

Payroll Managed Services

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



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As the ISG Provider Lens™ Payroll Managed Services study enters its third year, the focus remains on AI-powered automation and compliance support, while also emphasizing the role of payroll in enhancing EX.

Building on significant progress in recent years, AI-powered automation is becoming increasingly integral. Its adoption is expanding to improve compliance, reduce manual effort and enhance accuracy. With hybrid work models becoming the norm and regulations growing more complex, companies are seeking external payroll expertise to navigate cross-border legal intricacies. Payment services also help manage the risks of currency fluctuations, offering predictability in payroll for a globally distributed workforce.

Organizations are increasingly recognizing the criticality of EX in driving productivity and satisfaction. Customized self-service portals and AI-driven chatbots provide personalized support and real-time assistance, fostering engagement and satisfaction. We expect that the trend of hyperpersonalizing payroll services will continue to surge in 2025. AI platforms

can now tailor experiences to individual needs, preferences and roles, ensuring a human-centric approach to payroll.

In 2025, companies are poised to fully harness the innovations in payroll management. By integrating AI, embracing flexible work models, prioritizing EX and transitioning to cloud-based solutions, businesses can create more efficient, secure and adaptable payroll processes. As the landscape evolves, continuous investment in these areas will be crucial for maintaining competitive advantages and achieving operational excellence in payroll management.

Employee ID	Status	Date	Amount	Other
6868324	Processed	17/06/2017	15	0.00000
6868324	Processed	17/06/2017	110	0.00000
6868324	Processed	14/06/2017	13	0.00000
6868324	Processed	14/06/2017	98	0.00000
6868324	Processed	14/06/2017	12	0.00000
6868324	Processed	14/06/2017	105	0.00000
6868324	Processed	14/06/2017	88	0.00000
6868324	Processed	14/06/2017	10	0.00000
6868324	Processed	14/06/2017	41	0.00000
6868324	Processed	14/06/2017	111	0.00000



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

Managed Payroll Services: U.S.

Multicountry Managed Payroll Services

Simplified Illustration Source: ISG 2025

Scope of the report

The ISG Provider Lens™ Payroll Managed Services — 2025 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 that offer payroll services to companies in the U.S. It includes providers that handle payroll for companies operating in the U.S. as a part of either a solely U.S.-focused strategy or a broader North American or multicountry approach. Typical services include the following:

- Gross pay calculations, pay adjustments, time and attendance data
- Net pay calculations
- Federal, state and local tax withholding, reporting and social security processing
- Compliance with federal and state regulations, including FLSA, FMLA and COBRA
- Payroll validation reports, dashboards and additional options
- Provision of paystubs
- Payment services (bank file, payment card or check provision)
- Management reports

- Payroll journal/general ledger files
- Year-end processing
- Employee portal or app access
- Earned wage access
- Weekly, biweekly or monthly pay cycles
- Support services for employees and/or HR staff

Eligibility Criteria

1. Serve companies located in the U.S.
2. Offer **managed payroll services** through **proprietary software** or the **client's own platform**
3. Provide **compliant payroll calculations** for weekly, biweekly and monthly payrolls in the U.S.
4. Pay **multiple groups of employees**, including white-collar and blue-collar professionals, commission earners and contractors
5. Cover all federal, state and local **statutory reporting requirements**
6. Deliver a **suite of outputs** (validation and management reports, general ledger, etc.) via a self-service portal, reports or integration into client systems
7. Provide **year-end processing services**, such as W-2 preparation
8. Offer **digital tools** for payroll professionals and employees
9. Deliver payroll services for companies across various industries with diverse employee population sizes



Multicountry Managed Payroll Services

Definition

This quadrant assesses service providers that offer managed payroll services in one or more regions outside of the U.S. Providers may utilize their own platforms and in-house resources, local providers or a combination to process payrolls. Payroll inputs and outputs can be recorded directly in the provider's system or portal or through other means. Typical services include:

- Gross pay calculations, pay adjustments, time and attendance data
- Net pay calculations
- Relevant tax, social insurance and other statutory withholdings and filings
- Payroll validation reports, dashboards and additional options
- Management reports
- Payslip provision
- Salary payments or provision of bank files/payment reports
- Local country compliance

- Payroll journal/general ledger files
- Year-end processing
- Employee portal or app access
- Customer contact (employee or HR)

Coverage on a countrywide and regional basis may vary by provider, but all providers support multiple countries in one or more regions.

Eligibility Criteria

1. Serve companies with **entities located in multiple geographies**, whether headquartered in the U.S. or other regions
2. Offer managed **payroll services through proprietary software or the client's platform in more than four countries** within at **least one region**
3. Implement a **standardized input** approach across all in-scope countries, often through integration
4. Deliver a **standard suite of outputs**, including validation and management reports and localized statutory outputs for all in-scope countries
5. Provide complete year-end payroll services
6. Offer **digital tools** for payroll professionals and employees
7. Deliver payroll services for companies across various industries with diverse employee population sizes



Quadrants by Region

As part of this ISG Provider Lens™ quadrant study, we are introducing the following two quadrants on Payroll Managed Services — 2025:

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



The research phase falls in the period between April and May 2025, during which survey, evaluation, analysis and validation will take place. The results will be presented to the media in September 2025.

Milestones	Beginning	End
Survey Launch	April 7, 2025	
Survey Phase	April 7, 2025	April 30, 2025
Sneak Preview	July 2025	
Press Release & Publication	September 2025	

Please refer to the [ISG Provider Lens™ 2025 research agenda](#) to view and download the list of other studies conducted by ISG Provider Lens™

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!

Buyers Guide

ISG Software Research, formerly “Ventana Research,” offers market insights by evaluating technology providers and products through its Buyers Guides. The findings are drawn from the research-based analysis of product and customer experience categories, ranking and rating software providers and products to help facilitate informed decision-making and selection processes for technology.

In the course of IPL Payroll Managed Services study launch, we want to draw your attention to related research and insights, on software, that ISG Research published in 2024. For more information, refer to the [Buyers Guides research schedule](#). To view the Buyers Guides related to payroll software research, please refer to [Buyers Guides for Payroll Management](#).

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.



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:
star@cx.isg-one.com



ISG Star of Excellence



Methodology & Team

The ISG Provider Lens 2025 – Payroll Managed Services research study analyzes the relevant managed 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:

Namratha Dharshan

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Data Analyst:

Laxmi Sahebrao Kadve

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The research and analysis presented in this study will include data from the ISG Provider Lens™ program, ongoing ISG Research programs, interviews with ISG advisors, briefings with service providers and analysis of publicly available market information from multiple sources. ISG recognizes the time lapse and possible market developments between research and publishing, in terms of mergers and acquisitions, and acknowledges that those changes will not reflect in the reports for this study.

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



Contacts For This Study

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Rachel
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Lead Analyst



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Research Analyst



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



Stacey
Cadigan

**Partner, Human Capital
Management**



Anoop
Chawla

**Director, 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*	Infoniqa	Netchex*
Accenture	Conduent*	Infosys*	OneSource Virtual*
activpayroll*	Dayforce*	Inova Payroll	OPS
ADP*	Deel*	Intercomp Global Services	OysterHR
Acclime*	Deloitte	Intuit	P&I
AfricaHRSolutions	ECIT	IPPEX Global	Papaya Global*
Alight Solutions	Employ Africa*	IRIS FMP	Paybix*
Amesto	Excelia	isolved*	Paycheck Plus
Apex HCM	EY*	Links International	Paychex*
ASB	Eurofast	Mauve Group	Paycom*
AscentHR	Gusto	Mazars	Paylocity*
Azets	Heartland Payroll Services	Mercans*	Payroll2U
BDO*	i-Admin*	MHR	PayrollServe
BIPO	IBM*	Namely	Payslip
Cegid	iiPay	Neeiamo*	Payzaar



Invited Companies

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* Rated in previous iteration

Peoplepayglobal

PeopleStrategy

Praxima

Primepay

PwC*

Ramco Systems*

Remote

Rippling

Safeguard Global*

SBER Solutions

SD Worx*

Sopra HR

Square

Strada*

TMF Group*

TopBloc*

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™

ISG Research™ provides subscription research, advisory consulting and executive event services focused on market trends and disruptive technologies driving change in business computing. ISG Research™ delivers guidance that helps businesses accelerate growth and create more value.

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

For more information about ISG Research™ subscriptions, please email contact@isg-one.com, call +1.203.454.3900, or visit research.isg-one.com.

***ISG**

ISG (Nasdaq: III) is a global AI-centered technology research and advisory firm. A trusted partner to more than 900 clients, including 75 of the world's top 100 enterprises, ISG is a long-time leader in technology and business services sourcing that is now at the forefront of leveraging AI to help organizations achieve operational excellence and faster growth.

The firm, founded in 2006, is known for its proprietary market data, in-depth knowledge of provider ecosystems, and the expertise of its 1,600 professionals worldwide working together to help clients maximize the value of their technology investments.

For more information, visit isg-one.com.





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