



APAC Businesses, Take Note: Upgrade, Consolidate and Integrate Your Payroll Processes or Prepare to Pay More!

ADP Study Shows that Asia-Pacific Businesses are Three Times More Likely to be Noncompliant if They Still Have Disparate Internal Systems and Payroll Vendors

ROSELAND, N.J. – April 18, 2016 – Businesses in the Asia-Pacific (APAC) region may have to continue to break out their checkbooks if they don't upgrade, consolidate and integrate their payroll processes.

That's the headline coming out of an ADP® study – undertaken with an independent research firm – revealing that companies in the APAC region are more than three times more likely to be noncompliant with local regulations if they still are managing their payroll processes via spreadsheets. This noncompliance can lead, in many cases, to penalties or fines.

The report, [Key Considerations in Payroll Management: The View from APAC](#), also shows that despite the availability of advanced payroll solutions in the market, an average of 32 percent of organizations across APAC still manage payroll by using spreadsheet-based, in-house systems.

Over the past five years, the average cost incurred by organizations due to payroll noncompliance was nearly \$1.24 million (USD), the study found.

“As compliance regulations change more frequently in countries across the Asia-Pacific region, many businesses are challenged to keep informed about and comply with new laws,” said Don McGuire, president of ADP Asia Pacific. “Specifically, we’re seeing businesses in countries that are managing gross domestic product growth rates above five percent annually are constantly dealing with revised regulations, which are designed to address rapidly changing economic realities. The new legislation can significantly impact businesses that are not closely monitoring this activity by potentially exposing them to costly penalties.”

The research found that larger firms are taking action to reduce their exposure to risk. Almost all of the surveyed multinational companies with more than 20,000 employees have outsourced their payroll to a service provider, the study reports. Having a dedicated payroll solution provider to manage the impact of regulations, and to ensure that payroll systems are maintained properly, reduces the risk of penalties, the report says.

The scope of the study examined payroll challenges experienced by businesses in the APAC region; non-compliance costs incurred by organization and by country, and parameters to consider when evaluating the right payroll vendor.

[ADP® Global Payroll Services](#) are available in 111 countries and territories. ADP has continuously expanded its global payroll footprint across Europe, the Middle East, Africa, Asia Pacific, and the Americas, underscoring the company's focus on bringing global clients the benefits of integrated payroll solutions from a provider they trust.

Key benefits of ADP's Global Payroll Services include:

- **Optimized global payroll** that combines secure, cloud-based technology and local in-country experts to deliver standardized processes, greater visibility into subsidiaries and reduced operational costs.
- **An integrated solution** that offers a single, centralized Web and mobile interface to drive primary payroll production tasks, run payroll reports, and help automate payroll legislation updates.
- **Reduced risk** with trained experts on the ground, providing expertise on payroll compliance and local legislation.
- **Centralized analytics and reporting** that offer clients overarching visibility and local control of the global payroll process. Analytical tools yield an accurate overview of headcount, turnover and compensation data in addition to other payroll metrics.

[Download](#) the report to learn more.

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