



HCM Agility Builds Organizational Strength



Brian Warne
Co-CEO



Russ Aaron
VP, HR



Susan Parks
Senior Director, HR



Olivia Hernandez-Frias
Payroll Manager

Quick facts

 **Company:** RSG Group (Gold's Gym)

 **Headquarters:** Dallas, TX

 **Industry:** Health & Fitness

 **Employees:** 1,700

 **ADP products:** ADP® Lyric HCM



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The RSG Group is an international health and fitness organization that owns global brands including McFit, JOHN REED and Gold's Gym. Despite significant contraction during COVID-19, Gold's Gym has since expanded, now boasting approximately 60 company-owned and 165 independent Gold's Gym franchises in the U.S. that continue to deliver a best-in-class fitness experience.

Goals

- Ensure accurate and timely payroll for employees, particularly those with multiple roles and pay rates
- Employ an HCM system that could handle major business transitions such as COVID-related furloughs, restructuring post-bankruptcy and expansion through growth and acquisition

Establishing healthy processes

In the fitness industry, employees often have multiple jobs ranging from personal trainer or group fitness instructor to front desk staff, engineering and management. Gold's Gym struggled with an antiquated payroll system that couldn't manage the complexities of employees having multiple jobs at differing pay rates, so running off-cycle payrolls to correct issues and ensure accurate pay and overnighting manual checks became a common occurrence. Like many businesses, Gold's Gym found themselves closing locations and needing to furlough employees during the pandemic. Additionally, Gold's Gym has a very mobile workforce, and they wanted to provide self-service options for their team members. To solve for these challenges, Gold's Gym sought a new HCM system that would allow them to streamline and automate processes and selected ADP Lyric HCM.

With their new HCM system, Gold's Gym was able to cut payroll processing time and ensure accurate and timely pay. Susan Parks, Senior Director, HR, recalls, "I had employees with seven jobs at seven different rates. Now, it's easy to pay them and they can see the different rates and jobs reflected on their check stubs."

Post-pandemic, Gold's Gym re-emerged from Chapter 11 bankruptcy under new ownership by the RSG Group and sought to harmonize other fitness brands within their portfolio into one HCM system. Co-CEO Brian Warne states, "The vision is to automate things as much as possible and utilize the technology to build efficiencies that enable us to grow while maintaining or reducing back-office staffing levels."

From hiring to onboarding, Gold's Gym has automated and streamlined processes. Now, employees complete all of their onboarding forms electronically before they start, and completion triggers a background check within the system. This no-touch process allows Gold's Gym to be nimble in getting new hires onboarded quickly and efficiently.

Having everything in one system makes it easy for Gold's Gym to empower its employees with self-service tools via the mobile app. Employees can clock in and out, request time off, enroll in benefits, check their paystubs and even access their W2s right from their mobile device.

Getting in shape with data

Gold's Gyms are open every day of the year except for Christmas so managing time and attendance between regular hours, overtime and holiday pay is key to profitability. Dashboards and permission restrictions within ADP Lyric HCM enable district managers, managers, supervisors and direct reports the ability to adjust schedules any time, from anywhere and view only the data that they need to be successful.

The benchmarking tools within the system arm managers with local, role-based wage information that helps attract the right talent at right salary. Additional standard reports enable HR to drill down on metrics such as time-to-fill, time-to-hire, and turnover by department, location and position at the click of a button.

Prior to implementing Lyric, Gold's Gym did not have a way to comprehensively view their organizational chart and they'd have to spend hours compiling information in Excel to create a report. Now, with position management, when they move an employee from one job to another, all of that employee's direct reports follow the position, not necessarily the person, providing a holistic view that makes it easy to address current staffing challenges and plan for the future.

Routines that deliver results

Streamlining processes has reduced payroll processing time and helped to ensure employees are paid fairly, accurately and on-time. Clear and concise paystubs make it easy for employees who have multiple jobs at different pay rates to easily understand how they're getting paid. Plus, having over 90% of its workforce on direct deposit and not having to write manual checks and mail payments has delivered a tremendous cost savings.

Russ Aaron, VP of HR, shares, "The return on investment has been huge for us. Within the past few years of going live, we've saved about half a million dollars in costs — and that's quantifiable costs. There are things that are unquantifiable too, like the fact that it takes our payroll team one less day to process payroll and we're no longer having to run hot payrolls right up against the deadline to make sure that our team members get paid. That just doesn't happen anymore."

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The importance of a spotting partner

Gold's Gym and ADP have worked closely together to help Gold's Gym through all stages of contraction and expansion. Payroll Manager Olivia Hernandez-Frias says, "There isn't a process that ADP has not reviewed with us. They watched our payroll processes and helped us to hone in on what we don't need, and what we could do better. From hiring to payroll imports to change management, they've really helped us every step of the way." Aaron adds emphatically, "There's not a better partner in the HCM space than ADP."

On winning the Agility at Work award

The Agility at Work award recognizes an organization that has shown remarkable agility in the dynamic world of work, leading to enhanced efficiencies, optimal resource allocation and a thriving workforce. Gold's Gym was selected for its ability to remain agile in the face of contraction and expansion.

"Winning this award is a really big deal for our team in recognizing where we've come from. Every HR leader wants to lower turnover and increase retention, but I think expanding our organization, bringing in new business, constantly refining how we're doing things and improving compliance is huge and we're going to keep being agile as we look into the future," says Aaron.

Warne adds, "I think it's awesome. We're expanding internationally with franchises. We're looking forward to and are excited about the future growth of our business and our partnership with ADP."

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