



From the MixCache.com library

SAMPLE COPY

Automatic Data Processing

MixCache.com

SAMPLE COPY

Table of Contents

- **Introduction**
- **Chapter 1** The Birth of Automatic Payrolls, Inc.: 1949 Origins
- **Chapter 2** Visionaries in Action: Henry and Joe Taub, Frank Lautenberg
- **Chapter 3** From Ledgers to Computers: Embracing Technology in the 1950s
- **Chapter 4** Becoming ADP: Rebranding and the IBM Era
- **Chapter 5** Going Public: The 1961 IPO and Early Growth
- **Chapter 6** First Steps Abroad: Expansion into the United Kingdom
- **Chapter 7** On the Exchange: ADP's NYSE Debut and the 1970s Landscape
- **Chapter 8** Strategic Acquisitions: Building Data Processing Strength
- **Chapter 9** Entering Wall Street: Diversification in the 1980s
- **Chapter 10** The Brokerage Revolution: ADP's Information Services Leadership
- **Chapter 11** Breaking the Billion Mark: Scaling Operations and Revenues
- **Chapter 12** Pioneering Payroll Automation: Technology and Product Innovation
- **Chapter 13** The Small Business Opportunity: Targeted Solutions Emergent
- **Chapter 14** Professional Employer Organization: ADP as a Trusted Partner
- **Chapter 15** Acquisitions and Alliances: Chessington, GSI, and PayExpert
- **Chapter 16** Consolidation and Launch: ADP Enterprise Payroll and Early Web
- **Chapter 17** Focused Growth: Divestitures and Refined Strategy in the 2000s
- **Chapter 18** ADP and the Evolution of Human Capital Management
- **Chapter 19** Expanding the Portfolio: Key Acquisitions Post-2010
- **Chapter 20** Cloud, Mobile, and Analytics: Shaping the Modern Product Offering
- **Chapter 21** Strength in Numbers: Analyzing Financial Performance
- **Chapter 22** Market Leadership: Competitors and the ADP Advantage
- **Chapter 23** Leading the Way: People, Culture, and Corporate Values
- **Chapter 24** Innovation at the Core: Artificial Intelligence and ADP Assist
- **Chapter 25** The Road Ahead: ADP's Future in a Digital Workforce

Introduction

Automatic Data Processing, Inc. (ADP) is a name that quietly underpins the operation of millions of businesses across the United States and the globe. Best known for being a pioneer and leader in payroll and human capital management services, ADP's journey is a compelling reflection of American entrepreneurial spirit, technological innovation, and adaptability in a rapidly evolving marketplace. From its modest origins in Paterson, New Jersey, in 1949, ADP has emerged as an S&P 500 powerhouse, employing tens of thousands and serving over a million clients in more than 140 countries.

This book, "Automatic Data Processing: The Story of An American Company," traces the rich history of ADP: from its roots as a small, family-run manual payroll service to its current position at the forefront of automated, cloud-based human resources and payroll solutions. The ADP journey is not just a business biography; it is a panoramic view of how technology intersects with business services, and how a company can reinvent itself again and again to stay ahead of the curve. Through cycles of innovation, growth, and reinvention, ADP's story mirrors the broader evolution of American business itself.

The steadfast focus on technological advancement has been a hallmark of ADP. Early on, the company recognized the potential of computers to revolutionize administrative services, making the bold leap from ledgers and bookkeeping machines to IBM mainframes. Throughout the subsequent decades, ADP diversified its portfolio, seized strategic growth opportunities, and employed a combination of organic development and targeted acquisitions to secure its leadership in markets ranging from payroll to brokerage services, and ultimately human capital management. Key moments—the company's 1961 IPO, its expansion into the U.K., its embrace of cloud technology, and its responsiveness to workplace digitization—underscore how ADP managed growth in a changing world.

But ADP's sustained success also derives from its culture and people. With a foundation built on values such as integrity, innovation, and service excellence, ADP has fostered a workplace that encourages personal development and a sense of belonging. Leadership transitions, such as the appointment of its first female CEO, Maria Black, reflect the company's commitment to inclusivity and adaptation. Employee satisfaction and a sense of mission remain cornerstones of the firm's enduring competitive edge.

As the book moves from the past into the present and beyond, it examines the ongoing transformation of ADP—how it has repositioned itself in the new era of

artificial intelligence, digital payments, and cloud-based software, and how it competes in a crowded and constantly shifting landscape of service providers. Looking ahead, ADP's investments in next-generation technologies, data analytics, and innovative platforms like ADP Assist signal a company that not only acknowledges change but seeks to shape it.

Through this exploration, readers will discover not just the story of a business, but of the people and choices that built it. The ADP story encapsulates the broader trends in American enterprise and offers lessons in resilience, strategic foresight, and the enduring importance of serving both clients and employees with vision and integrity.

SAMPLE COPY

CHAPTER ONE: The Dawn of Payroll: Henry Taub and Automatic Payrolls, Inc.

In the aftermath of World War II, America's economy was on an upswing, and with it came a growing complexity in managing the administrative backbone of businesses. One of the most ubiquitous, yet often cumbersome, tasks for any employer was payroll. Before the widespread advent of digital systems, payroll was a manual, laborious, and error-prone endeavor. Companies relied on ledgers and handwritten checks, with accountants meticulously calculating wages, deductions, and taxes. This was the "dark ages" of payroll, a time when a single sick payroll clerk could bring a company's payment schedule to a grinding halt. It was into this fertile ground of inefficiency that a young, astute accountant named Henry Taub stepped, recognizing an opportunity to revolutionize a fundamental business process.

Born in Paterson, New Jersey, in 1927, Henry Taub was a disciplined and brilliant individual who had already compressed his college education, graduating from New York University with an accounting degree in 1947. The year was 1949, and Taub, at just 21 years old, was working as an accountant out of an office located above a luncheonette. A pivotal moment arrived when a client of his faced a common yet frustrating predicament: their payroll manager fell ill, leaving employees in limbo and unable to receive their paychecks on time. This incident, seemingly a minor inconvenience in the grand scheme of business, sparked a profound realization in Taub's mind. There was a clear and pressing need for a reliable, outsourced payroll service that could safeguard businesses against such disruptions.

Seizing this opportunity, Henry Taub founded Automatic Payrolls, Inc. (API) in Paterson, New Jersey, in 1949. His initial capital for this venture was a modest \$2,000, a testament to the bootstrapped nature of many successful American enterprises. The company's focus was singular and straightforward: manual payroll processing for businesses in Northern New Jersey. In those early days, the concept of outsourcing payroll, while not entirely new, often still meant hiring an external individual to manually tally and calculate wages. Taub aimed to formalize and professionalize this service.

The operations of Automatic Payrolls, Inc. were, by modern standards, incredibly basic. Employee hours were manually recorded in ledgers, and checks were meticulously handwritten, complete with bank codes and numbers. It was a far cry from the instantaneous, automated transactions we know today. In fact, Taub himself would often personally deliver payroll checks to his clients, sometimes traveling by bus because he didn't yet own a car. This hands-on, almost quaint approach, however,

allowed Taub to build strong relationships with his early clients and truly understand their needs and pain points. The quality, accuracy, and speed with which his nascent business delivered its services quickly garnered recognition.

The commitment to meticulousness and client satisfaction was a foundational principle from the very beginning. Frank Lautenberg, who would later become a key figure in ADP's history, recalled working long, seven-day weeks in those early years. He noted that Henry Taub was incredibly disciplined, never allowing them to leave without ensuring everything was cleaned up and prepared for the following day. This dedication laid the groundwork for the company's reputation for reliability, a crucial factor in a service business where trust and accuracy are paramount.

Soon after founding Automatic Payrolls, Inc., Henry's brother, Joe Taub, joined the venture. While Henry focused on the strategic direction and client acquisition, Joe played a vital role in the administrative functions of the growing company. The collaboration between the brothers created a formidable team, combining entrepreneurial vision with operational diligence. Their combined efforts allowed Automatic Payrolls, Inc. to begin slowly building its client base, laying the initial bricks of what would become a towering edifice in the world of business services. The stage was set for the gradual expansion of this humble Paterson-based operation, paving the way for a transformative journey from manual ledgers to global digital dominance.

This is a sample preview. Purchase the book to read the full content.

Visit MixCache.com to purchase the complete book.

SAMPLE COPY