



Paycor Next Generation HCM Technology

Vendor Assessment
Report Abstract

June 2019

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9 pages

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Who Is This Vendor Assessment For?

NelsonHall's HCM Technology Vendor Assessment for Paycor is a comprehensive assessment of Paycor's HCM platform offering and capabilities designed for:

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

Key Findings & Highlights

Headquartered in Cincinnati, Ohio, Paycor is a privately held provider of cloud-based HR technology and managed services for small and midsize businesses.

Paycor was founded in 1990 as a payroll services company, initially delivering its services on licensed 3rd party software. In 1999 Paycor shifted away from this model and launched its proprietary Paycor platform, which is the foundation to its current cloud-based HCM offering it leverages today.

Since its inception, Paycor has primarily built its cloud-based HCM platform organically, vs. acquiring its modules and solutions. However, in December 2015 it acquired San Francisco based applicant tracking system (ATS) provider, Newton Software, boosting its recruiting and onboarding capabilities. In May 2019, Paycor announced it had acquired Ximble, a provider of cloud-based time and advanced scheduling technology.

Today, Paycor's HCM platform supports ~24k clients and ~1.7m client employees.

Paycor offers its HCM platform solution which clients can leverage as standalone or as service enabling technology to its broader managed services offering. Paycor HCM is a cloud-based platform. Therefore, all clients operate the same version.

The platform is offered as a modular solution, meaning its modules can be leveraged in part or as a holistic HCM platform offering. Its most commonly adopted modules include payroll, time and attendance, and core HR.

At a high level, Paycor HCM's modules include:

- Core HR
- Benefits
- Payroll
- Time and attendance
- Absence management

- Recruiting and onboarding
- Performance management
- Learning management
- Analytic reporting.

Paycor's HCM platform functionally is mobile enabled through the Paycor app available on both iOS and Android platforms and includes mobile functionality for most employee and manager functions. Paycor is continually enhancing its app to push deeper ESS/MSS functionality to its users.

In addition to the HCM platform offering, Paycor has a long history and capability to deliver compliance services for payroll and benefits. While the HCM platform can be adopted as a standalone offering, all clients subscribing to its payroll module are provided compliance services (e.g., tax processing and filing) in conjunction with the platform subscription.

Paycor continually invests in expanding its HCM platform capability with additional features and functionality; however, it does not disclose its annual R&D spend. Updates to the platform are made available to all clients through a quarterly release schedule. Paycor proactively engages its clients and users for feedback in shaping the platform's future functionality, with clients directly impacting approximately three quarters of its new features through voting within its client community.

Paycor exclusively targets the small and middle market buyer based in the U.S., generally clients below ~1k employees, with its ideal client size ranging from 50 to ~750 employees. However, Paycor is aiming to take its solution upmarket to target larger middle market buyers above 1k; its largest client currently has ~11k employees.



Scope of the Report

The report provides a comprehensive and objective analysis of Paycor's Next Generation HCM Technology offering, capabilities, and market and financial strength, 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.

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Report Length

9 pages

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Ramco
Sage Group
SuccessFactors (SAP)
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