

Case Study

Leading Indian IT Giant

Service(s) offered: **Payroll and Compliances**

Sector/Industry: **IT Services**



Streamlining Payroll Operations for an Indian IT Giant

Challenge

A leading Indian IT giant, with a growing presence in Thailand, was struggling with operational inefficiencies in its payroll function. Persistent compliance irregularities with local payroll regulations led to frequent notices and penalties, resulting in operational disruptions and posing reputational risks. Additionally, recurring payroll errors caused dissatisfaction among employees, undermining their morale and trust in the organization.

The inefficiencies within their payroll processes, compounded by a lack of robust compliance measures, created a pressing need for immediate intervention to restore order and credibility. Witnessing the following challenges, the company partnered with Nexdigim:

- Ensuring seamless transition of payroll operations from their existing vendor without disrupting ongoing processes.
- Identifying inefficiencies, redundancies, and compliance gaps in the existing payroll processes to improve overall effectiveness.
- Addressing recurring compliance issues, such as discrepancies in tax filings, social security contributions, and other statutory requirements, to mitigate financial and legal risks.

Case Highlights

- **99% payroll accuracy achieved**
 - **20% reduction in compliance-related costs.**
 - **Ensured 100% on-time compliance with the statutory requirements for tax and social security.**
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- Reviewing and validating the Position Matrix to ensure accuracy and adherence to Thai payroll regulations.

Solution

Nexdigm adopted a structured and collaborative approach to transform the payroll function, focusing on compliance, efficiency, and accuracy:

- The team Conducted in-depth discussions with the payroll and HR teams to understand statutory and payroll requirements specific to Thailand.
- Created a detailed blueprint to align payroll operations with local laws and business needs.
- Reviewed and updated the Position Matrix for all payroll components, ensuring tax and social security compliance.
- Configured payroll systems to automate salary calculations, statutory deductions, and contributions.
- Performed parallel payroll runs to validate system configurations and ensure accuracy.
- Ensured 100% on-time filings of tax and social security contributions, eliminating compliance risks.

Impact

Nexdigm's involvement not only transformed the client's payroll function but also had a ripple effect on operational efficiency and employee trust.

By designing and implementing a comprehensive, automated payroll system, Nexdigm eliminated the inconsistencies and errors that had plagued the process. Employees began receiving accurate and timely salaries, which restored their confidence in the organization and improved overall morale.

Nexdigm's proactive approach to compliance—through thorough validation, automation of statutory filings, and alignment with Thailand's employment laws—ensured that the client no longer faced penalties or regulatory disruptions. This reliability in payroll operations allowed the company to focus on its core business activities without the constant burden of compliance risks.

The collaborative transition also served as a blueprint for process optimization, empowering the client with more streamlined, scalable payroll operations that could support their growth ambitions in Thailand.

For more information on this case study, please write to us at:

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You can also visit our website to know how our services resulted in tangible business benefits:

www.nexdigm.com