



NUCLEUS
RESEARCH

The value of full-solution automation with Paycom

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The Bottom Line

Nucleus interviewed Paycom customers to examine the value of unifying HR operations within a single-database application. Primary benefits included avoided costs and increased productivity, stemming from greater data visibility, retired point solutions, and increased automation. One HR user reported a 50 percent total reduction in time spent on HR processes upon implementing Paycom. Another organization was able to reduce the time spent processing payroll by an estimated 80 percent and onboarding new hires by more than 60 percent. Nucleus found that compounded savings across these areas can drive productivity gains of up to 64 percent on average for organizations using the full extent of the platform. Customers have also begun taking advantage of IWant, Paycom's AI engine, which is expected to drive further productivity gains for HR, executives, managers, and employees as adoption ramps up. As the HCM technology market increasingly trends towards centralized, single-source experiences, Paycom's breadth of offerings and continued investment in automation from a single database bolsters its positioning relative to competitors with lighter-weight functionality built with integrations and acquisitions.

Overview

HR teams are often left at a disadvantage when using a variety of standalone and integrated solutions or combining manual processes with existing systems. These fragmented approaches lead to isolated data repositories that not only block a unified view of information but also add complexity and hinder automation. Instead, manual data entry and workarounds plague processes, leaving teams more invested in reactive problem-solving and administrative busywork than strategic planning. For smaller HR departments, these inefficiencies present a barrier to organizational growth.

On the other hand, when all of an organization's HR data resides in one database, hours spent toggling between applications and conducting manual data entry can be virtually eliminated through automation of repetitive tasks. This saves HR staff time and ensures greater accuracy of data and processes. Paycom, a full-suite HCM provider, has continued to build out native automated capabilities, enabling customers to take advantage of efficiency gains that are supported by the vendor's single-database platform. Nucleus interviewed Paycom customers using the full breadth of the platform to examine the benefits of full-solution automation through the vendor's single-database architecture.

Paycom

Paycom offers a comprehensive Human Capital Management (HCM) platform with tools that span areas such as payroll, time and labor management, talent acquisition, talent management, and HR management. All of the vendor's capabilities are available within a single database, making it easy to automate processes across the employee lifecycle. Paycom has also continued to add to its automation functionality, with releases including Beti, an employee-first automated payroll experience, and GONE, a tool that automates time-off request decision-making based on an organization's time-off policies.

Most recently, Paycom launched IWant, an AI engine that runs on the Paycom database and gives HR teams access to employee and dashboard data through a conversational interface. The vendor's single database approach ensures that results are up-to-date and accurate. Additionally, employees can manage their own data through IWant, reducing calls to HR for administrative changes. The app offers high levels of usability, lowering the learning curve for employees and

A fragmented HR technology environment leads to siloed data, which hinders full visibility and process automation.

Paycom's single-database approach unifies data across the employee lifecycle, enabling greater visibility and simplification of HR processes.

minimizing training requirements, even for executives who may not be familiar with the software.

Typical Benefits

Customers that deployed the entire Paycom platform within their organizations achieved benefits, including avoided costs and increased productivity across various HR processes.

Avoided Costs

Customers that consolidated their HR operations into one instance of Paycom were able to eliminate the annual costs associated with their previous HR technology environments, including software and integration fees. Additionally, leaders at these organizations noted that the consistent strength of capabilities across modules led to avoided costs of additional point solutions. In some cases, organizations were also able to avoid the costs of extraneous hires that would have been required to scale up HR operations with their previous technology setup. For example, one organization deployed Paycom to support its rapid growth and took advantage of automated workflows for new hire onboarding. Nucleus found that this led to the avoidance of three additional hires that would have been needed to support the increased scale with manual processes.

Increased Productivity

Paycom's enablement of automation across the entire solution can virtually eliminate time spent on manual processes across areas including payroll, time and attendance, time-off requests, applicant tracking, government compliance, benefits administration, document management, position management and new hire onboarding – many of which are interdependent with no data re-entry required. For one organization, the automation of processes across the employee lifecycle saved the HR lead 50 percent of their time spent on manual tasks, including workarounds previously required to navigate multiple systems. At another organization, the legal department is responsible for HR, and deploying Paycom enabled one lead to reallocate time previously reserved for administrative HR work to more pressing legal matters. Nucleus estimates that customers that take advantage of automation across Paycom can experience broad productivity gains of 50 to 64 percent on average, with typical benefits stemming from areas such as payroll processing and onboarding. For example, in payroll, administrators can achieve time savings through a significant reduction in manual data reconciliation and subsequent errors. Additionally, a

IWant has high levels of usability, reducing the learning curve for employees and even executives who may not be familiar with the software.

Automated capabilities across Paycom can drive broad productivity gains of up to 64%.

single-database approach provides more timely and accurate visibility into time and pay data, enabling administrators to proactively identify and address issues before payroll is submitted. As the adoption of the vendor's IWant AI engine gains traction at the interviewed organizations, users reported that it will further reduce HR time spent searching for employee information and augment self-service capabilities for employees. This is due to the fact that IWant pulls from data that employees enter themselves, such as Social Security numbers and direct deposit information, which can improve data accuracy while reducing the administrative burden on HR.

Customers noted that as IWant continues to be adopted, it will further reduce time spent searching for employee information and bolster employee self-service capabilities.

Customer Experience

Nucleus interviewed Paycom customers in various industries to examine their experience with the platform and the benefits achieved through its use.

Hospitality

This US-based hospitality company has been using Paycom for three years, with a fluctuating workforce of up to 120 employees based on the seasonality of the business. Prior to the deployment of Paycom, the organization used QuickBooks for payroll and NOVAtime for time and attendance, which inundated the HR lead with manual data re-entry. Upon deciding to look for a more unified solution, leaders assessed several vendors and ultimately selected Paycom due to its fluidity and ease of use. The HR lead noted that the organization's end users are not very tech-savvy, and Paycom's intuitive interface presented the lowest learning curve. The implementation of Paycom was quick and included several of the vendor's modules, including payroll, applicant tracking, timekeeping, time-off requests, scheduling, background checks, general ledger, benefits administration, government compliance, document management, and onboarding.

"[Before Paycom] it was a nightmare getting every box checked."

- HR Lead,
Hospitality

Upon implementing Paycom, the HR lead was able to take advantage of the breadth of the platform and the ease of having everything in one database. Processes such as scheduling, which previously required manual reconciliation of time and attendance data, have been streamlined. Additionally, the ability for employees to update their own information in Paycom saved numerous calls to HR and led to greater self-sufficiency of the workforce. Nucleus found that automating and centralizing processes within the Paycom platform has enabled the HR lead to save 50 percent of their time spent on various HR processes. The organization also recently implemented the IWant AI engine, which

Automating and centralizing processes within Paycom enabled the HR lead to save 50% of their time.

is currently used for employee-related quick questions, with plans to expand its use in the near future.

Technology

This US-headquartered technology organization has approximately 200 employees and provides data center solutions to organizations in North America. Prior to implementing Paycom, several tools were used to facilitate its HR processes. For example, NetSuite was used for payroll, BambooHR was used for new hire onboarding, and Excel spreadsheets served as the primary means of employee lifecycle tracking. Payroll was complex, as the organization runs multiple different pay cycles, including biweekly, semimonthly, quarterly, and restrictive. Additionally, the organization was very reliant on SharePoint to manage employee documents, which was not sustainable as the company grew.

An HR leader at the company had used Paycom in a previous role, but also assessed several solutions, including ADP, Gusto, Paycor, and BambooHR. Paycom was ultimately chosen because it was the most user-friendly option for end users, with the HR leader noting that the organization would have outgrown the capabilities of the other contenders very quickly. Additionally, Paycom's ability to manage the entire employee lifecycle was a substantial factor in the selection. In addition to payroll, their modules now include expense management, garnishment administration, time and attendance, time-off requests, COBRA administration, tax credits, government compliance, applicant tracking, background checks, document management, onboarding, compensation budgeting and performance reviews.

Upon going live with Paycom, the organization was not only able to retire the annual costs of its previous HR solutions but also achieved savings for its HR and payroll teams of time previously spent on manual tasks for each payroll cycle. Nucleus estimates that on average, automated payroll capabilities reduce total time spent processing payroll by an average of 80 percent. Onboarding was another area that benefited from Paycom's single system, with automated capabilities driving an approximate 63 percent decrease in time spent onboarding each new hire. These time savings resulted in at least three avoided extraneous onboarding coordinator hires that would have needed to be made given the organization's rapid growth.

Professional Services

This US-based professional services organization has approximately 300 employees and has been using Paycom as its HCM vendor for three

Before deploying Paycom, the technology organization used separate tools for payroll, onboarding, and employee lifecycle tracking.

On average, automated payroll capabilities drive an 80% reduction in time spent processing payroll.

years. The implementation of the system took less than one month, and modules like time and attendance, time-off requests, learning management, expense management, applicant tracking, background checks, garnishments, tax credits, benefits administration, onboarding, and government compliance were deployed in a phased approach. One leader noted that the Paycom team was instrumental to the success of the deployment, as it provided comprehensive support throughout the entirety of the project. Additionally, since going live, the system has been noted to be very easy to use. Specifically, self-service capabilities, including the ability to see availability, make time-off requests, and make changes to punches for manager approval, have been quickly adopted by employees. The organization also recently rolled out IWant, Paycom's AI engine, which has already been used by employees. This has added another layer to the strength of existing self-service capabilities. Leaders reported that the quality and timeliness of the technology support they receive from the vendor remains high post-deployment, and that there is always somebody available to assist.

Financial Services

This financial services organization is headquartered in the midwestern United States and has approximately 60 employees. Previously part of a larger financial services company, the firm went independent in 2019. HR operations at the broader organization were largely manual, and leaders at the newly independent entity saw the opportunity to deploy software to centralize and automate processes.

Leaders considered their options, and Paycom was ultimately chosen due to the breadth of its offerings and automation capabilities. Today, the organization is using Paycom for payroll, time and attendance, time-off requests, compensation budgeting, tax credits, COBRA administration, benefits administration, applicant tracking, government compliance, general ledger, document management, reporting, and performance reviews. The Beti solution made a notable difference, as Paycom's interconnectedness enables payroll data to be verified before payroll runs. For the organization, this ensures that things like vacations and pay raises are fully accounted for. The unification of data has also made reporting and auditing more efficient, both of which used to be managed using spreadsheets. The organization's main HR user primarily works in the legal department and noted that HR tasks took up a substantial portion of their time prior to having Paycom in place. Now, this time has been reallocated to tasks that are more pertinent to their role, which would not have been possible if HR were as manual as it once was. Additionally, as IWant has been rolling out at the

The IWant AI engine adds a layer of automation to existing employee self-service capabilities in Paycom.

"Beti saved us an incredible amount of time. It's my favorite automation that Paycom provides."
- HR User, Financial Services

organization, the HR user noted the speed of finding information compared to having to search within the system.

Looking Ahead

Having one provider for HR-centric data, tools, and workflows is no longer a “nice-to-have” but a necessity. Beyond the ability to simplify the HCM technology stack and gain greater visibility into employee data, the approach can be a force multiplier for productivity. Now, as AI-driven features make their way to the HR technology space, the ability to pull from a single database is crucial to unlocking the value of such capabilities while ensuring accuracy.

Paycom’s continued developments in automation, paired with the usability of the application, gives HR users the ability to do more meaningful work. For example, instead of manually reconciling pay errors or searching for employee information, more time can be allocated to strategic initiatives like workforce planning or lowering employee turnover. As the HCM space becomes increasingly competitive, Paycom’s focus on driving automation across the employee lifecycle positions it to continue to drive tangible value for customers. This strong foundation sets the stage for broader adoption of AI-driven tools and further automation in the future.

“I might know where something is, but [IWant] takes me there really quickly.”

- HR User, Financial Services