

# Employee Payroll Management System

A PROJECT PROPOSAL SUBMITTED BY

D.A.I.M.DASANAYAKE: (BSC/WD/22/36/13)  
D.M.K.G.DISSANAYAKE: (BSC/WE/22/34/04)  
E.M.S.NETHMAL: (BSC/WD/22/36/04)

to the

**DEPARTMENT OF INFORMATION TECHNOLOGY**

*in partial fulfillment of the requirement  
for the award of the degree of*

**BSc degree in Information Technology**

of the

**Sri Lanka International Buddhist Academy**

**Pallekele**

**SRI LANKA**

**2023**

## DECLARATION

We declare that this project proposal is my own work and has not been submitted in any form for another degree or diploma at any university or other institution of tertiary education. Information derived from the published or unpublished work of others has been acknowledged in the text and a list of references is given.

Name of Student:

Signature of Student:

Date:

### **Approval of the Supervisor:**

Name of Supervisor:

Signature of Supervisor:

Date:

### **Approval of the Head of the Department of IT:**

Name

Signature:

Date:

## **ABSTRACT**

The Employee Payroll Management System (EPMS) project aims to streamline and automate the payroll processing and management for a company. The primary goal of the EPMS project is to create an efficient and user-friendly software solution for managing employee payroll, ensuring accurate and timely salary processing while reducing manual work and errors. The EPMS project represents an essential step towards modernizing payroll operations. By implementing this system, we anticipate improved efficiency, accuracy, and employee satisfaction, ultimately contributing to the overall success of our organization.

# Table of Contents

<b>List of Figures.....</b>	<b>5</b>
<b>List of Tables .....</b>	<b>5</b>
<b>List of Abbreviations .....</b>	<b>5</b>
<b>Chapter 1 / INTRODUCTION .....</b>	<b>6</b>
1.1 Overview .....	6
1.2 Problem Description .....	6
1.3 Objectives .....	6
1.4 Business Needs .....	7
<b>Chapter 2 / BACK GROUND AND REQUIREMENT ANALYSIS .....</b>	<b>8</b>
2.1 Drawbacks of Existing System .....	8
2.2 Requirement Analysis .....	8
2.3 Functional and Non-Functional Requirements .....	8
2.3.1. Functional Requirements .....	8
2.3.2. Non Functional Requirements .....	9
<b>Chapter 3 / LITERATURE REVIEW/STUDY OF SIMILAR SYSTEMS .....</b>	<b>10</b>
3.1 Similar Systems .....	10
3.2 Gains from Similar Projects .....	10
3.3 Difference between Proposed Solution and Similar Systems .....	11
<b>Chapter 4 / PROPOSED METHODOLOGY .....</b>	<b>11</b>
4.1 Approach.....	11
4.2 Use Case Diagram.....	12
4.3 ER Diagram .....	13
<b>Chapter 5 / WORK PLAN .....</b>	<b>14</b>
<b>REFERENCES.....</b>	<b>14</b>

## LIST OF FIGURES

**Image 1:** Use Case Diagram

**Image 2:** ER Diagram

**Image 3:** Gantt Chart

## LIST OF TABLES

**Table 1:** List of Abbreviations

## LIST OF ABBRIVIATIONS

DBMS	<u>D</u> atab <u>a</u> se <u>M</u> anagement <u>S</u> ystem
ER Diagram	<u>E</u> ntity <u>R</u> elational Diagram
GUI	<u>G</u> raphical <u>U</u> ser <u>I</u> nterface
EPMS	<u>E</u> mployee <u>P</u> ayroll <u>M</u> anagement <u>S</u> ystem
SQL	<u>S</u> tructured <u>Q</u> uery <u>L</u> anguage
VS CODE	<u>V</u> isual <u>S</u> tudio Code

(Table 1)

# CHAPTER 1

## INTRODUCTION

### 1.1 Overview

The Employee Payroll Management System (EPMS) is a comprehensive software solution designed to simplify and automate payroll processing and employee data management. It ensures accurate and timely salary calculations, facilitates leave and attendance management. This system not only reduces manual workload and errors but also offers employees self-service options for accessing their pay slips and managing personal information. In summary, the EPMS is a vital tool that modernizes payroll operations, leading to increased efficiency, financial accuracy, and overall organizational success.

### 1.2 Problem Description

The problem at hand revolves around the challenges and inefficiencies in managing employee payroll within the organization. Manual payroll processes are error-prone, time-consuming, and lack scalability as the organization grows. To address these issues, the organization seeks to develop an Employee Payroll Management System (EPMS) that streamlines payroll processing, automates tax compliance, and enhances data security, ultimately improving operational efficiency and mitigating risks.

### 1.3 Objectives

**Automation:** To automate the payroll processing to minimize manual effort, reduce errors, and ensure accurate and timely salary calculations.

**Efficiency:** To streamline and expedite the payroll process, resulting in time and cost savings for the organization.

**Employee Self-Service:** To provide a user-friendly self-service portal for employees to access their pay slips, tax documents, and manage personal information, enhancing their overall experience.

**Leave and Attendance Management:** To facilitate the tracking of employee attendance and the management of leave requests, improving workforce planning and management.

**Reporting and Analytics:** To generate comprehensive reports and analytics, aiding in decision-making, financial planning, and compliance reporting.

**Data Security:** To implement robust security measures to protect sensitive employee information and payroll data.

**Cost Reduction:** To reduce administrative overhead related to payroll processing and management, leading to cost savings for the organization.

**Improved Employee Satisfaction:** To enhance the overall experience for employees by providing them with easy access to their financial information and reducing payroll-related issues.

**Scalability:** To design the system in a way that allows for scalability as the organization grows, accommodating an increasing number of employees and evolving needs.

**Integration:** To ensure seamless integration with existing HR and accounting systems to avoid data duplication and enhance overall organizational efficiency.

## **1.4 Business Needs**

The organization's business needs are clear: it requires an Employee Payroll Management System (EPMS) to streamline payroll processes, enhance data security, enable seamless integration with existing systems, and deliver cost-efficient and user-friendly payroll management. This system will not only boost operational efficiency but also support the organization's growth and compliance objectives.

## **CHAPTER 2**

### **BACKGROUND AND REQUIREMENT ANALYSIS**

#### **2.1 Drawbacks of existing system**

The existing manual payroll management system presents several notable drawbacks. Primarily, it is highly time-consuming, as it involves manual data entry, calculations, and verification, which leads to delays in payroll processing. Additionally, the manual system is prone to errors, both in terms of calculations and data entry, which can result in inaccuracies in employee pay issues. Moreover, the lack of automation and self-service features hampers employee satisfaction and increases the administrative burden on HR and finance departments. The absence of real-time reporting and analytics capabilities also limits the organization's ability to make data-driven decisions and plan effectively for the future. These drawbacks emphasize the need for an automated Employee Payroll Management System (EPMS) to address these inefficiencies and enhance overall payroll management within the organization.

#### **2.2 Requirement Analysis**

Requirement analysis for a payroll system involves a comprehensive examination of the organization's needs and goals. It includes identifying key stakeholders, understanding current processes, and defining system functionalities. The analysis seeks to determine payroll calculation requirements, leave and attendance management, reporting needs, security protocols, and integration with other HR systems. Additionally, it aims to establish scalability and usability considerations to ensure the system aligns with the organization's current and future needs while improving efficiency, accuracy, and employee satisfaction.

#### **2.3 Functional and Non-Functional requirements**

##### **2.3.1. Functional requirements:**

Functional requirements for an Employee Payroll Management System (EPMS) define the specific features and capabilities the system must have to meet the needs of the organization. Here are some common functional requirements for an EPMS:

**User Authentication and Authorization** for secure access control.



**Employee Information Management** for personal and employment details.

**Automated Payroll Processing** for accurate salary calculations.

**Leave and Attendance Tracking** with approval processes.

**Comprehensive Reporting and Analytics** for decision-making.

**Data Security measures** to protect sensitive information.

### **2.3.2 Non-Functional requirements:**

Non-functional requirements for an Employee Payroll Management System (EPMS) specify the qualities or characteristics the system should have, beyond its basic functionality. These requirements focus on performance, reliability, security, and usability. Here are some common non-functional requirements for an EPMS:

**Performance:** The system should be responsive and able to handle a specified number of transactions within an acceptable time frame, even during peak periods.

**Reliability:** The EPMS should be highly reliable, with minimal downtime or system failures. It should be available when needed.

**Scalability:** The system should be able to scale up to accommodate increased data and user loads as the organization grows.

**Usability:** The user interface should be intuitive and user-friendly, requiring minimal training for users to navigate and perform tasks.

**Data Backup and Recovery:** Regular data backups and a reliable recovery mechanism should be in place to safeguard against data loss.

## CHAPTER 3

### LITERATURE REVIEW/STUDY OF SIMILAR SYSTEMS

A literature review or study of similar systems is a critical component of the research and development process for an Employee Payroll Management System (EPMS). It involves a comprehensive examination of existing literature, research studies, and systems that are similar in purpose or share common functionalities with the proposed EPMS.

#### 3.1 Similar systems

**ADP Workforce Now:** ADP is a well-known provider of HR and payroll solutions, offering a comprehensive platform for payroll processing, tax compliance, and employee management.

**Gusto:** Gusto is a cloud-based payroll and HR software that caters to small and mid-sized businesses, offering features like automatic payroll processing and benefits management.

**QuickBooks Payroll:** QuickBooks, developed by Intuit, offers a payroll module that integrates with their accounting software, allowing businesses to handle payroll, taxes, and reporting.

**Paychex:** Paychex provides payroll services and software for businesses of various sizes. They offer payroll processing, tax management, and HR services.

**Zenefits:** Zenefits is an all-in-one HR software platform that includes payroll processing, benefits administration, time and attendance tracking, and employee self-service features.

#### 3.2 Gains from similar projects

Gains from similar projects, especially in the development and implementation of Employee Payroll Management Systems (EPMS), provide valuable insights and lessons that can benefit the current project. Some common gains from similar projects include:

**Best Practices:** Knowledge of proven best practices in EPMS development and implementation.

**Efficiency Insights:** Understanding process improvements that enhance efficiency in payroll management.

**Feature Adoption:** The ability to incorporate successful and innovative features into the current project.

**Integration Expertise:** Knowledge of effective integration solutions for seamless data exchange with other systems.

### 3.3 Difference between proposed solution and similar systems

The difference between the proposed solution (Employee Payroll Management System or EPMS) and similar existing systems primarily lies in the specific features, customization, and unique advantages that the proposed solution offers. Here are some key differentiators:

**Tailored to Organizational Needs:** The proposed EPMS is designed to cater to the specific requirements and policies of the organization, offering a level of customization that may not be present in off-the-shelf systems.

**Seamless Integration:** The EPMS can be seamlessly integrated with the organization's existing HR, accounting, and financial systems, ensuring a cohesive flow of data and processes.

**Compliance with Company Policies:** The EPMS is aligned with the organization's internal policies and practices, ensuring that it meets the unique compliance and reporting needs of the company.

**Enhanced User Experience:** The user interface and experience in the EPMS are tailored to the preferences and needs of the organization's employees and administrators, promoting ease of use and efficiency.

**Scalability and Flexibility:** The proposed solution is designed with scalability in mind, allowing for easy expansion and adaptability as the organization grows..

## CHAPTER 4

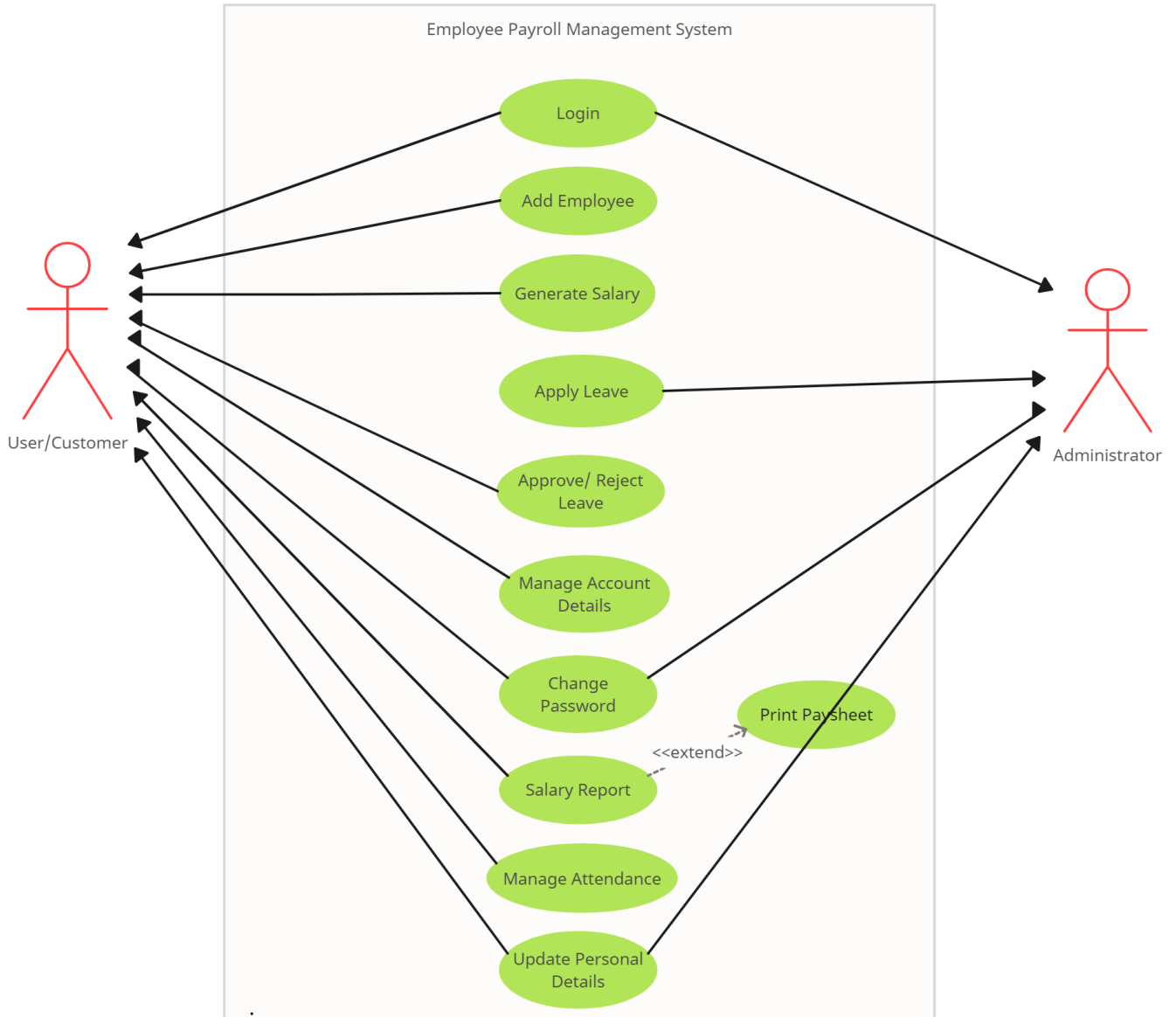
### PROPOSED METHODOLOGY

#### 4.1 Approach

In the context of developing an Employee Payroll Management System (EPMS) or a similar software system, methods and approaches can be categorized into several key areas. These categories encompass the techniques and strategies used to plan, design, and implement the system. Here are some important categories of methods and approaches:

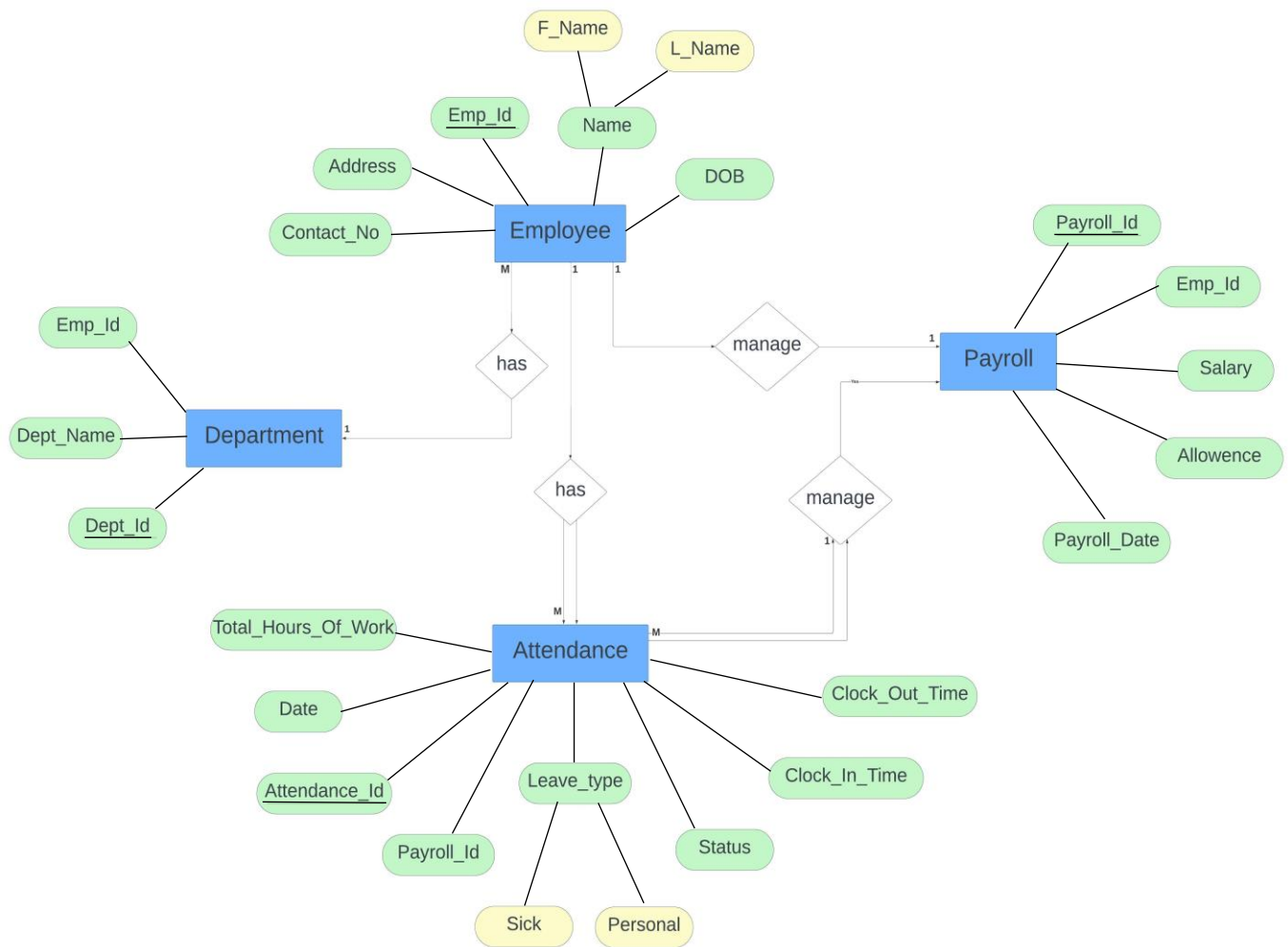
- **Development Methodologies:** Waterfall, Agile
- **System Design Approaches:** Functional Design, Database Design, UI/UX Design
- **Development Technologies:** Programming Languages, Frameworks ,Database Management Systems
- **Testing and Quality Assurance:** Unit Testing, Integration Testing, User Acceptance Testing (UAT)
- **Project Management Methods:** Scrum, Kanban

## 4.2 Use Case Diagram



(Image 1)

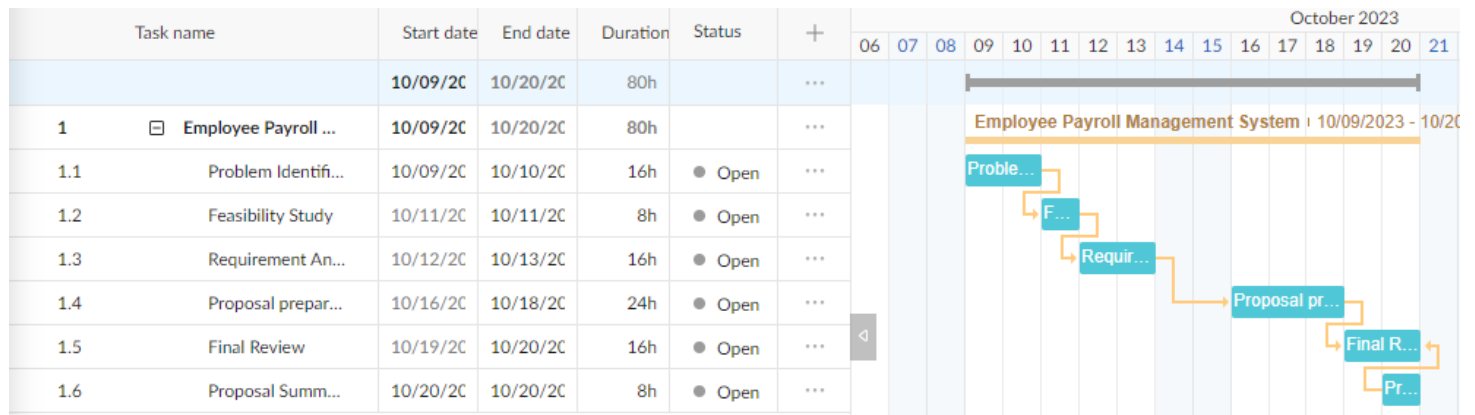
### 4.3 ER diagram



(Image 2)

## CHAPTER 5

### WORK PLAN



(Image 3)

## REFERENCES

### References

- [1] A. O. H. R. Development, "Human Resources Today," [Online]. Available: <https://www.humanresourcestoday.com/>.
- [2] M. Academy, "ER Diagram for Employee Payroll Management System," [Online]. Available: <https://meeraacademy.com/er-diagram-for-employee-payroll-management-system/>.
- [3] F. Projectz, "Employee Payroll Management System Use Case Diagram," [Online]. Available: <https://www.freeprojectz.com/use-case/employee-management-system-use-case-diagram>.
- [4] GANTTPRO, "Ganttpro Free Online Gantt Chart Maker," [Online]. Available: <https://app.ganttpro.com/#/project/1697978194735/gantt>.
- [5] Lucid, "Lucid Free Online Chart Maker," [Online]. Available: [https://lucid.app/documents#/documents?folder\\_id=recent](https://lucid.app/documents#/documents?folder_id=recent).
- [6] C. Openai, "Chatgpt," [Online]. Available: <https://chat.openai.com/>.
- [7] W3Schools, "W3Schools Online Web Tutorials," [Online]. Available: <https://www.w3schools.com/>.