

R-TEK DRIVES THROUGH DOWNTURN WITH CARVAL HR AND PAYROLL SOFTWARE

R-TEK Limited of Merthyr Tydfil, a Tier 1 automotive manufacturer turning over approximately £40 million per annum, has chosen the HR Unity range of Human Resource, Payroll and Time and Attendance software from Carval (www.carval.co.uk) as part of their technology led fight back against the prevailing economic climate.



Background

With the news full of stories about the global downturn, the decimation of the car industry has risen to the fore as a bellwether of the economic malaise. Nowhere, has the impact been felt more harshly than in the manufacturing side of this sector.

As part of the international operations of Kasai Kogyo Co. LTD. of Japan and Visteon, supplying high quality interior automotive components, for Nissan Motor Manufacturing UK and Honda Manufacturing UK in Swindon, R-TEK found themselves in the eye of this storm.

System Review

Given this backdrop, the experienced management team at R-TEK were keen to maximise the efficiency of their operations. Part of this process was to review the way that technology was used within the company.

The company's HR and Payroll operations were one area that came up for such a technology review. The site's Human Resource records were largely paper-based and the existing payroll system lacked the flexibility to produce the bespoke management reports that are so crucial in troubled times. This seriously constrained the availability of accurate management data and business analytics.

While R-TEK had the option to upgrade with their existing supplier, Damian Howells their Payroll Manager, felt that it was a perfect opportunity to look holistically at the functionality they required and therein to ensure that their HR and payroll systems were delivering the best possible value for money. And, with approximately 200 employees working differing hours and a variety of shift-patterns, across the business, it was decided that an effective time and attendance solution was also a pre-requisite.

Howells started to conduct an in-depth review of the market and decided that an integrated HR, Payroll and Time and Attendance system would provide him with the functionality and efficiencies that he required.

Following a visit to their sister company in Washington who had been using the HR Unity suite from Carval since 2003, both HR and Payroll teams were convinced that Carval could offer both the functionality and service required at the Merthyr Tydfil site. Based on this assessment R-TEK made the decision to go with Carval.

The argument for integration

As R-TEK Human Resources Manager, Alan Culliford explains; "We liked the fact that the Carval system offered HR, Payroll and T&A in one integrated package and could produce effective management reports quickly. We saw it as a very prudent way of bringing our HR processes into the 21st century. All the key data would be at our fingertips; even employee documents are viewable with the click of a mouse."

Culliford goes on to add that he believes that this ability to run bespoke reports will offer considerable business benefits going forward: "Managing overtime, for example, is

"With our previous systems it was taking us an average of 10 days a month to complete a timesheet and shift pattern register. With Carval this process has been slashed to around 2 days ..."

Damian Howells, Payroll Manager

extremely important. I will now be able to see who is doing what, by section, department and even gender. Any allegations or suspicions of favouritism can be easily investigated. The absence mapping facility will also be of great use too. Overall, the efficiencies derived from the new system will save us a great deal of leg work and ensure greater management control."

Challenging times

R-TEK has always been committed to being an excellent employer and looking after their employees and naturally this still applies despite the current climate. Culliford explains "It is an important goal for the company to retain as much of our highly-skilled workforce as possible despite the pressures of the downturn. We manufacture door linings for the Honda Civic and CRV and producing these highly-cosmetic parts is a very skilled job. We have to deliver direct to lineside at Honda's production plant in Swindon and any question of a defect halts the production line; so the whole batch can be tested. As we are charged £1000 for every minute of downtime, quality assurance is critically important to the business. We have an excellent quality record to date but losing skilled employees could impact significantly our ability to continue to maintain this in the future.

"By investing in the latest HR, Payroll and Time and Attendance systems from Carval, we can maintain and indeed develop our high standards as a good employer."

Full auditing capability

The current economic climate has resulted in what is hoped to be a temporary reduction in operating capacity. Some redundancies have sadly already been necessary. Whilst the UK Government is increasingly keen to support the motor industry and has recently introduced the car scrapping scheme, it is uncertain as to when the green shoots of recovery will be seen. However, Culliford has only praise for the support they have received locally noting: "The Welsh Assembly Government is bending over backwards to help us. They have made Pro Act funding available to offer our employees training and to subsidise wages. We recognise and welcome these efforts."

Damian Howells goes on to add that he sees Carval's in-built training module as being fundamental to meeting the Welsh Assembly Government's auditing requirements: "Eighty percent of our factory staff will benefit directly from this funding. Carval's training module allows us to keep a detailed record of any training that an employee has undertaken and makes that information easily retrievable for auditing purposes."

Alongside the training module the Carval HR system also includes a full appraisal solution as part of its performance management offering, which R-TEK will be utilising to fulfil the criteria laid down under their ISO9001 accreditation.

Implementing Demand Scheduling

Still, some employees are currently on temporary lay-off and reduced working hours have been introduced in other areas of the business. Looking forward, the company is moving to Demand Scheduling, whereby employees will have a set number of paid working hours per week allocated to them and any additional hours worked will be banked for use when demand is low. It is intended that this will deliver stability for employees, guaranteeing them a set monthly salary as well as improving overall business efficiency. HR software is the key to making this work and Carval is now working closely with R-TEK to deliver an effective solution as part of their Time and Attendance system. Once in place this will greatly simplify the management of these processes.

Alan Culliford says "Our first impressions are that we are very pleased with the system. Our IT team have monitored its performance throughout the parallel runs and found it works perfectly. In this time, I have attended three comprehensive training courses and can honestly say that I'm absolutely delighted with Carval. I am now confident that with the new system in place we will be able to manage and drive our business more effectively in these challenging times."

"I can honestly say that I'm absolutely delighted with Carval. I'm now looking forward to being able to manage our business much more effectively."

Alan Culliford, HR Manager

