



# Top 5 Tips for Choosing a Payroll Provider



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Not all payroll providers are created equal. Variations abound in pricing, customer service, technology, and more. To help you figure out which one is the best payroll provider for you, here are 5 tips:

## TIP 1

### Look for tax filing responsibility

Payroll tax errors happen all the time. In fact, the IRS issued 6.8 million penalties totaling \$4.5 billion related to payroll employment taxes in 2013.<sup>1</sup>

Some payroll companies will take on the responsibility of calculating and filing your payroll taxes on your behalf, but if you choose one that doesn't, you need to make sure you are timely and accurately making these filings. Be sure you choose a company that does more than prep your payroll.



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## TIP 2

### Look for clear and inclusive pricing, with no unwanted surprises

Eye-catching promotions like, “Get monthly payroll for \$14.99 when you sign up today!” are pretty hard to pass up, but it's important to look closely at the fine print. Often, what initially seems like the cheapest option isn't. Most payroll providers charge a base fee, plus an additional amount to run payroll for each employee.

On top of that, some companies charge additional fees for automatic check signatures, direct deposit, state and federal tax filing, printing and check delivery, and calculating and filing payroll taxes. Before you commit to a provider, make sure you outline exactly what you need and get an estimate on the total cost.

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**TIP 3****Look for a provider that can grow with you**

As your business grows, you're going to need add-on services like HR, time-tracking, and benefits to manage your people better. Keep it simple by choosing a provider that offers a range of services so you don't have to work with more than one company or technology every time you need to add something.

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**TIP 4****Look for top-notch customer service**

There's no better feeling than being able to reach someone on the phone when you have a question, no matter the time of day. In fact, 73 percent of consumers will stick with a brand because of good customer service.<sup>2</sup>

When shopping for payroll providers, make sure you pick a company with a good customer service team who is available 24/7 and knows the product.

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**TIP 5****Look for efficient, easy-to-use technology**

Wouldn't it be great to run your entire payroll process with the simple click of a button? You can!

No one wants to work with outdated, hard-to-use technology. The mechanics of a payroll platform are just as important as customer service, both in terms of usability and efficiency. Payroll software that has natural functionality is not only easier to use, but it also means you'll spend less time on processing. Before committing to a provider, make sure you can get a demonstration of how to use the technology to make sure it fits your needs.

In addition, companies that offer payroll software with mobile capabilities and cloud-based software mean that you can update results on the go. Also worth considering is how quickly your provider can turn around your payroll after you enter your data. Some providers process results in a day, while others may take two to three business days.

<sup>1</sup>Source: Bloomberg, <http://www.bloomberg.com/news/articles/2014-04-08/small-business-owners-have-a-4-dot-5-billion-payroll-tax-problem>

<sup>2</sup>Source: Oracle, <http://www.oracle.com/us/products/applications/cust-exp-impact-report-epss-1560493.pdf>

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