

Speaker 1:

Welcome to PayTalk, the podcast for payroll professionals with your host, Nina Talley. In the podcast, we explore the human side of payroll by speaking with global industry leaders who provide their unique insights to help listeners better understand the issues important to them and their careers.

Nina Talley:

Hey everyone. Thanks for joining us for PayTalk, the podcast that brings you payroll's human side. We're doing something a little different this month, but similar to last month. During PayrollOrg's Annual Congress, Nick Day of the Payroll Podcast was on site interviewing attendees about their payroll experiences. Nick was gracious enough to share these incredible interviews with us, and I'm so thankful he agreed to share this insight, an inside look at PayrollOrg's Annual Congress with us all. Now, without further ado, here is Nick Day.

Nick Day:

Welcome back to episode two of the Payroll Podcast where I'm in Denver for the annual PayrollOrg Congress and I have an opportunity to sit down with a number of different individuals who are shaping the future of the payroll industry of tomorrow. So sit back, relax, I'm going to bring some fantastic speakers to the fore here who are going to tell us all about the congress, all about the future of payroll, all about the future of innovation, technology, and of course, global. I'm also recording these for the PayrollOrg Podcast, which is known as PayTalk. So please do remember to subscribe to not just the Payroll Podcast on your favorite podcast channel, but also click subscribe and follow to the PayTalk podcast as well because both of us are really, really committed to raising the profile of payroll globally for everyone. So wherever you'd like to get your content, remember to subscribe to both channels.

Please, please share this content with all of your payroll colleagues and friends, and let's raise the profile of payroll for everyone. It's a fantastic atmosphere here in Denver, and I look forward to bringing you some really exciting conversations. So sit back, relax, and enjoy. Hey, so now I'm super excited joined by Nathan North, director of strategic initiatives at PayrollOrg. And I'm really excited because Nathan is particularly proactive when it comes to pushing the narrative about the where payroll is moving to, the world of global payroll, tech and really advancing and raising the profile of the industry. So, Nathan, welcome. Let me ask you the first question. Tell us about why global payroll is so important to you, why it should be in people's thinking for the future.

Nathan North:

Absolutely. I believe that global payroll is the epitome of payroll, that if you're not currently within the global space, that at some point in your career you're going to be asked, you're going to be tapped on that shoulder and probably told most of the time that we're going to be entering X country and you need to be ready.

Nick Day:

Fantastic. Now, of course, a lot of people here are going to be joining the global payroll talks and seminars that are going on, but a lot of people won't be at the Congress at listening to this show. So for those that want to find out more about global payroll, want to know how they can upskill themselves or really develop their career in that direction, tell us a little bit about more about what PayrollOrg are doing and where they may be able to find some of those resources to start to make that transition.

Nathan North:

Absolutely. So first and foremost, make sure you're a Global Payroll subscriber. You can go to global.payroll.org. We offer different types of training with the majority being Zoom based or virtually interactive. So we have a lot of offerings coming in the future. We have a lot of initiatives that we're working on to offer more resources to our global subscribers and global members.

Nick Day:

Fantastic. Just want to [inaudible 00:03:56] the domain again.

Nathan North:

Global.payroll.org.

Nick Day:

There you go. Fantastic. Definitely visit that site. Now, obviously your background is in senior level payroll as well, right? You've come in now and you're doing this great work for PayrollOrg, you're working with all the people here at the expo. How's the industry really started to shift? From my perspective, it's moving at a rapid pace, right? And we're seeing some of that changes here in real lifetime. Tell us a little bit about what you've experienced over the last 12, 24 months in this space.

Nathan North:

Absolutely. I think from an innovation standpoint, there's a lot of organizations that have really up the R&D side of payroll, which we haven't really seen in the last 10 years, but absolutely we're looking at organizations that are using advanced technologies now to really empower the global payroll professional and enable them to really have a fingertip access to the information they need to not only process payroll, but also be a strategic partner and then also truly become data analysts.

Nick Day:

Tell us something about the data side of things then. Why do you think data is so important for the future of payroll?

Nathan North:

We have access to so much information that has been untapped for so many years that payroll professionals really have. We look at our data sources that are coming in, the data that's going out, the data that we process. There's a lot of insights that we can give to companies. For example, it used to be where we just gave where folks were located and maybe how much income they were producing, but now we're able to look at the data analytics side of things and be able to give insights on trends that are happening within the organization beyond just a hundred thousand foot level and really dig deep.

Nick Day:

Fantastic. I just had a conversation with Emily Curtin who's about to go into a talk on RPA or robotic process automation. Now, I know there's still a lot of people in the payroll community a little bit resistant to change, a little bit unsure about the future of payroll because of all the automations coming in. How can you A, put their mind at rest about embracing the futures to come and B, for those that are resistant to change, what message would you give to them?

Nathan North:

So first and foremost, RPA does not replace the payroll professional. What it does is it enhances what we do. Implementing RPA with my last role, we found that we actually had to hire additional folks because there was so much time freed up for them to be able to do the analysis, make sure that taxes are being paid, make sure that we're really truly in compliance. So it actually opens the door to areas that really when you're sitting in the seat, you're not able to have time to look at those areas of the business and understand, oh, we need to make sure that we get whether it's internal or external resource, to make sure that our calculations are correct or that our vendors' calculations are correct.

Nick Day:

Yeah, fantastic. I think you hit a nail on my head there as well. It's a good thing, right?

Nathan North:

Absolutely.

Nick Day:

It's making the role of Pearl more strategic, it's raising the profile. It's opening up that conversation with C-Suite, which I know so many payroll people are really passionate about. From your perspective then, we're on day two today, what are the things that you're most looking forward to over the next couple of days of the Congress?

Nathan North:

Absolutely meeting as many people as I could possibly meet. Also, just really being able to absorb the payroll community beyond what's been launched virtually, but actually be a part of physically being a part of the payroll community.

Nick Day:

Fantastic. I have to say Nathan is a really, really good networker. So if you're listening to this and you're at the Congress or if you want to reach out or not on social, on LinkedIn, get in touch with Nathan. He is really passionate about the future of payroll and future of global payroll in particular. Great to have you have a quick chat. Nathan, thanks for joining me today.

Nathan North:

Absolutely. Thank you, Nick.

Nick Day:

So now I'm joined by Lisa Weckman who is VP of product management at Ceridian. Lisa, how are you doing today?

Lisa Weckman:

I'm doing well, Nick. Thank you.

Nick Day:

So tell me a little bit about your role at Ceridian and what brings you to the Congress.

Lisa Weckman:

Yes. So I am here at the Congress in Denver. This is my first time at one of the conferences, so I'm super excited. My role at Ceridian is I lead the product management organization who's responsible for building our leading global payroll solution with our Dayforce application.

Nick Day:

Fantastic. And we know, 'cause I've had David Ossip on my show many years ago. So we talked about global payroll. We see the world of payroll transitioning into what is pretty much a global role. Those that are currently doing domestic payroll are probably going to find themselves in some kind of global capacity in the future. Tell us a little bit about, I guess the world of global powers. You see it from a product side of things?

Lisa Weckman:

Yes. So the world is changing. This concept of borders is starting to evaporate and organizations are continuing to expand globally. And so they're looking for payroll providers like Ceridian to offer them solutions that help support their global business needs as they continue to expand in geographic regions, some regions which may be very, very foreign to them and they're really looking for a strong partner who can help them be successful in those regions.

Nick Day:

So tell me about some of the challenges then that they may be finding themselves faced with that a supplier like Ceridian could help them navigate.

Lisa Weckman:

Number one, always top of mind challenge is compliance. So if you are local to a particular region and now you're expanding your operations into somewhere foreign, there's a whole new world of regulations that you've got to be up and aware of and in the know of, right? You have to make sure that you're providing an accurate payroll to your employees in a particular country and that you're reducing the risk from an organization perspective.

Nick Day:

Yeah, no, that makes perfect sense. So let's say I'm considering going to a partner like yourselves to help me with some of those challenges, tell me about what kind of questions I should be asking a supplier like yourself. If I wanted to bring someone in who can help me with my global payroll challenges, but I'm not quite sure where to get started with my RFP or what questions do I need to ask to make sure I get the right solution? What kind of advice would you give?

Lisa Weckman:

The advice that I would give an organization looking for a global payroll solution is it's important to find the right partner who will scale and grow with your business, who will provide innovative solutions that grow and expand with the ever-changing needs of business, technology, regulations. One that will be on the cutting edge of the latest technology available that will help you grow and scale your organization because that technology grows and scales with you.

Nick Day:

Yeah, fantastic advice. Now I know from your red sticker, it's your first time at Congress. I know also it's the first time you've been on a podcast. So tell me what have you been getting out of the Congress so far? How have you found the experience?

Lisa Weckman:

Oh, the experience is wonderful. This is my first APA conference. It is super exciting. Payroll Congress conference, it's super exciting. I have had the pleasure of meeting so many wonderful people here. The payroll profession, although some may think it's a dull profession, all we do is deal with compliance and taxes, they're the most entertaining group of people that you will ever meet. And so I've had the pleasure of meeting so many wonderful folks here.

Nick Day:

Amazing. And actually you said sometimes people think it's dull and it's about compliance and processing. We know as you work in product, it's innovative as well. There's a lot of innovation going on in the industry. Lot of suppliers here with different types of product. Tell me about some of the innovations you're most excited about.

Lisa Weckman:

Some of the innovations I am most excited about is really tapping into the artificial intelligence and finding ways to automate these ever lasting manual processes that payroll leaders have been plagued with for years and years. This is time to really disrupt the way payroll operates, and that's by introducing automation. That's by using technology and all these new cool things that are coming to light, that will help really change the future of payroll for all these wonderful payroll leaders.

Nick Day:

You heard it here first. Absolutely right. Okay. So with the innovation as well, which is really good, we're also giving people more access to data. People sometimes are resistant to change, we know that, but we know that the automated process, RPA, people are nervous that what does that mean for them? But actually some of the innovative tools that you guys are producing at suppliers like Ceridian give them access to more data so they can be way more strategic in their roles. They can actually save a lot more time off the manual tasks and really focus on stuff that raises the profile. What's your view in terms of the strategic future of payroll? Do you see the role of RPA really helping to raise the profile of the industry for well, globally now?

Lisa Weckman:

It is. This is exciting. This is an exciting opportunity for payroll leaders to transform into a more strategic role at their organization. They have access to a gold mine of data, and that gold mine of data holds so much potential for them to help make decisions that will improve their business, that will help their business move forward. It's transitioning them from this tactical, manual, repetitive process day in and day out to a seat at the table as a strategic partner to the other functional areas in their business. And they can actually provide a ton of value to their organization by leveraging that gold mine of data that they have at their fingertips.

Nick Day:

Absolutely right, leveraging that gold mine. You heard it here. Couldn't agree more. Last question, tell us a little bit about your background because most people I've had on this sofa today have been operational pale professionals in a global space. I think you're another example here that we don't need to be confined by operations. You're working in product development, which I think is really exciting space as well within this industry. Tell us about your background and yeah, another pathway for people to consider potentially.

Lisa Weckman:

It is. I've been in the HTM space my entire career, so over 20 years. But most recently in the last 13 years, I've had the privilege of building super innovative, cool, new cutting edge products and that was our Dayforce product. And it has been just a rewarding opportunity to bring technology to light, technology that helps really disrupt the work life and make work life better for organizations around the world.

Nick Day:

Making it better, that's what it's all about. So last question, tell me what you're most excited about over the next couple of days we've got ahead of us.

Lisa Weckman:

The next couple of days. So I have a session coming up. I get to speak about global [inaudible 00:14:52].

Nick Day:

Tell me more. What's the subject?

Lisa Weckman:

The subject is all the challenges that payroll leaders are facing as they are operating in this borderless world, the global payroll. And I get the privilege of sharing some really wonderful best practices and techniques that will help organizations start to transform their payroll operations and help individuals transform and move into this new world of work. The future of payroll, it's here. It's here today

Nick Day:

And it's exciting.

Lisa Weckman:

It's super exciting and the potential is just amazing.

Nick Day:

Is that a four o'clock talk?

Lisa Weckman:

It is four o'clock, yeah.

Nick Day:

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I think that's the one I'm reporting on. Oh, so I have to do the write up. So I didn't know that until we sat down, so that's exciting. I'll be there for that talk. I'll be enjoying it.

Lisa Weckman:

Wonderful.

Nick Day:

Well, thank you ever so much for joining me for this short chat. It's been a real privilege and I hope you enjoy the rest of the show.

Lisa Weckman:

Thank you, Nick.

Nina Talley:

We all understand the importance of staying up to date on the latest payroll laws, regulations and information. Payroll Source Plus provides you with all the information you need to keep your company's payroll operations in compliance. The online subscription-based payroll reference library makes it easy to quickly find the answers you need to stay compliant and informed. To learn more about the Payroll Source Plus, go to www.payroll.org\source. Again, that's www.payroll.org\source.

Nick Day:

Now I'm joined on the payroll hot seat by Rebecca Harshberger, who's been brought over to me by Mary Holland. I know you work at Entertainment Partners and my understanding is that's a particularly complex payroll operation. Tell us a little bit more.

Rebecca Harshberger:

Yes, Entertainment Partners does the payroll for the motion picture television and streaming industry. We're the largest in the business. We are global and we pay probably 600,000 people a year.

Nick Day:

Wow.

Rebecca Harshberger:

Yes, it's huge. We have 600 unions programmed into our proprietary software system and we're on a first name basis with the IRS because payroll taxes are incredibly important to the industry and that's my world. I'm an expert in payroll taxes for the motion picture television and streaming industry.

Nick Day:

Well, I guess you must need to be, it's not just domestic, it's global as well. Just add a layer of extra complexity. I think this is the first for me. So this is 110 plus episodes, I've never met someone who's got a payroll quite that size. So where do you even start with that? How do you navigate the complexity and the sheer volume of a payroll like that?

Rebecca Harshberger:

So you actually start just like any other payroll and you really cannot think of the volume. Just have to think of the individual that's in front of you right now. Enter their time sheet correctly or they're going to enter it on their smartphone into our proprietary timekeeping system. They're going to have a start paperwork that's also on our system, they're going to verify that. If they've worked with us before, it'll all be there and they can update it. They'll have to input it the first time, obviously, just like you and I would at any other corporation and then they're going to do their time sheets. The complexity really is in the automation behind the scenes. For everything else, it's just like you and I truly.

Nick Day:

So it's a bit like doing, as I say, you're going to do your first ultra marathon. People will get scared, but actually the answer is put one foot in front of the other, it's the best way to get started.

Rebecca Harshberger:

It truly is. And it can be intimidating because it is a very large company. So the payroll tax world, we deal with millions of dollars a day. And so it takes a little while for someone to wrap their head around that if they're a new payroll analyst because they're not used to dealing at that volume.

Nick Day:

Well, that's an interesting concept. So for me, payroll analyst is still a relatively new title in the world of payroll. It's a good example of where the industry started to evolve. We've talked a lot today with the guests I've had here on the sofa about how payroll has been evolving into the world of global payroll. But actually it's not just global, it's analysts and data as well. So what are some of the people that you're managing in your role that maybe aren't just traditional payroll professionals?

Rebecca Harshberger:

Just as an example, a product manager over our W-4 product. They've got to make sure that when they present a W-4 electronically, that it actually mirrors and then processes the way that it should throughout the whole system. And you don't really think of that person as a person in the payroll tax department. But that product manager that owns that, you could call them a stakeholder, you could call them a team member, but the reality is they're really part of the payroll tax process.

Nick Day:

Fantastic. So tell us a little bit about how you got into payroll. And Mary Holland brought you over, which is great. I've known Mary for a long time. It sounds like you have as well. But how did you evolve your career to end up with a function of that scale and stature?

Rebecca Harshberger:

So that is a very good question. I have had seven careers in my life. My degree is actually in marketing. I do not know why I am part of finance.

Nick Day:

My degree is in theater, so don't worry.

Rebecca Harshberger:

So I started out in advertising, layout and design. Got laid off, became a recruiter, recruited finance and accountants.

Nick Day:

Do you know my world very well?

Rebecca Harshberger:

I do.

Nick Day:

Okay.

Rebecca Harshberger:

I do, as a recruiter for seven years. And then I had an opportunity to completely change careers and go with an unemployment claims processor. Back then it was called [inaudible 00:20:20]. It became [inaudible 00:20:21] and then it became... It's the competitor to Experian. Equifax. Equifax. It became Equifax. I left when it was still [inaudible 00:20:33]. I went to Deloitte in a mid-career change to help Deloitte create an employment tax practice within their state and local practice. And I think you'll maybe be talking to Mindy Mayo.

Nick Day:

Yeah, a little bit [inaudible 00:20:47].

Rebecca Harshberger:

She and I started on the same day. And so what was interesting about Deloitte was they were trying to start an employment tax practice in the multi-state department, but I kept getting payroll questions and I knew nothing about payroll. So I had remembered a client wanting me to join the LA Chapter of the American Payroll Association. I went to a chapter meeting, I found out about the national organization. I looked on their website and found all these classes in payroll. And I went to the head of the department at the time and I said, "I'm getting all these questions about payroll. There's no one here that knows the answers. I think if I take all of these classes and if I take them all over the United States, I'm going to network with all of those people and I'm going to have this huge network and I'm going to be able to answer any payroll question that comes in. And I think I can build both a employment tax practice and a payroll tax consulting practice at the same time. What do you think?"

Nick Day:

Wow, that's visionary. I love it.

Rebecca Harshberger:

And so did he. So he said, "Yes, do that, but you must find somebody else to do that with you in another office because you cannot be a one woman band." And so I teamed up with Mindy Mayo, we took all these classes, we started to speak together and one of my very first clients was Entertainment Partners.

Nick Day:

I see.

Rebecca Harshberger:

So after a few years at Deloitte, Entertainment Partners, their director of payroll taxes was retiring and-

Nick Day:

The stars aligned.

Rebecca Harshberger:

The stars aligned and it was time to move back into private industry. And from there, that was 2003. It's almost been exactly 20 years. The industry itself has grown, but more importantly, Entertainment Partners has grown to meet the needs of a production worldwide. And so it's been not just a ride of a growth in payroll taxes and all the complexities of compliance, but also the ride of really helping to automate the production industry, the motion picture and television and movie... It's so hard for me to say streaming, but streaming is such a big part of it now as part of that industry.

Nick Day:

Also, you started in advertising, but you've almost gone in media. You've gone back into media albeit through payroll.

Rebecca Harshberger:

Media back into full circle. Yeah.

Nick Day:

I've got to ask because I don't know think I've ever had the opportunity to ask this before, but you said you did recruitment for seven years so I've run my own payroll recruitment agency.

Rebecca Harshberger:

Yeah.

Nick Day:

So it sounds to me like you used your skills in media and advertising, you've used your skills and potentially gained in recruitment for networking because you saw an opportunity, you networked all over the states. You've certainly utilized the benefits of PayrollOrg, was then APA.

Rebecca Harshberger:

Yes.

Nick Day:

I've never got to ask, so how did your seven years in recruitment help you in your now career in payroll? I'd love to know as a recruiter.

Rebecca Harshberger:

Oh, I can interview anybody and figure out within 15 minutes whether or not it's going to work out.

Nick Day:

It's a talent.

Rebecca Harshberger:

It is a talent. It is accepting your gut instinct. And that is what I think is the most difficult thing to do as you transition into leadership is to continue to listen to your gut and ignore the logic of the situation. And really recruiting, there was so many times I would pick the phone and call a client and say, "I'm going to send somebody over. They're absolutely fabulous. You have to get past. So first they're a little bit nerdy. They're an introvert, they're not me. Get past it and you are going to love this person and they're going to do a great job for your company." And I was an amazing recruiter because of that. They understood when I said that, they were like, "Oh, I need to understand that I'm interviewing an accountant. Yeah, they're introverts."

Nick Day:

They want us the same in payroll, right?

Rebecca Harshberger:

Exactly, right?

Nick Day:

I work in payroll recruitment. It's an introverted profession generally.

Rebecca Harshberger:

It really is, and all a lot of people need in their career when they're... And you notice this as you coach people, you can try to coach an introvert into being a little more effervescent and outgoing, but they're never really going to hit it.

Nick Day:

Sure.

Rebecca Harshberger:

They're going to feel like they're faking it. So I relieved people of that and I still do that to this day when I talk to people. I think you can put people at ease very quickly and get what you need out of the interview or the discussion or the meeting. You can get right to the heart of it very quickly by building that first two or three minutes of rapport that you always build at the beginning of an interview.

Nick Day:

Now, you mentioned earlier as well that in certain parts you've got a global payroll as well, so tell us about the global payroll side of things. Tell us about some of the complexities there that you have to navigate for payroll that size as well.

Rebecca Harshberger:

Fortunately, I don't have to navigate them.

Nick Day:

Okay, well that's good.

Rebecca Harshberger:

We have in-country people that will do that. So we do have an office in the UK, we've got an office in Australia, so we're really going where there's a lot of film and television and streaming production. So we do pay anybody that's based in the United States that's filming in a foreign jurisdiction. And what's different about that is there are different tax treaties for all of those countries pertaining to artists and athletes. So the taxes that we're paying in those countries are not employment related, they're related to that treaty that says you have to tax or their in-country tax code that says, okay, if a foreigner comes in and they're an artist and athlete, then they're taxed this way and it goes to a particular area in their department of revenue. So it's a very different type of taxation. If the production is going to hire someone that is a local, then our local payroll service takes over. So I'm just responsible for anybody, US citizen or permanent resident working anywhere in the world.

Nick Day:

I think you've made it very clear here for those that perhaps listen this that don't work in payroll, payroll is complex.

Rebecca Harshberger:

And getting more complex.

Nick Day:

Isn't it just, right? That's what this Congress is all about.

Rebecca Harshberger:

Yes.

Nick Day:

So tell us a little bit about what you're getting out of the Congress so far, some of the seminars you may or may not have been to that have helped you on your payroll journey.

Rebecca Harshberger:

You know what? You think after all these years in the industry that you kind of heard it all, done it all. No. No. I sit through classes and I am shocked at the things that I pick up, the little subtle nuances that I can bring back and say, hey, I think we need to take a look at this. I'm not sure we exactly interpreted that the way everybody else is or I didn't even know about this so let's double check, are we doing it? So there's that technical aspect that I'm always kind of assessing out, but truly it's the people, and it's the networking, and it's being around people in this profession where they make a casual comment and you make a casual connection a stronger connection. And so I think it's really, really important that I have people in my life that are experts in Nebraska that I can call and go, "Hey, we've got a production going to Nebraska. I just want to check on a few things." And they are loving it. They love that somebody calls them and says, double check me on Nebraska.

So I think truly for me coming to an event like this is that. I love teaching and sharing my knowledge. I'm teaching three times while I'm here.

Nick Day:

Wow. Okay.

Rebecca Harshberger:

So I'm looking forward to all those questions and getting stumped. I love that. I love to be able to say, I don't know, let me find out because I think it's fabulous that one of the wonderful things about Entertainment Partners and I think payroll in general is people tend to think that our business is the same every day. And I never had the same day twice. I never do. Sometimes I wish I would, but I never ever do. There's always something to learn, and I'm blown away that I've been doing this for 20 years and I'm still learning. I love that.

Nick Day:

Well, you're showing all the traits of a growth mindset, right? And lots of people here have that, which is fantastic. I think for those that have come to congress before and those that have maybe thinking about coming in the future, it's a really supportive community. People don't seem to be fearful of asking questions about things they don't know. If you don't know, there's someone here who will be able to help them. And actually as you say, setting up those networks, that peer-to-peer group network that if you need to call someone on Nebraska or Pennsylvania or the UK or wherever it might be, someone here will have the knowledge.

Rebecca Harshberger:

And they will freely share it.

Nick Day:

They will.

Rebecca Harshberger:

That's interesting about this community. In so many industries, knowledge is power and it's to be held and doled out very carefully. And in the payroll world, everybody's an open book. They're willing to share, they're willing to tell the tale of the woe, the embarrassing I can't believe I did this. Oh my, I'm paying this huge penalty, whatever it is. I need help. I messed up. What do you think? And I'm like, oh, that's a big mess-up.

Nick Day:

That's big one, but that's how we grow, right?

Rebecca Harshberger:

Yeah, right. You learn more from abject failure than you do from success.

Nick Day:

For sure.

Rebecca Harshberger:

And I think it could be very humbling. So because of that, it's a community of very open book people. There's not a lot of arrogance here and there's not a lot of, I can't believe that a person didn't know that. How embarrassing for them.

Nick Day:

No, there's literally none of that be fair.

Rebecca Harshberger:

There's none of that here.

Nick Day:

No, for sure. So let me ask you maybe a little bit more of a challenging question, which is what do you think is the biggest challenge facing the payroll community at the moment? Particularly those perhaps coming into the industry, it's evolving so fast both in terms of innovation, in terms of tech, in terms of global boundaries. Am I working all these different things that are hitting the industry all at once? What do you think is the biggest challenge?

Rebecca Harshberger:

I think the biggest challenge is local. I think right now the biggest challenge is that people are going to work hybrid, they're going to work from home part-time, and they're going to work in the office part-time. They may not be in the same tax jurisdiction. Every jurisdiction is waking up to the fact that they have a remote worker sitting right there, and they're going to start looking around going, wow, do they have a business license? Are they doing courtesy withholding? Should they be doing courtesy withholding or should they be filing a corporate tax return in my state? I think that our biggest challenge is going to be that situation where both a local jurisdiction or a state, both of them want tax on the same income. And in one of those situations, that's taxation without representation.

Nick Day:

Sure.

Rebecca Harshberger:

And that's kind of naughty and double taxation is kind of painful for the individual, and I don't see us working this out anytime soon. I think we're going to be living with this weird kind of wonkiness for a very long time. So we can talk about AI and we all know that's coming in every aspect of our life.

Nick Day:

Absolutely. Absolutely.

Rebecca Harshberger:

So I don't see that as a challenge for payroll. Payroll people, they love automation, that is not going to be the issue. The issue's going to be these weird regulations where there's no right way to do it, and doing it the way that each local jurisdiction wants to do results in extreme amounts of tax for the individuals.

Nick Day:

And actually this is the reason why tech won't outsource the payroll professional because it needs contextualization, right?

Rebecca Harshberger:

So true.

Nick Day:

It needs individual contextualization to individual problems, and that's beyond the realms of office computing.

Rebecca Harshberger:

So just to one off of that, I think that payroll is going to have to get more involved with local politics.

Nick Day:

Okay.

Rebecca Harshberger:

Right? I think that an organization like PayrollOrg is going to and we already have some lobbyists. We already have people that write letters. And I think that we're probably going to build that out a little bit because we're going to need to be able to explain in language they can understand from an organization, not an individual or not a company that has an agenda, but a nonprofit like PayrollOrg is the one that can step in there and say, hey.

Nick Day:

It certainly raises the profile, right?

Rebecca Harshberger:

Right. Let's get these two locals together to talk about how this is a problem and how we can resolve it so that everybody's happy and we're not double taxing people.

Nick Day:

So my last question, I'm going to change the narrative and pivot this up. For those that want to come into the industry or if you want to sell the payroll industry to someone, you are the top of your game doing free talks, huge, huge. I mean that's blown my mind the size of your payroll operation, particularly if you're coming from the UK, I don't think you've got any companies with that many employees let alone so it is blown my mind. But how would you sell the industry? How would you sell payroll as a career for someone who perhaps hasn't considered it before, has come across you now and sees this inspirational leader that I've got in front of me right now. How would you sell it?

Rebecca Harshberger:

I would say this, take an accounting class and in that accounting class they'll have one little tiny chapter on payroll. And that's kind of the gateway I would think to get into it because you really do have to be kind of a numbers person to get into it and you have to really enjoy. What's weird about payroll is you

have to be both that person that likes people and likes numbers. So there are a tremendous number of payroll opportunities out there. And if you go into it saying, look, I've taken an accounting class. I understand the basics of payroll. I know about this organization, PayrollOrg that can help with training, will you teach me? And people in payroll would love to hear that in an interview. They would love to be that person that teaches you.

Nick Day:

And who knows, there could be that person right now in that little module who ends up managing a payroll of 600,000 plus 13 years later, whatever time it might take.

Rebecca Harshberger:

Exactly.

Nick Day:

Fantastic. I've really enjoyed this talk. I think we should connect again, have a longer show, we could talk for hours, but thank you for joining me for this short section. Last thing, what are you most looking forward to now? We've got two days left of Congress. You've got any more talks to deliver?

Rebecca Harshberger:

I do. At four o'clock today I'm doing introduction to tax notices with Notice Ninja Rick Pinkerman. And then Friday morning at 8:30 I'm doing a class on taxing remote workers.

Nick Day:

Oh, wow.

Rebecca Harshberger:

Which is why I've talked about it so much.

Nick Day:

Okay. Nice.

Rebecca Harshberger:

And then at 10:30 I'm doing, are you serving your clients? And that's more of a soft skills class. So I'm really looking forward to that very last one because it's great to talk technical all day long, but the reality is we're creating a paycheck for someone that really needs it, that doesn't understand it, and doesn't really care. And so we really need to be talking about, hey, how are we doing with those folks?

Nick Day:

For sure. And look, soft skills are often overlooked, aren't they right?

Rebecca Harshberger:

Yeah, really, really important.

Nick Day:

And employees are our consumers, they're people we've got to look after and it impacts talent and retention and all these things.

Rebecca Harshberger:

It's not just employees but everybody that interacts with the payroll department, are we really serving them as well as we could?

Nick Day:

Yeah. Well, a great place to leave. Listen, thank you ever so much for joining me. I've been a pleasure.

Rebecca Harshberger:

You're welcome. Thank you.

Speaker 8:

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Nick Day:

So hey, probably my last chat for today and I'm joined by Vivek Khanna, president at Neeyamo, global payroll experts. You are someone, let's be honest, who knows everything and everything about the world of global payroll and here we are at Pay Con with PayrollOrg. Tell us about how the conference is going for you. Tell us about global payroll.

Vivek Khanna:

Well, the conference is going great as always. As Pete Talarico says, this is the Super Bowl of payroll, right? And great place to come and meet our old friends, meet some new customers and prospects. It's been a great two days.

Nick Day:

Fantastic. I'm hoping to get Pete on the show tomorrow if I can. I've been looking for him. I haven't seen him yet, but I think he knows I'm chasing him down. So for those that have come to the Congress who want to find out more about global payroll, what are some of the challenges that people come to you with that you're able to solve?

Vivek Khanna:

Well, it depends, but in most cases the current way to handle global payroll is either you have multiple vendors in each country and each country is on its own, which means you have disparate processes, disparate software and companies face problems in consolidation as well as are spending a lot more money than what they would if they had a consolidated solution. That's one kind of a client. The other set of clients are that they might have gone to a global payroll vendor, I have some great competitors out here, but all of them inevitably are another version of the same disparate systems except they end

up being the middleware between the disparate systems and the client. So that they do give the clients the possibility of integration to their HRIS system, allow the data to flow through their middleware, but then ultimately the data goes to the localized software. And in most cases there are local in-country partners that actually process payroll, and then the data goes to the same middleware and it comes back for whoever it might be, right? Everyone from the largest in the industry to the smallest, they all follow the same model. It's very well known in the market.

And as you can understand, if there are handoff points, that can lead to errors, it can lead to communication errors, and as well as it requires a longer time period. In most cases, and this is what the customers tell me, most cases they are looking at anything between two to two and a half weeks between the time they cut off payroll and the final payroll is ready in the global payroll scenario. But that's not true when you're in a single country, right? If you are just in the UK, chances are your cutoff period is three days, five days maybe. It's never more than that because it's on one software. So given that we at Neeyamo have addressed this problem a little differently, we have built our own single technology platform and it's not a middleware, it's a full application with its own gross to net engines for 100 countries today.

Nick Day:

Wow.

Vivek Khanna:

It's a single technology platform that can provide not only the payroll processing, but also now time and leave management. If you also need that in certain countries for a smaller population, we can provide you that with a little small HRIS, which is like a system of record extends the global HRIS, all of it on one platform. Now, in addition to having one technology platform, we've also built our infrastructure globally and we have now local subject matter experts in our resources in 100 countries because we have to maintain this platform, right?

Nick Day:

Sure.

Vivek Khanna:

So what our customers will get with the new straight through processing of what we're calling as payroll 3.0 is one technology platform and these 100 country resources being able to deliver global payroll. Now what that leads to as you can automatically think, it now shortens your turnaround time, enables you to have a robust integration. So across, otherwise if you have multiple software you can't integrate [inaudible 00:40:23], you have 20 employees. But when you have all of them put together, now you can integrate into your software, you get straight through data, less errors, less chances of a breakdown and hopefully a better solution.

Nick Day:

So I have to ask the question, bearing in mind 100 is significant coverage and I get that, but I might be the payroll that comes to you at your expo stand today and says, "My country is this one and it's not one of the 100 you cover." So what would happen in that situation?

Vivek Khanna:

Well, it depends, right? We today do service more than 100 countries and in that case we do end up using a local partner, which is over and above the 100 countries we have today.

Nick Day:

Sure.

Vivek Khanna:

We are adding in countries every week. Our global vision is that in the next few years we will be able to cover the world. With the 100 countries we are currently covering more than 80% of our clients' needs. Which makes commercial sense, but if let's say tomorrow somebody came to me and said I have 1000 employees in the country and we don't have a coverage, I would program my engine for that country.

Nick Day:

It would be commercially worthwhile to do so. Sure, that makes sense.

Vivek Khanna:

Exactly. So it has to make sense from that perspective, but if it is not, we will still service them. So let's say if I was servicing 25 of their countries on my platform then one went to a partner, that one country may have an extended timeline, but the rest of 25 would be still online but still on the same platform.

Nick Day:

Sure, that makes sense. So something that I've seen, Neeyamo grove significantly in my time in the payroll industry, I've been here for 20 years and you've almost come from nowhere and now you're a global behemoth in the world of global payroll. Something that we're seeing in the industry at the moment is the evolution of payroll now. That many people at Congress today that may have a domestic payroll in the US suddenly discovering they've got one country, two countries, a borderless workforce, people are able to hire now in other countries as well. So that must have really seen a significant change in the industry feed for yourselves as well where companies which you may have pitched to a year ago with no international suddenly find themselves with an international payroll. How do you see the future continuing to evolve? Are we on a trend where a lot of people here today are going to have global payrolls by the next Payroll Congress?

Vivek Khanna:

Sure. See, globalization is a process that is going to continue, right? And globalization is a process of course with countries like US, UK, France, Germany, the big western world, the developed nation, it's an automated process, right? After a while you will saturate your own market and then you have to look for new markets so you will grow. But we see this phenomena even from the developing countries, right? India, China, Malaysia, Indonesia, Philippines, even down under from Australia, you have more and more companies turn into global markets, and as they go into global markets and they're looking at global talent, they have to start approaching and looking at global payroll or methods of paying their talent globally. Another very popular way of paying talent globally now is employer of record.

Nick Day:

Yes.

Vivek Khanna:

And as you've seen the growth of those companies, because we are starting to see companies hire talent anywhere because now people can work remotely effectively. So that's the other growth area that is coming in.

Nick Day:

I had Emily Castles on here earlier today talking about employer of record so yeah, we've seen that growth for sure. So tell me from the Congress perspective, what's been your highlights so far?

Vivek Khanna:

One of the highlights that I have seen from the Congress, at least from this Congress, is that besides payroll being payroll the other aspect of payroll is the FinTech. If you look around, the number of FinTech companies still here, all of them talking about earned wage access, early access to money, creating lending standards. I think there is something here. Now, how much of it it will translate outside the US, we've yet to see because US has some unique situations with our payday lending-

Nick Day:

Pay cards and... Yeah.

Vivek Khanna:

Pay card lend, et cetera, but there is a cultural inhibition towards early earned wage access outside the US. But as I was telling somebody else, it's a cocaine. Once it starts to get introduced outside, it just might turn. You might just see in UK people starting to say, oh, I want to get paid every week instead of once a month.

Nick Day:

Yeah. For sure. And in the UK I think we tend to term it more pay on demand, on demand pay and you've got earned wage access and early wage access, which is slightly different, but same acronyms which makes it slightly confusing. So for the next couple of days of Congress are you visiting any of the talks yourself or what are you looking forward to?

Vivek Khanna:

No, we are here to promote our payroll 3.0 and that's what I'm looking to meet prospects. We've had some great conversations, and we are looking forward to continuing that.

Nick Day:

Super. Well, it's a pleasure as always to have you on any of my shows, Vivek. So thank you again for joining me today, and I hope you enjoy the rest of the Congress.

Vivek Khanna:

You too, Nick. Have a wonderful Congress.

Nina Talley:

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Wow. Thank you so much to Nick Day for sharing just a slice of what makes PayrollOrg Congress so amazing. Conversations with payrolls just like you. Make sure you register for PayrollOrg's virtual congress and expo to immerse yourself in even more powerful workshops and conversations. Thank you again to Nick Day of the Payroll Podcast and to all of our amazing listeners. Want to support PayTalk, make sure you rate, review and subscribe to PayTalk on your preferred podcast streaming service. That is the best way to support this podcast and make sure we can continue to bring you the stories that make payroll so personal. Until next time folks, this has been Nina Talley with PayTalk.

Speaker 1:

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