



Targeting Payroll Outsourcing

Market Analysis

Abstract

May 2014

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Who Is This Report For?

NelsonHall's "Targeting Payroll Outsourcing" report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within payroll services
- HR decision makers exploring the benefits and inhibitors of payroll services outsourcing as evidenced from the clients and vendor capability
- Vendor marketing, sales and business managers developing strategies to target BPO service opportunities within payroll services
- Financial analysts and investors specializing in the IT services and BPO sector, including payroll services.

Scope of the Report

This report analyzes the global market for payroll services and its constituent services. The report addresses the following questions:

- What is the current and future market for payroll services?
- What are the customer requirements and how are they changing?
- What are the benefits / results vendors have been able to achieve for their clients?
- What services are customers buying from payroll service vendors?
- What technologies and platforms are being utilized and what are the latest developments and trends emerging?
- What is the size and growth of the payroll services market by geography?
- What is the size of the payroll services market by industry and which are seeing increased demand? What is the size, by small, mid and large market?
- How are leading vendors positioned within the payroll services outsourcing market?
- What are the vendor selection criteria, challenges and critical success factors for vendors targeting payroll services?

Additional topics include: investments in HR integration; use of self-service for payroll; vendor multi-tenant offerings; growth of multi-country payroll; acquisitions, divestures and partnerships; proportion of payroll services used by clients and use of offshoring, contract lengths, etc.



Key Findings & Highlights

NelsonHall's market analysis of payroll services outsourcing consists of 86 pages.

The payroll services market remained strong in 2013, with organizations still looking for cost control, cost visibility, cost agility and the simplification of processes. 2014 has been a year of significant legislative changes impacting both HR and payroll in a number of countries. Retaining payroll expertise to adequately support business change is a challenge, particularly as companies diversify into new markets or launch wider HR initiatives while looking to keep a central governance.

While cost control remains the most important factor for buyers, standardization of processes as well as enhancing risk and compliance are key drivers for outsourcing payroll. There is a growing need for payroll cost visibility across countries and for payroll services that can scale to support new geographies.

The traditional bureau payroll model is changing into a BPaaS model through greater standardization and self service offerings; these are being enriched with HR technical offerings alongside the payroll services. Payroll service vendors focus heavily on technology and ease of use to increase quality of data at source, and to support greater access to information. With social networks becoming more sophisticated, vendors are also investing in mobile applications to enhance services, particularly for the mid and small markets.

Acquisitions continue, at least in part driven by the need to invest in new markets; aggregator payroll companies increase capability to support services directly without a reliance on partners. Manila is the highest growing offshore location and vendors are also opening new centers in Asia Pacific and Central America.

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Report Length

86 pages, consisting of 10 chapters

Vendor Assessments

The report includes vendor assessments of the following payroll service vendors:

- ADP
- Capita
- Ceridian
- CGI
- HP
- Infosys
- NGA HR
- SafeGuard World International
- SD Worx
- Sopra HR Solutions
- Talent2
- TCS.

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