dailypay. | CarDon & Associates Inc. Family-first Senior Living Communities

Case Study.

DailyPay Makes On-Demand Pay Implementation a Breeze

CarDon & Associates, owners and operators of 20 family-first senior living communities in the midwest, considered On-Demand Pay a few years ago, but didn't initially decide it was right for them.

Fast-forward to today and, after implementing, they wish they'd done it sooner. We sat down with Amy Haug (VP and Chief Human Resources Officer), Kathy Brackett (Director of Payroll) and Tom Gorski (HCM Manager) to hear about their journey to offering On-Demand Pay.

Why Implement On-Demand Pay?

Kathy: I started around five years ago, and that was around when we first brought up the idea of an On-Demand Pay program. At the time, our then-CFO was pretty skeptical. He didn't feel like it was right for the company or our associates at the time.

Tom: To add to that, five years ago it was 2020 and we were in the middle of the pandemic. We weren't thinking about paying every day. Our top priority was making sure patients were cared for and facilities were staffed and people were paid, period. In healthcare, there's always the ongoing issue of high turnover. The idea for On-Demand Pay came back around at an ADP Meeting of the Minds conference in Atlanta.

Kathy: We had the chance to connect with a few other companies about the benefits they were seeing from On-Demand Pay, including in the recruiting process. We started looking into it again, and sat down with DailyPay to really go over the system and the processes. Coupled with the fact that it doesn't cost our company anything to offer this benefit, we saw it as a win-win. I was convinced this was good for our associates and what we needed to do.

We also had a new Chief Human Resources Officer, Amy.

Amy: When I started talking about "daily pay", it was because I knew specifically about DailyPay as a benefit. The Senior Executive Team was not immediately supportive of Daily Pay as it was viewed by some as potentially setting up associates to make bad financial decisions. Since we were already running a weekly payroll, they thought it wasn't necessary. I was never against it, I knew it would only be a boon.

I feel connected to the challenges associates face. I know people are missing work because they get a flat tire and can't pay to fix it, or they don't have money for gas or whatever the financial case may be. Some even had to go to get a payday loan, but those were only available during work hours.

CarDon & Associates Inc.
Family-first Senior Living Communities

Partner: CarDon and Associates Inc.

US Headquarters: Indiana

Industry: Senior Living Communities

Payroll System: ADP Workforce Now

Paycard Provider: Wisely by ADP

Timekeeping System: ADP Essential Time

When I switched the way I talked about DailyPay from "daily pay" to On-Demand Pay and it was clearer that associates were only accessing their own wages they'd already earned when they wanted or needed them, that was received very differently.

We know from associate data through Dailypay that close to 70% of our transfers are for things like bills or food. These aren't discretionary items. These things helped me reframe how I was presenting the concept. There was also a concern around the fees for our associates, but we were able to dispel that myth because of the "no cost" options available with DailyPay Preferred*. As I was able to educate our leadership team, attitudes changed.

What concerns did you have?

Amy: We were concerned that we had a lot of buildings, and it was going to be a massive undertaking to turn DailyPay on for all of them at the same time. We decided to stagger telling new groups that they had access so that we could thoughtfully roll DailyPay out and ensure a good experience. But it's funny, because people talk. We had people at one of our communities we hadn't told yet who were using DailyPay before we told them about it. To this day, we're still not sure if it was because of a DailyPay notification or because they were talking to another building, but it's a testament to the fact that you don't need to feel paternalistic towards your associates. They know what they're doing. It doesn't matter if they're young or early in their career. They figure it out.

Kathy: My only worry was the impact it was going to have on my payroll team. With past experiences, we've been told before that changes or programs wouldn't impact the payroll team and I've had to be skeptical because that's not always truly the case. There was a lot of work behind the scenes we had to do to make a new program successful.

During setup we had a few things to work out, but I can't speak more highly of the DailyPay support team. The people who helped us with implementation answered all of my questions along the way, and maybe answered some of them more than once. They were absolutely right that once it was set up, we've really been hands-off with it unless something comes up. And even then, we refer associates to DailyPay's customer support, and at this point I can say I was wrong. It really was great, and there wasn't an impact on our payroll team. It's been great and I'm so glad that we did implement. I really think it's been a benefit for our associates.

Tom: The big surprise really was that we didn't have to do much. I set up a few reports, and that was it. We really were skeptical, but what we were promised really was true.

Amy: We also were pleasantly surprised at the lack of disruption. Our COO said to me "I don't care what you do, but payroll really works right now. We don't have issues. If you can do this and not disrupt our operations, go for it. But the minute it starts disrupting payroll, we're going to have to reconsider". We can't afford for payroll not to be correct. Paying 3,500 people weekly, on time and accurately, in a 24/7 operation with shift differentials and premiums and different rates is a challenge. And DailyPay hasn't disrupted any of it. It was so easy.

Kathy: One thing we've noticed is that we've added it to orientation and a lot of new hires use DailyPay. Having it in front of them from the very beginning has helped. We have more new associates using DailyPay than existing associates using it, so we can see as our workforce grows, our program is growing with it.

Associates also use DailyPay to monitor what they're earning as they earn it, so they can plan their paycheck out.

Whenever we've had to escalate anything through support, the response time has been amazing. We've had a few questions to clarify things we were seeing in the system, and someone was able to help us out right away, which isn't the case for every partner we work with. With other programs, we've sometimes had to wait a week for answers. With DailyPay, we're dealing with peoples' pay and they want answers immediately. I don't think I've waited more than 24 hours for a response, which is amazing.

* Learn more about DailyPay Preferred on ADP Marketplace

Amy: In the healthcare industry it's so competitive for talent. To me this was a no-brainer. It's a no-cost benefit, and it's a play for retention. Even if only 10% of our associates used it, and it retained that extra 10% of our workforce, that's over 300 people we wouldn't have to turn over if this is a benefit that makes a difference for them.

We have candidates who inquire about the program, too. They're used to it from another employer, and it's definitely something that's drawn people in. Especially in our home health division. It's also nice for managers to be able to remind associates that if they pick a shift up, it adds to their DailyPay balance. All things being equal, if you have two competing offers and you can access your pay on demand at only one of them, it's an obvious choice.

Payroll corrections for a weekly payroll can also be a never-ending battle. Managers constantly need to review and approve timecards, or correct mis-punches. Anecdotally, one of our general managers told me they'd had a few associates reaching out to them about timecard corrections, because their wages weren't available in their DailyPay balance and their timecard needed to be approved before they could access that money. Associates are advocating for themselves and watching their timecards, which helps everyone. We're going to have more accurate time and attendance if associates and managers and payroll are all looking at it. It creates awareness.

> ***DailyPay has been a great asset for our talent acquisition team. We've seen a noticeable increase in applicant flow and more interactions on our job postings since we started advertising DailyPay. It's clear that offering On-Demand Pay is a draw for candidates.***
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> ***We proactively highlight DailyPay to every applicant. While they don't often need to ask about it because we mention it first, we're always ready to answer any questions they have. It's a powerful tool that truly resonates, making us a more attractive employer in today's competitive landscape.***
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> ***–Kim Leonard, Regional Talent Acquisition Manager at CarDon***

What advice would you give someone considering an On-Demand Pay program?

Kathy: My advice is to definitely implement. I can 100% confirm that once you get the initial setup, at most you might touch it once a week if there's the odd issue. Otherwise, it's all going on behind the scenes. It doesn't affect payroll processing in any way, shape or form, and I kick myself for being as skeptical as I was in the beginning. It's been great all around.

Tom: I'm on the same page as Kathy. There was one person I sat down with for lunch at ADP's Meeting of the Minds, and she said basically the same thing. Once you set it up, you don't have to touch it. And they operated in several states with a more complicated payroll than ours. And it was true. I set up some reports, and it was set-it-and-forget-it. I rarely touch it.

Amy: There's no reason not to do it. At first our other senior leaders didn't understand how the program worked, and that's important to clarify up front. It's not a loan, and sometimes people don't understand that until you tell them. It's been a great experience, and I wouldn't change anything.

Based on the 30% average enrollment & 15% lower turnover we see among enrolled associates at CarDon

$920k

Estimated Annual Cost Savings for CarDon

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