



**SINGLE TOUCH PAYROLL IS HERE**

# How to get 'in the zone' and focus on growing your business

Key insights and practical tips to help trade businesses operate at their peak.



**Reckon**

Many can relate to being 'in the zone' – a state of heightened focus, efficiency and productivity. It's a great feeling, but distractions and things like admin, payroll and compliance can hold small businesses back.

We wanted to find out whether this was having a real impact, so we spoke to over 1,300 small business leaders to understand the benefits and barriers to being 'in the zone' at work.

This is ahead of the biggest compliance change for employers since the introduction of GST: Single Touch Payroll (STP), which will require more frequent reporting of payroll information to the Australian Taxation Office.

Through our research we found that trade businesses around Australia are feeling the weight of administration and red tape, and that it can cost time and real money. In fact, it's estimated that Australian small businesses collectively spend over \$20.16 billion a year on admin and payroll<sup>1</sup>.

**Here are some of the findings, as well as tips and advice for how you can get 'in the zone' with Reckon to save time and money, and operate at your peak.**

<sup>1</sup> The total annual national figure of \$20.16bn in business admin and payroll costs to small business was calculated by taking the average amount that each business size (of size small or less) spends on admin and software, multiplied by the number of those businesses in Australia according to ABS data.

# How does admin affect small businesses owners?

Administration can place a real financial and emotional burden on small business. It's not only impacting the enjoyment of starting a business but leading to sacrifices that could affect the mental or physical health of individuals.

## Spending too much money and time on admin

The amount the average trade business spends on admin and red tape every year

# \$13,589

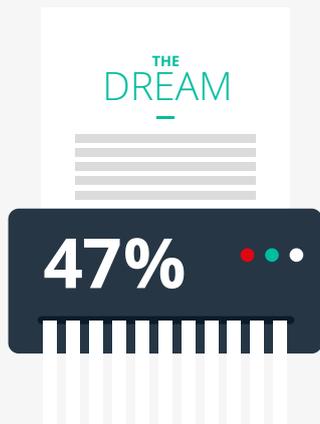
The amount of time small business leaders in trades spend on admin and payroll, on average

# 1 in 6

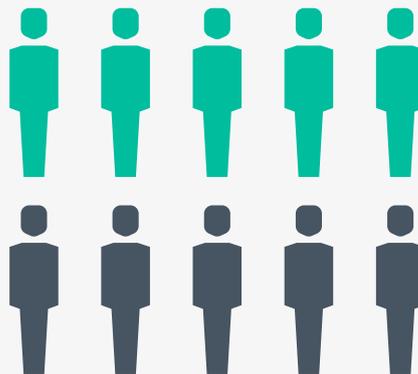
WORKING HOURS

The most time-consuming admin task is invoicing and chasing payments

### Need to refocus on their goals and well-being



Almost half say paperwork and compliance is 'killing the dream' that made them start a small business



Half (52%) of small business leaders who operate in trades would sacrifice their wellbeing due to admin or compliance

### Not ready for Single Touch Payroll



One in four of small business leaders who operate in trades, do not use an accounting software to manage their accounts – a pre-requisite for STP



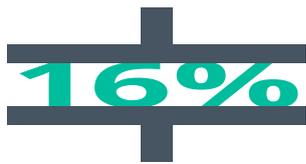
One in four don't believe they meet existing compliance requirements

## How often are you 'in the zone'?

We can all relate to the idea of getting 'in the zone' and producing our best, or highest volume of work. Unfortunately, our research shows that many small business owners fail to maintain this state due to everyday distractions. However, those that overcome the challenges can reap the rewards.



Business Leaders who operate in trades spend little more than two hours per work day 'in the zone'



One in six business leaders who operate in trades say admin pressures make it hard to get 'in the zone'



Those small business leaders that are in the zone spend 17% less on admin and payroll expenses each year

*"Streamlining work and processes for peak performance can not only make life easier and business more profitable, but allow for investment in staff, marketing and innovation to get ahead of the competition."*

*Sam Allert, Reckon CEO*

## Tips and advice for getting 'in the zone'

Work-related distractions prevent 60% of all small business leaders from getting 'in the zone'. Whether it be staff disruptions, admin or email, there's plenty keeping people from doing what they want, need or must do. Our research showed there were specific things that those who are most successful at achieving a state of heightened focus, efficiency and productivity do.

### Here are the top 5 ways



Follow a strict routine or ritual



Personalise their work environment



Treat themselves to a good meal



Tackle complex tasks in the morning



Doing all their admin first

### And other things to consider

- Exercise
- Trying different approaches
- Live in the moment
- Meditate
- Remove distractions from work spaces (e.g. close office doors)

*"Getting in the zone requires a clear state of mind to tackle important work. Try including a strong morning ritual to set up your day for success by meditating, getting in some exercise and planning out 'important' work before you get started. Otherwise, you'll find yourself at the mercy of your email, and everyone else's demands."*

**Shivani Gopal, The Remarkable Woman CEO**

## About the 'in the zone' research

Single Touch Payroll (STP) is an ATO compliance regulation requiring employee payroll information including salary, wages, PAYG withholding and superannuation to be sent to the ATO alongside the standard pay run.

It requires many employers to upgrade or replace their payroll system to meet their reporting obligations, and it's mandatory for all employers **from 1 July 2019**.

With this significant change coming, now is the time to reevaluate how you spend your working hours and what you can do to be more productive in the wake of more admin and red tape - which we have discovered is the key factor preventing small businesses owners from getting 'in the zone'.

We hope this research helps you achieve and maintain the state of being 'in the zone', and result in spending less time on doing compliance reporting and more time on growing your business.

To help you get 'in the zone' and be STP compliant, Reckon offers affordable STP-ready and ATO compliant solutions for businesses of all sizes and industries. This includes the Reckon Single Touch Payroll app, Reckon One Payroll, and Reckon One (if you require accounting in addition to payroll).

The research was commissioned by Reckon and conducted by Lonergan Research in accordance with the ISO 20252 standard.

Lonergan Research surveyed 1,328 small business leaders aged 18+. Surveys were distributed throughout Australia including both capital city and non-capital city areas. The survey was conducted online amongst members of a permission-based panel, between 20 March and 1 April 2019. After interviewing, data was weighted to the latest population estimates sourced.

## About Reckon

We are more than just accounting software, we aim to help small businesses build the foundation to grow and succeed – and government compliance is an essential part of this.



Reckon