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Realizing strategic gains in finance and HR through efficient global payroll





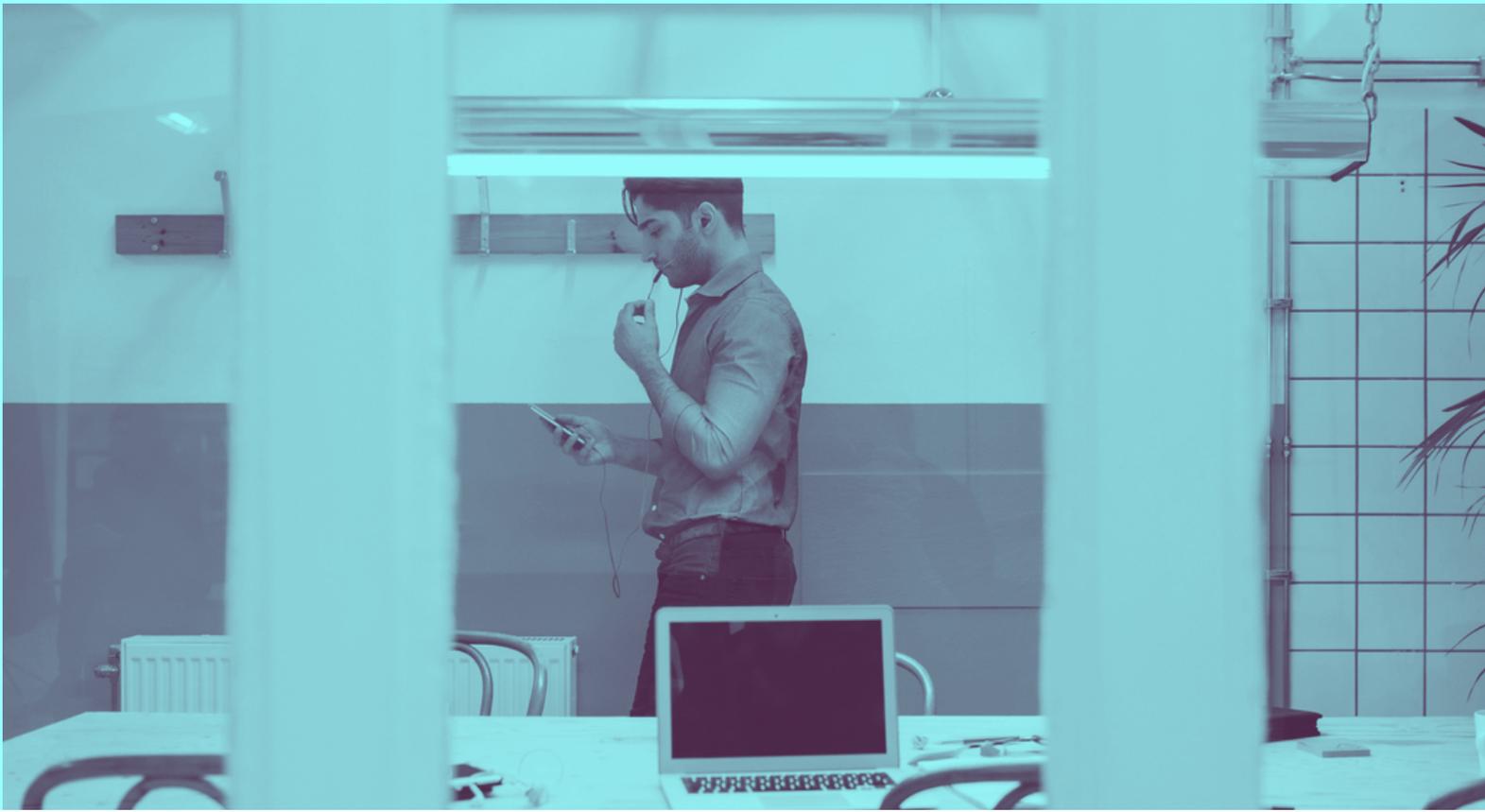
It's time to shift the payroll mindset

Payroll is a core business function that runs steadily in the background.

Done correctly, its systems and processes not only ensure employees are paid, but also protect the company and employees from compliance risks.

But payroll is also full of valuable data. And it should be brought to the foreground because it can be used strategically across departments to advance business goals.

For global companies with complex operations, this means achieving efficiency within the payroll organization so that the entire company—particularly finance and HR—can realize benefits.



EXPLORE THREE WAYS TO SHIFT

1



**Global
payroll
efficiency**

2



**Broader
data
sources**

3



**Evolved
HR
strategy**

USING SMARTER, MORE ACCURATE PAYROLL DATA

Global payroll efficiency as a vehicle for data

At its most basic level, payroll is transactional. A company hires employees to perform certain tasks, and in return, they are paid in the form of salary, benefits and more. With each transaction, across roles, business units and geographies, an organization builds an impressive depository of data.

Tracking payroll information can easily be done at the ledger level. But technology has made it possible to analyze payroll data in ways that identify trends, gaps and, in some cases, redundancies. Especially for companies with a global workforce, this technology-fueled information can guide them to make better decisions about their corporate strategy—in almost real time.

At multinational companies, HR and finance teams have largely deployed this type of software, collecting, managing and analyzing centralized data about their operations. Unfortunately, payroll data is often still decentralized, being processed in separate locations around the world.

Payroll decentralization makes it difficult to gain a comprehensive understanding of workforce spend—the largest P&L item in the budget and the company's most important resource. Even worse, it prevents sharing of this valuable data across departments, such as finance and HR.

TYPES OF PAYROLL MODELS



In-house



Decentralized



Centralized

More efficient global payroll processes allow data to be shared with other business units—enabling them to make better informed, data-driven decisions.

First, payroll data needs to be “right.” This means the payroll team is able to easily validate all pay elements across the company and ensure it is being processed correctly the first time, eliminating the need to run off-cycle payroll. When the payroll team needs to validate and report on data in currencies and languages from around the world, productivity, efficiencies, and accuracy are lost.

But if they could deliver standardized payroll data in a common currency and language with all the company stakeholders, that data (and process) becomes even more useful—and thereby valuable.



Better finance decisions from broader data sources

Critical to a company's success is the optimal deployment of resources. And human capital, one of the most expensive yet valuable of resources, plays a significant role in an organization's spending and strategic planning.

For global companies, which must contend with complex labor, tax and other location-specific laws, the resources equation is often in flux. In order to make the best business decisions, identify ROI opportunities and achieve greater productivity, finance departments must have timely, accurate and comprehensive data at their disposal.

Historically, payroll costs have not been a primary consideration in decisions regarding how to invest globally. Today, data-driven insights on workforce spend help determine global expansion and human capital strategy.

WHEN THERE IS CONSISTENT, COMPREHENSIVE

Which labor market will be most stable over the long term

What the financial impact of new local legislation in a particular country will be, and whether it will be better or worse than another

Technology has enabled the collection of more sophisticated payroll data, as well as deeper data analysis. The key for finance departments is syncing with and correlating this payroll data to gain insights into how the global workforce affects the organization's finances.



As the department responsible for managing and planning for the fiscal health of the organization, finance must have a clear understanding of where labor costs can be reduced, where an increase in labor may add productivity, and how human capital can be more efficiently deployed. The integration of payroll data helps ensure an organization has its best chance to meet strategic production and profit goals.



WITH PAYROLL DATA, COMPANIES CAN LEARN:

Whether **changes in the tax advantages** now balance out labor costs over the long term

The effect of **political volatility**



Technology has evened the playing field for job hunting and talent acquisition.

For HR to manage talent strategically, it must have access to information that provides context and understanding not just of the organization's workforce, but also how it relates to external market forces. Much of this insight can be found within payroll data, which tracks salary, benefits, overtime pay, social costs and more. As job search engines have multiplied and globalization has opened

the door for hiring around the world, competition for talent has never been more intense. When organizations around the world have the same access to larger and more sophisticated candidate pools, how does your company find the right fit for your needs?

When HR teams know exactly when and where talent will be needed, and what pay levels and benefits will be competitive, they can determine the right time and place to search for candidates and design the offer packages that will attract top talent.



Greater efficiency starts today

The ever-increasing pace of today's business landscape enforces the need for predictive intelligence to inform strategic planning. For global organizations, payroll efficiency and centralized data should play a major role in advancing strategy across the organization, especially for finance and HR departments.



Find the gaps to achieve efficiency and boost strategic planning

AS YOU EVALUATE THE ROLE GLOBAL PAYROLL AND ITS DATA PLAYS AT YOUR ORGANIZATION, CONSIDER THE FOLLOWING QUESTIONS:

- Are you taking full advantage of technology to improve inefficient practices and procedures?
- Do your processes allow for consistently accurate and up-to-date data to get into the hands and minds of management and those who can bring about change?
- Do you have access to global data to identify future opportunities?
- Are the activities of your payroll team providing your HR and finance teams data that helps them bring strategic value to the organization?

No matter where your organization currently stands, remember you're not alone, and you can benefit from the expertise of a provider that answers these questions—and more—for multinational companies every day.





**SAFEGUARD
GLOBAL**

For a decade, Safeguard Global has been helping HR, finance and payroll teams understand and determine which global payroll model will work best for their goals.

The consultative approach of our technology-driven service, Global Managed Payroll, has helped companies around the world become more efficient in delivering global payroll and using workforce data to help them meet their strategic objectives.

We can do this for you and your organization, too.

Learn more at

www.safeguardglobal.com/gmp

Contact us for a consultation to help determine if managed payroll from Safeguard Global will help bring greater global payroll efficiencies to your organization.