

CASE STUDY

Category: Healthcare**Employees:** 54,800**Products:**
Workforce Timekeeper™**PROJECT BENEFITS**

- Seamless data integration with SAP provides real-time reports for efficient staff management and controlled labor costs
- Easy data exchange allows for new hire service level agreements within 15 minutes
- Accurately manages 2,500 to 3,000 individual payrules, minimizing compliance risk
- Reliable and scalable database infrastructure providing the functionality and high-quality information needed to better manage the workforce.

Workforce Timekeeper Helps Kindred Healthcare Improve Productivity and Control Labor Costs

Kindred Healthcare is the country's largest diversified post-acute provider. The Louisville, Kentucky-based healthcare services company has more than 54,000 employees in 41 states and through its subsidiaries provided healthcare services in 654 locations, including long-term acute care hospitals, skilled nursing centers and a contract rehabilitation services business (at September 30, 2009). In 2009, the organization was named the Most Admired Company by Fortune magazine in the category of Health Care: Medical Facilities.

Managing employee time and controlling labor costs for this number of employees at hundreds of locations was challenging with the organization's varied manual and automated timekeeping solutions. Identifying a need to centralize and standardize its timekeeping and attendance processes — and have access to a web-based solution — Kindred Healthcare chose Kronos® for Healthcare Workforce Timekeeper running on Microsoft SQL Server. With the fully automated solution in place, the organization has increased productivity, reduced payroll errors and inflation, and mitigated compliance risk.

Integration maximizes productivity

Some of the organization's productivity improvements are a result of the high level of integration, including 21 interfaces, between Workforce Timekeeper and SAP, the organization's enterprise resource planning solution. All new employee data — demographics, payroll information, labor levels, benefits, accruals — are entered into SAP and integrate seamlessly with time and attendance information from Kronos.

The smooth integration has shortened the time needed to enter new employee information into the system. The fluid exchange of data has helped Kindred Healthcare achieve its goal of completing service level agreements with new hires within 15 minutes.

“The integration between these two systems, including having a centralized SQL Server database and a web interface, has allowed us to design bigger and better things in Kronos to give our business and end users access to real-time reports based on Kronos information or exporting Kronos data into our Business Warehouse in SAP,” explains Chris Davis, corporate manager of HR applications. “The technological advantages that have been afforded by moving to the Kronos solution have been amazing.”

The integrated system has made life easier and more productive for end users and Support Center staff who manage and maintain the system. A single point of entry for employee information has been a big timesaver, with no redundant data entry and potential keystroke errors, and data changes take only minutes.

Wealth of information helps control labor costs

Kindred Healthcare also finds controlling labor costs far easier with its Kronos solution. Employees at each facility punch in and out at Kronos 4500 Touch ID™ biometric terminals, eliminating buddy punching and its unproductive labor costs. Workforce Timekeeper provides data that alerts timekeeper managers to issues that need immediate attention, including employees approaching overtime, allowing for adjustments that save overtime costs.

In centralized areas in larger markets, employees may work at more than one facility and “cross-punch” between facilities. “Kronos has allowed us to automatically track where employees are working, removing the manual time entry or time adjustments that took place before,” notes Davis. Employee hours are correctly charged to each facility, and managers and payroll staff can see the transferred hours in the system.

To effectively manage employee hours, timekeepers can easily access the Kronos solution for real-time reports on timecard details at any Kindred Healthcare facility. At the end of each day, workforce data exported from Kronos is sent to the SAP Business Warehouse system and presented in enterprise-wide reports for managers. Organization executives receive a daily labor analysis — overtime by facility, department hours, budgeted hours and variances — and can drill down to compare specific departments and facilities.

Support Center Payroll is also adept at creating Workforce Genies® and HyperFinds™ to provide reports on specific workforce trends at the facility level and to produce facility by facility comparisons across the organization.

Solution minimizes compliance risk

With union and nonunion employees in every region of the country, accurately configuring and tracking 2,500 to 3,000 individual payrules was a challenge with Kindred Healthcare’s decentralized system. “Moving to Kronos for Healthcare allows us to more easily manage our compliance responsibility,” says Davis. “By building upon areas of consistency, Kronos’ payrule configuration is very flexible and provides us with greater ease to maintain compliance with the various payrules across the country.”

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Corporate Manager, HR Applications

Real-time information in the centralized workforce management system is also helpful in demonstrating Kindred Healthcare’s compliance with state and federal labor laws in a timely manner. “Now when state enters a building and requests various documentation within 24 hours, it is much easier to accommodate their request,” he adds.

As Kindred Healthcare looks to continue effectively managing its workforce and workforce data in the future, the organization is exploring incorporating absence management and advanced scheduling modules. Its commitment to being a leader in workforce management reinforces why Kindred Healthcare has been named the most admired company in healthcare.



TIME & ATTENDANCE

SCHEDULING

ABSENCE MANAGEMENT

HR & PAYROLL

HIRING

LABOR ANALYTICS

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