REPLICON™

8 Best Practices for Making Your Project Costing Easy

Whether you're a project manager at a Fortune 500 company or an entrepreneur at a startup, your profitability hinges on having a clear, easy way to track project costs.

Many companies are still stuck using entrenched manual methods for tracking time and expenses, but modern companies are successfully moving those processes off of desktops and onto the cloud. The key is choosing the *right* solution — otherwise, you might struggle with confusing interfaces, inadequate configurability, difficult integration with other applications, and maintenance headaches.

All of these shortcomings can be avoided with a little due diligence. This guide shows you eight key areas to consider as you evaluate prospective cloud-based time and expense tracking solutions that can make tracking your project costs easy and hassle free.

1. Replace paper- and Excel-based tracking with a specialized solution

By their nature, manual time and expense tracking systems introduce significant administrative costs, and the potential for errors and omissions is very high. Even small projects can become unmanageable when you use paper-based systems for tracking internal project costs. Just to get a basic view of your project's status on a weekly basis, you'd have to collect hundreds of pieces of paper from multiple places, get them validated by a dozen or more managers, and transcribe the data. Obviously, this is a significant time drain.

While resorting to Excel-based spreadsheets for data capture might eliminate some transcription chores and errors, it is still a slow and inefficient way to try to accurately capture everyone's time and expenses, route for approvals, and import to other applications.

Best practice: Move from manual time tracking processes to a cloud-based time tracking system for streamlined, efficient time capture.

2. Get a cloud-based solution for better efficiency and cost of ownership

The traditional way of running business applications — on expensive, internal hardware that you monitor and maintain yourself — is becoming a thing of the past. If

you've followed the trends towards 'cloud computing,' also known as Software-as-a-Service (SaaS), you know that the advantages of cloud-based applications are too great to ignore.

You not only get more productivity gains, you also get predictable operating costs and a lower total cost of ownership. Your software becomes an operating cost rather than a capital expense. There's no need to buy new hardware or other IT infrastructure, and there's minimal implementation time — just hours or days instead of weeks or months. A cloud-based system means that you are not responsible for maintenance or upgrades: you always have the most recent version of software and all your data is available from anywhere on the cloud.

Best practice: Switch to a cloud-based solution for a lower TCO and a hassle-free experience. Concentrate on what is core for your business, and the time tracking vendor takes care of application maintenance, security, and upgrades for you.

3. Choose software that is easy for employees to use

The fundamental element of best-of-breed time tracking systems is that it's simple for employees to "get in and out" quickly. Since success depends on the accuracy of their entries, it's vital that employees view it as easy to use in order to ensure quick adoption of the software.

The best systems also simplify the review and approval process for supervisors, and eliminate the need for HR and payroll personnel to provide employees with information about time-off balances or other pay-related questions, since employees will be able to look up this information for themselves. A great time and expense tracking system causes its users to ask, "Why didn't we do it this way before?"

Best practice: Get employees involved in the assessment process for every system you're considering. Today's workforce is demanding in terms of flexibility. Having mobile access to time tracking systems is one of the factors that increases adoption, because it does not restrict the user in any way. Mobile access gives employees the ability to comply with their company's time tracking requirements at their convenience, making it a win-win situation for all.

## 4. Get software that makes your administration and reporting easy

As mentioned, many companies have stumbled with adopting project time tracking solutions because they chose software that was hard to use. When you try a new system, its workflow and configurability should feel intuitive. It should even have built-in intelligence that anticipates what you need to get your work done.

The best project tracking software gives you a comprehensive set of functions, such as highly flexible and easy-to-run, real-time reports, and makes it easy to expand upon them by adding things that suit your requirements. Setting up projects and tasks should be easy and obvious by pointing and clicking, for example. In short, your project time and expense tracking software should be easy to set-up and have good reporting capability.

Best practice: Give your prospective system a thorough test drive. It should be simple to set-up and have strong reporting capabilities at its core. Project managers should be able to run and get reports with minimal support from IT to make their lives easier.

5. Get accurate project costing with real-time views into your data

If you can't easily see the up-to-the-moment status of a project, then you almost certainly can't steer it to top profitability. With a manual or paper-based system, your view of a project's progress and costs is limited and always out of date.
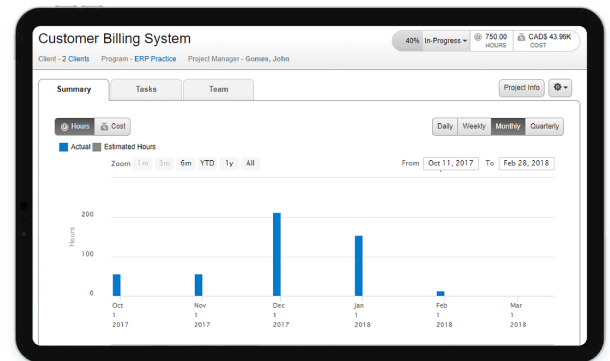
But in automated, cloud-based systems, project information is available immediately and updated in real time as users enter their data. Therefore, it's easy to see team productivity, compare actual costs versus your original budget, quickly understand overall status, and process.

and approve expenses immediately. And as you proceed with new projects, historical data is readily available to help you make more accurate forecasts

Best practice: Get a project time tracking system that arms you with timely, accurate cost information so you can see which projects are doing well and which are off track and need immediate corrective action.

6. Integrate your data wherever you need it

For most companies, capturing data in dedicated project time tracking software is only part of a total solution; sharing that data with other applications completes the cycle. This can be critical for project costing and expense reimbursement, payroll, and other processes. Ideally, there should be a seamless exchange of data across all of these via an open application programming interface (API). Most cloud-based project tracking software includes out-of-the-box data sharing that is based on this, and is typically supplied for applications such as Microsoft Project, QuickBooks, and others. If your company needs to integrate with other applications, carefully investigate what's required for that to happen.

The best project and expense tracking software includes an API that facilitates data exchange via standards-based integration (such as XML web services). You should have the choice of developing the integration yourself, or working with your software vendor to implement it.

Best practice: Choose a solution that guarantees you'll get the data integration you need.

7. Ensure that your data is safe, secure, and available

With traditional enterprise systems, the customer has the responsibility of maintaining system security themselves. When you choose a cloud-based project tracking solution, however, you pass the responsibility for safekeeping your data to a third party. Therefore, it's extremely important that the vendor you choose can provide the required

combination of security, integrity, and availability. This is accomplished via a combination of factors including physical security and environmental controls, and independent certification that adequate data protection processes are in place (the industry standard for this is SSAE 18).

Other considerations include firewalls, antivirus protection, encryption of in-transit data, and offsite data backup with tested disaster recovery provisions. It is also very important that your vendor have a service level guarantee for the availability of your data and the software you use.

Best practice: Be sure that the vendors you consider can document their means for supplying security, protection, disaster recovery, and SSAE 18 compliance.

8. Automate compliance with regulations

If your organization performs work for government agencies, you may already be familiar with requirements for automated timekeeping. When you search for a cloud-based project tracking solution, it can be vital that the one you select supports the regulatory requirements you deal with.

Some examples that you may be familiar with or interested in are: to earn government tax credits to offset costs of innovation you need an easy way to capture and track all time and budget spent on eligible projects; to differentiate between capital labor and non-capital labor hours where employees work across a wide range of projects — some capital and some not — you need to keep track of it all and ensure you have the right mechanisms in place to stay compliant and pass any audit; and to secure adequate funding for grant management you must accurately account for spending across multiple grants and projects in real time, link time spent to specific funding sources, and create a robust audit trail to streamline and simplify compliance.

Government contractors are subject to audits of their employment practices and accounting, and within those systems, their tracking and billing must conform. Therefore, your system must have, among other features, the capacity to limit access and report on users' activities

with the system; include proper setting of roles and permissions; support unique project and task names with discrete identifiers for each work item; and have the means for notifying workers electronically about certain details of the work they are assigned. Further, a verifiable audit trail process must be in place to collect all initial entries and subsequent changes.

Best practice: Choose a vendor whose solution includes the built-in means to comply with the regulatory requirements your organization faces.

Conclusion

When your company's profitability depends on effectively controlling project costs, you need to be sure to have a centralized way to get accurate, timely data. Traditional, manual methods for achieving this are yielding to online systems that make it easy for employees and managers alike to account for and view time and expenses. The best of these systems are easy to configure, readily share data with other applications, and provide low cost of owner-ship by offloading responsibility for hosting and security. By choosing the right cloud-based solution from the right vendor, you can make tracking your project costs simple, fast, and hassle free.

About Replicon

Replicon, the Time Intelligence™ company, has over 20 years of industry leadership and is pioneering a new approach to time management. Time Intelligence elevates time as a strategic asset within an organization, to improve operational productivity, performance, and profitability.

Replicon's Time Intelligence Platform offers solutions for global time and gross pay compliance, enterprise time management for ERP, professional services automation, and an SDK for continued development - expanding the company's award-winning portfolio of cloud-based products, including complete solution sets for client billing, project costing, and time and attendance.

Replicon supports thousands of customers across 70 countries, with over 400 employees around the globe including the United States, Canada, India, Australia, and the United Kingdom.

For more information, contact us:

Toll Free:
North America 1-877-662-2519

Global +800 6622 5192

info@replicon.com

www.replicon.com