

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 Brian Slowik. Wage and corporate disbursements for Green Doc Corporation, and co-founder of rapid! PayCard.

On today's episode, we're talking about earned wage access. An emerging payroll practice that allows employees to receive a portion of their earned wages in advance, as opposed to receiving the entire amount on a designated payday. I'm excited to hear more about this practice from Brian, as this employee benefit is certainly shifting payroll practices all over the country. So, before we get started, Brian, I'd love it if you could introduce yourself, and tell our listeners a little bit about your background.

Brian Slowik: Hey Nina, it's great to be here. Thank you so much for giving me the opportunity to chat with you and your audience today. My background is, in 2003, my co-founder and I began rapid! PayCard, actually Rapid financial Services, out of Tampa Bay. And, Chris Ruppel and I are still with the organization within Green Dot. Green Dot is our corporate entity, and we are a product within the green data environment, that being rapid! PayCard. Chris has now moved on to another segment of the business, but he's still around. That's very unusual for founders to stick around after they've been acquired.

But, we really believe passionately in the service that we bring to our clients, over 6,000 corporate clients. And, we love to provide the service to our end users, which are your employees. And, what we are doing is bringing the financial services to your employees through you as the employer, and providing an easy way to provide payroll payments, and other types of payments to those individuals. And, I am a native of Pittsburgh, Pennsylvania, but I've been in Florida since 1982, and am happy to cover the country with the American Payroll Association, which we have been strong members of for a long time. And, I am actually speaking to you today from the Texas Payroll Conference and excited to be here.

Nina Talley: Wonderful. And, I always love to have another Floridian on the podcast with me. I'm a native Floridian, so it's always good to have someone from the swamp joining me.

Brian Slowik: Oh, now you hit my college. So, there you go. University of Florida. Go Gators.

Nina Talley: Go Gators.

Brian Slowik: And, actually, Chris, just so you know, so we can cover both sides of the state evenly, is Chris Ruppel, my co-founder, is a Seminole. So, there you go. We play well together-

Nina Talley: It's just more infractions, it's not a big deal.

Brian Slowik: Yes.

Nina Talley: So, I wanted to take it from the top for our listeners who might not know, can you explain what is earned wage access?

Brian Slowik: Absolutely. An earned wage access is something that we started, I started evangelizing within the American Payroll Association, about five years ago. And, I'm happy to say that five years ago, the audience that's listening to this podcast probably would throw stones and tomatoes at me, and sit there with their arms crossed and say, "No, no, no, no." Because, there was a misconception that it was daily payroll. It is not daily payroll. What we're doing is empowering technology to allow for employees to access wages that they've already earned. That really allows for why. The reason why is that the payroll cycle doesn't always line up with the billing cycle, people's financial lives. And, this is to allow the opportunity of employees to choose the very best option to solve those needs. And, that's really what earned wage access is about, is monies that you've already earned. It is not loan. It is not an advance.

Yes, it's an advance in the aspect that I've already earned the money, and I'm going to get paid some, or allowed to access some of that pay prior to the formal payday. But, it is not an advance, and it is not a loan. And, most importantly for the listeners of this podcast, is that it does not require you to change your process, your payroll cycle or your process. It is empowering technology to allow it to happen, so that your payroll cycle remains the same, and it is simply recorded as a payroll deduction on the pay stub. Which is a unique offering for our particular product, Rapid on demand.

Nina Talley: I think that that's a really wonderful solution to an issue that I think a lot of us, or at least some of us, have encountered, which is payday loans. When you really need that money, and you have to go to a payday loan, and then you're getting charged so much interest. I think that earned wage access offers an excellent opportunity to get out of that sort of predatory cycle that some may fall into.

Brian Slowik: Exactly right. In fact, we have some survey statistics that go to earned wage access as a lifeline for those without credit. And, we ask them, "What are the most likely courses of action that you would take if earned wage access was not available?" And, it actually was broken down in this particular survey. It was done by American Banker, and it was broken down by those that classified themselves as white, that classified themselves as black, and that classify themselves as Hispanic. And, interestingly enough, the take a payday loan,

fortunately was one of the smaller responses. But, you had 10% for white, 11% for black, and 14% for Hispanic. And yes, that is the cycle that we want everybody to avoid. And, this is a tremendous benefit that you can provide. But, it also is interesting that many of them said, pay with a credit card, you had 54% that were white, 39% black and 29% Hispanic with paying with a credit card.

And, one of the interesting things of, even I go back to my life, especially as a young dad, I have four children. And so, one of the challenges that you have today in the marketplace is no baby formula, correct? Well, many times we needed baby formula living paycheck to paycheck. And, by the way, in today's environment, folks that are up to 200k annually, as family income, are still living paycheck to paycheck. This is a product that is used for everybody to avoid some of these alternatives. And, many times, I would have to use my credit card, and I had maybe a low credit limit on my credit card, but that \$90 for baby formula and diapers, or whatever, and I would say, "Oh, I would pay it off on in two days when payday happens." It caused me to, oftentimes, not pay it off. And then, six months later, here I am, I don't even have the credit card as an option, because I've already hit my limit.

So, what this is allowing you to do is to then, the next statistic is, okay, well I just go to my friends and family, and borrow, and that was 34% white said they would do that, black 39%, and Hispanic 38%. And, the other is delayed payment, which means I just don't pay it. So, I hold off on whatever my challenge is, which is going to lead to all kinds of other problems, late fees, et cetera. And then, finally, as I sell something, well back in my day, I'm a baby boomer, I know... Boomer boomer. But, I didn't really have an option to sell anything, because I didn't own anything. But, also even today, when I do own things and I would like to sell it as... eBay probably the best option, but that's going to take time. And, oftentimes, this is dealing with that unexpected expense.

And then, we have finally is I write a bad check. Okay. Well, I did that plenty of times in college. University of Florida, Dominoes Pizza, and had my \$50 pizza, because I was young and dumb. But, that's not necessarily an option. So, what the point to all of earned wage access really is, and for the audience to understand, is everybody has a problem that needs a solution. And, you have to find that solution if you're the individual. And, the options I just ran through are those solutions that have historically been available to people to solve that particular problem. And, the nice thing is that you can bring a wonderful solution to a problem that folks are able to access by simply interfacing with an application on their phone, which brings together the pay card, and earned wage access, and savings, and financial wellness all together, so that they can simply access those monies.

It's already their money. Even if they were to quit today, you would have to pay them for it. So, what is not a loan. You are simply allowing them access to monies that they've already earned, and they can do that for \$3 or less, and it doesn't cause any of these other behaviors that we just described in the survey

to come into play. So, it is a tremendous benefit. We've also, if you were to ask the population of your employees, "Hey, if you could access some of your monies early, would you be interested?" Majority of them, and we have surveys that'll say that almost 90% are going to say they're going to enroll. And, the other factor that everybody is concerned about in payroll is that the employee is going to sign up, and take it every single day. And, some of the competitors out there require that, or incentivize that, because if you don't take it when it's available today, then today's pay is no longer available tomorrow you have to do it.

So, that's a problem. What you want to look for, and we actually call it, not only earned wage access, but accrued wages. And again, what does the term accrued mean? Accrued means that it's going to add on top and accumulate, correct? So, what we're allowing through the process, is that accumulation through the pay cycle. And, you as the payroll manager get to control when they have access to it, how much they can have access to it, and when it can be paid out. And, that is done through a simple interface that you set up, policies that you can build. You can build these policies, Nina, down to even a particular building location, person, if necessary, region or whatever.

So, if you have a very competitive marketplace, you can build policies that allow you to be as competitive as your neighbor. I've heard stories from customers that have said, "Hey, we have a very competitive situation. We're in labor, labor and delivery, and warehousing, and we're all in the same commerce park. I've got UPS down the hall, or down the road, or down the Commerce Park..." I don't know if we'd even call it a road. Down the parking lot. "And, FedEx and Amazon, and us, right?" And, probably others. So, truly my employee can go out for lunch, and have a new job that afternoon, and probably be put to work that afternoon.

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Brian Slowik: Job that afternoon and probably be put to work that afternoon. So offering a solution like accrued wages or access to accrued wages, now known as earned wage access, is what the industry is calling it, is a real benefit that keeps that person in that financial stress from impacting your employee. And the financial stress that statistics are significant in the aspect that we have, 80%, I think it's 86%, of leaders say that their biggest challenge is engaging employees and one of the aspects of 72% of employees are stressed about their finances. So you want to bring that together and this is a benefit that allows you to solve multiple needs, help with your recruiting and retention, help alleviate stress to your employees, which will hopefully lead to better productivity, which it almost does, and keep them from having to go out on their lunch hour to solve whatever that financial stress problem is, 'cause they're going to solve it.

Nina Talley: Yeah, no, I think that this is a really, I want to say novel, but that's probably not the right word, but a really interesting idea to retain your employees and then

also to boost employee satisfaction, that it sounds like it's solving multiple problems, not just for the employee, but I would like to sort of understand how is it actually benefiting the payroll department and the employer as well?

Brian Slowik: Absolutely. Great question. The aspect of, first off, let's talk about how much time is taken up with just the unexpected, right? In any job, Nina, how much time do you spend a day dealing with the unexpected? Non-scheduled?

Nina Talley: Quite a bit. Quite a bit.

Brian Slowik: Imagine if I could give you a fraction of that back.

Nina Talley: What a life it would be.

Brian Slowik: Yeah, it would be good. Exactly. So part of the unexpected and payroll, first off, let's give glory to payroll because they deserve it, is that payroll is the unheralded department of any company. They are expected, part of what I was just riding the elevator up in my hotel with some of the folks from the Texas Payroll Conference and talking about that they're heading up, they have to walk out of the conference to take care of emergencies and payroll issues that were unexpected. Many of them are off-cycle and those off-cycle issues are the aspect that "Here comes Brian, who comes up to Nina, the payroll manager and says, 'Nina, can I get an advance?'" And normally, Nina, what's your first question going to be?

Nina Talley: How much do you need?

Brian Slowik: That's a good question. It typically is followed also by "Why?"

Nina Talley: Ah!

Brian Slowik: Okay. And why is, well, first off, this came up earlier in the day and the person, I asked a similar question, they said, "Well, first off, I'm going to say no."

Well, "No" leads to those solutions that we covered just a few minutes ago, which are all not great. But even if you say yes or you think about the possibilities, usually "Yes, how much?" But it's also "Why?" And part of the reason for why is that you as the payroll manager are going to determine if you want to take time, that unexpected problem and provide that solution. Well, as the employee, you're sitting there really, it's "Nina, it's none of your business. I just need access to this money." Correct? And it leads to dignity issues. So part of what happens with earned wage access is, it allows you to keep your dignity, allows you to solve your problem for whatever that issue is, the payment that you need, it's usually something, and we have statistics that show that it's for legitimate reasons and I'll talk about those later.

But it allows that payment to happen without me interrupting your day. So today, Nina, what you're having to do is to interrupt your day, deal with that unexpected. So one of the major things that we are able to do is to take one of those issues off your plate, but also allow for the aspect that you have an easy solution that is available to all of your employees. Whether they are minimum wage individuals all the way to your highest salaried individual, that may be very sophisticated in managing their money, but are able to access this because it's the least expensive alternative and the best solution.

Nina Talley: I completely agree with that and I really think that touching on the dignity aspect of it and how whenever money is involved and there's a power displacement of "I'm paying you, you're getting paid." I think that it's important to remember that you need to act with honor. You need to honor, not just your job, but the employee as well and making sure that there's no sticky moral or ethical issues. And I think that this earned wage access is such an incredible way to just avoid that entirely. That you don't have to have any sort of worry or guilt either for the payroll manager or the employee. It just takes that off the board. That's a wonderful benefit.

Brian Slowik: Absolutely. And Nina, the interesting thing is that dignity, you know how many people it impacts across the US or at your company? 78% of US workers are living paycheck to paycheck in order to make ends meet. Nearly three in four workers say they are in debt today and half of them think they always will be. More than half of minimum wage workers say they have to work more than one job to make ends meet. And you know where another aspect to where your credibility to what you were talking about as a payroll manager may be fractured if you just say no, is that many of these workers are or have worked a gig job in the past. So what are some of the gig jobs out there?

Nina Talley: Let's say you could do an Uber driver, there are Instacart shoppers and things like that. And then you also have people who are working freelance. So you could have, I worked as a copywriter, freelance, for a long time and I have a lot of friends who are freelance designers or motion graphics professionals.

Brian Slowik: And as a freelancer, how were you paid?

Nina Talley: I was paid by invoice. I would generally have to invoice my clients and then they would pay me on a cycle. It depended, contract to contract.

Brian Slowik: And wouldn't you have rather been paid instantly?

Nina Talley: A hundred percent! To the number of invoices that I had to follow up on and poke the bear. And then there are times where following up on invoices soured a relationship. Either they didn't like how I had to be to get paid or I did not like how I had to be to get paid.

Brian Slowik: Absolutely. So, rapid! OnDemand was born out of the Green Dot solution for Uber. We also are the power behind Apple. Do you have an iPhone?

Nina Talley: No, I'm an Android user.

Brian Slowik: Oh!

Nina Talley: Green text bubble. Sorry, everybody.

Brian Slowik: Yes. Yes, you are correct. Why do you keep coming up green? Yes. Anybody that's an Android user knows that. Interestingly enough, and I'm shocked by this, in the direct to consumer business, the majority of the telephone users or cell phone users, smartphone users are Android. But in the employee universe, so our customer at rapid! the end user is the majority, like 76%, are iPhone users, which I was surprised. But in any case, we are the power behind the iMessage capability to send money through Apple Pay. And that is the technology. So the reason I'm mentioning these, these are all the technologies that were brought together to provide for earned wage access. We also have a relationship, strategic relationship with the owner of the patent for this particular process, and that is critical for regulation and also possible disruption that could happen further down the road. But one of the reasons that I'm really mentioning this is that we also were the original solution provider for Uber.

Uber came to Green Dot and said "We need to do a better job of satisfying our gig worker and our gig worker is the driver and we need to be able to recruit them better." And this was five, six years ago where Uber came to us and they said, "We need to allow them to get paid as quickly as possible, preferably as many as five times a day instantly." And yes, that driver will need to pay to access that money early, but would you be willing to pay as a consultant? Would you pay \$3 in order to have your payment happen the very day that you finished your work?

Nina Talley: 100%.

Brian Slowik: It's a simple small fee in order to access and many times it's less than that, but it's something that almost everybody is willing to do. If you think of an out of network ATM today, is that many of the banks are charging as much as 4.50 or more in order to do that out of network, because it's convenience. It's a convenience fee. Well, that's one of the things that earned wage access does, is it brings that convenience to you, brings that control to you, allows for you, as the worker, or in this case, we were talking gig worker, to get paid immediately.

And what we were then able to do with rapid! is take it over and package all of those functionalities together that we have within Green Dot. We also are a bank, and I believe we're the only bank out there in earned wage access that has their own product. Green Dot bank is an FDIC-insured bank that allows us to do multiple ways of providing the solution and improves your regulatory risk as

you go forward. But one of the things that happens as your employees are coming to you is, they're like, "Look Nina, I know you have the capability to pay me early or to allow me to access my pay early. 'Cause when I work a gig job, I get paid immediately. Maybe I need to just take today off and go drive for Uber."

Nina Talley: Exactly.

Brian Slowik: That happens. So if you can just allow them to have access in the same way, they would rather work this job, not work the gig job.

Nina Talley: I completely agree with that. And there definitely have been times where, at the bare minimum of a million years ago, I used to be a server, and there have been times in my life where I have thought, man, it would be really nice to pick up a shift right now and get that extra money. And so that's a really interesting way to look at it of another way that you're retaining that workforce is nobody has to seek outside funds. You're able to access that money as soon as you can. And we've talked so much about living paycheck to paycheck and I think that we're all aware right now how bad inflation is and how high the cost of living has gone up across the board. I think that this is a wonderful way to offer some relief to your employees without loans. I think that loans and interest rates right now are sort of crazy and this is a huge benefit for employees and retaining them.

Brian Slowik: You're a hundred percent correct and actually we talked about me being a baby boomer. I remember the 70s. I grew up in Pittsburgh. Pittsburgh in the 70s was not a fun place to be. The steel industry was dying. It was a city.

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Brian Slowik: The steel industry was dying. It was a city in major decline. Fortunately, today it has turned itself around and it is beautiful place, but the city was very, very stressed and I feel like we're heading back to those days. The interest rates though were a mortgage could be as high as 19% and we're going to ... We've already seen the fed just raise the interest rate and they're probably going to do it multiple times again in order to protect ourselves, but financial stress in the US is really taking its toll. We have statistics that say 11.4 hours are lost in productivity per employee per week due to financial stress. That's a ton.

Financial stress costs the US employers more than 4 billion per week. Again, from the American banker, it is something that we all need to be cognizant of and it's probably going to get worse. You said earlier as a server, you would sometimes sit there and say, "God, I wish I could get an extra shift right now." Can you remember what some of the reasons for that one, for an extra shift? What most payroll managers will say to me historically, when we first started this evangelizing five years ago was, "Oh, that's just so that the guys want to go out for the night, or it's Thursday in the college towns," so what were those reasons that you needed that extra shift?

Nina Talley: I needed to make rent.

Brian Slowik: There you go.

Nina Talley: I needed to make rent. It was a bill. It was always like, yeah, where I would work, I would pick up as many shifts as I could towards the end of the month and work doubles just to make sure that I could pay rent, pay my car payment, pay my electricity, and then also, still have a little bit left over for groceries.

Brian Slowik: Great point. Let's go back to those statistics, the same survey where we had the different ethnicities responding and it was earned wage access is utilized for rent and cash flow on the most overall. That's the main reason. Actually, when we asked them specifically, why did you use the earned wage access service, 33% of the white population said to pay rent and mortgage, 21% of the black population and 16% of the Hispanic population. Then you get to pay a bill before payday. It was 27% of the white population, 30% of the black population, and 29% of the Hispanic population. When you get to that one, that one is almost always utilities, cable. You think about the work from home situation, utilities used to be the number one thing that you needed to make sure it didn't get shut off at home beyond rent, right?

Now today, if I don't have my internet, I can't work, right? I work from home. How much of our population now is working from home? If you don't have the internet, then you got to explain to your boss why your internet got shut off. There's nothing more disastrous than that. Then you have the unexpected bill. Think about, we've all heard the statistics that the majority of the US cannot handle that unexpected \$400 expense. Well, let's talk about that. That happens. If you have children, I mean it's one fall where they've hit their teeth, whatever, break iPhone, whatever it might be. You have 17% of the white population said they're using it for an unexpected bill, 31% of the black population, and 23% of the Hispanic population. The point to all this is really to emphasize no matter who you are, no matter what ethnicity you are, you using this for legitimate reasons, it is not about just having a party night on the town.

It is about paying rent. It is about taking care of that utility bill to avoid getting the power shut off or to avoid that \$35 late fee or whatever it might be. They are very legitimate reasons, and you're talking about normally giving somebody access to some of their wages, which by the way, what every payroll manager's thinking right now, because we haven't addressed it, is what if it's more than the what they're going to get paid or what about garnishments, et cetera. This is all net wages. We are only talking about net pay. All of that taxes, garnishment, and all that have already been factored in, and you, the payroll get decide how much you're going to allow to access of the net.

Speaker 2: The Rapid Brand is a trusted leader in corporate disbursements products and is the team that delivers to you the Rapid Pay Card Program. As an industry leader, Rapid continues to innovate new payment technologies that enable employers

to allow their employees to be paid when and how they want. Rapid On Demand is being leveraged by gig economy firms like Uber and other savvy employers to use innovative pay practices to help recruit and retain the best talent with increased employee engagement. Rapid On Demand, Rapid Disbursements and Rapid Pay Card are simple, smart and secure.

Nina Talley: Truly, having this conversation, I think that it has sort of showcased a huge pain point for employees right now, and just how the world is shifting and how many issues this can resolve while going back to what we talked about before, maintaining as much dignity as possible. It's so, so important, but I do know that because this is sort of a newer payroll practice that a lot of things like best practices and defining best practices for how to apply it have not been thoroughly explored in different payroll departments. Can you talk a little bit about how payroll professionals can best define best practices for earned wage access in their own organization?

Brian Slowik: Yes, I can. First off, there's plenty of, if anybody's a Yankee fan, which I'm not, by the way, I'm a Rays fan and we have to compete with the Yankees being on our same Tampa Bay market, because that's where their spring training and their corporate offices are, but Yogi Berra said, "Deja vu over again." Well, being a founder of Rapid Pay Card and living through 2003 to 2007, I feel like that was the wild wild west and I sometimes feel like this is deja vu all over again. Now, the advantage to that is we understand that regulation is going to become important, and because we weren't as quick in the early days of pay card in the early 2000s, we have been very proactive with regulation unearned wage access. That becomes critical. That's why I mentioned that we are a bank, that's also where I encourage everybody listening in, the audience, if they haven't already gone to our pay card map, they should go to the state compliance map on our website.

It's at rapidpaycard.com, under state compliance map, and you do a registration, it's free, and it's an interactive map that goes through every single regulatory aspect of card. Also, we are building out the same thing or providing information related to that for earned wage access. The most important thing about best practices is that number one, because you are involved as a listener in a regulated payment, is that you're following the regulations so that you can be sure that not only the individual is not going to be complaining about you to the Department of Labor or whomever, but also your company's not going to have to deal with those issues. It impacts the Fair Labor Standards Act, which really deals with aspect of choice, number one, is that you are providing for all best practices related to payroll is what all the government agencies or the regulatory agencies are interested in is that you, as the employer or as the payroll manager, are not forcing the individual to a particular payment.

Like in our case in the early 2000s, you could not mandate that dirty word mandate to a pay card because they need to be able to use the bank account or the payment vehicle of their choice. That is also a critical factor to earned wage

access, is there are some solutions out there that mandate to a particular payment vehicle or even force you to do something that is, and they won't necessarily talk about it until the time that you are rolling out, is their authorization form is actually an assignment of wages authorization. Assignment of wages is not best practice and is not good. What we have found statistically is that if we look at the folks that have used the product so far, and if you'll bear with me for one minute, when you give them solutions to pay out to, either they can pay it, of course, we always provide free solutions and one of the free solutions is standard ACH.

Now, that's kind of interesting. Okay, I'm going for speed. Why would I choose standard ACH? Sometimes they want to direct that ACH and that's why that is going to be offered. The other is that, and we still get a very small amount that pick that. The other is same day ACH out. Same day ACH out is oftentimes a misnomer in the fact that same day may be 24 hours, not immediate. Then you've got a card, which would be in our case, would be the Rapid Pay Card, and that is used only about 15% of the time.

You know what is used as much as 90% of the time? The bank that you already have in your handbag, your wallet, whatever it might be, it's your debit card. That debit card might be another pay card. That debit card might be a green dot card that you bought from CVS or a go-to bank card that you ordered online. It might be a credit union that your company uses. It might be some national bank, but it is the account that you wanted to go to right then, right there. The best practice, the most used best practice is give your individuals choice. Again, what we say, what we are providing with earned wage access is the ability to get paid when you want, how you want, and most importantly, where you want.

Nina Talley:

That's wonderful. Again, I keep circling back to this idea of dignity and I think that having those choices is offering so much dignity to the employee themselves and saying, "You're an adult, you can make these decisions. We don't have to make them for you, and we also don't want to be necessarily as involved in these decisions. It's your business what you do with your money that you have earned."

Brian Slowik:

You're 100% correct, Nina, and actually to empower that even further is it is important to provide resources for people as an adult to be able to make those decisions. Part of that resources providing financial wellness tool right inside the very same app that allows you to first off access budgeting, but also if I go to even, like I said, I have four children, I have two daughters and two sons. They range in ages over generations, so I have from a 32-year old, a 27-year old, a 17-year old, and a 10-year old, but I can tell you that many times where it is, okay, I want to budget, but I need help budgeting. Okay, well, right within the tool you have the ability to tap a link ...

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Brian Slowik: Right within the tool you have the ability to tap a link and get a coach, a coach that will come on you and help you with that budgeting process. And it's all happening outside of the workplace. You're maintaining that dignity. I don't have to tell anybody, right? And they can talk to me about, "Hey, I see some of your problems are over here. Here's how you might be able to fix it." Also, the ability you have a savings account built into your card program that is interest bearing. How about you have some of your pay go automatically into the savings? Now the one thing we didn't talk about, Nina, is how does a payroll manager, what type of data did they need to provide?

Nina Talley: I love the data talk.

Brian Slowik: Yeah. They simply need to provide the time and attendance information and the pay rate information. And with that, setting it up on a file transfer basis, it can happen independently. And if you don't have the ability to set it up on a file transfer basis, that's what we can help you do. We have tools that are available that can allow for that to happen, but almost everybody already has the time and attendance information.

We just need to provide for sharing of that so that it updates the app and that the person can then see that they can watch their wages accrue and decide if they need to access it. And the nice thing is by watching it accrue rather than the Pavlov's dog type of scenario where I better take it or it won't be available tomorrow, is that you can only use it when you need it. So if the rent is due and I need to access it early, I'm only going to access it then. So while we have 90% of those employees surveyed that they would register for the benefit, on any particular pay cycle we see about 28 to 34% use it.

Nina Talley: Interesting. No, and I think that that again lends to what we were talking about before of it's not being used for spur of the moment spending. It's not being like "abused." Though again, it's your money, you choose how to do it, how to spend it. But I think that that's a really good underlying to the point of you providing a service that your employees need at the time that they need it.

Brian Slowik: You're correct. How you want, when you want, and where you want.

Nina Talley: Wonderful. Well, now is the time in our podcast for something we like to call payroll nightmares. These stories are some of my absolute favorite to share with our listeners because I think that we can all relate to when things sort of get out of control and go off the rails. So Brian, do you have a payroll nightmare and maybe a lesson learned that you can share with our listeners?

Brian Slowik: My payroll nightmare that I like to share is related to disaster recovery, is that first off, earned wage access can help with disaster recovery because it is hurricane season. And you being a Floridian understand what that means, is that we will get far more notice now than we used to get in the old days. But when you have to evacuate, you have to evacuate and that gives you very little

time. Or if you're dealing with the repercussions of a storm, such as in I'm sitting in Texas right now, Hurricane Harvey. It was really the aftermath of Hurricane Harvey that caused massive flooding in Houston and you ended up with islands within the city that still had power, but yet no one could get to them unless you had a boat. So you couldn't use FedEx, you couldn't use UPS, you couldn't use... The bank may not be in service anymore because they're underwater, whatever that might be.

So we actually had individuals, executives that couldn't get paid, couldn't access any of their monies because they were at a community bank, et cetera. And one of the things we encourage our 6,000 plus corporate clients is look, when you have a payroll payment problem, you should take advantage of our experience and call us. Call our customer service group, which is called our Enrollment Team and tell them what's happening and we can give you, okay... Because we've usually experienced it before. And in this case it was, okay, we have this executive and it was a high level executive that needs to be paid, but we have absolutely no way that we can get them money. And yes, they can use their debit card or whatever within their little island, but we need to get them their pay. How can we do it? And fortunately, they called us and gave us that challenge.

And the solution to the challenge was, well, we have many customers all across the country and one of them in this particular case happened to be a Burger King franchise. And we were able to call the Burger King franchise and they have card stock on hand, which is a rapid pay card. And we're able to say, "Hey, may we send Mr. Smith over to your restaurant and you just hand them a card?" "Yes, absolutely. We're happy to help," because everybody's happy to help in a time of disaster. And they went over, picked up the card, they had already activated... Or there's two process to a card, it's registration of the card, which actually initiates the bank account and it is truly a bank account, bank routing number and an account number for the actual account.

And all you're giving them is then the key, which is the piece of plastic to access that account just like your bank account. So it doesn't matter what piece of plastic you're on, there could only be one piece of plastic active at any time. That's called registration. So once that individual, Mr. Smith, picked up his card, his money was already in the account waiting for him. He just simply had to contact either customer care or, in our case with the app, you just activate it right through the app and he had immediate access to his monies.

Nina Talley:

That's so wonderful. Yeah, and I think that given that it is hurricane season, we're already seeing some devastation coming across that that's a wonderful nightmare and solution to discuss. And I think that it's a good lesson for our listeners to reach out to the people in your network when you're experiencing those issues and see who can help. Because as you said, during these periods of incredible disaster or hardship, people want to help and people will work with you as much as they're physically able to.

Brian Slowik: Let's take just quickly, California, Texas, okay? California has the fire season and the fire season also has now, because of the fire season, has led to brownouts and blackouts that are scheduled. So sometimes it's, hey, what happens when they're blacked out? The other is Texas with the winter where they got the brownouts and the blackouts. So all those solutions, you have these creative methodologies to deliver payments that it can be in your toolbox, but you just sometimes need to be creative and share those discussion points as best practices.

Nina Talley: I completely agree with that. Do you want to hear how our expert guests would've handled the payroll nightmare that you're familiar with? Send an email to podcasts@americanpayroll.org or leave us a comment on the APA's Facebook page to get involved in the conversation.

So we don't really like to leave things on a negative nightmare note here at PayTalk so I have one more question for you. What is the best piece of payroll advice you have ever been given? Or what is the piece of payroll advice that you wish somebody had given you?

Brian Slowik: I'm going to go with the best payroll advice I've ever been given is always admit when you've not met expectations and work to come up with turning that around. And that can be with your individual employee or with a company or a client, in our aspect, is the best way to prove customer service is to overcome a negative situation. And also be humble, admit that no one's perfect, and work to come up with that solution.

Nina Talley: That is such a great piece of advice and I think that so many of us have a hard time with that. Nobody, especially in your professional life, wants to appear that they don't know what they're doing. But we are all human. Mistakes do happen. And I know that in my time in customer service and customer facing that you're going to slip up. It's impossible to avoid. And I really do agree that we all need to be able to stand up straight, admit when you're wrong, because that's the fastest way to finding a solution and it's the best way to secure trust.

Brian Slowik: Correct. Trust is critical.

Nina Talley: Absolutely key. And if you can't admit that you're wrong and everybody around you sees that you're wrong, you're just going to erode trust and then it becomes an issue where people expect you to do things wrong because you can't admit when you are.

Brian Slowik: Absolutely, Nina, good point.

Nina Talley: I can't really think of a better way to wrap this episode up. Brian, thank you so, so much for joining us today. Earned wage access is a newer concept for me and I'm sure for a few of our listeners as well. But I really appreciate you joining us

to share your specific unique insights into how this service can benefit employees and employers.

Brian Slowik: Nina, thank you. I hope you're coming away with a better understanding of earned wage access.

Nina Talley: Oh, completely. And I am now an earned wage access advocate. I think that it's a wonderful idea and it really helps to ease a little bit of the pressure of living in today, in today's world and professional world where I think we're all feeling the pinch a little bit more than we were say five years ago.

Brian Slowik: Hoo rah.

Nina Talley: Hoo rah. I also want to take a moment to thank all of our loyal listeners out there. Without you, PayTalk would not be possible, so make sure you rate, review, and subscribe on your preferred podcast streaming service. That is the best way to support this podcast and to 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.

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PART 4 OF 4 ENDS [00:47:16]