



activpayroll Next Generation Payroll Services

Vendor Assessment
Report Abstract

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10 pages

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Who Is This Vendor Assessment For?

NelsonHall's Payroll Services Vendor Assessment for activpayroll is a comprehensive assessment of activpayroll's payroll services offerings 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

activpayroll, headquartered in Aberdeen, Scotland, was founded in 2001 to provide global payroll solutions to the oil and gas sector (an industry with highly complex payroll due to various industry-specific activities, e.g., moving assets, new countries onboarding, unions, and mobile employees.) In 2002, activpayroll began to expand its global payroll services, followed by global mobility services in 2003.

Today, activpayroll has eleven offices globally throughout Europe, the Middle East and Africa, APAC, and the U.S. as well as strategic partners in an additional 12 countries and provides payroll services in 146 countries serving ~1,000 clients.

activpayroll focuses solely on offering managed payroll solutions, including:

- Global payroll (fully managed payroll services)
- Global mobility
- Audit and compliance
- International payroll payments
- activTechnology.

It offers payroll services on its proprietary cloud-based payroll system, activ8, which is currently configured to support 146 countries, with pre-configured integrations to leading HCM and payroll platforms including certified connectors to Workday. activpayroll has been a Workday global payroll partner since 2008 and was the first company to be PECL certified in 2016.

activpayroll provides global payroll solutions, supported by its proprietary cloud platform activ8, which includes the following offerings:

- Global payroll (fully managed payroll services):
 - Interface management and data coordination
 - Payroll calculations: including pro-rata calculations, calculation of occupational schemes, management of benefit calculation, and reporting

- Integration to global financial system
- Gross to net calculation and processing
- Reporting and analytics to include standard payroll registers globally in English as well as BI reporting based on Tableau technology
- Statutory compliance, filings, and reporting
- Year-end activities
- Tier 2 support for customer issue resolution (no employee voice support): although activpayroll does not provide voice services for payroll inquiries, it does leverage its eHelp inquiry management tool 24/7 to allow for tier 2 issue resolution for its clients.
- Global mobility and core compliance services, including:
 - Assignee tax briefings
 - Individual tax return preparation
 - Social security A-1 or Certificate of Coverage (COC) applications
 - Hypothetical income tax/social security calculations and year end reconciliations
 - Short Term Business Visitor (STBV) reporting and management
 - Modified PAYE and NIC scheme implementation and ongoing administration
 - Net of Tax Credit Relief (NOTCR) implementation, administration and reporting.
- Advisory and planning solutions, including:
 - International assignment/tax equalization and related policy design and review;
 - New territory guidance, support and advice
 - Immigration advice and application support
 - Employment law guidance, support and advice
 - International benefits
 - Relocation guidance, support and advice
 - International pensions guidance, support and advice
 - Double tax treaty advice including exemption applications
 - Equity income planning, reporting, management and advice
 - Global assignee management solutions
 - Internationally mobile employee tracking
 - Compensation and mobilization structuring to maximize income tax efficiencies
 - Mobilization letter template design and review;
 - Preparation of comparative net pay calculations and employer cost projections

- Provision of Cost of Living Allowance (COLA) data
- Global Employment Company structure guidance, support and advice
- Split and shadow payroll guidance, support, advice and administration.
- Audit and Compliance Solutions, including:
 - P11D preparation
 - PAYE Settlement agreement administration and guidance
 - Payrolling of benefits guidance, support and advice
 - Expenses audit, review and administration
 - Benefits audits, review and administration
 - Design and review of expenses and/or benefits policies, procedures and handbooks; undertaking global payroll, benefits and expenses audits.
- International payroll payments:
 - Multi and local currency wage and statutory payments
 - Split currency payments for individuals
 - Single currency funding
 - Bank reconciliations and audit.
- activTechnology: includes activ8 proprietary cloud payroll platform and corresponding modules and tools (see details of features below). activTechnology integrates with all external customer applications such as Workday, Success Factors, PeopleSoft, Ulti-Pro, Oracle, etc.

Approximately 90% of its clients subscribe to its managed payroll services; its current client base is distributed across its services as follows:

- Multi-country payroll: 69%
- Domestic payroll: 22%
- Global mobility only: 9%.

Contracts average three years and pricing for its services is as follows:

- Payroll processing: per pay-slip plus year end fee
- Implementation fee to include full project management solutions
- Compliance services: fix rate per transaction
- Advisory: time and materials.

To deliver its services, activpayroll exclusively leverages its own proprietary cloud-based payroll platform, activ8; the platform is not available as standalone and therefore must be coupled with services. All of the modules (see below) are fully integrated and provide a single system for global payroll management in 146 countries. Each activ8 module can be switched on at a country/legal entity level, enabling gaps in a client's technology landscape to be bridged. The application is available through Single Sign-On.

activ8 is capable of being configured with prebuilt connectors to the following leading global HCM and payroll platforms: Workday, SAP SuccessFactors, Oracle, UltiPro, Sage People, Concur, Microsoft Dynamics, PeopleSoft, Kronos, Time Target, etc. In 2018, activpayroll expanded its HCM connectors to include Ultimate Software's UltiPro HCM platform.

activpayroll's approach is to deliver payroll services from onshore/in-country locations, where possible, with limited nearshore and minimal offshoring.

activpayroll leverages its own infrastructure of people, processes, and technology in the delivery of its payroll services and solution. It currently has ~180 full-time employees, made up of highly skilled payroll SME's, in that the majority are career payroll professionals and include former Big 4 accounting firm alumni.

activpayroll can support payroll in 146 countries entirely through its platform and local offices and the remainder through long-term partnerships. activpayroll works closely with its partner network and does not engage its partners as sub-contractors, but rather as extended team members, e.g., partners attend client meetings and provide training to the various activpayroll offices and delivery personnel.

However, with the activ8 platform now covering 146 countries, activpayroll is gradually reducing its dependence on partners and generally leverages partner solutions where implementing its own platform technology may be cost prohibitive (very small populations in long tail countries).

activpayroll focuses on providing multi-country payroll services and global mobility services to small and mid-market clients (primarily those with up to 15k employees). However, its software and services are scalable up-market and can accommodate clients with more than 15k employees. Its smallest client has 20 employees, while its largest client has ~40k.



Scope of the Report

The report provides a comprehensive and objective analysis of activpayroll's Next Generation 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 locations.

Contents

1.	Background	
2.	Revenue Summary	
3.	Key Offerings	
4.	Delivery Capability and Partnerships	
5.	Target Markets	
6.	Strategy	
7.	Strengths & Challenges	
	7.1 Strengths	
	7.2 Challenges	
8.	Outlook	

Report Length

10 pages

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Next Generation Payroll Services Vendor Assessments also Available for:

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ADP

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