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TRANSFORM THROUGH INSIGHT

# Vendor Profile

## Next Generation HCM Technology

# Paylocity

### Report Abstract

July 2023

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8 pages

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## Who is This Vendor Assessment For?

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This vendor profile of is a comprehensive assessment of Paylocity's HCM platform offerings and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of HCM Technology and identifying vendor suitability for HCM Technology RFPs
- Vendor marketing, sales, and business managers looking to develop strategies to target service opportunities and benchmark themselves against their peers
- Financial analysts and investors specializing in the HR Technology sector
- HR and Payroll decision makers.

## Key Findings & Highlights

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Paylocity, a cloud-based provider of HR and payroll software solutions, was founded in 1997 as Ameripay Payroll Ltd. It was renamed Paylocity in December 2005 and is headquartered in Schaumburg, Illinois. The organization held an IPO in 2014, raising ~\$120m, and has since become the fastest-growing publicly traded HR & payroll software provider.

Paylocity's mission is to provide an HCM platform built for the modern workforce, while providing best-in-class customer support. The business operates on a SaaS model that offers enterprise-focused solutions that automate and streamline HR functions. Some of the products & solutions offered by Paylocity are:

- Human Resources (Core HR)
- Workforce Management
- Payroll
- Talent
- Benefits Administration
- Employee Experience
- HR Reporting & Insights.

In 2022, Paylocity announced the acquisition of Cloudsnap, Inc., a flexible, low-code solution for integrating disparate business applications. And in 2023, the company announced AI Assist, the integration of generative AI into its platform. The organization's traditional customer targets are mid and small-market businesses, but Paylocity has increasingly been going upmarket, serving clients with more than 5K employees.

Paylocity has ~5.3k employees supporting ~33k clients. Its AI-powered, cloud-based HRMS suite works well for organizations of at least 100 employees, up to several thousand. All Paylocity clients are based in North America, although some have operations in other countries. However, Paylocity offers secure, cloud-based payroll processing in more than 100 countries and currencies on one aggregated platform to support them.

Paylocity targets customers with at least ten employees, ranging up to several thousand. Recently, the makeup of Paylocity’s customer base has begun to skew larger as the company closes more business among larger organizations.

## Scope of the Report

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The report provides a comprehensive and objective analysis of Paylocity’s Next Generation HCM Technology 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 delivery locations.

## Next Generation HCM Technology Assessments also available for:

ADP

Ascent HR

Cornerstone

Darwinbox

HiBob

Infor

isolved

Oracle Corporation

Paychex

Paycor

UKG

Workday

## About The Author

DeeAnna Warrington is a Principal Research Analyst at NelsonHall and an HR Technology & Services practice member. She has global responsibility for HCM technology, workforce management, and health & welfare administration.

DeeAnna is a highly experienced HR Specialist with 15 years of experience across various industries such as finance, wealth management, health insurance, healthcare, retail & sales, and real estate. She has significant experience in HR business operations and technology, acting as a consulting project manager to match organizations with HR software and service providers.

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