



Top international payroll trends to look out for in 2023.
An overview with our Mazars experts in Central and Eastern Europe

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The business environment has always had a dynamic character, constantly changing, and evolving in direct relation to social and economic factors. When talking about payroll, the shifts come in response to the market needs, employee expectations, and employers' willingness to keep their best human capital within the company. This ecosystem usually drives new trends each year, as companies mature, or new generations enter their new chapter as professionals, breathing new life into the market.

The past three years have shaped all aspects in terms of expectations, job offerings, and flexibility at the workplace. Most importantly, how companies responded to these new needs helped shape the future trends to follow in international payroll.

To better assess this, we spoke with our very own experts, Jana Boštíková, Head of Payroll Department, Mazars in Czech Republic, Outsourcing HR & Payroll Leader, Mazars in Central and Eastern Europe, and Ioana Vlad-Rădulescu, International Payroll and Compliance Director, Mazars.

From your expertise, what are the current market trends in international payroll?

Jana Boštíková: Payroll services are much more dynamic than it is generally thought, we have a long tradition at Mazars with this service line, so we had quite some time to perfect our craft. We constantly respond to our clients' everchanging needs, and the evolving legislation, so the only way is to adapt and outperform in the market.

Lately, with the hybrid work model growing more and more, there has been an increase in the need for technology-fueled solutions that allow access to properly structured payroll data from anywhere. We have to be able to provide the right answers and in a time-sensitive manner to our clients, so having the tools to give them access to payroll data is of the essence. For us this technical solution was a logical extension of our offer, it became a connecting element of our local payroll services, since we operate internationally, in nearly 100 countries worldwide.

Ioana Vlad-Rădulescu: The demand for global payroll services has risen in the past couple of years within our company.

This trend has made us look at our internal processes and adjust any aspect that could have helped the way in which we addressed the newly increased need.

We continued to invest in top professionals, aiming to have our own teams, ready to address clients' needs with a fully tailored experience. We bet on the direct contact with our professionals, rather than simply interacting with technology.

Nevertheless, technology was one of the main topics we looked into since we had to find the best mix to use in order to serve our clients in the best way possible.

Jana Boštíková: On top of technology, there is also a complementary need for a more human-centered factor. We can see an increasing search from companies to find, establish and keep reliable relationships with business partners in terms of payroll. The trust factor is an old-fashioned value, that keeps getting more and more potent, since we all operate internationally, in remote or hybrid work models.

Ioana Vlad-Rădulescu: I believe the trust trend Jana mentioned, really adds up to the need for the compliant services we offer. Our clients can always trust and rest assured that the recommendations and solutions we offer are the right fit for their business and contribute to the growth of their companies. This trend is indeed an important one, as we must

keep healthy and productive relationships with our clients and partners we work with halfway around the world. All while serving them in multiple locations and at the same time, providing a pool of resources in legal, tax, global mobility, financial advisory, and many more, depending on the companies' specific.

Jana Boštková: Speaking of trust, effective communication and the wide range of services provided by Mazars are another key elements that help in keeping qualitative relationships with our partners. Companies are looking for a partner they can trust their process payroll without having to worry about something going south. One that will not only generate payroll, but also be able to answer questions about legal matters, tax, or even workplace safety.

At the same time, they need to receive this information fast and without errors, be able to access it from anywhere, evaluate it, and compare it to the previous year or budget.

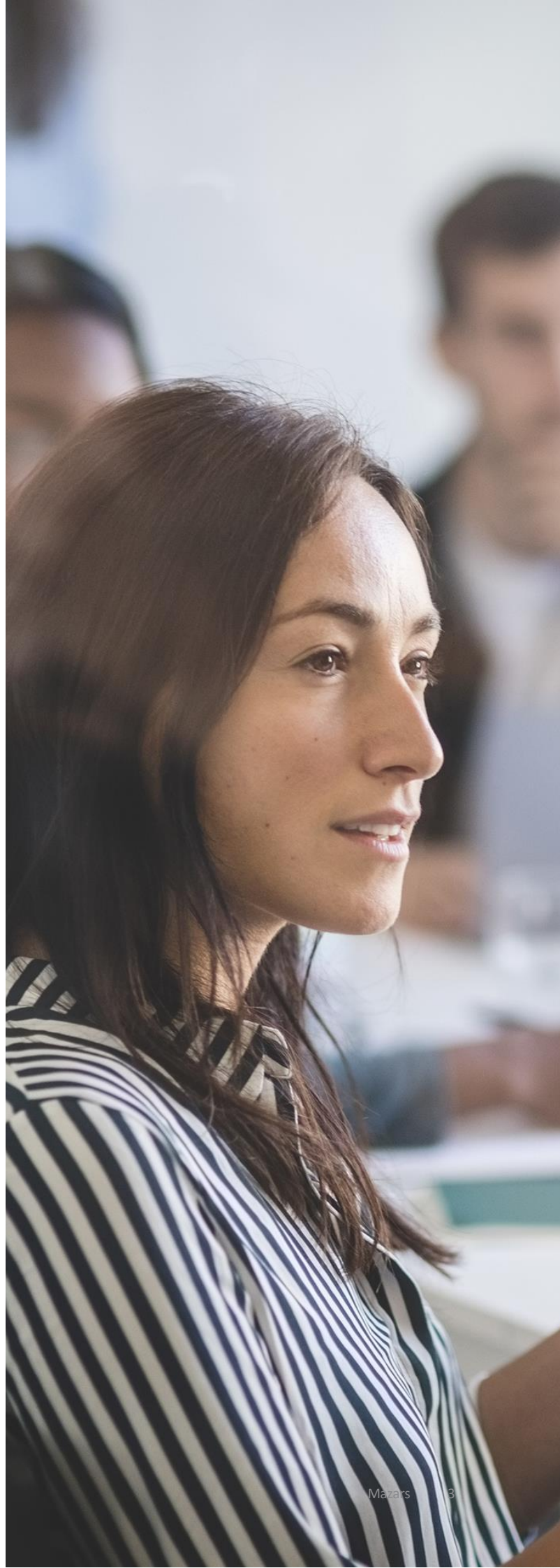
This implies, of course, great expertise, and technology, but also effective communication flows.

Ioana Vlad-Rădulescu: We can also observe an increased demand from clients to audit or verify their current status on payroll and other related services, such as compliance or tax. Only in the last quarter, for example, we had 5 requests from international clients operating in multiple countries. We usually offer expertise in the form of verifying the setups and processes with their current providers, running retrospectively payroll, and reporting our findings and especially the risks.

Do you foresee any long-term trends for the international payroll?

Jana Boštková: An integrative approach seems to be a long-lasting matter. The payroll processing itself requires the support of tax specialists, lawyers specialised in employment law, and, above all, IT specialists. Payroll systems, communication platforms, and reporting systems are already representing the present, but above all the future. Payroll processing can no longer exist without IT.

Ioana Vlad-Rădulescu: Sticking to the integrative aspect, clients seem to need a connected service all around.



The shift and changes in the market in the past couple of years made our global mobility and tax teams really necessary when dealing with international payroll.

On top of that, we can see that clients are suffering from a lack of direct contact with the payroll professionals they work with, especially for medium or smaller companies. That is the reason why we are trying to make our services more personal so that our clients can understand that our teams are also their own outsourced teams.

Thank you, Jana, Ioana for the trends and forecasts on the international payroll topic.

The pandemic really accelerated and expanded the remote work trend, which was previously used only by a few niched industries such as IT. This way of working actually started in the early 2000s, when the internet became more reliable to be used from home.

Now, the mass adoption of remote work as a mainstream business model drives the need for other complementary factors, such as top-notch technology and tools, effective communication, and moreover trust.

Closely following the market trends and responding in a timely and qualitative manner will always help in keeping any company relevant to its audience, so it is a matter of high importance to assess and address them.

There is a variety of ways to understand more about HR & payroll at Mazars:

- Read [this article](#) about How top companies run international payroll in the ever-changing business environment;
- Read [this article](#) about Optimising your business through global payroll processing;
- Learn about [Global regulatory compliance](#) and check our dedicated [HR & payroll webpage](#);
- Explore our [CEE Tax & Payroll Newsletters](#).



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