

## Franklins

## Customer Profile

### Workforce Central Reduces Labour Costs, Improves Profitability for Franklins

As the third-largest grocery retail chain in New South Wales, Australia, Franklins operates 75 stores with more than 6,000 employees. But like any grocery operation, Franklins' profit margins are razor thin. To maximise its profitability, Franklins realised it needed to improve control over its labour costs — and it turned to Kronos for help.

The solution was the Workforce Central suite, Kronos' Web-based suite of integrated workforce management applications. Implementing this powerful suite enabled Franklins to automate critical processes, which in turn led to streamlined processes, newfound efficiencies, and most importantly, reduced labour costs. As a result, Franklins now finds itself in a better place: more productive, more competitive, and even more profitable. And that's not a bad place to be.

#### Migrating to Workforce Central

Roni Perlov, Franklins' financial director, explains how Franklins selected and implemented the Workforce Central suite. "Four years ago we were a small chain of independent grocery stores called Fresco Supermarkets," he begins. "We already had Kronos' Timekeeper Central® system in place at over 20 stores. This solution helped us monitor employee punches and gave us better insight to help control labour costs and improve our bottom line."

He elaborates by explaining how this first system worked. "It helped us automate our workforce management system," he says. Instead of submitting paper timesheets — which are time-consuming and often lead to errors — employees used ID badges to swipe in or out at Kronos badge terminals. Valuable time and attendance data was collected right at the source, and the Kronos software then applied the company's specific pay awards to this data before transferring it directly to the payroll system.

As a result, managers could now use time once spent manually administering payroll on higher value, strategic tasks. And with more accurate data, the organisation saved money by reducing payroll errors and not overpaying employees.

#### Growing pains

But just when Fresco had fully implemented the Kronos system — and started to realise the benefits it provided — it became part of a major expansion program. Following the acquisition of 50 new stores, the entire organisation was renamed Franklins. Such acquisitions inevitably lead to growing pains, but Perlov remembers just how drastic some of them were.

The biggest challenge was the fact that 50 new stores had an older workforce management product in place. "It was a DOS-based version that was configured in a very complicated way due to many industrial award agreements Franklins had in place," recalls Perlov. "We realised that this system just didn't work as well as the newer versions did," he adds. At the same time, Kronos released the latest version of Workforce Central. The more Franklins learned about this new Web-based solution, the more it decided that this was the solution it was looking for.



***"Workforce Central has helped us become more productive and more competitive. And that has made us more profitable, which is exactly what we were looking for."***

Roni Perlov,  
Financial Director

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### Franklins

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**Category:** Retail

**Business Type:** Grocery retailer

**Employees:** 6,000

**Locations:** 75

**Product:** Workforce Timekeeper

**Interfaces to:** Spectrum Plus (ADP)

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## An aggressive implementation schedule

Once Franklins decided on Kronos, it wanted to go fast. “We made it clear that we were looking for an accelerated implementation,” states Perlov. “From a cultural perspective we were already accustomed to an automated workforce management system. We didn’t need to get employees’ buy-in; we just needed an implementation that was fast and easy and could give us the functionality that we knew we needed.”

To meet this challenge, Kronos’ professional services worked quickly to configure all of Franklins’ enterprise bargaining agreements and install Kronos data collection terminals at all 75 stores. “We were demanding,” admits Perlov. “We told Kronos that the rollout had to be fast.”

Kronos professional services went above and beyond in delivering the objective. The entire implementation — for all 50 stores — was completed in just three months, a remarkable feat for an enterprise-wide software installation of that scale. “The team was excellent,” praises Perlov. “We developed a great working relationship with the Kronos implementation team, and they were very responsive in helping us meet our goals.”

## Powerful features, significant benefits

Now that Workforce Central is up and running, Perlov gives it high marks for all the benefits it has enabled his organisation to achieve. “We’ve reduced costs as a result of the accuracy of the information that comes out of the Workforce Central system. We’ve also decreased the time and effort required to process weekly payroll,” he continues. “Now it takes about one tenth of the time it used to take. This relieves some of the pressure on those supervisors who used to reconcile the ‘bad’ data that used to come out of the system.”

He also raves about the fact that Workforce Central is built on truly Web-based technology — and what that means for Franklins. “Because Workforce Central is completely Web-based, it is very easily maintained and supported from a centralised location,” he explains. “Our IT department can provide technical support online from one location so the costs related to assisting staff are minimal. With 75 stores, that’s a huge cost and time savings.” All of this contributed to a lower total cost of ownership and even helped it achieve a fast ROI.

And because it’s deployed via the Web, Workforce Central offers the advantages of a single, centralised database. “Having one database has effectively eliminated the need for separate databases at each store,” comments Perlov. “It’s completely scalable, and our IT staff doesn’t have to support multiple databases.” He also mentions that enterprise-wide data is just one click away for any user, which gives managers better labour information and insight.

## An innovative approach

Franklins even found a way to use Workforce Central as a modeling tool. Perlov explains that as Franklins renegotiates its industrial awards, they are using Workforce Central to model the costing impacts of different enterprise award agreements. “This gives us a low cost way to simulate the impact of changes on our industrial awards,” says Perlov.

## The road ahead

Now, as Franklins ponders future improvements with Kronos, it is considering two other Kronos products: the Kronos 4500 Touch ID™ biometric terminal and the Workforce Smart Scheduler™ application.

By requiring employees to enter their time and attendance data using a fingerprint, the Kronos 4500 Touch ID terminal would help Franklins further eliminate time theft.

Workforce Smart Scheduler is designed specifically for retail organisations and helps develop optimum employee schedules based on business needs. “We realise that the next efficiency to be gained is by implementing a best practices scheduling system,” adds Perlov. “Workforce Smart Scheduler could provide this solution, and because it’s integrated to Workforce Central, we could avoid duplicating efforts.”

So as he looks back on the progress Franklins has made with Kronos and Workforce Central, Perlov is more than satisfied. “Improved control over labour costs, reduced administrative costs, and easy to support and maintain systems,” he says, ticking off the business benefits Franklins has achieved. “Workforce Central has helped us become more productive and more competitive. And that has made us more profitable, which is exactly what we were looking for.”



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