# How modern HR tech solves **HR's biggest challenges**

# Introduction

We live in a time of constant, accelerated change.

What began with the pandemic in 2020 has since snowballed into years of disruption. We're still feeling the ripple effects.

Since then, HR has been at the center of a perfect storm of global disruption. From rapid tech advances and AI transformation to geopolitical instability and economic turmoil, HR leaders and their teams have had to manage change more quickly than ever before.

At the same time, expectations from modern professionals and executive leadership are rising. To complicate matters, they're often butting heads. People want flexibility, purpose, and professional growth, while many companies are **doubling down on return-to-office (RTO) mandates** and **de-prioritizing work-life balance**.

There's growing anxiety about AI replacing jobs, even as businesses expect their teams to embrace new technologies.

With a **second Great Resignation** brewing, HR is under pressure to retain talent and protect culture. It's a lot to navigate, and HR leaders are the ones tasked with making it all work.

Recent research from HiBob gives us some clarity through the haze. It highlights three core priorities HR teams are investing in right now:

1. **Upskilling the workforce** to close growing skills gaps

2. **Developing leadership capabilities** to drive long-term impact

3. **Investing in employee experience** as a business-critical strategy for retention and performance

Through our work with hundreds of leading HR teams around the world, we've also seen a fourth priority rise in urgency:

4. **Operational alignment between HR and Finance,** built on shared systems, definitions, and data

The good news? HR leaders aren't facing these challenges alone. Modern HR tech is built to help you deliver on these priorities with greater clarity, speed, and impact across global and distributed teams.

In this guide, we'll explore how integrated, people-first platforms empower the entire business to lead with confidence, scale smarter, and build an organization where people (and performance) can thrive … no matter what might be waiting around the corner.

# Priority 1: Upskill to build future-ready teams

After years of talent shortages and unpredictable turnover, the way we talk about skills is changing. In the past, the solution was to hire people who already had the expertise you needed. That approach no longer works.

Markets are shifting too quickly and technology is advancing too rapidly for a "perfect candidate" with the right skills and approach to exist. **What businesses need today are people with a growth mindset who live and breathe adaptability and who embrace constant, uncompromising change**.

But meeting this new standard isn't all on candidates. It's on businesses, too. The perfect person for the job may already be on your team, sitting on untapped skills and growth potential you didn't even realize were there.

**This is why upskilling is a strategic priority.**

In this section, we'll explore why upskilling is core to business success, how the AI revolution is changing expectations, and how modern HR tech helps HR leaders connect learning to growth and outcomes at scale, across teams, and across time zones.

## Why upskilling is business-critical now

In the HiBob research mentioned above, we found that upskilling is one of HR leaders' top investment areas. These programs aren't just about professional development as a benefit. They're business-critical tools that drive performance, build resilience, and protect the ROI of your tech investments.

Because **if people don't know how to use the tools** and systems your business depends on, productivity suffers, engagement drops, and your tech investments can't live up to their potential.

HR teams leading the way are moving beyond traditional L&D models. **They're adopting skills-based frameworks** that map out what each role requires and tying learning directly to job performance, internal mobility, and long-term growth.

**Upskilling isn't just about filling knowledge gaps.**
It's about protecting ROI, powering your people's adaptability, and ensuring your people and your organization are future-ready.

# Here's how to get started:

1. **Map the skills that matter most**
   Start by **identifying the skills and capabilities** required to succeed in each role. Use these profiles to clarify expectations, uncover gaps, and inform hiring, onboarding, and development strategies.

2. **Design learning paths that align with real-world goals**
   Build or curate content that targets the specific skills each role demands. **Tailor it to the learner's learning style**, whether that's experience level, team priorities, or career aspirations.

3. **Make learning part of your everyday workflows**
   Learning shouldn't live in a silo. Integrate it into existing processes like performance reviews, onboarding, and goal-setting. The more embedded it is, the more likely it is to stick.

4. **Measure progress and impact**
   Tracking course completions is just the beginning. It's even more important now for HR teams to connect upskilling efforts to business outcomes.
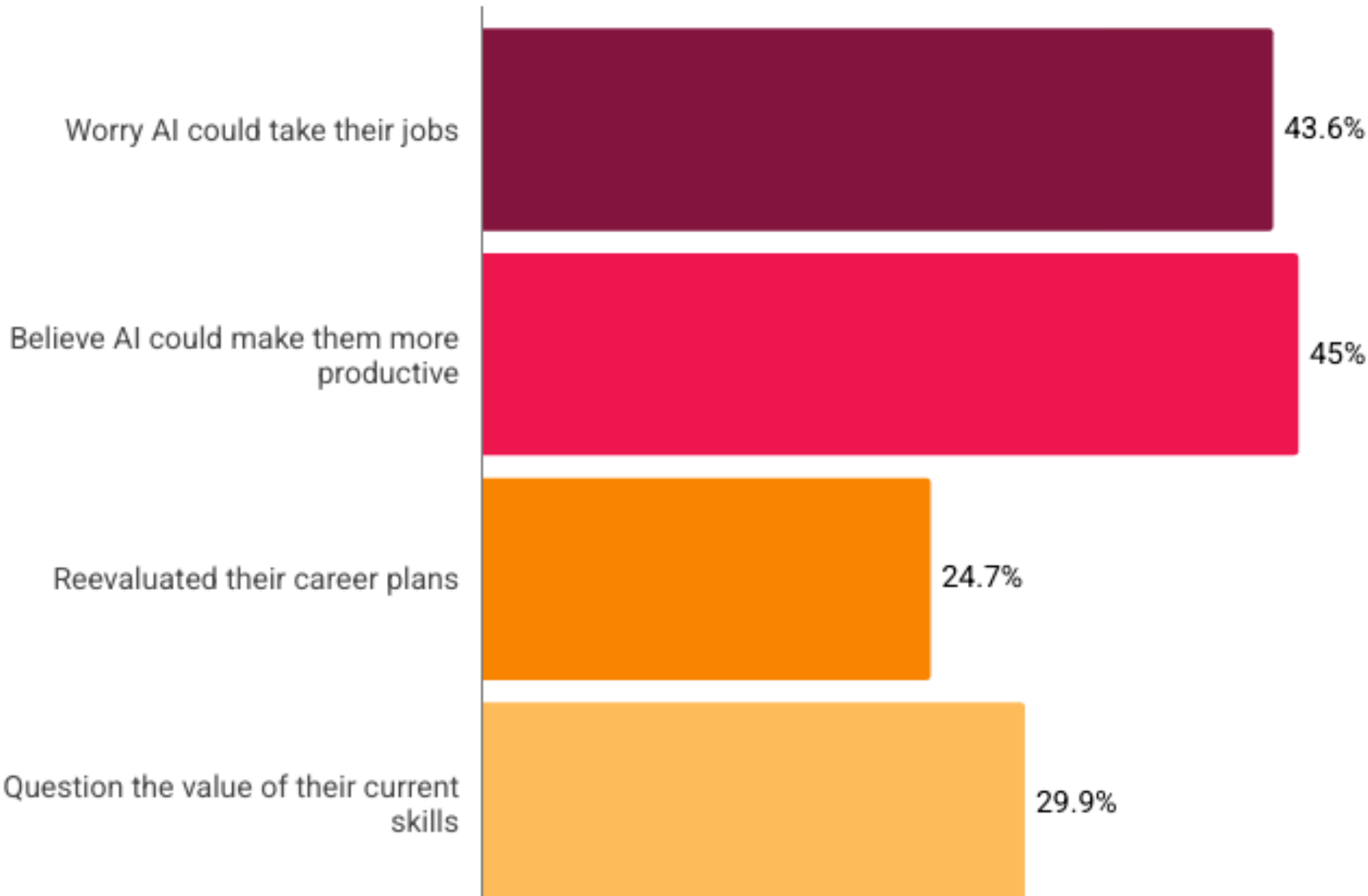
# The AI curve: Help your people grow with it

First and foremost, upskilling is about business resilience and keeping pace with change. And no change is moving faster today than AI.

AI is reshaping how we work and changing the way we learn, grow, and apply knowledge on the job. Because of this evolution, businesses are asking their people to adopt tools and workflows that didn't even exist a year ago.

It's no surprise, then, that almost 44 percent of professionals worry about AI replacing their roles, while **45 percent** believe it can boost productivity.

This shift represents more than a skills gap. It represents a paradigm shift that's giving rise to entirely new industries. It's challenging people to step outside their comfort zones, embrace unfamiliar tools, and rethink how they work. For many, it's a chance to build or pivot into new careers.

## Anxiety and curiosity about AI are rising

| | |
|---|---|
| Worry AI could take their jobs | 43.6% |
| Believe AI could make them more productive | 45% |
| Reevaluated their career plans | 24.7% |
| Question the value of their current skills | 29.9% |

HR plays a critical role in helping people meet this moment confidently. It means creating learning programs that demystify AI, dispel fears, and focus on practical applications people can use within their flow of work (vs. theoretical skills).

# How HR tech can help measure the success of your L&D programs

**Upskilling programs are key to preparing your people to meet the moment. Making those programs measurable is how you prove they matter.**

Business leaders aren't just looking for participation in L&D initiatives. They want proof that they're working, and they want to understand the impact: Are people applying the skills they've learned on the job? Are teams getting better at what they do? Are the tools you've invested in actually being used?

Great HR tech makes it easier to track learning and tie it directly to business outcomes. Here's how:

1. **Integrated LMS and learning data**
   When skills and learning data live in one place—connected to role profiles, performance reviews, and feedback—it's easier to see what progress looks like. Centralized systems allow you to align expectations across the business, track growth over time, and spot skills gaps faster. A self-serve LMS layered into your HCM also makes it easy for individual team members to access learning paths anytime from anywhere.

2. **Learning tied to performance systems**
   The right tools let HR connect professional development to performance reviews, OKRs, and career growth plans. Personalized learning paths help people grow in ways that support their role, their team, and the broader business.

3. **Real-time analytics and engagement tracking**
   Completion rates are only part of the L&D story. With an LMS's integrated analytics, HR can see who's learning what, how they're progressing, and whether your programs are moving the needle on engagement, retention, performance, and tech adoption. This makes it easier to identify high-impact content and learning gaps at the individual, team, and organizational levels.

4. **Live dashboards and adaptive insights**
   With visibility into what's working (and what's not), HR teams can continuously optimize learning programs to fit their evolving needs. You can refine content, support teams that need help, and scale what's working based on what your data is telling you.

It's important to bear in mind that **upskilling programs are only as strong as the systems that support them**. When learning is measurable, visible, and actionable, it becomes a strategic business advantage and not just a nice-to-have perk.

# Priority 2: Improve leadership development to drive better business outcomes

Strong leadership has always mattered. But in today's world of hybrid teams, shifting priorities, and constant change, it's non-negotiable.

Organizations are tasking managers with leading through unprecedented complexity, yet promote many without the training, context, or tools they need to succeed. That's a huge risk for their teams and the business.

HR leaders understand that investing in people leaders pays off fast. But in a tough economic climate, leadership development can be a hard sell. **The key is to position it as a business growth strategy and not just as individual growth.**

In this section, we'll talk about why having effective people leaders matters more than ever, how leadership programs impact retention and performance, and how HR tech can help HR teams deliver scalable, strategic development across teams, regions, and levels.

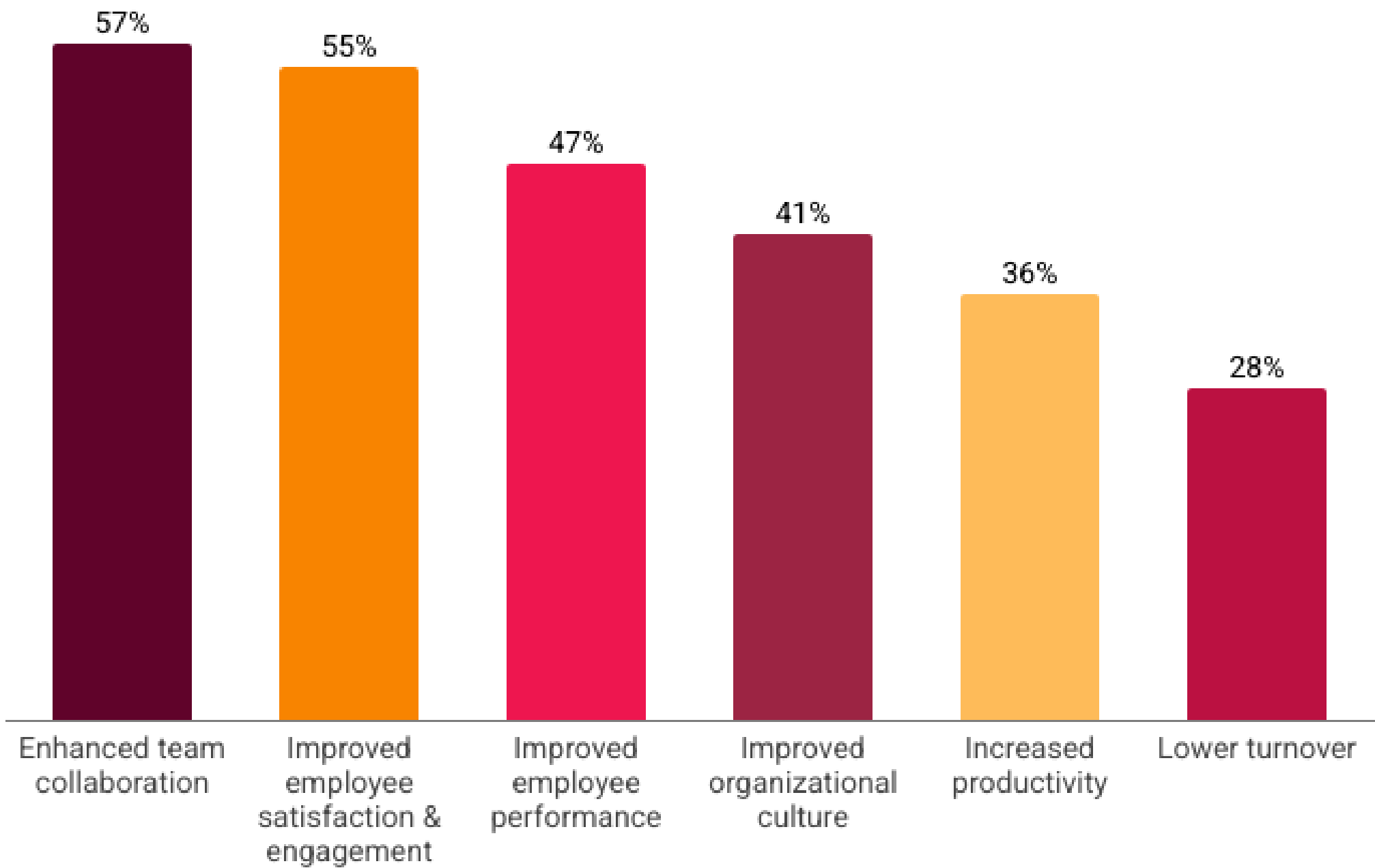So, what happens when people leaders get the right support?

# Why great managers matter more than ever

Managers are the backbone of team cohesion and performance. They set the tone for communication, collaboration, and culture—especially in hybrid and globally distributed environments. The support they receive directly shapes their impact.

When you equip managers to lead with clarity and confidence, their teams are more likely to embrace change, stay engaged, and deliver better results.

HiBob's research shows that leadership training can enhance team collaboration by **57 percent**, improve employee satisfaction and engagement by **55 percent**, and boost performance by **47 percent**. That kind of influence is essential.

## Business areas impacted by leadership training in the last year

- Enhanced team collaboration: 57%
- Improved employee satisfaction & engagement: 55%
- Improved employee performance: 47%
- Improved organizational culture: 41%
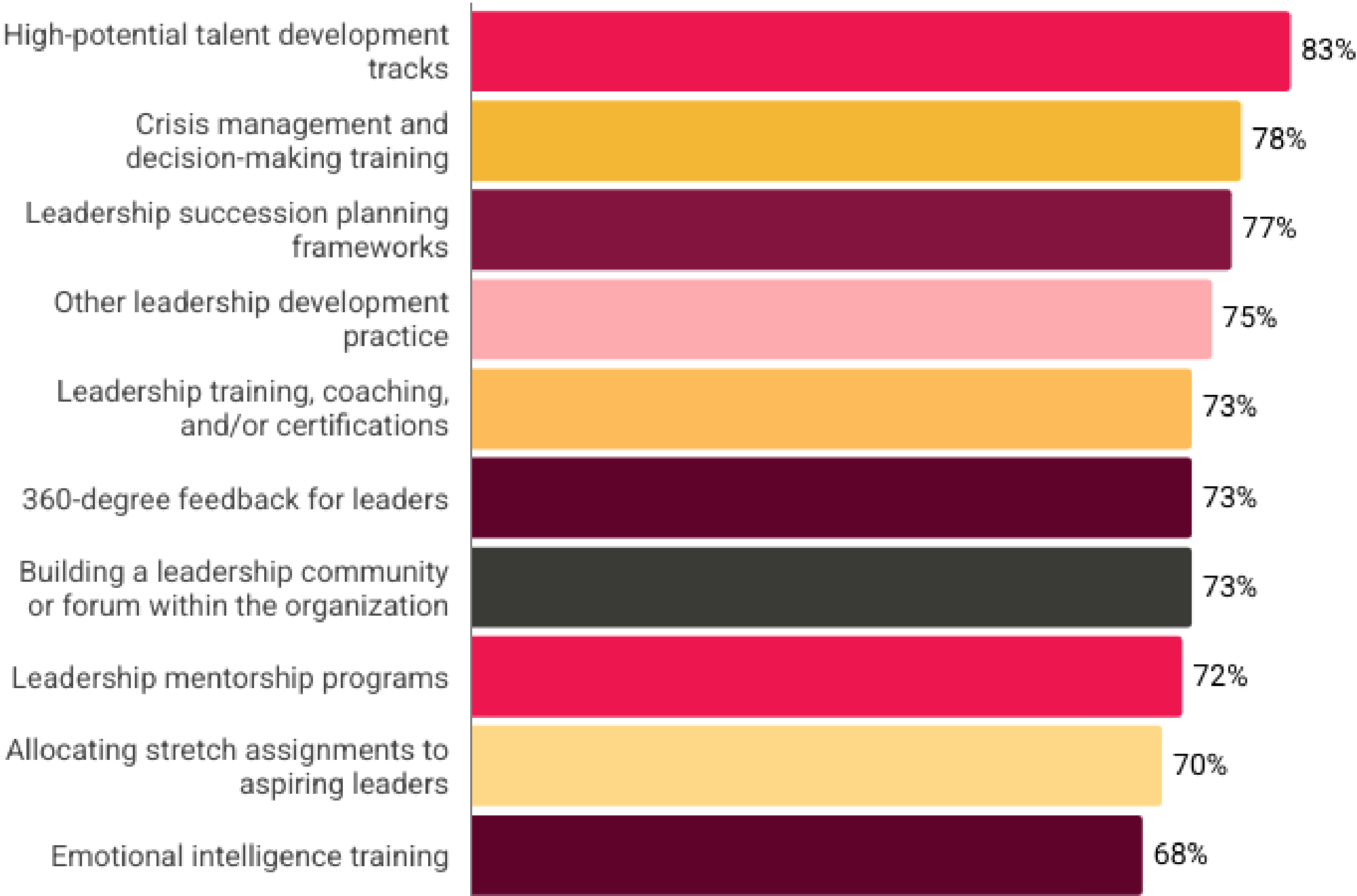- Increased productivity: 36%
- Lower turnover: 28%

# The business case for leadership investment

Despite clear evidence of its positive impact on the business, HR teams still struggle to secure buy-in. Some decision-makers continue to see investment in it as a nice-to-have or just a perk for high performers, rather than a strategic priority.

But HR leaders know the real impact. When organizations support their managers, that support reaches every corner of the organization, from retention, engagement, performance, onboarding, wellbeing, DEI&B, and more. **Making the case for investment means connecting these outcomes to real, measurable business value.**
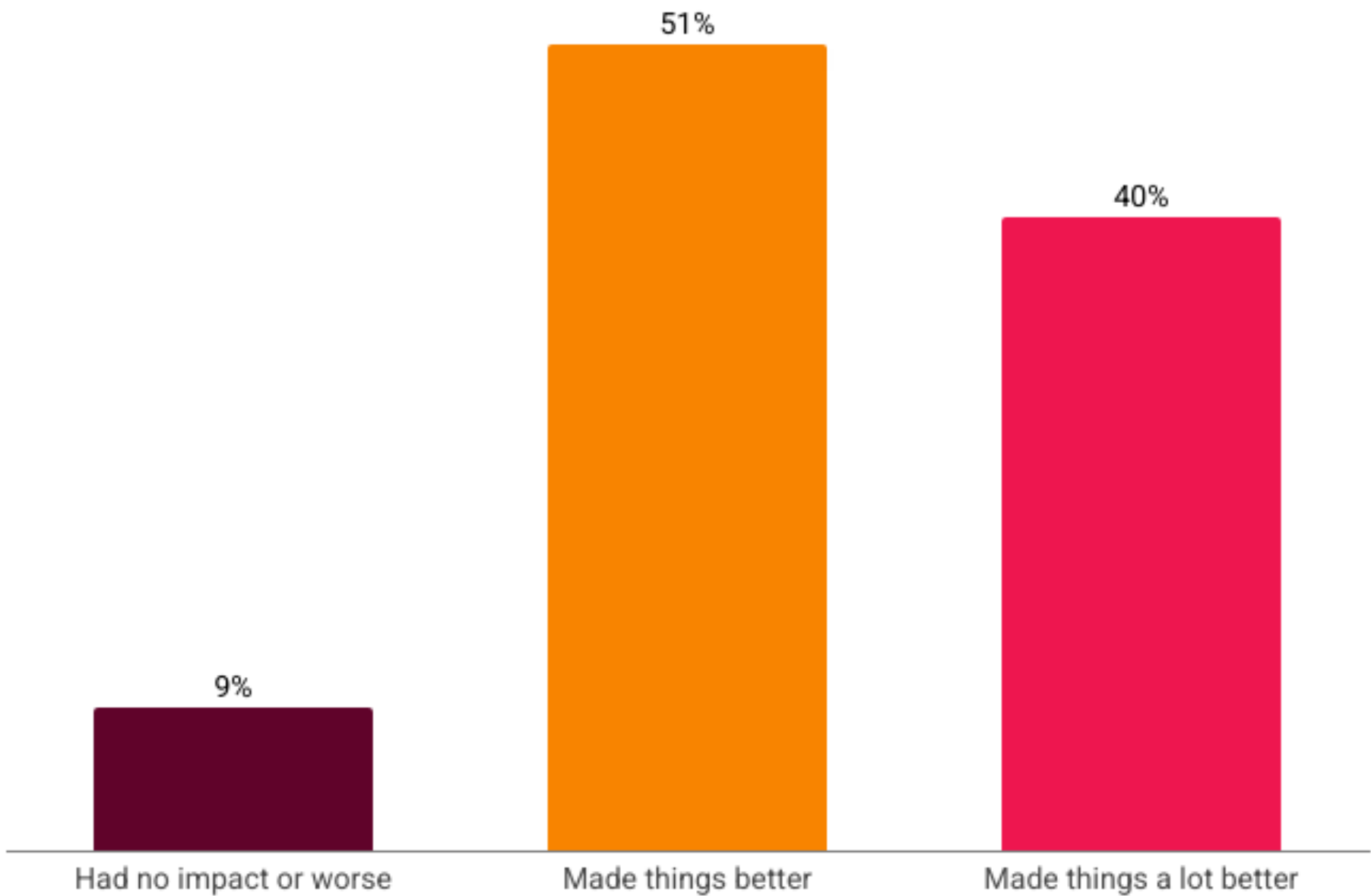
Leadership development is one of the few levers that influences all of these areas. When HR frames it as a business growth strategy—not just individual development—it becomes easier to build a compelling case for investment. The ROI speaks for itself.

## Top-rated leadership initiatives

| Initiative | Percentage |
|---|---|
| High-potential talent development tracks | 83% |
| Crisis management and decision-making training | 78% |
| Leadership succession planning frameworks | 77% |
| Other leadership development practice | 75% |
| Leadership training, coaching, and/or certifications | 73% |
| 360-degree feedback for leaders | 73% |
| Building a leadership community or forum within the organization | 73% |
| Leadership mentorship programs | 72% |
| Allocating stretch assignments to aspiring leaders | 70% |
| Emotional intelligence training | 68% |

**Leadership development: $7 return for every dollar invested**
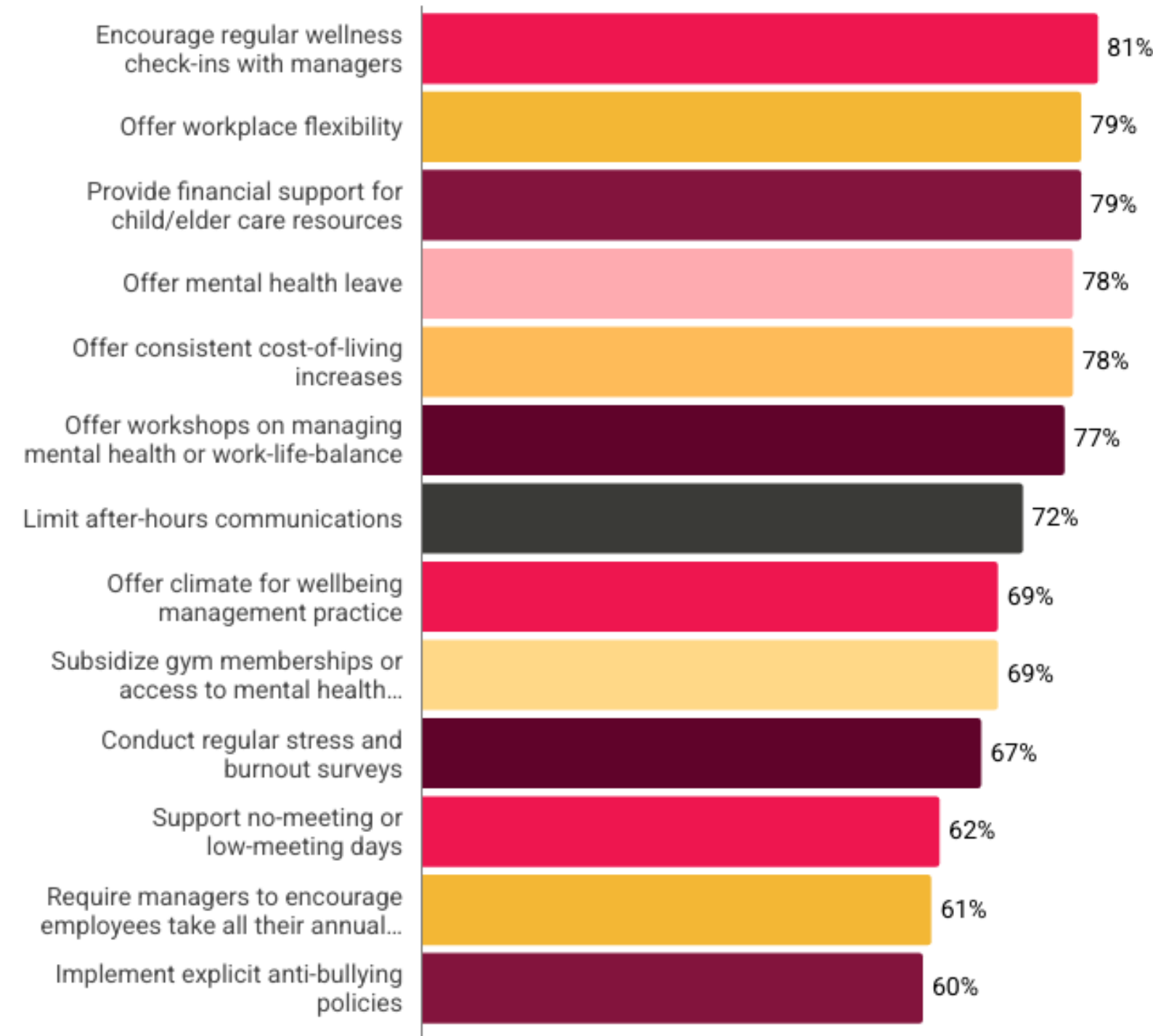
## Impact of onboarding



## Impact of key skills



**Onboarding: 91 percent** positive impact on the employee experience
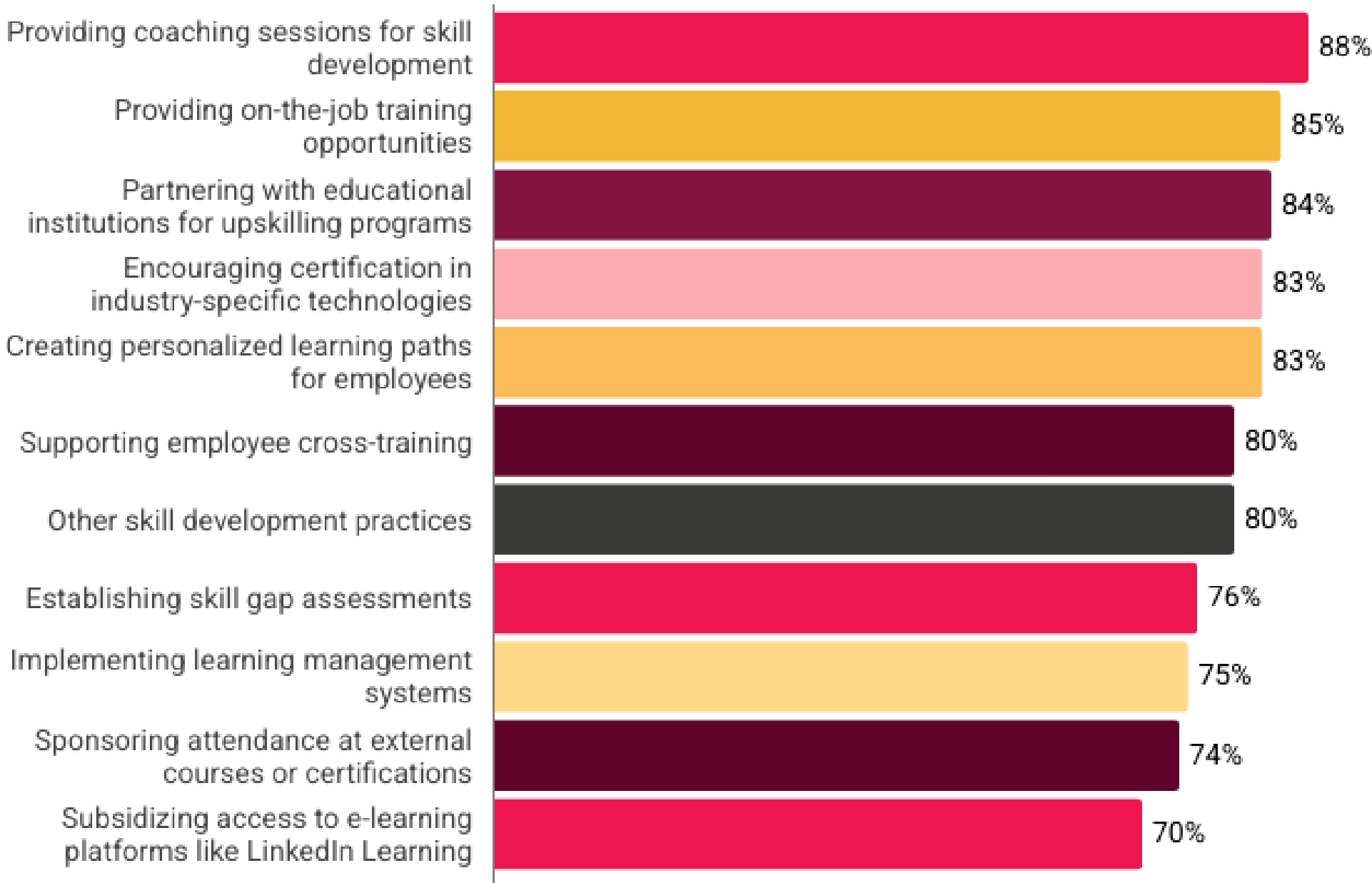
**Employee experience: 2.2 times more likely** to exceed financial targets

## Effectiveness of wellbeing

| Practice | % |
|---|---|
| Encourage regular wellness check-ins with managers | 81% |
| Offer workplace flexibility | 79% |
| Provide financial support for child/elder care resources | 79% |
| Offer mental health leave | 78% |
| Offer consistent cost-of-living increases | 78% |
| Offer workshops on managing mental health or work-life-balance | 77% |
| Limit after-hours communications | 72% |
| Offer climate for wellbeing management practice | 69% |
| Subsidize gym memberships or access to mental health… | 69% |
| Conduct regular stress and burnout surveys | 67% |
| Support no-meeting or low-meeting days | 62% |
| Require managers to encourage employees take all their annual… | 61% |
| Implement explicit anti-bullying policies | 60% |

**Wellbeing:** £5 return for every £1 spent in mental health

## Top-rated DEI&B practices

| Practice | % |
|---|---|
| Reviewing pay equity and rectifying disparities | 76% |
| Including underrepresented group members in recruitment interview panels | 73% |
| Reviewing policies to eliminate systemic barriers | 72% |
| Using inclusive language in all organizational communications | 72% |
| Providing gender-neutral parental leave policies | 70% |
| Other DEI&B practice | 66% |
| Conducting unconscious bias training | 65% |
| Recognizing holidays from underrepresented groups | 65% |
| Maintaining employee resource groups | 64% |
| Setting application, hiring, and/or promotion goals for underrepresented groups | 64% |
| Creating anonymous channels for reporting bias or discrimination | 56% |
| Conducting DEI&B climate surveys | 56% |

**DEI&B:** Near 12 percent YoY gain in market share for mature programs

# Tech's role in leveling up leaders

Training programs are just the beginning. To truly grow confident, capable leaders, HR teams need systems that help managers and their people learn, practice, and grow in real time, with the structure and support to make development a cornerstone of company culture.

HR leaders are building development programs that scale with the business and flex with the needs of managers and their teams. They're using great people tech to make it happen. Here's how:

1. **Make leadership development accessible**

   HR teams are building learning programs that meet managers where they are. With the right tools, they can deliver coaching content, skill-building resources, and learning modules that fit into busy schedules. Self-paced programs and automated nudges help keep development on track without adding friction to the daily workflow.

2. **Create feedback loops that drive growth**

   HR plays a central role in helping managers grow through feedback. Tools like pulse surveys, 360 reviews, and structured check-ins make it easier for HR teams to scale consistent feedback practices across regions and time zones. These systems help HR support managers in becoming more effective people leaders who build trust, improve communication, and lead with empathy.

3. **Use performance and people data to guide development**

   HR teams have more insight than ever now, and you can use it to personalize leadership development at scale. People analytics help HR teams identify high-potential managers, spot at-risk teams, and identify coaching opportunities based on real-time trends. These insights make it possible to tailor development plans based on each manager's role, team context, and learning style.

**4.** **Build a culture of coaching, not command and control**

One of HR's biggest opportunities lies in helping shift management culture from micromanaging to one of trust and hands-off mentoring. With the right systems in place, HR can make it easier for managers to run more effective **one-on-ones**, set and track meaningful goals, and connect day-to-day work to long-term team growth. That shift builds stronger teams and a stronger sense of belonging, especially when it's led by managers who act as coaches and not just task owners.

# Leadership development doesn't stop after onboarding

HR's job doesn't end once a manager steps into their role. It evolves with them. With the right tools and a clear strategy, you can give managers continuous support with the structure, data, and guidance they need to lead with clarity and confidence every day—and pass that confidence on to their teams.

# Priority 3: Invest in the employee experience

People have more choice than ever in where (and how) they work. If they don't feel supported, seen, or valued, they'll leave. Many already are. Turnover is rising again, and companies are scrambling to re-engage their people before it's too late.

What matters today isn't perks. It's the everyday experience: how work gets done, how people feel about their contributions, and how connected they are to their team and the company's purpose.

HR leaders stand at the center of this shift. And with the right tools and strategy, they're building work environments where people want to stay—not just because of what the company offers, but because of how it feels to be part of it.

## The second Great Resignation is happening

Over the past few years, the workforce has shifted in tandem with people's changing priorities. Today's professionals want flexibility, a sense of belonging, career development, and purpose. When those needs aren't met, people have zero qualms about quitting.

The result has been dubbed the **Great Resignation 2.0**. This time, though, panic and burnout aren't driving the resignations. Rather, people are motivated by a renewed sense of clarity about what they expect from their work and their workplace.

**HiBob research** shows that improving the employee experience is the most strategic lever HR can pull to address retention challenges.

And the biggest challenge? Delivering a consistent, people-first experience across distributed teams, shifting work models, and tightening budgets.

**What matters most today?**

✓ Clear communication

✓ Opportunities for growth

✓ Recognition and constructive feedback

✓ Flexibility and trust

When you get these fundamentals right, people choose to stay. They'll bring their best selves to work and drive the kind of growth that pushes your business forward.

## Recognition, connection, and culture without the fluff

In today's workplace, people want to be seen and supported. They want to know their work matters, that they're making a difference, and that they belong.

Recognition, connection, and culture are the foundation of that feeling, but only when they're authentic, consistent, and thoughtfully designed.

HR leads the charge, shaping what appreciation looks like, how people connect across hybrid environments, and how culture becomes something real (not just a list of empty values on a wall).

**Here's how HR can make it happen:**

1. **Make recognition personal and visible**
   Recognition works best when it's specific, timely, and shared. That means moving beyond vague shouts or "Thanks!" messages. HR can guide managers and colleagues towards making recognition a part of their daily rhythm by calling out people's achievements in meaningful ways. Tools like public kudos, milestone celebrations, and team meetings can help reinforce a **culture of appreciation**.

2. **Encourage connection everywhere**
   Remote and hybrid work can make it harder to connect, but it's also what makes connection a top priority. HR can help bridge the gap by creating intentional opportunities for people to connect across teams and time zones with virtual check-ins, async updates, and team rituals. When people feel like they know (and are known by) their team, everything from collaboration and retention to morale gets better.

**3. Champion culture with consistency**

The strongest cultures aren't built on swag or slogans. They're shaped by people's everyday actions, reinforced by consistent and positive leadership behavior, and kept alive through feedback and iteration. HR plays a critical role in aligning what the company says it stands for and how people actually experience work.

The best cultures live their values. When HR leads with intention, clarity, and consistency, culture becomes a key factor in why people choose to stay.

This is where the right tools come in.

## Driving employee experience with HR tech

Great employee experiences don't materialize out of thin air. HR teams design, drive, and deliver them. But scaling a consistent, people-first experience across teams, time zones, and touchpoints is no small feat.

With the right tools in place, HR can make sure every interaction feels intentional, connected, and consistent—no matter where, when, or how people work:

1. **Bake recognition and feedback into everyday workflows.** HR can use tech to build feedback and recognition into the natural flow of work. Whether it's automating milestone celebrations, prompting public kudos, or enabling real-time feedback, these tools help HR make appreciation timely, specific, and meaningful.

2. **Support connection across globally dispersed teams**. With the right systems in place, HR can keep people connected across roles, regions, and time zones. Async updates, manager check-in reminders, shared dashboards, and workflows that reduce friction help ensure everyone gets the information they need and feels like they're part of the team, no matter where they're logging in from.

3. **Reinforce culture with consistency**. HR teams can use tech to embed culture in the day-to-day. Nudges, templates, and prompts support values-aligned behavior. Pulse surveys and engagement insights also help track what's working, what's not, and where to focus next.

4. **Deliver a cohesive experience from the very beginning**. From onboarding through every stage of the employee lifecycle, HR can use integrated systems to deliver consistent, branded experiences. Centralized systems make it easier to manage communications, track progress, and provide your people with the kind of experience that helps them succeed without worrying about piecing together information from various tools.

**Tech can never replace human connection**, but it's crucial to helping HR bring it to life at scale—especially across hybrid, remote, and global teams. When the right infrastructure supports a thoughtful employee experience strategy, you can create a work environment where people show up enthusiastically, bring their best, and thrive.

# Priority 4: Build strong HR–Finance alignment through shared data

HR and Finance often speak different professional languages. But today, they're being asked to plan, forecast, and execute together—faster than ever. This is why alignment is mission-critical.

People strategy and financial performance are becoming increasingly intertwined as companies grow, budgets tighten, and expectations rise.

But, these teams often operate from different systems, definitions, and assumptions about the business. Whether it's headcount (or noses), budget ownership, or forecasting inputs, misalignment in data and terminology leads to friction, delays, and planning breakdowns.

HR leaders are uniquely positioned to bridge the gap with their Finance peers. With the right strategy and tools, they can bring the two teams into alignment around shared goals, consistent metrics, and a single view of the organization. All of this translates into smarter decision-making, faster execution, and better outcomes for everyone.

## Why HR-Finance alignment is mission-critical

Organizations increasingly expect HR and Finance teams to co-own decisions that shape the business. But collaboration can be challenging when the two teams have conflicting assumptions about priorities, work from different systems, and speak different professional languages.

According to recent research, nearly **60 percent of HR and Finance leader**s say that inconsistent definitions (like what counts as "headcount") cause friction in planning and reporting. This is the kind of misalignment that slows everything down.

## Why HR-Finance alignment matters
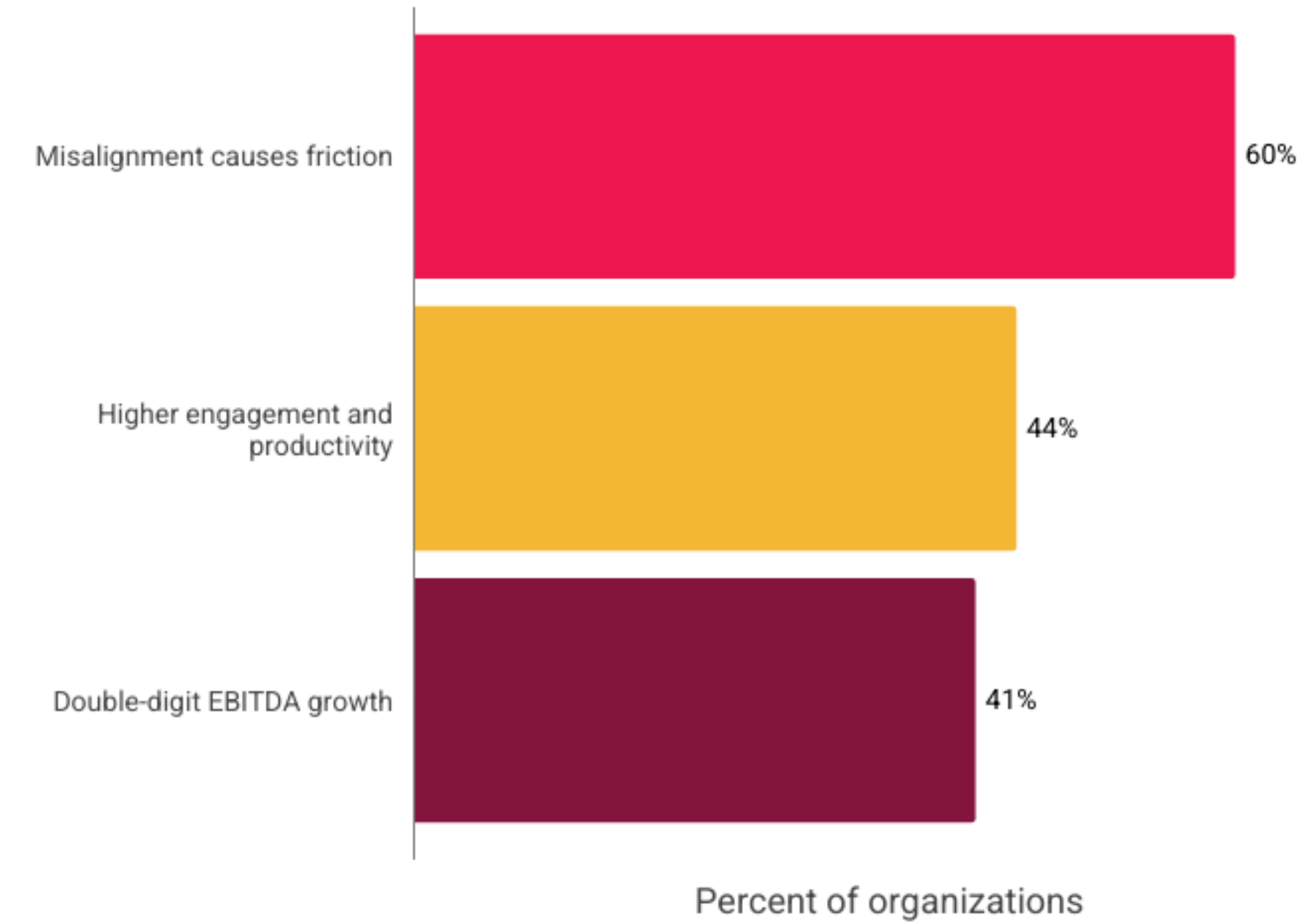


But when HR and Finance operate from a shared understanding—grounded in consistent data and clear language—they make faster, better decisions. And the impact is real. According to Ernst & Young:

- Organizations with strong HR-Finance alignment are **44 percent** more likely to report higher engagement and productivity

- They are also **41 percent** more likely to achieve double-digit EBITDA growth

When HR brings visibility, consistency, and strategic partnership to the table, they equip Finance with the ability to connect people strategy to business outcomes. That's what operational alignment really means. And why it matters more than ever.

# Real-time visibility drives better decision-making

**HR and Finance aren't just collaborating more**. Companies are asking them to move faster, together. But that's hard to do when visibility is limited, data is outdated, or when every request kicks off a back-and-forth just to confirm the basics.

When HR can offer real-time insights into workforce dynamics—like headcount, hiring plans, compensation, and team structure—it's easier for Finance to plan, model, and forecast with confidence. It also means fewer last-minute surprises, faster approvals, and more strategic resource planning.

But visibility only matters if everyone is looking at the same thing. That's why consistency (of terminology, systems, and access) is just as important as speed. It's also why so many leading HR teams are investing in integrated platforms that bring all the moving parts together in one place.

# How integrated platforms help create a single source of truth

When HR and Finance rely on siloed systems and different definitions, alignment breaks down fast. So do speed and accuracy.

When HR and Finance share systems, clarity can turn into action:

1. **Shared dashboards and analytics** give both teams real-time visibility into headcount, hiring plans, organizational shifts, and more

2. **Consistent definitions and structured data models** help ensure everyone's aligned on key terms (like "headcount," "cost-center," or "open roles")

3. **Integrated workflows** automate approvals and budgeting processes, so HR and Finance move faster together

When HR and Finance work from the same system, alignment gets easier and outcomes get better. But building that kind of clarity and connection across the business doesn't mean adding more tech. It means choosing the *right* tech.

# Lean HR tech: Build smarter, not bigger

**You don't need a bigger stack. You need a smarter one.**

In a time when HR is being asked to deliver more with less, building a lean, high-impact HR tech stack is one of the smartest moves you can make. When your core systems work together and flex with your needs, you can focus on strategy—not stitching platforms together. Because lean doesn't mean limited. It means thoughtful.

## The minimalist mindset: Streamline without sacrificing impact

HR is short on time, not tools. It's often short on energy, too.

A lean stack is more about eliminating duplication, reducing friction, and choosing systems that do more with greater efficiency. Platforms that centralize workflows, integrate easily, and scale with your business help HR spend less time managing systems and more time leading strategy.

This is why getting into a minimalist mindset is key to improving your employee experience. It means less platform-hopping, smoother onboarding, and faster access to the tools your people actually use. In other words: Frictionless tech is more efficient and makes work feel better. But it also has to grow with you.

# Build for today and tomorrow

Buy for the business you're building, not the one you're outgrowing. Aim for scalability without complexity.

The best HR tech stacks meet your current and future needs. They flex with your workforce, structure, and strategy.

To ensure yours does, it means building a stack that can grow with you as you add new regions, adapt to async workflows, support hybrid or global teams, and accommodate evolving org structures and market needs.

The best tools are modular and flexible, easy to implement today, and ready to expand in the future.

# What a great, modern, integrated stack includes

Once you've adopted a minimalist mindset, the next step is knowing what actually matters. A lean, modern HR tech stack isn't just about having more tools. It's about having the right ones in place.

Today's most effective HR teams are simplifying their stacks around a few core elements that support strategy, scale, and the employee experience:

- **A flexible HCM** that acts as a single source of truth for people data, workflows, and compliance gives HR and Finance access to consistent, real-time workforce data

- **Performance and development tools** that embed feedback, recognition, and growth into the flow of work

- **People analytics** that help HR and Finance make faster, smarter, data-informed decisions

- **Engagement and feedback tools** built for hybrid, remote, and globally dispersed teams

- **Open APIs and integrations** that connect seamlessly to broader business systems

**If a tool isn't helping you simplify, automate, or scale as your business grows, question whether it belongs in your stack.**

# Lead confidently into the next era of work

HR is no longer a purely reactive function. You're proactively leading businesses and their people through change.

Today's business challenges are complex, cross-functional, and ever-evolving. And the pressure to deliver on growth, performance, culture, and scale isn't going anywhere.

To overcome the challenges and smash goals, HR professionals are doubling down on investing in what matters most:

- Upskilling the workforce to close growing skills gaps

- Developing managers who lead with clarity and purpose

- Designing employee experiences that help people thrive

- Aligning with Finance to drive smarter, faster decisions

Focus and clarity are the keys to moving forward, combined with a tech strategy that flexes with your business without slowing it down.

With the right tools and the right mindset, HR can deliver more than process. You can drive performance, influence strategic decisions, and build workplaces people want to be a part of.

# Meet Bob

At HiBob, we've built a modern HR platform designed for modern business needs—today and beyond.

We focused on building something that is robust yet intuitive and easy-to-use, which has led Bob to be the platform of choice for thousands of fast-growing modern, mid-sized organizations.
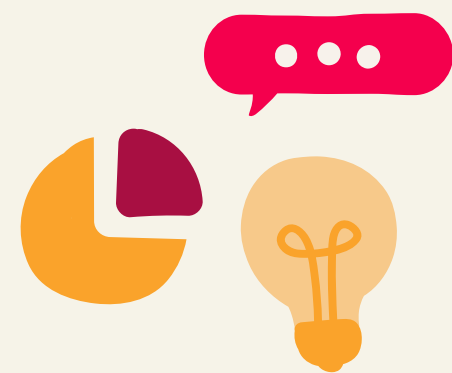
## For managers

It provides access to data and insights to help them lead more effectively and streamline processes.
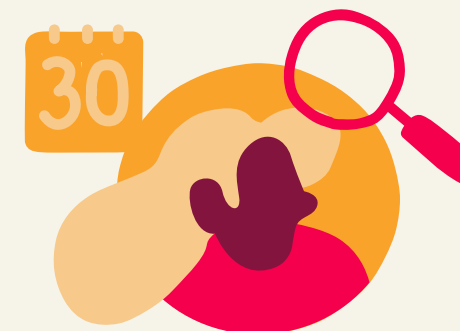
## For HR

It delivers automation of many common processes, allows greater oversight and visibility of the business, and centralizes all people data in a secure, user-friendly environment.

## For employees

It's the tools and information they need to connect, develop, and grow throughout their journey.

In a short time, Bob can be deployed to enable communication, collaboration, and connectivity that drives stronger engagement, productivity, and business outcomes.

# Now is the time to make smarter decisions when it comes to your people and organization

To learn more about HiBob and our data-driven tools, get in touch with us at contact@hibob.com

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