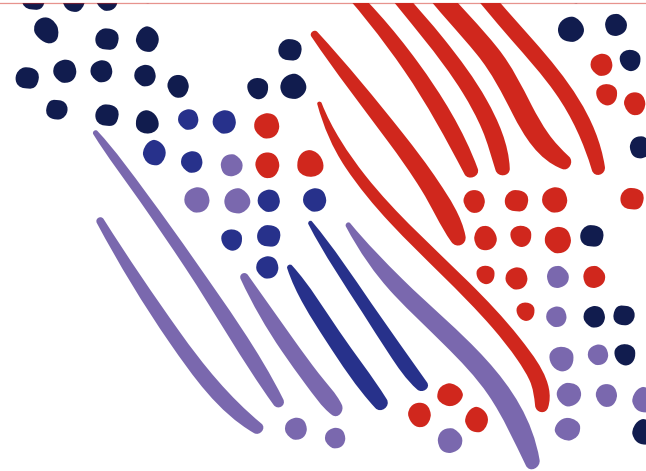


Payroll: hero or villain?

Graham Wylie
VP International Marketing, ADP

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Payroll

The potential of payroll

The potential of payroll: Global payroll survey 2021

- Study into the resiliency and competence of payroll around the world.
- Explores payroll from the perspective of finance, HR and payroll leaders.
- Looks at how well multinational organizations met, and continue to meet, the challenges created by the pandemic.
- How will the results of the biggest experiment influence the payroll industry in the future?



Payroll

The biggest life experiment



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Hero

You got people paid

It's been a challenging 18 months

- **380%** increase in legal communications to process (March-April 2020)
- **900** pieces of legislation on top of existing regulations
- Furloughs, pay reductions, overtime, absences ...
- Paper checks issuance
- Banking file failures
- The list is endless.....



Hero

You came face to face with adversity

Let's not forget payroll teams are employees too

65% — of payroll teams worked remotely. 82% found the consequences of the global pandemic challenging

- **41%** reliability of payroll systems
- **35%** access to payroll systems
- **34%** continuity of data security protocols
- **28%** vendor technology support
- **28%** access to internal IT support



Hero

You made a herculean effort

To many, payroll was an epic struggle

75% were unable to manage payroll 100% effectively, struggling with

- **39%** accuracy of employee pay
- **38%** timeliness of employee pay
- **29%** reporting capabilities
- **28%** meeting regulatory compliance
- **61%** received too many payroll queries

It's no wonder that **six months** into the pandemic, only

27%



of businesses could claim their payroll was above 90% accurate

Hero or villain?

Take a look in the mirror

Could there have been fewer challenges?

Even before the pandemic, only **52%** of multinational companies could claim their payroll was over **90%** accurate

- 28% of business had not formally looked at how their payroll operations had been performing against objectives for three years or more.
- Many, **74%**, are still running multiple systems.
- An average of **37%** of payroll technology was on-premise.
- **26%** of those with on-premise payroll systems were not, or only partly, integrated with other business systems.



Villain

A reflection of the truth

Could payroll have better supported the business?

87% see payroll as a fundamental part of their commercial and growth strategies, yet

- **47%** were unable to answer many of the payroll-related questions asked of them to support strategic decision-making
- Only **29%** of those were always able to answer business queries in the requested time frame



Villain

The mirror never lies

The truth is ...

- **70%** still feel unprepared for future disruption or major regulatory change.
- **51%** of organizations with little or no payroll integration are not confident about being positively audited.
- Only **27%** of finance leaders consider payroll data when developing their strategies.



Hero or villain

Facing the truth

There's a realization that things must change and there's a clear view of the transformation benefits

- 32% access to greater reporting analytics
- 29% consolidated multi-country reporting
- 27% increased reporting speed
- 27% tighter data security protocols
- 27% streamlined payroll processes

75% are ready to consider outsourcing all or most of their payroll processes



Hero or villain

The hero potential within payroll

Payroll is an industry, bringing pay and HR together

Payroll can no longer just be about paying people, it's got to be a strategic business partner

- Data analytics
- Executive skills

But to get there, payroll needs to deliver on what it promises and prove its worth

- Pay accuracy
- Business compliance



Heroes or villains?

... you decide



Take a new
look at pay



The potential of payroll:

Global payroll survey 2021

Our comprehensive survey into global payroll shows how an often overlooked service has the potential to be a driver of future growth initiatives.



You decide - adp.co.uk/pop21

