

# Time Management Automation, Integrated with Invoices and Payroll

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If your business is not using the latest in integrated time management software utilizing mobile technology, chances are,

- Your overhead costs for time tracking, payroll and invoicing are artificially high;
- You don't have the information you want when you want it to manage your workforce, optimize pricing models and improve operations;
- You face inflated risks for fraud, compliance penalties and billing disputes.

Knowledge of real-time employee activities and capacity, combined with a prioritized activity list enable agile response to make efficient use of your workforce human capital. Capture and analysis of granular labor data contribute to effective workforce planning and scheduling. Total accountability, visibility and control of work activity are critical

across an entire enterprise, down to the activity, project, agency, division or employee level.

Non-compliance with government regulations can lead to huge fines and penalties.

Delayed fraud detection increases damage to the business. Delayed payments and research against disputed invoices result in slow cash flow.

This whitepaper explains how CYIPRO uses current technology and the capabilities of a **fully**

**integrated enterprise business platform** to deliver visibility and accountability into business operations.

Deployment of CYIPRO can eliminate the costs, inefficiency and risks of paper documents and separate software packages for time tracking, invoicing and payroll. Traceability from work performed to invoice to paycheck is a key and unique feature of CYIPRO to minimize waste, improve profitability and support growth.



Tracking employee time and administering payroll take huge chunks of supervisory time in smaller businesses and occupy whole departments in larger ones. Integration and automation of these functions provide huge savings.

Eliminating paper by deploying a mobile system where data is entered once and is available real time provides a rapid return on investment, frequently less than a year, faster with existing mobile devices. Total visibility and accountability provide strategic competitive advantages going forward.

## **Better Time Management with CYIPRO**

The best time management software should have the ability to do the following.

### **Collect labor data quickly, with the lowest overhead;**

If time capture is not integrated with the work activities, that time may be lost or not logged accurately, and consequently be lost to billing. If non-billable activities are lumped in with billable hours, the customer may be charged too much, and executives cannot easily identify inefficiencies.

An advanced system can collect labor at a granular level with no added effort. Time can

be posted in minutes, to specific work or overhead activities. Short periods of time servicing a customer, such as phone calls, email and research, which may take minutes instead of hours, are captured, with appropriate billing. A good time management system can make entering these easy and fast, through use of drop-downs and integration with email and projects.



Such a system eliminates the massive overhead of paper timesheets, time clocks, spreadsheets and manual data re-entry.

### **Organize the data to manage labor across any size workforce;**

Peter Drucker coined the principle that 'you can't manage what you can't measure'. Good measurements can provide information on the activities of employees in the office or in the field as they enter their time throughout the day. Billable employees should be spending as little time on overhead as possible. Good data allows you to assign the right employee, and the least expensive, for the job.

Billable hours versus travel time are visible to highlight inefficient routing and scheduling.

Visibility across the enterprise allows management to understand the capacity of the workforce and avoid over or under-staffing. 'Bench time' is unavoidable for many

skilled employees and can be very expensive for the company if it is inefficient. One approach to optimize the bench is to use Activities Based Costing, where the employees are assigned to activities which may be across projects. In an environment with multiple clients and projects, this can be challenging, if not impossible, without good labor force visibility.

**Allow action against the labor force, including work assignments;**

Active monitoring allows you to understand who is doing what. A manager has access to real time data to make ad hoc, immediate interventions to meet cyclical business demands and shift employee assignments to a critical activity from one of lower priority, where they may be underutilized – through the same single interactive web portal, avoiding the lag time of static reports.

Activities are managed in a project-based structure in CYIPRO. A manager might use the Email to Project (E2P) function to assign an activity (project) to update a procedures manual for a customer. The hours used to perform the work are captured against a specific activity code, and then fed into payroll for the employee and billing to the client.

When managers take a **corrective or steering action**, e.g., reprioritizing a project or implementing a change, the staff members’ dashboards reflect these decisions, keeping everyone on the same page.



• Figure 1 Standard C Level Dashboard

Monitoring of excessive overtime, vacation, sick days, tardiness and low productivity can catch quality of life issues. As employees reach their capacity limits or become dissatisfied with their job, the business receives decreasing returns on each hour worked. With detailed labor data, targeted intervention can improve productivity, employee retention and avoid burnout.

### **Provide cost information for all activities and projects;**

Total labor hours and costs can be retrieved for a project, a task, a department or a location -- whatever categories or filters you have set up.

Visibility into productive versus non-productive hours is immediate. Management can monitor the existing labor variance – the difference between productive time and attendance – to spot problems and make improvements. A good understanding of the true labor costs in prior projects results in accurate pricing models as well as opportunities for cost reduction. This type of system creates a ‘no surprise’ workplace. As costs are contained, pricing, estimates and profits improve.

### **Provide scheduled or real time reports, with the ability to filter and sort;**

Standardized and custom reports are available to the staff members as well as managers, to support transparency and ownership. Team members can track their own workload and progress. Reports can be filtered to a specific task, activity, location, employee or team.

Summary reports are contained on one screen in the dashboard, Gantt chart, timeline or customized format in CYIPRO, and allow you to drill down or filter by employee or activity. Reporting can be based on deliverables or the budget, by hours or dollars.

Familiar stoplight conventions, Red-Amber-Green (RAG) reports as well as alerts can be set up against milestones and deadlines.

### **Support continuous improvement and strategic planning support.**

Benchmark productivity externally and internally by comparing the hours billed for similar tasks by office based, at-home or dispersed workers. This information recognizes high-performing employees and ensures that best practices are shared. The company can identify areas or processes needing improvement and provide additional training, templates, standardization or automation to drive improvements.

Data is gathered and organized to make better decisions, reduce risks and make improvements. If senior employees are doing work which could be performed by lower paid employees, management may decide that a rebalance of work, redefining job roles or additional staff is needed.

### **Payroll Integration**

The system should combine scheduling, tracking and payroll in one workflow – for a savings of a huge number of overhead hours. The American Payroll Association (APA) estimates that automation reduces payroll processing costs by as much as 80

percent, much of that from reducing errors in invoices and paychecks.  
[<http://www.americanpayroll.org/>]

Avoiding manual re-entry of time information into payroll also reduces delays as well as costs. Automated systems calculate payroll using pre-defined rules for hourly, exempt, overtime, double-time, commissions, bonuses, raises, retroactive pay, deductions, travel reimbursements and other specifics.

An automated time tracking and payroll system enables businesses to pay employees consistently, accurately and in accordance with all standards and agreements. While performing payroll, the system also maintains compliance and tax records.

### **Ensure security and regulatory compliance**

The Health Insurance Portability and Accountability Act (HIPAA), Occupational Safety and Health Administration (OSHA), Fair Labor Standards Act (FLSA) and other regulations require strict compliance to the way employee data and hours worked are collected and stored. Penalties for non-conformity can be severe. On demand compliance reporting against these records is required.

The top three FLSA violations from 2000 – 2007 were:

1. Mistakes in payment of exempt versus non-exempt employees. Employers must pay overtime or prove that exempt employees meet the law's criteria.
2. Not counting every hour. Employers were penalized for not including such time as 'on call', travel and meal breaks.
3. Incorrectly calculating overtime.

For larger businesses, errors in payroll can result in incorrect financial reporting, and liabilities under the Sarbanes-Oxley Act.

A time management system applies pay policies consistently to all employees, for hours worked and attendance. Archived records can be used in defense against noncompliance issues.

*From 2000 to 2007, the Wage and Hour Division (WHD) of the U.S. Department of Labor recouped more than \$1.25 billion in back wages for nearly two million workers. For Fiscal Year 2007, they recouped \$220,613,703 in back wages for 341,624 workers — the highest amount ever collected. Of that \$220+ million, \$163,391,549 was for overtime alone. None of the amounts mentioned includes the penalties assessed against the employers.*

## Invoicing

The labor data collected in the Time Management function of CYIPRO can be linked directly in to the Accounts Receivable for customer billing.

If the customer has any questions on the invoice, drill-down capabilities in CYIPRO allow immediate visibility into supporting documents. Billable hours and material charged can be traced directly to the actual records capturing the data, with the full information around that charge.

Integrated time, payroll and invoicing allow businesses visibility to the true cost of servicing a contract or providing products or services to a customer. Some customers may drive extra effort through phone and email requests. Analysis of the data can show that other customers might be less expensive to support and should be favored, maybe with financial incentives.

With automation, invoices go out correctly and on time, with full auditability.

## Sustainability

The technology and process selected must be **sustainable**. Many ambitious business improvement projects fail due to their complexity or the effort required by staff to maintain them. With the silos of separate packages of time management, payroll and invoicing software, the challenge of maintaining the data across the system can drive significant costs.

A single user friendly web portal for the integrated system interface makes labor data collection sustainable – from wherever the employee is working – in a traditional or home office, in the field or travelling.

The CYIPRO solution integrates the updating of the information with everyday workflow, using Email to Project (E2P) functionality to eliminate a great deal of extra scheduling effort, and making the goal of optimal management sustainable.

Managers use the same web portal to access **all the information in one place** and execute timely decisions.

## CYIPRO – Your Total Time Management Solution

CYIPRO's built-in **What Do I Do First** feature helps managers ensure priorities for a scattered workforce are clearly established. When task prioritization features are coupled with task completion and time tracking capabilities, management not only knows what each team member has been asked to work on, but also what progress has been made, and how much time has been spent on a task. Managers can review statistics online daily so that superior performance can be instantly seen and recognized

(of course, sub - par performance is also instantly visible). Over time, fact - based decisions and accountability become the status quo.

### **Mobile access and Cloud Based**

CYIPRO offers three distinct advantages over simple cloud computing or time management packages. The platform, provides an **interactive command and control center**, enables local and remote teams to **communicate and collaborate** and create most effectively in one **project centric system**, and **captures the knowledge** in the system and makes it usable.

A **Web based portal** offers the ability to collaborate with others and manage your workforce and their activities via computer, Smartphone, tablet or any Internet device with **encrypted access**. The **interactive portal** enables decentralization of management responsibilities while maintaining overview and control. Interactivity allows users to act on the information they are viewing – make assignments, change, add new tasks.

An Enterprise level of security is installed through default or customized privacy settings. **Secure access rights** to view, edit, delete, and administer assets are created for security and auditability. Backups and disaster recovery are built in.

When these systems are designed and used effectively, owners can use them to strengthen and improve the value of their programs, as well as improve competitiveness.

Innovation is ingrained in CYIOS' culture and our talented employees have built a legacy that continues today for our customers. **CYIOS** Corporation is a leading Department of Defense (DoD) contractor providing cutting-edge, innovative solutions since 1994. **CYIOS** built America's Army Online, the first Army Knowledge Management solution that was developed to become the core for **Army Knowledge Online (AKO)**, the U.S. Army's main intranet serving over 1.8 million registered users.

**CYIOS** continued innovating in knowledge management with the development of **CYIPRO**, a virtual office solution for collaboration, accountability, knowledge management and virtual work spaces that features document management and versioning, project and time management, e-mail encryption, full-text search, timesheets, meetings, and reports.

Contact CYIPRO today to take your group to the cutting edge of innovation and productivity.

**For more information on CYIPRO, go to <http://cyipro.com/>**