



## H&W Administration

# ADP

### Report Abstract

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15-pages

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## Who is This Vendor Assessment For?

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NelsonHall's Cloud HR Transformation Services profile on ADP is a comprehensive assessment of ADP offerings and capabilities, designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of H&W Administration and identifying vendor suitability for H&W Administration RFPs
- Vendor marketing, sales, and business managers looking to managers developing strategies to target service opportunities and benchmark themselves against their peers
- Financial analysts and investors specializing in the H&W Administration sector.

## Key Findings & Highlights

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This NelsonHall vendor assessment analyzes ADP's offerings and capabilities in H&W Administration services.

ADP, founded in 1949 and headquartered in Roseland, New Jersey, is a provider of HR management software and services.

ADP's business is organized into the following two business segments:

- Employer Services (70% of revenues): provides HR management/workforce management services, payroll services, time and attendance management, benefits administration, recruiting, and talent management including RPO, insurance services, retirement services, and payment and compliance solutions to ~850k clients worldwide. Within Employer Services, ADP business supports comprehensive HR outsourcing to two different models:
  - ADP Comprehensive Services (CS) division, targeted at 25 to 5k employees sized organizations, offer payroll, HR, and benefits outsourcing to the US and Canadian markets and is based on the ADP Workforce Now technology platform.
  - ADP Comprehensive Outsourcing Services (COS), targeted at U.S. organizations with over 3k employees, offers managed payroll services, HR, talent, time, and benefits administration services. Its services are based on the ADP Next-Gen, Vantage HCM, and ADP Enterprise HR technology platforms.

Of its comprehensive HR outsourcing clients listed above, ~50% of these adopt benefits administration services.

- PEO Services (30% of revenues)

Benefits administration services (including H&W) are managed within the ADP's Employer Services business. ADP has ~85k benefits administration clients and serves ~5.7m participants. NelsonHall estimates its client and participant distribution as follows, with the size of client base:

- DC administration, ~84k clients and ~2m participants
- Health and Welfare (H&W) administration, ~1.5k clients, and ~3.7m participants.

## Scope of the Report

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The report provides a comprehensive and objective analysis of ADP's H&W Administration 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 the location of delivery locations.

## H&W Administration Assessments also available for:

Alight Solutions

Benefex

Benefitexpress

bswift

Conduent

Darwin

Fidelity

Mercer

Morneau Shepell

## About The Author

Liz Rennie is a Principal Research Analyst with global responsibility for key HR research projects including Cloud-Based HR Transformation, Cloud-Based Benefits Services, and The Future of HR, 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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## 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](mailto:guy.saunders@nelson-hall.com)

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