

## Using payroll to keep employees inspired and engaged

The payroll professional has access to a vast repository of knowledge that can fundamentally change how employees engage with their income and the organisation.

While the payroll expert may innately understand how tax, medical aid and budgets fluctuate, for the employee this can be a number-filled minefield that makes little sense. By sharing knowledge and insight, the payroll practitioner could transform how employees feel valued by their organisation.

“People’s crises are often financial,” explains Cathie Webb, executive at the South African Payroll Association (SAPA). “They want to know why medical has gone up by 10% when their salary has only risen by a consumer price index related 5%, how to balance their budget, and how taxes impact on their finances.

Not all employees understand why they are taxed, who is responsible for the rules around taxation, and what impact this has on their daily lives. Payroll should take on the role of educating and supporting employees, providing them with insight into new regulations and price hikes and how these will affect them in the future.”

By using foresight and planning, payroll can deliver relevant and timely advice to employees. Not when the changes hit, but in advance so everyone has time to prepare.

### **Proactive payroll pays off**

“Share your knowledge through group sessions where you educate and inform people, not just one on one sessions that eat into your time,” adds Webb. “Use events such as National Payroll Week (every September!) to let people know what you do and why your expertise is invaluable.”

Many payroll practitioners find the idea of preparing regular training sessions outside their comfort zone, but these can really make a difference in how they engage with employees. In instances where the organisation is spread out across various branches, often those in the outlying areas have no idea what is going on. This is where payroll can shine.

“Payroll is the business internal shop window,” says Webb. “The information that comes out of payroll tells people a lot about how much the business cares about them. By proactively disseminating information from head office, payroll can show employees how much their needs are valued.”

If employees are battling with savings or budgets, perhaps introduce a savings scheme which they can access in December or when their main school fees are due. It’s an easy thing for payroll to do and it adds so much value. Another idea could be to implement a solution such as a debit card that doesn’t need each employee to FICA, but allows them to keep their cash secure.

“Look at how you are presenting your pay information to your employees as your payslip alone can add inordinate value,” says Webb. “Don’t have employees wait a week after payday to receive their payslip. Consider sending an SMS to let them know they have been paid. Ensure that people are paid at the same time every month – it’s unfair to shift dates and times when they are relying on their funds.”

It says a lot about a company if its staff aren’t paid promptly or regularly. Things can go wrong, though, and if they do, payroll can be the light that shines on the problem, giving people plenty of warning, explaining what has happened and giving clear timing as to when it will be resolved. Communication around payment failures is crucial and payroll should lead the charge.

“Finally, it is worth giving the ideas employees bring to payroll some thought, and proactively approaching management if they have value. Remember that a small thing can make a big difference to employees and their morale,” concludes Webb.

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