



PAYROLL WHITEPAPER

EFFICIENCY, COMPLIANCE AND ACCURACY



OVERVIEW

Businesses across the world often consider payroll to be a necessary interference that happens as part of being in business. This couldn't be further from the truth; payroll efficiency, compliance and accuracy are key to employee engagement and productivity. As a result, the payroll function has a critical role to play in the success of your organisation.

Today, however, payroll within many businesses is at a cross road. This is a direct result of constant change and uncertainty. With regulation and technology seemingly on the move on a daily basis, organisations and professionals are struggling to stay up to date with managing the inherent risks connected to their largest expense.

Payroll can no longer be seen as a necessary interference where issues are rarely brought to the attention of business executives. The Financial Services Royal Commission highlighted that leaders lacked accountability in critical business areas such as risk and people management. With this top of mind, the accountability and visibility for payroll and its inherent risks should be front and centre for management and Directors. The topic of leadership accountability in Australia was highlighted in a recent study by Lee Hecht Harrison (LHH), a global talent management business. In the survey, LHH found only 29% of Australians were satisfied with the level of leadership accountability in their organisation. The topic of leadership accountability and payroll is explored in greater detail in section three of this whitepaper by Carmel Batticciotto, Director Talent Development Solutions for Lee Hecht Harrison.

“For many businesses' payroll has remained a 'set and forget' process, managed using inefficient and out of date software by staff who are unqualified or poorly trained.

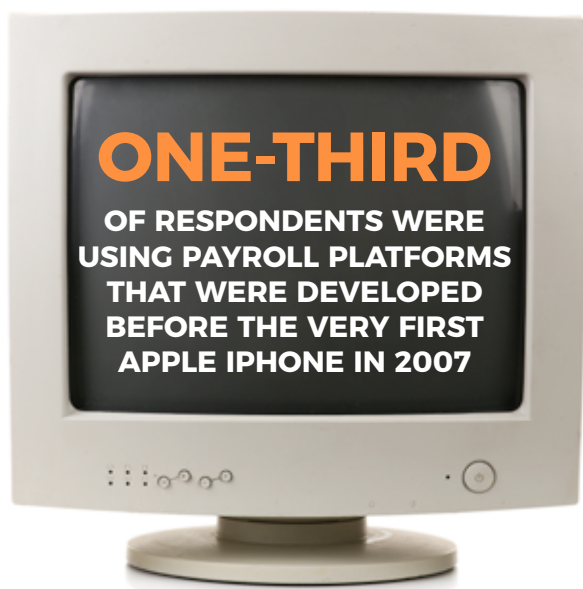
To this effect, recent wage theft and underpayment incidents across various industries in Australia have highlighted the dramatic necessity for a deep overhaul of stagnant payroll environments.

ONLY 10.1% OF OPERATIONAL PAYROLL STAFF IN AUSTRALIA HAVE A COMPETENCY-BASED PAYROLL QUALIFICATION

**2019 Australian Payroll Association Payroll Benchmarking Report*

In Australia, employment taxes are the largest source of government income; they contribute on average 65% of the total tax revenue. State and Federal governments increasingly see the payroll function as a major tax collection agent, transferring an ever-greater burden of responsibility on to employers. This burden is made even heavier when you consider the effort necessary to keep up to date with the veritable quagmire of Federal and State legislation that is constantly changing. An inability to run a compliant payroll can be seen daily in the news feed from FairWork, where poor controls, incorrect award interpretation, human error and wrongly configured payroll software make the headlines with incidents of wage theft, underpayment of salaries and superannuation, leading to brand damage and significant fines and penalties. In Queensland alone, 580,000 Queenslanders – or 23.4 per cent of the QLD workforce - are likely to be underpaid superannuation, or not paid superannuation at all according to data from FairWork audits. Furthermore, the ever-increasing legislation around data privacy, data protection and cyber security add another layer of compliance, risk and complexity.

Today, executives can no longer rely on past-their-prime payroll operations. A recent Kronos study highlighted that one third of respondents were using payroll platforms that were developed before the very first Apple iPhone in 2007. This is further supported by the 2019 Australian Payroll Association Payroll Benchmarking Study that confirmed that over 43 million payslips were processed in 2018 using payroll platforms that were older than 10 years.



Legacy technology coupled with poor processes and unqualified payroll staff is likely to result in a failure to meet employment obligations and compliance breaches which ultimately lead to costly remediation and fines, as well as brand and reputational damage. At an individual level, executives who knowingly breach legislation are personally liable. Today's leaders can no longer afford to apply a 'set and forget' approach to payroll as the resulting financial and reputation damage will erode shareholder value and weigh heavily on the bottom line. In 2019 this was seen and felt by Rebel Sport who booked \$32 million in back payments and \$11 million in compensatory interest and payroll tax as a one-off charge, which dented bottom-line profits.

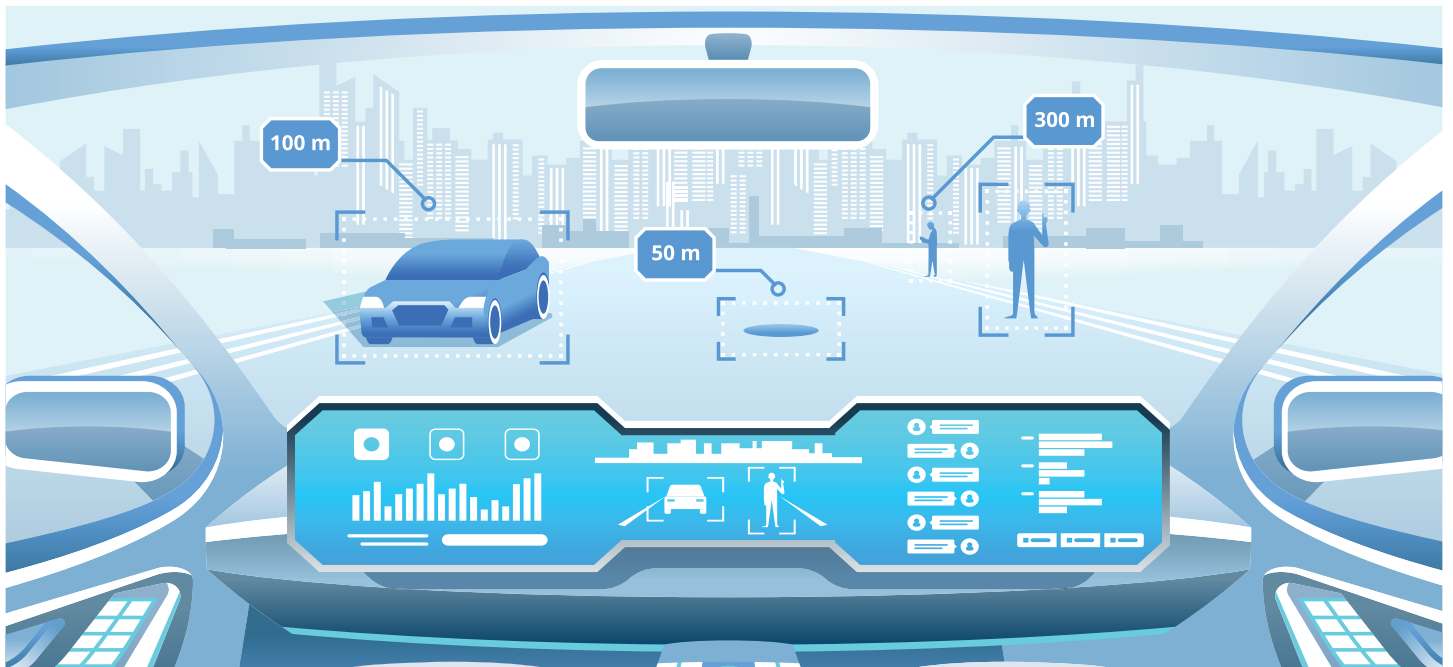
**“ SUPER RETAIL GROUP/REBEL SPORT
Backpay to correct a historic underpayment totalled \$32M, plus \$11M to cover interest and payroll tax. In total this payroll mistake represented one third of that years net profit (\$128M)**

Source: Sydney Morning Herald

In an address to the 2019 Annual National Policy Influence Reform Conference in Canberra, Sandra Parker from FairWork outlined a stronger approach to enforcement while commenting, *“We will use our new powers and publicly name employers who break the law to get the message out that it is not acceptable to underpay workers or deprive them of their entitlements. Employers who do this will get caught”*.

In this paper we look at the payroll environments through a number of lenses based on the internal and external pressure points being felt by leaders across the globe.

- **Navigating risk, regulation and compliance**
Ross Heron, Head of Innovation and Marketing at Payroll HQ
- **Payroll technology in the Digital Age**
Jarrod McGrath, Founder & CEO at Smart WFM
- **Leadership & Payroll**
Carmel Batticciotto, Director, Talent Development Solutions at Lee Hecht Harrison Australia and New Zealand, part of the Adecco Group
- **Profit from Payroll**
Tracy Angwin, CEO at Australian Payroll Association



NAVIGATING RISK, REGULATION AND COMPLIANCE

ROSS HERON / HEAD OF SALES, MARKETING & INNOVATION (PAYROLL HQ)

Legal requirements for payroll processes are extensive. There are more than 40 Acts of Parliament that regulate different aspects of the payroll process in Australia. No matter what the employer size, many of these need to be considered when running your payroll function.

Not only do employers need to be across the regulations that affect them, they need to understand how they might work together to ensure a compliant payroll function.

The Australian Government has shown that they are serious about enforcement with an additional \$19.8 million being provided in the 2019 Federal Budget to support Fair Work in their regulatory compliance activities.

Organisations who underpay staff are getting significant fines and bad press. In recent months the following businesses have hit the headlines for underpaying their workforce:

- Rebel Sport
- Commonwealth Bank
- University of Wollongong
- Lush Cosmetics
- Maurice Blackburn
- ABC
- Rockpool
- Thales
- Michael Hill

Several of the above examples were a result of a failure in one or more of the following areas:

- Poor processing controls
- Incorrect interpretation of awards or agreements
- Incorrect configuration of software
- Human errors processed by unqualified payroll staff

It's not just underpayments and compliance issues to be concerned about. Tracy Angwin, CEO of Australian Payroll Association, reports that of the payroll compliance audits that Australian Payroll Association have completed in the past 12 months, many of the errors discovered are actually overpayments rather than underpayments, but of similar values.

Companies of all sizes face increasing payroll complexities as the number of employment laws and regulations are on the rise, and the risk of penalties for non-compliance has perhaps never been greater. For this reason, many businesses choose to outsource certain payroll functions to help mitigate these potentially costly payroll pitfalls. Doing so means having access to experienced payroll professionals who deliver payroll compliance resources as well as managing the entire payroll function for employers.

In addition, a recent survey by Australian Payroll Association which surveyed 600 Australian payroll professionals found that a concerning **1 in 3** of Payroll Managers admit to making a mistake at least once a month. In addition, 90% of payroll managers admit they had issues interpreting awards. **While half** of payroll managers also stated that they felt underqualified to do their role.



50%
OF PAYROLL MANAGERS
FEEL UNDERQUALIFIED
IN THEIR ROLE

It is then hardly a surprise when we read the following headlines:

FINANCIAL REVIEW

Super Retail Group books \$43m for manager underpayments, CEO leaving early

The Sydney Morning Herald

Overpaid health staff may keep \$27m after payroll bungle

FINANCIAL REVIEW

Cosmetics retailer Lush underpaid thousands of staff

Australian payroll is an extremely complex environment. This was highlighted by a recent NGA Human Resource global payroll complexity index which confirmed that Australia has an above average global complexity rating of 5.85, behind France with a rating of 7.65. While our gross to net calculation is relatively simple, determining gross pay is often underestimated. It consists of a system of awards, enterprise agreements, national employment standards, superannuation, leave management, tax law and salary packaging where specific payroll expertise are required. For Australian businesses, a high level of knowledge is required to process payroll correctly, and it is reliant on organisations continually reviewing and investing in their payroll environment, including staff skills and knowledge, payroll technology and continuous improvement in payroll processes.

In section four of this whitepaper Tracy Angwin, Chief Executive Officer, Australian Payroll Association discusses how businesses can profit from payroll through the introduction of a robust risk management and governance framework that focuses on three areas – people, processes and platform.

A strong risk management and governance framework will help businesses stay on top of legislative changes which continue to happen almost on a daily basis. However, to do this requires proactive, diligent and accountable leadership. In the past twelve months

alone, the following major legislative changes have been implemented:

- Minimum wage increase
- Changes to termination payment calculations
- Single Touch Payroll (STP)
- Family & Domestic Violence Leave
- Long Service Leave in Victoria
- Casual conversion to permanent employment

Changes will continue, and many organisations are struggling to keep up to date and accommodate them. It is important that organisations review the current operating capacity and capability of their payroll environment, and ensure the environment is agile enough to deal with the fluidity of expected changes in the coming years.

In addition to ongoing legislative changes, there is also continued pressure to keep pace with technology which continues to automate and optimise payroll processes. In the next section of this whitepaper Jarrod McGrath, Founder & Chief Executive Officer of Smart WFM looks at the impact of the digital revolution and its impact on payroll and the broader business.

Organisations operating without a solid risk management framework are exposing themselves to payroll processing risks, including non-compliance and fraud. A payroll risk management framework can



provide business executives with visibility of the end-to-end payroll processes, giving them the ability to proactively manage risks and work to deliver a highly sustainable and rigorous payroll environment. This will ensure ongoing payroll compliance while also providing executives with access to critical workforce management insights.

Other Factors for Consideration Include:

FINANCIAL CONTROLS, DATA PROTECTION AND PRIVACY

Organisations need to also consider both internal vendor financial controls and data security and privacy risks when looking at their payroll environment. As with any data stored digitally, including payroll data, there is a risk that unauthorized individuals can gain access. This consideration is especially important when dealing with an outsourced payroll vendor.

GDPR

The recent introduction of General Data Protection Regulation (GDPR) directly impacts Australian payroll functions and outsourced providers. The GDPR applies to any business (or public sector entity) that holds, controls or processes personal data of EU residents regardless of the business's location. This means that any Australian company that holds personal information of EU resident employees will be captured. Many Australian businesses may therefore be unknowingly required to ensure that their data handling practices comply with the new GDPR requirements.

DATA PROTECTION & CYBER SECURITY

Data protection is the process of keeping data secure and protected from malicious and unauthorized access, in addition to corrupted access. It is important to note that Data Protection does not just relate to malicious attacks but also accidental loss of important or valuable data. There are many ways to prevent data security breaches, such as encryption, strong user authentication, backup solutions & data erasure.

The growing demands around data and data privacy is a reason that organisations are actively looking to outsource payroll processing and management. The statement is supported by the NGA Global Payroll Complexity Index which confirmed that a third of respondents indicated they would look to outsource payroll in the next 2 years.

Data security is governed by many international laws and standards, such as the Data Protection Act.

ONSHORE VS. OFFSHORE

When considering payroll outsourcing business generally have two options, onshore or offshore.

Off shore will always be cheaper, but the downsides include time-zone differences, never meeting the team that processes your payroll, often lack of urgency to payroll issues, lack of qualified staff and the management of payroll decisions and functions that aren't strictly in a payroll process document.

Onshore will cost more, but comes with benefits including the ability for management and staff to meet the payroll processing team, and the potential of not having to have payroll expertise inhouse to 'manage the outsourcing arrangement' in a fully managed environment.

SUMMARY

Whether you decide to handle payroll functions internally or outsource it to a business partner, there must be processes in place to remain compliant with workforce laws and standards. Organisations should always stay on top of payroll because non-compliance will negatively affect them and also any vendor that knowingly oversaw the underpayment of employees. Frequent audits and holding employees and vendors accountable for compliance processes can add additional layers of security to increase confidence that your payroll processes remain compliant at all times.

Globally today we see payroll functions playing increasingly strategic roles within forward thinking organisations, especially as talent management becomes a key business imperative. As priorities shift to things like reskilling, employee engagement, succession planning, and technological integration, payroll can no longer be an afterthought, handled by various employees as time allows. Payroll has become its own specialty, requiring not only an in-depth knowledge of multitudes of regulations, but also a fail-proof process for keeping up with regulatory changes.

QUESTION 1. What does your Payroll Risk Management & Governance Framework look like?

QUESTION 2. Are you confident that your payroll team are keeping pace with legislative and technology changes?





PAYROLL DIGITIZATION AND DIGITAL TRANSFORMATION

JARROD MCGRATH / FOUNDER & CEO (SMART WFM)

It will come as no surprise that we are in a period of advancement where change is taking place at a blistering rate. Klaus Schwab, Executive Chairman of the World Economic Forum defines the current change as so significant that we are witnessing the fourth industrial revolution; that of a revolution of digital technology.

At an individual level, many adapt well to the rapid change taking place and there is an expectation that the way we work outside the organisation will also take place inside the organisation. Take for example the way we interact on social channels such as Instagram, Twitter, Snapchat, WhatsApp and LinkedIn. These social channels put people in an “always on” mindset as everything happens in real time. Ask yourself the question, are our business dealings enacted in a similar manner? Businessman Jack Welch sums this by saying:

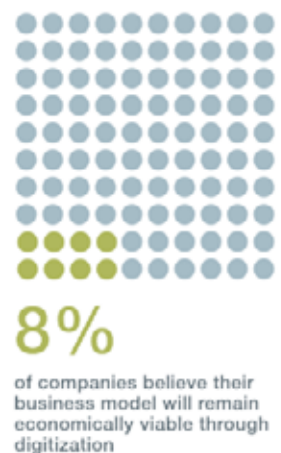
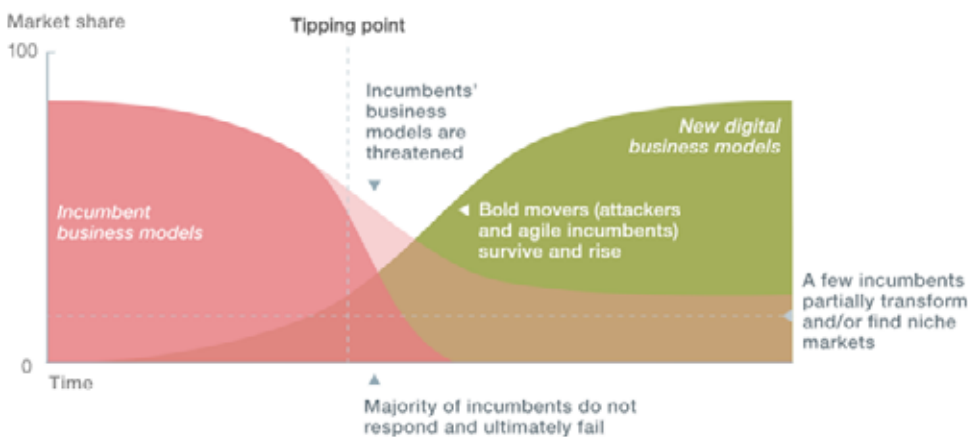
“ If the rate of change on the outside exceeds the rate of change on the inside, the end is near

A recent McKinsey survey found that only 8% of companies believe that their business model will remain economically viable in the age of digitalisation.

Don't underestimate how digital disrupts the nature of competition.



Disruption is always dangerous, but digital disruptions are happening faster than ever.



Reference: <https://www.mckinsey.com/business-functions/digital-mckinsey/our-insights/why-digital-strategies-fail>



With an understanding that we are transitioning from an incumbent business model to a digital operating model here is a three-step framework to help with this change;

ALIGN MINDSET

The first shift that is required to enable transition to a digital way of working is to align mindset and reimagine your way of work. Open up your thinking from inside the payroll functional to how those outside the payroll function look at it and what they require. Take into consideration how your initiatives will impact not only your people and what they will think and do but also how they will support other business functions including recruitment, training, human resource, operations and finance. Keep the benefits that your activities in payroll can bring to the organisation front and centre including key areas of risk, compliance, experience, productivity and visibility.

PEOPLE FIRST

When shifting your operating model to a digital one keep your focus. Ask yourself what do your workers require and why do they require it? Take a human centred design approach – sometimes known as design thinking.

One change taking place in payroll at the moment is the notion of payroll moving from a batch function being run at the end of a pay period to an on-demand continuous pay model. Why is this the case? The process of engaging workers in many industries is working on a “gig” worker concept - people working across one or more employers on a task by task type engagement, think Uber, Deliveroo and Airtasker. From the workers perspective, once they have finished a task they want to be paid for the work so they can access their earnings immediately.

From a payroll perspective, this requires a fundamentally different operating model. As McKinsey describes it - the “new digital business model”. People will engage with payroll differently, processes will require realignment and the technology has to be capable of supporting this change.

CONTINUOUS IMPROVEMENT

As we become more and more digitally savvy we will be in a phase of ongoing and continuous improvement. Jason Averbook, HR Thought Leader describes this as

a continuous state of “perpetual beta”. What does this mean for payroll processes and how do you address it?

- **Changing needs of the worker.** The way in which people engage with the organisation is changing; gig, full time, contract and so on.
- **Changing needs to the organisation.** Organisations, especially leadership teams, are focused on breaking operating silos and focusing on business outcomes. To support this there is a push to switch from hierarchical based reporting models to team based structures.
- **Focus on employee experience, customer and digital experience:** How do we adapt mindset, people, process and technology to put experience front and centre underpinned by a digital way of working?
- **Payroll automation.** More and more manual and administrative tasks are being automated in the payroll function. For example: automation of award interpretation, introduction of voice technology and automation of integration between systems.
- **Continuous reskilling.** There are many areas to focus on including making sure you understand what digital is and how to best embrace and adopt this in your organisation. What are the legislative changes continuously taking place and how can organisations adopt these to mitigate organisational and people risk? What is the payroll data telling you that can be taken back to key business stakeholder across the business to make more informed people and business decisions?

Ultimately, digital transformation gives payroll a unique opportunity to elevate its position in the organisation and be known for continuous improvement, innovation and solving business problems.

With a rapidly changing digital-first mindset and underpinning operating model, business leaders need to ask the question. Is your current digital strategy capable of driving and supporting continuous change?



LEADERSHIP ACCOUNTABILITY

CARMEL BATTICCIOTTO / DIRECTOR, TALENT DEVELOPMENT SOLUTIONS (LHH)

As highlighted in the above section the advancements in digital technology are causing wide spread disruption across organisations placing even greater responsibility on the role and impact our leaders have on business success. Research has demonstrated a strong relationship between leadership effectiveness and organisational outcomes such as performance, engagement and retention. In order to extend on the current leadership research, LHH recently conducted a study on the current state of leadership in Australia. The findings reveal unique insights, with leaders being perceived as conservative and risk averse, albeit lacking in leadership accountability. This lack of accountability has also emerged as a theme from the Financial Services Royal Commission with leaders demonstrating accountability for the bottom line of their business division, whilst lacking in accountability in other critical areas, such as risk and people management. This highlights a serious gap in risk management at a leadership level.

So how does this impact the ongoing performance and sustainability of organisations? Let's consider the important function of payroll, typically an organisation's largest expense. Despite the relative importance of this function, how often do you hear a leader discussing risk management relating to payroll as a priority? Even though the consequences of not having a compliant payroll can lead to significant financial and legal consequences for an organisation. Consider the news of Heston Blumenthal, George Calombaris and Subway and Pappa Rich franchise owners, who are paying the price for inefficient and outdated payroll environments. Leaders need to understand that mitigating risk is something they are accountable for, and they need to

actively manage a function with potential for significant risk, the risk of payroll non compliance, rather than only addressing it once it becomes a problem.

An Australian LHH study found that, 87.5% of respondents reported that leadership accountability is a "critical business issue" in their organisations. However, the survey also found only 29% were satisfied with the level of leadership accountability in their organisations.

Unfortunately, organisations have been allowed to operate using legacy processes and platforms, and in order to ensure that businesses are payroll compliant, leaders will need to take an active role in ensuring this.

Leaders need to ensure they clearly define and communicate expectations. An emerging theme from our research is that leaders are perceived as not directly communicating their expectations, resulting in a lack of clarity. Providing clarity to managers and teams on the importance of payroll compliance and the individual and organisational consequences of non-compliance is essential when developing a culture of accountability. This sets the ground rules for the team in realising this is an organisational priority and that they have an individual responsibility in ensuring this is adhered to.

Leaders also need to encourage feedback in all directions and foster a culture of continuous improvement. It has been demonstrated that workplaces with the safest environments and lowest rates of incidents have created a culture of open feedback and individual accountability, where employees go out of their way to report safety risks in order to protect their fellow employees and their organisation. The same can be said for a high risk

“ 29% were satisfied with the level of leadership accountability in their organisations.

function such as payroll. Imagine an environment where any risk of non-compliance is immediately reported by employees at all levels. And suggestions for continuous improvement communicated. Leaders need to create and maintain an environment where continuous improvement is the focus, rather than risk aversion, as this creates a mindset of proactively seeking out better ways of doing things as well as identifying risks along the way.

The key to success in creating a culture of accountability is to lead by example. It is imperative that leaders adopt an ongoing, personal interest in ensuring their payroll operation is legally compliant, rather than just assuming it is. Based on findings from the recent Financial Services Royal Commission, it is clear that leaders need to step up and take personal accountability for ensuring their organisations are acting legally and ethically.

But how can you ensure this happens? How often do you hear your leaders raising the risk of payroll? If a true culture of accountability is a desired future state, what steps do you need to take to change your leadership team's mindset on risk mitigation? And, more importantly, how do you proactively manage the risk of one of your organisation's largest threats, payroll non-compliance?

“ How often do you hear a leader discussing risk management relating to payroll as a priority?





PROFIT FROM PAYROLL

TRACY ANGWIN / CEO (AUSTRALIAN PAYROLL ASSOCIATION)

Employers often consider their payroll function a necessary interference that happens as part of being in business. Assuming it is a fixed cost that can't be changed, and a hopeful naivety that those doing the actual processing have the skills and expertise to keep everyone away from the blowtorch of regulators.

This couldn't be further from the truth.

But how might an organisation actually profit from becoming more proactive in relation to the payroll function? It sounds counter intuitive, but experience and best practices show that the right payroll delivery strategy can have a tangible impact on the bottom line and provide certainty around compliance and risk.

There are many ways that organisations can profit from what has traditionally been thought of as a fixed cost clerical function. The payroll function is highly regulated, scrutinised by authorities, complex, time consuming, constantly changing, confusing and risky, so ensuring it's in qualified hands is imperative for both managers, employees and company directors.

Over the years, I've seen examples of organisations that have been underpaying staff and therefore putting their business at risk of monetary fines and charges. We regularly work with employers who, following a compliance audit, realise that they have been unknowingly underpaying or overpaying staff for years, often by millions of dollars.

Over time (often years) and a large employee population, correcting underpayments can be material and many of these brands find their way into mainstream media. Likewise, overpayments can add up to significant amounts that have a huge impact on organisations, both

by way of loss of profit, but also by causing a difficult conversation with staff who will need to be told that they will be paid less than they have been used to in the past. Remediating an underpayment and completing a backpay can often run into the millions of dollars, even if the underpayment doesn't seem significant at first.

Under and overpayments are the most obvious issues with payroll, however inefficiencies in the process can also provide surprises for executives as to the actual cost of the payroll function.

The most expensive and high risk payroll operations have the most manual components to them. This is because payroll staff are the most expensive part of delivering a payroll function and the processes they undertake manually are also the most at risk of error.

No matter what the issues are in your payroll department, whether they be under or over payments, governance risk, errors which put the company at risk of regulatory fines, mistakes which cause morale problems in the employee population, high costs of delivery, or poor communication with stakeholders, it is certain they can be caused by one or a combination of three things. Namely, your payroll people, processes and platforms.



TYPES OF PLATFORM (OR PAYROLL SYSTEMS)

When I first started working in the payroll industry in the mid 90's, the most technologically advanced employers were using Bundy clocks and cards. These were being manually 'extended' in the pay office and keyed into payroll systems. Best practices for payroll now include cloud systems, mobile connectivity for employees and electronic means of capturing attendance and interpreting awards to optimise the payroll function.

Payroll technology is being developed and updated at a rate unlike any period before. In fact, I've seen more advances in payroll technology in the past 24 months than I've seen in the preceding 24 years! There is now payroll technology that uses wireless internet services and geofencing, as well as technology being delivered to employees and managers on handheld devices and smart phones. Your employees can log their attendance just by entering a workplace and having their mobile phone recognised through the connection to WiFi. No need for timesheets, Bundy cards or even biometric finger readers or facial recognition software.

The important thing is to ensure the employer is using the technology most suited to their workplace, staff and industry and that it is monitored regularly and updated as payroll rules change.

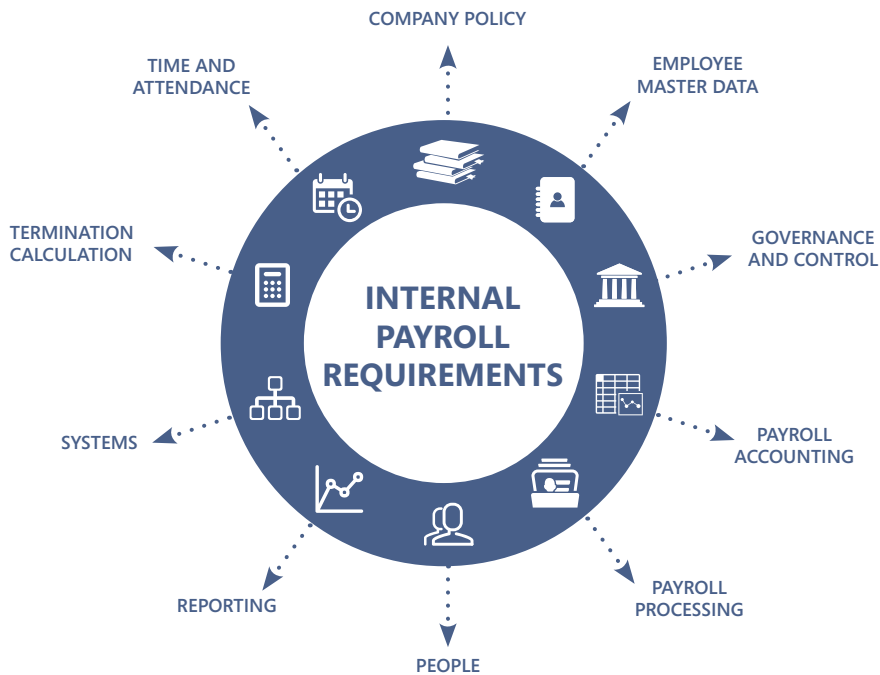
You might have a Platform problem if:

- It is difficult to make changes in your system;
- You can't get meaningful reports from your system;
- Your payroll team regularly uses a calculator during the payroll process;
- You have outstanding questions for your payroll supplier helpdesk for more than two working days;
- You can't get the reports you want on a timely basis;
- You are rekeying data into multiple systems;
- Your team are locked out of the payroll at certain steps in the process.

PROCESS

Contrary to popular opinion, the job of a payroll office is much more than merely 'handling payment'. A well designed payroll process should carefully consider risk, efficiency, governance and controls. It should be well documented with checklists, process maps and procedural steps. If an employer's processes aren't carefully planned and structured, the best payroll people and technology won't provide you with the low risk, high value payroll outcomes you are looking for.

There are many considerations outside of the actual payment of staff to consider when designing and reviewing a payroll process. Some of them are listed in the following graphic.



All these things have an effect on compliance and efficiency of your payroll operation and many of them are the difference between a well delivered payroll function and a poor one.

You might have a Process problem if:

- Data is being processed more than once;
- Spreadsheets (or sticky note pads) are used throughout the payroll process;
- There are piles of paper in your pay office;
- One person can complete a payroll from end to end with no need for sign off or checking;
- You don't have payroll checklists or they are out of date;
- Your payroll delivery costs are high for your payroll size and complexity;
- You don't have a payroll procedures manual or it is out of date;
- Your payroll benchmarks are poor for your size and industry.

PAYROLL BEST PRACTICES

It can be that organisations have issues with People, Platforms and Processes, but it's just as likely to be a combination of two factors or perhaps only one. You can have the best payroll team in the world, but if your platform doesn't support the way you need to run your payroll, you'll have problems. You can have the best platform in the world, but if your processes are poor you won't get the low risk and governance you expect. You can have the best processes in the world, but if you have a poorly trained or incapable payroll team, you'll expose the organisation to significant risk.

People, processes and platform are always the three areas that cause an employer's 'payroll pain' and where the opportunity exists to improve efficiency, compliance and governance, and therefore profit from payroll. Maximising productivity and good governance from all three leads to significant improvements in payroll delivery, an optimised payroll operation and tangible effects to the bottom line.



THE SOLUTION

The 2019 Australian Payroll Benchmarking survey reported a rising trend in payroll outsourcing in Australia. In 2019 the percentage of employers outsourcing their payroll is 32.5%, up 7.8% on 2018. This local trend is supported globally by the 2019 NGA Global Payroll Complexity Index which confirmed that a third of respondents indicated they would look to outsource payroll in the next 2 years.

There are many factors contributing to this trend. They include the difficulty in sourcing qualified payroll talent, the cost of experienced payroll staff, strategies to outsource non-core business activities, the inability to keep up with payroll legislation and technology changes and the increasing amount of time being spent by executives on payroll issues.

As well as these factors, locally managed payroll delivery models where no payroll expertise is required by the employer, is becoming a preferred payroll strategy for business executives and directors.

WHAT DOES PARTNERING WITH PAYROLL HQ LOOK LIKE?

We become your Payroll HQ

The solution completely removes the need for our Business Partners to retain payroll knowledge in-house, empowering our partners to focus on delivering results that align with the organisations' overall strategic and financial objectives.

Access to Exceptional Payroll Talent

The Payroll HQ Customer and Employee Experience is underpinned by a highly qualified team of payroll experts, qualified to a minimum standard of Certification IV in Payroll Administration. The Payroll HQ team is located on-shore and presents a wealth of knowledge covering Australian & New Zealand payroll legislation.

Risk Mitigation and Strategy

We understand that payroll is your reputation on the line every pay cycle. Through a robust risk management and governance framework, aligned with strategic thinking, Payroll HQ delivers a tangible impact on your bottom line and importantly provides certainty around compliance.

Partners for Today and Tomorrow

We are ready for new age workplaces. The Payroll HQ platform assists in automating and enhancing the employee experience, ensuring that our Business Partners are digitally switched on and ready to compete within evolving marketplaces.

The headline we aim for around payroll is that we guarantee to keep our Business Partners out of the headlines - and that's a headline worth writing about.

ABOUT PAYROLL HQ



Payroll HQ deliver a local, fully end-to-end managed payroll service. The service shifts the responsibility for the payroll management and environment to Payroll HQ. The service is supported by fully qualified payroll professionals who are accountable for compliance, data accuracy and a human centric employee experience. As a result, Payroll HQ clients are not required to retain payroll knowledge and expertise in-house.

Simply put, Payroll HQ exists to help business be free of payroll.

MEET THE AUTHORS



ROSS HERON / HEAD OF SALES, MARKETING & INNOVATION (PAYROLL HQ)

This book is a blueprint for transitioning to a managed payroll model. Co-written by Payroll HQ's Andre Atton & Tracy Angwin, CEO of the Australian Payroll Association, learn how to make outsourcing work for you.



Download - In Safe Hands e-book



JARROD MCGRATH / FOUNDER & CEO (SMART WFM)

The Digital Workforce is a how-to book for senior managers, project sponsors and project teams tasked with transforming their workforce in a disruptive, digital era. There are plenty of anecdotes, real-life experiences and examples to help explain the concepts.



Download a sample of The Digital Workforce



CARMEL BATTICCIOTTO / DIRECTOR, TALENT DEVELOPMENT SOLUTIONS (LHH)

Global LHH research into the state of leadership has found that Australia has a profound leadership accountability gap, the largest found worldwide.



Australia's Leadership Accountability Gap Whitepaper



TRACY ANGWIN / CEO (AUSTRALIAN PAYROLL ASSOCIATION)

Australian Payroll Association supports payroll teams nationwide and are actively working with our members to help reimagine the role of payroll. We are on a mission to help the payroll industry get things right and make a tangible contribution to employers.



www.austpayroll.com.au