Restaurant Group Empowers Employees and Drives Retention with Paylocity



\$500k

cost savings since moving to Paylocity 93%

reduction in time-to-hire with streamlined recruitment 87%

of new hires say onboarding was easy and intuitive 1

click for managers to complete onboarding

ZIPPY'S

www.zippys.com

Restaurants & Hospitality

1,645 employees

24 locations in Hawaii and Las Vegas

For an authentic taste of the island paradise of Hawaii, there's only one place to go: Zippy's. The award-winning restaurant brand has been serving bentos, chili, kalua pig, and other local favorites since 1966. Today, Zippy's is the largest full-service restaurant group in Hawaii, with more than 20 locations on Oahu, Maui, and Hawaii Island, as well as two new sites recently opened in Las Vegas.

Crystal Kelly, Vice President, Human Resources at Zippy's, explains: "Our goal is to share the spirit of aloha, making every diner feel part of the family—what we call O'hana in Hawaii. Food plays such an important role here, and we're passionate about bringing people together to enjoy it."

While Zippy's culture is unique, its HR team faces the same challenges as most restaurant and hospitality groups. Talent retention and benefits compliance were key pain-points, and when Crystal arrived, she found the company's HR and payroll platform was not hitting the mark.

"Everyone was complaining about the system we had," adds Crystal. "It was very limited, and wasn't going to help us expand our operations. We assessed other vendors, but we didn't find their systems intuitive, and their implementation support was minimal."

At the HRTech event in Las Vegas, Crystal found the ideal solution: Paylocity. "In a previous role, I had a great experience with Paylocity. I met the Paylocity leadership team at HRTech, and it didn't take long before I was ready to sign! Paylocity offers a flexible, user-friendly platform that's perfect for the restaurant industry."

"Using Paylocity, we are creating a culture of trust and transparency throughout the company. We now have the tools to empower our general managers to make hiring decisions and see the reports they want—without ever feeling they are being micromanaged by HR."

Crystal Kelly, Vice President, Human Resources, Zippy's

The Challenge

Starting from Scratch

Zippy's was losing patience with the processes and tools of its previous system. Crystal set her sights on a modern, all-in-one platform that would empower HR and employees alike.

Inflexible Systems Slow Down Time-to-Hire

Across the restaurant industry, employee turnover is traditionally high, and businesses are continuously hiring. In today's ultra-competitive labor market, companies need a quick, seamless hiring model to attract talent. "We hire around 200 people each month," says Crystal. "We liken it to auto sales: if you let a buyer leave the forecourt, you miss the sale. For us, we want to interview, hire, and get the candidate working that same day."

However, the previous system slowed time-to-hire, leaving Zippy's at risk of losing out on good candidates. "We wanted to accelerate the hiring process and empower our general managers to make decisions," adds Crystal. "We felt like everything was slow with our previous processes."

Manual Processes Hamper Efficiency and Reporting

The previous tools involved a lot of tedious data entry that consumed significant amounts of time. "We were always double checking data and had to rekey information into the systems since there were errors," notes Crystal. The team also struggled with reporting. Since they didn't trust the data, they had to create reports on their own or submit service tickets for additional help. This slowed down and hampered the HR team's ability to make data-driven decisions.

Multiple Locations Create Added Compliance Hurdles

Operating in Hawaii and Las Vegas creates challenges, too. In Hawaii, Zippy's must comply with the Hawaii Prepaid Health Care Act (PHCA), which offers health insurance to all employees who work at least 20 hours a week. Meanwhile, the company has to offer different benefits to teams in Las Vegas, in line with the Affordable Care Act (ACA). "The PHCA is very different from ACA," adds Crystal. "When we launched in Las Vegas, I was the only person who had any experience managing ACA compliance."

"The implementation of Paylocity was by far the easiest that I have ever experienced as an HR professional. We weren't expecting the incredible on-site support that Paylocity delivered. If I ever work with another HR vendor, I will insist that they offer the same level of support as Paylocity!" Crystal Kelly, Vice President, Human Resources DINE IN • TAKE OUT • BAKERY

The Solution

Selecting the Right Ingredients

While Crystal checked out multiple vendors, Paylocity was head and shoulders above the field in terms of advanced recruiting, analytics, and benefits capabilities, along with responsive support.

Enhancing the Applicant Experience with Modern Comms

Using Paylocity's <u>Recruiting</u> module, Zippy's has reshaped its hiring process. General managers now use text messages and scheduling tools in Paylocity to connect with candidates and arrange interviews. "Most applicants are Gen Z and prefer to communicate via text. Paylocity helps us reach them," notes Crystal. Zippy's then uses a <u>Marketplace</u> integration for background checks and sends offer letters via Paylocity. New hire data then flows seamlessly into the <u>Onboarding</u> and <u>Payroll</u> modules. "All managers do is doublecheck the data. It's a one-click process," says Crystal.

Enabling Transparent Reporting and Simplified Compliance

With the <u>Insights and Recommendations</u> module, Zippy's can access reports on employee turnover, compensation, 401K contributions, and the performance of the recruitment funnel. The company also creates customized calculations to monitor compliance with Nevada's overtime rules.

Similarly, Zippy's uses an integration between <u>Paylocity and bswift</u> to manage employee benefits in Hawaii and Las Vegas, plus the <u>Compliance</u> module to track alignment with ACA and PCHA requirements. "With Paylocity, my team has been able to learn and take ownership of the benefits process, and we're not worried about non-compliance issues," continues Crystal.

Making Day-to-Day Work Easier for HR and Employees

In addition, the <u>Paylocity Mobile App</u> enables servers and managers to access HR and payroll tools on the fly. "Our managers love being able to approve employee action forms from their phone," notes Crystal. Furthermore, Zippy's uses the <u>Time and Labor</u> module to enable remote teams to clock in from a geofenced location—whether it's a coworking space or home office. Plus, Crystal harnesses the <u>Al Assistant</u> to find information in Paylocity's PEAK Knowledge Base.

The company also plans to use <u>Community</u> to enable employees to submit questions to HR and swap shifts with colleagues. "We're also excited about using the <u>Compensation</u> and <u>Market Pay</u> modules to ensure we offer compelling salaries when we advertise roles," adds Crystal.



Recruiting enables general managers to take ownership of the recruitment process.



Onboarding helps to improve the new hire experience and saves time for managers.



Insights and Recommendations provides data into turnover and other metrics.



Integrations simplify benefits management and background checks on candidates.



Compliance helps to track alignment with ACA and PHCA regulations.



Community will enhance communications between employees and HR.



Al Assistant makes it quick and easy to find specific information on HR topics.



Market Pay will help Zippy's offer a compelling proposition to jobseekers.



The Results

Relishing the Taste of Success

From recruitment to reporting and compliance to costs, Paylocity is having a huge impact on HR operations at Zippy's, helping to set up the company for the next stage of its growth journey.

Attracting Talent with Fast, Nimble Hiring Processes

With its new streamlined hiring model, Zippy's has cut time-to-hire from two weeks to one day—a 93% reduction. "We're achieving day-zero hiring: interview, hire, first shift all on that day, minimizing the risk of missing out on talent," says Crystal. The company has received great feedback for the hiring and onboarding process: 87% of new hires said it was simple and intuitive in a recent survey. "Even employees with English as a second language found the process seamless," adds Crystal.

Significantly, switching to Paylocity has enabled Zippy's to empower general managers to take ownership of the hiring process. "Our managers now choose their team members, control raises, and much more," explains Crystal. "Studies show that losing a general manager will increase turnover throughout that restaurant. By offering managers more autonomy and giving them the keys to the kingdom, we're creating a better culture that will help us retain talent."

Supporting Smarter Decisions and Business Growth

On an operational level, automated workflows and multi-state benefits management will help Zippy's continue its growth journey in Las Vegas and beyond. Plus, the reporting tools provide detailed insights to guide strategic decision-making. "We love the dynamic reporting," adds Crystal. "It's so easy to use and we don't have to raise a ticket to get what we want. We're now creating customized dashboards for our CFO and Operations Director."

Unlocking Efficiency Gains and Six-Figure Cost-Savings

Finally, Zippy's has achieved massive cost savings with Paylocity, as Crystal concludes: "Initially, we budgeted for two extra FTEs in HR that we haven't needed thanks to the new platform. And we have been able to sunset our SAP Concur system, because we can now manage expenses in Paylocity. Overall, we estimate that we have saved half a million dollars with Paylocity."



"The service from Paylocity has been extraordinary. Their team is always responsive, patient, and never makes me feel that I am asking a basic question. I know they are juggling hundreds of clients, but I always feel that they value me as a client and want us to succeed."

Crystal Kelly, Vice President, Human Resources