



Solving the Multi-Country Payroll Puzzle

A uniform payroll foundation supports
local expertise and global operations



Introduction

Multinational organizations face unique challenges in delivering accurate and compliant payroll. Operating competencies acquired in the home market don't necessarily translate to other markets. Finance organizations need to understand how to bring payroll funding into jurisdictions that may not have "in-country revenue."

The complex, fragmented multi-country payroll process complicates payroll oversight no matter where an organization is on its payroll journey, from early growth to mature multinational. How can you be confident payroll is accurate? How do you verify inputs and understand the specific needs of foreign employment? How can you monitor all the payments and filings that may be required, along with any legislative updates?

What's needed is a payroll transformation that will allow organizations to operate globally but apply in-country payroll expertise locally. By overlaying a single-threaded workforce management and payroll solution atop local expertise, you can achieve a single operating standard across multiple countries. This seamless workforce management and payroll solution lets multinational organizations gain unprecedented levels of visibility, flexibility, and accuracy around multi-country payroll processes.

Deploying a holistic, global approach to multi-country payroll gives multinational organizations the tools they need to manage their payroll processes while simultaneously meeting local, national, and global compliance requirements. It allows customers to bring any model of multi-country payroll funding (in-house, managed, or SaaS) into one platform for end-to-end process visibility. And it unlocks additional benefits like uniform workflow control, easier third-party integrations, and a consistent employee experience.

70% of companies surveyed in the PayrollOrg's Global Payroll Survey think it is very important to have their multi-country payroll through a single standardized system¹

Why is multi-country payroll so challenging?

Operating across borders requires staying abreast of myriad laws, requirements, tax deadlines, processes, and even currencies and exchange rates. Historical business solutions are not adapted to country requirements and do not deploy well in a multinational context. HR and payroll functions are left with disjointed time management and the subsequent high risk of getting employee pay wrong. Until now, solution providers have not been able to organize diverse and time-sensitive payroll operations into a coherent, global operating model.

The Deloitte Global Payroll Benchmarking Survey found that the average respondent uses 3.7 third-party payroll technologies to manage multi-country payroll, due to the inability of payroll vendors to cover each country footprint with a single technology solution.²

The current state of multi-country payroll

As we've seen, the current multi-country payroll landscape is incredibly complex and challenging. Large multinational organizations need a solution that meets six key goals for labor and pay.

- 1. Pay employees timely and accurately.** Ensure payroll, regardless of location and complexity, is compliant and delivered on time, in the correct currency.
- 2. Manage global cash flow.** Ensure liquidity specific to payroll and pay-related benefits with strong audit controls, via the lowest cost possible.
- 3. Gain business insight.** Through the availability of consolidated data, currency normalization, trend, and variance analysis.
- 4. Optimize labor spend.** Deploy global WFM solutions to optimize workforce investment and manage labor costs. Payroll "starts" here.
- 5. Deliver a consistent employee experience.** Support employees across all geographies, languages, and channels (web and mobile) and make it easier to respond to issues.
- 6. Decrease total cost of ownership.** Understand your true costs with transparency into the cost of delivery and service.

Traditional global payroll is a cumbersome and complex process that too often relies on a patchwork approach, lacks transparency and insight, and is prone to errors that hurt both people and organizations. Even in 2023, most companies still lack a single, reliable, and accurate way to understand how much they're paying employees worldwide. Those that do know have invested in costly and time-consuming manual efforts, which still result in outdated information they can't use proactively.

Hugo Sarrazin
Chief product and technology officer, UKG

Accurate payroll helps build a great workplace

Getting multi-country payroll right delivers more than just direct business benefits. Consistent, accurate pay impacts your people and their wellbeing and helps build great workplaces. The Workplace Institute found that 49% of workers will begin searching for a new job after only two payroll errors.³ When you keep people at the center of your multi-country payroll strategy, you're helping foster and build a culture of trust. Establishing this trust is one of the smartest investments you can make for your organization.

Over 80% of payroll errors originate in workforce management systems, specifically timekeeping data.⁴

According to research from FTSE Russell, companies that make the Fortune 100 Best Companies to Work For list outperform the market by a factor of 3.36.⁵ Over time, that adds up to a staggering difference. High-trust cultures have accelerated rates of innovation, see more employees go above and beyond to deliver for clients and customers, and have half the attrition rate of industry competitors.⁶

It pays to be a great workplace

The outcomes of employee trust on the bottom line are undeniable



Sources: Great Place To Work, Enrich.org, Harvard Business Review, LinkedIn.⁷

Introducing the future of multi-country payroll

Multinational organizations are ready for a solution that offers a rapid path to essential data insight, establishes a uniform control framework via native workflow (system-based role and audit, segregation of duty), and allows management to control value creation from scheduling right through to net pay and statutory compliance.

UKG® One View™ enables multi-country organizations to manage their schedule to fund processes while simultaneously meeting their local, national, and global compliance needs. The platform complements the leading UKG Pro® Pay offering and extends the value of the UKG Pro suite into more than 160 markets.

Schedule to fund workflow encompasses the entire employee payment process, from managing the workforce (designing schedules, executing work, and validating time) to payment (calculating gross to net) to money movement (executing funding/payday). This workflow traditionally requires multiple workforce management, payroll technology, and money movement/banking solutions to execute successfully.

With its simple, uniform payroll platform, UKG One View empowers multinational organizations to employ a mix of payroll deployment models (in-house, managed, SaaS) in a single solution, while still achieving a unified view of all money flows.

How UKG One View delivers on the promise of multi-country payroll

Schedule to fund in one

One View seamlessly normalizes country-specific payroll requirements and monitors payroll from different countries. Each country's unique payroll process is aligned to a common standard. Complementing this is an intelligent Country Specific Information (CSI) database that identifies what data or information is required for a compliant payroll process within any given country.

One View employs a proprietary process called Perpetual Validation™ that continuously analyzes inbound and outbound data feeds to ensure compliance, anticipate common failure modes, and assess data quality and completeness. Additionally, One View accesses upstream information from UKG Pro to understand the source to gross inputs. This helps organizations gain a holistic view of the schedule to fund process. UKG is the only provider that can offer multinational workforce management, payroll, tax, and funding in one platform, under one commercial agreement, supported by one organization.

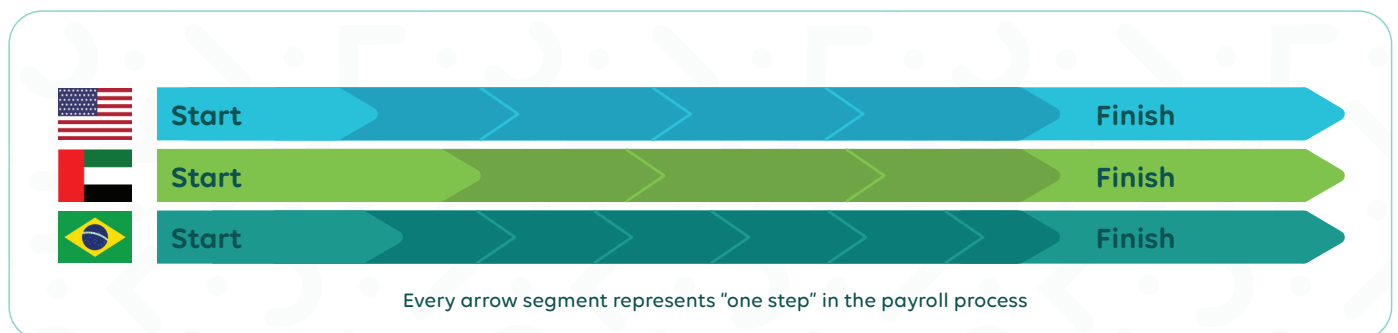
UKG offers customers payroll execution services in more than 160 countries, via our curated marketplace of in-country providers (ICPs). These providers offer full payroll services including gross-to-net payroll calculation, as well as government/periodic filings and last-mile services. Our providers are continuously monitored for performance across all contracted UKG customers to ensure quality. Importantly, all ICP services are nested within the UKG relationship, meaning customers will maintain one accountable counterparty, one contract, one support relationship, and one service level agreement.

One View helps multinational organizations complete the full payroll process by including money movement services. Organizations can conveniently fund their payrolls from one place using three of the world's most highly liquid currencies: the U.S. dollar, British pound, or euro. Customers can conveniently initiate, price, and confirm foreign exchange impacts for all payrolls using One View, making it a singular hub for payroll-related money movement. UKG distributes funding in 120 currencies, providing an unparalleled level of flexibility and convenience. This service can be provided for any payroll within One View, whether a UKG ICP or any third-party method.

Uniform workflow control

One View removes the “swivel chair” experience for global HR and payroll professionals by instituting one operational standard. Reporting and business intelligence staff can leverage the capabilities of One View to access state/provincial, national, regional, and multi-country payroll information in a single place. This offers real-time monitoring and KPIs of the state of each pay group process and highlights any exceptions that require attention to meet compliance requirements and/or employee expectations. Payroll and shared service center practitioners can support payrolls for multiple countries with ease, increasing efficiency, lowering training and payroll delivery costs, and decreasing staffing risks. For users, One View provides a unique experience that allows employees to access workforce management, payroll, and tax-related information through a single portal. The platform caters to the needs of employees who work in a single country, multiple countries, or as an expat.

Aggregation of Country-Specific Payroll Processes



Common Framework Implemented by OneView in over 160 countries



Hybrid solution deployment

One View stands out as a hybrid, multinational pay hub due to its ability to provide a comprehensive view of all countries' payrolls, regardless of payroll execution model, whether by UKG's ICPs or any third-party method. In the case of a customer that deploys One View with its existing ICPs/tools, One View can be live in weeks — delivering value rapidly with minimal change management or business interruption. Regardless of payroll execution method, customers benefit from the ability of One View to deliver a unified view, perpetual validation process, and optional funding capabilities. Multinational organizations can achieve uniform measurement and reporting without imposing local operations.

Consistent employee experience

One View allows multinational employers to radically streamline how employees access and interact with the most essential artifacts of the employee-employer relationship: time and pay. The single application allows organizations to streamline access and interaction in an intuitive application that supports more than 20 languages, with better usability, support, and a globally compliant pay slip that inspires employee confidence in the fairness and accuracy of their paycheck.

Multinational organizations can't afford to ignore culture and its importance in the workplace. When employees understand that their work matters and their purpose is aligned with their company, good things happen. When you pay employees accurately and on time, they're loyal, engaged, provide better customer service, and have improved performance and productivity — all of which are tied to your bottom line.

Conclusion

When it comes to multi-country payroll, global organizations often try to choose between solutions that are a great fit for country "A's" requirements and those that provide an effective global corporate solution. But this false choice leads to inefficiencies, costly errors, compliance risks, and lower employee engagement and retention.

By overlaying a single-threaded workforce management and payroll solution with local expertise, UKG One View allows multinational organizations to balance local needs with their global operations. One View transforms multi-country payroll from a patchwork of solutions into one operational standard that delivers:

- A flexible deployment model that allows you to maintain existing in-country providers or technologies but have immediate visibility across your entire process
- AI-powered perpetual validation that continuously monitors data to confirm both quality and completeness for all countries
- A consistent employee experience in an easy-to-use mobile application that provides a globally compliant pay slip wherever your people work

About UKG

At UKG, our purpose is people™. As strong believers in the power of culture and belonging as the secret to success, we champion great workplaces and build lifelong partnerships with our customers to show what's possible when businesses invest in their people. Born from a historic merger that created one of the world's leading HCM cloud companies, our Life-work Technology approach to HR, payroll, and workforce management solutions for all people helps 50,000 organizations around the globe and across every industry anticipate and adapt to their employees' needs beyond just work. To learn more, visit [ukg.com](https://www.ukg.com).

To learn more about UKG One View, please visit
<https://www.ukg.com/ukg-one-view>

References:

1. Deloitte, *Deloitte Global Payroll Benchmarking Survey*, found at <https://www2.deloitte.com/us/en/pages/human-capital/articles/payroll-operations-survey.html>.
2. Global Payroll, *Survey Shows the Challenges of Global Payroll*, found at <https://global.payroll.org/publications-resources/Global-Payroll-Magazine/august-september-2021/survey-shows-the-challenges-of-global-payroll>.
3. Workforce Institute, *State of Payroll Study*, found at <https://workforceinstitute.org/state-of-payroll-study/>.
4. UKG Proprietary Research Finding.
5. Great Place To Work, *When Employees Thrive, Companies Triple Their Stock Market Performance*, found at <https://www.greatplacetowork.com/resources/blog/when-employees-thrive-companies-triple-their-stock-market-performance>.
6. Great Place To Work, *The Business Returns on High-Trust Work Culture*, found at <https://www.greatplacetowork.com/resources/blog/the-business-returns-on-high-trust-work-culture>.
7. Great Place To Work, *8 Ways Great Company Culture Drives Business Success*, found at Great Place To Work.
Enrich, *The Cost of Replacing an Employee and the Role of Financial Wellness*, found at <https://www.enrich.org/blog/The-true-cost-of-employee-turnover-financial-wellness-enrich>.
Great Place To Work, *Managing Millennials*, found at <https://www.greatplacetowork.com/resources/reports/managing-millennials>.
Harvard Business Review, *The Connection Between Employee Trust and Financial Performance*, found at <https://hbr.org/2016/07/the-connection-between-employee-trust-and-financial-performance>.
LinkedIn, *The importance of trust in the workplace*, found at <https://www.linkedin.com/pulse/importance-trust-workplace-lydell-stokes/>.



Our purpose is people

© 2023 UKG Inc. All rights reserved.

For a full list of UKG trademarks, please visit [ukg.com/trademarks](https://www.ukg.com/trademarks).
All other trademarks, if any, are property of their respective owners.
All specifications are subject to change. CV2199-US-EN-v1