daily pay Fundamental's

Case Study.

Fundamental Administrative Services Improves Time-Clock Compliance With DailyPay

"By the 4th quarter of the first year with DailyPay, Fundamental saw a 19% decrease in off-cycle payments, and that decrease jumped to 22% after the second year."

Fundamental Administrative
Services, LLC (FAS) provides backoffice support, including payroll
services, to health care facilities
with about 7,000 employees in its
100 different facilities across the
country ("Fundamental"). They
were looking to improve their timeclock compliance and employee
satisfaction, without an expensive
solution, when they found DailyPay.
Fundamental implemented DailyPay
in December 2017 becoming, what
was at the time, one of DailyPay's
largest clients.

A Big Benefit

MaryAnne Lubertine, VP of HRIM at FAS, had been looking for a way to incentivize employees without incurring a large cost when she found DailyPay in 2017. "We have found that our employees really enjoy having DailyPay as a benefit. They are checking their hours and tracking their pay much more consistently," Ms. Lubertine said. "Taking it away would be taking away something that they value."

According to DailyPay statistics, Fundamental employees have saved \$3.3 million by avoiding interest and overdraft fees because of DailyPay, and 85% of employees say that it helps them better control their finances.

Increased Retention and Satisfaction

According to our research, DailyPay has increased retention. Employees are staying longer so they can continue to use DailyPay and have access to their earned pay. DailyPay's data shows that employees who are enrolled in DailyPay stay, on average, 62 days longer than those not enrolled in DailyPay, and 65% of those using it say that their opinion of Fundamental has improved.

Improved New Hire Turnover

The rate of new hire turnover at Fundamental is much lower for those who are enrolled in DailyPay. In a pre-COVID analysis, DailyPay found that new employees who were enrolled in DailyPay had an 8% turnover rate while those not enrolled in DailyPay had a 20% turnover rate. They also found that resulted in a turnover cost savings of nearly \$1 million for Fundamental.



Partner: Fundamental Administrative Services, LLC (FAS)

Headquarters: Sparks, Maryland

Industry: Hospitals and Health Care

Number of Employees: 7,000

Payroll System: PeopleSoft

Timekeeping System: Kronos

Pay Card: ADP Wisely

The Perfect Fit

Ms. Lubertine attended many webinars in search of the right on-demand pay provider. Fundamental has a complex timekeeping system with multiple different paydays, pay end dates and locations, and creating off-cycle calendars would be extremely difficult. "Other on-demand pay vendors would have required extra work on our end," Ms. Lubertine said. "DailyPay really fits the structure that we have and gave us the opportunity to implement it without drastically changing our payroll process. The process we have has become smoother and smoother over the years. In 2017, we were sending multiple files to DailyPay to offer on-demand pay to our employers, now we only have to send one file resulting in barely any issues."

Improved Payroll Accuracy Across the Board

Ms. Lubertine says that an unexpected benefit of DailyPay has been an improvement in the accuracy of payroll on both the employee and payroll sides. "Our employees are more diligent about inputting their hours on time and correctly because they want to see their DailyPay Balance™ increase after each shift," she stated. "Inconsistencies in their hours are no longer going unnoticed for three weeks; rather, our employees are correcting them right away, which allows our payroll employees to fix any inconsistencies ahead of payday on their end, which means fewer time-consuming off-cycle payments."

According to Ms. Lubertine, in the second quarter following the implementation of DailyPay, Fundamental had a 10% reduction in off-cycle payments. By the 4th quarter of the first year with DailyPay, there was a 19% decrease in off-cycle payments, and that decrease jumped to 22% after the second year. Employees were paying closer attention to inputting their hours correctly, which reduced the number of corrections our payroll department had to make.

Great Recruitment Tool as America Reopens

Fundamental is using DailyPay as a recruitment tool to incentivize potential employees and includes it in their Indeed job postings. Ms. Lubertine said, "DailyPay is truly a big benefit for our employees and we are so pleased with this partnership."

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