



Smart Solutions Tame Payroll Complexity

Always a fundamental responsibility for employers, payroll has played an even more important role for SMBs during the COVID-19 pandemic

Even before the COVID-19 pandemic hit, HR trends such as remote work and employee self-service were gradually infiltrating the workplace and creating additional payroll complexity for small and midsize businesses (SMBs). The pandemic has not only accelerated those trends, it's thrown entirely new challenges into the mix.

"The pandemic has hit SMB employers especially hard because their budgets, staff, and technological resources are more limited than those of larger employers," says attorney Rena Pirsos, legal editor at XpertHR, a compliance consulting firm. "The impacts are many and interrelated."

A June 2020 Paychex® survey found that 52 percent of SMBs plan to allow or require employees to work remotely, and 41 percent see more flexible work schedules becoming a permanent part of the employment landscape. The trend toward mobile HR technology to enable employee self-service also picked up speed this year, with 46 percent of SMBs planning to lean on technology to support more remote work.

In the midst of these changes, the pandemic triggered a more existential

challenge for some businesses: How would they meet payroll? The government stepped in with stimulus programs like the Paycheck Protection Program (PPP), but many SMBs struggled with the application process and turned to their payroll services providers for help.

Once-in-a-century situation

"Although there hasn't been a situation like this in a century, Paychex was prepared to adapt and respond to the needs of our clients and partners," says Tom Hammond, Paychex vice president of corporate strategy and product management. "We quickly upgraded Paychex Flex® to provide our clients with the tools they need to navigate the impacts of COVID-19, including the PPP loan process, extensive legislation for tax credits and family leave, tools to support a distributed workforce, and a comprehensive PPP loan forgiveness estimator."

Paychex provided more than a half-million clients the information needed to apply for funding to help them stay in business and retain their workers. Its custom PPP reports helped clients secure more than \$28 billion in loans. Paychex also developed a loan forgiveness estimator tool that can generate signature-ready SBA loan forgiveness applications for Paychex Flex clients.

Pandemic aside, payroll is a fundamental responsibility for any business owner. Failing to meet payroll obligations as required and on time leaves a business vulnerable to hefty federal and/or state penalties and fines, and the rules are constantly changing. What's more, disruption to timely and accurate distribution of paychecks for any reason can decimate employee morale and hamstring future recruiting efforts.

In today's environment, SMBs need direct access to technology and the ability to make changes on the go. Employees—often adjusting to a remote work environment while dealing with the added stress of home and family responsibilities—are looking for more information, guidance, and support options from their employers. Owners and managers need insights that can help with budgeting and employee performance management. Direct access to the right tech solves both problems.

The pandemic made it clear that the role of payroll and HR solutions providers has evolved to a critical business relationship for SMBs, says Hammond. Throughout the COVID-19

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-Tom Hammond, vice president of corporate strategy and product management, Paychex

pandemic, Paychex clients have had access to tools, resources, and live support to help them navigate the crisis. "When choosing a vendor, it's crucial that SMBs look for one that provides access to real people, data, technology, and resources to help support and drive business outcomes," he says. ■

The New Normal: Creating a Robust Virtual Workplace



We understand that many businesses are going through unprecedented times, and we wanted to let you know we are here to support you. As you navigate the “new normal” of the COVID-19 pandemic, it’s important that you deliver consistent work product, manage teams, and keep employees motivated.

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