CONTROL OF PAYROLL SETTLEMENTS BY ERP MEANS IN THE CONTEXT OF DIGITALIZATION OF COMPANY MANAGEMENT

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The aim of this article is to explore and analyze modern methods of payroll control, assess the effectiveness of implementing ERP systems to automate this process, and determine the prospects for technological development in this field. The relevance of the selected issue is due to the fact that in today's business environment and the growing automation of business processes, improving modern payroll control methods is a necessary element of the payroll management system. The integration of ERP systems into the practice of domestic companies enables enhanced control over payroll calculations, minimizes errors, and improves data accuracy and analytical capabilities. This article examines modern payroll control methods, identifies their advantages and disadvantages, and provides recommendations for the implementation of ERP solutions to improve financial discipline at enterprises. The article outlines potential fraudulent payroll schemes, defines the role of ERP systems in the implementation of modern payroll control methods, substantiates the objectives of internal payroll control at the enterprise level, and presents the core functionality and modules of the WORKDAY HCM (Human Capital Management) software. It is determined that implementing the proposed Workday HCM software will significantly improve payroll control through automation, analytics, transparency of all financial operations, minimize the risk of errors, and allow management to respond promptly to any deviations in payroll payments.

Keywords: *digitalization, settlement control, remuneration, ERP systems, management, control methods.*

Fig.: *4.* ***Bibl.:*** *11.*

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Назарова К. О., Сукачов Р. О. Контроль розрахунків з оплати праці засобами ERP в умовах диджиталізації управління компанією

Мета статті полягає в дослідженні та аналізі сучасних методів контролю розрахунків з оплати праці, оцінці ефективності впровадження ERP-систем для автоматизації даного процесу, а також визначення перспектив розвитку технологій в даній сфері. Актуальність обраної проблеми пов'язана з тим, що в сучасних умовах ведення бізнесу та посилення автоматизації бізнес-процесів удосконалення сучасних методів контрольних розрахунків є необхідним елементом системи управління розрахунків з оплати праці. Саме інтеграція ERP-систем у практику вітчизняних компаній дозволяє забезпечити підвищення контрольованості розрахунків по заробітній платі, мінімізувати помилки, а також посилити точність та аналітичність даних. У статті досліджено сучасні методи контролю розрахунків з оплати праці, встановлено їх переваги та недоліки, а також надано пропозиції з упровадження ERP-рішень з подальшим впливом на підвищення фінансової дисципліни підприємств. У статті розкриті можливі шахрайські схеми розрахунків заробітної плати; встановлено місце ERP-систем у впровадженні сучасних методів контролю розрахунків заробітної плати; обґрунтовано завдання внутрішнього контролю розрахунків з персоналом підприємства; наведено основний функціонал та модулі програми WORKDAY HCM (Human Capital Management). У статті встановлено, що впровадження запропонованої програми Workday HCM значно покращить контрольованість розрахунків заробітної плати завдяки автоматизації, аналітиці та прозорості всіх фінансових операцій, а також мінімізує ризик виникнення помилок і дозволить керівництву оперативно реагувати на будь-які відхилення у виплатах заробітної плати.

Ключові слова: *диджиталізація, контроль розрахунків, оплата праці, ERP-системи, менеджмент, методи контролю.*

Рис.: *4.* ***Бібл.:*** *11.*

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In modern business conditions, the automation of business processes plays a crucial role in increasing enterprise management efficiency. The process of payroll calculation and payment, compliance with established regulatory requirements, and improving the efficiency of payroll accounting management require changes in the direction of digital transformation implementation. Additionally, the integration of modern ERP systems enables the automation of all stages of this process, from payroll calculation to report generation and financial flow control.

Today, many domestic enterprises use traditional payroll management methods, which involve manual data entry and outdated information systems. As a result, these lead to errors, payment delays, and a lack of financial transaction transparency.

The application and implementation of digital technologies in payroll management allow minimizing the risk of payroll calculation errors, increasing the transparency of financial transactions, ensuring compliance with legislative requirements, and enhancing the management control system over tax and contribution deductions. This also optimizes personnel accounting by integrating data between enterprise departments [1].

An essential role in this process is played by modern ERP system modules, which allow configuring payroll calculation algorithms and flexibly managing bonuses and incentives. The implementation of modern ERP systems improves the process of generating payroll cost analysis reports and enhances payroll accounting control.

Considering this, the topic of this article is relevant and requires new modern approaches to improving payroll control methods in the context of business digitalization.

Issues related to improving and implementing ERP systems in business practices and internal control systems have been explored by scholars such as M. R. Petryk [7], V. I. Markuts [8], and V. M. Lysak [9], A. V. Doliuk [5]. These researchers examined the integration of ERP systems for payroll control. N. V. Kurgan, in her work «Justification for the Choice of ERP Solutions for the Digitalization of Accounting, Analysis, and Management at Ukrainian Enterprises» [11], studied the adaptation and implementation of modern ERP solutions in management systems and their advantages for business operations. Foreign authors also devote significant attention to business process automation in general and the implementation of ERP solutions in management systems. Despite the coverage of this issue by both domestic and foreign researchers, modern conditions require further studies in this area, considering current challenges such as cybersecurity,

digital transformation, and the development of analytical tools.

Therefore, the aim of this article is to study and analyze modern payroll control methods, evaluate the effectiveness of ERP system implementation for process automation, and determine the prospects for technological development in this field.

Currently, payroll calculation and payment automation are essential components of increasing financial management efficiency [2]. Given that payroll calculations constitute a significant portion of financial transactions at domestic enterprises, the accuracy of accounting payroll transactions, the correctness and compliance of payroll deductions with current legislation, and the total enterprise expenses and employee productivity depend on it.

Many domestic enterprises today face issues such as delayed salary payments, incomplete payments, and inaccuracies in payroll accounting [3]. This necessitates the continuous improvement of the payroll systems, considering the quantity and quality of work performed, working conditions, and performance efficiency. A crucial aspect is the systematic payroll control, which involves verifying compliance with labor laws, the correctness of payroll calculations and payments, the execution of deductions, and the accuracy of accounting records.

The implementation and development of digital technologies and the strengthening of business process automation require improvements in financial flow management systems, particularly the introduction of automated software solutions in payroll control systems.

Research in this area allows concluding that traditional control methods are ineffective due to the increasing volume of accounting data, the complexity of payroll processes, and the possibility of fraud risks. The main payroll fraud risks include the following (*Fig. 1*).

In Fig. 1, cases of fraudulent payroll schemes related to the calculation and payment of employees' wages are presented. In general, payroll fraud is a widespread phenomenon that often goes unpunished, especially in cases where employees are unable to protect their rights.

Enhancing the management control system, improving the quality of accounting data, and ensuring continuous monitoring of payroll calculations and real-time financial transaction analysis can be achieved by implementing ERP systems in practice. This will not only reduce the workload on the enterprise's accounting departments but also contribute to increasing the transparency and objectivity of accounting information.
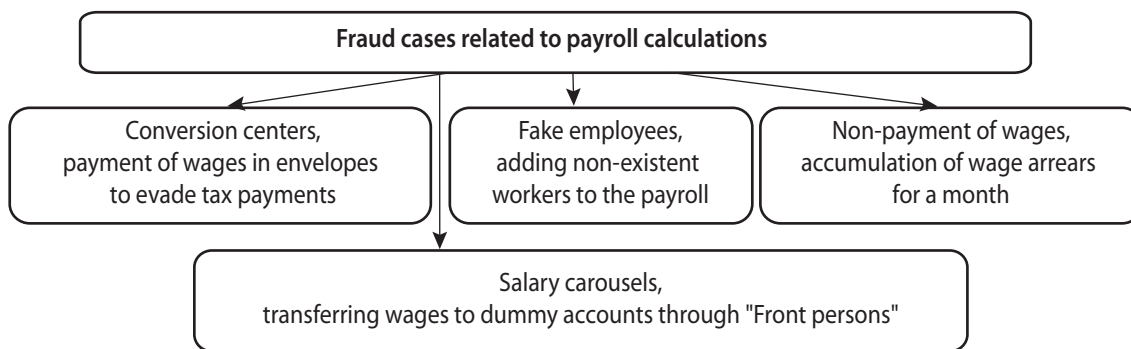
**Fig. 1. Possible Fraudulent Payroll Schemes**

ERP systems (Enterprise Resource Planning) enable the automation of business processes by integrating financial and accounting data, human resource management, procurement, logistics, and production. Improving payroll control methods can be ensured through the implementation of ERP solutions, which will allow for centralized accounting, automated payroll calculations, and error minimization.

The main ERP software solutions (Enterprise Resource Planning) include the following (*Fig. 2*). Fig. 2 illustrates the role of ERP systems in the internal control system of payroll calculations for enterprise employees, as well as substantiates the impact of ERP systems on improving payroll calculation and payment control methods through automation, data integration, and real-time analysis capabilities.

Thus, automating payroll calculation processes eliminates manual data entry, reducing the risk of human errors and ensuring the accuracy of employees' salary calculations and payments.
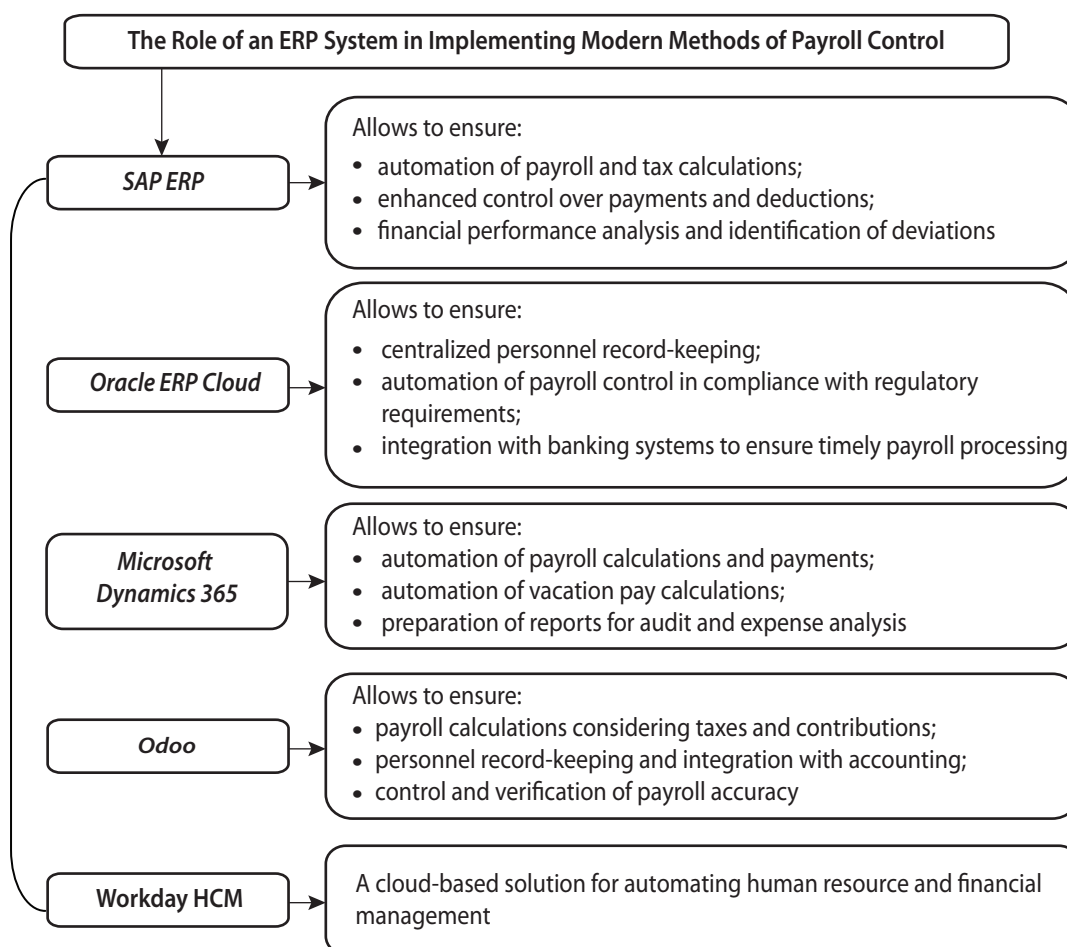
Fig. 2. The Role of ERP Systems in Implementing Modern Methods of Payroll Control

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One of the key advantages of using ERP systems is the automated calculation of tax deductions and social contributions, as well as the preparation of reports for regulatory authorities.

The application of analytical tools and Business Intelligence (BI) enables the identification of anomalies and fraud in payroll transactions, as well as supports the investigation of payment histories to verify the legality of business operations.

The use of ERP systems ensures the integration of accounting data with personnel records, which in turn strengthens control over the calculation and payment of vacation, sick leave, and overtime.

Overall, ERP systems significantly enhance the effectiveness of payroll control, reduce operational risks, and ensure compliance with legal requirements.

Today, many domestic enterprises face issues related to untimely payroll payments, incomplete payments, and inaccuracies in accounting for personnel calculations.

This highlights the need for continuous improvement of the payroll system, taking into account the quantity and quality of work performed, working conditions, and its effectiveness. An important aspect is the systematic control of employee calculations, which involves checking compliance with labor legislation, the correctness of payroll calculations and payments, deductions, as well as the accuracy of accounting [10].

In general, fraudulent activities related to payroll calculations and payments are common and can take various forms, from non-payment of funds to tax evasion schemes.

Traditional internal control methods involve manual data entry and the use of outdated information systems, which may lead to errors in accounting for payroll transactions and delays in payments, reducing the transparency of financial operations.

The internal control system should ensure the verification of the correctness of accounting for payments to employees, the legality of these payments, as well as the compliance of the amounts calculated with regulatory documents, employment contracts, and legislation (*Fig. 3*).
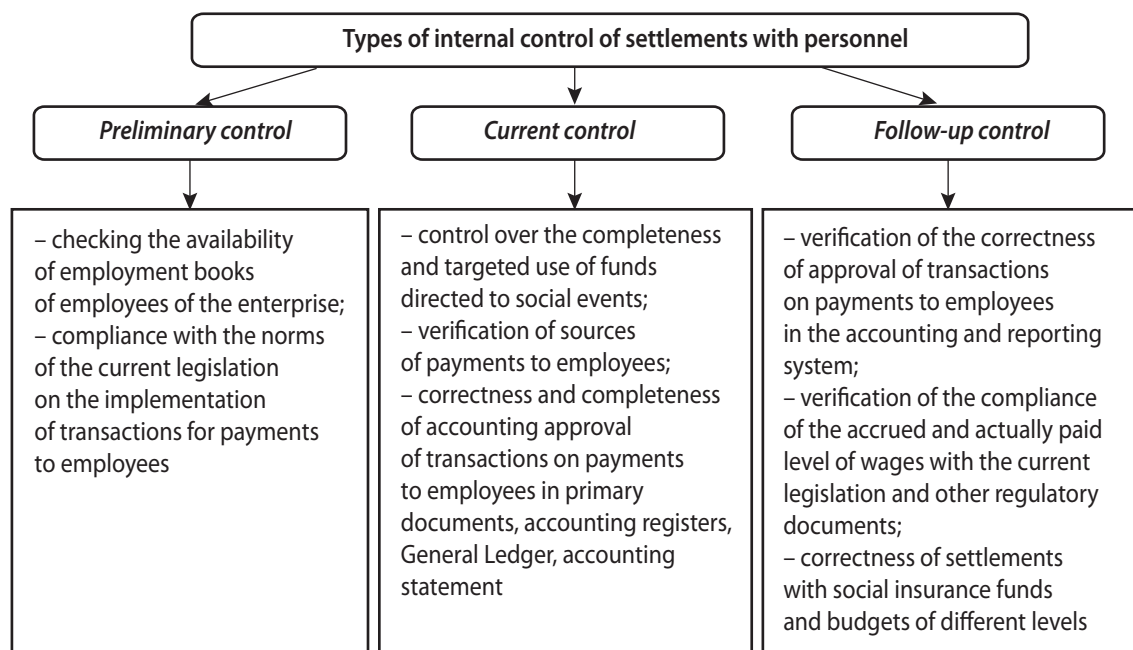

Fig. 3. The Tasks of Internal Control over Employee Payments at the Enterprise

One of the approaches to implementing ERP solutions is the use of the Workday HCM (Human Capital Management) program, which is a cloud-based ERP system for human resources management.

This program is suitable for both medium and large enterprises, particularly in the foodservice industry, and enables comprehensive automation of all HR processes, including payroll calculation, personnel management, and HR analytics.

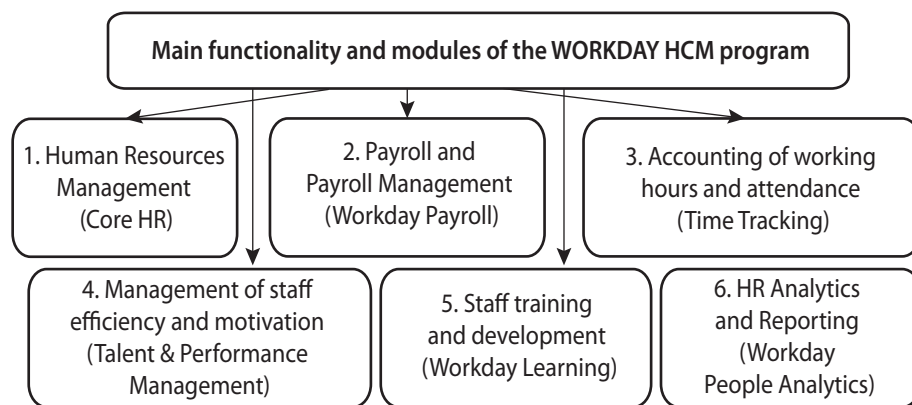The main functions of Workday HCM include the following modules:
✦ Human Resource Management (Core HR);
✦ Payroll and Compensation Management (Workday Payroll);
✦ Time Tracking and Attendance Management (Time Tracking);
✦ Talent & Performance Management;
✦ HR Analytics and Reporting (Workday People Analytics);

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✦ Employee Learning and Development (Workday Learning) (*Fig. 4*).

One of the key modules of the WORKDAY HCM (Human Capital Management) program is the Core HR module, which enables the integration of employee data and centralized management of all HR-related information. This module ensures the automated updating of all personnel changes, such as hiring, termination, transfers to other positions (or departments) within the company, as well as updates related to the company's bonus fund. All personal employee data, positions, salaries, and employment contracts are stored in a unified database that is accessible to the relevant departments of the company. The module also allows for managing leave requests, sick leaves, and other types of deductions, helping to avoid payroll calculation errors.

Main functionality and modules of the WORKDAY HCM program

1. Human Resources Management (Core HR)

2. Payroll and Payroll Management (Workday Payroll)

3. Accounting of working hours and attendance (Time Tracking)

4. Management of staff efficiency and motivation (Talent & Performance Management)

5. Staff training and development (Workday Learning)

6. HR Analytics and Reporting (Workday People Analytics)

Fig. 4. Main functionality and modules of the WORKDAY HCM program

The next module, Workday Payroll, automates the payroll process by considering all necessary tax deductions, bonuses, incentives, and penalties. Through integration with government tax authorities, it ensures automatic calculation and payment of taxes and enables synchronization with banking systems, which guarantees the timely payment of wages and taxes. This module strengthens internal control methods in payroll processing by providing access to analytical data related to payroll expenses, enabling more accurate financial planning.

The Time Tracking module integrates with biometric systems and RFID cards, allowing precise tracking of each employee's actual working hours. The system automatically generates timesheets and takes into account overtime, leave, and sick days – essential for employees in the foodservice industry, where shifts and flexible schedules are common. This module helps management monitor employee attendance, compliance with work schedules, and violations of labor discipline.

The Talent & Performance Management module allows enterprises to assess the efficiency of their workforce, productivity growth, and career development. It enables the automatic generation of employee performance ratings and recommends upskilling programs.

This module supports the development of employee incentive mechanisms and helps evaluate whether payroll growth aligns with key economic performance indicators of the enterprise.

As shown in Fig. 3, the Workday People Analytics module utilizes artificial intelligence and Business Intelligence (BI) technologies to perform a detailed analysis of HR data. This module provides management and control systems with critical analytical insights into staff turnover reasons, factors influencing payroll cost changes, and predictive mechanisms for future wage payments.

The Workday Learning module supports corporate training and professional development by offering certified programs and personalized development plans for employees.

CONCLUSION

The implementation of this ERP system in domestic enterprises will ensure comprehensive management of both personnel and finances. It allows for automation of payroll calculations, strengthens internal control methods through automated verification of payroll accruals, deductions, and payments, as well as control over working hours and employee productivity analysis.

Therefore, the implementation of Workday HCM in a foodservice enterprise significantly enhances the control over payroll processes, minimizes financial errors, and ensures transparency in all payments. ∎

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