



OPTIMIZE WITH MANAGED SERVICES

A comprehensive buyers guide to choosing the right
solution for your organization





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What is Managed Services?

On a high level, **Managed Services involves partnering with a third-party vendor to provide your organization support in all or some areas of HR and payroll.** Support varies depending on the vendor, and it often includes things like general HCM technology support, but can also include support on HR processes, benefits administration, talent management, payroll processing, compliance guidance and more.



Many organizations find they do not have the bandwidth to spend valuable hours on time-consuming administrative HR and payroll tasks or keeping up with rapidly changing legislation impacting their organization and employees.

This takes time away from focusing on strategic initiatives or simply running their business. And for most organizations, HR, payroll and compliance are not a part of their core business or areas of expertise. For these reasons, many organizations find that partnering with a third-party vendor whose core business is HR and payroll lifts a huge burden off their shoulders. This allows them to focus on strategic and impactful initiatives while ensuring their employees and workers are taken care of.

Managed Services providers lean on HR and payroll professionals trained to handle the administration and processes involved in those areas. If your organization already has an HR department, Managed Services can offer targeted administrative support, expertise and guidance to your team. If you do not have an internal HR department, outsourcing your HR can become your go-to resource with a Managed Services provider acting as an extension of your internal teams. Managed Services can include a breadth of services across HR that you can choose from as you grow and expand.

Whether you want to stay more involved in your company's HR and payroll administration or prefer to be more hands-off, choosing the right Managed Services solution that provides the support you need is important. It is also a good idea to keep in mind that certain third-party vendors provide limited services. Organizations seeking to reduce the number of third-party vendors they interact with may benefit from partnering with a provider that offers a complete range of services through a single centralized platform.



Managed Services can sometimes be called "HR outsourcing." While HR outsourcing also involves partnering with a third party, often support is limited to HR tasks, meaning things like payroll, benefits administration and talent management may not be included. Managed Services typically offers more comprehensive support models that focus on business outcomes, going beyond just administrative tasks.



It's important to note that there is sometimes a misconception around Managed Services that it is the type of service that removes direction, control or oversight from the client.

While this is not the case with many Managed Services providers, it's still a good idea to check with the vendor you are considering to be sure you are comfortable with the amount of decision-making power the service provider will have when it comes to your organization. Overall, the level of control and involvement should always be determined by the client, not the provider.



Preparing for the unexpected

Managed Services can help your organization remain prepared for handling unexpected situations such as:

- ✓ A sudden increase or decrease in employee headcount
- ✓ Changes within your HR or payroll departments
- ✓ New federal, state or local legal regulations impacting your organization
- ✓ Disruptions impacting your organization, like economic or supply chain shifts
- ✓ Organizational changes, like mergers, acquisitions or divestitures

When HR and payroll teams must jump in and handle the unexpected, it is only natural that strategic functions and planning take a back seat. **Managed Services can help keep your organization focused on strategic growth, productivity and profitability and employee retention, even while handling the unexpected.** This means process improvement and workflow streamlining continue to be a priority even while your organization handles whatever curve balls are thrown its way.



What services are typically included?

Partnering with a Managed Services provider can give your organization the HR and payroll administrative support it needs. Some providers include the help of a designated team to handle HR, talent, benefits administration and payroll needs. Some providers have the flexibility for you to add additional services later. It's important to note that not all Managed Services providers offer people support beyond an account manager or flexibility to add services as you grow. So, considering whether your organization's growth plan fits into a more ridged contract is an important part of the evaluation process.

The range of services offered within the Managed Services model can vary widely depending on the provider, as does the available technology, troubleshooting, hands-on support and strategic partnership. Ensure you're fully aware of what's included when you are considering any service offerings.



It's also important to note that Managed Services support can vary from provider to provider.

While some providers' support is more transactional and requests are made via a 1-800 number, others offer deeper support where a team or partner is designated to your organization to provide guidance and be a part of the strategic planning process for your organization's unique needs and goals.

The following are common areas in which many Managed Services providers offer expertise



Pay and tax administration

A Managed Services provider can administer your payroll, and sometimes even offer tax and compliance support. They can help optimize your payroll processes with standard operating procedures and best practices, and lend support for payroll inquiries, saving time and money. Many providers also offer integration with HR and time and attendance solutions so that the hours punched and worked by non-exempt employees flow directly into the payroll system and calculate wages automatically based on state and local wage and overtime laws.



Human resources

In addition to technology support for daily HR administrative tasks, some providers offer tools and resources to help manage compliance, onboarding, learning and development, workplace safety, and development of employee policies and handbooks. This not only helps support your HR team, but it also helps support all your employees across the organization.



Compliance

Some providers have systems in place focused on compliance to help you keep up with ongoing changes to HR and pay regulations on federal, state and local levels. They can guide you on how to respond to these and help ensure you comply with the changes in tax law, healthcare, workplace safety, unemployment insurance, new hire reporting and more. They may even help you develop proactive compliance management strategies to protect your organization and mitigate risk.



Talent management

From strategic recruiting and hiring to employee training and performance management, some providers can also help manage talent. The right provider can help you successfully attract, engage and retain high quality talent. Some offer access to talent technology for you to run on your own, while others offer a more hands-on approach with talent professionals to offer insights and best practices. With these designated talent strategists by your side, you can rethink your entire employment brand from hire to retire to ensure you engage and hire the best people in your region and nurture them to grow alongside your business.



Benefits administration

Some providers offer the support of a benefits team that typically handles most of your organization's benefits administration, including open enrollment, COBRA administration, invoice reconciliation, reporting, and support for employee and manager benefits inquiries. Other providers make this service optional since not every organization offers employee benefits.



Help and advice from specialists

A few providers even offer support directly to your employees when they have questions or concerns about HR, pay or other requests. This is often delivered through a mobile app or a number employees can call to speak with a live representative. Employee support creates a richer employee experience while freeing up your HR team to work on more strategic initiatives. It is important to note that some Managed Services providers may outsource employee support rather than handle requests with an in-house call center, so be sure to ask about the model if employee support is high on your priority list.

Action plan options

You may be asking, "Well, what are my options when it comes to considering a Managed Services provider?" And "Does my organization really need this?" The truth is, not every organization needs a Managed Services provider, but identifying your organization's needs and priorities is the first step in determining the best solution for a future that's marked by growth.



1 Keep things the same (no action)

- Continued time burden of handling daily administrative tasks
 - Overloading existing employees with additional HR tasks outside their intended role
 - Risk of costly payroll, compliance or tax errors without expert support
 - Increased probability of employee turnover due to HR and payroll errors and unsupported HR administrators
-

2 Build your own internal HR and payroll teams

- Minimum \$70,000 overhead cost (salary, 401(k), benefits, taxes)
 - Additional cost in technology and resource set up
-

3 Buy the technology you need

- Variable purchase and set up costs
 - Not scalable
 - Limited technology support
 - Minimal resources for making HR strategic
 - Internal employee must dedicate time to learning and running the technology
-

4 Partner with a provider

- Advantageous access to people support, guidance and expertise
- Scalable as your organization grows and needs change
- Increased efficiencies with streamlined HR and payroll technology

Introducing ADP Comprehensive Services

A Managed Services offering that goes far beyond technology

ADP Comprehensive Services offers a more personal, high-touch experience with a team of committed professionals who deliver the expertise and guidance you can't get from technology alone. When you partner with us, we grow with your organization, allowing for fully integrated module add-ons to meet your organization's evolving needs and help you save time and money along the way.

Understanding the spectrum of services ADP Comprehensive Services offers



HR optimization rooted in human guidance and support for things like real-time benchmarking, compliance insights, business reviews and employee learning and development.



Payroll processing backed by tax and compliance expertise to help streamline processes, improve payroll accuracy and keep up with regulatory changes.



Benefits administration that includes ACA filing, vendor invoice reconciliation, dependent tracking, plan configurations and proactive open enrollment support.



Talent management from hire to retire that guides you through recruitment, onboarding, performance management and succession planning.



[Read the stories of organizations just like yours](#) that rely on ADP Comprehensive Services to help them get scalable HR and payroll solutions that adapt to their changing needs so they can grow with confidence.



The advantages of ADP Comprehensive Services



42 million

ADP real-time data cloud taps into analytics from 42 million anonymized workers to empower you and your teams.



Scalability

When your organization is growing, our solution has the capacity and scalability to grow with you.



Technology

Your organization is already doing great work. ADP Comprehensive Services utilizes integrated technology and tools to help streamline and optimize your processes.



Expertise

Your organization is moving forward in a changing world of work. Count on ADP's team of committed professionals to guide you through payroll, HR, benefits administration, talent and even legislative changes.



Data and insights

You need real-time data to make informed decisions. ADP Comprehensive Services' real-time data cloud taps into analytics from 42 million anonymized workers to empower you and your teams to make the best decisions for your organization.





Are you ready to learn more?

As you evaluate whether Managed Services is the right option for your organization, be sure to consider how you envision your organization growing and evolving over the coming years.

Learn more about **ADP Comprehensive Services** today.



Checklist: Identifying your organization's needs

Use this checklist to help you determine which ADP Comprehensive Services you may need to best support your organization.

Support from a team of committed professionals

Strategic partner (aligns to your business's goals and provides ongoing executive business reviews)

Payroll specialist

HR specialist

Benefits specialist

Talent consultant

Workplace safety consultant

Open enrollment specialist

ACA guidance and support

Technology specialists

Full-service implementation

Practitioner, manager and employee support

Employee support for HR, payroll, benefits and more (via phone, app or live chat)

Employee self-service, including mobile app

Service portal and practitioner support (phone and live chat)

Ability to create and track service tickets using case management tools and mobile app

Award-winning technology

User-friendly, intuitive technology

ADP Workforce Now® technology suite (HR, payroll, benefits, talent, compliance, etc.)

ADP Mobile App

ADP® DataCloud Analytics and Executive Manager Insights (via mobile app)

Reporting (standard and custom)

ADP Assist: Artificial intelligence, real HR insights

Online service portal for practitioner and employee support, including live chat

Payroll and tax

Payroll administration and processing

Tax administration support (including audit and reconciliation)

Payroll dashboard with real-time information

Tax filing and reporting

Federal and state regulatory changes guidance

Time-off requests and processing and employee scheduling

PTO and time-off accruals

Payroll compliance validator

Benefits and retirement payroll deductions

Review and audit of payroll preview before submission

Quarterly and year-end processing and reporting requirements

Time and attendance tracking, including best practice recommendations

Full-service garnishments

Pay options: direct deposit, pay card or check

Check signing and stuffing

Payroll delivery

Configurable setup to incorporate employee and company policies

Form W-2s

State Unemployment Insurance (SUI)

Online pay statements and total compensation statements

Business expansion tax registration services (when you operate or hire across different states)

Compliance guidance and tools

Compliance alerts
I-9 reporting
New hire reporting
OSHA safety compliance
Wage and hour guidance
Pay transparency by state
Workplace compliance support
(FLSA, FMLA, ADA, harassment, etc.)
Unemployment claims administration
Tax compliance (FICA, FUTA, SUTA)
Required labor law posters
Employee classification support
Drug-free workplace program
(policies and administration)

Benefits administration

Benefits administration and processing
Benefits plan setup, enrollment and communications
Carrier connections and eligibility reporting
Carrier invoice reconciliation
Notifications and approvals
Benefits administration technology
Online annual enrollment including life events and new hires
Open enrollment support
Dependent and beneficiary tracking
Open enrollment employee communications
ACA compliance dashboard, support and reporting
ACA filings, rejections or penalty letters
Work-life Employee Assistance Program (EAP)
Retail, restaurant, travel and entertainment discounts and perks for employees
Healthcare reform compliance consultation
COBRA event triggers
COBRA administration
Access to FAQ, articles and benefits information

HR

Employee system of record
Online document management
Communications: alert messages and monthly email newsletter
New hire onboarding, electronic Form I-9, employment verification
Federal, state and local workforce management regulatory knowledge base
HR best practices, forms library, job descriptions and employee handbook
HR, skills and license tracking
Onsite and virtual training
Safety program builder and safety recommendations
Online safety awareness training courses
Workplace safety evaluations and OSHA training
Employee state leave of absence administration
Compensation analysis self-service tool
Background checks
Merger and acquisition support and consultation
Company mission, vision and value consultation and alignment
Leadership development
Workforce optimization consultation
Employee reward and recognition program consultation
Employee engagement surveys

Talent management

ADP DataCloud enhanced insights and pay benchmarking
Recruitment dashboard (analytics, tracking, and sourcing efficiency)
Recruiting Embedded Intelligence (profile relevancy and compensation benchmarks)
Job description development
Integration with job boards
Performance dashboard
Succession planning to help nurture high-performing workers
ADP Essential Learning Plus (learning management system)
ADP Premium Learning Content (full access to 100,000+ courses)
Compensation management dashboard

10 questions you should ask if you are considering a Managed Services provider

1 How much does it cost?

Provider fees vary, but they typically charge based on the number of employees and which services you purchase, so you'll want to get quotes for comparable services. For payroll billing, for example, find out if the provider charges a monthly fee or charges per payroll processing.

2 Should I consider a provider if my organization already has an HR or payroll employee or department?

Yes, you should still consider it, since even if you have an HR or payroll employee or department, it still might be a great fit for your organization's needs. While every model is different depending on the provider, organizations with or without an HR or payroll person or department can benefit from the value delivered by the provider.

It is important to understand this is not a replacement service for an internal HR or payroll employee or department. The provider can offer deep administrative support and technology as well as guidance and best practices for improving your talent, payroll benefits and open enrollment processes.

3 What if I don't have an HR or payroll person or department?

If you don't have an internal HR or payroll team, the provider can serve as your go-to resource for HR, payroll, and benefits administration guidance and support. They'll work closely with you or a designated employee, providing guidance, support, technology and tools.

Depending on the provider and what they offer, they might even take on tasks on your behalf and build processes to streamline work.

4 Can I choose which services and features I want?

While some providers have an all-in-one technology suite for HR, payroll and benefits, others give you the flexibility to purchase services separately depending on your needs.

Beyond technology, some providers offer HR and compliance guidance and support like processing payroll, administering benefits or helping you recruit or manage talent. Ask what the service and support models look like beyond technology.

5 What level of support does the service team offer?

Ask if your provider's client support team includes people with the knowledge and expertise needed for benefits administration, payroll processing, HR, talent management, ACA reporting, and risk and safety, with a more strategic and hands-on approach, or if their support is limited to technology support and troubleshooting.

While some providers offer a team of professionals focused on specific areas, others may provide a single point of contact with more limited support.

6 Are you doing the work in-house or are they outsourcing to a third party?

Ask your provider if what you are outsourcing to them will be handled in-house or by another third-party provider. Some providers have the scalability and capacity to do it in-house, while others rely on additional third-party providers.

7 How will you help ensure we are optimizing and maximizing the technology and resources we purchase?

Some providers have limited support, leaving you to figure out the technology on your own. Other providers will offer a designated partner who will learn and understand your organization, business goals and challenges. Through ongoing communication and business reviews, they will help drive utilization and find ways the solution can deliver value over time as your organization grows and your goals and challenges evolve.

8 How will I communicate with my client support team?

Each provider has different levels of service and support as well as communication channels, from desktop and phone, to customized and even on-site support. Ask about how your teams and employees will be able to communicate, including channels.

9 Can you provide references?

When evaluating providers, it's a good idea to look at online reviews for candid feedback from current and former clients.

You can also ask for references from a provider. Make sure clients have been using the provider for at least a year and, if possible, contact references from the same industry you are in and companies of similar sizes. That way you'll get a better understanding of what the service experience will be like.

10 Do you offer solutions for business continuity to help navigate unprecedented disruption?

Providers who offer a more strategic partnership beyond just technology have processes and support in place to ensure business continuity when the unexpected happens. Ask the provider you are considering what they offer to help ensure things move smoothly even when there's disruption.





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