Checklist for performing a contractor payroll program maturity assessment

Are you getting the most value out of your contractor payroll program?

Performing a maturity assessment of your contractor payroll program is key to determining whether your organization has the onboarding, rate management, worker management, value add and compliance attributes needed to ensure risk mitigation and really drive cost savings.

While the maturity of your contractor payroll program does not equate to performance, it can determine whether your program is delivering the best value.

When performing a maturity assessment, below is a checklist of attributes required to operate a **best-in-class program.**

Onboarding

The onboarding process is an essential part of any contractor payroll program. A seamless onboarding will cut costs and ensure that temporary assets are able to begin working sooner.

Does your current contractor payroll program offer:

1. Worker wellbeing services that include EAP, perks, and health apps for payrolled workers.
2. Automated, secure onboarding portal to enter personal information, upload documents and facilitate eSignature for contracts.
3. Payroll program SLA tracking for fast and compliant onboarding.

Rate management

Negotiating pay rates for payrolled workers is essential to saving on overall program costs. When done effectively, this negotiation process can save your organization between 5 and 15%.

Does your current contractor payroll program offer:

1. Geographically based rate data to benchmark pay rates for payroll workers.
2. Rate negotiation services for payrolled workers.
3. Transparency in approaches to estimating government burden costs.
4. Rebates on any fee overage on contractor population at the end of the year?

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Worker management

It's important to ensure that temporary employees are being provided access to healthcare benefits and one-on-one support and that your program is leveraging a work permit expiration tracking technology.

Does your current contractor payroll program offer:

1. 1A dedicated payroll program ream that offers one-on-one support to payrolled workers.
2. An online/mobile contractor portal to manage time and expenses for payrolled workers.
3. Up-to-date technology that tracks work permit expirations for payrolled workers.
4. Quarterly NPS surveys to payrolled workers and hiring managers to measure customer satisfaction?
5. Program reporting that includes real-time dashboards for spend, savings, tenure, and compliance for payrolled workers.

Value adds

When used properly, a contractor payroll program can add significant value to your organization. Equally, a mismanaged program can open the door for multimillion-dollar lawsuits.

Does your current contractor payroll program offer:

1. In-house legal counsel to address payrolled worker claims and other legal issues.
2. Provision of payrolling services for subvendors and their workers.
3. Payroll services to manage SOW engagements (i.e., milestones, deliverables) for payroll workers and aubvendors.
4. Access to direct sourcing tools and curation services to build talent communities and source workers.

Compliance

Your assessment should address the compliance of your Independent Contractor program. First, determine whether you currently have ICs as part of your contractor payroll Program, and if so,

Does your current contractor payroll program:

1. Indemnify the client against liabilities resulting in IC misclassification.
2. Evaluate ICs with validated third-party technologies.
3. Offer restructuring opportunities so that the worker qualifies as an IC.
4. Provide technology that tracks time-sensitive events.
5. Provide support to clients in audits being performed by regulatory authorities.
6. Fund payrolling fees by ICs.

Managing contractor payroll is a complex employer responsibility that opens organizations up to risk and program overspend.

If your organization is evaluating a new contractor payroll provider or simply has questions about payroll, **contact one of our experts today.**

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