REPLICON™

Time Tracking Solutions: Build or Buy?

Time tracking is a business function that all companies must practice to process payroll, do billing, and manage projects, among other things. Most organizations begin by using a paper-based system or simple spreadsheet application, but as they grow they realize that this is inefficient, cumbersome, time-consuming, and error-prone. They soon come to the conclusion that automated time tracking is the way to go.

At this point, organizations are faced with two options to automate their employee time tracking:

1. Buying a solution
2. Building a system in-house

Organizations need to assess the impact of each of these options on their business. To get a full picture, they must compare the costs, benefits, and business implications of both options before deciding. This whitepaper serves as a guide to the factors that companies need to consider when making the critical decision of building versus buying a time tracking solution.

The Case for Building

Flexibility: Companies choosing to design and build a system in-house (rather than buying one) argue that their business environment is unique, with specific goals and needs, and that commercially available timesheet applications fail to meet their particular business needs. This may have been true years ago when there were few business applications available, but not today.

Nowadays, time and attendance tracking solutions have made great strides. Leading timesheet vendors offer solutions that are flexible and can be customized easily to support unique business processes. Their solutions can be easily integrated with existing systems that organizations use and, having adopted cloud systems, these timesheet solutions can go the extra mile to provide a hassle-free experience to customers. Therefore, it's prudent to investigate the various automated timesheet applications available to see how they can meet your organization's particular needs.

Cost Considerations: Cost is an important factor that organizations examine when making the "build versus buy" choice. While the financials involved with buying a system are clearly known, estimating the cost of building a time tracking application is not easy. The total cost of owner-ship (TCO) of a built solution can often be two to three times of the initial estimate. To be success-ful, companies contemplating building a solution need to ensure that they have the financial and technical resources to see the project through to completion, while keeping in mind that software development projects are notorious for running over deadline and over budget.

Organizations need to determine costs and resources associated with:

- Requirements and scope
- Skill set availability, training needs, and learning curve
- Direct development costs (e.g. wages, benefits, overhead)
- Hardware acquisition and software licensing costs
- Testing
- Implementation
- Ongoing support and maintenance
- Project duration
- Opportunity costs

Associated Risk: Most companies do not realize all the risks they face when building a timesheet solution from scratch. Without subject matter experience in timesheet systems, the solution runs the risk of missing out on critical requirements and underestimating their impact on the entire organization. Thousands of hours and vast sums of money could be spent designing, developing, testing the product, with no guarantee that it will work as intended or meet the requirements of a growing organization. While outsourcing to third parties to develop a customized solution can transfer some of the risk, there is still no certainty that the end product will perform as desired. Such customized solutions are usually far more expensive, and ongoing maintenance and support can prove to be excessively costly as well.

The Case for Choosing a Leading Provider

Time tracking solutions from leading providers like Replicon are the result of decades of experience in the business of time tracking. These world-class products have been developed over the years to offer excellent solutions for the time tracking needs of organizations of various sizes across industry segments.

Some major factors that make buying a leading solution better than building one are:

Lower Risk: Replicon has been in the business of developing solutions for tracking employee time spent on activities and projects for a long time, having spent countless man hours and millions of dollars to ensure that our solutions are hassle-free. Any solution companies develop in-house, or by an outsourced development firm, will not match the level of functionality, reliability, and stability found in Replicon's time tracking software. Moreover, being

a cloud-based vendor, customers are able to take a free trial so that they can judge for themselves whether the solutions meet their various needs. Replicon also provides its customers total flexibility in case they wish to end the engagement at any time, or to choose to adjust the number of licenses they need.

Faster Return on Investment: Replicon strongly believes that software should be hassle-free every step of the way. Our solutions install quickly, and users invariably find them simple to use, needing no training whatsoever. Cloud delivery makes these available from anywhere and anytime, which provides great flexibility to users. The implementation cycles are in weeks, not months — unlike most vendors — and there is no need for programming on the customer's end. All these factors contribute to faster return on investment (ROI).

Maintenance and Support: The other pillars of Replicon's hassle-free experience include seamless upgrades and maintenance, as well as a superior customer experience. With an in-house system, upgrades are usually few and far between — perhaps once every quarter or less. With in-house solutions, companies need to have dedicated teams taking care of monitoring, upgrades, and maintenance activity. However, because of its software-as-a-service (SaaS) delivery model, Replicon takes care of all the software upgrades and maintenance, with zero down time for customers. Replicon's customer support policy ensures that customers get all required assistance quickly and without any hassles.

Focus on Core Competency: In a rapidly changing technological environment, companies need to focus on their core competencies to remain competitive. Time and expense tracking is a necessary business process, but never a core competency. Developing and maintaining an in-house solution can take focus away from a company's business priorities. By using Replicon's time tracking solution, companies can focus on their business without having to worry about developing time tracking solutions.

The Risk of Delay or Doing Nothing

Some organizations may decide to delay a decision, or decide to do nothing. Either choice has an associated cost. Postponing a decision means continuing with the inefficiencies and inadequacies of their current timekeeping system. These inefficiencies affect the overall financial health of the company in the form of errors in payments, delayed billing, cost and project overruns, dissatisfied customers, and employee churn.

Buying—The Rational Choice

Generally, time tracking applications built in-house are more expensive, take far longer to implement, are often harder to use, lack the full functionality of commercially available applications, and come with no guarantee of success. All these factors lead to the most rational decision: buying a world-class time tracking solution from a leading vendor like Replicon.

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.

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