

FROM CFO TO ACCIDENTAL HR LEADER: HOW ISOLVED TURNED ONE SMB MANAGER INTO A THRIVING HR & PAYROLL ORGANIZATION

Introduction

Many small and medium-sized businesses depend on their financial leaders to handle HR and other administrative tasks, regardless of their background and expertise. This includes roles like CEO, CFO, and Controller — often ones that have little experience or training in matters related to recruiting, hiring, and managing the workforce, yet oversee the company's talent acquisition and management.

In such situations, the workforce gets short shrift. HR-related issues receive only the time they require, not the time they need. Despite the manager's best intentions, areas like engagement, workplace culture, and performance management fall by the wayside.

Since spending time on HR means less time for budgeting, forecasting, taxes, and compliance, the manager's core function suffers as well. This can hurt the company, especially as it distracts managers from their most critical task: growing their business.

The CFO of a major auto maintenance franchisee offers an example. Mary C. never set out to run HR—finance has always been her professional home. Over three decades, her company has grown from five small stores into a sprawling operation of 52 locations and some 350 employees across Arizona. At the same time, her role has evolved beyond traditional finance to include payroll systems, compliance issues, employee turnover, and benefits strategy.

"Like many CFOs in growing mid-market companies, especially franchise operations, I became HR by default," Mary said. "And that pivot has been one of the most eye-opening transitions of my career."

While finance and HR might seem worlds apart, Mary sees them as deeply interwoven. "That's not theoretical," she said. "It's tangible and immediate."

SHARE THIS REPORT



AT A GLANCE

Solution

isolved

The Situation

- CFO forced into HR leadership role, splitting focus between finance and workforce management
- Complex labor laws and compliance requirements straining resources and processes
- Fragmented payroll and benefits systems limiting visibility, accuracy, and scalability

Success Highlights

- isolved unified payroll, benefits, compliance, and workforce data across 52 locations
- Granular reporting and automation enabled proactive decision-making and efficiency gains
- Improved retention, reduced errors, and freed leadership to focus on growth and strategy

CASE STUDY

The Situation

Labor costs are the company's second-largest expense after the cost of goods, she explained. Every week, she runs payroll metrics, calculating percentages and variables in order to get a clear picture of scheduling, retention, overtime, and compliance. At the same time, the numbers provide a look at employees' performance and their role in the company's overall results.

In Arizona, minimum-wage laws have complicated staffing decisions. Today, the company's base-level pay stands at \$15 an hour, which is slightly above the state's \$14.70 minimum. Mary carefully monitors the number of hours worked by each employee, lunch breaks taken, and store traffic. The data helps her ensure that managers schedule their workers in ways that are sustainable for the business, safe for employees, and within the bounds of state labor law. "We can't afford inefficiencies," she said. "Every missed break or unnecessary overlap in scheduling is a cash flow leak."

To keep up with the region's labor laws and regulations, Mary's company keeps an HR consultant on retainer. That consultant is a ready resource to help when legal or procedural questions arise, whether it involves termination, holiday pay, or reporting requirements.

But as the business grew and its headcount increased, HR became even more complicated.

Initially, the company handled payroll using a global provider, then transitioned to a locally based third-party firm. When major changes to the law took effect—specifically, the Affordable Care Act and Arizona's Paid Sick Leave law—the company decided to reevaluate its approach. "We needed a platform that could adapt quickly to new compliance needs without nickel-and-diming us every time we required a modification," Mary said.

Technology Enables Solutions

Mary's local payroll provider used isolated as their technology solution. In 2021, changes at the provider led Mary to contact isolated directly. In part, she was attracted to the platform's experience with small and mid-sized businesses. With 20 years of experience, isolated understands how businesses operate not just in the context of "best practices," but also in the world of day-to-day challenges managers face as they address both long-term and short-term issues.

Mary spends about a quarter of her week on HR and payroll, including running weekly payroll reports, building out trend analyses, and preparing data for the company's leadership to act on. "While it's not the entirety of my job, it's substantial—and it's growing," she said.

The organization of its solutions—which includes modules for talent acquisition, payroll, benefits administration, workforce management, and talent management—allows isolated to offer an HR platform that addresses each customer's specific needs. At the same time, the company is well aware of the dynamics faced by the managers and business leaders responsible for HR.

Specifically, isolated recognizes that HR may not be a manager's full-time concern and that sudden changes in the business or unforeseen customer needs may shake up their priorities. The company regularly works with customers whose needs change as their business grows, and frequently guides customers as they develop their approach to workforce planning and workforce management.

CASE STUDY

Among other things, isolved brought Mary's company much-needed flexibility. For example, the company can now manage its stores as four separate divisions under one tax ID. That allows it to run granular reports across its 52 locations. Other payroll providers didn't grasp that nuance, according to Mary. "They saw us as a single company and couldn't support our divisional reporting needs without extensive workarounds." In contrast, isolved allows her to drill down into labor reports by region, by store, and even by an individual manager's scheduling habits.

isolved not only provided the tools Mary needed, but also offered the expertise to ensure her company could provide an exceptional HR, benefits, and payroll experience. Just as important, using the platform frees up Mary's time so she can focus more on her primary responsibilities.

The Results

With isolved, Mary gained the information and tools necessary to manage a dispersed workforce in a continually changing business environment. For example, isolved's executive dashboard provides access to headcount trends, employee tenure, and termination patterns. That helps Mary identify potential trouble spots, such as stores with unusually high turnover or teams with too few experienced staff members.

"In a high-turnover industry like ours, it's easy to lose sight of the individual experience," Mary said. "But I've found that most of the time, it's not about money alone. It's about recognition, clarity, and responsiveness."

Employees expect timely compensation adjustments when they complete training or hit performance goals. "If they feel overlooked, they leave. That's the reality," Mary observed. To address challenges like this, she carefully tracks training programs and performance, and makes sure raises are processed promptly. "Our managers do their best, but HR and finance work hand-in-hand to catch any gaps," she said.

The company's 52 auto maintenance locations aren't cookie-cutter. The performance of each can vary due to a variety of factors such as location, customer demographics, and even climate. isolved allows Mary to examine data through different variables, which helps her create targeted reports and action plans. She can identify issues faster than ever, so if one region or store underperforms in terms of payroll efficiency, employee retention, or another factor, Mary can intervene to improve a location's or division's performance.

"That level of granularity allows me to move from reactive to proactive," Mary said. "Whether it's adjusting labor allocation, shifting benefit strategies, or budgeting for new hires, I now have a clearer picture of what's happening on the ground."

In addition, integrating HR, payroll, and other data provides Mary with tools to better model workforce costs and develop more accurate budget projections. Also, "I can flag inefficiencies early," Mary said.

The company believes experienced, certified employees drive better performance, safer operations, and more consistent customer satisfaction. So, it's not surprising that the company emphasizes certifications and ongoing training. To track certifications, Mary uses tools from the company's "university"—or vocational employment training—but supplements them with isolved's capabilities to monitor employees as they progress through the system, and identify those who may be overdue for a raise or at risk of leaving.

Another contributor to retention is benefits, especially for managers and long-serving employees. With isolved, Mary has been able to automate many manual steps tied to benefits, especially those regarding open enrollment and deductions. That has reduced the number of errors in the system as well as the hours she spends managing benefits-related issues.

CASE STUDY

Soon, Mary intends to leverage isolved's capabilities to strengthen her company's approach to onboarding. Today's candidates expect a fast, mobile-friendly onboarding experience that matches the speed and simplicity of products they use in their personal lives. Candidates accustomed to quick ordering and delivery through Amazon or DoorDash are unlikely to tolerate processes that are cumbersome or result in delays of several hours or even days before receiving an answer. If employers don't provide the most current type of solution, they lose credibility and may very well lose a candidate's interest entirely.

Technology Eases the Burden

When managers outside of HR find themselves supervising talent acquisition, health benefits, and workforce management, they shoulder a particularly heavy load. Not only do they have to make sure the workforce is being administered and managed properly, but they also often oversee HR-related technology solutions.

At many companies, that means navigating and supporting a collection of tools that have been stitched together over time. Such situations make HR management more time-consuming and expensive than is actually necessary.

isolved provides managers with the tools they need to administer employees, remain on the right side of compliance, and offer a dynamic, up-to-date employee experience. The company offers the expertise managers need to ensure they provide exceptional HR, benefits, and payroll experiences while freeing managers to do the work they were hired to do.

Even HR professionals find it difficult to keep up with laws, regulations, and compliance requirements on their own. Managers whose focus on HR competes with other responsibilities must work even harder to ensure payroll is completed accurately and on time, future needs are anticipated, new employees are onboarded efficiently, and compliance is maintained. Partnering with the right technology solution is essential for managing the workforce in ways that are timely, accurate, and effective.



Dylan Teggart

Principal Analyst | 3Sixty Insights

Dylan Teggart is a Principal Analyst at 3Sixty Insights, specializing in Human Capital Management (HCM) and Workforce Management (WFM).

Dylan's expertise lies in understanding how technology impacts workforce engagement, retention, and overall business productivity. He is passionate about addressing modern workforce challenges and redefining how we work by breaking the traditional role of the "9-to-5" job. Whether it's through workplace optimization, leveraging AI, or experimenting with flexible work models, Dylan is always interested in hearing what's new and different in the world of work.

His key contributions at 3Sixty Insights have included instrumental work in our 2024 benchmark report with Eightfold, exploring the misalignment between HR leaders and the C-suite, as well as authoring numerous other blogs, reports, and thought leadership pieces. Dylan is also one of the primary hosts of 3Sixty Insights' HRTechChat podcast and has appeared as a guest on podcasts such as Up Next @ Work and PeopleTech.

As part of his 2025 research agenda, Dylan is investigating the long-term impacts of AI, workforce dynamics, talent management solutions, and the future of work beyond the traditional 40-hour week. His forward-looking research equips businesses with the knowledge needed to stay competitive.

Before joining 3Sixty Insights, Dylan held positions at UKG and Dayforce, and is an alumnus of New York University.

LinkedIn: <https://www.linkedin.com/in/dylan-teggart/>

Twitter: <https://twitter.com/DylanTeggart>



Mark Feffer

Contributing Analyst | 3Sixty Insights

Mark Feffer is the editor of WorkforceAI.News and the HCM Technology Report, and Contributing Analyst of 3Sixty Insights. Recognized as one of the most trusted journalists covering HR technology, he has written for Reworked, TechTarget, HR Magazine, SHRM, TLNT and TalentCulture. His podcast PeopleTech is downloaded by tens of thousands of listeners each month. Previously, he was executive editor of RecruitingDaily and Managing Editor of Dice.

Mark began his career as one of the first online editors for Dow Jones and The Wall Street Journal. He then worked with a variety of companies as a writer of feature articles, executive presentations and multimedia features. His clients included AT&T, Charles Schwab, Merrill Lynch, Bloomberg and Dow Jones.

He has a Master of Science in Journalism from Northwestern University and a Bachelor of Science in Broadcasting and Film from Boston University. His novel "September" was published in 2006.

Mark's latest research can be found on the 3Sixty Insights website here: <https://3sixtyinsights.com/author/markfeffer/>

LinkedIn: <https://www.linkedin.com/in/markfeffer/>