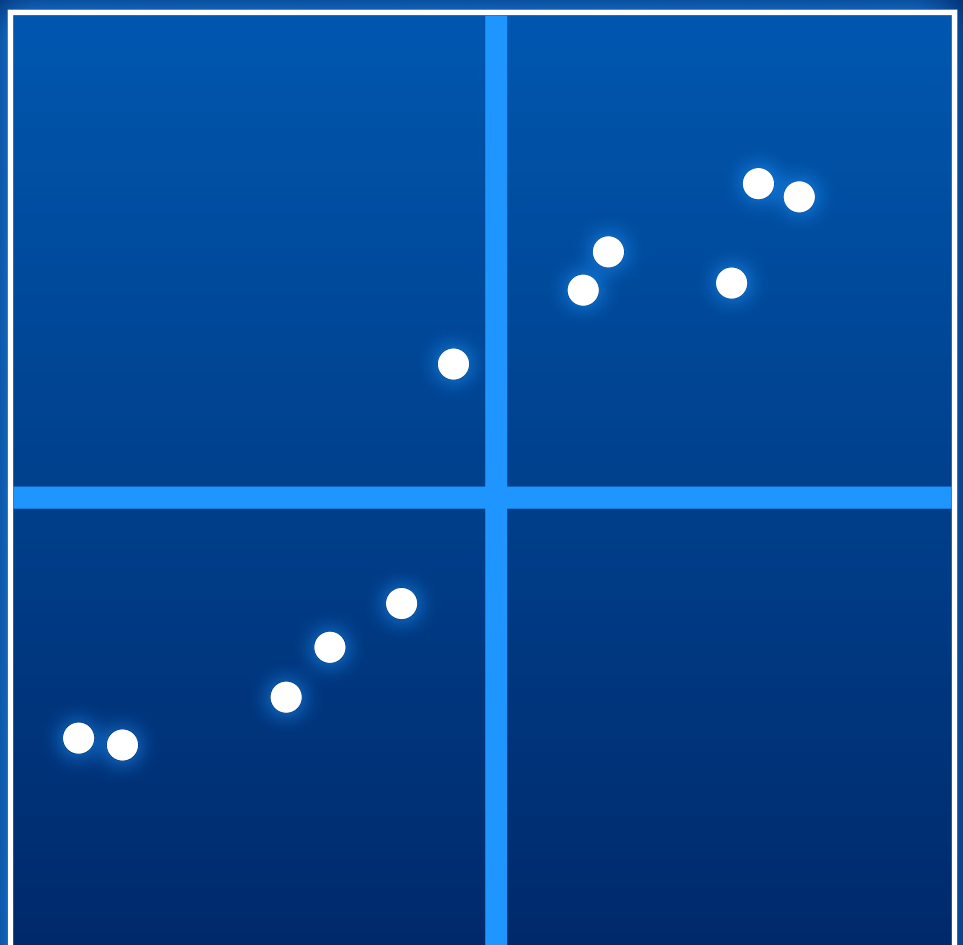
Gartner

Gartner Insights

Magic Quadrant for HCM Suites for 1,000+ Employee Enterprises

Josie Xing, Ranadip Chandra, Ron Hanscome, Sam Grinter, Kate Jensen, Anand Chouksey



Magic Quadrant for HCM Suites for 1,000+ Employee Enterprises

31 August 2026 - ID G00841501 - 47 min read

By: Josie Xing, Ranadip Chandra, Ron Hanscome, Sam Grinter, Kate Jensen, Anand Chouksey

Initiatives: Technologies and Markets; Transforming HR With AI

> HCM suites are evolving into agentic systems that orchestrate outcomes across the workforce. CHROs and their HR technology leaders can use this Magic Quadrant research to evaluate vendors' ability to deliver business value through an increasingly dynamic HCM technology landscape and AI-enabled capabilities.

This Magic Quadrant is related to other research:

Critical Capabilities for HCM Suites for 1,000+ Employee Enterprises

View All Magic Quadrants and Critical Capabilities

Additional Perspectives

- Europe Context: Magic Quadrant for HCM Suites for 1,000+ Employee Enterprises(06 October 2026)
- North America Context: Magic Quadrant for HCM Suites for 1,000+ Employee Enterprises(29 September2026)

Strategic Planning Assumption

Through 2028, at least 30 vendors will enter the HCM suite market claiming to be AI-native HCM providers, particularly in the small and midsize business segment, further complicating the HCM evaluation and selection process.

Market Definition/Description

Gartner defines HCM suites for 1,000+ employee enterprises as cloud applications that deliver functionality for attracting, developing, engaging, administering and rewarding employees.

HCM suites for 1,000+ employee enterprises are designed to support transactions and/or analytical processing on a cloud architecture for more than one of the following use cases within a single integrated solution:

- Manage organization and employee data, life cycle processes and transactional employee/manager self-service.
- Manage organizational structure through creating, planning, monitoring and controlling job positions. Maintain a record of workforce data through assigned positions for effective workforce management and budget planning.
- Attract, select and onboard talent through recruiting, internal mobility and onboarding.
- Retain, engage and develop the workforce through compensation, learning, performance, voice of employee, career pathing and succession planning.
- Pay employees timely and accurately along with essential benefits to address employee requirements in health, retirement, wellness and/or well-being.
- Manage the operational deployment of salaried and hourly workers to capture time, attendance and absences.
- Deliver tools to assist employers in managing country-specific compliance with legislation and agreements pertaining to data residency and labor laws.
- Integrate with notable enterprise applications and provide robust reporting and analytics capabilities (e.g., finance, procurement).
- Leverage embedded AI-driven capabilities to optimize, streamline and automate the workflows embedded in the functions above, enhancing intelligent decision support and HR service delivery.

Mandatory Features

An HCM suite for enterprises with more than 1,000 employees must provide a comprehensive set of capabilities that include:

- **Administrative HR —** Employee data, organization structure, employment life cycle transaction, role-based self-service, payroll and benefits administration. It may also include absence management, health and safety administration, and other value-added capabilities.

- **Talent management functions** — At least three functions such as recruiting/onboarding, performance management, compensation planning, career/succession planning, learning or skills development. Alternatively: workforce management paired with one of these talent management functions.
- **Integrated HR service management (IHRSM)** — Personalized direct access to policy, procedure and program guidance for employees and managers. It may also include integrated case management, knowledge bases, digital document management, virtual assistants and workflow management.
- **Cloud deployment** — All core capabilities and reporting and analytics delivered on a cloud-based architecture.
- **AI enablement** — Embedded techniques, including but not limited to generative AI (GenAI), machine learning (ML), natural language processing (NLP), robotic process automation (RPA), chatbots/virtual assistants and predictive analytics, to help users streamline and optimize HR-related transactions, queries and decision making.

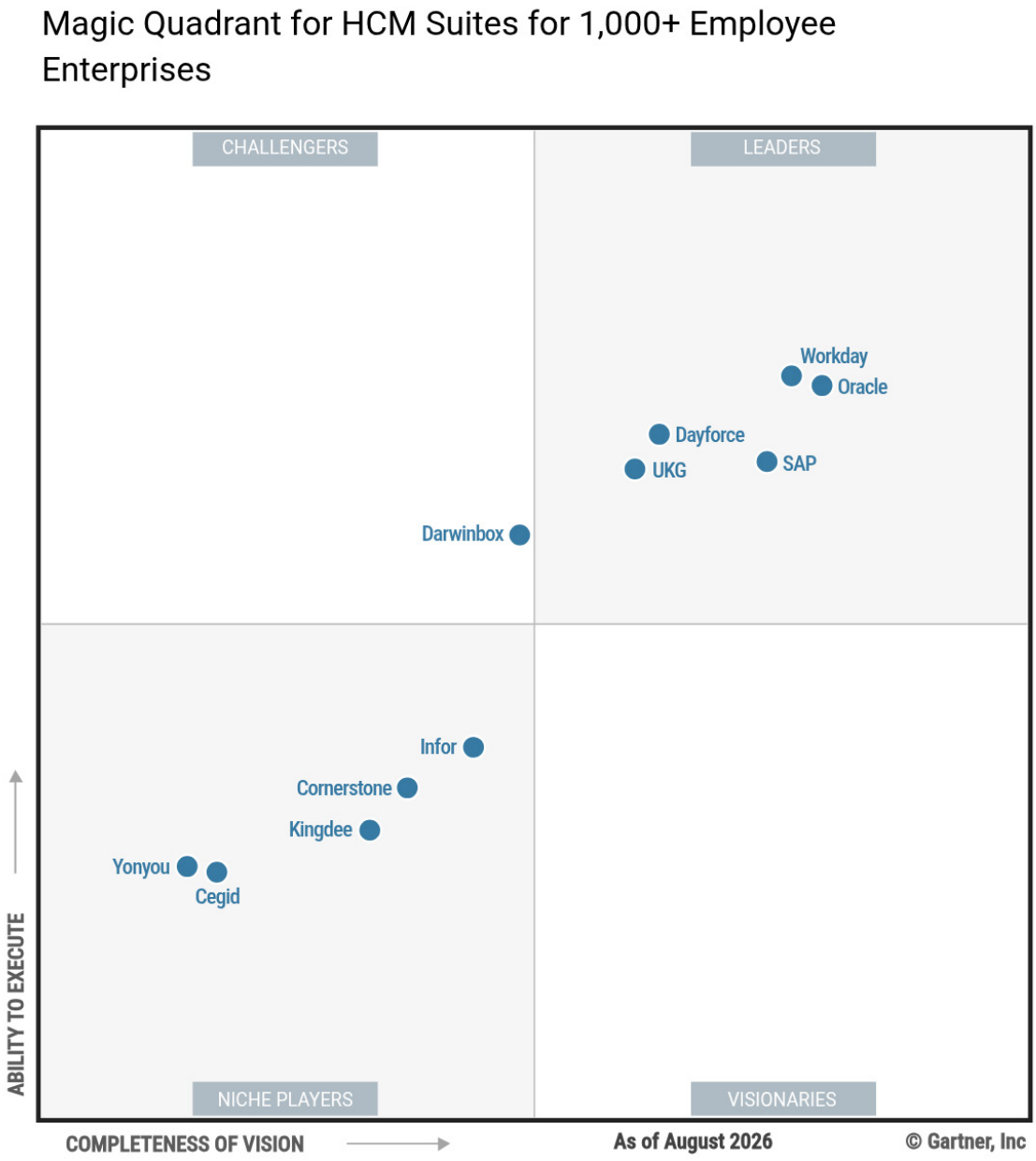
Optional Features

Optional features for this market include:

- **Workforce management (WFM)** — Time and attendance administration and workforce scheduling. It may also include task and activity tracking, budgeting and forecasting, fatigue management and capabilities supporting the experience of frontline workers.
- **Employee experience (EX)** — Includes functions designed to support the experience of employees, including voice of the employee (VoE), employee well-being, coaching and mentoring, employee campaigns, and recognition and rewards.
- **Cross-functional enabling capabilities** — These capabilities (which are often emerging) use data from and interact with the above capabilities, and they are increasingly embedded in HCM suites. They include talent analytics, HR virtual assistants (HRVAs), AI agents and internal talent marketplace capabilities.

Magic Quadrant

Figure 1: Magic Quadrant for Cloud HCM Suites for 1,000+ Employee Enterprises



Gartner

Vendor Strengths and Cautions

Cegid

Cegid is a Niche Player in this Magic Quadrant. Cegid HR, part of a broader ERP suite, is hosted on Microsoft Azure and Amazon Web Services (AWS) as a SaaS offering. It focuses on core HR domains such as talent acquisition, performance management and learning management.

Cegid serves various segments, including retail, transportation and the public sector. Clients range from midmarket firms to large enterprises, but Cegid primarily targets organizations in Western Europe with 1,000 to 10,000 employees.

Cegid is investing in AI and workforce intelligence, embedding AI across HR workflows and employee interactions. In 2026, it acquired Shine, extending its portfolio in payroll, accounting and business financial services.

Strengths

- **Learning management:** Cegid's mature learning platform closely connects skills development, internal mobility and career growth. Its strong content-authoring capabilities enable HR teams to quickly create and deploy learning experiences while structured learning paths support onboarding, compliance and development programs. Investments in skills intelligence, talent marketplace capabilities and partnerships such as Uptale for VR-based training further enhance learner engagement.
- **Western European market expertise:** Cegid's strong Europe-centric HCM focus addresses country-specific regulatory and compliance requirements. Its continued investments in data privacy and regulatory compliance make it well-suited for organizations operating in highly regulated European environments.
- **Alliance strategy:** Cegid's multisegment sales strategy leverages partners in its targeted markets, such as Europe and Latin America, and account segments. Cegid employs a partner-led sales model to expand its presence in midmarket and regional markets while maintaining a direct sales approach for strategic enterprise accounts.

Cautions

- **Product strategy:** Cegid has increased its reliance on partner-delivered capabilities in select functional areas, such as payroll, that were previously developed natively in key target markets. While this approach expands ecosystem flexibility and coverage, it introduces additional complexity for customers seeking a highly integrated experience.
- **AI pricing strategy:** Cegid's AI pricing creates potential downstream budget obstacles for existing customers. Bundling AI into the price of future contract renewals gives existing customers higher-than-usual year-over-year subscription increases. Buyers will need to develop stronger business cases to justify the higher rate.
- **Customer momentum:** Cegid's customer growth has been slower than that of many vendors evaluated in this Magic Quadrant. Its primary focus on Western Europe, particularly French-speaking markets, limits its ability to expand into new geographies and customer segments compared to competitors pursuing broader international growth strategies.

Cornerstone

Cornerstone is a Niche Player in this Magic Quadrant. Originating in learning, it has expanded its HCM suite to include core HR, performance management and talent acquisition. Built on a cloud-native AWS architecture, Cornerstone's customer base is concentrated in North America, followed by EMEA and Asia/Pacific.

Cornerstone serves a range of industries. Its top three for HCM are manufacturing, retail and engineering. Most of its sales are to organizations with 1,000-to-5,000 employees, although Cornerstone has clients with more than 5,000 employees.

Cornerstone has continued to focus on integrating its acquired technology solutions (EdCast, Talespin and SkyHive) to create a more unified workforce development and skills ecosystem. Its strategy focuses on expanding its capabilities to support conversational and adaptive learning, mobility, coaching, development and workforce planning decisions.

Strengths

- **Connected talent management experience:** Cornerstone has expanded its traditional strength in learning through Galaxy AI, a skills-based platform that connects learning, performance, internal mobility, career development and succession in one continuous experience. This connected experience across these talent domains makes the vendor particularly relevant for large multinational organizations' diverse and complex talent demands.

- **Talent management innovation:** Cornerstone's innovation centers on talent management, particularly on the Cornerstone People Graph, an AI-enabled knowledge graph that unifies workforce signals across recruiting, learning, skills and performance. Its talent marketplace leverages this intelligence to autonomously match employees with jobs, projects and mentorships based on their skills and career aspirations.
- **Skills management:** Cornerstone expanded its skills management capabilities by acquiring SkyHive in 2025. It combines data from multiple sources and covers more than 55,000 skills across more than 25 languages. The platform uses AI techniques, including NLP and machine learning, to infer, map and validate skills while supporting third-party taxonomies and multilingual skills frameworks.

Cautions

- **Product strategy:** Cornerstone continues to focus on learning and wider talent management functions, putting less priority on foundational HR functionalities, such as core HR and payroll. This focus limits its appeal among organizations seeking a comprehensive HCM suite.
- **Reliance on partners:** Cornerstone relies on third-party solutions for payroll, benefits administration and workforce management (WFM) instead of providing native functionality. This requires prospective customers to assess the partner's ability in these core areas to ensure alignment with customer needs.
- **Compensation management:** Cornerstone has invested less in compensation management than in other areas such as learning and skills. Although the platform provides core compensation allocation capabilities, the lack of AI-enabled compensation intelligence will reduce its appeal for organizations seeking a more integrated talent and rewards strategy.

Darwinbox

Darwinbox is a Challenger in this Magic Quadrant. It maintains a strong presence in India and Southeast Asia while also expanding into North America, Europe and the Middle East. It serves 1,100+ customers globally, approximately 70% of which have 1,000+ employees. Darwinbox is a cloud-native HCM suite hosted on AWS and Azure and provides a broad set of capabilities across core HR, WFM, talent acquisition and talent management.

Darwinbox is focused on delivering a unified platform for multinational organizations. It has invested in expanding its multicountry capabilities, localization coverage and employee experiences.

Darwinbox has advanced its agentic AI maturity. The platform's Sense AI layer utilizes a proprietary LLM Gateway to orchestrate various models, such as GPT-5.x, Claude 4.6 and Gemini 3.1. Furthermore, Darwinbox developed a context orchestration layer with more established terminology that uses a context graph to enable AI agents to reason with full organizational context and execute multistep workflows across the platform.

Strengths

- **Overall AI capabilities and strategy:** Darwinbox continues to demonstrate strong AI capabilities. The product has more than 60 prebuilt agent and GenAI use case templates spanning the full suite. Its AI strategy remains focused on advancing agent interoperability through support for Model Context Protocol and A2A protocols, alongside a no-code agent builder and Super Agent orchestrator.
- **Marketing positioning:** Darwinbox has been effective in positioning itself as an "AI-native HCM" provider and was among the first vendors in this market to prominently adopt the term in its marketing. This messaging aligns with emerging buyer interest in agentic AI, automation and employee experience, contributing to growing market awareness and consideration in competitive HCM evaluations.
- **Compensation management:** Darwinbox has expanded its compensation management capabilities via its CompIQ Agentic Orchestrator, deploying collaborative AI agents for compensation planning, pay equity analysis, budgeting and calibration processes. It launched multivariate manager-in-the-loop pay equity diagnostics and an AI-based recommendation engine to support per-employee pay recommendations. With the launch of Sales Incentives in 2025, Darwinbox is progressing to support more complex compensation use cases.

Cautions

- **Vertical strategy:** Darwinbox's product strategy is not centered on specific industry verticals. Instead, the vendor primarily relies on ecosystem partners and consulting firms to address vertical requirements, whereas several competitors have invested in dedicated industry editions and industry-specific compliance capabilities.
- **Geographic strategy:** Darwinbox has continued to expand across North America, Europe and the Middle East; however, growth in its core APAC markets has moderated. As the vendor scales beyond its historical regional strengths, balancing global expansion with consistent execution across customer success, localization, implementation and support capabilities becomes increasingly important.

- **Payroll strategy in North America:** As Darwinbox continuously expands its focus on the North American midmarket, payroll remains an important buying criterion for many prospective customers. While the vendor plans to introduce native U.S. payroll capabilities in 2027, it currently relies on partners to deliver U.S. payroll services.

Dayforce

Dayforce is a Leader in this Magic Quadrant. Its HCM suite delivers core HR, payroll, WFM, analytics and talent management on a single platform and data model. It targets midsize and large organizations with distributed, frontline-intensive workforces in retail, manufacturing and the public sector.

The platform enables add-ons like Dayforce Wallet for on-demand pay. Dayforce acquired Agentnoon in 2025 for Dayforce Strategic Workforce Planning. Additionally, Dayforce Flex Work functions as a vendor management system to manage the full life cycle of a contingent workforce.

The vendor continues to advance its AI maturity through Dayforce AI, leveraging a single dataset with embedded AI to accelerate workflows across talent, payroll, analytics and WFM. Dayforce AI combines a conversational AI assistant, specialized AI agents and ML-powered demand forecasting. Planned innovations include compliance agents to support enterprise integration, compliance monitoring and risk identification.

Strengths

- **Payroll:** Dayforce continues to enhance its payroll platform's payroll intelligence, automation and employee financial wellness. It has expanded AI-enabled payroll capabilities with features such as automated payroll audits, pay clarity assistance, compliance guidance and payroll validation algorithms that proactively conduct over 400 audits per pay period.
- **WFM:** Dayforce's WFM has long been one of its key strengths. Recent enhancements include a redesigned time and attendance experience with guided employee workflows, a streamlined manager time sheet with anomaly flagging, and a real-time workforce insights dashboard that displays absences, lateness and clock-in activity.
- **Compliance:** Dayforce positions compliance as a prerequisite for AI innovation, embedding it across payroll, WFM and HR processes. This focus resonates strongly with its core customer base, particularly North American organizations with large frontline and highly regulated workforces.

Cautions

- **AI investments:** Dayforce's AI investments are currently concentrated in payroll, compliance and workforce operations, reflecting its core strengths. While the vendor has expanded AI capabilities across the HCM suite, including analytics and talent management, the breadth and maturity of these capabilities vary by domain, with the strongest depth evident in its core operational areas.
- **Limited partner ecosystem:** Dayforce has traditionally focused on delivering value through its native platform and direct customer engagement model. Although the vendor continues to expand its partnerships with advisory, consulting and implementation partners, its partner ecosystem remains more developing than that of some competitors with larger global consulting and partner networks.
- **Succession and career planning:** Though Dayforce provides established AI-assisted succession planning and career pathing, its talent architecture remains less tightly connected across skills, succession planning and performance management than that of some competitors. Gartner client feedback indicates that these capabilities are primarily focused on supporting talent management processes rather than enabling connected employee development and talent mobility.

Infor

Infor is a Niche Player in this Magic Quadrant. It offers the Infor Human Capital Management suite alongside its broader ERP portfolio for finance and supply chain management.

Infor HCM emphasizes WFM, labor optimization and industry-specific workforce requirements. It primarily targets midsize and large enterprises with significant frontline, shift-based and deskless workforces, particularly in healthcare, manufacturing, retail and the public sector. It serves customers globally and leverages its ERP footprint to support organizations seeking integrated workforce and operational processes.

Infor continues to enhance its AI and automation capabilities since the introduction of Infor Velocity Suite in 2025. The vendor has expanded its use of generative AI, analytics and workflow automation across HR and workforce processes, including AI-enabled employee assistance, workforce insights and operational decision support.

Strengths

- **Vertical strategy:** Infor provides industry-specific cloud editions for healthcare, manufacturing, hospitality and the public sector to address sector-specific operational and compliance requirements. In healthcare, this includes patient-centric staffing capabilities that integrate workforce planning with clinical demand signals for labor forecasting and scheduling.
- **WFM:** Building on its Agent Factory and orchestration framework, Infor has introduced eight AI agents across scheduling, time and attendance, and employee experience workflows. Infor has added AI-driven insights across pay accuracy, schedule effectiveness and workforce well-being, extending the use of AI beyond process automation into operational workforce insights.
- **Integrated HR service management (IHRSM):** Infor continues to enhance its IHRSM process automation and workflow orchestration. It supports automated case creation from HR processes such as hiring, enabling knowledge content to be converted into standardized resolution workflows. Its HR operations shift management capabilities add capacity planning with primary topic assignments, daily case limits and per-shift utilization metrics.

Cautions

- **Product maturity:** Infor's HCM strategy continues to emphasize industry-specific HR administration and WFM. Although the vendor offers capabilities across multiple HCM domains, functionality and maturity levels vary across the suite, particularly in talent management, which influence organizations seeking a more comprehensive HCM offering.
- **Evolving approach to external AI assurance:** Infor's AI governance approach currently relies primarily on internal oversight processes. Organizations with specific AI governance, risk and compliance requirements may view the absence of ISO 42001 certification, which is expected in early 2027, as a factor in their evaluation.
- **Career planning:** While Infor supports traditional career paths and development plans, its career planning functionality is less extensive than that of some competitors. Organizations pursuing skills-based talent strategies will need to find greater depth in career pathing and opportunity-matching capabilities elsewhere.

Kingdee

Kingdee International Software Group is a Niche Player in this Magic Quadrant. Kingdee is one of China's largest enterprise application software vendors, and its Kingdee HCM suite targets global enterprises entering the Chinese market and Chinese multinationals expanding globally. The suite is built on the cloud-native Cosmic PaaS, which features a multitenant SaaS architecture.

Kingdee has around 6,800 HCM suite customers, 65% of which have 1,000+ employees globally. Kingdee serves global enterprises, including one with over 200,000 employees across 170+ countries. It also serves midmarket enterprises in North America, Europe and Asia, providing localized compliance for regions including the U.S., Mexico and Germany.

In 2026, Kingdee continued to advance its AI capabilities through an AI platform and agent framework. It deploys a mix of machine learning, generative and agentic AI across its HCM suite to automate core processes like recruiting, payroll calculations and workforce scheduling. Furthermore, it empowers organizations to securely build custom AI agents, prioritizing high transparency by explaining AI recommendations through clear data lineage, scoring factors and direct evidence citations.

Strengths

- **Target market expertise:** Kingdee demonstrates a deep understanding of HR, payroll and regulatory requirements across Greater China. Its localization capabilities, compliance support and ecosystem relationships are well-aligned with organizations operating in the Chinese mainland, Hong Kong and Taiwan, making it a relevant option for enterprises requiring strong regional functionality and regulatory alignment.
- **AI agent architecture:** Kingdee differentiates its AI strategy through a configurable agent framework that enables organizations to define agent roles, operating boundaries and data sources through its Skills Studio. These agents leverage the platform's ontology and skills graph to align actions with workforce skills and competencies. Organizations can tailor agent capabilities according to business unit, geography and privacy requirements to improve governance and contextual accuracy.

- **Alliances:** Kingdee's HCM ecosystem strategy enhances platform extensibility and supports integration with third-party services. The vendor uses a hybrid delivery approach in which implementation partners contribute roughly 40% of project delivery capacity alongside Kingdee's own project management teams. This model enables Kingdee to expand deployment reach while leveraging partner expertise to support customer implementations.

Cautions

- **Brand awareness:** Kingdee's visibility outside of Greater China is limited. While the vendor is investing in partner-led expansion efforts, large-scale deployments outside its core markets remain relatively limited.
- **Product maturity:** Practical adoption of several newer capabilities remains concentrated within its core Greater China customer base. As the vendor expands internationally, the maturity and scalability of its broader HCM portfolio outside its core market need more evidence to establish buyer confidence.
- **Employee experience:** Kingdee's employee experience strategy is primarily focused on workflow digitization and process execution. While the platform supports employee transactions and collaboration, it places less emphasis on areas such as employee listening, sentiment analysis, well-being, engagement measurement and experience analytics than some competitors.

Oracle

Oracle is a Leader in this Magic Quadrant. Its Oracle Fusion Cloud HCM serves thousands of organizations worldwide across a broad range of industries, including several large multinational enterprises. Eighty percent of Oracle Cloud HCM implementations are done via third-party partners.

Oracle Cloud HCM spans core HR, talent, payroll, WFM and HR service. Customers are primarily deployed on Oracle Cloud Infrastructure in Oracle-managed public cloud regions, including government and sovereign clouds where applicable. Oracle offers more than 150 embedded AI capabilities across its HCM suite, including a growing portfolio of AI agents.

Oracle is evolving its AI experiences from assistance to governed execution. Oracle AI Agent Studio is the Fusion-native platform customers and partners use to create, deploy and manage AI agents. In 2026, Oracle introduced Fusion Agentic Applications, which combine predictive, generative and agentic AI within dynamic workflows to drive business outcomes and automate end-to-end processes across the Oracle platform.

Strengths

- **AI vision:** Oracle demonstrates a forward-looking AI vision, transforming the enterprise operating model through an autonomy continuum. By combining various AI techniques within defined roles, permissions and approvals, Oracle allows customers to determine the appropriate level of automation for their organization, enabling a spectrum of AI adoption from human in the loop to human in the lead to autonomous execution.
- **Product execution:** Oracle has demonstrated consistent investment across its HCM portfolio, advancing capabilities across most functional areas rather than concentrating innovation in a limited set of modules. This balanced investment approach supports its customers' long-term platform consolidation strategies.
- **Platform architecture:** Oracle's HCM suite is built on a common cloud platform and technology stack, with capabilities developed across Oracle's product portfolio rather than assembled through multiple acquisitions. This approach supports a unified user experience, common data model and consistent governance framework, which can simplify administration, data management and process execution across HCM functions.

Cautions

- **Total cost of ownership:** Oracle's strategy extends agentic experiences beyond functional silos to orchestrate work across HCM and other enterprise domains. While embedded AI, seeded and custom AI agents are included at no additional charge, customers adopting Oracle's Agentic Applications incur an additional platform fee for production usage. This cross-functional approach can complicate buying decisions, as ownership and funding may span HR, IT, finance and business operations stakeholders.

- **Integration ecosystem:** Although Oracle allows customers and partners to build and deploy agents using no-, low-, pro-code tools as well as connect them to external systems, it maintains a relatively selective third-party marketplace and ecosystem of predefined integrations. This may limit options for organizations seeking highly specialized capabilities or greater flexibility to address evolving business requirements.
- **Service delivery innovation:** Oracle's roadmap includes agents to accelerate implementation and surface anomalies for review, along with reusable setup, configuration, code generation, validation and testing skills. However, compared to some competitors, these implementation automation capabilities are not yet broadly deployed.

SAP

SAP is a Leader in this Magic Quadrant. The SAP SuccessFactors HCM suite is a multitenant, cloud-based SaaS solution within SAP's broader enterprise application portfolio. SAP Business AI Platform supports user experience personalization and evolution by providing extensibility and integration tools for building new AI agents and applications or extending existing ones.

SAP SuccessFactors targets midsize to large organizations. Ninety-seven percent of SAP SuccessFactors customers are deployed in the public cloud, and 90% of SAP SuccessFactors implementations are via third-party partners.

SAP is driving a transformation toward the "Autonomous Enterprise," where AI moves beyond basic chat to become the core operational execution engine of the business. It has expanded regional capabilities through SAP Sovereign Cloud to address customers with stringent data residency and regulatory requirements. These initiatives are unified through SAP's EU AI Cloud, which is designed to support data and legal sovereignty for organizations operating across the EU.

Strengths

- **Product strategy evolution:** SAP's vision for an autonomous HCM suite aligns with the direction of its closest competitors, with Joule agents serving as an engagement layer across SAP and non-SAP environments. The vendor is evolving from delivering isolated AI features toward end-to-end agentic HR scenarios that automate significant portions of HR processes.

- **Talent management portfolio:** SAP strengthened its end-to-end talent management portfolio from hire to develop. The continued integration of SmartRecruiters with SuccessFactors enhances SAP's recruiting capabilities such as AI-powered candidate engagement with Winston, skills-matching explainability and advanced recruiting analytics.
- **Geographic coverage:** SAP SuccessFactors is localized for core HR in 104 countries, with compliance tracked by HR and legal experts. Its SAP SuccessFactors Employee Central Payroll solution has 53 localizations, supplemented by seven additional partner-delivered payroll localizations — more than any other vendor featured in this research.

Cautions

- **Marketing execution:** SAP's decision to extend selected AI capabilities across both cloud and on-premises environments creates mixed signals around its longstanding cloud migration strategy. While this approach broadens AI access for existing customers, it may reduce migration urgency for some on-premises users.
- **Integrated HRSM:** SAP continues to improve its HR service management capabilities, particularly in case management and AI-assisted employee support. However, relative to some leading vendors, SAP's agent-driven service management and case orchestration capabilities remain less mature, with key roadmap enhancements still in development.
- **Commercial model:** As SAP expands consumption-based pricing for agentic AI capabilities, some customers need to seek greater clarity on how AI usage charges interact with existing licensing constructs, particularly when agentic workflows span SuccessFactors and other SAP applications. Gartner observes some customers' concerns about the potential for overlapping charges when AI agents execute business processes that also trigger transaction-based licensing metrics.

UKG

UKG is a Leader in this Magic Quadrant. UKG Pro targets midsize to large global organizations headquartered in the U.S. or Canada. Approximately 40% of UKG Pro customers have 1,000+ employees. UKG Pro offers a full HCM suite with a robust WFM solution, payroll compliance and integrated HRSM, targeting frontline-heavy organizations in retail, healthcare, manufacturing and services and distribution verticals.

Since UKG Bryte's 2024 launch, UKG has expanded its AI strategy from predictive and assistive capabilities to conversational agentic AI that orchestrates and automates multistep HR, payroll and WFM processes. UKG has also introduced the Workforce Intelligence Hub, providing a unified analytics layer with real-time dashboards and APIs to support data-driven workforce decisions.

UKG expanded its capabilities through two acquisitions in 2025: Shiftboard in June, to strengthen its scheduling and workforce optimization capabilities for complex environments such as oil and gas, and Chattr in November, an AI-first high-volume recruiting platform that uses a conversational interface to match candidates with open positions.

Strengths

- **WFM:** UKG Pro's Dynamic Workforce Operations expands WFM with embedded agentic AI. It continuously analyzes operational demand, schedules, labor forecasts, employee skills, compliance requirements and attendance data to identify staffing gaps and proactively recommend actions.
- **Frontline employee experience:** UKG Pro delivers a mobile-first frontline experience by combining engagement, AI-driven workforce support, and career development. UKG Bryte helps employees identify shift opportunities aligned with their schedules, preferences and financial goals while connecting workforce decisions to long-term career opportunities.
- **Market understanding:** UKG addresses customer challenges by unifying fragmented HR, payroll and WFM systems. Its Workforce Operating Platform concept aims to connect workforce, enterprise and third-party data to extend HCM's role beyond compliance and automation into operational execution and business outcomes.

Cautions

- **Portfolio strategy:** The coexistence of UKG Pro and UKG Ready creates overlap in UKG's HCM portfolio, resulting in similar positioning across certain customer scenarios. While UKG publishes guidance on the product-market fit, this can complicate the buying process and make it more difficult for organizations to identify the product that best aligns with their current requirements and future growth plans.

- **AI pricing strategy:** UKG's multilayered pricing approach for advanced generative and agentic AI capabilities combines subscription- and usage-based models. As future agentic capabilities are expected to adopt additional consumption- or credit-based pricing approaches, customers will need to carefully evaluate and forecast AI-related costs when budgeting for broader adoption.
- **Partner reliance for learning management:** UKG Pro relies on its Schoox partnership for learning management capabilities, which limits its native HCM suite experience. While the vendor has enhanced skills development, career pathing, frontline learning and AI-driven learning recommendations, including microlearning content creation through UKG Talk, Gartner observed limited advancement in traditional learning content creation capabilities over the past 12 months.

Workday

Workday is a Leader in this Magic Quadrant. Workday offers the Workday HCM suite alongside other products for ERP functions. Workday targets its solution to midsize and large enterprises in key industries like healthcare, retail, hospitality, higher education, government and financial services.

Workday HCM has approximately 6,700 customers worldwide. About 66% of Workday customers have 1,000+ employees, and 47% fall into the 1,000 to 5,000 employee segment. Overall, customer employee counts range from under 500 to over 100,000. Eighty percent of deployments are hosted in Workday's private cloud, with the remaining 20% running on AWS.

Following the announced acquisition and subsequent integration of Sana in 2025, Workday is expanding its AI capabilities across the Workday portfolio. It uses an open AI architecture to help organizations build, connect, and govern AI agents for HR, finance, and IT, with Workday Developer Agent enabling developers to build agents and applications on Workday.

Strengths

- **AI innovation:** Workday emphasizes a deterministic foundation that AI needs to operate safely by combining AI capabilities with established business rules and controls. While Sana Agent Builder supports custom agent development, Workday continues to invest in out-of-the-box AI agents that can be deployed with less configuration, helping organizations with limited AI expertise adopt agentic capabilities more quickly.

- **User experience:** Workday continues to invest in a modern, consumer-oriented user experience across desktop and mobile channels. Its Agent-to-UI framework enables AI agents to dynamically generate UIs based on intent, reducing reliance on hard-coded screens and supporting more adaptive, task-oriented interactions.
- **Skills management:** Workday's Skills Cloud infers skills from employee history and projects to surface validated data points that feed into internal mobility and personalized career paths. Its Skills Fit Dashboard and Workday Adaptive Decision Intelligence identify skill gaps, automate root cause analyses via natural language prompts, and conduct real-time scenario modeling for workforce planning.

Cautions

- **AI pricing strategy:** Workday's Flex Credits model leaves customers with uncertainty regarding budgeting, consumption forecasting and the implications for existing commercial agreements. Despite enhanced usage visibility via Workday's AI consumption console, some customers remain uncertain about the long-term cost and contractual impact of scaling AI adoption.
- **Acquisition strategy:** Workday's active acquisition strategy creates portfolio rationalization challenges. Gartner has observed increased client inquiry regarding how acquired technologies align with existing functionality, particularly where overlap exists with incumbent capabilities, making buyers' long-term investment decisions more complex.
- **Marketing strategy:** The rapid pace of Workday's messaging regarding using Sana to transform the HCM experience outpaces many organizations' ability to operationalize these capabilities. Large enterprises with fragmented data landscapes, complex integrations and accumulated technical debt may face challenges realizing the full value of Workday's latest AI innovations.

Yonyou

Yonyou Network Technology is a Niche Player in this Magic Quadrant. Yonyou is among China's largest enterprise software providers, with an established presence among large domestic organizations. Its Digital HR solution supports Chinese enterprises pursuing international growth while also helping multinational organizations manage workforce operations within China.

Its cloud-native HCM product, YonBIP DHR, is part of a unified applications suite. While most customers are based in Greater China, YonBIP is increasingly deployed in emerging Asia, South Africa and Latin America. Thirty-three percent of YonBIP customers are deployed in the private cloud and 64% in the public cloud, managed by Yonyou and optionally hosted in IaaS.

Yonyou's "AI-first" strategy aims to evolve HR to an AI-first function. The vendor deploys AI agents across recruitment, payroll, analytics and talent management to automate routine HR processes, while advancing toward an AI-native platform supporting complex workforce decisions such as organizational design, talent forecasting and workforce planning.

Strengths

- **Implementation timeline:** Yonyou delivers full HCM suite deployments in comparatively short time frames, averaging 12 weeks for midsize organizations and six to nine months for large enterprises.
- **Payroll localization:** Yonyou has payroll localizations for regions known for difficult data residency statutes and unscheduled legislation changes. Its OCR-enabled payroll document processing remains a notable differentiator, particularly in Southeast Asian markets.
- **Analytics and reporting:** Yonyou's AI-powered Analytics Agent supports personalized insights, standard reporting and conversational data analysis, enabling users to query workforce data, investigate trends, generate visualizations and receive contextual explanations.

Cautions

- **Sales strategy:** Yonyou's focus on midsize and large manufacturing and state-owned organizations limits its reach across other industry segments. This vertical concentration increases the risk of missed opportunities and slower market expansion outside these core markets.
- **Product strategy:** Yonyou's product strategy is primarily focused on HR administration and WFM capabilities tailored to operating in China. Consequently, organizations seeking more mature talent management and employee experience functionality will find YonBIP DHR less compelling than HCM suites with a broader focus on strategic talent outcomes and employee engagement.

- **Learning partner reliance:** Yonyou delivers YonBIP DHR's learning management capabilities through its partners. While the vendor has introduced a learning agent for skills management and AI-enabled learning recommendations, reliance on partners' product capabilities constrains Yonyou's ability to deliver a fully native, comprehensive HCM suite experience.

Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor's appearance in a Magic Quadrant one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

Added

No vendors were added to this Magic Quadrant.

Dropped

ADP WorkforceNow

Inclusion Criteria

To be included in this Magic Quadrant, each vendor had to:

- Deliver core HR administrative transaction support and reporting/analytics capabilities, plus at least three functions such as recruiting/onboarding, performance management, compensation planning, career/succession planning, learning or skills development. Alternatively, workforce management paired with one of these talent management functions.
- Deploy their solution(s) on a cloud architecture.
- Have at least 150 customers, each with more than 1,000 employees, that use their core HR capabilities and at least two talent management functions in a production environment in either a community cloud or a public cloud.
- Actively market, sell and implement an HCM suite on a stand-alone basis, regardless of any additional bundling with ERP suites or other applications.

- Provide evidence of market momentum by documenting at least 50 net-new deals during the previous four fiscal quarters (1 April 2025 through 31 March 2026) — each with more than 1,000 employees — for its core HR capabilities and either two or more TM functions or one TM function and WFM.

Some vendors did not satisfy all of these criteria and were therefore excluded from this research. However, their offerings do meet many customer requirements and could also be included in an evaluation of HCM suites. Gartner will provide additional research and analysis covering HCM providers serving different organizational sizes, geographic markets and requirements in the upcoming research series of HCM Suite Submarket Context.

Evaluation Criteria

Ability to Execute

Product or Service: The capabilities, features and overall quality of the core goods and services that compete in and/or serve the defined market. We evaluate the vendor's current product and service capabilities, including depth, quality and completeness of features, skills and supporting services. Capabilities may be delivered natively or through OEM arrangements and partnerships, as defined in the Market Definition and detailed in the subcriteria. Evaluation spans administrative HR, talent management (TM), workforce management (WFM) and HR service delivery (see the Market Definition/Description for the full functional scope), with particular emphasis on functional breadth, usability and consistency across modules. The degree to which these components are cohesively integrated is a critical consideration. Reporting and analytics receive heightened scrutiny due to their continued prominence as customer pain points. We also assess the underlying architecture, delivery models and the effective use of mobile and social capabilities.

Overall Viability (business unit, financial, strategy, organization): The organization's overall financial health, as well as the financial and practical success of the relevant business unit. This includes the likelihood that the organization can continue to offer and invest in the product, as well as the product's position in the organization's portfolio. Key aspects of this criterion include the vendor's ability to sustain the long-term vitality of the product, demonstrated through support for current and future releases and a clearly articulated product roadmap covering at least the next three years. Vendors must also demonstrate sufficient financial strength — specifically, adequate cash reserves and consistent revenue growth over the past four quarters — to fund ongoing operations, support future investment needs and achieve profitability. In addition, we assess the vendor's strategic commitment to the specific product under evaluation and its ability to effectively monetize that offering within the cloud-based HCM suite market.

Sales Execution/Pricing: The organization's capabilities in all presales activities and the structures that support these activities. This includes deal management, pricing and negotiation, presales support and the overall effectiveness of the sales channel. Vendors must demonstrate multicountry, regional and/or global sales and distribution capabilities that are well-aligned with their stated marketing strategies. They must also show how their sales approach helps prospects gain clarity during procurement, without creating downstream obstacles to customers' future budget planning or cost predictability. In addition, vendors should have proven experience and success selling cloud HCM suite solutions to enterprise HCM buying centers, encompassing effective deal management, partner coordination, transparent pricing and contract negotiation, presales support and the overall effectiveness of their sales channels.

Market Responsiveness and Track Record: The ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This includes the provider's history of responsiveness to changing market demands.

Marketing Execution: The ability to deliver clear, high-quality, creative and effective messaging via publicity, promotional activity, thought leadership, social media, referrals and sales activities. This includes the organization's ability to influence the market, promote the brand, increase product awareness and establish a positive reputation among customers. We look for a combination of publicity, promotions, thought leadership, word of mouth and sales activities that can drive this mind share.

Customer Experience: The degree to which a vendor's products, services and programs enable customers to achieve their desired results. This includes the quality of supplier/buyer interactions, technical support or account support, as well as ancillary tools, customer support programs, availability of user groups and service-level agreements. This criterion assesses the vendor's relationships, resources and programs that enable customers to achieve success with the products and services offered. It incorporates feedback from active customers based on generally available releases within the past 12 to 18 months. Evaluation also considers the availability and quality of customer enablement resources, such as ancillary tools, support programs, user communities and service-level agreements. Key sources of insight include analyst-validated customer reviews from Gartner Peer Insights that are relevant to the scope and audience of this research. Additional inputs are drawn from Gartner inquiries and other customer interactions observed through Gartner engagement activities and industry conferences.

Operations: The ability of the organization to meet its goals and commitments. This includes the quality of its organizational structure, skills, experiences, programs and systems that enable the organization to operate effectively and efficiently. We also consider how effectively the vendor manages workforce changes, including reductions in force, with particular attention to sustaining operational performance.

Table 1: Ability to Execute Evaluation Criteria

Evaluation Criteria ↓	*Weighting* ↓
Product or Service	High
Overall Viability	Low
Sales Execution/Pricing	High
Market Responsiveness/Record	High
Marketing Execution	Medium
Customer Experience	High
Operations	Medium

Source: Gartner (August 2026)

Completeness of Vision

Market Understanding: The ability to understand customer needs and translate that understanding into products and services. Vendors with a clear vision of the market listen to and understand customer demands, and they can shape or enhance market changes with their vision. We specifically look for how vendors describe the integrated market and opportunity for their cloud HCM suites, not merely that of the component products.

Marketing Strategy: The ability to clearly communicate differentiated messaging, both internally and externally, through social media, advertising, customer programs and positioning statements. What we look for includes that these messages must appeal to HR organizations and leaders and be consistently communicated.

Sales Strategy: The ability to create a sound strategy for selling that uses the appropriate networks, including direct and indirect sales, marketing, service and communication. This includes partnerships that extend the scope and depth of a provider's market reach, expertise, technologies, services and its customer base. Key elements of the strategy we look for include a sales and distribution plan, internal investment prioritization and timing, and partner alliances.

Offering (Product) Strategy: The ability to approach product development and delivery in a way that meets current and future requirements, with an emphasis on market differentiation, functionality, methodology and features. We specifically look for how the vendor demonstrates a vision for application functionality across the breadth and depth of the cloud HCM suite. We focus beyond the functional scope listed in the Ability to Execute section. We place additional emphasis on the vendor's vision for the use of emerging technologies, advanced analytics, relevant social, geographic or industry use cases, integration and ease of use, and support for process transformations enabling the digital workforce. The product strategy can be a combination of organic development, acquisition and/or ecosystems. For ecosystems, we pay close attention to the quality and support of third-party partners. For those that acquire functionality, we pay close attention to integration strategy and roadmaps.

Business Model: The design, logic and execution of the organization's business proposition. The vendor needs to have a clear business plan for how it will be successful in the cloud HCM suite market. This plan should include appropriate levels of investment to achieve healthy growth during the next three to five years.

Vertical/Industry Strategy: The ability to strategically direct resources (sales, product, development), skills and products to meet the specific needs of verticals and market segments. We also look for how the vendor includes relevant compliance certification or authorization (such as FedRAMP).

Innovation: Marshaling of resources, expertise or capital for competitive advantage, investment, consolidation or defense against acquisition. We assess how effectively vendors respond to innovations that are top of mind for end users, including agentic AI, advanced analytics, machine learning, diversity, equity and inclusion enablement, HR service delivery and engagement measurement. Vendors are also expected to demonstrate meaningful UX enhancements or new access models, such as conversational interfaces, chatbots and virtual assistants.

Geographic Strategy: The ability to direct resources, skills and offerings to meet the specific needs of regions outside the provider's home region, either directly or through partners, channels and subsidiaries. Examples of criteria to include are core HR locations, payroll localizations, the number of existing languages supported and local compliance (for example, with GDPR).

Table 2: Completeness of Vision Evaluation Criteria

Evaluation Criteria ↓	*Weighting* ↓
Market Understanding	High
Marketing Strategy	Medium
Sales Strategy	Low
Offering (Product) Strategy	High
Business Model	Low
Vertical/Industry Strategy	High
Innovation	High
Geographic Strategy	High

Source: Gartner (August 2026)

Quadrant Descriptions

Leaders

Leaders demonstrate a compelling vision for the future of HCM technology and consistently execute against that vision at scale. They are shaping the market's evolution from systems of record and process automation toward systems of intelligence, orchestration and outcomes. Leaders provide comprehensive cloud HCM suites with robust global HR capabilities, extensive country-specific localizations and the ability to address complex HR, workforce and compliance requirements across multinational and regional enterprises. They consistently achieve high adoption of adjacent capabilities such as talent management, workforce management (WFM) and HR service delivery, reflecting the breadth and integration of their platforms. Leaders are among the most advanced providers in embedding AI, such as generative AI, agentic AI and AI orchestration, across user experiences, while demonstrating proven success in large-scale deployments across industries and geographies. They consistently win and retain enterprise customers, demonstrating strong market momentum. Leaders are often the vendors against which other providers in this market are measured.

Challengers

Challengers have developed a substantial presence in at least one market and have a growing presence in multiple submarkets. Although they have a broader addressable market than Niche Players, they are unable to execute consistently or equally well in all geographies. Challengers understand the evolving needs of HR organizations but may not lead customers into new functional areas with a strong functional vision. Challengers tend to have a good technology vision for architecture and other considerations of IT organizations but are not as operationally mature as Leaders. They have strong customer growth and momentum, financial health and sustained product investment. Challengers are further distinguished from Leaders primarily by their reduced Ability to Execute consistently throughout the full range of cloud HCM suite functionality for large and complex global enterprises.

Visionaries

Visionaries are ahead of most competitors in delivering innovative products and/or delivery models. They anticipate emerging and changing market needs and can lead the market into new areas. Although Visionaries have a strong potential to influence the direction of the cloud HCM suite market, they are limited in execution and/or lack a demonstrable track record.

There are no Visionaries in this edition of the Magic Quadrant, mainly due to the greater emphasis on the execution of administrative HR functions (including cost-effective and reliable delivery of standardized processes) that are less subject to innovation.

Niche Players

Niche Players offer cloud HCM suite functionality, but they may lack some functional components, focus on a limited geographic or workforce scale, or lack strong business execution in their chosen niche. They may offer complete portfolios for a specific industry or workforce size, but they cannot fully support cross-industry requirements for several HCM functions, such as WFM, recruiting and learning. They may offer only limited localizations for administrative HR. From an execution standpoint, Niche Players may lack the ability to support large enterprise requirements or complex global deployments. Nevertheless, Niche Players can offer the best solutions for HR organizations whose requirements align with their market focus and capabilities. The price-to-value ratio for these vendors is often attractive. They may win consistently in a certain region or industry but do not consistently win in multiple regions. This may be due to limitations of execution or maturity, or it may simply reflect their market focus.

Context

The market for cloud HCM suites continues to mature and attract investment. Since the last iteration of this research, vendors have responded to customer demands by delivering improvements in the following areas:

- **AI governance and compliance:** Vendors have increased their focus on responsible AI practices, governance frameworks, security controls and compliance capabilities. As organizations move from AI experimentation to scaled deployment, greater emphasis is being placed on transparency, auditability, privacy and regulatory compliance.
- **Agent interoperability and orchestration:** Vendors are increasingly enabling interoperability between vendor-built, customer-built and partner-built AI agents. Open standards and agent orchestration frameworks are helping organizations connect agents, workflows and enterprise systems to support more complex business outcomes.

However, as vendor strategies continue to evolve, new challenges and sources of uncertainty have emerged for customers:

- **Enterprise AI versus domain-specific AI investments:** The growing overlap between enterprise AI platforms and HCM-specific AI capabilities has created uncertainty about investment priorities and ownership. Vendors continue to struggle to articulate clear differentiation and business value, while emerging consumption-based pricing models are making budgeting and ROI assessments more challenging for customers.
- **Build-versus-buy AI agent decisions:** Organizations are increasingly evaluating whether to deploy vendor-provided AI agents or develop their own. However, the technical expertise required to design, govern and optimize AI agents often resides within IT rather than HR. As a result, AI purchasing influences are increasingly shifting beyond HR stakeholders, creating new challenges for HCM vendors in identifying target buyers and defining product roadmaps.
- **AI costs complicate cloud migration business cases:** Many organizations remain on legacy HCM platforms and have yet to complete their cloud migration journeys. As HCM vendors increasingly package AI capabilities, organizations must factor additional AI-related costs into migration business cases. For many lagging adopters, this creates further challenges in demonstrating a compelling financial return on cloud modernization, potentially delaying transformation decisions and extending the life of legacy systems.

Market Overview

As the market matures, competitive differentiation is increasingly driven by innovation rather than core system functionality. Nearly all major HCM vendors have made significant investments in AI, resulting in a rapid evolution from isolated AI capabilities, such as predictive AI, generative AI and agentic AI, toward broader AI orchestration strategies. Rather than delivering stand-alone AI features, vendors are increasingly focused on creating intelligent orchestration layers capable of coordinating multiple AI techniques, enterprise data sources and business processes to help users achieve desired outcomes.

This shift is accelerating market consolidation and M&A activity as vendors seek to augment their AI capabilities, fill capability gaps and expand adjacent solution areas (see Note 1). At the same time, HCM buyers are facing new challenges related to technology integration, user experience consistency, governance and evolving commercial models. As AI capabilities become increasingly embedded within HCM suites, buyers are paying closer attention to pricing transparency and the total cost of adopting AI-enabled functionality.

Economic pressures are further increasing organizations' scrutiny of their technology investments. As a result, demonstrating measurable business value has become a top priority for both vendors and customers. Organizations are increasingly focused on understanding the impact of AI investments on productivity, workforce planning, job redesign, employee experience and operational efficiency. The ability to clearly articulate and quantify ROI is a key differentiator among HCM suite providers.

Five key trends are shaping the market for HCM suites serving enterprises with 1,000 or more employees:

- **AI-native HCM platforms are beginning to emerge.** While most vendors continue to embed AI into existing architectures, a growing number of startups are pursuing AI-native approaches in which intelligence is foundational rather than additive. AI-native HCM platforms are designed to leverage enterprise context, continuously evolving knowledge models and agentic orchestration capabilities to deliver more proactive, personalized and autonomous workforce experiences.
- **The market is undergoing a structural transition from system of record to system of outcomes.** Historically, HCM suites were designed around modules, forms and workflows. Increasingly, though, vendors are reorienting their platforms around business objectives and outcomes, enabling users to accomplish tasks through conversational and AI-driven experiences rather than navigating application structures. Consequently, as unstructured conversational inputs replace traditional forms, organizations need to adapt their HR data governance strategies to ensure the data captured remains standardized, accurate and reportable within the underlying system of record.
- **The emphasis is shifting from building large libraries of predefined AI agents to developing adaptable intelligence platforms.** These predefined agent libraries are useful for giving customers a starting point, but business scenarios are effectively limitless. The long-term differentiator is not the number of packaged agents a vendor provides but the ability of its AI architecture to continuously learn, reason, orchestrate and improve across diverse workforce and business contexts.
- **User experience led by AI orchestration is becoming a key battleground.** As AI capabilities proliferate, vendors are increasingly competing on how effectively they unify data, workflows, insights and actions into a seamless experience. Success will depend less on stand-alone AI features and more on the ability to provide a coherent interface that solves complex challenges and simplifies work for employees, managers and HR leaders.

- **AI is reshaping the economics of the HCM software market.** The traditional SaaS commercial model is supplemented with AI consumption-based economics, with vendors introducing pricing constructs based on AI credits. This transition creates new opportunities for vendors to generate returns on AI investments, but it also increases complexity for customers attempting to forecast costs and measure value. Consequently, organizations are adopting more rigorous evaluation processes, with increased focus on AI governance, utilization assumptions and build-versus-buy decisions.

Acronym Key and Glossary Terms

A2A	Agent2Agent
Agentic AI	AI systems capable of autonomously planning, reasoning, and executing tasks to achieve goals
AI	Artificial intelligence
ATS	Applicant tracking system
CX	Candidate experience
EMEA	Europe, Middle East and Africa
ERP	Enterprise resource planning
EX	Employee experience
GDPR	General Data Protection Regulation
GenAI	Generative AI
Greater China	Unless otherwise specified, “Greater China” in this research refers collectively to the markets of the Chinese mainland, Hong Kong and Taiwan
HCM	Human capital management
IHRSM	Integrated HR Service Management
LXP	Learning experience platform
MCP	Model context protocol
RAG	Retrieval-Augmented Generation
SaaS	Software as a service
UX	User experience
VoE	Voice of the employee
VR	Virtual Reality
WFM	Workforce management

Evidence

Gartner used the following sources to collect information about vendors and their cloud HCM offerings:

- **Vendor presentations and demonstrations to the Gartner analyst team:** Specifically, to support this research, each vendor presented information about its company, capabilities and functionality using a product demonstration script that Gartner provided to all participating vendors. Each vendor was allotted the same amount of time for this research. Gartner also conducts interactions with vendors throughout the year as part of normal and ongoing relationships with user and vendor clients.
- **Research and data collection:** Gartner also asked each vendor to respond to and fill out a survey that investigates, in more detail, factual information about its company and HCM offering.

Note 1: Mergers and Acquisitions

Recent M&A activity in this space includes:

- Cegid announced and subsequently completed the acquisition of Shine, a European fintech provider of digital business accounts, accounting, invoicing, payroll, and payment solutions for SMBs, between November 2025 and June 2026.
- Dayforce acquired Agentnoon to launch Dayforce Strategic Workforce Planning in October 2025.
- Kingdee acquired a controlling stake in CloudHub (Yunzhijia) in September 2025, increasing its ownership to approximately 70% and strengthening its enterprise collaboration and AI platform capabilities.
- SAP completed the acquisition of SmartRecruiters, an AI-enabled talent acquisition platform, in September 2025.
- UKG completed the acquisition of Mo, a U.K.-based employee recognition and engagement platform, in November 2025 to enhance employee experience and engagement capabilities.
- UKG acquired Chattr, an AI-first recruiting platform that uses a conversational interface to match candidates with open positions, in November 2025. The vendor also announced the acquisition of Inova Payroll, an HCM and payroll services provider focused on small and midsize businesses (SMBs), in December 2025.

- UKG completed the acquisition of Shiftboard, a workforce scheduling and workforce operations platform serving energy, manufacturing, and other highly regulated industries, in June 2025.
- Workday completed the acquisition of Sana, an AI-powered enterprise learning, knowledge management, search, and agent platform, in November 2025 (announced September 2025).

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness/Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.

Document Revision History

Magic Quadrant for HCM Suites for 1,000+ Employee Enterprises - 8 September 2025

Magic Quadrant for Cloud HCM Suites for 1,000+ Employee Enterprises - 23 October 2024

Magic Quadrant for Cloud HCM Suites for 1,000+ Employee Enterprises - 18 October 2023

Magic Quadrant for Cloud HCM Suites for 1,000+ Employee Enterprises - 31 October 2022

Magic Quadrant for Cloud HCM Suites for 1,000+ Employee Enterprises - 19 October 2021

Magic Quadrant for Cloud HCM Suites for 1,000+ Employee Enterprises - 3 March 2021

Magic Quadrant for Cloud HCM Suites for 1,000+ Employee Enterprises - 23 September 2019

Magic Quadrant for Cloud HCM Suites for Midmarket and Large Enterprises - 15 August 2018

Magic Quadrant for Cloud HCM Suites for Midmarket and Large Enterprises - 15 August 2017

Magic Quadrant for Cloud HCM Suites for Midmarket and Large Enterprises - 16 June 2016

Recommended by the Authors

Some documents may not be available as part of your current Gartner subscription.

How Markets and Vendors Are Evaluated in Gartner Magic Quadrants

Critical Capabilities for HCM Suites for 1,000+ Employee Enterprises

How to Create an HR Technology Strategy and Roadmap

Innovation Insight for AI-Enabled Skills Management

© 2026 Gartner, Inc. and/or its affiliates. All rights reserved. Gartner is a registered trademark of Gartner, Inc. and its affiliates. This publication may not be reproduced or distributed in any form without Gartner's prior written permission. It consists of the opinions of Gartner's Business and Technology Insights Organization, which should not be construed as statements of fact. While the information contained in this publication has been obtained from sources believed to be reliable, Gartner disclaims all warranties as to the accuracy, completeness or adequacy of such information. Although Gartner insights may address legal and financial issues, Gartner does not provide legal or investment advice and its insights should not be construed or used as such. Your access and use of this publication are governed by Gartner's Usage Policy. Gartner prides itself on its reputation for independence and objectivity. Its insights is produced independently by its Business and Technology Insights Organization without input or influence from any third party. For further information, see " Guiding Principles on Independence and Objectivity." Gartner insights may not be used as input into or for the training or development of generative artificial intelligence, machine learning, algorithms, software, or related technologies.

Table 1: Ability to Execute Evaluation Criteria

Evaluation Criteria ↓	*Weighting* ↓
Product or Service	High
Overall Viability	Low
Sales Execution/Pricing	High
Market Responsiveness/Record	High
Marketing Execution	Medium
Customer Experience	High
Operations	Medium

Source: Gartner (August 2026)

Table 2: Completeness of Vision Evaluation Criteria

Evaluation Criteria	*Weighting*
Market Understanding	High
Marketing Strategy	Medium
Sales Strategy	Low
Offering (Product) Strategy	High
Business Model	Low
Vertical/Industry Strategy	High
Innovation	High
Geographic Strategy	High

Source: Gartner (August 2026)

Actionable, objective insights

Position your organization for success. Explore these additional complimentary resources and tools.



Report

The CHRO Report

Quarterly insights for HR leaders on challenges, risks and actions.

Download Now



Webinar

The Top CHRO Trends and Priorities Shaping 2027

Expert insights and recommendations to shape HR's strategy for 2027.

Watch Now



Roadmap

AI Roadmap for HR

Discover key steps to build an AI roadmap that delivers value in HR.

Download Now



Guide

CHRO Guide for HR Transformation

View practical strategies to reinvent HR and deliver value in the AI era.

Download Now

Already a client? Get access to even more resources in your client portal.
Log In ↗

Connect with us

Get actionable, objective business and technology insights that drive smarter decisions and stronger performance on your mission-critical priorities. Contact us to become a client:

U.S.: 1 855 322 5484
International: +44 (0) 3300 296 946

Become a Client

Learn more about Gartner for CHROs
gartner.com/en/human-resources

Stay connected to the latest insights

Attend a Gartner conference
View Conference

© 2026 Gartner, Inc. and/or its affiliates. All rights reserved. CM_GBS_5497850

Gartner®