

How OAHI can help you to improve payroll governance



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OAHI Wage IQ

In today's complex environment, robust payroll governance is a critical component of risk management. As employment laws evolve and regulatory scrutiny increases, organisations need systems that ensure all payroll obligations are met.

The High Cost of Non-Compliance

Navigating staff payment obligations requires specialist knowledge. The risks of non-compliance are significant, including heavy fines, reputational damage, and legal consequences beyond the cost of remediation. Businesses should regularly review their payroll frameworks and ensure their teams are equipped with the necessary skills and tools.

A Proactive Solution for Peace of Mind

A payroll comparison service like OAHI's helps business owners proactively monitor responsibilities by:

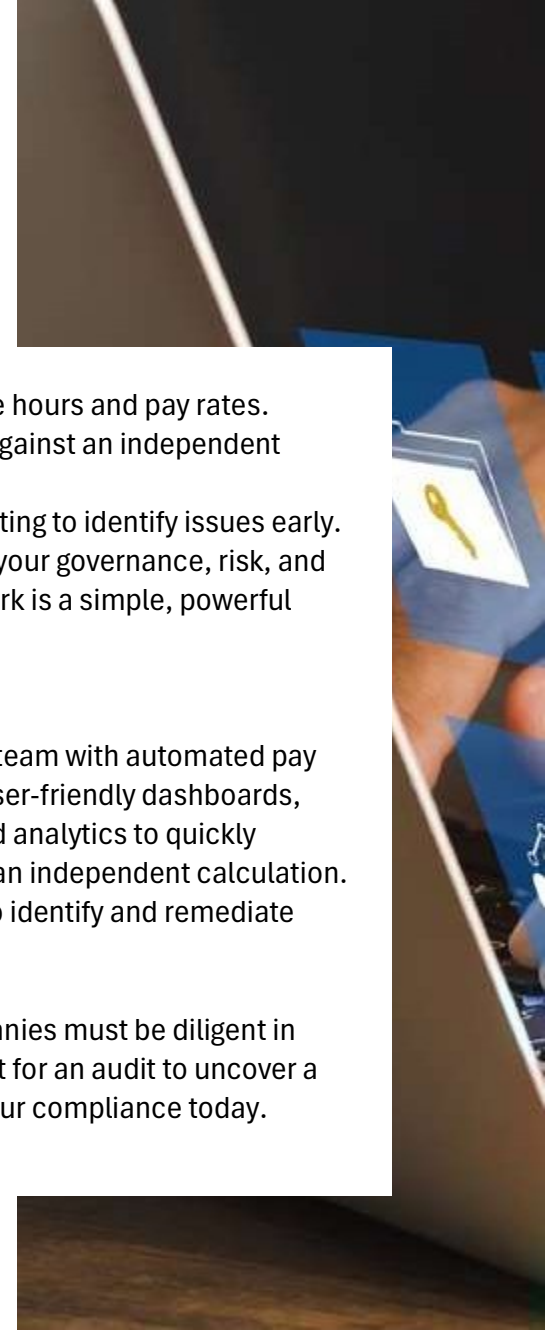
- Examining employee hours and pay rates.
- Comparing payroll against an independent calculation.
- Using detailed reporting to identify issues early.

Integrating this service into your governance, risk, and compliance (GRC) framework is a simple, powerful step.

How OAHI Can Help

OAHI supports your payroll team with automated pay result validation. Through user-friendly dashboards, **OAHI Wage IQ** uses detailed analytics to quickly highlight variations against an independent calculation. This empowers your team to identify and remediate issues with confidence.

Now more than ever, companies must be diligent in managing payroll. Don't wait for an audit to uncover a problem—take control of your compliance today.





According to Accountants Daily, the Australian Government's focus is on drafting laws that criminalise worker exploitation since Celebrity chef George Calombaris's hospitality empire back paid \$7.8 million in wages and superannuation after underpaying more than 500 current and former employees.

02

The Costs & Consequences of Non-Compliance

In 2020, a high-profile medical centre management services group operating under a parent company underpaid its employees. Since admitting to underpaying its workers, the company has been made to back-pay employees to the figure of \$15.3 million. They were additionally made to sign an enforceable undertaking with the Fair Work Ombudsman. Individual back payments were as high as \$131,336.00 for some employees.

This is just one example of many. There have been dozens of cases covered in the media in recent years. So, what went wrong with their payroll process? How can other organisations consistently ensure compliance with their payroll obligations under the plethora of Modern Awards and enterprise agreements?



According to HRM (and through our own experience), payroll non-compliance becomes an issue for the following reasons:

- Inaccurately designating the classification of employees
- Salaried employees had an annualised salary rate which failed to achieve the correct award entitlements
- Failed to pay extra hours to salaried and hourly employees
- Payroll system configuration errors.

These actions led to a wide range of underpayments for the company, from casual loading to weekly wages and underpayment of salaried staff for the hours they worked compared to award rates.

But costs to make good, and the subsequent penalties, are just one aspect of failing to meet payroll obligations. Ramifications go beyond back-pay to employees and hefty fines. An

organisation needs to consider its reputation and what a publicised payroll problem does for the public perception of its brand. A negative reputation affects corporate strategy, business operations and future commercial opportunities. Current and prospective clients, partners and even competitors reconsider their trust in the organisation and may question the ability of the organisation to support their own businesses. Negative employee morale and perception of potential recruits can make retention and onboarding new talent more diff

The Fair Work Ombudsman issued 2,345 compliance notices and recovered more than \$532 million for 384,805 underpaid workers in 2021-22 – a record sum of back-paid wages and entitlements for a record number of employees and more than quadruple the previous year.

Fair Work Ombudsman Report

“In an economy where 70% to 80% of market value comes from hard- to-assess intangible assets such as brand equity, intellectual capital, and goodwill, organisations are especially vulnerable to anything that damages their reputations.”

Harvard Business Review





03

The OAH Wage IQ Solution

OAH's platform can automate the process of modelling your existing payroll, timesheet and roster data from various sources and compares your pay results to an independent interpretation of the award or agreement. This comparison can provide a high degree of accuracy and is designed to highlight areas of concern and provides your finance, HR and payroll teams with the ability to drill into the specific detail and examine any variations.

No matter which Payroll, HR or Time & Attendance platforms you use, OAH can receive data from any number of systems to provide you with a comparison.

By identifying and separating out matching data and differences (under or overpayment), spot checks and detailed analysis can be applied to the variances

alone. This approach can save a massive amount of time and labour and ensures a more targeted approach to compliance by immediately focusing attention on where it may be most needed.

Besides meeting your regulatory compliance obligations, OAH's unique software solution keeps you competitive and informed. Ongoing pay period-based updates and automated analysis ensures pay results for all staff are available without interruption and without requiring expensive manual manipulation of data from a number of systems.

Whether you are looking for analysis in the better-off-overall testing (BOOT), Payroll Comparison, Annual Salary compliance or casualisation testing, OAH's intuitive and interactive dashboards provide immediate

access, accurate assessments and timely data when you need it most.

Reconciling payroll can become an arduous and costly process. Without a Payroll Comparison solution, monitoring deviations in payroll, measuring data insights and transparency within your payroll systems and processes requires expensive resources and significant time while giving way to human error.

OAH provides consistent insights and analysis of every pay period and can help to reduce the risk and cost of under or overpayment. Whether you are looking to validate previous years or introduce an ongoing validation process, we can help you with a payroll comparison solution.



04

Tools Designed for your Payroll Team

The Fair Work Ombudsman (FWO) continues to uncover underpayments made by businesses. As awards and agreement conditions change, it also regularly discovers additional businesses that are failing to meet payroll compliance.

Payroll is one of the most heavily legislated areas of a business, and your payroll team needs to continually update their knowledge of complex rules, laws and requirements. More than at any time in the past, payroll teams are being asked to provide additional reporting to executives and boards - specifically around pay compliance. OAH Pay Comparison solution automates manual reconciliation, testing and validation and allows your team to focus their time on staying abreast of changes to payroll obligations. The visualisations made available through our dashboard reporting and analytics can remove additional reporting time and cost, allowing executives and board members to effectively self-serve.

In addition to the Modern Awards, businesses operate their own rules for scheduling and rostering, for measures of tolerance or adherence and for recording time worked. Reviewing your payroll function regularly and ensuring it works appropriately with changing conditions has never been more important. Payroll managers must maintain their knowledge and understanding of awards and entitlements as they apply to their business and implement changes where required.

With OAHl, your payroll team can receive accurate payroll comparison information in line with your business rules and statutory obligations. Flexibility is provided to drive any number of Modern Awards, Enterprise Bargaining Agreements, and labour standards related to your business.

Regardless of the employment mix in an organisation, contract, casual, part-time or full-time, salaried or non-salaried, OAHl's Pay Comparison engine is designed to help you meet your employment obligations – reducing risks of penalties and fines due to underpayment.

OAHl's Pay Comparison tools empower you to effectively monitor payroll and gain insights and transparency into your payroll processes.



More than half of the 2021-2022 recoveries came from large corporate employers, who back-paid nearly \$279 million to more than 267,000 employees. This was six times the amount returned from large corporates in the previous financial year.

Fair Work Ombudsman Report

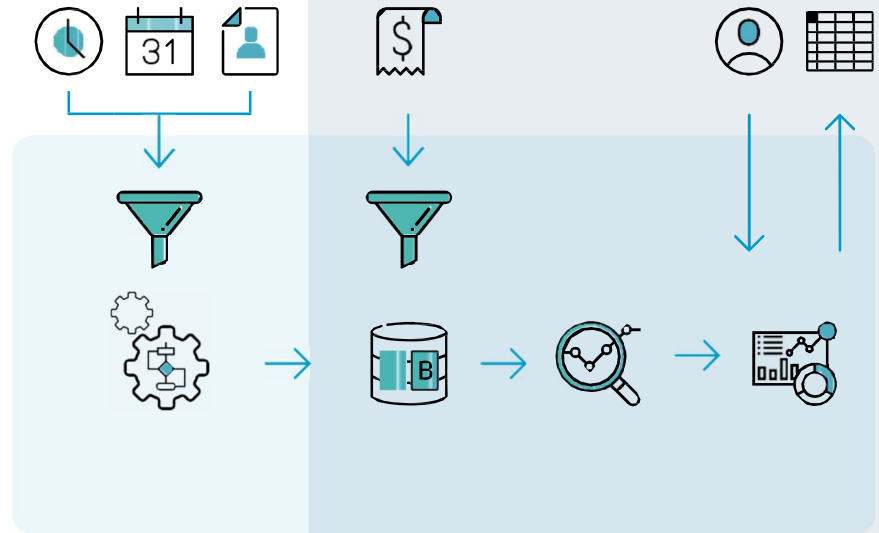
05


The Process of Payroll Comparison

The process of providing validation by way of comparison is not as simple as it sounds. Relying on manual processes and spot checks can only go so far and increase the risk of misinterpretation or entirely missing issues as they arise.

OAH Wage IQ operates by receiving a variety of information from any number of sources such as (actual data available may vary):

- **Employee HR Data** to track employment changes, anniversaries, entitlements, dates and ages.
- **Roster Data** to understand what work was planned for which employees, where and when.
- **Time & Attendance Data** to accurately reflect the actual hours worked and work completed.
- **Payroll Data** to understand what was actually paid, when and for hours completed.



A person is using a white stylus to interact with a tablet. The tablet screen displays various data visualizations, including a bar chart, a pie chart, and a checklist. The background is blurred, showing greenery and a person's arm.

OAH Wage IQ platform processes this data through our Award and Rules Engine, and the results of our confirmed interpretation are stored. OAH then ingests actual payroll data for the same employees and periods and models both data sets to produce comparative results.

Using the power of the OAH Insights module, our dashboards provide graphical analysis views of the data to accommodate analysis by year, month, pay period, region, team or employee level.

Visual indicators highlight areas of concern (such as under or overpayment) and allow your payroll team to drill down into the detail to isolate specific locations, individuals or timesheets that may need attention. Armed with the detail they need, your team is better informed to ensure the business maintains compliance.

06

Enhancing the Employee Experience



When organisations pay their staff on time, and accurately, employees are happier and more engaged. As a result, the workplace has lower rates of absenteeism and staff turnover.

Kristensen and Westergard.

To gain and retain the right staff, aligning payroll procedures across locations is crucial to heighten the employee experience. When employees are paid consistently and accurately, they're productive and less likely to become dissatisfied and seek greener pastures elsewhere. Underpaying employees sends the wrong message and can quickly lead to bad morale and an abrupt halt to any business growth.

With OAHl's Payroll Comparison solution, staff can identify and address errors immediately with consistent visibility provided to them on their payments. Beginning an investigation

into an underpayment or wage claim is now straightforward. With OAHl, employees are assured that their issue is taken seriously, addressed and rectified in the appropriate amount of time.

If one underpayment error has been found, there are probably more. OAHl's Pay Comparison solution makes it easy for payroll managers to compare and validate results regardless of the pay period. OAHl Wage IQ enables instant access to detailed analysis views to help identify current variations and avoid ongoing issues.

With consistent pay, employees are

more engaged in moving a business forward. It has an impact on an employee's commitment level. They're more committed to their role because they know the organisation they work for has committed to them. As a result, accurate and timely pay periods equate to higher engagement, increased productivity, lower turnover, improved customer relations and bigger profits.

07

Conclusion


Underpayment claims have reached a record high and made big headlines in Australia. This issue isn't just hitting big organisations; it affects businesses of all sizes across various industries.

In just one year (2021-2022), the Fair Work Ombudsman recovered over \$532 million for 384,805 underpaid workers. To help you avoid penalties, hefty fines and reputational fallout, OAHl's Payroll Comparison solution simplifies the complexity of compliance with agreements and awards and reduces the risk and cost of an organisation's reliance on too many manual procedures and processes. It will also help keep your organisation out of the headlines for all the wrong reasons!

With OAHl's platform continuously receiving a feed of your associated data, we can provide an ongoing service that compliments your payroll function.

With the Pay Comparison tool, reviewing better off overall conditions or checking casualisation criteria can become more efficient. Your payroll can be compared automatically; each pay period reducing time and cost and improving accuracy. Audit, Risk, and Compliance reporting can be automated and delivered on a self-service basis. Annualised Salaries can be tested against Award conditions.

Built in Australia, OAHl's Payroll Comparison solution provides payroll teams with a much-needed suite of features to enable them to operate more efficiently and effectively and better manage within complex employment frameworks. No matter the type of awards or agreements or the challenges they present, OAHl's Pay Comparison platform can help any organisation with its compliance needs.

A blurred, high-speed photograph of a crowd of people walking in a public space, likely a shopping center or a busy street. The motion blur gives a sense of a busy, fast-paced environment. The people are dressed in casual to semi-formal attire, and the background shows hints of storefronts and other pedestrians.

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