REPLICON™

The Definitive Guide to Time Tracking

Accurate time and attendance management is a vital enterprise function, and timely data is critical to ensuring that payroll is processed quickly, labor regulations are complied with, and a company's attendance and time-off policies are enforced. Yet, tracking time spent on the job is among employees' least favorite tasks.

If your organization still relies on manual time tracking methods for payroll and time-off, you're already aware of the inefficiency and inaccuracy this causes. Modern companies are successfully moving these processes off of desktops and onto the cloud. The key is choosing the *right* solution — one with a high adoption rate, a short transition time, and zero conversion hassles.

1. Eliminate paper– and Excel-based tracking: Get a cloud-based solution

Even a small employee pool can cause your manual time and attendance tracking systems to become sluggish and inaccurate. Now imagine multiplying that by hundreds of employees or dozens of physical locations. Just to get basic payroll information collected on a weekly basis, you'd have to gather hundreds of pieces of paper from numerous places, get them validated by several layers of managers, and then try to consolidate the data. A manual method like that is rife with opportunity for errors, and the double-entry required slows the process substantially.

Of course, you could limit this to an extent by resorting to Excel-based spreadsheets for data capture, but that would only eliminate a portion of the transcription chores and errors. There would still be the slow and inefficient routing for approvals, importing to other applications, and ensuring that everyone's pay and time off are issued and accounted for correctly.

Best Practice: Use a cloud-based solution for time and attendance to centralize time capture and provide anytime, anywhere access.

2. Ensure that attendance data is complete, current, and accurate

Among the most difficult aspects of tracking and approving data about attendance are: getting it on time; getting it approved; and ensuring that it's accurate for payroll. With a manual system, as noted above, physically gathering information is always a challenge, and many organizations require that multiple levels of approval be completed before triggering the payroll process. Once the data is in-hand, rules for pay rates, overtime, and time off must be calculated individually. Plus, some companies, by the nature of their work, also must conform to contractual requirements that necessitate audit trails. These factors combine to cause delays, errors, and the potential for non-compliance.

In automated, cloud-based systems, however, information about attendance is entered easily and is available immediately. Routing for approvals is simple, and rules related to pay and time off are applied automatically. Compliance with regulations and company policies are set in advance and audit trails are built in. The result is that people's jobs get easier, pay is timely and accurate, and regulatory issues are covered.

Best Practice: Get a system that streamlines time capture and provides accurate information quickly for running your payroll.

3. Get a cloud 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 toward "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 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.

4. Get software that employees will embrace

There's tremendous value in being able to track and view attendance data in a centralized system, but the real measure of a system's success relies on employees adopting the software.

It's crucial that employees find it intuitive and are able to start using it with minimal training. The fundamental element of best-of-breed tracking systems is that it's extremely easy for employees to "get in and out" quickly.

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.
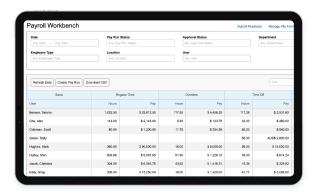
Best practice: Get employees involved in the assessment process for every system you're considering. Today's workforce is demanding in terms of flexibility. Having mobile access to time tracking systems is one of the factors that increases adoption, because it does not restrict the user in any way. Mobile 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.

5. Get software that makes administration and reporting easy

As mentioned, many companies struggle with attendance tracking software because it is difficult to use. Therefore, it's critical that you be able to spend time test driving a prospective solution before you decide to buy it.

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 attendance 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 set them up and expand upon them by adding things that suit your requirements. Examples are being able to apply special pay rates to a group of employees or even an individual, or customizing reports for specific audiences. In short, using your attendance tracking software should be easy and hassle-free, and it should be a simple matter — and a big time-saver — to configure reports by specifying the data you need.

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

6. Share your data easily with other applications

For most companies, capturing data in dedicated time tracking software is only part of a solution's value; sharing that data with other applications completes the picture.

This can be critical for payroll, time off, compliance, and other needs. Ideally, there should be a seamless exchange of data across all of these via an open application programming interface (API). If your company needs to integrate with other applications, investigate carefully what's required for that to happen.

The best time and attendance tracking solutions include 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 can share and integrate data, as needed or required.

7. Automate compliance with regulation

Depending on the nature and location of your business, you may face numerous regulatory requirements related to tracking time and attendance. Chief among these in the United States is the Fair Labor Standards Act (FLSA). The tracking solution you choose should make it easy for you to comply with all relevant government regulations, as well as with your company's internal policies.

The most common cause of noncompliance is inadequate or inaccurate record keeping (this also leads to payroll errors). Here are some key factors to help you avoid compliance problems:

- Overtime should be readily viewable in timesheets and reports

- Moving time and attendance data to your payroll system should be automatic

- Timesheets should be easily auditable whenever needed, with historical records of changed entries and overtime hours

- Digital records should be backed up regularly

The best time and attendance tracking software, in conjunction with your company's payroll system, can help reduce errors and avoid costly litigation arising from non-compliance.

Best practice: Choose a vendor whose solution helps you track time accurately, automate rules around compliance, and provide required time and attendance data in case of audits.

8. 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 time and attendance 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 should 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 compliance.

Conclusion

To get timely, accurate attendance information, you need a centralized system. Traditional manual methods for tracking this data are yielding to cloud-based systems that make it easy for employees and managers alike to account for and review their information.

The best of these systems are easy to configure, readily share data with other applications, and provide low cost of ownership by offloading responsibility for hosting and security. By choosing the right cloud-based solution from the right vendor, you can make tracking your time and attendance 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.

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