Fit For The
FUTURE

10 Key Leadership Trends For 2025 And Beyond

Gihan Perera

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Introduction

The world is evolving faster than ever, and 2025 brings even more uncertainty, disruption, and complexity – but also opportunity. Further, leaders today face the dual challenge of navigating change now while also preparing for the future.

This report identifies 10 important trends (and one bonus trend!) that leaders at all levels in an organisation will face in 2025 – and beyond.

The past 12 months have seen some significant changes, and they are reflected here. AI has shifted from a novel technology to becoming a core partner for human innovation and productivity. Sustainability has evolved from reducing harm to a broader focus on regeneration and climate resilience. New priorities have emerged, such as a shift in workplace demographics, holistic employee experiences, and cross-industry collaboration.

We focus on Australia, although many trends apply in other parts of the world, too. That said, even 'global' trends have regional variances because different regions face very different issues.

Every organisation faces its own industry-specific issues, but these 10 trends are not specific to any industry, and span many sectors, corporate structures, and organisation sizes.

Some leaders see these changes as threats and risks to their role, team, and organisation. For others, they present opportunities to spur internal change, transform products and services, and leapfrog their competition.

How to use this report

To gain maximum value from this report, share it with your team and then work together to identify the most important trends that will affect you now, soon, and further in the future.

Put the immediate, short-term, and even some clear medium-term trends in your current projects and strategic plans – they need your attention now.

The most challenging trends to tackle are those beyond the short or medium term, because they aren't clear and might not be in your strategic plans. But it's important to track them so you can act proactively rather than reactively.

For each of these trends, use the following questions to track, monitor, and prepare for them in the future.

What are the important **trigger events** in this trend that could cause you to re-evaluate your current plan?

How will you track changes to this trend (for example, reports, news feeds, podcasts, conferences, focus groups, social media analysis, or AI agents)?

How often do you need to track this trend (for example, weekly, monthly, quarterly, whenever there's a significant change)?

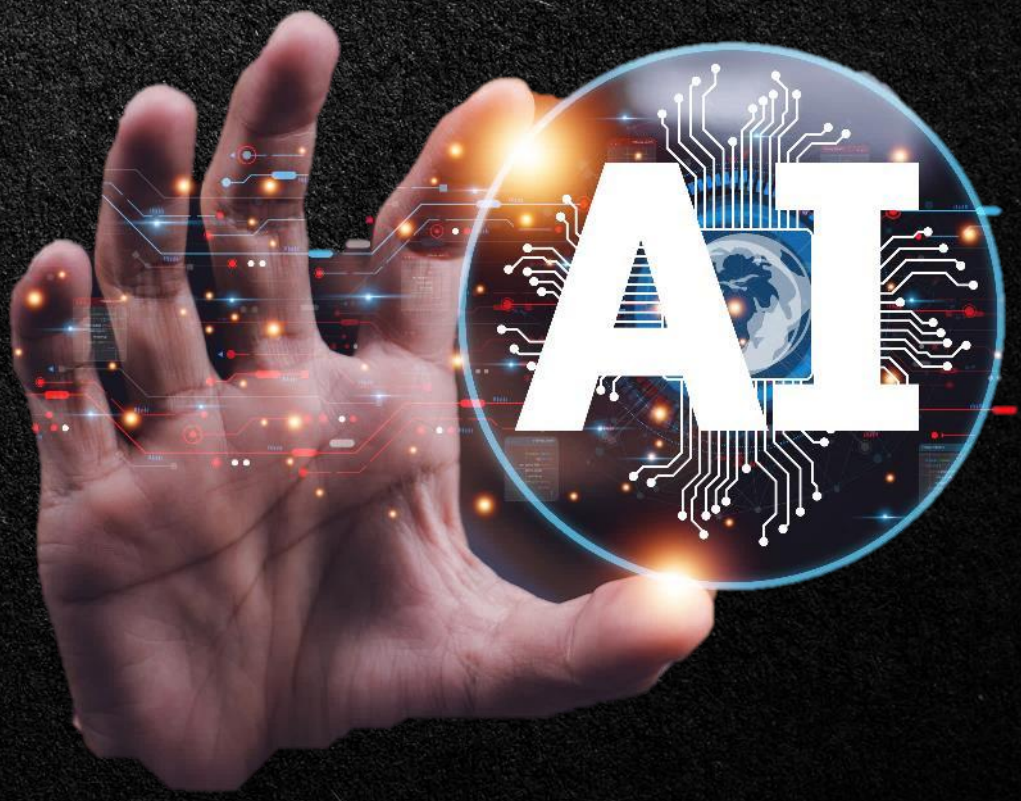
Who will be the **'champion'** for this trend (possibly more than one person), who will take responsibility for tracking and reporting back to the team?

What could happen that would make this trend **unimportant or irrelevant** (so it's not worth tracking anymore)?

1. Human-Machine Collaboration

2024 continued to see rapid advances in AI and the suite of technologies it encompasses: machine learning, robotics, generative AI, and more. Now, the conversation is shifting from the technology itself to the way humans and machines will interact. AI excels at handling complex data, automating repetitive tasks, and identifying patterns; humans bring creativity, ethics and values, emotional intelligence, and critical thinking to the table.

While governments, regulators, and big tech companies discuss important issues of ethics, privacy, and data security, organisational leaders focus on their workplace culture. Leaders must foster environments where technology amplifies human strengths, so AI serves as a trusted partner, to unlock greater innovation and productivity.



10 ways AI made our world better in 2024

Generative AI continues to grab the headlines, but AI is much bigger than just generative AI. For decades, it has been quietly working to reshape and transform every industry.

An AI road monitoring system detects potholes and cracks via a smartphone mounted on a vehicle windscreen.

Femtech company Motherbeing has launched an AI-powered health assistant tailored for Arabic-speaking women.

The world's first AI-driven hospital has virtual doctors continually evolving their expertise.

AI accurately predicts droughts, for early preparation and mitigation.

An AI app helps neurodivergent people manage tasks and routines, for more inclusive workplaces.

World's first indoor strawberry farm uses AI to optimise growing conditions, with 97% less land use and 90% less water use..

AI-enhanced textbooks offer school students personalised learning by adapting content based on learning styles and progress.

AI and computer vision combine to improve bird safety at wind farms.

Playbrary turns public domain books, including Sherlock Holmes classics, into adventure games

AI analysed mammograms of 10,000 patients and identified 11 overlooked cases of breast cancer.

Ready for human-machine collaboration?

Assess your readiness for AI and human-machine collaboration:

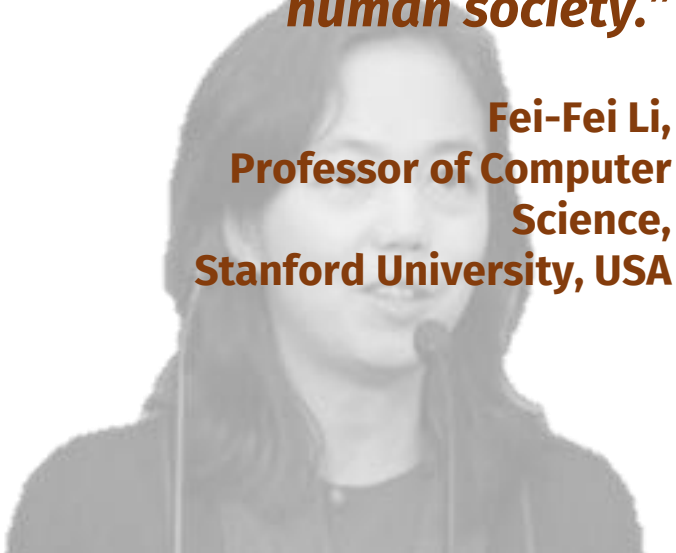
- ❑ We actively promote collaboration between people and AI
- ❑ We have assessed how AI can amplify our team's existing strengths
- ❑ Employees receive training to integrate AI into their workflows
- ❑ We have a framework for humans to validate AI-generated outputs
- ❑ Our AI tools are intuitive and user-friendly for people
- ❑ We communicate AI's purpose and benefits clearly to our team
- ❑ We leverage AI for routine tasks, freeing people for strategic roles
- ❑ We have identified roles where AI and human collaboration drive better outcomes
- ❑ Humans remain in control of AI-driven decisions where needed
- ❑ We have processes to monitor and address AI-related employee concerns
- ❑ We regularly evaluate the impact of human-machine collaboration on productivity
- ❑ Our AI systems can provide explanations for their decisions
- ❑ We encourage a culture of experimentation with AI across teams
- ❑ People and machines are both represented in innovation strategies
- ❑ We celebrate successes achieved through human-AI collaboration

Click to read Gihan's article *"The Future Is Now - Competing in the Age of AI"*

Leadership and governance challenges

"AI is made by humans, intended to behave by humans, and, ultimately, to impact humans' lives and human society."

Fei-Fei Li, Professor of Computer Science, Stanford University, USA



AI creates huge opportunities, but also raises risks and challenges for leaders to address in their Al integration plan.

Privacy breaches: AI data remains vulnerable to hacking or misuse.

Obsolete data: Outdated data reduces AI accuracy and reliability.

High costs: Maintaining AI systems and infrastructure is expensive.

Security risks: AI systems face sophisticated cyberattacks.

Human-machine impact: Usability, trust, and explainability need to be managed.

Ethical concerns: Privacy, transparency, and generative AI misuse are key issues.

Team culture: People are ignorant, resistant, or antagonistic to Al.

Staff raining: Employees lack skills to use AI effectively.

Rapidly changing: Difficult to keep up with advancements and potential implications.

Bias: Biased data distort AI outcomes.

2. Sustainability

Sustainability has always been about reducing harm – from reducing emissions, conserving resources, and adopting renewable energy to minimise your footprint. But the conversation has expanded to regeneration and resilience as well. Organisations are now expected to actively restore ecosystems, revitalise communities, and prepare strategies to navigate escalating climate risks.

Leaders must prepare for more frequent and severe climate disruptions, and stakeholders – including employers, customers, lawmakers, and others – demand accountability. This requires investment in innovation and collaboration, and organisations that authentically embrace sustainability initiatives will be rewarded, while those who don't – or who pay lip service via 'greenwashing' – will be penalised.

Sustainability everywhere

The answers to our questions are everywhere; we just need to change the lens with which we see the world.
Janine Benyus, science writer and innovator

Barcelona's subway system uses regenerative braking to convert energy from trains into electricity, to power trains and EV chargers.

Climate fintech company Bluebell Index issues blockchain-based tokens for environmental assets that use regenerative farming.

Californian farmers use carbon farming techniques that combat climate change by maximising carbon sequestration and minimising emissions.

Bintix uses AI to analyse and report on household waste, so people understand their environmental impact.

Climate agtech company Tolbi uses AI and geospatial technology to provide detailed data on crop yield, water, and fertiliser needs..

ReMade transforms discarded clothes from polluted rivers like the Mekong into runway-ready fashion – promoting eco-friendly design and empowering talent.

RMIT University engineers have enhanced the strength of concrete and reduced cracking, for greater durability and a sustainable use for textile waste.

Startup Molg has built a robot to expertly dismantle e-waste, recovering valuable materials like metals and circuit boards for reuse.

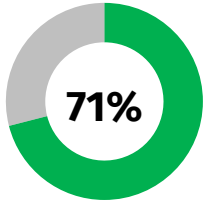
Deep Green uses heat from data centres to warm swimming pools and provide free heating to the rest of the community

What are you doing for sustainability?

We don’t need a handful of people doing zero waste perfectly. We need millions of people doing it imperfectly.

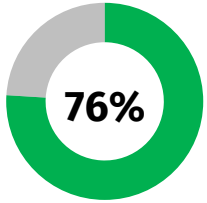
Anne-Marie Bonneau, Zero Waste Chef

- ❑ We have a sustainability strategy integrated into our core operations
- ❑ We actively measure and reduce our carbon emissions
- ❑ We have adopted renewable energy sources
- ❑ We implement circular economy practices to minimise waste
- ❑ We collaborate with partners for sustainable solutions
- ❑ We have assessed climate risks specific to our operations
- ❑ We have a disaster recovery plan for climate-related disruptions
- ❑ We educate our customers about our sustainability efforts and goals
- ❑ Our suppliers are aligned with our sustainability goals
- ❑ We publicly report sustainability metrics
- ❑ We have conducted employee training on sustainability practices
- ❑ We invest in restoring ecosystems affected by our operations
- ❑ We are exploring regenerative agriculture or similar practices
- ❑ We use technology to monitor and improve sustainability efforts
- ❑ We have aligned sustainability efforts with customer expectations
- ❑ We ensure compliance with environmental regulations



Customers who are more loyal to companies that take an active role in protecting the environment

The Harris Poll



Hospitality staff more likely to stay in a job if their employer has a positive environmental and societal impact

Nutritics

Don’t forget the nuclear option

Nuclear energy is a safe, reliable, and clean (no carbon emissions) source, widely used in many developed nations. The USA and China are the largest producers of nuclear power. In France, Slovakia, Ukraine and Belgium, nuclear energy is the main source of electricity.

Even individual companies – such as Microsoft, Google, and Amazon – are turning to nuclear power to power AI data centres. These advanced reactors are safer, more efficient, and can be deployed in proximity to energy-hungry facilities, reducing transmission losses.

Unfortunately, in Australia, politicians have muddied the nuclear waters, either for political gain leading up to an election (the major parties) or for ideological reasons (minor parties, like the Greens).

Despite its potential to address the country’s reliance on fossil fuels, nuclear energy remains illegal under Australian federal law, and is likely to remain that way in the foreseeable future. While the rest of the world sees its potential as a sustainable, clean power source, Australia’s progress is stalled by political narratives.

Nuclear Fusion

The current debate about nuclear energy is about nuclear *fission*. Researchers are also actively pursuing nuclear fusion, a different kind of nuclear energy offering a low-risk, virtually limitless energy supply with low environmental impact.

Fusion research has made significant strides, but still faces many hurdles. The technology is complex and costly, and a long way from commercial viability. But it offers hope as a feasible, safe, and reliable way to address climate change.

3. Cybersecurity

For leaders who haven't yet got the memo, cybersecurity is no longer just a backroom IT concern; it's a boardroom imperative. Cybersecurity remains a pressing priority in 2025, and the landscape shifted significantly in 2024. Threats are not only more frequent but increasingly powered by AI, making them smarter, faster, and harder to detect. While 2024 highlighted the importance of human error in breaches, 2025 sees organisations increasingly turning to AI-driven solutions for detection and response.

That said, organisations can't rely on AI alone to protect them from cyber criminals. As cyber threats escalate, cybersecurity needs a collaborative approach, with leaders across all areas and at levels expected to champion a culture of vigilance and accountability in their teams.

Organisations know it's the importance of cybersecurity n protecting customers, employees, and their brand. Our constantly expanding digital world – with exponential growth in data, AI, and automation – is an even more attractive target now for cybercriminals.

Cyberattacks use AI to bypass traditional security measures. 40% of phishing emails targeting businesses are AI-generated, and 60% of recipients fall victim to them. IT professionals work hard to combat the threat, but only 60% feel their organisation is not ready.

Cybercriminals use AI to create realistic 'deepfake' audio and video. More than 60% of organisations saw an increase in deepfake attacks over the past year, with 75% of these deepfakes impersonating a CEO or other C-suite executive.

On the other hand, cybersecurity professionals also leverage AI to prevent attacks, and most IT professionals see this as a necessity now. But many executives have a false sense of security: 80% of them are confident they have mitigated AI-generated risks, but just 54% of hands-on practitioners share their confidence.

"It takes 20 years to build a reputation and few minutes of a cyber-incident to ruin it."

Stéphane Nappo, Groupe SEB

What are you doing for your team?

Amateurs hack systems; professionals hack people.
Bruce Schneier, American cryptographer

Here are 10 things leaders can do to foster a cybersecurity-conscious culture.

1. Use relevant examples and advice, such as phishing scams in personal emails or securing home Wi-Fi.
2. Explain how everybody has a role, whether it's creating strong passwords, spotting phishing attempts, or securing devices.
3. Clearly outline what employees need to do, such as strong password policies, updating software, or reporting suspicious activity.
4. Reinforce that human error is the leading cause of breaches, so vigilance is key.
5. Encourage vigilance but avoid anxiety. Focus on proactive steps rather than dwelling on worst-case scenarios.
6. Break down complex concepts like multi-factor authentication or encryption into terms that are easier to understand.
7. Model good cybersecurity behaviour by following the same practices you expect from your team.
8. Discuss the potential impacts of a breach, such as lost trust, legal fines, operational downtime, and even job security. Balance this with examples of good cybersecurity practices.
9. Share tools and tips to stay secure, such as password managers or training sessions on identifying phishing attempts.
10. Explain how strong cybersecurity enables the organisation to operate smoothly, maintain customer trust, and innovate without fear.

Over the next year, **83%** of Australian organisations anticipate a cybersecurity budget increase.
Sophos Cybersecurity Playbook

Small businesses in Australia faced an average loss of **$49,615** from cybercrime in the 2023-24 financial year.
Annual Cyber Threat Report

In 2024, **65%** of organisations globally struggled to meet evolving compliance requirements regarding privacy and cybersecurity.
Ponemon Institute

51% of Australian organisations are not investing enough in upskilling their workforce in cybersecurity, compared to 35% globally.
PwC Digital Trust Insights Survey 2025

63% of Australians reported they had fallen victim to a cyber-attack or data breach, with half of those impacted hit on multiple occasions.
National Australia Bank

67% of Australian organisations identified cyber risk as their highest risk priority, ahead of inflation, macroeconomic volatility, and geopolitical risks.
PwC Digital Trust Insights Survey 2025

4. Transparent and Authentic Leadership

Transparency and authenticity go hand in hand with trust, which for years has been recognised as a valuable currency. Leaders and organisations who embrace transparency and authenticity stand out. This is true both internally (with employees) and externally (with customers and other stakeholders).

Transparent leaders communicate openly, share decisions honestly, and remain consistent with their values and their organisation's values). Authenticity builds deeper connections, fosters loyalty, and inspires teams. In 2025, this leadership style will be essential as stakeholders increasingly demand transparent, values-driven, and authentic leadership. Trust is not given freely but earned – and it starts with being genuine, clear, and accountable.

Transparency and authenticity go hand in hand with trust, and are no longer an optional extra for leaders.

"If you can get people to follow you to the ends of the earth, you are a great leader."

Indra Nooyi, Former CEO, PepsiCo

With employees, transparency involves clear communication about goals, progress, and challenges, treating people as mature adults who can make well-informed decisions about their professional work and personal lives.

These factors are just as important with external stakeholders, especially customers. Sprout Social reports that 90% of consumers will stop purchasing from brands that lack transparency, and 85% will remain loyal to a company during a brand crisis if it has a history of being transparent.

Authentic leaders take transparency a step further by embracing their individuality, admitting mistakes, and making decisions based on ethical principles. As a study of Australian nurses found, authentic leadership promotes psychological well-being in staff.

The path to authenticity has its challenges. Leaders must balance openness with discretion, transparency with confidentiality, and reputational strength with reputational risk. They must also be vulnerable, a trait often undervalued but essential for building trust.

Transparency is *not* a two-way street

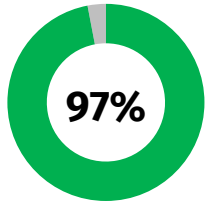
After quality and price, data privacy is the third most important factor when choosing a product or service.
Office of the Australian Information Commissioner

Your employees want more transparency from you and more access to leadership decisions, but that doesn't mean they will exchange that for more intrusive access to *their* work.

Many employers can use AI to track and monitor employees, through keyboard and mouse tracking, activity on factory floors, emotional tone in meetings and emails, sentiment in chat rooms and social media, and more. But just because these *can* be tracked doesn't mean they *should*, and most employees resist – and resent – this increased surveillance.

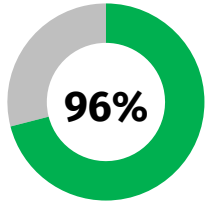
The same applies to your customers, who want greater transparency about your values, processes, and internal operations, but don't necessarily want you to know more about them – unless you can demonstrate value to them.

They want personalised offers, but not higher pricing or being excluded from special offers. They will let you collect and analyse personal data, as long as it's not sold or shared with others. They give you access to their data via apps, devices, and websites, but only if you use it ethically and with consent.



People worried the government and businesses and might misuse their data

Harvard Business Review



Digital workers who would accept more monitoring in exchange for benefits like training and increased career opportunities

Gartner

How would you handle these challenges?

In the book *No Rules Rules*, Netflix CEO Reed Hastings was asked to respond to the leadership scenarios below.

1. Your startup company is going public. You have always shared quarterly numbers, but if there's a leak now, your stock could crash and the leaker could go to prison. What will you do?

2. An organisational restructure could mean several team members losing their jobs. But there is only a 50% chance it will happen. Will you tell them now or wait until you're certain?

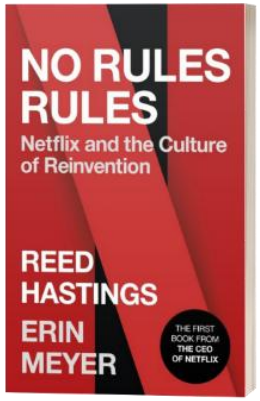
3. You have hired and fired five sales directors in the last five years. After careful reflection, you realise all these mis-hirings are due to your own poor judgment. Do you admit this to the rest of your team?

4. You need to fire a team member who is hardworking and generally effective, but is sometimes verbally clumsy and gets the company into trouble. He pleads with you to tell the team he's leaving of his own accord rather than being fired. How will you announce this to your staff?

Answers

In all four cases, Hastings recommends transparency as a leader:

1. Share the results as usual and warn them of the consequences of leaking them.
2. Tell them now so they can make plans for the future.
3. Admit your mistakes and they will trust you more.
4. Tell people the truth and trust them to treat it with respect.



5. Future-Ready Skills

A future with constant change, disruption, and uncertainty needs more adaptable leaders and teams. We can't be future-proof, but we can be future-ready. Future-ready skills go beyond technical expertise, focusing on adaptability, creativity, and collaboration. With AI and automation affecting everything they touch – and they touch everything – digital literacy, emotional intelligence, and transdisciplinary thinking are now essential.

Leaders must encourage and support team members in developing "T-shaped" skills, combining deep expertise in one area with broad capabilities across other domains. Recognising and investing in these future-ready skills is a necessity for long-term success in an unpredictable world.

Key skills for the future include:

- **Digital Literacy**: Proficiency with technology, especially AI
- **Emotional Intelligence (EQ)**: The ability to empathise and communicate effectively
- **Transdisciplinarity**: Drawing ideas from multiple disciplines
- **Cognitive Flexibility**: Adjusting thought patterns to solve new problems
- **Sense Making**: Understanding and communicating complex data

The World Economic Forum predicts 44% of skills will be disrupted in the next five years, and 60% of workers will need retraining before 2027. Most leaders report closing skills gaps as a top priority in 2024 *(LinkedIn Learning)*, and many leaders say they are providing sufficient training, but they might not be correct.

About 20% of Australians say they are not using all their skills at work *(NCVER)*. And of Australian workers likely to switch employers, 63% say they have 'hidden' skills, and 69% claim it would be easy to find a new job that uses those skills *(PwC)*.

This gap between employees' desire to develop future-ready skills and their employer's efforts to provide them is a problem. It's a problem for employees, who value the skills for their own career and their current job. And it's a problem for employers, who have an under-skilled, more frustrated, less engaged workforce that isn't prepared for the future.

In the war for talent, this also creates an opportunity for other employers to swoop in and hire the best people, leaving their previous employer with an even bigger skills gap.

Here are 10 ways to build future-ready skills in on-the-job roles.

1. **Job Rotation**: Rotate roles in the organisation to expose employees to different functions.
2. **Project-Based Learning**: Assign employees to cross-functional projects to collaborate and solve problems.
3. **Shadowing**: Pair employees with colleagues in different departments or roles to observe and learn from them.
4. **Cross-Cultural Collaboration**: Connect people from external teams to develop cultural intelligence.
5. **Customer Interactions**: Expose all staff to customer-facing roles to improve empathy and problem-solving.
6. **Peer Reviews**: Ask employees to review peers' work to build analytical and constructive feedback skills.
7. **Presentation Skills**: Encourage people to present and teach others in team meetings and even in external forums.
8. **Leadership Opportunities**: Give people the chance to lead small teams or manage tasks to build their leadership skills.
9. **Stakeholder Engagement**: Invite employees to external stakeholder meetings to improve negotiation and relationship-building skills.
10. **Cross-Functional Collaboration**: Facilitate partnerships between teams to encourage knowledge sharing and diverse problem-solving approaches.

Are you building future-ready skills?

- ❑ We encourage continuous skill development for all employees.
- ❑ We regularly update our technical skills to stay relevant.
- ❑ We prioritise adaptability and creativity in our hiring processes.
- ❑ Leaders model lifelong learning and skill improvement.
- ❑ We offer resources for employees to improve digital literacy.
- ❑ We include emotional intelligence training in our development programs.
- ❑ We actively promote collaboration across departments.
- ❑ We encourage cross-disciplinary project teams for innovative solutions.
- ❑ Employees have access to external learning opportunities.
- ❑ We use reverse mentoring to learn from junior team members.
- ❑ Cognitive flexibility is a focus in our leadership training.
- ❑ We embrace diversity to enhance team skills.
- ❑ We conduct regular skills audits to identify gaps.
- ❑ We make training available for data interpretation and sense-making.
- ❑ We reward people for applying new skills effectively.
- ❑ We regularly ask employees what skills they want to learn for their own career growth.

"L&D pros must help employees prioritise three things: skills for the job they do now; skills for the job they want tomorrow; and skills that will serve them for life."

Geraldine Murphy, Global Learning Experience Manager, Heineken

6. Continuous Learnin

With a need for future-ready skills, it shouldn't come as a surprise that continuous learning is essential for developing, nurturing, and evolving those skills. Leaders must cultivate a culture of learning where people can upskill, reskill, and even 'un-learn' outdated practices.

In 2024, the landscape of continuous learning changed dramatically, with the rise of AI, microlearning platforms, and immersive technologies like virtual and augmented reality. In particular, AI-driven learning platforms allow hyper-personalised learning journeys that address individual gaps and goals. With faster innovation and change cycles, learning can also be customised and tailored to match skills with specific project needs and workflows.

90% of organisations are concerned about employee retention, and providing learning opportunities is the No. 1 retention strategy
LinkedIn Learning 2024

23% of organisations provide micro-internships (short-term, paid professional projects for university students)
SHRM 2024 Talent Trends

82 Australian universities and TAFEs offer microcredentials, and **26%** of Australian workers have completed a microcredential.
Microcredentials Council, ABS

Companies with robust learning cultures are **46%** more likely to be first to market
Bersin by Deloitte

More than **60%** of Australian educators say they prioritise personalised learning solutions catering to diverse student abilities
IMARC Group

53% of Gen Z employees (compared with 37% of older employees) value learning for career progress
LinkedIn Learning 2024

How AI is changing workplace learning

AI will be a paradigm shift for the world of work by both democratising and individualising learning and reaffirming employee growth as the ultimate goal.
Guillaume Delacour, Global Head of People Development, ABB

Personalised Learning Paths: Tailor content to match skill gaps, learning styles, and goals.

Microlearning: Break down complex topics into bite-sized lessons delivered at optimal intervals for retention.

Adaptive Learning: Adjust difficulty levels to match understanding and progress.

Content Recommendation: Curate relevant, personalised learning resources.

Language Translation: Enable access to courses in multiple languages.

Gamification: Create dynamic challenges and scenarios to motivate participants.

Predictive Learning: Identify performance trends for support and feedback.

Gap Analysis: Map current skills against role requirements to suggest training.

On-the-Job Support: Provide real-time tips and reminders through apps and wearable devices.

Interactive Videos: Integrate interactivity, such as quizzes or decision-making prompts, into videos during playback.

AR/VR Integration: Enhance augmented and virtual reality training by adapting scenarios based on learner actions.

Assessment and Feedback: Evaluate performance for better feedback.

Scenario Simulation: Generate realistic scenarios for experiential learning.

Virtual Coaching: Simulate mentoring experiences with AI-powered avatars or tools, providing tailored guidance.

Social Learning: Match employees with peers for collaborative learning.

Bold ideas for workplace learning

Three ideas from global talent and learning leaders – extracts from the *LinkedIn Learning Workplace Learning Report 2024*

"Imagine a future where **leaders are considered talent builders** and they are rewarded for exporting talent to other departments in their organisation. Imagine a future where not just managers, but executives sponsor and model internal movement themselves. By unlocking doors for our in-house talent, there's no limit to the innovation that becomes possible for both our employees and our organisations."

Stephanie Conway, Senior Director, Talent Development at LinkedIn

"**A cross-industry talent exchange program** with position swaps among employees with comparable functions and tenure levels would accelerate skill-building for all. This initiative, spanning vendor-customer partnerships and collaborations across various sectors, introduces fresh perspectives, promotes an exchange of best practices, and enriches skill sets."

Chris Louie, Head of Talent Development at Thomson Reuters

"What if we **organised the people around the work**? Knowing the skills that people have allows organisations to bring in-house talent in as advisors, leaders, or specialists with the skills that are exactly right for a project. With a skills-first mindset, organisations help employees develop skills that are crucial to the organisation's success and interesting and fulfilling to the employees themselves."

Dani Johnson, Co-Founder & Principal Analyst at RedThread Research

7. Cross-Industry Collaboration

In an interconnected world, cross-industry collaboration helps organisations solve problems that no single industry can tackle alone. This collaborative approach combines diverse skills and expertise, while still allowing organisations to focus on their core expertise. Both parties benefit, as do customers, employees, and other stakeholders.

Leaders who seek and embrace such partnerships can unlock new opportunities, mitigate risks, and foster a culture of innovation and change. Employees enjoy the chance to think differently, learn from other industries, and accelerate their career growth. And, of course, the organisation enhances its customer value proposition, with more solutions, a better customer experience, and even an opportunity to attract new types of customers.

Our world faces complex, interconnected challenges, such as climate change, social inequity, technological disruption, more sophisticated customers and employees, AI and automation, and more. You could previously “stay in your own lane”, but these complex problems need diverse expertise to find innovative solutions.

For example, the integration of technology and agriculture has led to smart farming solutions that enhance food security, and partnerships between healthcare and tech firms are advancing personalised medicine.

This is not only about bringing technology into the mix. It’s about finding partners who provide complementary products or services that your customers, employees, and other stakeholders want.

Successful collaboration needs more than aligning goals; it also demands mutual trust, clear and transparent communication, and shared values. Leaders must foster an environment that encourages openness and adaptability, while recognising and leveraging the unique perspectives of each partner in the collaboration.

“When you bring in diverse points of view, there will be sparks, arguments, failures, and heated tempers. If you don’t like that, perhaps innovation is not for you.”

Michael Houston, Grey Group

Cross-industry collaboration in Australia

Some Australian organisations already engage in cross-industry collaboration.

Woolworths partners with **OzHarvest** to share surplus food with charities, reducing food waste and supporting vulnerable communities.

Qantas created Australia's first SAF (sustainable aviation fuel) Coalition program, partnering with **Accenture**, **BCG**, **Australia Post**, and **Woodside**.

BHP and **Mitsubishi** invested in low-emission technology to reduce the carbon footprint of steel production.

Telstra is helping the **Royal Flying Doctor Service** expand its telehealth service to add more specialties to patients in regional areas.

Rio Tinto and **Alcoa** formed a joint venture, ELYSIS, to develop carbon-free aluminium smelting technology.

The **Google Cultural Institute**, which hosts virtual museum tours, added 1,000 artefacts from the **Sydney Opera House**.

National Australia Bank and **Good Shepherd Microfinance** provide no-interest loans to low-income customers.

"If you want to go fast, go alone; if you want to go far, go together."

Anonymous proverb from Burkina Faso (West Africa)

"Alone a youth runs fast, with an elder slow, but together they go far."

Anonymous proverb, East Africa

Genius ideas from outside an industry

Cross-industry collaboration also promotes the skill of “transdisciplinarity”: connecting ideas from other industries.

UK researchers developed origami-inspired paper sensors that change colour when they detect diseases in wastewater.

American researchers developed concrete inspired by the structure of human bones, making it more resistant to cracking

Two Malaysian students, inspired by termites, built a honeycomb brick system to cool buildings without electricity.

An Indian IT worker, inspired by the sacred cow, built a sewage treatment system that works without chemicals.

A 3D-printer in Colombia, inspired by the mason wasp, builds affordable homes using local materials like clay and mud.

Inspired by plant leaves, Singaporean researchers have built 3D-printed steam generators, that turn sunlight into steam.

The Da Vinci robot, inspired by remote handling of hazardous material in space, enables remote robot-assisted surgery.

Canadian company Biome Renewables, inspired by the efficient wing design of the Andean condor, built a wind turbine that increases energy output by 10%.

Researchers at MIT in the USA, inspired by the brain of a worm, developed AI that provides better navigation for drones.

Inspired by Lego blocks, Corkbrick in Portugal created an eco-friendly system of blocks for easy and flexible building of furniture.

8. Employee Experience

The COVID-19 pandemic transformed some workplace practices literally overnight – in areas such as flexible work, mental health, rapid learning, digital transformation, and new leadership styles. In a post-COVID world, employees continue to expect these 'perks'. And in a competitive talent market, leaders and organisations must provide a more compelling employee experience.

Employees expect a holistic employee experience, where work is an ecosystem of growth, well-being, and connection. As a result, the best leaders are moving from a transactional view of employment to one that integrates mental health support, career development, and meaningful work. This trend requires empathetic leadership and dynamic work cultures that prioritise the individual's journey.

What do your employees want now?

Several factors have amplified the value of employee engagement.

Hybrid Work: Hybrid work has become standard in many organisations, so leaders need to learn how to engage employees who aren't always in the office.

Economic Uncertainty: Inflation and rising costs of living have heightened employee stress and anxiety, reducing engagement.

Mental Health: Post-pandemic fatigue and mental health issues have spotlighted well-being as integral to engagement.

AI and Automation: Employees know AI is reshaping jobs, and might feel uncertain, excited, and unsure about their future.

Workforce Demographics: Generation Z employees want purpose-driven roles, meaningful work, and values alignment.

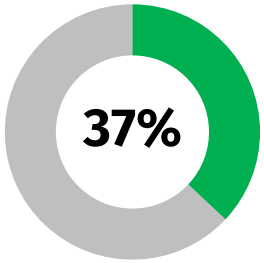
ESG: Employees are holding organisations accountable for Environmental, Social, and Governance commitments.

Burnout: The ongoing issue of burnout continues, with many employees feeling overwhelmed and overworked.

DEI: Diversity, Equity, and Inclusion initiatives have matured, with employees expecting measurable actions and inclusive environments.

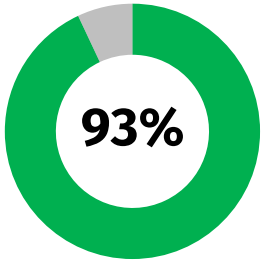
Skill Development: The accelerated pace of change has increased the need for continuous learning. Employees expect leaders to invest in their development.

Employee Voice: Employees are more vocal – especially online – about workplace dissatisfaction, but can also be brand advocates, showcasing positive experiences.



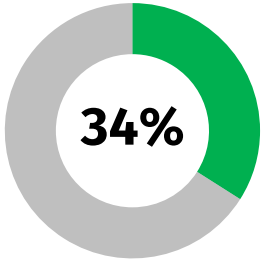
Employees who wish they had a different work environment that aligns with their preference (office, hybrid, or remote)

Wellhub The State of Work-Life Wellness



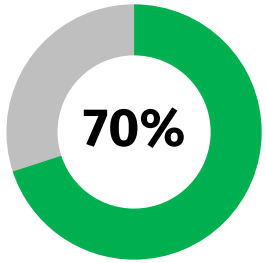
Employees who consider workplace wellbeing to be as important as salary

Gympass 2024 State of Work-Life Wellness



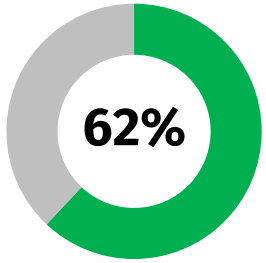
Higher retention in companies with strong career development programs

BetterBuys



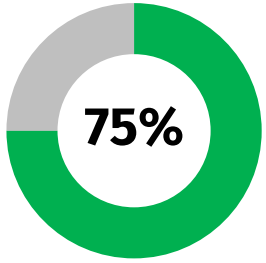
Variance in team engagement attributed to the team manager

Gallup State of the Global Workplace



Gen Z workers who say they are happy at work, compared to 67% of Boomers, 66% of Gen X, and 66% of Gen Y

Metlife Employee Benefit Trends Study



Employees who said they experienced at least moderate levels of stress at work (and 38% experienced high levels)

Aflac

How is your employee experience?

- ❑ We prioritise employee mental health and well-being.
- ❑ We have clear pathways for professional growth and career advancement.
- ❑ Employees have access to flexible work arrangements.
- ❑ We offer meaningful, purpose-driven roles aligned with our organisational values.
- ❑ Our leaders actively listen to and address employee concerns.
- ❑ We provide regular opportunities for employee feedback and dialogue.
- ❑ We support volunteering, community engagement, and other employee-led initiatives.
- ❑ We provide workplace flexibility and offer employees many flexible options.
- ❑ Our workplace culture values inclusivity and diversity.
- ❑ We have programs for stress management and resilience building.
- ❑ We invest in tools and resources for professional development.
- ❑ Employees have access to coaching, mentoring, and other one-on-one development programs.
- ❑ Our policies promote a healthy work-life balance.
- ❑ We regularly assess and improve employee engagement levels.
- ❑ We use technology to enhance connectivity and collaboration.
- ❑ We have employee recognition and reward systems in place.

"Employees who believe that management is concerned about them as a whole person – not just an employee – are more productive, more satisfied, and more fulfilled."

Anne M. Mulcahy, former CEO, Xerox

9. Workforce Demographics

Workplace demographics continue to change, driven by delayed retirements, the growing influence of Gen Z, the rise of global talent pools, and increased human-machine collaboration. With up to five generations working side by side, leaders must navigate diverse communication styles, expectations, and priorities. When combined with increased flexibility, new perspectives on neurodiversity, shifting societal norms, and different expectations about work-life balance, the workplace of 2025 presents both challenges and opportunities.

The best leaders create inclusive environments that leverage diversity. They welcome unique perspectives and foster collaboration, driving innovation and building collective wisdom.

What’s new in workforce demographics

Generational Tensions: The return-to-office debate has shown differences between older workers, who want more in-office work, and younger workers, who value more flexibility.

Delayed Retirement: Rising living costs have led more Baby Boomers to delay retirement, prolonging careers but blocking promotions and opportunities for younger workers.

Global Talent Pools: Remote work lets organisations tap into global talent markets, increasing workforce diversity but also raising challenges with cultural differences and time zones.

Demand for DEI in Leadership: Younger generations are holding leaders and organisations accountable for authentic diversity, equity, and inclusion efforts.

Skill Gaps: The pace of technological change is particularly difficult for older workers, while younger workers excel in technology but may lack ‘traditional’ workplace culture.

Focus on Neurodiversity: Organisations are recognising the value of neurodiverse talent, such as people with ADHD, autism, or dyslexia.

Economic Pressures: Rising inflation, cost of living, and student debt disproportionately affect Gen Z and Gen Y, causing job-hopping and need for financial wellness benefits.

Caregiving: Increased caregiving responsibilities have driven the demand for family-friendly workplace policies.

Companies around the world embrace diversity

Siemens offers **flexible retirement transition plans**, allowing Baby Boomers to reduce hours while mentoring younger staff.

Capgemini uses **reverse mentoring** so Gen Z employees can teach older colleagues about digital trends and technology.

Tata Consultancy Services has launched a program to help **experienced women return to work** after a career break.

Woolworths offers **Parental Leave Equality**, with equal leave for all parents, regardless of gender.

Vodafone's *ReConnect Program* helps women **return to the workforce** after career breaks.

Samsung's **Future Generation Lab** incorporates younger generations into management activities.

Nestlé's *Needs YOUth* program offers **apprenticeships and job training for young workers**.

Banglalink offers **career support for women**, with mentoring, leadership training, and family-friendly policies.

Telstra and CareerTrackers offer up to 20 paid, multi-year **internship places for First Nations university students** every year.

Huawei's *Seeds For The Future* program promotes cross-border teams with **people from diverse cultural backgrounds**.

Gen Z thinks differently about work

By 2030, one in three employees will be Gen Z (born between 1997 and 2012), and they think differently about work and life.

Which of these Gen Z trends do you recognise, understand, and accommodate in your workplace?

Quiet Quitting: Doing only what's required without going above and beyond, to prioritise work-life balance

Career Cushioning: Proactively building skills and networks to prepare for potential job loss or career shifts

Polywork: Juggling multiple income streams, freelance gigs, or passion projects alongside a primary job

Bare Minimum Mondays: Easing into the workweek with less pressure, prioritising simple tasks to avoid burnout

Anti-Ambition: Rejecting the traditional "hustle culture" in favour of a slower, more fulfilling career path

Digital Nomadism: Embracing remote work to travel and work from anywhere, blending career with personal exploration

Human Energy Crisis: The idea that burnout and disengagement are depleting human potential in the workplace

Workfluencer: An employee leveraging social media to share workplace experiences, influencing organisational culture and employer branding

Lazy Girl Job: A term for low-stress, well-paying jobs that prioritise flexibility and work-life balance

And one for Gen X and Gen Y:

The Sandwich Generation: Employees with caregiving responsibilities for children and ageing parents while managing work demands

10. Crisis Leadership

We live in a complex, interconnected, and fast-moving world, with challenges such as pandemics, geopolitical tensions, climate crises, and technological disruptions. Organisations are more vulnerable to external shocks, which affect all organisations and leaders at every level.

For smaller organisations, even small events – such as a data breach, a supply chain disruption, or a public relations issue – can trigger an existential crisis. Larger organisations are usually more resilient but can take longer to respond.

Crisis leadership is no longer the sole responsibility of executives or crisis management teams. Effective leadership involves a balance of decisiveness with empathy, risk management with opportunity readiness, and reputational risk with brand integrity.

Five years ago, the COVID-19 pandemic changed the world, and forced leaders at all levels to adapt to supply chain disruptions, a healthcare crisis, isolation and remote work, digital transformation, and more.

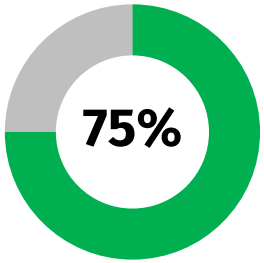
Early in the pandemic, leaders were given some leeway because it *was* a crisis. Now, the "new normal" is to expect ongoing disruption and change, and leaders won't be afforded the same leeway. They will be expected to prepare for, respond to, and navigate disruption after disruption.

For example, the impact of climate change is being felt now, with disruptions that ripple across industries. Travel is less reliable, extreme weather events are more common, and supply chains are more fragile. These changes affect us all – organisations, teams, and leaders.

Crisis leadership is a non-negotiable skill for leaders across all organisations, regardless of size or level. Now, where disruption is the norm, effective crisis leadership is a vital skill for safeguarding organisational success.

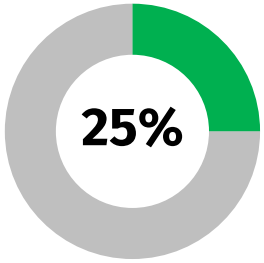
Early in the pandemic, Macquarie Business School examined Australian businesses to assess how well they were coping. They coined the phrase "avocado leader" to describe a new leadership style for successfully navigating through crisis. Like an avocado, this kind of leader has both a hard inner core (a focus on business outcomes) and a soft outer layer (empathetic people skills).

In a future with more uncertainty, disruption, change, crisis, and – yes, opportunity – we need more avocado leaders.



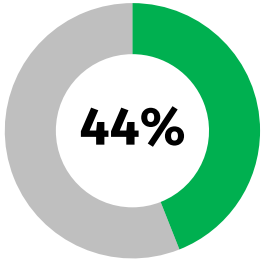
Organisations that needed to activate their crisis management plan in 2024

BCI Crisis Management Report



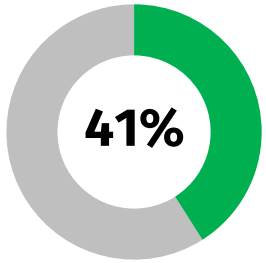
Australian organisations who test their crisis communication plan every year

SenateSHJ Crisis Value Erosion Index



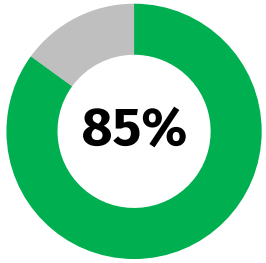
Australian leaders who have challenges in maintaining and maturing their resilience program

PwC Global Crisis and Resilience Survey



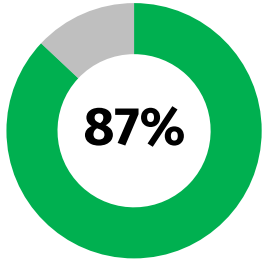
Australian leaders who said a disruption had a high impact on operations (affecting critical business processes or services)

PwC Global Crisis and Resilience Survey



Customers who are more likely to support a business in a crisis if they are open and transparent about managing it

Sprout Social



Organisations that recognise staff wellbeing as a key requirement of the crisis management team

BCI Crisis Management Report

Are you investing in crisis leadership?

- ❑ We have a clear crisis management plan in place
- ❑ We have identified potential risks and vulnerabilities across all departments
- ❑ Our crisis response team has defined roles and responsibilities
- ❑ We have recently conducted risk assessment exercises
- ❑ We have an effective internal and external communication strategy for crises
- ❑ Employees are trained in basic crisis response protocols
- ❑ We update our business continuity plans regularly
- ❑ We have established strong relationships with external stakeholders for crisis support
- ❑ We have a mechanism for collecting real-time data during crises
- ❑ We include crisis leadership and risk management in leadership development programs
- ❑ We review and learn from past crises to improve future responses
- ❑ We provide mental health support for employees during crises
- ❑ Our cybersecurity measures are robust and up to date
- ❑ We have contingency plans in place for supply chain disruptions
- ❑ We have identified potential geopolitical risks relevant to our operations
- ❑ We invest in preventative measures where possible to prevent a crisis

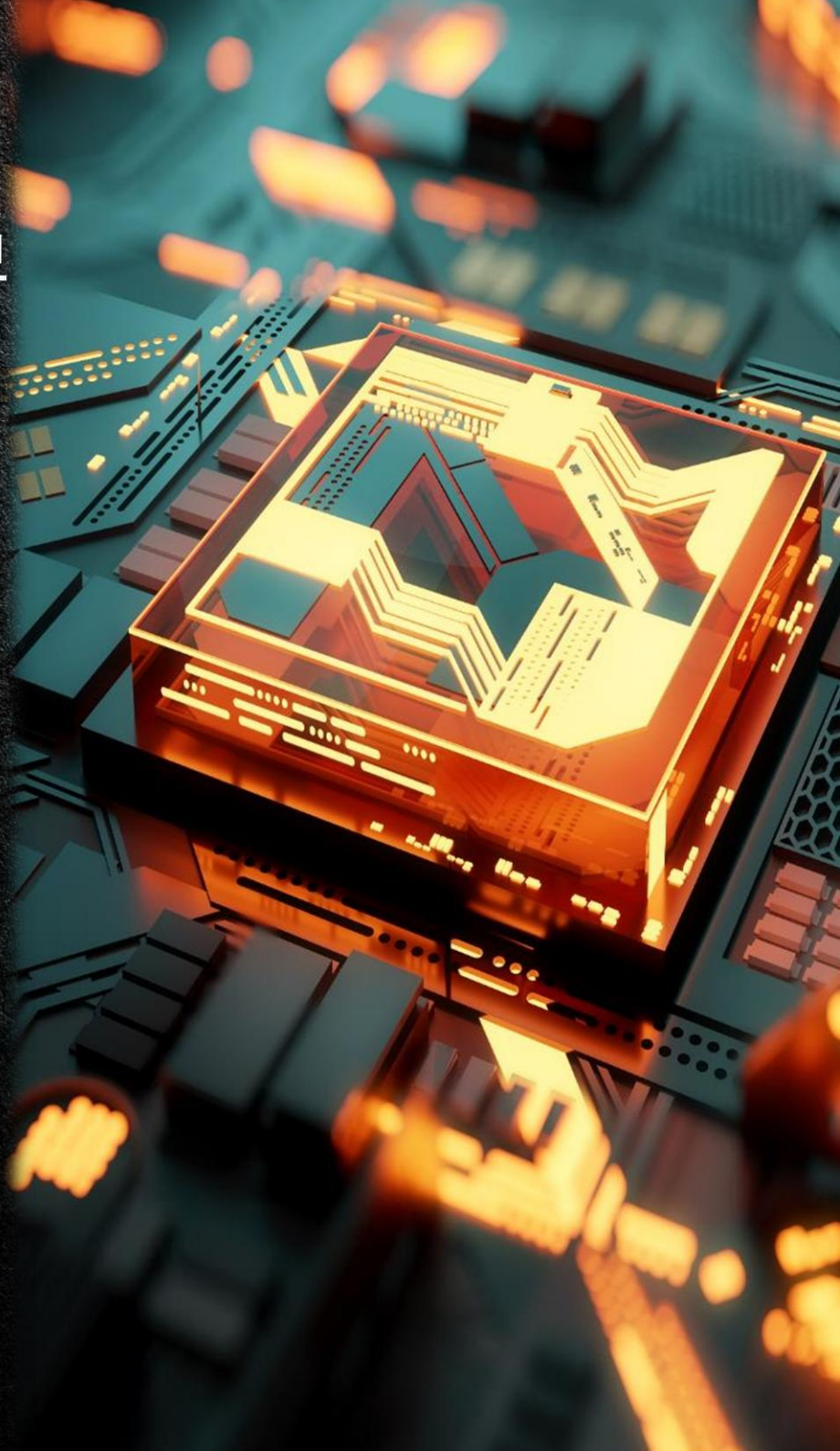
"Risk management is a more realistic term than safety. It implies that hazards are ever-present, and must be identified, analysed, evaluated and controlled or rationally accepted."

Jerome F. Lederer, "Mr. Aviation Safety", American engineer

11. Quantum Computing

Quantum computing makes computers exponentially faster, with the potential to revolutionise entire industries. It could create major breakthroughs in areas like machine learning, drug discovery, climate modelling, financial modelling, and cryptography. However, this massive increase in computer power also creates significant challenges (for example, if it can crack complex passwords in seconds rather than years, it becomes a major security challenge).

Quantum computing is still in its early stages, but it already took big strides in 2024. It might not directly affect you in 2025, but it should be on your "must watch" list, because when it takes hold, its impact will be rapid and massive. Monitor, assess, and consider how a breakthrough might affect your operations and entire industry.



How it could change the world

Drug Discovery: Analyse molecular structures and interactions at unprecedented speeds, reducing the time to develop new medications.

Material Science: Model molecules and materials, leading to better substances like better solar panels or stronger alloys.

Traffic Flow: Manage traffic flow, reducing congestion and improving mobility.

Climate Modelling: Simulate complex climate systems with precision, for better climate change prediction and mitigation.

Financial Modelling: Handle complex economic simulations, for more accurate market predictions and risk assessments.

Artificial Intelligence: Process vast amounts of data more efficiently, leading to more advanced AI capabilities.

Supply Chain Management: Optimise logistics and supply chains, reducing costs and improving efficiency.

Aerospace: Simulate aerodynamic properties for aircraft and spacecraft design faster and more precisely.

Energy Storage: Model complex chemical reactions, leading to breakthroughs in battery technology and energy storage.

Weather Forecasting: Make more accurate and localised predictions, benefitting agriculture and disaster planning.

Computational Chemistry: Solve complex chemical problems, giving new insights into reaction mechanisms and catalysis.

Telecommunications: Improve network optimisation, leading to ultra-secure quantum communication networks.

Conclusion

The world is shifting rapidly, and with that comes the chance to reimagine what leadership looks like: more innovative, inclusive, and impactful.

The future isn't a problem to overcome but an opportunity to thrive. If you accept this challenge, use the trends in this report as both a roadmap and a call to action. They show you where you can make the biggest difference: building stronger teams, fostering trust, driving innovation, and creating meaningful connections.

As you navigate this future, remember your actions today will shape not just your organisation, but the people, teams, and communities around you. This is your time to lead with purpose, inspire with vision, and leave a legacy of positive impact.

The best leaders don't promise certainty – nobody can – but they act with clarity and confidence even in the face of uncertainty.

The last few years have seen many disruptions – including a global pandemic, an explosion in AI, geopolitical unrest, and the impact of climate change. It's time now for us to take back control, and proactively create change.

"Disruption and innovation are both about change: It's disruption when change happens to you and innovation when you create the change yourself."

Gihan Perera

Gihan Perera is a business futurist, conference speaker, AI researcher, and author who shows you how to be fit for the future in a fast-changing world.

For more than 30 years, he has worked with organisations and leaders throughout Australia and the world, helping them to lead in uncertainty and act with clarity and confidence.

He is the author of *Disrupted*, *Disruption By Design*, and *The Future of Leadership*.

Forbes rated him the #5 social media influencer in the world (and #1 in Australia) in his area of expertise.

In 2024, he was awarded *Educator Of The Year* from his professional association, Professional Speakers Australia.

In 2025, he was rated one of the Top 30 Global Futurists.

As a speaker, he shares future trends and thought-provoking insights – delivered with interaction, engagement, and humour – that leave people feeling positive, empowered, and optimistic about their future.

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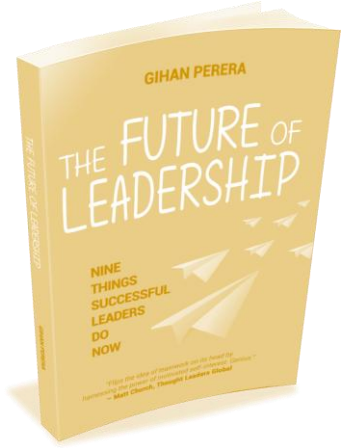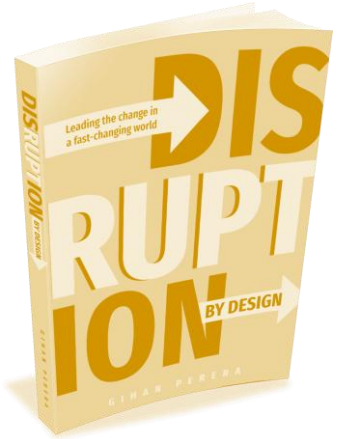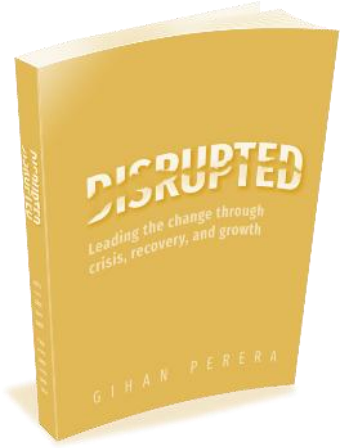
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