Paylocity Collaborates with Deloitte and Launches Modern Workforce Research

April 28, 2021

New research highlights opportunities for significant time and cost savings through HR automation, freeing up organizations to focus on employee experience and company health

SCHAUMBURG, Ill., April 28, 2021 /PRNewswire/ -- Paylocity (NASDAQ: PCTY), a leading provider of cloud-based HR and payroll software solutions, today announced the release of an extensive independent study by Deloitte that reveals significant opportunities for companies to save time and money in their HR and payroll processes, opening up resources to invest in employees and culture.



As businesses across many states reopen and the job market gains steam, HR teams are navigating new employee expectations for post-pandemic work environments along with complex and evolving compliance standards. The pandemic intensified trends that were already emerging as millennials moved into decision making roles and Gen Z entered the workforce. Connecting geographically dispersed and mobile employees, increased emphasis on employee listening and feedback, and accelerating learning and development were becoming business priorities. Now, to support teams returning to work, 90% of respondents to a Gartner survey said they anticipate continuing the hybrid work model and 44% will offer additional benefits like mental health and childcare leave.

In addition to these changes and the additional effort that they will require, payroll and HR professionals are challenged to navigate the most impactful legislation to employers since the Affordable Care Act was passed a decade ago, with an unprecedented number of changes to tax, paid sick time, family and medical leave, and even employee privacy. Identifying inefficient processes and automating them is now table-stakes as companies can no longer afford to have their HR teams consumed by resource-intensive tasks.

Key Findings from Deloitte

To address current workplace challenges, Paylocity collaborated with Deloitte to launch Modern Workforce Research, an independent study of how HR can lead organizations through this uncertainty. More than 1,450 HR professionals from a wide range of company sizes and industries provided data related to 10 core functions for which human capital management (HCM) systems can offer streamlined solutions. The analysis quantified time and cost savings from automating common HR and payroll work and revealed that on average, the following activities provide the largest opportunity for impact:

- Payroll and tax tasks completed seven times per week average 43 minutes each, with **potential annual automation savings of about $24,500.**
- Time management tasks completed 10 times per week average 27 minutes each, with **potential annual automation savings of about $24,000.**
- Communications and engagement tasks completed six times per week average 58 minutes each, **with potential annual automation savings of about $23,000.**

Paylocity used Deloitte's research as inputs for the company's new offering, the Modern Workforce Index (MWI). MWI is a proprietary dashboard that tracks a company's progress in delivering more efficient HR processes to employees, improving employee engagement and ultimately optimizing company health. MWI makes the most sophisticated AI accessible to companies and HR teams of any size. Leveraging anonymized and aggregated data from over 25,000 customers, it uses patent-pending technology that combines machine learning algorithms, natural language processing and predictive analytics to highlight time and cost savings opportunities, assess employee sentiment, benchmark against peer companies, and provide prescriptive recommendations for next actions.

"Businesses of all types have faced new challenges and have had to pivot to work differently through the pandemic," stated Chris Havrilla, vice president, Deloitte Consulting LLP, and HR technology and solution provider strategy, Research & Sensing. "Our study revealed that leaders can focus more on enhancing the employee experience when they automate HR and payroll-related tasks, which will be key to succeeding in the post-pandemic era."

Creating a Modern, Engaging Hybrid Work Environment

The challenge of managing a remote and disparate workforce was compounded for Blue Ridge Companies during the pandemic, taxing their already overburdened HR team and front-line managers. "Getting in touch with our property managers, leasing agents, groundskeepers, and other on-the-go roles has been challenging in the past, and the pandemic only added to that difficulty," according to Blue Ridge Companies VP of HR, Susan Watts. "With Paylocity, our people get alerts on their mobile devices when we post important announcements, and peer-to-peer recognition has more than doubled - we've kept everyone informed and connected through a difficult time and our MWI Employee Engagement score shows that."

Companies with higher MWI scores **show 15-25% lower attrition, and, in fact, higher headcount growth**. Tactics such as driving higher platform utilization among employees; inviting employees to share their thoughts through surveys, journal entries, and shared posts or reactions; or having

employees download and use the mobile app can improve scores further, since efforts like these contribute to workplace satisfaction and longer employee tenures.

As the country emerges from the pandemic, Paylocity's aggregated MWI data reflects similar signs of optimism. Employee language used in pulse survey responses, reactions to announcements, and performance journal entries are becoming more positive. In fact, **the percentage of employees posting positive comments across the Paylocity platform increased by over 30% during the first quarter of 2021** relative to the peak of the pandemic (April-June 2020). Turnover is improving at a corresponding rate: since the start of 2021, monthly turnover rates have been in the single digits after months of double-digit employee turnover during the height of the pandemic.

To learn more about Deloitte and Paylocity's research, visit paylocity.com/deloitteresearch. For more information on MWI, visit paylocity.com/mwi

About Paylocity
Paylocity (NASDAQ: PCTY) is a leading provider of cloud-based HR and payroll software solutions headquartered in Schaumburg, IL. Founded in 1997 and publicly traded since 2014, Paylocity offers an intuitive, easy-to-use product suite that helps businesses tackle today's challenges while moving them toward the promise of tomorrow. Known for its unique culture and consistently recognized as one of the best places to work, Paylocity accompanies its clients on the journey to create great workplaces and help people achieve their best through automation, data-driven insights, and engagement. For more information, visit www.paylocity.com.

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