# Let Your Business Thrive

Reducing Administrative Burdens Through Workforce Management

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# I. How Administrative Burdens Impact Businesses

No matter what industry you're in, you're likely driven by one overarching goal: for your business to thrive and reach its full potential. And you want your team leaders, from the C-suite to HR to managers and supervisors, to be able to focus their time and energy on **the core work of your organization — the work that really matters.**

But there's one major stumbling block that gets in the way of success more than any other: **administrative burdens**. These are the cumbersome operational tasks that consume your team's precious time, limit productivity, and hold your business back. A report by PwC found that:

> • **In-house workforce administration typically costs over $1,400 per employee per year for large organizations and nearly $2,000 for midsize organizations**

And according to a study by the Center for Effective Organizations:

> • **HR professionals spend about 73.2% of their time tending to tedious administrative tasks**

This is time that could be much better spent on priorities like strategic planning and employee engagement. Moreover, HR specialists must deal with an overwhelming workload. A survey by HR Daily Advisor revealed that:

> • **The most common HR-to-employee ratios are between 1 to 101 and 1 to 200**

The good news is, administrative burdens don't have to be a permanent obstacle. With the right workforce management system, powered by effective software, you can remove these hurdles and enable your people and your organization to flourish.

But before we explore the solution, let's look a little closer at the problem. What are some of the key areas where administrative burdens may be weighing you down?

# Time and Labor

Tracking your employees' time and labor is a basic — and essential — administrative function. Yet it's remarkable how much human error can creep into the process. Recent statistics show that:

- **38% of American employees still use manual systems like punch cards, paper timesheets, and timecards**

- **80% of employee timesheets have to be corrected by employers**

That's an enormous amount of paperwork to slog through, especially when you consider the inconvenience of having to fix mistakes to ensure accuracy.

Unfortunately, practices like time theft (when an employee reports more hours than they actually worked) and buddy punching (when one employee punches in for another) may also turn into costly issues:

# $11 billion

**49% of employees admit to time theft, which costs employers more than $11 billion a year**

# $373 million

**16% of employees admit to buddy punching, which costs employers at least $373 million a year**

Even when employees are reporting their hours accurately, though — as most, of course, do — manual time and labor tracking can still be a massive burden for managers, and a potentially expensive one for your business.

# Scheduling

In shift-based workplaces, employee scheduling is another critical task. But it's also an area where many businesses run into serious difficulties — due in large part to the fact that so much scheduling continues to be done manually:

- **Only 18% of employers who schedule shifts use software to do so**

- **68% of employee work schedules are handwritten**

- **On average, employers spend 2.4 hours a week preparing schedules**

Manual scheduling isn't only time-consuming; it can also be a liability. Without a digital platform and a form of instant communication, missed shifts may become common:

- **Missed shifts are a daily occurrence for almost 1 in 10 businesses**

- **On average, employers lose $7,594 a year when employees miss shifts (from having to find replacements, close early, or pay extra)**

And it's not just employers who suffer. Last-minute schedule postings and changes adversely affect workers as well:

- **One in five employers gives less than a week's notice with employee work schedules**

- **Almost two-thirds of workers have had a shift canceled at the last minute**

Factors like these are why there's such a high turnover rate among shift workers, which poses an even greater challenge for the organizations that depend on them.

# Reporting

To engage in smart workplace planning, you need solid data — about everything from the time and attendance of your employees to your coverage needs and operational costs. This information is crucial, allowing you to plan effectively for the future of your business.

But with a manual system in place, reporting can be a huge source of administrative trouble. When you're faced with a mountain of diffuse paperwork — timesheets, budgets, schedules — it's hard to track down all the complex data you're after, let alone organize and intelligently analyze it.

Reporting and analysis are key to making the right decisions that maximize your workforce and minimize your costs going forward. Yet without a strong, centralized workforce management platform, these vital functions may fall by the wayside.

# Compliance

Staying in compliance with federal, state, and local labor laws is a necessary part of running your business. But legislation changes and evolves frequently, and many organizations struggle to bear the administrative weight of keeping up with — and adhering to — regulations. To illustrate:

- **43% of business owners don't know what the FLSA (Fair Labor Standards Act) is**

This lack of awareness leads directly to costly lawsuits and fines:

- **FLSA lawsuits have risen by 417% since 1997, especially in the health care, hospitality, construction, and clothing industries**

- **For employers, the total cost of FLSA violations since 1984 is $2 billion**

And what's responsible for the vast majority of these penalties? Overtime.

- **83% of all the fines paid by employers come from overtime violations**

Why is overtime such a problem for businesses? There are a number of reasons, including poor record keeping, off-the-clock work, and comp time (giving employees time off instead of overtime pay, which is usually illegal):

- **Only 16% of employers know timesheets have to be kept for two years, and only 36% know payroll records have to be kept for three years**

- **28% of employees admit to working off the clock**

- **One in three private-sector employers uses comp time instead of paying overtime to their employees**

Whatever the cause — lack of understanding, sloppy records, human error — businesses that don't ensure proper compliance risk grave legal and financial consequences.

# II. How Workforce Management Can Reduce Administrative Burdens

So what's the path to reducing these various administrative burdens — to setting your business and your team free so they can thrive? It all comes down to two words: **workforce management**.

A state-of-the-art, software-driven workforce management system can help you **organize, streamline,** and **automate** all the processes that cost you unnecessary time, effort, and money, allowing you to concentrate on your **core business goals**.

Let's explore the ways workforce management can make a game-changing difference.

## Time and Labor Management

The right workforce management software transforms the time and labor experience for employers and employees alike. A digital platform enables workers to punch in and out electronically, with all attendance data funneling directly into a centralized system. This alone provides an array of advantages:

- **Managers no longer have to waste valuable time sorting through stacks of paper timesheets or timecards**

- **Time-tracking accuracy is greatly increased, while mistakes are reduced**

- **Costly occurrences like time theft and buddy punching become far less frequent**

In addition, software makes it possible for both managers and employees to view up-to-date information on individuals' time-off benefits and overtime status whenever they choose. This helps ensure that workers receive any paid time off or overtime due to them, and that employers don't open themselves up to liability by inadvertently failing to pay. Managers can also see which employees may be approaching overtime and opt to schedule others for shifts instead.
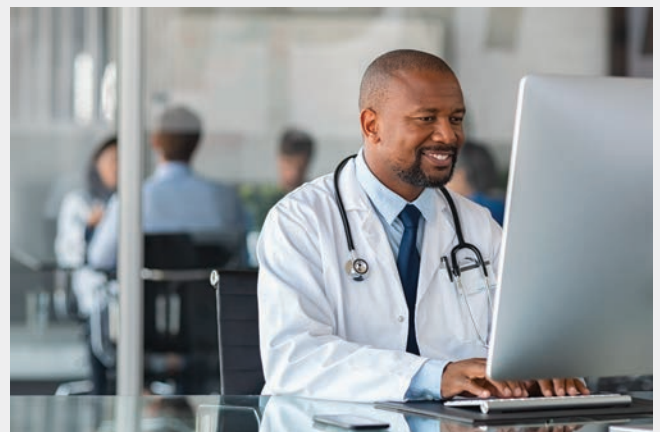
*Workforce Planning*

A digital solution is also invaluable when it comes to workforce planning, offering instant **coverage calculations** that empower you to make informed decisions for your business. Once you input your labor needs, the software measures them against your employee data in order to come up with the most cost-effective formula for whom you should schedule and when — taking into account all available factors.

Done manually, complex coverage calculations are time-consuming and may involve some degree of error. But a digital tool guarantees that you're maximizing your workforce and minimizing your labor budget while steering clear of pitfalls like overtime and over- or under-scheduling.

From the nuts and bolts of punching and benefit tracking to more intricate operations, like calculating optimal coverage, workforce software turns time and labor management from a burden into a driver of business success.

## Visual Scheduling

A workforce management platform that includes a visual scheduling component can revolutionize the cumbersome process of employee scheduling. With the intuitive graphical interface of visual scheduling:

- **Managers can create digital shift schedules ahead of time, based on labor needs and employee resources, and replicate the template going forward**

- **All employees are made aware of schedules as soon as they're published, via mobile app**

- **Managers can assign shifts or leave them open for employees to pick up themselves**

- **If an employee becomes unavailable at the last minute, they can immediately notify co-workers so that someone else may pick up the shift**

Scheduling software facilitates instant communication and helps you get rid of paperwork and avoid missed shifts. Moreover, the ability to filter employees based on specific criteria — like availability, location, and qualifications — ensures that you're always scheduling the right people in the right places at the right times.
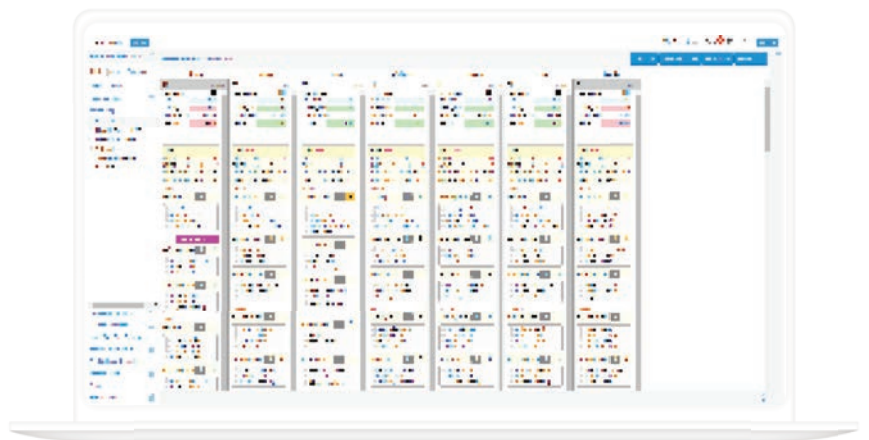
## *Mobile Communication*

**Mobile technology** is a key aspect of a successful workforce management solution. Not only does a mobile app allow employees to punch in and review their benefits electronically; it also enables them to see shift schedules the moment they're posted, and to communicate with managers and each other in real time.

Last-minute changes are the bane of managers in charge of scheduling, but with the ease and convenience of mobile, the problem is solved:

  • **If an employee is unable to cover a shift, they can simply send a mobile message alerting their manager and fellow workers**

  • **Another available, qualified employee can offer to take the shift**

  • **Once the manager approves the trade, the shift is filled**

A mobile app saves managers time and trouble, but it also empowers employees by giving them more control over their own schedules — which in turns leads to improved work-life balance, less burnout, lower turnover, and increased retention.
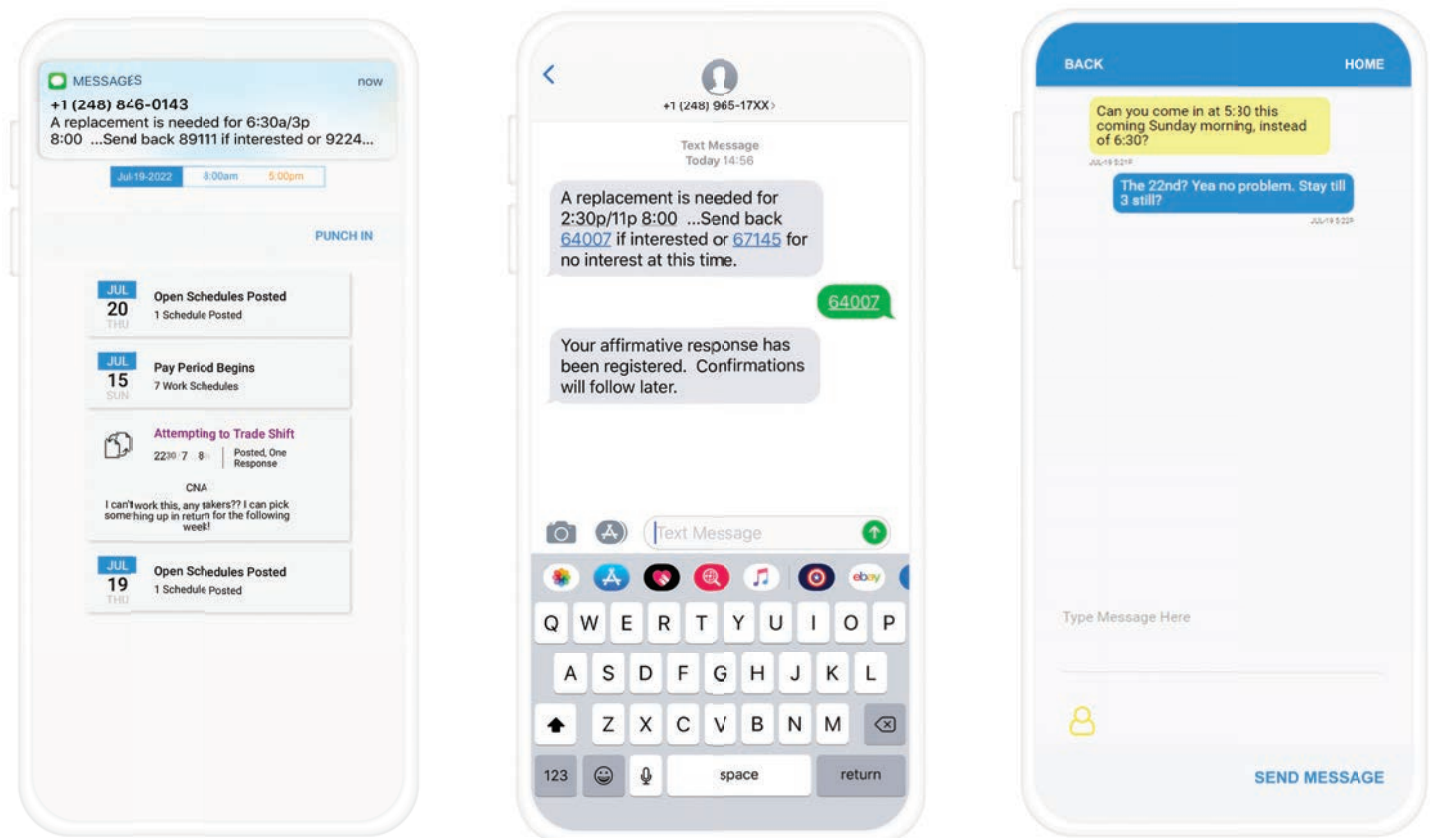
# Data and Analysis

With workforce management software, you don't need to pore through paperwork to track down your time and labor data — it's right there in the system and readily available. An abundance of vital information is at your fingertips: your employees' time and attendance records, your labor costs, coverage statistics. But these numbers aren't just nice to have; they're crucial to the future of your business.

High-quality software includes sophisticated tools that help you analyze your data so you can make smart choices going forward.

**Are your labor expenses higher than they need to be?**

**Are you running into overtime issues?**

**Have you had any coverage gaps?**

**Are you maximizing your workforce and minimizing your budget?**

The answers to these questions will determine what changes you choose to implement as you plan for your next period of business activity.

The robust data and analysis capabilities of a digital solution mean that workforce planning doesn't have to be a guessing game. As the saying goes, to know where you're going, you first need to know where you've been. A wealth of in-depth, easily accessible information on your employees, costs, and coverage equips you to make educated decisions that serve your bottom line.
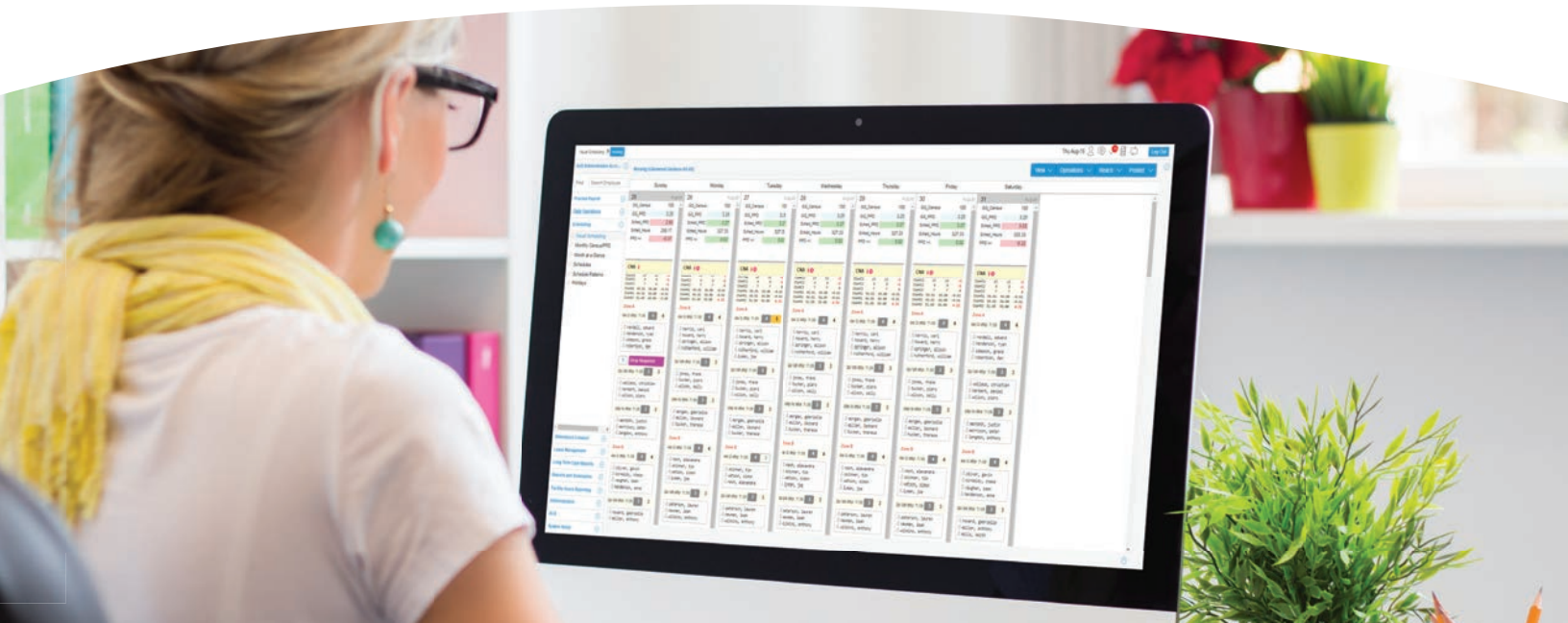
# Automated Compliance

As we've seen, compliance is a persistent obstacle for businesses. Federal, state, and local laws are complicated to begin with; on top of that, they're constantly changing. Through lack of oversight and inadequate record keeping, many organizations put themselves at risk of costly violations that damage their finances and reputations.

A workforce management platform helps you avoid these traps. Rather than struggle with manual procedures, you can input legal requirements — from paid time off to overtime — directly into the software, which keeps track of them for you and ensures that you're adhering to them. So when an employee requests leave or works overtime, say, the system processes this, and compliance is automatic. It's an algorithm, no longer at the mercy of human error.

When laws evolve, as they inevitably do, you can simply make adjustments to the rules within your software, so that you're always up to date with the latest regulations.

## *Electronic Reporting*

In certain industries, the compliance benefits of a workforce management solution go even further. For instance, in the long-term care field, the federal Centers for Medicare & Medicaid Services (CMS) require all skilled nursing facilities to regularly submit their staffing data through what's known as the Payroll-Based Journal (PBJ).

Entering this information manually is an administrative nightmare, and any mistakes can negatively impact a facility's very important public rating. But software allows providers to electronically upload their time and attendance data to the PBJ and submit it with ease. This way, managers save time and can rest assured that the reporting is correct.

The PBJ scenario is just one example of how a digital solution can automate a consequential compliance task that would otherwise require great effort and leave open the possibility of error.

In sum, administrative burdens are often a major hurdle that keeps your team from focusing on the work that matters and holds your business back from achieving its full potential. A software-driven workforce management system is a powerful solution to this problem. By eliminating tedious tasks and streamlining cumbersome processes, workforce management brings order, clarity, and convenience to your organization — letting your people and your business thrive.

To learn more about Attendance on Demand and our leading workforce management solutions, visit us at **attendanceondemand.com**.

# III. Recommended Resources

Here's a brief list of the articles and studies we referenced in this guide. If you're interested in learning more about reducing administrative burdens through workforce management, we encourage you to continue to explore the resources currently available on the subject.

**"Do Your HR Leaders Spend Enough Time on Strategic Partnership?" CFO.**

https://www.cfo.com/leadership/2012/03/do-your-hr-leaders-spend-enough-time-on-strategic-partnership/

**"The hidden reality of payroll & HR administration costs." PwC.**

https://www.adp.com/~/media/Solution%20Builder/Documents/PWC%20TCO%20Study%202011.ashx

**"HR Department Survey Results Are In; How Do You Compare?" HR Daily Advisor.**

https://www.cfo.com/leadership/2012/03/do-your-hr-leaders-spend-enough-time-on-strategic-partnership/

**"HR's Time-Consuming Toll on Your Company." G&A Partners.**

https://www.gnapartners.com/resources/infographics/hrs-time-consuming-toll-company

**"The Ultimate List of Time and Attendance Statistics." TSheets.**

https://www.cfo.com/leadership/2012/03/do-your-hr-leaders-spend-enough-time-on-strategic-partnership/