



Ultimate
SOFTWARE

25 Ways to Positively Impact Payroll

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People First.



Agenda



- Why does it matter if we have a positive impact?

People first.



Why does it matter if we
have a positive impact?

How is payroll perceived?

Cost Center

An Expense

Secretive

Inflexible

Archaic

Uninvolved



How is payroll perceived?

Cost Center



Cost Savings

An Expense



Strategic Value

Secretive



Transparent

Inflexible



Innovative

Archaic



Tech Savvy

Uninvolved



Key Player





Why a technologist?

HR and Technology Background

- **19 Years in HR/HRIS**
 - Recruiting, Employee Relations, Compensation, Payroll, 15 years focused on HCM
- **Consumer Technology Evangelist**
- **Enterprise Technology Evangelist**

2500 EE – Multistate – 200 Entities

New Perception of Payroll

New HCM Solution

Automated Payroll Reports

Lower Costs & Increased Value





Agenda



- Why does it matter if we have a positive impact?
- Automation
- Information
- Reconciliation
- Process Improvement
- New Technologies

People first.

Automation



Process Automation

Importing data over
manual data entry

Workflow – Approvals

Offer Pay Cards

Go Paperless

Timekeeping System

**Make
Work
Easy**





The Paperless Payroll

- Reduces Costs
 - Printing costs
 - Mailing/distribution costs
- Improves Efficiency
 - Less time spent keying, more time auditing or doing other tasks
 - Reduce time to print or reprint
 - Checks and W-2s
 - Escheatment
- Enhance Organization's Brand

Importing Data

- Reduces time spent hand-keying
- Reduces risk of incorrectly keyed data
- Allows for easy balancing by batch
- Almost every systems allows imports

Workflow

- New Technology
 - Go to Approver or Straight to Payroll
- Automatic flow of data
 - Reduces risk of error
 - Decreases time to approval or posting
- Meets Electronic Reporting Requirements if...
 - Storing same data you would store manually
- Meets Electronic Signature Requirements if...
 - Time/Date Stamp and User

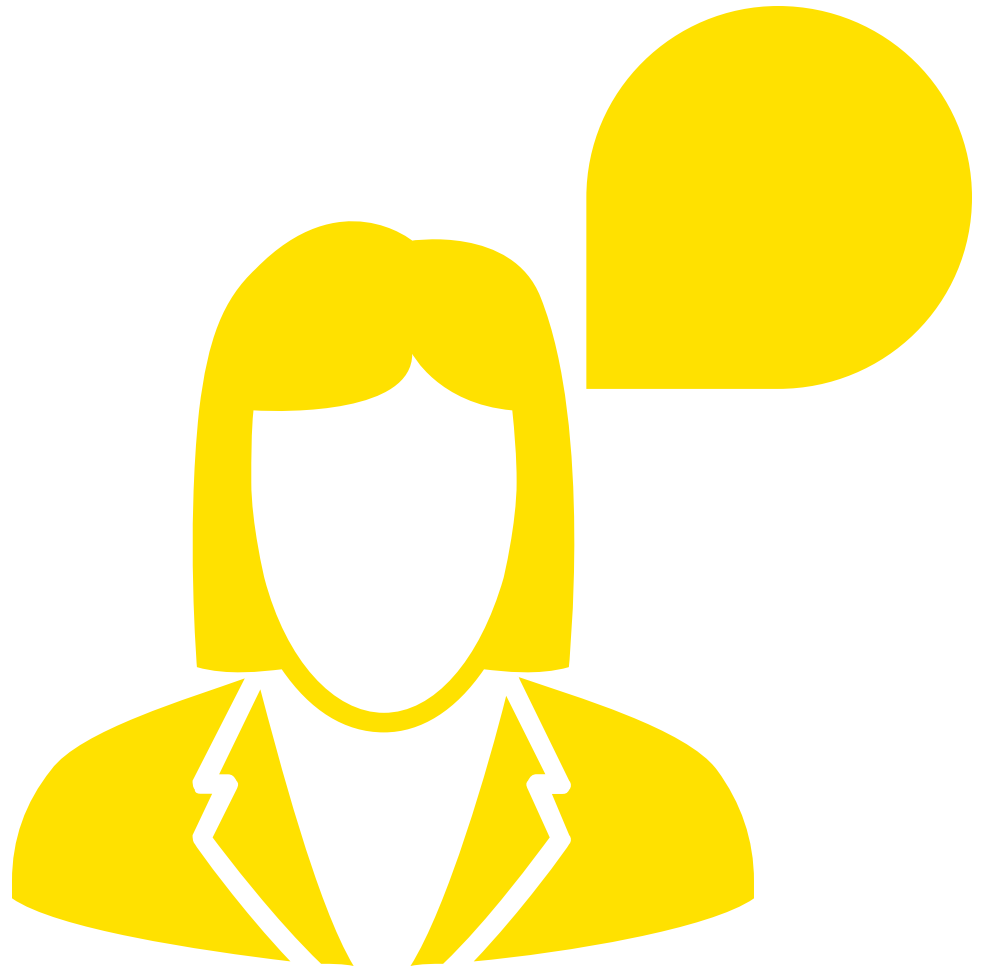
Paycards

- Anyone using them today?
- Alternative to direct deposit or checks
- Many companies use pay cards in lieu of manual checks
- May be cost associated – try to partner with a bank
- Allows paperless which reduces costs
- Easy to use

Time Keeping

- Make sure you have latest upgrades
- Using system to full potential
- Can it do more than you think?
 - Doesn't hurt to check!
 - Might be able to automate
- Audit rules every so often to make sure
- Export data to timekeeping instead of manually keying new hires

Information



Information is bi-directional

Information in...

- Certification
- Keeping up to date with changing legislation
- Software User Groups
- Reports
- Networking – APA, Local Chapters
 - IRS Filings
 - Distribution

Inputs
&
Outputs

Certification

- Certification increases level of knowledge
 - Adds credibility
 - May lead to a promotion or a new position
 - Makes you marketable
 - May be in higher demand in future
 - Helps you keep company compliant
-
- Invest in yourself – you will be surprised how much you think you know!

Keeping Up with Legislation

- Critical today as changing rapidly
 - Federal, State and Local level
- APA
- Local Chapter
- Software vendor
- Conferences and Seminars
- Classes – on line or in classroom
- Websites

User Groups

- Software upgrades and updates
- Sharing challenges with other users/companies
- Hearing possible solutions
- Getting fresh ideas on how to do...
- Ability to pose questions
- Connection with users

Networking

- Meeting people in the industry with the same skill set
- Meeting others who use the same system
- Finding new ways of doing things
- Hearing of legislative updates
- Exchanging ideas

Improved Reporting

- Adding value through reporting
- Management requires reports
- Nice to have vs. must have
- Learn your report writer
- If you can't build it, don't give up
- Using report writer tools to electronically disperse data/
bursting

Reconciliation



Reconciliation



Check/Bank Reconciliation

- Should be done monthly
 - Best way to catch check fraud or unusual activity in account
- Use system to do work if possible
- Track outstanding checks
- Escheatment process – have one
- May be accounting function – better for audit purposes to have someone else do it

Year-end Checklist

- Have a check list? Why not??
- Start year-end process early in year
- Have a plan based on prior years
- Add as you go
- Planning meetings – include everyone
- Meet with vendors to understand deadlines
- Third party sick pay? Don't forget
- Create a calendar – supplemental payrolls, due dates, tax cut-offs

Monthly/Quarterly Tax Recon

- Don't put this off – do it monthly
- Good way to catch issues with tax rates, limits, changes
- Double check that system is working – this is your responsibility on any system
- Makes tax filing or tax reconciliations easy
- Waiting leads to problems
 - Could be resolved sooner
 - With less impact
 - Fixed before it's a crisis!

Auditing Payroll Results

- Verify payroll results before finalized
- Auditing after is good but too late
- Create validation reports
 - Reports must be useful and applicable
 - Active with no pay
 - Terms with pay
 - Employees paid over limit
- Do sensibility checks
 - Total payroll – wages, deductions and taxes
 - Make sure system changes are tested before production

Positive Pay

- File sent to bank listing checks
- Why this is important – what does the bank do?
- How often is file sent?
- How can I do this?
 - Contact bank
 - Have file built – typically easy, basic data
 - Run file each payroll and deliver to bank

Process Improvement



- Combining Duties/
Maintaining Segregation
- Centralization
- Combining entities
- Combining or Changing Pay
Frequencies
- System Upgrades



Combining Duties

- Must maintain segregation of duties
- Gaining efficiencies within department
- May create reduction or opportunities
- Ideas
 - One person does all of the reconciliations
 - One person does all of GL
 - One person processes more than one 'group'
 - Think through what you can combine

Centralization

- Payrolls processed in different locations
 - May not be efficient use of employees' time
 - May not be appropriate use of skills
- Combine into a shared service center
 - Allows you to combine duties
 - Gain efficiencies by reducing down time
 - Allows you to standardize processes
 - Creates environment for increased controls
 - Leverage costs

Combining/Changing Frequencies

- How many pay frequencies do you have?
- Can you combine or change them to improve efficiencies?
 - Example – moving from biweekly to semi-monthly
 - Reduces number of processing periods
 - Eliminates need for monthly GL accrual
 - Fewer tax deposits, interfaces
 - More down time in between cycles
 - But – timekeeping may be more difficult
- Could go the other way if it makes more sense – switching may work best

System Upgrades

- Stay on top of upgrades
- SaaS does this for you, but if you host software – don't let this slide
- Could save company money with updates, have better reporting, compliance issues
- Make sure you test, test, test
 - Save yourself the headache
 - Increase efficiency on upgraded system

New Technologies



New Technologies

- Employee Self Service
- Manager Self Service
- Time & Labor Management
- Integration and Interfaces
- Automation of File Movement/Scheduling Reports



SIMPLIFY
WORK

Employee Self-service

- Allows employees to view data
 - They can look up data without your help
 - They can print their pay stubs and W-2s
 - You can limit what they can see
- Allows employees to change data
 - Reduces paper flow to HR and Payroll
 - Employee becomes accountable for data
 - Reduces wait time for changes to take effect
 - Reduces risk of error in keying
 - Creates employee empowerment

Manager Self-service

- Allows managers to view data on direct reports
 - Reduces calls to HR/Payroll
 - Tool to better manage workforce
- Allows managers to initiate changes for employees
 - Reduces paperwork
 - Changes take effect sooner
 - Limit changes if necessary
- Managers can create reports

Time Management

- Upgrade the time system
 - Make sure you keep up to date
 - Process improvements
 - May improve functionality
- Build rules into system
 - Reduces manual intervention to manage data
 - Let system do the work
- Utilize labor reporting in timekeeping if available

Integration/Interfaces

- What's the difference?
- Create interfaces to streamline
 - Benefits/vendors
 - Garnishments/Child support
 - GL
- Can you integrate?
 - Check with vendor/provider

File Movement/Scheduling

- Schedule reports and interfaces
 - Let them run at night
 - Reduces down time
 - Reduces manual labor
- Any way to automate file movement?
 - Changing technology provides a means to automate – do it!!
 - Engage vendor and IT to help with this

Summary

You can add value by increasing efficiencies in Payroll!

↳ You don't have to be just a cost center or expense!!

↳ Your impact depends on you!



Start **SMALL**
devise a plan
implement it!

