Technology governs our work as well and demands that we stay ready to adapt with agility and intelligence. The concept of using technology to digitize some of the core HR activities has been around for a couple of decades.

As HR is a vital part of your business, finding the best HR Software for your business will help in managing your workforce. By bringing HR functions all together in one place, HCM enables HR managers to act proactively rather than reactively in today's workplace.

With so many organizations dealing with an ever-growing list of human resource processes to manage their workforce, exploring human capital management software has been greater always.

[**HCM: Human Capital Management**](https://zalaris.com/consulting/sap-hcm-design-review/)

What is human capital management? Let’s get into this concept a little deeper.

Human capital is the combination of all the various qualities provided by employees and others associated with a company to that organisation.

**HCM** is a set of digital tools or applications related to people **resource management** is used to improve your workforce management tasks. It focusses on both the administrative side of Human Resources and the strategic side of the business, helping organisations to maximise business value through its people. Using smart HCM solutions can save you time.

Human capital management systems provide you with a way to automate a wide variety of HR tasks such as hiring, time and attendance, scheduling, managing, learning, ​developing and evaluation of employees.​ The next-generation HCM and payroll system become one of the more disruptive systems on the market.

Organization runs with the help of individuals who contribute in their own way in its success and productivity. These practices are focused on the organizational need to provide specific competencies and are implemented in three categories: workforce acquisition, workforce management and workforce optimization.

Workforce is a core business asset whose value can be maximized through strategic investment and management

The applications that help to enable human capital management include:

**Core administrative support:**

1. Personnel administration
2. Benefits administration
3. Payroll
4. Employee self-service

**Strategic HCM support:**

* Workforce planning
* Competency management
* Performance management
* Compensation planning and strategy
* Time and expense management
* Education and Training
* Hiring and recruitment
* Onboarding
* Contingent workforce management
* Organization visualization

**Other HCM:**

* Workforce analytics
* Workflow

**Human Capital Management Strategy Components**

* Clarity in Human Capital Goals
* Clarity in Direction
* An Accountability System
* A Foolproof Implementation Plan
* Strategies and Policies to Accomplish Objectives and Goals

In the last two decades, there has been a significant shift in HR. With better consumerization of HR tech, companies can attract and retain their top talent.

Why should selecting an HCM solution be a priority for your organization? What's its value?

HCM is an HR tool of choice as new generations of workers bring different work styles and needs.

People are a key source of innovation and competitive advantage. Company management always likely to grasp the importance of your company's employees and spends a lot of time reviewing, adjusting, preserving, and maintaining their employees - their human capital.

Leading firms understand that recruitment, training, and management of staff provides a competitive advantage, so they [leverage human capital management best practices](https://zalaris.com/consulting/sap-hcm-design-review/) to generate profitable business models, high-performing cultures, and memorable brands.