

Blue Circle Southern Cement

Customer Profile

Blue Circle Southern Cement Improves Workforce Management and Cuts Overtime by 50 Percent with Kronos

Blue Circle Southern Cement (BCSC), a subsidiary of Boral Ltd., is one of Australia's leading cement producers, with headquarters in Sydney and offices and manufacturing operations in Victoria, New South Wales (NSW), and Queensland. BCSC supplies the construction industry and retail hardware market with bagged cement and increasingly popular packaged concrete mixes, mortars, and grouts manufactured through BCSC's packaged products division.

Leveraging extensive capital investments in technology and equipment, BCSC is a major lime producer and a large producer of limestone for internal and external sales from substantial limestone reserves at Marulan in NSW. The company operates a 1 million-ton dry-process kiln and a 500,000-ton wet-process kiln at Berima in the Southern Highlands of NSW, a 550,000-ton dry-process kiln on extensive raw material reserves at Wauran Ponds in Victoria, and a 300,000-ton off-white cement kiln at Maldon on the outskirts of Sydney. To facilitate distribution, BCSC also has a grinding plant at Kooragang near Newcastle, NSW, a network of depots in NSW and Victoria, and a large transport fleet.

In 2005, BCSC's strategic imperative to gain tighter control of its labour costs led it to implement a comprehensive workforce management solution from Kronos featuring the Workforce Central® suite and its Workforce Timekeeper™ time and labour application. The result: BCSC was able to reduce payroll overhead by 1.5 man-years and slash overtime costs at various sites by as much as 50 percent.

Managing award agreements and gaining visibility

Previously, BCSC used a combination of timesheets and timeclocks to manage time and attendance for hundreds of its hourly employees dispersed across multiple states. At the end of a pay period, clerks at the sites would gather those cards and write out all of the overtime incurred. Not surprisingly, those manual methods created several hurdles.

The first challenge was simply that branch managers and supervisors had no access to time and attendance data. They were unable to monitor clocking-in time compared to signed timesheets. According to John Dunn, manager of financial support services for BCSC, another crucial hurdle lay in the fact that each BCSC site has different labour agreements. "Award interpretations can vary widely," Dunn said, "and, without uniform application of these various labour rules, numerous conflicts, adjustments, and discussions arose — issues that were often difficult to resolve." In addition, branch managers couldn't back up their comments when talking to employees because they did not have easy access to time and attendance data.

Lacking visibility and accountability and aiming to control spiraling overtime costs, BCSC began a thorough search for an automated solution to replace its manual methods. After a careful evaluation, the company selected the Workforce Central suite from Kronos. "We chose Kronos because it wouldn't require us to do any hard-coding of our various award agreements at different sites," Dunn said. "That meant we could change it easily as our business changes. It was a more stable platform with a defined, clear upgrade path. And Kronos has an excellent reputation, a lengthy track record of success, and a solid financial foundation."



"We're still using the system in somewhat rudimentary fashion, but it's clear that we've already easily paid for the system in our first-year savings just from overtime reductions."

John Dunn,
Manager of Financial Support Services

Blue Circle Southern Cement

Category: Manufacturing

Business Type: Cement manufacturer and distributor

Employees: 750

Locations: 7

Product: Workforce Timekeeper

Implementation at three sites has major impact

Dunn and BCSC implemented Workforce Timekeeper to 350 employees at three sites: Berima, Marulan, and Maldon. “We formed a working team to deploy Kronos at all three sites simultaneously,” said Dunn. This included representatives from each site, a human resources manager, and a member of the finance team, all working closely with the Kronos implementation team. “Involving users in the project and investing in training were key to our success,” Dunn recalls.

The deployment has created new levels of visibility and efficiency at all three sites. Dunn explains, “Now, overtime is checked off at the site level and is then sent to our CHRIS payroll system,” he explained. “Previously, we had several issues each week that needed manual intervention. Kronos has eliminated those problems.”

Supervisors at the sites check off the overtime for each employee and send it to payroll. Each morning they can see reports and follow up on any actions such as chasing down sick notes for absent employees. That visibility helps them hold their employees — and themselves — more accountable. Dunn estimates that allowances have been cut in half because employees now know their leave time is closely and accurately monitored. And the payroll staff can back up their assertions when resolving issues with employees.

“In addition, our supervisors can gain more visibility into the location of our hard assets,” Dunn explains. “By seeing where an employee is working, he can correlate that with the location of mobile equipment. That helps them better manage those assets.”

A better handle on overtime

From a financial standpoint, Dunn estimates that each of the three sites has easily reduced overtime charges by AUS\$50,000 per year. “We’re still using the system in somewhat basic fashion,” he said, “but it’s clear that we’ve already easily paid for the system in our first-year savings just from overtime reductions.” Dunn also estimates that BCSC has saved one-half of a man-year at each site just by eliminating clerical tasks and headaches.

“But the biggest impact is that our supervisors are now better able to manage their people and their assets. It’s starting to hit home with them that they now have a solution that can help them control staff movements and costs. That creates greater levels of efficiency for the entire team. And our reporting and analysis are improving as well. We’re starting to look at strategic issues — not tactical — such as why people are logging into different jobs. We’re also planning to bring contractors and consultants into the system as well.”

Looking to the Future

Moving forward, BCSC plans upgrade to the latest version of Workforce Central, as well as expand its deployment to other sites in Galong, Waurin Ponds, and Kooragang. The organisation is also considering the addition of Kronos’ biometric data collection terminals. “We think biometrics can eliminate the use of badges, enable greater portability, and increase security,” said Dunn. Biometrics will also help BCSC eliminate buddy punching (one employee entering time for another), which presents cost, safety, and security issues. “We’re very pleased with our Kronos implementation and look forward to deriving even greater value in the future,” Dunn concludes.



Improving the Performance of People and Business™

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