

Next Generation Payroll Services: Client Perspective Report

Abstract

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Who Is This Report For?

NelsonHall's "Next Generation Payroll Services Client Perspectives" report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within Payroll Services
- HR and payroll decision makers exploring the benefits and inhibitors of Payroll Services as evidenced from the clients and vendor capability
- Vendor marketing, sales and business managers developing strategies to target BPS service opportunities within Payroll Services
- Financial analysts and investors specializing in the IT services and BPS sector, including Payroll Services.

Background & Scope of the Report

As part of NelsonHall's Next Generation Payroll Services market analysis, in addition to interviewing more than two dozen of the leading payroll services vendors globally, our research extended to a survey of their clients. Through this survey we met with clients from across these vendors, representing a range of geographies, industries, size, scope of services, and various levels of maturity in their sourcing of payroll.

Each interview was conducted to cover several focus areas, to gain a comprehensive understanding from the client perspective including their experience as subscriber of payroll services in the current market place. This was specifically designed to understand, not only the perception for the vendor performance in meeting client needs currently, but also their ability to meet the clients' needs in the future. The survey focused on the following key areas:

1. Payroll services usage
2. Benefits realized from payroll services adoption
3. Vendor approach to benefit delivery
4. Client overall satisfaction with vendor performance
5. Client future expectations and vendor ability to meet these future requirements.

For each of these focus areas, we asked clients to rate various attributes including services used, services satisfaction, benefits sought, benefits importance, vendor approach, and overall performance satisfaction.



Key Findings & Highlights

Service usage

- Overall payroll services usage was dominated by core payroll administration activities
- ~48% of clients leverage a multi-country solution; ~52% leverage a single country solution.

Benefits Achieved

- Clients placed the highest emphasis on benefits derived from the core elements of payroll processing overall
- The largest gaps between importance and effectiveness in benefit deliver were seen in compliance execution and overall UX/UI.

Satisfaction and vendor ability to meet future needs

- Overall client satisfaction with their vendor was positive at 4.3; additionally, their likeliness to recommend their vendor was also positive at 4.4. This was led by strong scores in the areas of partnership, flexibility, and the vendors service capability
- Top capability sought from an 'ideal' vendor was dominated by technology; clients sought vendors that could provide 'next generation' platform solutions that support their entire global workforce, and deliver an enhanced UX/UI.

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Report Length

36 pages, consisting of 8 chapters

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