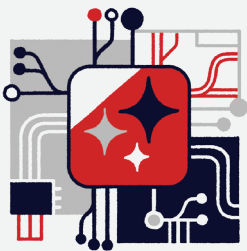


HOW AI IS RESHAPING PAYROLL



Payroll is all about precision and compliance. However, it's also never lost sight of who's at the centre of all payroll operations, namely an organisation's employees. As intelligent automation becomes more ubiquitous and promises to revolutionise the way teams work, leaders must find a way to effectively incorporate these new technologies without causing a significant negative impact.

As the global payroll survey, **The potential of payroll in 2026** reveals, artificial intelligence (AI) adoption in payroll has moved beyond experimentation. Around one-third of organisations are already using AI for a broad range of core payroll processes. About half of organisations have already automated tasks such as data collection, reporting, reconciliations, and data entry, with many more planning to do so.



Where AI is already at work

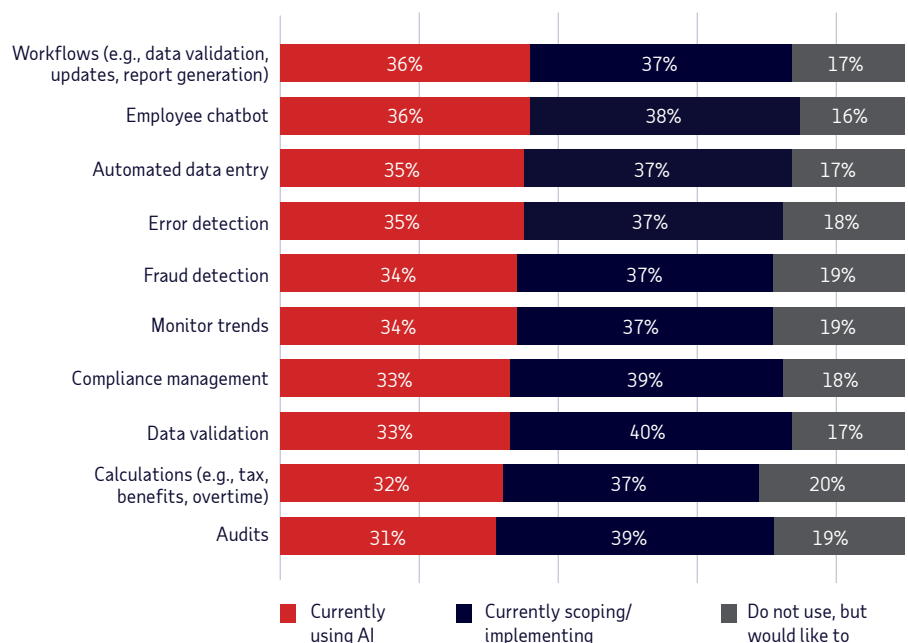
The processes seeing the earliest and deepest AI adoption are those where the benefits are clearest and the risks of errors highest. Data entry, error detection, compliance management and workflow automation are all seeing significant current deployment.



These are strategic areas of application. Error detection powered by AI can catch anomalies that manual review might miss. Automated compliance management can flag regulatory changes in near real time, reducing the risk of costly penalties. Workflow automation reduces the manual tasks that create delays and inconsistencies.

A significant finding from this year's survey is that 35% of payroll leaders identify a lack of automated processes as the primary cause of payroll inaccuracies. This positions automation not just as a tool for improved efficiency, but as a foundational accuracy requirement.

Processes driven by AI

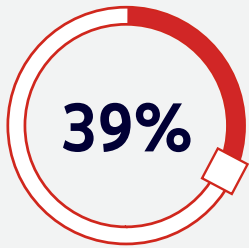




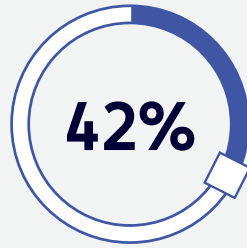
The automation pipeline

Even where automation is already in place, leaders see room to go further. Many want to automate reconciliations between payroll and other business systems, as well as automate data entry, reporting and data collection.

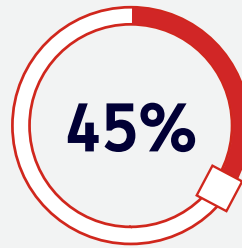
Payroll professionals recognise that automation can reduce errors, streamline data flows and free their teams to focus on higher-impact work:



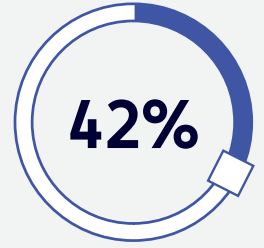
would like to automate data collection



would like to automate data entry



would like to automate reconciliations between payroll and other business systems



would like to automate reporting

This pipeline reflects how leaders are rethinking the ways in which automation can support the strategic value of their teams. Early automation focused on the most repetitive tasks. The next step is focused on integration. By ensuring that automated data flows connect payroll with finance, HR, and time systems seamlessly, manual reconciliation work that currently consumes significant team capacity can be reduced.

These advances also improve the employee experience by reducing errors, increasing clarity, and offering more seamless, user-friendly interactions with payroll.

Responsible adoption

It's important to note that, within payroll, AI and automation are being positioned as aids, not replacements. Seventy-one percent of payroll leaders acknowledge that data regulations can act as a brake on AI innovation. But this indicates that many organisations are cautious about governance and regulation because they understand that responsible adoption — with clear rules, transparency, and training — is key to implementing new technologies effectively and sustainably.

DISCOVER MORE

Learn how AI and automation are transforming payroll operations and unlocking new value in the full report: [The potential of payroll in 2026: Global payroll survey](#)

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