

CASE STUDY

Category: Nonprofit

Business Type: Health, fitness, housing, and youth and human services

Employees: 3,000

Products: Workforce Timekeeper, Workforce TeleTime, and Kronos 4500 Touch ID biometric terminals

Workforce Central Slims Down YMCA of Metropolitan Chicago Labor Costs by \$1.5 Million

The YMCA of Metropolitan Chicago offers more than traditional health and fitness programs. The not-for-profit organization provides camping activities, residential housing, and a host of human services. With more than 3,000 employees, 75 percent of whom are part time and seasonal, the YMCA has staff working in more than 50 locations in Chicago and its suburbs, as well as at camps in Wisconsin and Michigan.

Using a manual time and attendance system with this number of employees was challenging. Many part-time employees work in different positions in multiple departments at numerous YMCA branches and off-site locations. Timekeeping methods varied by location, with all time and attendance information compiled on spreadsheets manually generated by the payroll department. This inefficient system resulted in payroll processing errors, manual check requests, “buddy punching,” no centralized oversight of employee time, and labor-intensive audits.

The YMCA of Metropolitan Chicago selected the Kronos® Workforce Central® suite including Workforce Timekeeper™ to control labor costs, improve workforce productivity through greater efficiency, gain real-time visibility into workforce data, and minimize compliance risks. Within a year, the YMCA realized \$1.5 million in labor cost savings with its completely automated system.

Increased visibility helps control labor costs

Processing the time of employees working at multiple locations and at varying pay rates for each position is no longer a challenge. Nonexempt employees use a Kronos 4500 Touch ID™ biometric clock or the Workforce TeleTime® interactive telephone application to log in their time. The automated system has eliminated manual processing and employees punching in for one another. Time for exempt staff is adjusted only for exceptions, such as paid time off.

“With our Kronos solution, we now have a complete picture of our workforce,” says Judith Sol-Dyess, senior director of information systems, noting that corporate staff, as well as each center’s management, can view scheduled hours and compare them to payroll. “We know how many hours are being spent in each department, at what rate of pay, and at what center, which is very valuable. Having an employee’s information in one place, rather than on five paper timecards across multiple departments and centers, helped us cut our payroll costs by \$1.5 million in less than a year.”

She credits this payroll reduction to the system’s functionality that identifies employees approaching overtime. Supervisors can now easily track and manage all of their employees’ time, even for employees working at multiple locations.

Consistent policy applications minimize compliance risk

Accurately allocating an employee’s overtime pay to the correct location was a headache before. “With our Kronos solution, overtime is automatically charged to the correct labor accounts,” notes Sol-Dyess. “It also takes the responsibility of understanding wage hour laws out of the supervisor’s hands and processes the information correctly the first time around.” Compliance risks are minimized.

As a recipient of government and private foundation grants, the YMCA of Metropolitan Chicago must have payroll controls in place. Now, it can easily share detailed workforce data from each center with the corporate office for complete oversight and a streamlined payroll audit process.

To help ensure the accuracy of payroll, YMCA staff proactively uses HyperFind™ queries to identify individual problems before payroll is processed. Each branch or program center can monitor employee time daily by spending a few minutes reviewing the prior day's exceptions.

"Our auditors certainly love having these controls in place," says Sol-Dyess. "They appreciate that the payroll department can see any potential flag, such as a timecard not approved on time or unapproved overtime. We have been able to create an entire workflow around this process, instead of simply passing information back and forth on a total number of hours."

Automated payroll process improves workforce productivity

Revamping timekeeping practices for employees who provide home care services to senior citizens has significantly reduced payroll processing time. The government-funded program requires a compliance signature on each client calendar, a previously time-consuming practice.

Now, home care employees are scheduled to work for specific clients in a pattern. The YMCA can report on how much time was spent with each client by using standard Kronos reports, rather than having separate systems track client hours. The process has reduced manual data entry, allowed supervisors to review timecards for exceptions only, and provided an additional control. Billing can be quickly compared to payroll.

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Senior Director of Information Systems

"Processing 300 timesheets a week for 700 clients is now automatically generated by our Kronos solution, because we are tracking clients at the labor level," she adds. "By customizing the calendar to mirror the state's form, we no longer need to generate monthly calendars or backtrack through timecards and weekly calendars."

Workforce Analytics holds potential for labor cost savings

Acknowledging that its Kronos solution has saved the YMCA of Metropolitan Chicago "a great deal of money" in payroll costs, Sol-Dyess says future savings will mostly likely come through staff more fully analyzing workforce data. The YMCA is considering adding Workforce Analytics™, as saving an additional 1 percent of its budget would yield considerable funds for additional programs and services.

"Currently, we have millions of punches in the system that are only being used to pay employees and pay them correctly, but are not being used to analyze what the workforce looks like and to compare departments or job functions across the organization," she explains. "That is our next step."



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