

WHAT COULD HAPPEN IF YOU DON'T USE

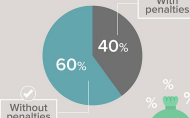
PAYROLL SOFTWARE

INCUR TAX PENALTIES

\$845

Average financial losses by U.S. companies from IRS penalties related to inaccurate payroll

PERCENTAGE OF SMALL BUSINESSES WITH TAX PENALTIES (U.S. Annual)



Without penalties

PENALTY

With penalties

TAX

COMMIT PAYROLL ERRORS

\$7 BILLION

Annual losses from payroll and reporting errors in the U.S.

INFORMATION LOSS

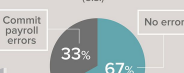
Paper-based systems are prone to loss, not only because they are perishable but also due the fact that they can be tampered with. Natural disasters could result in the loss of payroll records, which is never a good thing for any business.

PAYROLL

EMPLOYEE MISCLASSIFICATION

Payable working hours can sometimes be misclassified. These come in the form of overlapping entries, such as in the case of a worker who's on vacation and suddenly goes to work on an urgent matter.

PERCENTAGE OF EMPLOYERS WHO COMMIT PAYROLL ERRORS (U.S.)



Commit payroll errors

No error

Source: IRS

TIME THEFT

7% OF ANNUAL PAYROLL LOST

due to time theft from buddy punching including long breaks, early punch outs and tardiness

EMPLOYEE COMPLAINTS

Employees are known to file lawsuits for **unfair pay**, thus, regulations requiring companies to keep accurate employee hour records were put in place.

This protects companies from such situations resulting from inaccurate record keeping.

BE BURDENED WITH ADMIN TASKS

Admin Tasks Holding Back Small Business

55%

of small business owners say red tape is holding back their businesses' growth

33 HOURS

Average time that small business owners lose from internal admin tasks

1 DAY PER WEEK

Average time that small businesses lose from red tape

TOP BUSINESS ADMIN TASKS (by hour, daily)



Not Using Payroll Software Could Result in Time and Financial Losses.

References:

1. Payroll Errors That Cost You Money and How to Fix Them? *Small Biz*

2. "The Top Admin Tasks Holding Back Small Business" *Harbort, Andrew*

3. "Payroll Challenges Are a Part of Small Business Life"

"5 Major Accounting and Payroll Errors Costing Your Company" *Brand, Esther*

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