RED WING SOFTWARE

The Five Most Important Considerations when Selecting Payroll Software

Processing payroll on time is crucial to the management of your business. As your company grows, you may find that **payroll processing** becomes more complex with tax requirements, multiple employee types, increasing deduction types, and much more. To efficiently manage your payroll, you will need to choose the best options for your business to process payroll allowing you to continue to pay your employees on time, ensure taxes are filed promptly by due dates and still have access to the information you need. When it is time to select a new **payroll software program** for your organization, you have so many things to consider, but here are the five most important things to consider before you even start your search.

1. Cost

As your number of employees grows, so do your labor expenses. And, so does the time you spend managing your payroll. Setting a budget you are comfortable with is a good first step, and can help you narrow down the list of prospective payroll providers you would like to research. Keep in mind there are payroll software applications that start out with a minimal cost, ranging all the way up to $20,000+, depending on the size of your operation or the payroll managed. You cannot research every payroll software available because there are simply too many to choose from. By knowing an approximate budget, you can narrow down your list to find the ones best suited to your spending range from the start.

2. Staffing

No matter how you process payroll or what system you use, you will need somebody to manage the process. The more employees you have, the more staff you will need to manage payroll processing. Functions such as collecting employee pay data, editing employee information, and issuing pay will need to be performed within the payroll software system. Somebody will also need to file the payroll taxes, and so on. Think about how many people it will take at the start of moving to a new system, and then two months after that when you are getting used to the system, so you can have just enough staff available during those times. If you know what your staffing resources are ahead of time, you will be better equipped to ask the right questions about the program, and start to visualize who will do what in the new system.

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3. Tax Filing

Probably the most daunting of tasks to any payroll manager is the tax filing, as there are strict filing deadlines, and fines for filing late. However, some payroll software providers currently offer online tax filing or complete tax filing fulfillment options. These options make the Federal and State tax filing processes much easier. Think about how you want to have your **payroll tax filing** done. Are you willing to do the filing yourself, with the help of your software? Or, do you still want your accountant to do that part of it for you? Having an idea about this ahead of time will also help you choose the right features in your new payroll system.

4. Security

Obviously pay data is sensitive, and should be protected. When you are choosing a new payroll system, be sure your new provider has tools that fit your comfort level where security is concerned. Some systems offer security tools so that only authorized employees can see certain screens or data—"menu level security". A system with menu level security is helpful so that certain users can only see the screens you give them access to within the system. The most important requirement is that the security in your new system has security measures available that fit with your comfort level.

5. Reporting

Every business has a different set of payroll reporting needs. Perhaps you want to know labor expenses by department or expenses for just one or a combination of your locations. If your business can get by with the basic standard payroll reports, then you can probably get by with a more basic system. But if you want to have more detailed reports or custom reporting available, then you should look for a system that provides the ability to edit and save reports for later use.

CenterPoint Payroll software offers the tools needed for growing businesses and organizations to streamline the payroll process. Sign up for a free, personalized demonstration of CenterPoint Payroll today, to see if it's right for you.