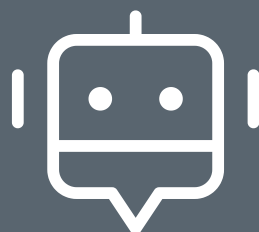
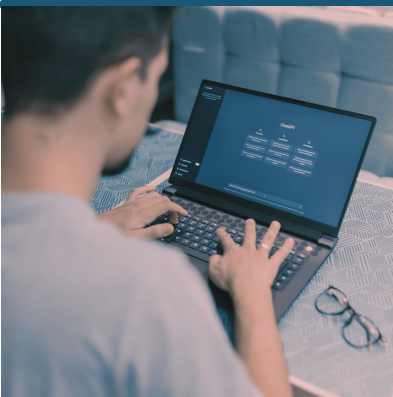


THE STATE OF HR 2025

Job Embeddedness, AI Workplace Adoption, and Work Styles



2025

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Executive Summary

Our study explores contextual factors associated with retention beyond salary, job satisfaction, and commitment. Our work is unique in that we have not found a similar study that examines work tenure in relation to employee links, fit, and switching costs that keep employees embedded in their organizations.



Employees with broad social networks and coworker ties are also the longer-tenured ones. These employees believe they contribute meaningfully to their organizations, even if they perceive less work-life balance. The longer employees are with a company, the higher their emotional cost of leaving.

Two in every five employees spend at least 2.5 hours on their daily commute, while one in every three spends less than an hour on their daily commute. Despite this, commute time is not associated with tenure.

BPO employees feel a stronger fit with their organizations yet have shorter median tenure (1.45 versus 2.17 years) than their non-BPO counterparts.

Perceptions of organizational readiness for AI and its usefulness and ease of use are more prevalent in AI workplace adopters than in their non-adopter counterparts.

Boomers' work styles differ most from those of other generations. They communicate with less context, lead less hierarchically, decide by consensus, build trust based on criteria other than personal ties, and keep less flexible schedules. Millennials and Gen Z share the most similar work styles.

With the mentioned findings, we recommend a few ways forward for people managers. Foster social connections with collaborative spaces and shared activities, prioritizing in-person interactions. Design projects and communications around themes that let employees contribute meaningfully. Reduce commute stress with transport shuttles and flexible remote work while monitoring social bond impacts. Combat short tenure (median 1.84 years) by maintaining a strong hiring pipeline and employee value proposition. Highlight AI's practicality through campaigns, peer ambassadors, and quick-start guides. Assess generational work style differences and align change interventions with organizational values, noting that generational traits persist while age traits change.

This study surveyed 3,819 respondents from April 10 to May 2, 2025. We invited 117,900 eligible users via the mobile app Pendo. Of 32,800 who viewed the invitation, 6,701 began and 3,819 completed the 53-question survey (57% completion). The survey featured 45 Likert-scale items, including 26 based on the Links, Fit, and Sacrifice model.



Key Findings

1

More social groups and stronger coworker relationships are positively associated with longer tenure, while good mentoring is negatively associated with tenure. Since newer employees report higher levels of mentoring, perhaps mentoring is more of an onboarding scaffold than an anchor for retention.

2

Low work-life balance and meaningful work contributions coexist with longer tenure. Longer-tenured employees are less likely to believe that their companies are supportive of work-life balance than their shorter-tenured counterparts believe. We presume that longer-tenured employees work harder or enjoy their jobs more and work longer hours, focusing more on the work part of work-life balance and thus losing some of the balance.

3

The emotional cost of leaving goes down over time. Sadness about leaving is a heavier sacrifice or switching cost for a shorter-tenured employee compared to their longer-tenured counterparts, but it is more nuanced for boomers

4

Boomers face the steepest exit costs. Baby Boomers experience the highest emotional and social loss if they were to resign. Their departure is felt more deeply, both by them and the workplace, than any other generation.

5 BPO employees confirm a better personal fit with their organizations, even if BPO employees have shorter tenure than non-BPO ones. The median tenures for BPO and non-BPO employees are 1.45 and 2.17 years, respectively. Perhaps the different switching costs in BPOs and non-BPOs could explain this inverse fit-tenure relationship.

6 BPO employees confirm a better personal fit with their organisations, even if BPO employees have shorter tenure than non-BPO ones. The median tenures for BPO and non-BPO employees are 1.45 and 2.17 years, respectively. Perhaps the different switching costs in BPOs and non-BPOs could explain this inverse fit-tenure relationship.

7 The perception of organizational preparedness, AI usefulness, and its ease of use are significantly associated with AI workplace adoption, with the perception of organizational preparedness as the most prominent one.

8 Boomers have the most different work styles from the Gen Xers, millennials, and Gen Zers. When compared to other generations, boomers communicate with less context, lead less hierarchically, decide by consensus, build less relation-based trust, and are less flexible with schedules.

9 Millennials and Gen Zers have the most similar work styles among generational cohorts.



Recommendations

Here are six recommendations for leaders who want to enhance retention and employee experience and accelerate AI workplace adoption.

1.



Roll out programs and foster environments that build social connections, e.g., collaborative settings, lunches, sports, informal gathering points, and leisure activities. Prioritize in-person interactions because these build stronger social links faster.

2.



Design and frame projects, work, and communications around themes that enable employees to make meaningful contributions to their organizations.

3.



Ease the daily commute burden through comfortable transport shuttles and flexible remote work arrangements. But, be mindful of the impact of these arrangements on social bonds.

4.



Preempt short employee tenure (median = 1.84 years) by building a healthy hiring pipeline and a compelling employee value proposition.

5.



Showcase AI usefulness and ease of use through campaigns that highlight adoption, use peer messengers, and provide quick-start guides and templates to accelerate AI work adoption where desired.

6.



Map work styles so you can design change interventions that align work styles with organizational values and identities. Remember though, that work style differences may be due to generational traits or age. Age-specific traits change as employees mature, while generational traits are more persistent.

Methodology

We surveyed 3,819 respondents for this study.

We sent the invitations between April 10 and May 2, 2025. We selected recipients from all eligible users of Sprout who were subscribed to receive communications and campaigns. While the total possible audience was 117,900 users, the invitation was viewed by 32,800 users, of whom 6,701 started the survey and 3,819 completed it, resulting in a 57% completion rate.



total possible audience was

117,900 users



6,701 users

users started the survey



the invitation was viewed by

32,800 users



3,819 users

completed it

The survey consisted of 53 questions, including 45 questions using a 4-point Likert scale. Twenty-six questions aligned with the Links, Fit, and Sacrifice model. On average, respondents took 23 minutes to complete the survey.

To thank those who participated, we offered 1,000 coffee gift vouchers, a chance to win one of five Php 3,000 GCash prizes through a post-survey raffle, and complimentary passes to the State of HR Summit held on June 24, 2025, in Manila.

For the analysis, we applied descriptive statistics, multiple and ordered logistic regressions, and statistical significance tests to derive insights.



Discussion on Links, Fit, and Sacrifice

Job embeddedness theory explains why employees stay with organizations by examining the web of connections that anchor them to their workplace and community. The theory centers on three key factors that predict retention better than traditional job satisfaction and commitment measures. These three factors are Links, Fit, and Sacrifice.



Links represent the formal and informal connections employees build with coworkers, teams, committees, and work groups. These relationships create social bonds that make leaving more difficult. Strong workplace friendships and professional networks increase the psychological cost of departure.



Fit measures how well your job aligns with your personal values, career goals, and lifestyle needs. When your skills match job requirements and the company culture fits your personality and preferences, you become more embedded. Poor fit creates tension that pushes employees toward the exit.



Sacrifice captures what you would lose by leaving your current position. It is the switching cost of leaving. This includes tangible benefits like salary, benefits, and retirement contributions, plus intangible losses such as status, projects, or flexible work arrangements. High sacrifice creates ties that keep employees in place even when they feel dissatisfied.

The job embeddedness approach outperforms job satisfaction and commitment measures because it recognizes that people make employment decisions based on practical considerations, not just emotions. You might stay in a job you dislike because the sacrifice of leaving is too high or leave a job you enjoy for better opportunities elsewhere.

 Demographics

We outline the distribution of respondents by industry, manager vs non-manager, gender, and generational cohort.



 Respondents by Industry

► Our respondents come from 62 industries and Fig. 1 illustrates their distribution.

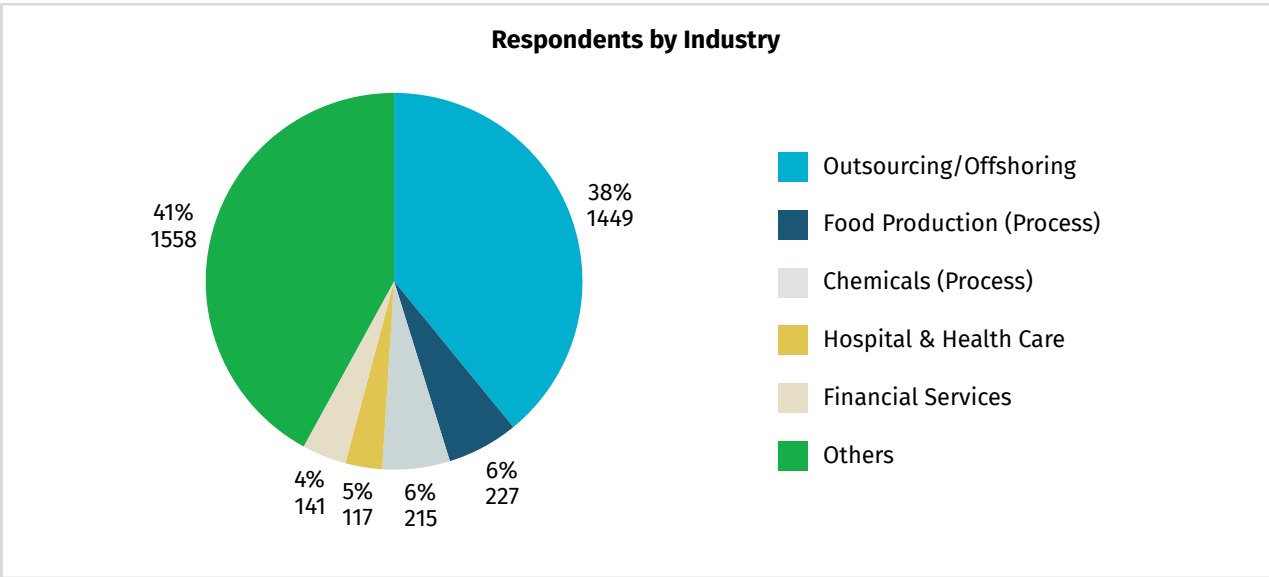
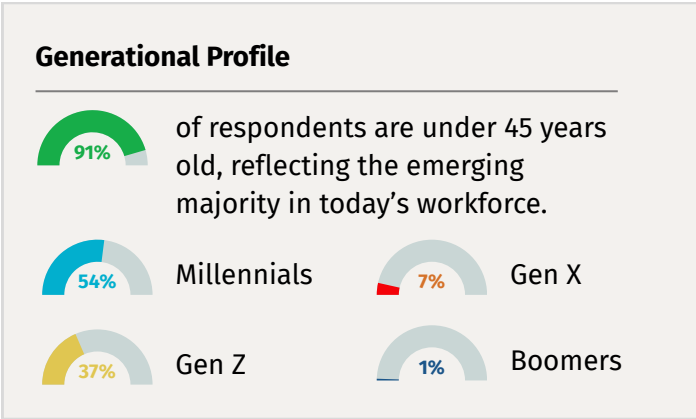
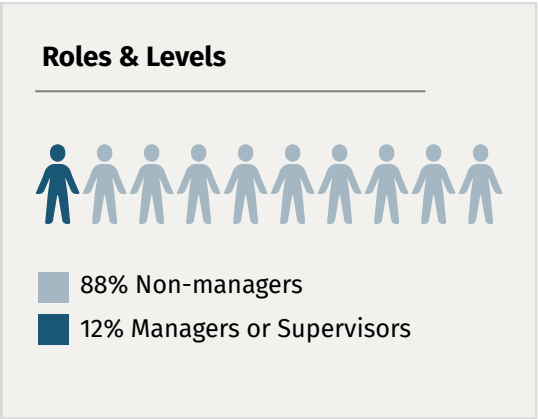


Figure 1

► Here are some other respondent demographic highlights.



► Here are the generational cohorts for reference.



Generation
Baby Boomers

Year
1946-1965

Age
60+



Generation
Generation X

Year
1966-1980

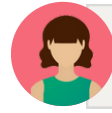
Age
45-59



Generation
Millennials

Year
1981-1996

Age
29-44



Generation
Generation Z

Year
1997-2012

Age
28

Gender Distribution



56% Female
44% Male

Career Movement



1 in 4 employees
changed roles or
were promoted in
the last 24 months.

Tenure

We show the distribution of respondents by tenure and across BPOs and non-BPOs in Fig. 2 below. The median tenure is 1.84 years. One-third (36%) of respondents have been with their current organizations between half a year and two years. Only one out of every five employees has worked with their current organization for more than five years.

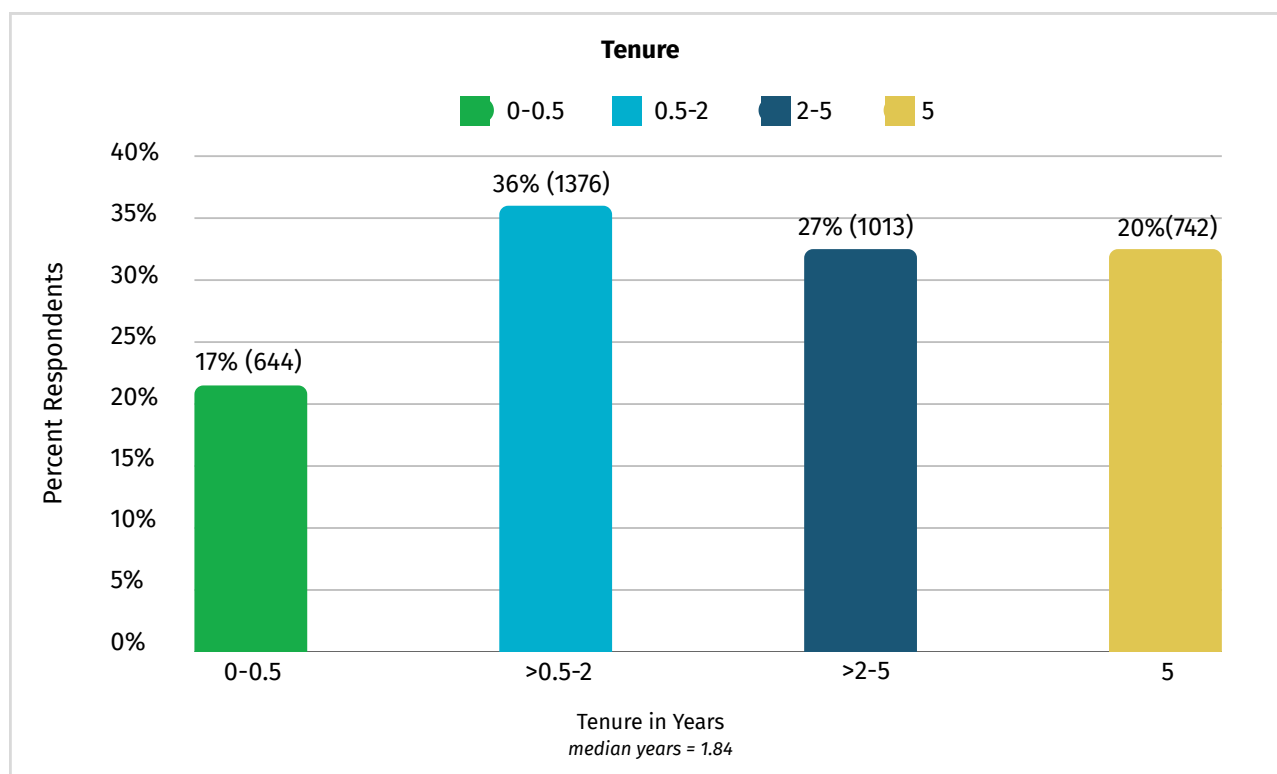


Figure 2

Non-BPOs have more tenured employees than BPOs, where 84% of those who have worked with their current organizations for more than five years are non-BPO employees. The median tenure of non-BPO employees is 2.17 years, while that of BPO employees is only 1.45 years.

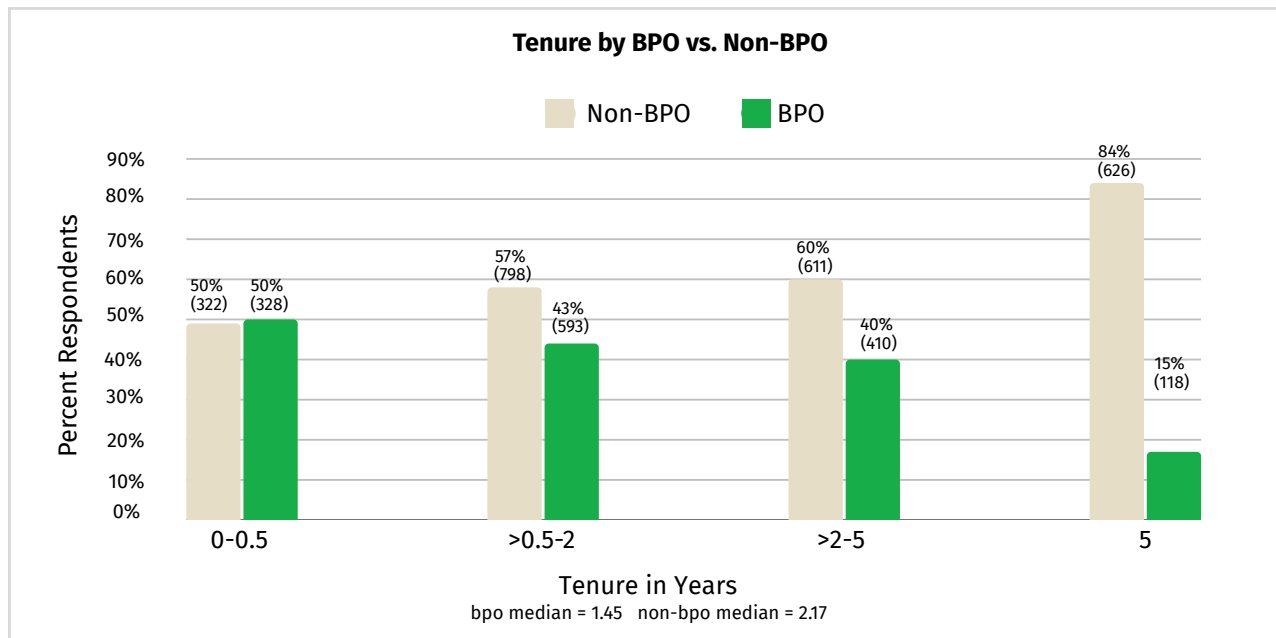


Figure 3

Attrition

The median attrition rate is 2.8% for organizations where respondents work. Two out of every three report an attrition rate of less than 3%, as Fig. 4 shows.

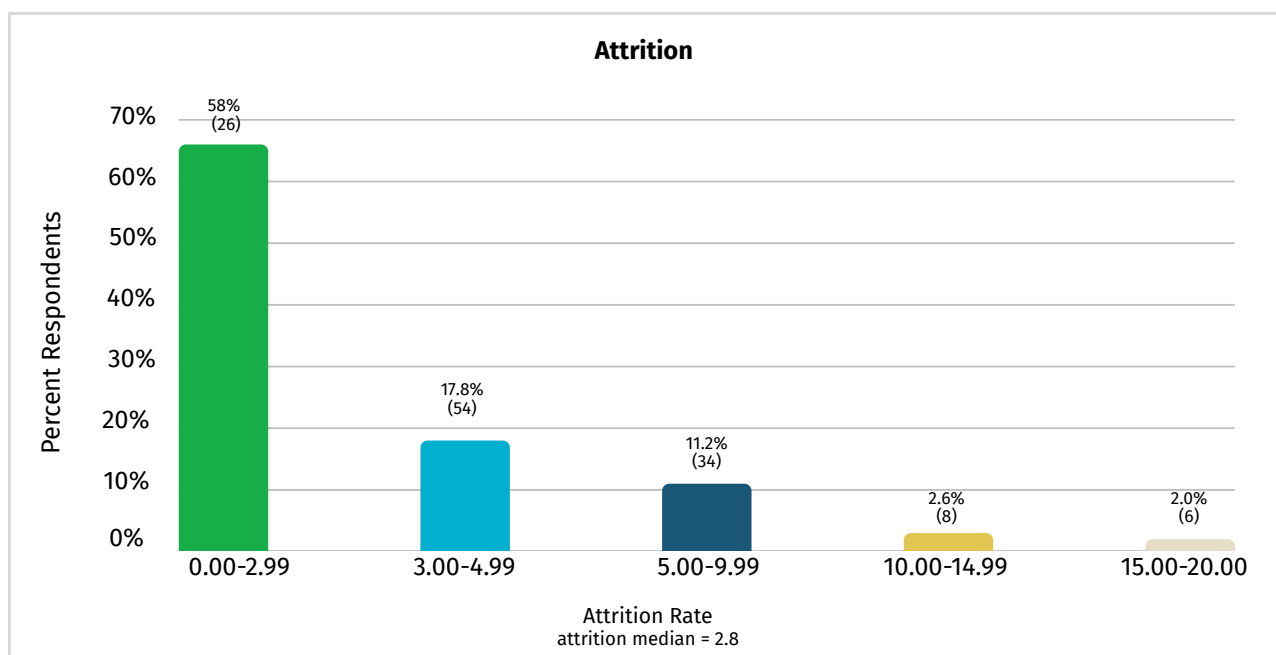


Figure 4

BPOs have a higher attrition rate than non-BPOs with medians of 3.8% and 2.1%, respectively. See Fig. 5 below.

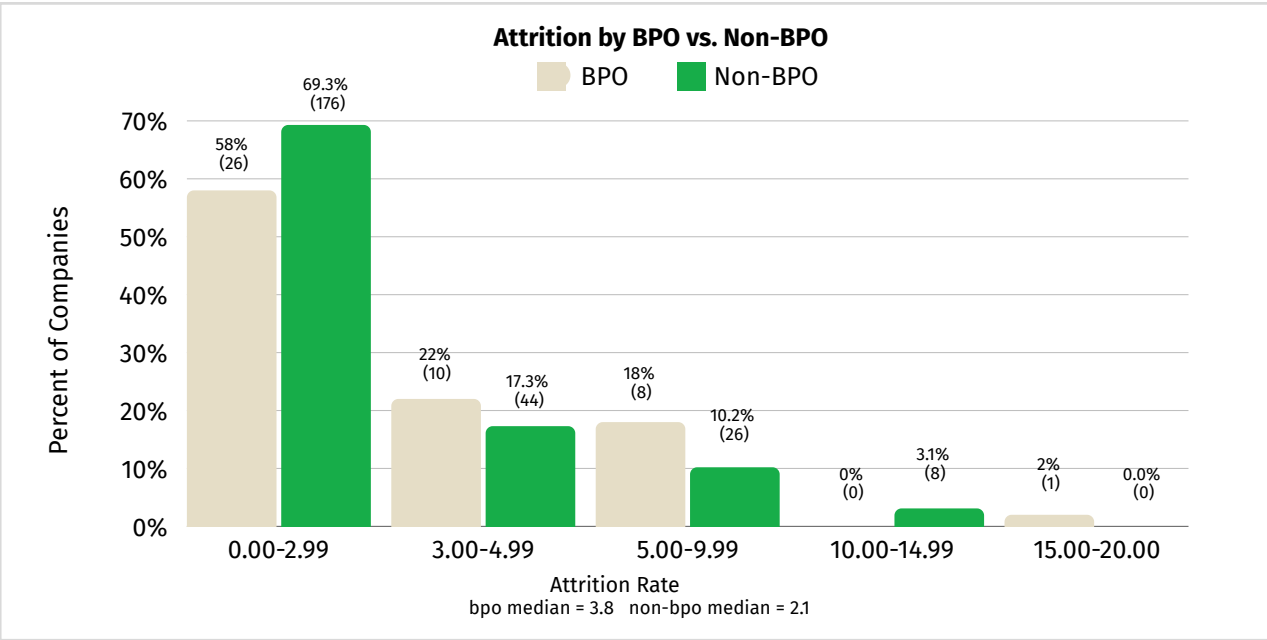


Figure 5

Links

We analyzed the responses to Links statements below.

Employees have good mentoring, social, and emotional links with their organizations. Fig. 6 outlines responses on a Likert scale where -2.00 means strongly disagree and +2.00 means strongly agree to Links statements.

Employees get good advice from their supervisors or managers, and confirm that they have mentors in their organizations to guide their careers. They also have strong relationships with their coworkers and have someone at work they can rely on for emotional support.

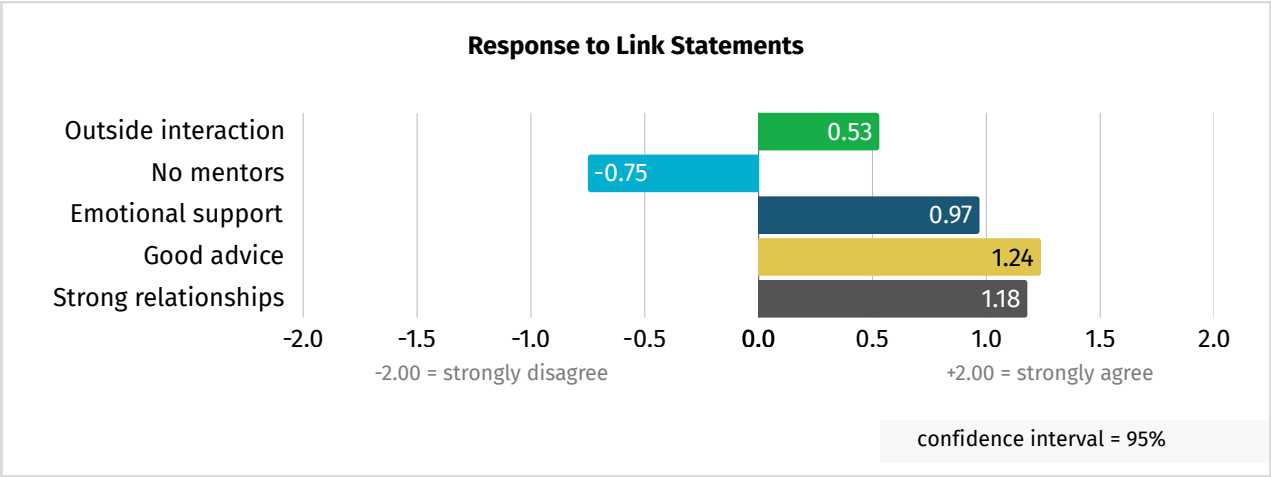


Figure 6

Friend Groups

- ▶ 62% of employees have one to three social groups in their organizations, whether those be sports, lunch, or bible study groups. One out of every five employees is highly social, with four or more friend groups, and one out of every five has no group at all. See Fig. 7 below.

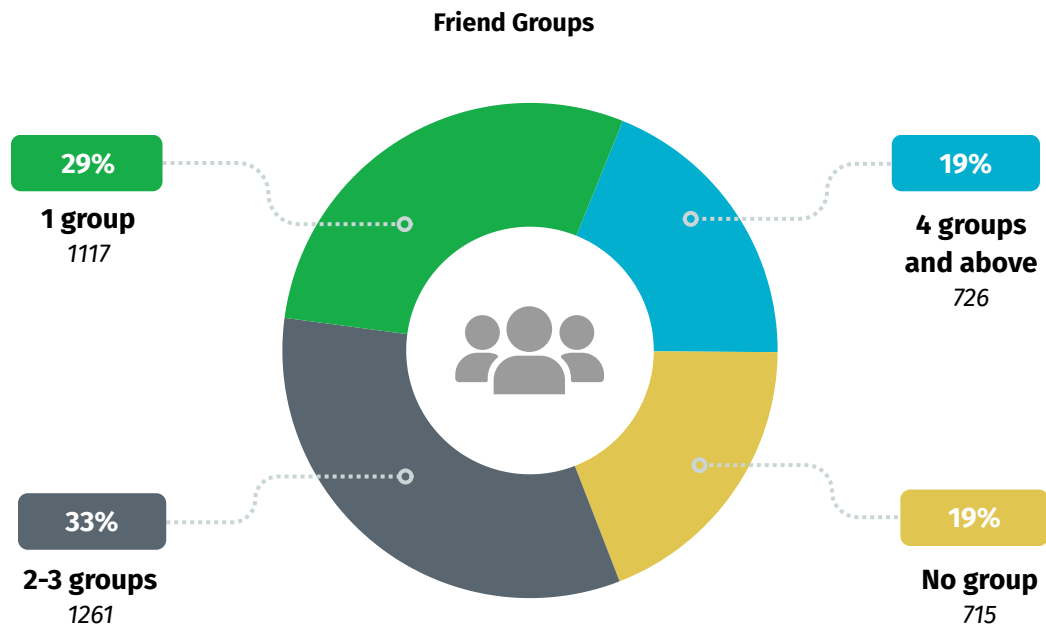


Figure 7

Interactions

- ▶ Half (51%) of employees interact monthly with many coworkers (between 25-75% of coworkers), while a fifth interact with less than 25% of their coworkers.

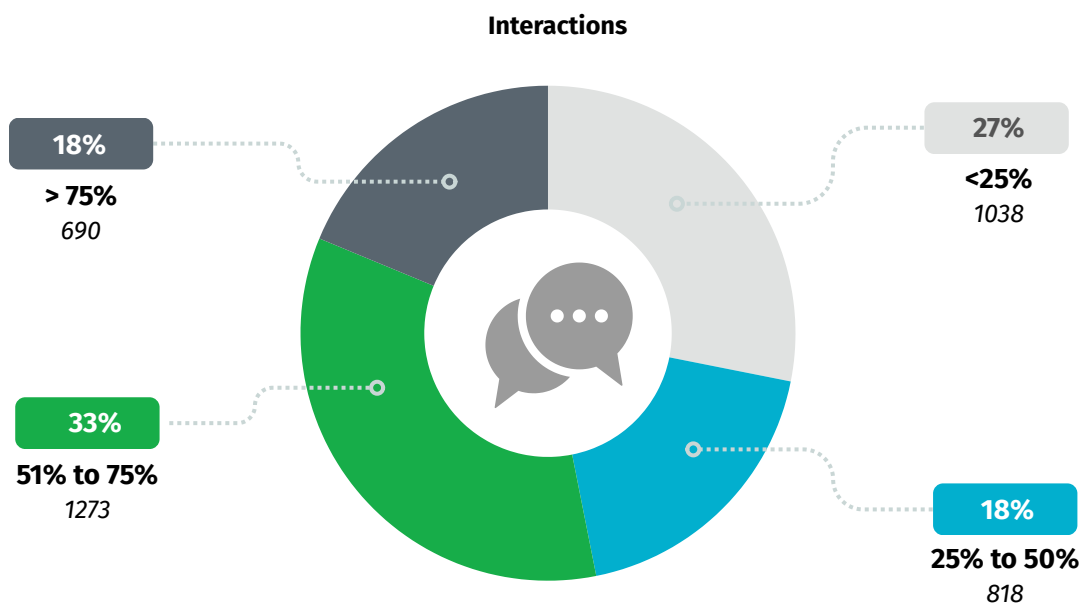


Figure 8

 Fit

Employees perceive good personal fit between themselves and their organizations, with a slightly lower fit when it comes to a stressful commute. Employees agree most that their work matches their skills and that they provide meaningful contributions to their organizations. After these two factors, the other factors that exhibit good fit are work-life balance, work recognition, belonging, psychological safety, values alignment, professional growth, work enjoyment, clarity of responsibilities, and career goal alignment.

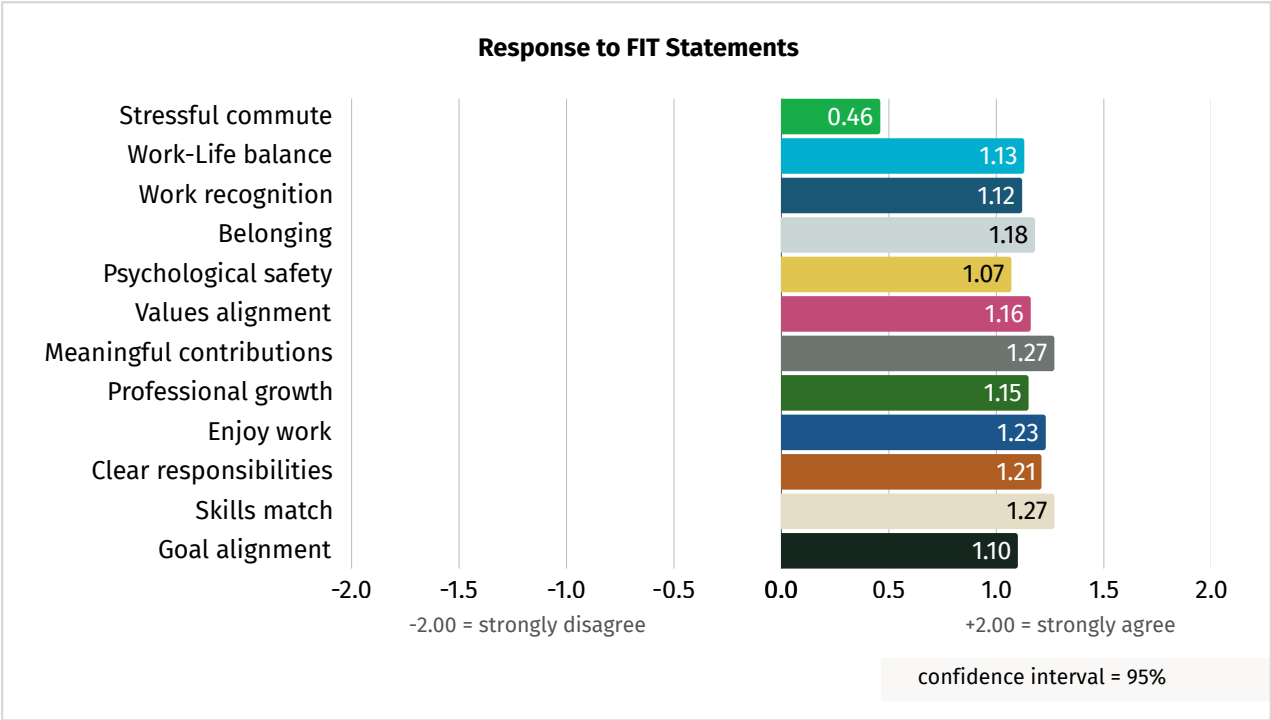


Figure 9

 Sacrifice

The heaviest switching cost of resigning is an emotional one. Employees agree that leaving their current organizations would make them sad. They agree that they “would feel sad if I left this organization.” Losing their reputation or slowing down in their career progression aren’t sacrifices that would burden employees if they left.

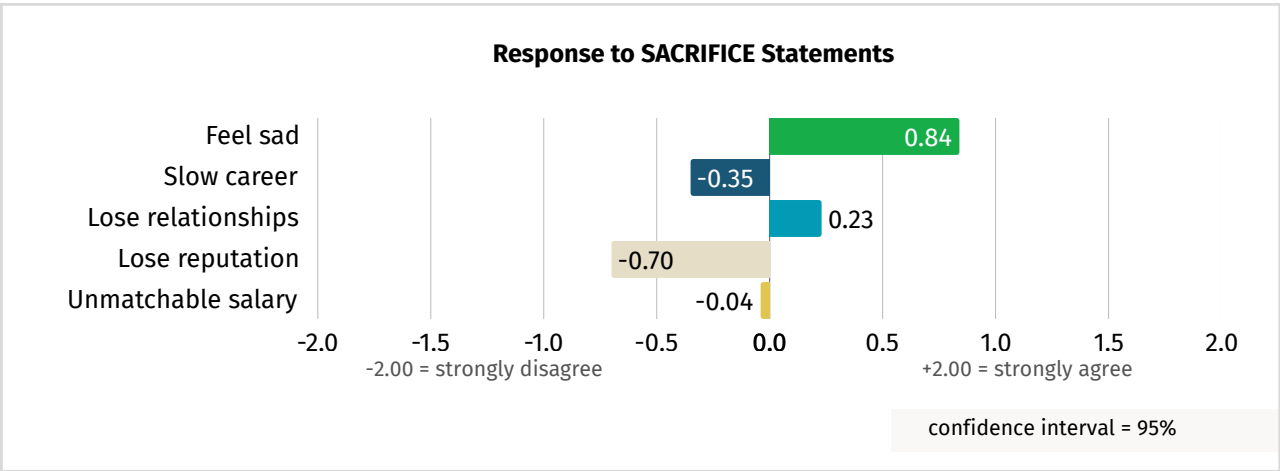


Figure 10

Commute Time

- One-third (35%) of employees have less than a 30-minute one-way commute to work. One out of every four employees has a one-way commute of over 30 minutes to an hour. One out of every five employees has a one-way commute of over an hour to an hour and a half, while another one out of five spends over an hour and a half commuting to work one way. Another way of looking at this is that two out of every five employees spend between two and three hours or more a day commuting for work. See Fig. 11 below.

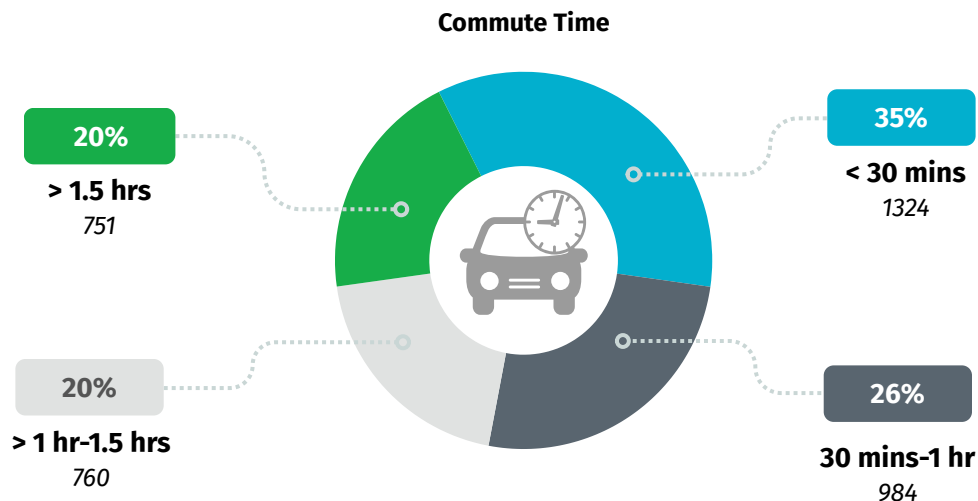


Figure 11

Relationships of Link, Fit, and Sacrifice with Tenure

We look at the responses to Links, Fit, and Sacrifice by tenure. Employees of varying tenures do not differ much in their response to Links-related statements. Their mentoring, social, and emotional links with their organizations are strong, as Fig. 12 shows.

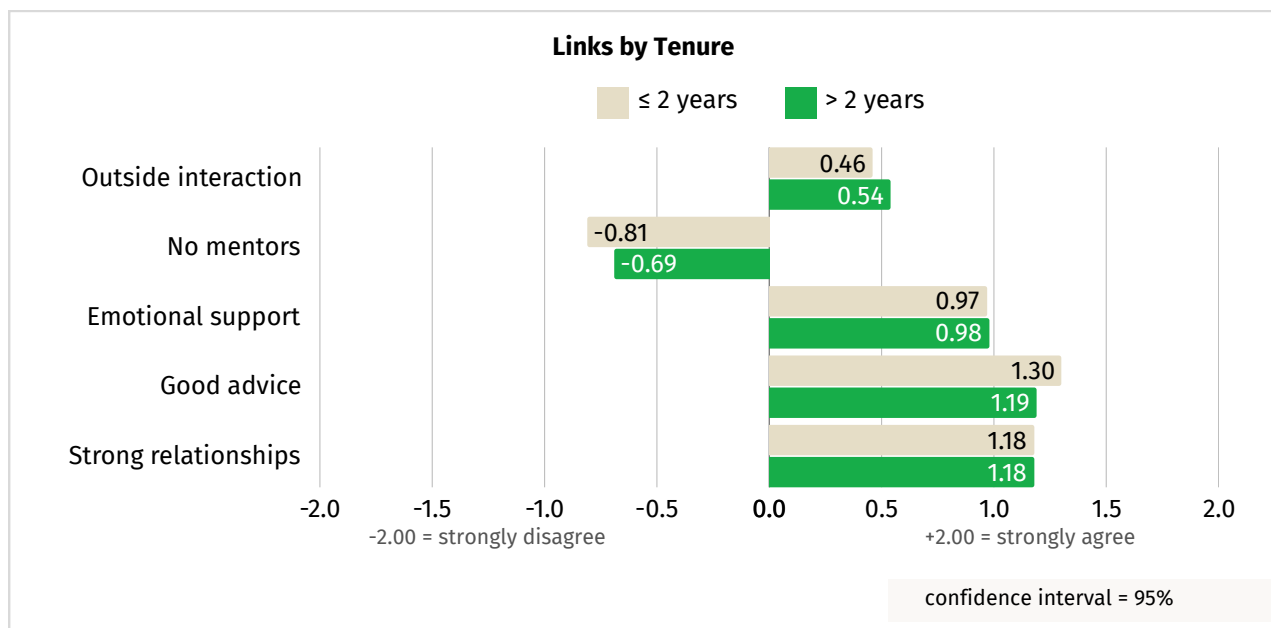


Figure 12

Employees who have been with their organizations for shorter times believe they have stronger Fit-related factors than longer-tenured employees believe, even if employees across tenures agree they have strong Fit factors. The shorter-tenured ones say they have more professional growth potential than the longer-tenured employees do. These ones think there is less work-life balance in their organizations than the shorter-tenured ones do. See Fig. 13 below. We presume that longer-tenured employees work harder or enjoy their jobs more and work longer hours, focusing more on the work part of work-life balance and thus losing some of the balance.

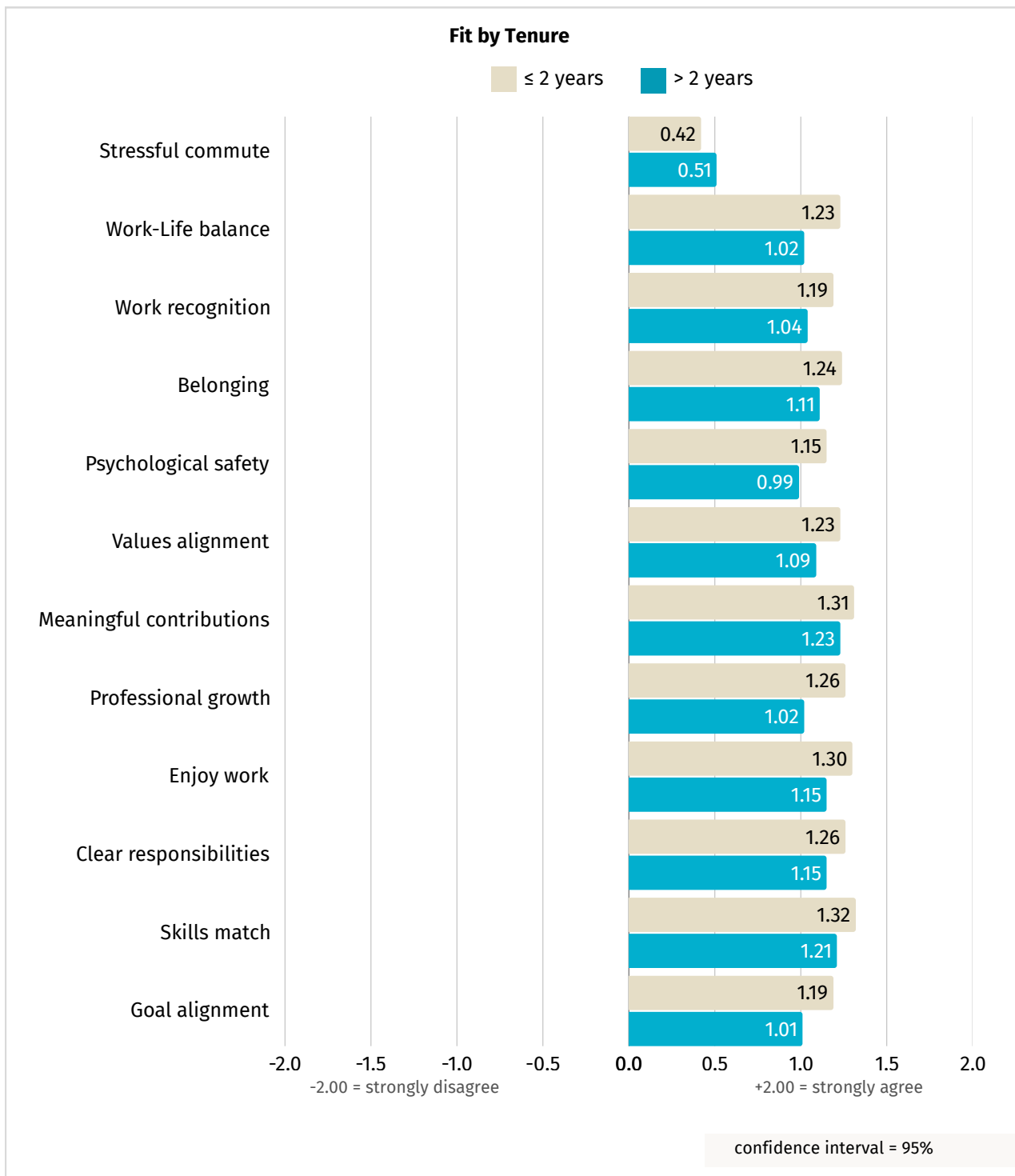


Figure 13

Employees across all tenures agree that sadness would be the heaviest switching cost to pay for leaving their organizations. They also agree that resigning carries the sacrifice of losing meaningful relationships and the regret of leaving behind projects they are working on. This loss and regret are costlier to those who have been with their organizations for two years or less—more than double for loss and triple for regret—compared to those with longer tenure. See Fig. 14 below.

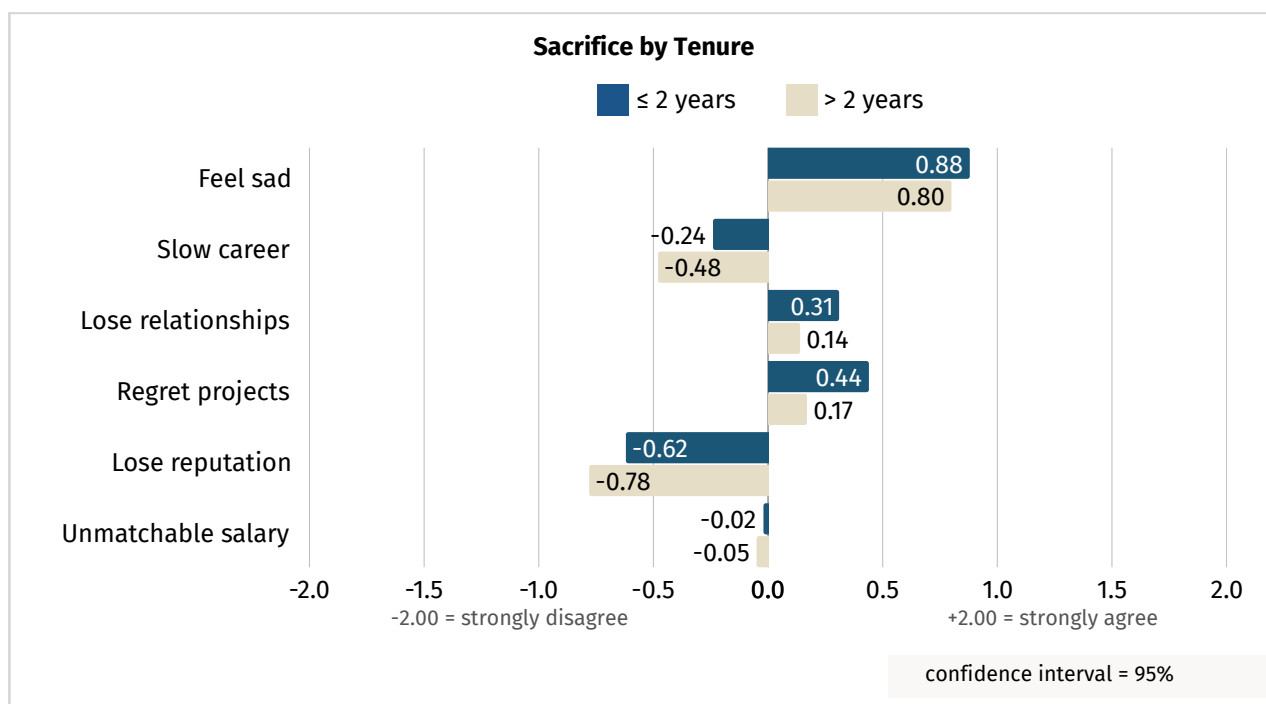


Figure 14

Responses to Link, Fit, and Sacrifice Statements by BPO vs Non-BPO

- Employees from BPOs and non-BPOs do not differ much in their beliefs around Links-related statements. They have good mentoring, social, and emotional links with their organizations, as Fig. 15 below shows.

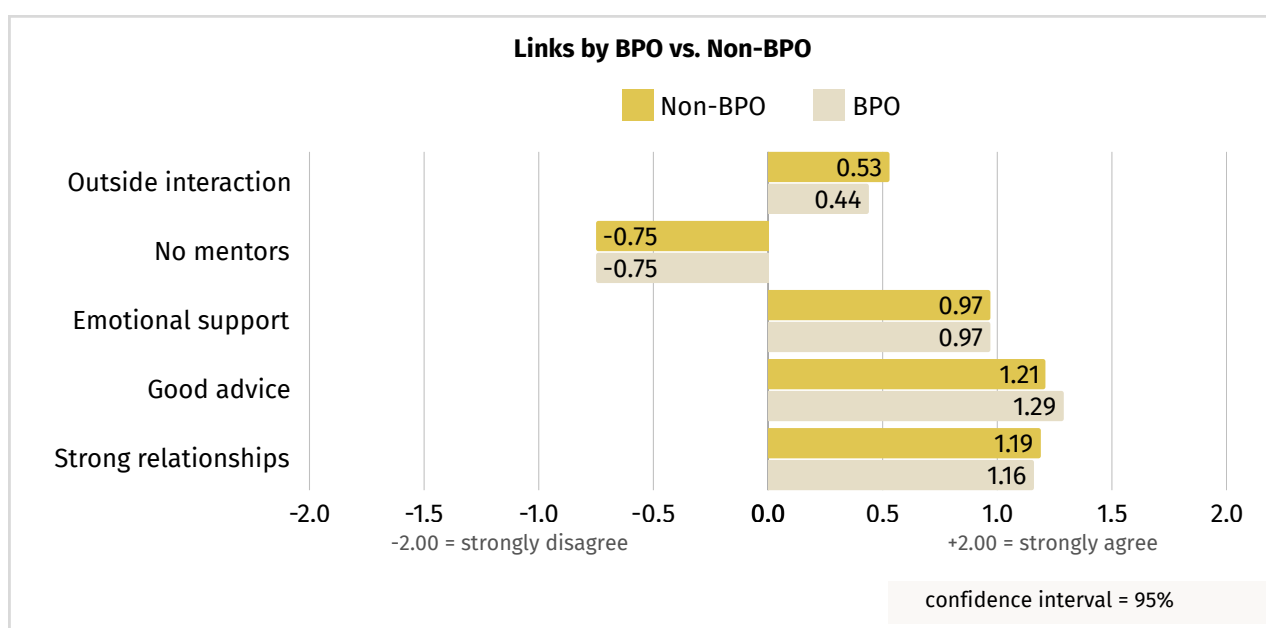


Figure 15

- BPO employees have a stronger personal fit with their organizations than their non-BPO counterparts. Similar to managers (relative to non-managers), non-BPO (0.99) employees perceive less work-life balance in their organizations than their BPO (1.35) counterparts do. See Fig. 16 below.

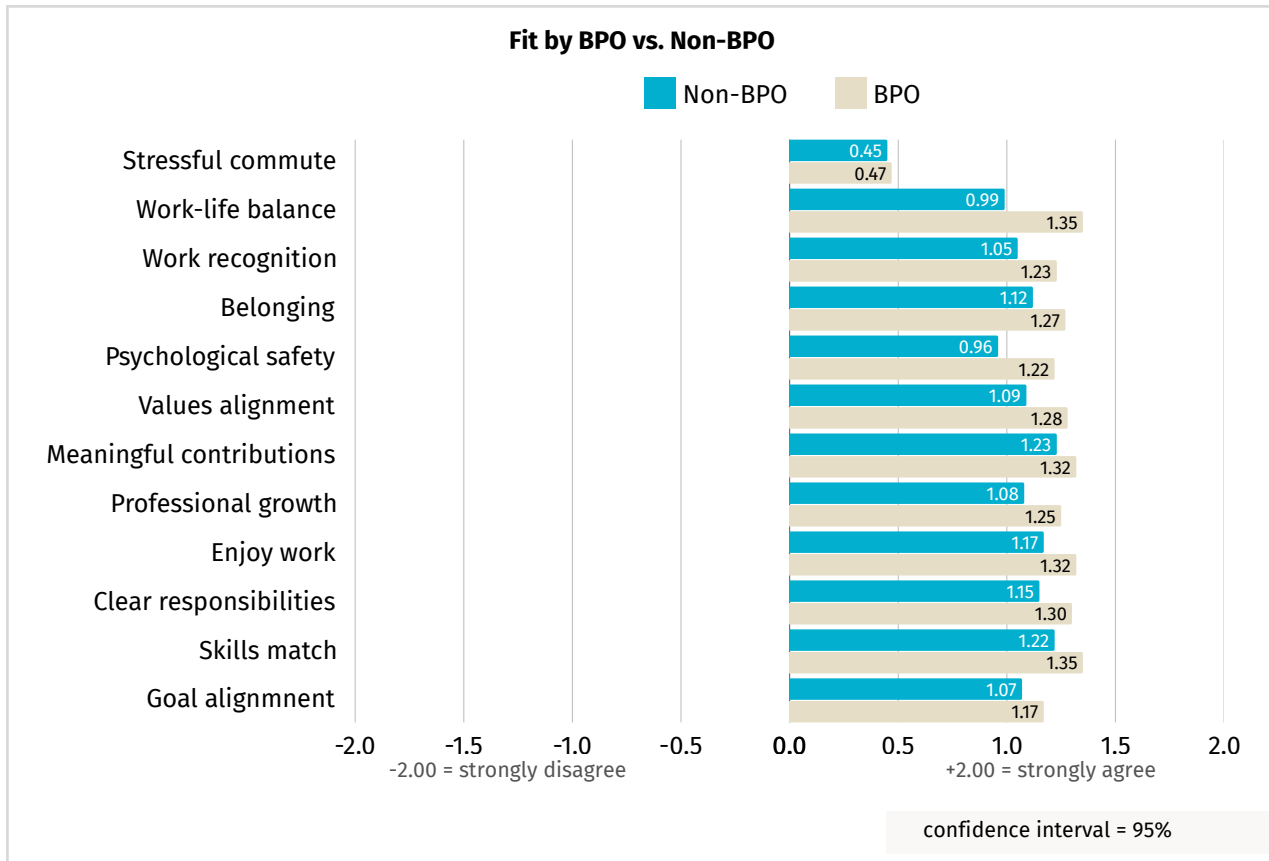


Figure 16

- BPO and non-BPO employees do not differ much in their responses to Sacrifice-related statements. Sadness remains the biggest switching cost for employees. See Fig. 17 below.

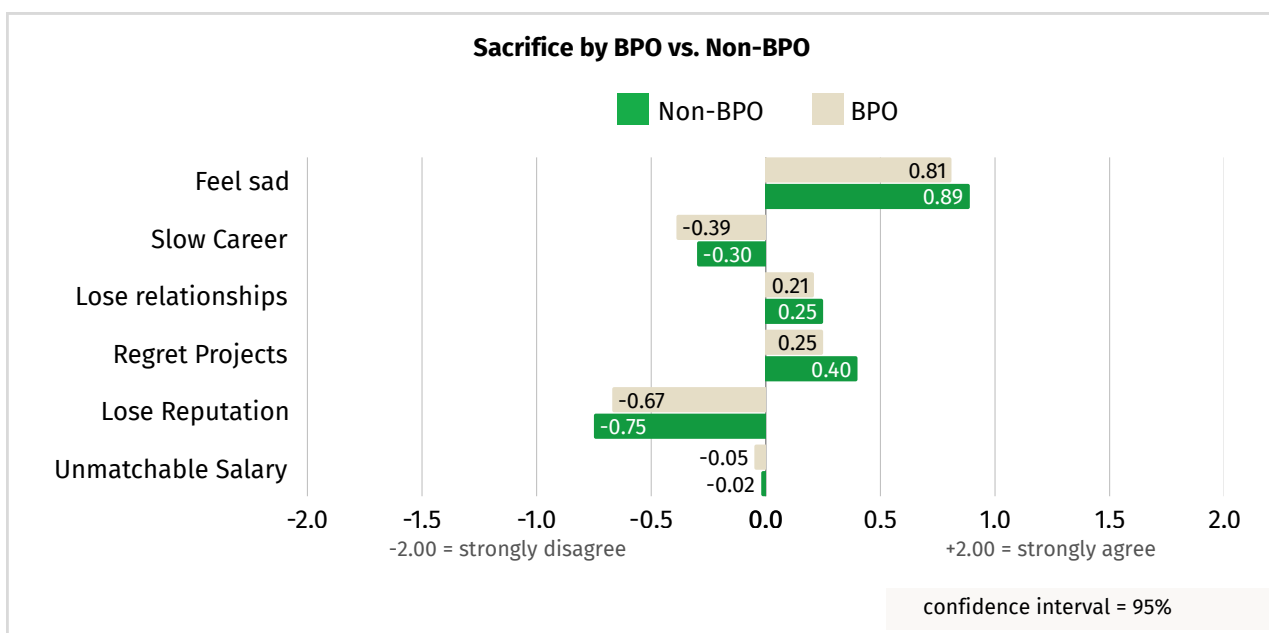


Figure 17

Responses to Link, Fit, and Sacrifice Statements by Manager vs Non-Manager

- There is not much difference between the responses to Links-related statements of managers and non-managers. Mentoring, social, and emotional links with their organizations remain strong across all managers and non-managers, as Fig. 18 below shows.

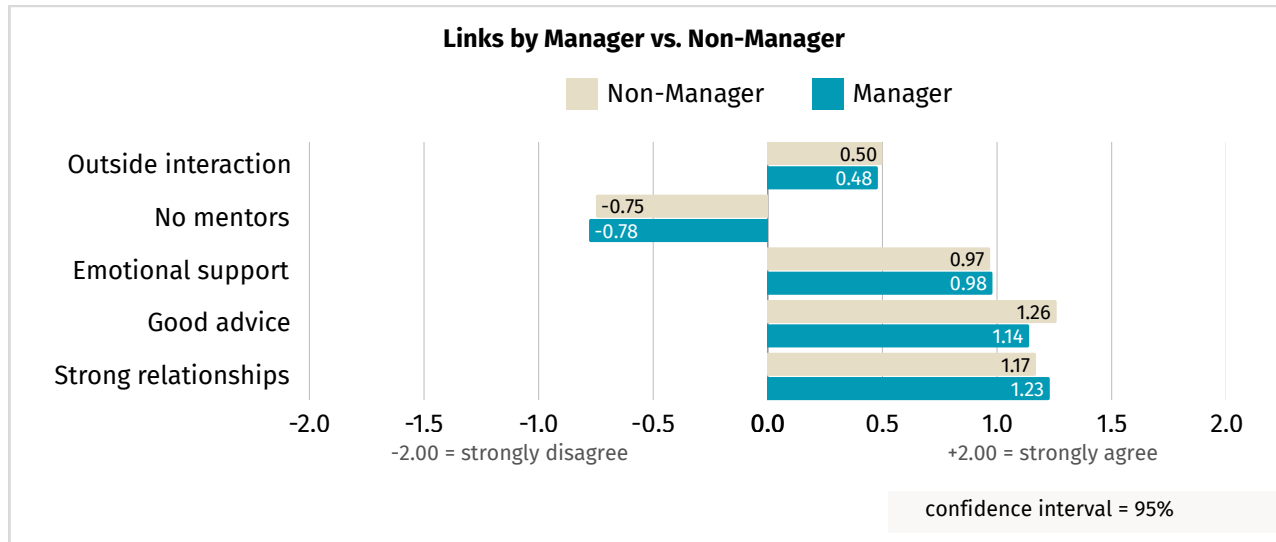


Figure 18

- Managers and non-managers generally agree on the presence of Fit factors between themselves and their organizations. They disagree most on work-life balance, where managers (0.96) perceive there is less work-life balance in their organizations than the non-managers (1.16) think.

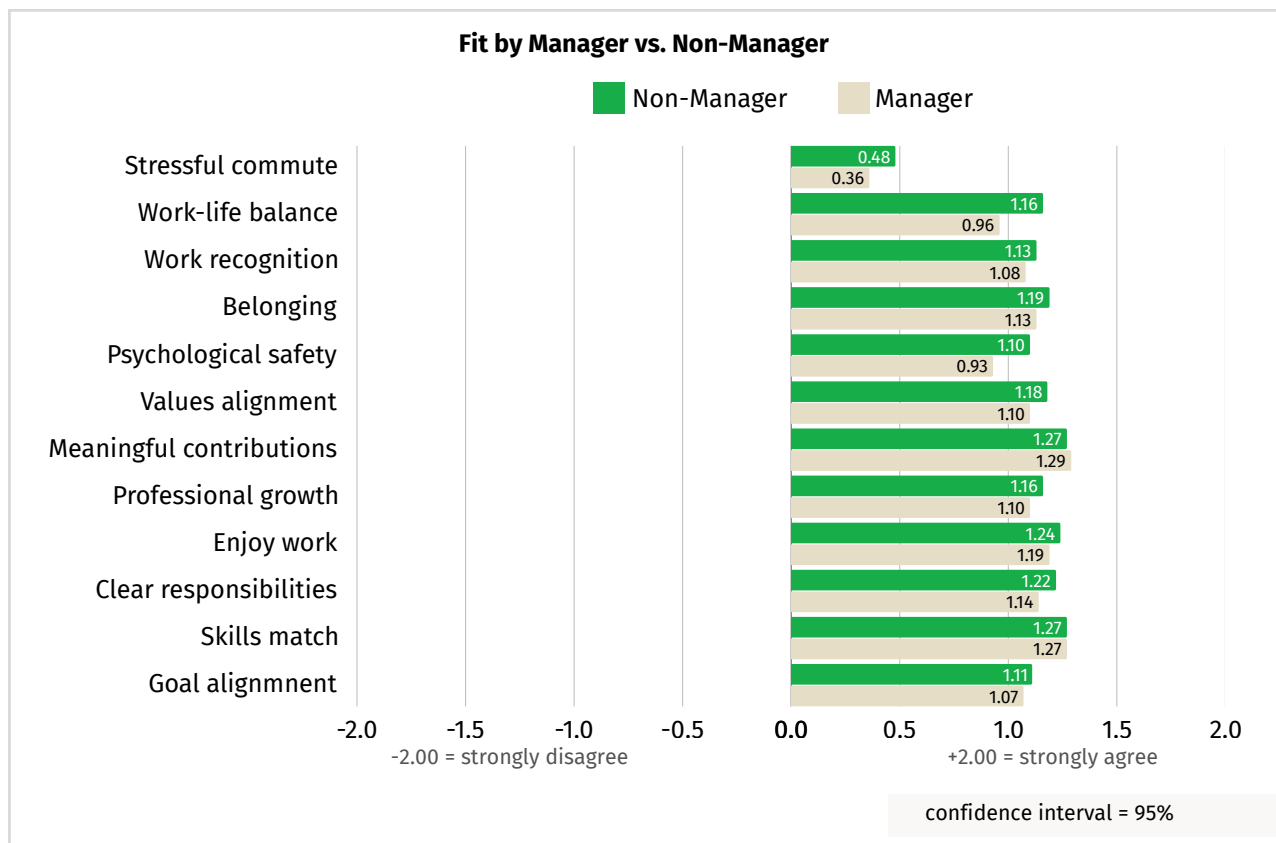


Figure 19

- Managers and non-managers agree that sadness would be a sacrifice they would bear if they resigned from their organizations, as Fig. 20 illustrates. Non-managers believe that by leaving, they have more to lose than managers in terms of professional reputation and career advancement.

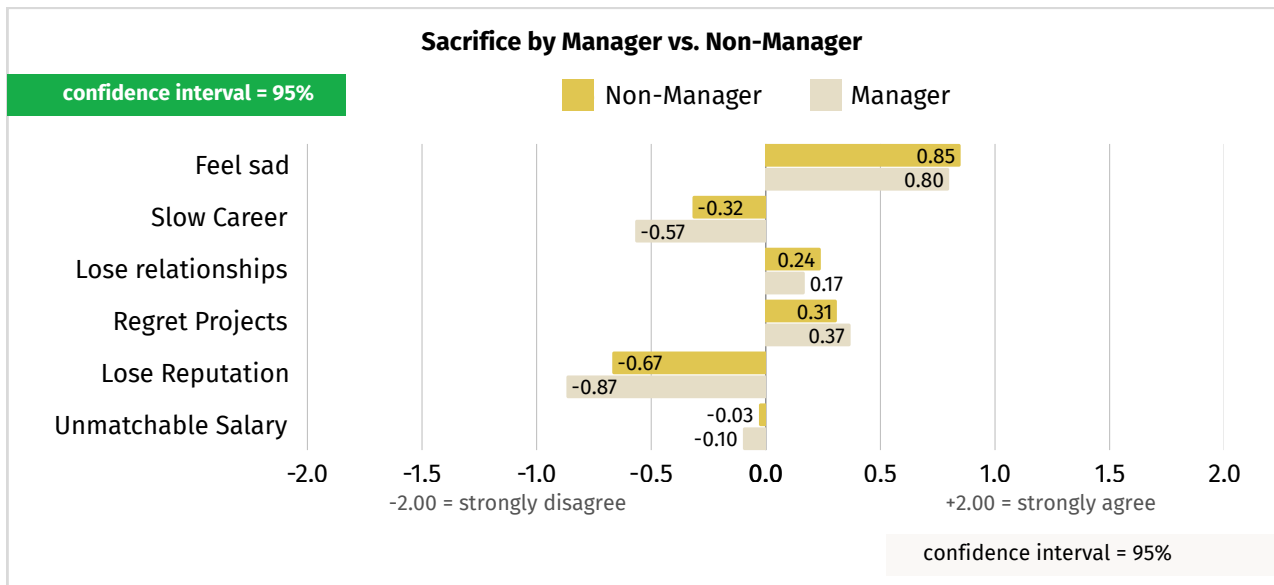


Figure 20

Responses to Link, Fit, and Sacrifice Statements by Generation

- We analyzed the responses to Links, Fit, and Sacrifice by generations. Baby boomers, Gen Xers, millennials, and Gen Zers do not vary much in their responses to Links-related statements. Mentoring, social, and emotional links with the organizations are strong across generational cohorts, as Fig. 21 below depicts.

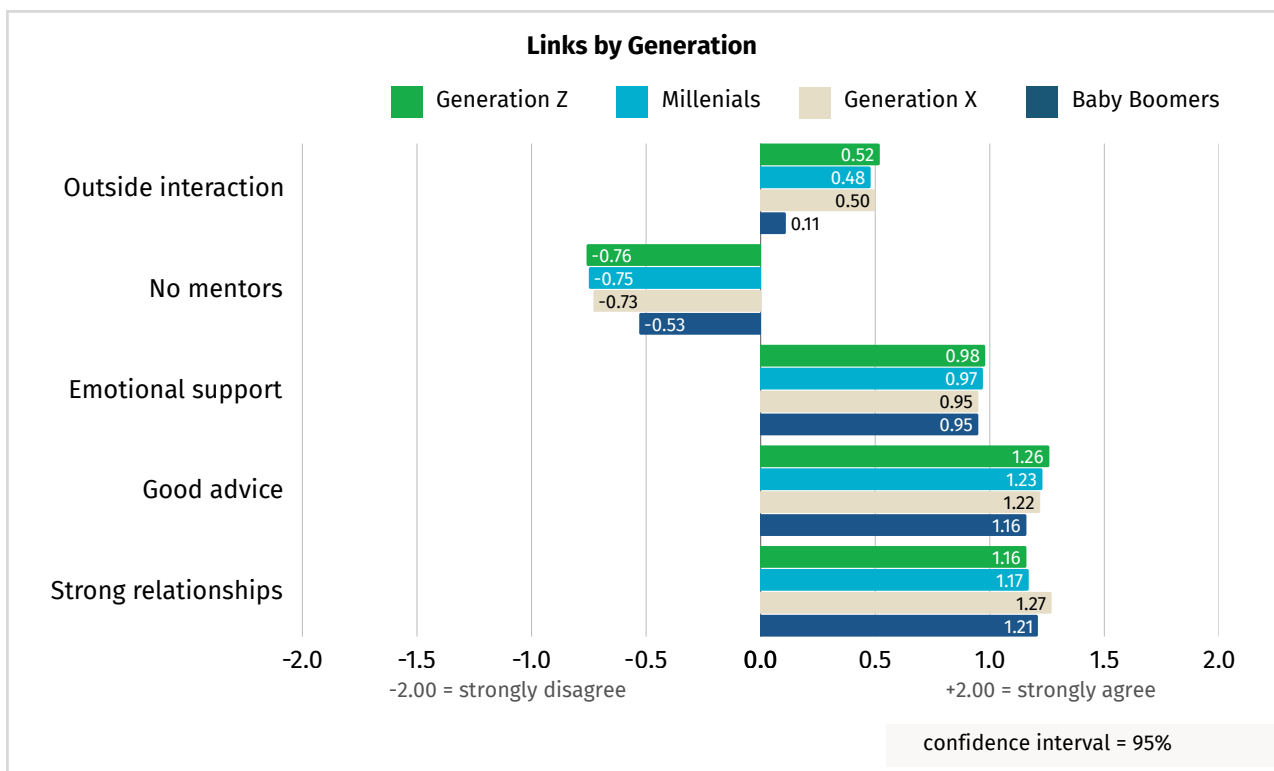


Figure 21

- All generational cohorts have strong Fit factors with their organizations, as Fig. 22 reveals. Boomers experience the most work-life balance, recognition at work, and belonging. They also believe that they have the least professional growth potential in their organizations and face the most stressful commute compared to other cohorts.

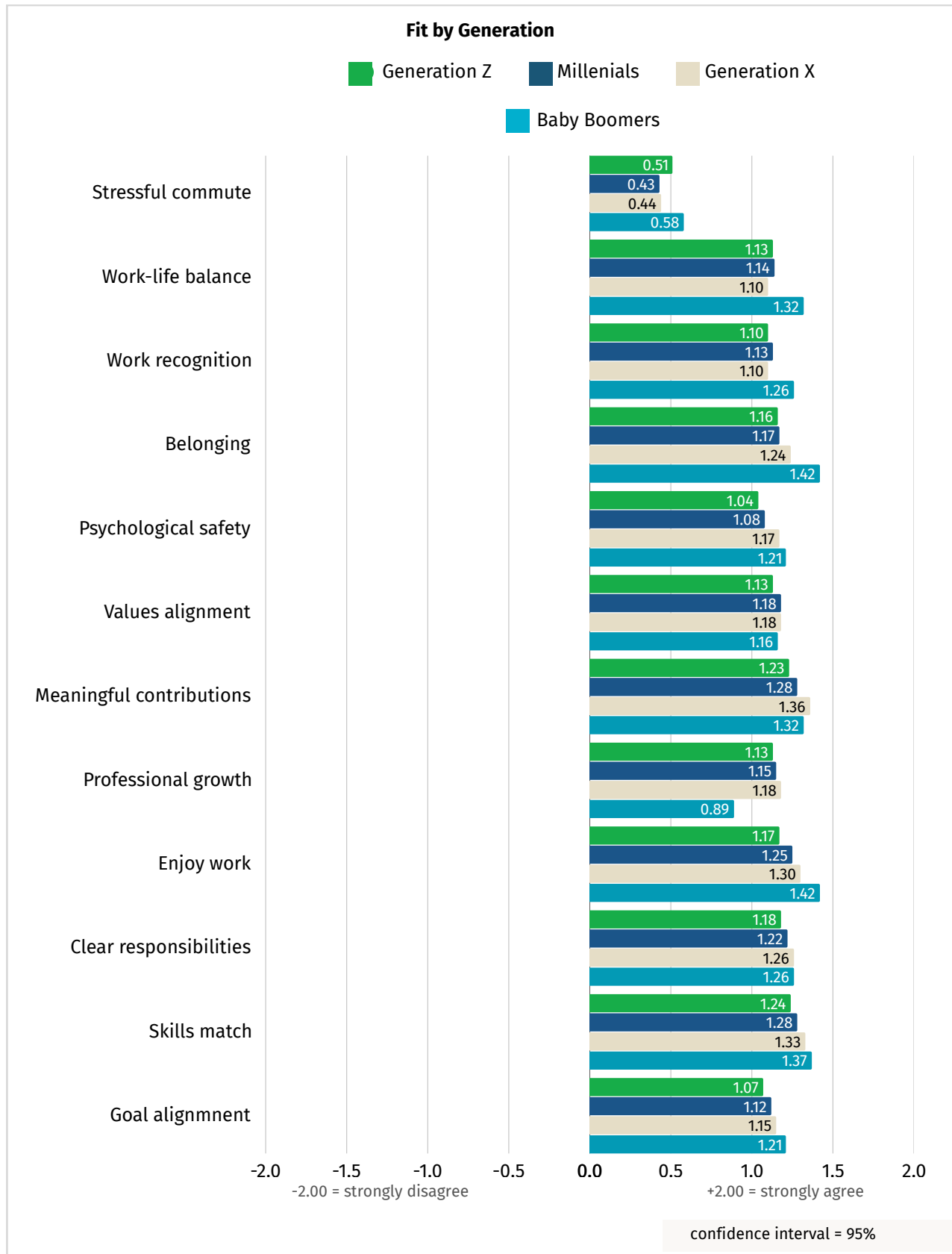


Figure 22

- Employees across generational cohorts agree that sadness is the biggest sacrifice they would have to bear if they leave their organizations, as Fig. 23 below depicts. The boomers stand out as the ones who would sacrifice the most by leaving in terms of feeling sad and regret, and losing social connections. Employees do not know much about whether other organizations could match their salaries, as shown by their responses clustering around zero.

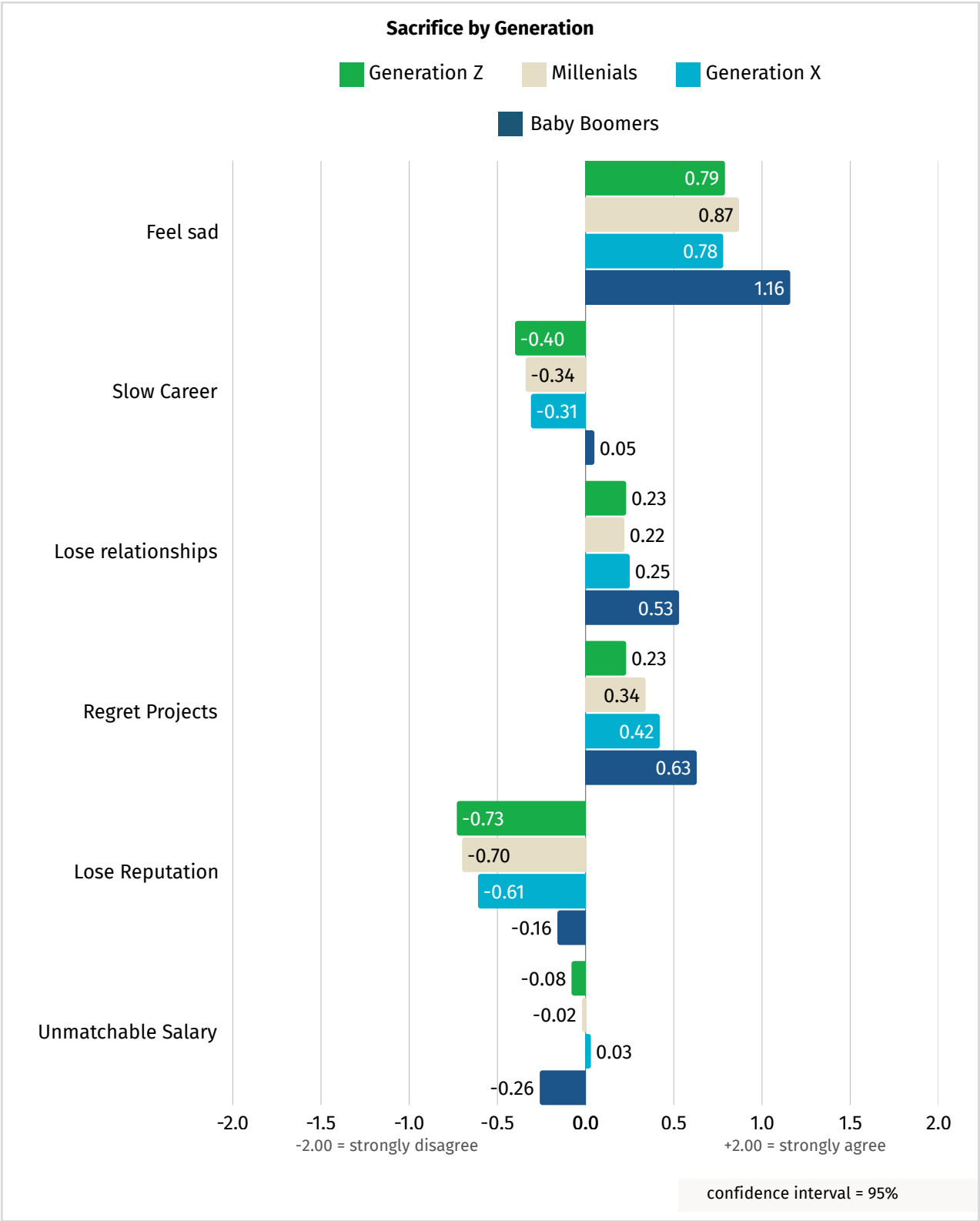


Figure 23

Relationships of Link, Fit, and Sacrifice with Tenure

We examined the associations between Links, Fit, and Sacrifice and employee tenure, and summarized these associations in Table 1.

LINKS		FIT		SACRIFICE	
Employee Tenure	Change in ET	Employee Tenure	Change in ET	Employee Tenure	Change in ET
Strong relationships*	0.3	Goal alignment		Unmatchable salary*	0.2
Good advice***	0.5	Skills match		Lose reputation	
Emotional support		Clear responsibilities		Regret projects	
No mentors		Enjoy work		Lose relationships	
Outside interaction		Professional growth**	-0.4	Slow career***	-0.6
Group number***	0.3	Meaningful contributions**	0.5	Feel sad**	0.3
Commute time		Values alignment			
		Psychological safety			
		Belonging			
		Work recognition			
		Work-life balance***	-0.6		
		Stressful Commute			
***p-value < 0.01 **p-value < 0.05 *p-value < 0.10		GREEN for positive correlation RED for negative correlation			

Table 1

We found the following for Links factors

- Tenure is positively correlated with the number of friend groups (group number) one has within the organization and with the strength of one's relationships with coworkers (strong relationships). Employees who have been with an organization for a long time have stronger social bonds within their organizations.

Tenure is negatively correlated with good mentoring from one's manager (good advice), perhaps because the younger one is in an organization, the more mentoring she receives.

We found the following for Fit factors

- Tenure is highly significantly and negatively associated with work-life balance. Longer-tenured employees believe less than their shorter-tenured counterparts that their organizational cultures encourage work-life balance. Perhaps these negative associations are because employees who have been with their organizations longer focus more on work than on work-life balance or professional growth.

Longer-tenured employees believe more that they provide meaningful contributions to their organizations.

We found the following for Sacrifice factors

- ▶ The longer an employee has been with an organization, the sadder she would feel if she had to leave. Sadness is a heavier cost of leaving for longer-tenured employees. Tenure is also associated with the belief that their compensation would be difficult to match elsewhere. But, tenure is negatively associated with the switching cost of a career slowdown. Longer-tenured employees disagree that leaving their organizations would slow down their careers.

Job Embeddedness Themes

We asked one open-ended question each for Links, Fit, and Sacrifice, and the themes that stood out were:



**Social
Connection**



Collaborative Work



**Work-life
Balance**



Links Question:

“How would you describe the relationship you have with people at work?”



Links Answer:

Employees describe work relationships as professional, collaborative, family-like, and socially balanced.



Fit Question:

“What do you like most about your organization’s culture and why?”



Fit Answer:

Employees like that their organizations are inclusive, respectful, collaborative, balanced across work and life, and supportive of professional growth.



Sacrifice Question:

“If you were to leave your organization, what would you miss the most and why?”



Sacrifice Answer:

Employees would miss connections, collaboration, work-life balance, and good compensation.



Discussion on AI Use in the Workplace

We analyzed the perceptions about AI and their relationships with AI workplace adoption. Two out of three employees (62%) use AI in the workplace, as Fig. 24 depicts. We assume that this is predominantly generative AI.

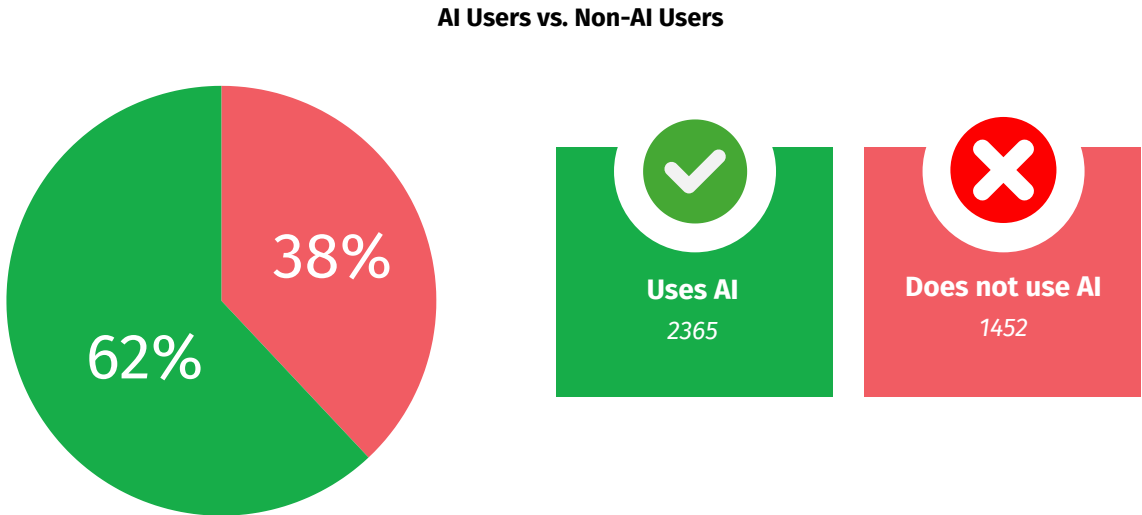


Figure 24

Whether they use AI or not in the workplace, employees agree that their organizations are prepared to use AI tools, AI will make their organizations more productive and competitive, and AI is useful and easy to use. However, as Figure 25 shows, those who use AI in the workplace express stronger agreement with these statements than those who do not. The AI users believe their organizations are prepared (1.0) for AI, while the non-users are close to neutral (0.03) about this preparedness. The users believe AI is useful (1.3) more than the non-users do (0.7).

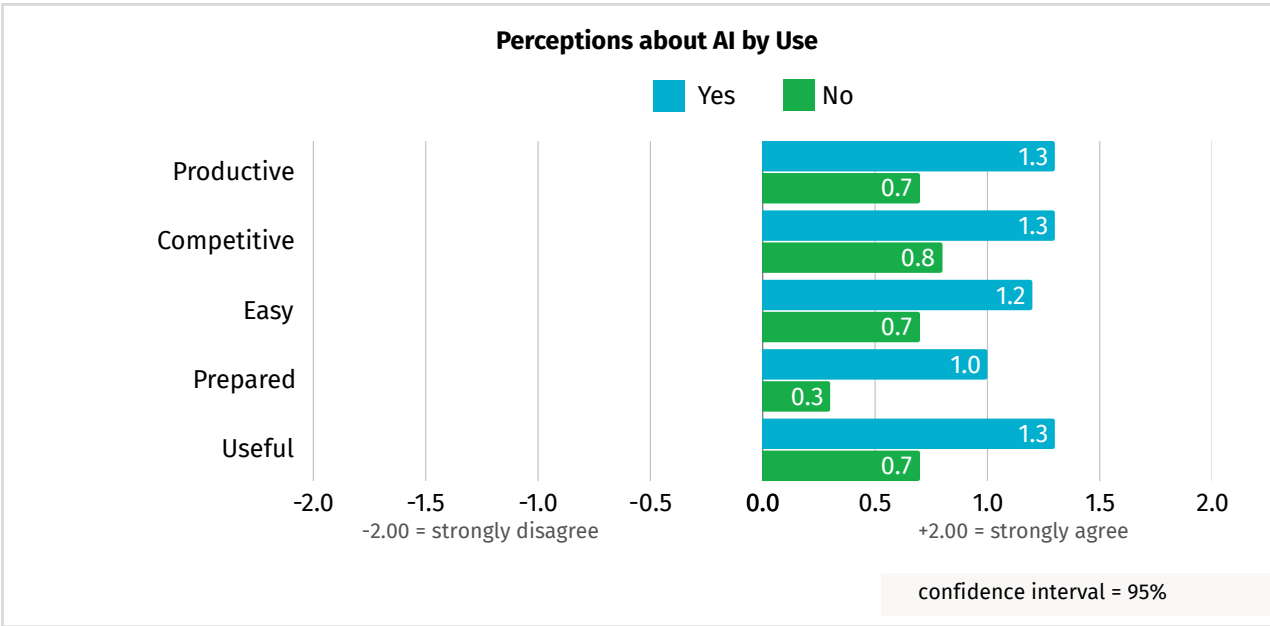


Figure 25

 Relationships between Perception about and Adoption of AI in the Workplace

We analyzed the adoption of AI in the workplace from the perspectives of usefulness, preparedness, ease of use, competitiveness boosting ability, and productivity. We found that perceived organizational preparedness, AI usefulness, and its ease of use are highly significantly and positively associated with AI workplace adoption. The perception of organizational preparedness has the largest impact on AI adoption, as Table 2 illustrates. For every unit increase in perceived preparedness, there is a 0.61 increase in the likelihood of one’s AI use in the workplace. Perceived usefulness and ease of use are the same behavioral factors that affect the success or failure of digital transformation programs (Davis, 1989).

Use AI	Ave Marginal Effect of AI use
Useful***	0.6
Prepared***	0.6
Easy to use***	0.3
Competitive	
Productive	
***p-value < 0.01	
GREEN for positive correlation RED for negative correlation	

Table No. 2

 Perceptions on AI Benefits and Disadvantages in the Workplace

We asked about the benefits and disadvantages of using AI in the workplace, and here are the responses.

 **Question:**

“What are the benefits of using AI in your day-to-day work?”

 **Answer:**

The benefits employees cited were productivity, communication enhancement, knowledge and decision support, and automation.

 **Question:**

“What are the disadvantages of using AI in your day-to-day work?”

 **Answer:**

The disadvantages employees named were thinking dependence, loss of creativity, inaccuracies, privacy and security risks, and reduced job opportunities.

Discussion on Work Styles

Work styles are ways in which we interact with others as we go about our tasks. We adapted the research around cultural nuances (Meyer, 2014) that shape the way we work with each other.



We examined self-ratings across seven individual workstyle dimensions: communicating, evaluating, leading, deciding, trusting, agreeing, and scheduling. Respondents rate themselves on a 4-point scale from strongly disagree to strongly agree. We then mapped responses to show workstyle patterns across employees. Fig. 26 reveals that there is not much difference in the responses across BPO and non-BPO employees.

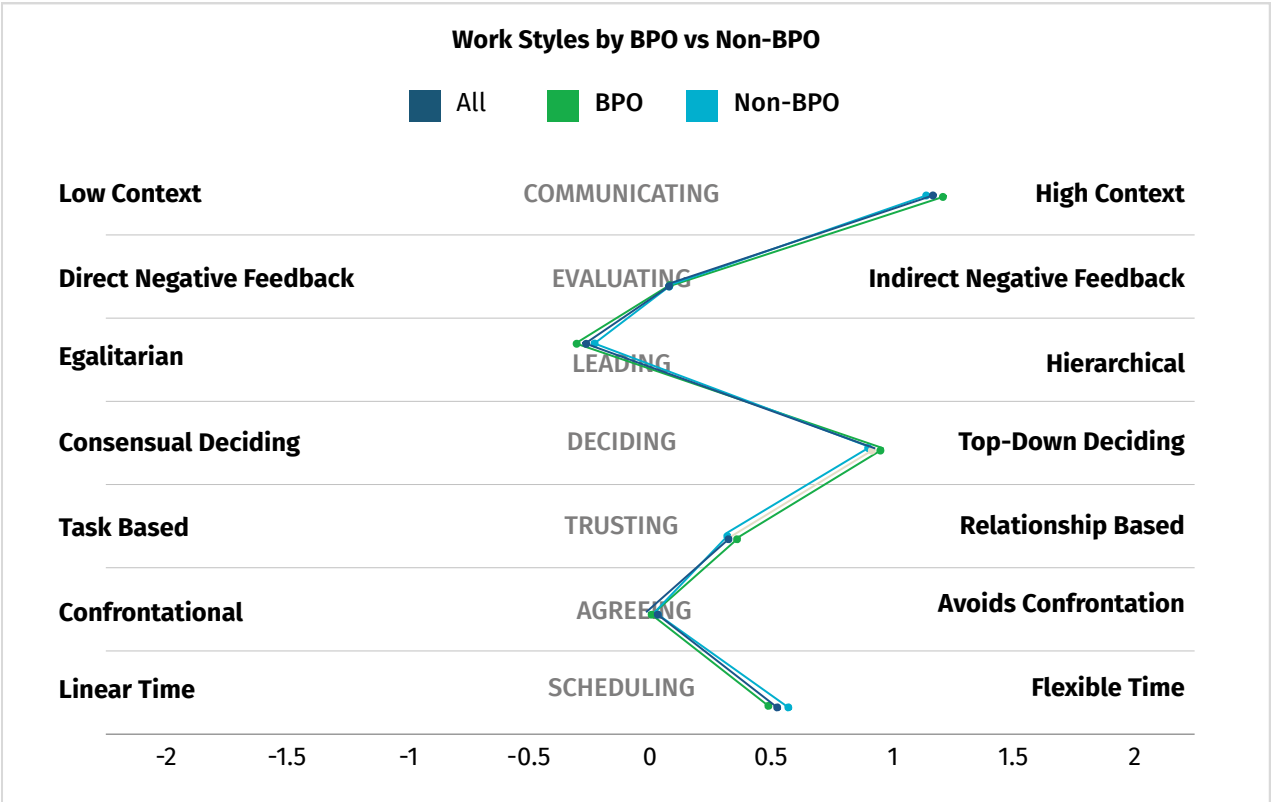


Figure No. 26

The younger the cohort, the closer to the right side of the spectrum it is, as Fig. 27 illustrates. The response averages move from left to right for baby boomers, Gen X, millennials, and Gen Z respectively, for all dimensions except for evaluating, where Gen X is the least indirect when giving negative feedback.

Boomers fall on the left side of the spectrum on five dimensions relative to the other cohorts. They have the most different work styles from the Gen Xers, millennials, and Gen Zers. Compared to other generations, boomers communicate with less context. They prefer to spell it out and “recap in writing exactly what was said to prevent misunderstanding or confusion”. Boomers are less hierarchy-conscious when meeting with colleagues, clients, or suppliers. Boomers decide consensually. They involve others and give time to hear out differing views. Boomers build less relation-based trust. They are more likely to “trust a colleague, supplier, or client even if I don’t spend time getting to know her personally.” Finally, boomers are less flexible with schedules. They prefer to be punctual and follow meeting agendas closely.

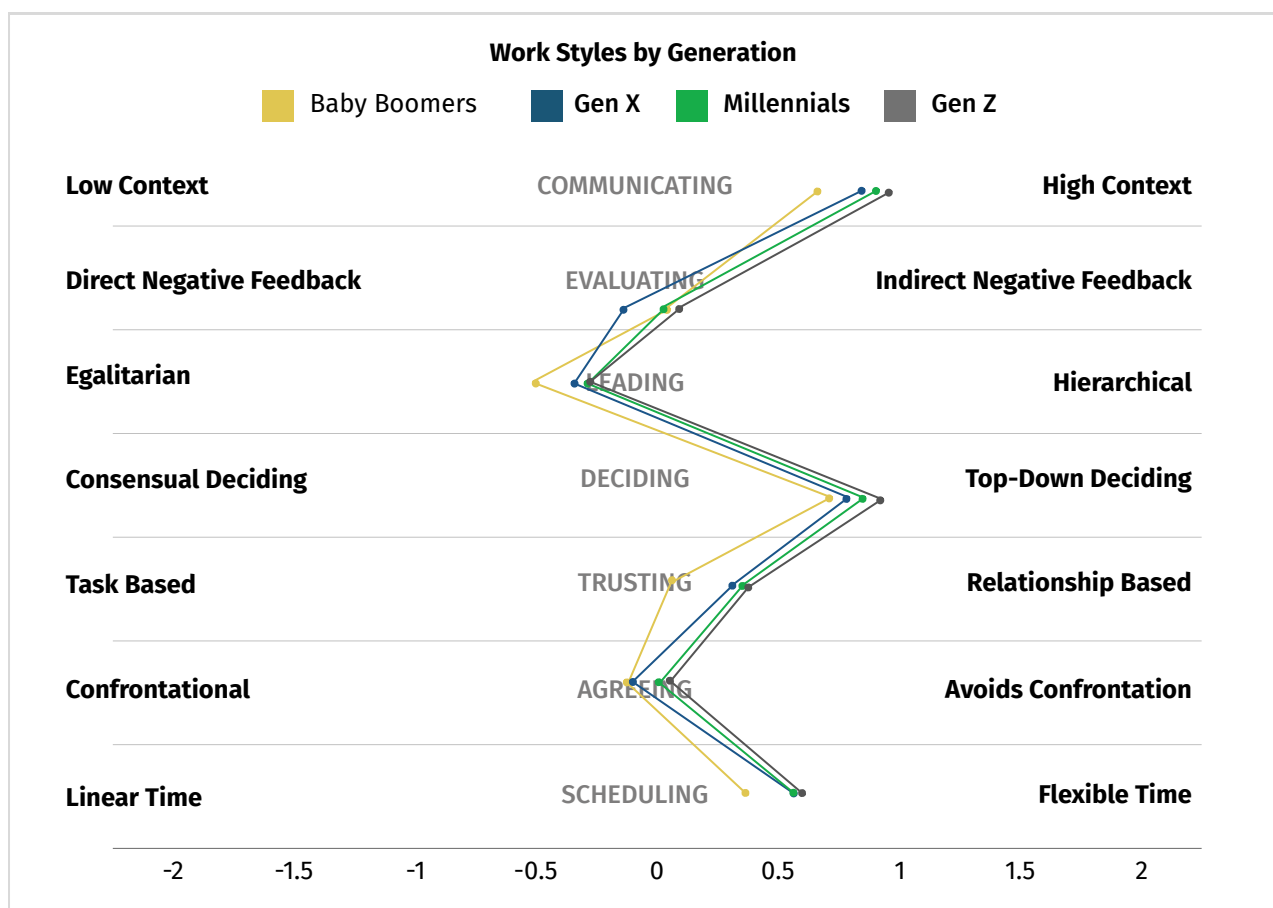


Figure No. 27

Gen Xers stand out from the pack when evaluating in that they are not as indirect as the others when Xers provide negative feedback.

Millennials and Gen Zers mimic each other's answers the most across all spectrums.



Limitations

Here are some limitations of this study.



Our findings around factors like coworker relationships and meaningful contributions associated with tenure are statistically significant correlations, but we cannot conclude any causality between these factors and tenure.



Our respondent pool is limited to the organizations and employees in Sprout's ecosystem.



We used tenure in years as our outcome variable of interest. We could have used willingness to resign instead, but we were concerned with social desirability bias.



We preferred to do a non-anonymous survey so we could supplement survey results with demographic information, but the non-anonymity would expose the responses to signalling around willingness to resign questions.



We used the attrition rate of the organization in the absence of our preferred individual's willingness as a proxy.



About the Authors

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