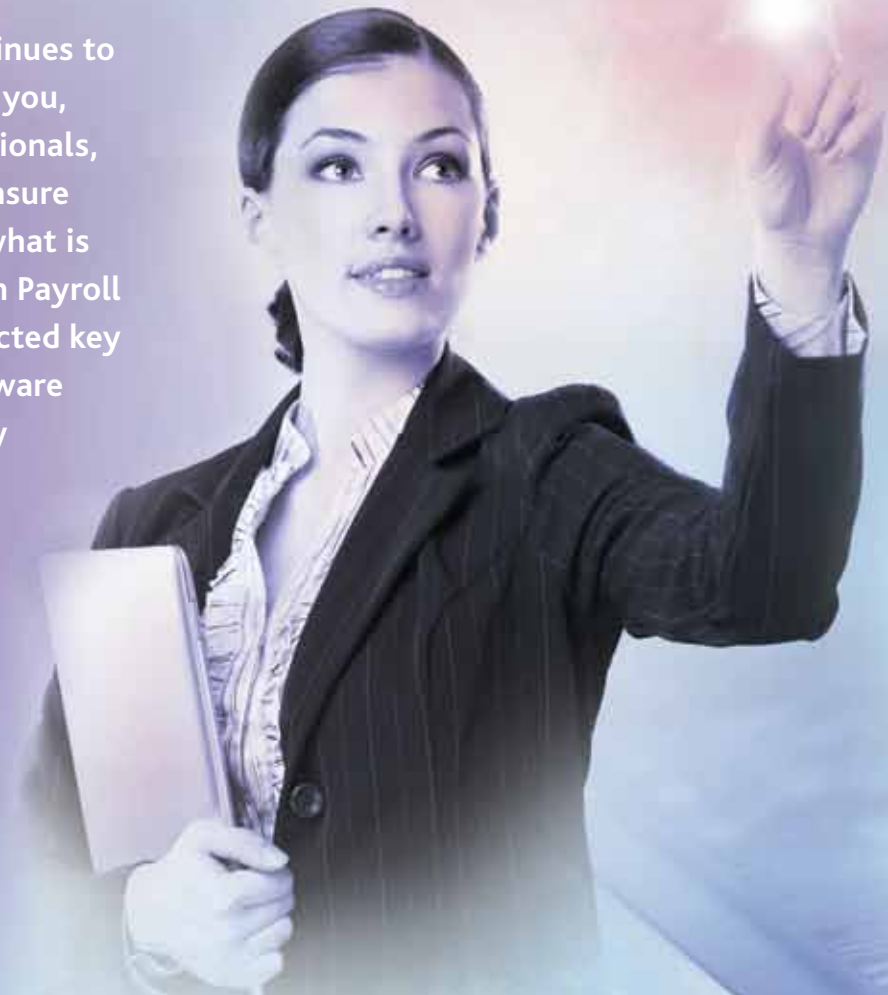


Payroll Technology at Work:

# Looking to the Future

Payroll technology continues to advance and affect how you, Canada's payroll professionals, perform your jobs. To ensure you remain current on what is happening, the Canadian Payroll Association (CPA) contacted key payroll service and software providers in the industry to find out about upcoming challenges and opportunities. The following highlights will help guide your professional development plans so that you can be prepared for the future of payroll.



“More than ever, it’s important for payroll professionals to stay current and understand trends in technology that can impact payroll and the business overall.”

### What upcoming changes do you foresee in payroll technology?

**Janice, ADP Canada:** We see an exciting future as payroll technologies continue to integrate and unify with those used in HR and other business functions. Two trends include self-service functions and reporting tools that drive business insight. Expanded use of technology in these areas will lead to better business decision-making and greater employee engagement. Payroll technology will continue to become more integrated with other areas of the business, and new efficiencies will be realized. Today, for example, employees, managers, recruiters, HR and payroll administrators, and even those in IT participate in bringing a new hire on board, but multiple systems and processes are often involved. In the future, the process will be much more streamlined, saving time for employees and money for the organization.

**Barb, Payworks:** Payroll technology will see a continued movement from traditional software to “cloud computing” technology, which makes it easier for service providers to deliver their best products to end users as cost-effectively as possible. Because cloud computing allows all of the functionality of a server-

based system with none of the maintenance and cost, it has also opened doors to new mobile technology methods, such as payroll applications for smartphones, and innovative payment methods, such as paycards.

**Marnie, StarGarden:** Technology today is about increased mobility and ease of use for users, enabling managers and employees to make smarter decisions at all times. Payroll, HR and accounting systems have to be linked to provide real-time data about overtime, budgets and resource levels so that managers have the information they need to make the appropriate decisions. Self-service options will enable employees to have quick, easy access to their information.

**Andrew, Softworks:** Because of their ability to reduce cost and increase productivity, we see time and attendance, and labour scheduling systems as the next big thing. New systems will provide the right information to the right person at the right time. They will also present the solution and action to be taken so that the payroll professional can make an informed decision without having to go through numerous spreadsheets, forms, etc.

**Scott, Ultimate Software:** Many companies are struggling with inefficiencies,

data inaccuracies and errors resulting from having separate systems. One of the biggest opportunities for savings and increased efficiency is integrating processes such as payroll and benefits, compensation and performance management, and recruitment. This delivers tremendous value by creating one central source for reliable employee data, and it saves time by eliminating duplicate data entry and reconciliation, and consolidating employee data for reporting and trend analysis. Another trend is a major increase in demand for the Software as a Service (SaaS) delivery model. SaaS offers sophisticated, comprehensive payroll, HR, benefits and talent management functionality without the pain of software installation or ongoing maintenance.

### How will these new developments affect the payroll professional’s role?

**Charlene, Ceridian Canada:** Payroll professionals are a hardy, adaptive breed acclimatized to handling tight deadlines and last-minute changes while meeting high expectations. Although finding the best way to navigate around technological changes may seem challenging at first, it will be beneficial because employees will take more ownership for accurate



and timely data submissions, making the payroll job easier. Embracing the use of new technology like iPads and mobile applications now will prepare the payroll professional for the future.

**Amy, Kronos:** The evolution of systems will make the execution of day-to-day payroll tasks easier while raising expectations on the amount of business analysis payroll professionals can provide. For those who are currently bogged down with administrative tasks, this will provide an opportunity to expand their skill sets and provide greater value.

**Scott, NEBS PAYweb.ca:** These advancements will provide for more secure and thorough record keeping. It will, however, require payroll professionals to ensure they keep up to date with technology.

**Travis, WorkForce Software:** Payroll professionals are going to take on roles that are more strategic than tactical. As systems evolve, better information will be available to make smarter business decisions, and payroll will play a big part.

**George, Easypay:** The biggest challenge will be the payroll professional's ability to comply with all of the changes by federal and provincial governments. We are noticing a significant number of amendments and exceptions to the rules and regulations covering source deductions, and increased divergences between federal and provincial levels.

### **After the recent period of economic uncertainty, have you noticed any changes in focus?**

**Walter, Legiant:** There has been quite a bit of pressure to simplify process, be more efficient, and do more with less. In many cases, organizations have moved to SaaS models to eliminate the cycle of upgrades and server replacements, and switched to self service to reduce the staff who previously handled inquires. The use of professional employee organizations and hybrid models of outsourcing continues to grow, combining various mixes of technology, payroll, tax compliance, HR, training and other employee services.

**Laura, Cybershift:** We offer both in-house and SaaS delivery models, and we have seen an increase in the adoption of our SaaS workforce and expense management automation solutions by companies of all sizes that are interested in integrating new technology more affordably and at a rate that surpasses traditional on-premise payroll, HR and accounting systems.

**Amy, Kronos:** We see customers focusing on minimizing their total cost of providing payroll services. In some cases, outsourcing is a good fit, but often the on-going fees associated with outsourcing far surpass the costs of an in-house system—similar to the difference between owning and renting a house.

**Mark, Telliris:** We saw an increase in time and attendance solutions, as organizations try to do more with the workforce resources they have. As a service provider, we help by providing education on workforce optimization as it applies to the portion of an organization that is mobile, remote, dispersed or working in the field.

**Howard, Mitrefinch:** Companies are turning to us to help them control their costs. One recommendation is reducing the use of manual systems to track hours because they result in lost time through buddy punching and rounding errors.

### **Portable electronic devices and advances in technology mean that employees can work remotely and stay connected to the workplace at all times. What recommendations do you have in this area?**

**Alexandra, Loki Systems:** First, employers need to consider how to make accurate performance assessments. This new decentralized workplace has many benefits but can also negatively impact accountability and collaboration. Workflow technology can help fill this gap: accountability is maintained because there is a clear, auditable record of who was assigned what task and when, and collaboration is supported because roles and activities are embedded within the system configuration. Second,

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employers need to consider security. Enhancing web and mobile functionality is excellent, but you must also consider what information is available to whom.

**Bill, OnPayroll.ca:** The single biggest recommendation I can make is to ensure that you don't forget your remote employee. You may be in touch with them many times a day, but when it comes time for a staff event, often the remote employee is forgotten, which contributes to a breakdown in relationships, including employee loyalty.

**Charlene, Ceridian Canada:** Teleworking can save facility costs, improve workplace productivity, and enhance employee morale and retention. For it to benefit employers and employees, companies are well advised to have good HR policies to support it.

**Stephen, Avanti Software:** Make sure teleworking is suitable. As a starting point, create a list of pros and cons. For example, it reduces office space requirements; gives access to skilled people who would otherwise not be available; and allows for flexible work hours, which could mean better employee retention. However, working remotely can make it difficult to create a team environment and may require more IT support, and it may be difficult to assess how much work is getting done without implementing additional processes.

**Scott, Ultimate Software:** Employers should have a plan in place on adopting and supporting mobile applications that

drive workforce productivity and efficiency. Look for service providers who have clear directions on releasing, enhancing and supporting mobile applications.

### Legislative compliance is a crucial part of a payroll professional's job. What recommendations do you have in this area?

**Marnie, StarGarden:** There is a lot of information that can be reviewed online on a regular basis. It helps to review the forecasted changes from the government to be prepared for the set-up and testing work required. Keep in contact with your service provider, as they can also let you know how the changes will impact your systems and processes. Providers are always looking for ways to improve their products and processes, so send them your feedback.

**Andrew, Softworks:** Payroll professionals must always keep abreast of legislative changes. It is their responsibility to assess and inform their companies of the impact of changes on the cost base. Also, technology can play a large part in terms of automating compliance. For example, proactive alerts can be configured regarding reporting deadlines, reminders, etc.

**Alexandra, Loki Systems:** Payroll professionals should expect their service providers to be knowledgeable about changes and to clearly communicate how they are

incorporated within their products. Given the frequency of changes and the importance of compliance, the quality of service provided in this area makes a big difference to your return on investment.

**Janice, ADP Canada:** Service providers are most impacted by the lead time for legislative announcements, and the cumulative effect of various jurisdictions announcing changes during the same period. Our ability to respond to these legislative changes requires significant investment in system development, testing and implementation, and training for service associates and clients. We cannot stress enough the importance of responding in a timely manner to communications on legislative change from your provider. What may seem like a simple payroll change may in fact require an extensive configuration effort (such as with the recent CSST changes), so the earlier the work effort is coordinated with your provider, the better.

**Barb, Payworks:** As a service provider, our role is to provide compliance information and updates through our communications. We must also ensure that our service team is up to date with all payroll-related legislation. Payroll professionals also have a responsibility to keep abreast of changes. We encourage our clients to familiarize themselves with the communications of third-party organizations and associations such as Canada Revenue Agency, the CPA, or other industry-specific associations.

**Michael, Payroll Solutions:** As a payroll professional, you need to have the skills and ability to work effectively and act responsibly regarding changes, and the knowledge to implement the latest technology and be responsive.

**Charlene, Ceridian Canada:** Staying informed is the key to being prepared for legislative changes. Monitoring the legislative landscape can be daunting, but there are a number of low- or no-cost subscription services available that can pull the information to you. In addition, the CPA provides seminars throughout the year that include legislative updates to give you the most current information.

### Finally, what one piece of advice would you like to offer?

**Mark, Telliris:** Almost nothing moves as fast as technology. Strive to spend a little time each month to keep abreast of

advances in technology and how it can be applied to benefit your organisation. It's time well spent—and will result in saving even more time in the future.

**Laura, Cybershift:** We live in a digital world. Information is coming to us from all directions. More than ever, it's important for payroll professionals to stay current and understand trends in technology that can impact payroll and the business overall.

**Janice, ADP Canada:** Payroll professionals are fortunate to have service providers dedicated to developing technology that enables compliance and reduces or eliminates administration; however, we continue to see situations where professionals have not fully leveraged the tools available. Continue to look for ways to automate the end-to-end payroll process and provide a better return on your investment in payroll technology. By leveraging technology, you can focus instead on reducing compliance-related business

risk and being more responsive to employees and other internal stakeholders.

**Stephen, Avanti Software:** The payroll professional is responsible for one of the largest expenses of an organization. As the capability of software improves, there should be less time spent on tasks that are easily handled by software and more time for the payroll professional to look beyond the numbers and participate actively in the strategic objectives of the organization.

**Walter, Legiant:** Technology and legislation will continue to change but the fundamental requirements of payroll remain the same. You are on the front line for employee satisfaction—everyone wants a paycheque! Remember to look at the big picture and keep the core business needs in mind. If you can help your organization by providing valuable information or eliminating expenses or complex processes, you will increase the profile of payroll. ■

## DIALOGUE would like to thank the following companies for participating.

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