

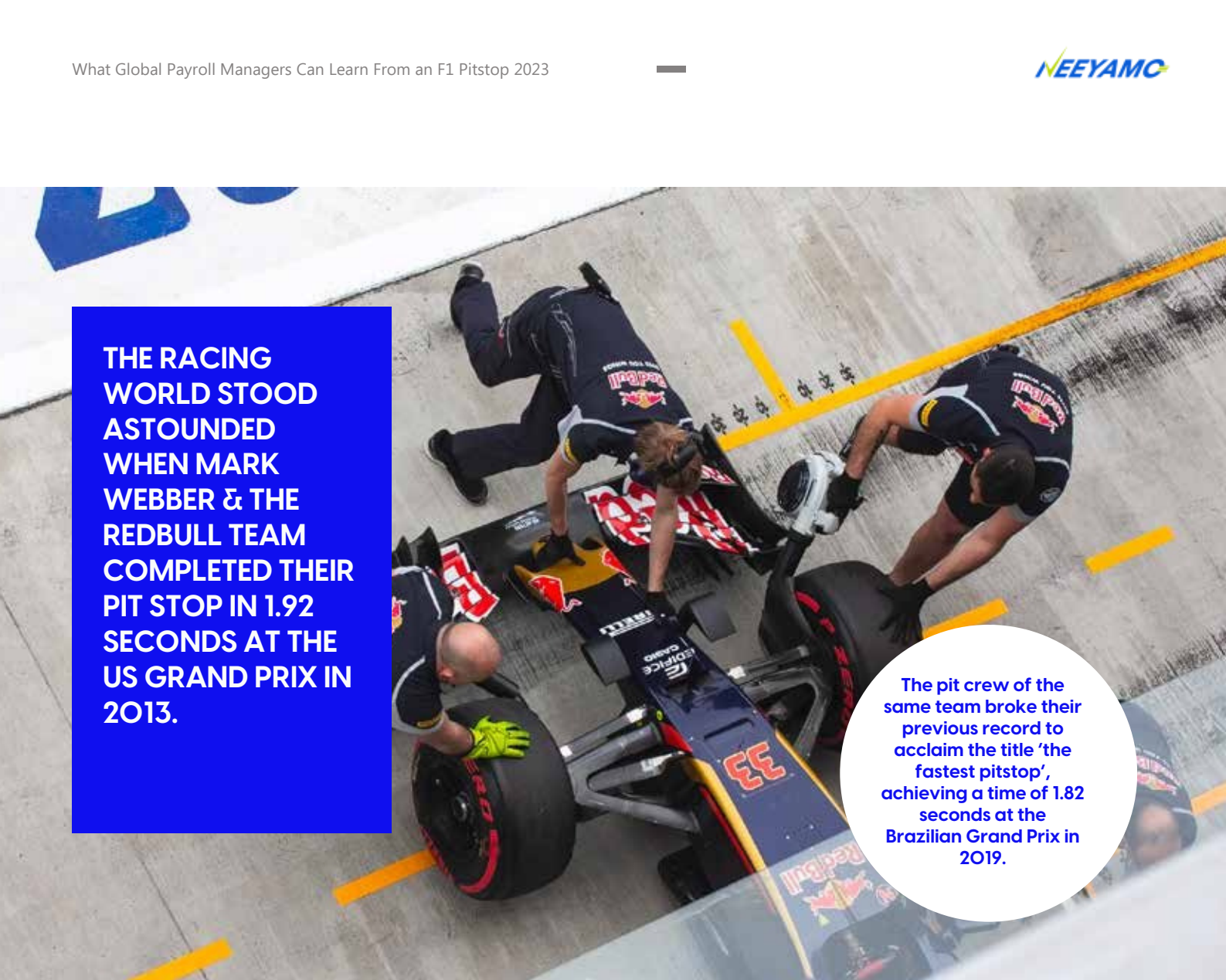


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WHAT GLOBAL PAYROLL MANAGERS CAN LEARN FROM AN F1 PITSTOP

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THE RACING WORLD STOOD ASTOUNDED WHEN MARK WEBBER & THE REDBULL TEAM COMPLETED THEIR PIT STOP IN 1.92 SECONDS AT THE US GRAND PRIX IN 2013.

The pit crew of the same team broke their previous record to acclaim the title 'the fastest pitstop', achieving a time of 1.82 seconds at the Brazilian Grand Prix in 2019.

FUN FACT: The average human blinks 20 times a minute – that's a blink every few seconds. The chances are that you could watch a racing car pull over to the pit stop, get serviced, and watch the car head back to the track – without even having to blink.

These teams are agile enough to replace all four tires of a massively built car and still have over a second left! When several millions of dollars are spent on these races, gaining one-tenth of a second on the track and losing it in the pit stop wouldn't be an entertaining option for the racing teams.

Since the beginning, pit stops have been a crucial part of motor racing. Choreography, precision, and technology make a big difference between victory and disaster. Reliability, speed, and consistency play an undeniably dominant role here. It is not an exaggeration to say pit stops are a fantastic example of human ingenuity and teamwork.

TURNING BACK THE CLOCK

F1 pit stops haven't always been the 2-second synchronized feat we see today. They were much more dangerous in the past – from chaotic pit stop moments to no pit lane speed limits to ridiculously disastrous fuel fires. Moreover, the drivers were seen to be mavericks who seldom thought about safety. Electric starters set the engines into motion. Only two mechanics were servicing the car, taking not anything less than a minute. Hammers were the only equipment they could use to remove the wheel nuts, and they were no match for today's superfast wheel guns.

Compared with today's standards, it is hard to believe this was once the cutting-edge of F1! The racing community still remembers the black day when one of the cars in the 1955 Le Mans sped into the spectator enclosure, ending several ardent fans' lives. There was a moment when racers were taught to avoid pit stops as much as possible and instead stay on track.

It was in the late 50s when Cooper car company developed a design that placed the engine and the gearbox in the rear to make the machine more efficient and nimbler. That's when the revolution began.



FAST FORWARD TO TODAY

F1 has become one of the most technologically advanced sports, as it not only adopts emerging technologies from the business world but also pioneers sheer innovation. Extremely fast cars are being built with around 200 sensors to measure everything possible, from speed to performance. Each data point recorded gets fed into massive servers for further analysis.

Quoting a famous military saying: "Slow is smooth; smooth is fast," will make sense here. Up to 20 people wait motionless, always ready for action, and as the racecar flashes in, their adrenaline takes over as they change tires and service the car in under three seconds. Every single person's contribution is massive.

**"SLOW IS
SMOOTH;
SMOOTH IS
FAST"**





NOW, WHAT CAN A GLOBAL PAYROLL PROFESSIONAL LEARN FROM F1 PITSTOPS?

LET'S SEE.

GLOBAL PAYROLL LESSONS FROM F1

ACCURACY & SPEED

-The 'complementing' cornerstone

Pit stops demand absolute concentration and precision from each team member, no matter the constraint. When an error occurs, it can hit home - hard. Adrenaline-pumped racers cannot afford to waste even a fraction of a second. They would want the pit crew to be adequately equipped to service the car with the highest accuracy at the shortest interval possible. Even a minor misalignment will create a negative butterfly effect on the racer's position in the race. This emphasizes the tremendous importance of a pit crew's precision.

Similarly, accuracy holds the highest priority from a global payroll standpoint. Accurate payroll is a critical factor influencing a business's success. The impact of payroll inaccuracy on employee engagement is alarming.

Source data quality plays a significant role in achieving accuracy in payroll processing. When fed into the payroll engine as input, exact employee lifecycle data will lead to accurate wage payments at the right time, eventually leading to superior employee experience. Automating input data feed and using a unified global payroll solution can help organizations accomplish this.

Also read: [Global Payroll: 10 Trends that will be prominent in 2023](#)

"44% OF GLOBAL EMPLOYEES WILL THINK ABOUT SWITCHING JOBS IF SUBJECTED TO A FAULTY PAYROLL PROCESS. 48% OF THEM WHO WERE PAID LATE SAY THEY HAD BEEN PAID INCORRECTLY TOO."

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BE IN THE KNOW WITH ANALYTICS

Recent F1 cars are equipped with up to 200 sensors measuring everything from speed to performance, and all that data is fed into their servers. Tire grip, brake function, telemetry, fuel intake, and more can be gauged and enhanced for better performance. A comprehensive analysis of this level lays the foundation for F1 engineering teams to know what to alter and how to improve.

How does this relate to payroll? Payroll analytics and reporting – the more you use it, the better your ability to make informed business decisions. Progressive payroll solutions in the market today can integrate with the HR cloud to generate a periodic payroll input report and analysis on the pay component factor or individual employee data too. Such analytics help make smart decisions regarding employee spending, overtime, and benefits – all in real-time.

Never stop looking for furtherance. Continuous improvement is something F1 has always been keen on. Every year, engineering teams from Mercedes, Red Bull Racing, Ferrari, and others continue to evolve with newer innovations and enhancements to their machines. Likewise, payroll managers can glean meaningful insights from embedded payroll analytics to open doors to optimize their payroll process consistently.

Also read: [Autonomous Global Payroll: The inevitable paradigm shift](#)

R(AI)SING THE BAR TO EXCELLENCE

As iterated earlier, during a race, enormous loads of data get fed into the team's system to analyze the car's real-time performance. But the sheer volume of real-time racing statistics is too much to work with. Engineers face a constant deluge of information. Knowing what to focus on first and when or where the car should take a pit stop can be challenging. That's where AI comes in.

With AI at the forefront, teams behind the scenes can categorize the data into different sets and predict the best time for the driver to stop at the pit and change tires.

Payroll technology is taking giant leaps today. AI can help payroll analysts detect payroll anomalies through historical data analysis and machine learning.

For instance, AI-powered payroll solutions work on the payroll history data and calculate each employee's average earnings, deductions, and taxes. These parameters can be compared with the earnings, deductions, and taxes from the currently running payroll for each employee; irregularities, if any, can be detected using machine learning algorithms. Appropriate business rules can be implemented to rectify these irregularities and prevent them from happening again. Most anomalies detected don't even require a payroll analyst's intervention.

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PARTING THOUGHTS

There can be numerous lessons to learn from F1 pit stops. The stellar reason why pit stops will always continue to be an excellent source of illumination is that they keep evolving; as and when new emerging technologies transpire, teams begin leveraging them to better the existing process. This could apply to global payroll management and across various other areas.

It takes the best, proactive team to perform ground-breaking achievements. Progressive companies like Neeyamo leverage best-in-class technology to offer a truly global payroll solution. When selecting a payroll vendor, organizations should prioritize experience and expertise in payroll processing and compliance across multiple countries. Outsourcing global payroll to a multi-country solution provider can ensure standardized, integrated payroll and a uniform employee experience across all countries of operation.

To know more about how outsourced global payroll solutions can simplify your payroll ecosystem, get in touch with us. Our subject matter experts will be happy to assist you.

