CloudPay
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PAYROLL PERFORMANCE INSIGHTS
from the Global PEI Report 2024

Unpack the critical trends from the past five years of the PEI Report and get a snapshot of payroll performance across the globe.

Explore our Chief Customer Officer, John Pearce's expert insights highlighting key trends and actionable strategies to help you optimize your payroll processes.

5 GLOBAL KPIs
The current payroll landscape

First-time approvals (FTA)
73.82%
↓
2022:
74.37%

Data input issues (DII)
63.60%
↓
2022:
64.70%

Issues per 1000 payslips (I/1000)
8.40 issues
↓
2022:
8.64 issues

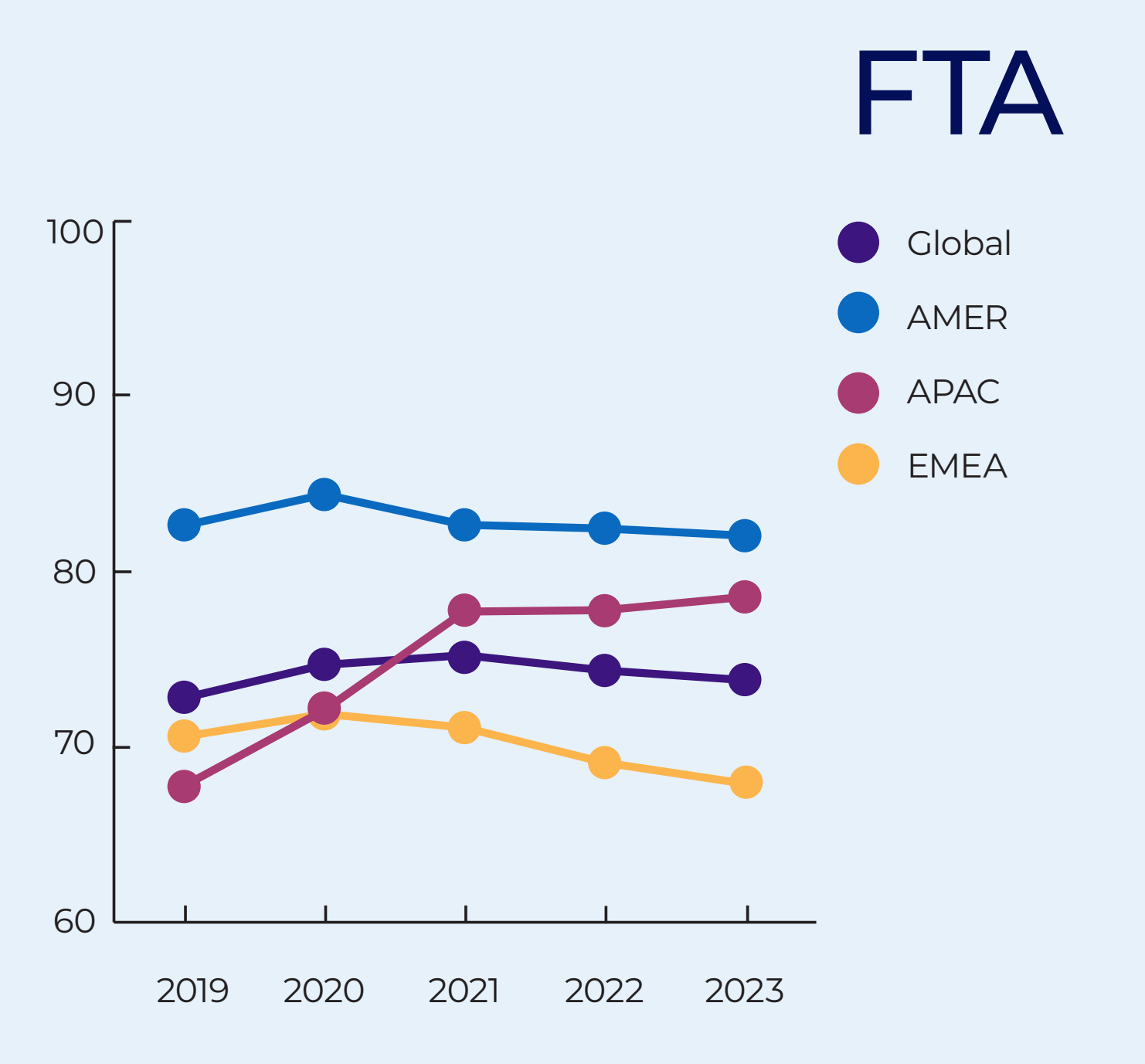
Calendar length (CAL)
5.86 days
↑
2022:
5.84 days

Supplementary impact (SI)
17.72%
↑
2022:
17.23%

Global KPI insights

The 2023 FTA, DII and I/1000 trends could indicate that greater automation and HCM integrations are freeing up payroll team time for data validation. This drives fewer issues overall, and those that remain can be spotted earlier (especially before the approval stage). SI and CAL fluctuations are minor, showing that payroll performance has remained relatively consistent in these areas.

5-YEAR REGIONAL TRENDS
The global perspective on payroll performance

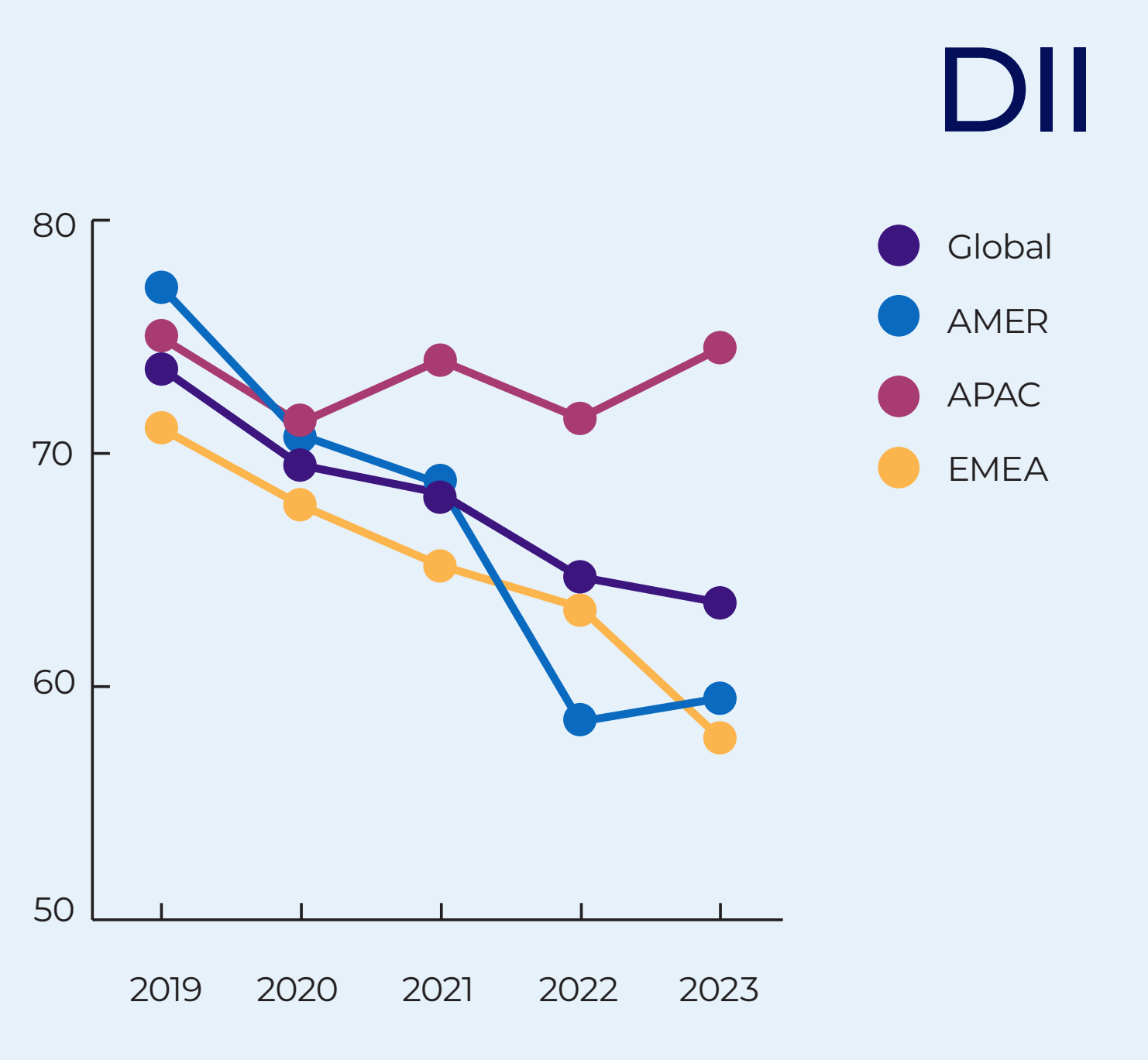


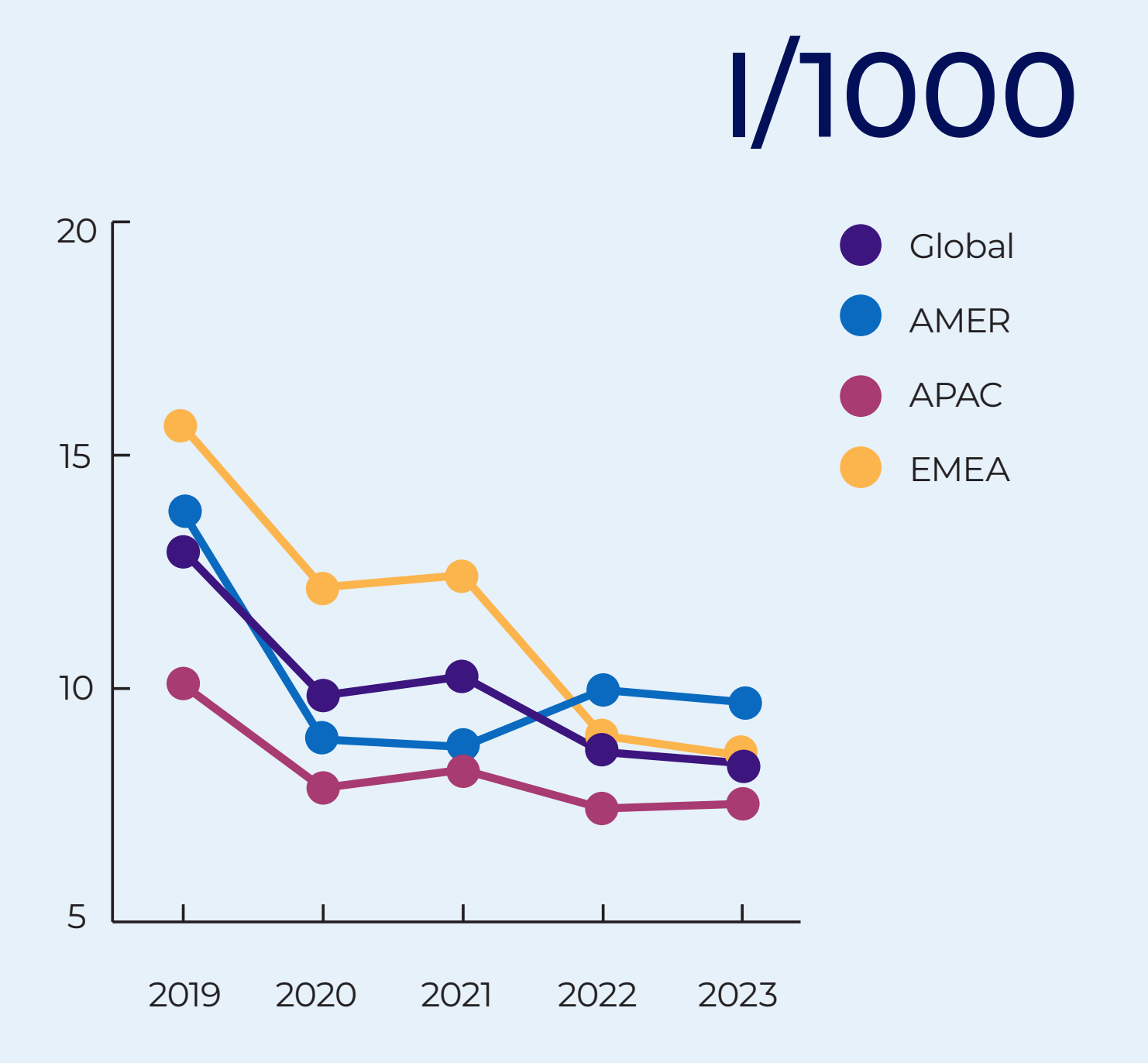
First-time approvals (FTA) insights

APAC's rising FTA rate is likely the result of less stringent validation – analysing the other KPIs shows us that CAL has shortened (leaving less time for validations) and DII has increased. Essentially, it looks like non-data input issues aren't being picked up straight away, causing the need for increased SI to rectify errors post-payroll run.

Data input issues (DII) insights

In APAC, issues related to data input are likely being caught, logged and fixed before processing – this pre-cleaning of the data allows the high FTA rate to be maintained. This finding shows the importance of having KPIs that can highlight payroll process performance from many different areas to identify the root cause of any issues.



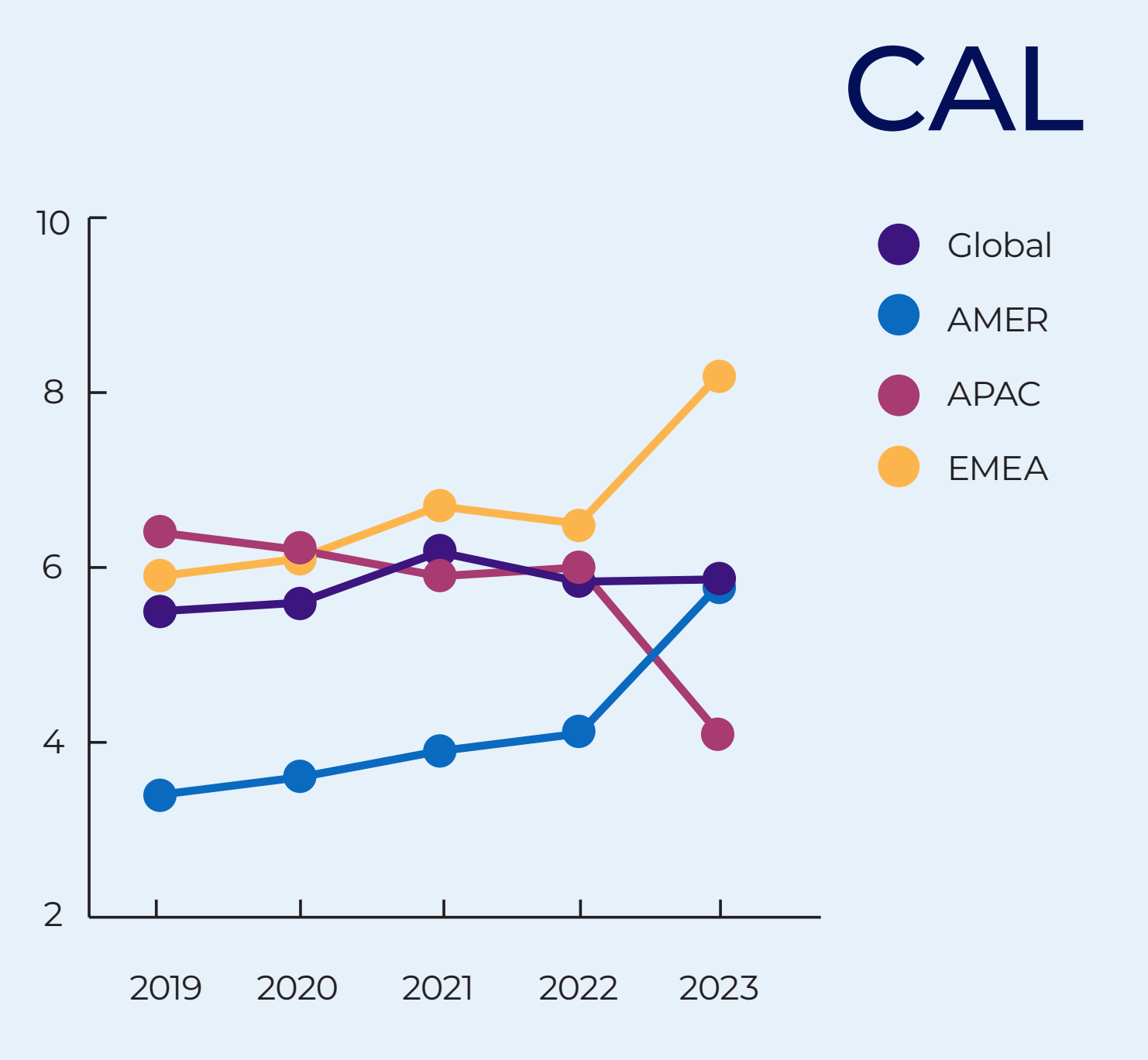


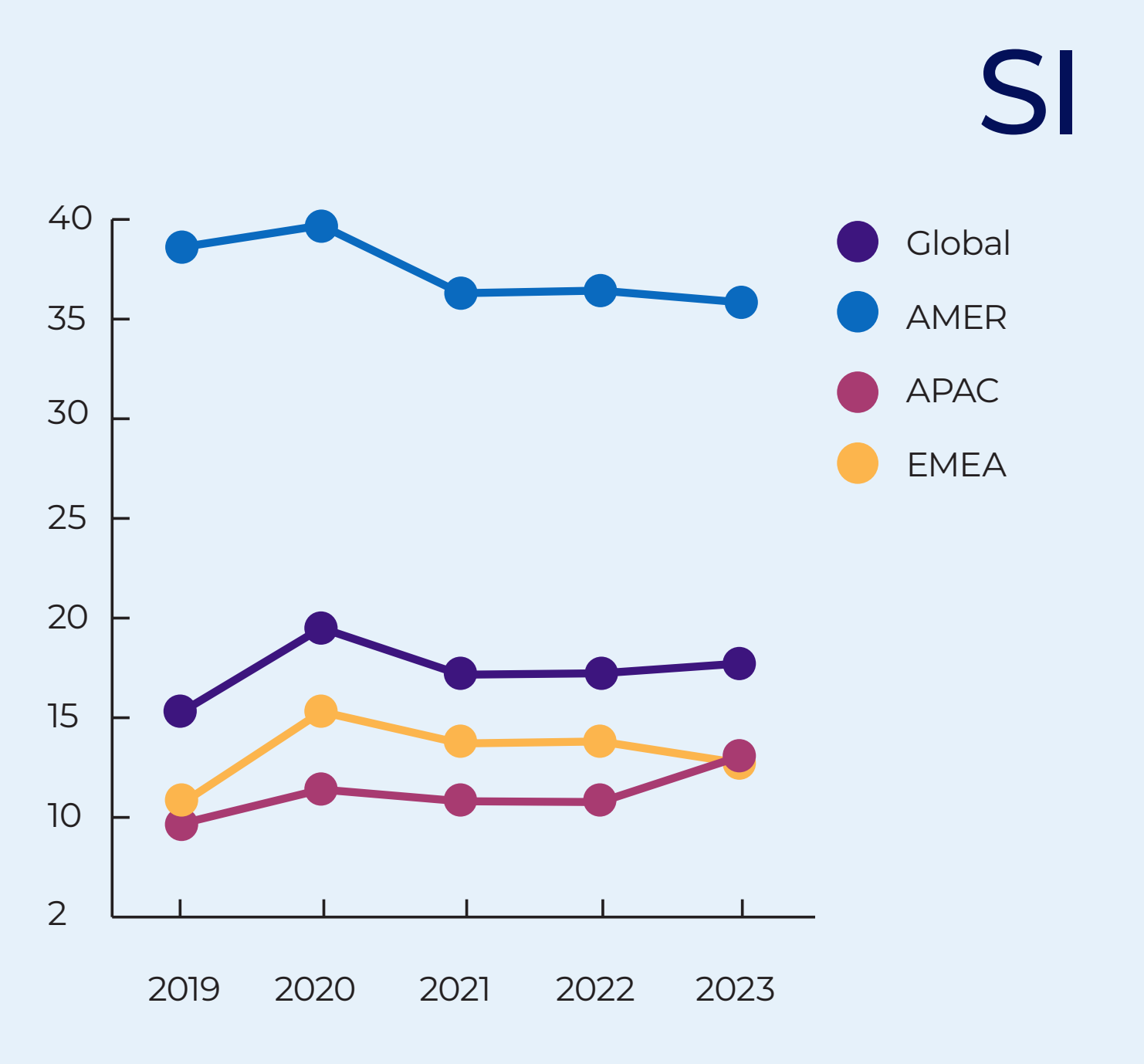
Issues per 1000 payslips (I/1000) insights

This metric shows us that integration and automation improvements are driving better outcomes across the board, as all three regions' results have now converged. Further tech adoption and innovation may be needed to take improvements to the next level in the years to come.

Calendar length (CAL) insights

EMEA's lengthening CAL is likely due to the region's increasingly complex payroll legislation. This is also perhaps a factor in EMEA's declining FTA rate in recent years. Added compliance complexity often means that teams need more time to process the data and find payroll runs harder to approve first-time.





Supplementary impact (SI) insights

AMER has some regional characteristics that we have to take into account here, such as the fact that many Latin American companies issue holiday pay on the day an employee's holiday starts, and pay terminated employees as soon as they leave. These factors demonstrate that understanding your payroll performance in the context of regional norms and benchmarks is incredibly important.

UNIFYING PAYROLL AND PAYMENTS
How integrated solutions drive payment timeliness

Payments insights

A stronger global payment network, better use of API technology, integration between payroll and payments through unified pay solutions, and the wider use of credit card rails have all helped payment timeliness improve. Payments that used to take up to three days to reach employees can now be completed in less than 24 hours, which also gives payments teams more processing time.

Payment timeliness

99.28%
2023

99.02%
2022

6 KEY LESSONS
Positive payroll transformation

01
A holistic view of all the KPIs is essential.

03
End-to-end transformation for a single, Modern Pay Experience is critical.

05
Innovation frees up valuable payroll team time.

02
Global instability made making the business case for payroll transformation easier.

04
Integrated processes and enhanced payroll metrics drive improvements.

06
People are the driving force behind improvements and generating value.

Meet your CloudPay expert

The insights presented in this infographic are based on expert analysis from John Pearce, Chief Customer Officer at CloudPay.

Having worked at CloudPay for 17 years, John has a deep understanding of customer needs and the delivery of global payroll excellence. He leads CloudPay's Implementation Teams, focusing on successful customer onboarding experiences and championing client voices to drive maximum potential and value from their CloudPay solutions.

John Pearce
Chief Customer Officer

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