

NUCLEUS
RESEARCH

BETI BOLSTERS PAYROLL SUCCESS

ANALYST

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THE BOTTOM LINE

The benefits of employee self-service are no longer limited to finding answers to questions and making PTO requests. Payroll is a traditionally challenging area for many organizations, especially those with complex workforces. Beti, a self-service payroll feature released by Paycom, enables employees to manage, verify, and approve their paycheck before it is processed. Nucleus interviewed Paycom clients to assess the value driven by the use of Beti with Paycom's existing Payroll capabilities and found that the use of the system led to a significant reduction in payroll errors, time savings for managers and HR teams, and higher rates of employee engagement with the system. On average, organizations were able to reduce payroll corrections and associated time by more than 80 percent upon implementation of the feature, with some able to eliminate errors entirely.

OVERVIEW

Employee self-service (ESS) is a benefit driver for organizations of all sizes due to its breadth and repeatability across a workforce. Extending self-service functionality to this traditionally cumbersome, error-prone process can drive further value. For example, not only do managers and HR staff save time reconciling data and correcting errors, but employees are given a greater degree of control over what is arguably the most important facet of their employment.

Paycom, a human capital management (HCM) software provider, was the first vendor to release a product dedicated to giving end-users the opportunity to approve pay, as well as identify and rectify errors before payday. Beti (Better Employee Transaction Interface) is Paycom's payroll offering that provides end-users with a guided process for self-validation of paychecks before payroll is ever processed. Nucleus spoke to several Paycom clients leveraging Beti to assess the benefits and bottom-line impact driven by the use of the solution.

PAYCOM & BETI

Paycom is a full-suite HCM solution that unifies payroll, talent acquisition and management, core HR, and workforce management. The vendor's functionality can be accessed through a browser or mobile app, enabling users to access the solution regardless of whether they are in the office, at home, or on the front line.

Paycom's strength in employee self-service functionality is highlighted through its release of Beti, the first self-service payroll product on the market. Beti enables end-users to manage, troubleshoot, verify, and approve their own paychecks before they are processed. Prior to the end of a pay period, employees receive a push notification through Paycom, prompting them to view and approve their pay before submission. However, they also have the opportunity to take action on any additional tasks needed or make necessary changes with notes to detail potential errors. The solution also includes automated error detection that ensures that employee input is aligned with preconfigured rules.

TYPICAL BENEFIT AREAS

Upon interviewing Paycom clients using Beti, Nucleus found three typical benefits stemming from the addition of Beti to an existing Paycom deployment.

REDUCED ERRORS

Nucleus found that, on average, payroll administrators using unautomated systems spend eight hours per 100 employees reconciling errors each pay period. The ability for employees to check and approve their pay within the rules of an organization can significantly reduce this time. Beti aggregates information from other payroll-related self-service tasks, such as paid time off (PTO), expenses, benefits enrollment, tax setups, and mileage reimbursement. This gives employees a better understanding of their pay but also enables proactive detection of any inaccuracies. In addition to errors reported by employees, the solution's automated error detection provides payroll administrators with an extra layer of protection against false pay information. Nucleus found that clients leveraging Beti are able to reduce payroll corrections by more than 80 percent, with some able to eliminate errors entirely.

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INCREASED PAYROLL PRODUCTIVITY

Through previous interviews, Nucleus found that Paycom clients typically reduce time spent processing payroll by upwards of 90 percent, depending on the degree of manual processing that took place before the system was implemented. Manual payroll or payroll with limited levels of automation requires a significant amount of manual work, such as data transfer. Beti's ability to more proactively identify errors not only reduces time spent fixing errors prior to processing but also leads to less time reconciling inaccurate information after payroll is run. Additionally, the solution can significantly decrease time spent conducting back-and-forth communications between employees and HR departments, as the system facilitates the conversation in an automated manner.

IMPROVED EMPLOYEE ENGAGEMENT

By virtue of more employees using a technology solution, the benefits can be achieved at a higher level. The return on investment (ROI) of an unused solution is always negative, making adoption a crucial initiative. Nucleus found that organizations using Beti experienced up to 100 percent of their end-users engaging with the system regularly. Payroll's importance to employment makes Beti a solution that employees are motivated to use. The solution also provides a better understanding of wages and any changes that occur, taking into account information such as expenses, allocations, and deductions, as well as bonuses and commissions.

CUSTOMER EXPERIENCE

Nucleus interviewed Paycom clients across various industries to assess the benefits driven by the use of Beti.

RESTAURANT GROUP

This restaurant group has about 11 locations using Paycom with one employer identification number (EIN). The organization has about 50 users on the system and has been with the vendor for approximately four years. Prior to the deployment of Paycom, the organization used a small payroll solution that was unable to keep up with its needs as it grew. For example, it was not integrated with any existing systems, leading HR staff to toggle between disparate systems and conduct additional manual work. Additionally, the organization faced constant time and attendance-related compliance issues due to the inefficiencies of manual time tracking and data transfer.

Upon realizing that the organization needed a more functional payroll and HRIS system, leadership considered Paylocity, ADP, and Paycom. Paycom was initially selected due to its strong compliance capabilities and ability to account for meal and break premiums, as well as split-shift premiums. However, the driving factor behind the decision was Paycom's offering of a complete HR solution that can manage users and permissions without the scale of manual input previously required.

Upon go-live, payroll went from very manual to automated. A leader from the organization noted that the automation took "days" off of payroll processing. As Beti was put in place, employee check errors were all but eliminated while employee engagement went up. This was attributed to the increased access end-users had to their own data, and the ability to update direct deposit information. This also led to additional time savings around employee check approvals, as the ability to catch any issues on checks before payroll is processed helps to avoid stopping the process to make changes. The organization experienced high rates of end-user adoption for check approvals, with upwards of 90 percent of employees taking advantage of the functionality.

One client eliminated payroll errors with Beti

HEALTHCARE

This healthcare system has approximately 1,150 employees spanning three companies and has been using Paycom for about three years. The organization previously had an in-house payroll system. However, the finance system it was connected to had plans to no longer support payroll. This prompted the need to search for a new solution, with the organization considering Paycor, Paycom, and ADP. Paycom was ultimately selected due to the usability of the platform. Leadership noted that as they went through product demonstrations with the vendor, vast amounts of information could be located easily. One representative from the organization liked that one didn't have to be a report master to run a report on the solution.


Clients experienced high adoption rates, with some achieving 100% end-user adoption of Beti

The organization deployed Beti in 2022 when they had just experienced a period of growth and added another company. Nucleus found that upon implementation of the add-on service, HR staff reduced payroll corrections by 80 percent. Additionally, employees love how the timesheet flows into the paycheck, enabling them to better understand their pay before it is approved. In instances where a timesheet needs to be updated after payroll is processed, Beti allows the updated information to automatically feed into payroll. This enables payroll staff to rededicate time to other payroll-related tasks. Above all, one HR leader noted the importance of employees being paid correctly the first time. They mentioned that payroll is the most important HR function, and Beti is a great solution to mitigate having to fix issues before the process is complete.

REAL ESTATE

This real estate developer has many business units across construction, custom homes, multifamily housing, and senior living, and provides property management for a significant amount of its developments. The organization has two payroll entities within Paycom and has been using the solution for approximately two years. With seasonal employment, employee numbers fluctuate from about 200 to 380.

The organization was previously using Paychex, which required many manual processes. For payroll, this included printing, calculating taxes, sending e-mails, and conducting extra checks and approvals. These small tasks added up quickly, and leaders decided to implement a new solution to take advantage of more automated capabilities. After completing a full RFP with several vendors, the organization selected Paycom due to its strength in automation, noting that it was very hands-free compared to competing offerings.



Upon implementation, the HR team reported that payroll processing, which used to be cumbersome with manual tasks, is now completed in a couple of clicks to import hours. Managers are notified well in advance of the payroll and date, and HR has full visibility into any changes being made. The organization noted that notifications through Beti have also been seamless. For example, even though payroll went through a manager, the responsibility of confirming hours and pay would consistently be routed to HR. Now, the responsibility is on the employee, which serves as an incentive for them to punch in and out correctly and update information, such as changes to phone numbers and direct deposit. Nucleus found that this has saved significant HR time, as the end-user plays more of a role in ensuring pay accuracy. Engagement with the solution is high across the organization's business units, with approximately 99 to 100 percent of end-users accessing it regularly. The HR team prides itself on the fact that employees know the tool, and leverage engagement data to identify anomalies and offer necessary assistance to keep adoption rates high. The organization also credited Paycom's support team with timely responses to any issues they may experience, as well as recognition of product feedback. The HR team noted that Paycom and Beti have made a significant difference in the way that they work.

LOOKING AHEAD

Paycom's strong foundation of automated payroll capabilities made Beti a welcome addition to its product offerings. Nucleus found that the most valuable solutions have high levels of usability, making the simplicity of Beti from an end-user perspective key to its ability to deliver benefits to organizations using it. As one of the sole HCM players to enter the self-service payroll space, Paycom has positioned itself to drive value for organizations looking to add efficiency to payroll while keeping employees engaged with the process.