

ARE TIME-KEEPING SYSTEMS WORTH THE COST?

Editor's Note: Looking for answers to your tech issues? Send your construction-related technology questions to heyfred@foundationsoft.com.

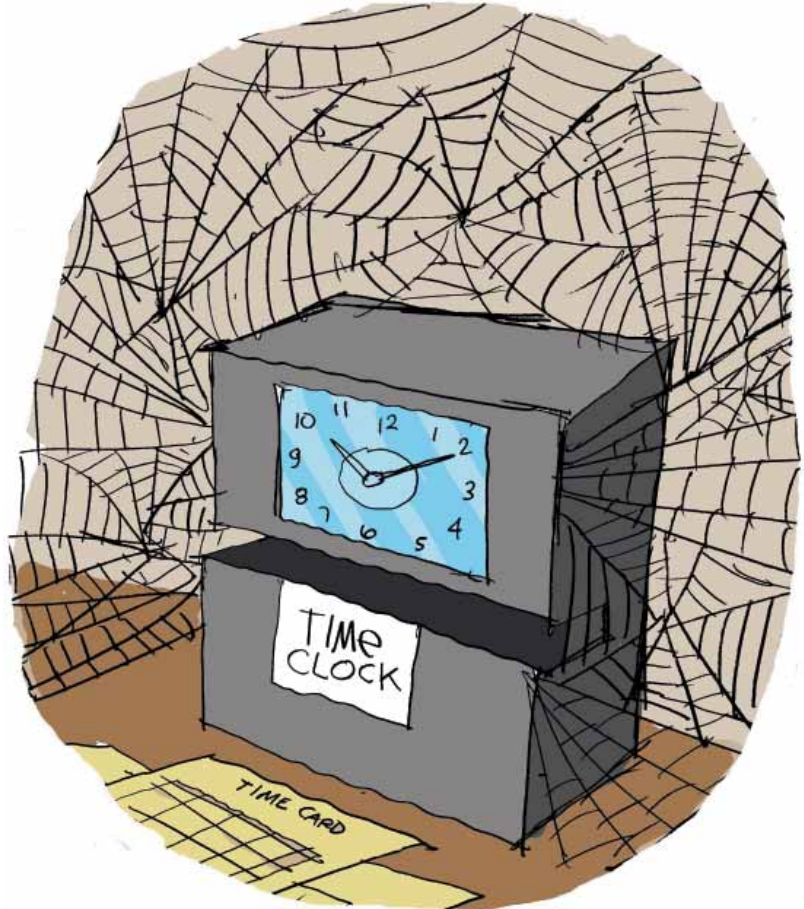
Q: A buddy of mine just came back from a construction trade show and gave me some information about time clock products for tracking labor hours. It sounds like something we could use at our excavating company since our current system—paper timecards—is not exactly efficient when it comes to tracking job costs for more than 100 laborers. What's your opinion of this technology? Is it worth the investment?

Sal

A: Time and attendance technology is all the buzz right now within the construction industry. And I understand why. These products offer contractors the ability to quickly and accurately track labor costs at the jobsite, thereby eliminating profit erosions that result from manual errors.

Nonetheless, because initial costs can be high from a hardware standpoint, these products are not moving as rapidly as once predicted. It seems that everyone is interested, but not everyone is willing to pay the price yet. You need to ask yourself: What is it costing you (when employees arrive late, leave early, forget to fill out timecards) to go without an automated system?

In my opinion, there are two important things to consider before



purchasing a product. First, is the technology compatible with your current accounting software? In other words, will the captured information automatically flow to payroll and job costing? If not, your cost savings in the field might be offset by the time spent on manual data entry. And second, are your field employees capable of adapting to new technology requirements? Understand that resistance to change can be a major roadblock to technology success, and often a great deal of planning and communication are required to

guarantee cooperation.

With that being said, time clock systems represent great tools for managing labor costs. Every labor-intensive contractor would do well to make the investment when the time is right.

Fred ■

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