

Adp competitive analysis research paper

[Business](#), [Industries](#)



ADAPT ' s focus on the large business market allows the company to dominate the niche and enjoy its many competitive advantages, but this strategy does limit Tap's exposure to the higher growth rates and greater volatility of small and medium sized businesses. NSP = Inspiarts, Inc. Pays ? Paycheck, Inc. Industry = Business Software & Services As stated before, ADAPT is the largest firm in the payroll outsourcing market in terms of both revenue and net income.

In second is Paycheck (PAYS), a firm that specializes in small to medium-sized businesses, those with under 100 employees. While Paycheck (PAYS) closely rivals ADAPT based on the number of employees each one serves, ADAPT had approximately twice the amount of net income that PAYS does. This is because ADAPT serves many large companies, while only about 2% of Pay's clients have over 1 00 employees. The difference in the numbers of actual employees processed either shows that Paycheck operates more efficiently because ADAPT produced almost 5 times as many W-g's as PAYS, but had only 2 times Pay's net income or ADAPT is more affordable and makes more business sense to employers. Overall it seems that PAYS has a dedicated customer support representative, new integratedEnclosure interface and is getting closer to ADAPT based on the look/feel but the integration of multiple products is slowing it down. Inspiarts, Inc. , previously known as Administers, Inc. , is a professional employer organization with its headquarters in Houston, Texas.

Inspiarts provides human resources services to small and medium-sized businesses. In 2011, the company changed its name from Administers to

Inspirits to avoid the perception that it was in the temporary staffing business. According to the Inspirits website, its services are: Employee Benefits Payroll and HRS Administration Affordable Health Insurance Government Compliance Employee Training & Development Workers' Compensation Tap's primary competitive advantages are high barriers to entry because a large infrastructure is needed to process a large number of employees; economies of scale once the infrastructure is in place because of its ability to add incremental recurring revenue without material capital expenditures and which leverages fixed infrastructure costs over an ever increasing customer base; high customer switching costs due to the company's long-term entrants and the difficulty in switching human resources processes to another outsourced provider- average client retention is estimated to be longer than 10 years and revenue is highly recurring in nature; pricing power with customers due to the high switching costs; and a brand image that gives ADAPT an advantage as it competes for new customers and retains existing ones because clients must trust the entity that conducts its critical payroll and human resource functions.