

MAKING PAYROLL A STRATEGIC ASSET

LEVERAGING CLOUD-BASED HCM TO TRANSFORM PAYROLL PRACTICES



Ultimate
SOFTWARE

A NEW SOURCE OF BUSINESS VALUE

TRANSITIONING FROM ADMINISTRATIVE TO STRATEGIC PAYROLL

Processing payroll is perhaps the most ubiquitous aspect of any business. Ensuring that employees get paid accurately and on-time is an integral, core function regardless of a company's size, industry, or role in the marketplace. Yet despite this essential value, payroll is frequently taken for granted in many organizations. Too often payroll is seen as merely an administrative component of business. While great effort may be taken to ensure compliance while processing payroll quickly and without burdensome expense, the broader, more strategic power of payroll is often overlooked.

Industry leaders worldwide have begun to realize the full potential of payroll, especially as payroll managers leverage exciting advances in human capital management (HCM) technology. Payroll data can be employed to paint a more robust and comprehensive picture of a company's workforce. Powerful reporting and metrics can provide decision-making tools to C-level executives to drive growth. And that's just the beginning. Transitioning payroll to a more strategic function can increase employee satisfaction and lead to boosted productivity company-wide.

A unified, cloud-based HCM solution empowers payroll teams to prove their critical role as a part of an organization's overall strategic vision. By streamlining inefficient or outdated processes and automating workflows, payroll departments can reduce administrative overhead and free up resources for strategic tasks. Centralized storage in the cloud enables role-based, anytime access while providing privacy and data security. Real-time business intelligence tools harness pay trends to offer illuminating insights for budgeting and cost reduction. Alongside these and other strategic capabilities, a best-in-class cloud solution will also facilitate more effective communication between payroll managers and employees.

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PRODUCTIVITY
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UNLEASH YOUR PAYROLL TEAM'S STRATEGIC POTENTIAL

It's not uncommon for payroll managers to find themselves spending a majority of their time on administrative tasks, with strategic contributions only considered as time permits. In many cases, this is an unavoidable reality imposed by archaic software or payroll data management systems. Highly decentralized information storage leads to slow, painstaking, and error-prone manual data reconciliation, while risking holes in security and compliance. Limited user access to important functions can hamper communication and lock payroll managers into inefficient schedules based around system availability. And haphazard workflows with too many steps and too little oversight can cause even simple tasks to result in processing delays.

Errors, omissions, and duplicate data entry equal more than just headaches: they frequently result in hard dollar costs and keep payroll staff from spending time on strategic goals. So the first step toward a more strategic role is often to employ a new solution that streamlines these inefficient practices and frees payroll managers from the burden of manual administration.

With HCM delivered via the cloud, all payroll data for your entire organization is collected in one place and accessible at any time, from anywhere. In conjunction with centralization in the cloud, role-based Web access enables every employee to find the right information at the right time without contacting payroll or HR for assistance. This organizational change in data structure can relieve payroll managers from the stress and wasted time of hunting down necessary data for their employees. The cloud also ensures that technology serves the schedule of both your payroll department and your employees, rather than the other way around.

In addition, cloud solutions for automatic time collection and hourly pay calculation can eliminate the time and resources spent obtaining this information manually, further easing the burden on your payroll staff.

Meanwhile, a high degree of automation can revolutionize workflows and transform payroll processing from a plodding task with frequent interruptions into a hassle-free activity measured in hours and minutes

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rather than days. Cloud-based solutions also have the distinct advantage of being paperless, reducing administrative waste even further.

Streamlining these administrative processes through cloud-based HCM is the first step toward facilitating the essential strategic role payroll can play in your organization.

PEOPLE-POWERED PAYROLL

Payroll is rarely considered to be a people-centric business activity. This might sound strange at first consideration; after all, isn't making sure that employees get paid all about the people?

Unfortunately, many companies take the people-centric aspects of payroll for granted, considering it to be concerned only with data accuracy, cost, and regulatory compliance. This view ignores the vast capabilities of payroll to enhance employee satisfaction and engagement while fostering greater communication throughout the workforce. Payroll is a business function that affects every single employee in an organization, and evaluating the ways in which it can enhance their day-to-day experience is a valuable endeavor.

The above features of unified HCM delivered in the cloud, including paperless change processing, role-based Web access, and automation, are all tied to increased employee satisfaction. Employees don't like the hassle of filling out paper forms to be submitted to a manager for a signature, while managers feel that the hours needed to manually review change requests could be better spent. Role-based access to key pay information (for example, viewing W-2 forms and direct deposit setup) empowers employees with control over their own data. Streamlined workflows enhance engagement by reducing crossed wires in communication on payroll tasks. Best-in-class HCM can enable hourly employees to clock in and out for time collection from anywhere—even on mobile devices—creating a sense of convenience and ease-of-use that is not typically associated with payroll.

All of these qualities that contribute to employee engagement can help payroll teams emphasize their value beyond data administration, aiding in the transition to more goal-oriented business functions. A people-centric focus in payroll can ripple throughout an entire organization, ensuring smoother communication with the executive team, and shift managers' priorities toward a strategic mindset.

24-7 ROLE-BASED
ACCESS TO KEY
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Payroll data can also be utilized creatively to offer strategic value to an executive team. While many companies consider the information collected by payroll to be little more than the nuts-and-bolts of each individual employee, payroll can be used at a high level to create a more complete view of a company's human capital. Every data point, from salary ranges within each department to average 401(k) contributions, can contribute to a strategic overview of the total workforce. In fact, recent advances in analytics technology have enabled some unified HCM solutions to leverage payroll data as a key component in predicting employee retention.

PAYROLL REPORTING LEADS TO STRATEGIC ADVANTAGES

One of the most effective ways in which payroll can contribute strategically to a company's overarching goals is taking advantage of potent business intelligence tools to provide insight to the executive team. A vast array of payroll reporting metrics grant your organization unprecedented analysis of internal trends, assisting your executives in making decisions backed by hard data.

Payroll managers can create and offer strategic reports that focus on departmental or company-wide factors and answer key questions for maximizing efficiency and growth:

- **Are processes as streamlined as possible with the resources available?**

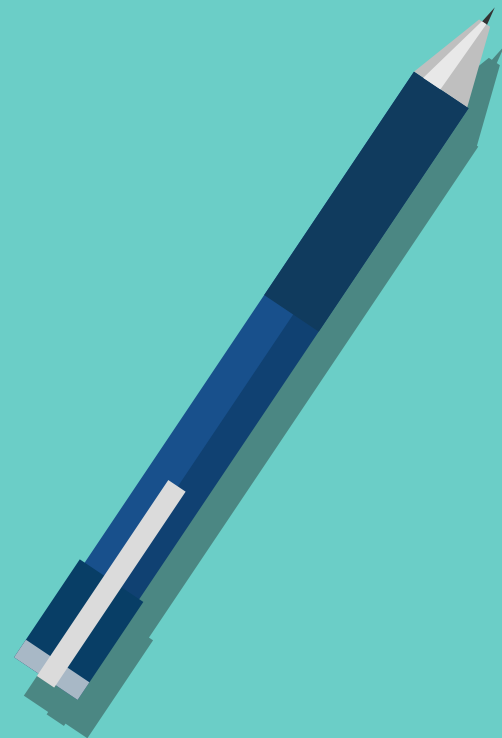
Analyze the ratio of payroll professionals to total employees, or report on how many are taking advantage of beneficial services such as direct deposit.

- **Is your company experiencing an unusually high number of compliance issues?**

Check for fluctuations in the number of tax penalties or payroll changes after processing.

- **Are your salary projections all within budget?**

View year-over-year trends in overtime pay, or compare salary ranges between teams. The BI tools found in comprehensive HCM solutions can even cross-reference these trends with relevant HR data such as turnover and retention rates.



By taking advantage of HCM delivered in the cloud, reporting on these important metrics is not only possible, but also accessible in real-time at your fingertips. Leveraging these powerful BI tools is necessary for a payroll team to realize its true potential as a strategic component of any organization.

A NEW ROLE IN WORKFORCE COMMUNICATION

It's clear that payroll has more significance than merely cutting and distributing checks. But in order to embrace a new emphasis on more strategic tasks, it is critical for your payroll staff to communicate with employees about the tools, procedures and services they can offer. By becoming a strategic business partner, payroll departments will continue to reduce the administrative overhead that so frequently obstructs a focus on broader, more beneficial activities.

In adopting a unified, cloud-HCM solution, your organization can gain access to a wide variety of features and processes to help transition toward an increased business impact of payroll. Payroll professionals can be the strongest evangelists regarding these resources, facilitate an atmosphere of engagement within the entire workforce, and secure their position as an irreplaceable component of the company's strategic business plan.



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