**ABSTRACT**

Payroll Management is the linchpin to most of the information an organization has regarding its employees. While many organizations espouse to using Human Resource Information Systems (HRIS), the reality is somewhat different. Current technology and software packages allow employers to store a vast array of inter-related information about employees. However, much of this information is not viewed as critical, and therefore often overlooked. Basic employee information must however be kept for payroll purposes. This will also form the basis for any other HR related information.

HR relies on payroll for historic information for reporting purposes, annual reports etc. Any plans to change award or enterprise agreement conditions must include input from the payroll area. Some payroll systems may not be capable of managing initiatives such as salary sacrificing, share schemes, or international employment. Any changes to conditions can result in higher payroll costs due to inefficient ‘work-around’ or an increased need for payroll resources.