Major Restaurant Group Serves Up Digital HR to Drive Expansion





That's why Taco John's of Iowa, Inc. ("TJIA"), Edotto Brands LLC, and Edotto Slims 1 LLC ("Edotto") made the call to remodel their HR strategy. As entities with common ownership, Edotto and TJIA are a regional franchisee of two nationwide restaurant chains – Taco John's and Slim Chickens – with big expansion plans. Kristen Sandhurst, the company's Chief Financial Officer, explains: "We have 22 Taco John's and two Slim Chickens in Iowa, and we plan to add more Slim Chickens sites in the coming years."

Expansion brings challenges, though. For each new restaurant, Edotto and TIIA must attract candidates to cover shifts and build a strong culture based on high service standards. Achieving these goals with paper and spreadsheets was tough, so the company took its first step towards digitalizing HR.

"We deployed a human resources information system [HRIS] at our first Slim Chickens location," adds Kristen. "It had major shortfalls, but we saw the value of using electronic documents instead of paper. So, we started to think about how great it would be to implement a robust human capital management [HCM] platform across all our restaurants."

To successfully switch to fully digital HR, Edotto and TJIA knew it would need the right platform and the right implementation partner. After researching vendors on peer review sites like G2.com, the company turned to Paylocity to support its growth journey.

"With Paylocity, we bring together all the information we need in the employee record: payroll, taxes, skills, performance reviews, documents, onboarding, and more. We can't recommend Paylocity enough — it has thoroughly modernized our HR and payroll processes!"

Kristen Sandhurst, Chief Financial Officer, Edotto



www.tacojohns.com

www.slimchickens.com

Restaurants & Hospitality

500 employees

24 locations across lowa

The Challenge A New Recipe for Smarter HR

Wading through paperwork and spreadsheets to manage onboarding and benefits enrollments in a high-turnover industry consumed valuable time and increased administration costs.

Paper Processes Weigh Down HR and Restaurant Managers

Every year, Edotto and TJIA hire almost 1,000 new employees across their various entities. Manually sorting completed packets and tracking the progress of new hires on spreadsheets was incredibly time-consuming for HR. Using paper forms also introduced additional challenges, as Kristen notes: "We used to print and mail onboarding packets to restaurants. But site managers often held onto old unused packets, with outdated I-9 or W-4 forms, so we sometimes received incorrect documents for new hires."

Performance reviews were another paper-based process, and the HR team came to dread upcoming benefits enrollments. "Mailing huge boxes of enrollment forms to restaurants was really costly," explains Denitsa Girard, HR Generalist. "After that was done, going through each employee's chosen benefits plans and updating the details on their payroll records was a nightmare."

Manual Steps Complicate Compensation for Hard-to-Fill Shifts

Late-night and holiday hours are vital for restaurants to maximize revenue, and providing extra compensation is crucial to attract employees to cover these shifts. However, calculating shift differential pay was another time-consuming, error-prone process for Edotto and TJIA. As Dan Stee, Accounting Manager, notes: "It was really complex to configure extra incentives for hard-to-fill shifts. We had to manually calculate weighted overtime and pay-rate changes for each employee, then doublecheck all adjustments and time punches."

Reporting Tools Offer Limited Insight Into the Big Picture

Pulling data for finance and business stakeholders was difficult, too. Existing reporting tools enabled Edotto and TJIA to look at the current state of the business but offered little insight into historic trends. In the future, the company wanted more sophisticated analytics to guide better decision making.

"We made the switch to Paylocity and even though our data was really complex and included 8,400 employee records and 20 years of hirings and terminations, our Paylocity implementation manager was never fazed and gave us great support throughout."

Nichole Green, Director of Accounting

The Solution Adding the Secret Sauce

Edotto and TJIA shifted from inefficient paper processes to streamlined HR workflows, automating pay calculations, and making life much easier for HR, restaurant managers, and employees.

Smarter Workflows Banish Paper to the Bin

With Paylocity's <u>Onboarding</u> module, TJIA has swapped paper for digital onboarding. New hires and restaurant managers enjoy a smoother experience, while Paylocity automatically adds employee data to payroll records. Similarly, Paylocity's <u>Performance</u> allows the company to manage regular performance reviews digitally, too, incorporating customized metrics.

Paylocity's <u>Benefits Administration</u> module is also making a big impact, as Denitsa adds: "Paylocity makes open enrollments so much easier as there's no more paper. We just send an email to employees with instructions on how to access the bswift[™] system to select benefits plans."

Open Communications Strengthen Engagement

The move to Paylocity is also helping Edotto and TJIA communicate core values to new hires. The company used Paylocity's <u>Video</u> tool to create a message from the CEO on service expectations and corporate goals, which is shown during onboarding and training. Plus, the HR team uses Paylocity's <u>Surveys</u> to check in with new hires to measure engagement and ensure they feel supported.

Automated Accounting Simplifies Shift Differential Pay

TJIA has moved payroll processes from a legacy ERP system to Paylocity's <u>Payroll</u> and <u>Time & Attendance</u>. Notably, the company has automated shift differential pay calculations, as Dan explains: "Paylocity makes it much easier to pay higher rates for certain hours. We can implement rules based on time punches on holiday dates or late-night shifts, so that the higher rates automatically flow into payroll. We can now offer extra pay without worrying about the complex calculations."

Self-Service Adds Sizzle to the Employee Experience

The restaurant group uses the <u>Paylocity Mobile App</u> and <u>Employee Self-Service</u> to place more control in the hands of employees, especially those who may not have access to a company email address or computer. "In the days of paper, HR handled all administration manually. Now, employees update addresses and check pay stubs online, which lightens the load for us," adds Kristen.



The Results Savoring the Sweet Taste of Success

Using Paylocity, Edottoand TJIA are serving up HR success with reduced administration costs, greater agility, and huge time savings that help the company focus on growth.

Faster HR Unlocks Capacity for Strategic Projects

Replacing paper-based processes with seamless digital workflows has transformed HR at Edotto and TJIA. For example, online onboarding and benefit enrollments eliminate the cost and complexity of mailing forms to restaurants. "Onboarding runs so much smoother," notes Kristen. "We onboarded 100 employees in three days at our latest Slim Chickens restaurant. The job coach for one candidate mentioned it was one of the most efficient onboarding sessions they had ever seen."

Dan adds: "We've saved so many hours that we now have more time for strategic work, such as upgrading our point-of-sale, logistics, and general ledger systems. Paylocity has unlocked the capacity we needed to execute these big projects."

Higher Compensation Drives Competitive Advantage

With Paylocity making it easy to manage shift differential pay, Edotto and TJIA have gotten the jump on competitors. "We see nearby restaurants closing early due to staffing issues," says Kristen. "Offering higher pay for less desirable shifts helps us boost retention, stay open longer hours, and pick up more business." Being able to set up extra compensation at the push of a button in Paylocity also facilitated the launch of the newest Slim Chickens site. The company offered commute time and gas bonuses to cover the drive to another site for training – leading to plenty of job applications.

Best of all, the process for the commute time pay and gas bonuses was automated with Paylocity, making payroll processing easier.

Enhanced Reporting Enables Data-Driven Operations

Finally, Edotto and TJIA have access to much richer insight into HR trends with Paylocity's Insights & Recommendations. As well as data on current headcount and labor costs, the company can dig into historic turnover and pay patterns to support smarter decisions. Nichole Green, Director of Accounting, adds: "I pull so many reports on payroll, vacation accruals, and benefits from Paylocity. It makes accounting work much easier and helps us validate invoice amounts before we pay our benefits providers. Having multiple reports available in a single platform is a real bonus."



"Working with Paylocity is great. I often have questions about different features, and every time I email the Paylocity team they are really responsive and help me to figure out the right move."

Denitsa Girard, HR Generalist