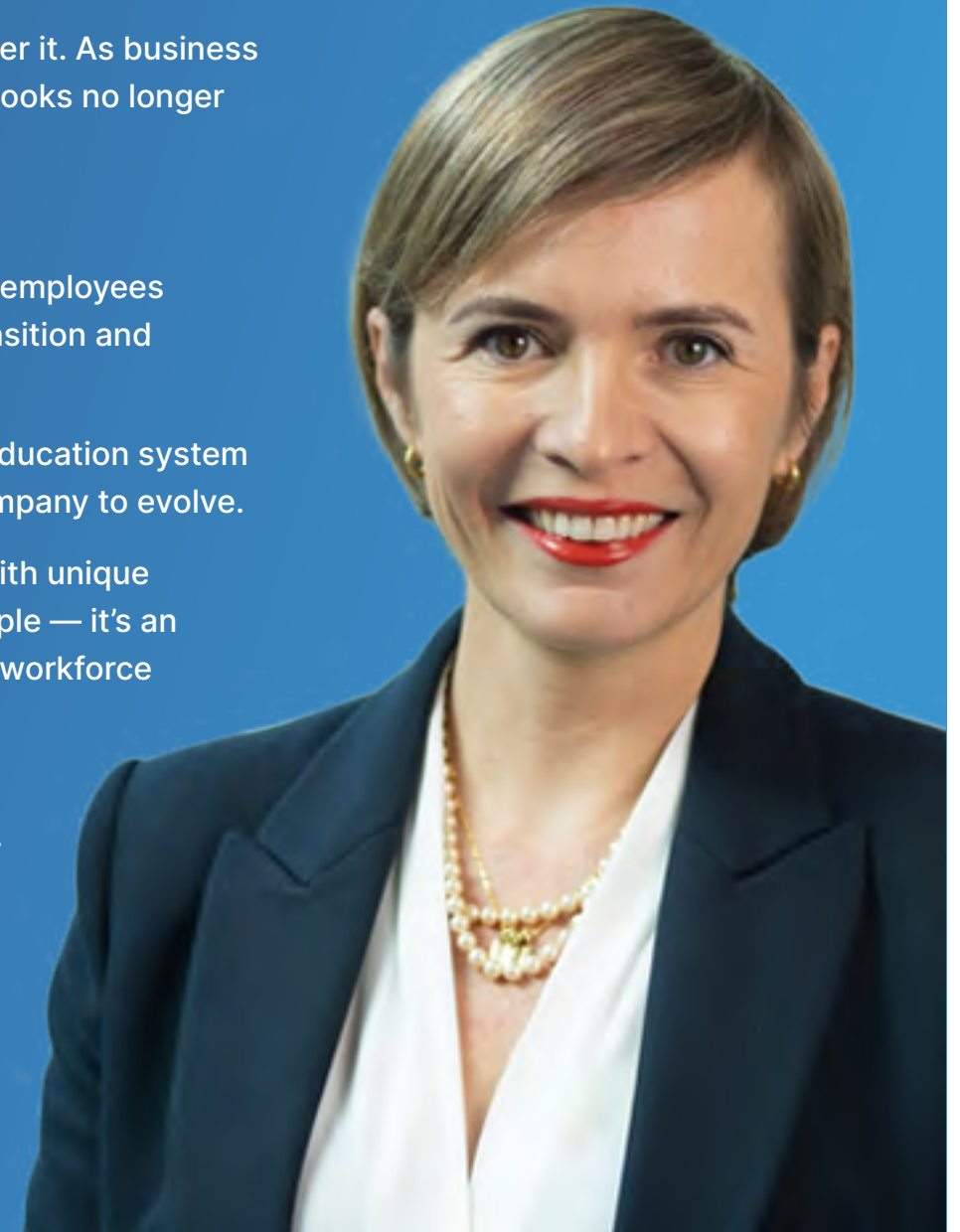
Leaders, then, must begin seeing their teams not just as roles to be filled but as collectives of individuals with unique potential and skill sets that can be nurtured. Supporting career development isn't just an investment in people — it's an investment in the organization's future. Leaders who intentionally develop their teams are also building the workforce readiness and capabilities their businesses will rely on tomorrow.

This report, therefore, is a call to action. Leaders and organizations that meet this moment will earn the loyalty of top talent. Those that don't risk losing their future leaders before they even realize their potential.

I hope this report sparks new ideas and meaningful conversations within your organization. And stay tuned — our next report will go even further, showing you how to unlock the full potential of your workforce.

Warm regards,

Caroline Pfeiffer Marinho
Global Business Leader, Talent Solutions Right Management



INTRODUCTION

In today's workplace, employees expect more from their employers than ever before — more purpose, flexibility, growth and connection. But while expectations have evolved, many organizations are still relying on outdated assumptions about how to support employee career growth.

As a result of not meeting employee needs, we see an impact on engagement. This creates a significant impact on the organization's ability to retain the right skills and have a future-proof workforce. While leaders may see a motivated team, the data reveals that employees feel disconnected, undervalued or ready to leave.

Part of the problem lies in a common misconception: that the same strategies used to attract talent will also keep people engaged. But attraction and engagement are not interchangeable. What draws employees in — like compensation, brand reputation or perks —

is often very different from what inspires them to stay, grow and contribute at their best.

Building on our 2024 North American research — which examined the employee-leader relationship and key factors critical for today's careers — we've expanded our focus globally. Our latest exploration now includes insights from North America, LATAM, Europe and APAC.

This first report in our 2025 The State of Careers series unpacks the engagement illusion and reveals how engagement drivers vary across regions. For leaders looking to build a more resilient, productive and loyal workforce with evolving skill sets, the path forward starts with closing the gap between perception and reality and between attraction and true engagement.

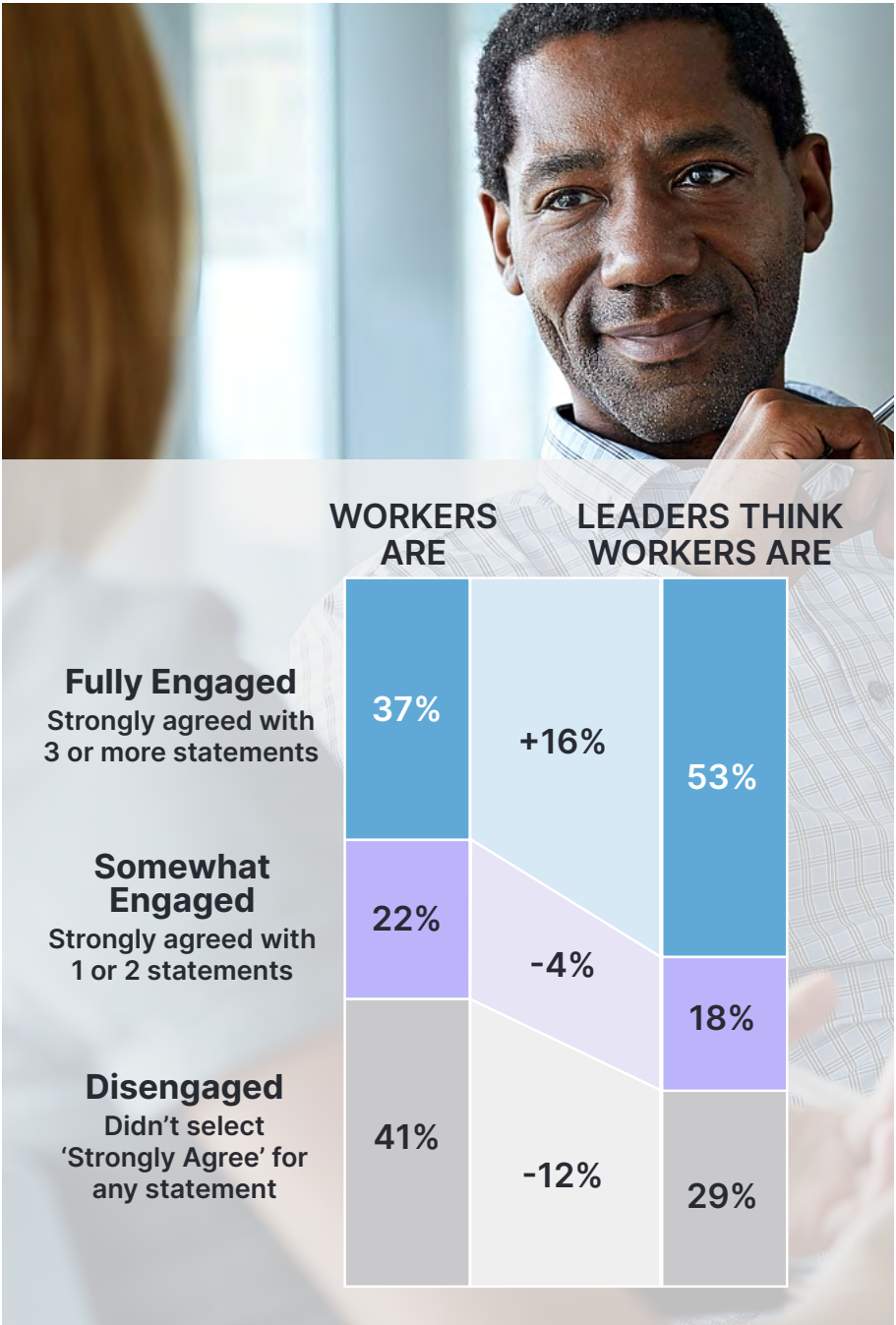
THE ENGAGEMENT ILLUSION: LEADERS ARE OUT OF SYNC WITH THEIR WORKFORCE

Across the globe, a striking disconnect has emerged between how leaders perceive employee engagement and how employees actually feel. When asked about the state of their workforce, 53% of leaders reported that their employees are fully engaged. Only 29% acknowledged any disengagement within their teams.

However, the employee experience tells a very different story.

Only 37% of employees are fully engaged in their work. Even more concerning, 41% are disengaged. This stark contrast reveals a significant perception gap: leaders are overestimating engagement and underestimating disengagement at alarming rates. This disconnect leads to the prioritization of ineffective talent strategies based on inaccurate assumptions about the state of current talent.

Furthermore, an additional 22% of employees are only somewhat engaged. In our 2024 The State of Careers reports, we found that those who are somewhat engaged are at the highest risk of leaving the organization, even compared to disengaged employees.

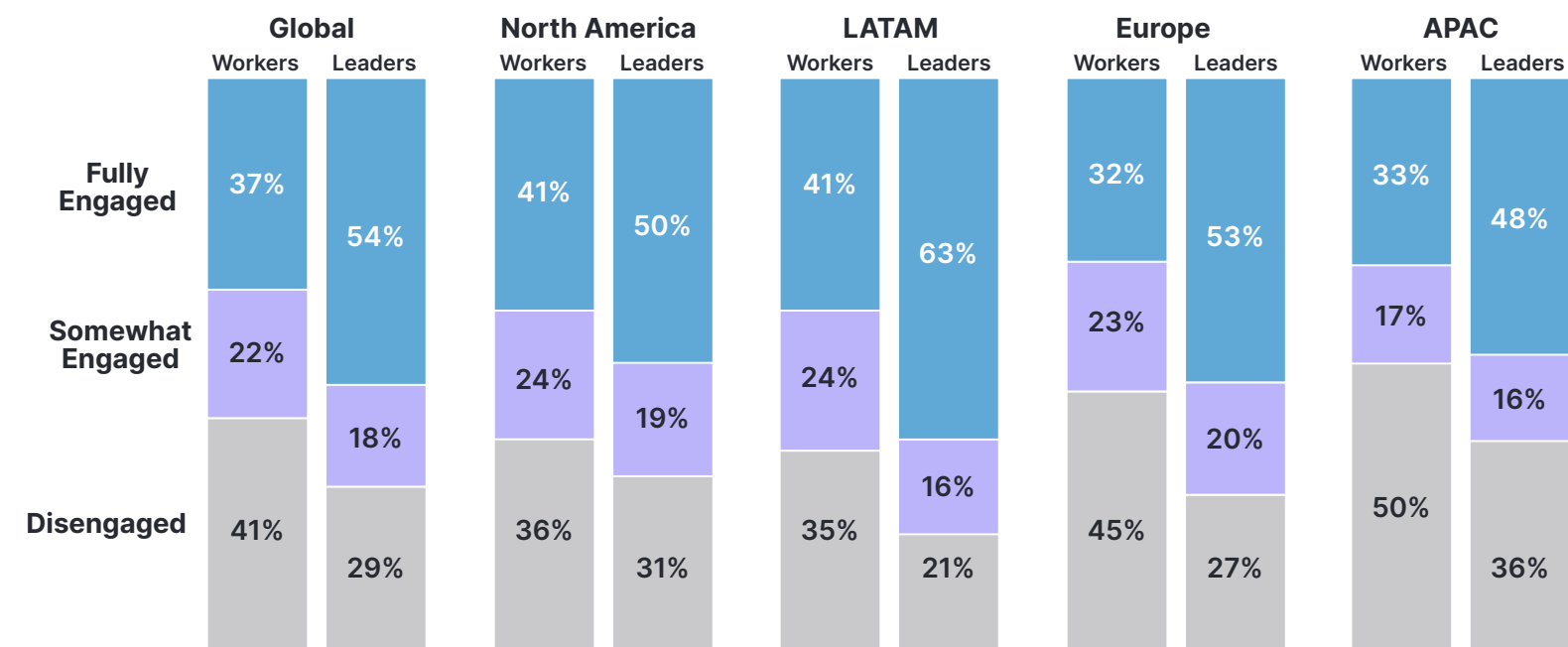




This discrepancy is not just a matter of differing opinions — it's a critical misalignment with real consequences. In today's world of talent scarcity, wherever evolving skills are required to sustain meaningful business impact, the most employable people are the same individuals who are seeking a lifelong learning journey. Because they cannot find career and development opportunities, these same high performers are most likely to leave, leaving their employers with a critical talent and skills gap.

These findings, much like the trends observed in our 2024 North American data, highlight an engagement illusion — one that extends beyond the U.S. and Canada to workforces around the world. In many organizations, optimism at the top masks a growing disconnection on the ground. If organizations fail to address this disconnect, they risk making decisions based on flawed assumptions — undermining their ability to retain top talent, sustain motivation and continuously evolve their workforce through development rather than reactive hiring and firing cycles.

THE ENGAGEMENT ILLUSION UP CLOSE: KEY REGIONAL INSIGHTS



The engagement illusion is both a local and global challenge — manifesting differently across regions, yet rooted in the same fundamental disconnect.

In LATAM, the gap is especially pronounced. While 63% of leaders believe their teams are fully engaged, only 41% of employees are. More than a third of employees in the region feel disengaged — a critical misalignment that threatens loyalty, retention and effective execution of talent strategy.

Employees in Europe and APAC report the lowest overall levels of engagement. Just 32% of European employees and 33% of those in APAC are fully engaged. Even more concerning, nearly half of employees in Europe (45%) and APAC (50%) are disengaged. Combined with those who are somewhat engaged, this leaves 68% (Europe) and 67% (APAC) of employees that leaders need to be concerned about.

These regional insights underscore a critical truth: leaders must move beyond assumptions and actively seek to better understand their team’s true motives and sentiments. Only by closing the gap between perception and reality can organizations begin to foster genuine engagement and ensure their talent strategy is focused on solving the most pressing issues.

DO LEADERS SEE WHAT DRIVES ENGAGEMENT?

Identifying employees’ wants and needs is essential to understanding what drives engagement. And employees are telling a clear story — one that doesn’t always align with what leaders assume.

Overall, employee engagement was most impacted by fit — alignment with their team and organizational culture. Fit scores accounted for 37% of total explained engagement variance for employees.

Career is another critical factor in engagement. Employees want to see a future for themselves within the organization. Satisfaction with career support was the next strongest driver of engagement, with a 27% impact on scores.

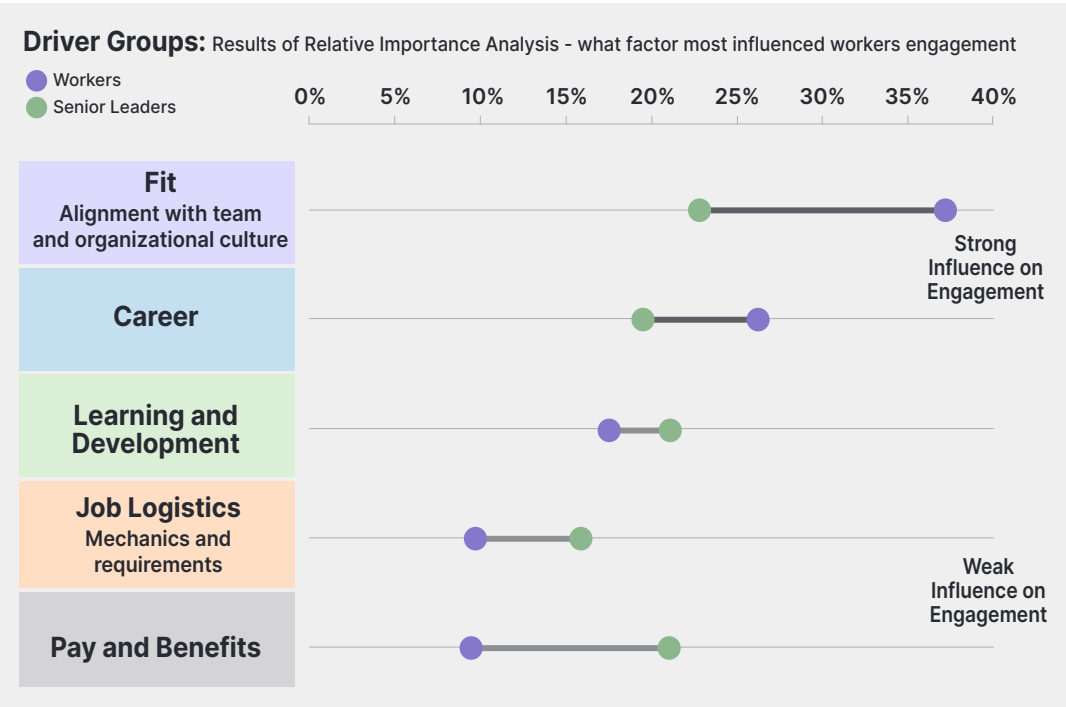
But many leaders are misreading the signals. Cultural fit accounted for only 23% of variance in leaders’ ratings of employee engagement, and career support accounted for roughly a fifth of variance.

Taken together, this suggests that many organizations may be underinvesting in the very opportunities that keep talent motivated and committed — their day-to-day experience in the job and their longer-term experience of growing within the organization.

Meanwhile, leaders are placing too much emphasis on pay, benefits and job logistics. For example, compensation and benefits predicted 21% of engagement score variance for leaders, while it only impacted 9% of the variation in employee engagement scores.

Similarly, job logistics — including mechanics and requirements — played a much larger role in leader engagement ratings (17% impact) versus employees’ 10%).

This misalignment has real consequences. When leaders focus on the wrong levers, they risk missing the mark entirely. They invest in perks and policies that don’t move the needle while neglecting the deeper drivers of connection, purpose and growth.





KEY REGIONAL INSIGHTS: NUANCED DIFFERENCES THAT IMPACT TALENT STRATEGIES

While aggregate data indicates global similarities between engagement drivers, it also indicates some regional nuances regarding what most influences employee engagement. Understanding these distinctions is essential to enabling leaders to execute their talent and career strategies.

Across North America, Europe and APAC, a consistent pattern emerges: Fit stands out as a top driver of engagement. In North America and APAC, this is most strongly expressed through confidence in the organization's strategy. In Europe, on the other hand, alignment with organizational values takes precedence. For all three regions, fit with the organization's culture also played a significant role.

In contrast to North America, Europe and APAC, career takes center stage over fit in LATAM. Here, employees prioritize the likelihood of success and opportunities for career advancement.

An employee's daily experience of their organization's strategy and values ultimately shapes a key question: "Do I see a future for myself here that aligns with where I want to take my career?" For employees to confidently say "yes," organizations and leaders must have the tools, capabilities, and resources to support evolving career journeys—ones that require new skills, paths, and opportunities beyond traditional, linear career ladders.

Even at the lower end of the engagement spectrum, regional differences persist. In North America and LATAM, pay is considered more important than job logistics. Conversely, in Europe and APAC, logistics takes precedence over compensation.

The Factors that Most Influence Employee Attraction vs. Engagement

Workers Say Pay is More Important

Pay is the most important factor influencing workers exploration of new job opportunities

Global	North America	LATAM	Europe	APAC
Pay and Benefits 36.2	Pay and Benefits 40.1	Pay and Benefits 33.1	Pay and Benefits 36.8	Pay and Benefits 35.0
Job Logistics 19.4	Job Logistics 20.9	Career 18.4	Job Logistics 20.7	Job Logistics 19.4
Career 15.9	Fit with team and organizational culture 14.0	Learning and Development 17.4	Career 15.9	Career 15.6
Fit with team and organizational culture 14.5	Career 13.6	Job Logistics 16.6	Fit with team and organizational culture 14.1	Fit with team and organizational culture 15.4
Learning and Development 14.0	Learning and Development 11.5	Fit with team and organizational culture 14.4	Learning and Development 12.6	Learning and Development 14.6

Factors That Most Influence Worker’s Engagement

Driver Groups: Results of relative importance analysis

Global	North America	LATAM	Europe	APAC
Fit with team and organizational culture 37.1	Fit with team and organizational culture 39.0	Career 32.5	Fit with team and organizational culture 37.6	Fit with team and organizational culture 36.0
Career 26.2	Career 22.7	Fit with team and organizational culture 26.0	Career 29.0	Career 24.4
Learning and Development 17.5	Learning and Development 21.3	Learning and Development 15.7	Learning and Development 15.5	Learning and Development 19.0
Job Logistics 9.7	Pay and Benefits 9.8	Pay and Benefits 15.0	Job Logistics 10.7	Job Logistics 11.9
Pay and Benefits 9.4	Job Logistics 7.3	Job Logistics 10.7	Pay and Benefits 7.7	Pay and Benefits 8.7

THE TALENT PARADOX: WHY THE FIRST HOOK ISN'T ENOUGH TO KEEP THEM

To truly engage and retain top talent, leaders must recalibrate their approach. The first step is recognizing a critical distinction: attracting talent and retaining it are not the same — yet many organizations treat them as if they are.

This may seem paradoxical. While it's common to assume that what draws employees in will also keep them engaged, the data tells a different story. When asked what would make them consider a new job opportunity, workers were most likely to cite pay and benefits (36%), followed by job logistics (19%). Therefore, the factors attracting employees to an organization are the exact inverse of what keeps them engaged over time.

Engagement and retention are driven by deeper, more intrinsic factors: fit, career and learning opportunities. With this in mind, organizations should focus on fostering:

To Engage



Alignment with
organization's
values



Fit with
organization's
culture



Confidence in
leadership and
strategy



Challenging,
meaningful work
for employees



A clear and strong
likelihood for success
in their roles

In short, employees stay when they see a future for themselves — when their work feels purposeful and success feels attainable. These drivers often outweigh traditional incentives like promotions. Purpose and lateral career development (i.e., the career lattice) are increasingly more important than simply climbing the corporate ladder.

However, when it comes to attracting talent — especially luring individuals away from current roles — priorities shift. Candidates tend to focus on more immediate, tangible benefits, such as:

To Attract

 Competitive base pay

 Quality of health insurance

 Paid time off

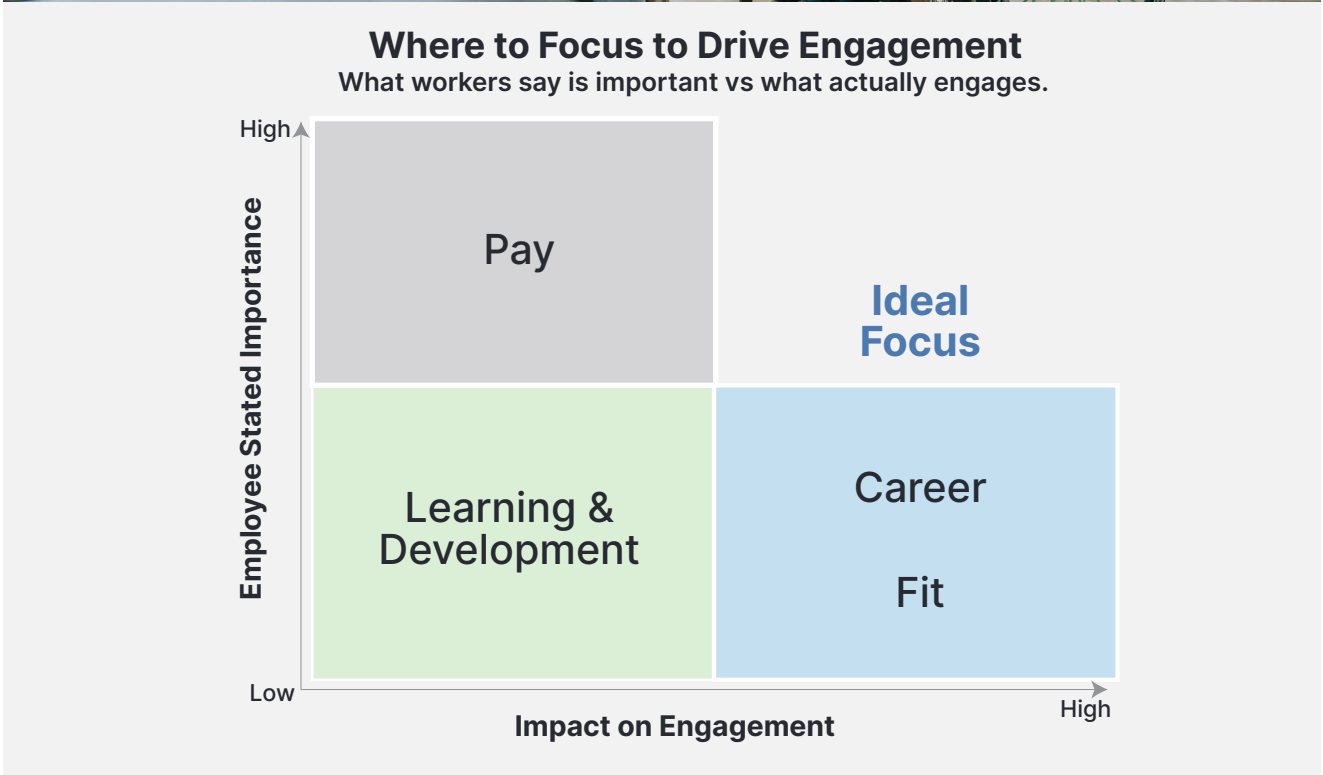
 Retirement Plans

 Bonuses and commissions

 Flexibility to work remotely

This disconnect is critical. Leaders who overemphasize attraction levers — like compensation and perks — may succeed in hiring talent but risk losing them quickly if they fail to deliver on what truly matters for long-term engagement.

Many organizations are falling into this trap. To retain top performers, leaders must be able to translate organizational values, culture, strategy and work into meaningful career conversations and paths. At the team level, this, in turn, must translate into their business workforce plan.



CONCLUSION: TURNING INSIGHT INTO IMPACT

Employee engagement and retention may be misunderstood across the globe, but these challenges are far from unfixable. In fact, the findings in this report offer a clear path forward for organizations willing to listen, learn and lead differently.

Yes, there is a significant gap between how leaders perceive engagement and how employees actually experience it, creating substantial consequences for effectively executing talent strategies.

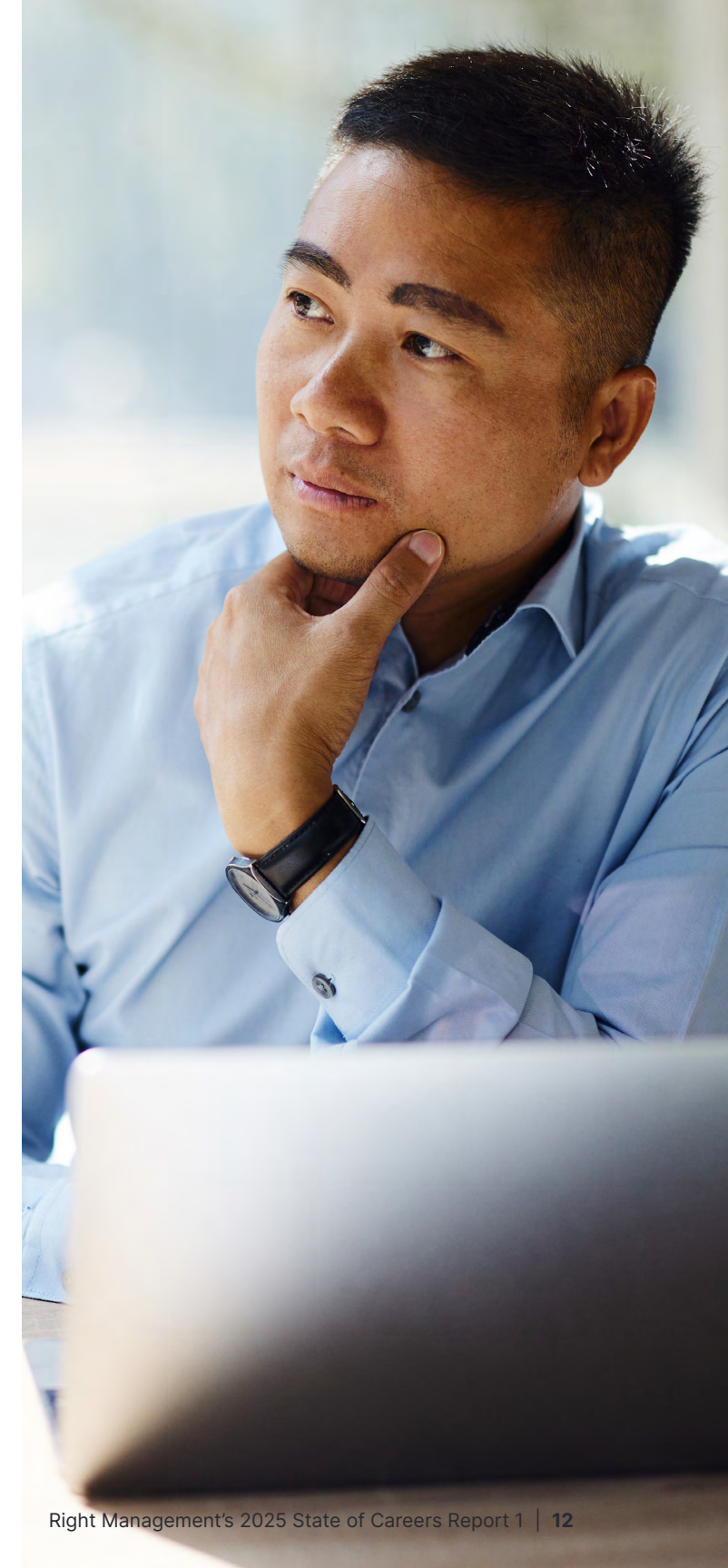
And yes, many organizations continue to rely on outdated assumptions, overemphasizing pay and perks while overlooking the deeper drivers of connection, purpose and growth, as well as their correlation to workforce planning.

But this isn't a dead end. It's a turning point.

By realigning engagement strategies around what truly matters — fit, career development and learning opportunities, as well as the organization's future skills and workforce needs — leaders can do more than close the gap. They can overcome the talent paradox and reshape their workforce strategies to meet the expectations of today's workers and tomorrow's businesses.

This is the moment to shift — from assumption to understanding, from illusion to insight and from insight to impact.

The opportunity is here. The data is clear. Now is the time to act.



ACTIONS FOR LEADERS

1 Hardwire culture into your talent strategy

While skills and capabilities can be built, cultural fit is harder to change. Assess values, motivations and preferences to ensure alignment before making hiring decisions.

Leaders create culture - are they role-modelling your organization's purpose and values? Are they empowering careers or hoarding talent? Provide coaching to enable objective decision-making and build the skills to conduct meaningful career conversations.

2 Prioritize potential over performance to mobilize your people

In a fast-changing world where future skills needs are impossible to predict, past experience carries less weight. Use psychometric assessments, 360 reviews and success profiles to understand potential – identifying traits such as agility, curiosity and a growth mindset.

Develop a holistic view of your workforce. Who's moved up or across in the last year? Who's staying long-term? Where are you losing people? Use this data to inform talent development decisions, ensuring you invest where it matters most.

3 Build meaningful careers for sustainable growth

Mobilizing the existing workforce isn't just a retention strategy, it's essential for long-term success. It's not enough to provide engagement tools that simply keep people in their roles — how can you encourage them to grow, innovate and unleash their full potential?

Offer self-awareness assessments, 1:1 or group coaching to encourage career ownership and boost employability. Upskill line managers to support their direct reports. Ask yourself: “are career paths visible to everyone” and “is there flexibility for employees to learn and test new skills?” Transparency and opportunity are key to retaining the employees that will help your business grow.

While short-term business pressures may speak to limited talent investments, organizations must act now to ensure they have the right people, with the right skills, in the right roles — not just for today, but for tomorrow.

ABOUT THE REPORT

A global talent development leader for over 45 years, Right Management is pleased to continue our tradition of delivering data-driven insights to clients with The State of Careers reports. We teamed up with Reputation Leaders to deliver insights on the state of careers across North America, LATAM, Europe and APAC. Our aim is to help HR executives and industry leaders make actionable and informed business decisions to ensure their employees grow and organizations thrive.

This report marks the first installment in our 2025 series and is grounded in an independently commissioned survey conducted between March 24 and April 25, 2025. The study gathered insights from 1,029 leaders and 2,402 employees across eight countries: the U.K., France, Brazil, Mexico, the U.S., Canada, Singapore and Australia. Drawing on Right Management’s proprietary The State of Careers research, this report offers fresh perspectives on today’s careers and critical workforce challenges, equipping organizations with the insights needed to stay competitive for the long term.

ABOUT RIGHT MANAGEMENT

Right Management is a global talent management leader of outplacement, coaching, assessment, and career mobility solutions and part of ManpowerGroup. By focusing on people and powering meaningful careers, we have helped more than 13,000 organizations across the globe evaluate, develop and transition talent. **Learn more at right.com.**

ABOUT THE STUDY’S PARTICIPANTS

- 2,402 white-collar employees; 1,029 leaders
- Leaders: U.S. – 301; Canada – 101; Australia – 100; France – 109; Singapore – 101; Mexico – 111; Brazil – 104; UK – 102
- Workers: U.S. - 500, Canada -102, Australia - 300, France - 300, Singapore - 300, Mexico - 300, Brazil - 300, UK - 300

All from companies with over 1000 employees in North America and over 250 in other regions

All from a mix of industries, including IT, financial and business services and industrials

CONTRIBUTORS

Caroline Pfeiffer Marinho
Global Business Leader, Talent Solutions Right Management

Barbera de Graaf
SVP, Europe, Talent Solutions
Right Management

Beth Linderbaum, Ph.D., PCC
SVP, Delivery, Right Management North America

Amy Smyth
Head of Global Sales and Client Experience
Talent Solutions Right Management

Kate Giuca
VP, Principal Consultant, Right Management North America

For more insights and guidance, access our full [State of Careers series here.](#)



Talent
Solutions
Right Management
ManpowerGroup®

We power careers so that individuals grow and organizations thrive.
[Contact us](#) to learn about our solutions.