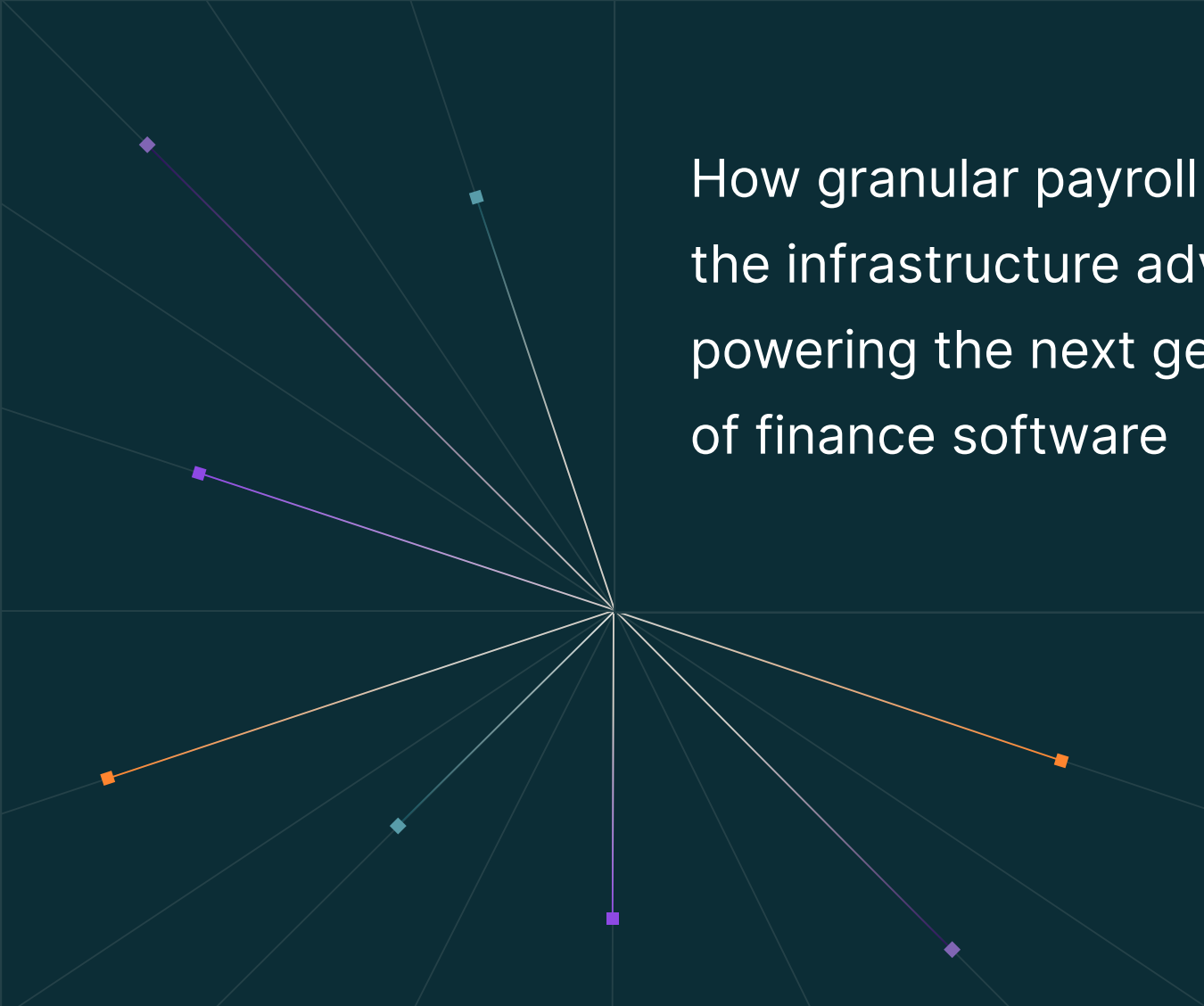


# Payroll Connectivity: The Edge Behind AI-Native Fintech

A diagram consisting of a central point from which ten lines radiate outwards at various angles. Each line ends with a small square marker. The lines and markers are colored in shades of purple, blue, and orange. The diagram is positioned on the left side of the page, partially overlapping the text area.

How granular payroll data became  
the infrastructure advantage  
powering the next generation  
of finance software

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# AI-native platforms are replacing legacy finance software

After two decades of point-solution fragmentation, AI is driving enterprise software back toward a centralized source of data, echoing the monolithic systems that once ran entire businesses from a single database. Agentic AI can only automate decision-making when it can reason across all of an organization's data, all at once. But a return to centralized data doesn't require a return to the monolith. Best-of-breed platforms are still valuable for their deep functionality and the choice they give buyers.

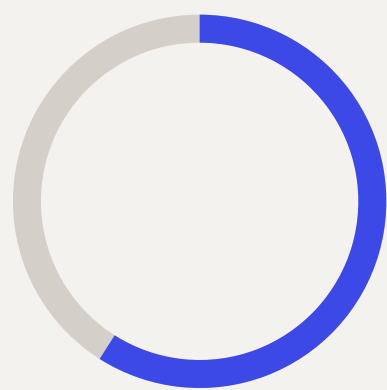
Instead, this shift requires a unified data infrastructure: connected rails that share data automatically, on a predictable cadence, without anyone exporting a file, to serve as the foundation for a company's business intelligence. When best-of-breed tools can seamlessly share data that is captured across procurement, billing, CRM, and payroll, fintech platforms like ERPs can surface the dynamic, timely insights finance teams now expect, from live KPI tracking to conversational reporting.

For finance teams, the most overlooked source of that data is payroll. It usually gets filed under HR, but payroll is a company's largest expense, with labor costs running as high as 70% of total operating costs in some industries.<sup>1</sup> Buried in that expense is a wealth of signals with direct impact on financial performance: how labor costs track against plan, which investments in people are paying off, and where next quarter's forecast will bend.

Access to detailed payroll data, delivered in a way that makes those signals easy to uncover, has become a core differentiator for modern finance tools. The platforms winning deals today treat payroll connectivity as mission-critical infrastructure, and this paper maps how they do it: what granular payroll data makes possible, how four AI-native platforms built their advantage, and what it means for your product roadmap.

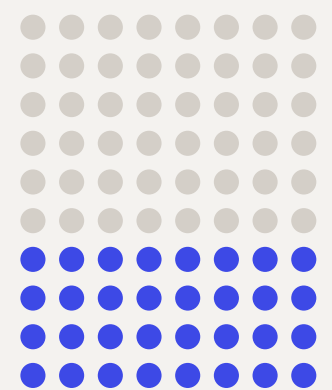
59%

of finance functions already use AI<sup>2</sup>



40%

of enterprise applications will include task-specific AI agents by the end of 2026<sup>3</sup>



<sup>1</sup> U.S. Bureau of Labor Statistics, "Employer Costs For Employee Compensation – December 2025."

<sup>2</sup> Gartner, "Gartner Survey Shows Finance AI Adoption Remains Steady in 2025."

<sup>3</sup> Gartner, "Gartner Predicts 40% of Enterprise Apps Will Feature Task-Specific AI Agents by 2026, Up from Less Than 5% in 2025."

# Why payroll data is the fuel for the next generation of finance features

Payroll is the single largest operating expense for most businesses, yet most finance platforms still treat payroll as an opaque line item that arrives late, summarized, and formatted differently by every provider.

The standard format, a payroll journal entry, collapses an entire pay run into a handful of debits and credits. The detail underneath (earnings by employee and type, deductions, tax withholdings by jurisdiction) never reaches the platform, and no amount of processing can reconstruct line-item granularity from a rolled-up summary. The signals are simply gone.

## What “granular payroll data” actually means

### **Employee census**

The roster of who works at a company, including departments, locations, and employment status, which gives every payroll dollar its organizational context.

### **Pay statements**

The complete record of each pay run for every employee, from gross pay to net pay and everything in between.

### **Earnings breakdowns**

Wages split by type (regular, overtime, bonus, commission) so platforms can analyze cost drivers instead of totals.

### **Deductions and contributions**

Employee and employer contributions to benefits, retirement, and other programs, which feed liability accounts and total compensation math.

### **Tax withholdings**

Federal, state, and local taxes broken out by jurisdiction, essential for accurate accruals and compliance reporting.

# From data to outcomes

The most visible cost of missing payroll data is a slow close: half of finance teams need six or more business days to close the books, and 94% still rely on Excel to get there.<sup>4</sup> But closing the books with a rich understanding of the company’s biggest expense is only the start.

Granular payroll data carries signals that inform decisions well beyond the close: which teams are over- or underfunded, which benefits employees actually use,

where overtime is spiking as an early sign of understaffing, and how compensation is drifting against the market.

Each element of that data maps to a workflow your customers run every cycle — and none of them can be automated or augmented with AI if they’re relying on manual file uploads.

DATA	WORKFLOW IT POWERS	OUTCOME FOR FINANCE TEAMS	WHY MANUAL UPLOADS FALL SHORT
Pay statement line items	Payroll-to-GL automation	Post-ready journal entries for every run, regular or off-cycle	Uploads arrive pre-summarized; line-item detail can't be reconstructed after the fact
Census and organizational dimensions	Labor cost allocation	Labor dollars attributed by entity, department, cost center, and location	Exported files rarely carry org dimensions consistently, and allocation needs a fresh census every run
Actual compensation and benefits costs	Actuals-to-forecast reconciliation	Reliable budget vs. actual reporting for the largest expense line	Actuals that land days after the pay run leave forecasts reconciling against stale data
Pay period timing and tax liabilities	Accruals and liabilities	Confident month-end balances, even when pay periods cross months	Accruals depend on pay-period timing detail that summary files drop
Compensation by role, level, and geography	Compensation benchmarking	Total rewards visibility and credible market comparisons	Benchmarks built on quarterly snapshots go stale; comparisons need current pay data
Sync time stamps and data lineage	Controls, error handling, and audit readiness	Duplicate-JE protection, deterministic replay, and audit evidence behind every number	Re-uploaded files create duplicates and overwrite history, with no record of who changed what or when

<sup>4</sup> [Ledge](#), “The State of Month-End Close in 2025: Finance Team Benchmarks & Insights.”

# Inside the playbook: how four AI-native platforms built their payroll advantage

The four platforms profiled on the following pages compete in different corners of fintech, from ERP to compensation intelligence. What they share is a decision: each made payroll integration a day-one architectural choice rather than a roadmap afterthought. The results show up in their engineering budgets, their sales cycles, and their product velocity.

# DualEntry: automated bookkeeping at full granularity

99% of transactions posted automatically

Continuous reconciliation with anomaly detection

DualEntry is an AI-native ERP built for fast-growing, mid-market companies. Its founders set out to automate the manual work that legacy ERPs impose on finance teams, with a clear bar for success: 99% of transactions posted automatically through integrations, with full granularity and zero manual work.

After banks, payroll was the team's top integration priority, and the hardest to get right. Many vendors claimed payroll coverage, but couldn't deliver data granular enough to differentiate by department or individual benefits.

By solving payroll connectivity through a single unified API, DualEntry saved \$1.1M in annual engineering costs and recognized \$310K in revenue earlier through faster onboarding. Granular pay data now powers continuous reconciliation, automated accruals when pay periods span reporting periods, and anomaly detection that flags issues before they reach the close.

## Employer Onboarding, Simplified

Finch Connect, our platform's built-in onboarding tool, makes it easy for employers to connect their data to your application.

Employers confirm the required data permissions, select their provider from a list, and log into their account, either via credentials or an API key.

[Try it yourself →](#)



“

“Finance teams spend hours categorizing every coffee purchase, but then payroll — the company's biggest expense — gets lumped into one flat line. That's not a good experience for your team, your board, or your investors.”

**Santiago Nestares**  
Co-Founder, DualEntry

# Rillet: labor, project, and job cost allocation

Labor dollars allocated by department, cost center, and location

Payroll attributed to projects, jobs, and grants

Rillet is a modern ERP built intentionally for continuous close, advanced revenue recognition, and multi-entity support. In its early days, Rillet's accountants manually downloaded files from customers' payroll systems, then mapped, transformed, and sanitized the data every month.

Today, Rillet has automated that work by integrating with 40+ payroll systems. With access to organizational dimensions embedded in the payroll data, including department, cost center, and location, Rillet can allocate labor dollars to the relevant business segments automatically.

Taking things another step further, the platform can attribute payroll costs to specific projects, jobs, work orders, or grants, powering margin reporting and profitability views tied directly to actual labor expenses, rather than estimates or proxy allocations.

The breadth of Rillet's payroll connectivity became a competitive differentiator in enterprise sales cycles.

## Rillet

“

Most accounting software was designed before the advent of the software-as-a-service industry. We're reimagining accounting software for the current era.”

**Ernesto Medina Delgado**  
Software Engineer, Rillet

# CandorIQ: real-time pay data for compensation intelligence

Live budget-vs-actual reporting for people spend

Total compensation visibility in one view

CandorIQ helps employers manage headcount spend and compensation planning, which means combining employee data from disparate sources and comparing it against market benchmarks. That only works if census and pay data stay current — weekly spreadsheet uploads were never an option.

Payroll integrations enable CandorIQ to ingest actual compensation, benefits costs, and tax obligations and feed them directly into headcount models and labor forecasts. This improves budget-versus-actual reporting, makes variance analysis more meaningful, and gives finance teams the foundation they need for compensation benchmarking across roles, levels, and geographies.

Finch syncs census and pay data on a daily or weekly cadence, depending on the provider, a step change for finance teams accustomed to monthly uploads and quarterly true-ups.

[Explore our Provider Network →](#)



“

“Being able to pull employee information from the HRIS or payroll system is foundational to providing the AI-powered analytics and reporting we offer in the platform. That data has to be real-time or near real-time to be useful — that’s the key point.”

**Haris Ikram**

Co-Founder and CEO, CandorIQ

# Campfire: payroll accounting at any level of detail

Post-ready journal entries at any granularity

Automated accruals across reporting periods

Campfire, an AI-native accounting platform, uses individual pay statement line items to generate post-ready journal entries at whatever level of detail each customer requires, from a simple departmental roll-up to a fully itemized breakdown of wages, taxes, benefits contributions, and deductions.

That granularity supports consistent processing across regular and off-cycle payroll runs, and it makes month-end readiness far more achievable: Campfire can accrue payroll expenses when pay periods cross months and estimate unpaid wages, bonuses, commissions, and payroll taxes without manual intervention.



“

“Everything about this experience is being able to get the data as soon as possible, as it’s available. Having the granularity enables us to aggregate the data as we want to. The way I like to think about it is, we have a sandbox, and we can do whatever we want with it.”

**Nando Sangenetto**  
Software Engineer, Campfire

# What this means for your product roadmap

The pattern seen across these case studies extends well beyond traditional accounting workflows. As modern ERPs expand to own more of the financial tech stack, the benefits of direct payroll access become even greater — and payroll integrations become increasingly important.



## ERP and accounting

Granular pay data unlocks automated journal entries and real-time labor cost visibility. Line items map to GL accounts programmatically, anomalies surface before close, and payroll stops being the largest unexplained number on the P&L.



## FP&A and planning

Actual compensation data flows into planning models, enabling actuals-to-forecast reconciliation and headcount-driven forecasting built on real pay data rather than approximations.



## Equity and compensation

Real-time census and pay data power total compensation modeling and benchmarking against market data, giving customers a live view of people spend instead of a quarterly snapshot.



## Workforce planning and analytics

Census and earnings data feed headcount planning, labor cost modeling, and attrition forecasting that reflect what the workforce actually costs today.



## Expense management

Payroll connectivity enables payroll-linked reimbursement and smarter spend categorization, so employee expenses reconcile against the same system of record as wages.

## The common thread

All of these use cases depend on the same core data: itemized breakdowns across earnings, contributions, and deductions. One payroll integration strategy can serve multiple product lines, which means the investment compounds as your platform expands: the same access pays off across the spectrum of B2B fintech, wherever current pay data makes the product smarter.

# Your integration strategy is a resource allocation decision

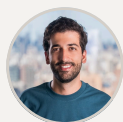
AI has made data silos more painful than ever. Customers now expect agentic AI to make their work more efficient and more insightful, and delivering on that expectation requires a foundation of unified data rails connecting the systems where business data actually lives.

But some of those rails are more straightforward than others. The payroll market is deeply fragmented: in the

U.S. alone, there are more than 600 unique payroll systems, with the top three covering just 46% of SMB employers and the top 10 covering only about 60%.<sup>5</sup> A platform that can't connect to a customer's specific payroll system is asking that customer to bridge the gap manually, and that's often enough to lose the deal.

“

“In sales calls, it's the second or third meeting when someone says, ‘Oh, by the way, we also have a subsidiary that uses this niche payroll provider. Can you integrate with them?’ That's where we win, because we can say yes.”



**Santiago Nestares**  
Co-Founder, DualEntry

Covering that market in-house is where the resource math breaks down. A direct integration with a single payroll provider can take anywhere from a few days to upwards of a year, depending on whether the provider has an open API or gates it behind partnerships and fees. Even once the connection is established, your team incurs a permanent maintenance tax as the provider's system evolves. Unified APIs offer another path: support for hundreds of payroll providers through a single integration.

By using a unified API, you're more likely to avoid provider API fees and lengthy partnership negotiations. Plus, the API vendor can absorb provider-side breakage, leaving more engineering budget redirected to your core product.

The companies profiled in this paper show what that reallocation buys. Each made the same decision: buy coverage, granularity, and speed through Finch's unified API, and spend the savings on the product their customers came for.

[The results speak for themselves →](#)

<sup>5</sup> Finch, "Finch's Guide to the U.S. Payroll Landscape."

# These industry disruptors share a common playbook

Buy coverage, granularity, and speed through Finch's unified API, and spend the savings on the product their customers came for.

 **DualEntry**

**\$1.1M**

saved in annual engineering costs and \$310K in revenue recognized earlier through faster onboarding.

 **CandoriQ**

**\$500K**

in estimated savings a year and seven new features shipped with the budget it never had to spend on integrations.

**Rillet**

**<1 week**

to take its integration live in production with 40 providers covered on day one.

 **campfire**

**3 weeks**

to stand up integrations end to end with its customers' most-used payroll providers.

# The infrastructure decision: why it starts with payroll connectivity

The platforms winning the AI adoption race share one architectural decision: they treat payroll data connectivity as infrastructure rather than a feature. That's a decision that compounds by accelerating time-to-market, expanding the addressable customer base, and unlocking the AI-native capabilities that define the next generation of finance software.

Finch is the connectivity layer behind every company profiled in this paper. Through a single unified API, Finch connects finance platforms to 50 payroll providers with line-item granularity on every paycheck, standardized into one consistent schema. Your team builds one integration; your customers connect whatever payroll system they already use.

The software landscape is changing fast, and the advantage belongs to early movers. The window to build payroll connectivity into your platform's foundation is now, before it becomes table stakes and the platforms profiled here have locked in the market share that broad coverage wins.

## Keeping data secure

Finch follows enterprise-grade compliance standards and best-in-class encryption protocols to keep PII safe.

- SOC 2 Type II certified, with enterprise-grade encryption in transit and at rest
- Compliant with GDPR, HIPAA, and CCPA for handling sensitive employee and health data
- Permissioned access: Employers explicitly authorize every connection through Finch Connect; data flows only with their consent
- Audit-ready by design: Data lineage and sync history give your team a verifiable record behind every number
- Reliability at scale: >99.9% uptime with 24/7 monitoring



Visit our [Trust Center](#) for current certifications and subprocessor details.

# The payroll API for B2B finance

From AI-native ERPs to compensation intelligence tools, the platforms defining the next generation of finance software build on Finch.

- **Win more deals.** Support your customers' payroll systems from day one. With 50 payroll providers supported through one integration, you can say "yes" to more customers.
- **Get to revenue faster.** Finch Connect onboards employers in minutes through a guided, permissioned flow, so customers reach value on day one.
- **Power your AI and automation.** Line-item data on every paycheck (earnings, deductions, taxes, and benefits) flows in structured and standardized, ready for automated journal entries, labor cost allocation, and anomaly detection.
- **Stop paying the integration tax.** Building to one payroll provider can take weeks to months and never stops requiring maintenance. Finch builds those integrations for you and absorbs provider-side breakage, so your engineers can focus on your product.
- **Pass the security review.** SOC 2 Type II, enterprise-grade encryption, and permissioned, employer-authorized access — built to clear the scrutiny that routing compensation data deserves.



## Talk to our team

about how Finch powers finance platforms.

[Talk to our team →](#)



## Download the Finch Buyer's Guide

for a step-by-step framework for evaluating payroll connectivity partners.

[Get the guide →](#)