



# Market Analysis

## Payroll Services: Transformation and Digitalization

### Report Abstract

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78 pages

### Contents of Full Report

1. Changing Market Dynamics
  2. Customer Requirements
  3. Market Size & Growth
  4. Vendor Market Shares
  5. Vendor Offerings & Targeting
  6. Vendor Delivery
  7. Vendor Capability Summaries
  8. Vendor Challenges & Success Factors
- Appendix I – Glossary & Definitions

## Who is this Market Analysis for?

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NelsonHall's report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within the payroll services and payroll technology market
- Vendor marketing, sales, and business managers developing strategies to target opportunities in the payroll services marketplace
- Financial analysts and investors specializing in the HR technology and services sector, including managed payroll services.

## Key Findings & Highlights

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NelsonHall's market analysis of the Payroll Services: Transformation and Digitalization market consists of 78 pages. The report focuses on multi-year payroll services contracts.

With inflation and cost of living challenges gripping the world, the effectiveness and accuracy of payroll processes are again in the spotlight and no organization can afford payroll errors. Business leaders are even more laser focused on the visibility of payroll costs. NelsonHall estimates the global standalone payroll services market to be worth ~\$23.1bn in 2022, with growth driven by the need to support business change, consolidate and upgrade technology and/or vendors, and digitalize processes while providing a rich employee experience. The growth of multi-country service adoption is currently outpacing single-country adoption ~4x and is being driven by the demand to support a common operating model and greater control of payroll processes globally.

Payroll is increasingly required to support mobility processes through onboarding new employees in far-flung locations. Vendors' global payroll delivery expansions are being enabled through the addition of onshore locations. The global marketplace for payroll service providers is a complex web with many subcontractor and partnership arrangements that enable providers to extend service offerings to additional countries. EoR vendors are investing heavily in the creation of payroll engines on one platform from which they now offer global payroll services for an even longer list of countries. The global payroll market has traditionally been heavily dominated by vendors that offer managed services, and SaaS-type global payroll offerings are emerging where buyers are not required to change local payroll vendors to support a global service delivery model.

Integration with HCM technology is essential in delivering a touchless and accurate service. Global payroll vendors are often filling white spaces to meet payroll data entry and HR needs and supporting this through mobile data entry. Mobile advancements that offer greater access to information are being made, including self-explaining payslips. Vendors are also making investments in pay card and earned wage access offerings.

## Scope of the Report

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The report analyzes the worldwide market for payroll services and addresses the following questions:

- What is the market size and projected growth for the payroll services market by geography?
- What are the top drivers for adoption of payroll services?
- What are the benefits currently achieved by users of payroll services?
- What factors are inhibiting user adoption of payroll services?
- What pricing mechanisms are typically used within payroll service contracts and how is this changing?
- Which are the leading payroll services vendors globally and by geography?
- What combination of services is typically provided within managed payroll services contracts and what new services are being added?
- What is the current pattern of delivery location used for payroll services and how is this changing?
- What are the challenges and success factors within payroll services?

## Payroll Services Vendor Assessments available for:

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activpayroll

ADP

Alight Solutions

Ascent Online

BDO

CloudPay

Conduent

EY

Immedis

Infosys

isolved

Mercans

Neeyamo

OSV

Papaya Global

Paychex

PayGroup

Payslip

Payzaar

Ramco

Safeguard Global

SD Worx

TMF Group

UKG.

## About The Author

Liz Rennie is the HR Technology and Services Research Director with global responsibility for key HR research projects, including Payroll Services and Cloud HR Transformation, as part of NelsonHall's wider HR Technology & Services practice.

In this key role, Liz assists both buy-side and vendor organizations in evaluating opportunities and capability to support HR and benefits transformation through deploying cloud-based services and redesigning HR service delivery to leverage the latest technologies offered by mobile, AI, blockchain, and robotics.

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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](mailto:guy.saunders@nelson-hall.com)

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