RIZING

Rethink, Reimagine, Redesign
Payroll with SAP® SuccessFactors®

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With the world more connected and impatient than ever before, it is critical for successful organizations to pay people accurately and on time.
In the digital age, issues that previously stayed behind closed doors are visible for the entire world to read about, which can result in serious ramifications.[1]

Imran Sajid

Global HCM Director
at SAP SuccessFactors

The Scary Thing About Payroll

01

For many organizations, payroll is one of those back-office functions that largely goes unrecognized.

A series of systematic processes - managed by a few ghostly, yet diligent payroll administrators - which results in a 100% accurate paycheck deposited into our bank account not one minute later than anticipated.
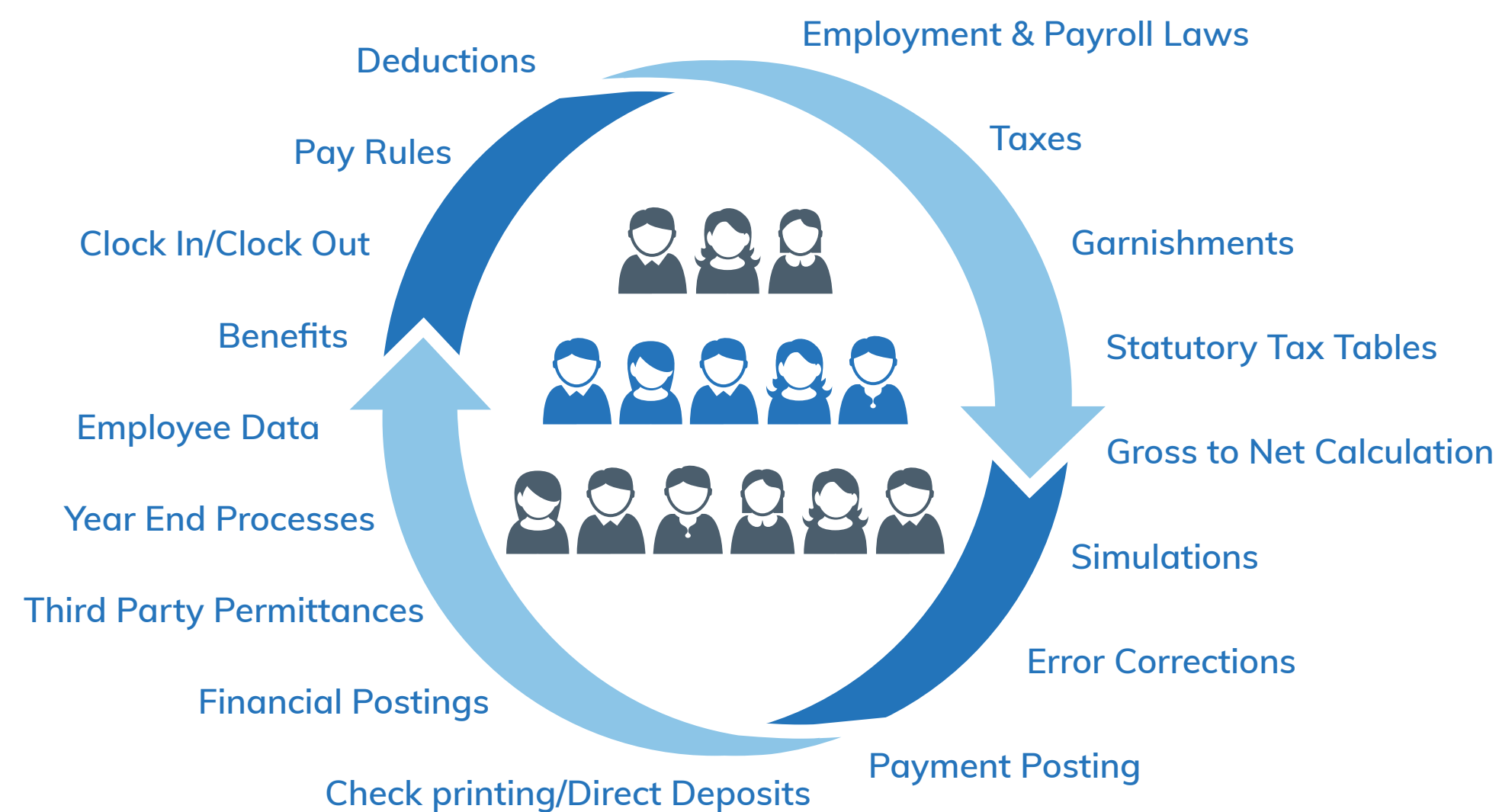
What could possibly go wrong? The answer: A lot.

For every single step in the payroll process there's a possible misstep. Someone can enter data incorrectly – it might even be done by an employee processing their own changes through self-service. Maybe time entry is missing. An employee's address could be wrong, affecting taxation. Or perhaps the taxes built into your system aren't quite up to date or a compensation change was entered incorrectly.

The fact of the matter is that payroll relies upon the inputs of individuals across the organization who report to different departments with different key objectives.

Add to that the underlying effort required to maintain the system. Such as lifecycle management, security roles, governance, risk management, ongoing legislative updates, and the continuing education of payroll administrators to remain up to date on local, regional and national regulations. It becomes quite evident that payroll can no longer remain siloed or be considered a one-person job.

Deductions
Employment & Payroll Laws
Pay Rules
Taxes
Clock In/Clock Out
Garnishments
Benefits
Statutory Tax Tables
Employee Data
Gross to Net Calculation
Year End Processes
Simulations
Third Party Permittances
Error Corrections
Financial Postings
Payment Posting
Check printing/Direct Deposits

The scary thing about payroll is that getting it wrong can be devastating not only for your employees who were counting on that paycheck, but also for your brand.

Sherryanne Meyer, SHRM-SCP, HRIP

We believe there's a better way…

to look at payroll not as a standalone process, but as the output of a successfully integrated and orchestrated set of processes that run the business. And, that it may be time for your organization to rethink how payroll is done.

Challenged to Rethink the Payroll Function

In many ways, payroll hasn't changed over time – except for the fact that we no longer pay workers in commodities like bread and beer.

It's important to distinguish compensation from payroll.

COMPENSATION

The sum of what we agree to pay an employee in return for defined services. Compensation includes base pay plus variable pay in the form of short term and long term incentives - commissions, stock and cash awards - as well as indirect compensation in the form of benefits, a company-paid car, vacation time and more.

PAYROLL

The function that moves direct payments - salary, wages and commissions - from the company account to an employee's account.

At the start of the industrial revolution, payroll began to turn into a well-oiled machine.

Bookkeeping processes were established, and time worked was tracked relative to pay. With the growth of labor legislation, we added technology to the process.

However, at some point we stopped thinking about changing and evolving payroll. Instead we adopted the attitude "if it ain't broke don't fix it."

But the world has changed... and old attitudes don't serve a modern workplace.

Today's workplace is aligned to the experience that workers have when they walk through the door – whether that door is virtual or real. Organizations of all sizes are re-examining the basic elements of employment to better engage the workforce.

Yet, payroll has largely remained stagnant, creating a unique set of challenges that further hurts organizations.

The 4 Biggest Payroll Challenges Businesses Face

1

LACK OF DEVELOPMENT
FOR PAYROLL AND PAYROLL STAFF

If payroll is processed on-time and accurately, no one notices the back-office technology and administrators who make pay happen.

Payroll organizations largely focus on just that: payroll – the legislation, the continual tax changes, and the constant effort to get pay right. The Hackett Group's Global Payroll Performance Study found that 61% of organizations allocate 20 hours per year to training, yet only 48% of administrators actually use the opportunity.[3]

Organizations are missing out on development opportunities that would elevate the payroll administrators to become analysts that can generate improved processes and business models. As a result, we may be widening the gap between administration and decision making.

2

DATA QUALITY

Despite the advantages that technology has brought to payroll processing, payroll administrators still spend knuckle-biting hours processing every payroll cycle – largely because payroll processing relies heavily on accurate data.

A recent Hackett Group study found that "half of organizations experience data quality issues and require the data to be scrubbed during the payroll cycle."[4]

Adjustments and corrections are costly. Generating manual off-cycle checks to account for corrections and risking fines for non-compliance all add up quickly. In fact, the Wage and Hour Division of the US Department of Labor reported a record of $322 million in wages owed back to employees due to pay errors.[5]

66%
of payroll professionals say their organization occasionally cuts corners that may jeopardize compliance[2]

54%
of Americans have had a paycheck problem[6]

2.19
days to correct payroll errors[7]

3

POOR USER EXPERIENCE

The adage, "as long as I get my paycheck, that's all that matters" no longer seems to apply. Sierra-Cedar's 2019 survey results report, "Poor User Experience continues to be a challenge and often connects to integration issues, lack of mobile capabilities, and older interfaces." [8]

The same report also found that "organizations that focus on the adoption of service delivery applications often see higher levels of employee engagement and system adoptions, increasing the number of people each HR administrator can support." [9]

It used to be enough to put a paycheck in someone's hand or in their bank account. Employees want more today. They want to understand the elements of their pay and deductions. They want access online to get salary verification, modify deductions, and model future scenarios. They want access to data in their pockets, on their mobile devices. They do not want to spend time calling someone for answers… and they certainly don't want to have to call someone to correct an error.

4

MISSING DATA-DRIVEN DECISIONS

While some payroll organizations may be focused on efficiency and process improvements, overall payroll and time data has not been used to provide analysis that enables actionable workforce decisions.

According to time and labor management expert and author Lisa Disselkamp, "What many managers don't realize is that the biggest dangers, as well as the greatest opportunities, exist at the point where data, decisions and execution are handed off to another person, team or process… and become inefficient or poorly managed." [10]

By converging information into a transparent system, the business itself can be better managed.

> "
> Organizations that focus on the adoption of service delivery applications often see higher levels of employee engagement and system adoptions, increasing the number of people each HR administrator can support. [11]
>
> **Bloomberg Tax and Accounting Payroll Benchmarks Survey Report**

Reimagining Payroll

03

It's More Than a Paycheck

It's clear that paying employees has typically been a task to check off a weekly, monthly, or annual to do list. Recent advances in cloud payroll solutions, however, can render significant cost savings, enable data-driven decision-making, and even add enhancements to talent recruitment, development, and retention.

It's About **Employee Engagement**

Modern workforce solutions see payroll as a motivator. Do I receive my paycheck on time? Is it accurate? These are fundamental expectations.

Today's questions are: Can I get an advance on my paycheck? Does the user interface help me to model deductions? Is my pay easy to understand? How easy is it to change my withholding taxes and how are my payroll statements delivered – are these things electronic?

SAP SuccessFactors Employee Central Payroll, for example, offers online self-service tools to withhold taxes, update personal information, and issue end of year payroll statements. SAP is deeply invested in continual development of the product.

Consumer-focused solutions that make an employee's personal life comfortable are as important to today's workforce as wellness initiatives, flexible work schedules, and time off.

It's About **Transparency**

Data transparency is vital in business – and this includes the payroll process as well. When leaders make sweeping cuts across the organization but can't back those decisions with facts, trust erodes.

Is it more cost effective to cut overtime or cut positions? Where can productivity be improved in place of cutbacks?

Transparency leads to a positive workplace culture. Transparency means we have access to information that we can use to make better decisions.

Do you, as a leader, have access to data that assesses the true total costs of paying your workforce? As one of the largest expenses in your company, this is something you should have.

It's About **Streamlined Payroll Processes**

Payroll used to be a time-consuming and complicated task - whether you were processing payroll for a handful of employees, a few hundred, or thousands. That is no longer true.

A best in class payroll solution such as SAP SuccessFactors Employee Central Payroll (ECP) streamlines processes to offer automation with an efficient workflow, fewer errors, and more time for your administrators to focus on higher-value added work.

THE 5 HALLMARKS OF A BEST IN CLASS PAYROLL SOFTWARE

01
Easily eliminates manual effort

02
Reliably maintains compliance so you don't have to

03
Intelligently identifies and automates correction of errors

04
Clearly provides visibility into payment, deductions and processes for managers and employees

05
Readily makes data available so that management can proactively make decisions for the health and welfare of the business

Trends in Payroll for a New Decade

04

We live in a world of constant change, which adds to the complexity of the payroll process.

The Hackett Group study on the State of Payroll in 2018 emphasizes that "a persistently complex and slowly changing organizational, technology and talent landscape"[12] are all impacting payroll.

Cloud solutions remove some of the barriers to innovation by automatically maintaining your system, and offering a bridge to more rapid innovation.

ENTERPRISE MANAGEMENT OF CLOUD IS MATURING

In a recent benchmark report, Forrester Research found that enterprises are expanding their adoption of cloud computing in all its forms, including Software as a Service.[13] Utilization of cloud, monitoring, standardization, and automation of cloud are all increasing.
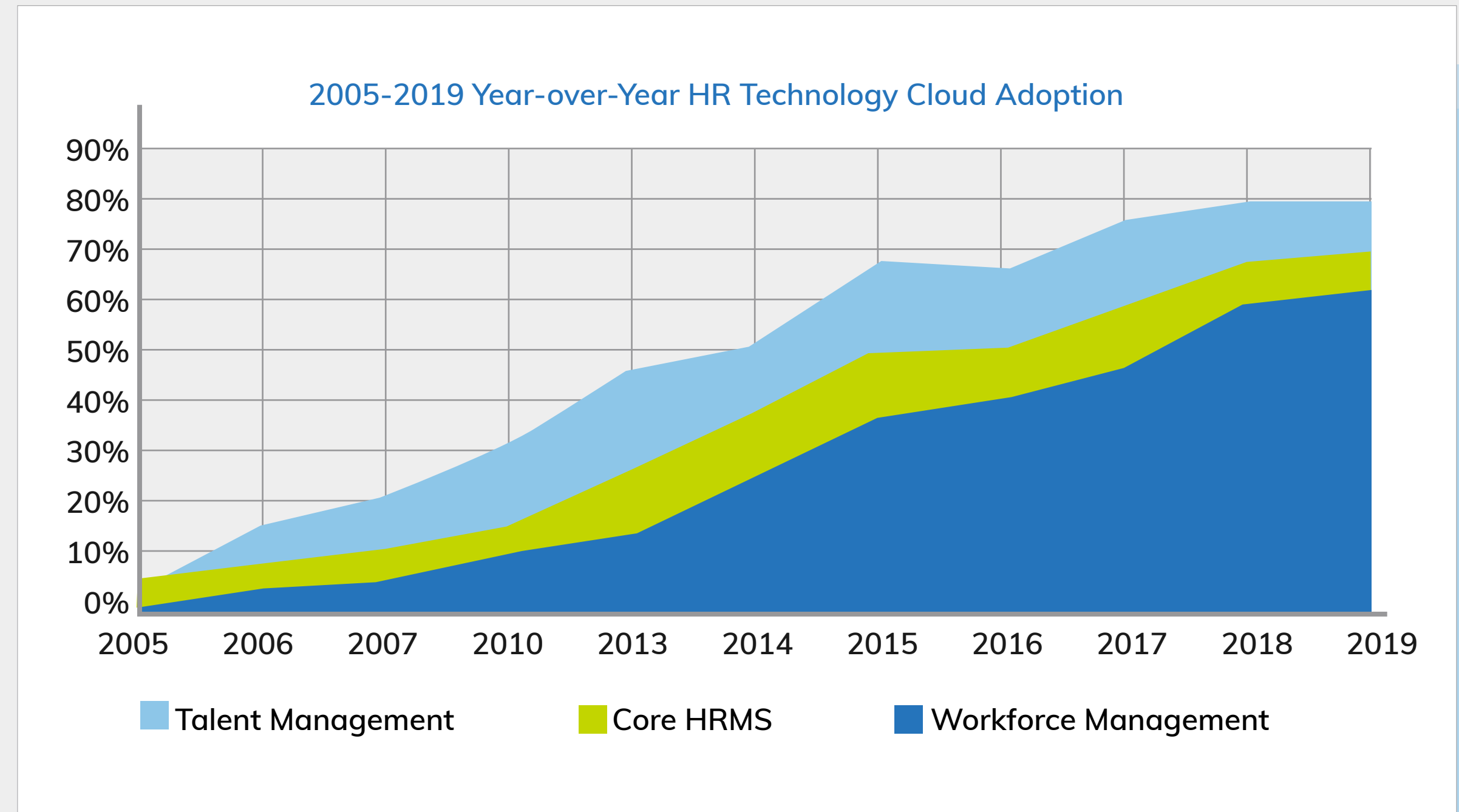
Research performed by SAPinsider in 2019 concluded, "Those that have not yet started to plan for transitioning their HR processes to the cloud are behind the competition."[14]

CONFIDENCE IN CLOUD HAS GROWN

Cloud was once thought to be a risky endeavor for a business to undertake. However, it's now seen as enabling the consolidation of services under a handful of expert providers so that in-house resources can be directed to managing costs and optimizing services.

HR ADOPTION OF CLOUD IS CLIMBING

Adoption of cloud software for core HR and payroll processing has climbed steadily over the fourteen years that Sierra-Cedar has been measuring its use as shown in their chart to the right.

2005-2019 Year-over-Year HR Technology Cloud Adoption

Legend: Talent Management · Core HRMS · Workforce Management

Adapted from Sierra-Cedar 2019-2020 Survey White Paper

IN-HOUSE SYSTEM MANAGEMENT MAY NOT ADD VALUE

The trend is away from managing applications and hardware in-house – so much so that cloud itself is no longer a differentiator. Some form of cloud is now pervasive throughout industries. The differentiator now lies in how you use cloud. In many cases, this means adopting options that move the system maintenance, transactions, and service to a third party.

This thinking is in line with McKinsey's observation that companies focus too much on "Return on Investment Capital (ROIC)." Rather, McKinsey notes that "companies create wealth by converting these 'raw' intangibles [talent] into the institutional skills, patents, brands, software, customer bases, intellectual capital, and networks that raise profit per employee and ROIC." [15]

FOCUS ON VALUE OVER ADMINISTRATIVE COSTS

Sierra-Cedar's research found a direct correlation between organizations with HR Systems strategies and improved business outcomes.

Enterprise System Strategies & Business Outcomes
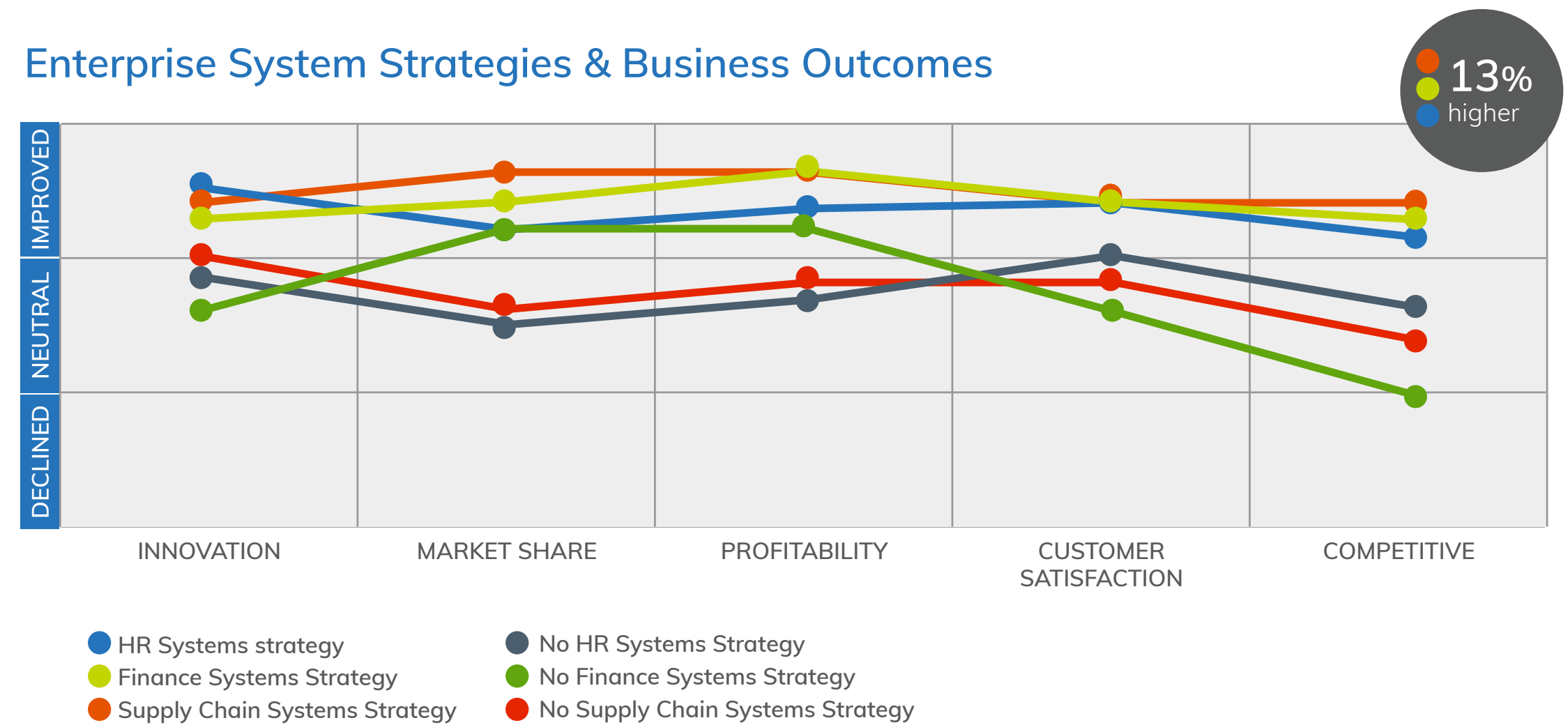
Adapted from Sierra-Cedar 2019-2020 Survey White Paper

"In the past the requirement was to pay employees accurately and pay them timely. There was no strategy. There are things we can do differently to manage the amount of cost and increase value," says Felicia Cheek, a payroll expert. "What do you want your resources to focus on? With tech changes we've seen around digitation with RPA, CHATBOTS - payroll could be more of a value-added function." [16]

INTELLIGENT ENTERPRISE AND AUTOMATION

The intelligent enterprise is the goal of every leading organization, large or small. Intelligence means taking the data you have and using it to make sound decisions. To take that one step further, the intelligent enterprise encompasses notions as high tech sounding as the Internet of Things (IoT) and Artificial Intelligence (AI) and Robotic Process Automation (RPA).

In payroll, it means taking the inputs of the payroll process and analyzing them automatically to "listen" for potential errors and initiate corrections through workflow processes. SAP SuccessFactors' Payroll Control Center (PCC) is an example of intelligent payroll processing. PCC's functionality continually tracks changes to employee master data, identifying data errors or policy deviations and prompting for adjustments before payroll is executed.

Cloud Offers Distinct Business Advantages

05

Over the last decade it has become abundantly clear that the trend towards adopting cloud solutions greatly influenced the decision to change payroll software solutions. But let's peel back the layers and attempt to see why. What do companies gain by rebuilding payroll in the cloud?

01

Agility – You're Always on the Latest Version

Immediately, by implementing cloud, your payroll system becomes routinely and regularly maintained. Legal changes are funneled through to your staging environment. Tax updates – which can be numerous – are part of the regular maintenance. This removes a layer of technology services and complexity that is inherent in your on-premise system.

02

Latest User Experiences are Delivered

Enhancements are routinely delivered with cloud solutions. Since your cloud system is maintained by your cloud service provider, enhancements are readily available for your use. The demand for modern user interfaces - intuitive, simple and customer-focused - can be more easily met with a cloud solution. On-premise solutions, on the other hand, require your staff to first perform system upgrades and then complex coding to deliver the same results.

03

Ready Innovations

The most modern capabilities are available to customers of cloud solutions. This is essentially because a cloud system is always up to date with the latest software release. Enhancements are also delivered with every release, making it easier for customers to adopt the latest development.

04

Automated Integration

"While there are many organizations who treat it as a standalone function, in reality, payroll cannot be siloed," says Imran Sajid, Global HCM Director at SAP SuccessFactors.[17] For employees to get paid accurately it requires different people in the organization – who may report to different places – to be on the same page consistently every single time. Cloud solutions like SAP SuccessFactors Employee Central and Employee Central Payroll are tightly integrated. This greatly improves the accuracy of data available to the payroll process. Staff time spent on transactional and technical tasks can be reduced by as much as 60%.[18]

05

Scalability

As technology adoption grows, business leaders increasingly expect access to real-time data. Maintaining the infrastructure that supports that is daunting. Managing peaks in transaction volume, dealing with speed, connections, back-ups, security patching consumes valuable resources. Cloud solutions move the burden of managing hardware to external service providers who keep systems up to date at all times.

06

Emerging Technology – Self-Service and Mobile Enabled

With cloud solutions, customers enjoy the use of emerging technologies like mobile, artificial intelligence, machine learning and digital assistants without the pain of customizing or building complex add-ons.

Moreover, Self-Service functionality is embedded in SAP SuccessFactors. There are no complicated connections or separate coding your IT team needs to make.

07

Visibility

Today's cloud solutions for payroll provide increasing visibility into the end to end processes for both management and employees. Self-Service provides visibility and interaction with payroll at the employee end while functionality like the Payroll Control Center dashboard readily provides insights into payroll processed.

Redesign Payroll – Deciding to Change

06

It's no longer a question whether cloud is better, more reliable or more secure. We know cloud is a better solution, especially when it comes to adapting to the future. Still, some organizations hesitate to change. Unfortunately, there's no crystal ball to help you make the right decision. The good news, however, is that there are key factors that you can weigh to pick the solution that best meets your needs.

Cloud or On-Premise?

When it comes to choosing a payroll solution – cloud or on-premise, insourced or outsourced – one size most definitely does not fit all. Each organization must consider the impact to their organizational culture, business direction, financials, the industry they are in, and their competitive landscape.

That said, the biggest advantage to cloud is its elasticity and ability to scale to size. This is particularly valuable to small and medium sized companies and growth-oriented organizations. Cloud software combined with strategically-placed application managed services will increase an organization's flexibility to adapt to peaks in service needs.

Deciding to change starts with an assessment of your current total cost of ownership and then weighing this information against the pros and cons of modern cloud versus on-premise models to reach a decision.

Factors to weigh when moving to cloud	Cloud	On-Premise
User Experience	(+)	(-)
Consistent update schedule	(+)	(-)
Growth and scale	(+)	(+)
Analytics and reporting	(+)	(-)
Business-customizations	(-)	(+)
Upgrade capabilities	(+)	(-)
No Hardware expenses	(+)	(-)
No Software licensing	(-)	(+)
No Servers or in-house infrastructure	(+)	(-)
Intelligent Services Automation	(+)	(+)

Total Cost of Payroll Operation

To begin your assessment, consider all the factors that impact your total cost of payroll processing today:

01

Frequency of Pay in Your Organization

Many organizations are aligning to monthly or bi-monthly pay cadence and fewer variations in payroll cycles to streamline processing. Your organization's pay cycles may be more complex. Write it down. And write down what it would take to simplify and streamline. Maybe union contracts prevent change. Consider all aspects of why you pay as you do today.

02

Number of Off-cycle Payments Made

Errors result in off-cycle payments. Off-cycle payments cause additional work, which leads to additional costs and an increased risk of overpayments. If you're processing a lot of off-cycle payments, it may be time to look at new solutions to automate the validation of data with a Payroll Control Center.

03

Number of Employees

Naturally, more volume will result in higher costs. But there may also be ways with a new system to better manage that volume.

04

Rule Complexity

Organizations with unionized employees can often have unique and complex requirements that have been coded into an on-premise system. Or, your organization may have a weak payroll implementation that bypassed standardized processes for modifications. Understand your true business needs and what has been programmed into your current system.

05

Number of Countries

Where do you run payroll today? Does your current solution manage all of those countries? Localization is critical in managing payroll; and some countries are more complex than others. Know the number and the locations of countries you will evaluate for a payroll solution.

06

Retroactive Pays

Processing corrections that result in retroactive payments is an important feature. How often this occurs for you impacts your total cost of payroll. Know how often you process retroactive pay changes and for what reasons. Your payroll system must be able to handle these expertly or additional work is brought in house.

07

Hardware/Infrastructure

If you are managing this in-house, there is not only the cost of the physical equipment to consider, but also the manpower it takes to run the system, adjustments to the amount of memory required for peak business processes, and the application of security patches, software upgrades and third party tax interfaces.

08

Cost of Any Outsourced or Third-Party Services

Consider what else goes into making payroll work end-to-end for you. You may have third party services for garnishments, for example.

With a clearer picture of your current total cost of ownership, and a better understanding of what matters to your organization when you think about culture, employee engagement, resourcing, scalability and future growth, you will be in a better place to make a more informed decision.

But What About
the Old Insource vs Outsource Debate?

Despite our desire to standardize and simplify our workloads, the decision to insource, outsource, or opt for some happy in-between, will depend on many of the factors already mentioned including the size of the organization, the expertise of its payroll staff, the countries it operates in, but most importantly cost.

In other words, the journey to choosing a payroll solution that makes sense for your company begins from the inside out.

Cost is typically the starting point when companies rethink how they are doing payroll today and what they need for the future.

National Bank of Canada Reduces HR Costs with SAP SuccessFactors Employee Central Payroll

THE CHALLENGE

Canada's sixth largest commercial bank was running its payroll on a 20-year-old system with manual processes and no hopes of updating the code on which the system was built. It needed a new solution in order to meet its objectives of increasing HR self-service tools, reducing costs through efficiencies, and allowing managers to focus on strategic endeavors.

THE SOLUTION

In turn, National Bank of Canada (BNC) chose SAP SuccessFactors Employee Central Payroll integrated with Employee Central Core HR, and with Workforce Software (WFS) for time management.

The roadmap targeted the challenges National Bank of Canada was facing, such as managing vacation requests manually in Excel files and updating a system to which there was no source code – an extreme roadblock to executing change.

THE OUTCOMES

Payroll was insourced but automation and self-service enabled National Bank of Canada to achieve results. Excel documents were replaced with a fully automated vacation approval process in WFS, attracting 1500 users just one day after go-live. Four legacy payroll systems were replaced with the integrated solution, bridging the gaps between employees, time, and payroll.

Individual employees had increased accessibility, visibility, and an understanding of their company's HR policies and processes.

HR and IT leaders propelled forward with cleaner HR data and smoother functionality.

Managers leveraged a new global view of their employees, career paths, and succession planning. They are also able to maximize their newly freed time with building the skills and strengths of their staff to ensure future success.

KEY HIGHLIGHTS

Using cloud-based SAP SuccessFactors Employee Central Payroll changed the overall user experience to meet BNC's strategic objectives, sustaining the organization's growth and fulfilling its HCM needs in transformation context.

- Automated processes saved 5% of management time

- Standardized processes and consolidated productivity efforts replaced 35+ legacy applications

- Streamlined HR processes through Employee Central and Workforce Software reduced $4 million in HR staffing costs

# Choosing SAP SuccessFactors Employee Central Payroll

Localization is at the core of SAP's payroll offering. SAP SuccessFactors Employee Central Payroll is localized to more than 45 countries. That means the solution comes with local best practices, legal requirements, and statutory reporting embedded.

ECP is a comprehensive payroll solution, providing solutions for the entire end-to-end payroll process - from gross pay to net pay, paychecks, deposits, end of year processes, and integration with core HR data and compensation. It is designed so that employers can fully process all aspects of payroll in house. But SAP SuccessFactors Employee Central Payroll may also be offered with business process outsourced (BPO), or as an in-house payroll solution with application managed services (AMS).

A combination of these offerings may suit major companies who need a range of solutions across acquired entities and smaller geographies.

SAP SuccessFactors Employee Central Payroll – a Best in Class Payroll Solution

- Three-click payroll processing
- Real-time monitoring of data
- Company specific analytics
- Actionable intelligent insights
- Intelligent process automation
- Local taxation models for more than 45 countries
- Backed by expertise of SAP, the market leader in enterprise application software
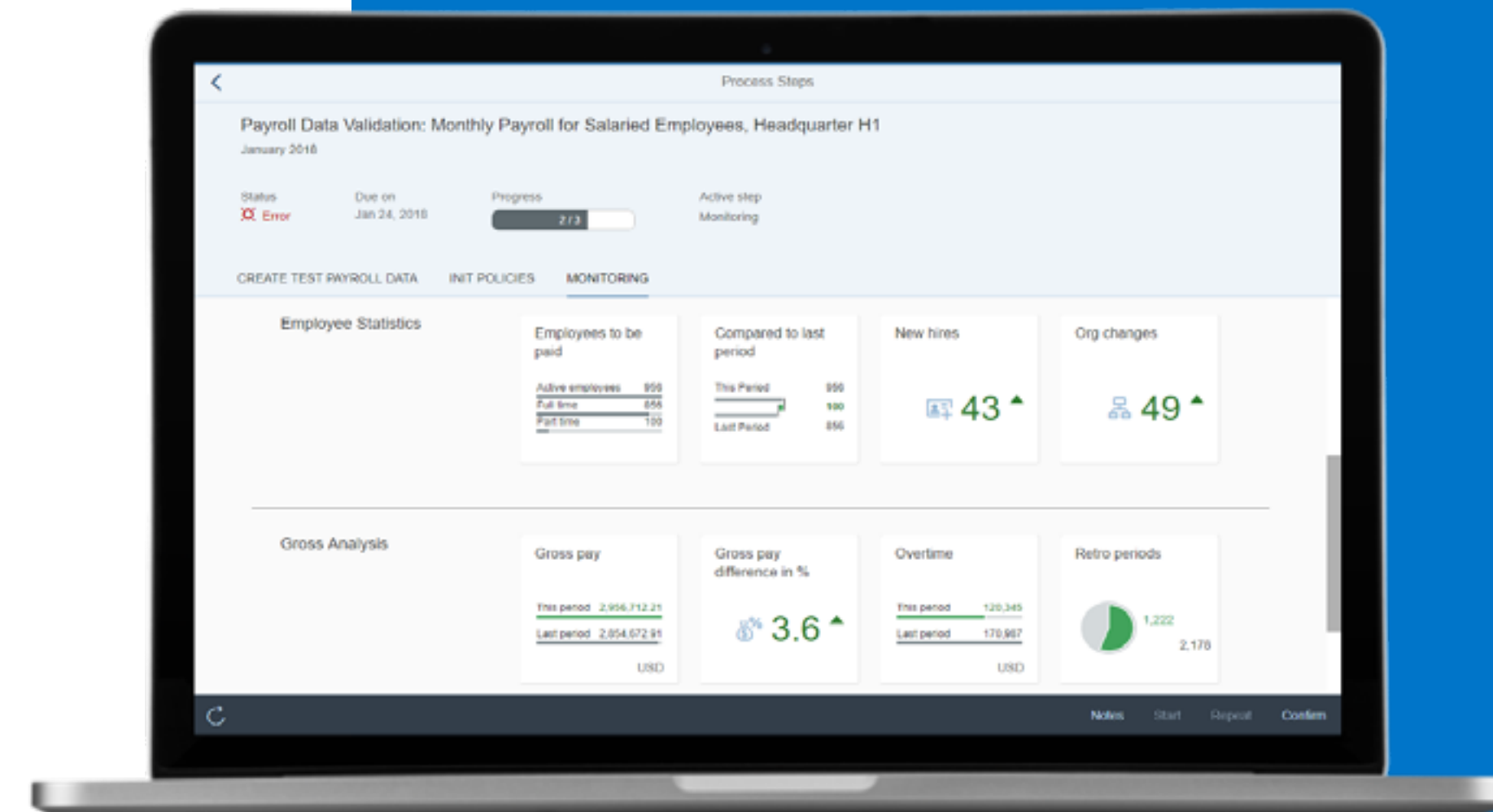
Is Best-In-Class Limited to Large Multi-Nationals?

The short answer is no.

A cloud payroll solution provides enormous benefits to the productivity, transparency and engagement of employees regardless of size. Small and medium enterprises, however, may feel challenged to achieve these types of results. State-of-the-art payroll systems are often costly to implement and operate.

On the other hand, large enterprises are also often intimidated by the amount of time and effort needed to migrate and implement a new payroll system. Just like one size payroll solution doesn't fit all, one method of implementing and managing payroll doesn't fit all companies either.

Businesses that avoid unnecessary customizations, using a templated approach and a highly experienced payroll partner can achieve success with a state-of-the-art payroll platform - regardless of their size.

Deliver Best in Breed Payroll, No Matter your Size

A templated approach to payroll uses best practices to make decisions on configuration of payroll. This approach minimizes client specific configuration and correspondingly reduces the effort, cost, and time to go-live.
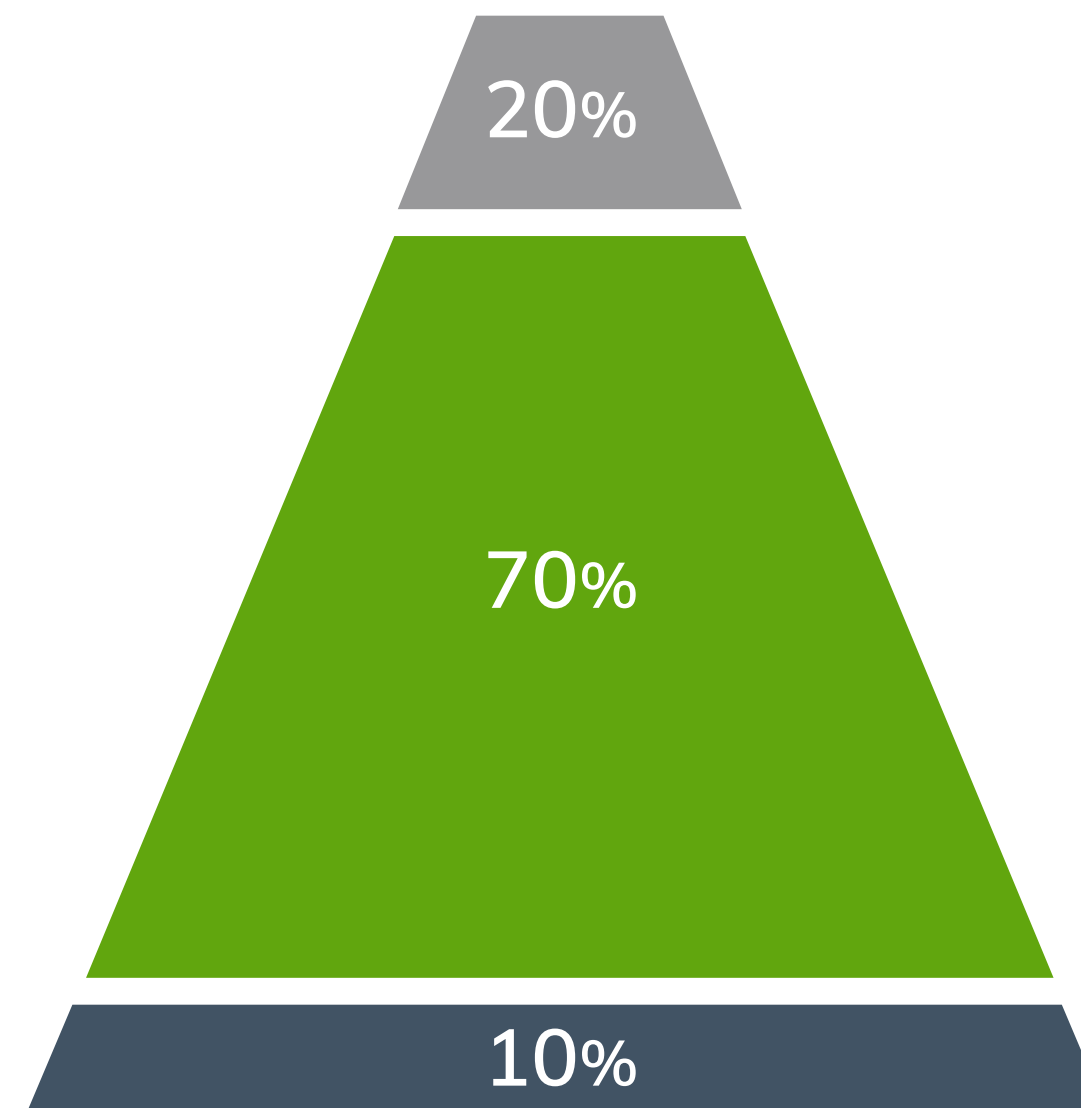
Synchrony Payroll, a Rizing solution, is built on Employee Central Payroll and uses a preconfigured, scalable approach to your payroll system to deliver rapid results for customers, with all the modern capabilities that matter - regardless of size.

When combined with Rizing's extensive payroll experience and proprietary IMPACT implementation methodology, Synchrony Payroll empowers organizations of all sizes to acquire a state-of-the-art payroll system. Synchrony Payroll can be implemented as quickly as 12 weeks, enabling rapid time to value and lower total costs.

On the right you can see how Rizing's methodology and pre-packaged solution positively affects implementation time and effort.

In a typical implementation of SAP SuccessFactors Payroll, client specific configuration represents about 70% of the project timeline. With Synchrony Payroll that portion of the project is reduced to 20%.
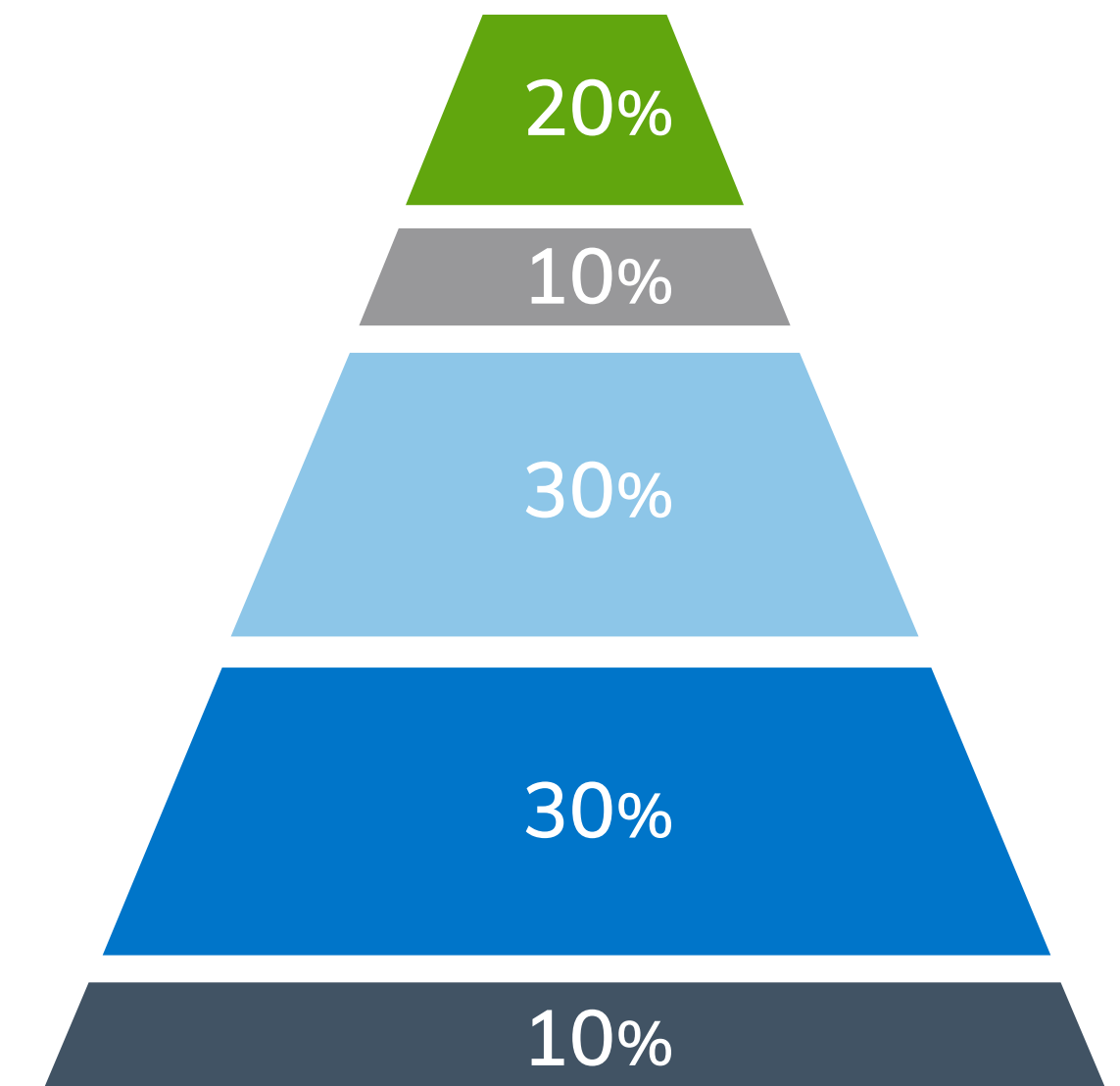
Typical EC Payroll Implementation

- 20%
- 70%
- 10%

Synchrony Payroll Implementation

- 20%
- 10%
- 30%
- 30%
- 10%

BASELINE SAP

CLIENT-SPECIFIC DEVELOPMENT & REPORTING TOOL

COUNTRY SPECIFIC

GLOBAL TEMPLATE

CLIENT-SPECIFIC CONFIGURATION

![Synchrony Payroll - A Rizing Solution]

Synchrony Payroll, a Rizing solution, uses a preconfigured, scalable approach to deliver rapid results for customers, with all the modern capabilities that matter – regardless of size.

Built upon Employee Central Payroll, Synchrony Payroll offers:

- ✔ Full integration with SAP SuccessFactors Employee Central Core HR for a complete user experience, eliminating the need for dual data entry

- ✔ One system for HR master data and payroll, lowering cost of licensure and complexity of data management

- ✔ Localization for more than 45 countries

- ✔ Scalability as your organization grows

- ✔ Rapid adoption with minimal training

- ✔ Visibility and insights to employees via self-service
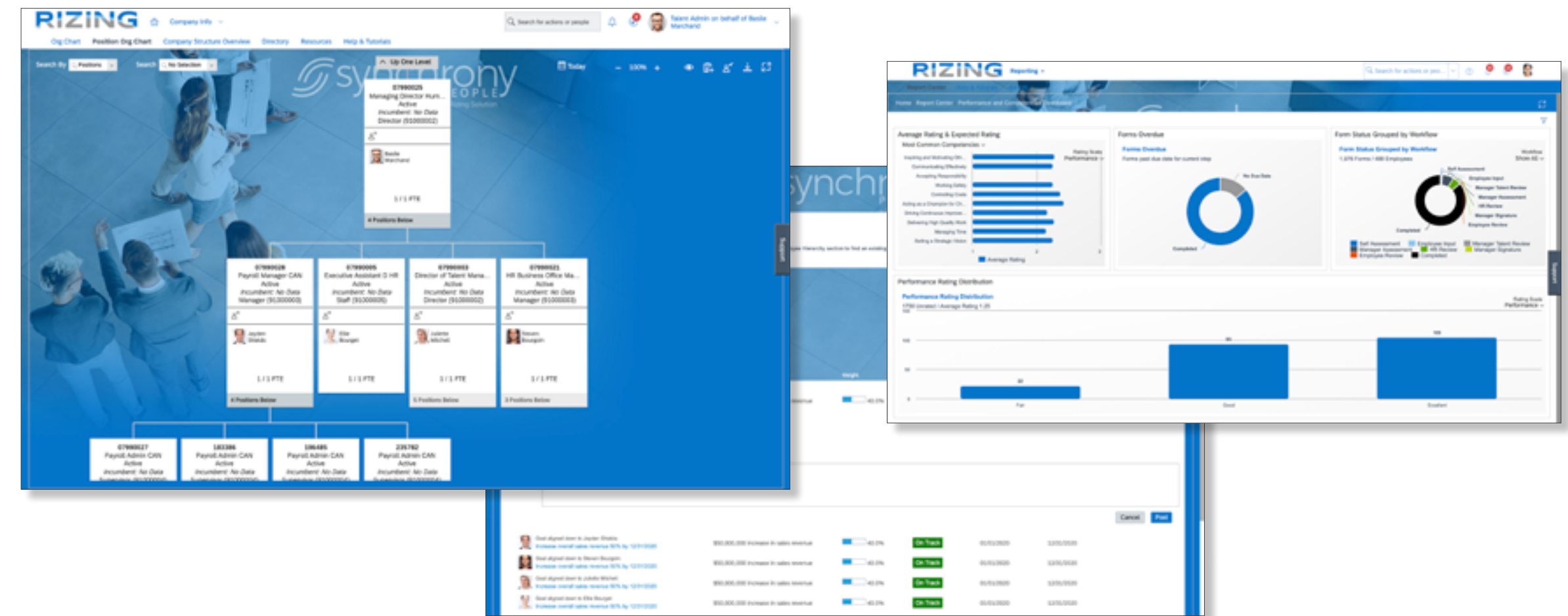
- ✔ Intelligent monitoring and automation of corrections via Payroll Control Center

- ✔ Comprehensive compliance and insight reporting built upon SpinifexIT

- ✔ Compliance with security standards and bundled with disaster recovery

- ✔ Reduced time to go-live

- ✔ Cost effective subscriptions with no hidden extras

- ✔ Flexible outsourcing models

Optimization After the Implementation

Of course, implementation is only the beginning of your journey. To continue to achieve value and innovation from your investment, you also require a proactive strategy for staffing, governance and continued innovation.

STAFFING

Bloomberg's Payroll Benchmarks Survey Report found that the mean number of payroll staff specialists was slightly more than five full time employees.[19] Smaller organizations will use fewer employees; but will typically add staff to ensure that back-up coverage is available.

GOVERNANCE

Governance activities range from who can access the system to how it's maintained with legal changes to ensuring you have the proper reporting tools in place to meet compliance requirements.

INNOVATION

Forward-looking and growth companies will want to avoid the stagnation that has plagued much of HR and payroll for the past quarter century. Technology changes rapidly, driving changes in how we work. The ability to continue to execute to a future vision is pivotal to a business' success. And foundational processes like payroll should never be ignored.

With the proper blend of insourced and outsourced services, you can spend your time on strategy and innovation, and move the day to day transactions, system maintenance, and compliance reporting to a third party.

Compliance, Rapid Results & Ongoing Maintenance

One important aspect of payroll that remains the same across organizations large or small, is compliance. According to the International Human Resources Information Management Association:

"In most countries, if you have a business with over 50 employees, you're classed as a large business, anything smaller than that is defined as a small busines. Even if you've only got 5-10 employees, you still need to remember that you are regulated as a business by these laws."[20]

Smart payroll solutions such as Synchrony Payroll automatically maintain all legal requirements so that you don't have to worry about compliance issues.

But, it doesn't end at compliance. There is of course, the question of ongoing maintenance. Cloud payroll options that come packaged with application managed services further simplify the payroll process by reducing or removing the time wasted keeping the application up to date.

# Why this Matters - It's More Than Table Stakes

While payroll accuracy has always been critical, the younger workforce is even less tolerant for payroll discrepancies and more ready to act (both with online reviews and by leaving the organization) when issues occur.

Payroll can no longer be seen as "table stakes" – just something we do in running a business. If we want to compete effectively in the marketplace and for talent, we need to rethink how we view our core processes.

Employee engagement, talent acquisition and retention, avoiding fines, creating a trusted workplace culture, and maintaining and enhancing your business reputation are all valid reasons to redesign your payroll processes.

Moreover, transparency, visibility, line of sight to key payroll process inputs holds the promise of greater accuracy and efficiency across the entire company. And, of course the ability to use data to drive effective decisions will have a direct impact on your company's bottom line and ability to direct the future.

So, let's get payroll out of the back office and onto center stage. Payroll shouldn't be just a box checked in the list of company tasks. Our human resources matter more than that. Let's manage them well.
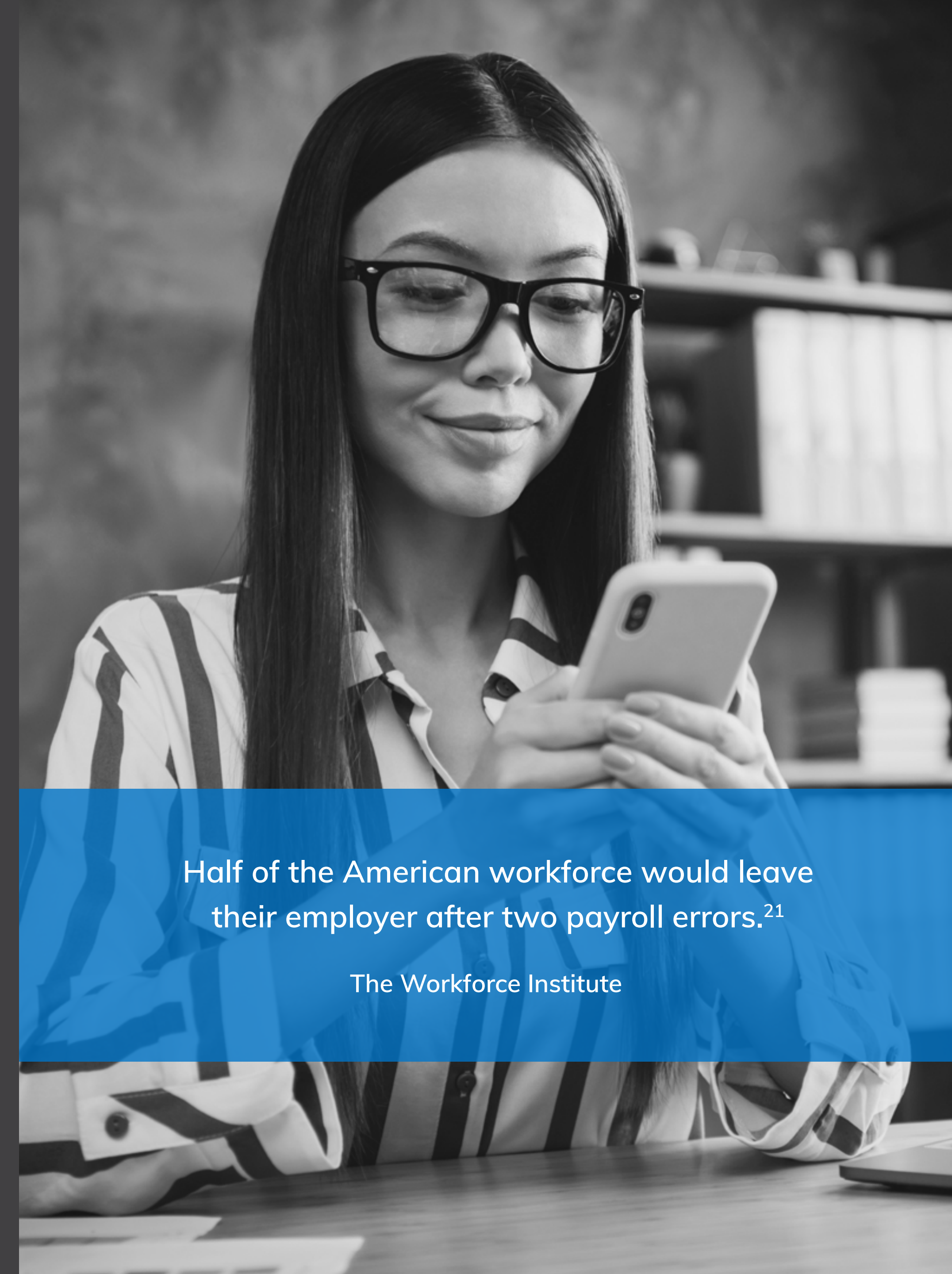
Half of the American workforce would leave their employer after two payroll errors.[21]

The Workforce Institute

Endnotes

1   Imran Sajid, On Time, On Budget, HRO Today, 2019, http://www.hrotoday.com/news/payroll/on-time-on-budget/

2   American Payroll Association, Payroll's Digital Transformation: Keeping Up or Being Left Behind, 2018

3   The Hackett Group, The State of Payroll. A persistently complex and slowly changing organizational, technology and talent landscape in 2018: 3

4   The Hackett Group, The State of Payroll. A persistently complex and slowly changing organizational, technology and talent landscape in 2018: 4

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