ADP
RPA and AI in
HR Outsourcing

Vendor Assessment
Report Abstract

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Who Is This Vendor Assessment For?

NelsonHall's RPA and AI in HRP Vendor Assessment for ADP is a comprehensive assessment of NGA HRs automation and artificial intelligence offerings and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of HR outsourcing and identifying vendor suitability for HR services RFPs

- Vendor marketing, sales, and business managers looking to benchmark themselves against their peers

- Financial analysts and investors specializing in the support services sector

- HR and payroll decision makers.

Key Findings & Highlights

ADP, founded in 1949 and headquartered in Roseland, NJ, is a global provider of HR software and services.

ADP's business is organized into two business segments:

- Employer Services (~70% of revenues):

  - Provides HR management/workforce management services, payroll services, time and attendance management, benefits administration, recruiting and talent management including RPO, insurance services, retirement services, and payment and compliance solutions to ~690k clients worldwide

- PEO Services (~30% of revenues):

  - Under ADP TotalSource, provides employment administration outsourcing services for organizations with 10 - 200 employees including payroll, benefits admin, and compliance services through a co-employment relationship; servicing ~530k worksite employees in 50 U.S. states.

Within Employer Services, ADP's offerings include software and services for:

- HR administration

- Payroll

- Tax and compliance

- Time and labor management (TLM)

- Benefits administration

- Recruitment process outsourcing (RPO)

- Talent management

- Insurance services

- Retirement services

- Payment and compliance solutions

- Pre-employment

- Medical practices.

This profile focuses specifically on ADP's RPA and AI capability leveraged in the delivery of its HR services and HCM technology offerings. For a more comprehensive overview of ADP's HR services and technology capability, please refer to the following vendor profiles available to NelsonHall subscribers:

- ADP - Next Generation HCM Technology (2018)

- ADP - Next Generation Recruitment Process Outsourcing (2018)

- ADP - Next Generation Payroll Services (2017)

- ADP - Benefits Administration (2017)

- ADP - Multi-process HR Services (2017).

ADP leverages RPA and AI across its scope of HR service offerings with the intent of increasing its operational scale, efficiency, and speed of delivery, to provide an enhanced client experience through greater accuracy and reliability.

While ADP provides its RPA and AI capabilities to clients as part of its services and technology solutions, it does not currently offer the capability as a standalone service offering but does provide ad hoc consulting to clients on a case by case basis.

ADP's RPA program currently includes ~75 automated processes across its HR service offerings, supported by ~140 bots in production, with further development plans to add ~50 additional processes over the next 12 months.

ADP offers a common analytic solution called ADP DataCloud, which it launched in 2013 and currently has ~4k clients and ~1.5k benchmarking clients, serving ~200k users.

In 2015, ADP added Benchmarking to the DataCloud offering, which helps clients evaluate their workforce metrics against industry averages. DataCloud aggregates information from ADP's ~700k client base and benchmarks ~17 industries and ~700 job types.

In addition to its HR services, ADP offers multiple, cloud-based HCM solutions from which it delivers its services. Across these platforms, ADP continues to invest in and incorporate next generation features such as a user-centric design, extended mobile capabilities, predictive analytics, machine learning (ML) and artificial intelligence (AI) to provide an enhanced UX/UI and personalized user guidance for simplified platform interactions. (For further details on ADP's HCM offering and capabilities, see: ADP - Next Generation HCM Technology (2018) vendor profile.

ADP supports the delivery of its automation capability through a combination of its own development resources and capability, and by leveraging select technology partners.

Its automation development and program is led from offshore COE's in Romania and India and by resources embedded in HR service delivery across its global delivery centers. ADP leverages Blue Prism as its primary partner for RPA platform technology.

ADP's approach to rolling out its RPA and AI capability to its client base has been primarily at the process level, applying the capability to key focus areas on groups of clients. It also works with clients on a case by case basis to introduce the technology as needed. Currently, ADP has ~5k clients leveraging some level of RPA in its HR service delivery and expects to double this by the end of 2019.

Scope of the Report

The report provides a comprehensive and objective analysis of ADP's RPA and AI offering leveraged in the delivery of its HR services, including:

- Identification of the company's strategy, new developments, and outlook

- Analysis of the company's offerings and key service components

- Analysis of the profile of the company's customer base leveraging RPA and AI including the company's targeting strategy

- Analysis of the company's delivery organization including the location of delivery locations.

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