

ADP Helps Alliant Credit Union Create a 21st Century Environment for Payroll, HR and Benefits

Company Background

Alliant Credit Union is one of the largest credit unions in the United States with headquarters in Chicago, Illinois. It was formed in 1935 to provide employees of United Airlines with a safe place to save and obtain loans at fair rates. Today, the Illinois-based financial institution serves a wider member base that totals 190,000. Alliant employs approximately 270 employees in 11 states and operates under a low-cost, low-headcount business model.

The Challenge – Seamlessly Assuming Employment Responsibility for Administrative Functions

Alliant assumed direct employment responsibility for payroll, HR and benefits functions following its employment spin-off from United Airlines in 2003. With this major change, Alliant was most concerned about ensuring tax and regulatory compliance, reducing their labor costs and controlling their benefits expenses.

The Solution – A Web-driven, Paperless Solution from ADP

Alliant Credit Union selected ADP's Web-driven solutions for payroll, time and labor management, HR and benefits administration, creating a paperless environment driven through employee and manager self service.

When Alliant Credit Union spun off its employees from United Airlines in 2003, the financial institution faced an enormous challenge – how to most efficiently manage a direct employment relationship with its 250 employees. “We started with a blank sheet of paper,” recalls Lee Schafer, Alliant Credit Union's Vice President of Corporate Affairs, “and with the help of ADP we ended up with a 21st Century business environment.” Traditional, paper-based processes bowed to

online, electronic efficiency. Lee notes, “We went completely paperless in payroll, HR and benefits. Our payroll is Web-hosted. We're totally direct deposit. Our employees have convenient and secure access to their pay stubs online. And among other things, they can elect and change benefits online at their convenience, 24/7.”

It's been a good investment for Alliant. While the credit union plans to formally measure its ROI in the near future, early indications point to definite, repetitive savings from ADP's Web-based solutions – particularly when compared to maintaining an in-house system. Lee emphasizes, “Without going into detail, I can tell you what we spend versus what we save is very apparent. For example, we don't have to purchase special computer equipment or software and hire people with certain skills to maintain a system that isn't meant to produce revenue for our members.”

Tax and Regulatory Compliance

“Since we were – for all intents and purposes – a start-up business, we underestimated the magnitude of regulatory and compliance issues and needed assistance,” notes Lee. “ADP showed us that compliance means focusing on the multiple jurisdictions in which your employees work. We have a unique footprint. Most of our employees work in Illinois, but we have a presence in 11 states. In some cases, the states where you have a single employee can cause you the most problems, because you might be dealing with multiple jurisdictions – federal, state and local – all with different rules and filing dates. However, that didn't bother ADP a bit. They set things up and handle our administrative compliance requirements in all 11 states.”

“Employers – particularly those that want to maintain a low-cost business model – should seriously consider the benefits of ADP's Web-hosted solutions. The solutions are easy to use, they enable you to maintain minimal staffing, save you money and provide you with real peace of mind.”

“Because ADP's solutions are hosted, they're 'right' for you today as well as tomorrow. You don't have to update, change or maintain the system. That's ADP's job. For us, ADP is all about proven and dependable payroll, HR and benefits administration, and they do a fantastic job!”

Lee Schafer
Vice President of
Corporate Affairs



About ADP

ADP has more than 50 years of experience providing employers with business solutions such as Payroll, HR and Benefits Administration. ADP solutions focus on making businesses more productive by reducing costs, increasing productivity and, most importantly, standing ready to grow with your business. With the widest range of powerful, cost-effective solutions, only ADP can offer your business the flexibility it demands to grow and prosper – whether you have one employee or hundreds of thousands. And you can count on ADP for unparalleled compliance support and the most qualified and accessible customer service in our industry.

ADP's Major Accounts Division was created to address the unique business needs of mid-sized companies. We offer accurate, convenient and reliable solutions that can help you to:

- **Control Benefits Costs**
- **Improve Employee Retention**
- **Reduce Labor Costs**
- **Tax and Regulatory Compliance**

ADP. The business behind business.

He adds, "As regulatory rules and regulations change so do your compliance requirements. You miss a filing, make an incorrect calculation and you're looking at penalties and fines. That's why it's good to have someone you can trust who can accurately track, manage and file the necessary paperwork and payments for you, minimizing your tax liability. For us, that 'someone' is ADP."

Reduce Labor Costs

Maintaining a low-cost, low-headcount business model has always been one of Alliant's strategic goals, and automated solutions have turned out to be a prime enabler of that strategy. "By automating processes with an effective self service feature, you create a self help culture that saves time and money in a lot of ways," says Lee.

ADP helps the credit union to achieve its low-cost, low-headcount goal by providing solutions that streamline work processes and reduce administrative hours associated with, among other things: employee time collection, open enrollment, personal and life event status changes, bank reconciliations, employee certification tracking... and handling payroll, HR and benefit inquiries.

In addition, ADP's time and labor management solution accurately records the credit union's direct labor expenses, and then seamlessly interfaces time and attendance data with ADP PayrollSM to provide a highly efficient "punch-to-pay" workflow.

Control Benefits Costs

With its employees coming from United Airlines' Fortune 500 company environment – and its commensurate level of benefits – Alliant's management needed a highly efficient and cost-effective program to administer competitive

benefits. "We wanted a total solution that would provide significant savings in benefit administration, and at the same time not negatively impact our employees," says Lee. "For us ADP's Web-based benefits administration solution was and is the answer."

It positions Alliant to save by avoiding unnecessary benefit payments and overpayment of premiums, minimizing the time employees spend managing personal benefits while on the job, and eliminating the need to add additional staff to administer benefits. "This solution engages our employees directly with the information they need," Lee emphasizes. "At the same time, it helps us to plug any 'benefit leaks' – unnecessary payments and expenses – so we provide benefits in a timely and accurate way only to qualified employees and their dependents."

Web Portal is the Path to Web-based Solutions

The most efficient Web solutions strategy requires a reliable Web portal that company managers and employees can securely utilize to access information quickly. ADP provides Alliant with an intranet information hub that administrators and employees use to access the information and services they need. It includes information posted by the credit union, as well as links to ADP online services and other helpful sites. Whenever necessary, Alliant's management can conveniently update information – like company policies and benefits – in real-time so employees always have access to fresh information.

"We love the portal and we use it everyday," notes Lee who points out that with ADP there's no need to worry about IT support or for that matter a requirement to hire a Web designer. "They handle all that for you, and make it easy to manage. As a matter of fact, I'm the Webmaster for our company site!"



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