



# HR Pulse Survey 2025

The evolving role of HR in empowering people and shaping organisational success



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01

**Introduction**

**Each year, the HR Pulse Survey, a collaboration between PwC Malta and the Foundation for Human Resources Development (FHRD), explores the HR challenges and priorities of local organisations. Now in its eleventh edition, this year's survey focuses on the evolving role of HR in empowering people and shaping organisational success.**

As expectations around leadership, inclusion, well-being, productivity, technology enablement and career development continue to grow, HR is playing an increasingly central role in supporting both employees and business outcomes. The survey gathers the views of Malta's HR professionals and top executives on how organisations are responding to these demands, and the strategies they are adopting to address their workforce challenges.

Respondents were asked to evaluate various aspects of their current organisational context across the following areas:

- People-related concerns and priorities
- Organisational culture and belonging
- Diversity, equity and inclusion (DEI)
- Leadership development and performance
- Empowering HR practices
- Employee well-being and organisational health
- Career development and internal mobility
- Succession planning and high-potential talent
- Role of line managers in people leadership
- HR data and strategic decision-making
- Talent attraction and retention drivers

The findings provide a perspective on how HR in Malta is responding to today's realities and highlight the areas receiving the most attention in 2025.

They also offer valuable insights to support organisations in planning their people strategies more effectively.



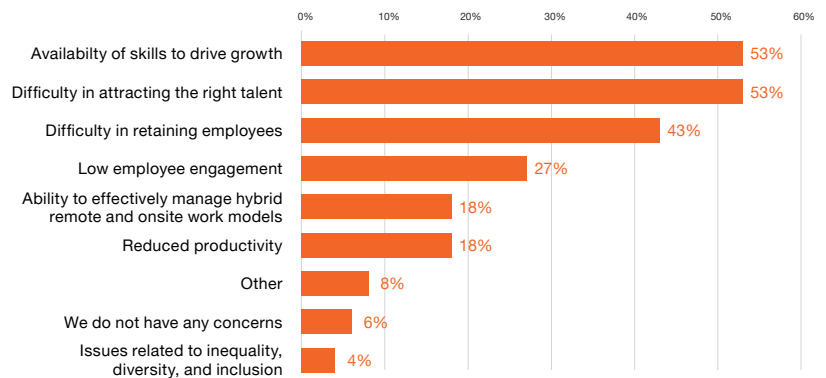
02

# People-related concerns and priorities





## What are your top people-related concerns at the moment within your organisation?



When asked to select up to **three** of their top people-related concerns within their organisation, the most frequently selected responses were **availability of skills to drive growth** and **difficulty in attracting the right talent**, both selected by **53%** of respondents. These concerns reflect continued pressure on organisations to build the right capabilities for business growth and competitiveness.

Employee retention followed closely, selected by **43%** of respondents, confirming the ongoing importance of not only attracting but also keeping the right people. **Low employee engagement** (27%), **managing hybrid remote and onsite work models** (18%), and **reduced productivity** (18%) were also notable, though with less emphasis.

Although not as prominent, **issues related to diversity, equity, and inclusion (DEI)** were selected by just 4%, suggesting that DEI remains a lower short-term priority for many organisations compared to talent acquisition and skills gaps. Only 6% of respondents indicated they had no people-related concerns, reinforcing that talent challenges remain a central focus for HR.

In the free-text “Other” category, respondents flagged specific concerns including burnout, **mismatch of salary expectations, lack of Maltese talent, and leadership gaps in family-run businesses** - highlighting context-specific pressures not always captured in standard categories.

It is worth noting that the same core themes - **talent attraction, skills availability, and retention** - featured prominently also in the 2024 survey results. This suggests a degree of continuity in the workforce challenges organisations are facing.



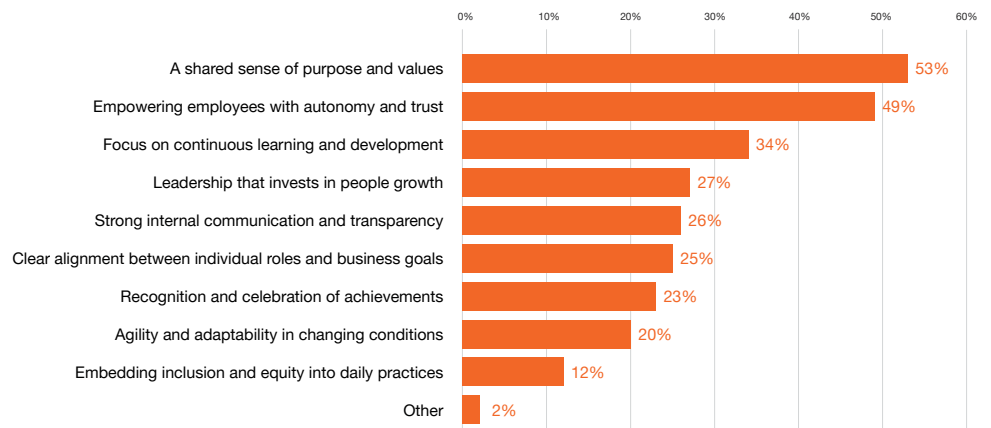
03

**Organisational  
culture and  
success drivers**

## Which aspects of your organisational culture and approach to talent most contribute to long-term organisational success?

A shared sense of purpose and values was identified as the most significant contributor to long-term organisational success, selected by 53% of respondents. Closely following was the empowerment of employees through autonomy and trust, chosen by 49%, underlining the emphasis placed on individual ownership and mutual confidence within teams.

Other elements considered important included a focus on continuous learning and development (34%), leadership that invests in people growth (27%), and strong internal communication and transparency (26%). These results highlight a cultural preference for openness, personal development, and clear communication as foundations for sustainable performance.

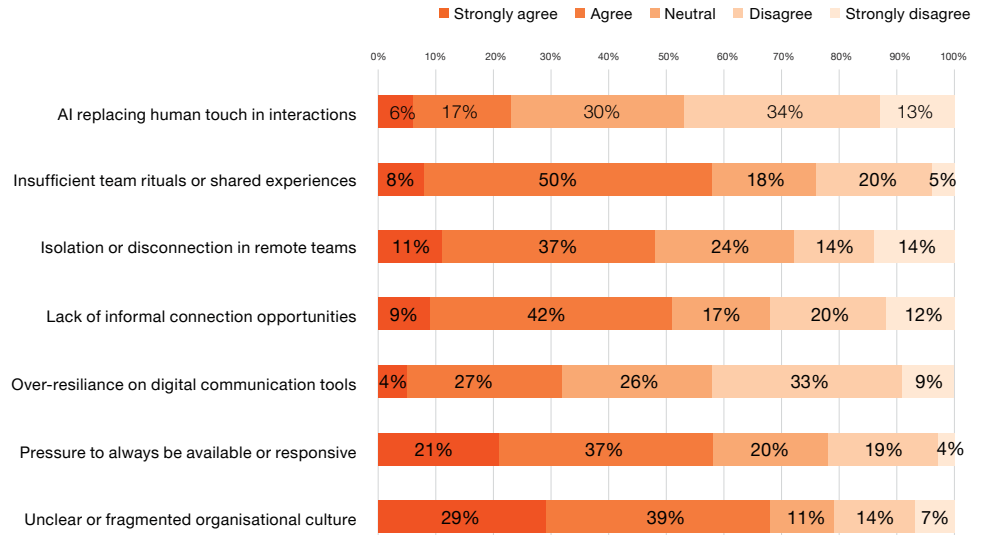


By contrast, **agility and adaptability in changing conditions** was selected by 20%, followed by **embedding inclusion and equity into daily practices** at 12%, suggesting that while still relevant, these are not perceived as the most immediate drivers of organisational success in the current context.

Respondents were also asked to what extent various factors hinder a sense of belonging in their current work environment. The most widely acknowledged challenge was **unclear or fragmented organisational culture**, with 68% in agreement (39% strongly agree and 29% agree). This was followed by insufficient team rituals or shared experiences, cited by 58% (50% agree and 8% strongly agree), and the pressure to always be available or responsive, also selected by 58% of respondents (37% agree and 21% strongly agree).

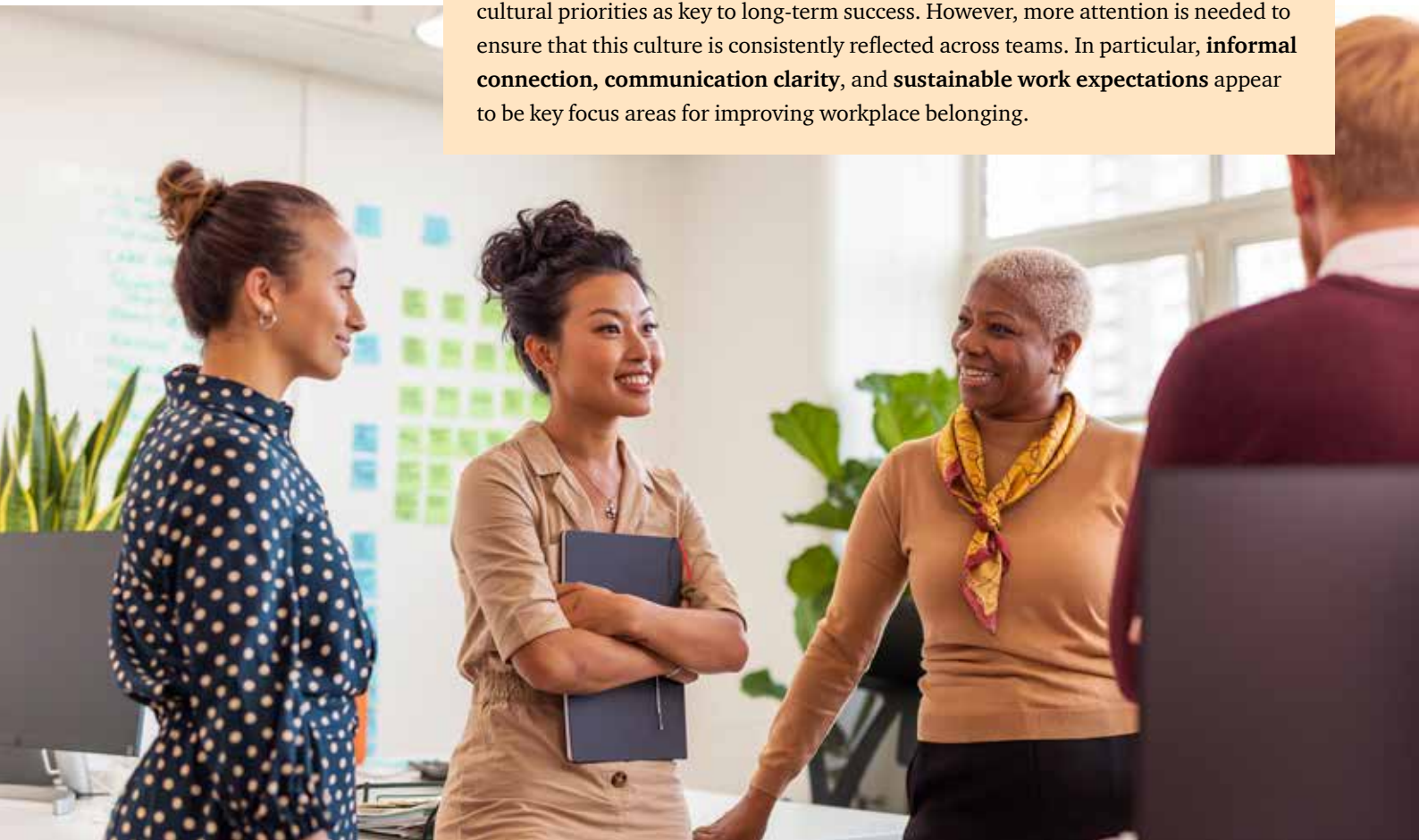
The **lack of informal connection opportunities** was selected by 51% of respondents (42% agree and 9% strongly agree), while **isolation or disconnection in remote teams** was cited by 48% (37% agree and 11% strongly agree).

## To what extent do you agree or disagree that the following factors hinder a sense of belonging in your organisation’s current work environment?



In contrast, fewer respondents viewed technology-related aspects as significant barriers. 31% felt that over-reliance on digital communication tools affects the sense of connection (27% agree and 4% strongly agree), while 23% agreed that AI replacing human touch in interactions hinders belonging (17% agree and 6% strongly agree).

These findings suggest that many employees view clearly defined organisational cultural priorities as key to long-term success. However, more attention is needed to ensure that this culture is consistently reflected across teams. In particular, **informal connection, communication clarity, and sustainable work expectations** appear to be key focus areas for improving workplace belonging.



04

**HR practices  
driving  
empowerment  
and impact**



## Which of the following HR practices have been most transformative in empowering employees and driving business impact in your organisation?

**Among the HR practices seen as most transformative in empowering employees and driving business impact, continuous listening and employee voice mechanisms ranked highest, selected by 59% of respondents.**

This underlines the growing importance of fostering open dialogue and ensuring employees feel heard at all levels of the organisation. Closely behind were flexible and personalised career development pathways (51%) and integrated well-being and performance strategies (50%), highlighting the emphasis on aligning business success with personal growth and holistic strategies.



Other practices gaining traction include **agile workforce planning (27%)**, **clear and actionable people analytics (24%)**, and the **reinvention of performance management (20%)**, indicating that while foundational strategies lead, many organisations are also looking to evolve how they manage and structure talent systems.



## What are the most effective HR strategies you use to cultivate leaders who amplify team potential?

On the leadership front, **leadership and management development programmes** stood out prominently, with **66%** of respondents identifying them as the most effective strategy to cultivate leaders who amplify team potential. Other frequently selected approaches included **embedding feedback and reflection in leadership routines (38%)**, **peer mentoring and knowledge sharing (37%)**, and **recognition of leadership behaviours, not just outcomes (35%)**. These findings suggest a strong emphasis on learning, behavioural role-modelling, and peer-based leadership support.



Less frequently mentioned were 360° feedback mechanisms (25%) and linking leadership to business and people metrics (14%), which may suggest that respondents prefer more continuous and integrated approaches to feedback and development over formal assessment tools.



## What do you consider to be the main reasons behind challenges in maintaining high-performing employees?

These findings align closely with responses from another question examining the main reasons why organisations face challenges in maintaining high-performing employees. The leading factor was **poor management or leadership practices**, mentioned by **57%** of respondents, followed by **lack of clear direction or vision (46%)**. In line with earlier insights, respondents also pointed to **limited career growth opportunities and workload imbalance** (both at **33%**) as key barriers. Meanwhile, **organisational culture or work environment** was highlighted by **26%** of respondents.



Taken together, the data paints a clear picture: strong leadership, clear strategic direction and career development are fundamental to fostering performance and engagement.

Where these are lacking, organisations face a greater risk of underperformance and attrition, making these focus areas critical for sustained business impact.



05

**Diversity, Equity  
and Inclusion  
(DEI)**



## Where would you place your organisation in terms of Diversity, Equity and Inclusion (DEI) maturity?



When asked to reflect on their organisation’s maturity in terms of Diversity, Equity and Inclusion (DEI), 40% of respondents stated that DEI is valued as important for both business and people success. Meanwhile, 25% indicated that DEI is integrated into everything the organisation does, and a further 17% reported that DEI is critical to their business strategy, vision, and purpose.

These results suggest that while many organisations recognise DEI’s strategic value, full integration into operations and leadership practices may still be evolving. However, not all responses were equally optimistic. 8% of respondents were unsure about their organisation’s DEI approach, 7% said DEI is **compliance-driven**, and 4% viewed DEI as **non-essential or a waste of time** - highlighting that there remains a segment where DEI is either misunderstood or not fully embraced at a strategic level.

## What are your top DEI-related concerns as an HR leader or executive?



In terms of concerns related to DEI from an HR leader or executive perspective, the top issue reported was **difficulty measuring DEI outcomes**, selected by **33%** of respondents. This was closely followed by **perceived politicisation of DEI (28%)**, a signal that for some, DEI efforts risk becoming divisive rather than unifying if not managed carefully and transparently.

Taken together, these findings show that while DEI is increasingly recognised for its value, progress remains uneven - particularly around implementation, measurement, and strategic alignment.

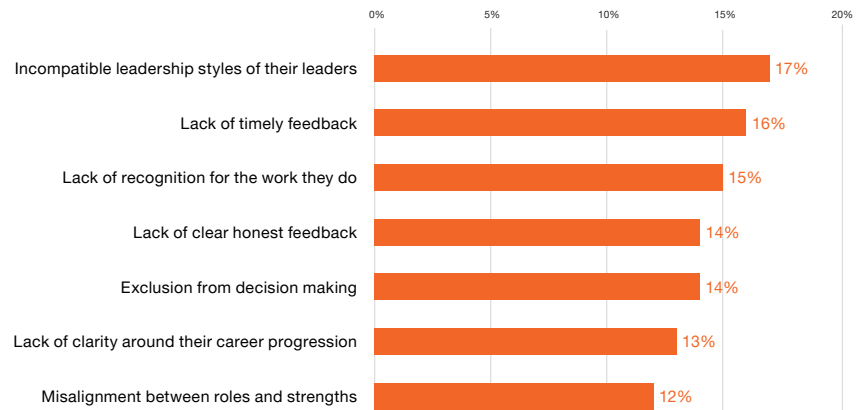


06

**Human  
connection  
and workplace  
authenticity**



## What are the main reasons employees may feel unseen at the workplace?

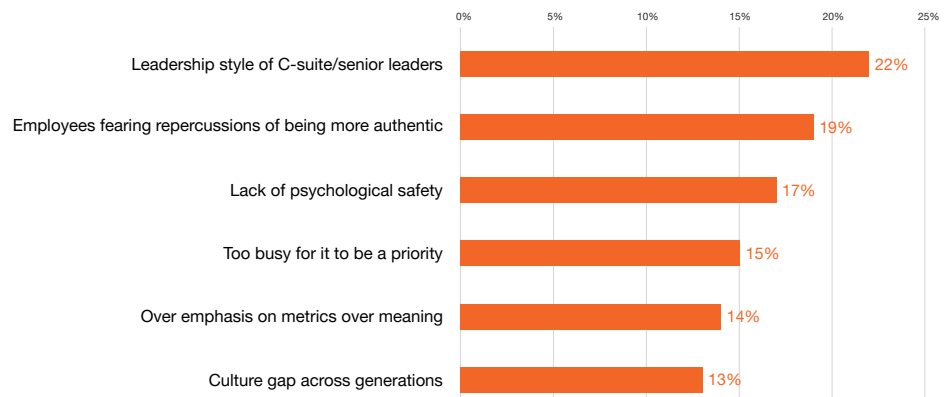


Survey responses indicate that leadership style is a recurring theme in challenges related to both feeling unseen at work and building a more open and authentic culture.

The most commonly selected reason why employees may feel unseen is **incompatible leadership styles** (ranked 1st), followed by **lack of timely feedback** (2nd) and **lack of recognition for the work they do** (3rd). Other relevant factors include **lack of clear and honest feedback** (tied 4th) and **exclusion from decision-making** (also tied 4th).



## What are the biggest barriers to creating a more open and authentic culture at the workplace?



When asked about the biggest barriers to creating a more open and authentic culture, leadership style of senior leaders again ranked highest (1st), followed by fear of repercussions for being more authentic (2nd) and lack of psychological safety (3rd). While operational pressures and generational gaps were mentioned, they were selected less frequently.

Together, these insights reinforce the idea that **leadership behaviour**, **trust**, and **safe communication** are central to fostering a culture where people feel seen and able to express themselves openly.



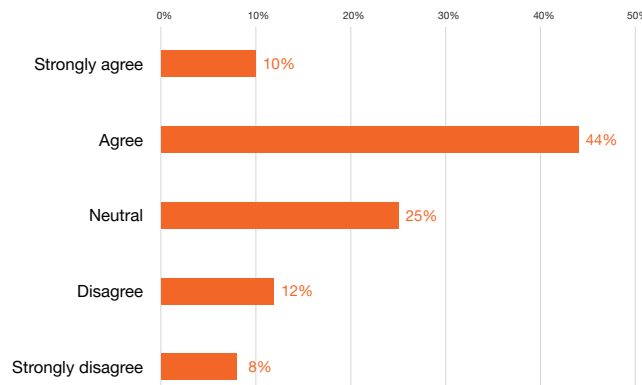
07

**Leadership  
impact and  
challenges**

## To what extent do you agree or disagree with the following statement: Our current leadership effectively inspires, engages, and motivates employees to perform at their best.

**Leadership continues to play a crucial role in shaping employee engagement, direction, and performance.**

When asked whether their current leadership effectively inspires, engages, and motivates employees to perform at their best, **54% responded positively** (44% agree and 10% strongly agree), while **20% disagreed** (12% disagree and 8% strongly disagree). A notable **25% remained neutral**, reflecting a potential gap between leadership intent and employee perception.



## Which of the following leadership challenges are most prevalent in your organisation?



The data reveals that poor communication and feedback practices are seen as the most prevalent leadership challenge, selected by 39% of respondents. This is followed closely by low levels of employee engagement or motivation (36%), and difficulty holding team members accountable (34%). These findings point to a need for stronger performance management and day-to-day people leadership.

Other prominent barriers include lack of clear or inspiring leadership vision (33%), and leaders struggling to empower team members (24%). Although less frequently mentioned, lack of trust between leaders and teams (21%), no significant leadership challenges (16%), and inability to adapt leadership approaches during change or uncertainty (15%) were also noted.

Taken together, these results suggest that while many leaders are perceived as competent, there are critical areas - particularly around communication, motivation, and accountability - where improvements could further amplify their impact.



08

# Employee advocacy during organisational change



## Which of the following employee activation strategies do you consider the most effective during organisational change in your organisation?



**Empowering employees to actively support and represent organisational change efforts remains a complex but critical goal.**

When asked which strategies are most effective during such transitions, the **most frequently selected approach was transparent communication about change rationale and impact**, cited by 73% of respondents. This was followed by **training managers to facilitate two-way dialogue about change (58%)** and **involving employees in decision-making processes during change (55%)**, highlighting the importance of both information flow and inclusion in shaping successful change adoption.

Other practices receiving moderate support included **providing regular updates on change progress and outcomes (44%)** and **recognising and rewarding employees who advocate for change initiatives (26%)**.



## Which of the following are your top challenges when trying to activate employees as advocates during organisational change?



On the other hand, respondents identified several challenges that limit employee advocacy during change. The **most frequently cited obstacle was resistance to change from middle management (43%)**, followed by **lack of trust in leadership (33%)** and **unclear guidelines for employee advocacy (32%)**.

Other barriers included **difficulty in measuring advocacy impact (28%)** and **organisational silos that prevent cross-functional collaboration (27%)**. Also noteworthy were **insufficient resources (25%)**, **lack of tools or platforms (17%)**, and **concerns over information security (16%)**. **Low digital literacy among employees (14%)** was also noted, highlighting the need for digital capability-building as part of change management strategies.



These findings suggest that while employees can be powerful allies during organisational change, their role must be supported by strong leadership, structured processes, and a communication environment rooted in openness and trust.

09

**Employee well-being and organisational health**

## Which of the following activities do you consider most effective in supporting employee well-being and organisational health in your organisation?



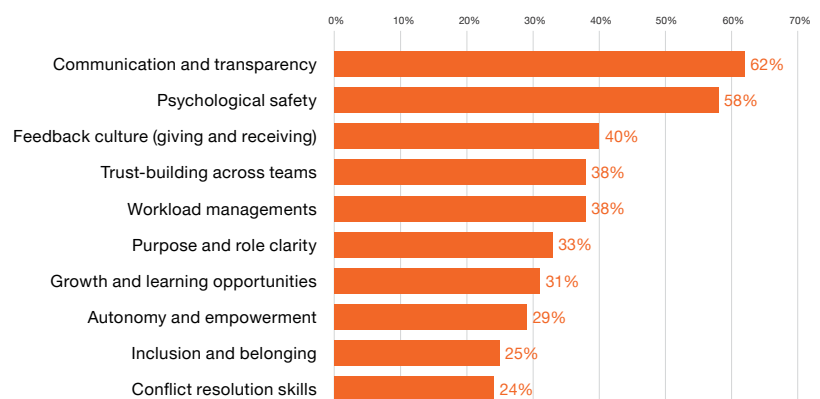
Organisations are placing clear emphasis on supporting employee well-being through both structured support and cultural enablers. The most widely endorsed activity is **Employee Assistance Programmes (EAP)** such as therapy and counselling, considered effective by **68%** of respondents. This underlines the growing reliance on professional mental health support in the workplace.

**Coaching** and the implementation of **well-being policies and practices** were each selected by **46%** of the respondents, showing how personalised support and clear frameworks are viewed as equally impactful. **Employee feedback surveys** followed closely at **43%**, pointing to the role of listening mechanisms in promoting wellbeing. Additionally, **leadership development with a well-being focus** (37%) and **training on specific well-being topics** (27%) reflect efforts to embed well-being into both behaviour and capability-building.

By contrast, other initiatives such as **financial literacy education** (7%) and **healthy food options at work** (5%) were selected far less frequently, indicating a preference for approaches that address well-being at its core.



**In your view, which of the following areas should organisations prioritise to strengthen employee well-being and build a well-being-first culture?**



When asked which areas should be prioritised to strengthen well-being and build a well-being-first culture, respondents pointed overwhelmingly to communication and transparency (62%) and psychological safety (58%) as top priorities.

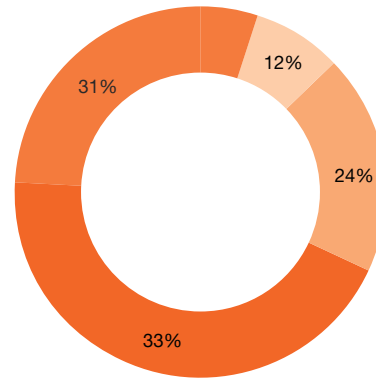
**Feedback culture** (40%), **trust-building across teams** (38%), and **workload management** (38%) also ranked highly, reinforcing the view that interpersonal dynamics and operational clarity play a central role in organisational health. Slightly lower but still important were **purpose and role clarity** (33%) and **growth and learning opportunities** (31%).

Taken together, the results indicate that well-being is best supported through psychological safety, open communication and consistent cultural practices, rather than isolated or symbolic initiatives.

10

**Succession  
planning and high-  
potential talent**

## Do you currently have an active formal succession plan in place?

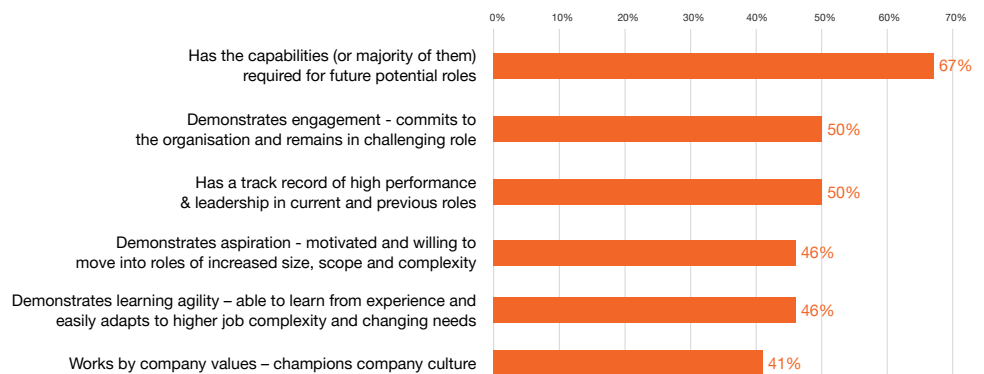


- No, we do not currently have a succession plan in place
- No, we are currently developing a succession plan
- Yes, for identified key roles across different grades
- Yes, for senior leadership roles only

Succession planning is not yet well established in many organisations. **33%** said they do **not** currently have a succession plan in place, and **24%** are still developing one. Only **31%** have a plan covering key roles across different grades, while **12%** have a plan **for senior leadership roles only**.

Among those with a plan, the most common way to define high-potential talent is by identifying people who have the capabilities needed for future roles (67%). This is followed by those who show engagement with the organisation (50%) and those with a track record of high performance (50%). Aspiration and learning agility were each selected by 46%, and alignment with company values by 41%. No respondents selected willingness to relocate as a key trait.

## If you answered ‘Yes’ please answer the following: How does your organisation define high potential talent? Please select the 3 traits that are considered most important within your organisation.



These results suggest that while some organisations are taking steps to prepare for future talent needs, many still lack formal processes to do so. The focus remains on current performance and readiness, rather than on broader planning.



# **Line managers and people responsibilities**



## What do you find is the most common reason managers in your organisation hesitate to take ownership of people-related issues?



Line managers play a central role in managing people-related matters, yet many are hesitant to take full ownership. The most commonly selected reason was the belief that **these issues should be handled by HR**, chosen by 65% of respondents. This was followed by **fear of saying the wrong thing or handling sensitive people issues** (49%) and **lack of knowledge or confidence** (48%).

## In which areas do managers in your organisation struggle most when it comes to taking ownership of people responsibilities?



When asked about specific areas of difficulty, **45% said managers struggle to understand the boundaries between their role and HR’s**, while **43% highlighted difficulties in creating engagement through regular, meaningful communication**. Both balancing empathy with business outcomes and driving accountability and high performance were selected by 39% of respondents, pointing to the challenge of maintaining both people focus and performance expectations. Other responses included supporting development through ongoing feedback and coaching, and acting confidently on people matters.

Overall, the data highlights the need for line managers to understand better the boundaries between HR and their role, increased confidence in handling sensitive people issues, and stronger support for managers to take ownership of people responsibilities.

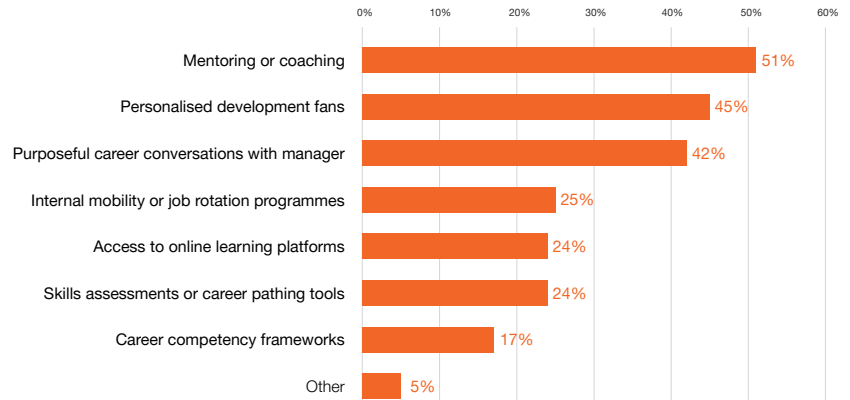


# Career development and mobility

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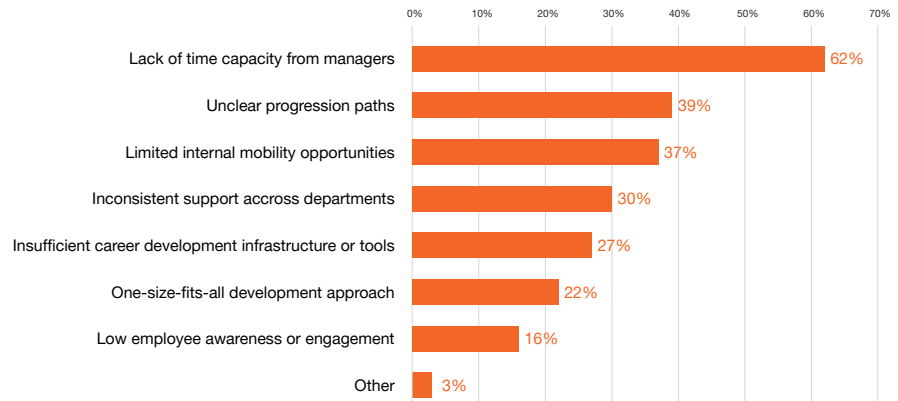


## What are the most effective approaches your organisation uses to support individualised career development?



Career development continues to be a strategic area of focus, with organisations exploring different ways to support individual growth. When asked about the **most effective approaches**, respondents most frequently selected **mentoring or coaching** (51%), followed by **personalised development plans** (45%) and **career conversations with managers** (42%). These findings highlight the importance of tailored guidance and regular dialogue in enabling long-term career progress.

## What are the main barriers your organisation faces in delivering meaningful career development experiences?



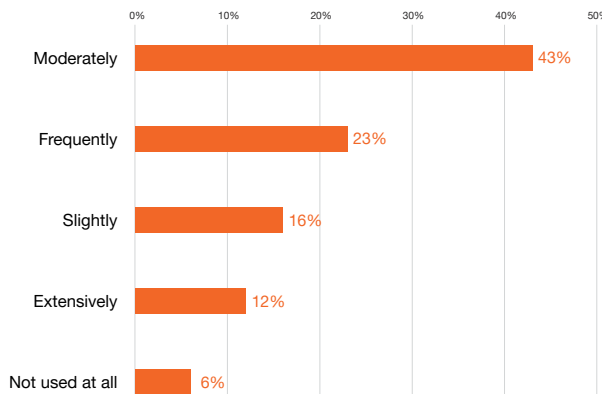
However, delivering meaningful career development experiences is not without its challenges. The most **selected barrier** was **lack of time or capacity from managers**, chosen by 62% of respondents. Other key issues included unclear progression paths (39%) and **limited internal mobility opportunities** (37%).

While career development is widely supported in principle, many organisations struggle to deliver it consistently due to limited managerial capacity and fragmented support structures.

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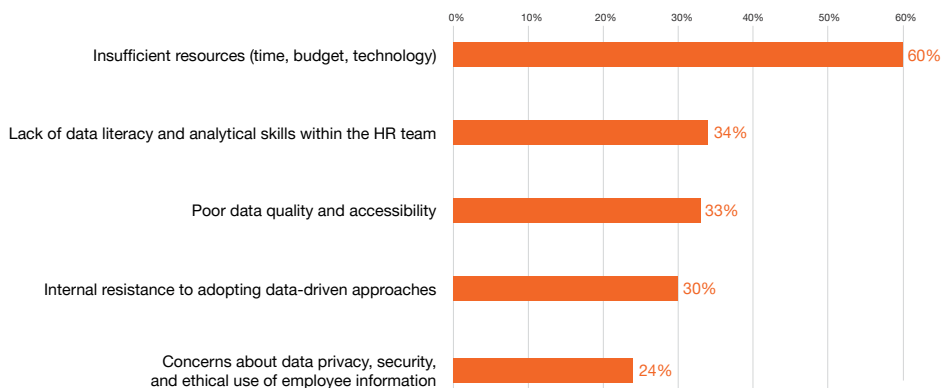
**Data-driven HR  
decision making**

**To what extent do you agree or disagree that the following factors hinder a sense of belonging in your organisation’s current work environment?**



The use of HR data for decision-making is becoming more common, but the level of integration across organisations remains mixed. **43% of respondents stated that their organisation uses HR data moderately, while 23% reported frequent use.** A smaller share reported either extensive use (12%) or slight use (16%). 6% stated their organisation **does not use HR data at all**, suggesting that full adoption is still far from universal.

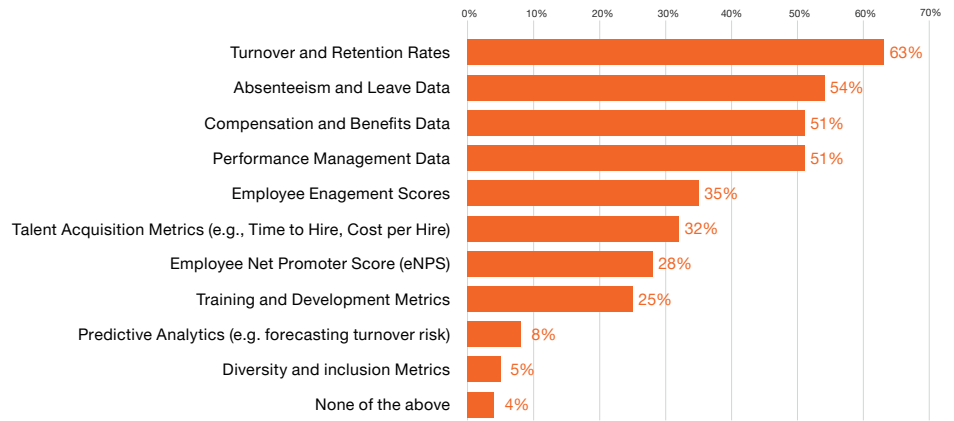
**What are the biggest challenges your HR department currently faces when trying to utilise HR data effectively?**



When asked about the biggest challenges in using HR data effectively, the most common response was **insufficient resources (60%)**. This includes lack of time, budget, and access to the right tools. Other significant barriers included **limited data literacy or analytical skills within HR teams (34%)**, **poor data quality or accessibility (33%)**, and **internal resistance to adopting data-driven approaches (30%)**. Although less prominent, **concerns about data privacy, security, and ethics** were also selected by **24%** of respondents.



## Which types of HR data do you mostly use for decision-making and reporting?



Regarding the types of HR data most commonly used, turnover and retention rates were **the top choice (63%)**, followed by **absence and leave data (54%)**, and both **compensation and benefits data** and **performance management data (51%)**. **Employee engagement scores (35%)**, **talent acquisition metrics (32%)**, and the **Employee Net Promoter Score (eNPS) (28%)** were also selected by a notable share of respondents. In contrast, **training and development metrics (25%)**, **predictive analytics (8%)**, and **diversity and inclusion metrics (5%)** were used far less.

The findings show that most organisations use basic HR data regularly, especially around retention, absence, and performance. However, the use of more strategic or predictive data remains low. To make better use of data in decision-making, organisations will need to improve resources, data quality, and analytical capabilities.



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**Conclusion**



As workforce expectations evolve and external pressures persist, organisations in Malta are continuing to place people at the centre of business performance. The 2025 HR Pulse Survey offers a snapshot of how HR and business leaders are responding to this moment, balancing long-standing challenges such as talent attraction and retention with the growing need for inclusive leadership, clear communication, transformative change and well-being support.

The findings reflect a context where organisational cultural clarity, meaningful development opportunities, and capable leadership are viewed as key enablers of performance and engagement. At the same time, limited time, resources, and internal alignment continue to shape how consistently these priorities are delivered.

While not all areas show the same level of maturity or attention, the results suggest that many organisations are refining their people strategies with a focus on listening, adaptability, and human connection. Supporting line managers, integrating well-being into core practices, and improving access to actionable data are among the recurring themes.

Looking ahead, organisations may benefit from aligning intentions more closely with day-to-day realities - ensuring that structures, leadership behaviours, performance management, learning opportunities and communication practices reinforce the kind of workplace culture they aim to create.

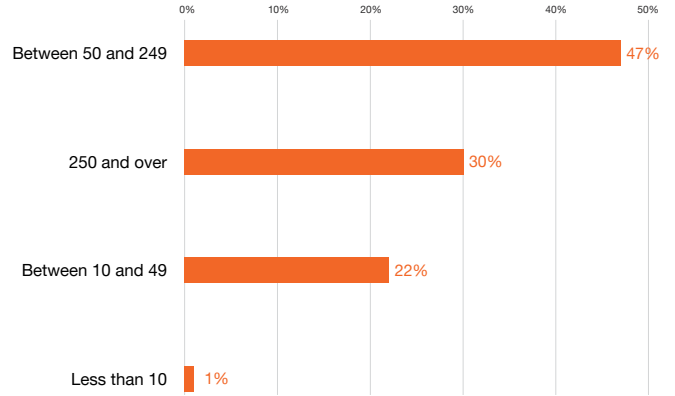
This year's insights provide a useful reference point for ongoing reflection and progress as the HR function continues to evolve and increase its importance, in response to new demands and expectations.

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# About the Survey

A total of 106 participants contributed to this year's HR Pulse Survey.

## Please indicate the number of employees within your company/group (full-time equivalents)



The results indicate that most of the respondents hail from medium to large organisations. In particular, 47% belong to organisations with between 50 and 249 employees and 30% to organisations with more than 250 employees.

## Which sector is your company/group predominantly in?



Respondents represented a wide range of sectors, with the largest share operating in Professional, scientific and technical activities (20%), followed by Financial and insurance activities (15%). Other prominently represented sectors included Administrative and support service activities (8%), Arts, sports and recreation (8%), Wholesale and retail trade (8%), and Public administration and defence (8%). Manufacturing and Transportation and storage each accounted for 6%, followed by Accommodation and food service activities (5%). This distribution reflects the broad cross-section of industries participating in the survey.

These demographics reinforce the survey’s strong grounding in the perspectives of HR leaders and decision-makers across a wide range of industries in Malta.



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