



Rethinking Payroll: A Practical Guide to Inclusive, Flexible Pay

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Why Payroll Needs a Rethink

Traditional payroll methods assume everyone can easily access banks and wait weeks for pay. Nearly 25 million American workers challenge this assumption, and their struggles likely affect your business more than you realize.

About 5.9 million Americans lack access to basic banking services. Another 18.7 million are underbanked, facing challenges with traditional financial systems. For these workers, payday brings obstacles rather than relief.

Technology advances have affected the payroll space. Artificial intelligence improves fraud detection, simplifies compliance, and provides better data insights. But these improvements miss something important: many workers still struggle with basic pay access.

This guide provides practical solutions to ensure payroll works for everyone in your organization. By identifying who payroll leaves behind and taking steps toward inclusion, you turn payroll into a meaningful driver of equity.

The Reality on the Ground: Who Payroll Leaves Out

Standard payroll processes make assumptions about employees. They assume everyone has:

- A checking account
- Reliable internet access
- Financial stability to wait two weeks between payments

These assumptions create problems for many workers, including:

Hourly and shift workers who often need more frequent access to their earnings to manage cash flow

Contract and gig workers who may work irregular schedules and need flexible payment options

Immigrant workers who sometimes face barriers to traditional banking

People dealing with financial instability who may avoid banks due to minimum balance requirements or overdraft fees

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Unbanked vs. Underbanked: What It Means



Unbanked:

People without any bank accounts. They typically use cash, money orders, and check-cashing services.



Underbanked:

People with some banking relationships but who still rely heavily on alternative financial services like payday loans or check cashing.

Both groups pay unnecessary fees and face barriers just to access the money they earned. The FDIC reports these issues disproportionately affect lower-income households, rural communities, and some minority groups.

While AI makes payroll systems smarter, these technological advancements have not addressed fundamental access gaps. The administrative side of payroll becomes more efficient while employee experience remains unchanged.

What It's Like to Be Paid Outside the System

Maria, Retail Associate:

"My store offers only direct deposit or paper checks. I don't have a bank account, and my recent check arrived late due to mail delays, causing a late fee on my electric bill."



Business Impact: Late payments increase absenteeism, disrupt scheduling, and add payroll administrative tasks.

James, Restaurant Server:

"I rely on check-cashing services and lose about \$15 every payday to access money I earned."



Business Impact: Employees facing unnecessary fees often request payroll advances, adding extra work and complexity for HR and Payroll teams.

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Aisha, Warehouse Worker:

"Night shifts prevent me from reaching banks during business hours. After a costly overdraft, I'm wary of direct deposit and rely on paper checks."



Business Impact: Employees avoiding direct deposit due to banking fears create more administrative work and limit payroll efficiency options.

Carlos, Line Cook:

"I work six days a week and earn my pay every shift, but I have to wait until Friday for my weekly check. Yesterday I needed gas money to get to work but had no way to access the wages I'd already earned from Monday and Tuesday's shifts."



Business Impact: Employees who can't access earned wages may miss shifts due to transportation or other cash flow issues, leading to understaffing and operational disruptions.

These issues create serious problems for employees:

- Missed rent payments
- Additional fees that reduce take-home pay
- Lower employee morale
- Higher absenteeism when workers need to handle banking during work hours
- Financial stress that affects productivity

For employers, these ripple effects translate into significant business challenges.

Turnover rates increase when employees seek more accommodating employers. Productivity declines when workers are distracted by financial concerns. Administrative headaches grow as teams manage lost checks, deposit errors, and complaints.

These inefficiencies create both direct costs through additional processing expenses and indirect costs through reduced operational effectiveness.

Why Pay Timing Creates Hidden Business Problems

Most companies focus on getting payroll right with accurate amounts, on-time delivery, and proper taxes. But there's a bigger issue hiding in plain sight: the gap between when employees earn money and when they can actually use it.

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This timing gap goes beyond worker inconvenience. It creates a chain reaction of problems that hits your bottom line in ways you might not expect.

The Real Cost of Waiting

Brenna, the retail manager, explains:

"I had three people call out last week because they couldn't afford gas until payday. Two of them had already worked Monday and Tuesday, but couldn't access those wages until Friday. We had to scramble to cover their shifts."



Hector, the restaurant owner, noticed:

"My servers started asking for daily cash advances. Now my assistant manager spends two hours every week tracking advance requests instead of focusing on operations."



These examples happen regularly. When pay timing mismatches cash flow needs, it creates operational challenges that ripple through your business.

What Delayed Pay Access Actually Looks Like

The timing problem shows up differently for different types of workers:

Hourly employees often need money throughout the week for transportation, childcare, or basic expenses. Waiting until Friday for Monday's wages can mean choosing between coming to work or paying for gas.

Shift workers earn money every day they work, but traditional pay schedules treat all earned wages the same, whether they were earned yesterday or two weeks ago.

Part-time workers may work irregular schedules but still have regular expenses. A paycheck that covers three days of work from two weeks ago doesn't help with this week's bills.

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How Modern Pay Timing Compares

Here's the difference between traditional and flexible approaches:

Traditional Pay	Flexible Pay
Work Monday, get paid next Friday	Work Monday, access wages Tuesday
Biweekly or monthly only	Weekly, daily, or on-demand options
Same schedule for all employees	Options that match different needs
Employees manage cash flow gaps	Employees access earning as earned

The technology exists to close these timing gaps. Payment systems can now handle real-time transfers. Payroll cards work without bank accounts. Mobile apps let employees see and access their earnings immediately.

Why Companies Are Making the Change

Employers are discovering that pay timing affects more than just employee satisfaction. Better timing improves shift coverage, reduces requests for advances, and helps with recruiting in competitive job markets.

With flexible pay, companies create workplaces that function better for everyone.

What Inclusive Employers Are Doing Differently

Companies that prioritize employee financial wellness treat payroll as a benefit, rather than a back-office function. These employers approach pay access with four distinct practices:

1. Multiple Pay Formats

These organizations offer several payment options beyond direct deposit. Payroll cards provide a reliable alternative for employees without bank accounts. The cards function like debit cards and can be used for purchases, bill payments, and ATM withdrawals.

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In addition to payroll cards, some companies integrate digital wallets. These support workers who prefer mobile-first money management and use apps to track and spend. Flexible formats allow employees to choose what fits their daily lives.

2. Earned Wage Access and Faster Pay Access

Many employers now provide earned wage access (EWA) to help workers avoid financial strain between pay periods. EWA systems let employees access a portion of their accrued wages before payday. This reduces reliance on payday loans or costly advances.

Additional pay timing improvements include:

- **Weekly pay cycles** for hourly or shift-based teams
- **Same-day payment options** after a completed shift
- **Mobile-triggered wage access**, where employees can view and access funds in real time

These approaches align wage timing with how and when work is performed, supporting day-to-day financial stability.

3. User-Friendly Tools

Inclusive payroll systems work for both HR teams and employees. Self-service tools give workers control over their pay settings, payment methods, and access history. Mobile portals allow for on-the-go management with full visibility.

The best systems also minimize fees and communicate clearly. When employees understand their choices and can access wages without added cost, adoption increases and support requests decrease.

What Makes Payroll Tools Employee-Friendly?

Employee-friendly payroll tools offer mobile access to settings and pay history, so workers can manage their wages without going through HR. They explain payment timing clearly, avoid unnecessary fees, and send real-time alerts when deposits arrive. The experience is direct, transparent, and designed for how people manage money today.

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4. Financial Flexibility as Workforce Strategy

Companies that invest in pay flexibility often see improvements in retention, shift coverage, and morale. Employees who experience financial stability are more likely to stay, show up consistently, and focus at work.

These organizations also connect payroll to their diversity and inclusion goals. Traditional pay methods can leave out workers from immigrant backgrounds, lower-income households, or those with limited access to financial services. Inclusive payroll closes that gap and builds a stronger, more engaged workforce.



Case Study: From Paper Checks to Digital Access

Comp U.S., a payroll provider serving high-turnover industries like hospitality and retail, faced a challenge: many of their clients' employees couldn't access traditional banking.

Paper checks created delays and left workers waiting for pay, especially during weather disruptions. Some employees relied on costly check-cashing services that reduced their take-home wages.

The solution involved implementing payroll cards that work like debit cards without requiring bank accounts. This change delivered three immediate benefits:

- Eliminated paper check delays
- Gave unbanked employees access to their wages
- Reduced administrative burden for employers

"My goal is always to get my clients 100% paperless," said Ann Davis from Comp U.S. "It's the best way to safeguard accounts, but businesses with high turnover were hesitant to switch" until they found an option that worked for all employees.

The results demonstrate how inclusive payroll benefits everyone: employees get faster, fee-free access to wages, while employers reduce processing costs and improve worker satisfaction.

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Payroll Access Self-Assessment: Who Might Be Getting Left Behind?

The Comp U.S. example shows how addressing payroll access can solve problems you might not even realize you have. Many organizations discover similar disconnects between their current processes and employee needs only after they take an honest look at their practices.

Before implementing new solutions, start with understanding where your current system creates barriers. This assessment helps you identify which employees face challenges and what changes would make the biggest impact.

Take time to evaluate your current payroll practices with these questions:

- ☐ Do we still issue paper checks to any employees?
- ☐ Have we noticed employees using check-cashing services?
- ☐ What percentage of our workforce is paid by direct deposit vs. other methods?
- ☐ Have we formally asked employees how and when they prefer to be paid?
- ☐ Can a new hire without a bank account receive wages on day one?
- ☐ Do our payroll tools align with our stated equity, diversity, or ESG (environmental, social, and governance) goals?
- ☐ How quickly can employees access their pay after working a shift?
- ☐ Do we accommodate employees who may not have reliable internet access?
- ☐ Have we calculated the administrative costs of our current payment methods?
- ☐ Do we offer any early wage access or financial wellness support?

Payroll assessments typically uncover issues like:

- Paper checks cost more to process than digital alternatives
- Administrative time spent resolving payroll issues is substantial
- Employee satisfaction with pay processes rarely gets measured
- Financial stress affects workplace performance more than realized

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Closing the Access Gap: Payroll Cards & Flexible Digital Pay

As you've seen throughout this guide, payroll access creates challenges for workers. Two options can resolve these problems by making wages easier to access: Payroll cards and real-time payment systems.

Payroll Cards: Banking Without Banks

Payroll cards function like debit cards for employees without bank accounts. They eliminate check-cashing fees and delays while allowing ATM withdrawals, purchases, and bill payments. These cards enable direct deposit without traditional banking relationships.

Solutions like Fintwist by Corpay offer Mastercard®-issued digital payroll cards that integrate smoothly with your current processes. The platform provides fee-free access to wages while maintaining compliance with regulations across all 50 states.

Real-Time Payment Options

Real-time payment systems let employees access their earned wages instantly instead of waiting for payday. Platforms like FedNow process payments instantly, allowing employees to access earnings within seconds. This means an employee who works Monday can access those wages on Tuesday morning, even if your regular payday is Friday.

The technology integrates with your existing payroll system, so you maintain your normal pay schedule while giving employees the option to access earned wages early when they need them.

Why These Solutions Work

These two digital payment options offer advantages:

- No need to replace existing payroll systems
- Simple integration with current processes
- Minimal additional administrative burden
- Scalable from small teams to enterprise organizations

Many organizations start with one targeted change like replacing paper checks with digital pay cards. This approach saves money and improves employee satisfaction without requiring a complete system replacement.

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The main benefit lies in flexibility: offering options that work for various financial situations without forcing employees into systems that create barriers.

Closing the Access Gap: Payroll Cards & Flexible Digital Pay

The key to successful inclusive payroll implementation lies in taking measured steps that improve employee access without overwhelming your existing processes. Start small, listen to feedback, and build on what works.

Before discussing implementation, consider these core principles:

Meet employees where they are

Whether they're banked, unbanked, digitally engaged, or cash-preferred, your payroll system should accommodate their current financial situation rather than requiring them to change.

Make flexibility simple, safe, and compliant

New payment options should reduce complexity for both employees and administrators while maintaining security and regulatory compliance.

Offer tools that support autonomy and dignity

Give employees control over how and when they access their wages without creating barriers or requiring them to explain their financial circumstances.

Here are the essential steps for implementation:

1. Survey your workforce first

Ask employees anonymously about current payment challenges, banking access, and preferred payment methods before making any changes. Include questions about check-cashing costs and payment delays.

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2. Start with a pilot program

Begin with one new payment option like payroll cards for 50-100 employees over 2-3 pay periods. Test integration thoroughly to avoid disruptions during full rollout.

3. Make new options the default for new hires

Offer payroll cards or digital payment options to all new employees rather than waiting for them to request alternatives to direct deposit.

4. Choose solutions that integrate with your existing systems

Look for providers that handle compliance requirements and offer user-friendly interfaces for your payroll team. Prioritize mobile-friendly, simple enrollment processes.

Solutions like Fintwist by Corpay are designed specifically to work with existing payroll workflows while providing the inclusive access options your employees need.

5. Monitor adoption and adjust your approach

Track which payment options employees choose and gather feedback regularly. If adoption is slow, focus on addressing specific employee concerns rather than general promotion.

6. Expand gradually based on results

Once your initial inclusive payment options work smoothly, consider adding features like earned wage access or weekly pay cycles based on employee feedback and usage patterns.

Implementation alone won't create inclusion. Effective inclusion requires thoughtful design.

Adding new payment options is just the first step. True inclusion happens when you actively consider how different employees will experience these tools. Ask yourself: Can someone with limited English navigate the enrollment process? Does the mobile app work on older phones? Are fee structures clearly explained?

Closing Thoughts and Next Steps

Payroll has changed significantly in recent decades. Processing that once required days of manual calculation now happens automatically. Compliance tools reduce risk. Data analytics provide useful information.

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Closing Thoughts and Next Steps

Yet for many workers, the experience remains unchanged — they still wait days for access to money they've already earned.

Modern payroll solutions complete what technology started by making sure these advancements work for all employees, not just some.

For employees, it means:

- Dignity in accessing their earnings
- Reduced financial stress
- More control over personal finances
- Recognition of their diverse needs

For employers, it delivers:

- Higher workforce satisfaction and retention
- Reduced administrative burden
- Alignment with equity and inclusion goals
- Competitive advantage in recruitment

Most importantly, better payroll acknowledges a fundamental truth: access to earnings should not depend on what kind of financial account someone has or their position in the organization. Everyone deserves prompt, fee-free access to their wages.

Fintwist by Corpay provides digital payroll cards that work like debit cards without requiring bank accounts. The platform integrates with your existing payroll systems to give all employees immediate, fee-free access to their wages.

The technology is ready. The business case is clear. You have the opportunity to make a meaningful difference.



Want to explore how Fintwist by Corpay can fit into your current workflow?

[Contact our team for a personalized walkthrough of our flexible payroll solutions.](#)

Sources:

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