The **2023** Irish Payroll Report

With thanks to all of the Payroll Professionals across Ireland who contributed to the survey - go raibh maith agaibh

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Foreword

Our inaugural Irish Payroll Report has been compiled with the help of Payroll Professionals throughout Ireland. Those surveyed are responsible for paying 295,008 employees.

Over the last 2 years, there has been significant upheaval and change for the Payroll community. With countless versions of Government support schemes to understand and implement, it has been remarkable to see the agility of the Payroll community, together with their willingness and ability to adapt to these new challenges.

This report intends to shine a light on the industry, to uncover some of the trends and challenges that the Payroll community are facing, and perhaps to open up a conversation around the key topics that Payroll Professionals feel passionately about.
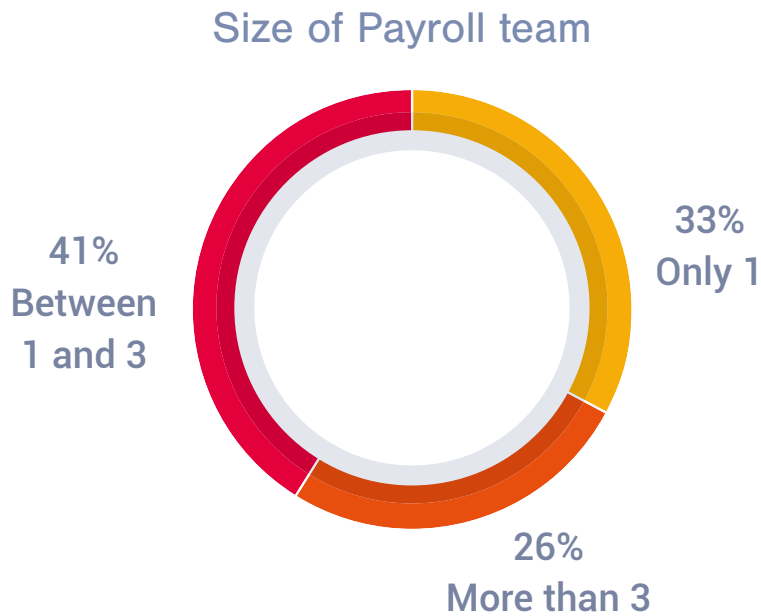
Section 1:

The Irish Payroll industry

Size of Payroll Team

The trend among Irish companies is to have small Payroll teams/ departments. The figures here reflect that, with **74% of Payroll teams consisting of 3 people or less.**

Size of Payroll team

33%
Only 1

41%
Between
1 and 3

26%
More than 3

People paid

60%	22%	18%
<1,000	1,000 – 3,000	> 3,000

0   10   20   30   40   50   60   70   80   90   100

Payroll Focus

On average only **65% of the role is purely dedicated towards Payroll activities.**

65%
Of the role is dedicated to Payroll

In-House or Outsourced?

We asked respondents whether their Payroll was managed in-house or outsourced.

85%
Manage their Payroll in-house

15%
Full or partially outsource Payroll

Department Breakdown

63%
Have Payroll sitting within the finance department

24% in HR

13% in other

PAYE Modernisation

One recent change in the Payroll industry has been the implementation of PAYE modernisation; essentially realtime reporting that ensures Revenue, employers, and employees have the most accurate, up-to-date information relating to pay and statutory Payroll deductions. Its impact on the Payroll industry has been profound, and Payroll Professionals across the country have been overwhelmingly positive about its introduction.

77%
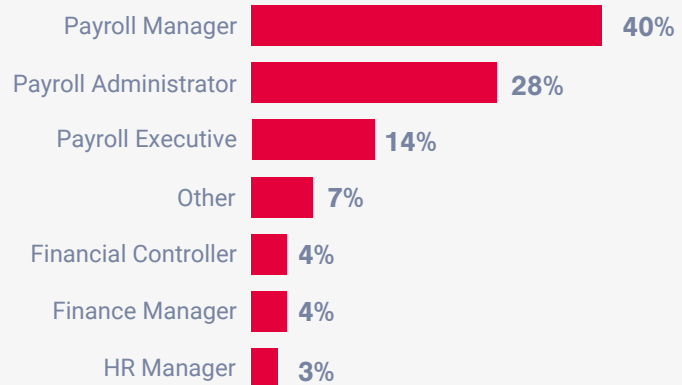State that PAYE modernisation has made their lives easier!

Section 2:

Irish Payroll Professionals

Job Description

We asked respondents to pick the job title which best describes their role. The vast majority (81%) have "Payroll" in their job title, with only 10% saying their job title is non-finance related (3% HR, 7% "other").

| Job Title	Percentage
Payroll Manager	40%
Payroll Administrator	28%
Payroll Executive	14%
Other	7%
Financial Controller	4%
Finance Manager	4%
HR Manager	3%

Payroll Qualification

In terms of qualifications it is clear that Payroll Professionals in Ireland are a well qualified group.

IPASS has proved to be the most popular Payroll training provider in the country with **65% stating that they possess a qualification from IPASS.**
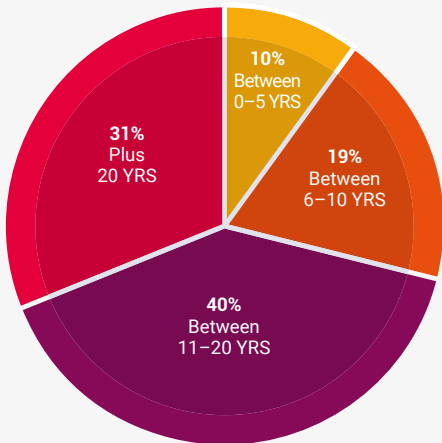
76%

Hold some kind of Payroll qualification

- 7% CIPP Qualification
- 14% Other
- 24% None
- 65% IPASS Qualification

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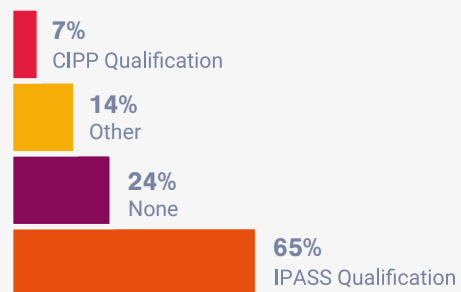
Years of Experience

Not only is the Irish Payroll industry very well qualified, they are also a highly experienced bunch!

10%
Between 0–5 YRS

19%
Between 6–10 YRS

31%
Plus 20 YRS

40%
Between 11–20 YRS

71%
Of our survey said they have been working in the industry for over 10 years

1 in 3
Payroll Professionals have been in the job for over 20 years

93%
★ ★ ★ ★ ★
Of respondents say they find working in Payroll satisfying and enjoyable!

Salary

| <€40,000	<€40,001 -€50,000	€50,001 -€60,000	<€60,000 +
16%	30%	26%	28%

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Section 3:

Information Security

Data security and privacy concerns are to the forefront of the Payroll professional's mind with many high-profile ransomware and data losses occurring over the last twelve months due to failures in information security and data privacy protocols.

GDPR: where is your Payroll data stored?
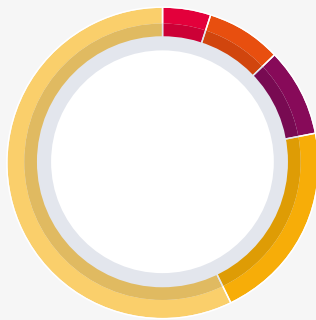
- 5% Don't know
- 8% Local computer
- 9% Unknown data centre
- 21% Known data centre
- 57% Local server

14%
Do not know where their data is stored

Cybercrime

With cybercrime becoming an increasing concern, it comes as no surprise to learn that **67% of people who answered the survey have been targeted in some way.**

26%

Have been targeted by "phishing" scams

31%

Have received correspondence from people impersonating employees

Protecting Against Threats

A clearly defined "Disaster Recovery Plan" is important for companies to possess. This plan should outline the steps the company would take in the event of a breach or loss of data.

Recent high profile attacks on Payroll data have thrust the issue into the public consciousness, and companies must ensure they are doing all they can to prevent such breaches occurring.

66.6%

Of Irish companies do not have a formalised, documented disaster recovery plan in place

37%

Of companies do not have an effective plan in place should the Payroll team become unavailable

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Section 4:

The Employee Experience

Reliability and trust are two of the most important aspects when it comes to Payroll. An employee is essentially the "customer" of the Payroll department, and like all customers they should be provided with the best possible service.

Employees need to be able to trust their Payroll department completely, and that trust is built by being reliable and responsive to their needs.

Errors and Issues

Less than 0.04%

Incorrectly issued payslips in the last 6 months

While perfection is always the goal, these figures suggest excellent efficiency given that we saw earlier in the report that 40% of survey respondents are issuing over 1,000 payslips in every pay run.

Payroll errors have substantially reduced over the years as automation and interface to both upstream and downstream systems have made the overall process more accurate.

Interfaces have largely consigned key input errors to the past with data flowing from HR and T&A systems directly into Payroll. Additionally, the Payroll person no longer has the unenviable task of interpreting handwriting on a new starter form.

99.92%

Payroll processing accuracy in the last 6 months

More than just Payslips

The figures here show that 43% of the reasons for contacting Payroll departments are to do with queries around payslips. But a Payroll department is about so much more than that, and often becomes the first port of call for employees requesting information about taxation, holidays and queries around salary.

Self-service platforms and apps have eased the burden significantly on Payroll departments, empowering employees to solve issues for themselves. This frees up Payroll and HR departments to deal with the more complex issues, and ultimately provide a better experience for employees.

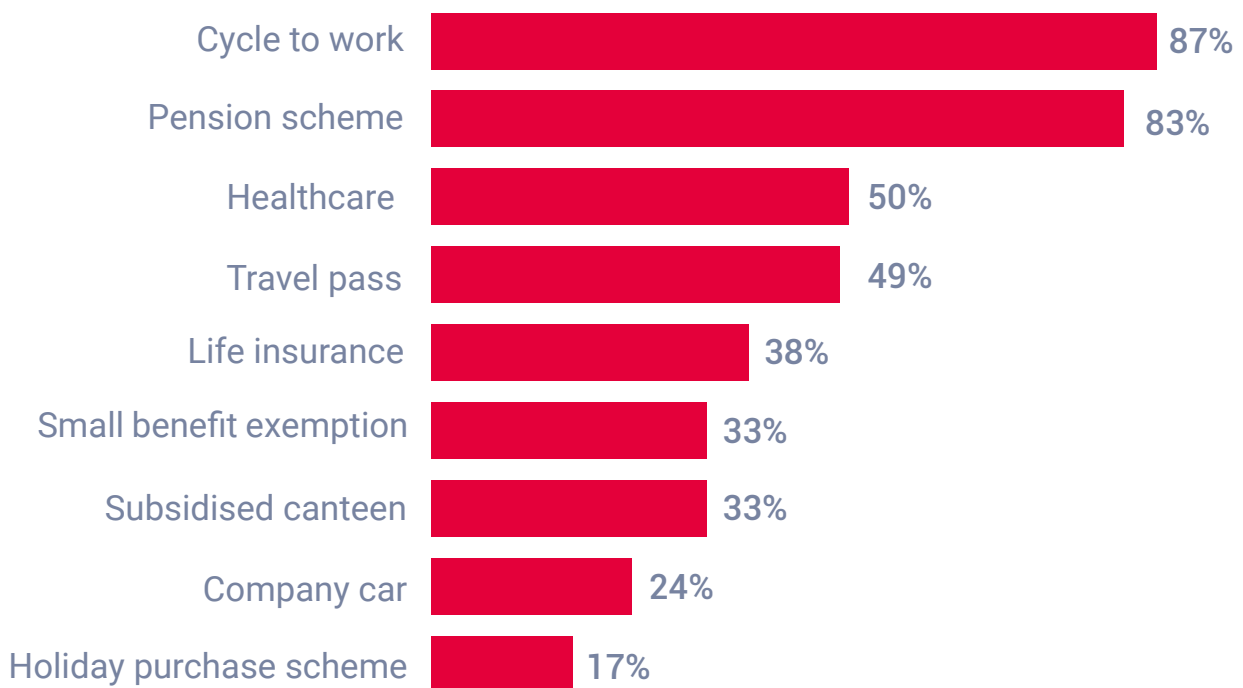## Top reasons people contact your Payroll Team

- Help to understand their payslip   23%
- Question about emergency tax   12%
- Salary confirmation letter   12%
- Lost password for email/e-payslip   10%
- To request copy of previous payslips   10%
- Holiday balance check   7%
- Changing a voluntary deduction   4%
- To find out employer registration number   4%
- Update contact details   3%
- GDPR subject access request   1%
- Other   14%

Company Benefits

Payroll departments also often hold responsibility for administering company benefits, of which there can be many.

One notable figure from the table is the low number of companies availing of the "small benefit exemption", which allows employers to give employees a small benefit of up to €500 in value, tax free, every year.

Benefit	Percentage
Cycle to work	87%
Pension scheme	83%
Healthcare	50%
Travel pass	49%
Life insurance	38%
Small benefit exemption	33%
Subsidised canteen	33%
Company car	24%
Holiday purchase scheme	17%

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Section 5:

Covid-19 Impact

The COVID-19 pandemic has impacted almost every aspect of our lives, fundamentally changing the world in which we live.

It represented an enormous challenge for Payroll Professionals in navigating, understanding and implementing all the various Government support schemes.

Paper Payslips

Our survey reflects the impact we can all see and feel, when we consider paper payslip usage before and after March 2020.

Before March 2020:	After March 2020:	
10%	**5%**	**50%**
Using paper payslips	Using paper payslips	Reduction in paper payslip usage

Remote Working

Figures from the CSO Labour Force Survey, published in July 2021, show that while the figure had been growing steadily since 2016, only :

- 8.8% of people said that they were "usually working at home" as of Q12020.
- 18% said they will continue to work full-time from home.
- 63% will adopt a hybrid model once pandemic restrictions ease.

18%

Of Payroll staff will continue to work full-time from home

63%

Of Payroll staff are adopting a hybrid working model

Section 6:

Looking to the Future

To provide the best possible service and experience for employees, it is crucial that Payroll departments keep abreast of the latest developments in terms of regulations and legislation.

Gender pay gap

The Gender Pay Gap Information Act 2021, which was enacted in 2021 and likely to come into effect during 2022, will oblige employers to report on the gender pay gap in their organisation.

On a phased basis, it will oblige all employers with more than 50 employees to follow the new gender pay gap reporting requirements.

46%

Are unaware of upcoming gender pay gap requirements

Statutory sick pay

This new legislation will give all employees the right to paid sick leave and will be phased in over a four-year period. It is expected to commence with three days in 2022, rising to five days in 2023, seven days in 2024 and ten days in 2025.

16%

Unaware of critical legislation around statutory sick pay
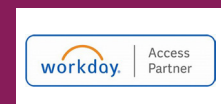
Summary

Payroll continues to experience great change as an industry, with technology, legislation, and social trends impacting from all directions. While the COVID-19 pandemic has accelerated some of these changes, it would be fair to say that it has not swayed the industry in a different direction.

Payroll departments are at the centre of this change, and have shown admirable adaptability and resilience in continuing to provide an exceptionally high level of service during an incredibly challenging time. Those Payroll Professionals who embrace the automation that new technologies provide will benefit from a simplified and streamlined workflow, allowing them to place more focus and emphasis on the bespoke side of their role.

Working in Payroll has been shown to be an enjoyable and challenging career, and the Professionals who have chosen this path have demonstrated a willingness to adapt and grow, and it is their love of what they do which will help to shape the Payroll world of the future.