

'10 questions to ask a payroll outsourcing service'

Why should I outsource my payroll?

There are usually three reasons why you may consider outsourcing your payroll:

1. You are frightened of making mistakes with your employees pays. With all the detail, it's easy to overlook something.
2. You are sick of payroll taking time and resources away from your 'core business'.
3. With all the government legislation changes you would like to have somebody who is 'up on these things' to share the load.

According to the Australian Payroll Association 2015 Payroll Benchmarking Study:

"Approximately 28% of employers outsourced their payroll to a third party rather than having the process managed in-house, based on survey results.

At all employer sizes, the cost of outsourcing was less than the cost of providing payroll services in-house."

How do I choose who to outsource my payroll to?

The hard part is deciding who should handle your payroll.

If you get a referral from a trusted business associate then the decision is easy. If you don't, then all you've got is good old 'Google' to guide you. [This is the reason for this checklist of questions to ask each of the payroll firms in your list.]

What choices do I have?

You have three choices at this point:

1. Fill in the quote request form on a website and hope that by comparing prices you can determine a suitable service to use. You probably know that 'price' is not really your highest need at this point.
2. Make a phone call and see if somebody answers (some won't you know - it's a wonder why they bother advertising for your business in the first place!) or
3. Give up and go back to doing your pays 'in-house'. You have then decided, to put up with the fear of possibly making mistakes with people's livelihood and the time it takes you away from your 'core business'.

Well, how then, can I compare payroll outsourcing companies?

Here is a list of key questions to ask, that will give you an understanding of how you and your staff will be treated, were you to go with a particular payroll service:

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	Name of payroll outsourcing provider -	Name of payroll outsourcing provider -	Name of payroll outsourcing provider -
Question to ask			Advance Payroll Services Pty Limited
Do you outsource any of your service outside Australia?			All of our services are run through our National Office in Parramatta.
Does your payroll system handle costing / cost centres?			Yes – we custom make payroll cost centres to suit your business needs.
As our business changes and grows, is your payroll flexible to handle this?			We want your business to grow! Yes, our payroll system can adapt to any business changes.
Do you provide us with <u>one person</u> to handle our business needs or do I have to deal with different departments for different queries?			Yes, you will have a relationship with <u>one person only</u> . They handle everything to do with your business payroll and superannuation.
Do you charge extra for calculating and processing terminations?			No extra charges for terminations.
Is there an additional charge for adding a new employee?			No extra charge for adding a new employee.
We sometimes make unexpected changes to the payroll after the 'cut off' time. Are there extra charges?			No, no extra charges. Last minute things happen. All of us are still only human. We aim to get the changes made in time for the employee to be correctly paid.
Do you provide a 'live'			Yes every level of

<p>system of leave tracking - all types of leave? Can I look it up when I need it?</p>			<p>employee is authorised (by you) to have on-line access to accrued leave balances and leave taken.</p>
<p>Do you have a facility for staff to repay 'staff loans'? Does it cut out when the debt is repayed?</p>			<p>Yes, we set up the repayment plan you and the employee have agreed upon, then it finishes when the debt is paid in full.</p>
<p>Do you notify us if staff are going into approved 'negative leave'?</p>			<p>This will only happen if you approve negative leave. We report regularly on 'new starters', 'terminations', approved salary changes and those going into 'negative leave'.</p>

Any other questions you need answers for?