

Next Generation HCM Technology

ADP

Report Abstract

June 2023

By DeeAnna Warrington

Principal Analyst

NelsonHall

24-pages

Contents of Full Report

1. Introduction
2. Revenue Summary
3. Key Offerings
 - 3.1 HCM Technology
 - 3.2 HR Services
 - 3.3 Roadmap & Planned Features
4. Delivery Capabilities
5. Target Markets
6. Strategy
7. Strengths & Challenges
 - 7.1. Strengths
 - 7.2. Challenges
8. Outlook

Who is This Vendor Assessment For?

NelsonHall's Next Generation HCM Technology Vendor Assessment for ADP is a comprehensive assessment of ADP'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

NelsonHall's vendor assessment analyzes ADP's offerings and capabilities in HCM Technology services. ADP, founded in 1949 and headquartered in Roseland, New Jersey, is a provider of payroll and HR management software and services. ADP's business is organized into the following two business segments:

- Employer Services (~70% of revenues): provides HR Business Process Outsourcing (BPO) and technology-enabled HCM solutions; offerings include payroll services, benefits administration, talent management, HR management, time and attendance management, insurance services, retirement services, tax and compliance services, and people analytics and benchmarking to ~1m clients worldwide
- PEO Services (~30% of revenues): ADP TotalSource provides employment administration outsourcing services for small and mid-sized businesses, including payroll, benefits administration, and compliance services through a co-employment relationship. It services ~15.5k clients and ~700k employees in the U.S.

ADP offers several cloud-based HCM solutions, including:

- Roll Powered by ADP: AI and NLP-enabled, mobile-first HR, payroll, and time and attendance platform for organizations with 1–5 employees
- RUN Powered by ADP: for organizations with <50 employees
- ADP Workforce Now: for mid-market organizations with up to 5k employees in the U.S. and Canada, and offers integration with ADP Global Payroll
- ADP Next-Gen HCM: for U.S.-headquartered organizations with >3k employees and outside the U.S. via integration with ADP Global Payroll
- ADP iHCM: for EMEA- and APAC-based multinational organizations with <1k employees.

ADP has ~60k personnel within its Employer Services business, supporting ~1m payroll clients, processing payroll for ~39m client employees, and supporting 90 countries and 12 languages. ADP has a local payroll presence in 20 countries and directly services 54 countries. It has six core Centers of Excellence (COEs) in

the U.S., Czech, India, Philippines, Spain, and China, with delivery centers throughout North America, LATAM, APAC, and EMEA.

ADP's solutions are not industry-specific; therefore, it targets and services organizations from various industry verticals. Its technology can handle common, industry-specific nuances and challenges, supplemented through the ADP Marketplace with integrated third-party solutions or services. The top four industries represented within its client base include professional services, manufacturing, healthcare, and retail.

Scope of the Report

The report provides a comprehensive and objective analysis of ADP'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:

Ascent HR
Cornerstone
Darwinbox
HiBob
Infor
isolved
Oracle Corporation
Paychex
Paycor
Paylocity
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.

DeeAnna can be contacted at:

- Email: deeanna.warrington@nelson-hall.com
- Twitter: [@DeeAnnaW_NH](https://twitter.com/DeeAnnaW_NH)



About NelsonHall

NelsonHall is the leading global analyst firm dedicated to helping organizations understand the ‘art of the possible’ in digital operations transformation. With analysts in the U.S., U.K., and Continental Europe, NelsonHall provides buy-side organizations with detailed, critical information on markets and vendors (including NEAT assessments) that helps them make fast and highly informed sourcing decisions. And for vendors, NelsonHall provides deep knowledge of market dynamics and user requirements to help them hone their go-to-market strategies. NelsonHall’s research is based on rigorous, primary research, and is widely respected for the quality, depth and insight of its analysis.

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

Boston

Riverside Center, 275 Grove Street,
Suite 2-400, Newton
Massachusetts 02466
Phone: +1 857 207 3887

London

Unit 6, Millars Brook,
Molly Millars Lane,
Wokingham, RG41 2AD
Phone: + 44(0) 203 514 7522

Paris

4 place Louis Armand,
Tour de l'Horloge,
75012 Paris
Phone: + 33 1 86266

Copyright © 2023 by NelsonHall. All rights reserved. No part of the publication may be reproduced or distributed in any form, or by any means, or stored in a database or retrieval system, without the prior written permission of the publisher. The information provided in this report shall be used only by the employees of and within the current corporate structure of NelsonHall’s clients, and will not be disclosed to any other organization or person including parent, subsidiary, or affiliated organization without prior written consent of NelsonHall. NelsonHall exercises its best efforts in preparation of the information provided in this report and believes the information contained herein to be accurate. However, NelsonHall shall have no liability for any loss or expense that may result from incompleteness or inaccuracy of the information provided.