



VECTREN CORPORATION

CUSTOMER CASE STUDY

Customer Since:

2001

Industry:

Energy & Utility

No. of Employees:

2,000

WorkForce Software:

Time & Attendance Base

Accruals

Labor Distribution

Interface Connect

Platform:

HP/UX

Other ERP Solutions:

Oracle HRMS &
Project Accounting

ABOUT VECTREN CORPORATION

Vectren Corporation, headquartered in Evansville, Indiana, is an energy and applied technology holding company with \$3.4 billion in assets. Vectren's energy delivery subsidiaries make up about 75-percent of the company's earnings by providing gas and/or electricity to nearly one million customers in adjoining service territories comprised of two-thirds Indiana and west central Ohio. The remaining 25-percent comes from non-regulated businesses including gas marketing and related services, coal production and sales, and utility infrastructure services.

BUSINESS ISSUES & PAYROLL CHALLENGES—WHY WORKFORCE SOFTWARE?

Vectren used Oracle's Financial and HRMS software for three years before deciding to license software specific to time and attendance. Due to the company's complex timekeeping requirements, Vectren used custom screens and interfaces but there were many limitations and issues. There was little real-time validation and the interfaces needed to be maintained by in-house programmers—it was not a system designed for users. Other challenges the company faced was in the areas of project accounting and accommodating its union's complex payroll rules. The Vectren team unanimously selected the WorkForce Time & Attendance software.

"We looked at many packages, including those from the supposed industry leaders in labor management and even Oracle's own time and labor system," said Project Team Lead Tim Doeiring, Vectren Corporation. "The WorkForce Software system was an unanimous choice for our team. Its web-based system clearly stood out as the most flexible and easy to use."

IMPLEMENTATION—FIRST STEPS

WorkForce and Vectren created an implementation team consisting of product experts, human resources and payroll personnel, and information technology professionals. One of the challenges was getting a clear definition of the policies to configure and determine how all the system interfaces would operate.

"Like many organizations, we found the written policies were often different than those in practice," said Kathy Cannon, project manager and implementation director, WorkForce Software. "To automate their business practices, Vectren had to determine which policies and practices would prevail."

As part of the implementation WorkForce agreed to develop enhancements, including flexible interfaces to/from Oracle HRMS, and incorporate these into the core product to eliminate the difficulties and expense of managing custom code and upgrades—the enhancements are now fully supported as part of the base product.

"The WorkForce software was able to adapt to all of our calculations, validations and interfaces without requiring custom programming," said Payroll Supervisor Barb Crow, Vectren Corporation. "Our Union agreements call for strange and unusual payments. Whenever a requirement was identified to calculate pay in a certain way, we were able to quickly configure the WorkForce Software solution."

TESTING & ROLLOUT

Prior to rolling out the system to end users, numerous tests were conducted, including complete parallel tests for nearly 2,000 employees. Real timesheets were imported into the new software to begin testing. Several training sessions were conducted with key timekeepers to familiarize them with the application. Hands-on sessions also allowed employees to configure their environment and preferences for common projects and tasks that would appear on timesheets.

Java-based, the WorkForce software was deployed on the HP/UX platform that Vectren also used for its Oracle ERP system. One of the concerns early on was the performance and response times, but WorkForce conducted several stress tests prior to implementation to identify problem areas so it could reconfigure the software to meet the appropriate needs.



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ROI RESULTS

Vectren realized numerous benefits from the implementation of the system. First and foremost, the time it takes to do payroll has been reduced substantially. Moreover, there are measurably fewer errors because the system validates timesheets up front as users key in the information.

During the implementation, WorkForce identified areas of saving in the calculation of overtime according to the Fair Labor Standards Act (FLSA) average overtime rate requirements. A standard features in the software, overtime was automatically calculated to reflect the proper amount of pay to comply with FLSA, saving Vectren approximately \$100,000/year in this area alone.

SUMMARY

Vectren was able to see substantial benefits and cost savings by implementing the WorkForce Time & Attendance Software. Fewer payroll errors, real-time information delivery to the employees, and less in-house maintenance were all delivered with the WorkForce Software solution.

"We are very pleased to have selected WorkForce's Time & Attendance solution to meeting our timekeeping needs," said VP and CIO Rick Schach, Vectren. "We anticipate continuing to improve our processes and realize more savings as we further rollout the product and leverage new features of the system."

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