



Navigating HR Realities!

Understanding Market Drivers, Enhancing Employee Experience and Leveraging HR Tech

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Europe's #1 HR Industry Analyst

Founded 1996

In-depth corporate research on Next Gen HR, Talent and Learning

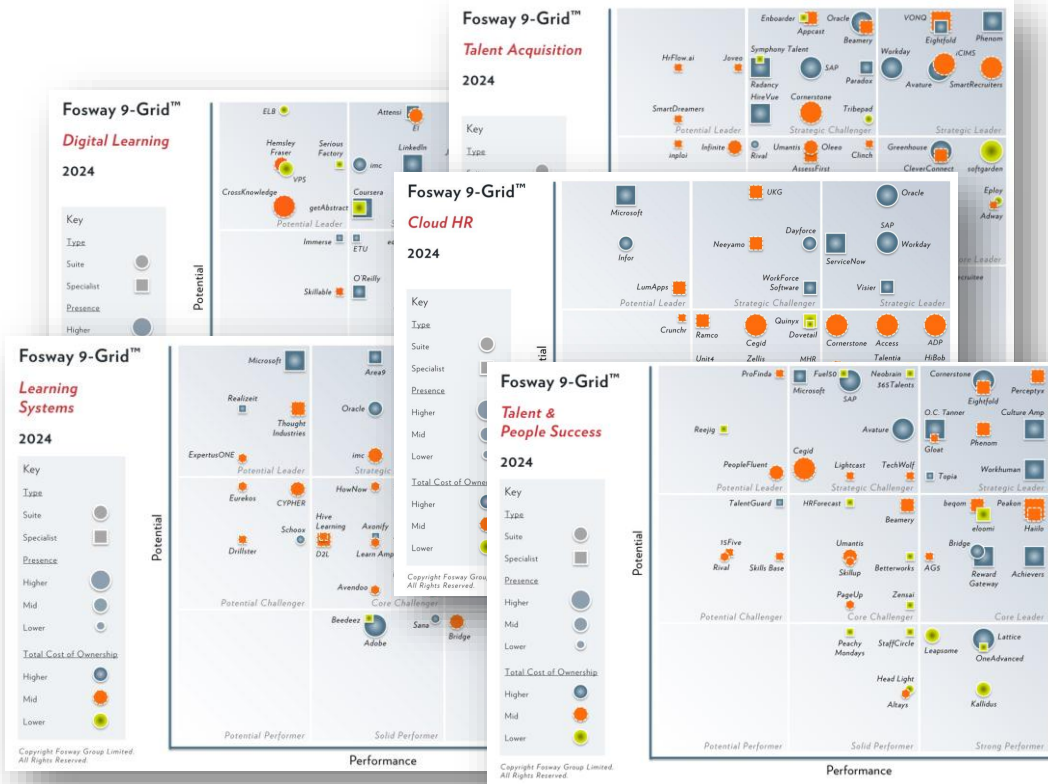
Analyst & advisory services to more than 3,000 European & International HQ multi-nationals and corporates

Independent vendor research and EMEA market commentary



Deep Segment Research & Fosway 9-Grids™

- Cloud HR
- Talent & People Success
- Talent Acquisition
- Learning Systems
- Digital Learning



2024-25 EUROPEAN HR RESEARCH

78%
of respondents
European

68% Respondents
from Organisations
> 1000
Employees

68% have a
Global role

222 respondents overall



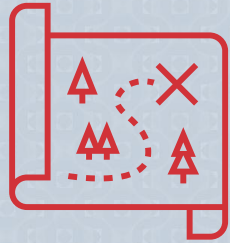


HR Realities Research

Infographics to be released November 2024...

<https://www.fosway.com/research/next-generation-hr/hr-realities-research-2023/>





What is really happening with HR Tech in Europe?

Currently, what are your organisation's most significant business challenges 2024-25?

97%

Availability of Skills



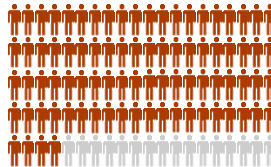
92%

Increasing performance & profitability



89%

Managing AI and Automation



88%

Reducing Cost



86%

Economic Pressures

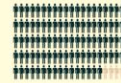


Was 7th

Currently, what are your organisation's most significant business challenges? 2023...

94%

Availability of Skills



92%

Increasing performance & profitability



89%

Increasing Business Agility



86%

Reducing Costs



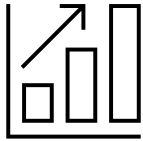
How important are the following to the future success of your HR operation?

71%



Employee
experience

65%



High quality
data &
analytics

56%



Closer
integration
between HR
& business
systems

52%



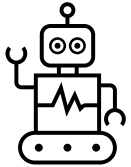
Employer
brand &
values

46%



Strategic
influencing
skills in HR
leadership

45%

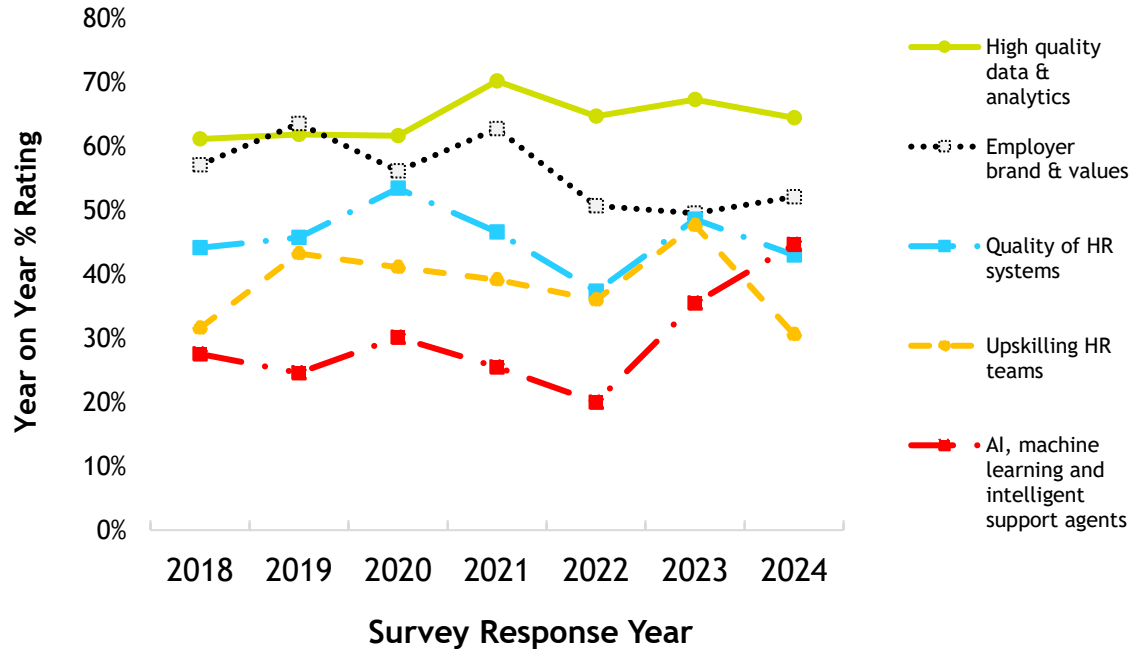


AI, machine
learning and
intelligent
support
agents

Over the past 5 years analytics has been seen as what underpins HR's success...

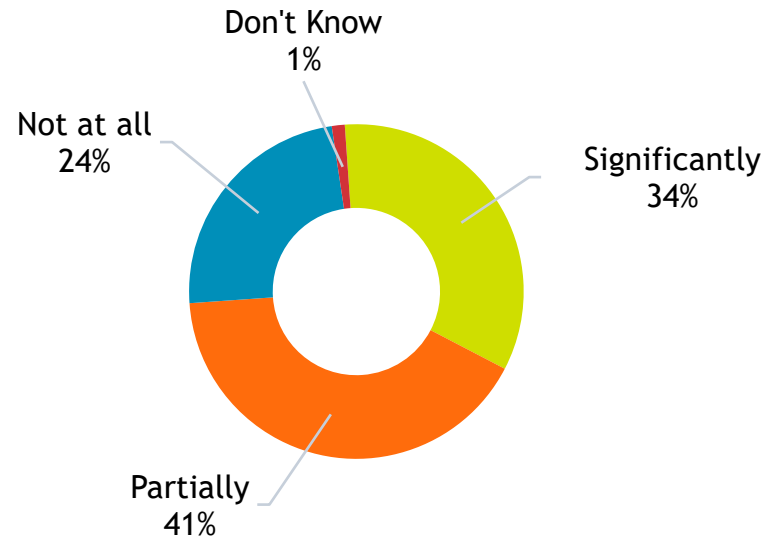
AND NOW AI is really on the rise!

How important are the following to the future success of your HR operation?



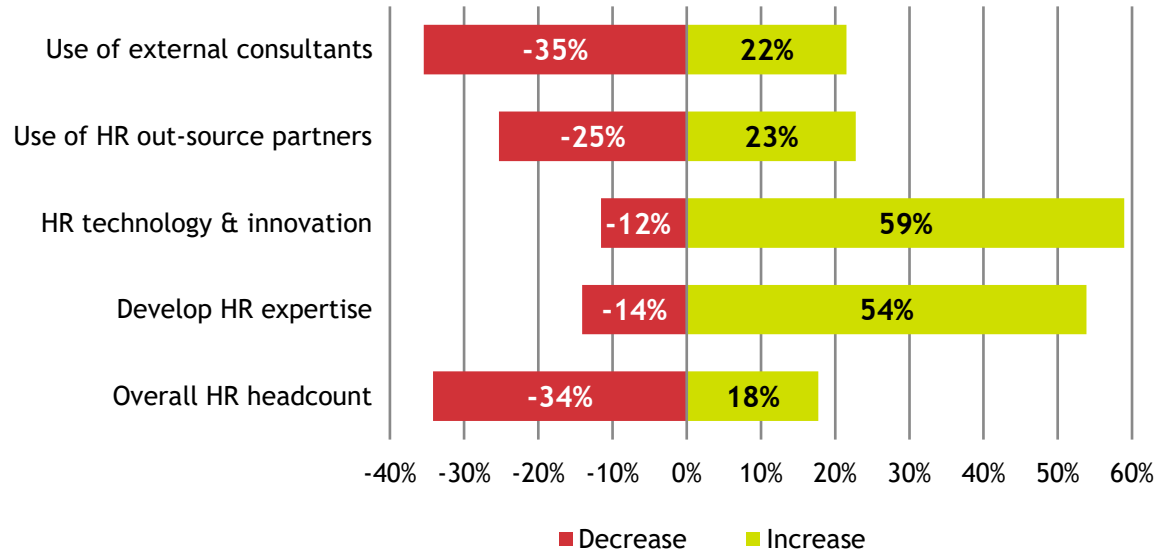
*76% have have
seen economic
pressures affect
their HR budgets*

How significantly have economic pressures affected your HR budgets for the year ahead?



2024 sees HR teams focus on investing on HR tech, innovation and developing HR expertise

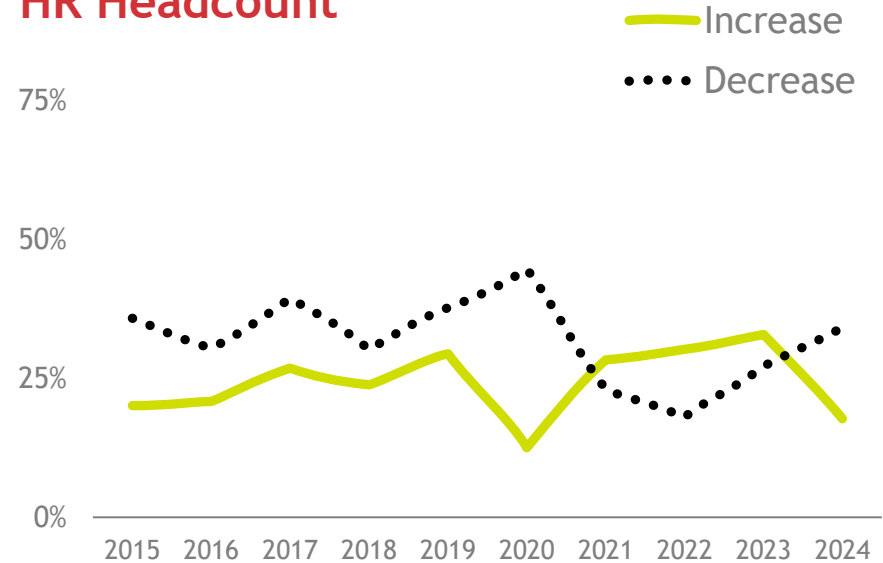
Do you expect your organisation's investment in the HR function to increase, decrease or stay the same over the year ahead?



Over the past eight years, investment trends have largely remained stable, but pressure to reduce HR headcount is biting again.

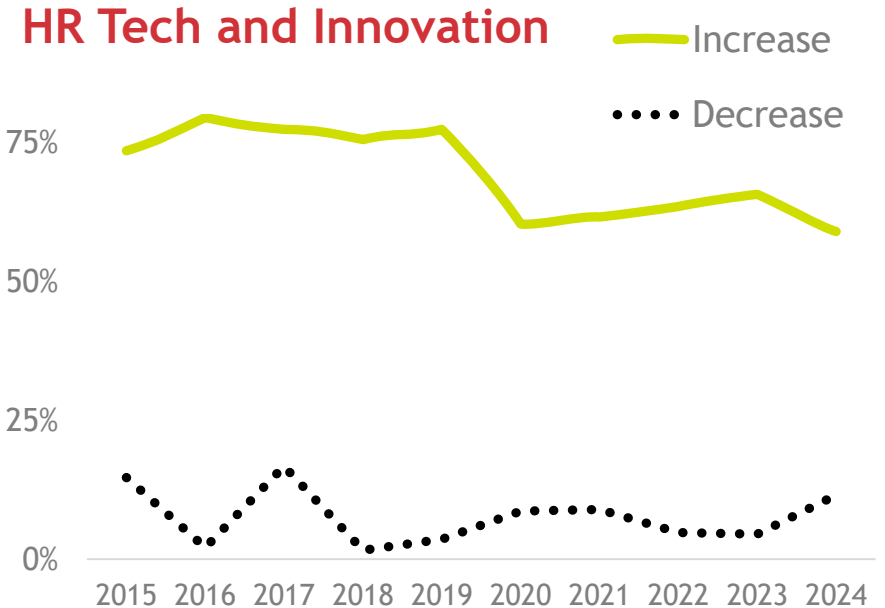
Investment Trends 2015-2024

HR Headcount



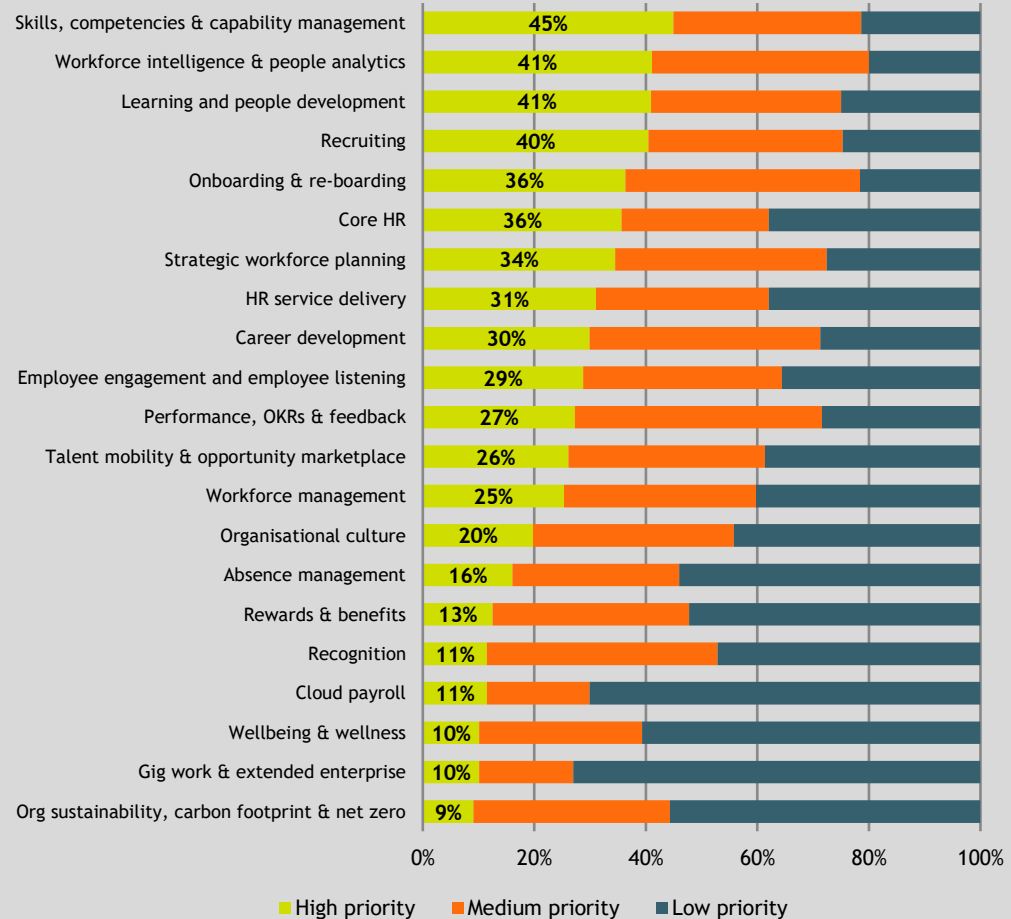
Investment in HR Tech has remained resilient, but is trending lower than pre-pandemic levels

Investment Trends 2015-2023



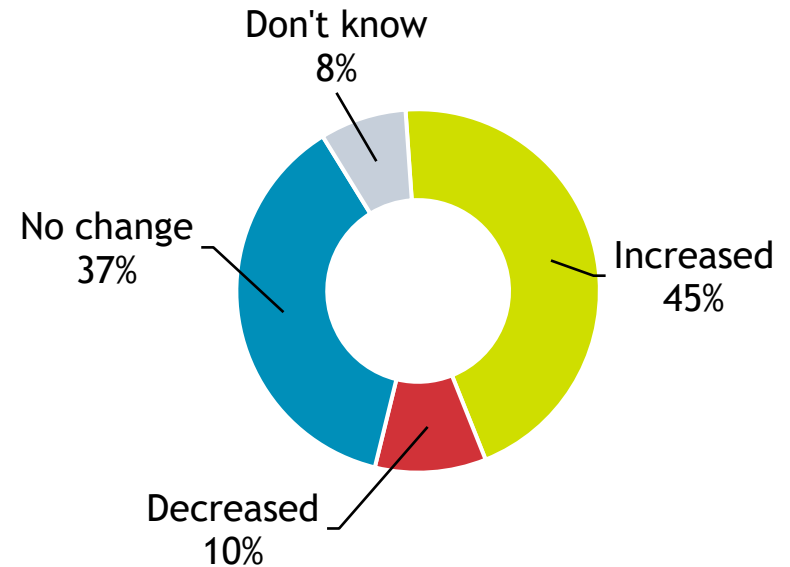
Looking to the year ahead - skills, learning, recruiting, onboarding, HR service delivery, career mobility and analytics are the ‘highest’ priorities for disruption by HR Teams

Which of the following systems are your highest priority for disruption over the next 12 months?



Nearly half of HR teams have felt increased economic pressure to consolidate their HR systems into a single suite

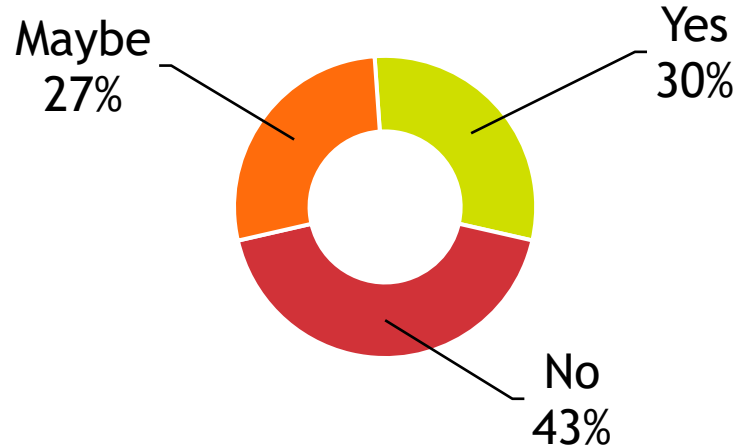
How have the current economic pressures changed the importance of consolidating your HR systems into a single suite?



But, is the employee experience 'good enough' if you move to a single suite....?

What is good enough?

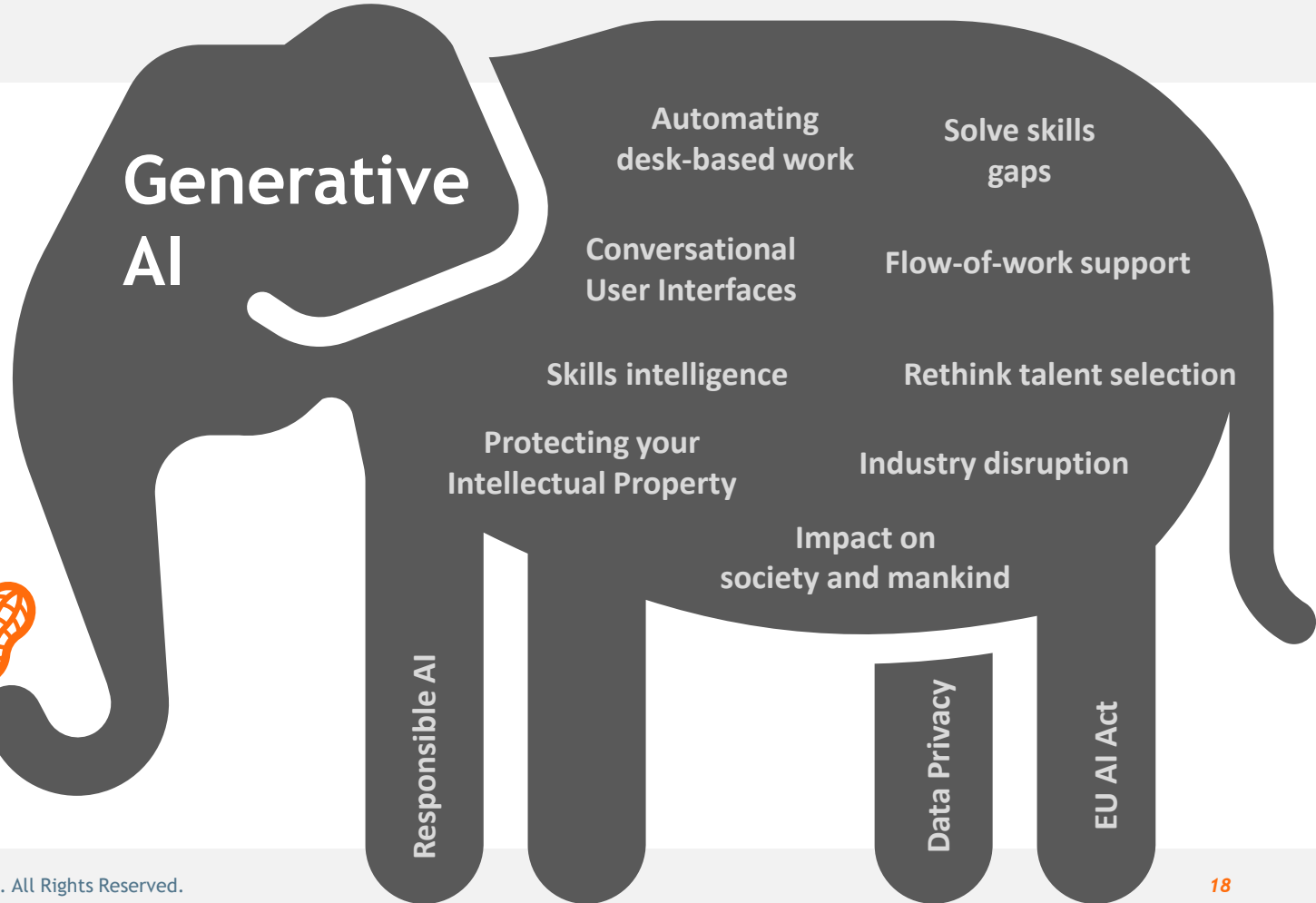
Do you think your HR systems are fit for the modern workforce?





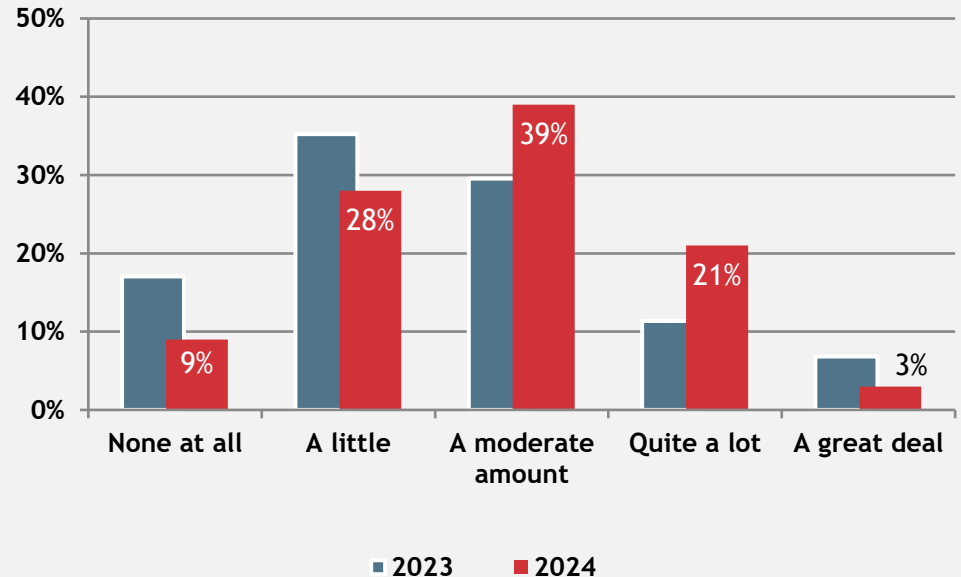
How much is AI changing HR and the Employee Experience?

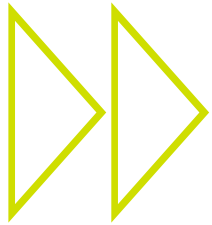
The *ELEPHANT* in the Room!



91% are already experiencing some impact from AI on their HR function

How much is AI already impacting your HR function?





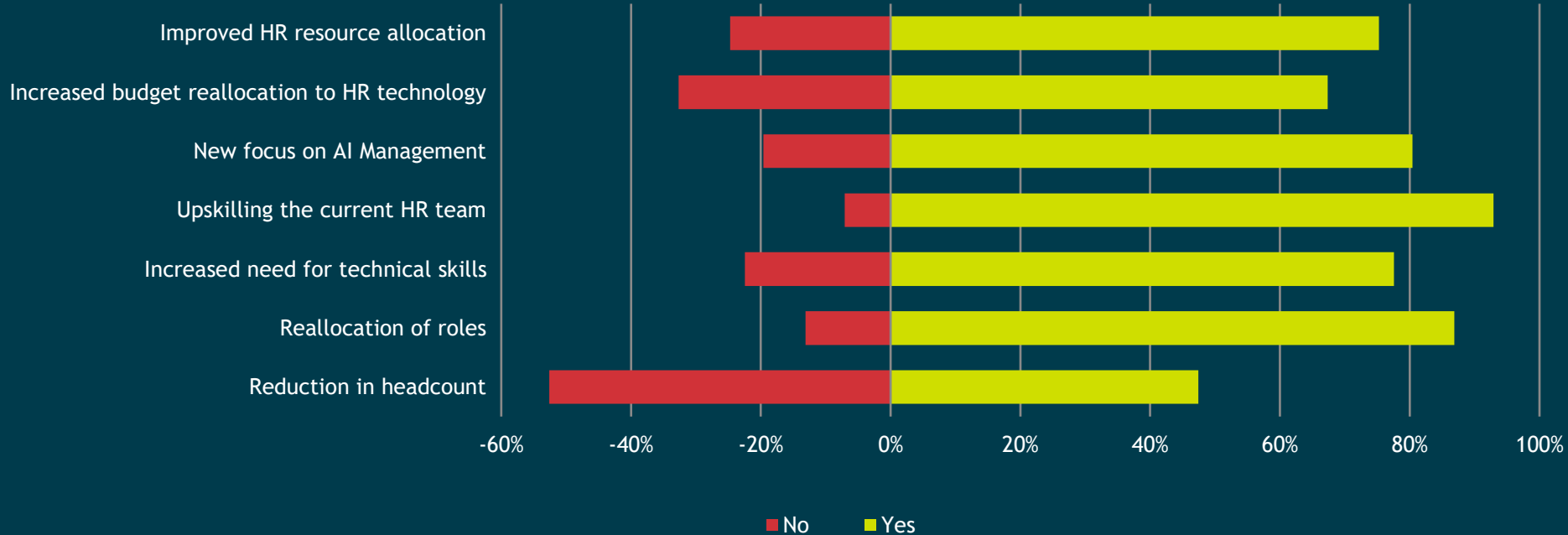
79%

plan to expand
their use of
AI in HR

*Only 5% **don't** plan to
extend their use of
AI into their future
HR processes*

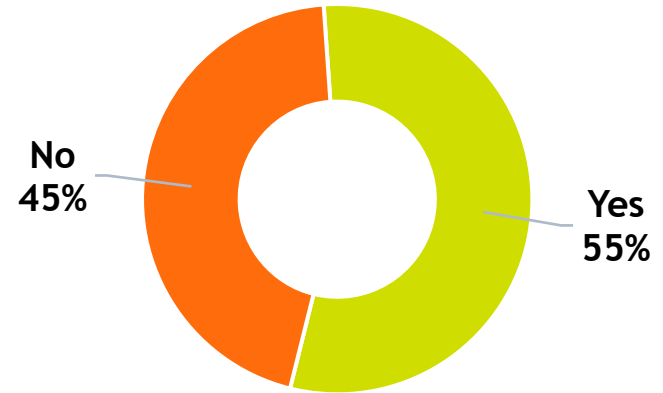
The momentum for AI in HR is high. 79% plan to expand their use of AI in people process in the future, with a small but noticeable group of 16% unsure about their HR organisation's plans for AI.

What impact do you think AI will have on your HR team in the next 2-5 years?



*AI in HR is an emerging practice
Only 55% have implemented AI powered tools to support their HR processes.*

Have you implemented any AI-powered tools or systems in your HR processes?



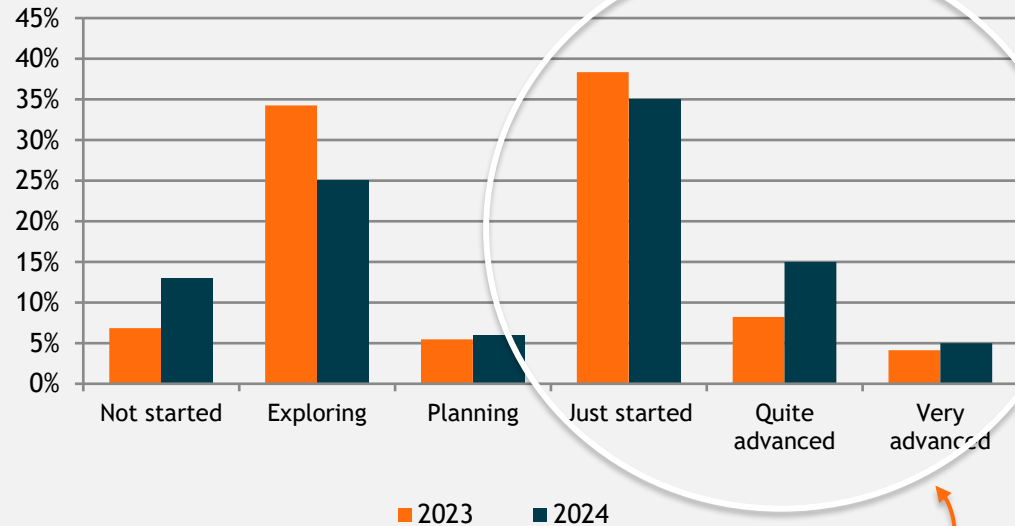
Source: Fosway HR Realities Research 2024

Most are still only getting started

Few consider themselves advanced in AI in HR. Most are at formative stages, either just starting, planning or exploring

Out of the 55% who have got started - most are only 'just starting'

How advanced is your HR team in adopting AI within your people processes

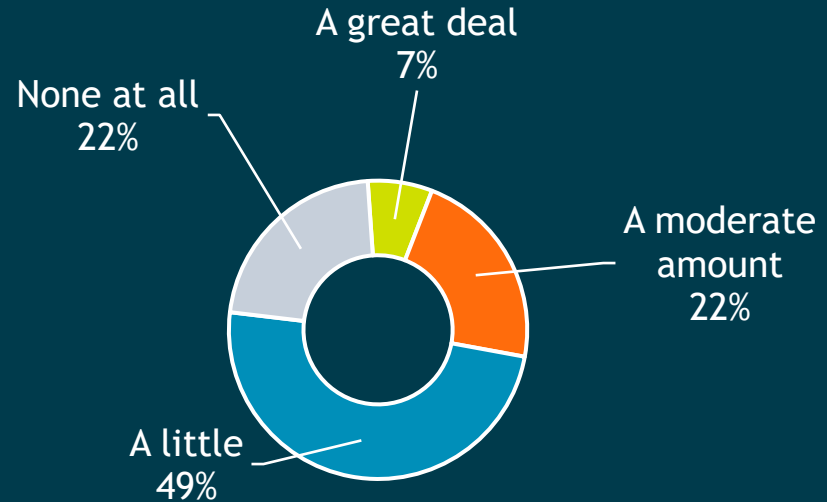


Remember - 55% have implemented AI Tools in HR Processes

*IF YOU THINK YOU
ARE FALLING BEHIND!
Don't Panic!*

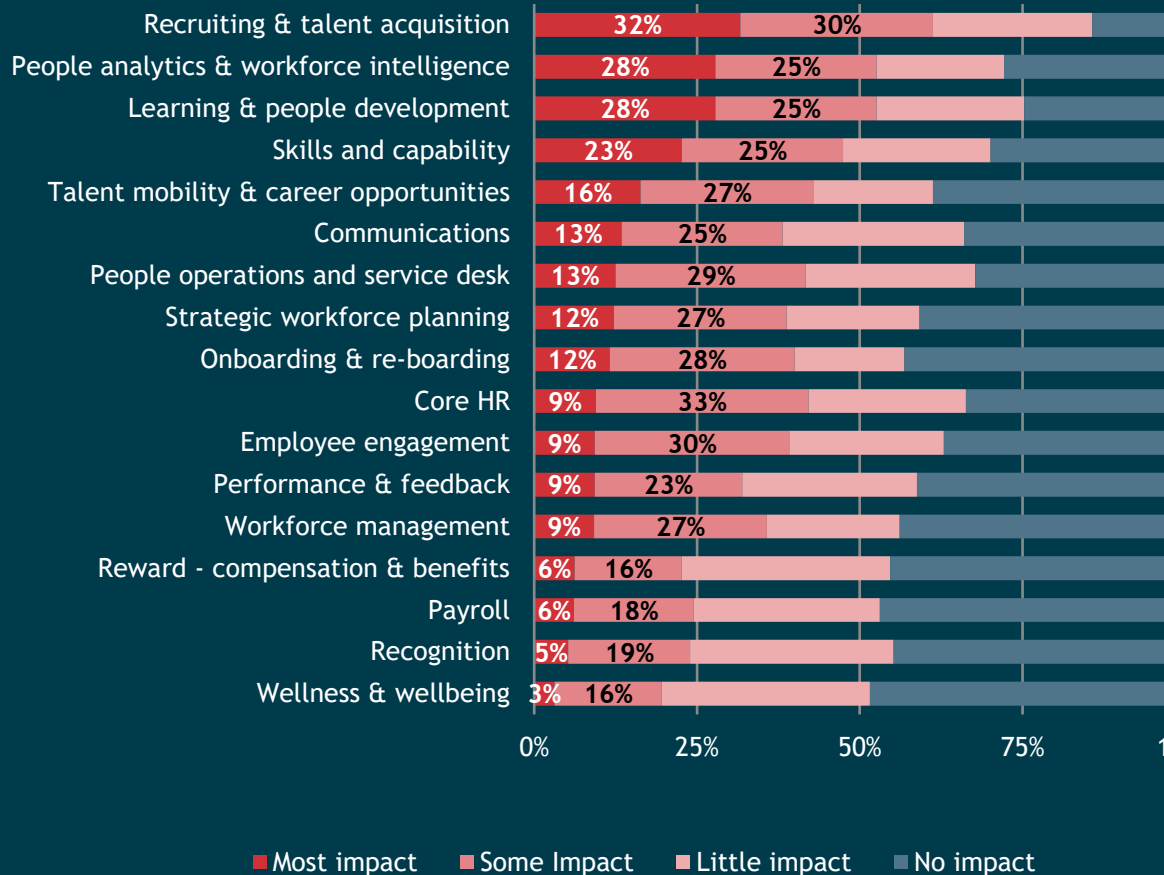
*AI in HR is not
significantly changing
the employee
experience in most
organisations. It's
back office...*

**How much is AI in HR changing the employee
experience in your organisation today?**



Which employee experiences and people processes are being most impacted by AI in your organisation today?

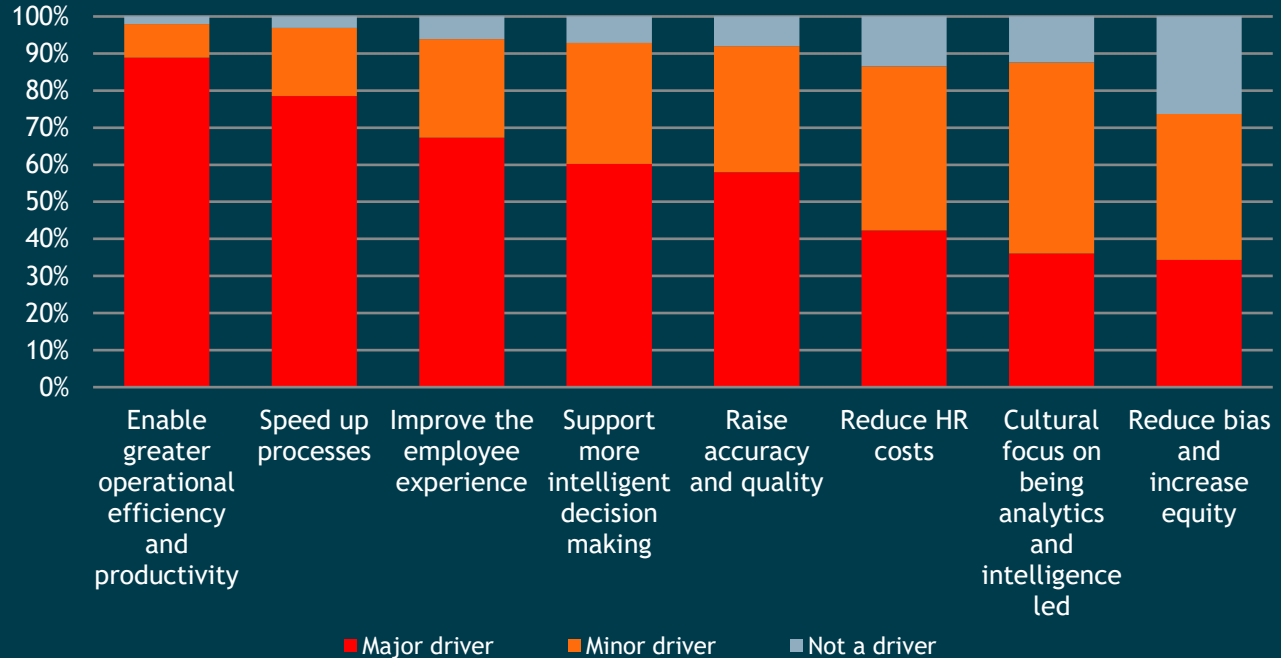
Talent Acquisition leads the charge in adopting AI in HR, but it's still early days...



What's your business case for AI?

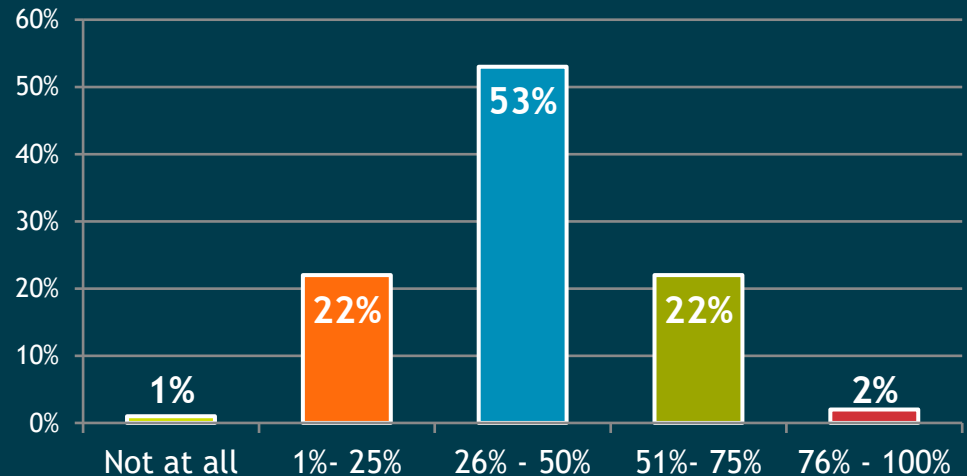
And what gives to pay for it?

What is driving your adoption of AI to support people processes in your organisation?



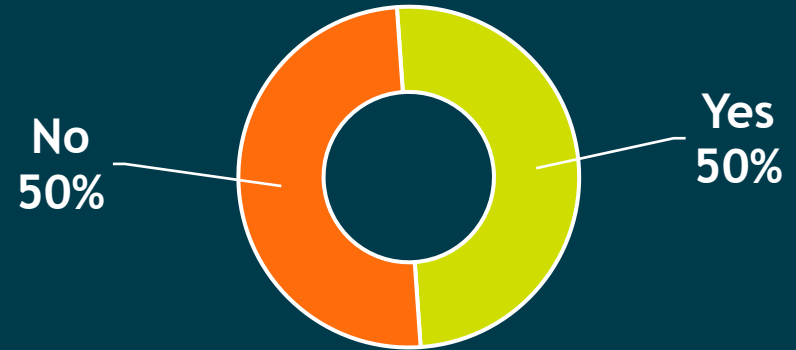
By 2030 half of HR professionals think that between 25% to 50% of HR's role could be automated by AI and still be effective

By 2030 how much of HR's role in organisations today do you believe will be automated or be made redundant by AI and still be effective?



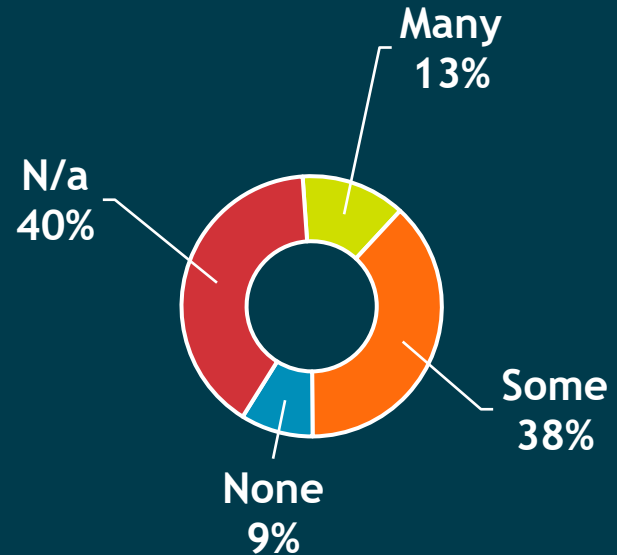
*Who wants to
paying for AI
and how much
will it cost?*

Do you expect to pay extra for AI modules
and new Ai features with your existing HR
solution providers?



Don't underestimate the challenges of implementing AI in HR

Have you experienced any challenges while implementing AI in your HR processes?





AI In HR

Fosway Corporate Research Network Project

*Taking a detailed look at the reality of AI in HR
and the benefits that HR teams and vendors
are realising from embracing AI innovations
across the employee lifecycle.*

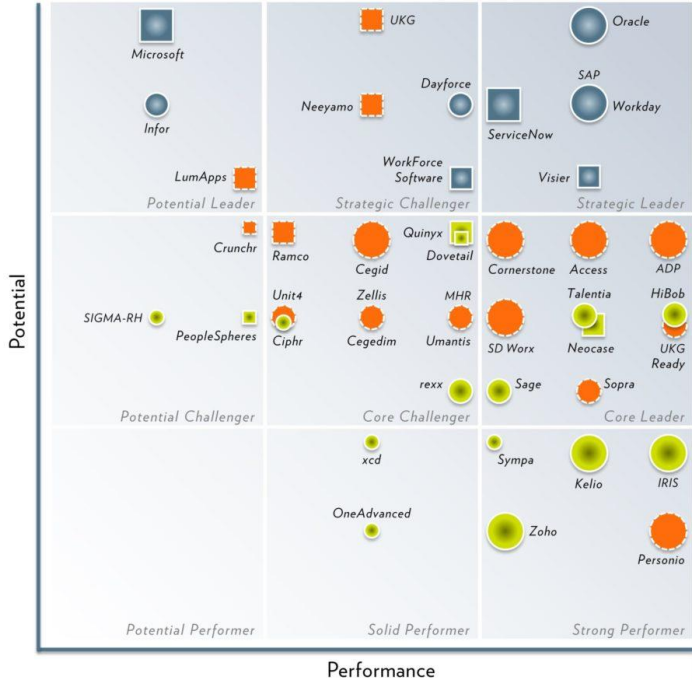
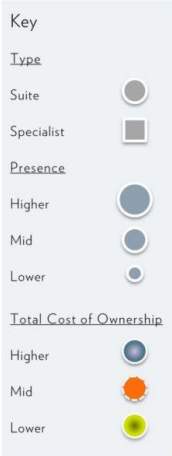
corporate@fosway.com

How can you make informed and expedited HR technology decisions?

Fosway 9-Grid™

Cloud HR

2024

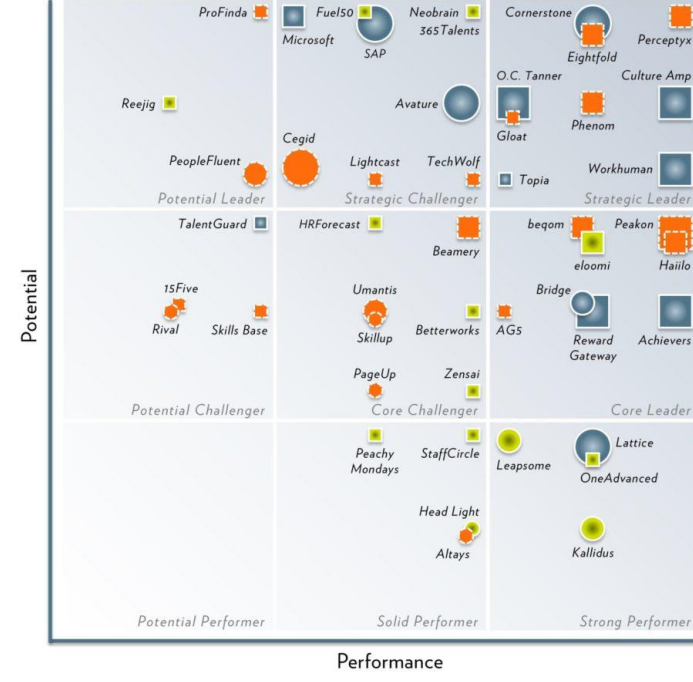
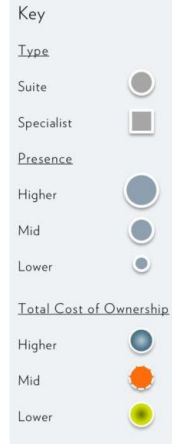


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Fosway 9-Grid™

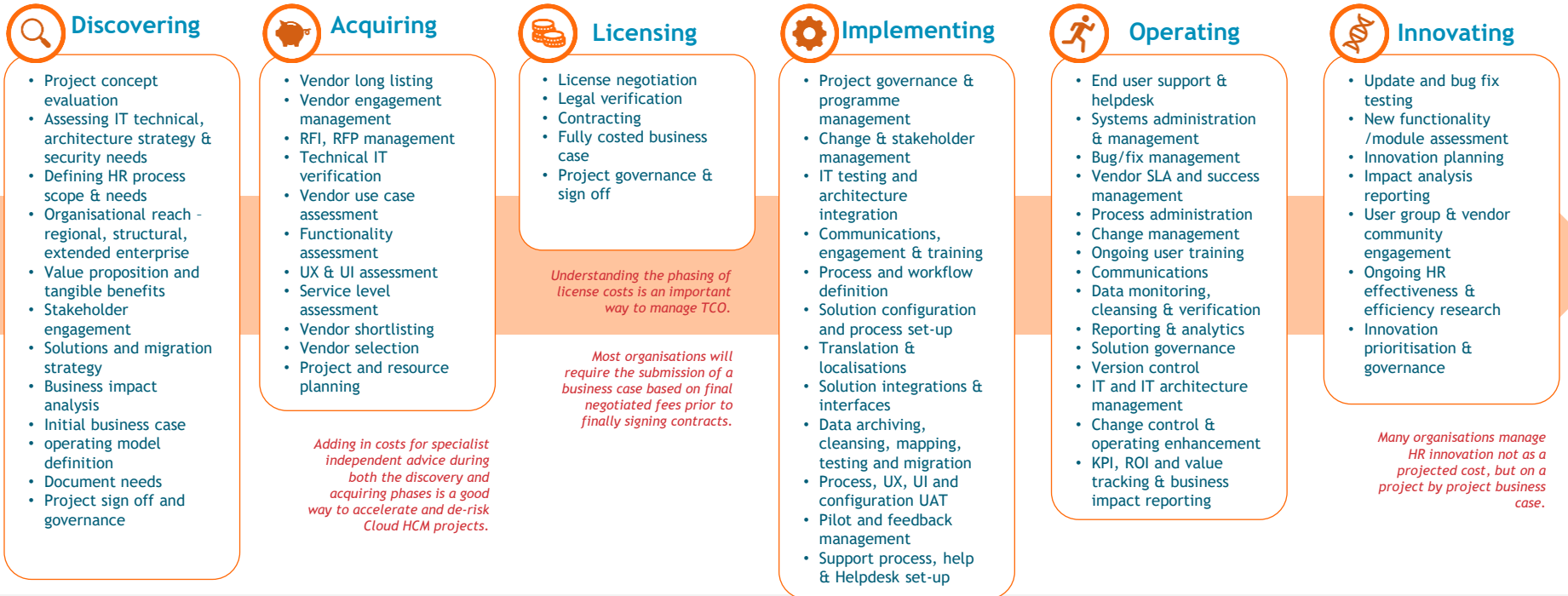
Talent & People Success

2024

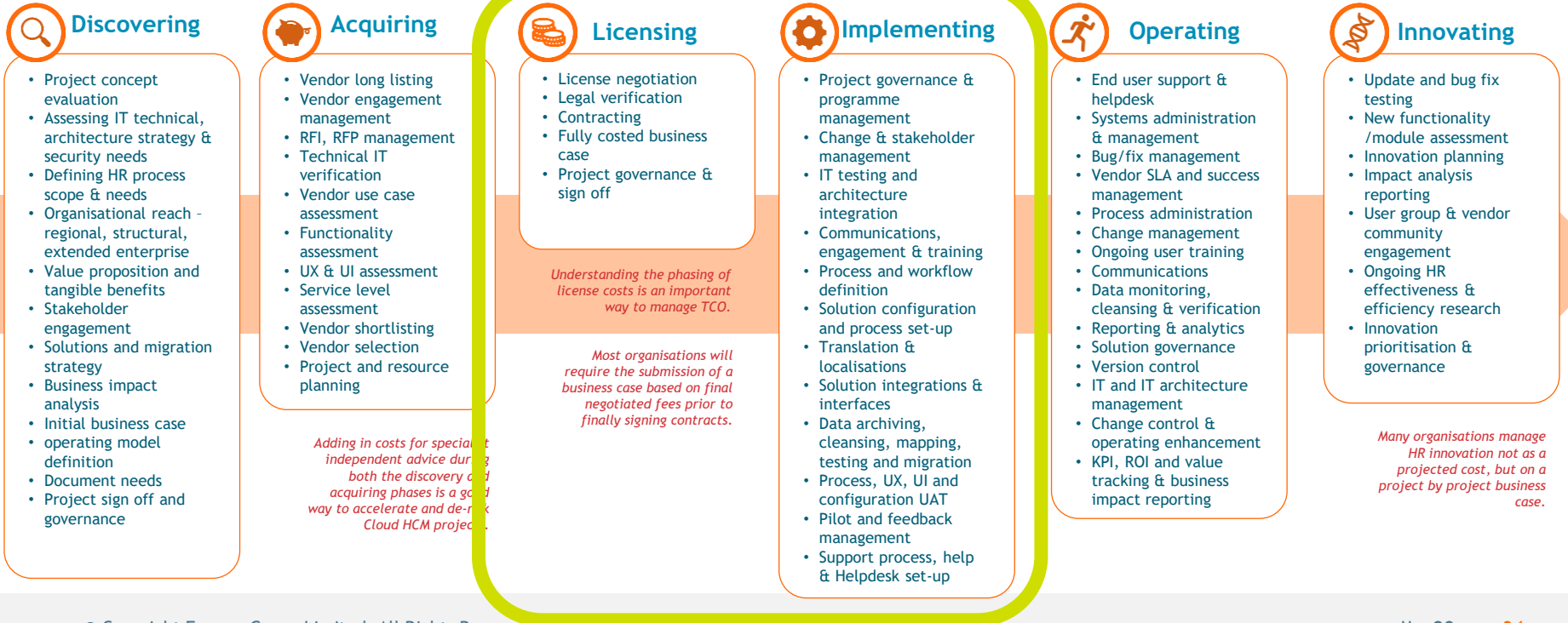


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Don't under-estimate the Total Cost of Ownership



But what are buyer's really aware of/focused on?



It's easy to be seduced by features...



**Is it about
functionality or
the experience?
And is your
experience a bit of
a monster!**

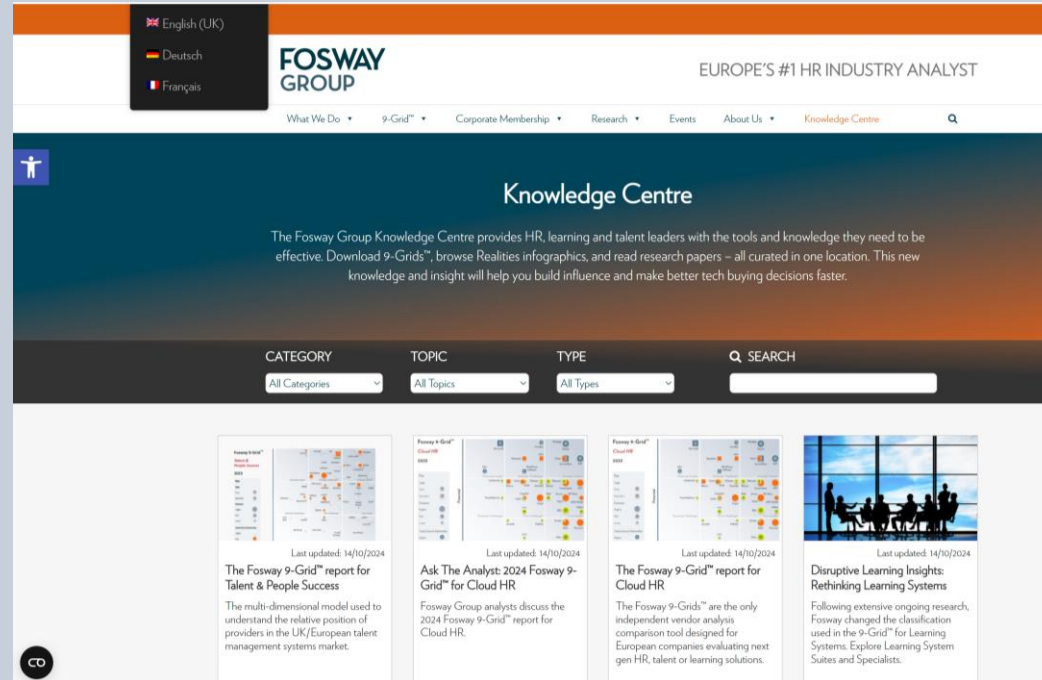
<https://www.pinterest.com/pin/243687029817620892/>

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- Cloud HR
- Talent & People Success
- Talent Acquisition
- Learning Systems
- Digital Learning



The screenshot shows the Fosway Group Knowledge Centre website. At the top, there is a navigation bar with language options (English (UK), Deutsch, Français), the Fosway Group logo, and the tagline "EUROPE'S #1 HR INDUSTRY ANALYST". Below this is a secondary navigation menu with links for "What We Do", "9-Grid™", "Corporate Membership", "Research", "Events", "About Us", and "Knowledge Centre".

The main content area is titled "Knowledge Centre" and includes a descriptive paragraph: "The Fosway Group Knowledge Centre provides HR, learning and talent leaders with the tools and knowledge they need to be effective. Download 9-Grids™, browse Realities infographics, and read research papers – all curated in one location. This new knowledge and insight will help you build influence and make better tech buying decisions faster."

Below the text is a filter section with three dropdown menus: "CATEGORY" (set to "All Categories"), "TOPIC" (set to "All Topics"), and "TYPE" (set to "All Types"). To the right of these filters is a search bar labeled "SEARCH".

The main content area displays four featured articles, each with a thumbnail image of a 9-Grid report and a brief description:

- The Fosway 9-Grid™ report for Talent & People Success**: The multi-dimensional model used to understand the relative position of providers in the UK/European talent management systems market. Last updated: 14/10/2024.
- Ask The Analyst: 2024 Fosway 9-Grid™ for Cloud HR**: Fosway Group analysts discuss the 2024 Fosway 9-Grid™ report for Cloud HR. Last updated: 14/10/2024.
- The Fosway 9-Grid™ report for Cloud HR**: The Fosway 9-Grids™ are the only independent vendor analysis comparison tool designed for European companies evaluating next gen HR, talent or learning solutions. Last updated: 14/10/2024.
- Disruptive Learning Insights: Rethinking Learning Systems**: Following extensive ongoing research, Fosway changed the classification used in the 9-Grid™ for Learning Systems. Explore Learning System Suites and Specialists. Last updated: 14/10/2024.



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