

Cloud is the future of payroll

Cloud technologies are becoming more popular than ever before, with research from RightScale revealing that some 94% of organisations are using the cloud in some capacity within their businesses.



Sandra Crous, managing director of PaySpace

“This is seeing many businesses adopting a strategy where they consider operating a process, workflow, or similar in the cloud before looking at on-premise alternatives,” says Sandra Crous, managing director of cloud-based payroll and human capital management software, PaySpace.

She says they are doing this to take advantage of the many benefits that cloud offers, such as cost efficiencies, streamlined operations, and automatic updates among many others.

“*“A cloud strategy has the potential to save a lot of time and money for businesses, and nowhere is this truer than with payroll and HR solutions.”*”

There are many benefits of going the cloud route, adds Crous.

“Firstly, the need for less hardware. Going the cloud route means that corporates have to spend far less on maintaining legacy hardware and infrastructure, and the space needed to house it all. Maintenance costs are built into service provider contracts, eliminating the need for in-house support staff in the event that something goes wrong.”

In addition, businesses don't need to worry about the technology, as they will automatically have access to the latest and best software, without having to physically install it, or worry about the ongoing maintenance and upgrades needed to keep it up to date, because these are done regularly and automatically, says Crous.

There is no large capital outlay, she explains. "With any 'pay-as-you-use' model, companies can benefit from economies of scale, as pricing is flexible, with packages to suit companies of every size. There is also far greater flexibility, as businesses can instantly scale up or down according to their needs, with no manual intervention. And with an increasingly mobile workforce, having a cloud solution enables employees to work more easily on the go. As long as they have an internet connection and a mobile device they can work from anywhere, at any time."

Keeping track of records

Most cloud-based payroll software solutions, for example, will also calculate the correct amount each employee should be paid, and helps keep track of each staff member's work records, including leave, benefits, taxes and overtime which not only saves a lot of payroll processing time by removing the need for manual input, it also offers real-time information for the business.

However, Crous says perhaps the most compelling benefits, are the increased security and compliance that cloud solutions can offer. "Automatic software upgrades mean that your provider takes care of installing security updates, which means that remaining secure is hassle-free."

In terms of compliance, she says keeping up to date with staff contract changes, as well as governance can be a very onerous task because payroll and HR processing is complex and governed by numerous sets of regulations at different levels. "This complexity is increased when a business has offices all over the world, but a good cloud solution will automatically update information concerning new regulations, and ensure your business remains compliant at all times, and in all of its offices."

This is particularly important when you are dealing with personal data, such as payroll information, she says. "Loss or theft of this data could result in hefty fines being levied against your organisation, not to mention a loss of customer confidence which can prove to be catastrophic."

"Take a look at PaySpace's cloud-based payroll and HR solution. Usually, when you buy a payroll or HR package, it needs to be configured from scratch. It is like a book with blank pages, all your data needs to be captured, and all your settings configured to ensure your business remains compliant. However, PaySpace takes all the information and configures the earnings, deductions such as UIF, and handles compliance in the background, ensuring not only a seamless start but taking the hassle out of ensuring your business remains fully compliant." concludes Crous.