

WHITE PAPER | AUGUST 2017

Secure electronic payslip generation and employee communication



IPPEX GLOBAL

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MANAGEMENT SUMMARY

Having completed the selection process of a new payroll partner, your organisation will now be faced with the task of preparing to run a successful global payroll implementation. It is a common misconception that the new provider organisation will run and manage the entire process of payroll transition from the existing provision to the new service. IPPEX Global ensures that whichever new provider organisation is selected, a multi channel delivery of payslips and staff communication is achievable. IPPEX Global would like to take this opportunity to present Epayslips, a secure online web portal that offers employers the option of multi-channel payslip delivery via email, SMS and online using desktop, tablet or mobile, as well as pressure seal, large print and even Braille.

IPPEX Global is an independent consultancy with much experience of helping customers manage and deliver global payroll processes. Our investment in Epayslips advanced technology is perfect for global organisations that operate on a variety of financial and HR systems.

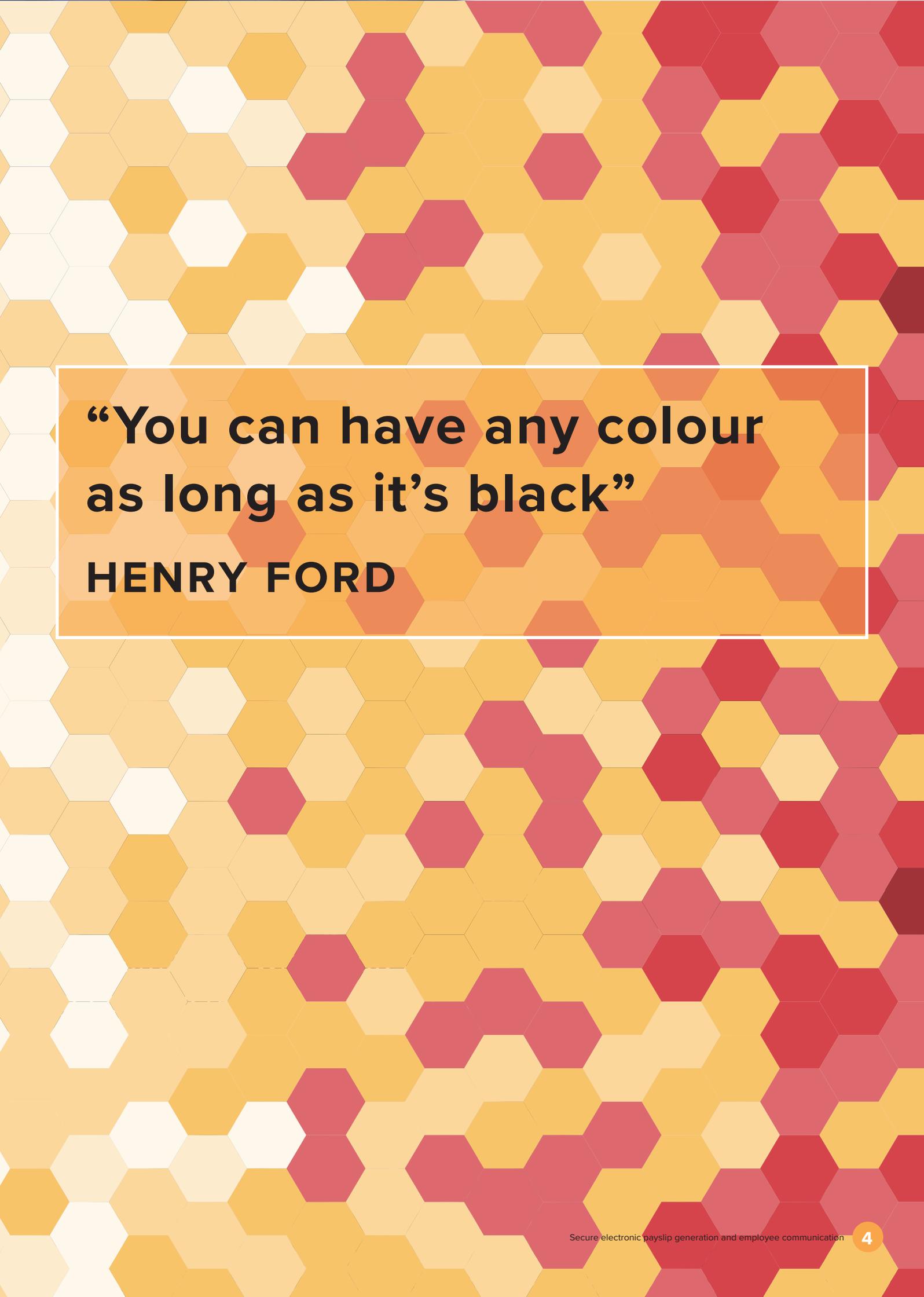
Epayslips is designed to be all-inclusive; because it offers print as well as electronic communication, it does not discriminate against those employees who are unable or unaccustomed to using electronic systems – it even covers Braille. Because this technology allows for both electronic and paper payslips to be generated from one payroll database, it allows for a phased-in introduction of epayslips without neglecting the needs of all employees. It is secure, convenient and cost-effective and is already being used by large FTSE companies across the globe.

But Epayslips is not just about payslips – it is a two-way communication tool with the functionality of a company intranet and an employee self-service facility.

The multi-channel options that Epayslips offers allows both employers and employees to upload and access all payroll-related data at any time, such as Year End Tax statements, past payslips, sickness and holiday forms, as well as documents such as staff handbooks and health & safety information.

When new information is uploaded to the portal, employees will be automatically informed by the system. This streamlines the communication process, reducing the time spent on answering queries and sending emails, as well as cost savings on paper production and postage.

This guide should be used as an introduction to epayslips online portals and our own Epayslips service, detailing how to manage successful global payroll delivery.



**“You can have any colour
as long as it’s black”**

HENRY FORD

DEVELOPED BY PAYROLL PROFESSIONALS FOR PAYROLL PROFESSIONALS

Do you share the old fashion view of efficiency? As Henry Ford famously said, “You can have any colour as long as it’s black”, meaning the efficiency challenge is often addressed by standardisation or reducing choice. This is reflected strongly in many existing software packages. Indeed, our clients tell us that standardised formats of many systems make upgrades and change prohibitively expensive. Our own Epayslips system challenges these assumptions.

Digital maturity has reached a new and higher level; for example in the UK, 85% of 16-54-year-olds own a smartphone with 40% also owning a tablet and a desktop device. Smartphones are by far the most significant. There are currently more than 42 million smartphone users in the UK and with 1.23 million new smartphones sold every fortnight and 4G coverage due to reach 98% of UK homes and businesses before the end of the decade, it’s no surprise that smartphones are the most widely and frequently used internet enabled device.

Email, web and digital communications have become increasingly embedded in our lives since commercialisation of the internet began, yet despite predictions of the paperless office in the early 1970’s, paper is still very much part of our day-to-day life. Rather than eradicating paper, our digital capabilities and confidence in electronic documents have simply changed the way we use paper. Where once the hard copy was the central document, now it’s often more of a backup or a convenient way of viewing a file received electronically. Paper will continue to play an important role but as the vast majority of the population has lived in the internet era for half or more of their working lives and everyone under the age of 37 has only ever worked in the digital age, we will increasingly rely on our smart devices as the conduits through which we manage our lives. More devices and more connectivity means more choice and more expectations. This includes secure online access to payslips and pension data.

PREPARATION

The move towards self-service portals is a major driver of the switch to epayslips and the empowerment of employees.

The biggest driver by far appears to be the move to employee self-service and the overall benefits that this can bring to an organisation.

Portals are the future

Whilst not the only way to deliver epayslips, portals are likely to remain one of the most popular vehicles for doing so and the compulsive nature of the data an epayslip contains means that, in turn, employees may be driven to look at other information in the self-service portal.

Using epayslips for group and/or one-to-one targeted employee communications

Using epayslips for group and/or one-to-one targeted employee communications and pension information has become a regular and measurable feature of our Epayslips portal, as well as providing access to timesheets, Year End Tax statements.

Every interaction can also be tracked, allowing visibility of who, how and when information has been viewed.

The Epayslips portal not only serves as a highly efficient distribution channel, but often results in a significant increase in open rates, with online feedback, voting and other functionalities providing a new two-way dialogue.

Without doubt, the digital environment can help to unleash a power that the humble printed payslip never had.

SECURITY MANAGEMENT

Historically, security has been another factor holding epayslips back, with both employers and employees worried that it is harder to maintain control over digital data than printed matter.

In reality a printed payslip could easily be lost around the office or carelessly left on the desk for all to see. Epayslip providers must do their best to allay security fears and be ready to answer detailed security questionnaires as part of the due diligence in your selection process.

Security checks should include scheduled and unscheduled penetration testing of the platform and security policies should be regularly audited internally and externally.

As well as a commitment to retaining the highest standards of security your epayslip provider should see itself as the “guardian of your personal data” and constantly test, measure and also offer multiple layers of security.

By working with a third party supplier your brand and reputation is at stake, so there is no room for complacency where security is concerned. Security concerns for epayslips are multi-layered and as a service provider in this field, we take every possible precaution to protect against cyber attacks.

Personal Cyber Security

There is one potential security risk that remains a fundamental challenge: how do providers and employers ensure the employee using the service is who they say they are? Despite all the publicity and awareness campaigns surrounding personal cyber security, individuals still leave this to chance.

If stolen or left unattended on a desk, smartphones and tablets used for online banking, shopping and social media potentially compromise an individual’s personal data.

Similarly, there are risks if the user is using an open Wi-Fi service without the latest updated security software on their device. To reduce this risk, the Epayslips app has three login fields and two login stages to access the system.

In addition, when a user registers for the service it has an authentication process that must be completed before being allowed access to the epayslips. An employee would receive a password to access the overall employee self-service system and would then be prompted to enter a one-off passcode, valid for a dictated period of time, to view information such as current and historical payslips. Typically, the employee advises where that passcode should be sent, such as a mobile phone. This additional layer of security helps to dramatically increase the level of security.

CHANGE MANAGEMENT

The demand for epayslips continues to grow and many employees now regularly view their pay information on computers, mobile devices and even games consoles.

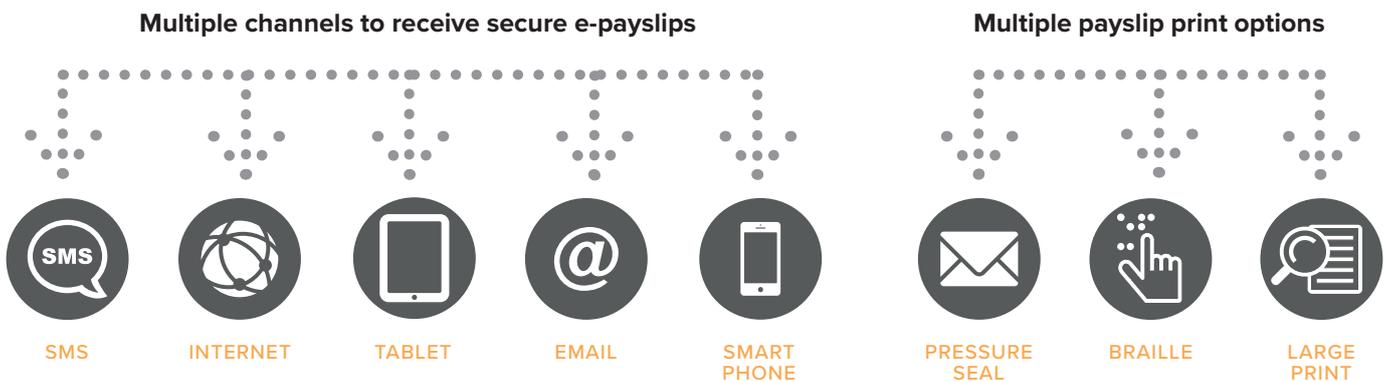
Taking control

It's no longer a novelty for individuals to check their payslip on mobile phones or even smart TVs, and inevitably the desire to access monthly or weekly pay details via a smart watch will duly follow. Cultural resistance used to be highlighted as one of the factors hampering the growth of epayslips but for many young people, details of what they earn is naturally something that should be viewed on a screen rather than paper.

Cultural barriers to electronic payslips are definitely disappearing, In fact, paper payslips will now be considered quite old-fashioned in many industries. Most people shop, bank and manage their bills online and allowing them to receive their payslip electronically is simply keeping up with the way people operate today.

We cannot ignore the convenience of the digital world. With nearly all the providers highlighting an increase in this area of their business, epayslip adoption looks set to continue to rise. The cost-savings are well documented (it is estimated that organisations can save more than 80 per cent on payslip costs by switching), as are the environmental benefits.

The following diagram illustrates the multi-channel digital and print options of Epayslips.



Whether it's a simple rebrand, a technology upgrade to responsiveness, access via mobile and Apps or a need to support multiple language or visual impairment, we have worked with our clients to deliver the most flexible, cost effective payslip distribution model currently on the market.

Epayslips is used by some of our customers to deliver Braille payslips every month.

Times are changing and employees expect to receive pay advice in a form that is convenient to them. With Epayslips, employers now have a cost-efficient software solution that delivers.

CONSULTATION

It is a consultative and flexible attitude towards the switch that yields results, with many payslip providers saying the multi-format approach, which gives individuals choice, proves popular among their client bases.

In truth, paper payslips are a long way from being phased out. While all the talk is of Gen Y and the Millennials, most countries have an ageing workforce. By 2020, more than a third of the working population will be over the age of 50 and a significant amount of these people will remain more comfortable with printed slips. Some of those businesses with a high proportion of blue-collar workers can experience resistance to making the move to epayslips.

Whilst paper has to remain an option, a desire to access communications from an organisation on mobile devices is one of the biggest drivers of epayslip growth. Organisations need to consider how adaptive their epayslip solution is to mobile, whether they are considering epayslips or have already implemented it.

IPPEX Global has seen slower “initial adoption” among highly unionised businesses, particularly where the shop floor-distributed printed payslip culture remains strong. However, working closely with trade unions has resulted in many of these businesses moving to epayslips.

The IPPEX Global epayslip format was introduced in 2010, having been initially developed for and with two existing FTSE 100 hardcopy payslip customers. Since then, the companies have seen 100 per cent of their payslip customers adopt epayslips as part of their multi-format offering to employees, with high levels of early adoption followed by steady migration from paper to digital. Our clients receive better take-up rates when they choose a multi-channel approach.

PRODUCT OVERVIEW

Epayslips is a secure online web portal that offers employers multi-channel options for the generation and delivery of payslip and employment-related information to their staff.

In the past, this flexibility could only be achieved by overhauling or outsourcing payroll systems, but the advanced technology developed by Epayslips has changed all that.

Epayslips works with all established payroll software and there is no need to install any new software. It is a bespoke web portal that is designed to integrate seamlessly into employers' existing systems.

Like a chameleon, you can't spot Epayslips in operation – it simply works as an extension of the company's existing systems, with an identical appearance.

Epayslips' multi-channel options offer a raft of innovative features:

- Generate payslips from a combined variety of financial and HR systems
- Produce a whole or partial pressure sealed payslip run for delivery to your head office, site or employee home address
- Phase in epayslips across your workforce through an employee opt-in process
- Produce payslips as pressure seal, Braille or large print
- Produce epayslips via SMS, internet, tablet, email or smartphone app
- Create electronic and printed payslips that are identical in appearance
- Upload Year End Tax statements or pension statements
- Notify sick days, holidays or a change of personal details
- Display timesheets for staff on variable contracts
- Distribute targeted communication campaigns to your staff

ADDED VALUE

Organisations should also consider how they can add value to the employer/employee relationship. Employers are already using epayslip portals as a way to communicate more information to employees such as total reward statement data which can illustrate the overall value of the benefits that an individual receives, from basic pay to allowances, pension benefits and holiday entitlement.

Providers also see epayslips as a way to better educate employees on areas such as their tax code and what net pay means. Payday is an opportunity to get an employee's full attention, but it has to be relevant. When an employee looks at their payslip their mind is on their money. It is the perfect opportunity to introduce ways to make that net pay amount on their payslip go further, such as encouraging them to check they are on the right tax code, by giving all the information and resources they need to take action at the click of a button. You can deliver information you simply can't fit onto a printed payslip.

Other examples of messaging could include, "Have you read the recent changes to the company handbook? Don't forget to check out the benefits of our employee wellbeing policy being introduced early next month", for example.

Where payslips are accessed via a payroll portal, this gives additional scope for value.

Employee choice and secure 24/7 access to personal pay information in any format and via any device should be standard practice in today's digitally connected world. The reality is that epayslip integration can be simple, seamless and secure, with a range of benefits that are felt across payroll, finance, HR and internal communications.

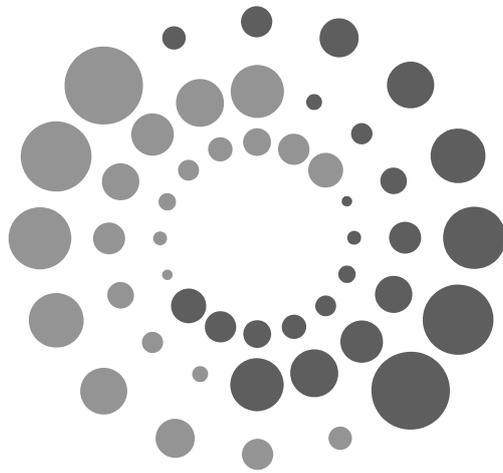
IPPEX Global

With a wealth of operational experience serving Fortune 500 businesses through to small multinational organisations, IPPEX Global delivers technology, independent consulting and payroll services to businesses with global payroll portfolios. It helps business to manage, own and deliver global payroll, utilising industry best practice and the IPPEX Cloud platform. In addition to IPPEX Cloud, services include pre-procurement and procurement consultancy, project management, process improvement, data security and GDPR readiness. Where clients require payroll services, IPPEX Global has a delivery partnership with a global payroll and accounting network.

www.ippexglobal.com

www.ippexcloud.com

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