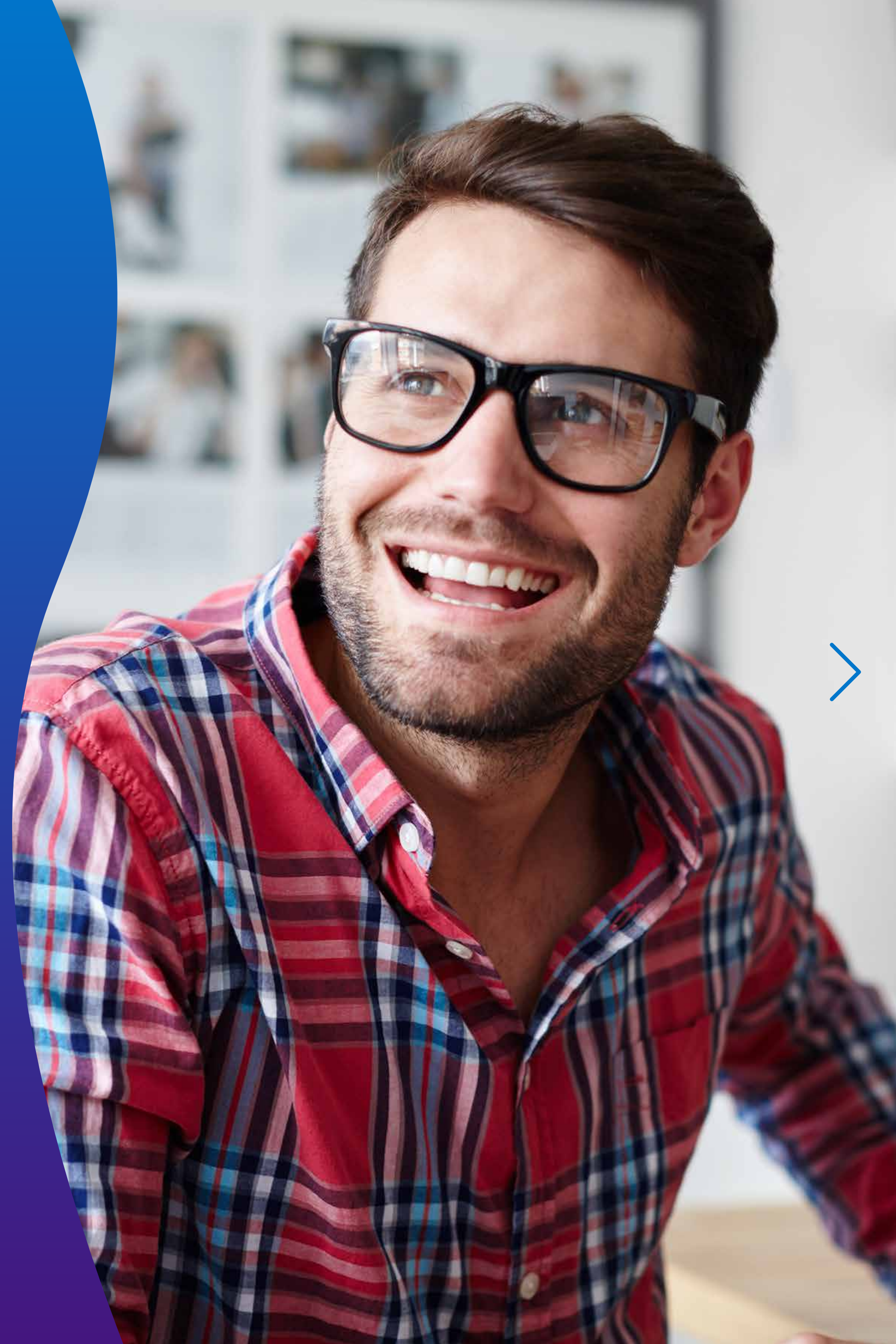


ROBOTIC PROCESS AUTOMATION (RPA) IN GLOBAL PAYROLL

How robotic process automation is
improving global payroll

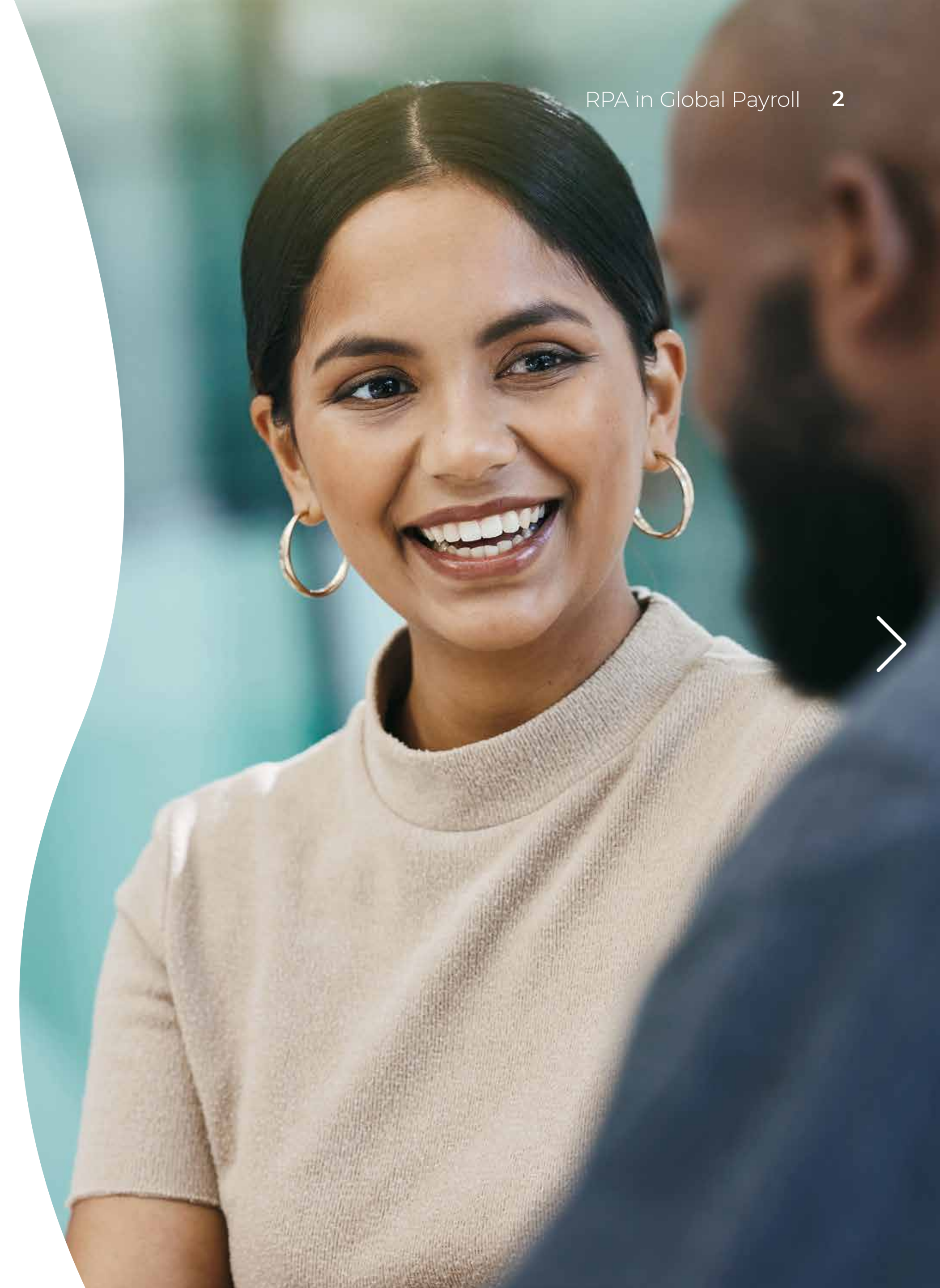


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INTRODUCTION

Payroll professionals face a variety of emerging and evolving challenges, from new and far-reaching compliance requirements to increasingly sinister cyber threats and the shifting demands of a digitally enabled workforce.

Hand in hand with these developments, however, comes tremendous opportunity for innovation and invention. As companies seek to reach and engage consumers in new ways, advancing technologies work to enable those goals while also safeguarding everyone involved: innovator, company, consumer, and employee.

Robotic process automation works precisely at that intersection of facilitation and protection.

The same automation that helps secure a customer's personal data also reduces costs for the company, improves payroll accuracy for employees, and eliminates tedious manual work for the payroll professional. For global organizations, RPA offers the means to standardize and streamline processes across regions and requirements, leading to reduced risk and greater adaptability overall.

By embracing robotic process automation to improve payroll performance, compliance, and productivity, multinational organizations can be better prepared to meet oncoming challenges and opportunities with success.

GET TO KNOW THE ADVANTAGES OF AUTOMATION BY EXPLORING THREE KEY ASPECTS OF RPA:

- **Opportunity:** The Promise of RPA, Automation in Payroll, An augmented future
- **Benefits:** 40% more, Standardization & Performance, Agility & Compliance
- **Application:** Goal Setting, Task Identification, The Starting Line



← OPPORTUNITY

What is robotic process automation?

Generally defined as the use of software system programs to perform rule-based, high-volume tasks, Robotic Process Automation or RPA is anything but a new concept. In recent decades, robotics have transformed the way we live in ways we now take for granted, including automatic phone dialing, flight check-in, and online banking.

However, the application of robotics and automation to streamline and enhance back-office functions is only recently gaining momentum, particularly in functions like global payroll.

As business leaders deepen their understanding of the significant advantages of RPA across their enterprise, the future of work as we know it is looking much more automatic.

Building on the success of technologies like facial recognition, Siri, and self-parking cars, robotic process automation will continue to revolutionize modern life as consumer products and experiences push the potential of robotics and machine learning beyond our currently perceived limitations.



INTELLIGENT AUTOMATION CONTINUUM

All automation systems can be categorized across three horizons:



Global enterprise spending on robotic process automation is predicted to increase from \$1.2 billion in 2020 to \$13 billion in 2030.

Statista

For business operations, RPA holds the potential to exponentially increase the productivity and efficiency of core functions, including HR, finance, sales, and global payroll.

Automation is already transforming how teams execute payroll around the world, as well as the potential impact on related functions up and downstream, overall business strategy, and even the employee experience.

AUTOMATION IN PAYROLL

The opportunity for RPA to transform global payroll operations lies in the amount of repetitive, rule-based tasks involved in payroll processes.

Activities like data collection, validation, calculations, and even task scheduling are ideal for automation, while more nuanced responsibilities like interpreting country-specific regulations, analyzing data, and managing others require a human touch.

Payroll professionals spend a significant amount of time on predictable tasks that are highly susceptible to automation, such as data processing. By focusing automation initiatives on those tasks, as opposed to entire roles, payroll teams can realize key practical benefits like greater accuracy and shorter cycle times while also relieving themselves of tedious, time-consuming work.

27%

ABOUT 27% OF PAYROLL ACTIVITY QUALIFIES AS DATA PROCESSING.

69%

UP TO 69% OF THAT WORK CAN BE AUTOMATED WITH CURRENT TECHNOLOGY.

With automatic data validation, the painstaking manual process of checking data and identifying errors prior to running payroll is replaced by an automated validation check that is completed in moments.

AN AUGMENTED FUTURE

Finding the right balance of automated tasks and employee responsibilities is the key to unlocking the potential of RPA in global payroll and other core business functions.

While automation holds incredible potential to improve both process and performance, the essentially human capacities for interpretation, creative thought, compassion, and more are required for the majority of payroll activities.

The value of automation is its ability to augment and improve the work performed by professionals. Rather than looking to automate entire roles or occupations, leading companies are applying RPA to the specific work for which it is designed: the repetitive, rule-based, high-volume tasks that robots can perform with greater speed and accuracy than people ever could.

The result

The result is an augmented workforce of the future in which professionals are valued for their essential human qualities and able to focus their attention on the high-value work that requires their intelligence, while robotics and automation systems are used to streamline and optimize high-volume processing tasks.



[Click here to learn how CloudPay uses RPA to save time and increase accuracy on your payroll processing.](#)



BENEFITS

What can RPA do?

The obvious advantages of incorporating automation into your payroll process can be summarized as time, labor, and cost savings – but the tangible benefits go well beyond bottom-line figures.

Rather than focusing their efforts on data collection, validation, and processing, payroll professionals can invest their time in areas of the payroll function and wider business that can benefit from their expertise. Standardization can improve processes up and downstream and increase a company's ability to adapt to changes or requirements.

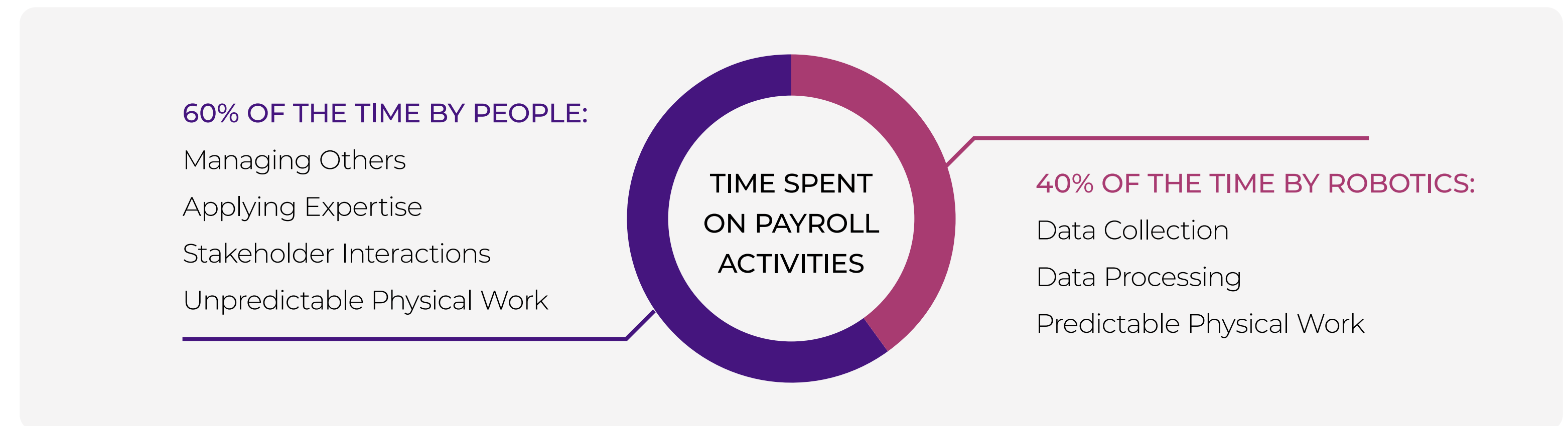
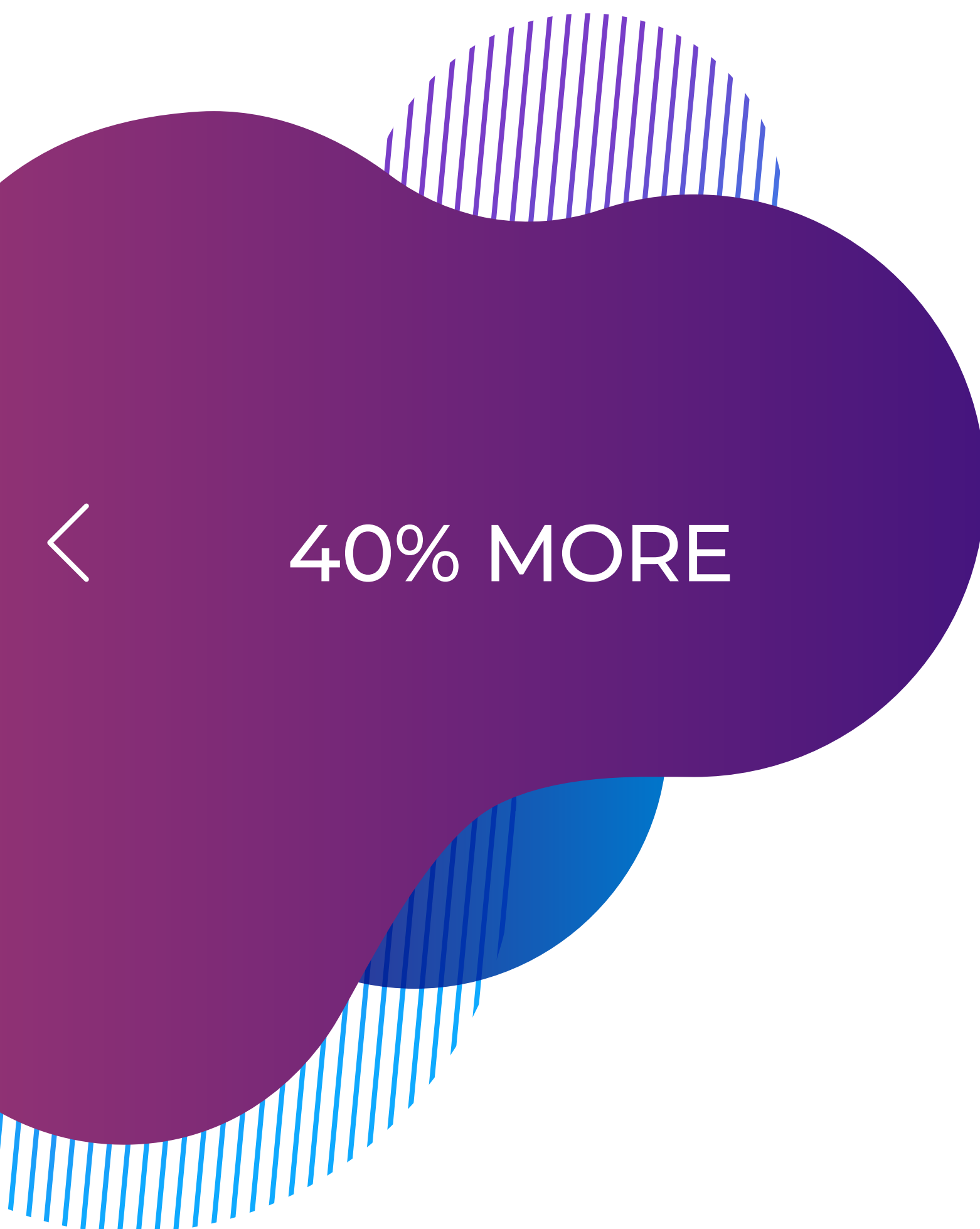
In short: applying RPA to the payroll function creates new opportunities for gains across the enterprise.

45% OF THE ACTIVITIES INDIVIDUALS ARE PAID TO PERFORM CAN BE AUTOMATED BY ADAPTING CURRENTLY DEMONSTRATED TECHNOLOGIES.

[McKinsey.com](https://www.mckinsey.com)



According to the framework for evaluating the technical feasibility of automation across professions published by McKinsey & Company in 2016, 40% of the time spent on payroll activities has the potential to be automated. 60% by people / 40% by Robotics.



That means as much as 40% of payroll professionals' time can be reclaimed and reinvested in higher-value activities or more strategic areas of the business. Professionals with unique experience and understanding of inter-country discrepancies, regulatory challenges, payment preferences, and more can be tapped to apply their insights to broader company initiatives such as workforce planning, process optimization, or compliance.

35%

OF EMPLOYEES FEEL THAT THEIR JOB DOES NOT MAKE THE BEST USE OF THEIR SKILLS.

87%

OF MILLENNIALS REPORT THAT CAREER DEVELOPMENT IS IMPORTANT IN A JOB.

Gallup

STANDARDIZATION & PERFORMANCE

In recent years, organizations across sectors and industries have placed an unprecedented level of energy and resources into data.

Entire occupations, budgets, and companies have been developed to focus on the quality, movement, management, and protection of data – and rightly so. Now viewed as one of the most valuable assets of any organization, data deserves the investment.

Data Strategy

Any future-looking data strategy must begin with standardization, something robotic process automation both requires and ensures. To be processed through an automated workflow, data must be in a standard format regardless of source or collection method.

RPA processes deliver more accurate, consistent results.

The standardization and quality of those results is key to an organization's ability to use analytics and benchmarking to track and improve performance. Consistently reliable results enable companies to correctly evaluate and forecast productivity – and playing a part in delivering that benefit will elevate the value of your global payroll data.

21%

OF ALL LISTED FIRMS GLOBALLY HAVE A CHIEF DATA OFFICER (CDO).

Strategy& 2022 Report

Nearly half of organizations view data as having monetary potential.

AGILITY & COMPLIANCE

The ability to adapt to evolving requirements and emerging opportunities is seen as a hallmark of successful companies.

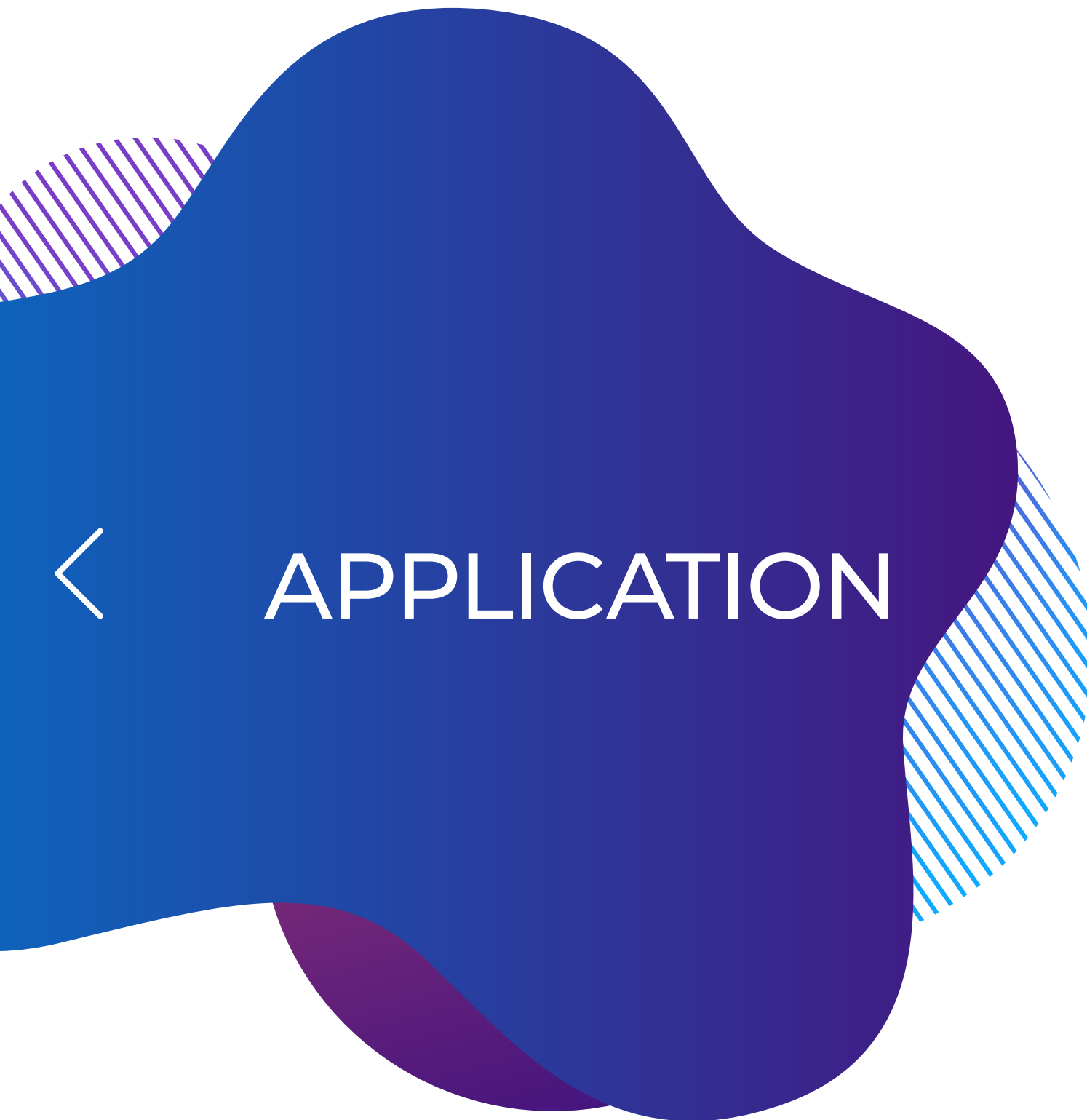
At perhaps the most basic, day-to-day level, this ability is characterized by smooth, integrated, optimized operations, particularly in essential business functions like global payroll.

The level of speed, accuracy, and standardization possible with robotic process automation empowers companies with the flexibility needed to compete on a global scale – and excel in critical areas like compliance. Better data and consistent results mean better reporting. Optimized, trackable processes enable faster, easier audits.

All of this helps minimize errors and fees and keeps organizations well-positioned to respond to changes.



Click here to discover how future-ready your payroll function is with this five-minute, interactive Global Payroll Assessment.



Where do we begin?

While the opportunity to employ robotic process automation may exist in your current payroll solution, many multinational companies will need to consider a more advanced platform, an integration with other systems, or both. However, it's important to view RPA as just that – an opportunity – and one that has the potential to deliver important long-term benefits.

Any plan to introduce automation must begin with a clear idea of the desired end-state.

Payroll leaders should consider their objectives and identify opportunities before embarking on their automation journey.



Goal Setting

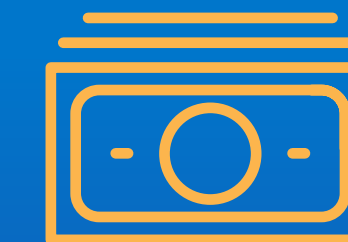
The best automation solutions for any organization are ones that align with broader company objectives. If data protection is a top priority, automating workflows around the movement of information between related systems could minimize risk. If a key goal is to reduce payroll cycle times, introducing automatic data validation could deliver a quick win.

Because many RPA applications provide multiple benefits in tandem, it's important to both clarify and prioritize goals to help evaluate options and choose a starting point.

50-70%

ROBOTIC PROCESS AUTOMATION REDUCES THE COST TO PROCESS FOR PAYROLL AND HR BY AN AVERAGE OF 50-70%.

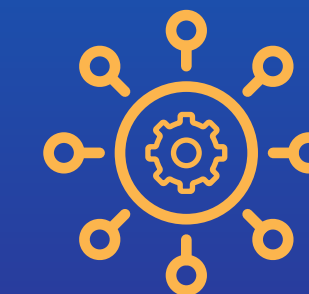
EY



Save Time & Cost



Increase Efficiency



Standardize Processes



Improve Analysis



Maintain Compliance

Task Identification

Using the set goals as a guide, payroll leaders can begin reviewing their payroll process to identify specific tasks to automate.

Breaking down workflows and approval chains into individual steps can reveal RPA opportunities as well as bottlenecks or other inefficiencies impacting the current process.

Payroll Tasks Ideal for RPA Include:

- Moving data from the HCM to payroll system
- Validating pre-processing information
- Reviewing gross-to-net calculations
- Uploading general ledger files to ERP
- Scheduling payroll tasks

Tasks Less Prone to Automation Include:

- Interpreting country-specific regulations
- Interfacing with HR, Compliance and others
- Managing payroll workloads and performance
- Analyzing data and comparing to KPIs
- Evaluating and managing vendors

65%
of payroll data
processing tasks
can be automated.

Deloitte

THE STARTING LINE

While robotic process automation holds the potential for significant impact across the enterprise, the general rule of thumb is to start with select, simple activities and plan to scale across larger processes over time.

The extent to which payroll teams can incorporate automation depends on many variables – including stakeholder buy-in and budget. Showing the value of RPA with demonstrable improvements in smaller areas can be key to gaining support for broader applications. In time, project leaders can explore the possibility of automating more difficult or error-prone tasks.

START

with smaller, specific tasks that can provide quick wins.

SCALE

to higher-volume activities that spread value beyond payroll.

600

robotic process automation can be applied to highly complex workflows, with the ability for one robot to automate more than 600 actions in a given sequence.

Deloitte

< SUMMARY

Already a staple of our daily lives, robotic process automation offers unprecedented opportunities for multinational companies of all sizes to reduce costs, improve productivity, maintain compliance, and more.

The time to embrace RPA is now – or organizations risk playing catch-up in the coming years.

In addition to clarifying goals and determining which payroll activities to automate, a key step in ensuring success with automation is choosing the right provider.

Today's leading payroll technology is cloud-based and data-driven, capable of integrating with top HCM, finance, and ERP systems, and scaling to meet your needs into the future.



Cloud-Based



Technology-Led



Data-Driven





ABOUT CLOUDPAY

Employee pay processes have broad business consequences, requiring modern solutions and trusted experts. CloudPay connects all employee pay processes – including payroll, payments, and on-demand pay – through a unified platform, available across 130+ countries. CloudPay’s experts help global companies implement best practices, navigate change, optimize operations, and improve employee experiences, guiding them with vision and care toward the comprehensive pay experience employees deserve.

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