



 **SIKICH**®

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**2022**

# **PAYROLL PERSPECTIVES**





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**From transitioning to a remote workforce to exploring the benefits of early wage access and maintaining the ever-moving target of compliance, payroll departments were not without unique challenges over the past few years.**

During the 2022 APA Virtual Congress and 2021 Congress Xstream, Sikich surveyed more than 225 payroll professionals from across the country. The following “Payroll Perspectives” provide a snapshot of the current state of the payroll industry – from the size and complexity of payroll environments to top 2022 payroll priorities – collected from the surveyed professionals. We learned, through these efforts, that there are several key considerations to overcome current challenges.

*Sikich’s certified payroll experts provide support for all your payroll functions. From payroll operations management and optimization to implementation of new systems, our team streamlines payroll operations to adapt to your organization’s ever-evolving needs.*



**GARY HUMPHREY**

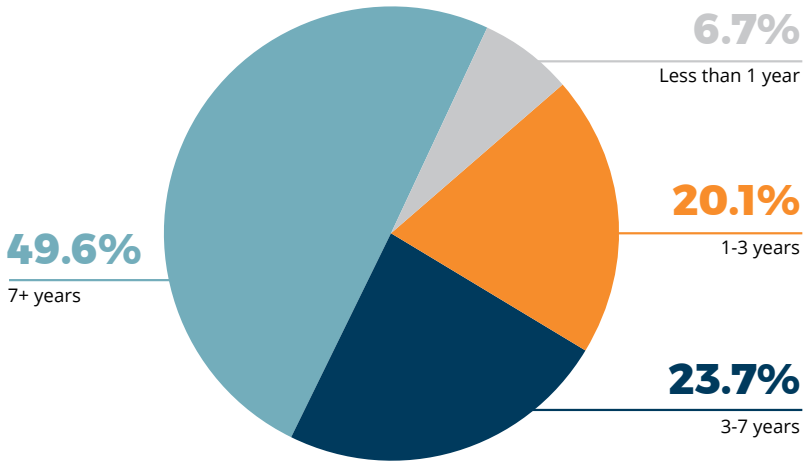
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# ADOPTION OF **PAYROLL TECHNOLOGY** IS STILL “**BEHIND THE CURVE**”

## HOW LONG HAVE YOU HAD YOUR CURRENT PAYROLL TECHNOLOGY IN PLACE?



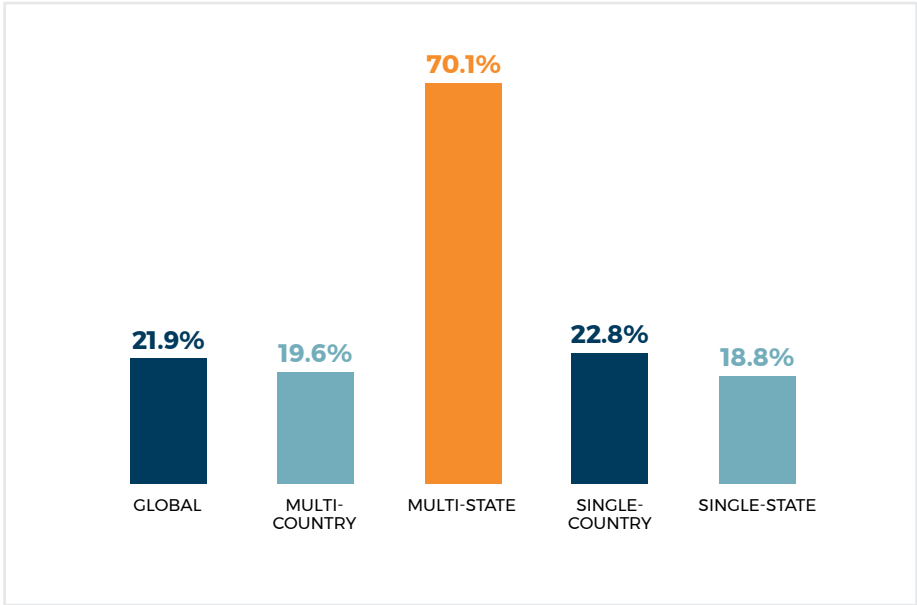
With the uncertainty faced in the past two years, some companies hit pause on investing in HR/Payroll technology. While many companies realized the efficiency and resiliency of moving to a remote work environment, unique challenges arose in response to this change. Coupled with the ‘Great Resignation’, there is a shortage of qualified resources, which places responsibility on systems to be efficient, automated and error-free. As a result, investments in HR/Payroll technology that streamline payroll processes and policies, assure compliance, and improve reporting capabilities may resurface with more urgency as a top priority for payroll practitioners.

“Successful businesses are moving from traditional, local-based markets to a global footprint with remote work environments. However, global operations require adhering to increased complexity requirements. As such, intricate payroll systems are necessary to maintain compliance and accommodate accurate payroll processing needs. In addition, many laws and requirements were updated in response to the current climate and have made substantial impacts on taxes. With the majority of survey respondents indicating that their systems are seven+ years old, a significant movement to implement compliant systems that align with these growing needs will emerge.”

**- SIKICH EXPERTS**

# COMPLEXITY OF NEED IS **NO LONGER** ASSOCIATED WITH SIZE OF COMPANY

**SELECT ALL THAT APPLY TO YOUR CURRENT  
PAYROLL ENVIRONMENT:**



**The complexity of a payroll system is no longer directly associated with the size of a company.**

Organizations of all sizes require broader, complex solutions to meet their payroll needs. This includes management of employee data and the process of calculating payable salaries, in addition to staying on top of local tax and compliance concerns. These factors are driving organizations to select systems and vendors that can support these complex requirements.

# COMPLIANCE REMAINS A TOP PRIORITY

## WHAT ARE YOUR TOP PRIORITIES FOR THE YEAR AHEAD?



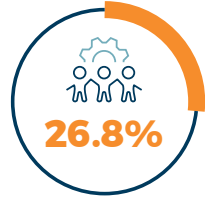
ASSURE COMPLIANCE WITH PAYROLL LAWS, TAXES AND INTERNAL CONTROL RISKS



IMPROVE PAYROLL PROCESSES AND ASSESS EXISTING PAYROLL POLICIES



IMPROVE REPORTING CAPABILITIES



ADVANCED STAFF TRAINING

Integrate our payroll system with other programs.....	<b>20.5%</b>
Ensure privacy and security measures are in place.....	<b>19.2%</b>
More effectively manage paid leaves.....	<b>13.8%</b>
Comply with health care reform.....	<b>10.7%</b>
Develop taxable fringe benefit programs .....	<b>8.0%</b>
Upgrade our payroll system.....	<b>5.8%</b>

The remote work environment reduced access to readily available materials and resources, creating a “knowledge vacuum.” As a result, organizations have struggled to ensure and confirm compliance, improve payroll operational efficiency, and provide staff with adequate training and reporting data. This has also placed a higher responsibility on systems to be efficient, automated and error-free.

### ABOUT SIKICH

Sikich LLP is a global company specializing in technology-enabled professional services. With more than 1,400 employees, Sikich draws on a diverse portfolio of technology solutions to deliver transformative digital strategies and ranks as one of the largest CPA firms in the United States. From corporations and not-for-profits to state and local governments, Sikich clients utilize a broad spectrum of services\* and products to help them improve performance and achieve long-term, strategic goals.

*\*Securities offered through Sikich Corporate Finance LLC, member FINRA/SIPC. Investment advisory services offered through Sikich Financial, an SEC Registered Investment Advisor.*