# OnPay secures over $100 million in funding to enhance payroll software solutions



In a significant development for the payroll software industry, OnPay, a startup specialising in payroll solutions and human resources management, has announced it has secured over $100 million in new funding, comprised of a $63 million Series B round led by Carrick Capital Partners. The announcement was made on Tuesday and marks a pivotal moment in the company’s growth and potential future trajectory.

Founded in 2011 by Jesse Burgess, OnPay initially stemmed from Burgess’s experiences within his family's payroll business, where he recognised that repetitive tasks burdened payroll clerks. In response, he developed workflow automation tools to simplify those monotonous tasks, eventually extending these innovations to a broader market.

OnPay's platform now provides various applications designed to streamline payroll deductions, taxes, and other HR-related processes, including benefits management such as health insurance, workers' compensation, and 401k plans for employee management. Its integration capabilities with multiple third-party HR and compliance tools further allow businesses to synchronise crucial data, enhancing operational efficiency.

As interest in HR and payroll software grows, a recent survey by Business.com highlighted that 50% of small business HR professionals currently utilise cloud-based software to manage HR functions. The survey also indicated that 69% of these respondents believed that such software has significantly reduced payroll processing times, while 25% noted improvements in compliance with legal standards.

The market for global HR payroll software evidenced remarkable growth, valued at approximately $23 billion in 2021 and projected to exceed $55 billion by 2031, as noted by Allied Market Research. This flourishing landscape has undoubtedly paved the way for companies like OnPay to expand their reach and capabilities.

With the influx of funding, Burgess stated that OnPay is set to “scale its capabilities,” aim for further investments in product development, and fast-track its market strategy. “This funding represents a transformative milestone for OnPay and is a testament to the hard work and dedication of our team,” he added, expressing optimism about the potential to enhance offerings that drive growth for businesses reliant on OnPay's payroll and HR systems.

Additionally, AB Private Credit Investors, part of the investment platform AllianceBernstein, participated in the Series B funding round, which brings OnPay’s total funding to over $165 million in both equity and debt since its inception.

The ongoing trends in AI automation within payroll and HR sectors reflect a shift towards more efficient and technology-driven solutions, with companies increasingly recognising the value of digital transformations in their business practices.

Source: [Noah Wire Services](https://www.noahwire.com)

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