

Managed human resource solutions that maximize the value of people



Molson Raises a Glass to Ceridian's Managed Payroll Solution

With roots dating back to 1786 and a time-honoured tradition of brewing quality beers, Molson Canada is proud to be the nation's preferred brewer. The company proudly offers the most popular brands in Canada with an award-winning brand portfolio which includes Molson Canadian, Coors Light, Rickard's, Pilsner and A Marca Bavaria. Molson Canada also proudly partners with other leading brewers to offer such global brands as: Heineken, Miller Genuine Draft and Foster's Lager. Molson employs 3,100 Canadians, operates six breweries, including the boutique brewery Creemore, and invests in communities from coast-to-coast through its various charitable initiatives and sports and entertainment sponsorships.

“Our experience with Ceridian has been very positive; completely outsourcing our payroll to them was the right decision for Molson. Not only do we expect to realize annual savings of 15%, but it's great to be able to focus on what we do best.”

Ed Lovekin, V.P. Business Services, Molson Canada

Wanted: A Proven, Trusted Solution Provider

With a strategic mandate to market and sell beer, Molson is always looking for ways to reduce its investment in non-core aspects of their business.

“Payroll is a very dynamic environment – highly legislated with the rules changing all the time. When it came time to assess which function was ideal for outsourcing, payroll, which is not only complex but high-risk, was a logical choice,” says Ed Lovekin, Vice-President of Business Services.

In 2004, Molson started its search for an outsourced payroll provider. They were looking for a trusted and proven payroll provider to whom they could outsource their entire payroll processing and administration. A rigorous set of criteria was established to aid them in making their selection.

- They wanted a fully-managed solution, from payroll processing and administration to reporting and fielding employee inquiries.
- They needed an organization that was sensitive to the needs of the employees who would be transitioned to the solution provider.
- They needed to safeguard the knowledge that would be transferred with those employees and were looking for guaranteed employment for them.
- The solution provider had to be willing to “adopt” the payroll software which Molson purchased in 1999 because a considerable investment had been made to customize it to meet the company's specific needs.

A Best Practice Approach

After reviewing proposals from a number of solutions providers, Molson determined that Ceridian was the company that best met their criteria and made the decision to move ahead in April 2004. Unlike other suppliers, Ceridian's solution is not “one size fits all” and offered the flexibility Molson needed. In addition, Ceridian provides payroll solutions to over 40,000 Canadian customers and has a long and successful track record in providing fully-managed payroll solutions.

According to Lovekin, Ceridian's ranking as a *50 Best Employers in Canada* and one of *Canada's Top 100 Employers* were also important factors in the decision.

"If a company is genuinely concerned about taking care of their own human resources, I felt comfortable that they would be able to take care of mine, both from a payroll perspective and for those employees who would become Ceridian staff," says Lovekin. "Ceridian was very sensitive to the needs of the Molson payroll employees who joined their company. It made a difference that they were going to a company whose core competency is HR and payroll. As HR/payroll professionals, they could flourish there and benefit from increased opportunity."

As soon as the deal was announced, a team of Ceridian HR professionals was on site at Molson to provide information and begin the transition of employees. One of Ceridian's first priorities was to protect existing compensation and pensions for the transitioning Molson employees. Wanting to make it as easy as possible for them, they had done a side-by-side comparison of benefits, waived all waiting periods for benefits and honoured seniority and vacation status. Within two weeks of the contract signing, all of Molson's payroll staff had agreed to become Ceridian employees.

"A Ceridian person was on-site every day until our payroll staff moved over. They even provided access to Ceridian's intranet in advance so that they could get information and familiarize themselves with the company," Lovekin says.

For the rest of the Molson employees, the move to Ceridian Managed Payroll Solutions has been transparent.

"Our employees are still talking to the same payroll people they talked to before we moved to the Managed Payroll solution," says Lovekin. "The only change has been the adoption of Molson/Ceridian pay stubs."

"Ceridian has adopted Molson's process, people and technology without any major issues and no disruption to our business," says Lovekin.

"The implementation process and project management was well structured, smooth and efficient. Key to the success of the project were regular meetings and open communications between all parties."

Throughout the implementation, Ceridian had weekly reviews with the Molson's project team. More than a year later, there are still regular monthly reviews to ensure that Molson is happy with the solution and service being provided.

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Ceridian's Solution Pays Off

Because of the efficiencies and best practice processes that Ceridian provides with its Managed Payroll solution, Molson expects to see a 15% annual reduction in their payroll costs – a saving that will equate to millions of dollars over the life of the contract. The other major result – more free time for Lovekin and the Molson leadership to focus on strategic issues, a timely benefit since Molson merged with Coors in 2005 to become the world's fifth largest brewer – and Ceridian is even adding value to that initiative.

"Because of their cross-border expertise, Ceridian has been very helpful in handling employee and payroll issues around the merger," says Lovekin.

With a multi-year contract in place, Molson is looking forward to a long and successful partnership with Ceridian. "We chose Ceridian because of a number of factors: their strong payroll reputation, their ability to tailor a specific service solution and their flexibility to deliver a deal and commercial arrangement that met Molson's corporate objectives. In summary they had great people involved who quickly understood what we were trying to achieve."

Ceridian is a global corporation that delivers best-practice Human Resource solutions that maximize the value of people, providing customers the freedom to focus on their core business. A trusted partner to more than 40,000 Canadian organizations, Ceridian's solutions include payroll, HR information services, recruitment and staffing services, Employee Assistance Programs, training and more. With offices from coast to coast, Ceridian Canada provides services to more than three million Canadians, and employs more than 1,400 payroll and HR professionals. More information about Ceridian in Canada is available at www.ceridian.ca

