

Payroll Solutions and Services

This study assesses providers' capabilities to deliver digital managed payroll services.



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Introduction

As the ISG Provider Lens Payroll Solutions and Services study enters its second year, the emphasis remains on digital capabilities, compliance support, data security and customized solutions. Staffing challenges persist in payroll departments, prompting companies to turn to managed services providers to streamline processes and assure compliance.

With the growing recognition of artificial intelligence's potential for addressing payroll challenges, ISG anticipates that companies of all sizes will deepen their AI understanding and integration in the coming years. While some have already adopted digital tools and advanced payroll platforms that significantly reduce manual effort, many still rely on stand-alone systems and spreadsheets, indicating that significant changes lie ahead.

As employees continue to work remotely for at least part of the working week, companies struggle with the complexities of cross-border legal implications. They are seeking help from external experts for guidance in maintaining payroll transparency and ensuring

compliance with relevant legislation. At the same time, companies are investing in payroll transformation to enhance organizational efficiency and operational effectiveness. Metrics are regaining prominence as companies strive for transparency in key service metrics and seek greater control over when and how payroll services are evaluated.

The ISG Provider Lens™ Payroll - Solutions and Services 2024 study focuses on payroll managed service providers offering modern digital solutions for operational transformation.

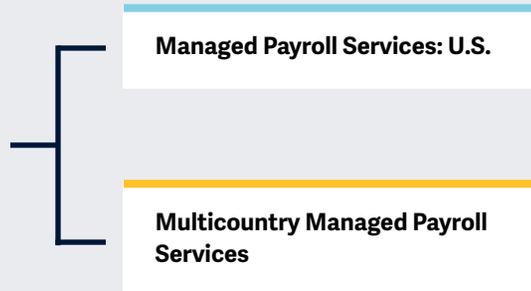


Employee ID	Status	Date	Contr Net Pay	Total Gross	Total Net Pay	Total Net Pay
6868324	Regular	17/06/2017	0.00000	81.23083	81.23083	81.23083
6868324	Regular	17/06/2017	0.00000	81.23083	81.23083	81.23083
6868324	Regular	14/06/2017	0.00000	81.23083	81.23083	81.23083
6868324	Regular	14/06/2017	0.00000	81.23083	81.23083	81.23083
6868324	Regular	14/06/2017	0.00000	81.23083	81.23083	81.23083
6868324	Regular	14/06/2017	0.00000	81.23083	81.23083	81.23083
6868324	Regular	14/06/2017	0.00000	81.23083	81.23083	81.23083
6868324	Regular	14/06/2017	0.00000	81.23083	81.23083	81.23083
6868324	Regular	14/06/2017	0.00000	81.23083	81.23083	81.23083
6868324	Regular	14/06/2017	0.00000	81.23083	81.23083	81.23083



This study focuses on **payroll solution** and **service** providers in the U.S. and those offering multicountry payroll solutions.

Simplified Illustration Source: ISG 2024



Definition

The ISG Provider Lens™ Payroll Solutions and Services – 2024 study offers the following to business and IT decision-makers:

- Transparency on the strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segments on their competitive strengths and portfolio attractiveness
- Focus on the U.S. and Multicountry payroll markets.

Our study serves as an important decision-making basis for positioning, key relationships, and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their current vendor relationships and potential engagements.



Managed Payroll Services: U.S.

Definition

This quadrant assesses service providers offering payroll solutions and services to companies in the U.S. It includes providers that process payrolls for companies operating in the U.S. as a part of either a purely U.S.-focused strategy or a broader North American or multicountry approach. Providers can either allow system access to input payroll changes and view outputs, or accept inputs and provide outputs using other means, such as spreadsheets or original files. Some typical services include the following:

- Receipt and processing of master data updates, compensation changes, payments and deductions (via integration where appropriate)
- Receipt and processing of time and attendance data (via integration where appropriate)
- Gross pay calculations
- Gross-to-net calculations
- Federal, state and local taxes and social security processing

- Federal and state compliance, including FLSA and FMLA compliance
- Payroll validation reports
- Pay slip provision
- Helpdesk and query handling for employees and/or HR staff
- Payment/bank file, payment card or check provision
- Statutory filings
- Management reports
- Payroll journal/general ledger file
- Year-end processing
- Employee portal or app provision
- Earned wage access
- Weekly, bi-weekly or monthly pay cycles

This study will segment providers based on the geographical scope of their offering regardless of typical client size.

Eligibility Criteria

1. Offers **compliant payroll calculations and statutory reporting** for weekly, bi-weekly and monthly U.S. payrolls
2. Offers **year-end processing** (for example, W-2 preparation)
3. Pays **multiple groups of working individuals** – white collar, blue collar, commission-earners and contractors
4. Provides a system or process for **making payroll changes**
5. Provides a **standard suite of outputs** (validation and management reports) and localized statutory reporting as required by state, federal and local authorities
6. Offers **digital tools** for payroll operatives and employees
7. Offers **reference cases** of providing payroll services for companies in differing industries with differing employee population sizes
8. Provides either a **payroll platform** or uses the **client's platform**
9. Serves clients of **any size**



Multicountry Managed Payroll Services

Definition

This quadrant assesses service providers offering and supporting fully managed payroll services in one or more regions. It covers providers offering consolidated payroll services, including a standardized input method and output suite, locally compliant payroll calculations and statutory reporting, in multiple countries. Multicountry payroll service providers may either use their systems, the services of a local provider or a blend of the two to process payrolls. Payroll inputs and outputs can be recorded directly on the provider's systems or via other means. Some typical services include the following:

- Receipt and processing of master data updates, compensation changes, payments and deductions (via integration where appropriate)
- Receipt and processing of time and attendance data (via integration where appropriate)
- Gross pay calculations
- Gross-to-net calculations
- Payroll validation reports

- Payslip provision
- Helpdesk and query handling for employees and/or HR staff
- Payment/bank file or payment report
- Statutory filings
- Payroll journal/general ledger file
- Year-end processing
- Employee portal or app provision
- Local country compliance

Multicountry providers offer payroll services across various countries and regions through in-house operations or strategic partnerships (often known as in-country providers). Countrywide and regional coverage may vary from provider to provider, but providers will support multiple countries in one or more regions. Services may be targeted at small, midsize or large companies.

Eligibility Criteria

1. Offers **compliant payroll calculations** for a **range of countries/regions; must offer services in more than four countries in at least one region**
2. Provides a **standard input** approach to the extent possible (often via integration) across all in-scope countries
3. Provides a **standard suite of outputs** (validation and management reports) and localized statutory reporting across all in-scope countries
4. Provides complete year-end **payroll services**
5. Offers **digital tools** for payroll processing
6. Offers **reference cases** of multicountry payroll provision
7. Provides a **payroll platform** or uses the **client's platform**
8. Serves clients of **any size**



Quadrants by Region

As a part of this ISG Provider Lens™ quadrant study, the following two quadrants on Payroll Solutions & Services – 2024 are being introduced:

Quadrant	U.S.	Global
Managed Payroll Services: U.S.	✓	
Multicountry Payroll Services		✓



The research phase falls between April and May 2024, during which survey, evaluation, analysis and validation will take place. The results will be presented to the media in September 2024.

Milestones	Beginning	End
Survey Launch	April 04, 2024	
Survey Phase	April 04, 2024	May 03, 2024
Sneak Previews	July 2024	August 2024
Press Release & Publication	September 2024	

Research Production Disclaimer:

ISG collects data for the purposes of writing research and creating provider/vendor profiles. The profiles and supporting data are used by ISG advisors to make recommendations and inform their clients of the experience and qualifications of any applicable provider/vendor for outsourcing the work identified by clients. This data is collected as part of the ISG FutureSource™ process and the Candidate Provider Qualification (CPQ) process. ISG may choose to only utilize this collected data pertaining to certain countries or regions for the education and purposes of its advisors and not produce ISG Provider Lens™ reports. These decisions will be made based on the level and completeness of the information received directly from providers/vendors and the availability of experienced analysts for those countries or regions. Submitted information may also be used for individual research projects or for briefing notes that will be written by the lead analysts.

Please refer to the [link](#) to view/download the ISG Provider Lens™ 2024 research agenda

Access to Online Portal

You can view/download the questionnaire from [here](#) using the credentials you have already created or refer to instructions provided in the invitation email to generate a new password. We look forward to your participation!



ISG Star of Excellence™ – Call for nominations

The Star of Excellence™ is an independent recognition of excellent service delivery based on the concept of “Voice of the Customer.”

The Star of Excellence™ is a program, designed by ISG, to collect client feedback about service providers’ success in demonstrating the highest standards of client service excellence and customer centricity.

The global survey is all about services that are associated with IPL studies. In consequence, all ISG Analysts will be continuously provided with information on the customer experience of all relevant service providers. This information comes on top of existing first-hand advisor feedback that IPL leverages in context of its practitioner-led consulting approach.

Providers are invited to [nominate](#) their clients to participate. Once the nomination has been submitted, ISG sends out a mail confirmation to both sides. It is self-evident that ISG anonymizes all customer data and does not share it with third parties.

It is our vision that the Star of Excellence™ will be recognized as the leading industry recognition for client service excellence and serve as the benchmark for measuring client sentiments.

To ensure your selected clients complete the feedback for your nominated engagement please use the Client nomination section on the Star of Excellence™ [website](#).

We have set up an email where you can direct any questions or provide comments. This email will be checked daily, please allow up to 24 hours for a reply.

Here is the email address:

ISG.star@isg-one.com



ISG Star of Excellence



Methodology & Team

The ISG Provider Lens 2024 – Payroll Solutions and Services research study analyzes the relevant software vendors/service providers in the global market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

Study Sponsor:

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The research and analysis presented in this report includes research from the ISG Provider Lens program, ongoing ISG Research programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that ISG believes to be current as of April 2024, for providers who actively participated as well as for providers who did not. ISG recognizes that many mergers and acquisitions have taken place since that time, but those changes are not reflected in this report.

All revenue references are in U.S. dollars (\$US) unless noted.



Contacts For This Study

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Laxmi Sahebrao
Kadve
Data Analyst



Tanvi
Nandvikar
**Senior Project
Manager**



ISG Provider Lens Advisors Involvement Program

ISG Provider Lens offers market assessments incorporating practitioner insights, reflecting regional focus and independent research. ISG ensures advisor involvement in each study to cover the appropriate market details aligned to the respective service lines/technology trends, service provider presence and enterprise context.

In each region, ISG has expert thought leaders and respected advisors who know the provider portfolios and offerings as well as enterprise requirements and market trends. On average, three advisors participate as part of each study's quality and consistency review team (QCRT). The QCRT ensures each study reflects ISG advisors' experience in the field, which complements the primary and secondary research the analysts conduct. ISG advisors participate in each study as part of the QCRT group and contribute at different levels depending on their availability and expertise.

The QCRT advisors:

- Help define and validate quadrants and questionnaires,
- Advise on service provider inclusion, participate in briefing calls,
- Give their perspectives on service provider ratings and review report drafts.

ISG Advisors to this study



Anoop
Chawla

**Director, Human Capital
Management**



Stacey
Cadigan

**Partner, Human Capital
Management**



Invited Companies

If your company is listed on this page or you feel your company should be listed, please contact ISG to ensure we have the correct contact person(s) to actively participate in this research.

* Rated in previous iteration

Accace	CloudPay*	Immedis*	Neeyamo*
Accenture	Conduent*	Infonika	Netchex*
activpayroll*	Dayforce*	Infosys*	OneSource Virtual*
ADP*	Deel/Pay Asia	Inova Payroll*	OPS
AfricaHRSolutions	Deloitte	Intercomp Global Services	OysterHR
Alight Solutions*	ECIT	Intuit	P&I
Amesto	Employ Africa	IPPEX Global Limited	Papaya Global*
Apex HCM*	Excelia	IRIS FMP	Paybix*
ASB	EY Payroll Services*	isolved*	Paycheck Plus
AscentHR*	felix1.de	Links international	Paychex*
Azets	Gusto*	Mauve Group	Paycom*
BDO*	Heartland Payroll Services	Mazars	Paycor*
BIPO	iAdmin	Mercans*	Paylocity*
Cegid	IBM*	MHR	Payroll2U
Centurion Payroll Services SRL	iiPay*	Namely*	PayrollServe



Invited Companies

Payslip
PaySpace
Payzaar
Peoplepayglobal
PeopleStrategy
Praxima
Primepay
Ramco Systems*
Rippling
Safeguard Global*
SBER Solutions
SD Worx*
Sopra HR
Square
TMF Group*

Topblock
Topsource worldwide
UKG
Visma | RAET
Wagepoint
Wipro*
WNS
Zalaris*
Zapeo
Zelda



iSG Provider Lens™

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens™ research, please visit this [webpage](#).

iSG Research™

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ISG offers research specifically about providers to state and local governments (including counties, cities) as well as higher education institutions. Visit: [Public Sector](#).

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iSG

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Founded in 2006, and based in Stamford, Conn., ISG employs 1,600 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data.

For more information, visit isg-one.com.





APRIL, 2024



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