



# Zenefits U.S. SMB Payroll Services

**Vendor Assessment  
Report Abstract**

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**6 pages**

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## Who Is This Vendor Assessment For?

NelsonHall's Payroll Services Vendor Assessment for Zenefits is a comprehensive assessment of Kronos U.S. Small and Medium Business (SMB) payroll services offering and capabilities designed for:

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

## Key Findings & Highlights

Zenefits headquartered in San Francisco, CA, is a provider of cloud-based HCM technology and services for small and mid-sized businesses.

The company was initially launched in 2013 as a cloud-based 'marketplace' and brokerage services targeted toward startups and small businesses for obtaining insurance quotes for various employee benefits. In 2017 it pivoted away from its brokerage business, focusing entirely on expanding its HCM technology and services, including launching a managed payroll services offering.

Today Zenefits supports >11k small and mid-sized organizations through its cloud HCM platform, and managed services, including supporting payroll for ~3.5k clients and ~75k client employees.

Zenefits provides payroll services exclusively as an extended add-on solution to complement its cloud-based HCM platform. Its technology-enabled managed payroll service is only available as a platform solution and therefore is not offered on a standalone or SaaS only basis. Zenefits technology and payroll services are capable of supporting both regular and freelance ('gig') workers.

Zenefits enables its managed services through its proprietary HCM platform of the same name ('Zenefits'). The Zenefits platform is cloud-based, organically developed, and built on a single database, and code line. Its modules are entirely native and integrated across the suite. The platform is also fully mobile-enabled through responsive design and a supporting Zenefits mobile app, available on iOS and Android devices.

Zenefits exclusively targets U.S. based small and mid-sized businesses for its platform and services, typically those with <2k employees. Zenefits does not disclose its client breakdown. However, NelsonHall estimates its client base is derived primarily (~80%) from organizations with <20 employees or less. It can and does support larger clients, with its largest client >1k employees.



## Scope of the Report

The report provides a comprehensive and objective analysis of Zenefits U.S. SMB Payroll services 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 centers.

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## Report Length

6 pages

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## **U.S. SMB Payroll Services Vendor Assessments also available for:**

ADP

Kronos

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