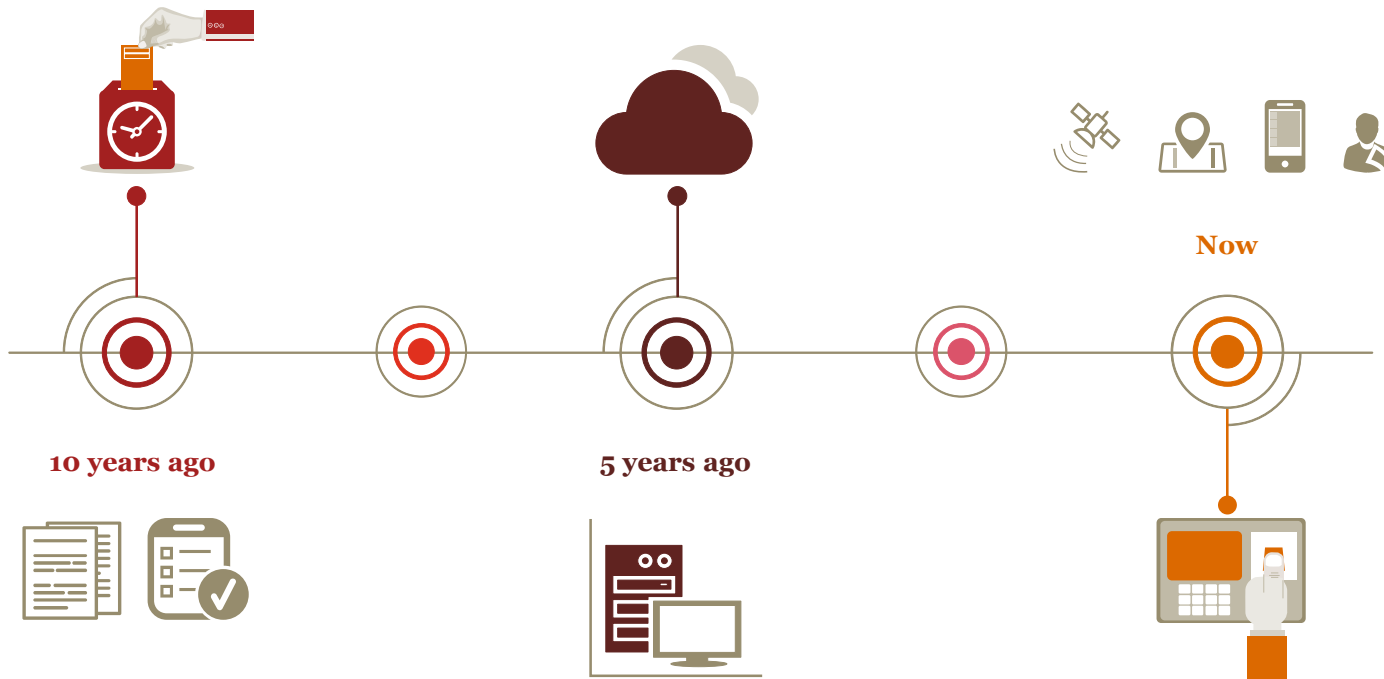


# Payroll technology in digital age



## Data Analytics

- What information can be sourced from your payroll
- How is this being analysed?



## Data Security

- Privacy Act 1988 regulates how information is sent
- Reputational impact of security breach.



## What to think about

### Payroll System

- Integration with other systems
- New technology, better price.



### Employee Demographics

- Employees share details of getting payroll money
- Inspect the use a new technology.



# Payroll technology in the digital age

In the past, digital meant ecommerce. But the landscape has changed – the rapid rise of social media, smart devices, big data and cloud computing has opened up avenues to access data more frequently from anywhere at any time. At the same time, employees are expecting and demanding greater access to their information and flexibility as to how it is consumed and experienced. Technology and social media are making employees better informed, more connected and more vocal – get their payroll wrong and with the power of social media you, and the wider world, will very quickly get to know about it!

For many organisations, the payroll system (or interface with an outsourced providers system) is not directly integrated with the HR and Finance systems which drive payroll inputs and manage the outputs. Very few organisations have transitioned to true cloud based payroll platforms enabling integration with other internal and external systems.

The management of employee data and payroll results could be inadvertently transmitted or sent via email or other non-secure data exchanges.

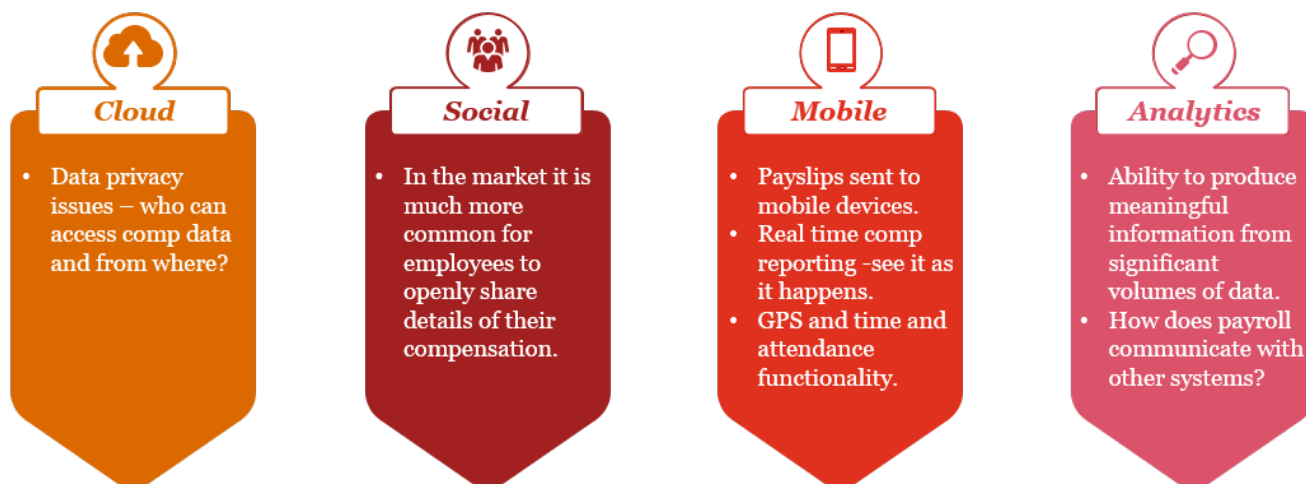
With an increasing number of payroll systems available, selecting a new platform that meets the requirements of the organisation is sometimes seen as a very big challenge. Identifying and implementing a system that not only fits the wider IT and business strategy, but is capable of unlocking the power of the data held in payroll, is difficult and often seen as too risky. With your mobile phone plan, you will often assess the price, data inclusions, calls and texts available to get a good deal. As the saying goes “If you’re staying on the same mobile plan for 5 years – you’re paying too much”. The same can be said for your payroll system –regular reviews of system capabilities and business requirements can provide commercial value in identifying better technology at a better value. Don’t not look at Payroll because it may be too risky. Undertake a

review, determine the value in what is being delivered and compare this to the market. You would do it with an \$80 phone plan – why not a business system that costs many times more than that?

Maintaining good data is increasingly important to ensure good governance and control over systems and processes. Using the data available can also provide insights into the workforce, help drive key management decision making and prevent opportunities for under and over payments.

At the same time, your employees expect you to act responsibly with their personal information and to respect their right to privacy. The Privacy Act 1988, which regulates how personal information is handled, demands this too. Failure to comply with the law can lead to serious legal and financial consequences and significant operational challenges, such as business disruption, financial loss and damage to brand and reputation.

## Digital technology trends in Payroll



## Questions to ask

- Does your current payroll system fit into your overall technology strategy?
- If your HR system is cloud based-what interface do you have to your payroll system and how do the outputs link to your finance system?
- Do you know the total cost of salary and wages paid to employees in the last 12 months?
- Have you analysed the cost of running your global payroll systems and number of vendors?
- Do you have confidence that your outsource provider can deliver an end to end payroll solution?
- Are you confident that you have not over or under paid employees in the last 12 months?
- Is your payroll data secure and have you performed penetration testing or tested ISO compliance with ISO 27001 (whether you operate the payroll internally or via an outsource provider)?
- How can you take advantage of cloud technology to enable a more resilient and efficient payroll environment?
- 

### Our View

**Rapid technological advancements have resulted in great opportunity for organisations to review their current payroll technology and identify where there is potential to reduce cost, improve efficiency and make better use of the data held within payroll. Companies shouldn't be reticent to review their payroll technology solutions.**

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