

Keep Payroll Running... How to Prepare a Back-up Plan

What happens if your payroll person retires, or has a sudden life change or illness causing an unscheduled leave of absence for a prolonged period?



Even in large or mid-sized organizations, the Payroll department is often fairly small—with some companies having only one or two people to handle the entire payroll function. Each pay period calls for employee changes, unique payments, and detailed review. Even doing a generic payroll run in a pinch will usually require cleanup afterward, thus extending the time it takes to do what would otherwise be simple if you already had a backup plan.

Having a backup plan in place before a unplanned absence occurs is imperative in keeping payroll on track and running efficiently, accurately, and in compliance. The steps shown are guidelines in preparing a Payroll Backup Plan.



THE WISE DIFFERENCE

Working with the Wise gains you a true partner who will be with you Every Step of the Way. Wise Payroll Specialists have deep system knowledge, and industry practitioner experience and certifications, including CPP and FPC. We bring strong leadership and dedicated individuals with a passion for payroll and a genuine interest in your employees.



#1 WRITE IT DOWN

It is not unusual for payroll personnel to have long tenure with their companies. They have been doing what they do for so long that it's all in their heads. The trouble with this approach is that it often results in poorly documented or undocumented processes.

The first step is to begin creating documentation of every step of your payroll processes. Checklists will help you to handle procedures that include multiple steps for proper execution. Then invite someone from outside of payroll, or within the department who has other primary duties, to go through the steps and directions to see if they can execute a timely and accurate payroll run.



#2 BEGIN A PREVENTION PLAN

Schedule and make it a part of your plan to review and update checklists and preparatory documents at least quarterly for accuracy. Ensure that the documents are updated to reflect any procedural, system or policy changes. This is also a good time to have an outside resource to come in again and run payroll with the updated documents.



#3 CROSS-TRAIN

Whatever the size of your payroll team, training somebody else in your organization is imperative as a backup plan. If there are multiple members on the team, cross training is another option. Your new documentation is the best training tool.



#4 PARTNER WITH A THIRD PARTY

To address times of change and special project issues, a third-party partner is often the most effective solution. They can step in and take over additional tasks that would otherwise overburden your payroll department, and they come to the table with extensive HR/Payroll experience. Additionally, they can often refine your processes or identify errors that your internal team had not noticed.

Employees must be paid correctly every pay period, every time. However, unexpected things happen all of the time. Just because a payroll person has been with your company for many years doesn't mean they'll be there forever. Planning ahead by preparing a Backup Plan and partnering with Wise Consulting to assess your operation and be there to expertly fill in the gaps is your safeguard against any future unexpected absences.

To learn more about how our team of experts can help improve your effectiveness, contact Wise today at 800-654-4550.