

The Buyer's Guide to HR & Payroll Integrations

Table of Contents

Introduction	3
Getting started: How to quantify ROI	4
System coverage	6
Employer experience	10
Domain expertise	12
Security + scale	15
Choosing your solution with confidence	18
Platform Feature Evaluation Guide (+ free RFP template)	20

Introduction

If your business serves employers through software or services, HR and payroll data is at the heart of your operations — nothing happens without it.

How you go about accessing that data impacts every aspect of your product, from time-to-market to operational efficiency to the client experience. In short, your integration strategy can make or break your business.

The status-quo method, SFTP and file uploads, is slow, manual, and difficult to scale; but building API integrations in house is expensive, time consuming, and comes with a never-ending maintenance tax on your engineering team.

A new approach to integrations — unified APIs — offers the best of both worlds, with technology-first, scalable data access that is more cost effective than building directly to HRIS and payroll providers. Most unified APIs are built for general SaaS applications and don't provide the level of granularity and control that the majority of HR and financial use cases need, so it's important to weigh your options carefully.

Choosing the right integration approach is a big decision that has major implications for your product, your team, your customers, and your bottom line.

In this guide, we break down the four most important buying criteria for an HR and payroll data connectivity solution so you're equipped to evaluate the top vendors available today and make an informed decision based on your needs:

- 1 Market coverage
- 2 Employer experience
- 3 Domain expertise
- 4 Security + scale

Getting started: How to quantify ROI

If you're reading this, you've probably already landed on the "buy" side of the build-vs-buy debate for any combination of these reasons:

- 1 To save the engineering costs you'd incur building API integrations in house
- 2 To avoid the opportunity cost of API maintenance, which takes resources away from your core product
- 3 To get to market faster using pre-built integrations
- 4 To integrate with otherwise inaccessible systems
- 5 To expand your integration coverage across the deeply fragmented payroll industry, broaden your TAM, and unlock new revenue streams

Buying a solution is certainly an easier route than building dozens of integrations in house, but it's still a significant investment and sizable engineering project. Part of your evaluation process should be quantifying your expected ROI, which will help you champion the project and secure the resources needed to implement your chosen solution.

Before you start meeting with providers, collect internal data that will help you quantify the value of the connectivity platform by answering the questions on the next page.

Revenue	Product & Engineering	Operations & Support
<p>What integrations are you missing today? How is this impacting sales or renewal conversations?</p> <p>Thoropass closes 10x larger deals with critical integrations</p>	<p>How much time could your engineering team save if integrations weren't an ongoing responsibility? What does that equate to in headcount?</p> <p>DualEntry saves \$1.1M in annual engineering costs by outsourcing integrations</p>	<p>How long does it take new customers to onboard, on average? How many support tickets?</p> <p>TempoPay onboards customers in as little as 30 seconds</p>
<p>Are there any HRIS or payroll providers you haven't been able to secure a partnership with? What revenue could you unlock if your application was featured in their partner marketplace?</p> <p>Awardco unlocked a partnership with UKG 10 months faster by using pre-built integration rails</p>	<p>What initiatives could your engineering team focus on by outsourcing API maintenance? How will that support new business and expansions?</p> <p>CandoriQ launched a new product line and 7+ features with the time saved by outsourcing integrations</p>	<p>How much time could your operations and support team save by automating processes like data collection and normalization? Where could that time be invested?</p> <p>Ubiquity saves 80 hours/week by automating payroll processing</p>
<p>How many new deals could you close with wider system coverage? What expansion opportunities with existing customers could be unlocked?</p> <p>Matter's average deal size grew 67% with HRIS integrations</p>	<p>How much faster could you unlock new revenue streams if you could "turn on" your top 5 target providers in a single engineering sprint?</p> <p>401GO unlocks integrations faster — saving up to a year of building and QA time</p>	<p>How frequently does manual data entry or self-reporting contribute to errors? What is the dollar cost of data inaccuracies in your business?</p> <p>Pinnacle collects accurate census data 2x faster with direct access to the employer's source of truth</p>
<p>How much revenue would be recognized faster if onboarding were streamlined?</p> <p>MainStreet onboards customers in as little as 30 seconds</p>		

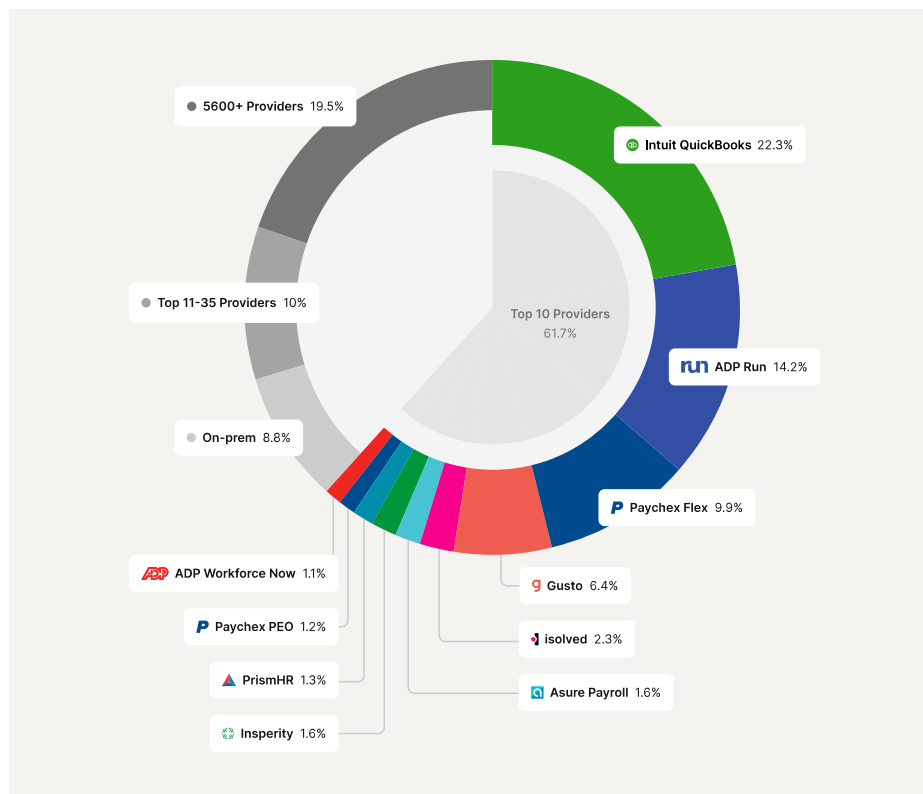
By attaching actual dollar values to the questions above, you'll get a clearer picture of the ROI you stand to gain with the right investment. That'll help to ensure your company is prepared to prioritize the project so you can start benefiting from the integrations immediately.

System coverage

The first question you should ask of any provider you're evaluating is simple: does it support the systems you need to integrate with? Keep in mind that your integration needs will likely scale with your business as you reach more customers with varying HRIS and payroll systems.

Make sure the provider can support all of the integrations you need, including long-tail systems.

The payroll landscape in particular is deeply fragmented. The **top 10 payroll systems** in the U.S. by market share only account for **61%** of all employers. In other words, even if you integrate with every provider in the Top 10, you'll still be lacking coverage for **39%** of the market. That means you'll likely want to support integrations with top providers like ADP, QuickBooks, and Gusto as well as long-tail, niche providers.



Make sure that the connectivity solution you're evaluating can support both the market leaders and the long-tail providers.

Access to the Top 10

The largest payroll systems typically run on sophisticated API infrastructure, but can be hard to gain access to without a direct partnership. Demand for these integrations is so high that the providers often accept only a small percentage of the partnership requests they receive, so be sure to verify that the platform you're evaluating can support the providers in the Top 10. If you're missing even one of the major players, you'll lose a significant share of the employer market.

Support for long-tail systems

Long-tail providers have smaller market share, but the employers that use them value integrations just as highly as employers using one of the Top 10. Our research shows that integrations are the #1 buying factor for employers on the market for new software, outweighing even pricing.

For as powerful as unified APIs are, there is a gap in their coverage: they can only access systems built on an underlying API. To support the many long-tail providers without APIs, you'll need a backup method to access employer data. File transfers and manual uploads are the most common fallbacks, but they're far from ideal.

Some connectivity platforms support alternative methods of accessing data from non-API systems. For example, Finch Assist uses automated scripts to pull data from the source system and push it through our API. Whether using an API connection or Finch Assist, the employer's data is routinely synced between platforms — no files required.

Regardless of the connectivity solution you choose, be sure to think through how you plan to support coverage for long-tail systems.

"Now, we are confident that when we walk into a demo meeting, the integration that a prospective client needs is already built. I'd say 95% of our clients' HR and payroll systems are covered through Finch."



Daniel Spirgel
President, Corporate Merch

Platforms with provider partnerships have strong advantages.

Ask if the connectivity platform has a strategy in place to partner with key providers. Formal partnerships with HRIS and payroll providers come with significant advantages, like the ability to negotiate rate limits and stay ahead of key system updates to maintain connection health at scale.

We should also note that some HRIS and payroll providers charge employers API fees to access their own data. This is another advantage of connectivity platforms with provider partnerships — these vendors can often work with the provider to waive those fees or offer alternative connection methods.

Partnerships with key providers — particularly those in the Top 10 — can take years to secure.

Part of your evaluation should be ensuring the vendor's partnerships are already in place; even those vendors who are actively in partnership negotiations could be months or years away from formalizing their relationship with the provider.

Understand the difference between generalist and niche connectivity solutions.

During your evaluation process, you'll likely come across two kinds of connectivity providers: generalist and niche solutions.

Generalist providers are good for integrating a wide variety of data sources, from CRMs to ticketing platforms, but that wide scope means their coverage within each category is limited to a handful of the top systems.

Niche solutions take a deep-vs-wide approach and focus on a single category of data sources, like HRIS and payroll. These are better suited for complex or nuanced use cases that require rich data granularity or the ability to write changes back to the source system.

System coverage

Key questions to ask

- Do you support QuickBooks, ADP Run, Paychex Flex, and Gusto? Can you demo the experience for these top systems or provide a sandbox environment?
- How many systems do you support outside of the Top 10?
- How many of the providers you support are in beta? What does beta mean in practice?
- Can you support integrations with systems that don't have an API?
- How often does the data sync between the source system and my application?
- What is your provider partnership strategy?

Employer experience

Integrations are only valuable if your customers will use them. After you determine whether the solution you're evaluating has the system coverage you need, you'll want to understand how it will impact your product's user experience. Ideally, the vendor you use will be practically invisible to your customers.

Customer onboarding should be fast and easy.

To maximize conversions and usage, onboarding should be as seamless and simple as possible. Ask the vendor to walk you through the onboarding process to understand how long it takes the employer to establish a connection between your application and their HRIS or payroll provider. This will vary by provider, so make sure to ask to see the experience for the systems you care about most.

You'll also want to understand what information the employer will need to provide and whether the process is self-serve or if you'll need to dedicate support resources to help employers establish a connection.

Employer-paid connections can hurt conversion rates.

Some integration platforms handle payment with your company behind the scenes, but others charge the employers directly. Charging the employer may seem cost-effective at first, but it also introduces friction to the onboarding process and reduces setup completion rates.

Employer-paid models have proven to reduce conversion significantly when compared to non-employer-paid models.

In the second model, your company can purchase connections in bulk, accessing volume discounts. You then have the option to absorb the cost, pass it on to the user, or upsell them as an add-on. In every scenario, it's more efficient than asking the vendor to collect payment from employers directly and avoids forcing your customers to sign an agreement with a third party.

“Finch removes friction and streamlines the process of onboarding our customers and setting up new employees down to a matter of seconds. We push Finch early in our customer journey, because we know that customers who take advantage of those integrations turn into our most successful accounts.”



Taylor Sell
Director of Product, Trainual

Employer experience

Key questions to ask

- Walk me through the employer onboarding experience. Is the process standard across all providers?
- How long does onboarding take? Is the process self-service, or will my customers need support?
- What information will my customers need to provide during onboarding?
- Who pays for the connections? Do my customers need to sign a separate agreement with you to use your platform?
- Is there a way to monitor employers' authentication progress?
- What dashboard tools do you offer for monitoring connection health?

Domain expertise

The devil's always in the details, and connectivity solutions can vary widely when it comes to data granularity, standardization, and technical support.

Make sure the platform supports the level of detail you need.

As we mentioned before, there are two types of providers: generalist and niche. Generalist providers can support a broader range of data sources, but it's the niche providers that shine when it comes to delivering granular data.

Consider what inputs you truly need from your customers' HRIS and payroll systems. Most providers will be able to pull basic data like employee roster or census and salary information; but if you need specific details like pay statement line items, you'll likely be better off with a niche provider that has a deep focus on employment systems.

Be sure to think about the customer data you need now and in the future. Consider your product roadmap to make sure the vendor you choose can support your current offerings and any additional products or features you might want to offer down the road. For example: your product might only need census data now; but might you expand into payroll-related services in a year? In five years?

"We found a lot of vendors who said they covered payroll, but they couldn't present the data with enough granularity to differentiate by department or individual benefits. Finch could, and in a unified way."



Santiago Nestares
Co-founder, DualEntry

Ask if the provider supports writing data back to the source system.

If you need to be able to both read data and write changes back — such as creating benefits or updating payroll deductions — then you'll need to make sure the provider can support 360° integrations with both read and write functionality. 180° integrations can only read information; they can't write changes back to the source system.

“Frankly, there were no other solutions that could support our vision and facilitate writing payroll deductions automatically.”



Erika Davison-Aviles
Co-Founder & Head of Product, TempoPay

Look for a vendor that delivers data in one, unified format.

Every source system configures data differently, which makes data modeling one of the most complicated aspects of building multiple integrations. Ask if the vendor standardizes the data before delivering it to your application — if it doesn't, your operations team may have to perform additional work, or you may need to build a normalization tool in house.

Don't forget that it's not just the providers that have their own field naming conventions; employers do too. If you need detailed pay statement data, look for a provider that can map varying payroll line items like “Incentive Pay” or “Quarter Bonus” to corresponding standard labels across earnings, deductions, and contributions.

Consider the importance of industry specialization.

Beyond supporting coverage and field support, niche providers offer something invaluable: domain knowledge. The employment sector is inherently complex, meaning edge cases are inevitable. Providers with a deep focus on employment systems have the experience and flexibility to cater to anomalies.

Remember, you're outsourcing integrations so you can focus on your core competency. Choosing a provider with deep domain expertise gives your team a set of experts to lean on while you focus on improving your product.

"The success we had with Finch really changed our mind on strategy. We realized it made more sense to give up some control and partner with domain experts, especially for long-tail integrations. I would much rather go with a provider that specializes in a category and does it exceptionally well."



James Fletcher
Product Manager, Thoropass

Domain expertise

Key questions to ask

- What level of detail can you pull from the source system?
- What endpoints and fields are accessible for each provider?
- Can you pull detailed pay statement line items (standard and advanced earnings, taxes, benefits)?
- Which of your prebuilt integrations support both read and write functionality?
- Do you support a standardized data model? Pay statement mapping?
- What unique edge cases have you supported for other clients with my use case?

Security + scale

Employment data is highly sensitive, full of PII and strictly regulated by compliance mandates. Before deciding on a provider, be sure they have all the necessary security protocols in place to keep your customers' data safe — including scalable infrastructure that can accommodate your business as it grows.

Your vendor should be able to produce compliance certifications.

Any connectivity solution handling sensitive data should have up-to-date compliance certifications for the following regulations: SOC 2, GDPR, HIPAA, and CCPA.

A note on SOC 2

“SOC compliance” is a broad term that can refer to any of the three System and Organization Controls standards developed by the American Institute of CPAs (AICPA).



For the most rigorous protection of employer data, you should look for a vendor that is **SOC 2 Type II compliant**. SOC 2 standards focus on data security and trust principles, and Type II compliance means the company's systems are both designed properly and have been operating effectively over a period of 6–12 months.

Scrutinize the vendor's security protocols.

At a minimum, the provider should use encryption in transit and at rest, secure authentication requirements like MFA, OAuth, or API tokens, and provide audit trails.

Some providers will go a step further and provide data access controls, which will allow you to dictate what data you receive from the API and limit your company's liability by reading only the data you absolutely need for your use case.

As an extra step, look for a provider that offers 24/7 on-call monitoring so alerts are addressed immediately and your customers' data stays secure.

"We need to have a live view into our customers' headcount data no matter what systems they use so there's no lapse in compliance. We chose Finch since their mission critical infrastructure is the most reliable and offers the best coverage for our growing customer base."



Shrav Mehta
Founder & CEO, Secureframe

Make sure the vendor's platform is built to scale

Finding a reliable connectivity solution is a lot of work, so you'll want to be sure that whatever provider you choose is prepared to handle your current volume and scale to meet your business' needs as it grows.

Verify that the provider has **routing infrastructure** in place to navigate system-imposed rate limits so your access isn't throttled, and investigate the steps the provider is taking to continually improve its **system reliability**. Inquire about uptime, connection longevity, and incident response protocols.

Security + scale

Key questions to ask

- How do you ensure compliant data handling? Do you have security audits performed annually?
- Can you provide a current SOC 2 Type II audit report? Is your platform compliant with GDPR, CCPA, and HIPAA regulations?
- What encryption, authentication, and authorization mechanisms do you use to secure sensitive data?
- Do you support the ability to control what data I receive through the API (data access controls)?
- Do you have 24/7 on-call monitoring in place?
- Does your platform have routing infrastructure to manage system-imposed rate limits?
- What steps are you taking to improve your system performance and reliability?
- How many of your customers support 5+ providers? What about connections with 50+ employers?
- What was your system's uptime last month? Over the last year?
- How long do employer connections stay active, on average?
- What are your incident response protocols?

Choosing your solution with confidence

Your HR and payroll integration strategy isn't just a technical decision; it's a strategic one with a direct impact on revenue. The right partner will help you expand your coverage, onboard customers easily, and protect sensitive data, all while freeing your team to focus on what matters most: building a differentiated product.

As you evaluate providers, keep the four pillars in mind:

- 1 System coverage
- 2 Employer experience
- 3 Domain expertise
- 4 Security + scale

By weighing each through the lens of ROI, you'll be able to separate surface-level promises from long-term value.

The result of a smart decision today is more than just reliable integrations: it's faster revenue recognition, stronger customer retention, and a foundation that scales with your business. With the right partner, integrations can become your competitive advantage.

Finch: Leading market coverage for HRIS and payroll

Finch helps businesses unlock revenue, streamline operations, and grow faster with HRIS and payroll connectivity.

#1 provider network

Instantly support integrations with 250+ HRIS and payroll systems (and counting).

Premier employer experience

Replace manual CSV uploads and SFTP file setup with a fast, flexible authentication flow and onboard employers in minutes.

One, unified data format

Finch transforms the data from each provider into one standard data format that's easy to use.

Enterprise-grade security

Confidently manage PII with enterprise-grade compliance standards and best-in-class encryption protocols.

Talk to our team

Learn why companies like Betterment, Morningstar, Coinbase, and Tokio Marine Group trust Finch by [scheduling a call with our team](#).

Platform Feature Evaluation Guide

Use this [free RFP template](#) and the following criteria as a guide to vet providers during the sales process.

Coverage		
<input type="checkbox"/>	Top-10 provider coverage	Can support the largest providers by market share, including QuickBooks, ADP Run, Paychex Flex, Gusto, and ADP Workforce Now
<input type="checkbox"/>	Long-tail provider coverage	Can support providers outside of the Top 10, which account for 39% of employers in the U.S.
<input type="checkbox"/>	Integrations with non-API systems	Offers alternative connection methods for providers that do not offer a public API or otherwise limit access
<input type="checkbox"/>	New provider requests	Provides a clear path for supporting new providers upon request
<input type="checkbox"/>	Data sync frequency	Automatically refreshes data every 24 or 48 hours and can support on-demand syncs
<input type="checkbox"/>	Partnership strategy	Has formal partnerships established with key providers to negotiate rate limits and stay ahead of key system updates

Employer Experience		
<input type="checkbox"/>	Self-serve employer onboarding	Can support self-serve employer onboarding, standardized across providers. Onboarding should take no more than a few minutes.
<input type="checkbox"/>	Non-employer-paid billing model	Supports application- or service-provider-paid billing. Employer-paid models may require a third-party agreement and can hurt conversion rates.
<input type="checkbox"/>	Employer authentication progress tracking	Offers a dashboard to monitor employers' connection status in real-time

Domain Expertise

<input type="checkbox"/>	Standardized data model	Supports a unified data model that standardizes fields and data formats across providers
<input type="checkbox"/>	Company data	Can read data fields related to company information, including entities like departments, locations, and EINs
<input type="checkbox"/>	Directory data	Can read data fields related to the employee directory, including name, manager, and department
<input type="checkbox"/>	Employment data	Can read data fields related to individuals' employment status, including hire and termination dates, rehire date, class codes, location, and income
<input type="checkbox"/>	Individual employee data	Can read data fields related to individual employees, including email, DOB, address, and SSN
<input type="checkbox"/>	Payment data	Can read payroll information, including pay groups, pay period dates, gross and net pay, and employee and employer tax information
<input type="checkbox"/>	Pay statement data	Can read detailed pay statement line items, including standard and advanced earnings, specific benefit contributions, and pre- and post-tax deductions by benefit type
<input type="checkbox"/>	Pay statement mapping	Supports pay statement mapping across different employers' field names with standardized categories across earnings, deductions, and contributions
<input type="checkbox"/>	Write-back functionality	Can push changes back to the employer's system to create and update benefits deductions (retirement plans, S125, HSA and FSA, commuter benefits, etc.)
<input type="checkbox"/>	Edge case experience	The vendor should be able to speak to edge cases it's supported for existing customers.

Developer Experience

<input type="checkbox"/>	Sandbox environment	Can provide access to a sandbox environment with active provider connections to run test scenarios. Bonus points if it's free to use before purchase!
<input type="checkbox"/>	Webhooks and push notifications	Can support webhooks that notify users of data changes
<input type="checkbox"/>	Request forwarding	Ability to read from and write to fields outside of the vendor's standard data model via direct API requests to the provider's system
<input type="checkbox"/>	Connection health dashboards	Offers oversight tools to monitor connection status and proactively triage lapsed connections
<input type="checkbox"/>	Employer-facing resources	Provides educational materials to help educate customers and facilitate onboarding

Security

<input type="checkbox"/>	Data encryption	Enforces TLS 1.2 data encryption to protect data in transit and AES 256 bit encryption to protect data at rest
<input type="checkbox"/>	Secure authentication requirements	Uses secure authentication requirements like MFA, OAuth, or API tokens and provides audit trails
<input type="checkbox"/>	Data access controls	Provides optional data access controls to limit sensitive information received through the API to only necessary fields
<input type="checkbox"/>	24/7 on-call monitoring	Provides 24/7 on-call monitoring to address alerts immediately and maintain data security
<input type="checkbox"/>	SOC 2 Type II compliance	The vendor should be able to produce a SOC 2 Type II audit report completed within the prior 12 months.
<input type="checkbox"/>	Adherence to data protection regulations	Is compliant with HIPAA requirements and adheres to GDPR and CCPA data protection regulations

Scalability

<input type="checkbox"/>	Routing infrastructure	The platform should be built on scalable routing infrastructure to manage system-imposed rate limits.
<input type="checkbox"/>	Performance and reliability	The vendor should be able to speak to the steps it's taking to continuously improve system performance and reliability.
<input type="checkbox"/>	System uptime	The vendor's system uptime should be nearly 100%. Anything less than 99.9% should be considered a red flag for system performance.
<input type="checkbox"/>	Support for large employers and multiple providers	The vendor should be able to demonstrate scalability with live customers. Ask what share of customers support 5+ providers through the platform and connections with 50+ employers.

Support

<input type="checkbox"/>	Support SLAs	The vendor should have a dedicated support team accessible through multiple points of contact, a rapid response time, and a customer satisfaction score north of 90%.
<input type="checkbox"/>	Public API documentation	The vendor should be open and transparent with its API documentation.
<input type="checkbox"/>	Incident response protocols	The vendor should have clearly documented incident response protocols.