

Speaker 1:

Welcome to PayTalk, the podcast for payroll professionals, with your host, Nina Talley. In the podcast, we explore the human side of payroll by speaking with global industry leaders who provide their unique insights to help listeners better understand the issues important to them and their careers.

Nina Talley:

Hey, everyone, thanks for joining us for PayTalk, the podcast that brings you payroll's human side. I'm your host, Nina Talley. And today, we're joined by Pete Tiliakos, director, principal analyst and HR practice lead at ISG. As an analyst who closely follows and studies the market of HR technology and services, I can't think of anyone better to join us for our final episode of 2021 than Pete. And today, we're going to be talking about one of my very, very favorite topics, which is the intersection of payroll and technology, and specifically, how technologies are primed to impact the lives of payroll practitioners themselves over the next year or so.

Pete, can you give our listeners a bit of your background and your experience and expertise?

Pete Tiliakos:

Yeah, absolutely. As you mentioned, I'm Pete Tiliakos, I'm the director and principal analyst for ISG, and I lead their HR research practice. And my background has been really around HR outsourcing and shared services for my full career. I started out as a payroll practitioner, later became a consultant, and ultimately, an industry analyst where I get to really just take a look at and see, and work with the vendors that are shaping the future of work, and certainly, the future of payroll.

Nina Talley:

That is so interesting in that you definitely have your fingers on the pulse of what's happening in payroll technology. And I'm just very excited to dive into this with you. Something that I've noticed is that with the recent growth of technology adoption in the payroll space, we've also started to see an influx in the ability of employees and payroll professionals in particular to take joint ownership over the experience in the workplace. And I'm really looking forward to discussing not just how this will impact employers, but how our listeners can leverage some of the technologies we're going to be talking about, not just to make their own lives easier, but to improve transparency and trust with their colleagues and throughout the workplace.

So let's dive in. Over past several months, the pandemic along with multiple other factors have created a lot of disruption for business, and certainly for employees. What trends are driving this disruption? And why has the employee experience and the future of work become such an important topic?

Pete Tiliakos:

Yeah, that's a great question. I'd say in one word, wow. We've all gone through a lot. A lot's been thrown at employers and employees over the past several months. And it's truly been one of the more, probably the most, disrupted times in history that I can certainly think of. But I do think that in all of that, all of this change in disruption, that there has certainly been a silver lining as well. A lot of factors are at play. First, technology, it was already disrupting the workplace pre pandemic and setting the course for what we've been calling the future of work for a long time.

The internet, cloud computing, mobile technology, and certainly just the on-demand trend of the way that we're living and the way it's shaping our lives and the workplace has been coming about for

some time now. And that's been certainly creating a lot of new dynamics for both the employee and the employer to address. So I think pre pandemic, we also were already operating with a talent shortage. There were more job openings than there were skilled workers available to do that work. And so the skills gap and certainly the war for talent is something that we heard a lot and we continue to hear as a major obstacle from most organizations.

And then post pandemic, you had this awakening, if you will. I know a lot of employees took a step back and started to question the old way of doing things and saying, "Do I really need to go into an office to do my work anymore? And if not, do I necessarily need to live near where I work, or can I just maybe live closer to my family or friends or some location that I would prefer to live in?" You even have at some saying, "Do I even need to work for a traditional employer at all? Maybe I'd be happier in a less stressful role in a less stressful environment, maybe with more flexibility and maybe I can work gig to gig, so to speak, and gain more autonomy and flexibility over the quality of life."

You add that to the impacts of just a greater awareness for social issues and certain challenges that are out in the more marketplace. Employees are becoming much more choosy about the brands that they're willing to work for and the conditions that they'll tolerate. And all that's happening globally. And then you couple it too with the fact that there's a lot of government support programs that are meant to help workers and employers get back on track. And all of this has created, I think, a real perfect storm of a shortage of talent available in the marketplace.

And that means that employers are needing to get much more creative and much more competitive in how they engage and retain talent. And so you fast forward to today, and competing for talent, the talent that is available, employers have to really be doing something to differentiate, and that starts with the employee experience. And that must align to the future of work, and fundamentally, only having a great experience now has become table stakes for attracting employees. I talk to some of my younger age children and they wouldn't take an employer even serious if they didn't have a mobile app, just like we probably wouldn't want to apply if there was no website.

So I think all of that demand and capability, if you will, has met the moment to where employees are looking for an inclusive supportive environment, they're looking for meaningful work, they're looking for something that's personalized and flexible to meet their needs and their aspirations. And really, that experience needs to also empower them to own their data and own their career paths. And so the employee experiences, what I'm getting at really is that it's more than technology. Certainly, technology facilitates that meaningful work and empowers employees and gives them the tools and resources to be successful. But it really requires a positive environment, like I said, a very inclusive environment, one that meets the employee where they're trying to head, meets their goals, meets their needs.

So I think you go back to my original point, I think this silver lining in all of this is that we're seeing a lot more digital adoption, a lot more transformational activities going on in the workplace to really bring about that employee experience that is very tech forward, but also provides meaningful work, provides the personalization and the flexibility that the employees are looking for, and fundamentally, gives them a greater connection to the work itself and the employer for the long term, hopefully.

Nina Talley:

And you brought up a great point in that even before the pandemic, even before this period that we're in right now, there was already a war for talent, and it didn't get any better. Now, we're experiencing what is called the great resignation and employers absolutely have to get creative in, not just their use of technologies, but the workplace experience. And you have to begin offering those things if you want

to attract that talent. And I think that technology is an excellent place to show that you're thinking forward, you're trying to be inclusive to the employee experience, and you're trying to improve their lives.

You had mentioned digital innovation reshaping the employee experience and the future way of working, but what are some examples of innovations that you're seeing now? And how should employers be thinking about these solutions when investing and leveraging those in their businesses?

Pete Tiliakos:

You bring up a great point about investing in those things to bring about that positive employee experience that everyone's looking for. I think some of those tools have really been a game changer for HR, but also for the workplace. Things like 5G and wifi and the internet, and certainly cloud computing has certainly been a game changer in the sense that it's made the digital world possible, the world that we're operating in today. For employers, cloud applications provide a more modern, more extensible and more of an agile environment for them to operate their businesses. We saw that a lot during the pandemic, being able to be connected and being able to move data and information was so very critical.

Those platforms are harmonizing and modernizing the user experience. It's centralizing data and really providing extensibility to allow those businesses to connect and integrate the key applications across their landscape, whether that's HR or some other area, and give them the ability to really operate their businesses in a much more efficient and modern fashion. And that's been critical for HR and payroll as well. It allows a much more reliable, free flow of data to and from systems that ultimately provide access to real time reporting and insights that now the HR organization can fundamentally act upon and really rely upon to give direction back to the business.

And then when you start to pair things with that data such as artificial intelligence and machine learning, you now have a predictive capability applied to that rich data, which can then be used to make really informative decisions and drive a much more strategic outcome and strategic impact. Certainly, mobile technology and on-demand digital capabilities, that's another area that has really been a key benefit, I think, for both the employee and the employer. For employees specifically, that means always being connected to their data, but aligns their user experience to something much like what they have in their personal lives, to the experience that they now have at work.

You hear a lot of firms say it's often been the Jetsons at home, but then Flintstones at work, and there's no reason for that to be. It really should be a very transparent experience. If I have mobile capability to book a flight, why can't I look at my payslip? And it really provides and creates, I think, more transparency into the process and the outcomes, and really empowers the employees to own and engage their data proactively saving time for the employer from a back office perspective, but it also puts more control in the employee's hands to own their data, own their careers, and really get engaged with what's going on along their journey.

And then I think lastly, another key area that's been huge specifically for payroll has just been digital payment solutions. With cloud and mobile applications now bringing together the continuous calculation engines that we're seeing in the cloud platforms, on-demand access to earned wages is becoming a standard in modern payroll. It's no longer necessary to necessarily wait until payroll is finished in order to be able to provide those funds, employees and employers can leverage those solutions really to enable greater financial wellness, but again, to empower employees to take ownership over their data and their pay in a way that creates a much more personalized and flexible environment for their unique needs.

And certainly, all of those things in our personal lives are accelerating. You go to the store and it's a lot of digital payments, you're hearing a lot of cryptocurrencies coming about. And I think it's all of those things are really in concert creating a very custom, very personalized way for employees to create a great experience to meet their needs, but for the employer to meet some of the challenges that are happening in the marketplace today for both the employee at home and at work, and really just get a deeper engagement with them to support them better.

Nina Talley:

I think that's something that we're probably going to keep coming back to is this idea of using technology to improve transparency and improve the sense of ownership that you have over your data, over your position, over the work that you're doing. And a lot of times, when we think of innovations, we think about make our lives easier, optimizing, things like that. But when we're dealing with this, like you said, talent war, sometimes the big thing that can make you a more attractive employer is that you are being transparent about how it works and you have the technology to show it, and that you'll be able to be an employer who gives the power to the payroll practitioner to do their job and do it well.

And I cannot overstate how important that is in a modern workforce. We need to continue emphasizing transparency and trust, that will set you apart from your competitors. And payroll has its specific place in all of our lives and in all of our work, but how does payroll fit into the future of work? And how are these digital innovations playing a role in the shaping of actual payroll processes?

Pete Tiliakos:

That's a great question. I think payroll has always been incredibly important for most of us. It's the reason, that we go to work, to get paid. It has an incredibly important place in the overall employee experience. It fundamentally holds the trust between employee and employer. And so all of the best talent practices, we've talked about a war for talent, all of the best user experiences and technology and investments, and even intentions, are fundamentally lost if at the end of the day, the employee doesn't receive accurate, timely payments, period. It's just that simple.

If you can't get the pay right, it's going to break down any relationship that's there. And I think for so long, payroll was overlooked and it really was often not thought of when making investments. We didn't invest in payroll. Payroll just went along with HR. It just got dragged along with whatever investment was made over there, and more reactively than proactively, I think. And I think that the pandemic really woke a lot of folks up to the fact that payroll is a really critical piece of the employee experience, it's a really critical piece of taking care of our employees. It's really hard to do now in this environment, it's a very complex environment as we've just lightly touched on just all the complexity. And if you're a global employer, that is even more compounded.

But I think that digital technology is really a blessing for payroll. And that's both for the employee and the practitioner. So much of your legacy on-premise solutions are now being replaced by the modern cloud applications, which are always connected, always on, and therefore have a much more agile, much more resiliency, if you will, to the challenges that we experienced during the pandemic, and I would say, we're going to continue to see. You think back to business continuity during that time, it was much easier for those firms that had modern tech landscapes that were tightly integrated and digitized and mobile and all of those things were made a lot easier.

And so, as we've talked about mobile capability, it's empowering employees to own their data, and it's offloading a lot of work, a lot of monotonous work day to day that isn't necessary for the payroll practitioner, allowing them to focus on more value-added tasks. And then as you incorporate more

things, like I said, around artificial intelligent, machine learning, predictive analytics, you're getting more augmentation for the user to always get it right. You shouldn't have to be an expert at payroll to go in and maybe change your W4 or look at your payslip and try to understand it.

The system should take you to the right answer every time, get you in and out and on your way, and let you have transparent access to the information that you need, and really help you do your job in a better way, be more productive at your role and not make it be an impediment to what you're trying to accomplish, and get rid of all that manual stuff that's been in there in the past. And so I think with these tools, payroll is really now gravitating away from that traditional simple processor role to being more of a value-added advisor, more strategic center for their businesses, and fundamentally, creating a different role and different skill set, both in payroll, but also really in empowering employees in a way that's giving them the ability to feel confident about their information, access the information they need, and really be able to, again, have that great employee experience.

Nina Talley:

I think that's something that's worth mentioning with it, and you brought up mobile apps earlier and how you talked with some of your children about working at a place that doesn't have a mobile app. A reality that we all need to face is that millennials are heading into their '40s and gen Z is entering the workforce, and their expectations of what you have to offer them has drastically shifted. If only a lot of them came of age during the pandemic and they need these remote tools, they need these mobile tools. And it might seem like something that you can pend on, it's not the most important thing to have. You have a new wave of talent that's coming in that is learning, that is of a vastly different experience level with technology.

And if you are not already adopting these things, you absolutely have to fast track it, or you'll begin to lose the talent war. This is not really something that you can negotiate on. You have to be doing this if you want to be successful in the future.

Pete Tiliakos:

I completely agree.

Nina Talley:

There's a lot of new technologies that are coming out, and I know that because payroll is such a necessary process, it needs to be a little protected that it can be hard to drive adoption for technologies. So, which do you think are the technologies that are fads and what do you think are the ones that are here to stay and can actually because a great and lasting impact?

Pete Tiliakos:

I actually get asked this quite a bit. And going back to your point, you're right, there are so many generations now in the workforce, I think it's five total that they've talked about where the modality of how you're connecting with your employer is different depending upon what your background is. And yeah, I would say certainly there are some that I think firms might think are fads and others that they may think are more impactful than others. But I will tell you that fundamentally, digital everything is here to stay. We're going to see more digital solutions. It's not going away.

You're going to see more digitization of our world, more on-demand, more mobile, more connected than ever before, I think, is what we're going to see. And I think there are some that are having more impact maybe than others right now, but I think some are really going to take off. Again,

mobile first. We talk about mobile first a lot, but I think you're almost getting to mobile only. You're getting to the experience where it's mobile by design. And that's fundamentally being really bolstered by the fact that obviously, we have mobile devices in our pockets and we expect everything to be on-demand, but we're already operating even in some ways without a physical user interface.

In other words, think Siri, think Alexa, so much of what we're doing is now voice enabled. I even catch myself doing it during the day. If I have a question, I'll say, "Hey, Siri, blah, blah, blah," and ask my question or I'll ask for help. And those are being integrated now with our HR. They're being integrated into our work lives just like they are our personal lives. So I think you're going to see more and more of the virtual assistance, more of the on-demand capability, all of those are going to be going to continue to come about. I'd say one that I feel like a lot of folks feel as a fad is, and I'll go back to this, is the on-demand pay.

Digital payments, especially on-demand pay, I don't see them going away. I don't see them doing that. I definitely see them accelerating, and not for the reasons that I think they started. One of the things that we noticed when the pandemic happened, money movement became a real factor when everything locked down and everyone was at home, and that's difficult, especially if you're a global organization moving around in foreign exchange and all those sorts of things can become really challenging. And as you're seeing more and more of the work from home become the work from anywhere trend, I think you're going to see that become even more and more important.

We've seen that even in the last few years around some of the payroll solutions that are coming on the market, you're seeing more of a demand around treasury services, especially global payroll treasury. So I think that those digital payments are only going to help in order to be able to make that money movement easier. And certainly, on-demand pay has been something that I think you've had a lot of employers take away and see, even as a practitioner, I had some recoil when I first heard about it five years ago, saying, "What about next-day deposits? And what about controls?" All of those things bubble up when you were payroll practitioner.

And then we've certainly seen on-demand pay takeoff, I think a bit more in the US and more so because of some of the social dynamics we have around pay, around people living paycheck to paycheck and that sort of thing, but it is definitely here to stay and I think it has a lot of potential. Certainly, it has come about by way of a financial wellness viewpoint of saying, "Hey, let's head off these sort predatory loans." And it does give people an ability to address that. But I think when you combine it with the continuous calculation capabilities that we're seeing proliferated with the platforms and you add the digital capabilities and you add the on-demand element of it, you have a real opportunity to break down the traditional lengthy pay cycle.

We still see people being paid biweekly, semi monthly, even monthly in some cases, that's a long time to wait for your money. And I think there's a greater use for earned wage access than just on-demand pay, just paying someone 100 bucks to get to the next paycheck. I think people will get more and more savvy with their money. We're seeing a lot more tools come online for that, but I think the demand is really there, and it's going to continue. And I think that employers need to really start to embrace these digital solutions. I was just in the airport the other day, I was at JFK, and I went to one of the quick-serve restaurants and I ordered, and I went to pay with cash, and they said, "Oh, we don't accept cash. We only accept digital, either your phone or your credit card."

So even that's happening faster and faster. There's a lot of momentum growing around cryptocurrencies, and we're even seeing some employers and employees want and try to serve employees and each other through cryptocurrencies. So I think all of these things are really stuff that are going to continue to evolve, and I think your digital wallets and your digital payments are going to be there. And whether or not we're all having to do on-demand pay in the future to make ends meet,

hopefully not, I think you're going to see people get away from that as the reason that they're adopting it and adopting it more as a forward looking way, the new direct deposit, if you will. It's the new way of doing things.

And if you really think about it, there's so much of that prevalent in our personal lives that it just makes sense to have these things done in a much more digital on-demand secure way that employees can actually create, again, that flexibility and personalization in their world to meet their needs. So I think all of these are very impactful and I think they'll all be around to stay in some form, but I think on-demand pay is probably one that I think is labeled as a fad that I don't believe is going to go away. And I think it's going to become a bigger thing for sure.

Nina Talley:

Like you said, even yourself bristled at it when it first came up five years ago. It's very different. It seems almost counterintuitive to the job that you were doing, but after five years, if it's still around and employees are still asking about it, at a certain point, have to bend to the fad a little bit in order to keep your employees happy. And then also, I think that we aren't necessarily very good at judging what is a technology fad and what isn't. Five years ago, #D TVs were everywhere and everybody was certain they were it, and now they're completely gone. It is hard to really measure it, but I'm completely with you on this. I think on-demand pay is something that employers really, if you're not already offering it, you need to consider offering it. It is something that is here to stay.

Pete Tiliakos:

One thing I would just add to that, if you don't mind, I've actually studied this a little bit with some of the on-demand providers, we actually had an opportunity to dig into a couple of cases with some clients. And what I think is important to point out about on-demand pay is while it is on the surface and it is fundamentally a payroll tool, if you will, it's for moving money to employees, it's just another method for getting on their pay, what I saw was the impacts to the business were much greater than just payroll. It was much more around talent, it was much more around wellness and engagement.

We saw some of the firms had some increased, not only just retention, but also referrals, employees were wanting to refer their peers. The company I studied, they had a very high hourly employee population. So with some of those typical concerns that come with that, the rate and wages that they were paid were very important to them getting to their next paycheck. And that alleviated some of that, but it also created an opportunity for them to be a more empathetic employer, and being able to help in these times when employees had challenges, maybe a car broke down or something happened, they needed access to pay. And that rippled out into areas of the business that they didn't expect.

Again, it had a talent impact, more so than apparel impact. And I think that it's just another one of those flexibility options that an employer can put in place to keep up with the times, but also at the same time, create a lot of value for the employee, alleviate challenges for employee, create a lot of values to the business in the end.

Nina Talley:

You don't have to take on your payroll journey alone, being a part of the American Payroll Association means having exclusive access to resources that can help you carry the load of payroll compliance. Membership in the APA helps you do your job better and keep your company compliant. You'll have the opportunity to connect with the largest network of payroll leaders, get the latest payroll compliance

news with expert analysis and receive deep discounts on world class education and publications. Other benefits include, free e-books, events and webinars, help with your compliance questions through the APAs list, cert and hotline referral service, training specific to earning payroll certification credentials, and much more. Invest in your payroll career, join the APA today, visit americanpayroll.org to learn more.

Technology can seem cold, and it can seem as if it's about optimizing and making the end number as efficient as possible, but I think a new lens that we need to begin looking at these technology adoptions as is, how does it make you a more empathetic employer in this time that we're in where we are in a talent war and we are experiencing the great resignation? I think that it's come up several times in other PayTalk episodes. The thing that can really set you apart and attract talent is showing that you are an empathetic employer, showing that you view the human being and not just the number, and not just the pay stub.

And I think that that's something that we can all take to heart, and I think it's something that we all want as well as employees.

Pete Tiliakos:

Yeah, absolutely. I completely agree.

Nina Talley:

And it brings us excellently to my next point, which is trust. And I really want to dig into trust with you. With payroll, it's so critical to the employee-employer relationship, and key to maintaining trust, but how is technology helping to enable that trust specifically?

Pete Tiliakos:

Yeah, that's a great point. I think first and foremost, the trust is so important, we talked about that earlier. We can do all of the right things on the front end and have all the best intentions, but if you break that trust by not paying people accurately, timely compliant, all bets are off. And I think that that is such an important part of the relationship, the pay. And how that's helping is fundamentally, you're seeing better results, more reliable, what I would call better payroll outcomes. Things like your artificial intelligence, things like your robotic process automation, are really removing a lot of the manual work that it took payroll to do in order to get payroll out the door.

If you've been in payroll for any amount of time, you can probably remember those old times of taking and tying manually. There were going to be mistakes and everyone accepted that and the goal was to minimize those mistakes at the end of the week. And certainly now with modern technology, with data flowing more fluidly and bidirectionally to and from your core HR system and to the systems of importance within your environment, and you couple that with, again, continuous calculation engines, artificial intelligence and reviewing anomalies, and making sure people get things right at the point of entry and really augmenting them to make sure that the results are 100% every time, you're going to have better payroll outcomes.

You're going to have better results, more timely, more accurate. And that is ultimately what is going to hold that bond together. And then I think you add on top of that, that with cloud computing and with continuous calculation, and with mobile applications, you're creating a much more real time picture into payroll. Practitioners and the employees have a very, very good pulse on what's happening along the way. At any point, along the way, you can see where payroll is, where the anomalies are, where the issues are, and employees can have an understanding for what to expect when and how. And

then ultimately those results come to them, again, hopefully more accurate and timely, and more visible. It's more transparent.

We're seeing much more tools coming onto the market that are giving employees a very transparent view into all of their pay. It shouldn't be a mystery how I got paid. I should be able to understand it as an employee and not have to call some expert to tell me-

Nina Talley:

100%.

Pete Tiliakos:

... to tell me how all the magic was happened. And so you have that in your hands and you're getting that proactively pushed to you, you're being given control over the data and you're being given control over how you receive, what you receive, when you receive it, how you're paid, what modality that you get that, I think that ultimately creates more trust because now there's an open and honest flow of information, nothing's being hidden, you can trust the results. And payroll all fundamentally can sit back, and really, I don't want to say sit back because they work very hard, but really redirect, if you will, their work to not be doing the taking and time, but be looking at doing analysis to really understand what's going on and head off things, and prepare projects, and support the business in a way that fundamentally make sure this stuff continues to happen accurately and timely.

And then ultimately, the employees being cared for at the highest level. So I think that to me is where the trust factor comes in is that the information and the access to the information and just the transparency of what's going on, and it not being such a mystery is really, really huge.

Nina Talley:

That's such a great point. And I think that something that is really worth looking at is if you are freeing up your time from the manual processes of it, it's then allowing you to, as we've talked about transform your position as a payroll practitioner into one that is adding value to the company. You can figure out new processes and new ways with that extra time to continue to show that payroll is not just processes, it's people who are looking to make improvements in the lives of everyone around them.

Pete Tiliakos:

Absolutely.

Nina Talley:

How do you see these trends and new technologies shaping the future of payroll, specifically the value of the critical process? And what does that mean for the payroll profession itself?

Pete Tiliakos:

Another great question. You mentioned about payroll being in the past, it was just these string of processes down in the basement, and every week checks just came out of there magically, and nobody really gave any thought to how that happened as long as it was accurate, was just out of sight out of mind. And the reality of it is that these modern tools are really, really, really, truly exciting. I do get excited of talking about it because as a payroll practitioner myself, I came from that world, I know what it was like going through the late nights of hoping we got it right, rerunning the payroll reports and waiting for the system, the process.

And with all of these things that we've talked about today, I think what really the payroll practitioner needs to look at is that yes, the role is going to change, it's fundamentally not going to be what it was in the past. And I think things like artificial intelligence and machine learning are having, or will have, I should say, a profound impact on payroll. For so long, it's been such a manual process, it's been very time intensive and labor intensive, it took a lot of people to do the work, that technology is now coming into place to augment users in a massive way.

It's helping the employee get their data and maintain their data on the front end, but it's also helping the practitioner to alleviate that ticking and time and focus on purely the anomalies that the handful of things that are really important that they need to worry about versus trying to find needles in a needle stack. And so, it gives them more time to focus on value-added activities. And I think the other thing that is really going to just take payroll to the next level is payroll sits on such a rich data set, and for so often they have had tremendous amounts of information that wasn't always that reliable, especially if you were in a large organization or you were maybe in a global organization, pulling all that together to a central point of information was often not very timely.

It wasn't often connected and integrated well, and maybe you had to have someone doing that manually, and by the time it was pulled together, it was outdated or stale. Whereas now with your cloud platforms, centralizing everything to a single database and a single experience, and having the integrations to allow data to flow back and forth like arteries, if you will, I use that analogy a lot, allowing that to move across your landscape and bring that data to you in a way that is reliable and certainly being able to access it in real time, but more importantly, is actionable. The ability to have insights bubbled up to you to say, "Hey, there are these things that are going wrong. This is what you should do about," it is just so refreshing.

It gives payroll the ability to now take their data and actually do something with it, and actually return some value back to the business as the business is out there, and HR is out there supporting the business in strategic activities, "Hey, we're thinking about acquiring this company." Or, "Hey, we're thinking about opening up in this location." Payroll needs to be consulted and payroll needs to be involved in that decision, but for so long, I think payroll is left out of that because they weren't thought of as that role, that advisor. And I think now having that good quality data and having the time to really focus on analyzing and using that data for the business is what I think the hidden opportunity is in all this.

And yes, the role is going to change, things are going to be different, but fundamentally, the augmentation and the support that the new technologies are providing should really give payroll the ability to be a catalyst to push them forward to a different role in the organization and be that strategic trusted advisor that the business needs to make these decisions.

Nina Talley:

I completely agree, and it is definitely something we've touched on in the past, but it's always worth underlining, the power of data-driven storytelling. If you can share that data and you can utilize it in such a way to tell a powerful story, it will change your position as a payroll professional. It completely changes the landscape of how you're doing your job and how your employers look at you, and how your employers look at the payroll department becomes a complete value-add instead of an ancillary arm of the business. And now, because we like to keep it human here at PayTalk, it is the time for something we've all experienced, our payroll nightmares.

We ask our listeners to send us their payroll nightmares, to podcasts@americanpayroll.org, or leave us a comment on the APAs Facebook page. But today, I believe Pete has a nightmare for our listeners.

Pete Tiliakos:

Yeah, Absolutely. How do I do this without name dropping too much? If you know me that I worked for one of the major entertainment firms early in my career. We went through a massive transformation, that transformation included new systems, new processes, a shared service center, all sort of thing. As you can probably imagine, it was a lot of work, it was a lot of change for the employees, for the business, just in how everything was being done and the control that they had and that sort of thing. So as part of all of these massive changes we were going through, new systems roll out, again, shared services was being introduced, we were doing a lot of employee communications, and a lot of those were coming at the program level.

So the frontline practitioner and leaders, we weren't always as we should have been maybe included in some of those communications. And long story short, if you know the entertainment world, you'll know that workers in the entertainment business, I'll call them workers because they can often be categorized in very different ways whether they're employees or entities of their own that create production and so on. So there's multiple different ways that you can pay them based on what type of worker that they are, whether that's a contractor or not, but all of those have very high impact industry union influences as well.

Everyone's working really hard, we're doing these communications, we're trying to overcommunicate, make sure as you know, one of my things I always pound the drum on in any transformation is you've got to have really good airtight change management. You've got to overcommunicate, you really want your users, especially the employees to know what's going on, there can't be any surprises. Well, long story short, one of our communications, again, at the program level, went out to a very famous TV personality who actually ended up reading the letter on air.

And the interesting thing was, is it was just laid with all kinds of verbiage and acronyms that were not very employee friendly, it didn't communicate a good message. And they came along with a check for a few pennies, it wasn't actually like a regular, something had gone wrong to where these penny checks had gone out. And so in the end, it ended up being this funny thing, this bit they did about the whole overarching project about how maybe the letter was so encrypted and convoluted that it was meant to weed out the stupid people. So it was this whole joke or whatever.

It was very funny at the time, but the takeaway that we all got from that is just how important employee communications needed to be and how involved we needed to get at the functional level with what was being written at the program level to make sure that it did in fact, have all the ticks and ties, if you will, the I's were dotted and the T's were crossed in such a though that a layman could understand it. Someone who had no experience with the systems or the organization should have been able to read that and get clear messaging. So that's one thing that I actually took away from that.

While it was very embarrassing for our brand, as a team, we did learn, we quickly learned, "Hey, these communications people are reading them, first of all." That's something I think we forget, right when you're writing them, is that there's a human actually going to read this at the other end. And when that human reads it, will they be able to understand it just hands down, front and back, can they get what you're saying? And it made me learn that I need to sometimes take a step back and put it through the filter of someone who knows nothing about, maybe our processes or our environment and make it so that they can fundamentally understand it. If it's not clear and succinct, it really does lose its weight. So very important change management lesson for me in that one.

Nina Talley:

For sure. And I think that that's something that I have noticed in the payroll industry and I think it's because a lot of payrollers interact with a lot of other payrollers. And so you're all speaking the same language and you can use the acronyms and everybody stay up with you and respond and it's fine, but then we forget that not everybody has had the training to understand payroll speak. And I think this is a good thing for all of us to take in our personal lives as well, but it's always important to communicate in the language of the person that you're communicating to, and altering your message to fit them, because it can take something that's small and innocuous and make it seem really weird and really complicated. So that's a lovely point.

Pete Tiliakos:

Very confusing too.

Nina Talley:

And don't forget too, our listeners, if you would like to be included in our payroll nightmare, send an email to podcasts@americanpayroll.org, or leave us a comment on the APA's Facebook page. Because we don't really like to leave things on a negative nightmare note, I have one more question for you, Pete, what is the best piece of payroll advice you've ever been given or what is the piece of payroll advice you wish somebody had given you?

Pete Tiliakos:

That's a great question. I might be oversimplifying this and it might be a little cliché, but I think one of the most important lessons that I think I was taught in payroll from day one, and I've done this for most of my career, if not almost 90 plus percent of it is, someone told me very, very early on, and I'll tell you, this has shaped the way I look at customer service, period, forever. And I think I was very fortunate to have worked in payroll early in my career to really value what customer service means. And that is, it's as simple as when you look at an employee's situation and you look at an error, no matter how small of a dollar amount or how big of a dollar amount, at the end of the day, if you can just put yourself in their shoes, empathy, we talked about empathy, I think earlier maybe.

If you put yourself in their shoes and look at it through their filter, that small amount or that big amount, whatever you think it is, or isn't, it really becomes a different view when you put yourself in their position. And so I think I learned very early on that if I could take that issue as my own and look at it as my own, and treat it as my own, and respond as if it was my own, the outcome was always positive, because I was doing what was best for that employee. I wasn't looking at it from any other perspective of what would I do if this was my paycheck and I was in this situation?

And so I think that's taught me to be really empathetic. It made me really try to live the pain that person was feeling, to not only correct it for them and make it right for them, but also make sure that it never happened for anyone else, because I felt like if that person's calling, if we got it wrong for them, it's a possibility we probably got it wrong for other people, or we could have. And maybe it wasn't our fault, maybe it was someone else's fault, and that happens a lot in payroll, things trickled down to payroll. So just owning it, I think, and having empathy was something that I think made me very successful in payroll.

It helped me as a leader in payroll, but I think it also really underpinned the way I've treated customer service going forward in my career. It's something I pride myself on, in my relationships, I want to give high value and win-win for anyone that I work with. And I think it's really driven my ability to do that because I empathize and I engage with the moment and say, "Okay, well, how would this feel to

me? And how do I fix it in a way that I would be happy with it? And what do I do to make sure it doesn't happen anymore?"

So for me, that was, I think very, very valuable. Hopefully we're all taught that from day one in payroll, but I notice it's influenced the way I treat customer experience and customer service since then. And so I find that to be very, very valuable.

Nina Talley:

I think that's a beautiful piece of advice is just take the problem as your own. If this was you, what would you do for you? Or if it was your loved one, what would you do for them? And trying to put that lens on, because I think it helps us all be the best version of ourselves as well. I think that in payroll, being the best version of yourself has actual consequences on people's lives. So thank you so much for sharing that beautiful piece of empathetic advice and I think it's something we all need to take to heart. Just try and meet people with more empathy, even if it's going to make your day worse and more annoying.

Pete Tiliakos:

Yeah, absolutely.

Nina Talley:

Pete, thank you so much for taking the time out of your busy schedule to talk with us today and share your insights with our listeners. I can feel it, I can feel that 2022 is going to be a better year, even if it's just because we have a better handle on the technologies.

Pete Tiliakos:

Thank you so much. I really appreciate you having me. And if you're interested in more insights around payroll or HR technology itself, you can certainly follow me on LinkedIn, just search my name, Pete Tiliakos, or on Twitter, petet_isg.

Nina Talley:

That's an excellent way to stay up-to-date on everything that Pete's doing and all of his insights. So anybody who's listening to this, we're not done, technology is moving forward. And make sure that you check out the APA's LinkedIn page as well as Pete's to make sure that you're staying on top of the new technologies that are coming into the industry. I also just want to take a moment to thank all of our loyal listeners out there, without you, PayTalk would not be possible.

Make sure you rate, review and subscribe on your preferred podcast streaming service. That is the best way to support this podcast and ensure that we can continue to bring the human stories that make payroll so personal. Until next time, folks, this has been your host, Nina Talley with PayTalk.

Speaker 1:

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