



# The payroll professional

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This report is part of the Beyond Paydays: The Evolution of Payroll in Canada research series, developed by the National Payroll Institute in collaboration with Deloitte (June 2026). While the original report provides a comprehensive view of payroll in Canada, this theme-based version highlights key insights on a specific topic area.

It is designed to be read independently, while serving as a companion to the full report for those seeking a broader perspective.





# The payroll professional

Behind every pay cheque is a payroll professional—a role that blends precision accuracy resilience, compliance, and people-centric service. In Canada, these professionals form the backbone of organizational trust, ensuring employees are paid accurately and on time while navigating a complex web of federal and provincial regulations. But payroll today is far more than crunching numbers. It is a dynamic function that touches finance, HR, and technology, requiring professionals to balance operational detail with strategic insight.

Who is the payroll professional today, and how must this role evolve to keep pace with an ever-changing landscape? Today's payroll professional is often seen as a meticulous problem-solver, balancing compliance with operational efficiency. They manage complex calculations, ensure timely remittances, and serve as a critical link between employees and the organization through their role of providing a transparent pay experience to employees. But the demands placed on this role are shifting rapidly. As technology automates routine tasks and organizations place greater emphasis on the employee experience, payroll professionals are expected to move beyond transactional work and contribute to strategic initiatives within the function and the broader organization, through their ability to leverage data for insights, support workforce planning, and drive process innovation. The role is further elevated by taking on the expectation of being advisors and promoters of financial wellness, by supporting things like employer-based savings plans, pension, and benefits, for

## **The Bottom Line**



**Executive:** A growing talent gap threatens payroll sustainability; succession planning and upskilling are now business risks.

**Payroll professional:** The role is shifting from transactional execution to strategic advisory, requiring new skills and recognition.

**Technology:** Tools that reduce manual work are essential to freeing capacity for higher-value, insight-driven activities.

the employee group of the organization. This evolution requires not only technical expertise but also adaptability, communication skills, and a forward-thinking mindset to meet the challenges of a digital, employee-centric future.

## **Understanding the payroll professional**

Who is the payroll professional? Understanding the payroll professional is valuable, as it helps identify current strengths and gaps, anticipate future workforce needs, and inform strategies that support payroll professionals in an evolving industry. Drawing on survey responses from payroll professionals across the country, the following sections describe the key attributes that make up the typical payroll persona, including demographics, experience, education, and day-to-day responsibilities.



**Demographic overview.** If you have ever engaged with your organization’s payroll department, you may have observed a department mostly made up of women. Survey responses support this theory, indicating that Canada’s payroll workforce is predominantly female, with approximately 90 percent of respondents identifying this way; about nine percent are male; and the remaining one percent are either non-binary or prefer not to say (*Figure 15*).

The age range of payroll professionals varies; however, one thing is clear from the survey results: payroll professionals are nearing the end of their working careers. Just over two-thirds of payroll professional respondents are over the age of 45 (*Figure 16*) and approximately one-third have been practicing payroll for more than 20 years (*Figure 17*). While this aging population of payroll professionals is comprised of extensive experience, and often unparalleled depth of institutional knowledge, it sheds a

light on a previously unspoken risk around the future of payroll—sustainability and succession planning. As these professionals transition toward retirement, a significant capability gap will emerge within their organizations and across the broader workforce. Some of this gap can be filled with the help of technology, such as automation and AI, but there will still be historical and contextual knowledge required for validation efforts, and important work left to be done that will require a human touch, such as engaging with employees regarding inquiries on such a personal and sensitive topic as their pay or managing relationships between the payroll function and other parts of the business.

To prepare for these challenges, organizations must begin to consider their targeted approach to succession planning within the payroll domain. Payroll functions must ensure processes are documented, and standard operating procedures (SOPs) are formalized. Leading

Figure 15. Self-identified gender of payroll professionals

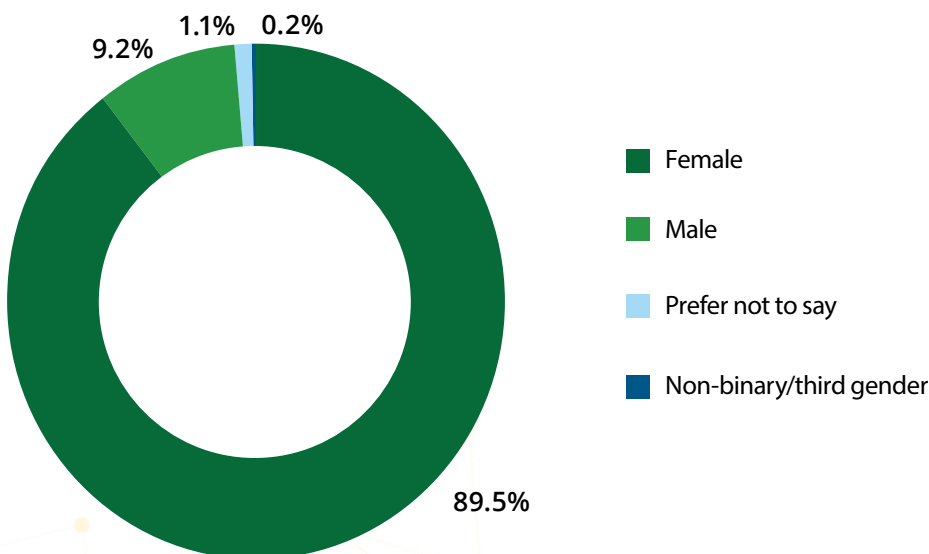
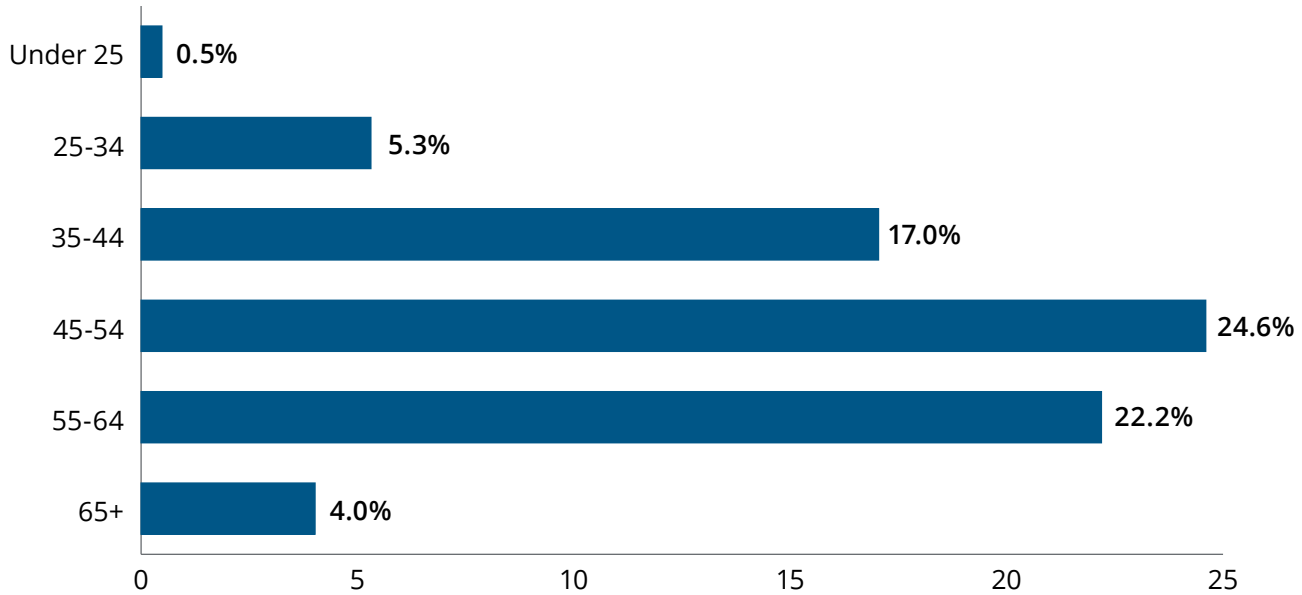




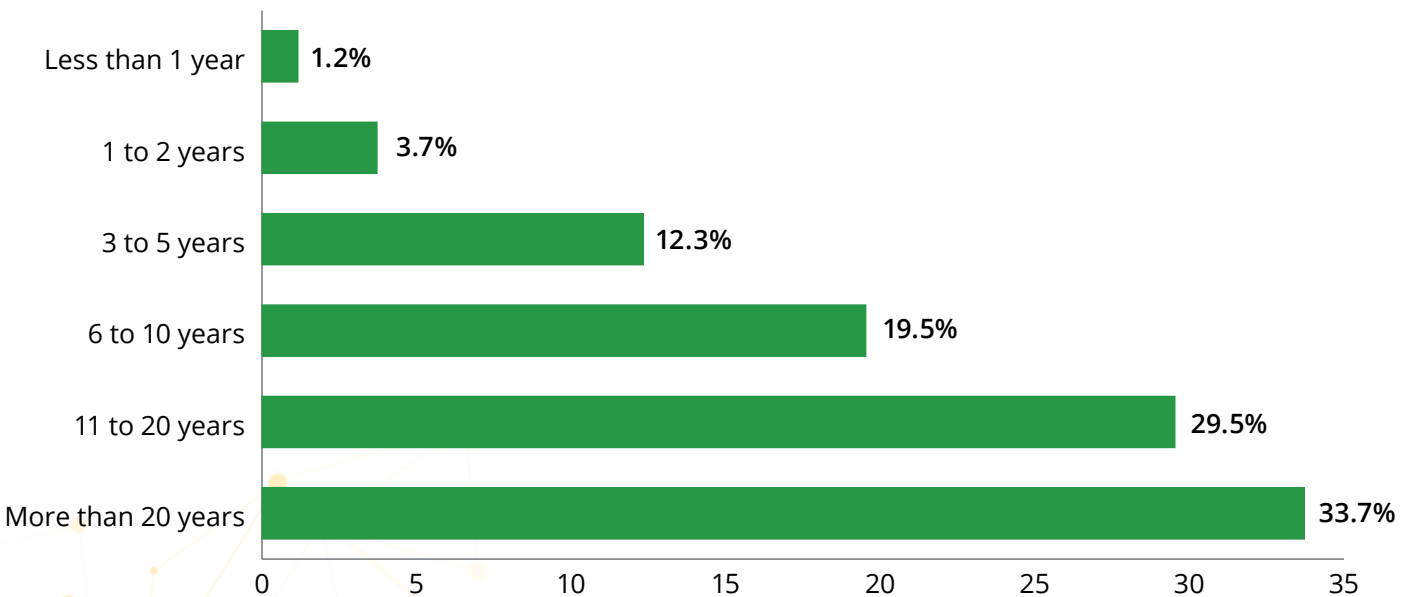
Figure 16. Age range of payroll professionals



practice emphasizes prioritizing knowledge transfer efforts to ensure sufficient coverage exists in the case of an emergency or departure from the organization. Through focus group discussions, some payroll professionals shared that cross-training with other business areas

such as HR has been an effective method for enabling succession planning. Taking the time to future-proof the payroll function through succession planning enables organizations to prepare for the challenges to come as the workforce ages out and as emergencies arise.

Figure 17. Time spent in the payroll profession





Payroll professionals report high levels of formal education, with 86 percent of respondents having completed some form of post-secondary education, including CÉGEP in Québec. While not always payroll-specific, this education reflects a workforce with broad analytical and communication skills that support adaptability, effective use of technology, and an expanded role beyond transactional processing.

Further, 60 percent of payroll professional respondents indicated that they are either Candidate Members (individual members who are in the process of becoming designated) or Professional Members (individual members who are designated as Payroll Compliance Professionals [PCP] or Payroll Leadership Professionals [PLP]) with the National Payroll Institute. Designations within the Institute expose and educate professionals on in-depth payroll operational and compliance knowledge, organizational behaviour and people management skills, as well as accounting and finance fundamentals relevant to payroll. These designations provide payroll professionals with a strong technical and service-oriented foundation, enabling them to navigate complex regulatory requirements, interpret legislation, respond effectively to audits, and more, all while effectively managing payroll departments and providing leadership to teams. This educational profile positions payroll professionals to lead and manage increasing payroll complexity while remaining highly capable of acquiring new knowledge and skills to keep pace with evolving payroll demands and legislative changes.

**Day in the life.** Many people outside the payroll field often underestimate or overlook the breadth and complexity of responsibilities that payroll professionals manage. Payroll goes beyond the scope of processing payroll, encompassing compliance with complex legislation, managing employee data, reconciliations, benefits administration, vendor relationships, and ensuring accurate reporting, serving as a critical link between finance and human resources.

When looking at a typical day in the life of a payroll professional, there is a balance of accuracy, compliance, and problem-solving. There is often a portion of time spent reviewing time and attendance data to ensure accuracy before processing payroll runs. Throughout the day, they respond to employee inquiries about pay, benefits, and deductions, while monitoring legislative updates to maintain compliance with federal and provincial regulations. They collaborate with HR and/or labour relations and finance teams to reconcile discrepancies, prepare reports for management, and ensure remittances to government agencies are completed on time—payroll professionals working in unionized environments experience even deeper knowledge responsibilities as they must understand how to apply Collective Bargaining Agreement (CBA) terms to the payroll they run. Beyond these tasks, payroll professionals frequently troubleshoot system issues, implement process improvements, and stay current with evolving tax laws and technology. Their role demands meticulous attention to detail and adaptability, as even minor errors can have significant financial and legal implications.



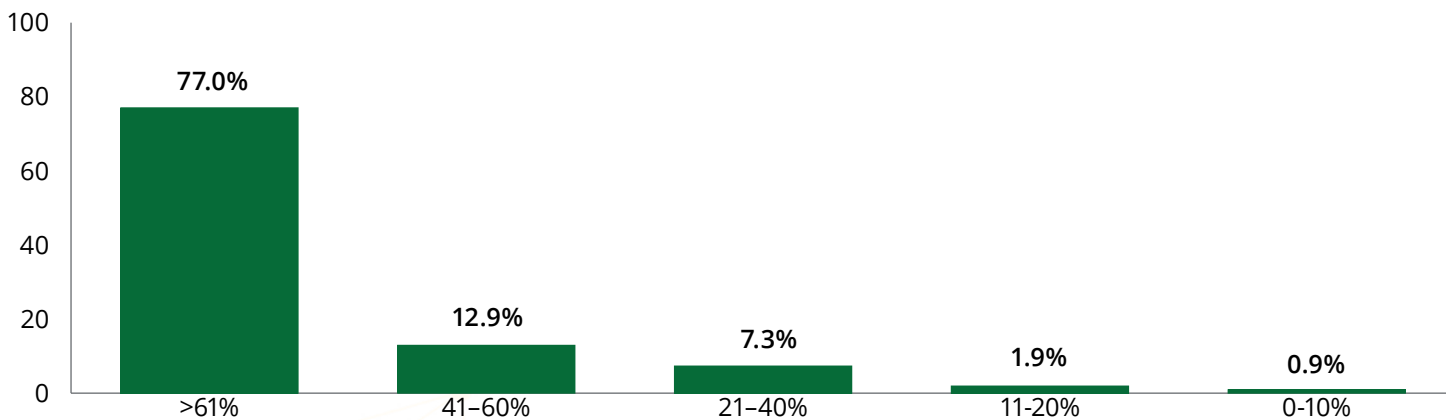
It is important to note that the day-to-day activities and responsibilities of a payroll professional vary depending on the size of the organization, the nature of the payroll function, the industry, and where the payroll function reports within the organization. It is not uncommon for smaller organizations' payroll function to be comprised of one or two people who operate the payroll function entirely on their own, and who may have a split role between HR, finance, management, or may be the organization's owner/CEO.

In such cases, the payroll professional typically manages the full spectrum of payroll responsibilities end-to-end, including uploading and validating time data, processing payroll calculations, submitting remittances, preparing year-end tax slips and reporting, and responding to all employee inquiries. They often juggle payroll alongside broader administrative duties, such as onboarding new hires, managing benefits enrollment and reconciliation, maintaining employee data,

and addressing basic HR or financial reporting needs. With limited internal support and fewer layers of review, these individuals must rely heavily on their own judgement, stay current with legislative changes, and maintain rigorous attention to detail to ensure accuracy and compliance. The role can be demanding, requiring versatility, strong multi-tasking skills, and the ability to quickly switch between strategic decision-making and hands-on transactional work—all of which highlight the unique pressures faced by payroll professionals in smaller organizations.

Today, as shown in *Figure 18*, 77 percent of payroll professional respondents spend more than 60 percent or more of their time completing payroll or payroll related functions. This is a significant portion of the payroll professional population, and accounts for a variety of different roles, including those that are split between payroll and HR or finance which indicates that payroll is receiving a great deal of time and attention within organizations.

Figure 18. Time spent on payroll work





In the survey, payroll professionals were asked which types of tasks they spend their time doing in a workweek. When looking at payroll professionals who do not identify as manager or director levels, they spend an average of about 19 hours a week on transactional and administrative tasks (such as responding to employee inquiries), an average of about 17 hours a week on operational and delivery tasks (such as processing terminations), and an average of about 15 hours a week on strategic tasks (such as analyzing payroll data for workforce planning). Those who did identify as managers or directors spend an average of about 16 hours on transactional and administrative tasks, an average of about 12 hours on operational and delivery tasks, and an average of about 17 hours on strategic tasks.

This hourly breakdown shows that payroll professionals are working well beyond a standard work week. Non-manager and non-director payroll professionals report an average of 51 hours per week, compared to 45 hours for managers and directors, underscoring the operational intensity of frontline payroll roles. While managers and directors devote a greater proportion of their time to strategic activities, they continue to carry a significant administrative workload. By contrast, non-manager and non-director professionals spend the majority of their time on transactional and administrative tasks, contributing to longer overall working hours. This distribution reflects role differences but also highlights the sustained capacity pressures faced by payroll professionals responsible for day-to-day delivery. When assessed by organizational size, we do see some difference where non-manager or director level payroll professionals in large organizations of 500 or

more employees spend more time (31 percent of their time) than the same group in small-to-medium sized organizations of 1-499 employees (28 percent of their time) on strategic tasks and less time on operational and transactional tasks. Similarly, payroll professionals at the manager- or director-level in large organizations also dedicate more of their time to strategic tasks (40 percent) compared to their cohort of smaller organizations (34 percent). These findings are consistent with what was uncovered in research completed in 2020 by PwC and the CPA, which indicated a trend. This difference in ability to spend more time on strategic tasks is likely a result of differences in technologies at different sized organizations, as well as the level of automation adoption. Larger organizations tend to invest more heavily in automation-enabled tools and systems which reduce the burden of administrative- and operational-type tasks and free up time for higher-value strategic work.

### **Capabilities and expectations of the modern payroll professional**

The role of payroll professionals in Canada has evolved significantly and continues to transform. Payroll responsibilities have expanded well beyond transactional tasks to include advisory functions that influence compliance, efficiency, and overall employee experience. As organizations navigate increasingly complex regulatory environments and adopt advanced payroll technologies, the expectations placed on payroll professionals have grown. Employers are no longer satisfied with candidates who can simply run payroll; they seek individuals who combine formal education, recognized designations and certifications, and relevant experience with a diverse set of technical and interpersonal skills.



Organizations today place high value on payroll professionals who bring both depth of expertise and versatility. Qualifications such as a National Payroll Institute designation, formal education, and industry recognized certifications signal technical competence, while a strong mix of skills—ranging from adaptability and collaboration to strategic thinking through informed decision-making—reflects the evolving nature of the role. Together, these factors illustrate the breadth of skills required in a payroll professional's toolbox to support the function's evolution from a back-office role to a more elevated, strategic contributor.

**Typical desired qualifications.** An ideal payroll professional combines formal education, recognized designations, and relevant experience to meet the growing demands of the role. Employers typically look for candidates who have completed post-secondary education in business, accounting, or human resources, as these backgrounds provide a strong foundation in financial principles and organizational processes, though these degrees are not the only ones of relevance.

Beyond academic credentials, industry-recognized designations such as the PCP and PLP, offered by the National Payroll Institute, are highly valued. These designations demonstrate expertise in Canadian payroll legislation, compliance requirements, advanced payroll practices, management and leadership, and signal a commitment to professional standards. Experience with payroll systems, tax regulations, and multi-jurisdictional payroll processing is also widely regarded as essential. Together, these qualifications help prepare payroll professionals to meet the demands

and challenges of a career in payroll, enabling the professional to contribute strategically to organizational success.

For employers, a designated payroll professional translates into tangible benefits such as reduced compliance risk by ensuring adherence to complex federal and provincial regulations, minimizing costly errors and penalties. Their advanced knowledge and experience enable more efficient payroll processes, saving time and resources while improving accuracy. Designations like PCP and PLP also signal a commitment to professional development, which fosters trust and reliability within the organization. Ultimately, hiring well-qualified payroll professionals enhances an organization's credibility and contributes to general improvements across the organization through payroll's wide-reaching impact.

**Skills profile.** It is not enough for payroll professionals to simply process pay accurately and on time. Today's organizations expect payroll experts to bring a blend of technical proficiency, compliance knowledge, and strategic insights. Employers are looking for individuals who can navigate complex legislation, leverage advanced payroll systems, and analyze data to support business decisions. Strong communication skills, adaptability, and a customer-focused mindset are also essential, as payroll professionals increasingly serve as the bridge between HR, finance, and employees. This shift underscores the evolution of payroll from a transactional function to a critical component of organizational success by being more strategic.



According to survey responses, the most common challenge HR professionals report when recruiting payroll professionals is a lack of soft skills, such as communication and teamwork. This highlights a critical gap between technical expertise and interpersonal effectiveness. While payroll proficiency remains essential, organizations increasingly value professionals who can collaborate across functions, communicate complex information clearly, and contribute to a positive workplace culture.

This finding aligns with the National Payroll Institute's Payroll Competency Framework, launched in 2024, which identifies core technical competencies—such as delivering payroll accurately, ensuring compliance, maintaining a service mindset, and partnering strategically with the business—while also emphasizing the growing importance of behavioural competencies, including relationship-building, change management, and effective communication.

Focus group discussions highlighted two key recruitment challenges: difficulty attracting experienced payroll professionals, particularly those with international expertise, and extended onboarding and development timelines for less experienced talent. These challenges can cause inefficiencies for organizations as there is a longer time to fill roles to make a full payroll function.

Feedback from payroll, HR, and consulting experts consistently identified that over the next five years payroll professionals will require a combination of advanced payroll technology and systems expertise, cybersecurity and data privacy awareness, analytical and problem-solving skills, and the ability to adapt to ongoing

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change. These capabilities underscore the importance of trust, as payroll professionals are responsible for safeguarding highly sensitive employee and organizational data. Together, this blend of technical and interpersonal skills signals a growing expectation for well-rounded payroll professionals who can combine technical proficiency, effective communication, and the flexibility to support a future-ready, employee-centric payroll functions. When considering a shift from transactional to strategic partner as a function, these key skills will be imperative to effectively make that transition and ensure payroll is positioned to inform and shape decisions, rather than solely execute them.





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# Glossary

AI	Artificial Intelligence
Altinn	Norwegian government digital portal
CBA	Collective Bargaining Agreement
CPP	Canada Pension Plan
CRA	Canada Revenue Agency
DATEV	German statutory/compliance platform
DSN	Déclaration Sociale Nominative—France’s unified social reporting
EI	Employment Insurance
ERP	Enterprise Resource Planning
eSocial	Brazil’s unified digital reporting system
ESS	Employee Self-Service
EWA	Earned Wage Access
FinTech	Financial Technology
FTE	Full-Time Equivalent
HCM	Human Capital Management
HRIS	Human Resources Information System
ISV	Independent Software Vendors
The Institute	The National Payroll Institute
KPI	Key Performance Indicator
PCP	Payroll Compliance Professional
PLP	Payroll Leadership Professional
PwC	PricewaterhouseCoopers
Real-time reporting	Previously known as e-payroll
ROE	Record of Employment
SMB	Small-Medium Business
SME	Subject Matter Expert
SOP	Standard Operating Procedure



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