SAPIENT
INSIGHTS GROUP

27TH

ANNUAL HR SYSTEMS SURVEY REPORT

HR SYSTEMS ADOPTION BLUEPRINT

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INTRODUCTION AND LEGEND

1/3

SECTION

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INTRODUCTION AND LEGEND

ABOUT US

Sapient Insights Group is a women-owned research and advisory firm with a strong sense of business ethics, a passion for data, and a commitment to achieving outcomes for our clients, partners, and the business functions we serve.

All that we publish is based on our Voice of the Customer research results and our work with the broader HR community. We have the confidence to challenge our industry on what actually drives results rather than so-called best practices. Organizations often waste time and resources trying to fit into a mold that doesn't work for their unique industry or size. We pride ourselves on offering information and practical guidance tailored to every organization type.

Everything we offer our clients is rooted in decades of experience, primary research, and proven practices. We bring you the insights you need and inject some fun along the way…

We specialize in serving these communities:

Executives, HR, Finance, IT leaders, and their organizations as they tackle technology transformation, modernize business practices, lead change, and develop workforces for today and tomorrow,

Technology vendors and investors, arming them with the latest market data, growth projections, and user feedback to guide spending plans, product roadmaps, marketing strategies, pricing, and strategic partnerships.

Supporting services providers and consultants with targeted data to shape their advice to customers and inform their practice roadmaps.

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INTRODUCTION AND LEGEND

LEGEND

Organization Sizes:

- Enterprise >5,000 Employees
- Mid-Market 500-4999 Employees
- SMB <500 Employees

Voice of the Customer:

- Payroll Systems
- HR Management Systems
- Benefits and Wellness
- HR Service Delivery Systems
- Time Management Systems
- Talent Management Systems
- HR Analytics & Planning Systems

The HR Systems Blueprint:

- Data Governance
- Strategy
- Culture

Generational Compositions:

- Greatest Generation 1930-1945
- Baby Boomers 1946-1964
- Gen X 1965-1980
- Millennial 1981-1996
- Gen Z 1997-2012

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Primary Applications we track in 6 categories:

- Payroll
- HRMS
- Benefits
- Health and Safety
- Wellness
- Employee and Manager HR Self-Service
- HR Portals and Communications
- HR Content and Document Management
- Employee Engagement/ Surveys
- Employee Help Desk/Case Management
- Time and Attendance
- Absence Management
- Leave Management
- Labor Scheduling
- Labor Budgeting
- Productivity / Task Management (Assessing)
- Recruiting and Acquisition
- Onboarding and Mobility
- Performance Management
- Learning and Development
- Compensation and Rewards
- Skills Management
- Career Planning and Succession
- Embedded HR Tech Analytics Applications
- Generic Analytics, Vis, and Stats Tools
- Enterprise Business Intelligence Platforms
- HR Intelligence / Analytics Platforms
- Workforce and Org Planning Applications
- Data Mapping and Integration Tools – (Assessing)
- Data Storage Applications: Warehouses and Lakes

The information in this survey analysis report is compiled and analyzed by Sapient Insights Group as part of our commitment to providing thought leadership on human resources technologies and trends and the impact their adoption has on business outcomes. Sapient Insights Group does not endorse any solution or vendor referenced in our research.

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INTRODUCTION

This is a segment report taken directly from the Sapient Insights 2024–2025 HR Systems Survey Research Paper, 27th Annual Edition, our latest installment in our ongoing Voice of the Customer research. The information in this report has not been modified from the original paper, but additional VoC charts were added for further context.

Since 1997, this invaluable resource has provided insight and guidance to practitioners around the world. Sapient Insight's renowned survey is the industry's most extensive global research effort of the HR systems market, delivering views of current and future technology spending, adoption, and achieved outcomes. The cumulative 27-year research effort represents more than 25,000 companies and over 300 million employees in more than 80 countries.

This year's report covers the current and future adoption plans for specific HR-related application categories, Voice of the Customer feedback on specific vendor solutions, and value achieved for the categories of HR applications listed below.

- Core HR Systems
- Time Management
- Analytics and Planning
- HR Service Delivery
- Talent Management
- Emerging Technology

Additionally, we cover key HR operational topics critical to the success and outcomes organizations hope to achieve with HR System investments, including:

- Systems governance, planning, and strategies
- Selections, implementations, and maintenance
- Service delivery models and system enablement
- Expenditures, resourcing, and organizational structures
- Adaptive change management and system adoption
- Vendor negotiations and relationships

For custom cuts of research data, contact us at Research@SapientInsights.com.

The survey was conducted from May 1st through June 26th, 2024.

3318	59	25M
Unique Organizations	Countries	Employees and contingent workers represented

The full **Sapient Insights 2024–2025 HR Systems Survey Report** contains 248 pages and 173 figures, including charts and graphics. This comprehensive set of HR system data and insights is produced annually to help HR Tech buyers, consumers, investors, and solution providers make the best possible decisions for their organization. **This HR Systems Adoption Blueprint Segment Report contains 36 pages and 20 Figures**.

For more details on our full research methodology and demographics on participating organizations, please see this paper's Research Methodology and Demographics section.

Sapient Insights Group does not endorse any solution or vendor depicted in our research. This report consists of aggregate research data gathered from Sapient Insights Group 2024-2025 HR Systems Survey, 27th Annual Edition and insights from Sapient Insights Group research organization, which is provided for informational purposes only.

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THE HR SYSTEMS ADOPTION BLUEPRINT

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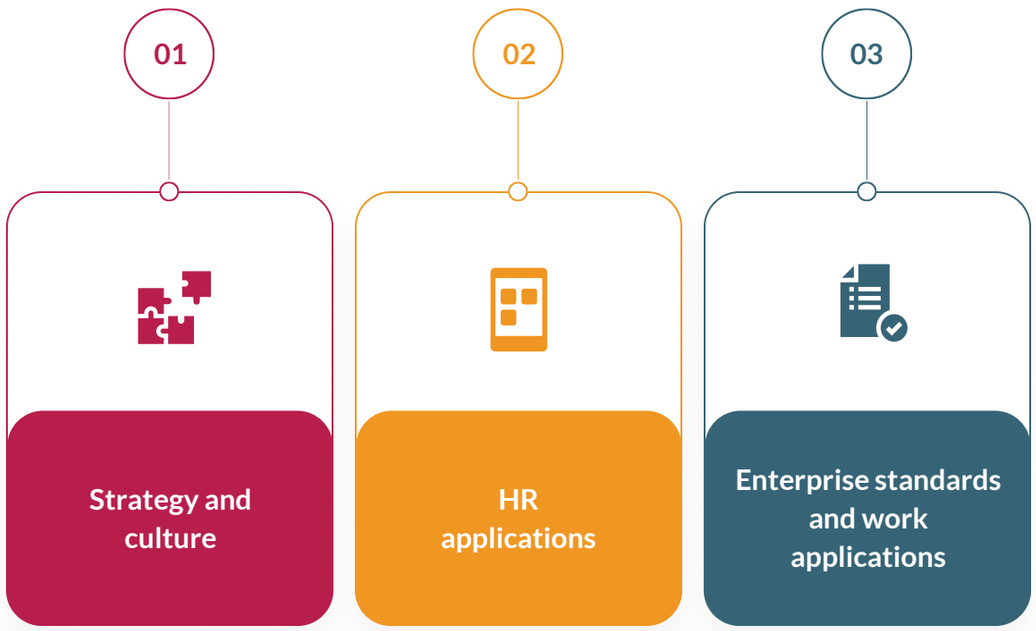
THE HR SYSTEMS ADOPTION BLUEPRINT

The annual HR Systems Survey assesses the adoption and trends of six primary HR system categories and 51 individual application areas across the HR Systems Adoption Blueprint™.

Developing a clear blueprint of your own HR systems environment provides a common basis for acquiring and optimizing your HR applications.

The following pages provide an overview of **Sapient Insights HR Systems Adoption Blueprint** in three levels:



Investment in any HR application can be costly and should only be undertaken with a clear understanding of how to maximize adoption to achieve the stated business outcomes.

Misalignment in any number of areas such as strategy, culture, features, or user expectations can lead to:

- Low adoption
- Lack of critical data
- No return on value or investment
- Missed outcomes

For a more detailed description of the blueprint elements and templates for designing your own organizational HR system blueprint, contact us about joining the Sapient Insights Groups Research Center Community at SapientInsights.com.

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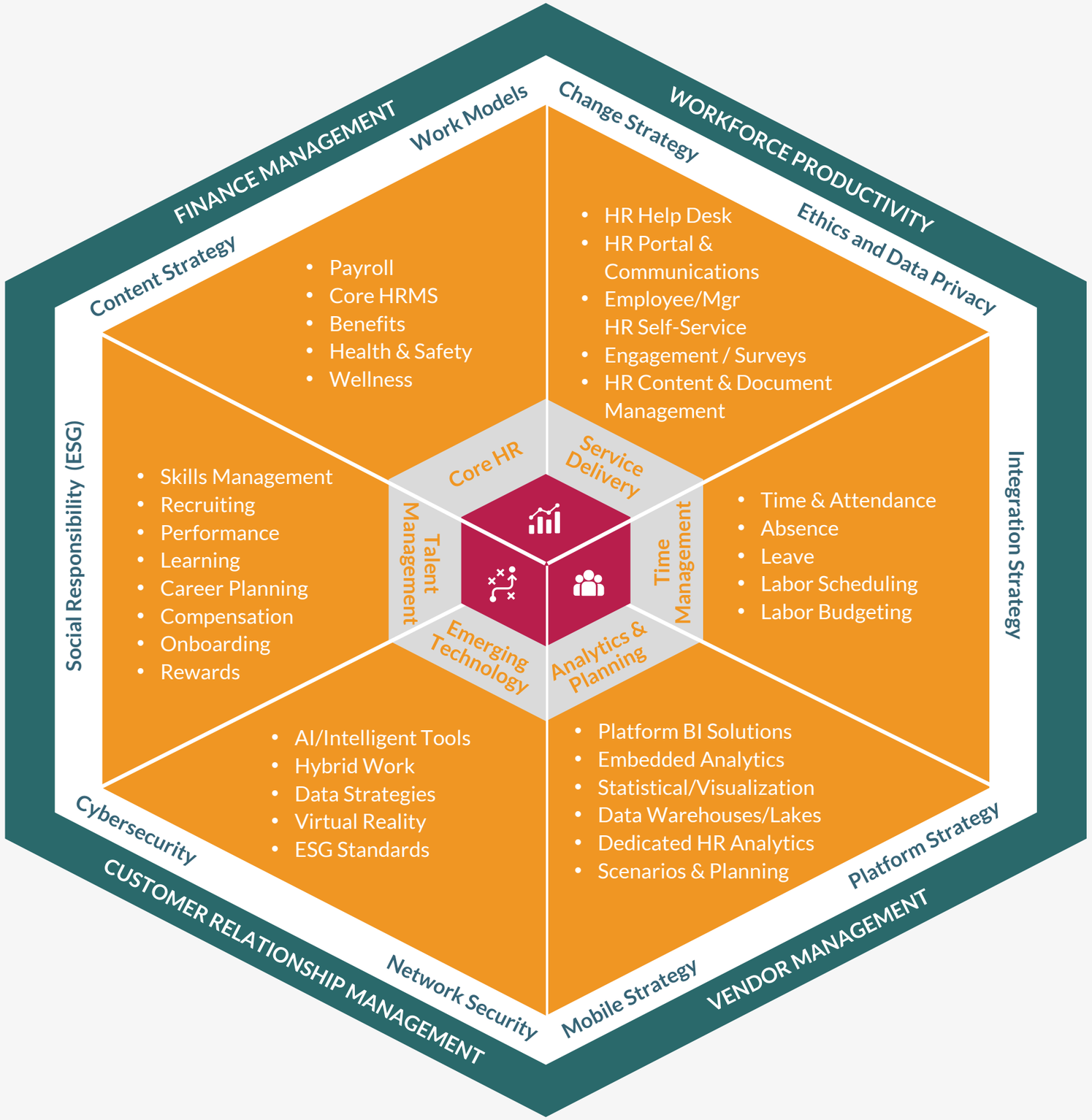

FIGURE 1:
SAPIENT INSIGHTS GROUP HR SYSTEMS ADOPTION BLUEPRINT™

LEGEND

- Data Governance
- Strategy
- Culture
- Guiding Principles
- HR System Applications
- Enterprise Standards and Work Applications

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LEVEL ONE. STRATEGY, CULTURE, DATA GOVERNANCE

FIGURE 2: THREE FOUNDATIONAL ELEMENTS ARE AT THE CENTER OF A BLUEPRINT

Data Governance

Everyone talks about data. But few organizations invest the time needed early on in system selections to assess data capture, extraction, and governance needs. Every application that your employees or customers interact with – internally or externally -becomes a possible data repository for your organization. Data governance is a major factor in the design of an HR systems environment, as it defines how you capture, access, use, protect, and eventually purge necessary data.

Culture

Organizations often focus solely on specific functionality desired from HR technology and supporting processes; however, they may overlook how that functionality will actually work within their unique cultures. Technology is of little value if not used; it must fit within the context of how an organization operates and how decisions are made to optimize your investment.

Strategy

HR Applications impact all aspects of an organization's operations, are likely to be used by nearly every employee, and possibly extend to vendors and contractors. Taking the time to define the outcomes you expect from your HR Systems implementation, in terms of your enterprise Strategy, always pays off.

Organizations that consider the long-term impact of systems on their mission, goals, and workforces are more likely to select applications that grow with them and respond to what makes their organizations unique.

Organizations with an HR systems strategy tied to their business strategy are **two** times more likely to inform their business strategy with data from their HR system environments.

HR technology should help you achieve the most value from your workforce data while ensuring adherence to ethical and legal standards.

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LEVEL TWO. HR APPLICATIONS: TECHNOLOGY AT WORK

Moving outward from the foundational basics of our HR Systems Adoption Blueprint, we have our next level – HR applications – grouped into six categories within our hexagram. **These six primary categories of enterprise HR systems applications include:**

01 Core HR Management

02 Service Delivery

03 Time Management

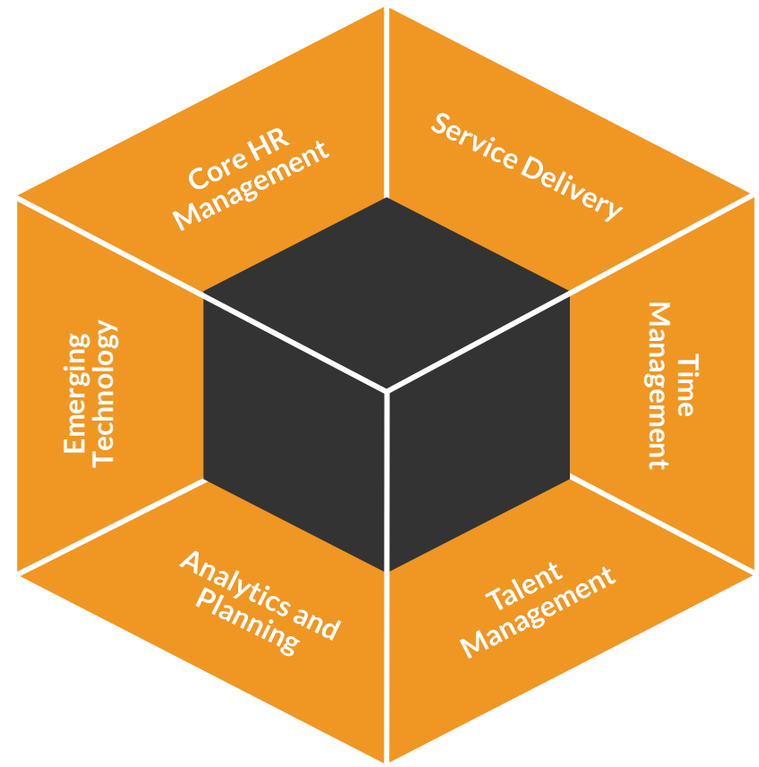
04 Talent Management

05 Analytics and Planning

06 Emerging Technology

Each of the six primary HR systems categories includes numerous HR applications designed to address the various strategic, cultural, and procedural requirements requested by buyers. These categories and the subsequent applications are always in flux; therefore, each year we make additions and updates to the survey as needed.

FIGURE 3: BLUEPRINT HR APPLICATIONS



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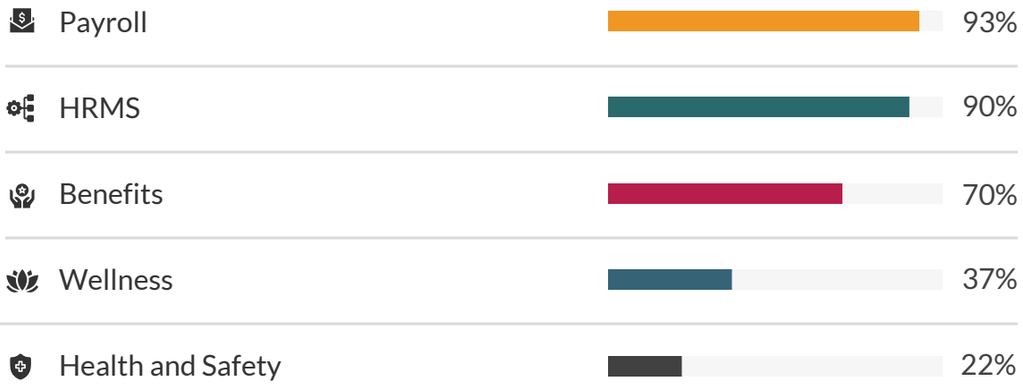
CORE HR APPLICATIONS: GETTING THE BASICS RIGHT

01

Core HR applications are at the heart of an organization's HR system environment and represent, on average, at least 50% of the overall HR technology spend per employee each year. In 2024 over **91%** of organizations with 100 or more employees have purchased at least one of these applications to help manage their workforce needs.

Applications we track in this category include:



Originally viewed as back-office tools for HR administration, today's core HR management systems play a critical role in achieving all areas of HR outcomes. Payroll applications not only automate workforce payments and manage tax calculations but also provide valuable planning data and vital tools for engaging directly with employees. The human resource management system (HRMS) continues to store all the relevant HR information necessary for compliance reporting and also manages constantly changing reporting structures, data security standards, and data privacy requirements in rapidly evolving, data-driven business environments.

Adoption of benefits, health and safety, and wellness applications vary widely with a workforce size, industry, and regional location. While the conversation concerning health and wellness may have culminated during the COVID-19 crisis, we've been aware of the connection between productivity and the health of our workforces for years.

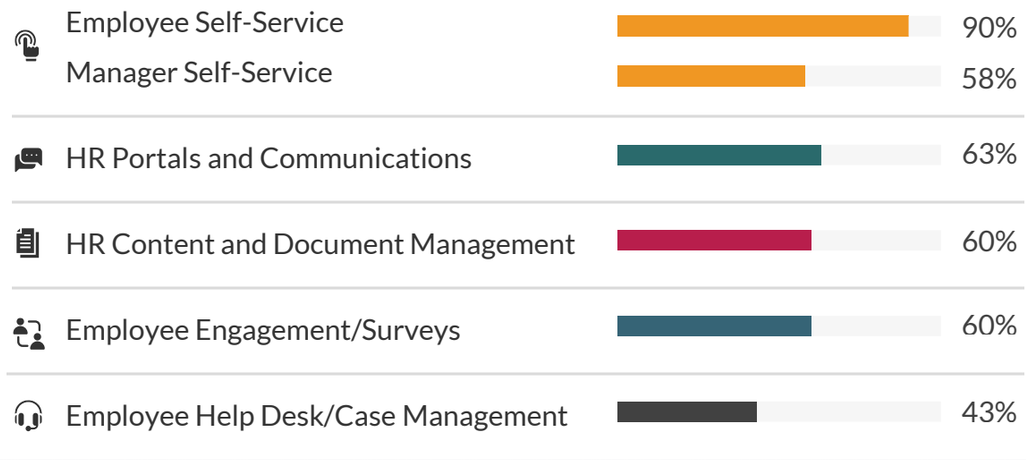
https://www.cdc.gov/workplacehealthpromotion/model/control-costs/benefits/productivity.html

HR SERVICE DELIVERY APPLICATIONS: CREATING AN ENGAGING WORKFORCE EXPERIENCE

02

HR service delivery applications grew as a category out of the need to deliver a wide range of new HR services to multiple stakeholders efficiently, effectively, and engagingly. These applications manage the HR experience, communication, content, and data sharing that is part of an HR organization's service delivery model.

Applications we track in this category include:



The average employee will work between **60 and 100,000** hours in a lifetime, depending on industry, region, and personal circumstances; only sleep takes more time in our lives. As labor markets continue to tighten and a growing number of roles require hard-to-find skillsets, many organizations are investing heavily in an improved employee experience. This category of applications is at the center of that employee experience transformation by providing personalization tools to engage at-risk employees and ensure they feel both seen and heard.

We saw limited change in the adoption of Core HR applications and HR Service Delivery applications between 2023 and 2024. The greatest declines were a 40% drop in the adoption of Health and Safety applications and a 13% drop in the adoption of Manager Self-Service applications.

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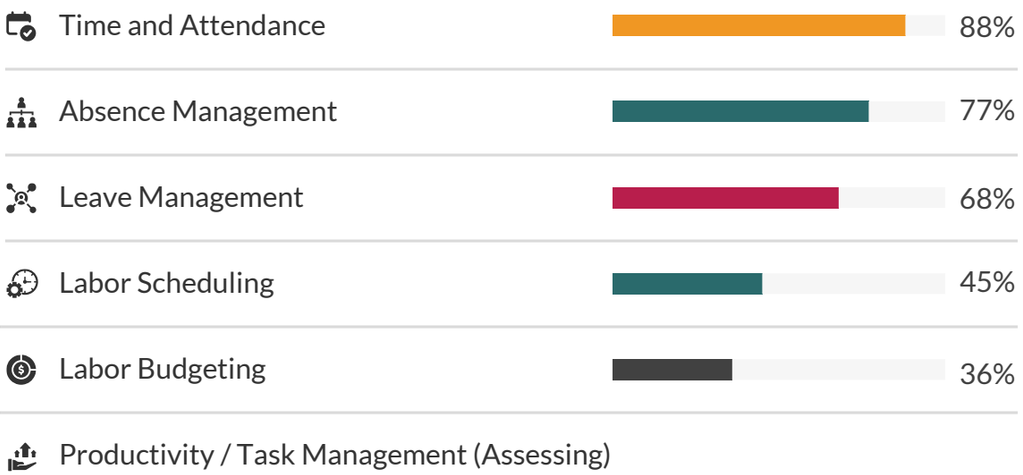
TIME MANAGEMENT APPLICATIONS: KNOWING WHERE AND WHEN THE WORK GETS DONE

03

Time management applications help an organization manage when and where work is accomplished and have the unique requirement of spanning past, present, and future workforce data sets. Sometimes called workforce management or labor management systems, these highly complex solutions track hours worked, locations, schedules, time off, and sometimes the actual tasks completed.

Applications we track in this category include:



Although time management systems require tight integrations with payroll, HRMSs, and talent solutions to connect individual employee records to the actual data concerning work, over **60%** of the time, these application budgets are owned and managed by a function other than HR. When time management applications are elevated from a compliance focus to the same strategic level as talent management solutions, the systems can offer tools and data to help HR teams address critical business goals such as operational readiness or improved employee engagement.

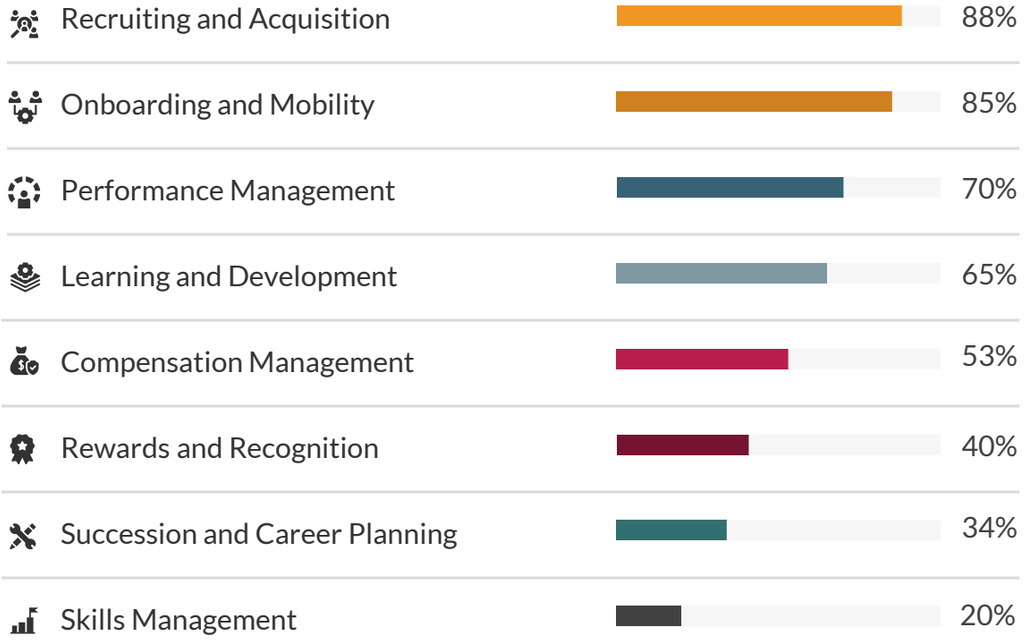
The adoption of Time Management applications continues to grow, with a **slight increase in all application areas** between 2023 and 2024.

TALENT MANAGEMENT APPLICATIONS: KNOWING WHO DOES THE WORK

04

Talent management applications help an organization manage details about who does the work and are often categorized in modules that mirror the employee lifecycle. These applications may also touch talent pools, job candidates, and workforce alumni groups that sit outside an organization's current workforce.

Applications we track in this category include:



The current talent management landscape is slowly transitioning from managing the workforce based on the single dimension of a job role to a more complex model that is based on skill sets, personalization, and defined business outcomes.

The transition of focus in the Talent Management application category also means that our adoption rates are fluctuating with **slight increases from 2023 to 2024 in Recruiting, Onboarding, Learning, and Career planning**, while all other applications remained flat or slightly down.

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ANALYTICS AND PLANNING APPLICATIONS: GUIDEPOSTS FOR REACHING OUTCOMES, WHILE WARNING OF UPCOMING RISKS

05

The adoption of core HR systems for service delivery, time management, and talent management provides an organization with clear benefits in HR efficiency and process improvement. However, the real value of these systems is realized in the ability to capture and analyze the data to inform strategic decisions and conduct business and workforce planning efforts. Still just **57% of organizations say they are using any solution** at all specifically for the purposes of HR / People analytics, reporting, or planning.

Applications we track in this category include:

Embedded HR Applications	62%
Generic Analytics & Visualization Tools	38%
Data Storage Applications: Warehouses and Lakes	29%
Enterprise Business Intelligent Platform	23%
Standalone HR Workforce Analytics	19%
Standalone Statistical Tools	15%
Workforce Planning Solution	15%
Automated Data Governance Tools	12%
Data Mapping and Integration Tools – (Assessing)	

The HR analytics and planning category is slowly maturing from a disparate set of generic tools to a cohesive set of modules. These may be part of larger business intelligence platforms, embedded in existing HR systems, or combined in new stand-alone HR intelligence and analytics platforms.

EMERGING TECHNOLOGY AND TOPICS: BETTING BEYOND TOMORROW

06

Emerging technologies are in early stages of development. Often, these are simple tools or beta features to test out ideas percolating in the industry. Nevertheless, it's essential to monitor the progress and evolution of these applications because many will have an impact on the future of HR and the move to intelligent systems. The biggest story this year is a **90%** increase in adoption of AI / Machine Learning solutions from 2023 to 2024. Not surprising, but still relatively small considering the hype surrounding this emerging category.

Applications we track in this category include:

Benchmarking	37%
AI / Machine Learning (ChatGPT)	23%
Skills Management	20%
Predictive Analytics	15%
Chatbots	15%
Robotic Process (RPA)	10%
Virtual Reality	3%
Blockchain	2%

Innovation in the business world comes from many things, including ground-breaking technologies. Research into areas such as neuroscience, psychology, and behavioral decision-making will play a critical role in the HR innovations we'll see in coming years. If this research makes you a bit uncomfortable and nervous, that is to be expected. Game-changing innovations are generally outside the comfort level of every business leader. As a final note, all emerging technologies have a place in history, but not all of them will have an enterprise-wide impact or be of value to an organization over time.

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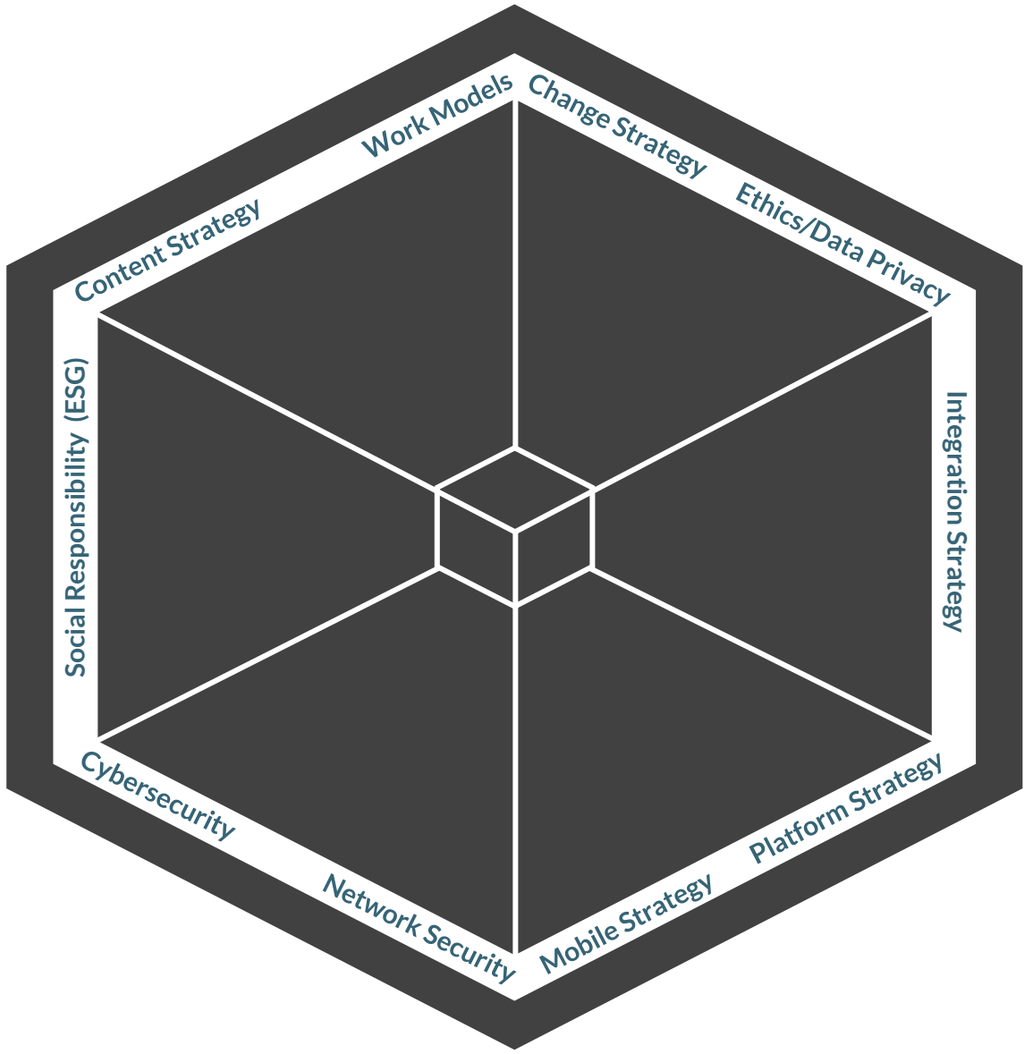
LEVEL THREE. ENTERPRISE STANDARDS: THE GREAT CONNECTORS

Surrounding the six categories of HR system applications in the Blueprint is a layer of critical enterprise standards that play a major role in the success or failure of application investments. The most critical standards include:

- Change Strategies
- Mobile Strategy
- Ethics/Data Privacy
- Network Security
- Content Strategy
- Cybersecurity
- Work Models
- Integration Strategy
- Platform Strategy
- Social Responsibility (ESG)

Connecting HR systems to enterprise standards allows organizations to embed HR solutions seamlessly and safely into everyday work environments and share data across multiple system environments. By working within these standards, leaders can provide clear context, guidance, and ethical frameworks for HR applications that are critical for moving into a future of intelligent decision making.

FIGURE 4: ENTERPRISE STANDARDS



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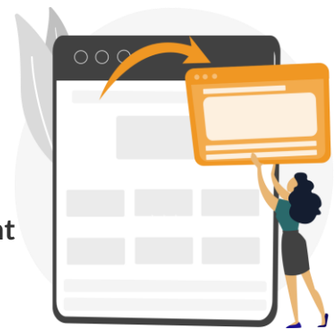
LEVEL FOUR. ENTERPRISE WORK APPLICATIONS: WORKSCAPES

HR technologies coexist in a larger technology environment represented by the outer rim of our Blueprint. These include enterprise business applications for finance management, workforce productivity (Microsoft, Google, etc.), customer relationship management, and vendor management. Depending on the organization's industry and the type of work it actually does, there could be many other enterprise applications that fit into this category.

These solutions are where work occurs daily and where an abundance of additional data is captured, stored, and repeatedly used for business decisions. HR and HRIT have an important role in staying on top of how these applications gather and use employee data and ensuring all government and ethical standards are followed.

Creating a clear picture of these applications, how security is managed, and how HR needs to connect, communicate, and share data with these applications is critical to achieving the outcomes desired by leaders.

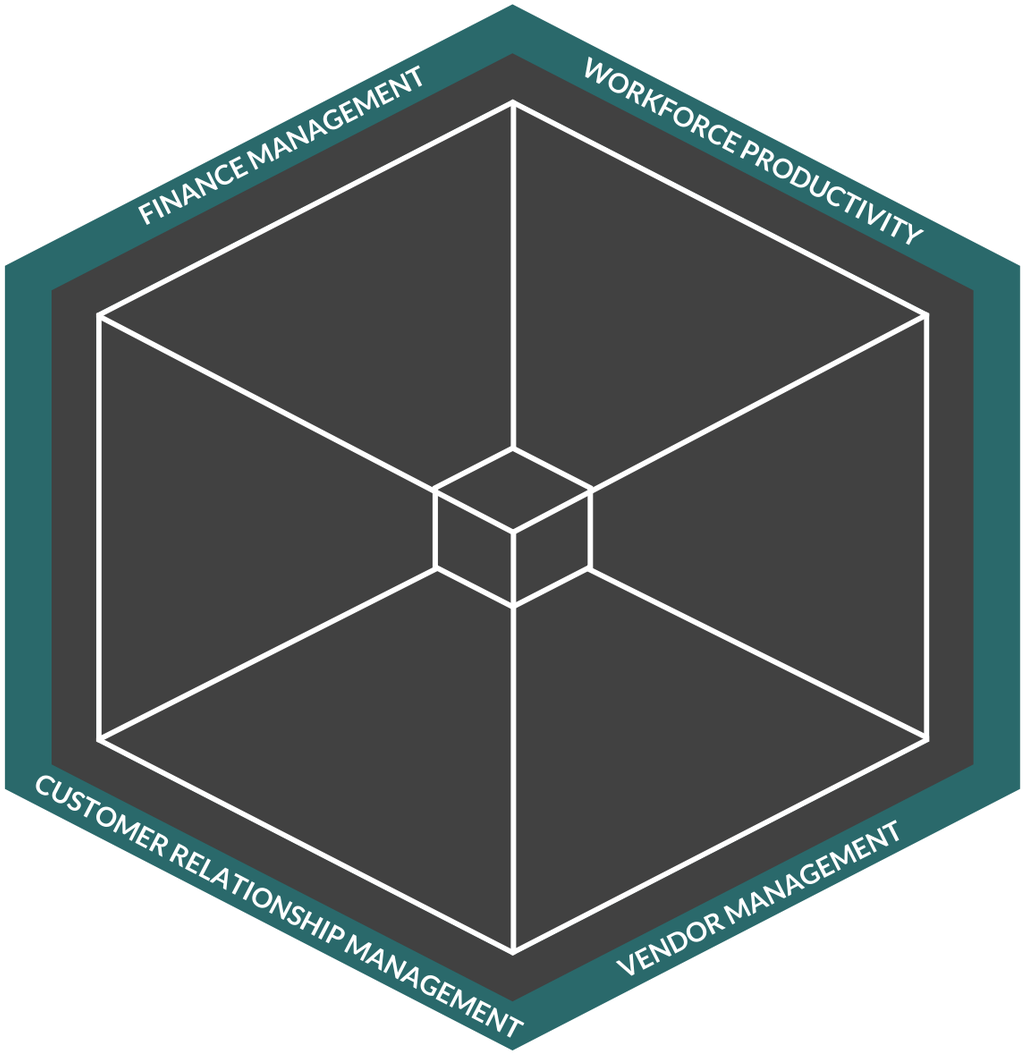
Final Thoughts: HR Systems Adoption Blueprint



The Blueprint can be viewed as a series of containers, each level connected through interrelated elements. The connection points between applications are as important as the individual applications themselves.

The HR Systems Blueprint is a tool that your organization can utilize to spark conversations for your own HR systems strategy and planning efforts.

FIGURE 5: ENTERPRISE WORK APPLICATIONS



Sapient Insights Group offers an annual cohort education series designed to walk HR leaders through the process of building an Adaptable HR Systems Strategy. If you would like more details on participating in this program, contact us at Research@SapientInsights.com.

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RESEARCH METHODOLOGY AND DEMOGRAPHICS SECTION

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RESEARCH METHODOLOGY AND DEMOGRAPHICS

SURVEY AND RESEARCH HISTORY

The 2024-2025 HR Systems Survey Report, 27th **Annual Edition**, is the latest installment in a continuous research effort that began in 1997 by The Hunter Group.

While the sponsoring organization has changed several times since the inception of this initiative, the project continues to follow a rigorous research methodology overseen by well-known and trusted industry analysts. The Annual HR Systems Surveys and resulting published research continue to be invaluable resources that provide insights and guidance to business leaders around the world concerning their HR and finance technology decisions.

THE DEPTH AND BREADTH OF THE RESEARCH

Each year, thousands of HR professionals worldwide complete our systems survey, providing us with valuable data from companies of all sizes and industry segments. Well-known technology and service providers support a wide distribution of the survey. This outreach gives us a broad and varied audience for gathering data on tech adoption and usage while safeguarding against data bias toward any particular vendor or user community. The data is, therefore, representative of the overall HR tech community and its practices.

Target survey participants are HR and IT practitioners and leaders at the center of HR technology decisions.

Participants answer in-depth enterprise systems questions that cover multiple topic areas, including:

- Enterprise outcomes and business financials
- HR technology selection, replacement, and deployment plans
- HR technology integration and implementation practices
- HR resourcing and system budgets
- HR functional processes and social responsibility behaviors
- Customer feedback and satisfaction drivers for major HR applications

Target participants are HR, finance, IT, and shared services leaders and practitioners at the center of HR or workforce tech decisions, implementations, maintenance, and/or change management efforts. Each year, our annual reach provides a wealth of knowledge that we share within the HR and finance communities. Many executives and business leaders who focus on workforce and finance technology use these survey results to make better, more informed business decisions.

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RESEARCH METHODOLOGY AND DEMOGRAPHICS

Our **survey methodology** follows a rigorous, nine-step process, independently verified by the Mercer Survey Quality Group.

All participants are kept strictly anonymous, and only aggregate data is used in our analysis.

1. Survey Objectives
2. Survey Design
3. Survey Distribution
4. Data Collection
5. Sample Validation
6. Data Cleaning
7. Data Analysis
8. Result & Analytics
9. Publications Support

OUTCOME-FOCUSED HR METHODOLOGY

In our quest to conduct research that provides insights into the HR technology community's most challenging issues — such as adoption, cost, and value, we ask a wide range of questions concerning an organization's demographics, HR technology environment, and business/mission.

We also independently gather key financial metrics on publicly-traded organizations. We use this data to deliver insights into the correlation of specific HR practices and technology to business and financial outcomes.

FINANCIAL OUTCOMES

Sapient Insights Group independently gathers the following financial metrics on each of our participating organizations from publicly available data:

- Revenue per employee
- Profit per employee
- Operating income growth
- Return on equity

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VOICE OF THE CUSTOMER METHODOLOGY

The importance of an organization's relationship with its HR technology solution providers is often overlooked and under-appreciated. A solid provider/customer partnership involves more than basic implementation work and communication between the primary contacts; it also encompasses how well the solution meets the organization's business needs and is perceived by the end users.

We ask participants to identify the following for each solution in 50 different categories:

- In use today
- Implementing in the next 12 – 36 months
- Replacing in the next 12 – 36 months

This data creates our vendor adoption charts (sample on this page), which include only those applications that represent a certain percentage (based on the number of providers in each category) of the overall responses for **in use or planned to be in use**. In certain cases, there are hard caps on the number of applications we can chart in a given category. In such cases, we show that maximum number based on the reported percentage of use.

Payroll Adoption Levels	Today	Growth	12 Months
Sample Solution Provider	9.26%	↑	9.92%

Our research then gathers quantitative and qualitative data from survey participants on four key factors that impact the overall customer relationship for each of their identified solutions:

Meets Business Needs:
We ask our respondents to rate how effective their specific HR solution is at meeting their organization's current business needs.

- Participants responding that the system always meets their needs are asked additional questions about the impact of that application.
- Participants responding that the system does not meet their needs are asked additional questions concerning the type of gaps and specific examples of those gaps.

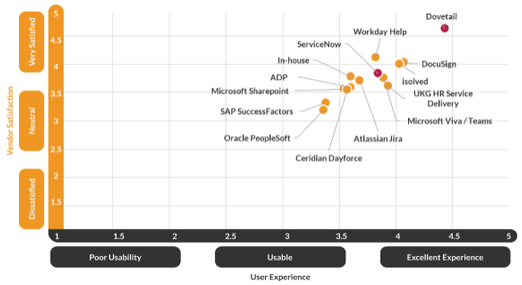
User Experience:
Respondents rank the quality of the user experience for all deployed applications on a scale of 1-5 (poor to excellent). We specifically ask them to focus their answers on the applications' end-user experience for all stakeholders, including IT, HR, managers, and employees.

Vendor Satisfaction:
Respondents rank the quality of their vendor relationships for all deployed applications on a scale of 1-5 (very dissatisfied to very satisfied).. We ask them to specifically focus on relationship factors such as service levels, vendor communications, and alignment of product roadmap to their needs.

All survey participants are then asked additional open-ended questions to provide further details on the reasons behind the specific ratings for user experience and vendor satisfaction.

Based on these answers, we provide an average user experience and vendor satisfaction rating for every application that receives a qualifying number of responses from validated buyers. This data is used to create our Voice of the Customer (VoC) charts for these 14 HR solutions:

- Payroll
- HRMS
- Benefits
- Time Management
- HR Service Delivery
- HR Engagement Survey
- Learning
- Recruiting
- Onboarding
- Performance Management
- Compensation Management
- Rewards and Recognition
- Succession Management
- Analytics and Planning



Our goal with the data in this section is to provide a broad overview of the vendor landscape for all buyers and HR technology community members as they assess their current solutions and needs. Details on the vendors that achieving top ratings in each HR technology category can be found on the **Voice of the Customer HR Systems Top 5 Performers Page**.

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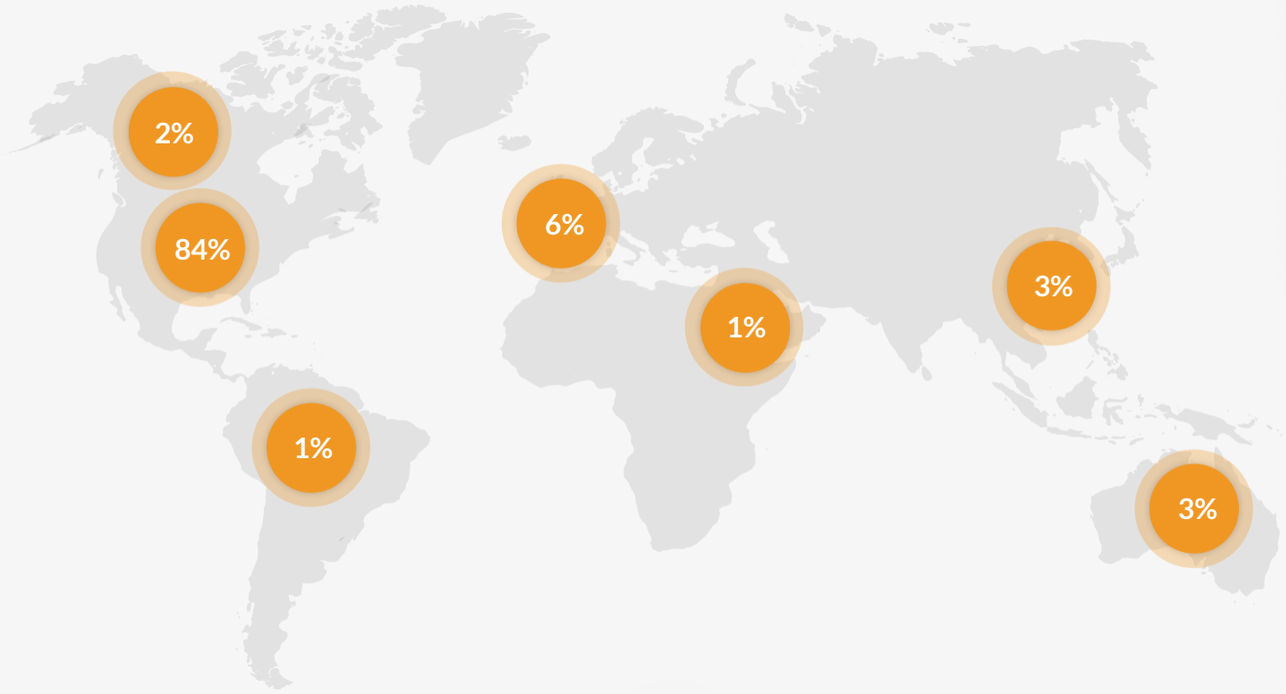
RESEARCH METHODOLOGY AND DEMOGRAPHICS

ORGANIZATIONAL DEMOGRAPHICS OF SURVEY RESPONSES

The 27th Annual HR Systems Survey was conducted from May 1—June 26, 2024. The survey had approximately 6,000 initial responses. Our research methodology includes an extensive cleansing process to remove duplicate organization details and responses with known inaccuracies based on a series of data validation steps. This year's report and research analysis are based on responses from **3,318 unique organizations representing a total workforce of more than 25 million employees and contingent workers**.



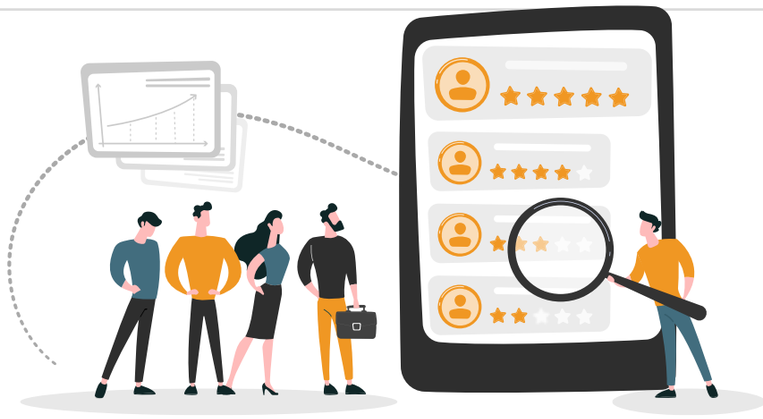
PARTICIPATION SKYROCKETED IN OUR 27TH YEAR!

Twenty-nine percent of respondents (644 organizations) have a workforce population in at least one additional country outside their headquarter locations. These global organizations have, on average, employees outside of headquarter locations in 18 countries. A total of **452** organizations (**15% of respondents**) are headquartered outside the United States.

3318	59	644
Unique Organizations	Countries	Global Organizations

25M+ Total Number of Employees Represented

THANK YOU!
2024-2025 ANNUAL HR SYSTEMS SURVEY PARTICIPANTS



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NON-FINANCIAL OUTCOMES

Non-financial outcomes fall into three categories. Each survey respondent is asked to identify if, over the past year, talent, HR, and business outcomes declined, stayed the same, or improved on a scale of 0–5 (0=Sharply Declined to 5=Greatly Improved). Below are the aggregate scores for our survey respondents in 2024, along with the year-over-year changes from 2023.

FIGURE 6: TALENT, HR, AND BUSINESS OUTCOMES (SCALE OF 0–5)

		2024 #	YOY Change
		DECLINED 0 1 NEUTRAL 2 3 IMPROVED 4 5	
TALENT OUTCOMES	Ability to attract top talent	2.87	No Change
	Ability to develop a highly qualified workforce	2.92	- .01
	Availability of workforce data for decision making	3.10	- .02
	Talent mobility; internal talent movement	2.94	- .06
	Retention of top talent	2.81	- .06
HR OUTCOMES	Employee engagement	2.88	- .12
	Employee and manager productivity	2.94	- .07
	HR alignment with business strategy	3.20	- .05
	HR cost efficiency	3.01	- .06
BUSINESS OUTCOMES	Competitive advantage	2.92	- .3
	Customer (constituent) satisfaction	3.04	- .04
	Innovation	3.09	- .04
	Market share	2.83	- .08
	Organizational profitability	2.89	- .06
	Customer retention	2.96	- .09

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FIGURE 7: SIXTEEN INDUSTRY CATEGORIES

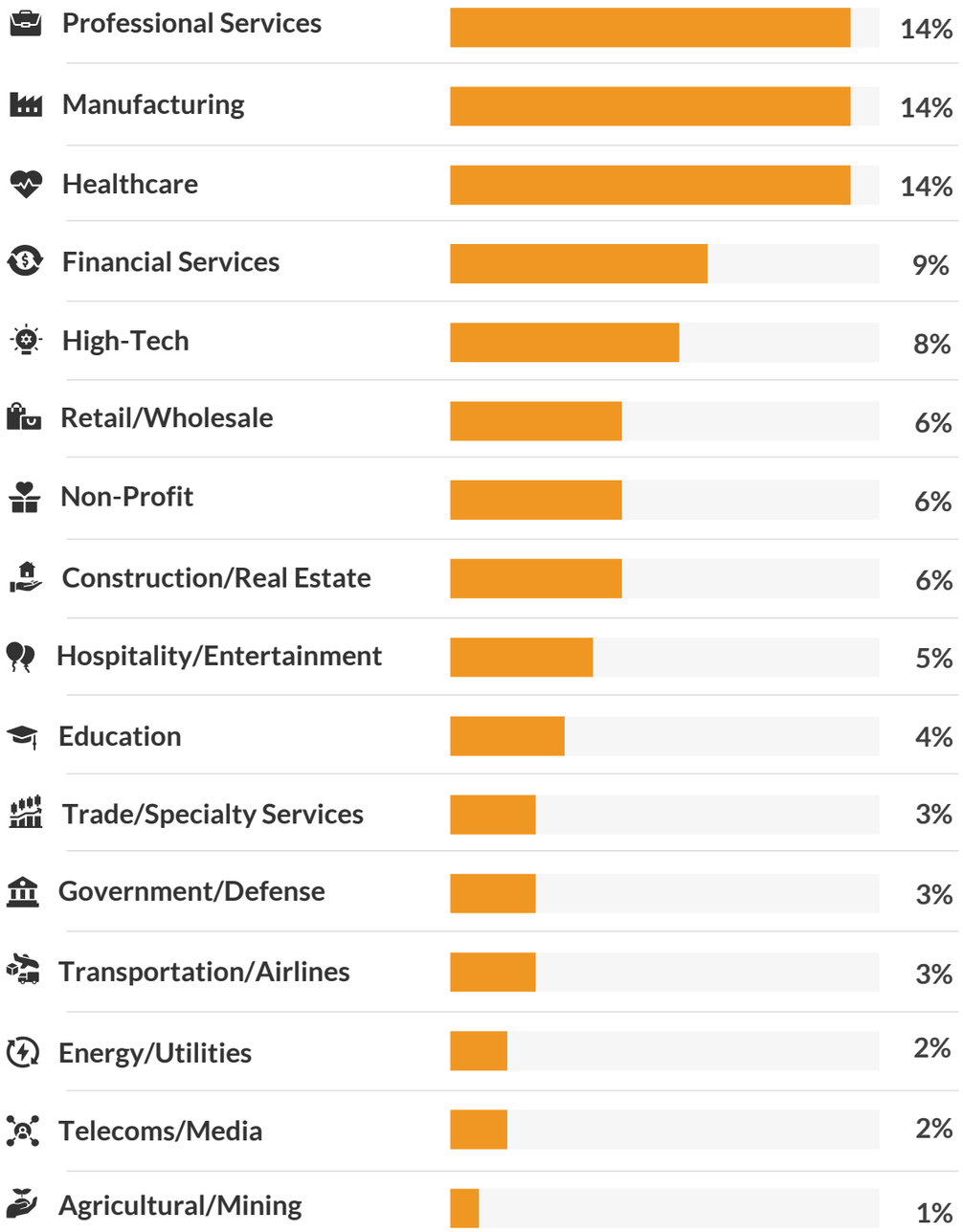
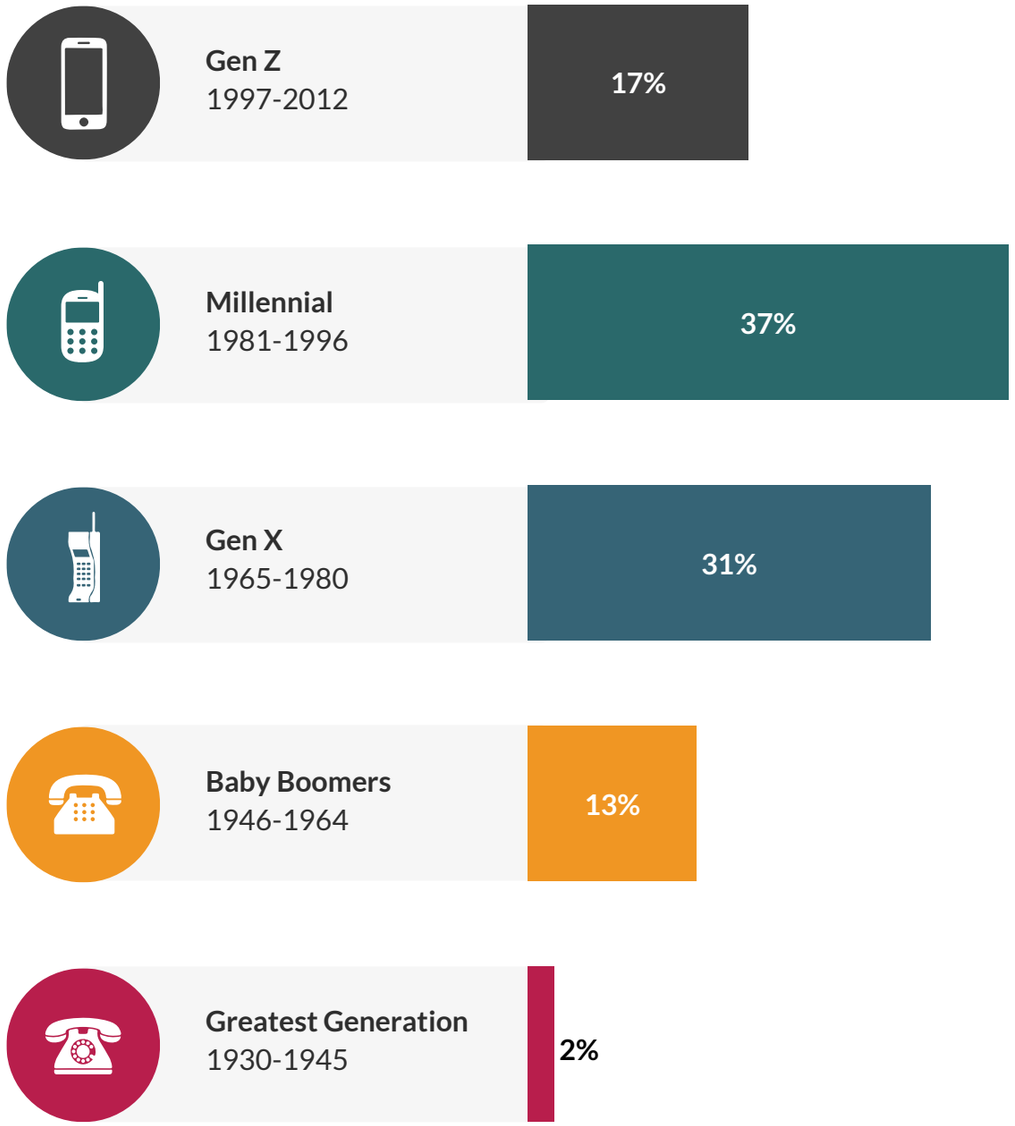


FIGURE 8: FIVE GENERATIONAL AVERAGES



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The 2024–2025 data set includes organizations of all sizes across multiple industry segments. For purposes of this report, we categorize our data into:

- Seven aggregate regional areas
- Three organizational size categories
- Sixteen industry categories
- Five generational averages
- Six entity types

FIGURE 9: SEVEN AGGREGATE REGIONAL AREAS

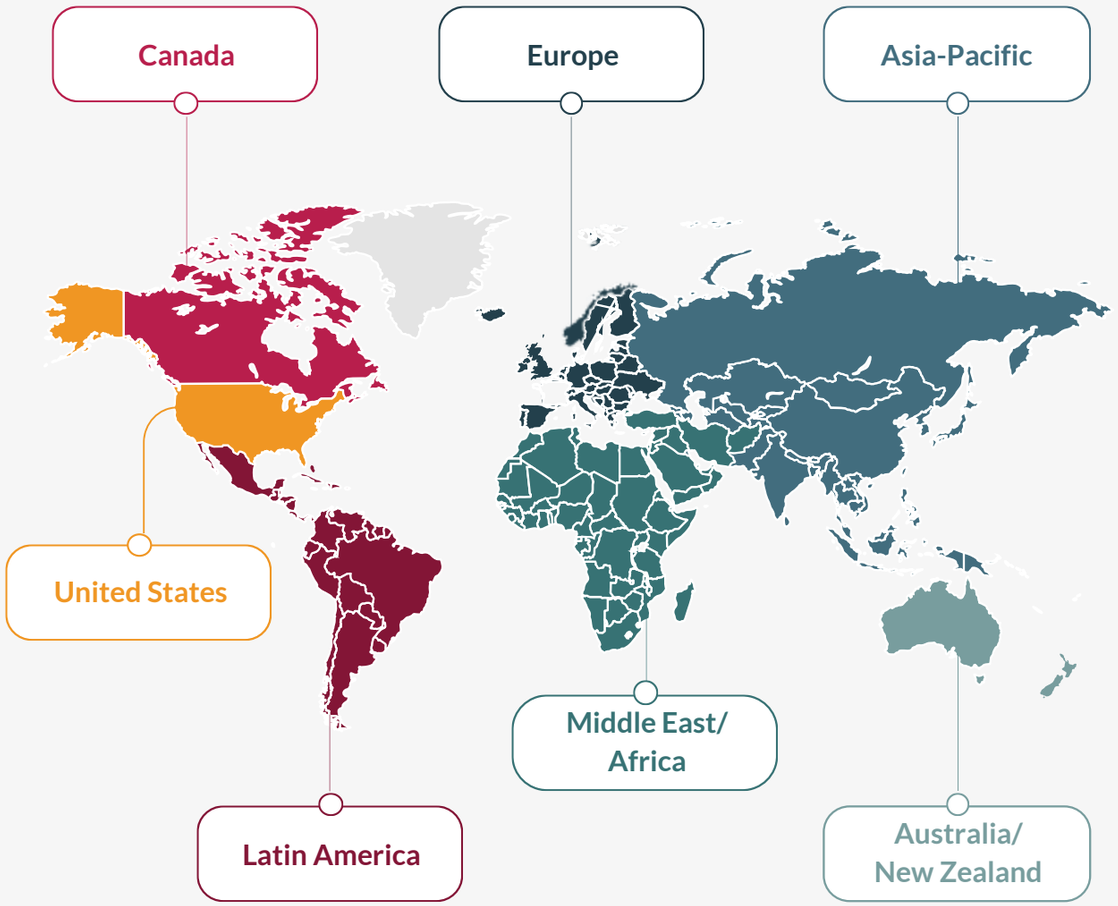
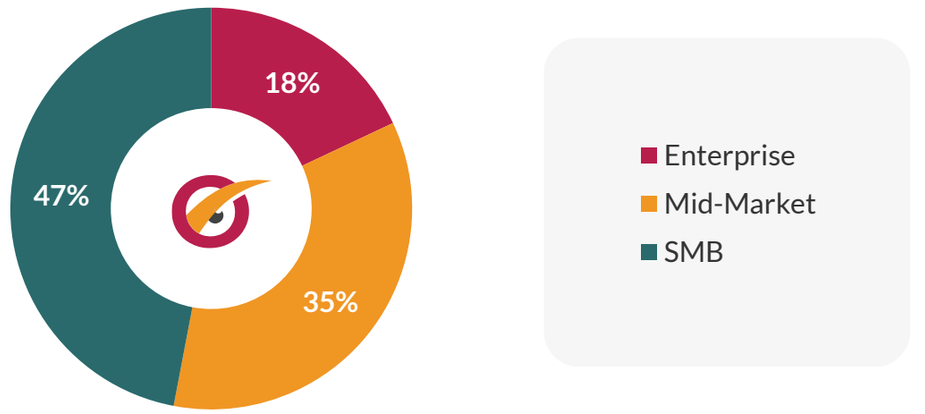


FIGURE 10: THREE ORGANIZATION SIZE CATEGORIES



E	Enterprise	≥5000 Employees
M	Mid-Market	500-4999 Employees
S	SMB	<500 Employees

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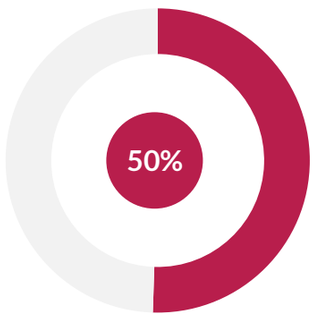
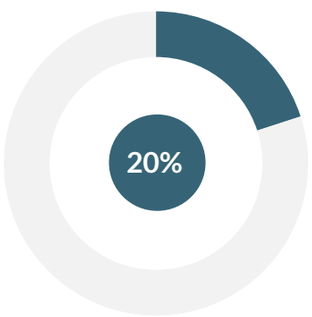
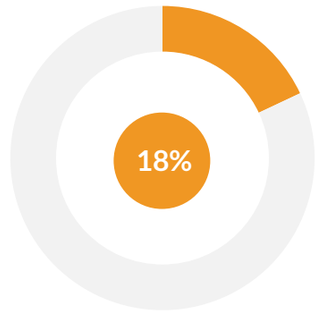
FIGURE 11: SIX ENTITY TYPES



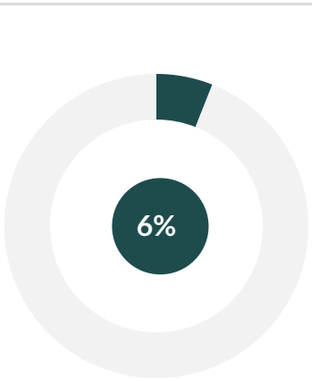
Privately Owned



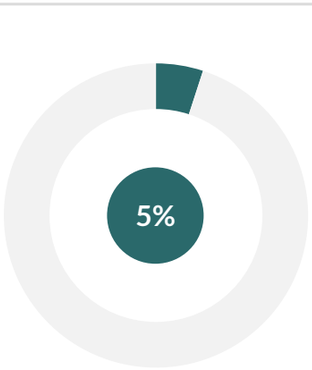
Non-Profit



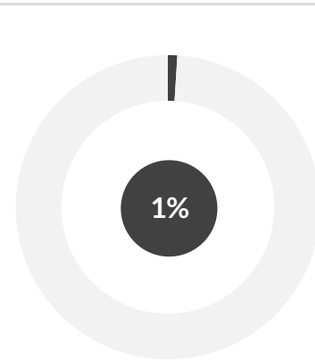
Publicly Traded



Government Entity



Private Equity Backed



Franchise Entity

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If you need data organized into a unique set of sizes, industry segments, or regions for benchmarking purposes, please contact us at Research@SapientInsights.com for information about our data services.

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RESEARCH METHODOLOGY AND DEMOGRAPHICS

This year's major changes in organizational demographics are as follows:

PARTICIPATION:

This year's participation represents **the highest number of survey respondents in the Annual HR Systems Survey's history**; responses surpassed the previous high set in the 2022-2023 survey. Reasons for this include a focused and refined effort from survey distributors, internal marketing efforts led by our dedicated team, and growing interest in the HR tech space,

ENTITY TYPE:

We saw no drastic changes in the types of organizations represented, although there was a slight increase in the percentage of non-profits and a corresponding decrease in private-equity-backed organizations. We believe these changes are likely a result of changes in participant distribution and not a reflection of businesses as a whole.

INDUSTRY:

We saw little change in the industry segments represented this year. No industry segment changed more than a couple of percentage points, meaning that the representative sample of industry segments can be safely compared to last year's data.

REGIONAL:

This year, the percentage of respondents from geographical areas outside of North America decreased from previous years. However, due to the massive increase in respondents, the **total number of organizations in these areas represented in our survey increased significantly**.

EMPLOYEE SIZE:

This year showed some slight variations in the SMB, mid-market, and enterprise-size categories. While we saw more representation from the mid-market (500-4999 employees) than in previous years, it was not statistically significant. Overall economic stability may have allowed some small companies (under 500 employees) to grow; but the change could also be the result of the usual expected statistical variations.

GENERATIONAL WORKFORCES:

Two years has made a large difference in generational makeup of the workforce. In 2022, **Gen Z was only 8% of the workforce, and now that generation represents 17%**. In the opposite direction, the **Greatest Generation made up 10% of the workforce, in 2022, and now is down to only 2%**. Interestingly, Gen X's representation has not changed (percentagewise) from last year likely because they are not quite retirement age but also because they will not have anyone new entering the workforce.

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INDIVIDUAL PARTICIPANT DEMOGRAPHICS

DEMOGRAPHICS OF SURVEY RESPONDERS

Next, we take a look at the demographics of the individual professionals participating in this year's survey. For additional context, we asked participants a series of questions that spanned:

- Job role
- Department / function
- Years in current role
- Education level
- Certifications held
- Generation identification

FIGURE 12: BY ROLE

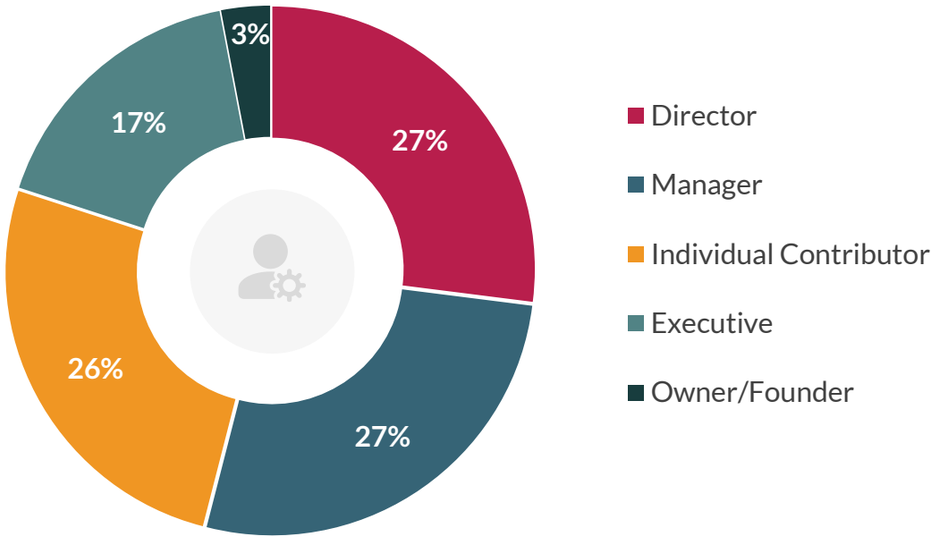
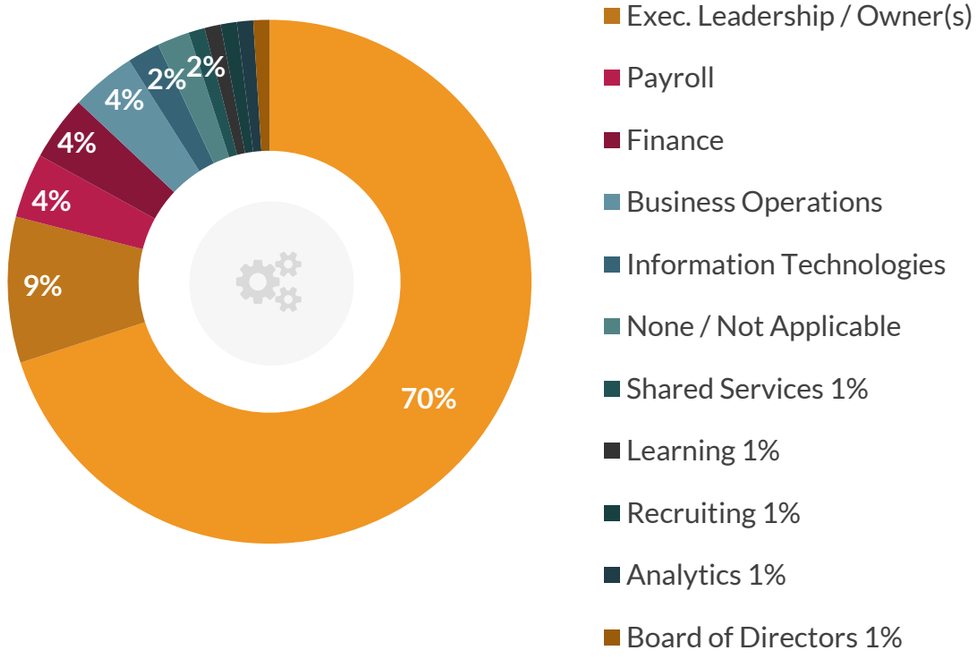


FIGURE 13: BY DEPARTMENT/FUNCTION



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INDIVIDUAL PARTICIPANT DEMOGRAPHICS

FIGURE 14: YEARS IN CURRENT ROLE

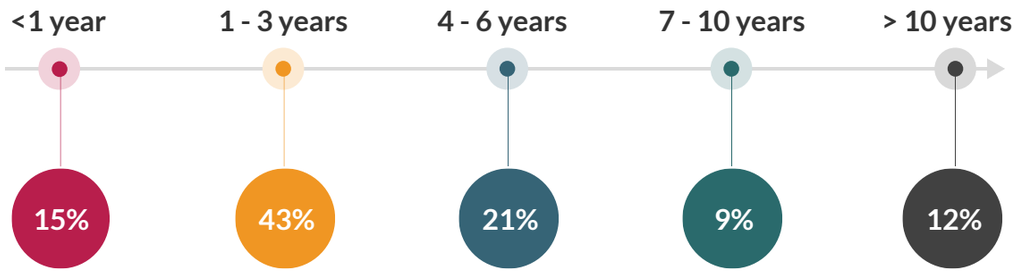
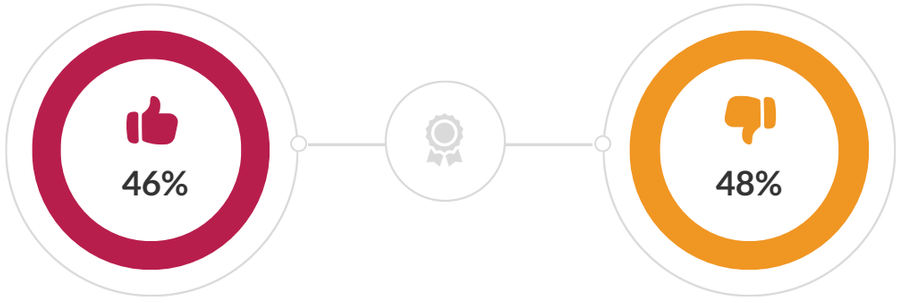


FIGURE 15: EDUCATION LEVEL

High School or Equivalent	3%
Some College	8%
Associates Degree	6%
Trade School Degree	1%
Bachelors/ Undergraduate Degree	47%
Masters/Graduate Degree	30%
Doctorate/ Professional Degree	3%
Prefer Not to Answer	2%

FIGURE 16: CERTIFICATIONS HELD



Prefer not to answer 6%

FIGURE 17: TOP 5 CERTIFICATIONS

SHRM-CP (Certified Professional)	25%
Certification through (University/Educational Inst.	23%
PHR (Professional Human Resources)	22%
Other not listed	20%
Certification through Solution/Service Provider	16%

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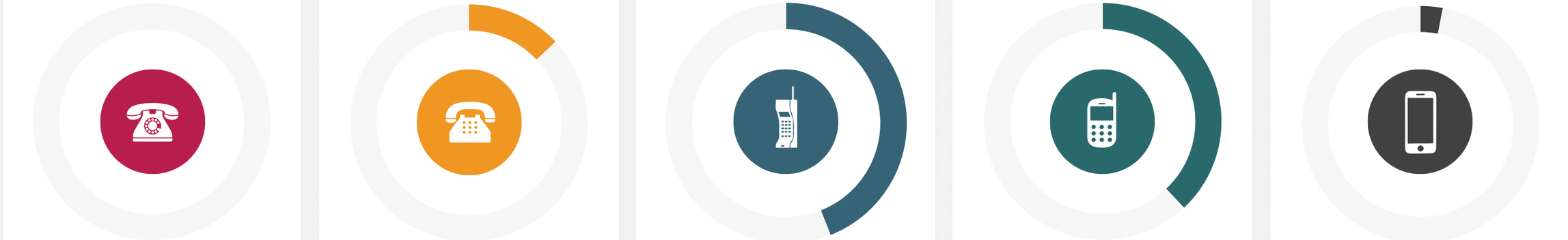
FIGURE 18: GENERATION IDENTIFICATION



0%	13%	44%	38%	3%
Greatest Generation 1930-1945	**Baby Boomers** 1946-1964	**Gen X** 1965-1980	**Millennial** 1981-1996	**Gen Z** 1997-2012

2% **PREFER NOT TO ANSWER**

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INDIVIDUAL PARTICIPANT DEMOGRAPHICS

This year's major changes in participant demographics are as follows:

ROLE:

The minor variations in percentages of respondents by role can be easily explained by standard statistical fluctuations. There was a slight (2-3%) percentage decrease in managers, and a correspondingly small increase in individual contributors and directors in this year's survey responders. Otherwise, the responders' role demographics remain roughly the same as in 2023 with just short of half (47%) of responders in a director level role or higher.

GENERATIONAL MAKEUP:

Of all the demographics shifts we saw this year, the generational makeup of survey responders showed the most significant change. In 2023, Gen Xers made up the largest percentage of survey takers, with 49% , followed distantly by Millennials at 33%. This year, Gen X is still the most represented demographic but at only 44%, compared to Millennials at 38%. Also, as predicted, the Greatest Generation is no longer represented among respondents, although it is still represented (albeit in very small numbers) in the workforce.

FUNCTION:

As usual, the majority (76%) of respondents were from human resources and related fields. One interesting change from last year is the percentage of respondents from the executive leadership function, which nearly doubled from from 5% in 2023 to 9% this year.

EDUCATION:

In terms of the educational levels of survey responders, this year's percentages were exactly the same as those from last year. So for the second year in a row, those with bachelor's degrees (or the equivalent) or higher degrees make up 80% of survey responders.

YEARS IN ROLE:

We continue to see a decline in job-related experience. In 2023, 54% percent of respondents had been in their roles for three years or less; that percentage went up to 58% this year. This corresponds with global employment trends, but it does raise the question on how long the trend can continue before reaching a natural tipping point.

CERTIFICATIONS:

Survey participants who held HR- or IT-specific certifications decreased again in 2024, continuing a downward trend observed in 2023. In fact, 2024 marks the first time in many years that fewer than 50% of survey takers had an HR or IT certification of any kind. This finding could be related to HR professionals being in their jobs for fewer years, on average, than ever before.

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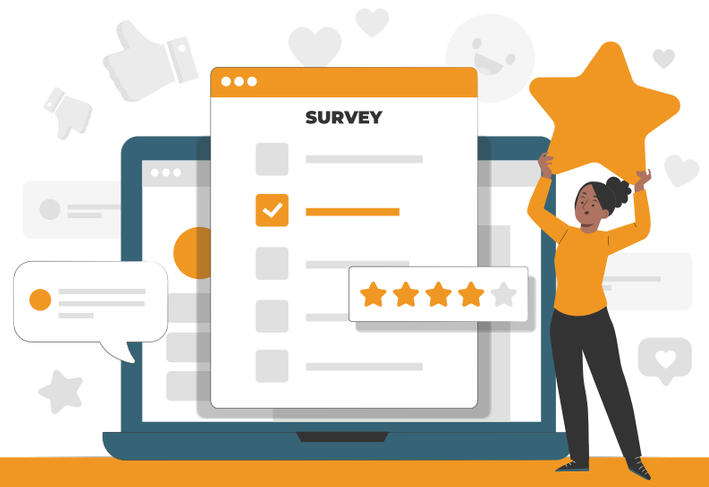
INDIVIDUAL PARTICIPANT DEMOGRAPHICS



At Sapient Insights Group, we believe it's important to know why people participate in research since survey completion requires a significant amount of participant time and effort.

The figure on this page gives an overview of the reasons why participants participated in the 27th Annual HR Systems Survey. Topping the list is the desire to see the results and receive a free version of this report, followed by using the report data for benchmarking. The third and fourth most common reasons are related to the ongoing need to have informative conversations with others in the organization and to support HR work. Of course, there is no wrong reason to participate in the survey. We welcome all participants and appreciate the continued support of the HR community.

FIGURE 19: REASONS FOR PARTICIPATION IN 2024

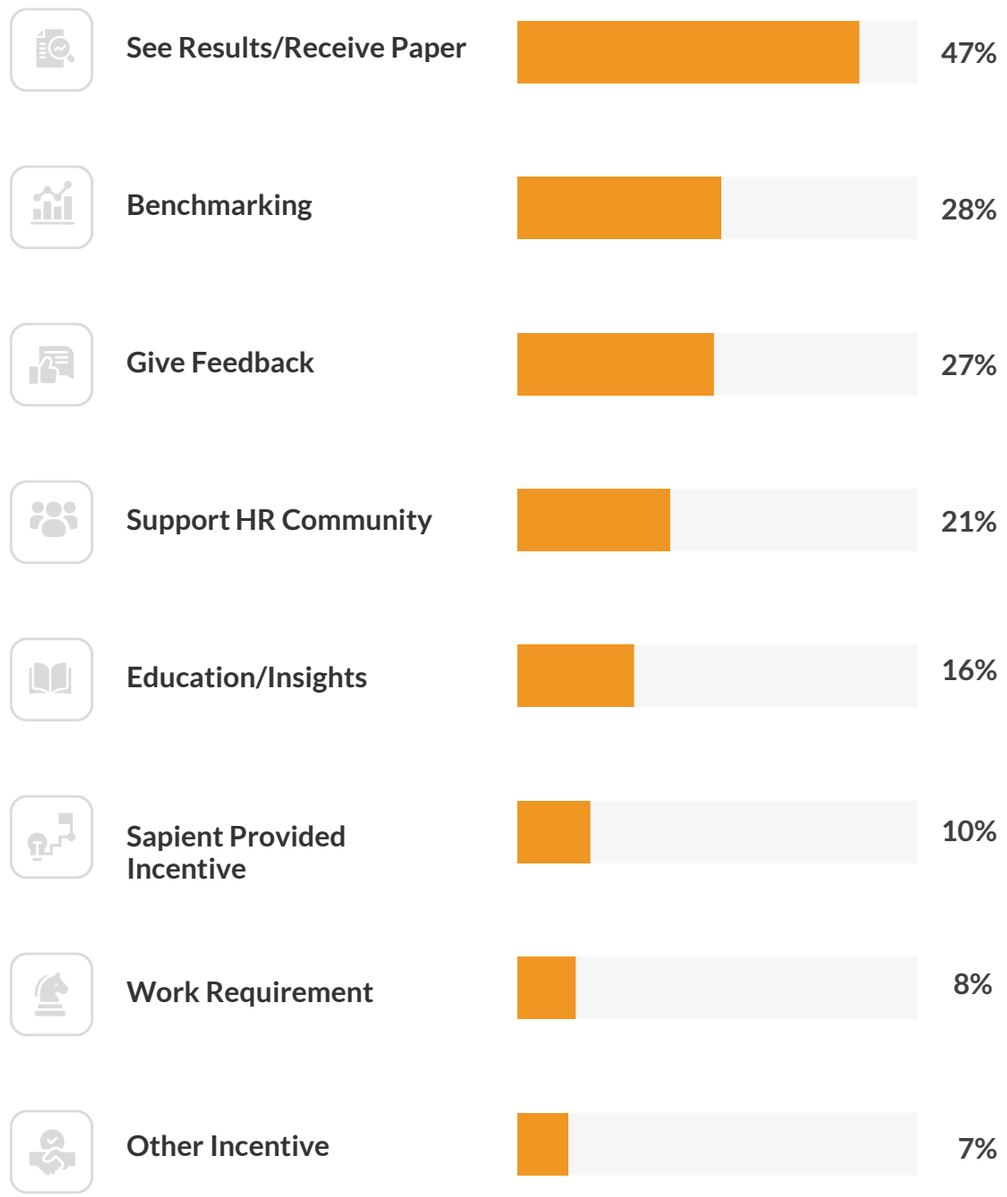


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FIGURE 20: TOP 5 MOST VALUABLE RESEARCH TOPICS

	E ≥5000 EE	M 500-4999 EE	S <500 EE
HR Process Improvement	57.8%	66.7%	69.9%
Emerging Trends in HR Tech	51.1%	41.7%	37.4%
HR Systems Adoption Strategy	36.3%	37.5%	25.6%
Artificial Intelligence	37.8%	23.6%	14.9%
Change Management Practices	14.8%	19.4%	22.9%
Vendor UX/VS Rankings	16.3%	20.5%	19.4%
Implementation Practices	11.9%	12.8%	22.0%

We also ask survey participants to select the research topics most valuable to them. As noted in the accompanying chart, the selections vary somewhat by company size.

HR process improvement is the top research topic in all three size categories. This is hardly a surprise considering the survey participants.

Emerging trends in HR tech is the next most valuable topic across all company sizes. However, it should be noted that the percentages of interested respondents from small and mid-market organizations did drop this year.

HR systems adoption strategy is the third most popular topic for small and mid-market organizations, and it is a close fourth topic of interest for enterprise organizations.

Artificial intelligence was a topic of frequent conversation in 2024, so it makes sense that the topic would be important to survey responders in mid-market and enterprise organizations. We are not surprised that AI didn't make the top ten list for respondents in small organizations since technology options for AI are limited for this group.

Other topic areas respondents could choose from include HR investment outcomes, expenditures and budgeting, security and data privacy, service delivery models, resourcing strategies, and social responsibility. The value survey takers placed on these topics is reflected in their order.

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CELEBRATING OUR RESEARCH COMMUNITY

All survey participants who complete the survey and provide a valid business email will receive a copy of their results and a full copy of the Annual HR Systems Survey Report. Ninety-six percent of participants request an individual snapshot comparing their responses with our aggregate data set for benchmarking purposes. We look forward to welcoming you to our rapidly growing HR community.

For more details on this year's 2024-2025 Annual HR Systems Survey data set, please contact us at Research@SapientInsights.com

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Learn More About Sapient Insights Group

BE COUNTED in the 28th Annual Survey

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To request a media interview, email us at **Research@SapientInsights.com.**

More details on our research approach can be found on our website under **research methodology.**

To learn more about additional research efforts conducted by Sapient Insights Group, please visit **our website**.

Our research is an annual community effort; key aggregate findings can be found **here**.

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