

# Employee Time Tracking System Saves Medical Facility Over \$40,000 in Annual Labor Costs

Michigan Neurology Associates, P.C. enjoyed first-year annualized savings of over \$40,000 in overtime costs, thanks to Attendance on Demand's web-hosted time tracking, which records employee time and attendance across multiple locations.

The savings stem from precise tracking of employee start/end times and by eliminating buddy punching—where one employee knowingly punches in or out for another. Biometric finger readers ensure that start/end times are accurately gathered, and the online service monitors employee tardiness, overtime, missed punches, and other labor activity in real time.

## PAPER CARDS AND HAND CALCULATIONS

Until recently, Michigan Neurology Associates, P.C. used paper punch cards and outdated time clocks to track employee time and attendance for its 50 hourly employees in several locations throughout Southeastern Michigan.

At the start of each shift, employees punched in on paper cards. At the end of the two-week pay period, the employees manually recorded their pay period hours directly onto those paper cards. Payroll staff then picked up the cards and keyed the data into a spreadsheet for accounts payable to verify and send to the payroll vendor for processing. For employees based in remote locations, a driver collected the punch cards and drove them to the central administrative offices every two weeks.

## ACCURACY CONCERNS

According to Brenda Pearson, Controller, this process was increasingly unreliable and problematic.

"Our worry was that pay period totals were not reflecting actual hours worked," she said. "It was a rush at the end of every payroll to audit cards and track down any missed

punches or damaged cards. We relied on the memory of employees and their manual calculations when preparing payroll."

Not only was this process unreliable, but it was also time-consuming and burdensome for the payroll office.

## BUDDY PUNCHING

Another worry was "buddy punching," where one employee would clock the start/end times for another employee. There were instances when employees knowingly misrepresented the hours worked—a serious issue with the potential to throw departmental labor costs out of line.

The challenges grew as the facility added employees. For example, medical assistants, technicians, and part-time physicians often transferred from one location to another, which meant they had to remember to physically bring their time card with them to the various offices. If they forgot the card, they relied on their memory to record times when they

returned to the home location, or worse yet, started punching on another card. Such instances made calculating time worked very difficult.

## NEW METHODS

To address these challenges, Michigan Neurology Associates, P.C. teamed with PeopleForce Solutions, Inc. and Attendance on Demand's web-hosted time and attendance service. The experts at PeopleForce worked with the company to implement the web-hosted system that conveniently tracks employee time and attendance across multiple locations.

With networked time clocks located in each office, the company could significantly improve accuracy, cut costs, and improve access to employee time and attendance data

“Attendance on Demand let us easily achieve a return on investment in less than a year.”

—Martin Rosenfeld, Practice Manager of Michigan Neurology Associates, PC

anywhere, anytime. Plus, Michigan Neurology Associates, P.C. would pay only for the number of employees using the system, and avoid the costly upfront capital expense of purchasing and maintaining a software license.

“The team at PeopleForce was especially helpful setting up the system to track the flexible nature of our work arrangements, including flex time, full-time, part-time, and workers moving from one location to another,” said Martin Rosenfeld, Practice Manager of Michigan Neurology Associates, P.C. “They are specialists in this area of business processing, so we could trust their expertise.”

#### BIOMETRIC TIME RECORDERS

The company selected finger biometric time recorders to eliminate time card fraud. The finger readers identify each employee using a unique digital finger template. If the finger matches a template stored in the clock’s memory, the employee is punched in.

“The bottom line is that employees must be present to punch,” Rosenfeld said. “This is a significant advantage over the past situation. Buddy punching is no longer a concern, and our pay period totals more accurately reflect the hours being worked each pay period.”

#### MORE ACCURATE PAYROLL

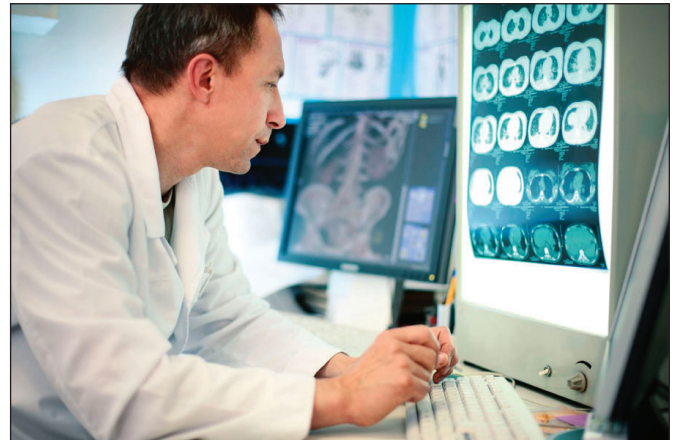
Now, Attendance on Demand monitors employee start/end time, pay rates, and attendance for the 50 employees over a highly secure Internet connection. The company did not need to install or support any software, and up-to-the-minute labor and wage information regarding employees is now available instantly. Employees enter start/end times directly using the biometric finger reader, and times are instantly updated and available to the payroll office.

By eliminating time cards and manual calculations, the company is confident that end-of-pay-period totals more accurately reflect the work being done. Employees don’t rely on their memories when adding up their times, which helps the company better manage labor costs.

“I check Attendance on Demand daily for critical issues, so at the end of the pay period, any problems have already been resolved,” Pearson said. “I don’t feel the pressure to audit or rush at the end of every pay period.”

#### DRAMATIC SAVINGS

Attendance on Demand and the biometric finger reader time clocks provided a quick return on investment by more accurately amassing and reporting time worked and eliminating buddy punching. The medical facility easily



**Challenge:** Medical facility used paper punch cards; subject to time theft through employee buddy punching.

**Solution:** Attendance on Demand web-hosted system for cost-effective time tracking across multiple locations; biometric finger reader time clocks.

**Result:** Medical facility achieved ROI in less than a year by eliminating over \$40,000 in annual overtime costs with web-hosted time tracking.

achieved a return on investment in less than a full year.

“We calculated that in the first year since installing the new system, we have saved over \$40,000 in overtime costs,” Rosenfeld said. “This is a dramatic savings that comes from cutting nearly 2.3 hours of overtime per employee each pay period. The system lets us pay our employees based on exact time worked. The magnitude of savings is critical to the success of our company.”

For more information, visit [www.attendanceondemand.com](http://www.attendanceondemand.com), or call (800) 465-9980. ■