Payroll System Modernization

Currently, the word modernization is synonymous with the use of applications as an information technology advancement product. Use of the app promises ease, speed and accuracy in accessing information.

What about the modernization of payroll system?

In modernizing the remuneration system there are two points of concern. First, update the principle of remuneration which currently prioritizes the value of monthly or annual rewards higher for employees who more quickly complete the target work. So in addition to determining the fixed income from the process of weighting position, it is appropriate that companies consider the right variable income for qualified and innovative employees when completing the results of his work.

Second, related how to create the ease, speed and certainty accuracy of the information for us to manage further on the process of calculating remuneration in the payroll system. Ease of access can be facilitated by the effort to use web / Android / IOS application that is user friendly to view payroll information via smartphone. In addition to easily accessible, modern payroll systems are also expected to reduce frequent errors such as human error, double input, data that has not been verified by an authorized supervisor, or data that has not been updated when taken from other functions / systems.

If we talk about the payroll system, we talk about information that must be inserted as the basis for calculating salaries, such as data on achievement of job targets, attendance data, data deductions, and others; and at the end of the process there is also information that becomes OUTPUT of the payroll system, such as data transfer commands to the Finance Division, data cuts PPh 21 to the Tax Division and data for salary slips received by the employees according to deadlines.

The modern payroll application should present information that is also integrated with the information required by other functions within the organization. The type of information from the results of the remuneration counting process can be designed to display employee cost reports versus budget, or comparison with turnover. Management can obtain information on productivity values per person or other indicators, which is useful to see the effectiveness and progress of the business.

But unknowingly, access to information through applications will reduce the direct interaction between humans that should be the essence of the HRD function. Apology that was first conveyed directly when human error occurred in the calculation of salary; may be missed when the HRD authorities make corrections through the system.

"I'm afraid one day the technology will go beyond human interaction. The world will have an idiot generation " - Albert Einstein –

Albert Einstein's concerns can be minimized by making applications that accommodate human needs to interact. HRD can work with IT to design interactive applications by providing educative features related to payroll, for example about PPh 21, annual SPT reporting, tips on managing family finances and others. Live chat in the app can be a support alternative; moreover most of the employees with productive age are now accustomed to the media chat. And do not forget to assign an authorized manager / operator that is always responsive to the user.

Then the most important thing is to design the security level of the application. We need to be aware of the potential for tapping the information, given the application users now have up to date information and the ability to match the manufacturer. Therefore, highly confidential information in the application should be protected from unauthorized parties, both inside and outside the organization and potentially misusing it.

Let's design a controlled modernization and educate the user, so what Albert Einstein fears does not happen in our organization.

Source : https://tinyurl.com/ya7aw8aa