



IMPLEMENTATION OF PAYROLL IN SAISHARAN ELECTONICS
by

C.K.Elangovan
Reg. No. 1120400026

Under the guidance of

PRIYA DHARSHINI A
Assistant Professor

A PROJECT REPORT
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I wish to express deep sense of obligation to **A.Priya Dharshini**, Assistant Professor, KCT Business School, for her intensive guidance throughout my project.

I am greatly indebted to thank Ms.S.Sangeetha, Project Co-ordinator and all other faculty members of KCT Business School for their kind support.

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EXECUTIVE SUMMARY

In a company payroll is the sum of all financial records of salaries for an employee, wages, bonuses and deductions. In accounting, payroll refers to the amount paid to employees for services they provided during a certain period of time. Payroll plays a major role in a company for several reasons. From an accounting perspective, payroll is crucial because payroll and payroll taxes considerably affect the net income of most companies and they are subject to laws and regulations. The primary mission of the payroll department is to ensure that all employees are paid accurately and timely with the correct withholdings and deductions, and to ensure the withholdings and deductions are remitted in a timely manner. This includes salary payments, tax withholdings, and deductions from a paycheck.

Payroll Management guarantees you will save time by reducing the hours spent producing payroll information and preparing payroll registers, quarterly, and year to date payroll reports. Payroll Management can help you avoid penalties for miscalculations by doing this work for you.

In this project Visual Basic 6.0 Version is proposed over the existing Tally ERP 9 system. The existing system has disadvantages in retrieving information and poses difficulty for top management in analysing data. The proposed system overcomes the difficulties and has various advantages such as its user friendly nature , faster computing time , high security and less error prone.

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CHAPTER 1

1.1 INTRODUCTION TO THE STUDY

PAYROLL:

In a company payroll is the sum of all financial records of salaries for an employee, wages, bonuses and deductions. In accounting, payroll refers to the amount paid to employees for services they provided during a certain period of time.

NEED FOR PAYROLL:

Payroll is the exchange of useful information between and among people and organizations to support decisions and coordinate activities. Within an organization, information should be communicated to management and other employees who need it in a form and within a time frame that helps them to carry out their responsibilities. Whether you have one employee or 50, setting up a payroll system not only streamlines your ability to stay on top of your legal and regulatory responsibilities as an employer, but it can also save you time and help protect you from incurring costly Internal Revenue Service (IRS) penalties.

PAYROLL MANAGEMENT:

Payroll management using software helps in making much simpler for the person who operates the software of payroll process. He does not have to deal with those bulky registers during the payroll generation. Here all the process are categorized, giving a very simple interface to the end users.

The software starts up from a formation of company. After filling up the entire Employee related information and the group or department he is recruited, assign the employee a salary structure. Now we can start generating and managing payroll processes for that particular Employee. Also the end user has the option of creating his own salary structures and salary formulae.

Payroll software can generate all the reports related to the company, employee, attendance/leave, payroll. Management will get a clear view about payroll and attendance of the employees through the MIS (Management Information Reports) generated by the software.

For giving restricted access to the front end user and full access to the main HR authorized person it is possible to configure the software by the user side.

Major modules of Payroll Management System are :

- Full Name
- Address(both present and permanent)
- Date of Birth
- Gender
- Phone Number
- Email
- Qualification
- Date of Joining
- Mode of Payment
- Designation of the Employee

BENEFITS OF PAYROLL MANAGEMENT

The outstanding benefit of Payroll Management System is its easy implementation. Other advantages of Payroll Management System are its extensive features and reports.

FEATURES

Payroll Management System gives you the power to:

- Manage Employee Information Efficiently.
- Define the emoluments, deductions, leave etc.
- Generate Pay-Slip at the convenience of a mouse click.
- Generate and Manage the Payroll Processes according to the Salary Structure assigned to the employee.
- Generate all the Reports related to employee, attendance/leave, payroll etc.
- Manage your own Security

IMPORTANCE OF VISUAL BASIC:

Like the BASIC programming language, Visual Basic was designed to be easy to learn and use. The language not only allows programmers to create simple GUI applications, but can also develop complex applications. Programming in VB is a combination of visually arranging components or controls on a form, specifying attributes and actions of those components, and writing additional lines of code for more functionality. Since default attributes and actions are defined for the components, a simple program can be created without the programmer having to write many lines of code.

Although programs can be compiled into native code executables from version 5 onwards, they still require the presence of runtime libraries of approximately 1 MB in size. This runtime is included by default in Windows 2000 and later, but for earlier versions of Windows like 95/98/NT it must be distributed together with the executable.

Visual Basic also provides a unique and complete software architecture. "Architecture" is the way computer programs, such as Windows and VB programs, work together. One of the major reasons why Visual Basic has been so successful is that it includes everything that is necessary to write programs for Windows.

MS ACCESS

Microsoft Access, also known as Microsoft Office Access, is database management system from Microsoft that combines the relational Microsoft Jet database engine with a graphical user interface and software-development tools. It is a member of the Microsoft Office suite of applications, included in the Professional and higher editions or sold

A compiled version of an Access database (File extensions: .MDE /ACCDE or .ADE; ACCDE only works with Access 2007 or later) can be created to prevent user from accessing the design surfaces to modify module code, forms, and reports. An MDE/ACCDE file is a Microsoft Access database file with all modules compiled and all editable source code removed. An ADE file is an Access project file with all modules compiled and all editable source code removed. Both the

VISUAL BASIC 6.0:

Visual Basic (VB) is a third-generation event-driven programming language and integrated development environment (IDE) from Microsoft for its COM programming model first released in 1991. Visual Basic is designed to be relatively easy to learn and use. Visual Basic was derived from BASIC and enables the rapid application development (RAD) of graphical user interface (GUI) applications, access to databases using Data Access Objects, Remote Data Objects, or ActiveX Data Objects, and creation of ActiveX controls and objects. Scripting languages such as VBA and VBScript are syntactically similar to Visual Basic, but perform differently

A programmer can put together an application using the components provided with Visual Basic itself. Programs written in Visual Basic can also use the Windows API, but doing so requires external function declarations. Though the program has received criticism for its perceived faults, from version 3 Visual Basic was a runaway commercial success, and many companies offered third party controls greatly extending its functionality.

It's a computer programming system developed and owned by Microsoft. Visual Basic was originally created to make it easier to write programs for the Windows computer operating system. The basis of Visual Basic is an earlier programming language called BASIC that was invented by Dartmouth College professors John Kemeny and Thomas Kurtz. Visual Basic is often referred to using just the initials, VB. Visual Basic is easily the most widely used computer programming system in the history of software.

Visual Basic was one of the first systems that made it practical to write programs for the Windows operating system. This was possible because VB included software tools to automatically create the detailed programming required by Windows. These software tools not only create Windows programs, they also take full advantage of the graphical way that Windows works by letting programmers "draw" their systems with a mouse on the computer. This is why it's called "Visual" Basic.

.MDE/ACCDE and .ADE versions of an Access database are used when end-user modifications are not allowed or when the application's source code should be kept confidential.

Access also supports the creation of "pass-through queries". These snippets of SQL code can address external data sources through the use of ODBC connections on the local machine. This enables users to interact with data stored outside the Access program without using linked tables or Jet. Users construct the pass-through queries using the SQL syntax supported by the external data source. Microsoft Access applications can adopt a split-database architecture. The database can be divided into a front-end database that contains the application objects (queries, forms, reports, macros, and modules), and is linked to tables stored in a back-end shared database containing the data. The "back-end" database can be stored in a location shared by many users, such as a file server. The "front-end" database is distributed to each user's desktop and linked to the shared database. Using this design, each user has a copy of Microsoft Access installed on their machine along with their application database. This reduces network traffic since the application is not retrieved for each use, and allows the front-end database to contain tables with data that is private to each user for storing settings or temporary data. This split-database design also allows development of the application independent of the data. When a new version is ready, the front-end database is replaced without impacting the data database. Microsoft Access has two built-in utilities, Database Splitter and Linked Table Manager, to facilitate this architecture.

IMPORTANCE OF MS ACCESS

Before Microsoft Access, most database products didn't provide businesses with the option of flexible application development. Individuals working with these products had to know programming to build database applications and tables for business applications. Microsoft Access changed the landscape of database applications and has become the standard for small business database development. The Microsoft Access 2007 version is more of an enterprise product that businesses can use on enterprise networks. Access has become an affordable solution for businesses.

Microsoft Access can function as a program to capture data, archive data or transfer data to other programs. Access also can function as a server-side database application for web development, which saves web developers time in developing a database application for the web. The 2007 version of Access supports groupware project management from various geographical locations through Microsoft server management products.

There are several features that businesses can use straight out of the box. First of all, Access 2007 increased the number of business templates that can be created through its "wizard" interface. For example, if a small business wants to create an inventory database, a wizard will accomplish the task in five minutes. There are features in designing Access related to form input, database structure and tables. Access also allows tables to be joined on a "primary key," which is important for business applications that have more than one database.

Microsoft Access offers several ways to secure the application while allowing users to remain productive.

The most basic is a database password. Once entered, the user has full control of all the database objects. This is a relatively weak form of protection which can be easily cracked.

A higher level of protection is the use of workgroup security requiring a user name and password. Users and groups can be specified along with their rights at the object type or individual object level. This can be used to specify people with read-only or data entry rights but may be challenging to specify. A separate workgroup security file contains the settings which can be used to manage multiple databases. Workgroup security is not supported in the Access 2007 and Access 2010 ACCDB database format, although Access 2007 and Access 2010 still support it for MDB databases.

Databases can also be encrypted. The ACCDB format offers significantly advanced encryption from previous versions. Additionally, if the database design needs to be secured to prevent changes, Access databases can be locked/protected (and the source code compiled) by converting the database to a .MDE file. All changes to the VBA project (modules, forms, or reports) need to be made to the original MDB and then reconverted to MDE.

1.3 STATEMENT OF THE PROBLEM

Payroll management plays a vital role in maintaining records in an organization. Hence the implementation of proper payroll management helps in reducing the complexity level in maintaining records in an organization, helps in reducing the time consumption required in maintaining records, eliminates paper work, makes the system to function error free and helps in overall development of administration. Visual Basic 6.0 provides one complete solution for better management and reduces cycle time. Thus implementing the payroll management process using Visual Basic 6.0 helps to inculcate the various benefits in the organization.

Hence the study is conducted to study the existing payroll management process and also to implement the payroll management process using Visual Basic 6.0 in SaiSharan Electronics Private Limited, Pollachi.

1.2 COMPANY PROFILE

OVERVIEW

SAI Sharan electronics is a Sole Proprietorship concern started in the year 2007 to provide design and contract manufacturing services to OEMs in the field of electronics. The company has a qualified team having over two decades of experience in the field of Power electronics and system integration. The company has about 15000 sq.ft shop floor and office space, enjoys good people resource and an excellent work climate.

HISTORY OF THE ORGANISATION

The company later in 2008 started developing banking automation products in association with a Multi National Company. SAI Sharan electronics later offered its facility to manufacture products for its customer in the field of banking automation. This helped in faster growth of the company. Products were developed based on the specifications given by its customer and are being manufactured supplied.

PRODUCTS PROFILE:

- Cheque deposit machine
- Coin dispensing machine
- Information Kiosk
- Bill payment terminal
- Note dispensing machine
- Coin Sachet dispensing machine
- Ticket vending machine

The company over the past five years has many firsts to its credit. The company has invested in 3D modelling software (SOLIDWORKS) to reduce its design cycle time and provide new models and state of the art products ahead of time. The company plans to expand its manufacturing and design services in the coming years to cater to the growing demand in automation products and IT enabled services.

1.4 OBJECTIVES OF THE STUDY

PRIMARY OBJECTIVES

- To study and implement the payroll management system using Visual Basic 6.0
- To convert the Tally ERP9.0 payroll system into VB6.0 thus reducing the time and to improve the efficiency.

SECONDARY OBJECTIVES

- To provide suggestions for the effective usage of the Payroll management system using Visual Basic 6.0

1.5 SCOPE OF THE STUDY

This project provides an opportunity to understand about the payroll management process in SaiSharan Electronics private limited and its to understand the difficulties in the existing payroll management process using Tally ERP9. This study also focuses on implementing the new payroll management process using Visual Basic 6.0

(PRAMOD , 2002) Today's fiercely competitive business environment requires greater interaction between customers and manufacturers. ERP facilitates this process by integration the company- wide IS with the potential to go across companies.

(OKRENT MICHAEL AND VOKURKA ROBERT J, 2004) Many organizations have struggled with these ERP implementations and have not achieved the efficiencies and cost-savings as originally planned.

(PIOTR SOJA, 2006) The achievement of the benefits depend on the effective implementation of the full functionality of the ERP system, which is quite difficult.

(HOLLAND et al ., 1999 ; and MCNURLIN AND SPRAGUE,2002) There are a great many implementation projects that do not bring about the planned effects, or even end up in project abandonment.

**CHAPTER 2
REVIEW OF LITERATURE**

(IMPLEMENTING PAYROLL AT LARGE ORGANIZATIONS) This paper analyses about checks and balances it alsoanalyses various factor such as payroll journal check reconciliation

(Challenges Implementing Oracle HR/Payroll after Financials) This paper will successfully describe suceesfully solved this challenge of shared data between Oracle Human Resource Management Systems(HRMS) and Financials as well as Critical Implementation Factors and Realistic Project Expectations

(LORIN M. HITT , D.J. WU AND XIAOGE ZHOU) Enterprise Resource Planning (ERP) software system integrates key business and management processes within and beyond a firm's boundary. While the business value of ERP implementations have been extensively debated in IT trade periodicals in the form of qualitative discussions or detailed case studies, there is little large sample statistical evidence on who adopts ERP and whether the benefits of ERP implementation exceed the costs.

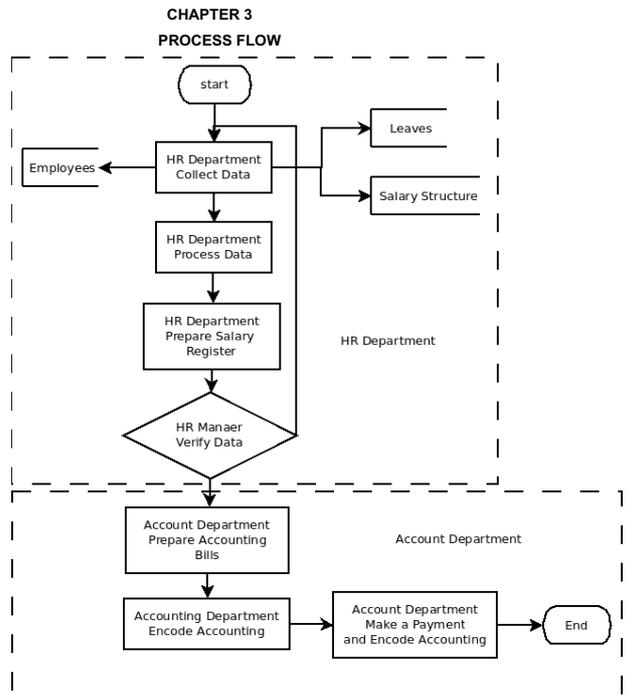


FIG 3-1 FLOW PROCESS OF THE ORGANIZATION.

FUNCTIONS OF DEPARTMENT:

They involve in data collection in various field of the organization.

HR DEPARTMENT

EMPLOYEE DETAILS:

- Salary Details.
- Working Hours.
- Payroll Processing.

ACCOUNTS DEPARTMENT

- Salary Allocation.
- Budget Preparation.
- Maintenance of Previous Financial Record.

**CHAPTER 4
IMPLEMENTATION**

1. PAYROLL PROJECT

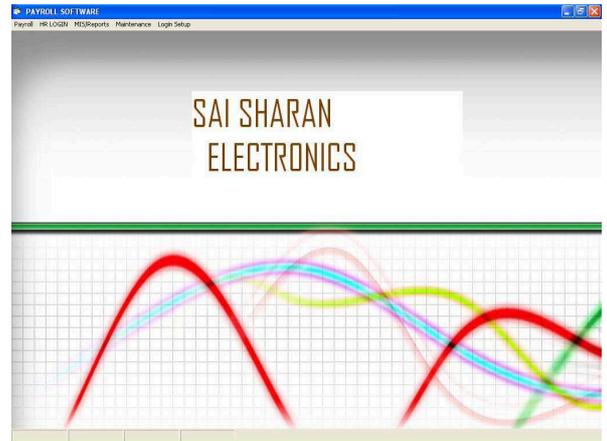


FIG 4.1 HOME PAGE OF PAYROLL MANAGEMENT
This screenshot represents the home page of payroll management process in SaiSharan Electronics.

2.EMPLOYEE SUMMARY

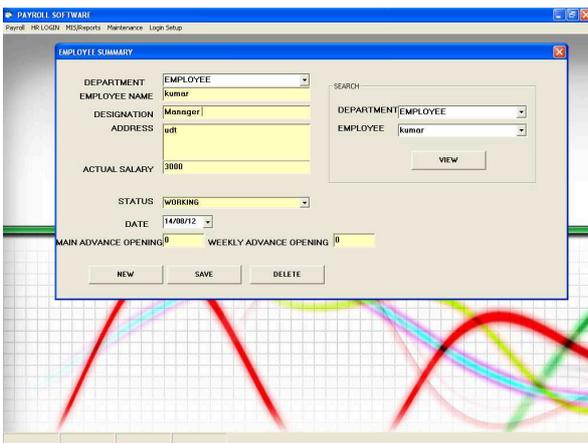


FIG 4.2 EMPLOYEE SUMMARY
This picture represents the various personal details of the employee and the designation of the employee along with other company details.

3.EMPLOYEE ADVANCE

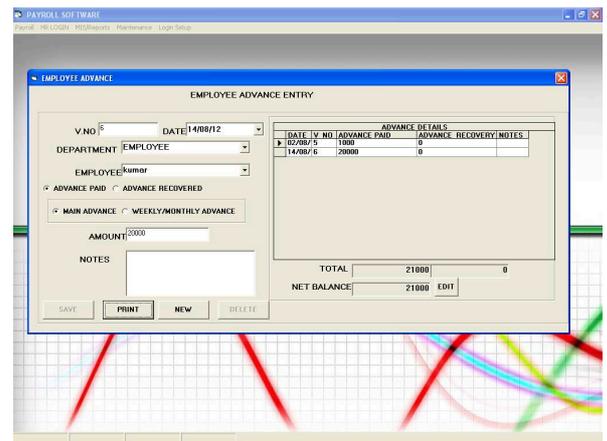


FIG 4.3 EMPLOYEE ADVANCE ENTRY

This picture gives the details about the salary paid in advance to the employee and the reasons for it .

4. EMPLOYEE SALARY SLIP

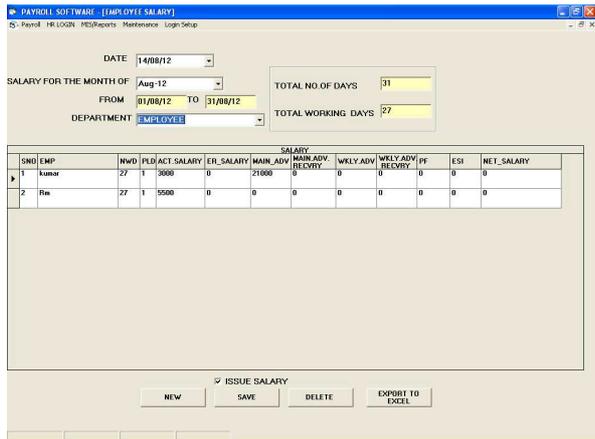


FIG 4.4 EMPLOYEE SALARY SLIP

This picture gives the detail about final salary given to the employee as per detecting all their PF,ESI and reduction of advance .

6. EMPLOYEE PERMISSION

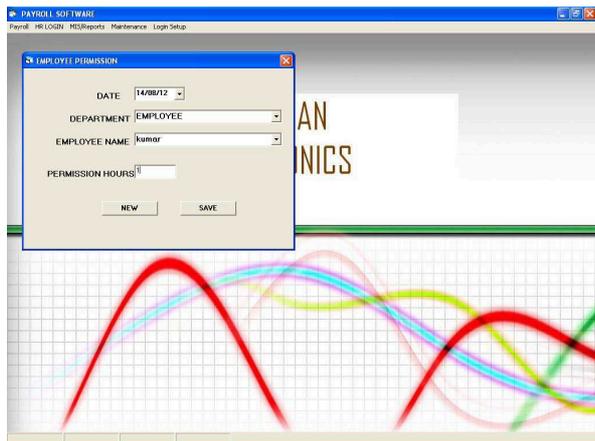


FIG 4.6 EMPLOYEE PERMISSION

This picture gives the detail for Permission letter it includes date, name, department and number of permission hours.

7. EMPLOYEE ADVANCE REPORT

1. EMPLOYEE ATTENDANCE

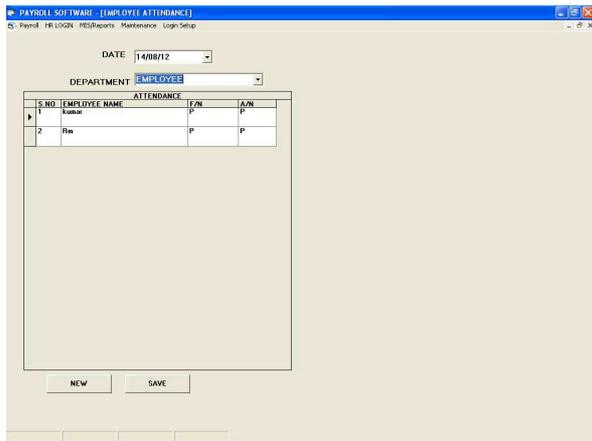


FIG 4.5 EMPLOYEE ATTENDANCE

This picture gives the detail about the employee attendance. This includes number of present days and number of absent days and also provide some space for occasional leave such as Medical leave.

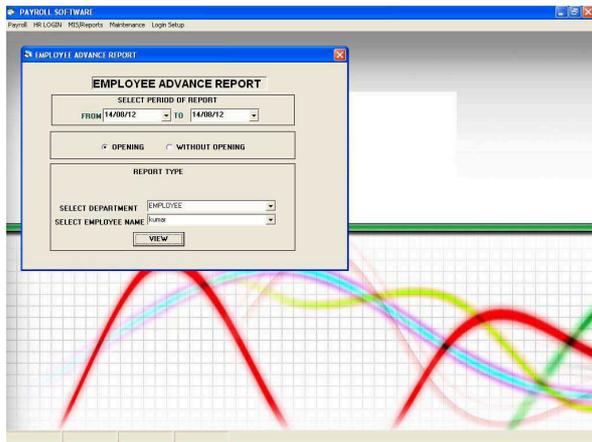


FIG 4.7 EMPLOYEE ADVANCE REPORT

This picture gives the detail about Employee advance report it includes department and employee name for opening main advance.

7.1 EMPLOYEE ADVANCE REPORT

EMPLOYEE ADVANCE FOR THE PERIOD FROM 14/08/12 TO 14/08/12

OPENING BALANCE--> 1800.00

DATE	VNO	EMPLOYEE NAME	DEPARTMENT	ADVANCE PAID	ADVANCE RECOVERED	NOTES	ADVANCE TYPE
14/08/12	5	Ramesh	EMPLOYEE	20000.00	0.00		Salary advance
-	-	Total		20000.00	0.00		

CLOSING BALANCE: 21800.00

FIG 4.7.1 EMPLOYEE ADVANCE PERIOD

This picture gives the details about employee advance it includes the advance paid to employee and advance recovered from the employee and advance type.

CHAPTER 5

FINDINGS, SUGGESTIONS AND CONCLUSIONS

5.1 FINDINGS

- Employees are not much aware about Tally ERP9.0
- Using manual records for payroll
- Time consuming
- Error prone
- Lack of security

5.2 SUGGESTIONS

The implementation of payroll management system using Visual Basic 6.0 will help the organization to improve the performance of the various divisions of the organizations . This can be further expanded into other sections of the company like inventory management, accounting management as well.

5.3 CONCLUSIONS

The company should implement the payroll management system using Visual Basic 6.0 to ensure paperless process in the organization. The effectiveness of the payroll management process implementation is felt only if the organization provides a prior proper training to its employees. Otherwise the effectiveness cannot be achieved.

The implementation of this system will help in maintaining a centralised data storage system. This will helpful at all levels of activities in the management.

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