HOW ISOLVED SIMPLIFIED PAYROLL FOR **QSR OPERATOR LEEMAR UNITED**

What You Need to Know

Processing payroll is never easy, but it can be especially fraught when your workforce stretches across multiple states and changes jobs frequently. That's the situation faced by many companies that run Quick Service Restaurants (QSRs). Primarily described as fast food outlets, these QSR chains face a number of common challenges, such as recruiting, hiring, and retention, while complying with the regulations of the different jurisdictions they serve.

Among those companies is Leemar United Group, which operates 26 El Pollo Loco and Farmer Boys restaurants in California, Utah, and Colorado. Like others in the space, Leemar United heavily relies on technology, not only in addressing the details of the business but in its recruiting and workforce management, as well.

Compliance is particularly challenging for QSRs, which usually operate in multiple jurisdictions. Just keeping up with payroll is another priority because QSR employees frequently change jobs. That's an important consideration: Because of their regular, upclose interactions with customers, employees are integral to the QSR's success. The employees who take orders, assemble dishes, and address problems on the fly are more than "the face" of the restaurant. Their performance is an important reason behind how customers feel about a brand and become regular visitors.

The industry's financial dynamics present other complications. QSRs operate with low margins, so managing people-related costs can mean the difference between a healthy and a struggling business. That means employers worry about even small details of the employee experience, in addition to facing the complexities of payroll.

Of course, employees don't consider payroll to be a "small detail." Even if the difference in wages between employers is minimal, employees and employers both want the process to be as timely, accurate, and simple as possible. That's particularly challenging in California, where laws and regulations frequently change, and employers are expected to keep up.

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AT A GLANCE

Solution

isolved

The Situation

- Manual, paperwork-heavy payroll creating errors and inefficiencies
- Complex multi-state compliance needs across 600 employees
- Frequent employee turnover and regulatory changes complicating payroll

Success Highlights

- Automated payroll with isolved People Cloud reducing errors and time
- · Real-time compliance support ensuring up-todate tax and wage accuracy
- · Scalable, mobile-friendly system supporting Leemar United's expansion plans



The Company

Founded in 1994, Leemar United Group operates 26 El Pollo Loco and Farmer Boys restaurants in California, Colorado, and Utah. The company focuses on delivering best-in-class experiences to both its customers and 600 employees. Its <u>leadership sees</u> finding employees who take pride and ownership of their work as its greatest challenge and prioritizes helping employees gain experience and develop skills they can use as their careers advance within the company and beyond.

In addition to owning El Pollo Loco and Farmer Boys restaurants, Leemar United operates multiple other restaurant franchises through several subsidiaries. Running payroll efficiently, correctly, and compliantly is no small task, said General Manager Troy Rash. Faced with a manual, paperwork-heavy process to pay people every week, he looked to technology for a solution, which he found in isolved's People Cloud platform.

By handling payroll processing and managing the intricacies of QSR-related wage laws, isolved helped Leemar United implement a simple, automated system that made a significant difference in the company's operations.

The Challenge

Leemar United's payroll is complex. The company must keep track of new hires, current employees, and departing employees in an industry where it's easy for workers to switch employers for a pay raise or shift in benefits. Because the company operates in three states, it must run each payroll according to at least three different sets of laws and regulations. Those rules may vary within each state for various reasons, such as county or municipal regulations. California, for example, sets its minimum wage for fast-food workers at \$20 per hour. The minimum wage for other employees is \$16.50. Leemar United's process must reflect who gets what.

Overseeing all of this is Troy Rash. Each week, he ensures that location managers have compiled and submitted work hours on time, which he reviews and loads into the isolved People Cloud. The platform calculates each worker's pay for the period, applying all relevant regulations to each individual. It then prints checks, processes direct deposits (which account for some 70% of Leemar United's employees), and ensures taxes are properly calculated and paid.

All of this must be done on a tight schedule. Leemar United's pay period closes on Wednesdays, and each store submits its payroll hours by 2 p.m. the following afternoon. On Friday, Rash and his team double-check and approve the planned payroll, then have the platform begin the actual processing the following Monday. All told, Rash said, payroll processing requires between 13 and 14 hours each week.

The Solution

Previously, the company approached payroll the old-fashioned way – through paperwork. Besides taking more time each week, processing by hand added the risk of errors to nearly every stage of the procedure. Moving to isolved People Cloud simplified data-gathering and streamlined quality control and compliance activities. Today, Rash compiles data using Microsoft Excel, then formats and uploads the necessary information with a few clicks. The process is "mostly automated at this point," he said. "The only manual part now is processing requests like vacation time, sick pay, or bonuses."

Accuracy is Rash's highest priority. The platform must track and apply regulatory changes, which can occur frequently, especially in California. It must disburse retroactive pay when necessary and correct the inevitable – though fewer – errors that occur when calculating and distributing the compensation of 600 people. "Sometimes someone gets missed when their wage changes," Rash noted. "We're all human, but the [isolved] system we've got minimizes issues." In addition, he said, the platform is flexible enough to accommodate quick corrections when they're necessary.

isolved also helps Rash address another headache: the need to stay current. For example, the platform notifies him when taxes change in one jurisdiction or the minimum wage increases in another. isolved is "on top of that stuff" and goes so far as to nudge Rash on deadlines or to-dos. "They help us stay compliant with tax and wage laws in each state," he said.

Scalability is another concern. Leemar United is growing. In 2025, the company anticipates opening at least three new locations across both its brands and markets. That means the platform must be robust enough to maintain accuracy and meet compliance requirements even as new employees are added, current employees are promoted, and departing workers are dropped.

Finally, there's connectivity. In QSR, many employees have tight finances, so access to third-party financial wellness providers is important. Accurate pay, the availability of Earned Wage Access, and financial education are all important components of the employee experience. So is mobile and web access to payroll information. With People Cloud, Rash is able to ensure each individual accesses their compensation and other financial information in the most convenient way.

Conclusion

Delivering QSR payroll involves hitting a moving target every week. The employee roster changes, regulations are updated, and correctly calculating tax and other withholdings is, to put it mildly, complex. At Leemar United, isolved's comprehensive feature set, strong compliance support, and automation have transformed payroll from a cumbersome manual chore into a streamlined process. As the franchise group looks to expand, isolved will continue to be a key partner in their growth strategy.





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Geoff Webb has over 25 years of experience in the tech industry working alongside marketing and product teams to help define strategy for businesses.

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