Reducing costs and turnover with ADP® DataCloud

Quick facts

Company: Ewing Irrigation

Industry: Landscaping

Employees: 1,300

Headquarters: Phoenix, Arizona

Product: ADP® DataCloud

Learn more about Ewing Irrigation at ewingirrigation.com

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JR Richards
Executive Vice President of Talent Resources

Ronn Alexander
Director of Human Resources

As the largest family-owned irrigation distributor in the country, Ewing Irrigation boasts over 230 locations throughout 31 states. They prioritize providing their customers with a great environment — not only in their own backyards, but when they visit Ewing Irrigation locations. As the company grew, they noticed that high turnover rates were affecting their employee engagement as well as their customer experience and were determined to find a solution. Discover why ADP® DataCloud was the right tool to help them minimize their growing pains and reduce their turnover and retention challenges:

Setting up for growth

JR: Knowing that our plans are to grow to a $1 billion-dollar company, we needed a platform that would help get us there from a payroll and benefits point of view. Some of the challenges we've faced are high turnover rates and the need to control and manage our overtime better. Those things were originally done manually at our company, and we just couldn't spend the time, effort and resources to continue to do it that way if we wanted to grow.

The cost of high turnover rates

Ronn: We have multiple locations across the country, and there's only one manager with between two and four employees in each of those locations. So anytime we lose somebody, it's a massive impact on that branch and their ▶

resources because they're losing 25–30 percent of their workforce. The manager now has to spend a ton of time training a new employee to get up to speed, and it takes about 10 weeks to train somebody just to be serviceable. It's tough to overcome those issues, and it costs about $7,500 per lost employee.

JR: The burden that turnover creates for our locations is that the other employees in the location have to work harder and longer. A lot of times that creates even more turnover and contributes to customer service not being done the way we expect because they're being overworked. The customers aren't being serviced as well as they could be because we can't make as many deliveries or help them out on location as quickly as we'd like.

Dealing with outdated data

Ronn: With our previous system, it was a horrible process trying to extract data to get turnover or overtime rates. If we wanted to calculate headcount in our old system, I would have to go through each location one by one and manually enter it into a spreadsheet. At one point, I was trying to find turnover for our branch managers and I literally had to go through multiple pages of data to see who was terminated. Then I had to go through it with my own knowledge and remember whether it was voluntary or involuntary. That process was frustrating, and there became a point where we really didn't use it very much because it was so hard to manipulate. A lot of the decisions we made were based on guesses, hunches and shooting by the seat of our pants instead of real, data-driven decisions.

Now that we use ADP, we can pull that data on a daily or even hourly basis, and we look at it all the time. To be able to have a system that actually shows us that in real time has saved me months of work.

JR: When I was working in the field, I would have to wait to get data fed to me, and a lot of times it would be three to five months old. It's hard to make any sort of decisions or take action when the data isn't relevant or timely. Overtime data was one of the more important things — trying to figure out how much we're spending on overtime and what locations are contributing to it more than others. If you're looking at data from January and it's May, it's kind of hard to do anything about the overtime that was spent months ago.

With ADP, we're able to see that data in real time. We can find out what turnover was last month or last week, and really dive into which specific locations have more than others. Once equipped with that information, leadership can ask the right questions to the right people as to what's causing that high turnover or overtime and determine what solutions we can provide to help reduce it.

Using ADP DataCloud to help reduce turnover

JR: Previously, we calculated our turnover with a yearly snapshot. We went into every location and figured out how many people they had working there at the beginning of the year, and how many at the end of the year. Before ADP, our turnover was 31 percent. In one full year with ADP, we've been able to reduce that ▶

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One of the things we found with ADP DataCloud was that some locations had higher turnover than others. We were able to take a proactive approach and help those managers learn how to develop people better and create career paths for folks to help reduce turnover. By having this data, we're also able to identify and prioritize areas that would give us the best ROI so we know where to spend our time and resources. We saved about $750,000 just as a result of the reduction in turnover that first year. It allows us to invest into other things to help us grow, and as we continue to reduce turnover, the cost savings year over year will be over $1 million.

The benefits of benchmarking

JR: We were able to use the benchmarking information from ADP to identify that we were a little bit under market when it came to compensation in a certain market. And since we were experiencing high turnover, we were able to identify that compensation likely had something to do with it. We put together a program where we increased some of the compensation in a specific region and measured to see if doing so reduced turnover and improved sales. Because we had successful results, we're now expanding that to the greater division to try to get them to be more competitive when it comes to compensation in their market and trusting that we'll be able to show the results with the data that it works.

Ronn: We addressed the issue and have tracked it for a year now, and turnover has gone down significantly — It has reduced by 20 percent just in that market. The regional manager and the divisional vice president of that area have said the engagement, satisfaction and productivity is up for all those people, and it has totally been a success. This gives us an opportunity to then take that information and share it with our finance folks to show them that increasing our payroll in certain areas can help increase our profitability as well.

A convenient, easy-to-use solution

JR: I'm on ADP DataCloud daily. It's one of the first things I do each morning — I turn on my email and then I get on ADP and look at ADP DataCloud. I'm constantly paying attention to turnover, overtime, earning information and payroll information. Before, we didn't have any of that information at our fingertips, and now it's really easy to get.

Ronn: ADP DataCloud has really helped us drill down into information that we never had access to before. Previously, we had an overtime report that we would pull on a monthly basis and spend four to five hours manipulating data so that we could share it with the right people. Now, we still pull that report on a monthly basis, but we can do it within minutes. ADP is making my life easy. It's intuitive — I was able to figure it out without having to go through a whole bunch of training. I love it. ▶

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Delivering data to leadership

JR: Data is key for building a relationship with leadership. When you're talking to an executive team, they want data and they want decisions based on data. Now that we can provide that, it makes the conversation more robust and allows us to provide better solutions and better information around some of the things that the leadership is looking for. It has absolutely changed our dynamic with the executive team.

Ronn: With the data that we get from ADP DataCloud, I can confidently talk to our finance folks about what our initiatives are and how they will create ROI for the company. We had an initial training to show them the benchmarking and dashboards they had access to, and they got super excited about being able to see this information quickly and easily. It was the same data they had previously been trying to find and pull out of multiple places, but couldn't.

Providing a better customer experience

JR: Being able to reduce our turnover affects our first strategic pillar as a company, which is creating a stronger family. It's about having loyal employees that really find working at Ewing a career. It also affects the second pillar, which is our customer awareness and customer outreach. Our customers want a familiar face at the counter — somebody who knows them and their business. So by reducing turnover, we're really giving our customers a better experience.

Ronn: With ADP, we have better engagement, productivity and satisfaction amongst our employees, better customer engagement, and ultimately, the branch is more profitable.

Partnership with ADP

Ronn: The overall partnership with ADP has been fantastic. We feel like they're our business partners. They've given us the ability to see and update data on a constant basis so that we can move forward into the future and scale our business to keep up with all the innovations that are happening. It's a huge win for us because we know that ADP will continue to advance their product, and we will continue to benefit from that advancement.

JR: Our partnership with ADP has allowed us to further our initiatives and vision by bringing us into the future with platforms that will allow us to scale. It's not like we're going to have to go and find what's the best next thing — we really have what is going to help us now and into the future. ADP is giving us that competitive advantage to modernize and run our organization more professionally.

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