

The Critical Importance of  
**Payroll Accuracy  
for Staffing Firms**

Ensuring payroll accuracy isn't just important—  
it's crucial for success.

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The staffing industry is one of the fastest-growing sectors in the global economy. As the demand within this industry grows, **so does the challenge of managing payroll.**

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With over 20 years of experience, Greenshades has transformed payroll and HR challenges into business-enhancing opportunities for more than 4,000 US businesses.



# Improve Your Bottom Line

Optimize payroll management to drive your agency's growth.



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**Payroll is an important aspect of any business, and completing the process effectively every time is vital.** Inaccurate payroll can lead to a host of problems, including legal issues, dissatisfied employees, and a decrease in productivity.

Whether you're a small staffing agency or a large enterprise, navigate the complex world of payroll and enhance your bottom line with this comprehensive guide. **With practical advice and expert insights, you can take control of your payroll processes and focus on what really matters: growing your business.**



**In 2022, U.S. staffing companies hired 14.6 million temporary and contract workers.** Handling payroll for such a large, varied workforce is not just a major expense, but a complex challenge where accuracy is critical.<sup>1</sup>

<sup>1</sup> American Staffing Association. (2023, March 23). Second Year of Postpandemic Growth. Retrieved February 19, 2024, from <https://americanstaffing.net/posts/2023/03/23/second-year-of-postpandemic-growth/>



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# The Importance of Payroll Accuracy





# Why Payroll Accuracy Matters

Getting pay correct goes beyond compensating your workers.



**As your business evolves and expands, payroll processing becomes increasingly complex.** Without the proper tools to scale your operations, your staffing agency might encounter some major obstacles.

This section explores some of the major payroll challenges that staffing firms face and highlights why accuracy in payroll is critical for **both the job satisfaction of your workers and your business's overall success.**



**Half of all employees would start looking for a new job after experiencing just two errors in their paychecks.<sup>2</sup>**

<sup>2</sup> Miller, R. (2017, June 14). Just two payroll errors can cause 49% of employees to start job hunting. [HR Dive](https://www.hrdiver.com/news/just-two-payroll-errors-can-cause-49-of-employees-to-start-job-hunting/444377/)  
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# Common Payroll Challenges

Do these obstacles affect your firm's payroll accuracy?



## Is it challenging to manage diverse pay policies across different clients?

Managing a variety of pay policies for multiple clients is complex. Your firm needs to seamlessly manage multiple pay runs, adapt to different payroll schedules, and more.



## Are timesheet errors consuming too much of your focus?

Timesheet inaccuracies drain your resources because you often have to verify hours with employees and clients, adjust pay accordingly, and sometimes reprocess payroll.



## Do you find it difficult to handle overtime calculations accurately?

Accurately calculating overtime becomes a complex task, especially as you navigate varying state laws and client-specific agreements.



## Is high employee turnover causing an increase in payroll errors?

Frequent updates to employee records due to high turnover rates impact payroll, and these constant changes heighten the risk of errors and inaccuracies.



## How do you cope with the complexities of multi-jurisdictional payroll?

To manage payroll across different jurisdictions, you must stay updated with various tax laws, understand regional compliance requirements, and accurately apply these to payroll.



# The Impact of High Turnover

Frequent changes often result in payment miscalculations.



High turnover within staffing organizations compounds multiple payroll challenges:

- **Risk of Data Errors:** Updating employee data frequently increases the risk of errors in your payroll system.
- **Increased Chance of Misclassification:** High turnover heightens the chances of misclassifying employees or contractors.
- **Mistakes in Pay:** Turnover amplifies the risk of pay discrepancies, such as overpaying former employees, underpaying new hires, or miscalculating benefits deductions.

High rates of employee turnover and the challenges that come with it puts **significant pressure on staff to ensure payroll is accurate and efficient.**



In 2022, the **turnover rate** within the staffing industry for temporary and contract workers **rose to 419%, a 4% increase from 2021.**<sup>3</sup>

<sup>3</sup> American Staffing Association. (n.d.). Turnover and tenure. Retrieved February 19, 2024, from <https://americanstaffing.net/research/turnover-and-tenure/>

# Why Payroll Matters for Business Success

Accurate pay is vital for your agency's overall health.

## Avoid Compliance Penalties

If your employees work across various jurisdictions, you face the challenge of adhering to all relevant federal, state, and local tax regulations. Accurately calculating your employees' pay ensures compliance with these laws, avoiding potentially costly penalties and legal issues.

## Protect Your Financial Health

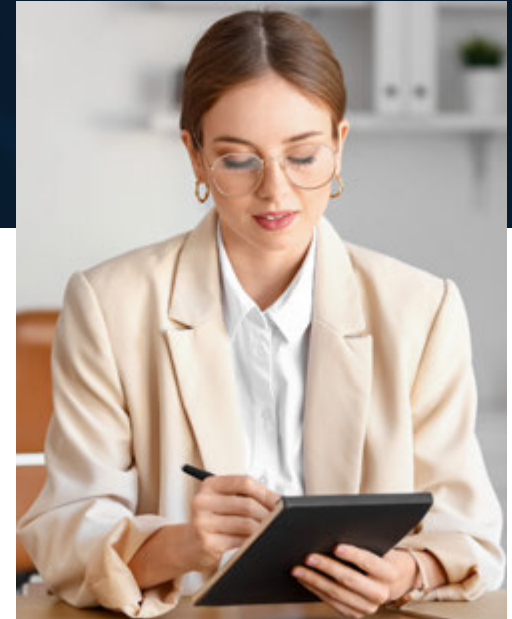
Payroll mistakes can incur steep costs. Calculating pay accurately and distributing paychecks on time is important for managing cash flow and reducing the risk of unnecessary expenses. By managing payroll effectively, your firm can utilize its financial resources wisely and safeguard its financial stability.

## Uphold Your Firm's Reputation

Payroll errors can damage relationships with both clients and workers. Distributing paychecks accurately and on time promotes trust and loyalty among workers, leading to a more productive and satisfied workforce. This, in turn, strengthens your firm's credibility.

## Enhance Productivity

Inaccurate payroll forces your team to take time away from their primary duties to fix pay mistakes. Completing payroll accurately conserves valuable time, cultivates a more productive work environment, and enables the team to focus on strategic tasks that contribute to your firm's long-term success.



By optimizing payroll processes, staffing companies can **reduce costs, improve cash flow, and enhance their competitive edge in the market.**





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## Ensuring Payroll Accuracy

# Achieving Consistent Payroll Results

Ensure accuracy and timeliness with the right tools and practices.



**The tools you use and the standards you set directly influence your payroll operations.** Implementing industry best practices and using advanced technology can significantly improve the efficiency of your payroll processes.

In this section, we explore some of the most effective payroll practices and technologies. In addition, we examine how they work together to **ensure your payroll is accurate and on-time, every time.**



Manual data entry accounts for **35% of all payroll errors**, costing businesses billions of dollars annually.<sup>4</sup>

<sup>4</sup> Businessdit. (n.d.). Payroll error statistics. Retrieved from <https://www.businessdit.com/payroll-error-statistics/>

# Best Practices for Payroll Operations

- **Automate and Standardize Processes**  
Automating payroll processes enhances efficiency, streamlining operations to be more reliable and less prone to error.
- **Diligently Review Timesheets for Accuracy**  
Consistently and thoroughly reviewing timesheets prevents payroll errors, saving time by reducing the need for corrections and adjustments.
- **Maintain Consistent Communication**  
Communicating compensation and payroll guidelines clearly across the team ensures that everyone understands the process, promoting smooth payroll operations.
- **Conduct Regular Payroll Audits**  
Promptly reviewing pay runs and correcting discrepancies is essential for maintaining payroll accuracy and compliance, strengthening your financial operations.



Putting these payroll best practices into action is key to creating a more organized, compliant, and productive organization.



# Tools for Payroll Efficiency

Leverage technology to enhance payroll management.



**Technology simplifies complex tasks, and payroll is no exception.** By automating certain aspects of payroll, companies can save time, reduce errors, and ultimately cut costs.

**In this section, we highlight some of the most important tools that enhance payroll processing.** These technologies streamline payroll and free your team to concentrate on what matters in your business: finding and placing top talent.



In 2023, 56% of staffing firms worldwide cited talent shortage as their main challenge.<sup>5</sup>

<sup>5</sup> World Economic Forum. (2023). The Future of Jobs Report 2023. Retrieved from <https://www.weforum.org/reports/the-future-of-jobs-report-2023>

# The Advantages of Technology

## Discover systems that improve payroll processes.

### In-House Payroll Solutions

In-house systems offer control and flexibility, allowing you to tailor the payroll process to your business needs. These systems also provide automatic compliance updates, built-in validation features, and other components that enhance the accuracy of your payroll operations.

### Time Tracking Software

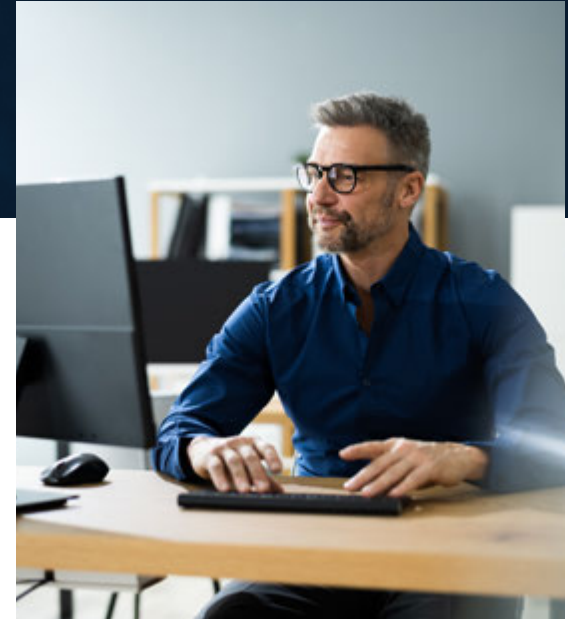
With time tracking software, employees can easily submit their hours and managers can swiftly approve them. The data then feeds into your payroll system to accurately calculate employee pay, simplifying your time tracking workflows and streamlining every step of the payroll process.

### Applicant Tracking Software Integrations

With Applicant Tracking Software (ATS) integration, you can automatically transfer employee data into your payroll system, which provides the necessary details for accurate pay calculations. This process reduces manual data entry and simplifies workflows, saving your team valuable time.

### Analytics Tools

Analytics tools enable teams to easily monitor and manage their payroll Key Performance Indicators (KPIs). These tools offer a deeper understanding of your payroll operations, helping to identify trends, pinpoint inefficiencies, and make data-driven decisions.



**64% of staffing employees work in the industry to fill gaps between jobs, presenting agencies with the opportunity to leverage technology to meet the varied needs of this ever-changing workforce.**<sup>6</sup>

<sup>6</sup> American Staffing Association. (n.d.). Staffing Industry Statistics. Retrieved February 19, 2024, from <https://americanstaffing.net/staffing-research-data/fact-sheets-analysis-staffing-industry-trends/staffing-industry-statistics/>



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## A Partner for Payroll Accuracy



# Greenshades Payroll Solution

Effortlessly manage processes with an in-house provider.



In today's rapidly evolving business landscape, staffing firms encounter unique challenges in managing payroll and HR tasks. **A reliable partner can provide the necessary tools and best practices to ensure payroll is consistently accurate and on time.**

With an intuitive payroll wizard, unlimited pay runs, automated compliance, and much more, **Greenshades' flexible yet powerful Payroll & HR solution is the partner you need to maintain operational productivity and improve employee satisfaction.**



We were thoroughly impressed by the transformative results of implementing Greenshades Payroll. **The efficiency it brought to our payroll processing experience has been remarkable.**

**Cole J. Parker**

Accounting Manager/Banking Officer

# Is Greenshades Right for You?

5 ways to improve your payroll accuracy with Greenshades.

-  **Reduce the time needed to complete payroll.**  
Quickly and accurately complete pay runs utilizing our payroll wizard.
-  **Scale your processes within the system as you grow.**  
Our system is agile and adaptable to meet your business's unique needs.
-  **Manage complex payroll calculations.**  
Intricate and complex calculations are easy to handle within our payroll solution.
-  **Support employees across locations with less hassle.**  
Location-specific tax laws and regulations are automatically applied to employee pay calculations.
-  **Retain the technology stack of your choice.**  
With an open API, our solution integrates with your preferred business management systems.\*

Greenshades Payroll combines speed, accuracy, and productivity to optimize your operations.  
**Join the ranks of staffing organizations that have transitioned to Greenshades Payroll.**

\*Greenshades supports direct integration with Microsoft GP, Microsoft Dynamics ERPs, and Sage Intacct.

# Ensure Payroll Accuracy

As your agency grows, be sure payroll keeps pace.



Contact us today to learn more about making the move to Greenshades Payroll.

**Thank you!**

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