

CHAPTER I

INTRODUCTION

1.1 Background

Payroll management is a critical aspect of human resource management that involves the calculation and processing of employee salaries and benefits. The process of payroll management is time-consuming, complex, and prone to errors when done manually. Therefore, many organizations have adopted payroll management systems to automate and streamline their payroll processes.

Payroll is defined as a method of administrating employees' salaries in the organizations. The process consists of calculation of salaries and tax deductions of the employees, administrating the retirement benefits and disbursements of salaries to employees. [1]

In Somalia, Telesom Company is a telecom provider that offers phone and internet services. Due to the company's big staff, manually monitoring their payroll procedures has become difficult, resulting in inefficiencies and mistakes.

The business plans to put in place a web-based payroll administration system to deal with these issues payroll management is a distributed application developed to evaluate the performance of employees working in organisation.

Payroll management system is a webbased application, which any organization can use to manage the records of the employees working in the company. Payroll Application has been designed to for the purpose of maintaining details of various employees, their allowances and deductions that need to be given to the employees of the organization. [2]

Every employee who works for an agency has the right to get salary based on payroll

rules and regulations applicable. The issue of salary provision is not only important because it is the main impetus for someone to become an employee, but also because the salary given has a big role on the morale of the employees, so we need a proper payroll data processing system, payroll provides database activities each and every records of the employee are maintained in the database, so all the data are retrieved easily and faster. [3]

Salary is payback services or income expressed in terms of money and determined by a reciprocal agreement or by legislation or regulation. Payment is made based on written work agreement by the Company to workers who are hired for work that has been or will be employed or services that have been or will be provided.

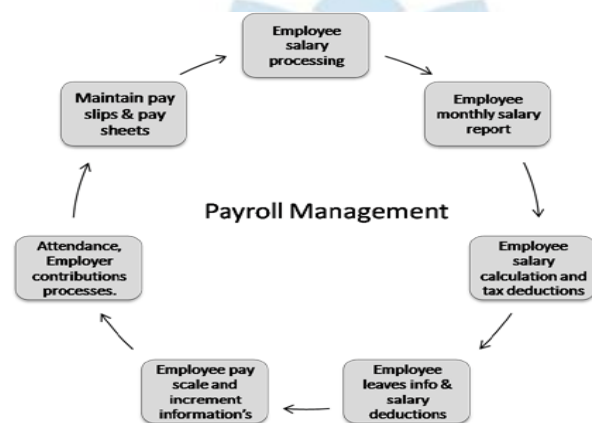


Figure 1 Payroll management

An information system is a man-made system that typically consists of a set of computerbased components and a traditional method for collecting, storing, and managing data and providing output information to users. Payroll Information System Salary and wage accounting system for most companies is a system of procedures and records that provides the possibility to determine quickly and exactly how much is the gross income of each employee, how much? Amount to be deducted and income for various taxes and other discounts and how much balance should be given to employee. Currently, there is a web-based HR application that helps the payroll process more efficiently and sophisticatedly.

This is something to be grateful for considering that during the Covid-19 outbreak, companies can no longer depend on applications installed on computers connected to the office intranet network. Because based on government regulations, most back office

workers are required to work remotely or work from home, payroll is also incredibly important to its recipients employee of a company, employee moral can be negatively affected by errors and irregularities in payroll, so an organisation must distribute payroll in a appropriate manner.[4]

Therefore, the use of webbased software or webbased HR (payroll) applications will greatly support the smooth running of the business. Given that a system like this can be accessed wherever workers are. In the past, companies generally used spreadsheets to manually manage and document the employee payroll process, but now there is a web-based payroll software that can help the payroll process more sophisticated and physically.

Payroll is very simple, flexible and user-friendly Management software. That takes care of all your requirements relating to accounting and management of employees' Payroll. Payroll stores complete records of the employees, generates Pay-slips and Attendance Register, Computes all allowances and deductions and generates all statutory reports, although payroll management system, by which employer can pay to the employees for the work they have completed. [5]

If you usually take care of HRD payroll, you will struggle with a lot of paper and spreadsheets, the presence of this web-based payroll software summarizes the work.

The use of this web-based HR software will strongly support the smooth running of mobile business. So, in other words, web-based payroll software is software to manage the online recitation process using an integrated system. This software really helps the mobility.

Employees who handle employee payroll because it can be accessed wherever employees are without losing access such as working from the office. All payroll data is stored on a server or cloud provided by the software manufacturer, employees simply access the data using a browser or application with an internet connection, [6]

In the application there is already salary data for each employee, starting from the name, number of working days, total salary, deductions, allowances, bonuses, to account numbers. employees only need to check the data for verification, then with just a few steps, salaries can be sent to all employees at one time.

1.2 Problem Statement

The absence of an automated payroll management system not only affects operational efficiency but also jeopardizes employee morale and satisfaction due to inaccuracies and payment delays. The transition to remote work, accelerated by the COVID-19 pandemic, further highlights the need for a flexible and accessible payroll solution.

To address these challenges, Telesom Company aims to implement a web-based payroll management system. This research focuses on designing and deploying an efficient web-based system tailored to the organization's needs. The goal is to automate payroll processes, improve data accuracy, enhance accessibility, and ultimately boost employee satisfaction. By developing and implementing this system, the company seeks to streamline its payroll management, minimize errors, and adapt to the evolving demands of remote work, thereby enhancing both operational efficiency and employee contentment.

1.3 Scope of Problem

To limit the discussion so that it does not get out of the research topic, a problem definition is needed. The limitations of the problem are defined as follows:

1. Technologies: PHP, MySQL, HTML, CSS, JavaScript, CodeIgniter 3 framework
2. Scope of the Problem:
 - a) The objective is to develop a web-based online payroll system for managing employee payroll information within an organization.
 - b) The system will handle employee data, job data, salary deduction settings, employee attendance, salary calculation, and reporting.
 - c) It will provide different features for administrators and employees.
 - d) The system will be built using the CodeIgniter 3 framework for efficient development and ease of maintenance.

3. Features for Admin:

- a) CRUD (Create, Read, Update, Delete) operations for employee data management.
- b) CRUD operations for job data management.
- c) Ability to set and configure salary deduction settings.
- d) Adding employee attendance data to track attendance records.
- e) Salary data management for calculating and storing employee salaries.
- f) Generating salary reports for analysis and record-keeping.
- g) Generating absence reports to track employee absences.
- h) Ability to print salary slips for individual employees.

4. Features for Employees:

- a) Ability to view and print their own salary slips.

5. Database Requirements:

- a) The system will use a MySQL database to store and manage employee information, job data, attendance records, salary details, and other relevant data.

6. Usability and User Interface:

- a) The system will have a user-friendly interface with appropriate forms, tables, and navigation menus for ease of use.

7. Security Considerations:



- a) The system will implement necessary security measures to protect sensitive employee data, such as user authentication and authorization.

1.4 Research of Purpose

A web-based payroll administration system for Telesom Company is the main goal of this study's design and implementation. By automating and streamlining the business' payroll procedures, the system seeks to ensure timely and accurate employee payments. These are the study's precise goals in detail,[7]

To determine what characteristics and capabilities the business needs in a web-based payroll administration solution.

To plan and create an online payroll administration system that satisfies the needs of the business.

To test and evaluate the system's performance in terms of efficiency, accuracy, and user satisfaction.

1.5 Significance of the Study

The significance of this study is that it will provide Telesom Company with a web-based payroll management system that addresses the inefficiencies and errors in their current payroll management system. The solution will streamline and automate the business' payroll procedures, ensuring that workers are paid on time and with precision. The research will add to our understanding of web-based payroll Administration systems by shedding light on their conception, creation, and application. [8]

Improved efficiency and accuracy of payroll processes: By implementing a web-based payroll management system, Telesom Company can automate and streamline their payroll processes, reducing the time and effort required for manual data entry, calculation, and reporting. This can also help to minimize errors and inconsistencies in payroll processing, leading to more accurate and reliable payroll data.

Cost savings: Automating payroll processes can also result in cost savings for the organization, as it can reduce the need for manual labor and paperwork. This can help Telesom Company to optimize their resources and allocate them more efficiently.

Increased employee satisfaction: A web-based payroll management system can also improve employee satisfaction by providing faster and more accurate access to payroll information. Employees can access their pay stubs and other relevant information online, eliminating the need to wait for manual processing and reducing the risk of errors.

Telesom suggests that the communication companies discuss among themselves the prices of their services that the customers are talking about.

HR and accounts department work together to calculate and disburse the salary to the employees. relationships between the research variables, the research HR and accounts department work together to calculate and disburse the salary to the employees. [9]

Contribution to the knowledge and understanding of web-based payroll management systems: This research can contribute to the knowledge and Understanding of web-based payroll management systems in the context of the telecommunication industry. By analyzing the design, implementation, and evaluation of the web-based payroll management system, this research can provide insights into the benefits, challenges, and best practices for using these systems in other organizations and industries.[10]

1.6 Theoretical Framework

The framework of this research can be described in Figure 1.

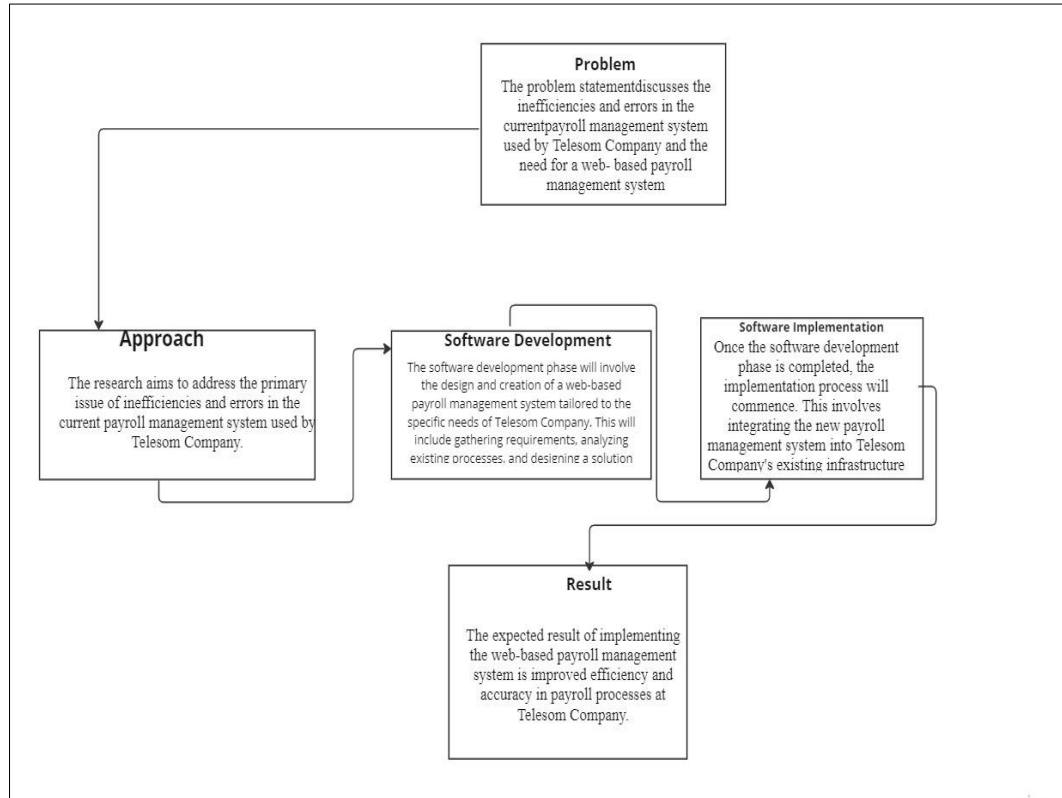


Figure 2. Thinking Framework

1.7 The Structure of the Thesis

In this writing, the discussion is focused on the core of the problem. For this reason, the writer arranges the systematics of writing this final project as follows:

CHAPTER I :INTRODUCTION

In this chapter the author will explain the background of the problem, the formulation of the problem, the research objectives, the benefits of the research, the limitations of the problem, the framework, and the systematics of writing.

CHAPTER II : LITERATURE REVIEW

This chapter describes the results of the literature review that will underlie the research. Broadly speaking, this chapter describes previous studies related to essay

assessment and various concepts related to the research topic.

CHAPTER III : RESEARCH METHODOLOGY

In this chapter the author will discuss the methods applied to the research. This chapter also defines the steps that will be carried out during the research.

CHAPTER IV : RESULTS AND DISCUSSION

In this chapter the author will discuss the results and findings based on the steps in the research methodology. These results will discuss how does the company pay employees' payroll based on the digital system.

CHAPTER V : CLOSING

This chapter will draw conclusions from the research that has been done and will present suggestions for future related research.

