

In The News

Paychex software gets upgrade, E-Verify automation

09.06.19

TechTarget

Shareholder **Irina Plumlee** was quoted in a recent article in TechTarget, which discusses the new E-Verify automation feature Paychex, Inc. is adding to its platform.

Automating aspects of E-Verify raises concerns with immigration attorney Irina Plumlee, a partner at the firm Munsch Hardt Kopf & Harr P.C. in Dallas.

"The more we automate the process, the more we rely on everything being neatly in one place in the database, the more problems we're buying for ourselves," Plumlee said. Problems can include lost data and privacy violations, she said.

E-Verify is also less than perfect, Plumlee said. She has had clients who have suffered delays in onboarding new employees because of disputes or record problems with the E-Verify system.

The E-Verify program is voluntary, but some states require participation for all employers. Other states may limit its E-Verify usage to state agencies and contractors.

Many employers don't feel they need to participate in the E-Verify system, Plumlee said, but this can be different for some industries, such as construction and hospitality.

The full article can also be viewed below or by clicking [here](#).

Paychex Inc. is adding new capabilities to its platform, including E-Verify processing automation. In doing so, the small to midsize payroll and HR services provider is developing features found in larger enterprise platforms.

The Paychex software upgrades also include new ways to capture communications. Document management features are new, as well as increased customization capabilities in its payroll platform.

Paychex, a nearly 50-year-old business based in Rochester, N.Y., with 670,000 customers, began as a payroll processing firm. It has since built out a platform, Paychex Flex, that includes recruiting, applicant tracking software, onboarding, time and attendance software, and other services. It has mobile and kiosk applications, and provides some biometric functionality.

Paychex's customers are organizations up to 1,000 employees, and the firm intends to stay in this market. Nonetheless, Paychex is adding more enterprise-like features, according to Trevor White, analyst at Nucleus Research in Boston, Mass.

The Paychex software upgrades are aimed at organizations "that need some of that functionality that you would associate with an enterprise organization," White said. But there are also limits to the enterprise capability.

DIGITAL LOG FOR COMMUNICATIONS

Among the new Paychex software additions is a record keeping capability called "HR Conversations." The conversation tool is part of its performance management module. It acts as a digital log for documenting one-on-one conversations.

Businesses increasingly need this record keeping, said Tom Hammond, vice president of corporate strategy and product management at Paychex. "With today's complexity around employment law, you want to make sure that you have the appropriate items documented," he said.

White said some of the larger enterprise HR vendors are adding sentiment analysis, or AI-type capabilities to analyze employee communications. These tools can track employee engagement, as well as alert HR managers to communications that may signal harassment.

This type of automation is on the firm's radar, Hammond said, particularly the "ability to dynamically review the data and look for red flags."

AUTOMATING GOVERNMENT ID CHECKS

The Paychex software upgrade automates E-Verify processing, which keeps users from having to switch to a separate system to process an immigration status check. After someone gets a job offer, the worker provides identity documents that can be checked by E-Verify against government records.

Automating aspects of E-Verify raises concerns with immigration attorney Irina Plumlee, a partner at the firm Munsch Hardt Kopf & Harr P.C. in Dallas.

"The more we automate the process, the more we rely on everything being neatly in one place in the database, the more problems we're buying for ourselves," Plumlee said. Problems can include lost data and privacy violations, she said.

E-Verify is also less than perfect, Plumlee said. She has had clients who have suffered delays in onboarding new employees because of disputes or record problems with the E-Verify system.

The E-Verify program is voluntary, but some states require participation for all employers. Other states may limit its E-Verify usage to state agencies and contractors.

Many employers don't feel they need to participate in the E-Verify system, Plumlee said, but this can be different for some industries, such as construction and hospitality.

Paychex plans to continue focusing on the "one to 1,000" employee business market, Hammond said.

"There's plenty of market share there to be held," Hammond said. "We are really focusing our attention on taking enterprise features that you would see at the high end and bringing them down market into that small and midmarket space at an affordable price."

Primary Contacts



Irina Plumlee

Dallas
214.855.7513
iplumlee@munsch.com

Related Practices

Immigration