



# The Payroll Playbook: Beyond the Perfect Paycheck

Discover the benefits of delivering  
trust through modern payroll solution

# Introduction

As a payroll leader, you understand the complex multitasking and juggling it takes — day in and day out — for your payroll team to get the job done. They spend their days verifying time worked and pay rates. Calculating deductions, allowances, bonuses, and taxes. Entering data into databases, reconciling ledgers, and checking for compliance issues. Calculating, withholding, and submitting federal, state, and local taxes.

When the calculations are done, they distribute salaries and wages and are careful to maintain detailed records of all transactions for compliance, tax, and auditing purposes. And they do their best to address employees' payroll-related questions and help with new-hire onboarding, when needed.

However, this workload doesn't give them much time to focus on more strategic business tasks.

Many organizations turn to modern HR and payroll technology to help streamline their payroll teams' heavy workload and meet growing business demands. But it's not just about boosting efficiency or even delivering the perfect paycheck. With the time gained, your payroll team can focus on supporting your employees, from offering transparency into their pay data and assisting with financial wellness to offering benefits such as earned wage access. And when employees feel cared for, it improves retention, productivity, and profitability — and builds a culture of trust.



High-trust cultures see **accelerated innovation** and **half the attrition rate** of their competitors.<sup>1</sup>

**Great  
Place  
To  
Work.**

## Why does it matter?

Simply put, no other business function has more potential impact on the employer-employee relationship than payroll. Employees want to be paid accurately and on time — and any business that can't keep the promise of timely pay puts itself at risk of losing critical team members and possibly encountering legal difficulties.

A reliable payroll can positively affect employee morale and satisfaction, help attract and retain employees, and make your organization more attractive to the highest-quality talent. If pay is late or inaccurate, it can erode trust in your organization and negatively affect your employees' lives. Failure to pay your people correctly or on time can impact performance and even result in significant fines or penalties. If your payroll platform isn't helping you check all the necessary boxes, it's time to take a hard look at your existing processes and see where you can make improvements.

## What can you do about it?

Every organization wants to deliver perfect checks on every payroll run. But how can you achieve payroll accuracy and solve payroll challenges if you're still relying on outdated payroll technology with manual data entry?

Payroll professionals want new technology solutions to help them achieve better business results that include saving time, reducing costs, improving compliance, driving employee engagement, and boosting the bottom line. With modern payroll technology, everyday payroll processes become faster, more accurate, and more predictable. Anomalies can easily be identified and addressed. And employees gain 24/7 access to the information that matters most to them. The outcome? Your organization builds a culture of trust with employees by investing in their key moments — and realizes more positive business outcomes.

78% of Americans would experience financial difficulty if their paychecks were delayed by one week.<sup>2</sup>



**Great  
Place  
To  
Work®**

"You can't have engaged employees if they don't feel trusted. The key to a person feeling trusted is that they are treated with respect, they feel their leaders are credible, and they're treated fairly. That's what our research has shown us."

— Michael C. Bush, CEO, Great Place To Work®

Responses to an EY survey revealed payroll's top challenges are **inaccurate data, regulatory changes, and limited budget**.<sup>3</sup>



# Top payroll pain points — and how they can impact business

Payroll management is one of the most important administrative functions of your entire organization. However, without a proper payroll management system, the process can be time-consuming, demanding, and error-prone. Here's an overview of some of your team's most common payroll pain points:



## Managing administrative overload

Manual payroll processing can involve collecting timesheets, updating employee information, and calculating deductions and taxes. Trying to manage all this by hand can lead to staff overload.



## Ensuring timely payroll processing

Ensuring that employees are paid accurately and on time is critical for maintaining morale and building trust. However, administrative overload can lead to delays and challenges.



## Navigating compliance issues

Keeping up with ever-changing tax laws and regulations can be a huge headache for payroll teams, especially when you consider that a single mistake can lead to penalties and fines that most businesses can't afford.



## Tracking time and absence

Accurately tracking employee hours and leave can be difficult, especially for hourly workers or those with flexible schedules. Using manual processes to track this time can be error-prone and requires constant oversight.



## Managing incompatible software

Using disparate software systems for payroll, HR, and accounting can create data silos and make it difficult to ensure all the data is in sync. This can lead to errors and inefficiencies.

**How can you stop the pain? Payroll automation can turn many of your payroll pain points into payroll success stories.**

In a survey by Forrester, **nearly all payroll leaders (97%)** agreed that consolidating all of global payroll into a single solution would be valuable or extremely valuable.<sup>4</sup>

# Why new payroll technology — and why now?

Payroll has traditionally been treated as a tactical business function rather than as an essential service that bolsters employee satisfaction through efficiency and accuracy — and keeps your people loyal and engaged. But today's payroll environment has become more complex than ever. Organizations are struggling to keep pace with shifting workforce dynamics, the rise of on-demand pay services, and growing data security and privacy concerns.

Let's look at some of the current business trends affecting payroll and influencing the need to adopt HR and payroll technology solutions:

- 1 Evolving technology**

Outdated processes can cause organizations to lag behind in productivity and market competitiveness. Getting onboard with automated features in modern payroll software allows teams to process payroll more quickly and accurately — and focus on higher-value business tasks.
- 2 HR systems integration**

More than half of organizations recently surveyed believe the next big trend in payroll will be using consolidated HR and payroll solutions to streamline operations.<sup>5</sup> This will provide real-time data and standardized reporting, minimizing the risk of payroll errors.
- 3 Compliance**

Constantly changing legislation and regulations expose payroll to the risk of noncompliance, which can lead to costly fines. Businesses need payroll solutions that can help them remain compliant with rapidly evolving federal, state, and local legislation.
- 4 Employee wellbeing**

Retaining today's employees requires the ability to proactively identify situations that might trigger fatigue or burnout. Payroll analytics — such as overtime payouts — can make these trends visible so businesses can act on them quickly.
- 5 Flexible/Remote work**

With the rise of remote work, organizations now need to manage teams scattered across various locations. Consolidated HR and payroll services allow companies to manage these teams more effectively.
- 6 On-demand pay**

Earned wage access, which offers the ability to access a portion of earned wages outside of a traditional pay cycle, has become a popular benefit for workers who are feeling the effects of a higher cost of living. This option can be easily offered in an HR and payroll solution.
- 7 Pay transparency practices**

Employees value pay transparency, and employers increasingly recognize it as a pivotal element in building trust, attracting top talent, and advancing workplace diversity, equity, and inclusion. Pay transparency can be offered through self-service features that HR and payroll software provide.
- 8 Data and cybersecurity**

Pay and personal data security is an important and growing component of employee trust. Employees count on their companies to securely store their sensitive information and keep it safe, particularly at a time when data breaches and cyberattacks are common.

By 2025, an estimated **32.6 million Americans** will be working remotely, which equates to about **22% of the workforce**.<sup>6</sup>

Only **12% of organizations worldwide** have developed and implemented a pay transparency strategy.<sup>7</sup>

# The business value of a modern payroll solution

Investing in a modern payroll solution can significantly streamline business operations, improve speed and accuracy, ensure compliance, provide more sophisticated reporting and analysis to empower better decision-making, and boost employee engagement and morale.

Modern HR and payroll technology can also deliver specific cost savings. Reduced processing time can deliver hard cost savings through reduced overtime pay, and soft cost savings can be achieved by using the time saved to focus less on administrative tasks and more on the strategic aspects of payroll. This time can be reallocated to other payroll-related projects and organizational initiatives, such as direct deposit campaigns, pay card programs, on-demand pay, training and development, and establishing key performance indicators for payroll — all meant to positively impact the organization and advance business goals.

Technology Improvement	Benefit
Streamlined, automated processes	Increase productivity, provide consistency, and are completely auditable
Mobile/self-service	Boosts efficiencies and reduces costs while improving employee engagement and satisfaction; reduces manual data entry for payroll staff, saving time and effort
Powerful reporting	Increases efficiency, improves accuracy, and helps business teams make informed and timely decisions
Synchronized compliance updates	Minimize compliance risk, potential wage-and-hour lawsuits, penalties, and fines while freeing payroll to focus on providing strategic insights to business leaders

**Compliance matters!** The IRS imposes various penalties for noncompliance, including failure-to-deposit penalties, failure-to-file penalties, and accuracy penalties.



Respondents to a Forrester survey said that moving away from overly complex systems to just one solution leads to **process improvements (88%)** and lower **payroll administrative costs (85%).**<sup>8</sup>

## HR and payroll leader

The HR and payroll leader juggles the strategic needs of human resources with the operational demands of payroll. They bridge the human element and the financial backbone of an organization by ensuring smooth coordination between HR initiatives and financial processes.



**Meet Julia**

Julia is director of HR and payroll at a large organization where she oversees a team of 10 payroll professionals. A large part of her role involves developing and implementing HR and payroll policies, setting up and maintaining efficient payroll systems, and auditing payroll transactions for accuracy.

A priority for Julia is ensuring compliance with all federal and state tax laws, and she works to stay on top of evolving HR laws, industry trends, and technological advancements impacting the field. She also regularly collaborates with finance and HR to create essential payroll reports and forecasts. With all these responsibilities and more, Julia is always looking for ways to improve and streamline processes while maintaining a positive work environment and finding creative solutions to HR and payroll challenges.

### With an outdated payroll system

Manual tasks consume a significant portion of the payroll team's time, so Julia spends a lot of time overseeing those rather than focusing on strategic business initiatives. That's because manual data entry is a painstaking process prone to errors — which then need to be fixed. Plus, the payroll system can't automatically update to align with the near-constant changes in legislation, so she needs to be sure the payroll team is diligent about protecting the organization from risk of noncompliance and the associated penalties.

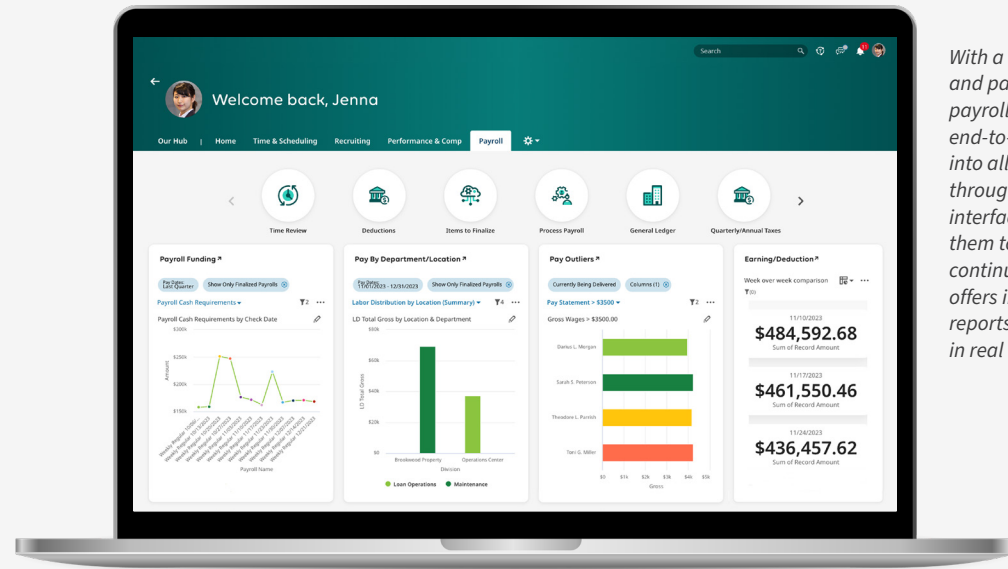
### With a modern payroll system

Because Julia has instant access to reports and analytics in real time, she receives proactive alerts that help her team avoid costly payroll errors. She can be confident in the payroll her team runs because she knows that automatic compliance updates bring the latest legislative changes, including tax tables, into the organization's system. She is able to leverage HR metrics and payroll data that can identify areas for improvement, which in turn informs her strategic decision-making.

## Reimagined payroll in action: Key moments for personas

# Payroll manager

The payroll manager is the guardian of financial accuracy. They keep the wheels of employee compensation turning smoothly by juggling payroll accuracy, efficiency, and compliance.



*With a modern HR and payroll system, payroll managers have end-to-end visibility into all areas of payroll through an intuitive interface that allows them to process payroll continuously and offers instant access to reports and analytics in real time.*



## Meet Eric

Eric manages a team of six at a midsize company. He prides himself on effectively explaining policies and procedures to his team, addressing inquiries from other departments, and collaborating with HR to maintain smooth payroll operations.

Eric manages a large workload but is able to juggle tasks and prioritize deadlines so that payroll is always distributed on time. His keen eye for detail helps ensure that every calculation, deduction, and tax withholding is precise. Eric is vigilant about staying on top of ever-evolving federal, state, and local regulations so he can ensure compliance and safeguard the company from legal repercussions.

## With an outdated payroll system

Eric understands all too well that manual data entry is a time-consuming, labor-intensive process that can lead to errors, burnout, and low morale among his team. Ensuring the latest compliance rules are being followed is also challenging and time-consuming. The slow processing speed, limited automation, and data integration issues of the current payroll system mean long hours and extra work — time and energy that could be spent on more strategic goals or promoting better work-life balance for his team.

## With a modern payroll system

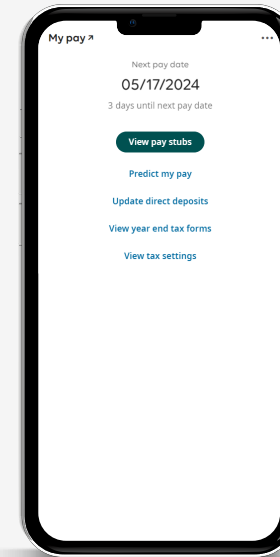
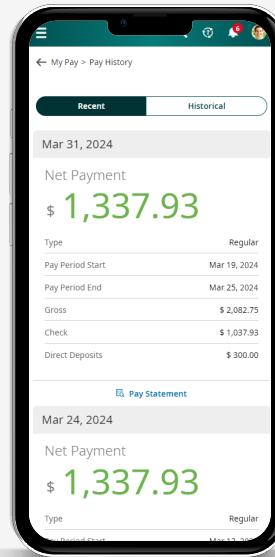
The system's fast processing speed and seamless integration with other systems within the organization mean that Eric never worries about data accuracy or compliance issues. He appreciates that the proactive alerts he receives about potential timesheet and payroll errors give his team the ability to address and correct them before payroll is run. And that means employee trust not only remains intact but also grows over time, which greatly benefits the organization overall.



## Reimagined payroll in action: Key moments for personas

# Employee

Every employee of a company gets paid, which means that every employee is affected by the payroll team and the payroll process.



*These examples from our software show the level of 24/7 visibility employees can have of their most current pay information — either on desktop or mobile — with a modern payroll system.*



## Meet Connie

Connie graduated from college three years ago and is finishing her first year in a company with fewer than 500 employees. She has to be very careful about how she spends her money, as she has to do a lot with what feels like not quite enough.

There was an error in Connie's paycheck a few months back that made her question whether she should find a new employer. She was paid less than she earned — and it took the company more than two weeks to correct the problem and issue an adjustment. Because Connie's finances are precarious, she worries about this happening again.

### With the outdated payroll system

Connie feels frustrated that she has limited visibility into her payroll. When there's a problem, she has no option but to call the payroll department and then take the slow, manual steps necessary to fix the issue. Plus, there are no self-service options available to her for viewing historical data, updating tax information, or requesting time off, even though she knows they exist — because many of her friends work at companies that offer this option.

### With a modern payroll system

With 24/7 access to payroll information from any device, Connie feels empowered and more engaged with both the payroll process and her organization. She no longer feels like she's in the dark. She values the transparency that allows her to view paystubs and benefits information, make changes to her personal information, receive emails and notifications, and request time off in just a few clicks.

# How to choose a modern payroll solution

There are lots of reasons you may want to upgrade to modern payroll technology, including having outgrown your current solution, a need for more sophisticated features, and wanting seamless integration between your different systems. Here are some steps to take in your search for the best-fit solution for your organization.

## 1 Start by assessing what you have — and your evolving business requirements

When choosing a payroll platform, you must consider your budget, organization size, and payroll complexity. Then you need to analyze how you're currently processing payroll. If you're using a third party to process your payroll, consider how much it costs your organization. Could you save money with an in-house system that's more accurate and efficient than what you're using now?

Also think about the features that are most important to you — both for current and future needs. Would you like automatic time tracking and tax filing? Regular compliance updates and access to complex analytics and reporting? And how much do you value self-service tools for employees — will you lag behind other organizations if you don't offer these now?

## 2 Next, review a number of payroll systems and see how they align with your organization's needs

Identify which systems align best with your budget and review the systems' features, ease of use, tax management and reporting capabilities, and level of customer support offered. Look for reviews from actual users on trusted sites such as TrustRadius. Consider if the solution can keep up with changing regulations and guidelines, protect your critical data, and seamlessly integrate with your existing software.

## 3 Finally, streamline your list and take the contenders for a test run

Ask the solutions' vendors for a live demo. This will give you a good feel for the technology and prevent you from experiencing buyer's remorse. During this step, you'll want to make sure you come away with the kind of customer service you want and need from the vendor. This support relationship will be pivotal as you move forward.



# Conclusion

Modern HR and payroll technology solutions are built on a single platform that leverages a common source of data for payroll and timekeeping. As a result, they streamline processes, increase efficiency, and simplify compliance and reporting. With this new technology in place to automate end-to-end payroll processing, your organization will be better positioned to reduce costs, increase productivity, improve the employee experience, and build a culture of trust and belonging for your people — all while accelerating payroll's shift from a tactical, back-office function to a critical, strategic business role.

Payroll is about more than money — it's a cornerstone of your people strategy, so make sure you have a solution that's flexible, automated, accurate, and engaging.

## Get started today

Organizations that implement the right tools and technology to modernize how payroll is run not only highlight their payroll team's value by making their day-to-day tasks less burdensome; they also show their support for all of their people by ensuring a timely, transparent, and streamlined payroll process.

**DELIVER PEOPLE-FOCUSED PAY  
THAT'S PERFECT EVERY TIME**



# Appendix

## Payroll Evaluation Worksheet

In what areas will payroll software benefit our team the most?

### Efficiency

1. How much time does our team spend on manual data-entry tasks associated with payroll?  
-----  
-----
2. Do our payroll team members have sufficient time to focus on strategic business initiatives like supporting employees and building a great culture?  
-----  
-----

### Retention and wellbeing

1. Do we currently have a way to predict which of our employees may feel overwhelmed or burned out from their workload? Are we taking steps to find out so we can take preemptive action?  
-----  
-----
2. Are employees being consistently paid correctly and on time? Have there been times when this has not been the case?  
-----  
-----

### Employee engagement and trust building

1. Are we able to offer our employees self-service features and mobile access that allow them to easily interact with the payroll process, thereby helping them to feel more included, engaged, and satisfied?  
-----  
-----
2. Are we set up to offer earned wage access to our employees should they need that service?  
-----  
-----
3. Can our employees view pay transparency data if they choose? This can be a pivotal element in building trust with employees.  
-----  
-----
4. Are we able to keep our employees' payroll data and sensitive information secure? Keeping employee information safe is another way of building and maintaining trust.  
-----  
-----

# Appendix

## Payroll Evaluation Worksheet

In what areas will payroll software benefit our team the most? (cont'd)

### Compliance

1. Do we currently have a way to update changes to federal, state, and local jurisdiction requirements as they occur?

-----  
-----

2. Are we able to accurately track all of our employee hours, including employees with flexible schedules or those who may be on leave? Do we need to be concerned that there may be errors in our calculations?

-----  
-----

3. How do we ensure compliance for remote employees who live in different states or possibly in different countries?

-----  
-----

### Data integration

1. Can our current payroll software integrate with our other applications, such as HR and time and attendance, which can lead to greater accuracy and efficiency?

-----  
-----

### Payroll analytics

1. Do we have siloed data? Can our current payroll software analyze our organization's payroll trends for better strategic insights and more informed decision-making?

-----  
-----

2. Can our current payroll software analyze a massive amount of data quickly and efficiently to identify patterns and trends?

-----  
-----

# Appendix

## Technology Evaluation Worksheet

Use this worksheet to ensure that your short list of vendor payroll software solutions enables you, at minimum, to address the following critical focus areas.

Payroll Focus Areas	Vendor 1	Vendor 2	Vendor 3
<b>Efficiency</b>			
Streamline and automate payroll tasks for shorter processing time and improved accuracy.			
Gain easy day-to-day insights into your payroll data for continuous improvement in one centralized place.			
Stay in sync, reduce errors, and cut down on administrative time using workflows and checklists within the solution.			
<b>Employee engagement and wellbeing</b>			
Provide mobile and self-service tools to employees that increase payroll efficiency while helping foster a highly engaged workforce. Employees can enter data such as W-4 and direct deposit information, address changes, and more.			
Offer employees access to crucial tools that support their financial wellbeing, including pay transparency and earned wage access.			
<b>Compliance</b>			
Automatically update changes from federal, state, local, and regulatory agencies.			
Provide on-demand access to compliance data when needed.			

# Appendix

## Technology Evaluation Worksheet (cont'd)

Payroll Focus Areas	Vendor 1	Vendor 2	Vendor 3
Automatically prepare, file, and pay taxes based on where employees live.			
<b>Data Integration</b>			
Offer seamless software integration with other applications, such as HR and time and attendance, for greater accuracy and efficiency and more holistic insights.			
<b>Payroll Analytics and Reporting</b>			
Get real-time updates for predictions, alerts, and recommendations, continually updated as new data is obtained.			
Produce reports with varying levels of detail so different groups — managers, operations, and business leaders — can make informed, data-driven decisions.			
Generate reports and analytics in real time, including detailed timesheets, payment registers, and wage/liability audit reports.			

## References

- <sup>1</sup> Ted Kitterman, *Why and How to Build Trust in the Workplace*, Great Place To Work® (January 11, 2023), found at <https://www.greatplacetowork.com/resources/blog/why-and-how-to-build-trust-in-the-workplace>.
- <sup>2</sup> PR Newswire, *Survey reveals six percent increase in Americans living paycheck to paycheck in just one year* (September 2023), found at <https://www.prnewswire.com/news-releases/survey-reveals-six-percent-increase-in-americans-living-paycheck-to-paycheck-in-just-one-year-301928853.html>.
- <sup>3</sup> EY, *EY Global Payroll Survey* (March 2022), found at [https://www.ey.com/en\\_us/insights/workforce/how-can-payroll-drive-value-in-organizations-with-flexibility#chapter3](https://www.ey.com/en_us/insights/workforce/how-can-payroll-drive-value-in-organizations-with-flexibility#chapter3).
- <sup>4</sup> Forrester, *Is Global Payroll Truly Global?* (2023), found at <https://www.deel.com/lp/forrester-global-payroll-study/>.
- <sup>5</sup> HR.com, *The Current State and Future of Payroll 2023: Consider more integrated, transparent and strategic approaches that leverage great partnerships* (April 2023), found at [https://www.hr.com/en/resources/free\\_research\\_white\\_papers/the-current-state-and-future-of-payroll-2023\\_lgq5l2hh.html](https://www.hr.com/en/resources/free_research_white_papers/the-current-state-and-future-of-payroll-2023_lgq5l2hh.html).
- <sup>6</sup> Katherine Haan, *Remote work statistics and trends in 2024* (June 2023), found at <https://www.forbes.com/advisor/business/remote-work-statistics/>.
- <sup>7</sup> KornFerry.com, *Pay transparency: Picking up steam?* (2023), found at <https://www.kornferry.com/insights/featured-topics/workforce-management/pay-transparency-picking-up-steam#download>.
- <sup>8</sup> Forrester, *Is Global Payroll Truly Global?* (2023), found at <https://www.deel.com/lp/forrester-global-payroll-study/>.



info@paynw.com | 866-729-6920 | www.paynw.com