

Pounds, Dollars and Dirhams

A remarkable case study about payroll training in Dubai

Method: Tutor led in-house workshops

In July 2004, Reg Ruffle found himself enduring 40°C temperatures in Dubai, a modern city in the United Arab Emirates at the south of the Persian Gulf. “I was relieved to find that everything in Dubai is air-conditioned”, he recalls. “Even the taxis are air-conditioned, and I got some strange looks when I decided to walk for a few minutes outside dressed in my shirt and tie!” But why was he there? To run a foundation course in UK payroll!

Reg is managing director of HRD and Payroll Solutions, the leading provider of face-to-face and Internet-based payroll training in the UK. One of their long-standing Aberdeen-based clients, requested some in-house payroll training – but in rather unusual circumstances.

The client operates in the oil industry; their services are provided worldwide, including the Middle East. The payroll manager and has a team of four in Aberdeen, paying UK staff and the mainly British contractors who travel to different parts of the world, working shifts lasting two or three weeks at a time.

Reg explains the events that led up to the need to train Dubai employees in UK payroll legislation. A business decision was taken to move all of the accounting and overseas operations from Aberdeen to the Middle East. Labour is less expensive in the United Arab Emirates and there are substantial savings to be made in employer National Insurance contributions. Several managers relocated to Dubai to run the overseas operation, included in this transfer of duties to Dubai was the entire payroll function, not just for the overseas operation, but also for all of the remaining UK staff. Seven new employees were recruited. although two of them had some payroll experience, the others had none – but were willing to learn.”

How were these inexperienced but enthusiastic new workers to learn the complexities of UK payroll? Reg explains what happened. “We promoted our in-house courses during the summer and our client responded, suggesting that we come up to Aberdeen to do the training there. But it was soon obvious that, instead of bringing the new payroll staff over from Dubai, it would be cheaper for me to go out there. So I agreed, reluctantly of course, to fly out to Dubai and run a three-day foundation course in payroll, supported by our e-learning facilities for revision purposes.”

“The training was rather daunting for them and for me, as there is no income tax in Dubai and, in comparison, UK payroll has some difficult concepts. But the staff were very bright, asked lots of questions and picked up the rules quickly”

The payroll manager agrees with Reg’s comments about her new payroll team. “Although there are no taxes in Dubai, they were very switched on and excited at the idea of learning something new. Other companies are considering the same kind of move so there is the prospect of an increasing market in Dubai for workers with UK payroll skills.”

The six members of the new team are doing payroll between them and they are working in twos to ensure that they know each other’s payrolls and can cover for each other. They are now running payrolls in sterling and US dollars, and the local payroll in dirhams, the currency of the United Arab Emirates.”