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How to Grow Your Firm with Payroll Services

Offering payroll can lead to an immense value add for your clients while boosting revenue and profits for your firm. Deploying the right payroll solution can help firms drive ...

James Paille, CPP • Jan. 17, 2023



By James Paille.

In 2021, **67% of accounting firms** reported they offered payroll services to their clients. Accounting firms today know offering client payroll services can lead to significant revenue growth for their practice.

Offering payroll can lead to an immense value add for your clients while boosting revenue and profits for your firm. Deploying the right payroll solution can help firms drive efficiencies, minimize time-consuming manual data entry tasks, and improve accuracy. But there are many different providers and options in the market.

Firms must carefully evaluate and select a payroll software partner who best meets their overall firm needs and empowers their accountants to spend more time engaging with clients to offer expanded, value-added services.

Identify your payroll goals

Goal setting is necessary to achieve your ideal payroll processes. So, you must begin with a thorough evaluation of your client needs, service offerings and technology stack to create a foundation for growth.

Then, ask yourself several direct questions:

- Do you have the resources to meet all the client's needs? You can service clients regardless of size or geographic location with the right payroll solution.
- Are your current payroll processes efficient? Payroll providers should help streamline processes and save time while maintaining accurate reporting and compliance.
- Does your current payroll provider offer top line customer service? Best-in-class customer service is a crucial part of relationships with payroll providers to ensure all issues are addressed in a timely manner.
- Are you concerned about new software training requirements? Fortunately, many payroll providers prioritize ease of use and require minimal training, enabling you to quickly drive efficiencies in your payroll process.
- Does your firm want to handle client payroll services? Automated software can improve efficiency, accuracy, and data security.
- Do you want to work with an outsourced payroll provider? Managed payroll services allow for an outside provider to process client payroll with minimal intervention from firm staff.

- Is your payroll provider Nacha Certified? The Nacha certification ensures your payroll provider is independently audited, giving you [piece](#) of mind with your clients' funds.
- Is your payroll provider a licensed money transmitter? This further ensures your payroll provider is compliant with all state requirements.

Use the answers from these questions to set your payroll goals and what you hope to achieve. To select the best payroll solution for your firm, remember the goals you identified throughout the provider evaluation process.

Evaluate and select providers

Accounting firms have many options when it comes to payroll providers. But not every provider will be suitable for your firm, so you must evaluate each based on your specific goals. Look for a payroll partner who values accountants rather than cuts them out of the process, and delivers the functionality, support, and training to maximize your deployment.

Whether you select a software or Managed Payroll Services provider will likely depend on your firm's goals and client needs.

Automated software may be the best option for your firm to drive efficiently with internal payroll processing. Firms can deepen client relationships and increase revenue while processing client payroll by reducing time spent on manual data entry. Additionally, some service providers offer full end to end coverage which eliminates printing and mailing physical checks with single click payments to multiple vendors.

Managed Payroll Services allow your firm to take a hands-off approach to client payroll while generating growth and revenue and deepening client relationships. Managed payroll providers allow your firm to outsource payroll processing, enabling staff to focus on other value-added service offerings and freeing up time to meet with clients.

Alternatively, some providers offer a combination of payroll software and managed payroll services to best meet your firm's needs. The goal is to select the solution that is right for your firm today and offers the flexibility and scalability to grow along with your firm. Today, your firm may look for automated payroll software. But selecting a provider that also offers payroll as a managed service can enable a smooth transition if your firm decides to make the switch in a few years.

Compare provider offerings and your ideal payroll process then select a provider that can drive heightened efficiency, compliance, and accuracy. Some providers may meet your needs today but selecting a provider that prioritizes flexibility and agility can continue to meet your needs as the firm grows.

Realize growth potential

Payroll services allow firms to expand their service offerings and foster continued growth. Payroll is a value-added service which can help your firm meet client needs via multiple options including self-service or payroll as a service. Firms can unlock an additional revenue stream by providing payroll services and harnessing automation to reduce billable hours required. When staff spend less time on payroll, they can expand to additional service offerings.

Automating payroll processes can help future proof your firm – but you must take the first step now.

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