

Payroll trends and predictions for 2020

A payroll practitioner is on the bus to work. She logs into the payroll application via her smartphone using a retinal scan or fingerprint ID. She's set to run the first payroll of the day as one of her project groups has completed a parcel of work and needs to be paid. She arrives at the office to generate a report for the vice-president of HR on short-term and long-term disability costs. She orders paycards, reads up on a new employment standard, then reviews the output for the second payroll of the day.

Although this whole scenario may seem far-fetched, it is likely an accurate depiction of a day in the life of a payroll professional a decade from now. Thirty years ago, many employers still paid workers in cash via pay packet and, just 10 years ago, web-enabled payroll solutions were a game-changing innovation. Today, biometrics, payroll on-demand, web-based applications and analytics are upon us. What is causing these dramatic changes?

3 macro-trends: globalization, demographic shift and technology

According to The Conference Board of Canada, three megatrends are driving the transformation of the working world — globalization, population aging and diversity and technological innovation.

Globalization: In this increasingly fractured, complex and challenging world, organizations operating on a global scale have to deal with issues of varying legalities, customs, cultural differences and expectations. Through this global



SHELLEY NG

GUEST COMMENTARY

market, companies can acquire important new skilled labour, but they're also required to learn how to effectively leverage diverse perspectives and manage local employment standards along with their geographically dispersed HR and payroll teams.

Shifting demographics: Today's workforce is comprised of four distinct generations, a mix that is having an impact on work styles, career goals, motivations, learning, benefits and reward and recognition.

The impact of this convergence of unique perspectives means a one-size-fits-all approach no longer fits. Employers must become open to providing programs, benefits and accommodations that suit the individual.

The aging boomers, many of whom delayed retirement due to declining investments, are still working but don't necessarily want the traditional full-time grind. The boomers' children — or Millennials — are another large group not necessarily interested in traditional work arrangements. Many employees will be on contract by the year 2015, creating new challenges as employers try

to deal with employees acting as free agents with potentially unique terms of employment, according to the Society for Human Resource Management in the United States.

Technological innovation and communications: Technological innovations will change the way HR and payroll professionals work by reducing administrative tasks, automating workflow and streamlining processes for increased efficiency. This means technology must be interconnected, highly intuitive, easy to use and very secure. The following are 10 of the key emerging technological trends already shaping the HR and payroll function:

Technological growth: Accelerating exponential technological growth means more inventions, greater uptake rates, ever-growing internet usage and new training needs.

Mobile and smartphone technology: Business software cannot help but be influenced by the advent of the smartphone, mobile solutions and the savvy users operating them. Imagine running payroll through a mobile device, any time, from anywhere, or sending a link to executives through which they can access workforce reports immediately and in real-time. Applications for payroll, HR and time and attendance will allow employees to input time from anywhere using a laptop or smartphone and also be paid via mobile payments.

Technology convergence: Companies have traditionally made large investments through suppliers to

Continued on next page