

ADP Helps Patten Industries Offset Today's Business Challenges By Lowering Operational Costs and Increasing Employee Productivity

Headquartered in Elmhurst, Illinois, Patten Industries, Inc. is the authorized dealer for Caterpillar® sales, service, parts, and rentals in 17 northern Illinois counties and two in northwest Indiana. The fourth-generation, family-owned business, which began in 1933 with a single service shop and 16 employees, today operates seven locations staffed by approximately 480 employees, many of whom are celebrating 20, 30, and 40 years of company service. Patten Industries relies on accurate, real-time data to help it control costs, mitigate compliance risks, and continue its long-standing tradition of providing quality products and unparalleled after-sale service.

Managing in an Environment of Compliance Complexity

"We have union employees – two unions with three different shifts and four separate contracts that specify different rates and wages – as well as nonunion employees," explains Nikki Maltese, Patten Industries' Human Resources Manager. "Add to this our other pay rules and the prevailing wage and hour laws set by the government and you can see why accurate timekeeping is essential to our business."

Vital, also, is an automated and flexible payroll solution. "We've been using ADP's PC/Payroll for more than 10 years and we've been very pleased with their service. It is a cost-effective and reliable way to pay our employees and simplify our payroll administration." Not only was it able to interface with Patten's non-ADP automated time and attendance system, it also allows Patten's payroll manager to better control the payroll regimen by verifying payroll before it is processed. In addition, ADP handles the filing of Patten's payroll taxes to multiple jurisdictions, relieving the heavy equipment dealer of noncompliance issues that could result in payroll-related fines and penalties.

For a company with a complex pay environment to succeed, Maltese explains,

"You have to put controls in place – the more the better – that will help you manage your people and their time with greater efficiency. ADP is the only service provider that did not throw a cookie-cutter solution at us. They did their homework, presented their research, and got to know our company and understand our specific requirements – especially our strategic desire to benefit from effective controls in HR that will help us save time and money." PC/Payroll opened the door for Patten to engage ADP's other HR-related automated and integrated services.

Patten Streamlines Administration and Gains Better Decision-making Tools

Patten's existing time and attendance system could not provide the company with the tools and data access it required. There was no flagging capability to catch errors, no total team views, no reporting, nothing like that.

Their existing HR and benefits administration solution was just as limited. "We were bogged down in manual administration mode. If employees had questions about their pay or benefits, the first things they'd do was call HR. Our managers were also constantly calling us for vacation records, seniority dates, compensation, performance reviews, and many other things," she adds.

After evaluating other options, Patten again turned to ADP for a new automated time and attendance solution and an HR/Benefits system to simplify administration, improve employee and manager productivity, and control labor costs.

ADP's Hosted Workforce Management Solutions Yield Significant Cost Savings and Productivity Enhancements

"When ADP presented their time and attendance and HR products, they explained the benefits and potential savings we could

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Nikki Maltese, MHRM
Human Resources Manager
Patten Industries, Inc.

Objectives for Patten Industries:

- Take a proactive step to address the challenges of today's business and economic environment
- Lower operational costs through tighter control over direct labor costs
- Reduce compliance risks around complex pay rules and wage and hour regulations
- Increase employee and manager productivity through direct access to data that alleviates time-consuming manual tasks and employee inquiries
- Utilize better tools to make decisions with access to timely, accurate data

ADP's Solution:

- Enterprise eTIME®
- HR/Benefits
- PC/Payroll



achieve. **Since we began using ADP's Enterprise eTIME and HR/Benefits solutions, we've identified more than \$430,000 in hard-dollar and soft-dollar savings,**" says Maltese. "By automating with ADP's solutions, we also have more control, higher productivity, and greater visibility. ADP provides the tools to help you identify and monitor areas and practices where you can reduce expenses."

Patten estimates savings of \$185,000 in field manager productivity because the company's 55 field managers now spend more time managing their core responsibilities and less time handling repetitive administrative chores.

Patten is able to attribute another \$104,000 in savings related to increased employee productivity as a result of employees clocking in and out faster and spending less time inquiring about pay issues and benefits. In fact, Maltese observes that employees are now more likely to access pay information – such as prior earnings information – on their own time, allowing them to focus on more important job-related tasks during their workday.

Moreover, the hosted time and labor management solution provides Maltese with a high degree of control through robust reporting capability. "The more controls we have in our business, the more time and money we can save," Maltese emphasizes. "With ADP, for example, we have real-time access to employee hours by labor account, can pull up a summary by pay code, and can immediately show any variance in an employee's clocking history."

The multi-county dealership also uses ADP's hosted, Web-based HR and benefits administration solution, which has dramatically improved the entire HR environment throughout the company. Access to real-time data has produced a paradigm shift across the employee life cycle. "The volume of phone calls to HR

from employees and managers dropped significantly because the data they need is now accessible online," says Maltese. "Recruiting used to involve time-consuming postings, followed by culling in HR before a resume even got to the hiring managers. Now, with the automated applicant tracking tool, the resumes flow directly to the managers so they can electronically 'bucket' them and identify top candidates."

She adds, "We can also create almost any report we need for the unions, such as seniority lists and time off balance and activity reports."

Combined, ADP's hosted solutions deliver even more savings for Maltese's company through greater productivity, more precise recordkeeping, and mitigation of out-of-pocket business costs.

Patten identifies savings of \$31,000 in increased HR manager productivity now that employees and managers can access routine information online rather than calling HR with every question. Equally important, Patten's three HR managers are now able to shift the bulk of their time to other strategic HR issues that require their professional expertise.

Patten has been able to attribute \$94,000 in savings that would have been paid erroneously to terminated employees, now that the company can track vacation time with a high degree of accuracy using ADP's HR/Benefits solution. "I found that we did not have a systematic solution to accurately track vacation," notes Maltese. "That meant we were overpaying vacation and unnecessarily losing money." With the downturn in the economy, overpayments would have been all the more costly. ADP's HR/Benefits solution helped avoid that cost as well as future overpayments.

Additionally, Patten recognizes another \$13,000 in printing and distribution savings. Instead of printing calendars, benefits forms, the employee handbook, and other materials, these items are available to employees online through HR/Benefits.

ADP's Hosted Solutions Improve Capabilities and Lower Total Cost of Ownership

The decision to have ADP host the solutions was an easy one for Patten Industries. "ADP has a great track record with our company," Maltese notes. "We chose ADP's hosted solutions for time and attendance and HR/Benefits administration for several specific reasons. We have better control of the data we are entering. We are able to easily export to Excel and filter out what is necessary or needed at any particular time, and we can generate several reports simultaneously."

ADP hosting allows companies to access ADP's solutions from an Internet browser. This eliminates the need to purchase computer hardware or software or have dedicated IT resources to maintain the applications. ADP takes responsibility for operating system, application and database installation, upgrades, and security measures, so client companies can focus on their business.

"Just as important," Maltese adds, "ADP professionals – people who know their business and care about ours – are there to answer our questions and troubleshoot. My advice is to consider hosting when you trust the solution and the company that's providing it. We trust ADP. They have everything down to a science and, unlike some of the smaller vendors, you know they're going to be around for a long time," she concludes.

Patten Industries is among the approximately 570,000 organizations of every size worldwide that use one or more solutions from ADP to increase their efficiency.



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