



Research report

EmployerTalk Review

Research conducted to understand the key strengths and weaknesses of the current format so that EmployerTalk can be optimised

Business Customer Unit

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EmployerTalk Review

About the Business Customer Unit (BCU)

Business Customer Unit (BCU) is the part of Business Tax responsible for ensuring businesses pay the right amount of tax whilst improving our customers' experience and the overall UK business environment.

The BCU role is to help colleagues make customer focus a reality by understanding our Business Customers' needs better and using that understanding to design better products, processes and service delivery.

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Research requirement (background to the project)

As part of its service, each year HMRC runs a series of EmployerTalk events in different locations throughout the UK. These events provide an opportunity for UK employers and payroll service providers to meet HMRC staff, find out about new developments within payroll and obtain support and advice. HMRC now wants to understand how EmployerTalk events are perceived and valued by their target market.

The specific objectives of the research were:

- To understand the key strengths and weaknesses of the current format so that EmployerTalk can be optimised
- To understand the drivers and barriers to attending EmployerTalk and how to motivate those who do not currently attend
- To identify any key sub-segments within the service's target demographic and if there is a need for differentiated services
- To better understand the appeal of various HMRC option and how EmployerTalk can be taken forward via various proposed initiatives.

Who did the work (research agency)

The research was undertaken by Flamingo International.

When the research took place

Fieldwork took place during March and April 2009.

Method, Data and Tools used, Sample

The research was conducted in two separate stages, an exploratory first stage concentrating on target understanding and assessment of the event, and a second stage evaluating the potential for a revamped design.

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The sample design for the first stage was as follows:

- **Eight focus groups with payroll professional in London, Birmingham, Leeds and Manchester**

Typology	Location	Previously attended EmployerTalk?
Micro Business	London	Yes
Payroll Bureaux	London	No
Micro Business	Birmingham	No
Payroll Bureaux	Birmingham	Yes
Small In House	Manchester	Yes
Large In House	Manchester	No
Small In House	Leeds	No
Large In House	Leeds	Yes

- **Audio diaries for each typology with two diarists attending each EmployerTalk**
- **30 x 45 minute In Depth Interviews with the following non-mainstream groups**

Typology	Location	Previously attended EmployerTalk?
New to Payroll	Various	No
Multiple Payroll	Various	No
Needs Help	Various	No
High Turnover	Various	No

The second stage reconvened four of the groups above: one each of Micro Business, Large In House Payroll, Small In House Payroll and Payroll Bureaux.

This stage was designed to validate Flamingo's hypotheses and fine tune their output.

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Main Findings

Assessment of EmployerTalk

The research established that EmployerTalk is a sound proposition and evaluated extremely positively by those who attend. It is valued as an event carrying both tangible and intangible benefits to employers. There is significant potential to build on this solid foundation and to create an event which better caters for the diverse employer constituency and the various different groups within it. The principal benefits and merits of EmployerTalk are:

1. **Reassurance:** that delegates are on the right track with the way they handle payroll – applying the correct knowledge in the right way and according to HMRC rules
2. **Empathy:** that delegates get to meet HMRC staff and gain a sense of an organisation that is on the side of employers, wants to help and is investing resources
3. **Information:** that delegates get updated on the most important information that directly affects the ability of payroll staff to do their job; it is delivered in a detailed and timely manner

Employers also benefit from the solidarity of being with other payroll people, the anonymity of not having to volunteer identifying information and the personal & professional development they get from attending the event which is credited in some professional payroll courses.

EmployerTalk generates positive PR and goodwill and makes HMRC seem more human, an organisation people are happier to engage with, less like a machine.

The main recurrent criticisms of EmployerTalk across the target are:

- Not enough contact time between employers and HMRC staff
- The talks are useful but viewed as generic and of patchy relevance
- Participants view the current format as unduly rigid and monolithic.

One key finding is a need to make the event more modular and specific. This involves retaining the talks but reiterating to attendees that they are not compulsory, allowing people to browse the stands throughout the event and innovating some tailored seminars that address specific topics.

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Targeting EmployerTalk

Two prime targets emerged for the revamped EmployerTalk event. These are **Inexperienced Micro Business** and **Complex In-House Payroll**.

The first group does not include accidental 'employers' who tend to out-source payroll to the bureaux, nor established small businesses but sole proprietors or small businesses just starting and who cannot afford payroll software to help.

The second group would typically be juggling several payrolls at the same time and with a level of complexity (different rates of pay and conditions) that means that they feel out of their depth at times and lacking the adequate training and support. Interestingly, both groups feel isolated and in need of additional help.

The other major determining criterion of attendance is whether employers are using commercial software. It became apparent that HMRC should focus attention on those without software as they don't have the support, automatic updates and in some cases dedicated helplines that 3rd party payroll software providers offer. The research suggests this makes them more likely to prioritise attendance.

For Micro Businesses, the barriers are not feeling able to leave the office for non-essential non-revenue generating activities and not feeling welcome at an event perceived to be for financial people and not for them. For Complex In-House payroll they do not fully understand the benefits that could accrue to them from having attended or feel empowered to communicate their request to their boss. For both of these groups, a more benefit focused EmployerTalk which more specifically addresses their needs and makes them feel welcome will overcome these barriers. Driving home the time savings reaped by those who attend, as well as the reassurance of HMRC staff fielding queries would be advisable. The time saving benefit is the easy to find, jargon-free and customised information which is gathered at EmployerTalk via personal interaction with HMRC staff.

Suggested Re-vamp

Research laid out a clear vision and mission statement for future development of EmployerTalk: to convey timely and relevant payroll information and to foster dialogue and solidarity amongst those who do payroll. The key shift in emphasis needs to be away from positioning EmployerTalk as an event for professionals to get even better and to portray the event as a welcoming and universal forum.

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Communicating EmployerTalk

In terms of communication, the main message needs to be that EmployerTalk offers two main benefits:

- It saves attendees time completing payroll duties
- It gives delegates a chance to spend quality time with warm and helpful HMRC staff.

HMRC should:

- Continue to promote EmployerTalk in relevant employer community publications
- Use HMRC helplines to promote the event either in recorded message or via staff
- Use advocacy (recorded testimonials of ordinary attendees) on CD-ROM and online
- Send targeted direct mail to company heads to give added authority to invitation

There are some recommendations around the way HMRC convey information. There is potential to personalise and reflect 'real life' scenarios into the way HMRC deal with payroll. Building short narratives (either using fictional or actual examples) anchors the rules and procedures in concrete instances, making it easier to learn and easier to retain and recall, thereby improving compliance with HMRC.