

# The Business Value of SAP SuccessFactors Core HR, Time, and Payroll Solutions



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# Business Value Highlights

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**\$649,400** average annual  
benefits per 1,000 users



**14%** higher HR team productivity



**284%** three-year ROI



**64%** lower frequency of  
payroll errors



**43%** higher time entry accuracy



**44%** faster to complete  
payroll cycles



**22%** higher time entry  
compliance rate



**21%** higher payroll team  
productivity



**28%** more employees with  
access to time entry platforms



**\$75,200** higher revenue per  
1,000 users per year



**60%** faster to generate a  
headcount report



**\$113,900** operational cost  
savings per 1,000 users per year



**53%** faster to create a new  
position listing



# Executive Summary

This document describes the experiences of organizations that have deployed SAP SuccessFactors solutions, including SAP SuccessFactors Employee Central, Time Tracking, and Employee Central Payroll, as their platform for HR and payroll operations. The study found that using these solutions helped organizations simplify HR and payroll processes, improve data accuracy, and reduce manual work across teams.

As a result, organizations achieved faster payroll cycles, better visibility into workforce information, and measurable time savings for employees, managers, and HR staff. The findings also show that integrated HR and payroll environments support more consistent compliance management and provide a stronger foundation for decision-making.

IDC interviewed organizations that have implemented SAP SuccessFactors solutions to modernize and unify their core HR, time, and payroll operations across diverse geographies and workforce types. These organizations used SAP SuccessFactors Employee Central as their core HR system and SAP SuccessFactors Time Tracking and SAP SuccessFactors Employee Central Payroll for time and payroll activities. Interviewed organizations attributed common benefits to their use of SAP SuccessFactors, such as improved data accuracy, faster time and leave approvals, reduced payroll errors, and enhanced compliance capabilities.

**Interviewed organizations using SAP SuccessFactors achieve measurable business value through streamlined HR, time, and payroll operations, resulting in a 284% average three-year ROI and annual benefits averaging \$649,400 per 1,000 users by:**

- **Automating and streamlining time entry and payroll activities**, thereby minimizing friction associated with these activities for line-of-business users and HR and payroll team members
- **Ensuring HR and manager productivity** by providing faster approvals, more visibility into requests, and a reduced need for corrections, which allows more time for innovative and strategic activities
- **Increasing data accuracy and compliance** through centralized records and audit trails, which boosts policy and regulatory compliance rates and reduces operational risk in these areas
- **Optimizing the cost of operations** with enhanced integration that supports scalable, multicountry rollouts and reduces the total cost of ownership for HR, time, and payroll platforms

# Situation Overview

Organizations are rethinking how they manage their people operations. Over the past decade, many have built complex landscapes of disconnected HR and payroll systems, often shaped by regional growth or legacy technology that no longer supports evolving business needs. The priority is now to create a single, dependable foundation for workforce data that enables consistency, transparency, and compliance across the enterprise. HR is becoming a more strategic function that contributes directly to workforce effectiveness and organizational performance.

Technology is at the center of this shift. Cloud-based human capital management platforms allow organizations to simplify processes and modernize essential HR and payroll activities. Automation and analytics have become part of everyday work, helping teams limit manual effort and improve the accuracy of decisions. Organizations are gradually introducing AI to support practical needs, such as workforce forecasting and payroll validation. These capabilities are changing how HR teams operate, creating more time for analysis and planning rather than administration.

SAP SuccessFactors HCM reflects this transition in practice. It helps organizations bring HR, time, and payroll activities onto a single platform and use shared data across these areas to improve efficiency and accuracy. The solution's strength lies in integrating daily processes, such as time entry, payroll preparation, and reporting, which reduces manual work and errors. Connecting information in real time allows HR and payroll teams to focus more on workforce planning and compliance monitoring while giving employees easier access to their own data.



**Connecting information in real time allows HR and payroll teams to focus more on workforce planning and compliance monitoring while giving employees easier access to their own data.**

# SAP SuccessFactors Solutions for Core HR, Time, and Payroll

SAP SuccessFactors HCM is a cloud-based platform that helps organizations manage core HR, time, and payroll activities within a single system. It replaces separate tools and manual processes with an integrated environment where data moves easily between functions. This consistency improves data quality and reduces the time spent on routine maintenance. The platform also supports global operations with built-in localization, allowing organizations to meet country-specific compliance requirements without extensive customization.

Employee Central provides the core HR data layer, while Time Tracking and Employee Central Payroll support daily processes such as recording hours, approving absences, and preparing payroll. Together, these components simplify coordination between HR and payroll teams, making it easier to maintain accurate information. The Business Value study showed that organizations using these modules achieved shorter process cycles, fewer errors, and measurable time savings for employees and managers. Self-service tools give employees direct access to their data, while HR teams gain more time to focus on accuracy, compliance, and planning.

Automation and analytics built into the platform help organizations monitor performance and anticipate changes in their workforce. Information from SAP SuccessFactors solutions can also link to broader business systems, improving visibility across HR, finance, and operations. Rather than adding complexity, these capabilities support everyday work and create a more predictable, consistent HR environment. The result is a platform that strengthens process reliability and helps teams deliver accurate and transparent HR and payroll services.



**Together, these components simplify coordination between HR and payroll teams, making it easier to maintain accurate information.**

# The Business Value of SAP SuccessFactors Solutions for Core HR, Time, and Payroll

## Study Demographics

IDC interviewed organizations currently using SAP SuccessFactors solutions, including SAP SuccessFactors Employee Central, Time Tracking, and Employee Central Payroll, to understand the impact on their HR, time, and payroll operations. Interviews were in-depth in nature and designed to elicit feedback about the impact of using SAP SuccessFactors solutions and the realized outcomes.

**Table 1 (below)** presents information about the demographics of customers interviewed. As shown, they have a large enterprise profile, with an average of 44,386 employees and annual revenue of \$79.66 billion (medians of 13,700 employees and annual revenue of \$5.89 billion). Study participants provided diverse perspectives on using SAP SuccessFactors solutions across distributed business operations, with headquarters in North America, Europe, the Middle East, Africa, and Asia represented in the sample. They also represented a diverse mix of organizations from an industry perspective, including construction, construction and building services, consumer products, food and beverage, insurance, manufacturing — automotive, and natural resources verticals.

**Table 1**  
**Demographics of Interviewed Organizations**

Demographics	Average	Median
Number of employees	44,386	13,700
Number of IT staff	1,414	255
Annual revenue	\$79.66B	\$5.89B
Countries	United States (2), Belgium, Egypt, Germany, India, Saudi Arabia	
Industries	Construction, Construction and Building Services, Consumer Products, Food and Beverage, Insurance, Manufacturing — Automotive, Natural Resources	

n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

## Choice and Use of SAP SuccessFactors Solutions

Study participants consistently described choosing to use SAP SuccessFactors solutions to modernize and unify their core HR, time, and payroll operations across geographies and business units. They perceived a need to centralize their HR systems of record; improve core HR, time, and payroll integration with the SAP systems they were already using; and flexibly configure workflows and self-service processes to match organizational needs. They also cited the platform's scalability, global compliance capabilities, and ability to support future innovation, including greater use of AI. Several study participants' status as existing SAP customers made SAP SuccessFactors a natural extension of their enterprise architecture.

### Interviewed organizations described their unique considerations:

#### **Need for greater customization capabilities:**

*"The decision to move to SAP SuccessFactors was largely driven by the fact that we were already a SAP customer using SAP S/4HANA Cloud Private Edition and SAP Ariba. We weren't satisfied with the customization options our other solutions offered, which led us to go to market, evaluate alternatives, and ultimately select SAP SuccessFactors."*

#### **High-quality, centralized solution with well-regarded current technology provider:**

*"We conducted an RFI when the business approached us and asked about supporting payroll and HR, preferably with a centralized solution. We were already using SAP across our business, so SAP SuccessFactors was a frontrunner from the beginning."*

#### **Value of integrated suite of business solutions:**

*"We always conduct a vendor comparison, including gathering requirements, performing a fit-gap analysis, and then evaluating which tools are the best fit. Having an integrated suite, as we do with SAP as a whole, had a strong influence on the decision to choose SAP SuccessFactors."*

#### **More value achievable through higher quality and greater flexibility:**

*"We're getting more value from SAP SuccessFactors than we did from our previous tools. The systems are higher quality, with more flexibility around business processes, which allows us to define our processes rather than having the system define them for us."*

**Table 2 (next page)** provides details about the study participants' use of SAP SuccessFactors solutions at the time of interviews. As shown, they are supporting quite distributed business operations with SAP SuccessFactors, with an average of 182 offices and 562 additional sites and branches (medians of 37 and 97, respectively). An average

of 678 HR team members and 53 payroll team members directly use the platform, demonstrating its strong use for HR and payroll activities, while the average of 32,704 employees who use or access SAP SuccessFactors underscores its importance for time and other day-to-day activities for most employees.

**Table 2**  
**SAP SuccessFactors Solutions Use by Interviewed Organizations**

	<b>Average</b>	<b>Median</b>
<b>Number of offices</b>	182	37
<b>Number of sites/branches</b>	566	97
<b>Number of HR team members</b>	678	50
<b>Number of payroll team members</b>	53	3
<b>Number of employees using/supported</b>	32,304	10,000

n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

## Business Value and Quantified Benefits of SAP SuccessFactors Solutions for Core HR, Time, and Payroll

IDC’s research shows that study participants consistently reported that SAP SuccessFactors solutions deliver substantial value by improving employee experience, streamlining HR and payroll operations, and enabling better business decisions. Key benefits included enhanced self-service access for employees and managers, which increased engagement and reduced administrative burden; significant time savings and productivity gains across HR, payroll, and management teams due to centralized data and automated workflows; and improved accuracy and compliance in time tracking and payroll processes. Interviewed organizations also achieved operational cost savings by reducing manual effort, avoiding additional hires, and retiring legacy systems. Further, analytics and AI capabilities empowered data-driven decision-making and strategic workforce planning.

**Overall, SAP SuccessFactors helped interviewed organizations modernize HR operations, reduce risk, and realize measurable financial and operational benefits, including the following specific results:**

**Breadth and quality of functionality for employees:**

*"SAP SuccessFactors is a broad, well-integrated suite. We often start with one module but have the option to expand as far as we like, and it now covers almost every HR process. We appreciate having one central place."*

**Visualization and analytics capabilities:**

*"The visualization capabilities of SAP SuccessFactors are a major benefit, as are the analytics capabilities. We're able to significantly reduce the time required for time reporting, which is also a major benefit on the end-user side."*

**Single platform with strong payroll capabilities:**

*"We have everything in the same platform with SAP SuccessFactors. It helps improve payroll accuracy by automating and validating employee data and flagging discrepancies before the payroll runs. This reduces delays, minimizes errors, and builds trust with the employees ... Most importantly, it keeps an audit trail and audit tracking of all employee data."*

**Integration, AI capabilities, and customization:**

*"The AI component of SAP SuccessFactors is a significant benefit for us from a productivity perspective ... It works well with the other SAP components we use, unlike our previous solution."*

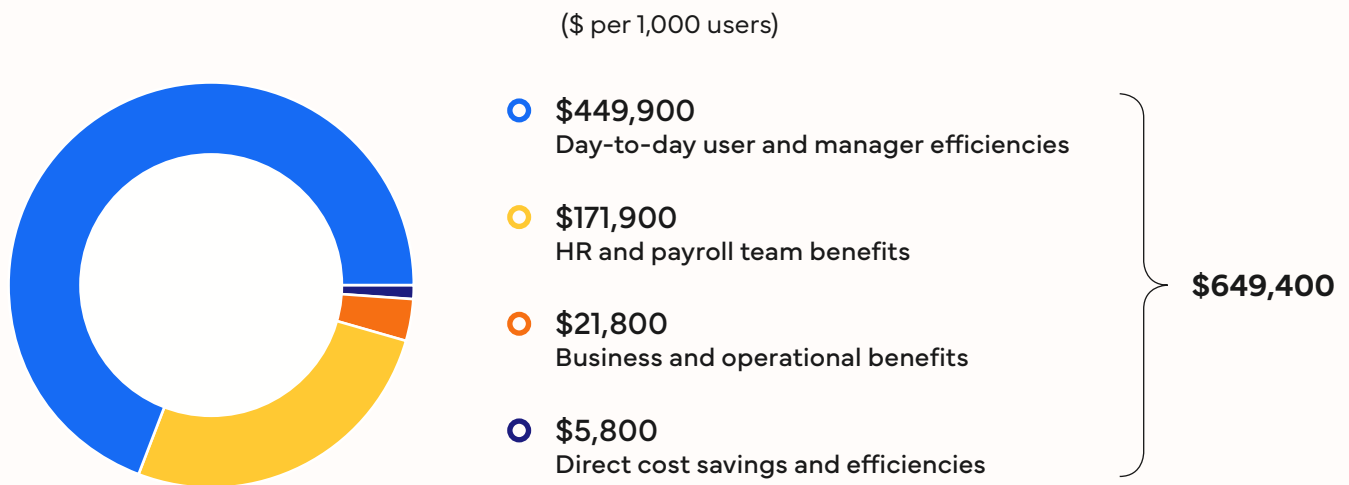
Based on interviews with current SAP SuccessFactors customers, IDC projects that they will realize average annual benefits of \$649,400 per 1,000 users (\$20.98 million per organization) **(Figure 1, next page)**.

**These benefits span productivity gains, cost savings, and improved business outcomes, reflecting the platform's impact across HR, payroll, and management functions, in the following areas of value:**

- **Day-to-day user and manager efficiencies:** SAP SuccessFactors improves employee and manager productivity through intuitive self-service access, streamlined time entry, mobile access, and faster approval workflows. IDC calculates that study participants will realize time savings and productivity gains worth an annual average of \$449,900 per 1,000 users (\$14.53 million per organization) with SAP SuccessFactors.

- **HR and payroll team benefits:** HR and payroll teams gain efficiency through centralized data, automation, and improved workflows. As a result, the HR teams shift from administrative tasks to strategic initiatives such as succession planning, while payroll teams benefit from reduced errors and faster processing. IDC puts the value of productivity gains for these teams at an annual average of \$171,900 per 1,000 users (\$5.55 million per organization).
- **Business and operational benefits:** Organizations make faster and better business decisions thanks to centralized, high-quality data that supports improved forecasting, workforce planning, and operational agility. IDC estimates that study participants will realize net revenue gains worth an annual average of \$21,800 per 1,000 users (\$705,300 per organization).
- **Direct cost savings and efficiencies:** SAP SuccessFactors solutions enable organizations to reduce costs by retiring legacy systems, minimizing IT infrastructure needs, and avoiding additional hires. IDC estimates that study participants will save an average of \$5,800 per year per 1,000 users (\$188,800 per organization).

→ **Figure 1**  
**Average Annual Benefits per 1,000 Users**



n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

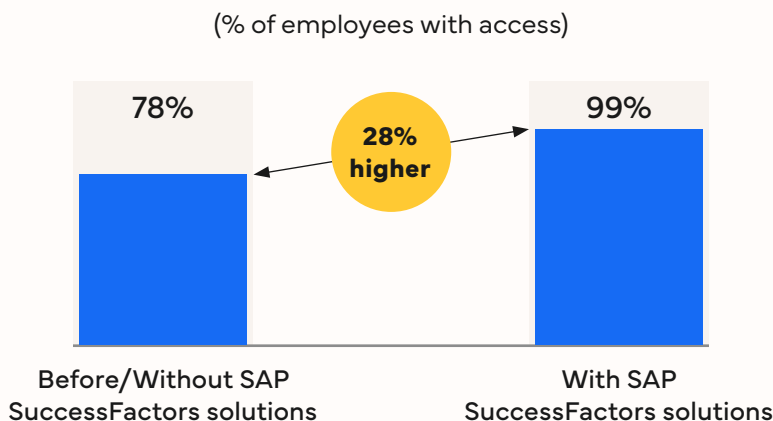
## Day-to-Day User and Manager Benefits

SAP SuccessFactors delivers meaningful day-to-day efficiencies for users and managers by centralizing HR and payroll functions, streamlining workflows, and enabling intuitive self-service access. Employees benefit from simplified interfaces and mobile-friendly tools that reduce friction in routine tasks, such as time entry and leave requests. Managers gain visibility into approvals and team data, allowing them to act more quickly and confidently. The platform's integration with other SAP tools and its support for automation and AI further enhance productivity by reducing manual effort and enabling faster decision-making.

For users, SAP SuccessFactors significantly improves the experience of entering time by increasing access and reducing the effort required to log their hours, correct entries, and submit their time. Interviewed organizations reported that employees often save substantial time each month due to an intuitive user experience and automation. The ability to enter time from any device, including mobile apps, view balances, and request leave directly within the system empowers employees to manage their own data without relying on HR staff. This shift not only provides greater convenience and access to employees but also improves data accuracy and compliance with time policies.

As shown in **Figure 2 (next page)**, study participants provide significantly more employees with direct access to HR and payroll capabilities with SAP SuccessFactors. One study participant commented on the value of self-service: *"We've increased access to self-service capabilities with SAP SuccessFactors. All employees have always had access to self-services, but the volume has grown, so there's been an increase in use. In IT and HR terms, SAP SuccessFactors makes it easier to request a new service, build a form, create a request, or set up a workflow."* By increasing the number of employees with access by an average of 28%, study participants provide robust time and HR capabilities to thousands more employees, on average.

→ **Figure 2**  
**Employee Access to an HR and Payroll Platform**



n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

Study participants reported that SAP SuccessFactors has improved time entry KPIs by increasing automation, reducing data errors, and making compliance easier to achieve. As shown in **Figure 3 (next page)**, interviewed organizations have increased automation within their time and HR operations by an average of 77%, with further significant improvements also realized in terms of data accuracy (43% higher) and compliance rates (22% higher). Due to these factors, employees who are responsible for entering time and requesting time off face far less friction in doing so, leading to sizable time savings over months or years. One study participant reported that *“the ability to reduce the time required for time reporting with SAP SuccessFactors is a major benefit on the end-user side. We went from about half an hour down to under 10 minutes per month, so our employees are saving roughly 20 minutes per month, conservatively.”*

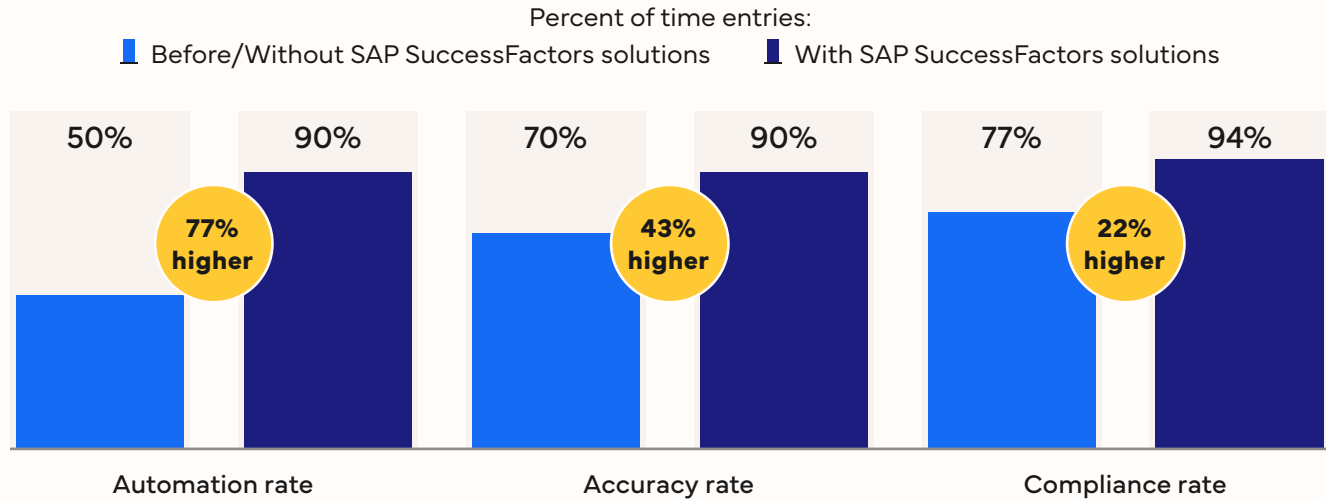
**IDC’s analysis shows that:**

- Employees entering time save an average of 19.4 hours per year with SAP SuccessFactors, worth \$14.02 million per organization per year.
- Employees making time off requests save an average of 0.8 hours per year with SAP SuccessFactors, worth \$953,900 per organization per year.

→ **Figure 3**

**Impact on Time Entry KPIs**

See the figure data in an [accessible table format](#).



n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

Study participants also reported that their managers benefit from using SAP SuccessFactors solutions through enhanced visibility, faster approvals, and centralized access to team data. They can view pending requests, applicant information, and performance data in real time, which accelerates hiring decisions and time-off approvals. Integration with workflow portals and mobile access increases manager engagement and usage, transforming previously manual or fragmented processes into efficient digital workflows. Additionally, AI-driven tools support tasks such as job description creation and performance evaluations, further reducing administrative burden and enabling managers to focus on strategic activities.

**Study participants provided examples of these manager-focused benefits:**

**Improved manager visibility into team activities:**

*“With SAP SuccessFactors, we have team views and team calendars, making it easier for managers to see when their team is off and whether they can approve requests.”*

**Manager visibility improves time approval cycles:**

*“The time approval cycle has changed with SAP SuccessFactors because managers now have visibility into their queue in terms of who is requesting what.”*

**Real-time access to data means faster and better decisions:**

*“Because we have data at our fingertips with SAP SuccessFactors, we can make business decisions on the spot or within one to two days. Previously, we couldn’t rely on the data to make decisions, as it wasn’t trusted. It could take up to a month because the data wasn’t seen as a source of truth.”*

As shown in **Table 3 (below)**, managers benefit from efficiencies and reduced friction in carrying out their day-to-day managerial and HR-related responsibilities with SAP SuccessFactors. On average, IDC’s analysis shows that managers are 5% more productive with SAP SuccessFactors, which represents a productivity gain of more than two weeks of additional time per year per manager (93 hours).

**Table 3**  
**Manager Productivity Gains**

Productivity Levels per Organization	Before/Without SAP SuccessFactors Solutions	With SAP SuccessFactors Solutions	Difference	Benefit
Equivalent productivity, FTEs per organization	1,372	1,440	68	5%
Number of productive hours per manager per year	1,880	1,973	93	5%
Value of equivalent productivity per organization per year	\$96.01M	\$100.79M	\$4.77M	5%

n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

## HR and Payroll Benefits

SAP SuccessFactors drives improvements across HR and payroll operations by centralizing data, automating workflows, and enabling real-time access to employee information. Interviewed organizations reported that they have minimized or eliminated manual processes, reduced errors, and improved collaboration between HR and payroll teams. The integration of modules, such as Employee Central, Time Tracking, and Payroll, allows for more seamless dataflow, which reduces duplication and improves accuracy. These efficiencies translate into faster processing times, fewer compliance issues, and a shift from reactive to proactive workforce management. Meanwhile, study participants have also benefited from their ability to better meet localization demands and handle organizational complexity.

Study participants explained that their HR teams benefit from SAP SuccessFactors by gaining tools that reduce administrative burden and enable more strategic work. Interviewees highlighted how the automation of core HR processes, such as onboarding, employee data updates, and performance management, freed up time for HR professionals to focus on talent development and succession planning. The platform's intuitive interface and self-service capabilities also reduced the volume of routine inquiries, allowing HR staff to operate more efficiently. Additionally, centralized data and analytics capabilities provided HR teams with better visibility into workforce trends, enabling more informed decision-making and planning.

### Study participants provided examples of HR enablement with SAP SuccessFactors:

#### Importance of high-quality data:

*"The data quality and accuracy with SAP SuccessFactors means the HR team no longer has to chase people for data or enter it themselves because employees can do it directly ... The less time HR spends on operational tasks, the more they can focus on projects, optimize processes, and shift toward more innovative work."*

#### HR teams' focus on higher value activities:

*"With SAP SuccessFactors, our HR team is doing actual HR work like collaborating with managers to plan employee development, making hiring decisions, and identifying candidates for future roles, such as in succession planning."*

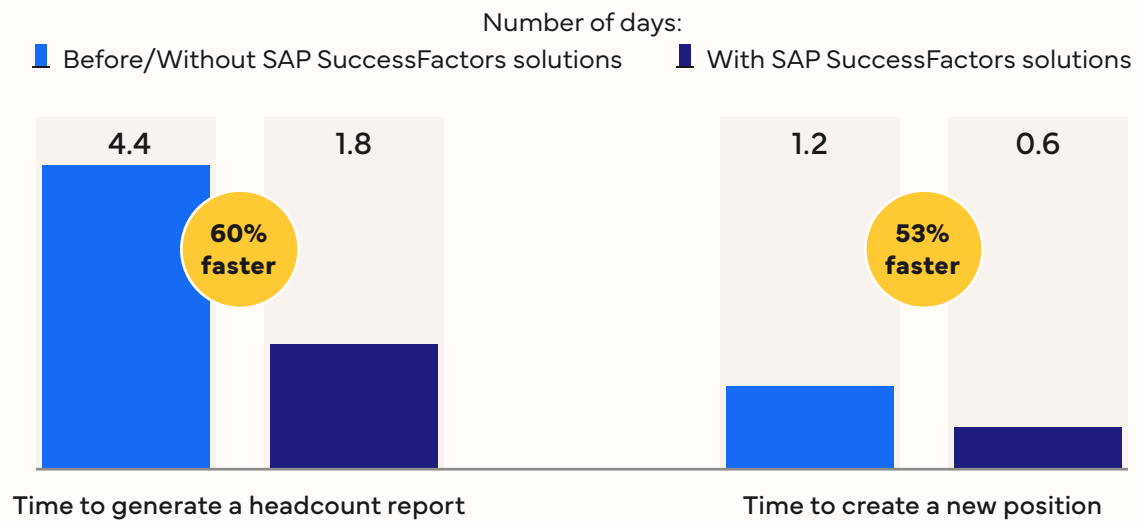
#### Ease and speed of creating a new position:

*"The time to create a new position has improved with SAP SuccessFactors because the user interface is much more intuitive. It's now actually done by managers and then approved by HR through the workflow. This used to take at least 20 to 30 minutes, and now it's down to about 5 to 10 minutes."*

**Figure 4 (below)** demonstrates the positive impact SAP SuccessFactors has had on HR teams' ability to move with agility and speed. As shown, study participants linked the use of SAP SuccessFactors to generating headcount reports 60% faster and creating a listing for a new position 53% faster.

→ **Figure 4**  
**Impact on HR KPIs**

See the figure data in an [accessible table format](#).



n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

Study participants consistently reported that their HR teams benefit from SAP SuccessFactors through centralized data, reduced manual tasks, and streamlined workflows that enhance productivity. In **Table 4 (next page)**, IDC's analysis shows that their HR teams are an average of 14% more productive with SAP SuccessFactors, demonstrating the extent to which it enables HR activities.

→ **Table 4**  
**HR Team Productivity Gains**

Productivity Levels per Organization	Before/ Without SAP SuccessFactors Solutions	With SAP SuccessFactors Solutions	Difference	Benefit
Equivalent productivity, FTEs per organization	678	775	97	14%
Number of productive hours per HR team member per year	1,880	2,148	268	14%
Value of equivalent productivity per organization per year	\$47.47M	\$54.23M	\$6.76M	14%

n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

Payroll teams have also benefited from significant improvements in accuracy, speed, and compliance with SAP SuccessFactors. They have streamlined time tracking and payroll processing, reducing the need for manual data entry and reconciliation. Study participants noted that their payroll teams process payroll more quickly and with fewer errors thanks to automated calculations and real-time validation. SAP SuccessFactors also supports compliance with local regulations and reporting requirements, reducing risk and administrative overhead for payroll teams.

**Study participants provided examples of payroll-related gains achieved with SAP SuccessFactors solutions:**

**Improved payroll outcomes:**

*“With SAP SuccessFactors, we have no duplicate payments. People are paid the correct amount, on time, through processes that work seamlessly.”*

**Importance of the ability to customize by location:**

*“SAP SuccessFactors is cloud-based but also offers customization. This helps us meet local payroll requirements because for extra fields or extra information we need to gather, we can do it all within SAP SuccessFactors.”*

**Strong audit capabilities that reduce risk and save staff time:**

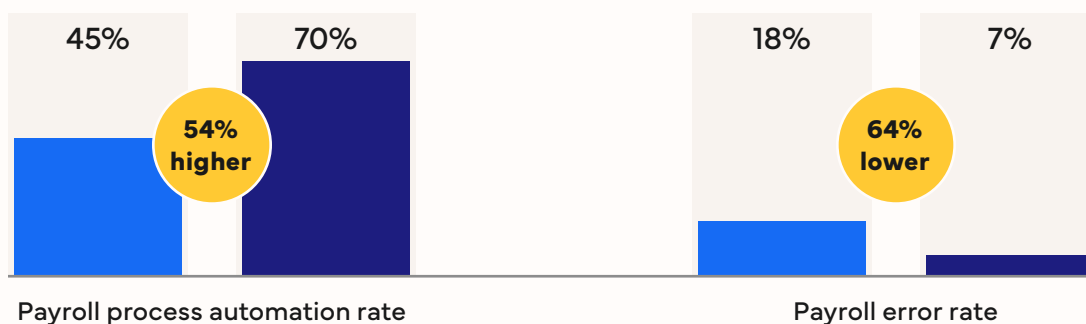
*“With SAP SuccessFactors, we have enhanced audit trails and transcripts for every payroll ... We’ve reduced the time and manual effort required. Without it, we’d need a higher headcount to perform the same level of analysis.”*

As shown in **Figure 5 (below)**, SAP SuccessFactors has helped to enhance payroll operations for study participants by increasing automation and reducing errors. The payroll process automation rate rose by an average of 54%, while payroll error rates dropped by an average of 64%. These improvements have led to greater accuracy, fewer manual corrections, and more efficient payroll cycles, ultimately reducing risk and administrative burden for payroll teams.

**Figure 5**  
**Impact on Payroll KPIs**

See the figure data in an [accessible table format](#).

Percent: ■ Before/Without SAP SuccessFactors solutions    ■ With SAP SuccessFactors solutions



n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

Interviewed organizations reported a 21% increase in payroll team productivity, reflecting more efficient payroll operations and optimization of payroll team workloads (**Table 5, next page**). Further, study participants reported that they complete payroll cycles 44% faster with SAP SuccessFactors, shaving more than two full days from typical cycle times.

→ **Table 5**  
**Payroll Team Productivity Gains**

<b>Productivity Levels per Organization</b>	<b>Before/ Without SAP SuccessFactors Solutions</b>	<b>With SAP SuccessFactors Solutions</b>	<b>Difference</b>	<b>Benefit</b>
Equivalent productivity, FTEs per organization	54	65	11	21%
Number of productive hours per payroll team member per year	1,880	2,271	391	21%
Value of equivalent productivity per organization per year	\$3.78M	\$4.57M	\$0.79M	21%
Time to complete per payroll cycle (days)	5.3	3.0	2.3	44%

n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

## Business and Operational Benefits

SAP SuccessFactors solutions enable organizations to make faster and better-informed business decisions by providing centralized, high-quality data across HR, payroll, and performance domains. Study participants emphasized that having real-time access to employee master data, training records, and performance metrics allows decision-makers to act more quickly and confidently. For example, integrated dashboards and predictive analytics now support decisions around compensation adjustments, workforce planning, and succession management. This shift from fragmented systems to a unified platform has reduced the time required to gather and validate data, transforming decision-making from a process that previously took weeks into one that takes days or even hours.

## Study participants provided examples of benefits in terms of making business decisions:

### More types of data available drives better decisions:

*“Because we have more types of data in one place with SAP SuccessFactors, not just employee master data, but also performance scores, training information, and more, we gain valuable context. The more data we have, the better and more well-informed decisions we can make.”*

### Data availability means faster business decisions:

*“SAP SuccessFactors helps reduce the time needed to make business decisions because we trust the data. For example, when making decisions around compensation changes, we can access the data in seconds and make a decision within a couple of days compared to the weeks it used to take.”*

These improvements in data availability have enabled study participants to make business decisions that result in higher revenue and take steps to optimize their overall business operations, including avoiding making redundant or unnecessary new hires.

**Table 6 (below)** provides an overview of the revenue gains and operational cost savings that interviewed organizations linked to their use of SAP SuccessFactors, including an average higher revenue of \$2.43 million per organization per year and average operational cost savings of \$3.68 million per organization per year. For the purposes of the financial model and ROI calculation, IDC only considers 15% of these revenue gains and operational cost savings, resulting in a higher net revenue per year of \$364,300 and net operational cost savings of \$552,000 per organization per year.

→ **Table 6**  
**Business and Operational Impact**

Impact	Per Organization	Per 1,000 Users
Higher revenue per year	\$2.43M	\$75,200
Higher net revenue per year*	\$364,300	\$11,300
Operational cost savings per year	\$3.68M	\$113,900
Net operational cost savings per year*	\$552,000	\$17,100

\* 15% margin assumption applied for net revenue and cost savings calculations

n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

## Cost and Risk Benefits

Study participants reported that SAP SuccessFactors has helped optimize HR, time, and payroll platform costs by consolidating multiple systems into a single cloud-based solution, reducing licensing and infrastructure expenses, and streamlining support. Organizations that previously managed separate tools for time tracking, payroll, and HR now benefit from centralized licensing agreements and economies of scale, avoiding the need for multiple vendor contracts and on-premises hardware. Meanwhile, the staff time required for management and support is lowered through self-service capabilities and workflow automation, which minimizes manual data entry, error correction, and compliance checks. On average, study participants that have reduced platform costs cited 7% savings worth \$210,000 per year per organization and cross-sample staff efficiencies for managing their broader HR platforms of an average of 12% (Table 7, below).

**Table 7**  
**HR and Payroll Platform Management Efficiencies**

Impact	Before/ Without SAP SuccessFactors Solutions	With SAP SuccessFactors Solutions	Difference	Benefit
Equivalent FTEs required	3.7	3.3	0.4	12%
Value of equivalent FTE time	\$367,100	\$322,900	\$44,200	12%

n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

Interviewed organizations also highlighted that SAP SuccessFactors delivers compliance and risk-related benefits by centralizing regulatory processes and automating critical tasks. By leveraging built-in audit trails, standardized workflows, and automated reporting, organizations minimize manual effort and errors that often lead to compliance breaches. Compliance teams operate more efficiently because SAP SuccessFactors integrates local and global regulatory updates directly into the platform, reducing time spent tracking changes and preparing for audits. By automating compliance workflows and integrating regulatory updates, organizations reduce audit preparation time and avoid costly penalties, achieving an average compliance team efficiency gain of 11% while reducing the frequency of problems in executing changes by an average of 26%.

**Table 8**  
**Compliance Benefits and Efficiencies**

<b>Impact</b>	<b>Before/ Without SAP SuccessFactors Solutions</b>	<b>With SAP SuccessFactors Solutions</b>	<b>Difference</b>	<b>Benefit</b>
Equivalent FTEs required	2.4	2.1	0.3	11%
Value of equivalent FTE time	\$165,500	\$147,000	\$18,500	11%
<b>Compliance cost savings per organization per year</b>	<b>\$23,300</b>			

n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

## ROI Summary

**Table 9 (below)** presents IDC’s analysis of the financial benefits and costs for study participants using SAP SuccessFactors. On average, IDC calculates that they will achieve average discounted three-year benefits worth \$46.69 million per organization (\$1.45 million per 1,000 SAP SuccessFactors users), which compares with discounted three-year investment costs of \$12.17 million per organization (\$0.38 million per 1,000 users). These levels of benefits and investment costs yield an average three-year ROI of 284%, with breakeven occurring in an average of 15 months for this sample of SAP SuccessFactors customers.

→ **Table 9**  
**ROI Analysis**

Three-year ROI Analysis	Per Organization	Per 1,000 SAP SuccessFactors Users
Discounted benefits	\$46.69M	\$1.45M
Discounted investment costs	\$12.17M	\$0.38M
Net present value	\$34.52M	\$1.07M
<b>ROI</b>	<b>284%</b>	<b>284%</b>
Payback	15 months	15 months
Discount factor	12%	12%

n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

# Challenges/Opportunities

Introducing a comprehensive HR and payroll platform often requires organizations to review and adjust how they structure their processes. For many, the main challenge lies in aligning established routines with the possibilities that a unified cloud system offers. This can take time, especially in companies that have grown through mergers or rely on a mix of legacy applications. The effort involved in change management is often as significant as the technical work, since HR and payroll teams need to adapt to new workflows and make full use of the platform's capabilities. When they achieve that alignment, the improvements in accuracy and consistency are lasting and visible.

Once the foundation is in place, the next challenge is maintaining coherence across different business units and geographies. Large organizations must find a balance between global standards and local flexibility, particularly when operating in multiple countries. SAP has continued to expand its country-specific coverage and refine configuration tools to make this governance easier to sustain. At the same time, automation and analytics built into the platform help surface inconsistencies early and reduce the need for manual checks, which supports smoother operations over time.

These realities shape the opportunities ahead. The human capital management market is evolving quickly, with vendors taking varied paths toward modernization. SAP SuccessFactors is well-positioned in this environment through its global payroll coverage and the way it connects HR processes with finance and operations. Continued investment in AI, usability, automation, and applied analytics will allow SAP to help organizations strengthen compliance, improve decision quality, and gain greater value from their workforce data.

# Conclusion

The study shows that organizations using SAP SuccessFactors solutions achieved clear and measurable results. On average, they realized \$6.24 in benefits for every dollar invested, which represents a three-year ROI of 284% and a payback period of about 15 months. These gains came mainly from more accurate payroll processing, faster HR and approval cycles, and the time that employees, managers, and HR teams saved.

The findings suggest that modernizing HR and payroll systems has a wider impact than simply reducing manual work. Many organizations still rely on disconnected tools that make it difficult to maintain data quality or meet compliance requirements. When these activities merge on one platform, processes become more consistent, and decisions are based on clear and real-time information.

SAP SuccessFactors supports this shift by linking HR, time, and payroll operations in one environment. The organizations interviewed described fewer errors, shorter processing times, and better visibility into workforce data. These outcomes point to a simpler and more predictable way of managing people operations, where both efficiency and confidence in data improve over time. ●

# Appendix A: Methodology

IDC utilized its standard Business Value/ROI methodology for this project. This methodology is based on gathering data from organizations currently using solutions for their core HR, time, and payroll operations and activities.

## Based on interviews with organizations using SAP SuccessFactors, IDC performed a three-step process to calculate the ROI and payback period:

- 1. IDC gathered quantitative benefit information during the interviews using a before-and-after assessment of the impact of using SAP SuccessFactors.** In this study, the benefits included cost savings, staff efficiencies, user productivity gains, and higher net revenue.
- 2. IDC created a complete investment (three-year total cost analysis) profile based on the interviews.** Investments go beyond the initial and annual costs of using SAP SuccessFactors and can include additional costs related to migrations, planning, consulting, and staff or user training.
- 3. IDC also calculated the ROI and payback period.** We conducted a depreciated cash flow analysis of the benefits and investments for the organizations' use of SAP SuccessFactors over a three-year period. ROI is the ratio of the net present value and the discounted investment. The payback period is the point at which cumulative benefits equal the initial investment.

## IDC bases the payback period and ROI calculations on a number of assumptions, which are summarized as follows:

- The time values multiplied by burdened salary (salary + 28% for benefits and overhead) quantify efficiency and manager productivity savings. For purposes of this analysis, IDC used its standard assumptions of an average fully loaded salary of \$100,000 per year for IT staff members and an average fully loaded salary of \$70,000 per year for non-IT staff members. IDC assumes that employees work 1,880 hours per year (47 weeks x 40 hours).
- IDC calculated the net present value of the three-year savings by subtracting the amount that organizations would have realized by investing the original sum in an instrument yielding a 12% return to allow for the missed opportunity cost. This accounts for both the assumed cost of money and the assumed rate of return.
- Because IT solutions require a deployment period, the full benefits of the solution are not available during deployment. To capture this reality, IDC prorates the benefits on a monthly basis and then subtracts the deployment time from the first-year savings.

All dollar figures in this White Paper are in USD.

# Appendix B: Quantified Benefits of SAP SuccessFactors Solutions for Core HR, Time, and Payroll

**Table 10 (below)** provides details about the benefits study participants attributed to their use of SAP SuccessFactors. As shown, these benefits total an annual average of \$20.98 million per organization per year, or \$649,400 per 1,000 SAP SuccessFactors users.

**Table 10**  
**Annual Quantified Financial Benefits**

Category of Value	Average Quantitative Benefit	Calculated Average Annual Value per Organization	Calculated Average Annual Value per 1,000 Users of SAP SuccessFactors Solutions*
Time entry efficiencies	19.4 hours saved per user per year, \$70,000 salary	\$10.32M	\$319,400
Time-off entry efficiencies	0.8 hours saved per user per year, \$70,000 salary	\$702,200	\$21,700
Manager productivity gains	5% productivity gain, worth 93 hours per manager per year, \$70,000 salary	\$3.51M	\$108,800
HR team productivity gains	14% productivity gain, worth 268 hours per HR team member per year, \$70,000 salary	\$4.98M	\$154,000
Payroll team productivity gains	21% productivity gain, worth 391 hours per payroll team member per year, \$70,000 salary	\$578,700	\$17,900
Compliance benefits	0.3 FTE efficiency, \$70,000 salary, \$23,300 cost savings per year	\$30,800	\$900
Higher net revenue**	\$2.43M higher revenue per organization per year	\$268,200	\$8,300

[Table 10 continued next page](#)

Note: All numbers in this document may not be exact due to rounding.

Table 10 continued

Category of Value	Average Quantitative Benefit	Calculated Average Annual Value per Organization	Calculated Average Annual Value per 1,000 Users of SAP SuccessFactors Solutions*
Net operational cost savings	\$3.68M operational cost savings per organization per year	\$406,300	\$12,600
Annual HR and payroll platform cost savings	\$212,400 cost savings per organization per year	\$156,300	\$4,800
HR and payroll platform management efficiencies	12% efficiency, worth \$0.4 FTEs, \$100,000 salary	\$32,500	\$1,000
<b>Total average annual benefits</b>	<b>\$20.98M per organization per year/ \$649,400 per 1,000 SAP SuccessFactors users</b>		

\* Includes 9.5 months of deployment, year 1.

\*\* 15% margin assumption applied for net revenue and cost savings calculations

n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

# Appendix C: Accessible Data Tables

This appendix provides an accessible version of the data for any complex figures in this document. Click "Return to figure" to get back to the original figure.

**Figure 3 accessible data**  
**Impact on Time Entry KPIs**

Impact	Automation Rate	Accuracy Rate	Compliance Rate
Before/Without SAP SuccessFactors solutions	50%	70%	77%
With SAP SuccessFactors solutions	90%	90%	94%
<b>Difference</b>	<b>77% higher</b>	<b>43% higher</b>	<b>22% higher</b>

n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

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**Figure 4 accessible data**  
**Impact on HR KPIs**

Impact	Time to Generate a Headcount Report	Time to Create a New Position
Before/Without SAP SuccessFactors solutions	4.4	1.2
With SAP SuccessFactors solutions	1.8	0.6
<b>Difference</b>	<b>60% faster</b>	<b>53% faster</b>

n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

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## Appendix C: Accessible Data Tables (continued)

**Figure 5 accessible data**  
**Impact on Payroll KPIs**

<b>Impact</b>	<b>Payroll Process Automation Rate</b>	<b>Payroll Error Rate</b>
<b>Before/Without SAP SuccessFactors solutions</b>	45%	18%
<b>With SAP SuccessFactors solutions</b>	70%	7%
<b>Difference</b>	<b>54% higher</b>	<b>64% lower</b>

n = 7; Source: IDC Business Value In-Depth Interviews, November 2025

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# About the IDC Analysts



## **Zachary Chertok**

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Zachary Chertok is the research manager for IDC's Employee Experience. Chertok's core research coverage includes all aspects of employee experience management, including but not limited to wellness and wellbeing; adaptive and responsive learning and development; recognition; employee engagement; corporate culture; diversity, equity, and inclusion; employee journey mapping; analytical personalization; and supporting digital and consultative services.

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## **Matthew Marden**

Research Vice President, Business Value Strategy Practice, IDC

Matthew Marden is responsible for carrying out custom business value research engagements and consulting projects for clients in several technology areas, focusing on determining the return on investment of their use of enterprise technologies. Marden's research often analyzes how organizations are leveraging investment in digital technology solutions and initiatives to create value through efficiencies and business enablement.

[More about Matthew Marden →](#)

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