Auto Dealer Makes Complex California Compensation Look Easy with Paylocity



100%
accurate,
compliant payroll
every month

50% reduction in payroll processing headcount

0.5 FTEs saved on 401k administration



www.stevenscreekchryslerjeepdodge.net

Automotive

500 employees

10 dealerships across Northern California

Payroll can be a headache for any organization that uses sophisticated, performance-based compensation to motivate its employees. And auto dealers like Stevens Creek Chrysler Jeep Dodge—whose salespeople, technicians, and service advisors all have different, complex pay plans—are playing the payroll game on expert mode.

Darla Romey, Director of HR at Stevens Creek, explains: "It's not just the mix of commission, hourly rates, and minimum wage that we have to get right. We also have to deal with California laws on pay for overtime and breaks. And when you factor in 401k contributions and all the other adjustments, it gets pretty intense."

In any performance-related pay culture, accurate payroll is crucial for employee morale. If you get someone's paycheck wrong even once, you could lose their trust. Instead of focusing on selling cars or making repairs, they'll worry about whether they're being paid what they're owed. That can sap productivity, and ultimately, even impact employee retention.

"In this industry, good people are so hard to get," says Darla. "When we have an opening, we often struggle to find someone with the right skills and qualifications. So, once we've got them, we need to keep them. Getting payroll correct is a key part of that."

How could Stevens Creek ensure total accuracy in its compensation calculations and payroll processes, while reducing workload and stress for its HR team? Paylocity had the answer.

"Our employees know that everything they need is on Paylocity. It's so intuitive that most people can just figure it out themselves. It's about as easy as shopping on Amazon."

Darla Romey, Director of HR, Stevens Creek Chrysler Jeep Dodge

The Challenge

Payroll Problems Hit the Brakes on Productivity

When its first attempt to replace spreadsheet-based payroll processes took multiple wrong turns, Stevens Creek turned to Paylocity.

Outgrowing Basic Payroll Systems

In its early days, Stevens Creek ran its payroll using functionality built into its Dealer Management System (DMS), augmented with spreadsheets. "We had really outgrown that system," says Darla. "It didn't do the reporting we needed or handle anything to do with onboarding or documentation."

Moreover, calculating compensation in spreadsheets was extremely time-consuming. "We had three people processing timecards and running payroll twice a month," says Darla. "And the business has grown since then. If we were using the same process today, we'd need four people to do that job."

Paperwork Blocks Productivity

Other HR processes, such as benefits management and onboarding, were manual, too. If an employee wanted to adjust their 401k contribution, they had to submit the request on paper. And whenever a new employee joined, they had to drive over to the HR team in San Jose and fill out a stack of paper forms—a journey that could take several hours from dealerships in other cities.

Moving Vendors Doesn't Pay Off

Stevens Creek decided to modernize by moving to a more fully featured HR platform from another major vendor—but the project didn't deliver the expected results.

"The vendor convinced us that they could handle our complex pay plan and meet California legal requirements," says Darla. "In the 13 months that we used them, I never once had a correct payroll. Our staff was always checking it for errors and making corrections. We were overworked and overstressed, just trying to get our payroll accurate."

Darla and her team knew these payroll errors could foster uncertainty with employees about whether their paychecks were correct. The checking and correcting of every payroll led to more work for the payroll team during an already challenging time.

"Benefits Administration has been very big for us. Open enrollment was very difficult to do before we changed to another vendor, and even when we did, we used to do it on pieces of paper! With Paylocity, it all just flows easily from our providers into the platform."

Darla Romey, Director of HR



The Solution

Putting HR Back in the Driver's Seat

By switching to Paylocity, Stevens Creek can calculate compensation automatically and generate payroll quickly and correctly—every time.

After its disappointment with the previous vendor, Stevens Creek was skeptical about the claims of HR software providers. "When Paylocity promised they could handle our pay plans, I was really worried that it wasn't going to work," says Darla. "But Paylocity got payroll correct on the first attempt. And since then, we've never been disappointed."

Gaining Confidence

Paylocity started by setting up a practice environment and working closely with Darla's team to work through all the complexities of Stevens Creek's compensation calculations. After several successful practice runs, Darla was confident enough to run payroll in Paylocity for real.

"We continued checking the results against our spreadsheets for several weeks, and Paylocity always got it correct," she comments. "The close relationship we built with the Paylocity team is great, because whenever we want to add something new to our pay plans, they really speak our language."

Streamlining Data Flows

In addition to <u>Payroll</u> and <u>Compensation</u>, Stevens Creek is also using Paylocity for <u>Benefits Administration</u>, including open enrollment. The company also uses <u>Time & Attendance</u>. When employees punch in, facial recognition technology deployed at its dealerships make it easy for employees to clock in and out. The result? Data flows seamlessly through to Payroll, eliminating the risk of errors and substantially reducing workload for the HR team.

Going Digital

Stevens Creek recently adopted Paylocity's <u>Onboarding</u>, too. "Paylocity has made a monumental difference, especially for our dealerships in other parts of the state," says Darla. "Instead of a long drive to San Jose, we can handle almost the whole process online. It's especially good for younger employees, who expect everything to be digital. They don't want to fill out a stack of papers, but they don't mind going click, click, click."



Compensation and **Payroll** automatically calculate complex pay plans.



Benefits Administration streamlines open enrollment, saving hours for HR.



Time Collection uses facial recognition to reduce the risk of timecard errors.



Onboarding reduces friction for new hires and eliminates paperwork.



The Results

Hitting Cruise Control with Automatic HR

Paylocity has not only helped Stevens Creek make significant time and resource savings in HR—it has also strengthened employee relationships by ensuring that compensation is always 100% accurate.

Calculating Compensation 50% Faster

Paylocity has made a night-and-day difference to Stevens Creek's payroll process, as Darla recalls: "Thinking about how we used to do payroll is bringing back bad memories! It took hours and hours. We needed three full-time employees to run the payroll in those days and actually begged one of our people to hold off on retiring. So with Paylocity, she was able to retire, and we've gone from three payroll people to two."

She adds: "Since we moved to Paylocity, we've added another couple of dealerships. If we were still doing the calculations manually, we would've had to add another person by this time."

Benefits management is the same story: "At the end of the month, I just run the 401k report and make sure it matches my bank, and we're good to go," says Darla. "It only takes a minute each month now, and that's saved us a huge amount of time. With Paylocity, it all just flows. Everybody does their enrollments, it's automatically on their paychecks, and every month it balances."

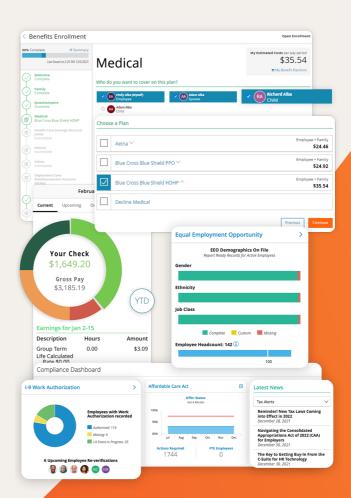
Building Trust with 100% Accurate Payroll

By automating the flow of data from pay plans, timecards, and 401k contributions into the payroll process and automating all the calculations for each employee, Paylocity ensures that every payroll is correct. As a result, employees no longer spend time double-checking their paychecks.

"People used to be constantly looking at their pay," says Darla. "And now with Paylocity, it's always accurate, so it's taken that whole stress away. Paylocity makes it easier for us to keep good employees because they aren't worried about being paid correctly, and it makes all the HR stuff easy so they can focus on doing their job."

Supporting Future Growth

Stevens Creek is confident that it now has the right HR platform to fuel the next stage of its growth. Darla concludes: "Anything we need to do, Paylocity can grow with us. I really appreciate that in a business partner."



"Our Paylocity relationship manager is wonderful. Paylocity's response to us has been 10 times what the previous vendor's was. So, I'm never disappointed that we changed."

Darla Romey, Director of HR

