



Global reach
Local knowledge

Case study

Lenovo

Streamlined payroll model transforms Lenovo Group operations

Innovation the key to progress as Lenovo expands its global reach



Industry

IT and
Technology



Services provided
by TMF Group

HR and Payroll



Employees served
by TMF Group

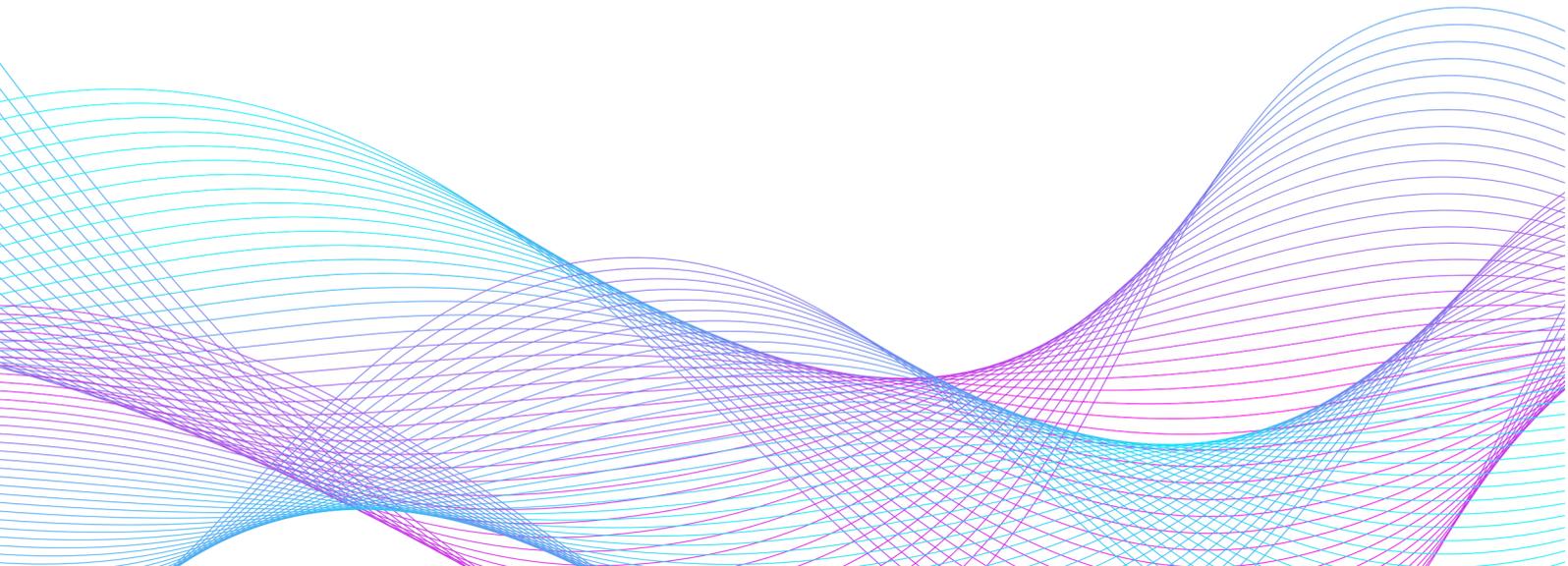
11,300



Jurisdictions
covered

55 jurisdictions
across APAC, EMEA
and North and South
America

With a focus on accuracy, timeliness and innovation, a long-time collaboration between TMF Group and Lenovo continues to breed success.





About Lenovo

Lenovo Group Limited is a multinational technology company specialising in designing, manufacturing, and marketing consumer electronics, personal computers, software, business solutions, and related services. Ranked at 217 in the Fortune Global 500 (as of 2024) and headquartered in both Beijing and North Carolina, the \$62 billion revenue company employs 77,000 people worldwide, focused on delivering 'smarter technology for all'.



The challenge

Lenovo is one of the largest and most well-known manufacturers of computing hardware in the world. It now operates in 190 countries and inevitably, for a global leader of this size, is subject to a wide variety of employment regulations, including the complexities and risks associated with payroll processing. For Lenovo, poor payroll management not only means disgruntled employees and non-compliance with strict regulations, but also the potential for serious reputational risk. So as the company continues to expand its global footprint, managing and mitigating these risks is an important priority.

Maxine Gardner was appointed as Lenovo's Global Payroll Director in 2014, with the goal of ensuring the company's global payroll model was best-in-class. "When I took on the payroll, overall accuracy was about 60% and, in some countries, as low as 35%. Neither figure was acceptable," says Maxine. There were also concerns with payroll timeliness, which at the time, was taking between 15 and 21 days, from cut-off date to pay date.

"One of the most important things we do as a business is pay all employees accurately and on time," says Maxine. "This isn't just about fulfilling a legal obligation, it's about respecting our employees and enabling them to meet their financial commitments – to pay mortgages and rent, and to support their families. Our team's motto is 'we pay for dreams,' and we take that seriously."

But with payroll interconnected with so many other business functions, the impact had been widespread.

"Payroll data gets fed into other departments, and that means internal deadlines and responsibilities," says Maxine. "If we send inaccurate data to the rest of the organisation, it causes problems that we have to spend time and effort to fix. It affects the efficiency of the entire business."

A review of the situation produced some clear goals. "We wanted to create a really efficient, flexible payroll operation which would allow us to pivot when the business required it - like quickly setting up a payroll infrastructure in a new country for example," says Maxine. "We wanted automation to help us be less reliant on human intervention and ultimately, we wanted to reach a zero defect state. This would also free up team members to focus on more strategic initiatives."



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Maxine Gardner



The solution

In 2018, Maxine and her team embarked on the transformation of Lenovo's global payroll model and processes, leveraging both in-house expertise and external support. This entailed managing payroll internally for countries with existing manufacturing plants and the necessary resources to handle complex payroll structures, including hourly pay calculations. For all other countries, Maxine opted for an outsourced model. Following a comprehensive vendor evaluation, Lenovo expanded its existing partnership with TMF Group to deliver consolidated payroll services.

TMF Group had been working with Lenovo since 2011, and by 2016 it was supporting payroll in 14 countries in Asia Pacific and Latin America. At the start of the transformation process, around 2,300 of Lenovo's global employees were paid through the TMF Group's payroll system.

"TMF Group proved to be the partner we needed to standardise our outsourced payroll services globally. It has a great technology roadmap, delivery capability in nearly every location and the processes in place to get payroll out on time. We felt very confident in their capability to deliver," says Maxine.

TMF Group's advanced technological platform is the foundation for Lenovo's fully managed, standardised payroll service, and is fully integrated with Workday, Lenovo's HRIS system.

The integration has helped streamline activity for Maxine's team and for Lenovo's employees. For example, in countries with more than 50 employees, payslips are imported into Workday so employees get payslips and tax documentation in one place.

The system also offers Lenovo an enhanced level of security around data exchange. "We keep track of what payroll data and documents have been exchanged between TMF Group, Lenovo and employees," says Maxine. "Data privacy is a global issue and our security and privacy teams feel more confident with the TMF Group system in place."

Importantly, TMF Group was also able to support Lenovo's international growth journey. "We can't have superior performance in one location, while being unable to maintain control in others. We need compliance with all the relevant local rules, and a great employee experience everywhere we operate," says Maxine. "TMF Group was the perfect fit."

TMF Group now processes payroll for 11,300 Lenovo employees across 55 countries and, whenever required by Lenovo, provides experts who are fluent in local languages and who have expertise in local payroll concerns and regulations.

In the past ten years, Lenovo has also continued to expand through acquisitions. TMF Group has played an important role in overcoming the complexities involved, especially when cross-border or multi-jurisdictional integration has been necessary.

"We all know the stories of system integrations and process standardization between newly affiliated companies holding back successful acquisitions, and I was determined that payroll wouldn't be such a hurdle," says Maxine. "TMF Group's experts have helped us set up payroll for our post-deal entities quickly and efficiently. They flex up and down as Lenovo needs. When I discover we have acquired a new business and we need its people to be paid within months, I know we can do it with TMF Group."

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"TMF Group has become more than just a payroll provider for us; they're a true business partner," Maxine continues. "The Account Director and Client Service Director are like extensions of our team. We hold regular strategic conversations where we discuss not just payroll, but also our expansion plans, potential operational improvements and overall business strategy. Having access to their global expertise and insights allows us to make more informed decisions and navigate the complexities of international payroll with confidence. Looking ahead, we're confident that this strong partnership will continue to be a key driver of our international growth and success."



Results

As TMF Group continues to innovate in the area of payroll, Maxine believes it will continue to improve the Lenovo employee experience. "We are an innovative payroll department, and we want to continue evolving," says Maxine. "As TMF Group continues to improve its platform, we're looking forward to seeing what we can do together next."

LENOVO is a trademark of Lenovo.

By outsourcing critical payroll services, Lenovo has achieved the following results:

175 days/year saved

Payroll timeliness has reduced to 12 to 15 days, saving approximately 175 days of payroll processing per year.

99% accuracy

Payroll accuracy now sits at 99.9%.

11,300 employees

TMF Group now provides payroll processing for approximately 11,300 Lenovo employees across 55 countries.

We make a **complex**
world **simple**



About TMF Group

TMF Group is a leading provider of critical administrative services, helping clients invest and operate safely around the world.

With more than 10,000 colleagues across 125 offices in 86 jurisdictions, all working to the same high standards of service and security, we provide our clients with local expertise where it is needed most. Our locations cover 92% of world GDP and 95% of FDI inflow.

We are a key part of our clients' governance, providing the accounting, tax, payroll, fund administration and legal entity management services essential to their success. We make sure rules are followed, reputations protected and operational compliance maintained.

Our global service model and technology platform put our clients in control of their portfolio of entities and global locations. The data insights we deliver keep them on top of emerging regulation, the status of their own activity and any points of risk.

We serve corporates, financial institutions, asset managers, private equity and real estate investors, and family offices. Our clients include the majority of the Fortune Global 500, FTSE 100 and top 300 private equity firms.

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TMF
GROUP

Global reach
Local knowledge

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