

COMMON CAUSES OF PAYROLL ERRORS



EMPLOYEE
RELATIONS
STRATEGIES

TIME AND ATTENDANCE SYSTEMS ONLY APPROXIMATE



Incorrectly configured time and attendance systems can cause issues when the Employer relies on the system to correctly calculate entitlements but is unaware not all rostering rules required under their Award or Agreement are being applied. For example, if a Clause in the award is updated, but this is not updated within the rules of the time and attendance system.

PART TIME EMPLOYEES WORKING EXTRA HOURS

Part time workers generally have a set number of hours they work each week. If they are exceeded, then depending on their award, the employee will likely need to be paid at overtime rates unless specific requirements have been met.



ROUNDING DOWN THE LENGTH OF SHIFTS

Payroll systems and managers often round the amount of work an employee completed, to the nearest 15 minutes. This will likely result in employees being underpaid for their work.

SALARIED WORKERS COVERED BY AN AWARD

Employees working on a salary are often also still covered by an award. Unaware employers fail to recognise this and then don't sufficiently remunerate their salaried employees for entitlements owed such as working overtime hours.



HUMAN ERROR

Human error is unavoidable when people are involved in a process and payroll management is no exception. Whether it be mistakes in data entry, being late for tax deadlines or employees entering incorrect details, they can all create issues within payroll management.

EXTENDING EMPLOYEE HOURS

Employees working outside of standard hours can be entitled to extra loadings on their pay, especially if they are usually paid a 'flat' hourly rate. This can often happen if employees work on public holidays or if they pick up extra shifts to cover for absent staff.

