


ALIGHT GLOBAL PAYROLL COMPLEXITY INDEX

A close-up photograph of a person's hand holding a red pen, positioned over a computer keyboard. The hand is in the foreground, and the keyboard is slightly out of focus. A large, semi-transparent yellow circle is overlaid on the right side of the image, partially obscuring the hand and keyboard. The background is dark and blurred, suggesting an office environment.

Optimize your multi-country payroll

Actionable insights from the 2023 Alight Global Payroll Complexity Index

June 29, 2023

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Today's speakers



Jan Pieter Janssen
VP Business Development, Alight
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Strategy and Offering
Management Leader,
Alight Solutions



A bit about the **Global Payroll Complexity Index**

Biennial survey,
last conducted in
2021

Ranks payroll
complexity
across
40 countries

Created
using Alight's
own SME
experience

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The role of GPCI in modern payroll management



Understanding complexity

Maps challenges, aids accuracy and compliance



Regulatory compliance

Tracks changing laws, ensures adherence



Benchmarking

Tracks complexity changes, aids cost control



Strategic decision-making

Guides expansion, supports streamlining



Risk management

Provides insights, helps assess and mitigate risks

Highlights from the 2023 Global Payroll Complexity Index

Top 10 countries are

29%

more complex than
the remaining 30

91%

complexity gap between
the most and least
complex countries

Overall complexity
decreased by

6%

from 2021 to 2023

Remote working
has impacted the
GPCI results



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Top 10 countries


Top 10 countries

1 ?

2  Germany

3  Switzerland

4  Italy

5  Canada

6  Poland

7  Turkey

8  Netherlands

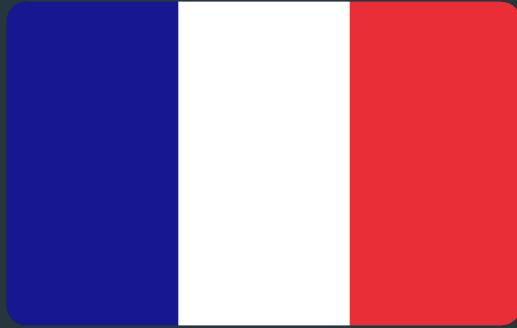
9  Belgium

10  Slovakia

POLL QUESTION 1:

Which country do you think is the most complex for processing payroll?

For the sixth
consecutive year
its....



France

Why is French payroll processing so complex?



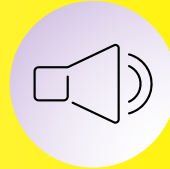
High number of required fields for reporting



Manual reporting to the government



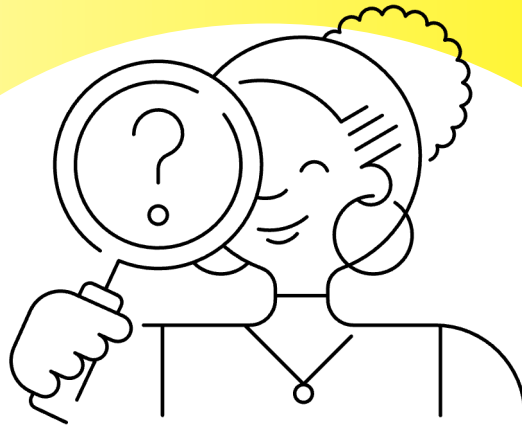
Use of both cheques and bank transfers for salary payments



Frequent legal updates



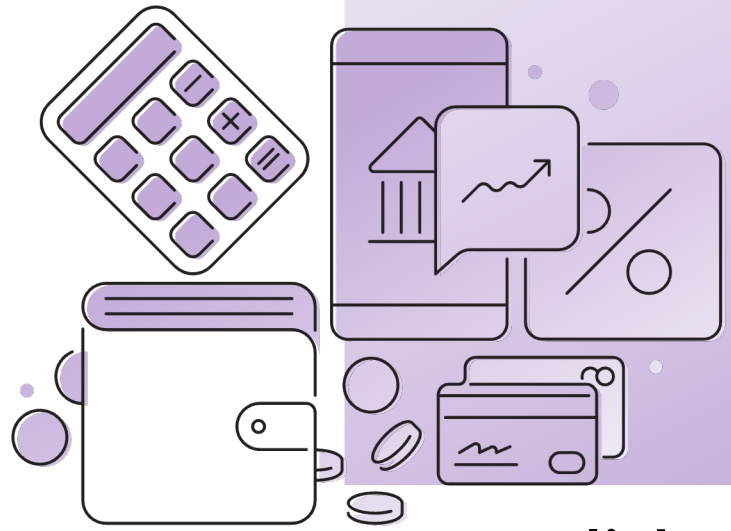
Longest record-keeping time (20+ years)



POLL QUESTION 2:
Which country has seen the biggest
increase in payroll complexity
ranking since 2021?

Countries with the greatest increases in payroll complexity since 2021

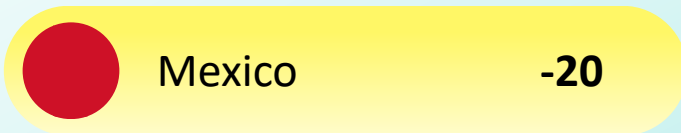
	Turkey	+29
	Canada	+25
	Slovakia	+16



POLL QUESTION 3:

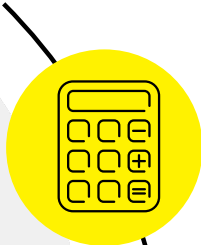
Which country has seen the biggest decrease in payroll complexity ranking since 2021?

Countries with biggest decreases in payroll complexity ranking



What is driving payroll complexity?

Three key drivers of complexity



Mandatory deductions

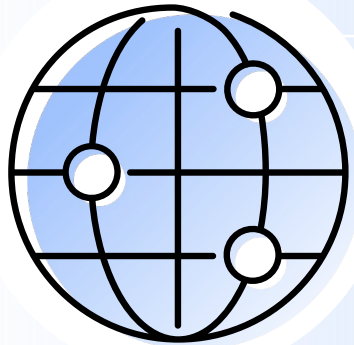


Social security calculations



Reporting

Key changes witnessed since the 2021 index



Employee-led culture on the rise

Digital workplaces

Remote workforce including cross-jurisdiction currencies and tax implications

Heightened shift to Cloud payroll

Remote access

Real-time payroll data management

Payroll integration with HR and finance systems

Pay innovations including on-demand pay and on-the-go payroll management

Pay equity and heightened financial wellbeing focus

Key strategies to mitigate global payroll complexity

Fundamental Mitigation strategies to help combat payroll complexity



Standardise and streamline processes, templates and workflows



Integrate payroll systems with HR and finance



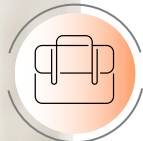
Innovate for continuous improvement



Optimise operations for efficiency



Insource specialist payroll skills



Outsource for risk mitigation and scalability

Are you ready to make an impact on the future of global payroll? Your experience can drive change!

2023 Company Payroll Complexity Survey

- Currently running our 2023 Company Payroll Complexity Survey
- Leverages Top 40 Global Payroll Complexity Index data to provide an indicative risk and complexity score for respondents

SOME INITIAL FINDINGS FROM THE SURVEY

33%

of those surveyed have over 11 payroll vendors

Only **11%**

fully outsource their payroll, **40% mostly outsource**

43%

of those surveyed don't track the performance of payroll

40%

have been fined in the last 5 years with payroll processing penalties

57%

have no plans to outsource, are those that don't outsource

**Many thanks,
any questions?**

Link to the survey:
[Company Payroll Complexity
Survey](#)



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