



Market Analysis

HR & Talent Transformation

Global EOR

Report Abstract

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By Jeanine Crane-Thompson

Principal Research Analyst

NelsonHall

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Who is This Market Analysis For?

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

- Sourcing managers investigating sourcing developments within the Global EOR services market
- Vendor marketing, sales, and business managers developing strategies to target Global EOR services
- Financial analysts and investors specializing in the Global EOR services sector.

Key Findings & Highlights

Economic instability will likely prevail through 2025. Geopolitical and regional conflicts, inflationary and recessionary concerns, and the competitive labor market continue to be major influences, generating business uncertainty and requiring organizations and vendors to secure the required workers and specialized skills from countries where they may not have an established presence. These factors drive the demand for EOR services as organizations gain a broader understanding of the benefits of this model.

Geographical targeting is global amongst vendors, with most targeting firms headquartered in their home region. North American-headquartered firms remain the predominant target and adopter of Global EOR services, representing ~51.9% of the market in 2023. Regional targeting and growth within LATAM and APAC continued as organizations sought to secure competitively priced and skilled labor pools, including multi-lingual talent. North America and APAC continue providing solid pipelines for new client and worker growth as firms expand their targeting of critical countries, including the United States, Hong Kong, and the Philippines.

Multi-national firms of all sizes will remain the primary target for EOR services, with the largest concentration of adopters, ~85%, operating in the small to mid-market segment (<15k employees). SMB adoption is attributable to smaller start-up organizations within emerging sectors and a lack of in-house expertise dedicated to global expansion strategies, i.e., HR, legal, and accounting resources. As buyers' understanding of Global EOR services and their respective benefits increases, global EOR vendors are more frequently engaging and securing contracts with enterprise organizations.

Primary drivers for organizations to engage with a global EOR vendor include:

- Reducing or eliminating the costs, effort, and risks in navigating the complex process of establishing legal entities and operations in foreign countries
- Maintaining direct access to knowledgeable HR, legal, and payroll experts to support workforce cost modeling and international expansion strategies.

Buyers indicate that international HR and payroll reliability and compliance remain the most critical desired outcomes of global EOR outsourcing; HR and payroll compliance are rated highest for potential vendor impact.

Vendors focus on enabling long-term client and channel partnerships, driving ARR, expanding geographical and industry expertise, and broadening capabilities. Vendor service offerings and technologies continue to evolve, with open-source API-enabled technology platforms and tiered product and pricing models aligned

with client buying maturity and organizational requirements. Enhanced technology investment and third-party partnerships across the Global EOR services market will increase as providers shift focus and strategies to keep pace with broader HR technology advances. The impact of advanced technologies and GenAI are yielding third-party technology partnerships to speed the time-to-market of tech stack and staff capabilities across functions, including GenAI, fintech, learning, workflow management, and time/expense management.

Vendor organizations are evolving to include dedicated client success organizations, reflecting growing global EOR market maturity, strategic client engagement, and recent C-suite appointments, leveraging data and client relationships to deliver adaptable and easily scalable solutions in alignment with current and anticipated future needs. As working environments continue shifting, EOR vendors must assess and modify policies and procedures, providing the appropriate level of enablement for workers, such as flexible work schedules, four-day work weeks, etc. Supporting a remote workforce requires a well-defined culture, allowing workers to remain connected and informed. Vendors are focusing on employee engagement, career development, and success planning for the future of work.

The rapid introduction and evolution of advanced technology, i.e., GenAI, is driving vendors to innovate and rapidly balance ethical risks against industry regulations associated with the responsible use and application of technology. While technology is a crucial differentiator between vendors, with AI/GenAI, predictive/prescriptive analytics, and extreme personalization as top technology roadmap investments, vendors agree there is a delicate balance between the application of technology and human interaction.

Scope of the Report

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

- What is the market size and projected growth for Global EOR services by geography?
- What is the industry sector's activity profile in the Global EOR services market?
- What are the top drivers for the adoption of Global EOR services?
- What are the benefits currently achieved by Global EOR users?
- What factors are inhibiting user adoption of Global EOR services?
- What pricing mechanisms do Global EOR providers apply within client engagements, and how are these models changing?
- Who are the leading Global EOR vendors globally and by geography?
- What is the typical combination of existing and new services in Global EOR contracts?
- What is the current delivery location pattern used for Global EOR services contracts, and how are these models changing?
- What are the challenges and success factors within the Global EOR services market?

Global EOR Vendor Assessments are Available for:

Atlas

CXC Global

Deel

FoxHire

G-P

Multiplier

Neeyamo

Papaya Global

Remofirst

Remote

Safeguard Global

Velocity Global.

About The Author

Jeanine is a Principal Research Analyst at NelsonHall and an HR Technology and services practice member. She has global responsibility for key HR areas, including employer of record (EOR) and learning platforms.

Jeanine is a highly experienced HR practitioner with 28 years of experience across industry sectors, including aerospace, automotive, energy, government, pharmaceuticals, telecommunications, learning, and business consultancy.

Jeanine has significant experience leading and managing business transformation/integration, competitive and industry benchmarking, HR and learning technology, strategic change leadership, managed service provider engagements, organizational and process redesign, and M&A initiatives.

Jeanine can be contacted at:

- Email: jeanine.cranethompson@nelson-hall.com
- Twitter: @JeanineCT_NH



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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., Continental Europe, and Asia, 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. For vendors, NelsonHall provides deep knowledge of market dynamics and user requirements to help them hone their go-to-market strategies. NelsonHall conducts 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

29 Rose Hill
Binfield
Bracknell, RG42 5LH
Phone: +44(0) 208 638 7282

Paris

115 rue de Reuilly,
75020 Paris
Phone: +33 (0)6 23 81 17 54

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