

case study

Manufacturing Innovation Meets State-of-the-Art HR





The Kennedy Group streamlined its internal operations by connecting its payroll system to the rest of the business. This accelerated a number of critical HR and finance processes and made the business more productive and profitable.

The Challenge

When it was founded back in 1974, The Kennedy Group was one small print machine in the founder's garage. Today, it is a multimillion-dollar labeling business helping customers make their mark in industries ranging from automotive to food and beverage and beyond. Whether it's helping products stand out on store shelves or keeping track of them as they move through the supply chain, The Kennedy Group plays a key role in helping its customers stay competitive.

Now with three manufacturing sites and nearly 100 employees, The Kennedy Group has consistently prioritized reinvesting, upgrading to state-of-the-art plant equipment and embracing the latest technology to streamline its operations and stay ahead of customer needs.

“It used to take multiple staff members close to three full days to process and reconcile payroll every period. With Paylocity, it takes one team member no more than 90 minutes to complete it from start to end.”

– Peter Chen, Vice President, Finance

When Peter Chen took on the role of Vice President of Finance in 2015, he wanted to extend that same thinking to HR and finance. Antiquated HR and payroll processes such as physical punch cards, manual entry of employees' hours in logs and spreadsheets, and manual exports of that data to its payroll system didn't match the innovative perspective held throughout the rest of the business. Each payroll run could take the accounting team up to three days, ending with hand-delivered paychecks. Managers and supervisors were spending two or more hours every day simply tracking and logging employee time reports.

Company

The Kennedy Group

Industry

Product Labeling Manufacturing

Location

Willoughby, OH

Size

97+ Employees

Customer Since

2016

Challenge

Modernize HR and payroll administration systems and processes to streamline operations and support company growth

Featured Solutions



Results

Reduced payroll processing time from three days to 90 minutes from start to finish

Seamless integration with Guardian insurance systems and VOYA 401 (k)

Enhanced manager-employee communications via performance management

10-20% revenue increase without increasing headcount

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The fact that the company's third-party administrator for its 401(k) program was able to access the Paylocity payroll management system on her own and reach out directly to the employees to discuss participation and financial planning was a major benefit.



The Approach

Connecting Payroll Management to the Rest of the Business

Paylocity's ability to streamline HR processes and centralize them on a single platform was one of key factors that piqued Peter's interest. Both he and The Kennedy Group had experience with other big-name payroll systems and understood that the lack of integration was leading to major inefficiencies in its existing process, including the challenge of updating payroll information for its 401(k) and insurance providers.

Peter found that, like The Kennedy Group, Paylocity embraced innovation and proven best practices and was focused on continuously driving new operating improvements and efficiencies. Paylocity not only offered comprehensive capabilities for the business but it also was built on an open architecture that worked well with the company's existing systems. Peter and his team had the flexibility to customize their setup to best fit the business. In addition, The Kennedy Group's financial advisor is able to leverage Paylocity's Partner Portal for instant insight into The Kennedy Group's 401(k) program participation, eliminating time-consuming, manual communications. As a result, the financial advisor is also able to assess program performance, reach out directly to employees to discuss participation, and better support financial planning for employees.

According to Peter, implementation was a breeze. "The Paylocity consultant knew exactly what data she needed to get us set up. She went through all the processes and the steps on how to implement the payroll, making sure all the historical data was uploaded properly. At the end of the day, it was a non-event, and we were switched over."

"Just because we're a small-to medium-sized manufacturing company does not mean that we can't embrace the latest technology and process to run our business."

– Peter Chen, Vice President, Finance

Automation, Employee Self-Service and Collaboration
Peter started with the HR & Payroll solution – automating everything from onboarding and time reporting to open enrollment for benefits.

One important consideration was employees working in the printing plants because they did not have easy access to desktop computers to log their time. Peter's team installed computer stations throughout the company's manufacturing facilities—in break rooms, central areas, and at employee workstations—that functioned as Paylocity kiosks. Rather than having to waste precious time walking across the plant to punch in and out, employees now had a convenient way to clock-in, check company news, review schedules, payroll data, and more.

Next, the company rolled out Performance Management and Journaling, which helped managers engage their staff and provide productive feedback on a more regular basis than the old annual review model. This new cadence takes the emphasis of these conversations off of annual compensation reviews and focuses them more on ongoing development.

Recently, Peter rolled out Community, a social collaboration and communication hub for employees to stay current on important company updates and connect around specific projects, interests, and initiatives. Community maximizes productivity by enabling the company to share the most timely, relevant content and encouraging open dialogue while also helping to track employee engagement, attitudes, and needs.

The Payoff

Beyond HR & Finance

Peter believes Paylocity's technology and best-practice approach has helped The Kennedy Group reinforce its emphasis on innovation and efficiency across the business.

"Our organization is stronger, more agile, and more competitive as a result of our partnership with Paylocity," he says.

The impact of Paylocity is being felt in multiple areas. Running payroll has become significantly more efficient, now taking just one person 90 minutes. In addition to the time savings, Paylocity Data Insights dashboards provide the latest data and trends on payroll, benefits costs, retention, turnover, hiring, and more, enabling The Kennedy Group to make smarter, more informed decisions. Detailed reporting capabilities help

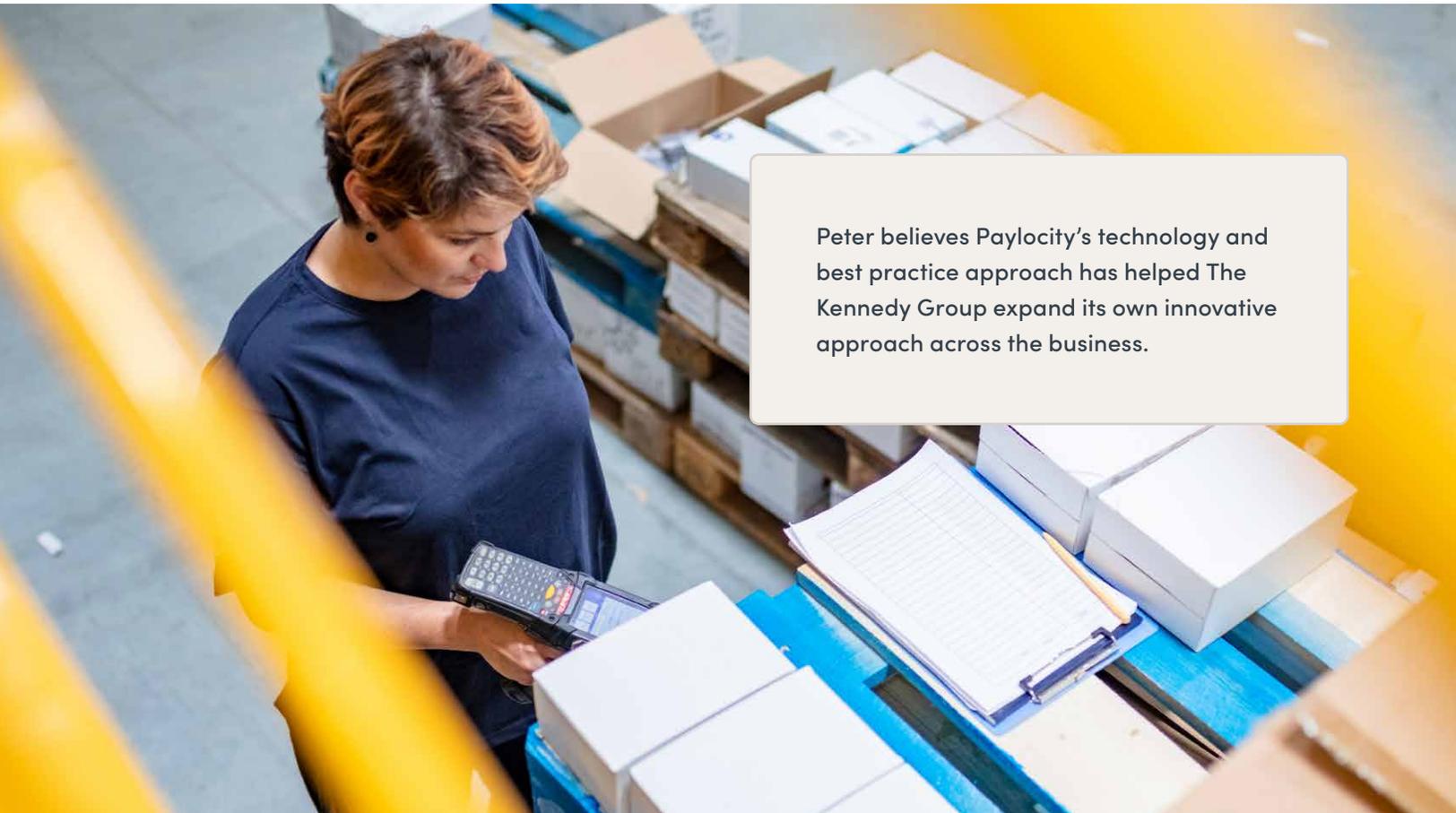
management allocate their resources more effectively, for example, by helping them see how many people are taking time off in any given time period and cross-referencing that data with production demand. Improved data management is saving them time as well. Before Paylocity, every 401(k) audit yielded action items because of inaccuracies resulting from manual 401(k) contribution processing. Since implementing Paylocity they have not had a single issue.

Continuous Improvement

The Paylocity product is always evolving and improving. To Peter, that means the addition of new capabilities and best practices that create more value for him, his team, and the business. Peter is always interested in opportunities to leverage new technologies and best practices to improve the way The Kennedy Group operates, and he's confident that Paylocity is the right partner to deliver on those opportunities.

"The amount of time that we saved using Paylocity has allowed us to do a lot more in Accounting and HR with the staff we have."

– Peter Chen, Vice President, Finance



Peter believes Paylocity's technology and best practice approach has helped The Kennedy Group expand its own innovative approach across the business.