

7 Fantastic Secrets of Automated Timekeeping That Save Your Company Money

Small organizations with thin margins are looking for ways to reduce variable costs to offset rising expenses and mitigate the impact of a faltering economy. Labor and benefits are the largest line items for most businesses. Therefore, savings in this area has a big impact. And the good news is that you can do it without sacrificing the quality of your products or services.

Secret #1

Reduce Unplanned Overtime

By Enforcing Punch Times With Clock Lockout and Daily Email Notifications to Keep Your Payroll Costs From Exploding

A Deloitte study of over 800 employers revealed an average of 31 unplanned overtime hours each week per company.

In some situations,

it might make sense to let employees work overtime for a few pay periods. For example, if you don't need an additional employee long-term, it may be cheaper to build overtime into your labor budget. What we're talking about here is unplanned overtime. This is unnecessary overtime that isn't justified by increased revenue to offset the expense.

Even a few hours of time-and-a-half can sink a labor budget for a small workforce if it happens frequently. But here's the rub – managers are busy with competing priorities. Keeping customers satisfied and projects on track can leave little time for policing overtime.

Automated timekeeping is the first line of defense. Schedule enforcement tools increase control and time and labor reports seal the deal.





Enforce Schedules to Prevent Payroll Surprises

Careful shift planning only works if employees follow the schedule. If employees exceed authorized hours, it throws everything off balance. Schedule enforcement is the answer.

This is how it works.

Employees clock in with a hardware clock, web portal or mobile app. The system tracks punches in real time and creates digital timecards. When a manager builds a schedule, they set max hours alerts for each employee and clock lockout for out-of-schedule punches. That means an employee can't clock in 20 minutes early before a shift or punch in before the full duration of an unpaid break. (This helps with meals/breaks compliance as well.)



With clock lockout, if an employee attempts to punch in early, the clock won't start tracking hours. The clocking portal will display a message telling the employee to wait until their shift starts.

Once you've defined max hours, if an employee is nearing the end of authorized hours, the system sends the manager an alert BEFORE the employee moves into time-and-a-half. This gives the manager a chance to adjust staffing to prevent expensive overtime. The manager can have the employee punch out and then pull up the scheduling module to see which team members have fewer hours for the pay period.





Use Metrics and Reporting to Make Decisions

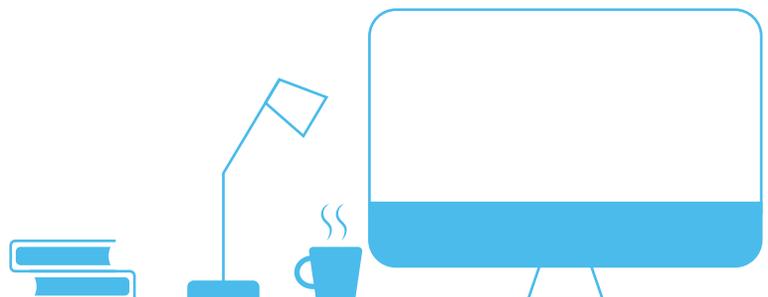
Automated timekeeping systems generate reports which give you detailed 360° time and labor insights.

With automated daily reports,

leadership and managers can make informed decisions and spot trends in the early stages. For example, you can see:

01	Hours worked for all teams, shifts and locations
02	Which teams, managers, or individual employees accrue the most overtime
03	Employees that exceed authorized hours
04	Requested and approved PTO to use for shift planning and FMLA compliance

Reporting can help you know whether job bidding is based on solid numbers and if there is adequate staffing to provide excellent customer service.





Case Study:

Steel Processor Saves Money With Custom Time and Labor Reports

A 200-employee steel processing company

based in Texas and Indiana needed daily reports to track multiple metrics which included:

01	Employees who worked over 8 hours in a day
02	Employees who worked 40+ hours each week for time-and-a-half overtime calculations
03	Employees who clocked in/out at times which differed from authorized schedule

When the company found a time and labor solution with custom reports, they could see where the problems were and adjust staffing, policies and job bidding to prevent unplanned overtime, schedule creep and employee hours theft.

As a result, they reduced costs without layoffs or production slowdowns.

Interested in automated time and labor to help you save money?

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Secret #2

Automated Time and Labor Integrated

with a Biometric Clock Prevents Buddy Punching to Save Your Labor Budget

There are several ways

employees inflate their paychecks and buddy punching is one of the most expensive. With a buddy punching scheme, an employee clocks in for a “buddy” that is not at work. The employee may or may not arrive during the shift but will get paid for the full shift regardless of actual time worked.

A similar situation is when the “buddy” leaves early without punching out and the co-worker punches out for them at the end of the shift. The dishonest employee not only avoids a reduced paycheck, they escape any repercussions for time and attendance violations.

U.S. employers lose over \$370 million a year to buddy clocking fraud. Flagrant abusers can cost their employers thousands of dollars every year.

Automated timekeeping systems prevent both buddy clocking and timecard fraud, another form of time theft. With timecard fraud, a dishonest employee falsifies punch times on paper timesheets to inflate hours worked. Because automated timekeeping platforms create digital timecards and update them in real time, employees can't alter them without manager approval.





Let's Do the Math on Time Theft

How much does employee time theft cost you?

Let's do the math for two common scenarios – buddy punching and hours padding.

The first example involves buddy punching. Two \$18/hour employees each miss one 8-hour shift per month but are paid for it because their buddy clocks in for them. You would overpay \$288 per month and \$3456 annually. Remember, this is a conservative two shifts per month. At many small businesses, buddy punching happens more frequently.

In our second example, suppose you use paper timesheets. In your workforce, 20 employees add what they consider to be a negligible 10 minutes each day. They may record the regular shift start time though they arrive 10 minutes late, or leave early but record the actual shift end time on the timecard.

If they average \$15/hour, you will end up overpaying the following:

Week	\$250 each week
Month	\$1000 each month
Year	\$12,000 each year

Any small business owner could think of a hundred better things to do with 12K each year. Increase marketing. Upgrade equipment. Hire another employee. Improve employee incentives!





Case Study:

Restaurant Solves Employee Time Theft

How much does employee time theft cost you?

A Los Angeles-based 30-employee restaurant added an automated timekeeping system and biometric time clock. They didn't know that before automation, a few employees engaged in buddy punching and early clocking. The facial recognition clock made buddy punching impossible. Early punch lockout prevented employees from padding their hours by clocking in early.

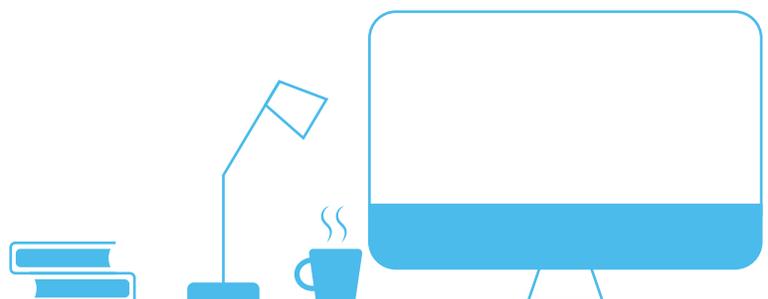
The result? Total payroll costs fell by 4% with no impact on the guest experience.

If you have a small business, you are losing money to time theft.

Automated timekeeping is the solution.

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Secret #3

Reduce Impact on Staff with Self-Service Access to Timecards, Pay Stubs, and PTO Balances

Employee self-service (ESS) is no longer a nice-to-have. Today's workers expect to be able to view and update HR-related information anytime from anywhere. This includes schedules, timecards, pay stubs, PTO accruals, and benefits information.

While self-service provides multiple benefits, we'll focus on cost savings. First, let's look at the cost of manual timekeeping.





3 Key Findings on the Cost of Manual Employee Timekeeping

01

"The average cost of labor every time an employee fills out a timecard is \$9.37. For a company with 100 employees, that's \$937 in employee time every pay period." (Ernst & Young)

02

"It costs \$15.14 each time a manager verifies the accuracy of an employee timecard." (Ernst & Young)

03

"Leakage of time is a big problem in professional businesses—with over 38% of potential billable revenue lost to delays in filling in timesheets and untracked time in meetings and answering emails. Businesses that can address this issue and solve it stand to gain handsomely with a revenue boost of up to 61%." (Accele)



Ditch Paper and Spreadsheets for Digital Timecards

An automated system captures work time

as employees clock in for shifts. Digital timesheets have few errors because the software tracks time worked and tallies hours, adjusts for PTO, holidays and sick leave. Because of this, managers don't have to correct many timecards. Occasionally an employee will forget to clock in or out, but the system sends the manager an alert which allows them to fix it quickly—before submitting hours data to payroll.





Job Codes Ensure You Track All Billable Time

In professional services businesses,

employees and contractors (whether salaried or hourly) can use job codes to assign time to clients, projects or locations. With mobile clocking, they can easily clock in when they do work outside of normal business hours. This makes it easy to capture all billable time for all clients.



Protect Your Budget From High Administrative Costs

Without employee self-service,

employees have to call or email HR every time they need to update their contact or direct deposit information, make a change to benefits, get pay history, or ask a question. When employees can manage most of these tasks by themselves, you can run your business with a smaller HR team. The collective savings of employee self-service can slash labor costs significantly.





How Employee Self-Service Lowers Costs

Let's recap the financial benefits of employee self-service:

01

Operate on a smaller labor budget by allowing employees to manage most HR tasks.

02

Free up time for managers and HR to work on revenue-generating activities.

03

Eliminate HR silos, duplicated work, and fragmented management.

04

Boost productivity and morale—especially for remote and mobile workers—which improves retention (which saves money on hiring and training and increases productivity).





Case Study:

Veterinary Practice Lowers Labor Costs With Employee Self-Service

A veterinary practice graduated from manual processes to an all-in-one solution with ESS. Prior to the upgrade, employees had to text, email or call their supervisor when their hours deviated from the schedule.

With the automated system, employees can leave notes in the software which allows the supervisor to review schedule deviations and approve timecards before payroll.

Employees can also see their accruals, request time off, and drop and pick up shifts with coworkers. Centralized bidirectional communication prevents payroll errors and unplanned overtime while lowering administrative costs.

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Secret #4

Manage Off-site Early Punching

with Real-time Geofencing Notifications

Geofencing is a type of GPS tracking

that is tied to a targeted location. For example, if you sign up for alerts from your grocery store, you could get coupons sent to your phone when you are shopping in the store. You can use this same technology to verify where your mobile employees clock in for shifts. Time tracking software with geofencing tracks employee location when they clock in with a mobile device.



To create a geofence in timekeeping software, you draw a radius around a location on a map. Then, assign one or more employees to the fence. The system tracks their location relative to the geofence. The system sends the manager an alert if an employee punches outside of the fence.





How does geofencing reduce labor costs?

Let's recap the financial benefits of employee self-service:

01	Prevents interruptions in productivity <ul style="list-style-type: none">◆ Verify employees are where they are scheduled to work or are redirected there promptly.
02	Supervisors have 24/7 insight into who is working and where <ul style="list-style-type: none">◆ Managers know where all clock activity occurs and can focus on exceptions without having to be physically present.
03	Improve job costing <ul style="list-style-type: none">◆ The software collects job related information when employees punch in, including work site, project, or client.
04	Prevents payroll errors <ul style="list-style-type: none">◆ Managers can review remote punches and correct errors before data is sent to payroll.◆ Employees won't be paid if they try to claim they worked before they reached the authorized worksite.

For additional time theft prevention, pair geofencing with schedule enforcement. Schedule enforcement restricts early punches. Thus, you will have two safeguards; 1. Geofencing notifies managers of out-of-bounds punches. 2. Schedule enforcement restricts early out-of-schedule punches.





Help Your Managers Focus on Productivity

Managers are more effective when

they don't have to continually supervise mobile employees. When a mobile timekeeping system monitors off-site clocking, managers can spend more time training, mentoring, and tracking projects. Because the system sends an alert if an employee punches in outside of the geofence, supervisors can focus only on problem punches, not the in-bounds punches. Managing by exception saves time and improves efficiency.



Case Study:

Field Service Employer Improved Profitability With Mobile Timekeeping

An Oklahoma City-based field service company

had been using paper timecards for 30 years. Service reps had to travel to the main office every morning to punch in and repeat the process after each shift.

When they adopted automated timekeeping with mobile access and geofencing, it allowed employees to punch in at their first appointment. By eliminating the trip to the main office, they were able to start their service calls earlier in the morning.

This allowed company to schedule more appointments each day, improving profitability and client satisfaction. In addition, they started spending less for fuel because employees who lived away from the main office no longer had to make the journey twice a day.

Interested in Automated Time and

Labor to Help You Save Money?

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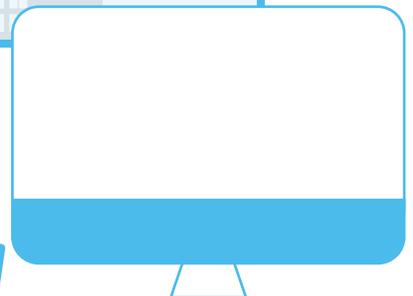
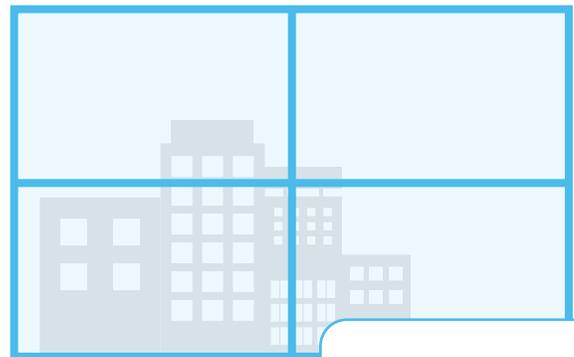
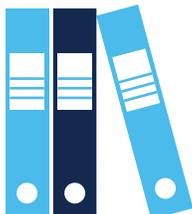
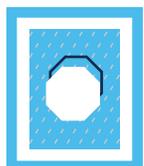
Secret #5

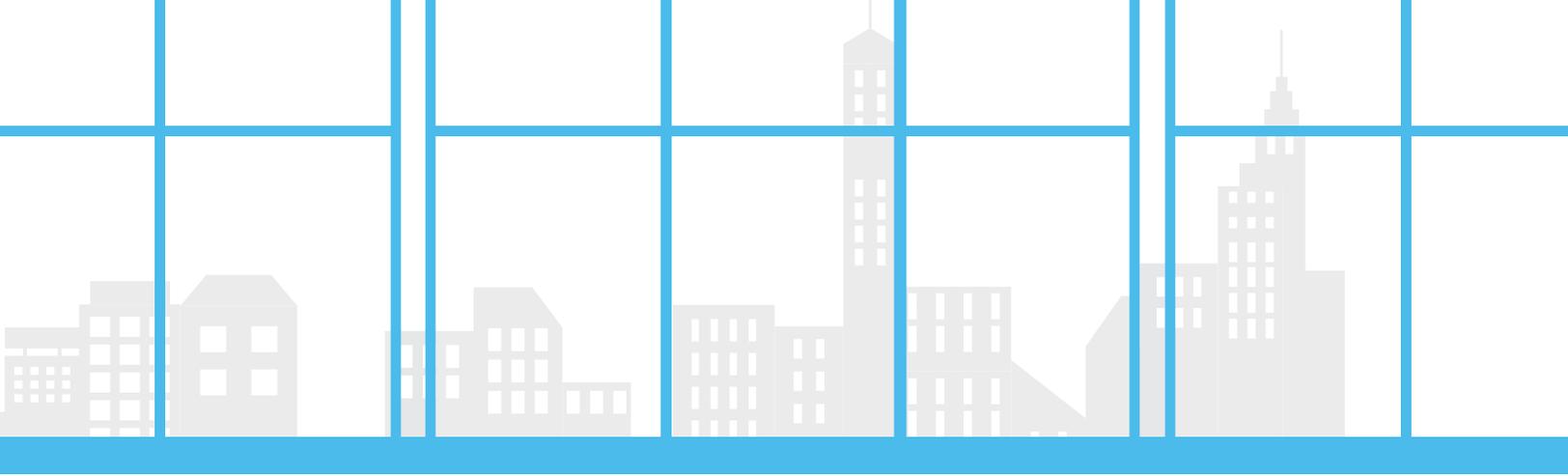
Eliminate Costly Payroll Errors

with Intelligent Clock Features that Help Employees Punch Correctly

Clocking errors drive up labor costs.

For example, if an employee fails to punch out for an unpaid break, you may end up paying them for time spent eating meals. If an employee doesn't enter a job code, you may bill a client too few hours. If your system doesn't identify overtime, it puts your company at risk of an FLSA violation.





If Your Timekeeping System is Free, You're Paying Too Much

Paper timecards and spreadsheets have

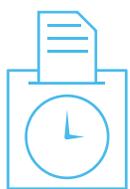
a significant error rate. Employees forget to record shift start and end times. Managers have to decipher illegible writing. Timecard problems cause a frustrating chain reaction. When it isn't caught and corrected, it triggers an inaccurate paycheck. When the employee tells the manager or HR team about the error, they have to issue another check. Administrators have to fix vacation and sick leave calculations.

The error could also affect overtime benefits. If a tipped employee doesn't get paid accurately, it may put the employer afoul of minimum wage laws.

In all scenarios, timecard mistakes create frustration for employees, managers and administrators. Plus, they increase labor costs unnecessarily. The American Payroll Association estimates 10% of all payroll processing time is spent resolving errors.

The solution is an intelligent clock.



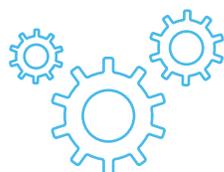


Simplify Punching So Employees Can Get to Work

With intelligent prompts,

the clock interface will present only logical options depending on the employee's clocking status. For example, suppose an employee is already clocked out for a break. When she returns from the break, the clock prompt will only present the END BREAK punch option.

Intelligent clocks also help enforce schedules. If an employee tries to punch in before their authorized shift, the system will lock them out and instruct them to wait until their shift starts. If an employee forgets to punch out, the system will alert them the next time they punch in. In addition, it will send the manager an alert as well.



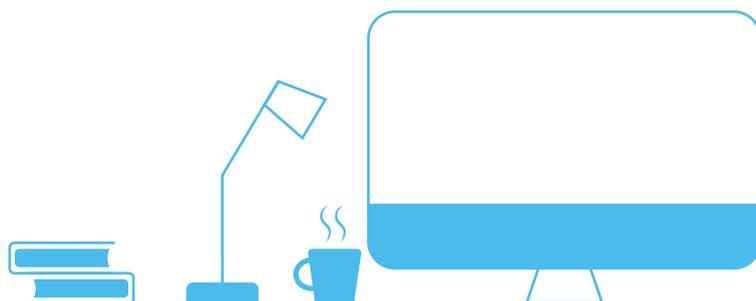
Automation Elevates Project Management

Do you need to track multiple projects or clients?

Do employees get paid a different rate for different jobs? You can do this the hard way or the easy way.

If your employees have to manually track hours by different categories, it gets confusing — and inaccurate.

Intelligent clock prompts allow employees to select projects or other details like piece counts, tips or mileage. The system automatically calculates the hours, making timecard approval and payroll processing so much easier!





Case Study:

Electrical Contractor Stopped Losing Billable Time

The owner of a Salt Lake City, Utah-based electrical contracting firm was dealing with multiple workforce challenges. The company is a lean organization, and the owner had limited time for HR and administrative overhead. As a service provider, every hour of work must be tied to a job, or it is not billable. With manual processes, it was difficult to do it routinely and accurately. The owner decided to try a cloud-based time and labor solution.

The software allows employees to clock-in from the device of their choice – mobile app, web portal or physical clock. Regardless of method, the system prompts employees for job codes when they punch in for a shift. The system also reminds them to take breaks and alerts employees and the owner when there is a missed punch. Plus it flags a punch when an employee clocks in/out from an unapproved location, using geofences as the guide.

The combination of job codes, punch alerts, and geofencing maintains a real-time record for timecard approval, payroll, job costing and compliance. It also helps the owner identify ways to maximize the time his employees are on job sites versus in transit between them.

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Secret #6

Reduce Payroll Prep Time

With Automated Integration That Takes the Work out of
Data Entry

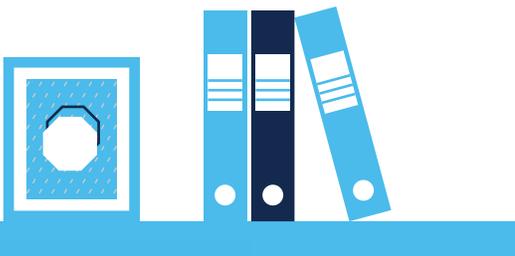
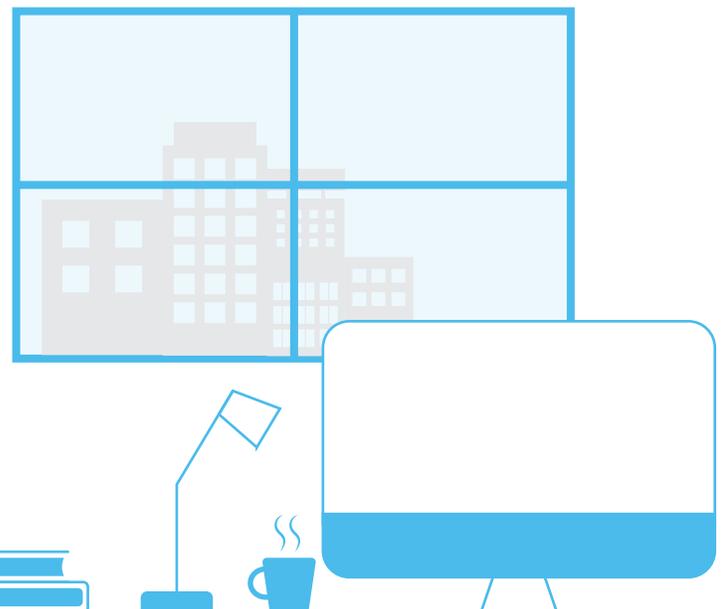
Whether you pay your employees weekly, bi-weekly, or monthly

payroll is relentless. It seems to roll around quicker each pay period. Then it requires at least a full day of ignoring important tasks to meet the deadline. If you're like most managers or small business owners, this can result in your own unplanned overtime.

Sound familiar?

Automated time and labor can ease the payroll burden with something that is as straightforward as it is powerful: integration.

With integration, data from your timekeeping software can flow to your payroll software. This process is automatic and not only saves time, it increases accuracy because it prevents errors inherent to manual entry. With a simple export, your time tracking system can deliver a ready-made data packet to payroll and—voila!— payroll is ready to run.





The Cost of Manual Data Entry

There is at least a 2%-3% error rate

in manual data entry and spreadsheet management. When timekeeping software updates timecards as employees punch in for shifts, you protect your payroll from human error. And the software doesn't just add hours worked, it can track PTO, overtime, sick leave, tips and job codes.



Case Study:

Nonprofit Payroll Manager Gains 26 Hours a Month!

A nonprofit based in Tustin, California

adopted automated timekeeping integrated with payroll. For years, the payroll manager had been spending an hour a day gathering and reconciling timecards. When they got an automated system, it freed up over 26 hours every month in payroll prep. Plus, they reduced paycheck errors which can inflate labor costs up to 8%.

Interested in Automated Time and Labor to Help You Save Money?

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Secret #7

Save Employee Time and Prevent Accidental Coverage Gaps

with a Biometric Clock that Prevents Buddy Punching
to Save Your Labor Budget

Do you manage PTO outside of your timekeeping system?

Unifying these two processes may be the most important thing you do this year. Consider that the most expensive labor cost is to lose an employee. When an employee quits, it increases costs in multiple ways.

There is the immediate loss of productivity because coworkers have to take on the former employee's duties. This, in turn, can lower the level of customer service which can discourage repeat business. There are the direct costs of hiring, onboarding and training. In addition, a high performer who leaves takes valuable institutional knowledge that may take years to recover. This lowers the collective competency of their former team.



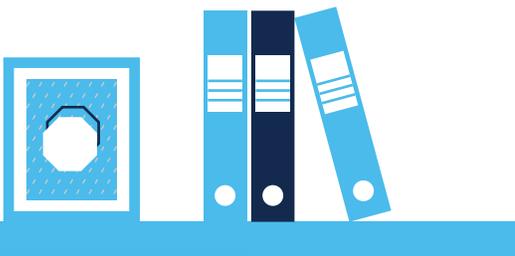


Solve PTO and Keep Your Employees

Why do employees leave?

Two big reasons are payroll problems and poor culture—and PTO affects both of these. For example, if it's hard for your team to use PTO, employees will understandably look elsewhere for work. Multiple surveys reveal that after health insurance, PTO is the most valued benefit for today's employees. Life is stressful! We need our vacations!

A PTO-related paycheck error also lowers morale. In fact, it only takes two payroll mistakes for an employee to consider jumping. With manual PTO management, you risk both of these outcomes. If employees have to hand in a PTO request form, or send an email request, there's a good chance it will get lost. And what happens when requests overlap? Or what if you can only grant some of the days requested? Who gets priority? Manual PTO processing is costly in time and morale.





Automated PTO Synced to Timekeeping is the Answer

The solution is automated timekeeping with PTO tracking.

This is how it works: employees can see their vacation accruals in the system. When they want to take time off, they send a request through the system. Managers can review all the requests together. And – this is key – they can see how it will impact schedules.

When the manager approves a request, it shows up on the scheduling calendar. In addition, approved PTO updates in the employee's dashboard. Managers never have to remember which requests they received first because each has a time stamp. Transparency solves a lot of problems.

Automated PTO tracking can also manage government-mandated categories of leave. Tracking these categories manually can be a nightmare. With online tracking, it is easier to follow the rules. And it is easier to prove that you did. A fine may not come out of the labor budget, but would affect the overall budget.





Protect Your Schedules From Coverage Gaps

PTO confusion can wreak havoc on schedules.

If a manager forgets an approved request, they might not realize it until the vacationing employee fails to show up for work. Then the manager has to scramble to find a replacement. This may involve asking unwilling or unavailable employees. If nobody can cover, coworkers have to pick up the slack, and they will not be happy about it. Just as importantly, your customers won't be happy if service suffers as a result.

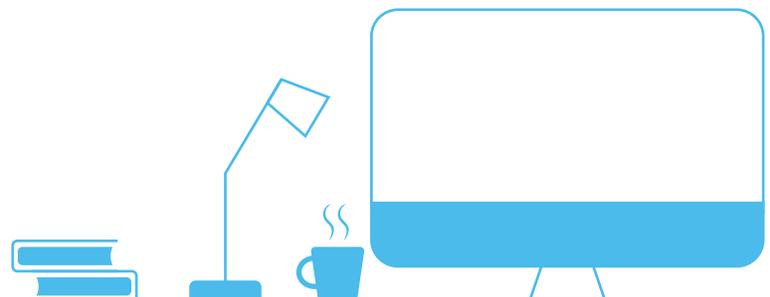
Regardless of the type of business, it creates problems. For example, in a healthcare facility, it could impact patient care and PBJ compliance. In a manufacturing environment, the absence of a necessary certification could shut down a production line. In a call center, it could increase wait times.

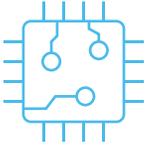


Find a Solution That Works the Way You Do

It's important to understand,

that most solutions only accommodate basic PTO policies. We offer custom scripting which allows you to track even complicated accruals policies. (If you have to change your policy to fit the software, it's not a true solution.)





Case Study:

Tech Firm With Distributed Workforce

Five years ago, a software company

with remote employees in multiple states adopted an all-in-one timekeeping, scheduling and PTO system. Employees were delighted that they could check their accruals and request time off in the same dashboard where they clock in, get their pay stub, manage their timecard and access their schedule.

Managers were equally happy that they could review all requests in the same place and when they approved a request, the system sent an email confirmation to the employee. In addition, when managers build schedules, they can see who will be on vacation. The company is pleased to report that since the switch, they haven't had a shift coverage gap or payroll error due to a PTO mixup.

Interested in automated time and labor to help you save?

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