

What matters most when helping clients switch payroll providers?

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Is it time to make a change?

From their current provider making too many mistakes to integrations falling short of expectations, sometimes businesses switch payroll providers to turn the page (and improve their operations). But before moving on, you and your clients should know what to expect so you can prevent tasks from falling through the cracks. Here are some of the most important factors for your firm to be aware of when helping clients switch providers.



Help clients make the decision to switch

Familiarize yourself with options

Help your clients navigate the payroll software landscape. Your clients may not know what's out there regarding payroll solutions, let alone what questions to ask to determine the best fit. Chances are, if they are seeking a switch, one pain point is at the top of their mind, but it's important to weigh many factors in making a decision. Work with your clients to unpack any current needs and challenges that are most important to them.

Industry considerations and integrations

Is the new provider able to handle your client's specific industry needs? For example, if your firm helps companies in the agriculture or farming space, there will be payroll software companies that are unable to file Form 943. Confirm available integrations for tools such as accounting software that will sync with what clients use.

Employee experience

Remember the client and employee relationship. Will employees have a self-service portal where they can view pay stubs, request paid time off, and access tax documents such as W-2s and 1099s?

Support should be standard

What type of support will be available to you and your clients?

- Will customer support mostly communicate via email or also be available by phone and live chat?
- If support is unavailable after hours, is there an online help center or resource where you can get most of your questions answered?
- Will the new provider have a dedicated account team that is easy to reach?
- What happens if there are errors that need to be corrected?

Planning ahead

Timing is everything

When will you make this move? End of year? Middle of the year? Many businesses switch payroll providers at the start of a new calendar year. But there are some other considerations to keep in mind depending on when you move.

January 1st

Pros

When clients start using new payroll software on January 1, they won't have to enter any payroll history or consider tax payments from the previous year. It's a fresh start: typically all that's needed are basic company details, current employee and contractor profiles, and information for direct deposits.

Cons

You and your clients should be mindful of setup tasks and communication involved in the transition. With holidays, time out of the office, and other year-end work and distractions, the end of December can be a challenging time to change systems for some businesses.

Beginning of a quarter

Pros

When you start a new payroll system at the beginning of a quarter, you can time the switch to fall after you wrap up the previous quarter's payroll runs and taxes. It can also be easier to plan to switch at a more ideal time of year for your client than year-end, depending on their business needs.

Cons

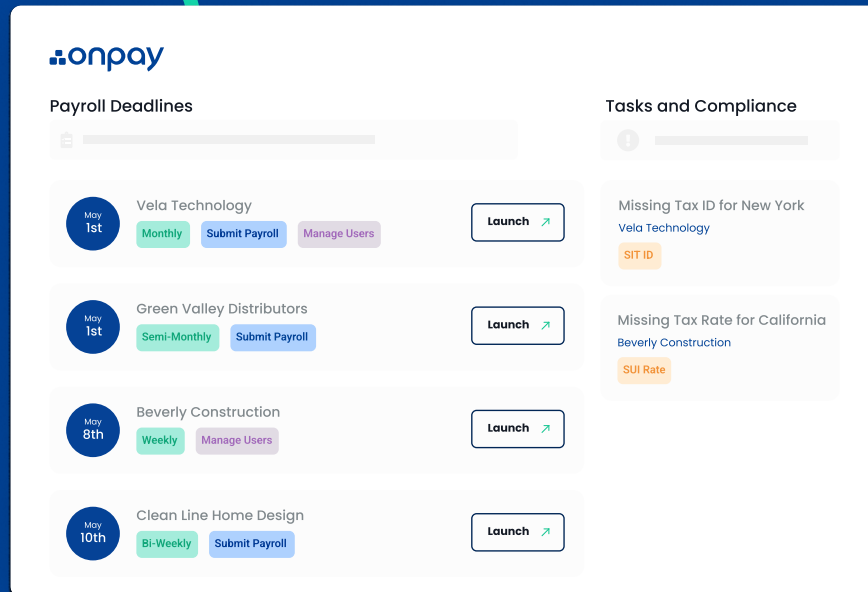
You'll need to include all year-to-date payroll history to ensure accurate paychecks, W-2s, and many other year-end tax forms. Be mindful whether or not the new payroll provider will enter the history on your behalf, or if you or your client will need to enter it in yourself.



Are you wondering about mid-quarter?

Switching mid-quarter is possible, but it requires more planning. You'll need to be aware of any tax payments that have been processed already and be sure that the old provider will not file the quarterly payroll forms. Otherwise, your client could end up with duplicated tax payments and filing for the quarter. Planning and communication are key!

Make 2025 the year for better payroll



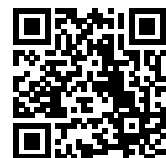
Frustrated with a lack of payroll support this year?
Expect more from your provider in 2025.

OnPay makes it easy for accountants to offer accurate payroll services for every type of client you serve. With fast, flexible software, automated payroll taxes, and an error-free guarantee, you can relax knowing clients are in good hands. Plus, you'll get a higher level of service with reliable support and exclusive access to our expert Partners team.

Get clients ready for 2025 and supercharge your payroll service in the new year.

FOR A LIMITED TIME

Get up to \$10,000 when you switch to OnPay*
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Prior data preparation

Making sure information gets from point A to point B properly — and securely — is one of the most important parts of a payroll software migration. The new provider will need your clients' employee data and year-to-date payroll reports that show wages, deductions, and payroll taxes.

Information to have ready **before you move**

- ✓ Staff lists with Social Security numbers and mailing addresses for all employees. This will be critical when tax time comes around and W-2s or 1099s need to be prepared. Be sure to send this information to your new provider securely.
- ✓ W-4s for all employees — these were likely completed during the onboarding process when the employees were hired.
- ✓ Any employee garnishments and supporting documents.
- ✓ Any employee deductions should be accounted for in the new system.
- ✓ Current year copies of payroll form filings.
- ✓ Bank account information for your company.
- ✓ Direct deposit information for workers, if your clients pay employees this way.
- ✓ Company tax identification also known as a tax ID number.
- ✓ State unemployment rates for all states that you report to.
- ✓ Year-to-date payroll summary by employee and by quarter.
- ✓ Accrual policy and balances.
- ✓ Special or additional compensations, like different pay rates, tipped wages, clergy housing, bonus policies, and shareholder insurance.

Making the switch

Prior payroll history

It can be a good idea to give your clients advance notice before making a change, as it may take them some time to get used to the idea of a new system. For instance, the process for requesting paid time off might work differently – and workers will need to find their earnings information in a new place.

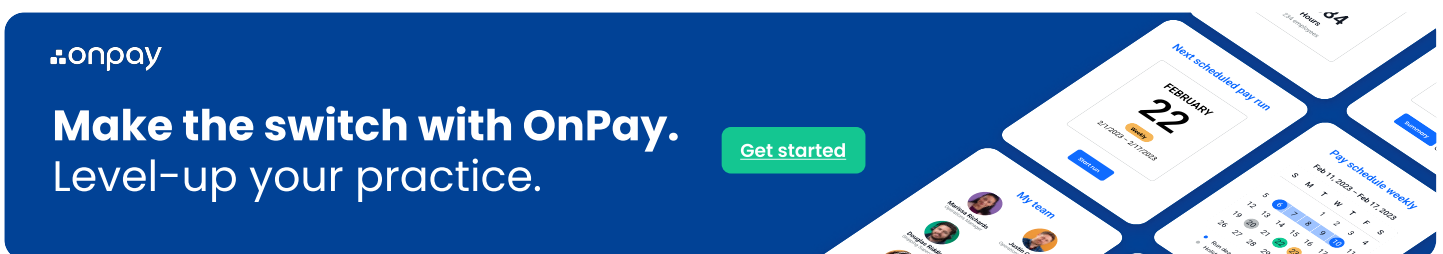
Communication

Give your clients (and yourself) time to review data in employees' profiles, such as prior wages, and be sure to look at your state's SUI rates. If you review all the pay items and deductions and something seems off, at that point the new provider should immediately help with changes or corrections. It's much harder to capture this type of "data snapshot" once you start running payroll, so don't let this fall by the wayside.

Avoid common oversights

Before moving, here are some of the most common items that get overlooked, which you and your clients will want to avoid.

- ✓ Wages for any former workers paid that year, if making a mid-year switch.
- ✓ Reporting agent authorization (Form 8655).
- ✓ Changes to state unemployment insurance rates (they'll likely change for the year ahead).
- ✓ Inform the new provider there if any changes are made after reports are sent.
- ✓ Handling of any back-owed taxes/overdue filings.
- ✓ To set up contractors being paid by direct deposit.
- ✓ Stop the previous provider relationship to avoid duplicate filings or extra subscription fees.
- ✓ Are there additional worksites or remote workers on the payroll? Make sure worksites are assigned for paycheck accuracy.



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Make the switch with OnPay.
Level-up your practice.

[Get started](#)

The image shows a collage of OnPay software interface elements. It includes a 'Next scheduled pay run' card for February 22, 2022, with a 'Pay now' button. There's also a 'Pay schedule weekly' calendar for Feb 11, 2022 - Feb 17, 2022, and a 'My team' section with profile pictures of team members.

Following up

Once the switch is complete, it's a good idea to check in with your client after their first payroll run. It's an opportunity to see how everything went and make any recommendations on how to get help going forward – whether you'll handle things directly or if they should expect support from the payroll software company. You can also schedule follow-ups after a few payroll cycles to be sure everything is still running smoothly.

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