



CloudPay Next Generation Payroll Services

Vendor Assessment
Report Abstract

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Who Is This Vendor Assessment For?

NelsonHall's Payroll Services Vendor Assessment for CloudPay is a comprehensive assessment of CloudPay's payroll services offerings and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of payroll outsourcing and identifying vendor suitability for payroll 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

CloudPay, Inc (referred to as CloudPay in this document) is a SaaS-based global payroll solutions provider which is developing as an emerging player in the multi-country managed services space. Founded in 1996 as Patersons Payroll Solutions Limited, it changed its name to CloudPay in October 2012, adopting the name of its multi-country SaaS payroll offering.

CloudPay offers payroll solutions to clients in over 120 countries, in 26 languages, supporting 30 different currencies. Its sole focus is on providing global payroll and payments services in the cloud. The CloudPay platform is supported by a range of other services including implementation, managed services, payroll processing, and support.

Today CloudPay produces ~1M pay-slips and processes \$3.8bn in payments annually.

CloudPay offers a fully managed global payroll outsourcing service, and payment processing services for its clients.

It delivers its services through CloudPay, its proprietary SaaS technology which can process payrolls in ~120 countries. In addition to payroll processing, it has a number of other modules and areas of functionality that are built around the core platform:

- **Connect 2.0:** a set of integration APIs and data validation tools that provide a framework to standardize and automate how information moves between the CloudPay platform and external applications, including HCM platforms such as Workday and SuccessFactors, finance platforms providing GL data, and in-country service provider platforms. CloudPay Connect can ingest and output defined data sets to and from these products and can process them in the application
- **Control:** a business process management solution that provides a global, automated workflow engine to standardize processes, with an auditable workflow. It offers a single platform that allows clients to manage country-specific, client-specific, and international processes. This ensures that payroll across multiple countries is in line with global and country requirements, and specific workflow steps. With the auditable workflow, CloudPay can provide clients with metadata for each payroll step, and ascertain where the process is breaking down

- Collaborate: CloudPay’s communication platform, which allows for collaboration between CloudPay employees, clients, and their employees, and approved third-parties (such as public and private organizations that operate in the world of payroll and payments). Individuals can communicate during the payroll process in real time and can handle queries at any point in time. Clients can access a knowledge management tool which provides payroll-related documentation and access to subject matter experts for each process or country. The platform also contains a ticket-based issue management service and can track all communications, so clients can see which issues are causing delays in processing, and how they can address them
- Payments: a treasury function that provides an integrated global payment solution for clients to pay employees and third parties, providing clients with visibility of all payroll costs. It automates funding requests through CloudPay payroll and manages a client’s funds flow. It offers single currency settlement in USD, GBP, SGD, and EUR. Approximately 50% of CloudPay’s new clients are asking for provision of payment services
- Robotic Data Validation: robotic process automation (RPA) framework that automatically verifies the accuracy of payroll inputs and outputs, using a comprehensive set of rules that adapt to each customer and payroll, and learn as more data is reviewed by the system.
- Compliance Tracker: provides clients with visibility of their global compliance-related regulations, filings, and deadlines in real time. CloudPay consolidates local regulations and policy requirements, captures new information, and validates payroll data against these to ensure accurate and compliant payroll runs. Clients can view compliance metrics in dashboard form, on a country by country basis. It combines client data, CloudPay data, and ICP data across the scope of the contract, to provide a global view of compliance metrics. Features of CloudPay Compliance include:
 - Compliance dashboard: access to a consolidated, real-time view of global and local compliance, with the ability to focus on any payroll filing status and its schedule. It also allows clients to identify payroll compliance issues needing attention
 - Compliance calendar: provides visibility of when taxes are due across the globe
 - Legislation monitoring: provides clients with a news feed of country legislative changes
 - Issue tracking: statutory filing issue tracking, and an auditable process for SOX compliance and internal risk management
- Analytics: a full suite of analytics tools that help organizations visualize and understand their payroll data. The analytics features include predictive, descriptive, and diagnostic data and allow organizations to benchmark their performance against peers (in regions where CloudPay’s services are available)

- Global Payroll Calendar: providing clients with role- and permission-based calendars, with a tailored view of their global payroll processes and tasks. This gives them visibility of all payroll-critical information including local, regional and global processes, review and approvals. It is a dynamic calendar that provides one global view and overlays business changes, including new acquisitions or divestitures. The calendar allows clients to merge any number of payrolls and enables a user-specific view. The application will highlight critical steps in the process, who is responsible, and when the step must be completed. It will also provide clients with interactive features including alerts and reminders for deadlines or scheduled activities. It allows clients to balance their employees' workloads and activities, and understand the critical steps involved in payroll across the globe
- (New, Q1 2019) CloudPay Identity: during 2019, CloudPay is rolling out a new identity and access feature called CloudPay Identity, providing its ICPs and clients a single account access to all CloudPay applications, which aims to: speed onboarding and provisioning, improve security through 2-factor authentication, and enable SSON (single sign-on) through client existing authentication platforms
- In 2018, CloudPay introduced a new collaborative task tracking tool for ICPs and clients, which enables users of the platform to track individual and shared activities occurring in alignment with the payroll calendar of events.
- (New, Q1 2019) CloudPay is launching a new benchmarking capability, which will leverage the collective data of its entire client base to provide clients with KPIs for benchmarking elements of payroll efficiency against peer organizations

CloudPay prices its services on a price per employee per month (PEPM), plus per country fee; it adheres to the basic pricing mechanisms within each country and bases its pricing on the specific requirements of that country. Typical client contract lengths tend to be between three and five years.

CloudPay has developed standard integrations that have been pre-approved and certified by Workday and SuccessFactors, within the CloudPay Connect application; this enables the CloudPay platform to integrate with Workday and SuccessFactors globally. In 2018, CloudPay completed the upgrade from legacy Workday PICO payroll connectors to its latest PEI integration spec.

CloudPay also partners with (and has prebuilt interfaces to) leading HCM software (including legacy on-premise applications) such as Oracle, Kronos SaaS HR, Workforce Software, Thomsons (online benefits), and Netsuite.

It expects to expand its HCM partner integration in 2019, to include Ulti-Pro (Q1) and Bamboo (Q2), and is exploring the addition of other leading platforms (e.g., Oracle Cloud HCM, Cornerstone on Demand, Namely, coreHR, and Sage Business Cloud: People, etc.

CloudPay has ~220 FTEs dedicated to its managed payroll services business and delivers its payroll managed services offerings from its network of global service centers. It provides clients with access to 24/7/365 payroll services and can support ~26 languages globally.

CloudPay provides services to multi-national clients across ~2.5k legal entities, processing payroll in ~95 countries. Its clients range in size from ~50 to ~40k employees. NelsonHall estimates that ~80% of CloudPay's client base falls within the middle market segment (500 to 15k employees).

Historically, CloudPay targeted to middle and large/enterprise multi-national clients, primarily employers with >300 employees and operating in more than five countries. However, it has recently scaled its offering down market, to target small market (<500 employees) emerging MNC buyers.



Scope of the Report

The report provides a comprehensive and objective analysis of CloudPay Next Generation Payroll services offering, capabilities, and market and financial strength, 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.

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Report Length

10 pages

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Next Generation Payroll Services Vendor Assessments also Available for:

Accountor

activpayroll

Adam HCM

ADP

Alight

Ascender

AscentHR

BDO

Ceridian

Excelity Global

Immedis

Infosys

Kronos

Neeyamo

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