Starwood Hotels cuts costs and improves business with E-tivity Enterprise

Workforce Management software delivers broad benefits to hospitality industry

Four of Starwood hotels have reduced payroll costs, lowered staffing timesheet error rates and improved administration efficiency following the implementation of Workforce Management software from **E-tivity® Corporation**.

Since its deployment over three years ago, **E-tivity Corporation's** flagship product has automated many of the previously manual tasks for Starwood, such as how employees are forecasted, scheduled, tracked and calculated. Delivered over the Internet, **E-tivity Enterprise's** base product includes elements such as reporting and data exchange, while the modules extend to areas such as scheduling, time and attendance and on-cost provisioning.

Starwood encompasses recognized brands such as Four Points, Sheraton, Le Meridien and Westin. In Australia, Starwood has implemented **E-tivity Enterprise** in four of its hotels located in Sydney, Noosa and Melbourne.

Challenge

Geoff Rossiter, Payroll Manager, Starwood Centralized Services, says the company was looking for a product which could not only instantaneously report on one of the hotel's largest expenses – payroll – but also improve the processes around scheduling, and time and attendance.

"With our manual system, we calculated the wages on a fortnightly basis which meant we could only address issues with payroll costs after the fact," explains Rossiter. "This reactive approach doesn't work where payroll costs form such a large part of an organization's outgoings."

Solution

Now, instead of completing paper-based timesheets, employees clock in through **E-tivity Corporation's** E-tivity Time Clock. The E-tivity Time Clock automates the collection of timesheet information by recording what time employees start and finish their scheduled tasks, using biometric finger scanners. Once a person clocks in, the system automatically matches the person to the existing schedule and 'approves' their shift if it matches the schedule or falls within the pre-defined tolerances.

The Benefits

- Strong audit trail and consistent reporting
- Efficiencies gained through centralized payroll processing
- Each department has real-time access to their payroll costs

Benefits

"It's an amazing audit trail," comments Rossiter. "If an employee doesn't clock in when they are scheduled to, it comes up on a report and the department adjusts the timesheet accordingly. There are still occasions where department heads need to check and approve timesheets – for example, if an employee starts work an hour before they are scheduled to – but generally speaking, this would be a very low percentage."

Rossiter believes the time clocks put some of the onus back on employees to correctly log in and out. This also means fewer enquiries to payroll and more accurate real-time costings.

Rossiter says E-tivity Time and Attendance integrates perfectly with Starwood's payroll system, making for a more efficient overall system.

"Since we implemented E-tivity Enterprise, the centralised services team has taken on an extra two hotels – but we haven't increased our payroll staff," Rossiter explains.

"That's another 500 employees across two different states and we've managed to keep the payroll team the same size – so we're definitely seeing savings in terms of man hours. It also means those hotels don't have to manage payroll processing."

In fact, the ability for E-tivity Enterprise's modules to communicate with each other has encouraged Starwood to implement additional functionality, including E-tivity Business Alerts, E-tivity Event Scheduling (to help managers cost out events such as banquets or conferences), and E-tivity On-Cost Provisioning (calculates the on-cost of an employee's wages).

"E-tivity Enterprise has increased our efficiency in some areas," Rossiter says. "For instance, the housekeeping manager used to spend a lot of time each fortnight checking time sheets; now, it is done daily and only takes minutes. From a payroll point of view, we're finding our workloads less stressful because we only have to check the data in E-tivity Time and Attendance before uploading it to payroll. Not only is the process much faster, the bulk of our work isn't crammed into one or two days each pay; it's much more evenly spread out."

Rossiter says he was also impressed by the E-tivity Work Rule Interpreter which automatically calculates the necessary rate, penalties and allowances for each employee.

"The strength of the E-tivity Work Rule Interpreter is beyond anything I've seen," he says. "Previously a written timesheet was received and we were manually calculating the hours, penalty rates, overtime and departmental costing, then keying those interpreted timesheets into the payroll system. Work Rule interpretation is now completed automatically and at any time, we can look at what payroll is costing us."

With the introduction of one system, scheduling and reporting across the hotels' different departments is more consistent, with each department having access to only its own schedules and time sheets while still using the same system. This makes the whole process more transparent and training a lot simpler when people move across departments. Users can now see what is happening in their department almost instantaneously.

"Management could previously see what was happening but only after the event so it was too late to take any action," Rossiter explains.

Rossiter says the move away from a manual system was smooth and caused no interruptions to the pay process. The smooth transition from a manual time keeping process to E-tivity Enterprise's web-based system was largely attributed to the strength of the implementation team. Their knowledge of the E-tivity Enterprise product and our industry was fundamental in implementing the system.

"The fact that everyone continued to be accurately paid was one of the most important things for me and gave an excellent first impression of the software," he says.

The E-tivity Enterprise software is also intuitive and easy to use, Rossiter notes.

"Once you have E-tivity Enterprise set up, it's easy to maintain," he says.

E-tivity Corporation's local roots were also important in terms of customer service delivery.

"Because E-tivity Corporation is an Australian company we actually know the people who own the business," Rossiter says. "It also means we don't need to contact people in different time zones which is more convenient and we get better response times. Our industry has a very strong service culture so we require that same level of service from our suppliers - and E-tivity Corporation delivers.

"We spoke to several companies and felt E-tivity Corporation was the only one which could deliver on its promises," Rossiter continues. "E-tivity Corporation has always been responsive. Our business runs 24x7 so there are times when we need things after hours, and with my account manager, I receive that service. For me, that's satisfaction and peace of mind," Rossiter concludes.