



**NelsonHall**  
TRANSFORM THROUGH INSIGHT

# Vendor Profile

## Payroll Services

# 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 Payroll Services profile on ADP is a comprehensive assessment of its offerings and capabilities, designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of managed payroll services and identifying vendor suitability for security services RFPs
- Vendor marketing, sales, and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the HR and payroll technology and services sector.

## Key Findings & Highlights

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ADP, founded in 1949 and headquartered in Roseland, New Jersey, is a provider of HCM 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, and tax and compliance services to over 850k clients worldwide
- PEO Services (~30% of revenues): under ADP, TotalSource provides employment administration outsourcing services for organizations with 1 to 999 employees, including payroll, benefits administration, and compliance services through a co-employment relationship; servicing over 12.5k clients and over 571k worksite employees in the U.S.

Within Employer Services, ADP's offerings include software and services for:

- Payroll services
- Tax and compliance
- HR administration
- Workforce management (WFM)
- Benefits administration
- Recruitment process outsourcing (RPO)
- Talent management
- Insurance services
- Retirement services
- Payment and compliance solutions
- Pre-employment

In 1998, ADP launched its first SaaS-based payroll solution, EasyPayNet, and currently has several cloud-based HCM solutions available, including:

- ADP TotalSource: for existing PEO clients
- 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
- ADPNext-Gen HCM: for U.S. headquartered organizations with >3k employees and outside the U.S. via integration with ADP Global Payroll
- ADP Global Payroll: for multinational organizations of all sizes; available in ~140 countries.

ADP's has offered payroll services since its inception in 1949, and as of June 30th, 2020, pays ~36m employees (~22m in the U.S. and ~14m internationally) across ~840k payroll clients (~\$2.2 trillion annually moved on behalf of its clients and client employees) paying one in six U.S. workers. ADP provides payroll services to clients with one employee up to >150k employees.

ADP targets and supports organizations of all market sizes, offering services and solutions to meet each market segment's specific needs. ADP's client base is derived primarily from North American headquartered firms (~97% of its clients).

## Scope of the Report

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The report provides a comprehensive and objective analysis of ADP payroll services offering, 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.

## Payroll Services Vendor Assessments also Available for:

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activpayroll  
ADAM HCM  
ADP  
Alight/NGA HR  
Ascender  
AscentHR  
Ceridian  
CloudPay  
Conduent  
Immedis  
Infosys  
Neeyamo  
OneSource Virtual  
Papaya Global  
PayAsia  
Paychex  
Payzaar  
Ramco  
Safeguard Global  
SD Worx  
TMF Group  
UKG  
Zalaris

## About The Author

Pete is HR Technology & Services Research Director at NelsonHall, with shared responsibility for HR Services research globally with Nikki Edwards and Liz Rennie. Pete covers HR Services research in payroll services, global employer of record services, and HCM technology.

Pete has been part of NelsonHall's HR Services analyst team since 2016, providing comprehensive and insightful coverage of HR services markets in the world. In particular, he is known for his extensive knowledge and coverage of the global payroll outsourcing market. Pete assists both buy-side and vendor organizations in assessing opportunities and supplier capability across HR service lines.

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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., 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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