

The State of the HR Landscape in 2025

Beyond the numbers: An actionable report
for forward-thinking HR leaders

Overview

In recent years, HR has undergone a profound evolution that has involved redefining traditional work models, learning to manage a multigenerational workforce, continuously adapting to the rapid pace of skills disruption and becoming both more technical and strategic. Now, HR is on the cusp of another wave of change—one that is set to transform the way businesses operate fundamentally and promises to open a path of opportunities and innovation for the function: artificial intelligence.

This sea change presented a unique chance to conduct a global study that offered a clear view of the current landscape, exploring the trends, opportunities and challenges that HR, Talent Acquisition and Talent Management functions face and will continue to face during 2025. This report reveals the results of that study.

But it goes beyond examining the data. As a result of our continued partnership with enterprise organizations from all industries and regions, we're witnessing this transformation firsthand. Seeing HR embrace an entrepreneurial spirit, we've included practical advice inspired by our customers' experiences to help you land on the right side of the disruption.

SIX KEY TAKEAWAYS

76%

of organizations are either **adopting or planning to adopt a skills-based approach**, and talent acquisition is the area where most progress has been made.

63%

agree that **leaning more strongly on data** will be the main factor **cementing the future success of HR** efforts, reinforcing the function's ongoing transition to a strategic and advisory role.

71%

are **actively involved in or fully driving workforce planning**, signaling a positive shift towards the role of strategic business partner.

32%

consider their **recruiting strategies very effective** in attracting qualified candidates, leaving significant room for optimizing TA approaches.

53%

recognize that **aligning workforce capabilities with business goals is the primary objective** of workforce planning in their organizations, but 52% identify accurately forecasting workforce needs as their main challenge, signaling difficulties to make meaningful progress in this area.

42%

of organizations using AI are **seeing it increase productivity**, but 27% are yet to see its impact, showing a potential lack of clear objectives or difficulties in measuring AI's contributions.

About Our Research

This report draws on insights from a survey conducted with over 100 HR, TA and TM leaders and practitioners between September and November 2024. The survey examined respondents’ roles, responsibilities and organizational demographics, revealing that the majority of them (61%) hold leadership positions.

Respondents’ most common primary responsibilities include talent acquisition/recruitment (64%) and HR technology and systems (60%), enabling the collection of takeaways spanning the strategic and technical dimensions of modern HR functions.

Nearly two-thirds of respondents (62%) are employed at enterprise organizations with more than 10,000 employees. Conducted on a global scale, the survey highlights diverse perspectives from HR professionals worldwide.

Question: Which of the following best describes your primary responsibilities in your current role? Please select all that apply.



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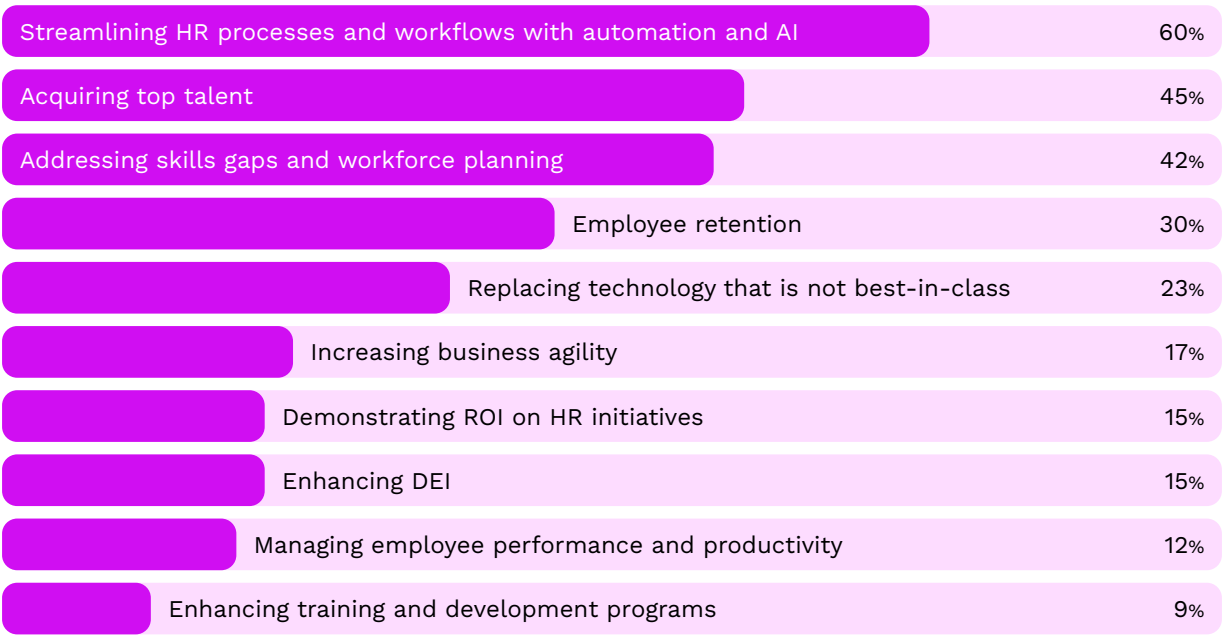
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Setting the Course: HR's Priorities in a Changing Business Environment

As challenging as it may seem in such a rapidly evolving landscape, we asked HR leaders and practitioners to reflect on their main priorities for the next one to two years. Here's what they highlighted in general:

Question: Thinking about your current organization, what are the top three HR priorities for the next 1-2 years?



#1. Streamlining HR processes and workflows with automation and AI

With 60% of respondents identifying this as their top priority, the results highlight a clear drive to enhance efficiency, particularly through the adoption of automation and AI.

Positively, when we asked about the biggest impact AI has had in those organizations where it's already being used, an encouraging 42% of respondents said the main benefit they've seen was around productivity (more on that later), meaning the high hopes for AI in relation to efficiency can translate into tangible results.

#2. Acquiring top talent

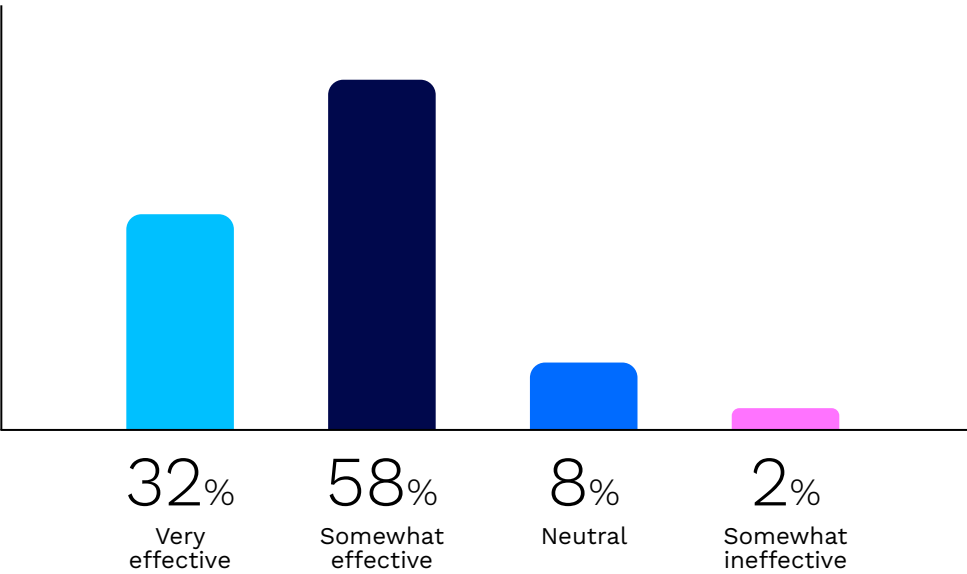
Talent is a limited commodity, and HR is ultimately responsible for ensuring that the business has the skills it needs to drive growth and success. So, it's no surprise that 45% of respondents consider "acquiring top talent" a top priority. When examining responses by roles and responsibilities, this number jumps up to 53% for those who are predominantly focused on talent acquisition.


These challenges affect recruiting teams, but they can also ripple across the organization and impact business performance.

Currently, the majority of respondents (58%) describe their talent attraction efforts as “somewhat effective,” underscoring a substantial opportunity to optimize their approaches.

Digging deeper into the effectiveness of recruiting strategies, we found that only around one-third of respondents believe their talent attraction strategies are “very effective.” In a dedicated section of this report, we’ll explore the specific factors that most affect recruiting success and provide best practices for overcoming limitations. Yet, we can anticipate that technology plays a predominant role in this aspect.

Question: In your opinion, how effective are your organization’s recruiting strategies in attracting qualified candidates?





Keith Golden
Chief Information Officer, RGP

“The war on talent is over, and talent has won.”

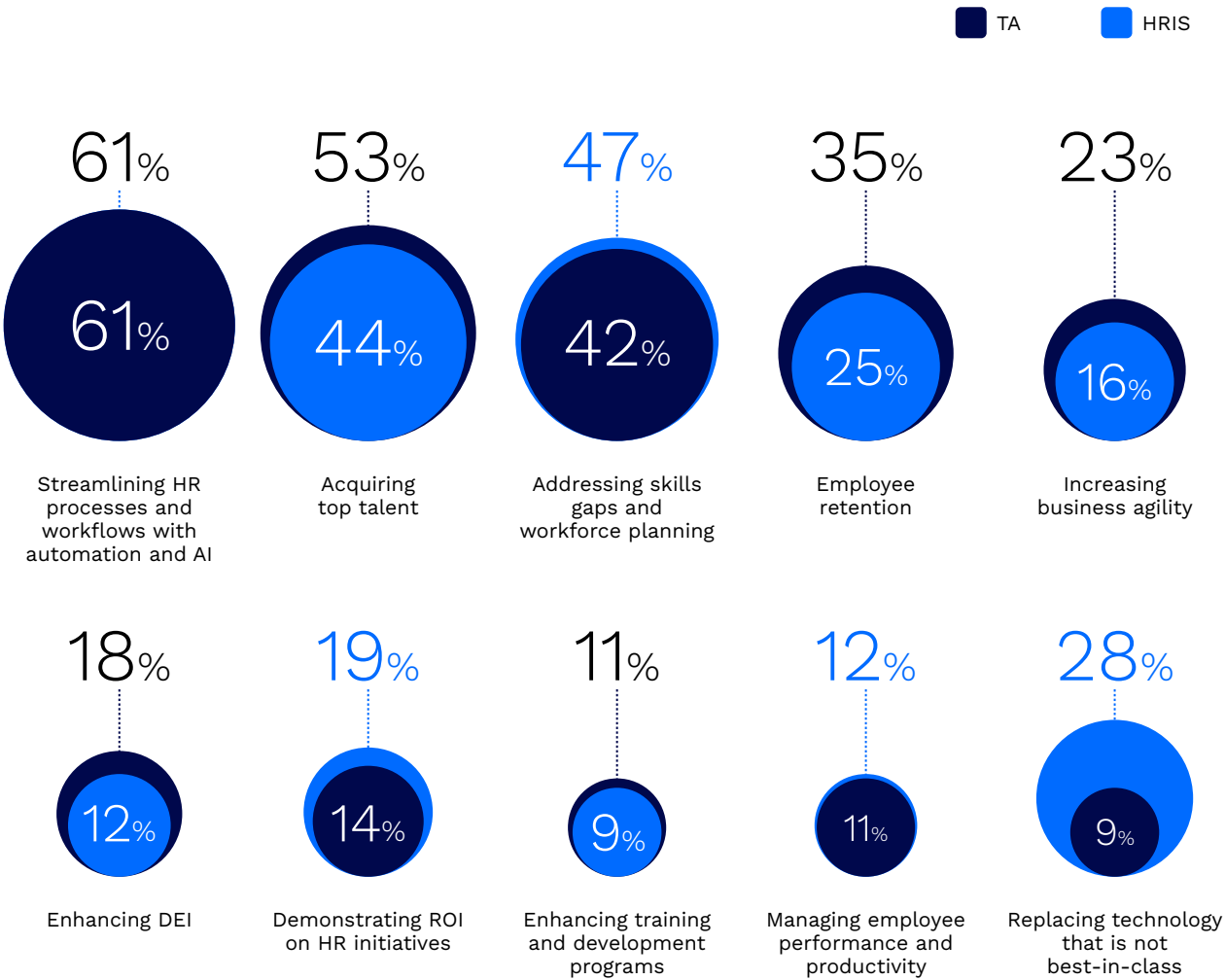
#3. Addressing skills gaps and workforce planning

Skills gaps and workforce planning are deeply connected. Workforce planning identifies an organization’s current and future talent needs while addressing skills gaps to ensure the workforce has the capabilities required to meet those needs. A well-executed workforce plan should therefore assess existing skills, anticipate evolving demands and align strategies to close gaps through targeted hiring, upskilling and reskilling.

This close connection is reflected in the survey results: among the organizations that have adopted a skills-based approach, a significant majority (80%) have applied it to “talent acquisition,” followed by “training and development” (69%) and “internal mobility” (46%). Later in this report, we’ll explore the realities of skills-based approaches and workforce planning in further detail.

When analyzing the nuances in responses based on roles, we noticed variance that aligns with the typical responsibilities of each group. In response to a question about their organization’s priorities over the next one to two years, HRIS professionals were more likely than their TA peers to choose “replacing technology that is not best-in-class” (28% vs. 9%).

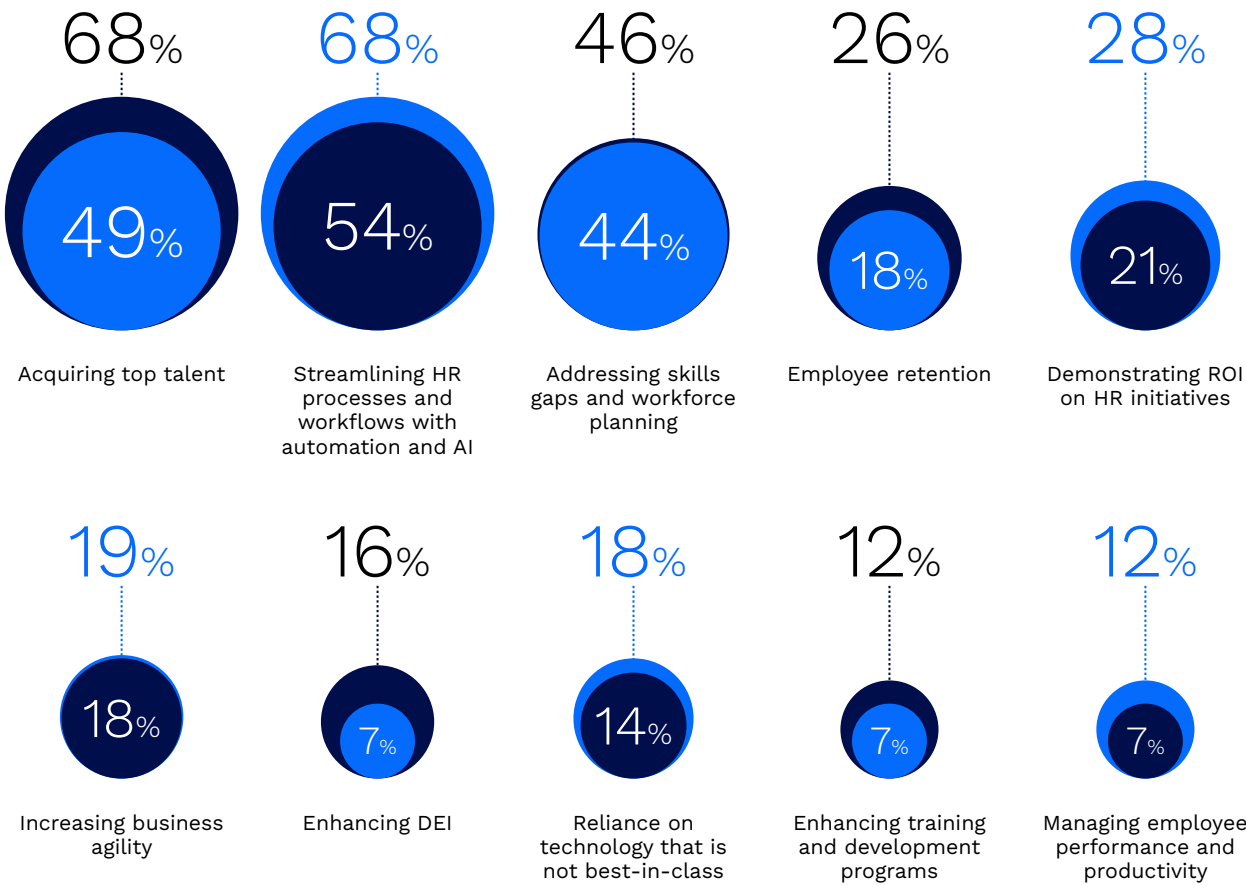
Question: Thinking about your current organization, what are the top three HR priorities for the next 1-2 years?



When asked about their organizations’ top challenges, HRIS professionals were more likely to select “streamlining HR processes and workflows with automation and AI” than TA professionals (68% vs. 54%).

Question: What are your organization’s top HR challenges? Please select up to three.

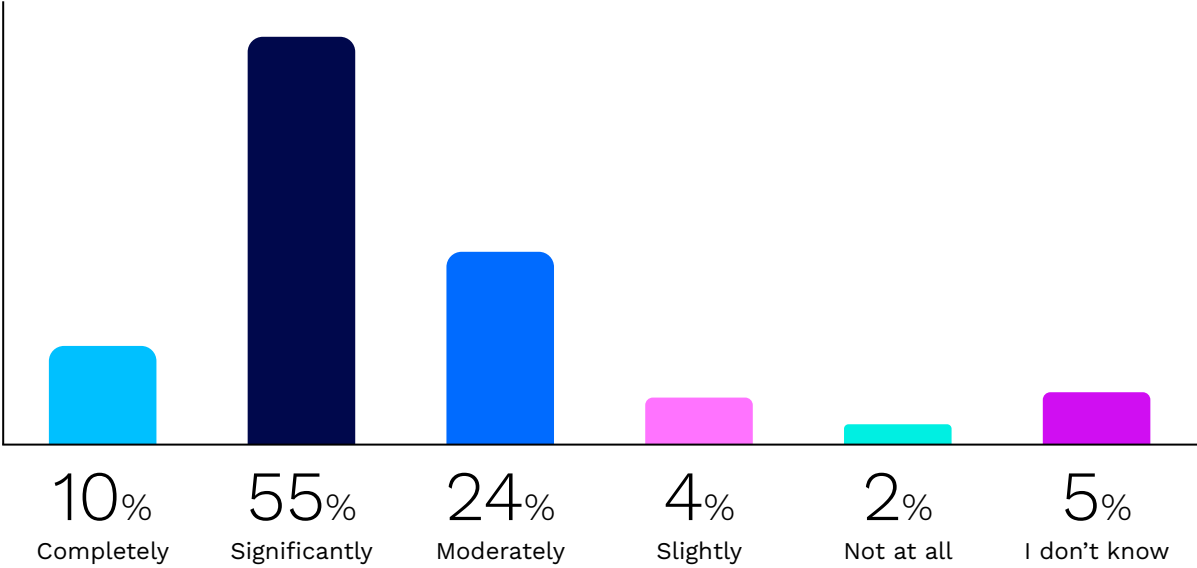
TA HRIS



HR’s Evolving Role: Putting a Talent Lens on Business Strategy

Almost two-thirds of respondents noted that the HR function has undergone significant or complete change over the past five years, with an additional quarter describing the change as moderate. This near-unanimous sentiment underscores how different HR looks today compared to 2020.

Question: In your opinion, to what extent has the role of HR changed over the past five years?



When asked about the aspects where the change has been more pronounced, two options rose to the top:

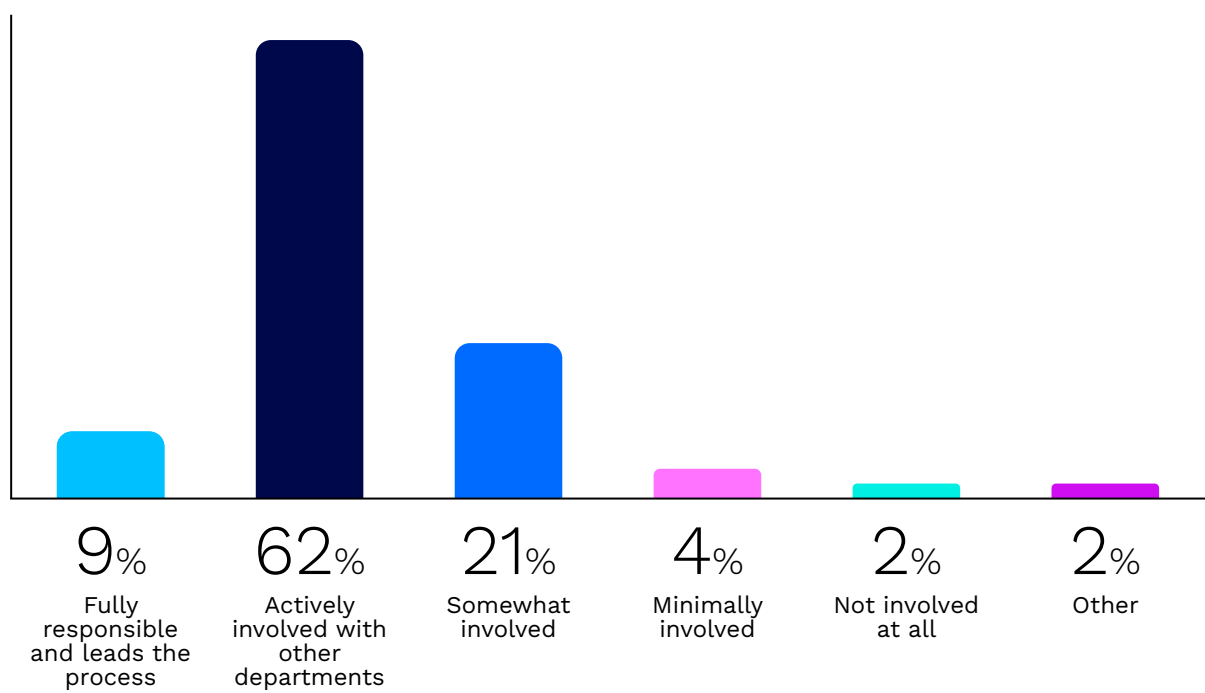
- ☒ Transitioning from a support function to delivering strategic partnership to the business.
- ☒ Increasing the use of data analytics, AI and advanced HR technology.

These choices align closely with one of the most significant shifts we’ve observed through our collaboration with HR teams in recent years: the role of HR in strategic workforce planning is growing.


Amplifying HR’s Business Impact Through Workforce Planning

While HR’s active participation in workforce planning hasn’t always been the norm for many organizations, we were delighted to see that 71% of our study respondents said that HR is either “actively involved” in workforce planning or “fully responsible for leading the process” at their companies.

Question: How involved is HR in the overall workforce planning process at your organization?



As the connection between talent and company success has strengthened, HR’s increased involvement in workforce planning has significantly amplified its business impact.

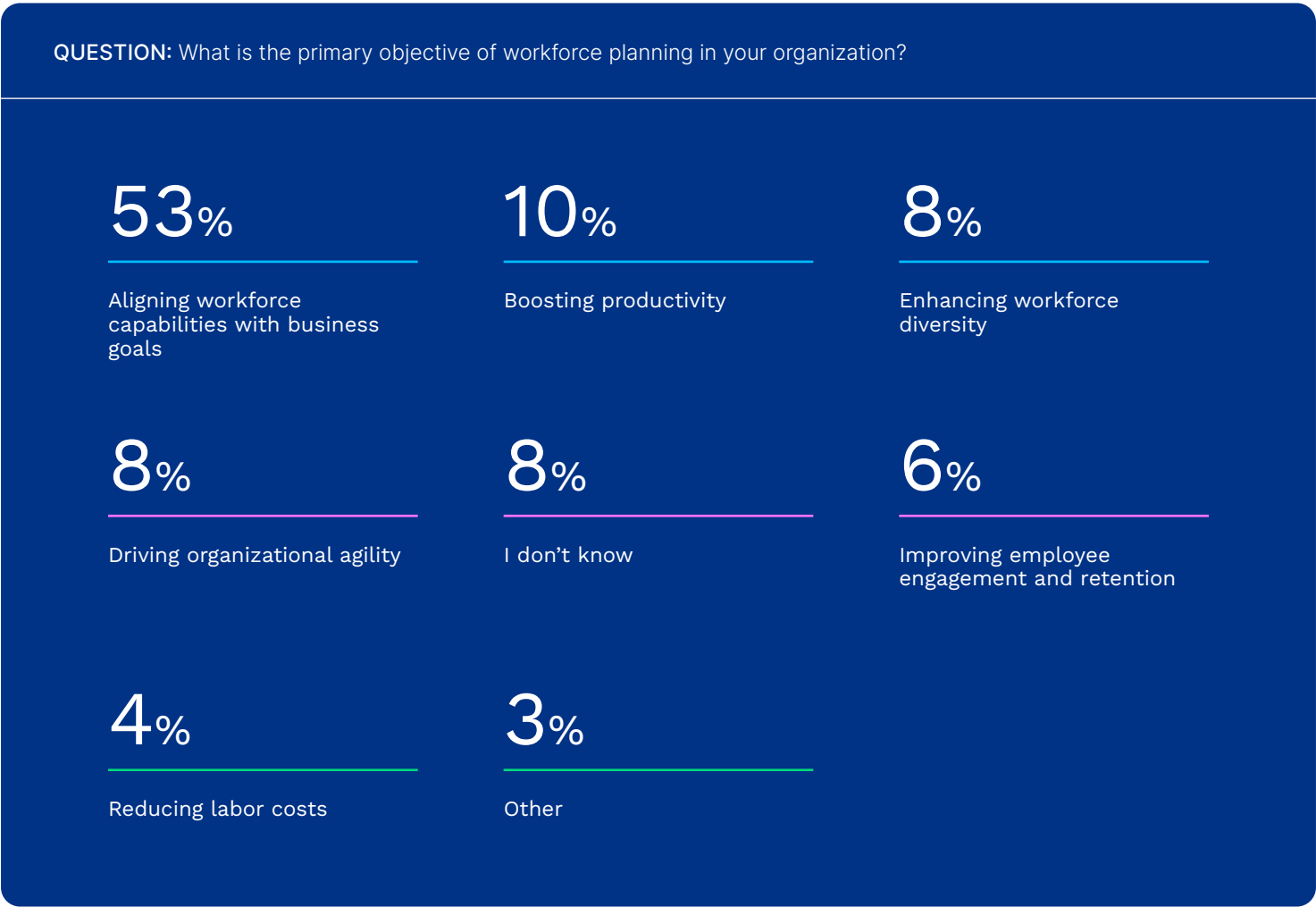
 **Andrew Dennan**
Head of Volume Recruitment,
Emirates

“Years ago, talent wasn’t really in the discussions at the beginning of anything. We built projects around assets and infrastructure. Now, people are the requirement to deliver. So we’ve had to change that concept, and take it to the top level to make sure that they engage and involve HR. Otherwise, the success will not be there.”

Bridging the Knowing-Doing Gap in Workforce Planning

The survey reveals a significant gap between what organizations aim to achieve in workforce planning and the challenges they encounter in execution. While 53% of respondents identified “aligning workforce capabilities with business goals” as the primary objective of workforce planning, 52% cited “accurate forecasting of workforce needs” as their organization’s biggest challenge.

This discrepancy highlights a core dilemma: it is difficult to align workforce strategies with business goals without a reliable understanding of future workforce needs.



Short-Term Optimization vs. Long-Term Transformation

Insights from organizations at varying levels of workforce planning maturity suggest that this gap often stems from a focus on short-term optimization. Many companies prioritize meeting immediate, time-sensitive demands over embracing long-term agility and transformation. This is reflected in the survey findings: only 8% of respondents selected “driving organizational agility” as a key workforce planning objective.

The reliance on traditional job architectures and roles may be limiting organizations’ ability to shift toward skills-based planning, which is essential for adaptability in the long run. However, we predict that as workforce planning capabilities mature, there will be a noticeable pivot toward mid- and long-term strategies that emphasize agility and transformation.

Organizations that successfully integrate workforce planning with business agility offer a promising glimpse into the future. Among respondents already driving agility through workforce planning, 71% credited the use of “effective workforce planning strategies” for their success.

A Path Forward

In a context where the lifespan of skills will most likely continue to shrink, we anticipate that data analytics and talent intelligence will be instrumental in overcoming the challenges of accurate forecasting and enabling adaptability. In particular, advanced AI tools with predictive capabilities hold enormous potential to enhance workforce planning at scale by providing talent teams with the insights they need to align capabilities with evolving business goals.

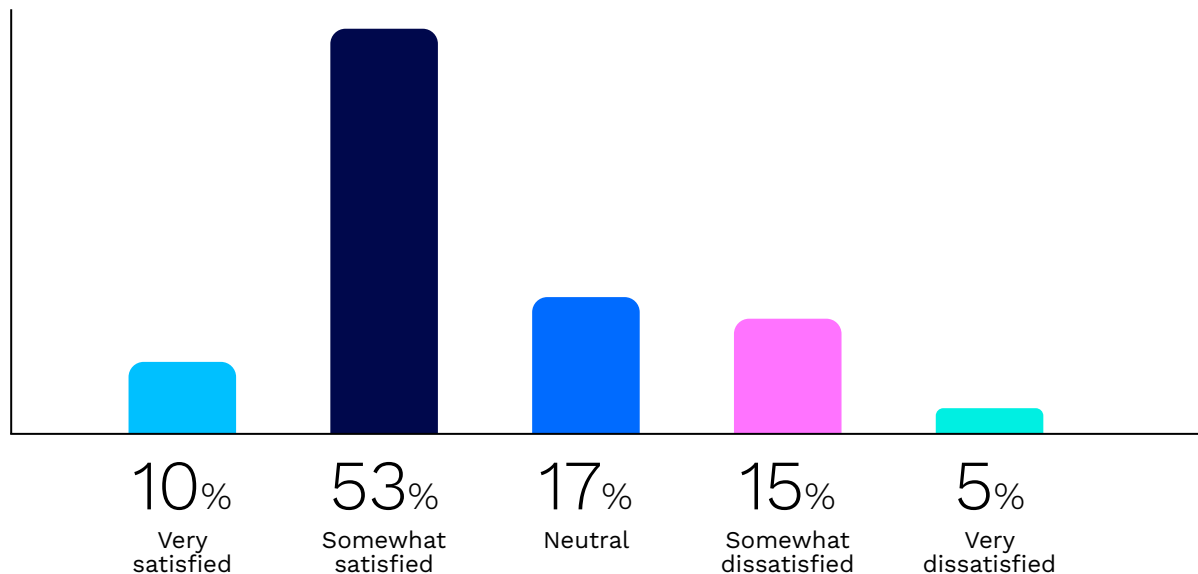
We believe that as organizations lean more on smart technologies to support their workforce planning efforts, the shift from reactive, short-term approaches to proactive, long-term strategies will only accelerate. By leveraging AI and talent intelligence tools, organizations can not only bridge the gap between knowing and doing but also build a workforce that thrives in a rapidly changing environment.



For Many HR Teams, Tech Still Impedes Agility and Efficiency

We also sought to understand HR departments' views on the overall ability of their current technology to meet their organization's needs. While 53% of respondents reported being "somewhat satisfied," only a strikingly low 10% expressed being "very satisfied."

Question: Looking at your current HR technology stack, how satisfied are you that it meets the needs of your organization?



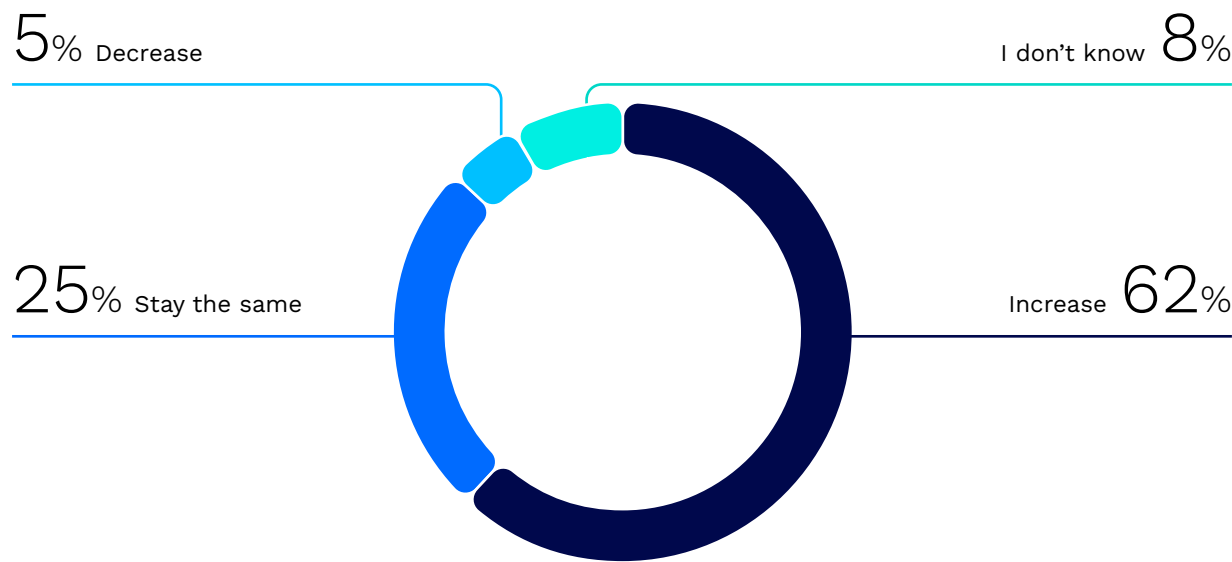
Building on our earlier exploration of workforce planning and agility, we shifted focus to the technological dimension and tried to uncover whether the systems organizations rely on enable them to react quickly to changes and opportunities. The findings show that a mere 6% of respondents believe their technology stack "fully supports" organizational agility. Even more alarming, nearly one-quarter (22%) admitted that their current infrastructure "somewhat or completely hinders" their ability to remain agile.


These insights underscore a critical gap: a great number of HR departments are trapped using solutions that are not fit for purpose. In this sense, our discussions with HR leaders reveal two key factors as the main causes of this serious issue:

- ✓ The reliance on **legacy systems** that are too rigid to enable adaptability and innovation. What's worse, they usually deliver poor stakeholder experiences that affect engagement and can have a detrimental impact on productivity and conversion.
- ✓ Historically, **HR has had limited control over its technological direction**, with critical decisions often dictated by IT. Even when HR has been involved, the two functions have frequently struggled to align their priorities, resulting in decisions that haven't always effectively met HR's needs.


The chart below suggests that HR departments are actively seeking to address the shortcomings of their current technologies, with 62% of respondents forecasting an increase in investment over the next three years.

Question: How do you expect your organization's investment in technology to change in the next three years?



 **Keith Golden**
Chief Information Officer,
RGP

“Our legacy systems hamstrung us. We had the people and the relationships, but we lacked the operational support from a technology standpoint to fully unlock our potential.”

 **Tim Pröhm**
Vice President of Digital
Transformation, Kelly

“There is really that disconnect between the two functions because while the business has a good understanding of what they need to do, very often they don't really understand how technology can help them work better. And on the other hand, IT is often very structured but does not really understand the business side of the equation.”

However, challenges remain. Despite the positive outlook, concerns about “integration with existing systems,” and “resources and time constraints for implementation” persist, with 34% and 31% of respondents citing these issues, respectively.

YOUR MOVE

Our Consultants and Account Managers have identified five key practices that successful HR teams commonly adopt to overcome the limitations of legacy systems:

1. Replace legacy solutions with **configurable, scalable and highly flexible systems** that future-proof your technology stack.
2. Look at the **talent lifecycle holistically**, safeguard your ecosystem with a bigger-picture approach to technology and ensure the data runs seamlessly across the organization to deliver agility and powerful insights.
3. Follow a **Minimum Viable Product (MVP) approach to implementation** that prioritizes quick wins by addressing the most pressing needs first. This will allow you to generate immediate value while minimizing risk and resource strain.
4. Adopt a **continuous improvement mindset** to stay attuned to evolving market demands and technological advancements and ensure that your technology evolves alongside your business.
5. Focus on **change management**. Resistance to change is normal, especially when moving away from deeply rooted ways of working. Engaging the relevant stakeholders and incorporating their feedback can increase buy-in and ensure a smooth transition.



Sarah Posselt

People Systems and Process
Manager, Bupa

“One of the challenges with implementing in an agile way is that you are live in the system while you’ve still got items to deploy. You’ve got recruiters using it, and new requirements are coming up. So, we must work quickly with our recruitment managers and be transparent: ‘These are all the items we’ve got. This is the capacity that we have,’ and develop a standard prioritization matrix.”



Sean Morris

Principal and Talent Transformation
Lead, Deloitte US

“I’ve seen some failed transformations over the years because they weren’t adopted by the individuals that were being affected by them. And I think one of the major reasons is that the organizational change management approach was flawed in that it didn’t go far enough upstream and stay consistent all the way along.”

The Data Imperative: The Role of Data Literacy in HR Transformation

Beyond workforce planning, HR leaders are increasingly focused on adopting a more data-driven approach, leveraging data to substantiate their insights and provide informed, strategic guidance to the C-suite at the decision-making table. Sixty-one percent of respondents highlighted “increased use of data analytics, AI and advanced HR technology” as one of the most relevant changes to the role of HR that’s occurred over the past five years.

YOUR MOVE

Legacy technology and systems silos have historically hindered talent functions’ access to the data needed to become more strategic, as have outdated operating models in which HR and talent organizations played a reactive role.

If possible, adopt a **holistic technology architecture** and **reduce the number of point solutions** in favor of more comprehensive best-in-class suites. This will enable seamless data flow and connectivity between different functions, unlocking powerful insights for sharper and more agile decision-making.



Lori Woodcock

Senior Vice President of Talent
Technology, McCann Worldgroup

“If you are going best in class as an approach, you’re able to connect the dots and leverage a consistency that you’re building into those tools so that you can get what you need, get the data and get the insights out of it.”



Meredith Wellard

VP of Talent Acquisition, Learning
and Growth, DHL Group

“What makes our lives easier is really aligning our landscape from a tech perspective and also a data perspective. Once that’s harmonized, it opens so many opportunities for us.”

We also sought to understand the factors respondents consider critical to the success of their HR efforts. Ranked from lower to higher, 42% emphasized “enhancing HR’s capability to adopt, utilize and manage next-gen technology effectively,” followed by 43% who highlighted “better aligning HR strategies with business goals.” Leading the way, 63% selected “using data for informed HR decisions,” underscoring the pivotal role data literacy plays in HR’s growing strategic influence.

Question: Which three factors do you believe are most critical to the future success of HR efforts within your organization?



Looking ahead, the role of data will only grow stronger, and so should HR teams’ data literacy. Over the next five years, respondents anticipate HR will continue to evolve in three key areas: “prioritizing people-centered responsibilities as technology alleviates administrative tasks” (54%), “increasing reliance on data-driven decision-making” (47%), and “focusing more on personalizing employee experiences and career development” (44%).

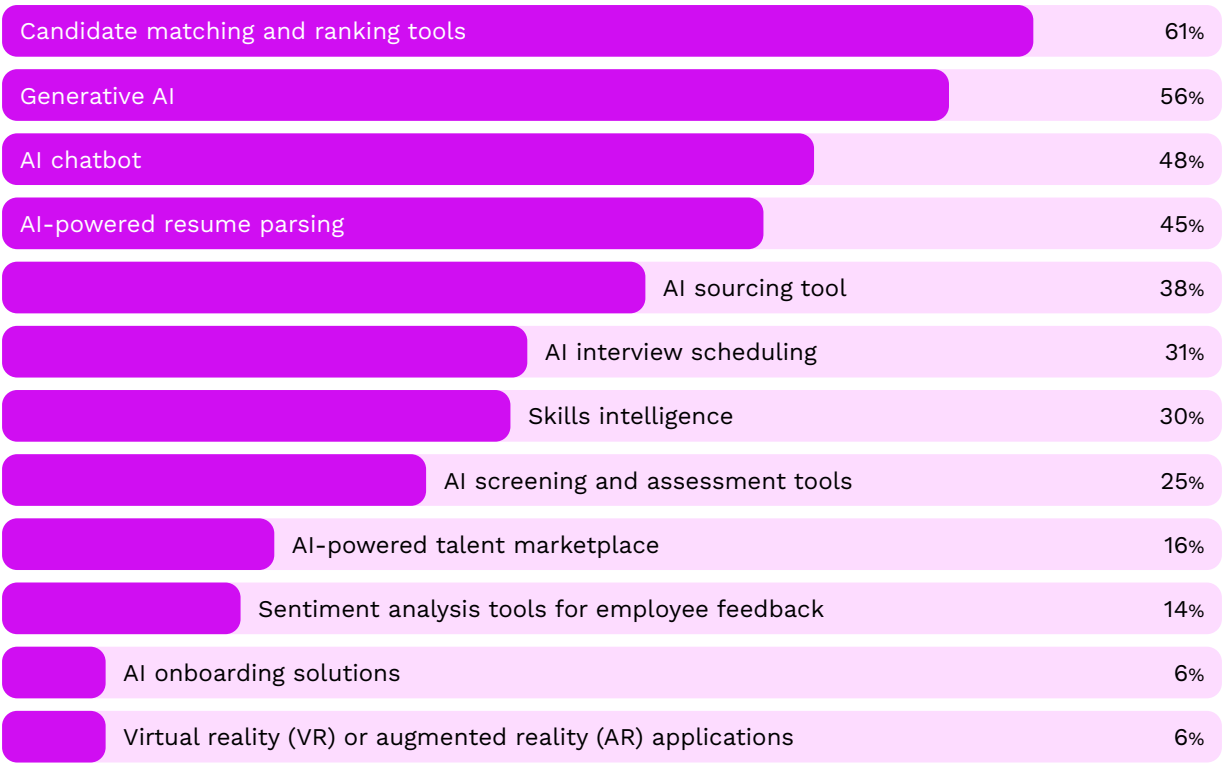
These top choices resonate strongly with our discussions with HR organizations and other findings revealed by this study, where data and the use of advanced technology consistently emerge as priorities for building a high-performing, deeply strategic HR function. They also align closely with the outcomes AI is likely to deliver.

From Promise to Reality: The AI Panorama

It's nearly impossible to engage in a conversation with business leaders today without discussing AI's potential, and HR is no exception. When asked whether their organizations are currently using or planning to adopt AI/ML solutions, an impressive 74% of respondents indicated they are moving in this direction. What's more, a strong majority of respondents (95%) expect that the usage of AI/ML by HR in their organizations will increase over the coming year.

When it comes to the application of AI, we learned that most of these organizations are either using or looking to use intelligent tools for "candidate matching and ranking" (61%), followed by "generative AI" (56%), "AI chatbots" (48%) and "AI-powered resume parsing" (45%). This highlights the potential of this technology to accelerate routine, time-consuming tasks and help personalize user experiences.

Question: Which of the following AI/ML solutions is your organization either currently using or exploring to use? Please select all that apply.



However, we observed a disconnect between expectations and reality when respondents who are currently using the technology shared where they'd seen the biggest impact of AI. While an encouraging 42% of respondents using AI have seen an increase in productivity, it is noteworthy that 27% of organizations have yet to experience AI's impact.

QUESTION: Where have you seen the biggest impacts of AI/ML at your organization? Please select up to three.

42%

Increased productivity

27%

I haven't seen any impact of AI/ML in my organization so far

22%

Freeing teams from low-value or repetitive tasks more efficiently

16%

Enhanced employee experience and engagement

14%

Greater organizational agility and responsiveness to change

14%

Improved data-driven decision-making capabilities

9%

Enabling HR to deliver more strategic value

9%

Reduced HR operational costs

9%

Improved collaboration

8%

Leveraging skills across the business

8%

Accelerated talent development and upskilling

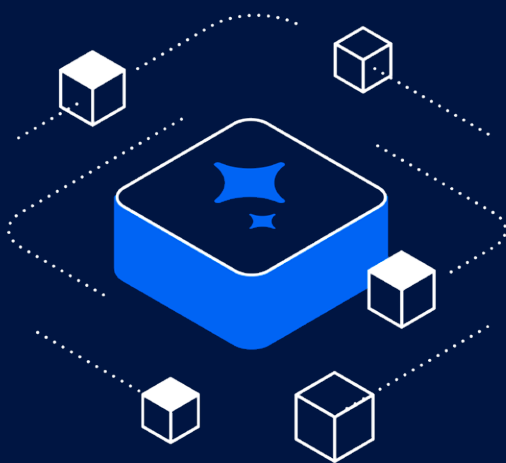
The question is, then, why are some organizations already seeing results while others seem to be falling behind?

With AI being such a disruptive force, many organizations are understandably struggling to strike a balance between harnessing AI as fast as possible and developing a clear vision that allows them to implement this technology purposefully. This lack of a defined strategy can lead organizations into the trap of “using AI for AI’s sake,” making it hard to tie it back to concrete objectives and demonstrate results.

We also see many examples of AI being used in small pockets within organizations without the explicit oversight of HR. For example, recruiters might be creating outreach emails with the help of tools like ChatGPT. While efficiency gains are likely, no one is measuring them in a meaningful way.

AI is taking the business world by storm, creating both opportunity and risk. While embracing AI is imperative to avoid falling behind, we've compiled recommendations for HR organizations looking to generate a sustainable competitive advantage with this technology:

- **Accept the unknown:** AI adoption is still quite experimental and much of the market hype has not yet stabilized. Embrace that mindset and don't expect to have all the answers. Instead, continue exploring AI through calculated, low-risk actions.
- **Define the bigger picture plan:** While experimenting, start working toward aligning your efforts under larger missions, that is, objectives that produce some form of competitive advantage. In this balancing act, double down on your learning and begin defining a framework that outlines the goals you want to accomplish.
- **Cultivate AI literacy:** If AI is a promise, then it must become a skillset to deliver on its potential. Make sure your team members can develop or refine their skills to maximize AI's benefits. Doing so will be critical to land on the right side of the AI disruption.
- **Stay abreast of tightening regulations:** Choose a technology vendor that prioritizes ethical AI practices, offering transparency in how AI generates outputs and ensuring tools function as support systems that keep decision-making fully under users' control.



“Artificial intelligence has provoked a period of hyper change and it’s hard to know exactly how it’s going to play out. Your vision is going to have to be a bit fuzzy. While things change, you have to leave enough room for flexibility. And when you make these plans, you have to understand that a lot of things are going to be changing around you at the same time, more so than any time in the last ten years.”



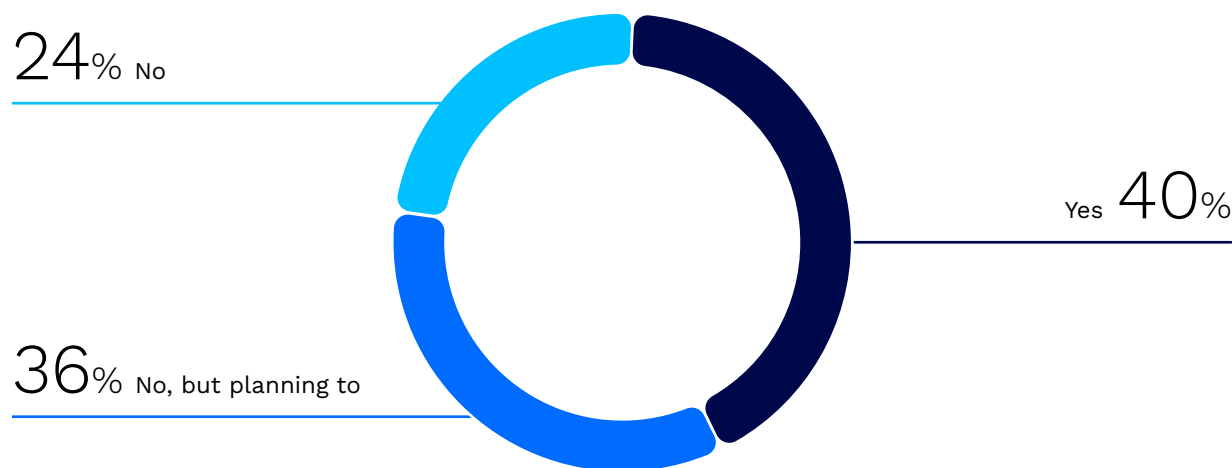
Dimitri Boylan

Founder and CEO, Avature

Skills-Based Approaches Are Gaining Momentum

Three to five years ago, skills were coined as the new currency of work and our survey data backs up this perspective. In a context defined by the rapid evolution of skills, we found that most organizations have either already adopted a skills-based approach to their HR efforts (40%) or are planning to (36%).

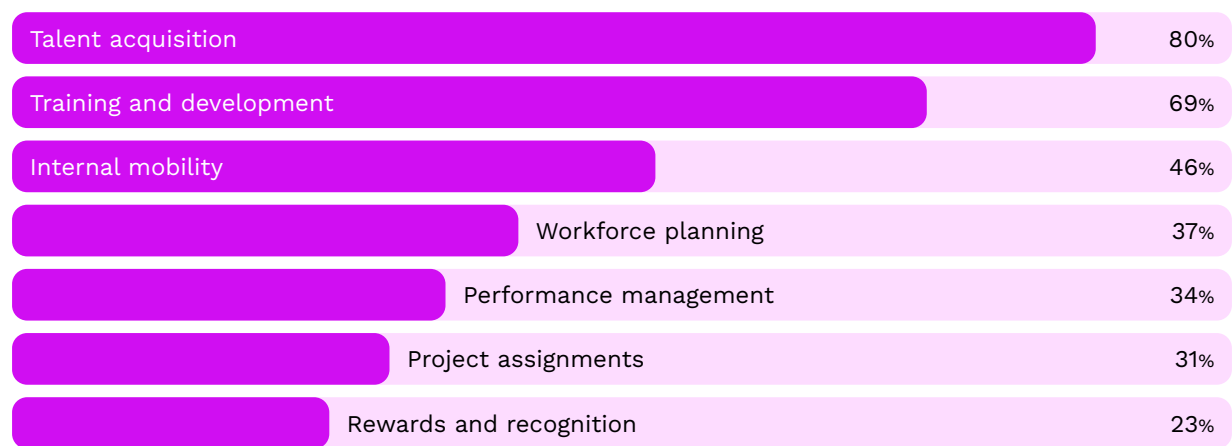
Question: Has your organization adopted a skills-based approach in any area of HR?



Although most organizations seem to be thinking about skills, there are very few examples of companies adopting this type of approach in a scalable way across all parts of the talent journey. The appetite is there but making it a scalable reality comes with challenges.

Fortunately, there are areas within HR where encouraging advances are being made. “Talent acquisition” leads the way, with 80% of respondents from organizations that have adopted a skills-based approach reporting progress, followed by “training and development” (69%) and “internal mobility” (46%).

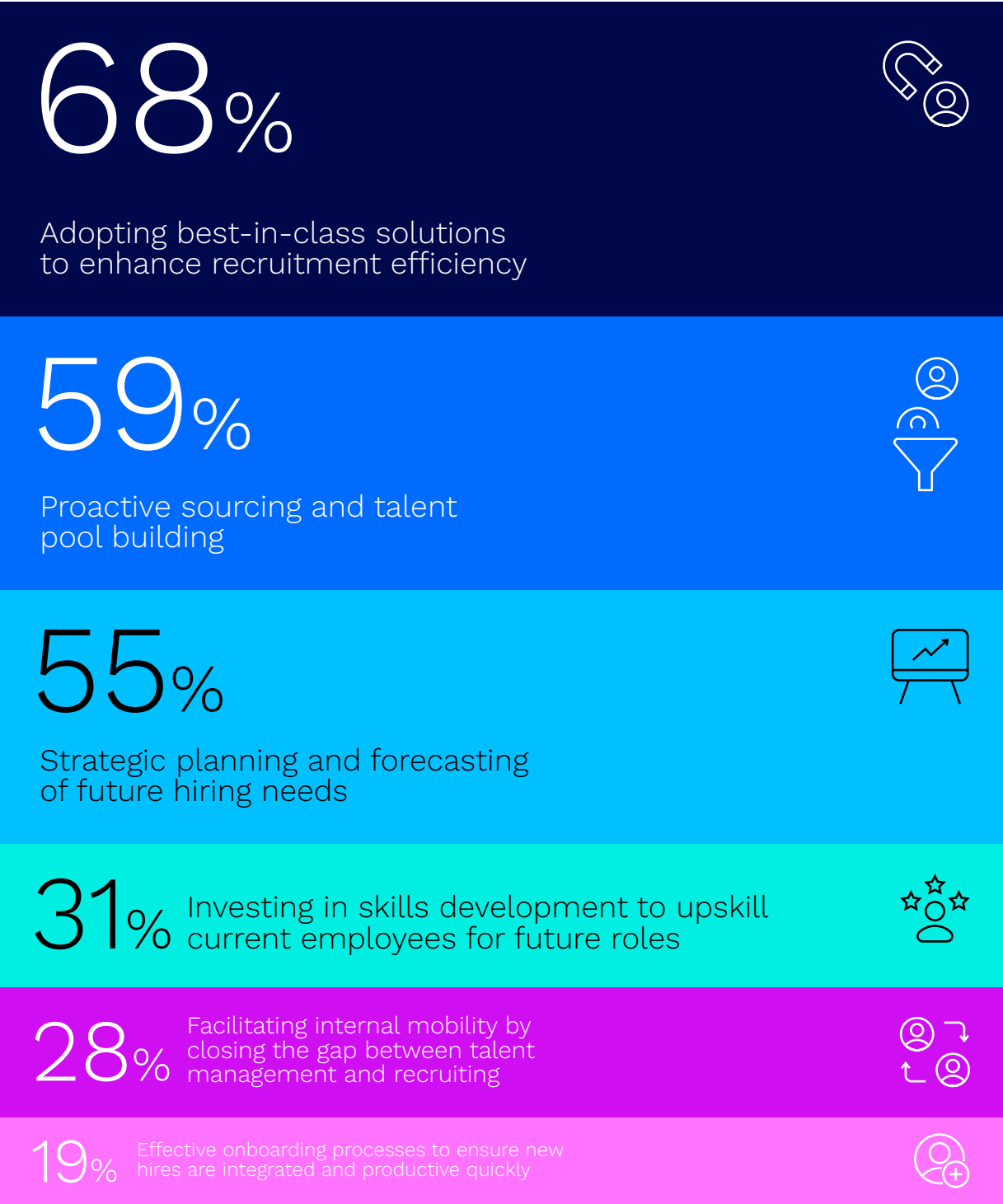
Question: In which of the following areas does your organization apply a skills-based approach? Please select all that apply.




Recruiting Efficiency and Best-in-Class Solutions Go Hand in Hand

With one-third of respondents considering their current strategies very effective in attracting skilled candidates, we sought to understand which factors are critical for recruiting success. The results were illuminating:

Question: Which of the following do you believe are most critical in ensuring the future success of your organization's recruitment strategy? Please select up to three.



Most HR and business leaders we engage with consistently highlight the pivotal role of best-in-class technology in driving talent acquisition success, echoing the perspective expressed by survey respondents. While traditional HCM systems are effective systems of record, they fall short in delivering the exceptional experiences that attract and convert today's most skilled talent.

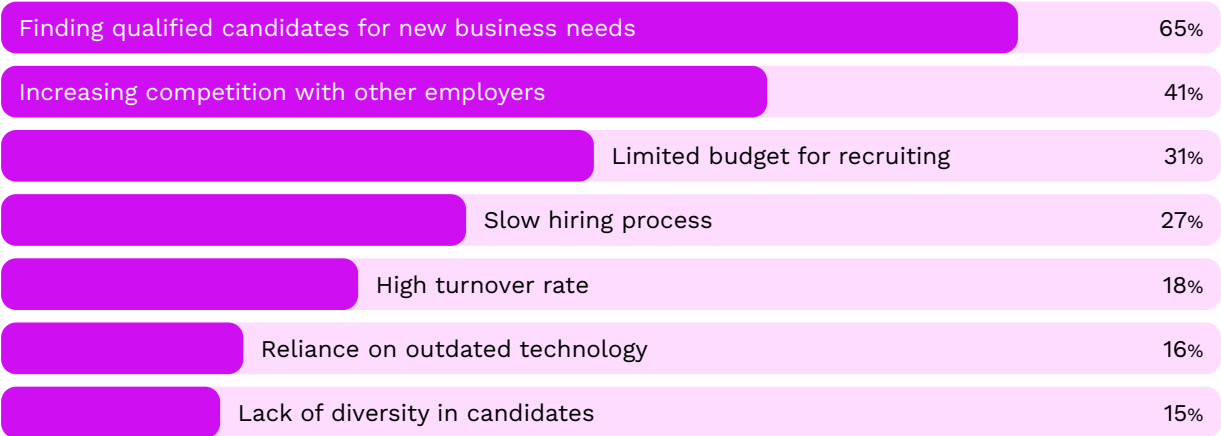
 **Sharron O'Donnell**
Head of Talent Acquisition,
Virgin Media O2

“If you want to lead the way on talent, be agile, engage top candidates, personalize your journey and give your recruitment team the best tools so they can be the best versions of themselves, a one-size-fits-all solution is not going to work.”

This brings us to the second critical pillar for success: “proactive sourcing and talent pooling.” To analyze this success driver, we first need to understand the top challenges that affect organizations’ recruiting strategies:

- ✓ On the one hand, new technologies and shifting business needs are rapidly creating demand for new competencies while making others obsolete. This explains why 65% of respondents cite “finding qualified candidates for new business needs” as one of their top challenges.
- ✓ On the other hand, most organizations compete for the same highly demanded skills, as reflected in the 41% of respondents who picked “increasing competition with other employers” as another top challenge they face.

Question: What are the top three challenges that drive changes in your organization’s recruiting strategy?



By building and maintaining pools of qualified, engaged candidates in advance, businesses can get one step closer to addressing their hiring needs swiftly as they arise. This shift towards a more proactive and less reactive approach to talent search and engagement also ties back to the emphasis on best-in-class technologies, and CRM systems consolidate as strategic imperatives for organizations looking to future-proof their workforces.



Maarten Verleyen

HR System and Analytics
Manager, Deloitte Belgium

“Lead management and CRM technology have become so much more important because since the requests of the business or the needs of the business change so often, sometimes we see very good candidates that are not really a fit right now, but they might be very good candidates in the future. So, our lead management has become much more important to keep all those interesting profiles warm and make sure that we can pick them up as soon as we feel that the business has a need for them.”

In such a competitive context, a skills-based approach to recruiting can help broaden talent pools further. Promisingly, a strong majority (89%) of respondents who have already adopted a skills-based approach reported that their organizations are “somewhat” or “very effective” at identifying and matching skills in candidates.

That being said, breaking this total number down, 69% of them reported “somewhat effective” and only 20% rated their efforts as “very effective.” This underscores a critical opportunity for improvement in how their organizations approach this process.

Internal Mobility Could Benefit From a Tech-Powered Boost

While looking to uncover the main challenges that impact internal mobility within organizations, we found respondents were most likely to report “difficulty in identifying and matching skills with available roles” (51%), followed by “lack of technology or tools to facilitate internal mobility” (30%) and “ineffective communication of internal mobility policies and opportunities” (26%).

We do not think these three picks are coincidental. In fact, they’re deeply connected to the main answer we got when we asked about respondents’ plans to enhance internal mobility in the coming years: 51% of them chose “adopting advanced technologies, including AI.”

Tapping into the potential of current employees not only allows organizations to address skills demands with greater agility but also drives broader benefits, one of the main ones being improved retention. However, despite the clear benefits of internal mobility, many organizations are evidently still struggling with technology tools that do not enable effective, transparent and scalable programs.

YOUR MOVE

To drive meaningful results in internal mobility, we've outlined a series of practices that are proving impactful for some of our most successful customers:

- **Leverage AI** to uncover the skills needed for specific roles, identify employees with those skills and easily match them to jobs, projects or opportunities at scale.
- **Implement and actively promote an internal careers marketplace** where employees can explore available opportunities. Encourage them to keep up-to-date skills profiles so they can receive smart recommendations.
- **Conduct skills gap analyses** to proactively tackle those needs through learning programs, internal gigs, temporary project assignments or targeted upskilling and reskilling initiatives.
- **Integrate internal mobility into your broader talent strategy** by aligning it with succession planning, training and development programs and even external talent acquisition efforts. Create a unified approach that fosters organizational agility.

By embracing these strategies, your organization can transform internal mobility into a strategic advantage, driving retention, development and agility from within.



James Elliott
Talent Thought Leader

“If we’re really going to transform and be a more digital, more agile organization with resilience and adaptability, then we need to have a more fluid workforce. We have to have people who are more able to move around the organization, whether that’s their skills flowing to gigs or whether that’s just a more effective movement of people between jobs. I think we can really play a significant role in starting to move that culture along and help the business be ready for this next evolution.”

Tactics to Secure Skills Vary

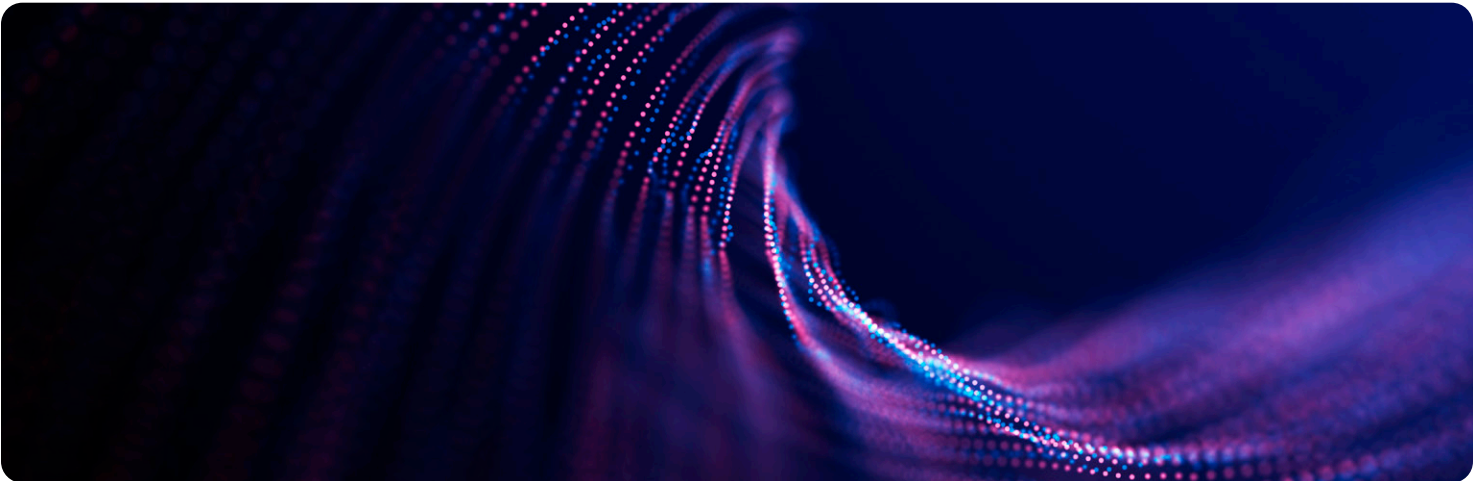
Even if progress is more consistent in some areas than others, organizations still need to ensure that their workforces have the necessary skills. Among organizations that have adopted a skills-based approach, the top two strategies for ensuring their workforces have the right skills are “creating job roles and descriptions that emphasize specific skills” (54%) and “building skills internally” (46%). These results align with the most common areas where skills-based approaches are being applied: “talent acquisition” and “training and development.”

Question: Which of the following strategies have been most effective in ensuring your organization has the necessary skills in its workforce? Please select up to three.



We found an interesting difference between the approaches that are proving more effective for companies with more than 10k employees and their counterparts with 10k or fewer employees.

The latter are more likely to lean on “peer-to-peer learning and knowledge sharing” (60%), in contrast with 12% among larger organizations. Again, our discussions with HR leaders reveal that scalability is a key challenge when implementing mentoring programs that foster know-how transfer and skills exchange, which is perhaps why larger enterprises aren’t there yet with these initiatives.





Salma Rashad

EVP, Global Head of Talent
Acquisition, Siemens

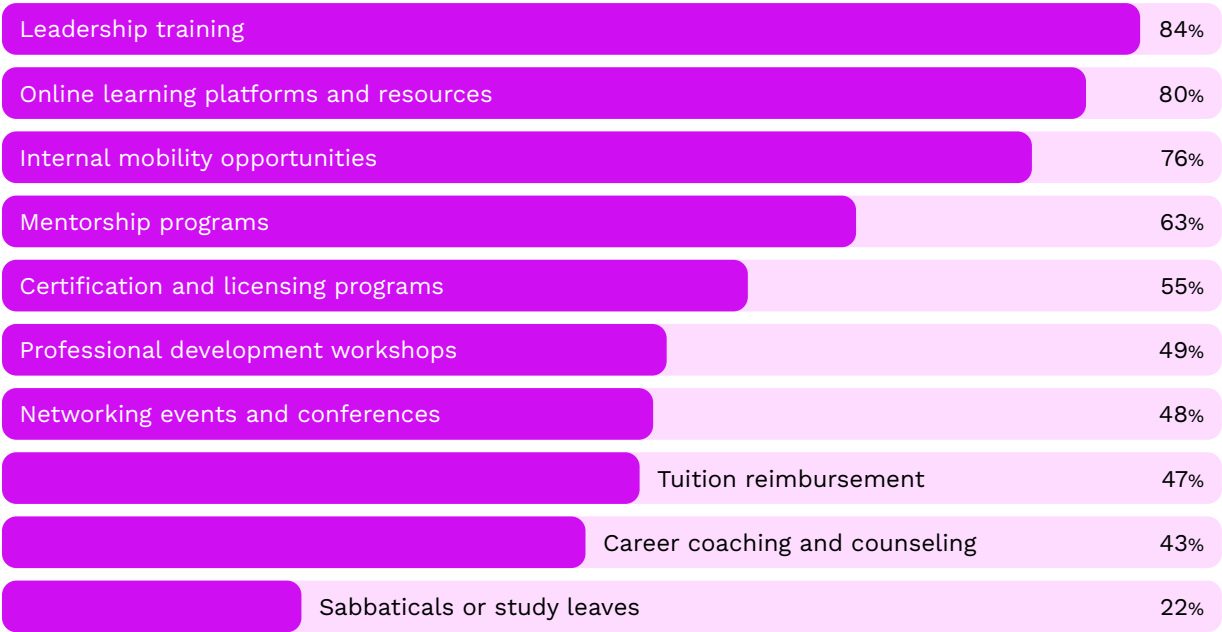
“I’m not sure whether there’s somewhere we’ve completely succeeded yet, but we do have certain examples where we have deployed solutions for skills-based hiring. Are these solutions scalable? Not yet. That’s what we are testing. And that’s where I believe it’s important to start small. Don’t create the big bang straight away but find the right use case and the right opportunities to test these hypotheses before you go out and make a bigger investment.”

Skills Development Opportunities Are Expanding

We were happily surprised to see the many career development opportunities organizations are offering to foster employee growth and skills development:

- ✓ An impressive 84% of respondents reported that their organizations are offering “leadership training”—a vital initiative in a landscape where resilience and adaptability are more critical than ever.
- ✓ Additionally, 80% of organizations are providing “access to online learning platforms and resources,” underscoring the emphasis on continuous skills development.
- ✓ “Internal mobility” opportunities rank closely behind, with 76% of respondents highlighting this as a focus area within their organizations.
- ✓ Beyond these top initiatives, organizations are also prioritizing “mentorship programs,” “certification and licensing opportunities,” “professional development workshops” and “networking events and conferences,” among others.

Question: Which of the following career development opportunities does your organization offer? Please select all that apply.



While there is a nearly equal focus on external skills acquisition and internal development, these efforts seem to remain mostly siloed. Drawing from our industry expertise, we believe technology, particularly AI, will play a pivotal role in fueling skills-based approaches that can be scaled successfully across talent acquisition and talent management.



Sharron O'Donnell
Head of Talent Acquisition,
Virgin Media O2

“When it comes to skills-based approaches, there’s definitely a shift happening right now. We started the skills conversation from a talent acquisition perspective around how to evaluate, validate and assess skills. Soon, we’ll have access to a marketplace where our internal talent can create their profile and add their skills, and we’ll have skills adjacencies as well. That will give our team the ability to compare employees with the skills profile of vacancies first and to go out proactively to them and offer development opportunities.”

Through our conversations with some of the most forward-thinking HR leaders, we've gathered actionable guidance you can benefit from no matter what a skills-based approach looks like for your organization or where you are along the journey:

- **Gather insights across the organization:** Request feedback from different business areas to understand the skills you need today and anticipate those that might be required as the market and your business evolve.
- **Assess your current skills base:** To chart a clear path forward, you must first know where you stand. Make skills assessment part of your performance management process and leverage AI to accelerate the identification of gaps across your workforce at scale.
- **Develop a plan to close those gaps:** For external talent acquisition, integrate skills into your search criteria. AI can streamline this process by matching candidates with openings based on skills compatibility or by generating job descriptions that emphasize the skills you're seeking.
- **Upskill and reskill your workforce:** Just as you prioritize skills in external talent, invest in upskilling and reskilling your employees through targeted development opportunities and internal mobility. Leverage career marketplaces and personalized learning platforms to support their growth.
- **Back your vision with data:** Whether you're taking smaller or bigger steps in your skills-first strategy, collect data to form a comprehensive picture of your progress, inform your decision-making and demonstrate effectiveness within the organization.



End up on the Right Side of the Disruption

As AI continues to disrupt businesses worldwide, our survey highlights a unique opportunity for HR and talent functions to reposition themselves within the organization. From striving to secure and cultivate business-critical skills in record time to relying more on data to consolidate as strategic advisors, most HR teams are undergoing profound change, with technology serving as a vital catalyst on this journey.

This is a decisive moment for HR, where success demands vision, agility and a steadfast commitment to progress. We hope this report equips you with the data and guidance needed to evaluate your own transformation journey and build a sustainable competitive advantage in the age of AI.

We want to thank every respondent for sharing their perspective on these critical topics. We greatly appreciate your time and input.

For more insights and inspiration, tune in to the [Talent Transformation Podcast](#). Join Dimitri Boylan, CEO of Avature, as he interviews HR changemakers tackling today's most pressing talent challenges. Subscribe and listen on Apple Podcasts, Amazon Music and Spotify.



About Avature

Avature combines state-of-the-art, transparent artificial intelligence with unmatched configurability to deliver an always-fit-for-purpose platform that continues to evolve alongside the business. The platform of choice for 110 of the Fortune 500, 102 companies with more than 75,000 employees and 7 governments, Avature partners with the world's most forward-looking organizations to bring to life innovative, agile and fully digital talent strategies that deliver a competitive edge.

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