

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:

Welcome to PayTalk, the podcast that brings you payroll's human side. I'm your host, Nina Talley, and today we're talking about making the transition to payroll consulting with Carney Kim, CPP, SHRM-SCP, who has successfully evolved his career to balance corporate payroll leadership with consulting excellence. Carney is the principal consultant at Carney Consulting LLC and is a region four advisor for PayrollOrg chapters and brings a wealth of experience from roles including director of payroll at Makai HR and payroll manager at Alexander and Baldwin. Before we get started on today's conversation, I would love to hear a little bit about your background in the payroll space and what you're joining us today to discuss.

Carney Kim:

Yeah, well thanks for that great intro. I think a lot of people in payroll, I stumbled into it without really knowing much about it. I just got into it because a friend of mine was working for a PEO and he referred me over, and honestly the only reason I took that job is because they were paying a little more than what I was making before. I think it was maybe 25 cents more per hour. That was enough to make me take the leap.

Nina Talley:

Sometimes that's all it takes.

Carney Kim:

Yeah, really. And that's where I kind of learned the ins and outs of payroll. I ended up sticking around for a little over five years there. That's where I earned my CPP and I kind of got bored of it and I felt like I had gone as far as I could go within that company. So I actually left and I got out of payroll very briefly and I transitioned to an analytics role.

Nina Talley:

Interesting.

Carney Kim:

And it was still analytics but sitting in the HR department, so it was connected to the whole payroll thing, but not quite. And I think it was maybe seven or eight months into that role where the payroll manager there ended up leaving kind of abruptly. So it just made sense for me to glide into that role. And I just got sucked back into payroll and I ended up actually really enjoying it again. So I spent a little over a year in that seat and there was an opportunity to join a startup PEO, and that's when I left to join the team at Makai HR.

And obviously being in a startup, we were running lean as possible, which meant all of us had to wear multiple hats. So during my time there I was operations manager, I was director of finance for a while, director of payroll. I was training our overseas team. I think within the two years I spent there, I probably had four or five different titles. And that was a really awesome learning experience, but also it was incredibly demanding. And so those long days, 80-hour work weeks kind of got to me over time and I decided to step away from that and start doing some consulting.

Nina Talley:

I love that. And I think that your journey in payroll is fairly representative of what a lot of our listeners are experiencing as well. I mean even where you took a moment away from it and then found yourself coming back to it because you actually did enjoy it and it resonated with you. I think that's something a lot of our listeners have dealt with in the past. And I know any of us who have worked at a startup completely understand how you can only do it for so long, the 80-hour work weeks do, they grind on you. And I think that leads me into the first question that I really had for you, which was about your consulting journey. And if you could tell us a bit about if there was a specific moment that made you realize consulting was a path for you and was it a gradual transition into consulting or was it right from the gate you were successful and you were packed with clients?

Carney Kim:

Sure. I definitely wasn't packed with clients from the start. It was a gradual kind of ramp up, but maybe to give it a little bit of context, it would be helpful to know that when I left the startup, that was February of 2020.

Nina Talley:

Oh, goodness.

Carney Kim:

As we all know in March, the entire world just shut down. And when I left the startup initially, I had planned to take a little bit of time off, maybe travel a little bit before I started looking for work again and travel all of a sudden was not an option. So I did the whole homemade sourdough, which was a huge failure by the way. I found some freelance work doing some short term payroll and HR projects, and that was through platforms like Fiverr or Upwork. And then I got to thinking that type of work that I was doing on these freelance platforms, it was stuff that I enjoyed doing. But the problem with going through these freelance platforms is they take a huge chunk of your fee as their kind of admin fee.

So that's when I decided, "Hey, I'm going to try and do it on my own." And that was kind of the turning point. So in that sense it was kind of gradual, but at the same time, once I made that flip, I kind of had to be all in and I didn't have the luxury of browsing open roles on these platforms, and now I had to go out and do my own business development.

Nina Talley:

That makes a lot of sense. And I think the reality of 2020 is that it changed everybody's lives, and I think that a lot of people's careers, their career trajectory was fundamentally shifted. And many of us had also said, "January, 2020, this is going to be my year of big change." And certainly you weren't the only one to find yourself there, but it seems that through seizing an opportunity, you were able to really make some impactful career decisions. And I'd love to understand a little bit about the types of projects that you find yourself working on now in the consulting area. And if you could maybe even share a story about a particularly challenging payroll implementation that can show maybe the realities of consulting.

Carney Kim:

So a lot of the projects that I work on, they're really focused on process improvement. So that could be just streamlining workflows, improving compliance, or sometimes I see clients that have this new technology and they're not fully utilizing it, they're still doing these old manual processes and things. So just kind of guiding them and allowing them to use their technology to serve their processes better. So that's a good chunk of the consulting work I do. And then the other piece of it is training, and I'm very passionate about training. So sometimes the work I do for clients is reviewing or developing their training

programs for their teams. And I would say one of the biggest challenges with doing this kind of work is a lot of times people don't think about payroll until something breaks, right? It's one of those behind the scenes things that when it's working, no one's thinking about it, but the minute someone's paycheck is wrong, all of a sudden it's a huge issue.

So even if there's a client that has a really outdated or inefficient process, anyone outside of the department kind of still thinks that everything is okay because people are still getting paid. So one of the clients that I worked with actually, they had some really, really manual processes and they had implemented payroll system. I think they were in their third year of using this new system, but they were still using all of these old manual processes that they had. And the problem with this client, or the problem that this client was having is when they went through their system implementation, they tried to force the system to mold to their old processes instead of trying to adopt what the new system could do and shift their old ways. So that was the big hurdles for them.

Nina Talley:

That makes a lot of sense that you as a consultant coming in, you see a little bit of the bigger picture of what is causing the actual speed bumps and the hurdles in the process, whereas people who have been working in an existing process, they're just a little too close to the trees, they can't quite see the forest because they're looking at what's impacting their day to day. So I have to imagine that that is an interesting situation to find yourself in where you are actually trying to correct an issue that exists within the process instead of just trying to speed up the existing process. How do internal teams sort of react to that?

Carney Kim:

You make a really good point, and that is one of the challenges for sure is the people who are doing the work, a lot of times they don't think anything's wrong either because they've been doing it and they know their job so well and all of a sudden there's this guy coming in and they're like, "Well, who is this guy? He doesn't know our business." So there is a lot of, I would call it the mystic side of consulting where you have to be really mindful about how you're communicating and how you're approaching it because especially with some of these clients that I've worked with, they've had people sitting in those roles for years and years, decades, and it kind of hurts their pride a little bit when someone's coming in and saying, "Hey, this process is wrong or there's a better way to do this."

Nina Talley:

I can imagine.

Carney Kim:

So one of the things that I like to say is sometimes you're so busy working in the business that you don't have time to work on the business.

Nina Talley:

I love that.

Carney Kim:

Day-to-day stuff that's keeping you so busy that you don't have time to work on these strategic or higher-value tasks. And that's what I really try to focus my messaging on. And I'm not trying to take your job away. I'm not trying to say that you're doing things wrong, it's just I'm here to help you and maybe there's a better way that you haven't thought about or maybe you just haven't had the time to think about.

Nina Talley:

I love that, and I think that's a really smart approach because it makes yourself an ally. It helps them see you a bit more as a compatriot than somebody who is coming into lecture, I guess, and correct. And that really leads me into my next question as well, which is I want to talk about building credibility because that is absolutely so crucial in consulting. How did you establish yourself when you were starting out and as you moved through it, did you find or develop any strategies that work best for gaining a client's trust?

Carney Kim:

So I would say getting my CPP designation, that's probably one of the biggest things in establishing credibility, especially in the payroll space. But I mentioned that I kind of focus on the streamlining and the process improvement. So I also am a Lean Six Sigma Black Belt, and then just recently I got my term at CPP designation. So all of those things are kind of good at showing I'm not just hyper focused in payroll, there are all these strategic things that I can help focus on. And the Lean six Sigma piece, that's where all the process improvement comes in and the testing and all that stuff. So having those credentials is super helpful. And especially with finding new business, if they don't know who you are, sometimes those credentials are all they have to go off.

So just making sure my LinkedIn is up-to-date and if I go out and talk to a client, I say, "Hey, check out my LinkedIn," and they can see all my credentials and they can see the work I've done and the companies that I've worked with. So that's kind of helpful. The other piece is I'm based in Honolulu and the business community here is relatively small, so that word of mouth referrals, that's huge. So just always making sure that I leave a good impression, even if it's client that I don't actually close the business at least getting that recognition out there.

Nina Talley:

I'd agree with all of that. And I think that having those credentials, we've talked about it many times on PayTalk is the best way no matter what your payroll career is aiming towards, that's the best way to set yourself up for success in the future. And it sounds like here in consulting as well that you've made a couple of strategic decisions as far as the designations that you're getting. We've always talked a lot about the CPP here, but the Lean Six Sigma Black Belt, I have heard of that before, but that is not necessarily something we've discussed on PayTalk before, I believe.

And so I think that making sure that as you are engineering your consulting career, that you are looking for the tools that fit the type of consulting career that you want, a lot of that can be in the additional accreditations that you get that will help set the foundation and start paving the road for the career that you want. So get creative when you're looking at those different designations and think about what you want for yourself in five years because that's really what those certifications are doing for you.

Carney Kim:

Absolutely.

Nina Talley:

So I wanted to talk a little bit about the business side of consulting. And I know anybody who has worked with clients knows that actually qualifying potential clients is a huge part of consulting, or even if you are running a business, just qualifying your incoming clients is so important in making sure that not just that your skill set aligns, but your shared values and who you'll be working with face-to-face. And I was interested in hearing a little bit about have you ever had to turn down our project, and if so, why did you do that?

Carney Kim:

Yeah, that is an interesting question because I think there was a point where I thought that I would just take on everything that came my way because every project, no matter how big or small, that's still a paycheck. But eventually I came to the realization that I cannot do my best work if it's work that I don't enjoy doing. So when I am looking for projects or when a client says, "Hey, I need help with this." I really have to think about does this align with the work that I want to be doing?

And I'm in a fortunate enough position now where I have a day job, so this consulting isn't my only source of income, so I can afford to be a little more picky with the clients. So I do turn down clients if what they're looking for doesn't align with what I want to spend my time doing. And that way I found that I can provide better service to the clients that I do take on because those are projects that I actually enjoy working on. So at this point in my career, it's not about taking on any and all projects, but it's just finding those opportunities where I feel like I'll be able to genuinely add value to the client.

Nina Talley:

You don't have to take on your payroll journey alone. Being a part of PayrollOrg means having exclusive access to resources, including a network of payroll mentors. Membership in PayrollOrg helps increase your skill level through knowledge and a supportive community of peers, offering top-rated payroll conferences and seminars and a complete library of resource texts and industry recognized certifications. Other benefits include asking questions of member volunteers using ask an expert or connect directly with payroll leaders around the world for hands-on help in the open forum of the payroll community. Engage with PayrollOrg by joining a committee where you can utilize your specific knowledge and skills and much more. Invest in your payroll career and connect with more than 30,000 payroll peers worldwide and receive great discounts on PayrollOrg's leading payroll education. Join PayrollOrg today. Visit www.payroll.org to learn more.

You mentioned that you have your day job, and I'd love to take a look at the differences between let's say corporate payroll and then payroll consulting and maybe what's the difference that we would be surprised to hear about?

Carney Kim:

Yeah, so probably one of the biggest things is as a consultant, you're not just focused on the payroll stuff, but you're also a business owner. You are responsible for all the things that come along with running a business, like doing all your registrations and tax filings, invoicing, all that admin stuff that you don't necessarily think about or ever have to deal with in a corporate role all of a sudden that is a whole new part of this job that you have to do. And then I think maybe the biggest thing, at least for me, it's the business development aspect. So corporate employee, the work kind of comes to you.

You just go up to the office or log in from home or whatever your situation is, but you're not out there looking for work to do. Someone's usually giving you that work. As a consultant, you have to put yourself out there and you have to try to get those clients. And that in itself can be a job. So a lot of times, we've said this before, payroll is an area of the business where people think if it's not broken, don't fix it. So that business development piece and trying to get clients to see the value of bringing in a consultant to focus on payroll, that can be a bit of a challenge.

Nina Talley:

I'm sure. And it is one of those things where you think that if you build it, they will come, but there is a reason why there's often an entire business development team because it is its own separate job. And that is, unless you've positioned yourself in a way where you already have a client, somebody who is saying, "Hey, could you do consulting for me?" Building that client base is going to be one of the things that you're constantly working on and never really stop once you do consulting.

And I think that finding the type of work that you love, which we had talked about before, where it gets easier to do that work because it's not only the work that you're good at, it's the work you want to do, finding those throughout the entire consulting process, it can be one of the hardest parts of it. And so I wanted to ask you, how do you balance all of it? So how do you balance your professional development and your networking and your business development and your work as a member of PayrollOrg's board of advisors, and the fact that you're your own business owner with the consulting company, how do you manage it?

Carney Kim:

You kind of mentioned just now if you love what you do, right? What's that saying? If you love what you do, you'll never work a day in your life. It's kind of cliché, but there's some truth to that. And I think it's not just about managing your time and your priorities, but you're also managing your energy and staying focused on the things that are important. And for me, I genuinely love what I do and staying passionate about the work that I do, that's what keeps me energized and motivated, and it's really rewarding to see the impacts that I'm able to make, whether it's with my clients or with my employer.

What also helps is that all of those activities, they kind of complement each other. So I'm able to take what I learned from working with my clients to maybe help contribute to my seat on the board of advisors, or maybe I can take what I learned from my board role and apply that to my corporate job. So everything's kind of connected in a way, and that makes it seem like it's not that I'm juggling all these different things. Everything is kind of working together.

Nina Talley:

It's an ecosystem almost.

Carney Kim:

Yeah, I think that's a perfect way to put it.

Nina Talley:

So many of our listeners might be considering consulting or beginning consulting, and I always love to give some real life examples. What do you think are the biggest challenges that you have faced and that they should be prepared for?

Carney Kim:

Yeah, so we kind of talked about this earlier, but it's really being able to build that trust and getting the buy-in and not just buy-in from the client, but also from the people who are ultimately going to be impacted by those changes that you're implementing. Your decision maker at a client might be the CFO or the CEO or the head of HR, but they're not the ones who are actually doing the work day to day. So getting the buy-in of those decision makers, that's a whole different challenge when you're thinking about getting the buy-in of the people who are actually doing the work, especially if the payroll team or the payroll manager sees you as a threat or best case scenario, you are just an outsider who doesn't understand their culture and their processes. So I'll share an example. There was a client I worked with that was going through a major payroll department overhaul, and when I was introduced to the team, you could just tell from the initial meetings that the payroll team wasn't super thrilled to have me there.

And to be fair, they had worked with another consultant in the past and that person was a great project manager, but they didn't fully understand payroll and they didn't fully understand the company's culture. So they came in kind of bulldozing their way through and forcing these changes, but no one was really excited to keep those changes going. So what I did was I did my best to try to actually listen to the payroll team and the payroll manager and find out what their concerns were and try to really understand their

current processes and why they were doing things. And I think that's what helped me make the transition to the new process a lot smoother because I was involving them in implementing the solution and coming up with some of the solutions, and I was meeting with them regularly and that way they were really seeing that I was really invested in their success, not just coming in to make their jobs obsolete or anything. It was really trying to help them improve their department so that they could focus on the things that were important to them.

Nina Talley:

That messaging is so strong of I am invested in your success. I think that is something that I know I'm going to take away from this conversation and that I hope our listeners will as well of showing how you can come in as an outsider, but still make sure that the team that you're working with knows that you are there in service of them, not to force a new process or a new way into them, but to build something that works for everyone instead of just a few.

Carney Kim:

And I think the biggest part of that was really getting them involved in the problem solving process and developing those new solutions. So it wasn't, "This is what the consultant told us we had to do." It was, "This is the solution that we came up with," and that was really empowering for them, that empowerment that they felt made them so much happier with the results.

Nina Talley:

I'm curious, could you dig into some of the methods you used while building those processes out with them and building that solution? Is it like stakeholder interviews? What did that take shape as?

Carney Kim:

Yeah, so in the beginning it was just a bit of job shadowing, I guess just having them walk me through what they were currently doing and then just really evaluating every step of that process and determining, "Okay, why are we doing this? Is this actually necessary? Does it make sense to do this here? Or is this a piece of the process that can be moved to a different area or can we get rid of it altogether?" So having those discussions, part of it turned out to be a bit of a lack of training. So we've all had these roles where we inherit processes and we just continue on with the process without actually knowing. So there was a good chunk of that where they were just blindly following these steps without actually knowing why they were doing that.

So through that process, we were able to determine, okay, these steps we actually don't need to do anymore because this was something that we needed to do with the last software, but this software doesn't require that. So there were those kinds of things that we could cut out. And then some of it was really just testing solutions, and that's really where I was able to get the buy-in from the team is, okay, let's go in our test environment and let's try these things and you guys tell me, does this work for you? Or is this process uncomfortable? Does it not make sense to you? Because there are other pieces of the whole picture that maybe I'm not seeing, but that you guys are much more familiar with. Doing things in kind of that iterative process and having the team give me feedback as we moved along, that made it so the end product was something that we all contributed to. And because that solution was based off of what they found during their testing, it made them feel like this was their solution.

Nina Talley:

Thank you so much for sharing that story. I think that's just a wonderful example of consulting success of when you're able to go in, integrate in with the team, not make any changes, do some observance, and then test out solutions with them. I think that's a great example for our listeners as to what you could look

forward to out of a sort of difficult experience that then through that difficult experience, you're able to forge a real lasting connection that creates a lasting solution. So now is the time in our podcast for something we like to call payroll nightmares, and this really is one of my favorite parts of the show. It levels the playing field and it reassures me that yes, everyone, even the career peak highest folks has had one of those days. And so I would love to hear from Carney about a payroll nightmare that you may have experienced in your consulting career.

Carney Kim:

This wasn't during my consulting, but this is a nightmare that when I think about the worst possible thing to happen in payroll, this is it.

Nina Talley:

Okay. All right, I love it. Let's go.

Carney Kim:

It was a payday, I want to say it was on a Friday the 13th.

Nina Talley:

Oh, of course it was. Of course.

Carney Kim:

I might just be making that up in my head, but it was just a major ACH failure and unfortunately I've experienced this more than once, but this one particular day, it was the worst possible way it could have happened, and it was just a timing error with our bank file. So our outgoing file didn't get to the bank in time, and so all of our outgoing payments were delayed, but obviously it's a Friday and we couldn't wait for the following Monday. And so morning of payday, we're getting literally thousands of people who haven't gotten paid and we're getting calls nonstop saying that, "Hey, my direct deposit's not in my account, what's going on?" And of course, we've got a ton of people with direct deposit and they have scheduled payments that are going out on the same day and they have all of their bill pay and things set up to happen on the same day as payday.

So we've got a team of people who are just manning the phones that day, just answering calls nonstop. And the rest of us are scrambling to figure out, okay, who needs to get paid? Because not everyone's on direct deposit, and this is the one time where getting this whole paper check is actually better than direct deposit. I hate that I say that, but this is one advantage to having paper checks. And then after figuring out who needed to get paid, it was figuring out, okay, where are these people banking? How much money goes to each bank to each account? And then we are just making bank runs all day long.

We were just printing checks from our office and we were taking these physical checks to the different banks standing in line and making these deposits one by one, going back to the office to pick up the next batch of checks. So we spent probably a good six or seven hours of the day doing that, and then we had to make sure the initial deposits didn't actually hit the employee's account. So by that time, this was late Friday afternoon and there's no way we're getting the banks to stop those deposits from happening. So then it was figuring out, okay, which files do we need to claw back from the banks? Can we do it? Some of the banks could, some couldn't. So yeah, that was a one day.

Nina Talley:

It sounds like a wonderful Friday the 13th.

Carney Kim:

Yes, it was.

Nina Talley:

Well, thank you so much for sharing that nightmare. It gave me a little bit of a heart clench, and I'm sure many of our listeners know that feeling, but I don't like to leave things on a negative note. So I have just one more question for you, and that is, what is the best piece of professional advice that you have ever been given? Or what's the piece of advice that you wish somebody had given you?

Carney Kim:

I don't know if I've never been given this advice or if I was given this advice and I just never paid attention to it. I would say recognizing the value of building relationships. We always talk about networking, but networking isn't just about meeting new people, but I think it's more about surrounding yourself with people who inspire you and who challenge you, and these are the people that help you find opportunities and approach challenges from different perspectives. And the further I get into my career, the more I realize that nobody really succeeds alone and investing in these meaningful connections, that's just as important, if not more so, than building your technical skills.

Nina Talley:

That's a really wonderful point, and I think it's one that our listeners can take to heart is always so important to continuing to make those connections no matter what path your career is taking. One thing that I have found through our work at PayTalk is that the community around PayrollOrg in particular is there to support you in all of your endeavors, whether that's business development, career development, professional development, personal development, the community will support you in your goals. It's just a matter of wielding it. So I think that's a really great point to leave us on. Carney, thank you for sharing your advice and your insight and your time. I know a lot of our listeners might be contemplating making the shift to payroll consulting, and you have given some really actionable insights and advice as they move forward. I think that some of the stories that you shared have given a really personal look at what consulting can look like, and I just want to thank you so much for that.

Carney Kim:

Absolutely. Thank you so much for having me. This was a lot of fun.

Nina Talley:

I also want to take a moment to thank all of our loyal listeners out there. Without you, PayTalk would not be possible, so please make sure that you rate, review, and subscribe on your preferred podcast streaming service. That is really the absolute best way to support this podcast and ensure that we can continue to bring you the human stories that make payroll so personal. So until next time, folks, this has been your host, Nina Talley with PayTalk.

Speaker 1:

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