

The final countdown.

How to get ready for pension auto- enrolment in Ireland

Zellis research · Republic of Ireland · 2025



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Foreword

The clock is ticking... but we can help

Our findings in this report reflect what we're seeing in the employer space at the moment. It's concerning that many companies still have little to no understanding or feel unprepared for the largest change to the Irish pensions system since 1960. As things stand, auto-enrolment takes effect in just a few months' time, so the clock is ticking!

In light of the looming deadline, we're keen to support and guide organisations through this transition. The time to act is now. We're here to help you navigate the auto-enrolment process and ensure compliance with the new legislation.

Don't hesitate to get in touch with our expert teams to discuss how we can help you.

Seán Murray
Director of Product Services
Zellis Ireland



Executive summary

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Executive summary

Background

Pension auto-enrolment in Ireland is happening at last. The [legislation has passed](#) and the Department of Social Protection indicated a commencement date of 30th September 2025 for the new scheme.

Despite extended consultation and rescheduling, this major change has been on the cards for some time. Have Ireland's employers taken advantage of the delays to get fully prepared?

In January 2023, we carried out this survey for the first time, asking organisations about their understanding of the changes and what – if any – plans they had in progress.

Two years on, this new report asks the same questions again. With less than a year left on the clock, how far have employers come? And what should you be doing now for a successful rollout?

Aims

This report sets out to:

- Understand the preparedness of Ireland's employers for the imminent rollout of pension auto-enrolment – and how this has changed since 2023.
- Provide useful guidance for organisations to get ready for the rollout and avoid costly, time-consuming disruption or penalties.

Method

Zellis surveyed 356 payroll, HR, finance, and IT professionals in the Republic of Ireland in January 2025.

We drew from a range of sectors, company sizes, and seniority levels including middle management, senior management, and executive levels.



Results overview

Understanding of the rollout timeline and steps has increased significantly.

Today, 43% of employers report having 'some understanding' of the pension auto-enrolment, compared to only 30% in 2023. However, the percentage reporting 'very little understanding' remained very steady at 28%.

Employers are generally a little more prepared, with 54% choosing 'somewhat prepared' up from 37% in 2023. Only 4% of respondents consider their organisation 'completely unprepared' now, compared to 20% previously. However, 21% still feel 'somewhat unprepared', highlighting an ongoing need for support and action ahead of the launch.

Fewer than half of organisations have a good idea of what the new scheme will cost to run. Only 23% have calculated the cost of auto-enrolment. This means that six in ten companies haven't done the maths yet, putting them at risk of costly surprises further down the line.

The integration with payroll and HR is only halfway there. Just 42% of those surveyed have checked their payroll solution can handle auto-enrolment, while under half (45%) have run awareness and preparedness campaigns with HR and payroll employees.

Payroll systems will need to be modernised, according to respondents. Today, 45% expect to spend more on this, compared to only 30% back in 2023. Financial forecasting tools are another key area of planned investment.

Employers believe more of their workforce will take part in the scheme. As Ireland has travelled further down the road to auto-enrolment, it seems that most (63%) now expect to see 60-100% participation, whereas two years ago, only 49% thought it would be that popular.



Research findings

Understanding has increased – but is still low

More preparation is needed

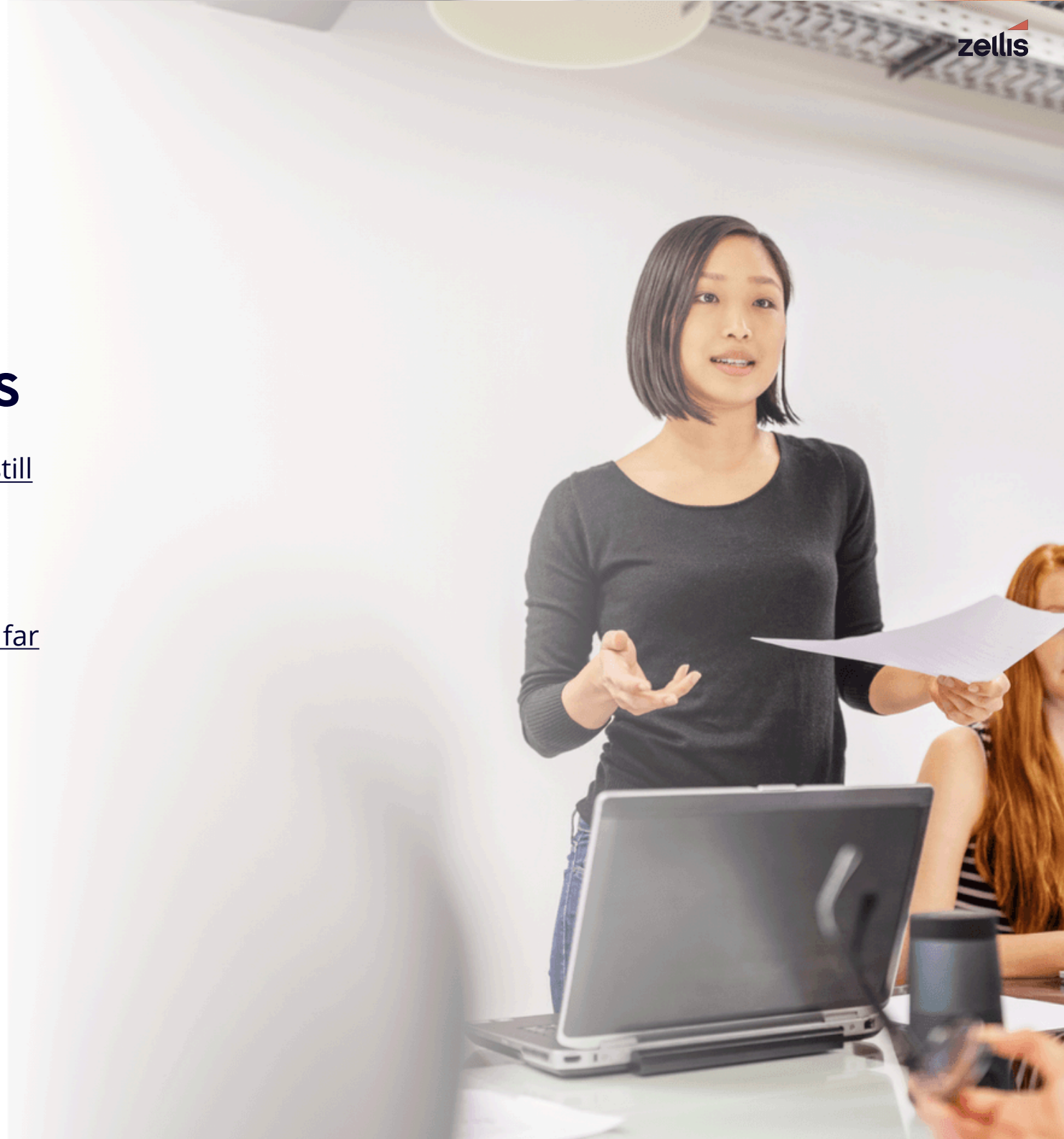
Cost calculations are incomplete

Companies have taken these steps, so far

Employee participation expectations

Further investments are anticipated

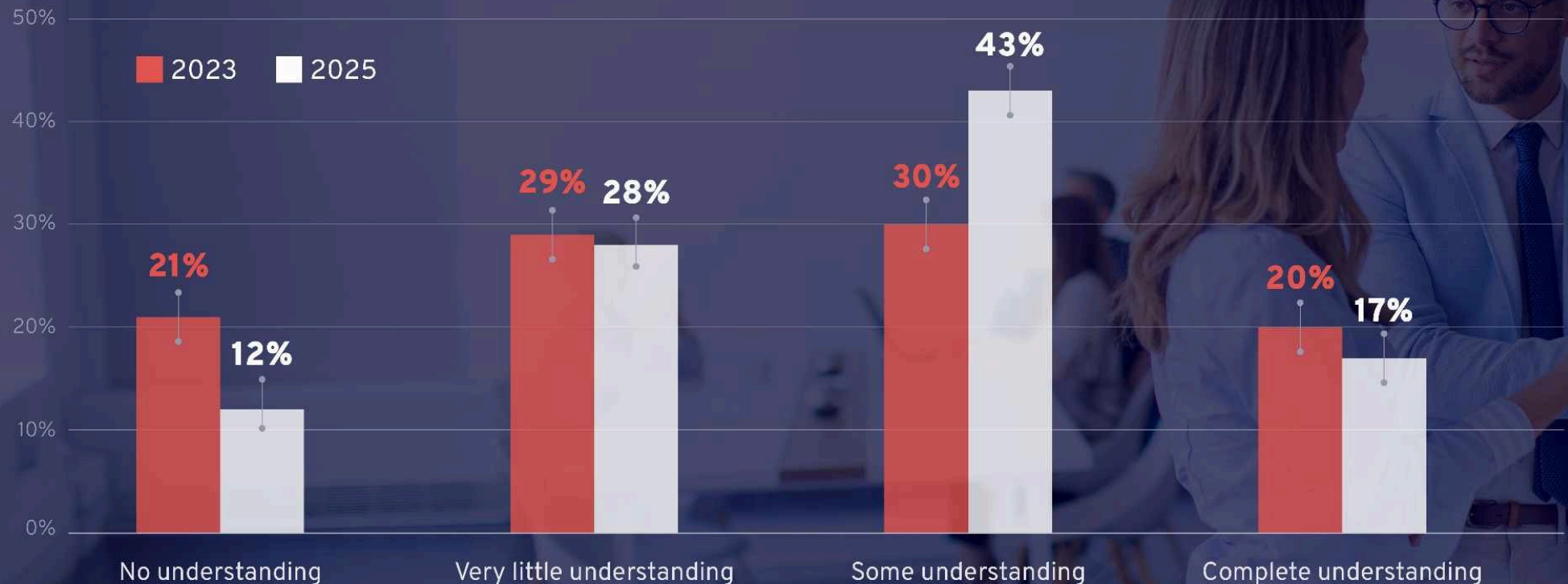
What the results tell us



Understanding has increased – but is still too low

Figure 1.

How well do you understand the timeline and steps planned for the rollout of pension auto-enrolment?



Employers' understanding of the pension auto-enrolment rollout timeline and steps has significantly improved from 2023 to 2025.

In 2023, only 30% of employers reported having 'some understanding' of the rollout schedule, but this has increased to 43% in 2025. Additionally, the percentage of employers reporting 'no understanding' almost halved from 21% in 2023 to 12% in 2025.

However, 40% in total still admit to having 'very little or no understanding', despite increased efforts by the Irish government and relevant bodies to spread information and educate employers about the upcoming changes.

Growing this awareness will be crucial to ensure organisations are abreast of their obligations and the necessary steps to comply with the new requirements. After all, this will be the largest change to the Irish pension system since 1960.

As [confirmed in the most recent Budget](#), the auto-enrolment scheme is scheduled to begin on 30 September 2025. [My Future Fund](#) will automatically enrol employees who are not currently members of a pension plan but earn more than €20,000 per year and are aged between 23 and 60.

The scheme aims to ensure that employees have additional savings for retirement, supplemented by contributions from both employers and the state.



More preparation is needed

Employers' preparedness for the introduction of auto-enrolment has shown a positive trend, but there is still a significant need for improvement. Today, 54% of employers feel 'somewhat prepared', up from 37% in 2023. Meanwhile, one in four are still unprepared.

At one end of the spectrum, there has been very little movement. The proportion of 'completely prepared' employers has remained static at roughly one in five. A very similar segment continues to feel 'somewhat unprepared'.

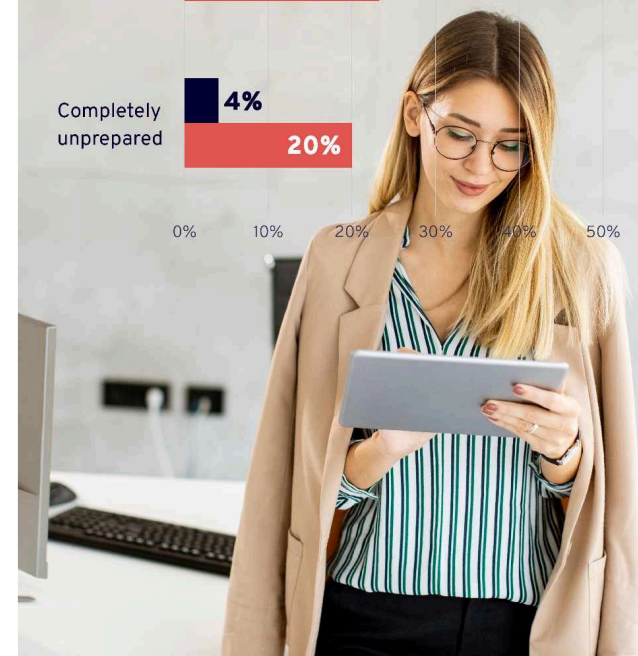
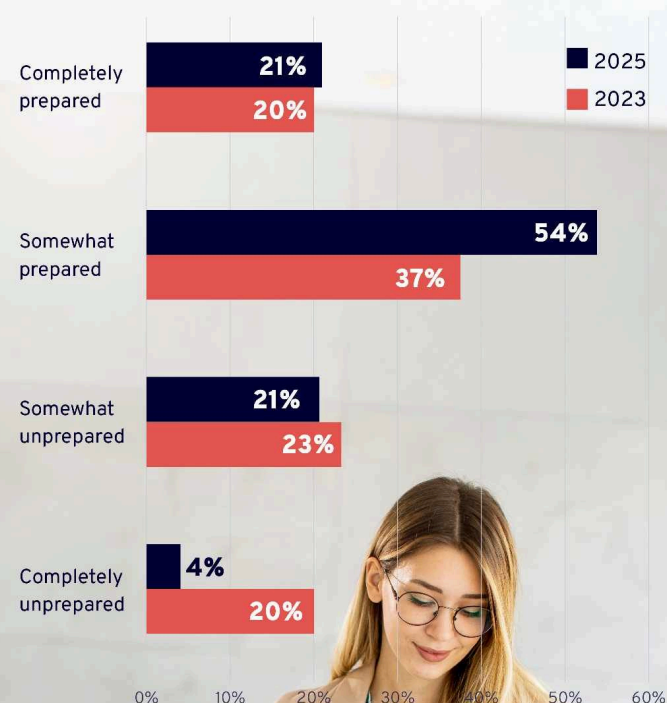
Encouragingly, a large amount seem to have moved further towards readiness. The 'completely unprepared' category has shrunk fivefold, while the 'somewhat prepared' has grown significantly.

Progress is positive, but incomplete. With 25% of respondents admitting to a state of unreadiness ('somewhat' or 'completely unprepared'), the pressure is now on for authorities and organisations to fill the knowledge gap before the scheme launches this autumn.

The [auto-enrolment scheme](#) will require employers to make contributions to their employees' pension funds, alongside the employees' own contributions and additional top-ups from the state. Employers must ensure that their payroll systems are capable of handling these contributions and that they are fully aware of their obligations under the new scheme. The significant number of unprepared employers underscores the need for continued support and resources.

Figure 2.

How prepared would you say your company is for the introduction of pension auto-enrolment?



Cost calculation is incomplete

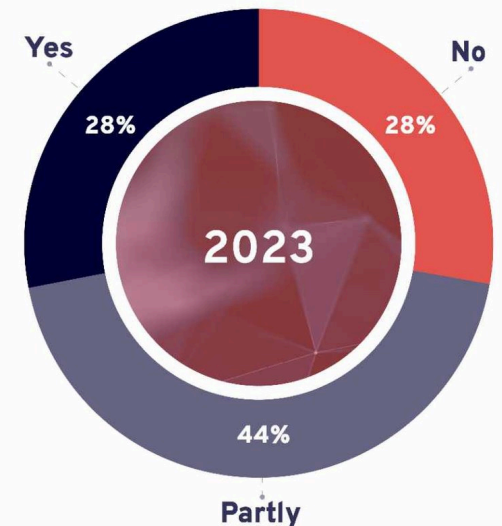
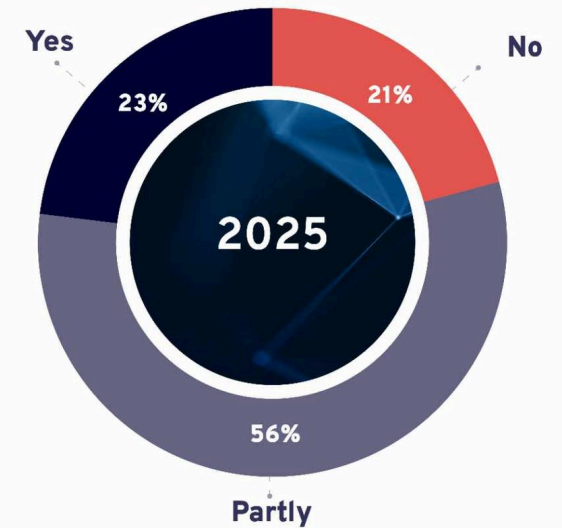
While most organisations have started calculating the implementation costs they expect to incur, more work undoubtedly needs to be done. A total of 79% have produced some forecasting, whether partial or complete. However, this combined figure has moved only slightly from 72% in 2023. The one-in-five organisations that still haven't done the maths today could be putting themselves at risk of costly surprises further down the line.

As suggested by responses to the next question, many employers expect their payroll systems to handle cost calculations for them. However, without an initial baseline analysis, they may not understand their existing exposure before projecting future costs.



Figure 3.

Has your organisation calculated the cost of auto-enrolment, including contributions and administration of the scheme?



When asked how they expect to forecast contribution costs, reliance on 'multiple systems including Excel' has taken a significant dip of ten percentage points.

More respondents are now looking to their payroll system (42%); this answer saw a five percentage-point increase.

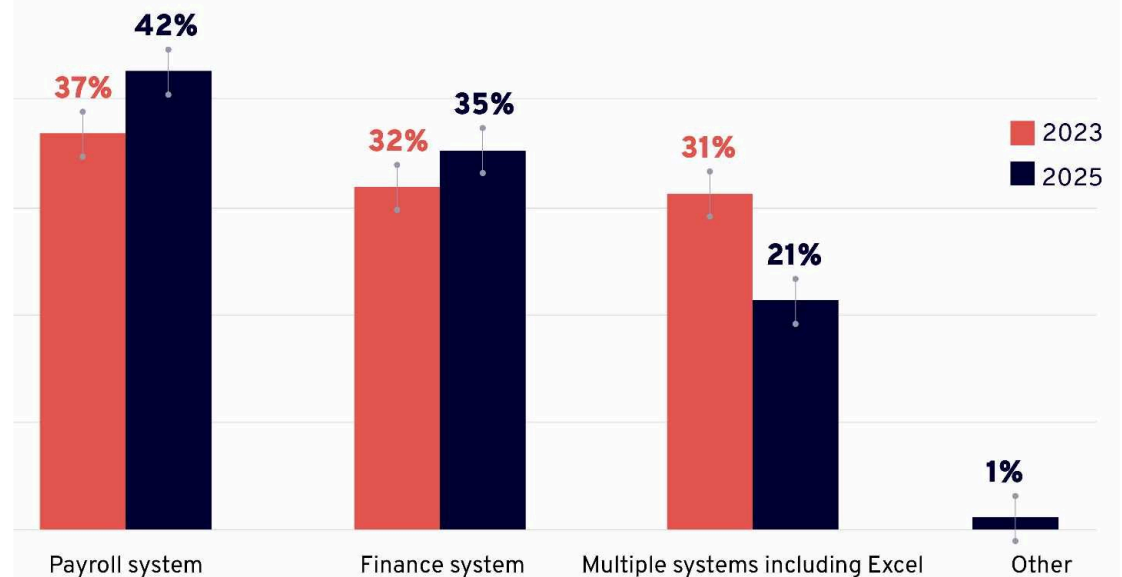
The finance system saw a more modest increase of three points to 35%. This shift may well reflect a growing awareness of the benefits of integrated technology, and a gradual evolution beyond spreadsheets.

Payroll providers can indeed analyse data and present existing cost exposure, incremental costs based on anniversary rate increases, and likely additional costs based on employee growth rate and percentage adoption of the company pension scheme benefit.

However, the cost of auto-enrolment includes not only contributions to the pension funds but also the administrative expenditure associated with managing the scheme. Employers need to factor in these costs when planning budgets and ensure that they have the necessary resources to comply with the new requirements.

Figure 4.

Where would you anticipate the future cost of company contributions will be forecast from?



Companies have taken these steps, so far

Figure 5.

Which of the following steps has your company taken to prepare for auto-enrolment?



The evidence is that Ireland's employers are increasingly taking steps to prepare for auto-enrolment. But is it enough at this relatively late stage?

On the technical implementation side, more than 40% have ensured that their payroll system is able to handle the necessary calculations, deductions, and contributions. Roughly one in five is considering outsourced payroll services for help navigating the transition.

When it comes to employee relations, the picture is mixed. While 45% have launched awareness campaigns for HR and payroll, less than a third have a communications plan for the wider employee network. Meanwhile, a third have updated employment contracts to reflect the upcoming change.

More than one in ten (12%) report no action yet taken to prepare for auto-enrolment.

Anecdotally, there appears to be a misconception that companies with existing pension schemes will not be affected by the new state auto-enrolment process. This is not the case. Unless a company has contractually mandated membership of its pension scheme for all employees, it will be impacted by the auto-enrolment process. Organisations will be obliged to administer the scheme, comply with the legislation, or risk incurring penalties, as authorised by the [Automatic Enrolment Retirement Savings System Act 2024](#).

In the next section, we'll set out a list of key actions that organisations can take to prepare their people, platforms, and providers for the launch of My Future Fund.



Employee participation expectations

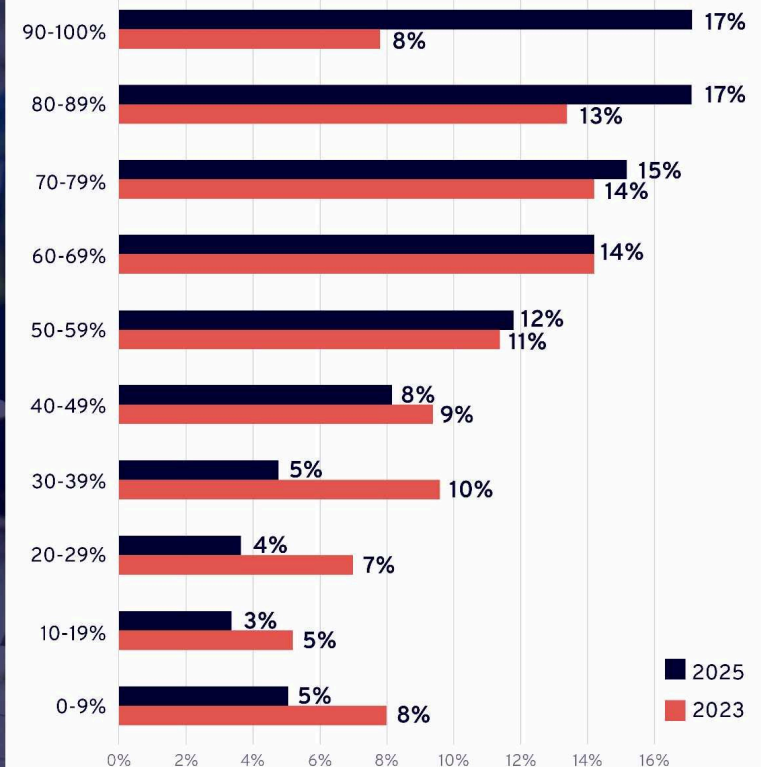
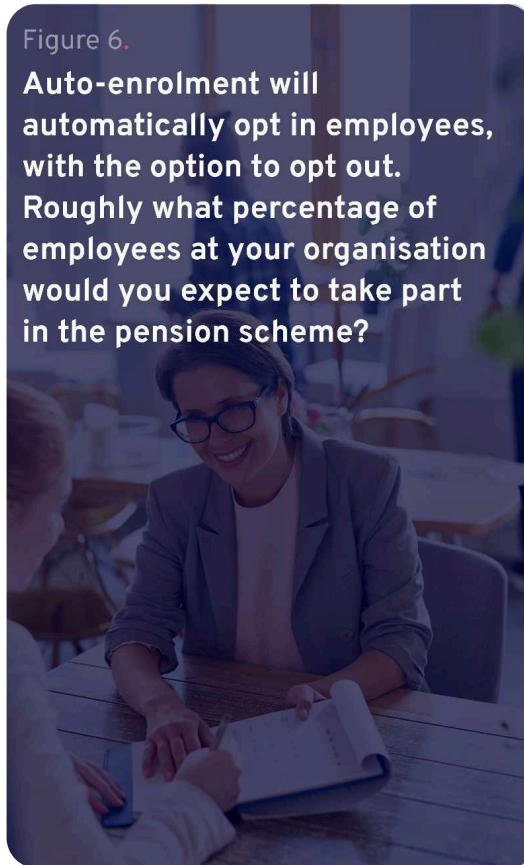
Employers are now expecting greater employee participation in the pension scheme than previously. This year, 17% of employers predict 90-100% of their employees will stay opted in, up from 8% in 2023. The expectation for 80-89% participation also rose to 17% — from 13% in 2023.

Most (63%) now expect to see 60-100% participation, whereas two years ago, only 49% thought it would be that popular.

The auto-enrolment scheme operates on an opt-out basis, meaning that employees will be automatically enrolled but can choose to opt out after six months. This approach is designed to encourage higher participation rates and ensure that more employees are saving for their retirement. The increased expectation for participation suggests employers are confident in the scheme's acceptance among employees.

Figure 6.

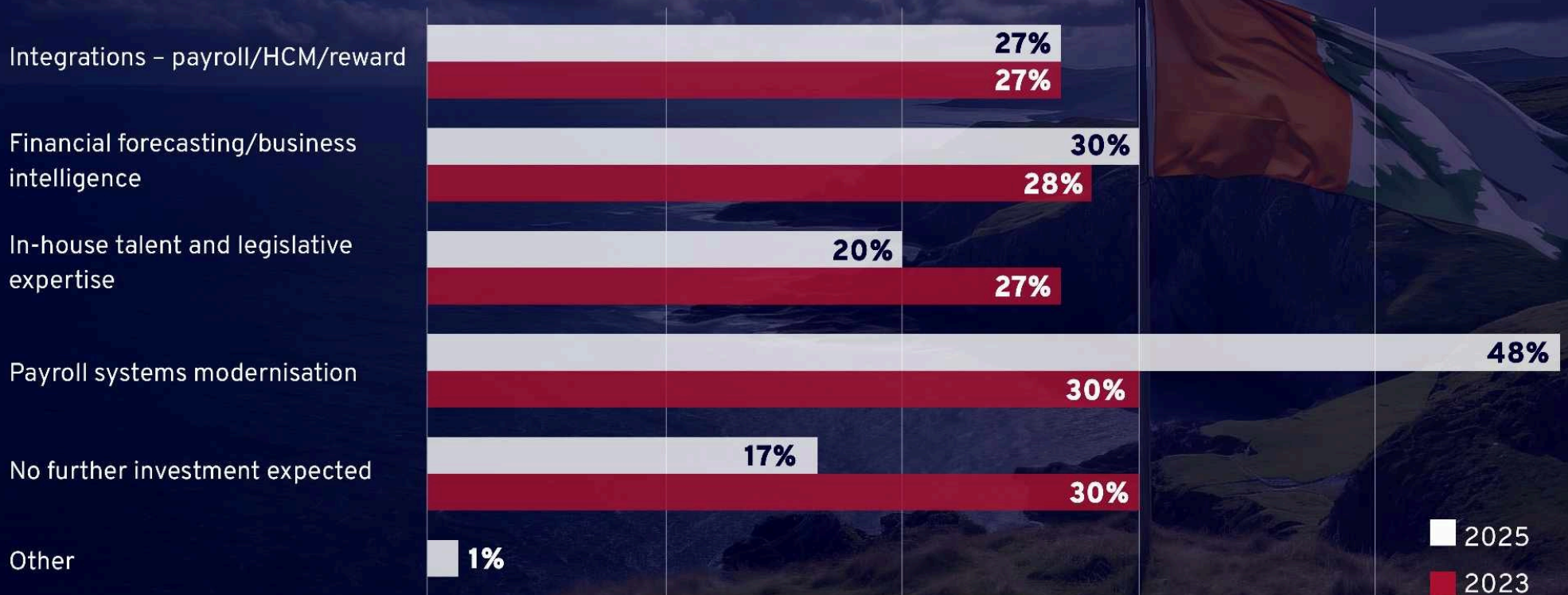
Auto-enrolment will automatically opt in employees, with the option to opt out. Roughly what percentage of employees at your organisation would you expect to take part in the pension scheme?



Further investments are anticipated

Figure 7.

The Irish government anticipates a significant build spend on its new pension systems. Does your organisation expect further investment may be needed in any of the following?



There's a clear trend towards further investment in payroll systems and financial forecasting tools. Today, 48% of organisations anticipate further investment in payroll systems modernisation, up from 30% in 2023.

Planned spending on financial forecasting tools and integrations (payroll/HCM/reward) remained steady, with around three in ten selecting these options. It's clear that employers recognise the need for ongoing technological upgrades and accurate financial planning to support the auto-enrolment process.

Interestingly, there was a fall in the commitment to 'in-house talent and legislative expertise', perhaps linking to the earlier result that one in five is considering outsourced payroll services.

It seems that the approaching deadline has focused minds and prompted closer examination of capabilities and costs. Only 17% now say they expect 'no further investment', down almost half from 30% two years ago.



What the results tell us

The research results indicate that, while there are positive signs of progress, there are significant gaps that need urgent attention. The fact that many employers still feel unprepared is alarming and highlights a critical need for immediate action and support. Without swift measures, these employers risk non-compliance, financial penalties, and operational disruptions.

Additionally, many organisations have not yet calculated the cost of auto-enrolment, meaning they are at risk of unexpected financial burdens. The anticipated further investments in payroll systems and financial forecasting tools underscore the need for technological upgrades and accurate financial planning. However, the current pace of preparation needs to be stepped up.

Employers should accelerate their efforts to ensure they're fully equipped to handle the new requirements. The successful implementation of the auto-enrolment scheme depends on immediate and concerted efforts to address these readiness gaps.



How to prepare for auto-enrolment

The new scheme is set to launch within a matter of months. This section outlines the key steps you should take to hit the ground running and avoid costly disruption or penalties.



Checklist of key actions

- **Establish company strategy:** Determine the impact of auto-enrolment on your staff and develop a clear strategy.
- **Communicate early:** Inform employees about the upcoming changes and how they will be affected.
- **Review employment contracts:** Ensure contracts make provision for pension contributions and comply with the new legislation.
- **Run information sessions:** Educate employees about the auto-enrolment process and direct them to online resources.
- **Review reward strategy:** Include employer contributions to the auto-enrolment pension as part of your reward strategy.
- **Contact payroll provider:** Ensure your payroll solution can handle the necessary calculations, deductions, and remittances.

How can Zellis help with auto-enrolment?

Zellis has already begun preparing to support in-scope employers in complying with the new legislation and regulations. The solution will consist of a means of identifying employees who are eligible for enrolment, via integration with the NAERSA.

It will apply the appropriate calculations to those employees for contributions using the legislative business rules, calculate the correct contributions during payroll processing, and then remit the calculated figures back.

“At Zellis, we envisage being well-positioned to leverage our powerful web service solutions, which currently facilitate all data exchanges between our clients and Revenue, to provide a similar robust, secure, and transparent solution for auto-enrolment.”

Seán Murray, Director of Product Services Ireland, [Zellis](#)

AI-enabled HR, workforce management, and payroll. Experts in Ireland for over 30 years.



Establish the company strategy

The first step in preparing for auto-enrolment is to establish a clear company strategy. Determine which of these scenarios applies to your organisation:

1. All colleagues will be impacted
2. No colleagues will be impacted due to an existing mandatory company pension scheme
3. Some staff will be impacted because membership of the company pension scheme is not mandatory

Determining this first will guide your subsequent actions and communications.

Communicate with employees early

Communicating early and effectively with your people about the introduction of auto-enrolment is crucial. Inform employees about the upcoming changes, how they will be affected, and what they need to do. Clear and timely communication will help manage expectations and reduce confusion.



Review employment contracts

Consider whether any changes to employment contracts are required. Ensure that contracts make provision for pension contributions and comply with the new legislation. Seek legal advice and HR collaboration to ensure that any changes are properly implemented and communicated to employees.

Run information sessions

Consider running information sessions with your teams to explain the auto-enrolment process and its implications. Direct employees to online resources such as [gov.uk](https://gov.uk/government/organisations/government-of-wales) and the [Department of Social Protection's YouTube channel](#) for additional information. These sessions can help employees understand the benefits of the scheme and how it will affect them.

Review reward strategy

Review your current reward strategy and consider including employer contributions to the auto-enrolment pension as a component.

This can help align your reward strategy with the new requirements and ensure that employees see the value of the pension contributions.



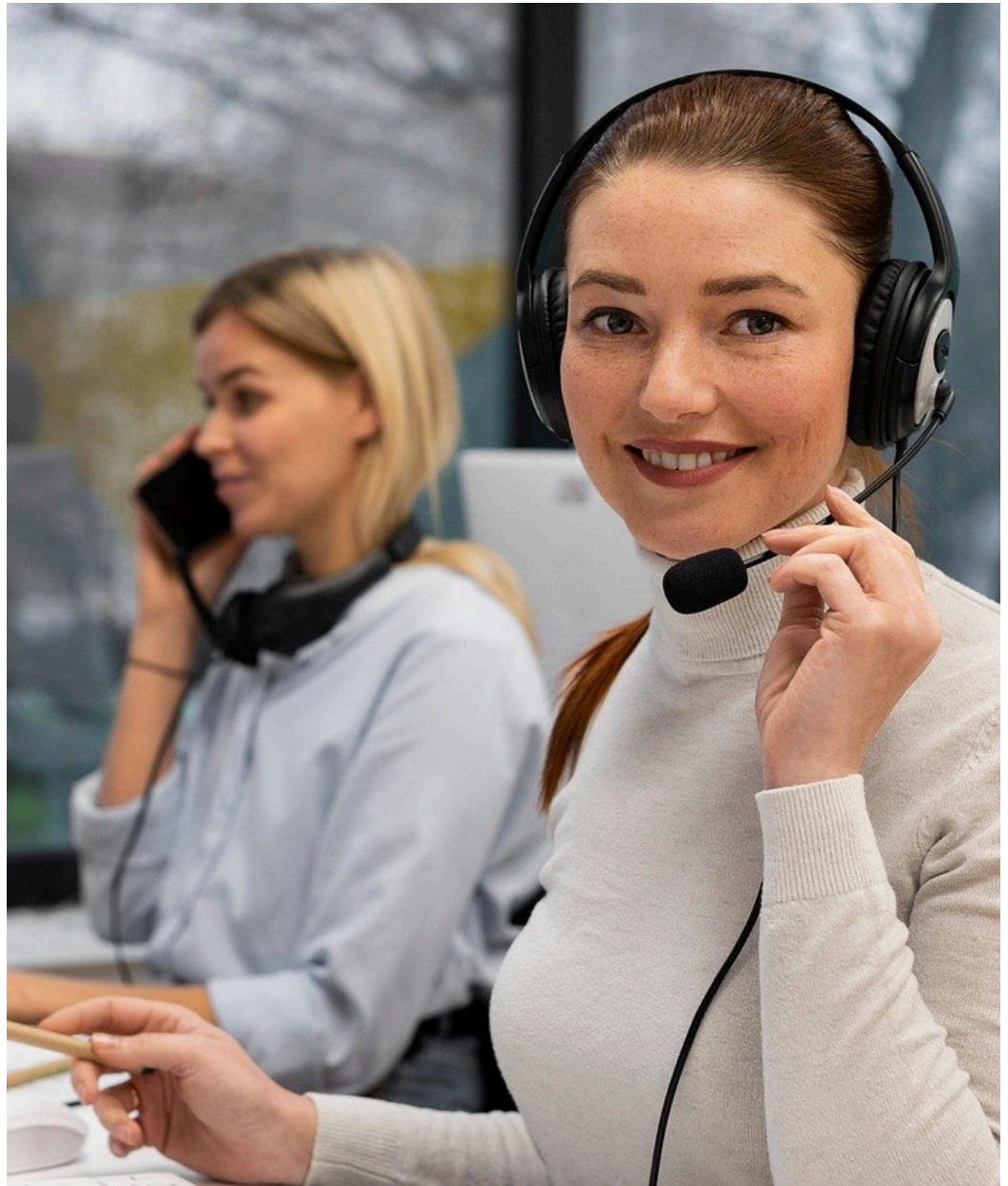
Contact your payroll provider

Contact your existing payroll provider to establish what its plans are regarding facilitating compliance with the auto-enrolment scheme.

Ensure that your payroll solution can calculate, deduct, and remit contributions to the National Automatic Enrolment Retirement Savings Authority (NAERSA) from employees' net income after income tax, PRSI, and the Universal Social Charge (USC). It should also be able to record employee contribution levels accurately.

Seek advice from your pension provider

Seek advice from your current pension provider regarding membership options and how they can support you in managing the auto-enrolment process. Your pension provider can offer valuable insights and assistance in ensuring that your organisation is fully prepared for the changes.



Conclusion
The time is now.



The research highlights both progress and significant gaps in employers' preparedness for the rollout of pension auto-enrolment in Ireland. While there are positive trends in understanding and preparedness, the overall picture remains concerning. A substantial number of employers still feel unprepared, underscoring the urgent need for immediate action and support.

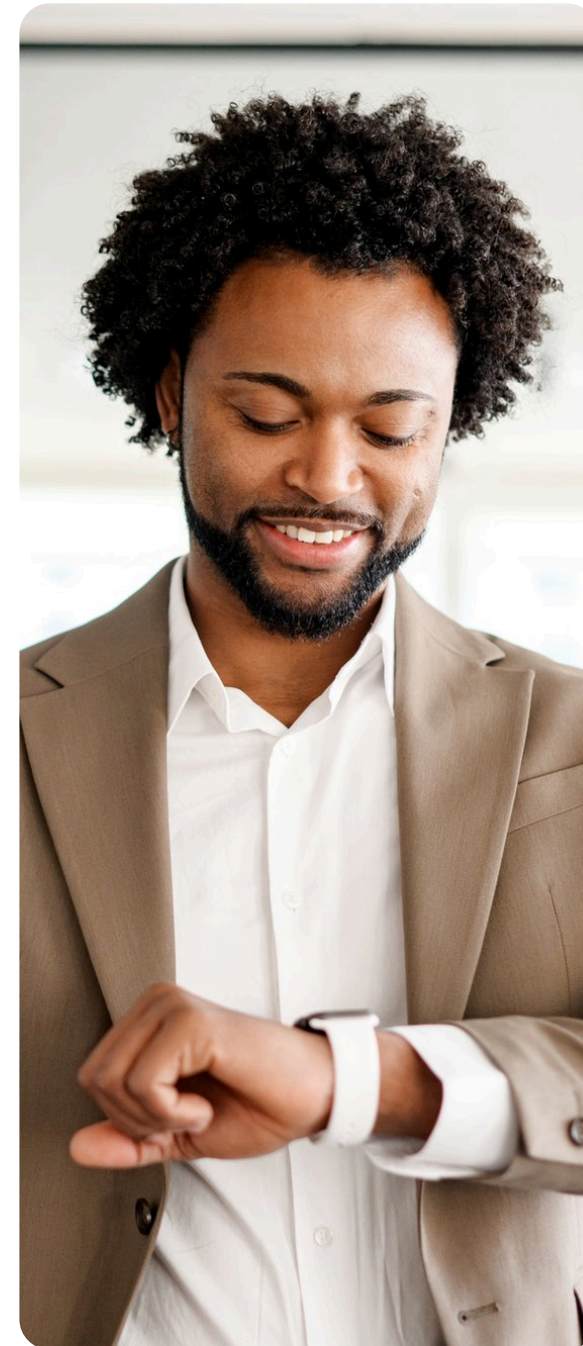
Employers must establish a clear strategy, communicate early with the workforce, review employment contracts, and run information sessions to ensure everyone is informed and prepared. Additionally, reviewing reward strategies, contacting payroll providers, considering outsourcing services, and seeking advice from pension providers are crucial steps to ensure compliance with the new requirements.

The cost calculation and forecasting process needs more attention, as many organisations have yet to fully understand their financial exposure. Without a thorough baseline analysis, employers risk encountering unexpected financial burdens. Payroll providers like Zellis can offer valuable support in analysing data and projecting costs accurately.

Anticipated further investment in payroll systems and financial forecasting tools highlight the ongoing need for technological upgrades and accurate financial planning. Employers must accelerate their efforts to ensure they are fully equipped to handle the new requirements. The successful implementation of the auto-enrolment scheme depends on immediate and concerted efforts to address these gaps in preparedness.

In summary, while there are encouraging signs of progress, the urgency for action cannot be overstated. Employers must act swiftly and decisively to ensure a smooth transition to auto-enrolment and avoid potential compliance issues, financial penalties, and operational disruptions.

The time to prepare is now.



Thank you for reading

The final countdown.

How to get ready for pension
auto-enrolment in Ireland

For more on preparing for auto-enrolment,
[watch our expert-led webinar.](#)

