

RMH FRANCHISE CORPORATION

USES ULTIPro TO SPEED PROCESSING OF ACQUIRED EMPLOYEES, MANAGE PAYROLL



INDUSTRY

Restaurants



NUMBER OF EMPLOYEES

10,415



KEY BENEFITS

- Added 33 locations and about 2,000 employees in one acquisition, without adding any headcount to payroll department
- Eliminated the time-consuming and detail-intensive processes related to tax reporting and wage attachments
- Configured UltiPro to handle the special situations encountered in the restaurant industry

“ We have hourly employees, salaried employees, and employees who work multiple jobs in the same pay period, possibly collecting overtime and makeup pay in multiple jobs. UltiPro’s industry-specific features help us tackle all of our tip-related issues, such as quickly and precisely calculating the compensation for employees who work in multiple jobs where tips are collected differently within a single pay period.”

-Justine Belt
Payroll Manager
RMH Franchise Corporation

OVERVIEW

RMH operates more than 175 Applebee’s locations in 15 states, and has grown to a payroll of approximately 10,000 employees.

CHALLENGE

RMH was using multiple HCM solutions and managed many processes by hand, including thousands of wage garnishments every payroll.

SOLUTION

RMH went live with UltiPro in April 2014 and was able to achieve substantial HCM improvements.

“Our business model is based on growth through acquisition,” said Justine Belt, Payroll Manager for RMH. “UltiPro makes acquisitions very easy for us—a simple matter of adding more records, including locations, pay groups, and new states, into the solution. When we added 33 locations and about 2,000 employees in August 2015, UltiPro enabled us to scale up without adding any headcount to our payroll department.”

RMH has grown to a payroll of approximately 10,000 employees. The company’s large employee base plus the restaurant industry’s high turnover requires the RMH payroll staff to manage up to 400 hires and terminations each week. As a result, RMH distributed more than 19,000 W-2s for 2015.

“With UltiPro Payment Services, we have eliminated the time-consuming and detail-intensive processes related to tax reporting and wage attachments,” said Belt. “UltiPro helps us manage our tax compliance and wage attachment payments each pay period as well as our tax filings every quarter, in 15 states and hundreds of localities, with its myriad rules and timelines. When I receive my tax package from Payment Services every quarter, it is 1,000+ pages long—something that without UltiPro my team would have to create and process. Our wage attachments are handled in the same way as our tax file, with one-click activation of Payment Services’ paycheck calculation and distribution. We don’t have to print checks in-house, review their accuracy, and send one by one. UltiPro is saving us a tremendous amount of time.”

RESULTS

Unique payroll challenges in the restaurant industry include makeup pay, a complex process that is closely monitored by the Internal Revenue Service. According to federal laws, employers can pay their employees below minimum wage because tipped income is expected to make up the difference. When gratuities are low and the hourly minimum wage isn’t met, employers have to pay workers the difference.

“We have configured UltiPro to handle the special situations we encounter,” said Belt. “We have hourly employees, salaried employees, and employees who work multiple jobs in the same pay period, possibly collecting overtime and makeup pay in multiple jobs. UltiPro’s industry-specific features help us tackle all of our tip-related issues, such as quickly and precisely calculating the compensation for employees who work in multiple jobs where tips are collected differently within a single pay period.”

Employees who switch locations within a pay period create an additional payroll complication. However, the integration of UltiPro into RMH’s

point-of-sale system creates a seamless process through Web services for managing this data, with records that are accurate and require no manual data entry.

“If an employee switches between locations, the manager updates the employee’s record in UltiPro,” said Belt. “When the employee arrives at the new location, the integration of UltiPro into our point-of-sale system enables the employee to clock in electronically.”