



Vendor Profile

Payroll Services

Paychex

Report Abstract

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14 pages

Contents of Full Report

1. Background
2. Revenue Summary
3. Key Offerings
4. Delivery Capability and Partnerships
5. Target Markets
6. Strategy
7. Strengths & Challenges
 - 7.1. Strengths
 - 7.2. Challenges
8. Outlook

Who is This Vendor Assessment For?

NelsonHall's Payroll Services profile on Paychex is a comprehensive assessment of Paychex's offerings and capabilities, designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of Payroll Services and identifying vendor suitability for security services RFPs
- Vendor marketing, sales, and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the Payroll Services sector.

Key Findings & Highlights

Paychex (NASDAQ: PAYX), founded in 1971 and headquartered in Rochester, NY, is a provider of integrated human capital management solutions built on a payroll foundation, offering HR, benefits, and insurance services for small and mid-sized businesses primarily throughout the U.S. and in select countries of Northern Europe. It is currently the largest 401(k) recordkeeper (by total plans administered, currently ~100k plans & ~1.3m plan participants) and the 28th largest insurance agency in the U.S., managing ~\$3bn in premiums annually.

Paychex offers a comprehensive suite of HR technology and managed services; each is enabled through its proprietary HCM technology, including:

- HR outsourcing services (HR, payroll, benefits)
- PEO services (co-employment model)
- Retirement planning services
- Insurance services.

The company currently employs ~16k workers and supports ~740k clients, mainly SMEs (organizations with up to 1k employees). It pays ~11m employees, handling payments to every 12th private sector employee in the U.S. Its U.S. proprietary technology is Paychex Flex. It supports ~3m monthly users on a hybrid cloud infrastructure offering HR and payroll functionality.

Scope

The report provides a comprehensive and objective analysis of Paychex’s Payroll Services offerings and capabilities, and market and financial strengths, including:

- Identification of the company’s strategy, emphasis, and new developments
- Analysis of the company’s strengths, weaknesses, and outlook
- Revenue estimates
- Analysis of the profile of the company’s customer base including the company’s targeting strategy and examples of current contracts
- Analysis of the company’s offerings and key service components
- Analysis of the company’s delivery organization including the location of delivery locations.

Payroll Services Assessments also Available for:

ADP

Alight

CloudPay

Infosys

isolved

Neeyamo

OSV

PoPay

PayBix

Ramco

Safeguard Global

SD Worx

TMF Group

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About The Author

Liz Rennie is the HR Technology and Services Research Director with global responsibility for key HR research projects, including Payroll Services and Cloud HR Transformation, as part of NelsonHall’s wider HR Technology & Services practice.

In this key role, Liz assists both buy-side and vendor organizations in evaluating opportunities and capability to support HR and benefits transformation through deploying cloud-based services and redesigning HR service delivery to leverage the latest technologies offered by mobile, AI, blockchain, and robotics.

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We would be pleased to discuss how we can bring benefit to your organization. You can contact us via the following relationship manager: Guy Saunders at guy.saunders@nelson-hall.com

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