Payroll is the perfect “hook” to attract new clients. Small businesses prefer that you manage their payroll, and your firm can cross-sell other services to them over time. While new payroll clients sometimes approach you, it is more likely that you will need to be proactive and develop effective marketing strategies to grow your payroll practice.

This article focuses on 10 key marketing strategies that will help you add new payroll clients and achieve your payroll practice growth goals.

1. Position Your Payroll Services
   You aren’t just offering payroll services. You are providing excellent client service, accuracy, time savings, and affordability. Pick several unique qualities that describe the benefits your clients receive by using your payroll services. Consider making them your tagline and weave them into every marketing message. Some examples include:
   - Fast and accurate accounting and payroll services.
   - We save you time and ensure accuracy for your company’s payroll.
   - For payroll efficiency and accuracy, count on us.

2. Ask for Referrals
   The most effective marketing medium, by far, is word-of-mouth. This occurs when satisfied clients tell others about your services. Sometimes this happens spontaneously, but you should make every effort to make it happen more often.

   Once you’ve provided excellent service to your payroll clients and solved their payroll needs, you are in a position to ask for referrals. This step is often overlooked. You can ask for referrals at the end of the first quarter, through client satisfaction surveys, or in periodic “check-in calls” with your clients.

   Promote your payroll services to everyone you meet, including clients, colleagues and other business associates. Let them know the highest compliment that they could pay you is referring you as a payroll service provider.

3. Create an Introductory Offer
   Give potential clients a reason to sign up immediately. For example:
   - One-month free trial
   - New client discount
   - Not-for-profit discount
   - Free direct deposit

   In addition, always be sure to include a “call to action” by a certain date in any of your marketing messages. A call to action is an invitation to act, such as calling you, visiting your web site, attending your open house or an executive briefing, or completing a form to request more information.

4. Tap Your Other Clients
   Your current accounting and tax clients are your best target market for payroll services. They already have a relationship with you and likely have payroll needs.

   Call them! Conduct a brief survey to inquire about their payroll needs. Send them a letter and brochure, or an
email, letting them know about your payroll services and then call to follow up with them about their need and interest. When you meet with your accounting and tax clients, be sure to ask them about their payroll needs. We recommend that you let your clients know about the other services you offer and the added value you could provide them.

5. Network, Network, Network
Casual conversations can be a rich source of new business. The person you’re talking to may not be a potential client, but he or she may know someone who is. Participate in events that provide opportunities to network with business people, such as local Chamber events or professional networking associations. Bring your firm literature and business cards to hand out at these events to let them know about your services and ideal target clients.

6. Work Your Neighborhood
Every company with fewer than 50 employees is a potential client. Develop a marketing campaign that lets local businesses know about your payroll services. Mail them information or drop off literature. Consider holding an open house that promotes the networking ability of the local businesses; have literature about your services and business cards available at this event.

7. Fine-Tune Your Timing
There’s no wrong time to market, but some times are better than others. January 1 is a natural time to begin using a new payroll system, so launch a marketing effort in the fall. July 1, April 1, and October 1 are other key dates for switching payroll. When your accounting clients report problems with payroll, that’s another time to let them know about your payroll services and how you could address their problems. When you start a new accounting client, be sure to let them know that payroll is an optional service that could be bundled with the other services that they are receiving from you.

8. Experiment with Advertising
Advertising is an effective branding activity that builds your firm’s awareness and name recognition. Consider advertising in local business publications, community newspapers and yellow pages (including on-line yellow pages). While advertising isn’t usually used to generate leads, you can expect increased name recognition to support your other direct marketing activities. With consistency and a mix of other activities, you can expect to spend 6-12 months revenue on advertising to procure one new client.

9. Keep It Up
Marketing works when it is consistent and repetitive. Marketing is effective when you communicate with your ideal target client at the time they need your service. You should have a blend of marketing activities scheduled every single month.

10. Follow Up
Maximize your marketing investment, both financial and time, by following up with every opportunity, referral and networking contact.

Implement a pipeline tracking system to ensure proper follow up is occurring. A pipeline tracking system will also allow you to identify the source of your opportunities so you can determine which marketing activities are effective and which ones are not so you can make adjustments in your marketing investments. Your pipeline tracking system could be a simple Excel spreadsheet or a contact management system like Salesforce.com, Act! or Goldmine. Creating a structure for follow-up and accountability will increase your results!

Where to Start
Pick two or three of these activities and implement them successfully before taking on the next one. Take the time to test, so you learn from your successes and failures, and apply your learning to the next round of marketing investment.

For more information about how to grow your practice and make payroll easier for your clients and more profitable for your firm, register for a PayCycle web seminar, call us toll-free at 866-729-2925 or email us at info@paycycle.com.
Success Story

Payroll is Back in Style

Roxanne Brown, CQA, owner of Professional Business Solutions 4U, LLC, provides QuickBooks set-up and training and monthly bookkeeping and payroll services, with a specialty in solving eCommerce needs for small to medium sized businesses.

Roxanne has over 22 years of experience and until three years ago, had shied away from providing payroll services. This was primarily because the mission critical aspect of the service, and the regularity with which it must be processed, made her feel too tethered to the business and unable to provide the level of service to which she’s committed. That all changed when Roxanne discovered PayCycle.

Robust Features and Reliability

PayCycle’s web-based program and its ease of use made it simple for Roxanne to begin offering payroll services again. With internet access, Roxanne can process client payrolls from anywhere, anytime, so she is no longer tied to her office on her clients’ paydays. PayCycle’s e-mail alerts ensure she doesn’t forget a payroll or tax payment, allowing her to provide the security and service her clients expect. She found PayCycle to be flexible, efficient and reliable. She was assured that the service was backed by a company that cares about accountants and bookkeepers and their ability to serve their clients.

“PayCycle has it all,” says Roxanne. “They offer a step-by-step payroll solution and awesome customer service! There are so many things that I love about the service that it’s hard to pinpoint just a few! I never thought I would bring payroll back into my business model, however since I found PayCycle I have never regretted it.” In addition to the flexibility and reliability, Roxanne appreciates the many robust features of PayCycle, including electronic filing, integration with QuickBooks, the ability for employers to login and enter their information, the option to e-mail employee pay stubs, and the simple end-of-year processes.

Exclusive Tools for Accountants and Bookkeepers

PayCycle makes it easier than ever to provide payroll services to clients. Roxanne explains, “PayCycle gives accountants and bookkeepers the confidence and tools needed to offer payroll services when they may be hesitant to take it on.” Roxanne encourages other bookkeeper colleagues to provide payroll services and helps them get set up on PayCycle.

PayCycle provides the resources that smaller firms need to get started and compete head-on with larger payroll providers, including checklists, state and federal forms, customizable client brochures, sales letter templates and sales presentations. These professional-looking tools go a long way in helping you appear as if you’ve been providing payroll services for years.

To build a payroll business and add new clientele, Roxanne suggests experimenting with various marketing vehicles to generate new opportunities. She recommends that you:

- Always carry business cards
- Develop a website
- Use your signature lines on forums and blogs
- Attend local Chamber and S.C.O.R.E organization meetings
- Consider writing articles for local business publications to position yourself and your firm as expert in payroll
- Always include a professional signature line in your e-mails
- Post your offerings on-line when applicable
- Never hesitate to let your clients or prospects know that you are offering a new service

Each time Roxanne identifies new client opportunities, she asks them how they’re processing their payroll. Without hesitation, she recommends PayCycle. If they want to maintain their payroll on their own, she’ll help them set PayCycle up to run themselves. For those that prefer not to process their own payroll, she provides the service. “It’s all about providing the right solution for each individual client - whether that’s doing payroll for them or setting them up so they can handle it internally,” says Roxanne.

“I enjoy what I do because I find quality, flexible solution partners like PayCycle that I can partner with that help me meet my clients’ specific needs. It was a great day when I discovered the PayCycle solution and I would highly recommend it to anyone. You just can’t go wrong with this service.”
2006 Payroll Year-End Checklist


As the year draws to a close, we’d like to help you prepare for fast and easy year-end filings. Here are five things you can do to get ready for W-2s and other year-end tasks:

1. **Confirm year-to-date accuracy and completeness.**
   It’s important to review the payments you have recorded in PayCycle to confirm that your clients’ payroll records are complete and correct. You may wish to review the most recent pay stub for each employee. Be sure to record all payments to terminated employees.

   January is the busiest month of the year at PayCycle. We can best help you with any necessary corrections if you contact us by December 15.

2. **Verify all employees’ addresses and social security numbers.**
   PayCycle provides an Employee Details report to make this easy. Invalid social security numbers are a common source of rejected W-2 filings. Make sure to review terminated employees who worked for your clients during 2006, too.

3. **Record company contributions to employer provided retirement plans.**
   For each participating employee, set up one-time or recurring amounts using Deductions/Company Contributions under Setup.

   Contact PayCycle if any of your clients’ employees have an employer-provided retirement plan benefit that is not being reported through PayCycle. We can make sure that the W-2s reflect this.

   Note: If you have retirement plan deductions or company contributions set up in your client’s PayCycle account, this box will be checked automatically, and you do not need to contact us.

4. **Remember to create all year-end bonus checks or other employee payments through PayCycle.**
   This will ensure that we include them in your annual totals. You can use the “Bonus Check” function under Pay Day to access special functionality, such as one-time direct deposit overrides and supplemental tax rates. For net-to-gross calculations, our gross-up calculator (located under Help/Resources/Paycheck Calculators) can provide assistance.

5. **Determine amounts for any fringe benefits that need to be included on employees’ W-2s.**
   Here are some examples of fringe benefits that might apply to your clients:

   - Group Term Life (GTL) insurance
   - Health insurance benefits for 2% shareholders of an S-corporation
   - Personal use of a company car (PUCC)
   - Other non-cash benefits or awards

   When you are ready to enter the amounts to be reported, simply click the All Items link next to the name of the employee who received the benefit. You can enter the amount either as an add-on to a paycheck or independently.

**Limitations on Benefit Reporting**
At this time, PayCycle cannot accommodate the W-2 and tax return reporting required for any third-party sick pay benefits paid to employees during the year. If any of your clients have these benefits to report for 2006, or other fringe benefits not listed above, please contact PayCycle as soon as possible.

**W-2 Box 14 Reporting**
PayCycle reports some payroll items in Box 14, such as clergy housing allowances, employee contributions to SUI and SDI, S-Corp owner health insurance amounts, and personal use of company car amounts (PUCC). Other items, such as section 125 plan contributions, are not reported in Box 14. Because these Box 14 notations are a convenience to the employee and are not required by the Social Security Administration, you may choose to
add items manually to printed employee copies of Form W-2, and you can still utilize Copies A and 1 provided by PayCycle for filing purposes.

A few other tips to consider as you prepare for year-end and W2 filing:

**Printing W-2s**
PayCycle offers you two options for printing W-2s. You can purchase W-2 stock and envelopes that are compatible with PayCycle from Harland (http://www.harland.com); one kit includes stock & envelopes for 10 employees and costs $17.95, including shipping. Alternatively, you can print your W-2s on plain paper and use standard #10 single-window envelopes. Both are accepted by the IRS; the choice is yours.

**Government filing of W-2s**
You can file your clients’ W-2s electronically with the Social Security Administration through PayCycle. There is no additional charge for this filing. You just click the link from your client’s To Do list on or after January 1, and we’ll take care of the rest.

**Preparing for 2007**
Many employers have received or will receive notice of tax rate or deposit schedule changes effective on January 1st. Make sure to record these changes in PayCycle.

- If your clients’ receive notice of a revised state unemployment insurance (SUI) rate effective January 1, 2007, make sure to enter your new rate in PayCycle:
  - From your Client List, click on the client’s name
  - Click Setup/Tax Setup/State Tax Information.
  - Enter the rate and effective date, and click OK.
- If any of your clients have been assigned a new deposit schedule or filer type (941 or 944) effective January 1, 2007, make sure to enter their new deposit schedule in PayCycle before January 1 to ensure that none of your tax deposits are late.

If you have any questions, please don’t hesitate to give us a call at (866)729-2925, ext. 1 or email support@paycycle.com. We are available to assist you from 6:30 a.m. to 6:30 p.m. Pacific time, Monday through Friday.
Client Set-Up Checklist

Adding clients to PayCycle is easy. The initial step is to organize all the necessary client information so it’s ready to enter into PayCycle.

Please note that you will need to add the client’s basic information to your account before you can access some of the forms noted below. To add a client, simply go to your Client List, and click on Add Client from the left navigation bar.

Here is what you will need for each client:

<table>
<thead>
<tr>
<th>Start-Up Item</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Completed Employer Information Sheet</td>
<td>Attached</td>
</tr>
<tr>
<td>Completed Employee Information Sheet</td>
<td>Attached</td>
</tr>
<tr>
<td>Completed Contractor Information Sheet</td>
<td>Attached</td>
</tr>
</tbody>
</table>
| Electronic Services Authorization Form | 1. Log into client’s account  
  2. Click on Setup> Electronic Services  
  3. Select the electronic services you want for this client  
  4. Print the customized authorization form for client to sign |
| Authorization for Direct Deposit       | 1. Log into client’s account  
  2. Click on Taxes & Forms> Employee & Contractor Setup Forms  
  3. Print the Bank Verification Form for each employee or contractor to be paid via direct deposit |
| Employer Setup Forms                   | 1. Log into client’s account  
  2. Click on Taxes & Forms> Employer Setup Forms  
  3. Print the necessary federal and state forms |
| Employee & Contractor Setup Forms      | PayCycle provides the necessary setup forms for each employee or contractor, once they have been added to the account. If you need blank forms beforehand, we have provided a few useful links below to help you get the forms directly from the government agency web sites. |

Useful Links

| State Specific Forms | [https://www.paycycle.com/resources/stateAgencies.jsp](https://www.paycycle.com/resources/stateAgencies.jsp) |
# Employer Information Sheet

## General Information

<table>
<thead>
<tr>
<th>Business Name</th>
<th>____________________________</th>
<th>Contact Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Address</td>
<td>_____________________________</td>
<td>Phone</td>
</tr>
<tr>
<td>City, State, Zip</td>
<td>_____________________________</td>
<td>Fax</td>
</tr>
<tr>
<td>Filing Name (if different)</td>
<td>_____________________________</td>
<td>Email</td>
</tr>
<tr>
<td>Filing Address (if different)</td>
<td>_____________________________</td>
<td></td>
</tr>
<tr>
<td>City, State, Zip</td>
<td>_____________________________</td>
<td></td>
</tr>
</tbody>
</table>

**Company Type**

- [ ] S-Corp
- [ ] C-Corp
- [ ] LLC
- [ ] LLP
- [ ] Partnership
- [ ] Sole Proprietor
- [ ] 501c3
- [ ] Other _________

## Payroll Information

**No. of W-2 employees _____**

**No. of 1099 contractors to be paid through payroll _____**

**First Date To Run Payroll** MM__/ DD__/ YY ___

**Federal EIN ____________________________**

- [ ] Applied For

**State Employer Account No. _________**

- [ ] Applied For

**State Unemployment No. _________**

- [ ] Applied For

**State Unemployment Insurance Rate _______% (if known)**

**Other state tax rates, if applicable:**

___________________________________________________

___________________________________________________

## Federal Deposit Schedule

- [ ] Monthly
- [ ] Semi-Weekly
- [ ] Other__________

**State Deposit Schedule**

Only applicable to states with income tax

- [ ] Same as federal
- [ ] Other__________
Attach any historical payroll information from this calendar year for all active and terminated employees

- We have not run any payroll yet this year

If you will begin using our service at the start of the 2nd, 3rd or 4th calendar quarter (April 1, July 1, or October 1), please include:

- Year-to-date wages, taxes, and deductions for each employee
- Dates and amounts of all payroll tax payments made to date for current year tax liabilities

If you will begin using our service in the middle of a calendar quarter, please include:

- Year-to-date wages, taxes, and deductions for each employee as of the most recent payroll
- Year-to-date wages, taxes, and deductions for each employee as of the end of the most recent calendar quarter (not applicable if you’re starting in the middle of the first calendar quarter)
- Payroll register or other summary for each payroll date in the current quarter, including total amounts for each wage item, tax, and voluntary deduction on that date.
- Dates and amounts of all payroll tax payments made to date for current year tax liabilities

**Notes:**
Employee Information Sheet

Complete this form for each employee.

**General Information**

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Birth Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MM/DD/YY</td>
</tr>
<tr>
<td>Address</td>
<td>Hire Date</td>
</tr>
<tr>
<td></td>
<td>MM/DD/YY</td>
</tr>
<tr>
<td>City, State, Zip</td>
<td>Social Security No.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Email Address</td>
<td>Gender</td>
</tr>
<tr>
<td></td>
<td>F Female M Male</td>
</tr>
</tbody>
</table>

**Direct Deposit Information**

Will this employee be paid by direct deposit?

- [ ] Yes  
- [ ] No  

If yes, attach completed Authorization of Direct Deposit form

**Tax Information**

Please attach or specify the following information for this employee:

- [ ] Attach completed federal Form W-4
- [ ] Attach completed state withholding form  
  Only applicable if state income tax and filing status/allowances are different from federal
- [ ] Specify any payroll taxes that this employee is exempt from, such as state unemployment, social security, or Medicare: __________________________________________________________________________________
- [ ] Specify any local taxes that need to be withheld from this employee's paycheck: ______________________

**Notes:**

**Pay Information**

How often will this employee be paid?

- [ ] Every Week
- [ ] Every Other Week
- [ ] Twice a Month
- [ ] Every Month
- [ ] Other________

<table>
<thead>
<tr>
<th>Pay Frequency</th>
<th>Payday details</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Date(s) or day(s) employees paid</td>
</tr>
<tr>
<td></td>
<td>(e.g. 1st and 15th of the month)</td>
</tr>
<tr>
<td></td>
<td>Period Covered</td>
</tr>
<tr>
<td></td>
<td>(e.g. Paycheck on the 1st covers the 16th to the end of the prior month)</td>
</tr>
</tbody>
</table>
Which types of pay does this employee receive?

- Salary ______ per ____(salary)
- Hourly ______ per hour (hourly pay)
- 2nd hourly rate ______ per hour (2nd hourly rate)
- Overtime Pay
- Sick Pay
- Vacation Pay
- Holiday Pay
- Bonus
- Commission
- Double overtime
- Allowance
- Reimbursement
- Cash Tips
- Paycheck Tips
- Clergy Housing (Cash)
- Clergy Housing (In-Kind)
- Bereavement Pay
- Group Term Life Insurance
- S-Corp Owners Health Ins.
- Personal Use of Company Car
- Other:

Select the voluntary deductions that apply and enter the $ or % amount to be deducted from each paycheck

<table>
<thead>
<tr>
<th>Deduction</th>
<th>$ Amount or % of Gross</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-tax medical</td>
<td></td>
</tr>
<tr>
<td>Pre-tax vision</td>
<td></td>
</tr>
<tr>
<td>Pre-tax dental</td>
<td></td>
</tr>
<tr>
<td>Taxable medical</td>
<td></td>
</tr>
<tr>
<td>Taxable vision</td>
<td></td>
</tr>
<tr>
<td>Taxable dental</td>
<td></td>
</tr>
<tr>
<td>401K</td>
<td></td>
</tr>
<tr>
<td>Simple 401K</td>
<td></td>
</tr>
<tr>
<td>403b</td>
<td></td>
</tr>
<tr>
<td>Simple IRA</td>
<td></td>
</tr>
<tr>
<td>SAR SEP</td>
<td></td>
</tr>
<tr>
<td>Medical expense FSA</td>
<td></td>
</tr>
<tr>
<td>Dependent care FSA</td>
<td></td>
</tr>
<tr>
<td>Loan Repayment</td>
<td></td>
</tr>
<tr>
<td>Cash Advance Repayment</td>
<td></td>
</tr>
<tr>
<td>Other ______</td>
<td></td>
</tr>
</tbody>
</table>

Is this employee subject to wage garnishments, such as a federal tax or child support garnishment?
- Yes
- No

If yes, attach copies of all garnishment orders

Sick and Vacation

If this employee earns paid time off, complete the section below; otherwise, leave blank.

**Sick Pay**
- No. of Hours Earned Per Year ______
- Max. hours accrued per year (if any) ______
- Current Balance ______
- Hours are accrued:
  - As a lump sum at the beginning of year
  - Each pay period
  - Each hour worked

**Vacation Pay**
- No. of Hours Earned Per Year ______
- Max. hours accrued per year (if any) ______
- Current Balance ______
- Hours are accrued:
  - As a lump sum at the beginning of year
  - Each pay period
  - Each hour worked

Notes:
Contractor Information Sheet

Complete this form for each 1099 contractor.

General Information

Contractor Type

- Individual
- Business

Contractor Name

____________________________________________________

Address

____________________________________________________

City, State, Zip

____________________________________________________

Email Address

____________________________________________________

Social Security No./Employer Identification No.

____________________________________________________

Direct Deposit Information
Will this contractor be paid by direct deposit?

- Direct deposit
  - Yes
  - No

If yes, attach completed Authorization of Direct Deposit form.

Pay Information
Has this contractor already been paid this calendar year?

- Yes
- No

If yes, enter the total compensation and/or reimbursement amounts that you have paid the contractor during the current year.

Compensation amount $___________

Reimbursement amount $___________

Notes