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SAGE ABRA HRMS NEWSLETTER NOVEMBER 2011

## What's Inside



## Did You Know?

The release of Abra Suite Version 9.1 will coincide within a few weeks of the third quarter tax updates. Therefore, Version 9.1 will not address the *Connecticut State Income Tax Calculation Updates* until the third quarter 2011 product release. If you process payroll in Connecticut and are planning to upgrade to Version 9.1, we recommend upgrading with the availability of the third quarter product tax updates.

# Your Optimal Payroll Solution

## Considerations When Choosing A Payroll System

Choosing the right payroll system for your organization is a big decision. Should you process payroll in house or should you outsource? What features and options does your company require? If you are thinking of making a change to your payroll processing, now is the time to plan and implement it, so you can be ready to start fresh in the new payroll year. In this article, we discuss 10 key factors to consider when selecting an in-house payroll solution.

### 10 Key Factors To Consider

When selecting a payroll processing solution, you will want to think about the features that are important to your company and develop a Request for Proposal (RFP). This will make it easier to evaluate the products available and choose a solution that meets your needs within your budget. You will need to consider who will be on your evaluation team, your functional requirements, the vendor qualities you value most, hardware required, and how you plan to implement your new solution.

#### 1. Evaluation Team

It is advisable to create an evaluation team to provide requirements and evaluate options. Make sure your team includes representatives from every department that is a stakeholder in the payroll process. Your team may include human resources (HR), information technology (IT), accounting, and the executive team. This helps to ensure buy-in from all departments and that you select the best product for your organization as a whole.

#### 2. Payroll Tax Management And Reporting

When evaluating software vendors, check into their process for updating tax table information. It is preferable to receive updated tax table information automatically at regular intervals, such as once a quarter. In addition to federal, state, and local tax table updates, the software should support supplemental tax tables, pre-tax deductions, EFTPS (Electronic Federal Tax Payment System), and electronic media reporting for all jurisdictions.

#### 3. Security

Obviously, your payroll system contains extremely sensitive data, including employee social security and bank account numbers, as well as your company's payroll accounts. It is absolutely essential that any payroll solution you select be protected by a comprehensive, yet easy-to-configure security system. Rules

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# Your Optimal Payroll Solution

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should govern who can view, modify, approve, report, or otherwise access information.

### 4. Payment Flexibility

Offering employees flexible payment methods empowers them to better manage their finances and affords your company the opportunity to save on payroll costs. Direct deposit and payroll cards both cost less than printing paper paychecks. And these methods reduce the risk of check fraud and eliminate the cost of replacing lost or stolen checks. The ability to support all three types of payment allows your organization to be much more flexible on payday.

### 5. Employee Self Service

A paycheck is an employee's most important benefit, so it is not surprising that payroll generates many employee questions. Choosing a system that supports employee self service allows employees to access their own payroll information themselves and reduces the volume of questions coming into your payroll or HR departments.

### 6. Integration Capabilities

Evaluate the ability of the payroll software to integrate to your existing HR and general ledger software, as well as other related applications, such as timekeeping. Can the system or service easily exchange data with other software applications? There are many benefits of having integrated HR, payroll, and general ledger systems, including:

» No duplicate data entry—eliminating errors and saving time.

» Less paperwork. When payroll, HR, and accounting data are integrated, you can reduce unnecessary paperwork.

» Integrated reporting. Consolidated reporting is valuable to management, and is greatly simplified with integrated databases and reporting tools.

### 7. Vendor Reliability

There is no room for error when it comes to providing employees with their paychecks. When choosing a payroll solution, select a vendor with a proven track record in offering excellent payroll products and support. Note how long the company has been in business and the number of clients that use the software. Check references from other companies using the system. To get the most applicable information, ask the vendor to provide reference information for companies similar to yours.

### 8. Hardware

Hardware requirements are an important consideration when selecting a new solution for processing your payroll. Will the IT department have to purchase any additional equipment in order to support an in-house software solution, or does the software run on operating systems and hardware that the company already owns? This is a key area to consider, especially when deciding whether to replace an outsourced payroll solution with an in-house payroll software solution.

### 9. Data Transfer And Conversion

Consider how data from your existing system will be entered into the new system. Will the data need to be manually entered or can it be imported? It is particularly convenient if the vendor offers an easily customizable link to transfer data from one system to another. This link often involves setting up translation tables that equate fields in the old system to fields in the new system. Once the data is transferred, you must verify that all information is correct. A good way to do this is to run reports from both systems and compare the results.

### 10. Implementation Resources

Keep in mind the amount of manpower typically required during a software implementation. Estimate the amount of time and resources you will need to ensure an accurate transition from your old payroll system to the new system. Consider your staffing requirements for any additional data entry or for analyzing reports for accuracy while performing side-by-side processing of your new and old payroll systems.

After the implementation of the new system is complete, consider running both the old and new payroll systems in parallel for a period of time to ensure the accuracy of your new system. This period is up to the discretion of the company—it can be one payroll run, a month, or three months. Accuracy of data can be determined by running the appropriate reports. In particular, cross-referencing the numbers on payroll history, check history, earnings, deductions, and tax reports is a good way to determine if everything is set up correctly in the new system.

## Conclusion

When selecting and deploying a new payroll processing solution, there are many factors to take into consideration. One of the most important of these is choosing a vendor known for experience in the payroll software industry with a reputation for reliable business solutions and world-class customer support. Sage has been an industry leader in midmarket Payroll and HRMS systems for 20 years. Call us to discuss your payroll solution needs.

# Outsourced Payroll Considerations

Outsourcing your payroll processing can help reduce your workload. The Sage alliance with CompuPay, established in 2008, provides Sage customers with choices: in-house payroll with Sage Abra HRMS, or outsourced payroll with CompuPay. Full-service CompuPay offers market-leading payroll product features and unique Web service integration with Sage products.

CompuPay has been providing payroll services to clients for more than 30 years. Outsourcing payroll using CompuPay can make payroll simpler and more cost effective regardless of your company's size.

## Full-Service Payroll

CompuPay offers a full range of payroll outsourcing services, including:

» Secure and convenient online, phone, and fax payroll processing options
» Payroll tax payments and filings for all federal, state, and local agencies
» Multiple check, direct deposit, and paycard options
» Personalized customer service from a team of payroll professionals
» Online employee access to W-2 forms and pay stubs with online payroll
» Integration with Sage Abra HRMS
» Integration with your general ledger

## Working With CompuPay

Experienced payroll industry specialists at CompuPay will work with you every step of the way in setting up your online payroll. Staff at CompuPay gather your year-to-date payroll data and load it into the online payroll system for you. Then they will guide you through your first payroll. You even can customize the Web page to help make entering payroll faster.

Once set up, you simply enter your payroll data online through the secure website, review the net-to-gross totals, and approve

your payroll. Within minutes you can review your reports and checks. CompuPay can print and deliver paychecks to you, or you can print them from your desktop printer. There also is an employee self-service system that allows employees to review their payroll-related information online.

## Government Compliance Made Easier

When you opt for CompuPay outsourced payroll, CompuPay will:

» Maintain changes to tax rules and rates
» File and deliver W-2 forms at year end
» Remit federal, state, and local tax collections
» Prepare and submit federal, state, and local payroll tax returns
» Process all payroll checks and reports for you

Tax filing is guaranteed penalty-free, provided that the information that is provided is complete and accurate and your payroll tax account is fully funded.

## Fully Integrated

The CompuPay payroll service can fully integrate with your other software solutions. It synchronizes closely with the Sage Abra HRMS HR and Attendance modules. Information flows from the Sage Abra HR and Attendance modules to CompuPay including:

» Company Benefit Codes
» Org Levels
» Attendance Codes
» Absence Reason Codes
» New Employees

The following information flows from CompuPay to the Sage Abra Attendance and HR modules:

» Absence transactions
» Pay checks
» W-4 forms if integrated with Employee Self Service

The CompuPay payroll service generates appropriate journal entries for posting to your general ledger. A General Ledger Self Service Wizard allows you to view accounts online and set up and revise the posting accounts for cash, payroll expense, and employer taxes. You can choose different posting accounts for departments or even individual employees. You even can edit the general ledger posting prior to synchronization.

Whether you want to manage your payroll in house or outsource it to a service provider, as a Sage Abra HRMS customer, your organization has the flexibility to choose either one, and still enjoy a fully integrated solution. Call us with your questions.

**Understanding The Section 179 Tax Deduction:**
Why You Should Consider Software or Hardware Before Year End
www.netatwork.com/section179

# CRM Corner: Retaining Team Members with CRM

There are so many aspects of what makes employees productive and countless little things that make your people loyal and dedicated employees. A decade ago many organizations were just figuring out how they were going to approach technology and now most of us feel like a slave to it. The reality is that for most company's employee retention is high on their priority list but few take into account how their employees use technology and its impact on the psyche of their front line personnel. Customer Relationship Management (CRM) is one of the tools that can make a huge difference in those efforts.

## CRM Defined

If you ask twenty people you would probably get twenty different definitions for CRM. In simple terms a CRM system helps you find new customers, enables sales people to work through the acquisition process, and then enables your customer service teams to keep your customers happy so that you can expand your business relationship. In software publisher terms CRM is a 360 degree view of your customers and prospects from a Marketing, Sales and Customer Service perspective. In the real world a CRM system can be the operational heartbeat of your company and a centralized place that holds everything you know or want to know about your customers. More importantly, it can also handle many of the critical handoffs and processes between various departments.

## The Information Superhighway

One of the most frustrating parts of any job is not having the right information at the right time in order to do the job you were hired to do. With the speed of business and customers expecting things in "Internet time" the pressures of performing have been taken to a new level. This is where CRM can help alleviate stress and bottlenecks in your organization. If people have access to the information they need (even if they don't know they will need it) then job satisfaction and morale can stay high. Add to the mix the fact that so many employees work as remote employees or are always on the run at client sites or meeting with prospects, then you will see why access to information has become more important than ever before.

## Practical Customer Approach

One of the most often asked questions is how should you approach CRM considering there are so many aspects of how the technology works and what it can be used for. The answer to the question is usually as unique as your individual customer environment. The best practice to figure out what people need is to pull them into a room and ask them directly. Find out what are the most common pain points in either trying to marry Sales and Marketing or the most common requests that come between Sales and Operations or Service to understand your high priority items. Then, come up with a plan to address a few issues at a time while building an evolving plan for what your CRM environment should look like.

## Case in Point

Many of our customers are focused on trying to build their businesses with limited resources and many do not have full time marketing teams. If this is the case a CRM system can help you build the business by enabling your sales team to receive leads quickly and give marketing people feedback on what works and doesn't work when trying to attract new customers or business from existing customers. Other customers are more focused on the process for onboarding new clients utilizing a systematic process for workflow and notifying team members at key points in the sales process - which CRM can help with by automating your sales cycles. Lastly, when a customer say "Yes" and needs to move into your financial system or have orders placed, most CRM products now have integrations to your back office that can reduce or eliminate duplication of efforts. All of these scenarios can help you make the organization healthy and happy. More importantly, you can realize lower training and recruiting costs and realize more productivity per employee.

## Food For Thought

If you have already employed a CRM system or what you have tried in the past doesn't seem to have the effect that you want it to have, then maybe it is a good time to engage in people that specialize in CRM. It's always a good idea to take what you know and get a second opinion. In many instances we have found that there are simple tweaks to an existing system or small enhancements that go a long way towards CRM adoption. If you are a neophyte in the world of CRM a consultant can also educate you on many of the pitfalls and how to avoid them so that your CRM system becomes meaningful and critical to your success. Whether or not you rely on external experts to help with your CRM, it is very important that you establish a feedback loop with your most important assets…your people. As the marketplace is constantly evolving your CRM platform will never be "finished" but more likely move from phase to phase as you adjust to what the market demands.

# IN THE SPOTLIGHT:

## eFile Your Tax Forms

Would you like to file your federal and state tax forms electronically, using up-to-date information from your payroll system? Soon, you will be able to do just that, using Sage Payroll Tax Forms and eFiling by Aatrix. This service is fully integrated into Sage HRMS 2012. You will have the ability to fill out and eFile over 250 U.S. federal and state tax forms and payroll reports. In Q4 for Sage Abra Suite, you will have the ability to efile Form W2s.

### Seamless Integration

Federal, state, and Canadian forms supplied by Aatrix will be available within your Sage payroll system. The integration has a built-in menu that enables you to select the package that best suits your needs. You can access the forms you need directly from the Government Reports menus. When you open a form it will be pre-filled with information from your Sage payroll system. You simply review it, edit if necessary, and click eFile. eFiling is completed without additional exports, retyping of data, or logging onto other sites. All reports are time-stamped and saved on your local computer so they will be accessible anytime for review or audit.

### Included Reports

The eFile reports are accessed through two new user interfaces and some interfaces, all of which can be found under US Payroll Government Reports and Canadian Payroll Government Reports. Customers can choose a form, review it onscreen, and click eFile. From there, the eFiling is completed without additional exports, typing, or logging onto other sites. Included are forms W2, 940, 941, 943, 944, 945, state tax forms and the T4 and ROE for Canadian customers.

### Pricing For The eFiling Service

Customers who electronically file have reported reducing their tax form preparation time from 20 hours to 2 hours. Annual e-File package pricing (available for U.S. only) starts at $69 for 1-4 employees. For most customers package pricing is the best option. However, if you do not have many reports to file, à la carte pricing also is available at $7.95 per report plus 25 cents an employee for list reports.

Studies show that in-house production of IRS Form W-2, including the purchase of preprinted forms, can cost as much as $4.50 per employee. When you electronically file forms your costs are less than half this amount and you save significant processing time as well. Options and pricing for printing and filing W-2 forms are as follows:

**Complete W-2 Service:**

- $1.79 per employee
- Filed with federal and state agencies
- Printed and mailed directly to employees
- Posted online for employee access

**Express W-2 Service:**

- $.99 per employee
- Filed with federal and state agencies
- Posted online for employee access

**Federal and State:**

- $.99 per employee
- Filed with federal and state agencies

**State:**

- $ .69 per employee
- Filed with state agencies

Canadian pricing for the ROE is $7.95 per report and $0.25 per employee.

Once you have installed the new software release, you will be able to choose the appropriate package and enroll right from within the software. You can view a recorded demo of this useful new service at http://sage.adobeconnect.com/p4c0d0yv0ze/. Call us with your questions.

**Sage is Rebranding**

Sage Abra HRMS to be renamed Sage HRMS

www.netatwork.com/SageRebranding

**Sage Abra Webinars**

Learn more about Abra with these complimentary webinars

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