Engineering and Systems Integration Firm Sets New Standards for Retention

paylocity®
Forward Together.

98%
retention rate, much better than industry average

8
consecutive years named Top Workplace in local press

7
days saved per year by streamlining compensation

Matrix Technologies
INCORPORATED

www.matrixti.com

Engineering and Systems Integration Consulting

325 employees

Seven locations

Matrix Technologies has been supporting engineering, construction, and digital transformation projects for more than 40 years. Headquartered in Maumee, Ohio, the company has expertise in many industries such as food and beverage, life sciences, consumer goods, chemicals, and metals.

Lisa Behrendt, Vice President of Human Resources, explains: "We have a white-collar workforce based across multiple time zones in the United States. Around 260 of our employees work from our seven offices; then we have another 65 people working remotely from home or at client sites."

Every project that Matrix undertakes involves high levels of complexity and requires careful planning and execution. To ensure success for clients, the company has built a team of highly educated, world-class talent. But at a time when specialist engineering skills are in high demand, an effective engagement and retention program is essential to minimize employee turnover.

Lisa continues: "We recently converted to a 100% employee-owned company. From the HR perspective, we see this as a way to attract and retain talent: it effectively offers employees a second retirement plan linked to our overall performance. This creates a positive impression for candidates in our hiring process, and over time we think it will help to keep our people motivated."

But a comprehensive retention strategy needs other ingredients too: great compensation that inspires long-term commitment; structured support and feedback that helps employees to develop and improve; and a culture where good work is recognized. To create these components, Matrix replaced paper-based processes with a precision-engineered platform: Paylocity.

"I have recommended Paylocity to many other HR leaders. The platform gives you everything that you need to run efficient HR and payroll, at a very competitive price-point."

Lisa Behrendt, Vice President of Human Resources, Matrix Technologies

Drawing Up New Blueprints

Matrix Technologies has a focus on continuous improvement and wanted to eliminate inefficient paper-based HR workflows and an unreliable HRMS system. The moment had come to modernize the HR and payroll environment.

Rethinking Manual Compensation Planning

Offering compelling financial incentives forms a core component of Matrix's retention strategy. But calculating and managing annual compensation and bonuses, paid five times every year, was a hugely complex and demanding process. Lisa explains: "We were doing everything in spreadsheets. I would manually key the data into something like 50 spreadsheets, get managers to review and approve them, then merge their changes into the master file. It took two or three days every time."

Offering Instant Appreciation for Great Work

Beyond scheduled compensation and bonuses, Matrix also had a vision for offering more immediate recognition to employees to encourage positive behavior. "We believe that point-in-time or spot recognition, where we reward people for achievements in real time, can have a stronger impact on motivation and productivity than paying bonuses after a few months or once a year," explains Lisa. Turning the concept into reality, though, was challenging. Initial efforts, where managers were responsible for handing out gift cards, proved slow and inconsistent when attempted at scale.

Moving Past an Unreliable Legacy System

In the wider HR environment, Matrix faced various other headaches and frustrations. To support payroll and employee benefits, the company was using a well-known HRMS, but updates to the system severely impacted its performance. "This product was our first HRMS," says Lisa. "While the system did the basics well, the integration between the HR and payroll components was flaky, and we often had data transfer issues. When the vendor ran a major upgrade, they removed some of the core functionality we were using. The customer service was slipping too, and we felt it was time to look elsewhere."

> **"One of the most appealing things about Paylocity was the open APIs. We could easily integrate the platform with the tools that we were already using and were working well for us."**
>
> Lisa Behrendt, Vice President of Human Resources

Laying New Foundations

During a live event in Chicago, Matrix Technologies encountered Paylocity and was instantly impressed by the platform's comprehensive toolset, seamless integrations, and frequent upgrades.

From Paperwork to Agile Digital Workflows

With Paylocity's Compensation module, Matrix has replaced paper-based processes with automated digital workflows for administration of annual salaries and bonus payments. "We just create a new plan in Compensation, then managers enter their recommendations," says Lisa. "After review and approval, all the data flows into Payroll to pay the employees. Managers have much more visibility into the process, and we have robust approval chains in place."

Celebrating Great Work in Real Time

Using Recognition & Rewards, Matrix has launched a new spot recognition program, enabling managers to offer immediate appreciation to employees. The company places funds into a digital wallet for managers and allows high-performing employees to select gift cards or cash as a reward, or to donate to charity. "Everyone likes the concept," says Lisa. "We're evaluating how often to fund the wallets and the right dollar amounts. Recognition & Rewards has been a big success."

Helping Employees to Grow and Develop

Lisa also uses the Performance module to help employees to expand their professional skills. "We spend a lot of time in Performance," she adds. "We run 'Career Conversations' in there, where we offer feedback and guidance, plus annual reviews. And a lot of managers use Journals to monitor employee progress and provide informal feedback. As one of the final steps in our annual performance management system, we'll use the system for 9-Box Grid to conduct talent assessments."

Optimizing Everyday HR and Reporting

Matrix has streamlined other core workflows with the Payroll, HR, and Benefits Administration modules. An integration with Breezy enables efficient recruitment, before new-hire data flows into the Onboarding module. Managers and employees can handle admin and request time off on the move through the Paylocity Mobile App and Employee Self-Service portal. And Lisa is using Data Insights to support strategic reporting: "Paylocity gives me a quick snapshot of demographics, headcount, and turnover, and helps me keep our leaders informed."

Compensation replaces days of manual work for HR with quick, nimble digital working.

Recognition & Rewards improves engagement with real-time appreciation of great work.

Performance helps employees to enhance their skills and develop professionally.

Employee Self-Service and **Mobile App** keep remote workers in the loop.

Integrations and **Onboarding** ensure seamless, efficient hiring and orientation.

Data Insights keeps HR updated on key metrics such as workforce demographics.

Benefits Administration eliminates tedious paperwork and saves time for HR.

Constructing a Resilient Business

With Paylocity, Matrix Technologies is continuing to thrive, achieving industry-leading retention rates and higher engagement scores, and creating an award-winning workplace culture.

## Freeing HR From Tedious Spreadsheets

With Paylocity, Matrix has turned compensation and bonus planning from a lengthy, labor-intensive task to a quick, easy process. "During every salary and bonus review, I would spend anywhere from two to three days compiling 50 spreadsheets and keying in the data," explains Lisa. "Now, I can complete the whole process in Paylocity. It has been a huge time-saver, giving me back five to seven days over the year. And everything is stored securely in the system, so we can always refer back to it. It was a happy day when I started to use the Compensation module!"

Lifting HR Productivity with Cutting-Edge AI

Paylocity has also had a strong impact on efficiency beyond compensation management. In particular, the AI Assistant is helping to save further time for HR. Managers and employees use the AI tools to answer queries rather than emailing HR. Meanwhile, Lisa has harnessed AI to craft compelling announcements recognizing employee achievements, and to search the PEAK Knowledge Base. "If I can't figure out a workflow in Performance or Compensation, I go straight to AI," she notes. "It has been very helpful, enabling me to solve things without reaching out to support."

Taking Retention to the Next Level

The increased focus on recognition, rewards, and professional development has had a measurable impact across the company. Not only has Matrix recorded higher employee engagement scores, but it has achieved a retention rate of 98%—significantly higher than the industry average. In addition, Matrix was recently named a Top Workplace by the Toledo Blade for the eighth consecutive year, based on feedback from 280 employees, and also received a Top Workplace Culture Excellence Award for Superior Work/Life Flexibility. "Paylocity is helping us improve many aspects of our retention strategy," adds Lisa.
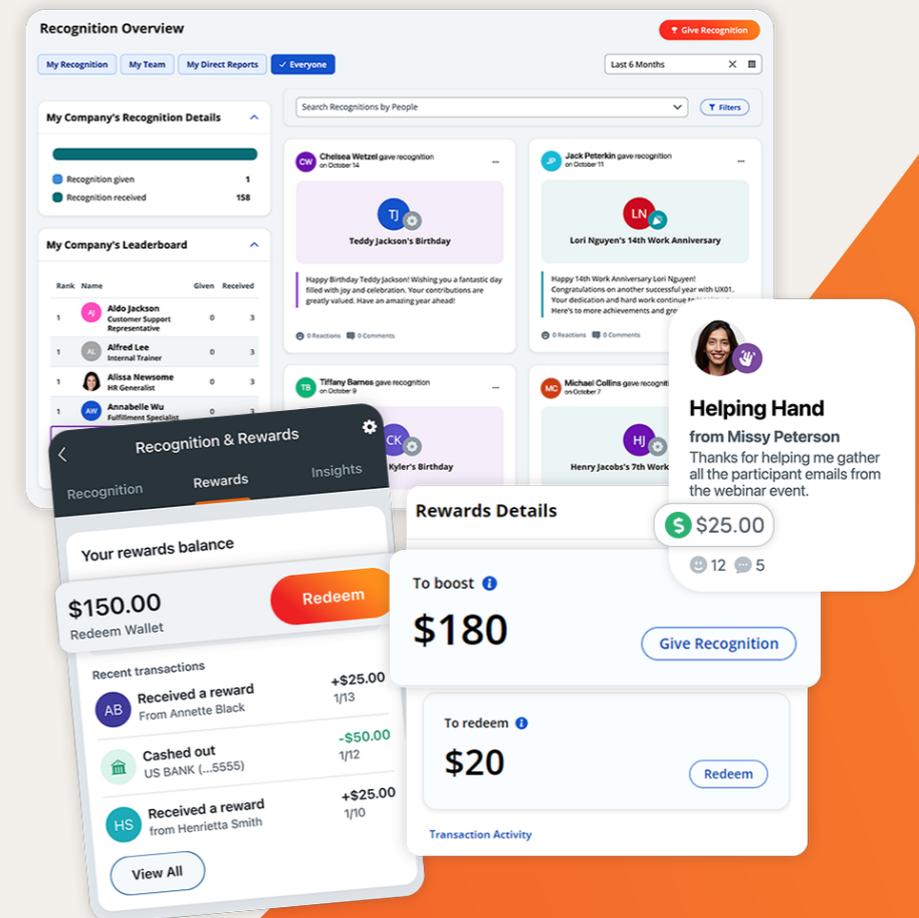
"Paylocity is always innovating. The rollout of new functionality and upgrades is much more frequent than the other HR vendors that we considered and helps to keep us agile."

Lisa Behrendt, Vice President of Human Resources