

Myth-busting payroll in the cloud



Uncovering the truth about moving payroll from an on-premise solution to the cloud with ADP

If your company is currently managing its payroll systems on-premise, it could be missing out on the benefits of a cloud-based solution due to inaccurate perceptions of what being in the cloud truly means. So let's take a look at what really happens when you move payroll to the cloud.

Myth 1: Cloud solutions cost more

Your company might be unsure about the true cost benefits of moving payroll to the cloud, but apart from an initial investment and some increased operating expenditures, almost all of the associated costs become the responsibility of your cloud service provider.

With payroll on-premise your company pays:

- all service and maintenance costs
- all security and compliance costs
- all system upgrade costs
- all Internal IT support
- unplanned IT costs

With payroll in the cloud your company pays:

- no service and maintenance costs
- no security and compliance costs
- no system upgrade costs
- reduced Internal IT support
- no unplanned IT costs

**15%
- 35%**

average savings made by companies that move payroll from an on-premise solution to an ADP cloud solution*

*source: 'ADP Payroll Unplugged'

Myth 2: Cloud solutions take away control

Your company may be concerned that moving in-house payroll to the cloud would mean giving up control of its payment processes but, in fact, what it really loses is many of the burdens of having to run and maintain highly complex and labor-intensive systems.

What you control in the cloud

- how and when your employees are paid
- how and when you update pay

What your cloud service provider controls

- all payroll hosting and compliance
- all backup, hosting and maintenance
- all software updates
- all admin and data processing

2x

higher error rate for on-premise payroll solutions compared to cloud-based solutions*

*Aptitude Index Report, Payroll Systems 2018 [source: 'ADP Payroll Unplugged']

Myth 3: Cloud solutions are less secure

The security of your company's confidential payroll data is mission-critical, which is why many companies fear that storing this information off-site in the cloud would make it less secure than keeping it on-site. In practice, though, the opposite tends to be true.

On-Premise

- needs internal IT resource to keep systems secure
- access is often challenging
- your company is responsible for data protection
- security software goes out-of-date quickly

Cloud

- large pool of specialist resource from the provider
- access to enterprise-grade systems and processes
- your provider is responsible for data protection
- easy to implement and update identity management

"Cloud service providers know that their reputation, as well as their clients, depend on ensuring that the very highest levels of encryption and security are in place."

Andy Hone, Business Consultant, ADP

Moving Cargill to the cloud

With business locations in 65 countries and 20 million pieces of data relating to 155,000 employees stored across a fragmented network of HR systems, Cargill was losing large amounts of HR time to data management, whilst inconsistencies and delays made global reporting difficult and unreliable, prompting the decision to move payroll into the cloud with ADP.

Cargill before the cloud

- considerable administrative burden
- need for IT system maintenance
- growing non-compliance risks
- no mobile optimization
- unable to adapt to growth

Cargill in the cloud

- increased cost savings
- reduced maintenance responsibilities
- improved business efficiency
- greater compliance with more transparency
- easier collaboration, data tracking and report creation

"The move to the cloud has brought us greater flexibility. The system can grow or shrink as our business requires, with less effort needed to upscale our cloud capacity."

Steve Drury, Pay Service Lead, Cargill

Why ADP is an ideal partner for moving payroll into the cloud

140+ COUNTRIES

30+ LANGUAGES SUPPORTED

10+ MILLION USERS

24/7 TECHNICAL SUPPORT

75% FASTER*

*As measured in client business case analysis

40+ MILLION EMPLOYEES PAID

98.5% CUSTOMER RETENTION RATE

Top 5 DOWNLOADED BUSINESS APPS

>1400 PAYROLL-LEGISLATIVE BULLETINS ANNUALLY

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