7 Most Common Mistakes when Hiring Payroll Staff

1 Hiring system knowledge NOT payroll knowledge

Over 70% of clients look to employ people with previous experience with a specific payroll system or application. Whilst this is understandable for short term or Temporary roles, it is far more important to hire a person with a strong technical understanding of the payroll function for the longer term. People that understand the technicalities of the payroll function will be able to apply this knowledge to quickly pick up any mainstream payroll system.

2 Underestimating company cultural alignment

Too often the bigger picture is overlooked when selecting a person for their immediate skillset or experience. Longer term retention is directly related to how "happy" people are in their work environment – and that often means how aligned they are with company values, goals and culture.

3 Lack of client service and delivery mindset

The modern day payroll function is completely driven by a high client service ethic and total focus on servicing the customer. A common mistake is a failure to recognise this and distinguish it from the outdated perception of payroll being an administrative function.

4 Not incorporating a personal development plan (PDP) from outset

A key success factor to any longer term hire is to outline a clear plan for the individual's personal development from the very start of their employment. People are more likely to be fully engaged if they are able to visualise how they will evolve and are shown a certain amount of "blue sky" and opportunity to develop personally.

5 Failure to "promote / sell" your own organisation

Numerous organisations make the mistake of thinking that the majority of candidates are completely devoted to working for them at the start of the interview process. As the true value of the payroll function is fast being recognised, so to the market for high calibre payroll people is becoming increasingly competitive. The most successful hiring companies understand this and have developed great techniques in promoting their organisations at various stages throughout the hiring process.

6 Insufficient testing of technical payroll knowledge levels

The vast majority of payroll people are still hired based on an assumption that if they have completed a certain role, or previously worked with a certain organisation, then their technical payroll industry knowledge MUST be at a certain level. This is a common mistake and there are testing tools available to get an accurate gauge of someone's level of technical understanding of the payroll function.

7 Failure to demonstrate the true value / recognition of payroll function beyond the payroll team itself

Within the vast majority of organisations the payroll function by its nature can become somewhat isolated and disconnected from the broader business. The most attractive organisations to candidates are able to demonstrate how and where the payroll function is recognised and valued within the broader business. This should be incorporated in any interview process.

For assistance recruiting high calibre payroll professionals, please contact Andy Thompson on 02 9818 1931 or email andy@austpayroll.com.au

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