

Unlocking The Future of Human Capital Management: Embracing Cloud, Sustainability, and Innovation

By 2025, over **70% of HCM systems globally will be cloud based**, driven by the need for agility, innovation, and enhanced employee experience.¹

70%

Organizations that integrate AI into their HCM systems are projected to achieve a **30% increase in productivity** by 2026.²

30%

Cloud adoption: AI and generative AI (GenAI) use cases is on track to push more than 70% of HCM use cases to the cloud by the end of 2025.³

70%

AI and automation: Organizations that integrate AI into their HCM systems are projected to achieve a 30% increase in productivity by 2026.²

30%

Workforce sustainability: ~60% of organizations globally plan to integrate AI and automation into their talent management systems by 2025 to address skill gaps.⁴

60%

Emphasis on employee experience: Companies are leveraging HCM technologies, AI personalization frameworks, and digital assistants to create more engaging, supportive, directed, and inclusive workplace environments.⁵

Outsized skills demand: 27% of organizations are investing significantly in GenAI tools with spending planned for employee training and development within the next 18 months.²

27%

Sourcing:

1. Worldwide Human Capital Management and Payroll Applications Forecast, 2024–2028 (IDC #US52601624, October 2024).
2. IDC 2024 Future of Work Survey.

3. IDC August 2024 Human Capital Management Survey
4. IDC FutureScape: Worldwide Future of Work 2024 Predictions (IDC #US49963723, October 2023).
5. IDC Research – dates unspecified