

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 diving into the complex world of global payroll governance. As organizations continue to expand internationally, navigating the maze of regulations, processes, and technologies across borders has become increasingly challenging. But today we're joined by two distinguished experts in the field, Max van der Klis-Busink, MCIPP, RPP, owner of Passion For Payroll and the Vice President of Global Strategy at PayrollOrg. As well as Robert Gerbin, CPP, senior director of global strategic initiatives at PayrollOrg.

Max, it is wonderful to have you back on the podcast. It has been too long since we last spoke. And before we really dive into today's topic, why don't you give the listeners and myself a bit of a refresh on your background before we ask Robert to do the same?

Max van der Klis-Busink:

Excellent. It's indeed great to be back, Nina. You've done a wonderful job with the podcast so far. So does PayrollOrg. And it's an honor to be back. So yeah, I'm Max. I'm based out of the Netherlands, hence my beautiful accent, although I was taught phonetic English in school. But that may have faded away a bit. So yeah, I'm nearly two decades into the global payroll space. I started with an international secondment agency that basically seconded people all over the world, from the Palm Islands stretching in Dubai, to Mexico.

So that brought me into the wonderful world of international payroll techs. Then moved into PwC as a CDE consultant where I did a lot of transformational work. Worked at Crocs, the lovely shoes that you either own or not own, for a minute. Did a lot of retail payrolls in Europe and then moved over to Shell, where I started as a payroll manager for the Netherlands. I moved into a global payroll solution manager role. Co-developed some global payroll strategies. Then moved over to Zoom to be the global payroll manager. Worked at Payzaar as head of service delivery. And also now the owner of Passion For Payroll, to basically bring joy and passion for payroll to the world. But I cannot stand in the shadows of our other guest, one of my prime, prime examples and persons I've always looked up to. This podcast now brings you Robert Gerbin, CPP. Robert, over to you.

Robert Gerbin:

Yeah. Thanks, Max. And look, I am very proud that you think so highly of me, but when I look at your background, it is very impressive as well.

Max van der Klis-Busink:

Thank you.

Robert Gerbin:

So I think the passion that you bring for what you do, again, excites me, and I think others as well, when they listen to you bring that passion. For me, I've been in the space for global payroll and HR for about 20-plus years and got experience in working in maybe 80-plus countries, have great experience of working with people around the world. I've been on the ground in about 30-plus countries. Just amazing people that I've worked with. I've got a really unique background.

I don't know if I actually set out to do this, but I was a single person payroll department. I've worked in industry for multinational companies. I was a consultant, similar to you, with DY. And then I became the global payroll leader for ADP. I think at last count I've also led about 10-plus global transformation projects. So I'm looking at this type of topic, especially governance. I'm really excited about it because I think it's really important. So I'm really looking forward to the time we've got together.

Nina Talley:

Well, thank you both for joining us. And I know that you have a lot of history between you two, so I'm excited to hear a bit about how you got involved in this space, how your experience has developed, and then also how your relationship has developed through it all. But before we really get started I would like to get a little bit more familiar with the current state of the rapidly evolving landscape of global compliance and governance. What trends in payroll have changed over the past few years? And what emerging regulations should multinational companies and payroll practitioners be paying attention to right now? What should be first on the list?

Robert Gerbin:

Yeah. When I look at that, I think the fact that global regulatory compliance is becoming more complex just about every single day. And that's just the nature of it. Whether there's geopolitical impacts, if we look at trade, type of regulations that are happening around the world. We've seen the fact that many countries existing today that are more mature, or they've been mature, if you could take a look at some like maybe the UK, Australia, some of those bigger countries, but those that are a little bit more mature.

Nina Talley:

Right.

Robert Gerbin:

They've had some complexities in their ways of handling the administration of compliance. Whether that looks like new rules, regulations, tax compliance, and so forth. But we're seeing now where other countries are starting to also gain the maturity of utilizing technology. So because of that, it's just not, well, here's a couple of countries that are very complex that we see today. There's more countries on those lists that you can take a look at today and go, "Yeah. There's a lot more that are very complex," because of the ability to handle technology or just becoming more mature with organizations as they come, as they merge, whether it's mergers, acquisitions, or organic growth in those countries.

So I think it's important to think about, it's just not a couple countries that you can say is really complex. You could say countries like France or so. But there's a lot more countries that you have to take a look at and think about the regulations. And I think the other thing, too, is on the tax reporting side, it's just not about looking at salary, wages, different types of compensation and how to handle those. For example, you can look at certain wages like compensation, but you also have to look at things like equity, compensation, equity benefits, and how are those treated? So same thing as the first topic. The more complexity and mature as things are happening. If you start to breakout, it'll be a little bit more complex for an organization. They have to really pay attention to and understand these type of movements.

Max van der Klis-Busink:

Yeah. Thanks, Robert. And it sparks a lot of question on my side, and it brings back memories from the time that I started working in payroll, actually, in 2006, because that's when my little country, the Netherlands, started a initiative called the [foreign language 00:06:41]. Now only Dutch-speaking people will understand what that means, so let me translate that a little bit. It was an initiative that had two big objectives. One is to lower the administrative burden for organizations, because at the time there was a

separate and more handwritten social security return and there were some income tax / wage tax returns that they wanted to simplify and consolidate.

The other reason was for the government to digitize their own operations. And that led to one single digital payroll tax returns. And when you've just mentioned those countries, Robert, like France, who've introduced eSocial... eSocial is actually Brazil. France, DSN. [foreign language 00:07:24]. And then you have the UK, which you've mentioned, with real time information and their full payment submissions. All of those governments are at the same time trying to lower the administrative burden of organizations but also, at the same time, trying to digitize the tax returns for, I think, multiple reasons.

And you might have some stories on this. One of my stories is always that almost 40-plus percent of any government revenues comes from payroll tax returns, and so does the statistics where they drive political decisions. What you mentioned like equity reporting, compensation reporting, I think about a month ago I analyzed the requirements for one of the tax returns. And there's up to 100 unique data elements per employee per payroll period that we somehow need to submit and transmit to the authorities, which at the same time means that all of the payroll listeners on the call, they need to collect and calculate somewhere. And they are responsible for the accuracy. And those governments are also more data-driven and they're also squeezed for talent. So what do they do? Of course they will also digitize their audits. Have you observed the same, Robert, in all of your travels around the world?

Robert Gerbin:

Yeah, exactly. I think the key point that you were hitting on, and it's going to lead to a topic further down here today is that, for audits, technology, digitalization, where the world will become a little bit more automated in the sense of there might be audits that are occurring without us knowing about it. There might be regulations that stipulate how data can be interacted or how the data itself can be accessed.

And so, from a regulation standpoint, the future could be where there's automated audits. So compliance is going to be even more important as we lead into the future. And we have to be very proactive about protecting data, but also how we're meeting those compliance regulations as well. So yeah, I think you're definitely on the right path of how we have to look at the future. And we see those type of new legislation laws come out, but how they're going to be enforced because you're right. Generating revenue for the country, especially as it relates to payroll, there's a lot to collecting that tax and collecting revenue for that country or organization.

Nina Talley:

And I think that's something that's come up a lot on PayTalk and that I've also heard in some of the personal conversations that I've had with some payroll practitioners is that one of the biggest challenges when it comes to managing large multinational organizational payroll is the tension between trying to standardize these global processes while still remaining able to include some of the local requirements. It seems an impossible task, to standardize on a global scale when you have all of these local intricacies. So can you share some insights on how companies can effectively navigate the balance while still maintaining that key key compliance?

Max van der Klis-Busink:

Wow, that's a question. I hope that this podcast is scheduled for 24 hours, Nina because once we start talking about this topic, I think we have a [inaudible 00:10:24]. Yeah. [inaudible 00:10:25]. Let me share some of my initial thoughts. And this is based on, actually, a conversation I had not so long ago. And I'll link this to risk and control, which of course is part of any kind of governance framework. And since we're talking about the balance, so the imbalance between central / regional standardization and local flexibility to adhere to compliance statements. So what if you've identified a couple of risks that are

similar across different regions, different countries? There is a risk where anything that has been approved as a HR / remuneration change doesn't end up in the actual payroll results.

Just to make it very practical for the listeners, an input versus output control. Or you might have a different variance control to say, "Let's compare a prior period to a current period. Set a certain variance threshold." Now, if you think about standardization, you would want to standardize all of those controls because you want those controls to be executed across all of your geographies. However, you also want it to be tailored to the specific nuances and the contexts of that country. To give an example, if you would have a 10 employee payroll and you would operate a variance control and you would have a very high percentage variance limit, you might not come up with a lot of variances. You might not be able to actually mitigate that risk, whereas with a very high country you might think of a different variance control. So where you would have one type of control that is standardized across all of the countries, but you would then allow for some local deployments and local contexts and maybe some local parameters that make sense for that type of business.

Because maybe that type of business is more of a blue collar business with more time tracking where the other business might be more white collar with a different type of pay ratio, for instance. While you could still operate standardized controls across those geographies in a global payroll scope, you could also allow for the flexibility for local deployment. And that's a conversation I actually had with someone who was struggling in a shared service center environment that is of course, by default, looking for standardization. But he also saw the need for, hey, this business is just different than the other one. So how do we balance the two? But that's my immediate response to that big question you asked, Nina. But Robert, I've given you some time to think about an answer from your end. What are your views?

Robert Gerbin:

Yes. Yeah. Not think about it. I just enjoy. And you're hitting the bullet points that I would address as well, Max, I'm checking off, going, "Yep, that's correct. Okay. That's correct." But I think the thing is you hear statements like, "Think globally, act locally." And what I've really learned over the years is that you have to think about local requirements first. And those local requirements are whether it's country to country or even business to business, because you can have, maybe, different businesses within the same country. So you have to think about that. But the first thing is you have to look at is the local legislation requirements. And what does it mean to meet those? Because standardization, as you were saying, there's some types of controls. There's quality controls. There's different ways of saying, "Hey, look at, like you said, if we need a higher limit," because of the population you have.

But what I look at is, first, what are all the things you have to meet locally? What are those things that we have to make sure that payslip is correct. I think there's a lot of questions or requests that people say, "Well, I want a common payslip from country to country." Well, that's not necessarily going to happen because payslip might be three pages long if you wanted to have a common payslip. But the first thing is to make sure you meet those local requirements. But when I think about standardization, and I think, Nina, that's to the core of the question here, is there are some things like controls or segregation of duty. Or if you look at inputs. You can have a maker, a checker, and a verifier. And you might have only one person in-country. And that's difficult to do, but the thing is you can have a standardized control of how data is inputted.

For example, you could say, "All right. Well, HR is responsible for all the information that gets into the system of record." And that information then is what payroll will then pay people on based on the calculation engine and the type of controls that it takes to make sure that we get the correct pay results. That's pretty simple that, within input, as Max, you were saying very input/output data. That's the way you can think about this more at that higher level and saying, "Okay, what does it standardize?" Or you can even say, "Hey, you can have... well, I only have one person who's in South Africa." But maybe that maker and maybe that checker, the person who does the checking, could be in another part of the world.

So you don't necessarily have to say, "Hey, we don't have a person there." There's people around the world you might be able to use.

So I think that's the thing that I look at for this that I've learned over the years. Be on point for local requirements, because that's most important, and to look at those standardization areas like data inputs, controls, manager reviews. Making sure that a manager reviews the actual payroll or someone reviewing the actual funding request. So you'd send treasury the actual pay file. Those are some of the things that you can standardize that are not going to really impact local, if that makes sense.

Max van der Klis-Busink:

It does. Sorry, Nina, just to jump in. And I think what you've mentioned makes me think of another discussion I had. I once had a discussion with a chief accounting officer who said, "I want all of the data transfers between HR, who's responsible for them, and global payroll to be the same for all the countries." I said, "Okay. That's a great general statement." But then I said, "Okay. In Finland we have five employees. You know, right?" "Yeah, yeah. We have five employees." In India we have 1,500 employees. I said, "How many data changes do you actually believe those five employees in Finland have?" He says, "I have no idea."

I said, "I'll tell you. 10. 10 per year." I said, "Do you know what the cost investment is to set up bi-directional interfaces?" "No." I said, "10K." He said, "Okay." I said, "Or we could have a maker, checker, reviewer process and a very sound upload process that's all GDPR-approved and secure. But we might not need an interface for those 10 changes. Whereas for that population of 1,500 for India..." he said, "I'm absolutely with you. That's far too big of a payroll for us and our scope to do manually. So let's look at that bi-directional interface." And that's kind of, yes, standardized HR is responsible for input. Yes, payroll is responsible for processing it. But how the data travels, that we should deploy and think, from a business perspective at an HR tech perspective, what does actually make sense? So again, a balance between standardization and flexibility tailored to the specific dynamics of a payroll entity.

Robert Gerbin:

Yeah. And I was going to say quickly here, Nina, that probably another topic would be similar: what is HR data? What is payroll data?

Max van der Klis-Busink:

Oh, yeah.

Robert Gerbin:

That's a whole other topic that I think is out there.

Nina Talley:

I'll have to have you both back. I think that's a really interesting... and I feel it's one of those things that, it's a little bit dependent on, probably, the organization that you're in, the size of your HR team, the size of your payroll team. But I would love to hear a good old-fashioned argument about that.

Robert Gerbin:

That would be a good one for later, because we certainly have enough to talk about With that, to your point.

Nina Talley:

Are you ready to build on your global payroll governance skills? Then sign up for PayrollOrg's annual Payroll Congress, so you can learn more from today's guests, who will be on hand in Orlando teaching several of PayO's more than 100 workshops as part of your ongoing global payroll training. Payroll Congress is the biggest and best event in payroll, and like no other conference you've been to. Attend May 13th through the 16th in Orlando, Florida, and you'll receive unprecedented opportunities to expand your knowledge and bolster your career with educational insights from payroll industry experts in global payroll. On top of that, it's the year's key opportunity to all come together in one place to expand your professional networking by catching up with old friends and meeting new ones. Make sure you have the chance to keep your passion for payroll going and register today at payrollcongress.com. Again, that's payrollcongress.com.

We touched on this a little bit, and I'd like to dive into some specifics, if you can. Could you give me some examples on how we can transform payroll governance from seeming like a necessary compliance function into something that's a little bit more strategic? Are there any specific technology tools that payroll professionals can use to harness data to turn it into that?

Robert Gerbin:

Yeah. When I think about this, it was a few years ago and I was looking about how to enhance quality insurance within the actual payroll process. And the first thing I do is always focus on end to end. So it's not just the payroll itself, but how far up do we see the inputs? And then how can we make sure that someone's contract is actually the same thing that they sign. It's actually in the system of record with the right salary, with the right wage, with the right adverse information. And it's the same thing that could be on this person's payslip when they go in and decide to select their tax requirements or their tax selection. So I look at how to look at different data points and how to bring those together. And I think technology helps us to do that, to be able to say, "Okay, data in the offer letter is this. Data in the HEM system is this. And then data in the payroll system is that. And they all line up, and we're good to go." So I think the way to look at technology for me is how to take as many data points as possible and triangulate them to show where there's something that doesn't make sense. Again, there's a lot that we can do with that. The other aspect that I've worked on in the past year or so is how to take technology to review and automate the checklist. We can take a look at, instead of the manual checklist, we can automate the checklist.

We could put a checklist out there, and there's some organizations that are out there that can say, "All right. I'm going to take your process. It might, I don't know, 50 steps. But then we automate those processes." And so then we know if we haven't got data at this point, now payroll is running late, because we haven't got it by this point. Or a payroll leader, I could see the fact that maybe the payroll is running a little late, maybe in Tunisia or something like that, because it's an automated checklist. And that checklist has points in which it actually is connected to some part of the payroll process.

So the checklist could say, "Okay. Yes, all the time files have now come in." Now, that doesn't say that the time files are correct. It could say, "Hey, I got the time files from all these locations." We could then put a control that says, "Well, that time file should be within this many bytes." How much data should it hold? So technology then can say, "Okay, within this parameter this should pass." And then we can look at it. If it's not, then that's where the payroll professional can come in. But the entire payroll process, and I'm not leading into saying that AI is doing payroll, but we can automate with technology to understand the entire payroll process and where those controls are and then how we can monitor those. So the person isn't so much doing the work, but they're monitoring those.

And lastly, the big point here: I just do not like to see overpayments. I don't know about you, Max, but overpayments? Underpayments, yes. But overpayments for me is just, okay, what happened there? What are we doing with that? So when I think about my first point of multiple data points, to how we're changing the control of the process. We can say, "Hey, employee was employed during this time," or, "They went on leave but the manager forgot to say that they actually left when they should've, so we've

been paying them the entire time." So how do we take those multiple data points to stop things like overpayments and underpayments? I know you got a few views on this, Max, but I think there's a lot in this area that we're excited about as we move forward.

Max van der Klis-Busink:

There is. And I think there's a lot of technological developments that are now going beyond the boss words like AI or other tools and are becoming more practically applicable for global payroll professionals on the ground, like moving beyond the spreadsheet to maintain with a payroll calendar or a interface schedule, because really what it comes down to. And when I thought about the question you asked Robert, Nina, around the strategic part of governance for organizations, what I always like to say is that payroll feeds the license to operate for businesses. Because without a compliant payroll position you would not be able to do business in most of the countries. You would basically be blocked to do business because you would be out of compliance from a payroll perspective. So that was always my angle to more HR or strategic leaders or local business leaders to say, "Hey, I am part of your license to operate. Not the only one, but I'm a big portion of it," especially if it were unionized employees or just a regulatory environment in a specific country that is very regulated.

So I said, let's make sure that we are not a blocker for our business to thrive in a specific country. Therefore, we need to set up a governance and compliance program that meets the highest standards to be able to operate in this business. And in my introduction I've shared a couple of companies that are high-profile companies, and there was zero risk onwards. So let's make sure we put our governance and compliance programs up to the standards that we need to to support the business. So whenever we have a few taglines, mine is special for payroll, but maybe global payroll is any business license to operate. Let me leave it there.

Nina Talley:

Those are really wonderful points. And I think for me, one of the most exciting parts of the developing landscape in payroll is the data strategy aspect of things. And I believe that by marrying that with the people-first passion, that a lot of payrollers are now beginning to bring, such as yourself, Max, such as yourself, Robert, where you can bring a lot of passion to it. And then you pair that with clean data and a good strategy, and suddenly you can clear pathways for yourself professionally. It becomes very easy to showcase your worth, the department's worth, and how you can help your company into the new era of strategic data. Who would've ever thought that payroll was the strategic data department? But it truly is.

Robert Gerbin:

Well, it depends. On your point about the passion. I think for me, in my early days when I was a manager, I came across a situation where someone to get paid, because the manager didn't approve time, they unfortunately have paycheck-to-paycheck. If they didn't have money I could've wrote them a check out of my own pocket if I wanted to. I would need to get them the money because I felt bad. But it was at that point that I realized that as a payroll professional I didn't just have a job. I have the obligation to protect people that count on us to run the business. That count on me. And because of that, that's where that passion that, when Max was talking about how we align ourselves with that passion together, is I don't want to let those people down. Yeah, I don't want to let the business down. Of course. But I don't want to let those people down that have families, have kids and-

Max van der Klis-Busink:

Could be your neighbor.

Robert Gerbin:

Yeah.

Nina Talley:

Yes.

Robert Gerbin:

Yeah. And I would always try to seek out and try to find where problems exist where they didn't exist before, or where... because in payroll there's always something out there. It just is. That's part of how complex we do. And I think the point you were saying, it's about that passion and that energy in those leaders and those teams that are about finding them before others. And that goes into governance. It goes into controls, and it starts from the people standpoint of how much they really believe in protecting their fellow employees and making this process the best that it can. I can go off more on that, and so can Max, too, but that's a big part of it.

Max van der Klis-Busink:

I love this. And actually I recently asked on LinkedIn a question. I pivoted something. When people say, "Payroll is the reason why people come to work." Besides all the I belong, purpose, first and foremost people come to work for payroll. But then I asked the question, Nina, why does payroll come to work? Why do we have such passion? And most votes went out to, without me, nobody gets paid. And one of the lowest ones was, I need to get food on my own table. So we put other ones' financial wellbeing far beyond our own personal interest. That's the DNA of a payroll professional. That's just like doctors or other public service people. That's who we are. We want to make sure the rest of the world keeps spinning and gets paid. That's really our intrinsic motivation. That's what we do. That's who we are.

Robert Gerbin:

I was going to say, Max and Nina, I've always said there's a trait of generosity in that of the payroll professional.

Max van der Klis-Busink:

Yes.

Robert Gerbin:

And that's what comes first. I've always believed that.

Nina Talley:

And it is something that I hear repeated over and over, is that payroll professionals who are taking it really seriously, who do have this passion, everybody who seems to recognize the deep responsibility

Robert Gerbin:

Correct.

Max van der Klis-Busink:

Oh, yeah.

Nina Talley:

We all know that currently things are not as economically stable as they have always been, and the pressure is on higher than it ever has been. Now more and more families are paycheck-to-paycheck. And I agree that a vast majority of payroll professionals are reaching with empathy first because they are hearing about these problems. If an employee comes to you and there's a problem with their paycheck and they needed that paycheck today, it's going to be an emotional conversation. And you're the human who is going to try and solve the problem. And what a special and deeply, deeply responsible position to hold in the lives of your colleagues.

Robert Gerbin:

Exactly. Yeah.

Nina Talley:

And touching on the people-first part of things, let's talk about how payroll functions with other arms of business. And how does payroll governance evolve with them, particularly as workforces become more distributed and more digital?

Max van der Klis-Busink:

Wow, that's another great question, Nina. I think, in this day and age, work from anywhere, work anytime, which is great on a logo or on an HR policy or, like one of the companies said on their wall, "Our employees aren't children. They can work from anywhere," which is great, and I think the right thing to do in this day and age, but it does pose a little bit of a payroll challenge over there, Nina, because we do like to stay compliant. We do like to understand where you're actually working. And then we get into the difficult and complex, yet wonderfully complex world of international tax treaties, social security totalization agreements, the EU 883 2004 regulations, teleworking regulations. Yes, the regulators go all crazy on the work from anywhere space.

But I think that part, if I look at my early days in the career, which for me started in 2006, but if I fast-forward to now, that remote work I think is both a blessing for me personally with a young family, but also an increased complexity in the world of global payroll. And if you think about governance, I just always want payroll to be a business enabler and to be an enabler for the business to grow. And if the company policy is to work from anywhere, then my mindset has always been, let's roll up our sleeves. Let's make sure we make it happen. But I did knock on finance and HR's door to say, "Hey, it's great to have these policies, but we would need to secure some level of budget, A, to track where people are. To then assess what their liabilities are and where they are actually socially insured and taxable, because we still wanted to deliver that employee value proposition where people, yes, can remote work, but also not be stopped at the border because there's still a tax bill outstanding.

So let's try to figure out how to balance a way around people, process, sourcing, and technology to then make that happen across the different worlds. So I find it a very interesting topic within global payroll and actually, for us, a moment to shine and be a true business partner to make that happen. But for me, that remote work and work from anywhere is a wonderful new challenge in global payroll. But I don't know, Robert. What are your thoughts?

Robert Gerbin:

Yeah. No, I like it. I think more than anything that I've witnessed or felt over the years is that I've felt like I've become a global business leader that knows a heck a lot about global HR and payroll and tax and so forth. And the two points that I really want to hit with this, because you hit some good points, Max. The first is an end-to-end view of processes. As a payroll person, I don't just look at the payroll process. I try to understand the end-end process. What is a new hire going through? What does that look like from them? What is that experience? How are they feeling to put that data in? How is HR? Where is HR's

controls at? So I understand upstream. If we have a mobility group that we're working with, how well do I know the mobility policies? The practices?

And as I tell my payroll teams as well, also know about compensation or stock or equity. Or how should the data be seen coming out onto the payslip? I think in my early days there was, like, "Well, I really don't know." Or, "Should I care that compensation?" This is how they want to hire people. They're attracting people. But then do I really care what comes out at the end? Well, of course I do. I found out that it was very important to understand that we're... I see payroll as that transmission of taking the compensation approach and executing as effectively as possible to meet all the regulatory constraints.

Same thing with working with mobility partners. It's very complex, and so I want to make sure I understand each element that's on the payslip or each element of how it should be taxed. So my payroll, spidey senses should know if I see something come with the payslip, like, "That should not be a negative." Or, "That should not be a positive." Max, so it's like I got to have that. And that's important because that builds trust with the stakeholders in the governance process. And then I think the last point I want to make is something that I've learned is you want to build relationships with the business partners. I would go out and meet with regional presidents, business leaders of the operations, and I wouldn't talk payroll. I would ask them, what are their challenges? How is the business going? Right?

Nina Talley:

Yes.

Robert Gerbin:

And you'd listen to them and you'd understand what their challenges are. Not ours from payroll perspective at all. But you've built the relationship from them, because that's what you want. They want the payroll person to understand what the challenges are rather than, we think we can solve those problems. Because if you do that, and that's what I've seen in the past, is that the business leaders start to come to you in early phase. Not, "By the way, we found out someone is now in Guatemala. And they've been there for two months and wondering why they're not getting paid." You don't want that, to your point, Max, about unpaid tax bills. But if you have a strategy of talking with those leaders that are leading those businesses and just, every once in a while, check in with them, talk with them and say, "Hey, if there's anything that you need I can help with. But also I just want to know what you're doing and how you're doing so I can understand the businesses and how it's running."

So I think, Nina, for me, when I look at that question and those relationships, end-to-end is very important. And then build relationships outside typical HR, finance, mobility. Look at those business leaders, different verticals of the businesses. Different regions and who those leaders are, and build those relationships.

Max van der Klis-Busink:

I really love the end-to-end part, Robert, and that's sparked an analogy that I've just written down on a piece of paper. What if the end-to-end-

Robert Gerbin:

What did you say? I just inspired Max?

Max van der Klis-Busink:

You did, you did.

Robert Gerbin:

Passionate payroll person? I feel good now. All right.

Max van der Klis-Busink:

You've done, ever since our first meeting, there's like a little bromance we have, Robert.

Robert Gerbin:

Definitely. Yup.

Max van der Klis-Busink:

Imagine the end-to-end process is a tunnel.

Robert Gerbin:

Yeah.

Max van der Klis-Busink:

And at the start of the tunnel sits HR. At the end of the tunnel sits finance. Neither of them can see the other end of the tunnel. The only one who can see both ends of the tunnel is payroll, because we always sit in between them. Therefore, we can help them understand each other and be the liaison and the aorta between the two important functions, and therefore support the business.

Nina Talley:

Payroll is the aorta from HR to finance.

Max van der Klis-Busink:

Exactly.

Robert Gerbin:

Wow. That's deep, Max. I love it.

Nina Talley:

And it's so true. And it's very succinct. Way to go, Max. So happy to have facilitated that.

Robert Gerbin:

It's true. It's such an important part that we're controlling. Not only quality assurance, but the different types of controls. And how does finance want to see the information? How do they want to see headcount? How do they want to see costs per payslip? What are those actual data points that they want to see that we need to take out of the payroll engine? That's caused by upstream decisions by the business or by HR? So it's a very good point to stress, is that we control that information and make sure it's as strong as is possible. Like I said, I shouldn't see a negative or a positive. I should know what that end result so finance feels very comfortable right about the information being passed through, that it's correct.

Nina Talley:

Help celebrate the hardworking global payroll professionals in your organization by participating in the eighth annual Global Payroll Week, April 28th through May 2nd. Global Payroll Week aims to increase the global payroll professional's skill level through education, training, and networking opportunities. PayrollOrg offers many ways for you to participate in Global Payroll Week from celebrating at your

company, participating in exclusive events each day, contests on social media using the hashtag #globalpayweek, or simply weighing in on Getting The World Paid Survey. Visit the PayrollOrg website at payroll.org to get involved. Help PayrollOrg elevate the visibility of the global payroll industry and the outstanding professionals who ensure the world gets paid one paycheck at a time when you participate in Global Payroll Week at the end of this month. Go to payroll.org to learn more. And happy Global Payroll Week, everyone.

Something I wanted to ask the both of you is about building a resilient framework. Obviously none of us really know what the world is going to look like in five years, let alone what our business will look like on a multinational level. But as it currently stands, what do you see are the essential components for a really resilient governance framework that can withstand disruption and also scale with the company?

Max van der Klis-Busink:

I'll defer this one to you, Robert.

Robert Gerbin:

No, because it's a little bit on what we had just spoke about before. But I think one of the most important things that I think about, and I had to learn this through the years, is that governance is just not about having to manage people in different countries. It's not about saying, "Well, I need these people to report to me," to have a strong governance model. That's not true. It's not true at all. But what your job is to do is to make sure that the governance framework, those processes, those controls that you may not be necessarily directly responsible for, but the controls, the policies, the practices, how we lead the quality assurance is where a global payroll professional I think really sits at that, that earns the value to the organization about protecting the governance model of, like Max was saying, that end-to-end. The data that goes from one side to the other.

And it's about leading and optimizing and overseeing the success of any framework. It's not about trying to manage people. I think eventually you gather those individuals or you have them as part of your team, but I think the focus should be on understanding that end-to-end framework. And you're protecting that framework. You're looking outside of just those things about how you're paying people. You got to understand everything from upstream, downstream. And who are those individuals? How does the business impact the different types of compensation programs? The benefit programs, how they should be seen. So you become more of that leader protecting the governance model. And I think, Max, as we learned in the past, the bad data in, bad data out perspective. I think nowadays people expect high payroll accuracy. Maybe back a while ago, it's always about payroll accuracy. Are you at 99.99% or whatever it is? But I think it's expected that you got high pay accuracy and high pay timeliness.

It's about how you run your business now. How effective are you as a business leader overseeing the payroll operations? That's more important. And we can go into a bunch of topics on this on new type of metrics but, again, it's not so much about, "Hey, I got payroll accuracy at very high levels." It's like, "How are you running the business?" How are you overseeing end-to-end? Because there's no more, like, "Well, I don't know. HR does this." No, you need to know how that process works and work with them to make sure the end result is there, because person is not going to be happy. And they're not going to be very understanding when you're saying, "Well, it's not my responsibility that bad data came in." No. We checked it. You all right, Max?

Max van der Klis-Busink:

Yeah. Yeah. Exactly. Yeah. And we used to use the term rubbish in, rubbish out. But I always say, "A professional will never allow rubbish to go out, so let's not use that anymore." So I said, "Rubbish in, non-compliance out." That's how I pivoted the conversation. But maybe also, for the listeners, you hear Robert, and facilitated by the wonderful Nina, Robert and myself talking about governance. But we will

actually do a live session on global payroll structures and governance at the 42nd annual Payroll Congress in Orlando next month, in May. So everyone who hasn't secured a ticket yet, secure it now because then you'll find us live talking about governance. Sorry, Nina, I did need to plug that in.

Nina Talley:

Oh, no. I love the plug. And honestly, I hope that everybody does show up, because we have questions that are not getting asked right now. There is vital information that we don't have time to give you. So everybody, if you can, make sure you head to Orlando this May and soak in the extra payroll governance.

Max van der Klis-Busink:

And it was the 43rd one, Nina.

Nina Talley:

Oh, the 43rd.

Max van der Klis-Busink:

I said 42nd, but 42nd was last year. 43rd is this year. So I correct myself. But be there.

Nina Talley:

Be there. And we hope you were at the 42nd as well.

Max van der Klis-Busink:

Exactly.

Nina Talley:

We hope to see you at the 43rd and talk about memories from the 42nd.

Max van der Klis-Busink:

Yeah.

Nina Talley:

Do you have any thoughts or questions about global payroll governance? We want to hear from you. Join the conversation and send an email to podcasts@payroll.org, or leave us a message on PayrollOrg's Facebook page. Now is the time in our podcast for my absolutely favorite part. We like to call it Payroll Nightmares. And given both of your extensive experience in global payroll, I'm sure you have encountered some governance challenges that have kept you up at night, but I would love to hear them. And truly, the scarier the better. So Robert, would you like to kick it off?

Robert Gerbin:

Thanks for having me go first on that.

Nina Talley:

Yeah. Just dive right in. Dive into the deep end.

Robert Gerbin:

It's going to bring back all those fun times and those nightmares. I think, in relating to the topic here, is I've had situations where I found out that, say a person was doing payroll for a certain country, and they've been handling that payroll for 15 years. They had all the expertise, they had all the knowledge. And either they just left because of personal reasons or we found out for various reasons that they weren't going to give us a lot of time, that they had to leave. And so my nightmares happened a few times. So then again I'm finding out I'm having to go to a certain country. I'm having to try to piece what this person had, all the subject matter expert that they kept within themselves. And so HR, anybody else, or even finance would come to me like, "Hey, Robert, where's the L-72 report?" I have no idea what they're talking about.

So that is a nightmare, when you're sitting there in another country trying to piece payroll together and you don't know what's happening. So for me, I really look at making sure that while I have someone there we do, quickly, documentation. We get documentation on the processes. We take as much time as we need to make sure that we document not just processes but why we do something as well. End-to-end, talk to various stakeholders. Saying, "Okay, you've been getting this X-1 report. Do you really need it?" And someone may go, "I don't even get that anymore. Why do we do it?" But I think that's my nightmare I've I'd had a few times that... I haven't recently, but in the past, Nina, is understanding that payroll is happening and the person that's supposed to do it just left. And I've got no idea where we sit with this, so I have to fix it. So that is definitely one of my past payroll nightmares.

Nina Talley:

I have found that documentation is often the cause of and solution to many of life's nightmares.

Robert Gerbin:

Right.

Nina Talley:

Max, do you have any to share with us?

Max van der Klis-Busink:

I'm still shaking from these nightmares, but this brings back a lot of memories. I might need to go into payroll therapy after this. But I indeed... there's many nightmares to choose from, unfortunately, but the one that comes to mind has a personal touch to it. It was the 27th of October, 2017. I still remember the date. Why? Because almost a year before that my daughter, Fleur, was born. And we were going to celebrate her first birthday on Sunday, the 29th of October. But then things got sour. She got sick, we had to go to the hospital, and she had to stay for a couple of nights. And my wife was staying with her while I was there as well during the day when only one parent could stay. But at the meantime I still had to approve payrolls. Of course, when I finally got home and my wife was with my daughter, and nearly one-year-old and staying there, I had to approve a file that included pensioners. We were still paying pensioners at the time.

Robert Gerbin:

Oh, boy. Yeah.

Max van der Klis-Busink:

It was about 20,000 pensioners. And the only thing my team, who was very supportive to me, said to me, "Max, with our segregation of duties, I.e. the governance topic of today," said, "You need to give the final approval. We've uploaded all the controls for you to review," because I love reviewing controls. So I was

there around 11:00 PM that 26th of October, Thursday night, reviewing all of this. And then I said, "Okay, I'm comfortable with approving this file." So Nina, Robert, I hit approve in the e-banking file. The file disappears. The file is nowhere to be found. Tick-tock, tick-tock. It was midnight. I stayed on, refreshed. Very tired of the day.

Robert Gerbin:

Oh, no.

Max van der Klis-Busink:

Tick-tock. Was 1:00. I'm like, "Where is the file?" And that's putting it nicely in my language. I used different language at the time, as you can imagine.

Robert Gerbin:

Yeah. Yeah.

Max van der Klis-Busink:

And you refresh. And then suddenly the file reappeared. In status: approved.

Robert Gerbin:

That probably cut a couple years off your life, for sure. It would've done for me.

Max van der Klis-Busink:

But here comes the kicker: one of those pensioners, of those 20,000 pensioners was paying, was my father-in-law.

Robert Gerbin:

That makes sure you get it done.

Max van der Klis-Busink:

So you want to make sure for everyone else, but especially for your father-in-law, to get it done, who was about to celebrate the one-year anniversary of his grandchild. So it was all good in the end. But hey, that's a fun nightmare that I will now relive when I go to bed tonight. So thanks so much, Nina, for bringing that one up.

Nina Talley:

You're so welcome. I love making you walk down the darkest corners of your memories.

Robert Gerbin:

I like how you said this, Nina, was your favorite part.

Nina Talley:

It is, it is. You think about all of the different disruptions you have in your life that cause things to just not go well. And I, through PayTalk, have gotten to talk to different professionals at all different stages of the industry. And let me tell you, misery loves company. No matter if you're a CEO or just a payroll clerk, truly it is the great leveler, is all of our nightmares. So thank you so much for sharing them with us. And you brought up payroll therapy. I think that's a whole new podcast idea.

Max van der Klis-Busink:

Oh, we should. Yeah.

Nina Talley:

You just have different guests on and you just talk it out.

Robert Gerbin:

I think we can do that. I think we can do that.

Nina Talley:

We can do that.

Robert Gerbin:

We can bring that on. We can talk with them about it. We can share and say, "Yes, that's happened to us, too."

Nina Talley:

Yes, exactly. It's very validating. And then you can always ask them, "How did that make you feel?"

Robert Gerbin:

Right. Yeah.

Max van der Klis-Busink:

Oh, yeah. How did... yes.

Nina Talley:

Well, we don't like to leave things on a nightmarish note, so I do have one last question for the both of you, and that is, what is the best piece of professional advice you've ever been given, particularly about navigating global payroll challenges, if you have that? Or what is a piece of advice that you wish somebody had given you as you started to navigate this journey into global payroll governance?

Max van der Klis-Busink:

Shall I go first with this one, Robert? You went first with the nightmares. I'll go first with a piece of advice.

Robert Gerbin:

You go first on advice, yeah.

Max van der Klis-Busink:

For me, I've been fortunate that one of my first managers I ever met encouraged me to not be a desktop warrior, which meant, for me, is go out there. Find other people who are in similar situations, similar businesses, similar profession like you. And I started doing that very early in my career. Go to conferences, network with other people. Find people on social media, LinkedIn or wherever. And that has led, for me for the past two decades, to truly enjoy the life of a global payroll professional. And meeting people like Robert for the first time in 2017 in Washington at my first Congress, for instance. And for me

to be active at PayrollOrg has given me tremendous opportunity and professional development. We're the first recipient of the Global Vision Award. I have a nice meretricious service award next to me. And just being very appreciative of all the network connections that I've gained. Because without the insights of others, I would have not been successful up to now in my career.

So I owe it to everyone who was kind enough to share their experience with me. And I hope they've appreciated that I've tried to do the same with them. So my piece of advice to anyone who's listening: get out there. Speak to other people. Try to get their opinions, beyond ChatGPT, beyond what Google can tell you. Get the real payroll stories out there. And that's how you evolve as a professional. So that's my piece of advice to the listeners, Nina.

Nina Talley:

I love that. And Robert, what about you?

Robert Gerbin:

I love that too, Max, especially with the networking and being out with people. There's two things that I typically tell people. The first thing is, look for difficult challenges that no one else wants to take. When I started out as a manager the organization, I was looking how to build common HR policies and practices that aligned with payroll across the world. So something not everybody wants to sign up for, but I took it. I said, "I'll do this. I'll challenge it." Now, I did go home and tell my wife, "I don't know what I just signed up for, but I'm going to do it." And I got involved with the APA at the time and built some relationships with some really exciting and amazing people that I was able to connect with and ask questions. Asked them about, "Hey, how can I do this? How can I do that?" And that was the first of many different things when I realized that there was people that did want to do it. I took those challenges.

And then I became the person. They're like, "Oh, well, Robert did that globally. Okay, well, why don't Robert then lead... we're going to have [inaudible 00:50:27] that's coming into this country. He already set that up. He's probably the perfect person to have them set up the new BBO service in Brazil." And again I go, "Oh my gosh. I got signed up for something that I don't know." But I succeeded and it pushed me where I went. And I tell people there is challenges out there in your organization right now. And it might not be sitting right in front of you. It could be a little to the left, could be a little bit to the right, but you need to look for them and then you'll find them. And you'll find those opportunities which I did. And then the other advice I give people is something that I learned. To be a true subject matter expert, you need to learn something, you need to do it, and you need to teach it.

And so very much to the first part of it. I wanted to learn how to do whatever that was. If it was, okay, I'm coming into a new country. I need to set up a new BPO service. I have to learn it. And then you do it, and you do it over time. You can't just become a global payroll expert by reading material. As Max would say, you got to go out there and do it. And then I think the most important part that I did was then I taught. I got involved with the APA, I did webinars, I was at Congress. And I would learn more as I was preparing for classes. But then after people would ask me questions during the class, after the class, I'm like, "Oh, that's a really good point." And then I would again go back-

Max van der Klis-Busink:

Connect with them. Yep.

Robert Gerbin:

Learn it, connect it. Learn, do, and teach it. And that's what I tell people today. That's where I get today, is really because of those two big topics that I think people take advantage of. If they do, they can see their career to really grow.

Nina Talley:

Well, Max and Robert, thank you both so much for that advice and, honestly, a really wonderful conversation. The world of global payroll governance is really complex but your insights and your stories and advice today have provided absolutely invaluable guidance for our listeners who are navigating these challenges or who might be looking to get into global governance compliance in the future. So thank you both for joining us and for sharing your time. We really appreciate it.

Robert Gerbin:

Yes. Thank you for bringing us through this, but also to everybody who's listening. Max said we look forward to seeing everybody at Congress. Please come with questions. We're a very engaging group, especially for Max and I, so we want to have those questions we can talk through with you. So thank you for participating.

Max van der Klis-Busink:

Exactly. And please join us in celebrating our profession during Global Payroll Week from the 28th of April till the 2nd of May. So join us.

Nina Talley:

Yes, that will be wonderful. And to all of our listeners, again, make sure that you head to the 34th... was that what it was?

Max van der Klis-Busink:

43rd, yep.

Nina Talley:

43rd. I was so close. This is why I don't run the payroll. I run the podcast. But make sure that you come on out and hear all about global governance and compliance. And you never know. You might meet somebody. And in a few years, maybe you'll be running a talk at the next Congress.

Robert Gerbin:

Yes.

Nina Talley:

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

Speaker 1:

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