

By Lynn Haber

In the Nick of TIME

**Companies find that automated time-and-attendance systems
can pay for themselves in a matter of months.**

FOR MORE THAN 25 years, employees at Collins Sports Medicine in Raynham, Mass., recorded their time using a mechanical punch-card system. Now, the company uses a magnetic-stripe time-and-attendance clock from Wasp Barcode Technologies and reports a major improvement.

Mike Braz, the company's IT and purchasing manager, says the sports medicine and wound-care products distributor saves significant time on the time-sheet process. Payroll and paychecks are more accurate, and the system churns out detailed reports on hours worked by department.

The move to the WaspTime Standard magstripe time-and-attendance system almost didn't happen. It wasn't until CSM's

payroll company suggested that it look into upgrading the old punch-card system that Braz discovered there might be a better way to handle time and attendance.

After doing some research, Braz discovered that Wasp Barcode Technologies, the company that made the barcode readers CSM had used for years, also offered time-and-attendance products. Wasp is one of many companies offering magstripe time-and-attendance systems; ID Technologies and Keyscan are others.

Many SMBs use manual processes or obsolete technology for workforce management — and in so doing, they're missing out on the potential to improve efficiency and lower costs, according to Lisa Rowan,

director of human resources and talent management services at IDC.

"Companies can minimize the number of hours a manager spends on payroll, and also minimize the need for special payroll runs or payroll checks," she says.

According to Nucleus Research, in the absence of an automated time-and-attendance system, companies lose productivity, overpay employees and become distracted by the manual tasks of attendance-keeping.

Nucleus reports that without an automated time-and-attendance system, companies tend to overpay employees by an average of 1.2 percent.

On the other hand, the primary benefits of an automated time-and-attendance

system are improved productivity, reduced payroll error, reduced payroll inflation, lower overtime costs and the elimination of paper costs.

Braz now admits that the time CSM's five managers spent manually reading in and out times on the punch cards and calculating workers' hours for the company's 25 to 40 employees was productive time down the drain.

"It was time-consuming and inaccurate," he says, particularly during the sports medicine company's busy summer season, when the doors stay open six or seven days a week around the clock.

"Sometimes, it could be a couple of days before we learned that a ribbon had run low," Braz says, making reading the cards all but impossible.

A Similar Feel

Since CSM installed the new system earlier this year, employees swipe a badge that looks and feels like a credit card through a magstripe time clock and the information in the card's magstripe is recorded.

According to Wasp, the time-and-attendance software lets businesses:

- Track employee time, including time in and out, lunch breaks, overtime, holidays and absences.

- Set up rules governing how employee time is accounted for, such as rounding, early in or out and overtime.
- Reduce the debate and abuse of a manual system by eliminating inflated labor hours and increasing time-card accuracy.
- Minimize payroll processing time, reduce costly payroll and data entry errors, and export data to existing payroll systems (including directly to Intuit QuickBooks).
- Generate more than 30 professional management reports.

With the system priced at about \$650, it wasn't necessary for Braz to calculate the ROI, although he's certain it will pay for itself in about six months. "It was a no-brainer to purchase the system," he says.

Furthermore, Braz notes that he can't even put a value on the magstripe system's in-depth reporting capabilities for worker management and scheduling.

RJ Studios, an engineering design firm based in Bristol, Pa., is another example of an SMB that moved to magstripe clock technology from a PC-based magstripe system that crashed.

TIME AND AGAIN

HOW A TIME-AND-ATTENDANCE SYSTEM WORKS:

- The human resources or payroll administrator assigns a unique number to each employee.
- Each worker is issued a card encoded with his or her unique number.
- Employees clock in and out simply by swiping their cards, just as they would a credit card at a store.
 - The time-and-attendance software polls the time clock and automatically tabulates all time worked, including any overtime.
 - The human resources or payroll administrator reviews the tabulated time and highlights any errors or exceptions for resolution.
- The final approved time can then be easily transferred to a payroll system such as ADP or QuickBooks for processing.

"The WaspTime magstripe clock was easy to set up, is easy to use and offers a number of reports that allow us to do what we need to do," says Wendy Patterson, administrative assistant at RJ Studios.

Rather than upgrade to a new PC-based system, which would have been more expensive, the engineering firm opted for the magstripe clock system because the company's 10 employees were already familiar with a card-swipe system, the price was right, and the Wasp software simplified reporting and also delivered added functionality.

"With the old system, I could only view a single person's prior timesheet without running a report. With the Wasp software, I can view many timesheets for previous weeks without running a report," Patterson says, noting that the company's salaried employees are paid weekly.

Another benefit to the new system: The magstripe card can be swiped from left to right or right to left.

Getting started is straightforward, according to users. The time-and-attendance system provides the software, the magstripe employee time clock with built-in network connection, license and badges for 50 employees, a setup wizard, Ethernet cables and power supply, and Microsoft Data Engine (MSDE) database.

The bottom line: Time equals money. While that's true when it comes to time and attendance, SMBs are learning it's about good work management practices, as well. **[BT]**

TIME AND ATTENDANCE AT YOUR FINGERTIPS

NP Precision, a manufacturer of components for the aerospace, defense and weapons system industry, is no stranger to advanced technology. So it's no surprise that the SMB opted for a biometric time-and-attendance system for its 42 employees.

Based in Folcroft, Pa., NP Precision traded in an older punch-card time-and-attendance system for a more accurate and secure WaspTime Biometric time-and-attendance solution.

"The biometric system calculates payroll and doesn't allow anyone to punch in and out for another person," says Joseph Domalewski, director of engineering at NP Precision.

Fingerprint authentication completely eliminates this so-called buddy punching. Using a biometric clock, employees simply clock in and out with their fingerprint. The biometric system also eliminates the need for employee badges, which can be lost, stolen or borrowed.

According to Wasp Barcode Technologies, biometric time-and-attendance systems outsell the company's three other solutions — magstripe, barcode and RFID — despite being the more expensive option: about \$1,000 for the complete package versus around \$650 for a magstripe system.

However, biometrics technology eliminates the need for employers to purchase cards and relieves employees from worrying about misplacing or forgetting them.

