

To Study on Payroll Management in Organization

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ABSTRACT - Payroll management system is one of the core area of the business. A payroll system involves everything that has to do with the payment of employees and the filling of employment taxes. This includes keeping track of hours, withholding taxes and others. The pay structure of a company depends on several factors include market conditions, company's paying capacity and legal provisions.

KEYWORD: Employment taxes, Market conditions, Legal provision

I. INTRODUCTION

Payroll management process is very essential in any of the concern which consist of more than one employee. Moreover, it is a requirement for compliance with federal and state laws. Payroll management process refers to the administration of an employee's financial records which includes the salaries, wages, bonuses, deductions and net pay. That record should be maintained for the federal requirements in future. In recent days there are various automated software's are available to maintain the payroll management process it will reduce the manual work.

OBJECTIVE

- ✓ To identify the payroll periods for the company based on the paying capacity of the particular concern & market conditions.
- ✓ To analyse the employees expenses allowances, appraisals to ensure the equipped payroll system.
- ✓ To know about the different types of payroll methods will enhance the knowledge in payroll management system.

II. REVIEW OF LITERATURE

According to " **steven m. Bragg**" (2011), payroll management is designed for both professional accounts and students. Since both can benefit from its detailed descriptions of payroll systems, control, procedures and regulation.

According to **chetan wain** (2014), payroll being the most vital part of HR generalist have maximum number of jobs to offer and make enable them to handle payroll calculation of employees independently.

Ajit yadav (2014) said that payroll is also incredibly important to its recipients: employee of a company. Employee moral can be negatively affected by errors and irregulaties in payroll, so an organisation must distribute payroll in a appropriate manner.

Charlie (2000) defined that "Payroll strategies increases profitability, maximize employee efficiencies, reduce time in transactional HR areas".

Robert leach (1999), "Payroll function could be better integrated into the HR function, whether any of the information held by the payroll function could usefully be shared".

According to **kyle pomerleau** (2014), "Government levy payroll taxes on both the employee and the employer, though both are ultimately paid by wage earners".

ADVANTAGES OF PAYROLL MANAGEMENT SYSTEM :

- ✓ The most important advantage of using a payroll financing solution is that it helps you grow your business.
- ✓ Some types of payroll financing, such as factoring, are easy to get. Factoring companies don't require the traditional underwriting that banks go through. This advantage is important for small and growing businesses that can't meet bank lending requirements.
- ✓ Some payroll funding solutions can be obtained quickly. For example, a factoring line can usually be obtained in a week or so. Obviously, the time it takes to deploy a line varies based on clients' individual circumstances.
- ✓ Payroll financing helps you bridge the gap between rendering a service and getting paid. This solution allows you to offer competitive terms to your clients and provides a financial platform for adding clients.
- ✓ Lastly, factoring transactions are usually structured as the sale of your receivables, rather than as a loan against them. This structure can be important for larger companies who may look for conventional funding later on.

DISADVANTAGE:

- ✓ Payroll financing solutions are not perfect. The two most important disadvantages are:

Lines can be relatively expensive:

The main challenge of payroll financing, especially factoring, is that it can be relatively expensive – at least when compared to other solutions. Consequently, payroll financing is best used by companies that have higher margins or companies that get paid quickly. Factoring costs are determined through a combination of volume and the payment speed of your clients. It works best if your company has a minimum gross margin of 15%; however, higher margins are better. If your clients pay invoices slowly (i.e., 60 days or longer), consider financing only those invoices that have higher gross margins. Lastly, factoring lines are not always transparent to your clients. However, factoring companies always work with you to determine the right way to deploy the solution and minimize client issues.

IMPORTANCE:

Payroll process is an integral part of all organizations. It is not only responsible for the employees salary compensation, but also plays a role in protecting the company's reputation by ensuring compliance with various legislations. Small business payroll software possesses significant user friendly features and provides fast calculations with accuracy. Some features of payroll software are stated below:

- It can handle multi company transactions.
- It can calculate bonuses, commissions and advance payments.
- It can calculate monthly salary, EPF, SOCSO and PCB.
- It can generate various management and operation reports.
- It gives accurate calculation.
- It is suitable to maintain employees' profiles.
- It provides payroll detail report.

Payroll software usually has simple interface as they are developed keeping in mind the common user. It can calculate staff's monthly salary, generates pay slip, and payroll summary. It is important to use fast and easy to use software. Malaysia payroll system is a perfect set up for all your payroll needs. Payroll software for small companies has no complicated parameters and options. Its simple interface gives fast and easy access to your payroll data and calculations. It is capable of generating reports and data that assists in making decisions on HR related matters. Use of payroll software reduces the costs of hiring employees for managing companies' payroll. Payroll software can handle these tasks efficiently. It is an ideal solution for small businesses. A lot of companies are providing software

solutions all over the world. It important to choose a reputable company that offers quality and reliable software solutions. Choose software that suits to your business needs. We offer software solutions for small businesses. Many small companies are using our software solutions with positive reviews as they are simple, user friendly, affordable and suitable for small businesses. If you are running a small business and want to get quality software solutions, contact us today.

SCOPE:

- Rosterd Day off
- Mid month pay timesheet end
- Workers compensation

INFORMATION:

In future automated payroll software's will be developed in order to reduce the reduce the cost of maintaining the records as well as manpower. There are various payroll management companies are available.

III. SUGGESTION

Automated software tools are available in market hence the companies can use the software's to manage their own payroll system as well the necessity of equipped resources will get reduced

IV. CONCLUSION

Payroll financing can be an ideal solution for companies that are growing quickly and need funding to cover staffing costs. However, this solution works best if your:

- Commercial clients have good credit
- Clients pay on 30- to 60-day terms
- Margins are at least 15%

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