# case study

# Communication and Culture Put Manufacturer a Cut Above







TruCut connects employees to company culture while streamlining operations.

# The Challenge

Culture is a driving force at TruCut Incorporated, a manufacturer of out-of-production service parts for OEMs like Carrier and Johnson Controls. Lean Manufacturing and Continuous Quality Management are foundational principles of the company's culture. It puts a high value on doing things the right way (not just the fast way) and all 80 employees are empowered to take initiative and fix problems before they can escalate.

TruCut also practices Open Book Management—gathering all management and staff together regularly to discuss what's going on in the business and work together to solve challenges. This approach has helped TruCut consistently grow its core service parts business and gain opportunities in new segments such as military applications.

The company puts a lot of effort into maintaining a workplace where employees can develop and exercise their skills and grow personally and professionally. Mike Lesch, HR Manager since May 2018, makes it his personal goal to ensure that HR is a positive force for all employees spread across TruCut's three manufacturing and distribution facilities in eastern Ohio.

"HR is responsible for people," he said. "I need to ensure that things in our department, and others, run smoothly so employees can focus on their jobs. Among many things, it's my job to make sure people get paid on time for the work they do. There shouldn't be any issues. If you screw up people's payroll, you mess things up for them at home too."

Lesch, a department of one, has worked with several different HR and payroll systems in his career and has experienced problems with just about every one of them. "There's always downtime at some point. Then things take too long to get resolved and you get the runaround from the vendor. It's tough to maintain a positive company culture when you don't have the day-to-day basics locked down."

"My job is to solve problems for employees as quickly as possible so they can get back to work and not have to worry about it. Paylocity helps me do exactly that."

- Mike Lesch, HR Manager

#### Company

TruCut Incorporated

#### **Industry**

Manufacturing

## Location

Sebring, OH

#### Size

80 Employees 3 Facilities

# **Customer Since**

2017

# Challenge

Leverage HR systems to improve communications and reinforce company culture

## **Featured Solutions**











rtner integrations



QQQ

#### **Results**

Stronger employee communication, engagement and culture

Faster employee onboarding and acclimation

Streamlined payroll processing time

Integration with health insurance and 401(K) providers

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# The Approach

TruCut's employee base has evolved in recent years with a mix of Millennials, Gen–X and Baby Boomers. For Lesch, it created an interesting dilemma as to how to best communicate with employees about HR-related matters. Most don't have company emails. The younger set uses their mobile phones for everything; the over–50 set much less so. Lesch was constantly traveling to the different locations to deliver HR information and update employees.

"Communication is a really important part of how you build culture, but it's difficult to do when you're spending so much time traveling back and forth to do it. I was struggling with how to best use my time and balance all my other responsibilities."

#### **Connecting Employees to the Business**

When Lesch arrived at TruCut, Paylocity had been in place for about six months with the goal of modernizing the company's core HR systems. He had heard great things about Paylocity's payroll management functionality but was not familiar with all of its capabilities.

One of the biggest surprises has been Paylocity Community, a collaboration and communication hub for employees to stay up to date on company news and events. Community is set securely within the Paylocity system, but structured like a social platform, making it easy to use for managers and employees. It has quickly become the primary communication medium at TruCut.

"I'm able to use Community to post all kinds of companywide notifications, benefits information, tax forms, call off numbers and other frequently requested information. That's a huge time-saver for me versus driving to each location to drop things off or communicate about these things to employees. Now, it's like I can be in all of our locations at the same time.

"What's even more valuable is using Community to create more engagement within the company. For example, now we are posting new job openings to highlight advancement opportunities. And when new hires start, we introduce them on Community along with their photos. This makes it much easier for their co-workers to get to know them and help integrate them into the company."

Community's usage goes beyond Lesch. The TruCut executive team is also using it to reinforce many of the Open Book Management topics discussed in the company-wide workshops. This includes progress against key goals and KPIs for the company.

"The way we are using Community really helps reinforce the most important aspects of our culture – the idea that we are all in it together and part of a close-knit community."

- Mike Lesch, HR Manager

# **Ramping New Employees**

In addition to Community, TruCut is also using Paylocity's Employee Onboarding module to fast-track new employees, process paperwork online, send personalized notifications, and track progress. As the only person handling HR tasks, automating onboarding frees up a solid chunk of time for Lesch. "It simplifies the new employee communication process and eliminates a ton of paper and handling requirements. Everything is completed online and it's all accessible through their mobile devices."

With that extra time, Lesch is able to make a bigger impact almost immediately. "As a result of the time savings in onboarding, we're able to get new employees involved in our Open Book Management sessions more quickly to get them integrated into the business. It expands their education beyond their specific role so they can see how they fit into the organization overall."

## Streamlining the Day-to-Day

TruCut has also simplified its HR and payroll processes. The Paylocity solution centralizes payroll for all three facilities. Employees clock in and out on either a computer station kiosk in the production facilities and warehouses, on their desktop computer, or on their mobile. Geofencing ensures that employees are on-site when clocking in through the app. Time logs are automatically uploaded to Paylocity, where they can be approved by managers from their phone or desktop before being processed for payroll. All this automation means payroll for the entire company takes about 15-20 minutes in total and everything is accessible securely online.

Paylocity is also integrated with TruCut's health insurer and 401(k) provider. This eliminates the need to update employee payroll information to these systems manually. Employees can use the Paylocity application to update their 401(k) information at any time.

TruCut's health insurance broker also uses Paylocity's Partner Portal to access information for employee enrollments and coverage. "Thanks to the software, our insurance broker is really like an extension of my team," says Lesch. "As a one-person HR team, the time and hassle that saves me is huge."



TruCut also deployed Paylocity Expense Management which has dramatically simplified the process for all involved. Employees just take a picture of their receipts, log basic information and submit it to the Paylocity Mobile App. Managers can approve reports remotely and employees get reimbursed on payday with their paycheck.

# **Leveraging Analytics**

Reporting and analytics are also key to Lesch's decision–making. He uses Paylocity to track employee retention, turnover, hours reported, overtime, benefits costs, and more. TruCut's CFO is getting value out of it too. He and his department run a variety of custom reports off of Paylocity to better understand trends in the business, track opportunities for new efficiencies, and enable more accurate planning and budgeting. It's part of a broader organizational effort to embrace technology to improve the way the business runs.

# The Payoff

## Strengthening the TruCut Community & Culture

TruCut has always been a close-knit company. Lesch believes that, with Paylocity, he is able to reinforce that while supporting TruCut's dedication to quality and building a stronger connection between the company and its employees.

Eliminating payroll errors reduces stress on staff and creates a more positive work environment. Community supports the company's Open Book Management philosophy by creating more transparency and communication about the business. It also complements TruCut's onboarding efforts by reinforcing new employee training and helping new hires get acclimated more quickly.

"Posting progress against company KPIs for each department and facility really helps employees get up to speed and reinforces what they are learning in the business workshops. We're making that part of their job descriptions and Community is helping them embrace that."

Looking forward, Lesch is planning to use Community to continue driving communication improvements that will directly address feedback from recent employee surveys.

# Speed, Simplicity, and Support

As a one-person HR team, Lesch really appreciates the time savings and efficiency he is able to find with Paylocity, both for himself and for TruCut's employees, who are now free to focus more time on key outputs for the business.

"Sometimes, HR processes can cut into production time. Whether it's payroll, benefits, onboarding, or expenses, Paylocity makes things a lot faster, simpler, and easier for everyone."

The importance of quality communication and culture really comes full circle with Paylocity's approach to service. "There is so much you can do in the system and it's so easy to use that you can't really mess it up. But if you do, and no matter how dumb you might feel about it, Paylocity is always there, without any judgement, to help you sort it out. That's a good feeling."

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- Mike Lesch, HR Manager



