

Workforce Management: Improving the Bottom Line with Time & Attendance



Is your company's current time and attendance solution providing timely labor management information for collecting employees' labor hours and calculating labor costs?

This was a question First Mortgage Corporation, an independent residential Mortgage Banking corporation, was faced with answering when they decided that the honor system they were using was not only not giving recognition to the employees who followed the company's time and attendance rules, but their system also failed to identify the employees who ignored them. With 18 offices

across California and Nevada, they realized something had to be done to control and monitor the situation from the corporate office.

When the decision was made to look into the possibility of instituting some kind of a workforce management system, Tammy Russ, Vice President of Human Resources, worked within the research group to come up with a list of concerns, problems and types of issues the system would have to address. This criteria list was then presented to leading time and attendance solution provider, NOVAtime, who was brought in to assist with the integration and implementation of a new automated time and attendance system.

Creating a Centralized System

One of First Mortgage Corporation's primary requirements was all their offices had to be controlled through a centralized time and attendance system located at their corporate office. Next the system had to integrate seamlessly to their payroll system, completely eliminating any double entry of information. Another crucial component to the system was that it needed to provide extensive reporting capability to allow supervisors to better manage their staff.

Careful not to extend themselves by over spending on unnecessary features, the company's new time and attendance system would also have to be user friendly, while being sophisticated enough to address all their specific needs.

When it comes to overhauling a company's time and attendance system, Russ states, "Financial based company's should be on the lookout for managers who are against change, even good change. Time and attendance costs can ruin a company if they're not properly managed. Those who are in charge of their company's human capital need to be proactive with involving themselves in the implementation of an automated time and attendance system."

As for the results and impact of incorporating an automated and centralized time and attendance system, Russ was clearly happy about the investment. "The system integration went very smooth and trouble free. Having our time and attendance system completely automated has made my job easier by being able to download information. It's much easier to track labor costs, especially in branches where we cannot directly monitor employees. We add to our bottom line by being able to proactively manage our human resources."

What is Automated Time & Attendance?



While the ramifications of not incorporating an easier to manage time and attendance solution may be clear, the definition of what exactly is "Time and Attendance" remains somewhat of a mystery for many. In short, time and attendance normally refers to solutions that help collect, monitor, and control employee labor expenses.

Historically labor costs are one of the largest expenses a company incurs and yet collecting the related data is still a manual process. In the case of financial institutions, like First Mortgage Corporation, companies are beginning to see just how vulnerable their bottom line is using archaic time and attendance formats, like manual processing, which is error prone, complicated, time consuming and difficult to manage.

Once a company institutes an automated time and attendance system they are able to dramatically reduce both their payroll process in time and costs. With only a few clicks of a computer mouse, companies, both in and out of the financial and banking industries, can now proactively manage their labor costs.

Cheryl Abrazado of Mililani Golf Club Restaurant says, "The old way of using time cards and calculating each in-out was a four-hour chore. With an automated system it now takes me no more than five minutes to process my payroll. It's so easy for everyone to use and I love how simple it is to customize my own reports."

By significantly reducing the time it normally would take to process payroll, Patricia Camero, who handles the human resource department for Ann Pearl Nursing Facility, says, "From being user friendly to providing reports that previously were not available to us, the automated system we installed through NOVAtime allows us to save hours in overtime, which saves us a significant amount of money."

Finding the Right Balance

With the advancement of technology the world is moving at a faster rate every day, making it very easy to get left behind. Implementing an efficient approach to collecting employees' labor hours, calculating labor costs, and proactively managing your human resources is one of the keys to managing a successful business. Moreover, without the proper employee management tools, companies have learned that they can be exposing themselves to costly labor law fines and potentially damaging lawsuits.

According to studies from the Robert Half Agency and the American Payroll Association (APA), employee "time theft" -- when employees clock in/out early or late or take long lunches or breaks -- exceeds 10 minutes per day, per employee. The study estimates that manual timecard computation errors can cost 1% to 8% of your annual gross payroll. You may not know it using the honor system, but the information will definitely be visible if you choose a right time and attendance system.

As a result, financial institutions are looking for ways to streamline processes and increase efficiencies to remain competitive. For many companies in the financial sector, having an automated system is no longer a luxury but a necessity.

With that in mind, where, exactly are automated time and attendance systems impacting a company's bottom line? The data collected from a time and attendance system is used to control many costs an organization incurs. Overtime can be reduced by managing schedules and eliminating time theft. Powerful reporting and scheduling give you timely information to make well-informed decisions.

Whether to save money or time, a good time and attendance solution can relieve you of the error prone tasks involved with labor management. This way you can spend more time focusing on your business, rather than working in your business. Getting the balance right is key to running an efficient and profitable business, no matter what industry your company operates in.

But a time and attendance system goes beyond simply automating the manual, error prone process of collecting and calculating timecards, it can profoundly change a company's culture, as it did for First Mortgage Corporation. When asked whether or not their investment in an automated time and attendance system paid off, their executive's answer was a resounding, "Yes." They went on to add, "And our parking lot is full -- on a Friday afternoon."

About NOVAtime Technology, Inc.

With corporate offices located in Monterey Park, California, NOVAtime is a leader in the time and attendance and workforce management space. Known for their scalable software technology, many of the best-managed companies in the world have chosen NOVAtime as the preferred time and attendance and workforce management software provider. For more information on NOVAtime visit www.novatime.com or call 877-486-6682.