ISOLVED BRINGS DIGITAL TRANSFORMATION TO HR AT SKAGIT COUNTY BOYS & GIRLS CLUBS

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What You Need to Know

A typical HR department has a wide variety of responsibilities encompassing what we at 3Sixty Insights term concrete and abstract human capital management (HCM). Concrete HCM refers to the nuts and bolts, such as payroll and timekeeping. These processes are indisputably important, and fundamental to the employee experience, but they are must-haves—baseline boxes that must be checked, not differentiators. Abstract HCM refers to the more human-centric elements of HR, such as employee development and recognition (3Sixty Insights *BWSRN2142 - "Concrete vs. Abstract HCM: The Power of 'And'," April 2021*). These are the differentiators, the features and benefits that not only set a desirable employer apart from the crowd of others vying for the same talent in the same job market, but also promote retention.

There are many ways to refer to the abstract side of this equation. There is the idea that business must practice efficiency and empathy in managing the employment of people. And, when it comes to the abstract side, the empathy, there are distinct macro-outcomes that set the stage for organizational perpetuity. For example, isolved refers to the Three P's: Positivity, Productivity, and Profitability.

And yet, because concrete HR checks the boxes and is critical to compliance, it must take priority. In an under-resourced HR department, any HR team will back-burner abstract HCM in favor of concrete, as it is ultimately very difficult or impossible to focus on abstract HCM and practice empathy within the context of HCM if inefficiencies abound. After all, while failing to provide employee development opportunities this month might eventually ding your retention, that's something you can catch up on next month, whereas failing to process payroll will certainly cause employees to quit and probably get you fired — and there go your chances at building that great employee development plan next month. By definition, the must-haves come before the nice-to-haves.

3Sixty Insights wrote this report to show what happens when the administrative load on HR is drastically lightened. With the right solution in place, this non-profit's HR leader was able to automate the must-haves and turn her attention to the nice-to-haves — the elements capable of transforming a workforce.

About the Participant

Boys & Girls Clubs of America is a nonprofit organization comprising a national federation of locally governed clubs. Each location operates

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AT A GLANCE

Solution

isolved People Cloud™

Research Participant

Skagit County Boys & Girls Clubs

Synopsis

Working with lots of paper and very little in the way of software for human capital management, Skagit County Boys & Girls Clubs found refuge in the isolved People Cloud. As a reasonable price point that the Washington State–located non-profit operator of several locations could justify to its donors, the solution eliminated paper-based processes and helped free HR's time to focus on activities of strategic value.

autonomously but also holds a charter with the larger Boys & Girls Clubs of America; this provides guidelines and entitles the local clubs to certain types of support, such as allowing them to benefit from fundraising conducted on a national level.

In the context of Boys & Girls Clubs, the Boys & Girls Clubs of Skagit County, in Washington State, is considered a small organization. Skagit Clubs is made up of ten locations across the county, operating on a shared budget of about $5 million. An eleventh location is slated to open by the summer of 2023. Around 75 employees are sufficient to staff morning and after-school programs during the school year, and the workforce is bumped up to 85-95 during the summers, when the clubs run all-day programs.

3Sixty Insights spoke with Sarah Arquitt, Vice President of Administration. Arquitt has worked at the Skagit Clubs for nine years; she previously volunteered for the organization, where she was also what's known as a Club Parent, and she fell in love with the mission. She brought with her experience from her work as a supervisor at a large medical insurance company

The Situation

When Arquitt joined the team, the Skagit Clubs did not have much in the way of HR in place. The organization employed a bookkeeper on a contract basis, but little else was formalized at the time. Arquitt was tasked with both HR and finance responsibilities and learned HR on the job, discovering for herself which paperwork was required and where to find existing records.

Dealing with Paper-Based Processes, Compliance Challenges

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As she settled into her role, Arquitt began making changes to advance the organization's HR function. Centralizing files was one such initiative—they were previously held by each individual club, which she points out was not the most secure system.

These records were all paper-based: "So much paper, because you had to keep all these records, and they weren't digitized in any way." Timecards, for example, were printed to be signed by employees and handed off to Arquitt, who then had to enter the information into QuickBooks. "You want payroll to be as true and as error-free as possible," she observes, "and the more you're having to key in and touch, the higher percentage of human error there is." Arquitt reports that printed timecards for the 10 clubs' employees filled four binders every year. For IRS compliance, she then had to keep these four years.

As if the heavily manual process were not burdensome enough, it was compounded in 2020, when the state of Washington passed a law increasing the salary threshold for overtime-exempt employees. Previously, all full-time staff members of the Skagit Clubs were salaried, so only part-time, on-site employees clocked in and out, through the same system used to track club members. Compliance with the pending increase to salary thresholds was affordable for the Skagit Clubs at the time, but projections indicated that it would soon become unsustainable. "Our money would then all be going to salaries and not to the programs we provide," says Arquitt.

So, at the end of 2019, all non-C-suite employees of the Skagit County Clubs became hourly, substantially increasing the number of team members whose hours needed to be tracked. Managing this volume on paper for 10 clubs would simply not be feasible. "We recognized that we needed a system that would be able to be global," she says.

Struggling to Compete for Talent

In her HR role, Arquitt is also responsible for hiring, and she reports that Skagit Clubs encountered challenges around attracting talent in the current climate. Even when employment opportunities in youth development are not common, she points out that the organization can still find itself competing with fast food and retail positions as well. For this reason, she says, it's especially important that she pay close attention to other youth development organizations' hiring tactics and try to stay ahead of them.

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Why isolved?

Arquitt knew Skagit Clubs needed a global system. As she began researching, she found that many vendors' offerings were out of Skagit's price range. "We're very mindful of our donors' dollars," she says. "They're not donating for us to have software." She adds that while funding operations is certainly within the scope of usage for donations, donors do generally prefer to "make sure as much as possible is going to the kids and making sure that they have those programs." isolved, she says, "came through." The company presented its pitch and Skagit Clubs accepted it.

As a cost-saving measure, the Skagit Clubs organization initially opted to implement only isolved's timekeeping and core HR modules. They later added Share & Perform, less for its intended purpose of employee recognition than because Arquitt and Ron McHenry, CEO of Skagit Clubs, believed the platform could help facilitate communications between the clubs, which are located at distances of up to an hour and a half's drive from one another.

The start of the COVID-19 pandemic came just as Arquitt was digging into the isolved system and learning how to best use it. At

The Case for isolved

Beset by manual, paper-based processes for HR, Skagit County Boys & Girls Clubs was in urgent need of highly capable, modern technology for human capital management. Whatever the solution, however, it couldn't break the bank. Being a non-profit with a high profile in the communities it serves, in Washington State, Skagit County Clubs had a responsibility to its stakeholders to be frugal in its use of business software. In these ways, isolved fit the bill. The solution brought Skagit County Clubs' HR out of a veritable technological dark age to eliminate paper-driven, time-consuming, frustrating administrative workflow, and at a reasonable price point the organization could justify and defend — with a clean conscience.

that time, the organization was still using paper timecards. Once they got isolved Time, the time and attendance system, in place, employees began using the system to punch in and out, but payroll was still handled through QuickBooks. Arquitt would download a file recording the punch times from isolved, upload it, and enter it into QuickBooks for payroll. This was time-consuming, taking a full day each time payroll was run, and, of course, with manual processes comes the potential for error. Then, in 2020, federal funding became available, and, says Arquitt, "gosh, darn it, we are a nonprofit! We're going to go after what we can."

Thanks to isolved, the Skagit Clubs enjoy newfound efficiencies that have allowed Arquitt breathing room in her schedule. She has been able to devote more time to strategic initiatives and to developing the organization's HR. Incidentally, Arquitt earned a higher-level title in 2020 attributable to a concurrent organization restructure.

Pursuing that funding required so much of Arquitt's attention on finances that the organization was forced to engage a contract HR specialist to support hiring processes. As the year drew to a close, the contract model became less sustainable. The solution was to free up more of Arquitt's time by making payroll more efficient. With isolved already in place, adding the vendor's payroll solution was the natural choice.

Also critical to understanding this case study, Skagit Clubs brought on a chief financial officer for the first time this year, when it became clear that the organization would receive enough federal funding to require an audit. Arquitt is in the process of transitioning her financial responsibilities over to the CFO—a process which has no doubt been facilitated by the digitization of the related documents.

Success

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Creating a Culture of Convenience

isolved has introduced employee self-service (ESS) to Skagit Clubs. Employees can now see their pay stubs right away, meaning Arquitt no longer fields a high volume of emails requesting copies. isolved even allows Skagit Clubs to configure the platform so that former employees can still access documents they need, further minimizing the need for individuals to reach out to Arquitt directly to request materials. Time and attendance are now connected to payroll, so employees clock themselves in and out — no printed timecards to sign — and those data points are directly accounted for in payroll.

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>
> **Sarah Arquitt**
>
> Title
> Company name

Digital Transformation in HR

With her workload at its limit, Arquitt was forced to triage her tasks and relegate any that were not urgent to the back burner. In practice, this meant that she was largely focused on day-to-day administrative necessities. With isolved in place, she finally has time to dedicate to the more strategic pursuits that, while not "necessary" for daily operations, have the power to enact lasting change. She is working, for example, to introduce the HR infrastructure that had been lacking at Skagit Clubs, writing out policies and documenting procedures.

Talent acquisition is another area that Arquitt can now afford to focus on. She had listed hiring for the summer along with catching up on employee files, two tasks she previously had to push aside in favor of urgent deadlines. Now, she can dedicate time and effort to helping Skagit Clubs compete in that challenging job market, developing effective job descriptions that will help the organization better attract talent. Arquitt says she was aware that best practices around job descriptions had evolved, but she previously had neither the time nor an example to work with. "Being able to work on pieces like that to really strengthen HR, start working on marketing ourselves more to the job market out there," positions Skagit Clubs for success, she says.

Saving Resources

Now that employees can clock in and out using isolved, Arquitt reflects, "Wow, my payroll day is pretty much cut in half." She no longer has to manually enter that data. In a clean pay period, when no one has been on- or off-boarded and employees have all held up their ends of the bargain by verifying their timecards, processing payroll takes her roughly an hour and a half. "It's just night and day to what I was doing." She estimates that she's saving 50 percent to 70 percent of the time she previously spent on this task. "That's probably been the biggest impact," she says, noting that this single change also adds up in savings of supplies and space, since she no longer purchases or stores the volume of paper and binders she needed when the clubs were tracking timecards manually.

Arquitt reports that using Share & Perform for the review process has also proven to be a time saver. Supervisors record notes in this isolved platform throughout the year, and they then have that source material at their fingertips when it comes time to conduct annual reviews. "As a supervisor, you don't tend to always remember everything through the year, and so you're writing more about what just happened in the last three months, which isn't really fair for the employee," says Arquitt of the old review process at Skagit Clubs. Now, supervisors need only click a button to access all the relevant information and share it as they deem appropriate.

Facilitating Communications

Designed for rewards and recognition, Share & Perform has also proved conducive to operational communications, as Arquitt hoped. Each site has its own group on the platform. Staff members use the groups to leave need-to-know information for one another. "If there's

Digital Transformation

It is not uncommon for small organizations to exist for years before undergoing digital transformation in HR (3Sixty Insights *3SICS21122 - "Central Minnesotan Kensington Bank Reports Success in Implementing and Expanding isolved via Partnership with AssetHR," December 2021*). This can be especially true for non-profits: inertia can set in as the options to digitize may appear financially prohibitive. It is often the case that a new leader in HR eventually enters the equation and decides to dig deep in investigating the possibilities. Digital transformation finally occurs and births the outset of something even greater: HR transformation — i.e., a transformation in the perceptions of HR's value to the organization (3Sixty Insights *BWSCS20121 - "isolved Partners with a Nonprofit Client to Deepen and Broaden HCM System Utilization," December 2020*).

been a particular member who's having some difficulties, they can communicate that." Likewise, if a member was unexpectedly out one day, staff who were not scheduled will be aware and able to check in on that member the following day.

Next Steps for Utilization of isolved

Arquitt recently got isolved's onboarding and offboarding components up and running. New hires went through the newly deployed system in October 2022. This promises to provide another substantial boost to efficiency. Previously, she had to send out documents to be electronically signed through another service, download the completed forms, and upload them to the isolved HR documents section. Implementing isolved's onboarding is reducing the administrative load found with the now-retired process (Arquitt would have to type in every detail manually). "It has been great as I input the new employee's name, email address and date of hire, and then click send," Arquitt says. New hires complete entering their information all before meeting for Orientation. "I finish up with a couple of details, and they're in isolved, ready to start using it." She expects this to save her another 5 percent to 7 percent of time.

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In 2023, Skagit Clubs plans to conduct 360 reviews for the first time, using Share & Perform to support the process. Arquitt says the team at Skagit Clubs continue to work to boost employee usage of that particular tool, whose Facebook-like platform does not resonate as well with the younger staff who make up much of the organization's part-time workforce. Share & Perform has proven effective overall, however, so she is working to promote buy-in for this demographic.

Perhaps most importantly, Arquitt is using her newly available bandwidth to think strategically. One significant component is investigating further ways to make the most of the isolved tools Skagit Clubs has available. She is continuing the march forward into a "post-'paperlithic'" era, storing important documents like the certifications required for licensed childcare providers in the platform rather than in physical folders. She is also looking into making use of isolved's automated workflows to support HR initiatives, and she is interested in the vendor's artificial intelligence–based offerings as well. Her focus now, she says, is on "making isolved work for us and getting as much bang for our dollar as we can out of it." As each new piece falls into place, Arquitt can demonstrate the value of the investment to her CEO, bringing potential additions closer to approval.

Transformation through Digitization

Before isolved, HR at Skagit Clubs was held back by manual workflow and practically no technology for necessary processes. Now that Arquitt has isolved to pour the concrete HCM foundation, she is able to operate strategically for the first time, as Skagit Clubs' HR leader. The foundation is in place, and relying on isolved to maintain it, Arquitt finally has the opportunity to build upward, practice more empathy in the management of the employment of people, and become a strategic advisor and partner to the rest of organizational leadership. This is where the real potential for HR transformation lies.