



Multi-Country Payroll Outsourcing (MCPO) – Service Provider Landscape with PEAK Matrix™ Assessment 2017

Human Resources Outsourcing (HRO)
Market Report – June 2017 – Preview Deck

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Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

Subscription information

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* Banking, financial services, and insurance

Table of contents

Topic	Page no.
Background and methodology	4
Summary of key messages	7
Section I: MCPO PEAK Matrix 2017	9
• MCPO PEAK Matrix 2017	14
• Service provider assessment	15
• Everest Group’s remarks on service providers	17
– Aditro	18
– ADP	19
– Ascender	20
– Celergo	21
– CloudPay	22
– Elanor	23
– Excelity	24
– Neeyamo	25
– NGA Human Resources	26
– SD Worx	27
– SGWI	28
– TMF Group	29
– Zalaris	30
Section II: Market overview	31
• Market size	32
• MCPO service provider landscape	33
Appendix	37
• Glossary of terms	38
• HRO research calendar	40
• References	41

Everest Group's MCPO research is based on multiple sources of proprietary information

1

- Everest Group's proprietary database of over **800 MCPO deals**
- The database tracks the following elements of each MCPO deal:
 - Buyer details: Including industry, location, and headquarter region
 - Deal details: Including TCV, ACV, term, start date, buyer employees served, pay-slips processed, and the primary pricing structure
 - Scope: Process coverage and geographic coverage (in terms of number of countries covered within each region)
 - Technology ownership and maintenance
 - Global sourcing

2

- Everest Group's proprietary database of **operational capability of over 13 MCPO service providers**
- The database tracks the following capability elements for each service provider:
 - Major MCPO clients and recent wins
 - Overall MCPO revenue, total clients, pay-slips processed, and buyer employees served
 - Geographic coverage by employees and split of clients by industry, number of countries, and employee-size coverage
 - MCPO service suite, delivery locations, and level of offshoring
 - Technology offerings within MCPO
 - Overall country coverage and partnerships

3

- Ongoing interaction with buyers, both as part of syndicated research relationships as well as custom research engagements

Service providers covered in detail in the analyses¹

ADITRO



Ascender



EXCELITY



The analyses in this report are presented at two levels:

- Overall market analysis that highlights the overall market composition/dynamics
- The current market trends based on deal activities in the last three years

The sample size varies for different analyses based on the deal detail availability

1 Assessment for **Aditro, Ascender, Celergo, Elanor, and SD Worx** excludes service provider inputs on this particular study, and is based on Everest Group's estimates which leverage Everest Group's proprietary Transaction Intelligence (TI) database, ongoing coverage, the service provider's public disclosures, and interaction with buyers

Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any contract-specific information collected is presented back to the industry in an aggregated fashion

Overview and abbreviated summary of key messages

This report examines the dynamics of the global MCPO service provider landscape and its impact on the MCPO market. It gives an overview of the market and analyzes how the service providers differentiate themselves. Based on the comprehensive Everest Group PEAK Matrix, each of the 13 MCPO service providers are segmented into Leaders, Major Contenders, and Aspirants. Additionally, it delineates each of the 13 MCPO service providers' strengths and areas of improvement

Some of the findings in this report are:

MCPO PEAK Matrix 2017

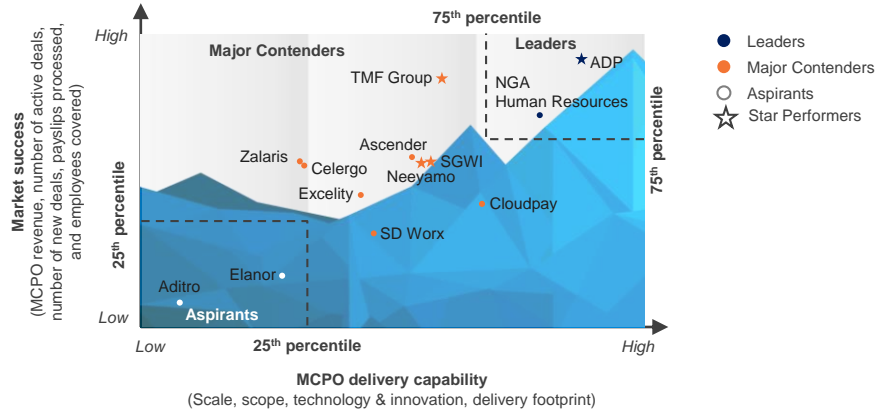
- Everest Group classifies 13 MCPO service providers on Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix into three categories of Leaders, Major Contenders, and Aspirants
- The 2017 MCPO PEAK Matrix positioning is as follows:
 - Leaders: ADP and NGA Human Resources
 - Major Contenders: Ascender, Celergo, CloudPay, Excelity, Neeyamo, SD Worx, SGWI, TMF Group, and Zalaris
 - Aspirants: Aditro and Elanor
- Based on the relative Year-on-Year (YOY) movement of service providers on the PEAK Matrix, Everest Group has identified four Star Performers this year, namely, ADP, Neeyamo, TMF Group, and SGWI

MCPO service provider commentary

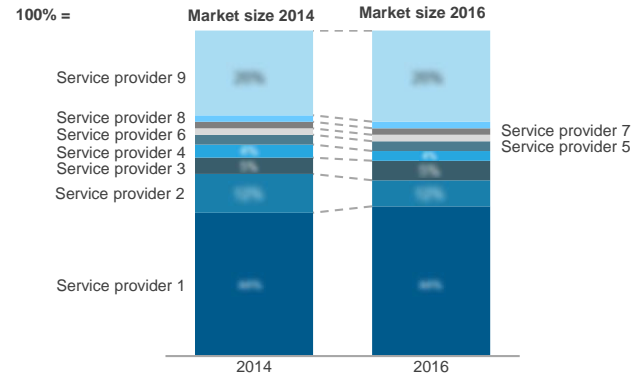
- Everest Group delineates each of the 13 service providers' strengths and areas of improvement
- The in-depth commentary is intended to help service providers, enterprise buyers and other stakeholders to understand the current situation and possible future direction of the provider landscape

This study offers three distinct chapters providing a deep dive into key aspects of the MCPO service provider landscape; below are four charts to illustrate the depth of the report

MCPO PEAK Matrix 2017



Multi-Country Payroll providers market share ACV (US\$ million)



Capability assessment

Measure of capability: ● Best-in-class ● Very high ● High ● Medium high ● Medium ● Medium low ● Low ● Not mature

Service provider	Delivery capability					Market success
	Scale	Scope	Technology & innovation	Delivery footprint	Overall	
Service provider 1	High	High	High	High	High	High
Service provider 2	High	High	High	High	High	High
Service provider 3	High	High	High	High	High	High
Service provider 4	High	High	High	High	High	High
Service provider 5	High	High	High	High	High	High
Service provider 6	High	High	High	High	High	High

Everest Group explains each service provider's strengths and areas of improvement

Delivery capability					Market success
Scale	Scope	Technology and innovation	Delivery footprint	Overall	
High	High	High	High	High	High

Strengths

- Service provider 1 is a Leader in MCPO PEAK matrix due to a steady growth of revenue on the back of seven new deals
- Service provider 1, is investing in expanding its delivery footprint and has also looked into increasing its geographic coverage by expanding its offerings to several new countries

Areas of improvement

- Service provider 1 market success in the fast-growing Asia Pacific space, is relatively low for a large global player, accentuating the need to adapt to this fast growing market
- Buyers highlight the highly contract driven nature of engagements as preventing a more flexible and agile implementation

Source: Everest Group (2017)

HRO research calendar

Published
 Current

Topic	Release date
Global HR Outsourcing Trends Handbook 2016	November 2016
Multi-Process Human Resources Outsourcing (MPHRO) – Service Provider Profile Compendium 2016	December 2016
The Impact of Technology on HR GICs – A Call to Action	January 2017
Technology in BPS – Service Provider Profile Compendium 2016	January 2017
Aon Goes Back to its Roots; the (Re-) Birth of an HR Outsourcing Specialist	March 2017
Payroll Outsourcing in Asia Pacific: Climbing Up the Maturity Ladder	March 2017
Long-Tail HR Operations: Key Challenges and How to Overcome Them	March 2017
Workday-Based HR BPS – Service Provider Landscape with PEAK Matrix™ Assessment 2017	June 2017
Workday-Based Human Resources Business Process Services (HR BPS) – Market Report 2017	June 2017
Multi-Country Payroll Outsourcing (MCPO) – Service Provider Landscape with PEAK Matrix™ Assessment 2017	June 2017
Multi-Country Payroll Outsourcing (MCPO) – Annual Report 2017	Q3 2017
Multi-Country Payroll Outsourcing (MCPO) – Service Provider Profile Compendium 2017	Q3 2017
Multi-Process Human Resources Outsourcing (MPHRO) – Service Provider Landscape with PEAK Matrix Assessment 2017	Q3 2017

Additional HRO research recommendations

The following documents are recommended for additional insight into the topic covered in this report. The recommended documents provide either additional details on the topic or complementary content that may be of interest:

1. **Workday-Based Human Resources Business Process Services (HR BPS) – Service Provider Landscape with PEAK Matrix™ Assessment 2017** ([EGR-2017-3-R-2209](#)); 2017. This report assesses the Workday-based HR BPS capabilities of different service providers and evaluates their positioning on the Everest Group PEAK Matrix. It provides insights on how 10 service providers are beefing up their capabilities and are differentiating themselves in the light of these shifts. These providers have been segmented into Leaders, Major Contenders, and Aspirants on the Everest Group PEAK Matrix. The report also includes remarks on service providers, highlighting their key strengths and development areas
2. **Multi-Process Human Resources Outsourcing (MPHRO) – Service Provider Landscape with PEAK Matrix™ Assessment 2016** ([EGR-2016-3-R-1831](#)); 2016. This report assesses the MPHRO capabilities of different service providers and evaluates their positioning on the Everest Group PEAK Matrix. It provides insights on how 20 MPHRO service providers are beefing up their capabilities and are differentiating themselves in this market. These providers have been segmented into Leaders, Major Contenders, and Aspirants on the Everest Group PEAK Matrix. The report also includes remarks on service providers, highlighting their key strengths and development areas
3. **Global HR Outsourcing Trends Handbook 2016** ([EGR-2016-3-R-1996](#)); 2016. This report provides a comprehensive overview on the state of the HRO market - both single- and multi-process. The report also identifies key business drivers trends, and the evolving needs of the buyers in the market.

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About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empowers clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

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