

Case Study: Concannon Enterprises, Inc. T/A Henthorn Mower & Engine Service



Industry: Retail
Location: Indiana
Employees: 12

Henthorn Mower Manages Time and Attendance and Payroll with Web-Based Solutions from ADP

Concannon Enterprises, Inc., which trades as Henthorn Mower & Engine Service, sells and services power lawn and landscaping equipment to residential and commercial customers in and around Indianapolis, Indiana. The business, which began in the early 1960s, is known for its wide selection of products, fair pricing, and outstanding service. Rickie Star and her husband purchased the business from her husband's parents in 1978. Henthorn Mower & Engine Service, a family-owned business with 12 employees, relies on accurate and reliable time and attendance information to help it control labor costs and provide accurate data for its payrolls.

Death in the Family Led to a Rethinking of the Payroll Process

"For years, no one really looked at the specific way that we handled our payroll administration because payroll was one of my mother-in-law's responsibilities in the business," recalls Star. "She had always done the payroll. When she became ill, I stepped in to help her manage the process. It was at that point that I realized how complicated doing payroll was for a business of our size."

Every Thursday morning, Star's mother-in-law would meticulously review the paper time cards of all workers, calculate hours, make the appropriate deductions, and type out each paycheck individually. In all, the process took about an hour to complete. In addition, however, Henthorn's accountant completed the paperwork for payroll tax filings.

Challenges for Henthorn Mower:

- Replace a system featuring paper time cards and manual data entry with an efficient, Web-based time collection process
- Deploy an automated solution that interfaces with a streamlined payroll solution
- Minimize compliance risks around overtime and payroll tax filing
- Choose a time collection and workforce management solution that offers predictability

ADP's Solutions:

- ezLaborManager®
- EasyPayNetSM

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Rickie Star
Henthorn Mower & Engine Service

“After my mother-in-law passed away, that left one person in our payroll department – me,” notes Star. “I took it all over along with the payment and tracking of payroll and unemployment taxes. It wasn’t long before my husband and I were looking for a payroll service to save me time and provide us with a high and consistent level of accuracy.”

Manual System Had the Potential for Error and Compliance Issues

The reasons for moving from a manual payroll system to a more automated solution included more than achieving a streamlined workflow and “creating” time for Star to manage other aspects of the business.

“Obviously, a good automated system would speed up the process,” says Star, “but there were other considerations that came to mind as we evaluated what we wanted a new system to do.” Was it smart to continue using the company’s manual time clock? What about keeping up with the latest rules concerning the calculation of overtime? What if there was a simple addition error that caused a paycheck to be wrong?

Compliance risks include more than ensuring overtime hours are correct. A potentially bigger problem involves payroll tax filing, where errors or lateness can quickly result in penalties and interest. As far as any government tax jurisdiction is concerned, any filing errors – by either the outside accountant or Star – belong to Henthorn. “We took everything into consideration and decided on a service that we felt would provide us with the best accuracy, reliability, and compliance expertise,” says Star. “We chose ADP.”

Web-based Solution Streamlines Workflow, Lessens Compliance Risk

ADP’s solution for Henthorn includes Web-based ezLaborManager® for time and labor management and ADP’s EasyPayNetSM Web-based payroll, which seamlessly integrates with the time and attendance application. ADP replaced Henthorn’s old manual time clock with an electronic clock that collects employee clock-ins using swipe cards to help assure maximum accuracy.

“The ADP time and attendance solution is much more accurate than our previous system,” Star adds. “It records and calculates employee hours, whether hours are regular or overtime, and even keeps track of employee vacation days and sick days. We see information in real-time, which is important because that gives us the ability to keep a better eye on what’s being paid out and add or cut back hours as needed. To me, the time collection application and payroll are one smooth, single system. The payroll service also makes it much easier to process our checks, and include commission sales and other odd income payments.”

Important, too, are things that Star and her husband no longer have to worry about. For example, gone are concerns relating to payroll tax filing compliance. ADP not only does Henthorn’s payroll, but also administers the company’s payroll tax filing and deposits, as well as unemployment taxes. If there are any inquiries from tax authorities about how something was filed, the inquiry goes to ADP, and ADP addresses it directly with the government.

Measuring Return on Investment

By using ADP, Henthorn sees savings in time and greatly minimized payroll-related compliance headaches. “Payroll that used to take an hour to process now takes half that time,” says Star. Hours worked are recorded electronically so questions about the amount in a paycheck are virtually eliminated. Above all, there is the access to valuable, real-time information made possible by ezLaborManager that empowers employers like Star to better control their labor costs and therefore, the profitability of their business.

If Star needs assistance, she knows she can rely on prompt and accurate service from ADP’s call center. “The service is excellent,” Star concludes. “ADP is everything we expected them to be. They are very helpful, very accurate, and very reliable.”

Concannon Enterprises, trading as Henthorn Mower & Engine Service, is among the more than 585,000 companies worldwide that use one or more solutions from ADP to increase the efficiency of their business.