

# If You Can't See Labor Costs, You Can't Control Them

Labor costs are often higher than they should be because of time fraud, payroll errors, and absenteeism.

## You could be losing money to time fraud

Don't let buddy punching, rounding-up, and staying later add unnecessary labor costs to your budget.



**30%** of hourly employees say they're able to add **more time than they worked** to their time cards



You could be losing more than **\$535K to time fraud annually**<sup>2</sup>

Time fraud averages **4.5** hours per week

A typical company could pay over **\$5,000** in losses per employee per year

For every 100 full time employees (FTEs), this adds up to over **\$535k** in annual losses

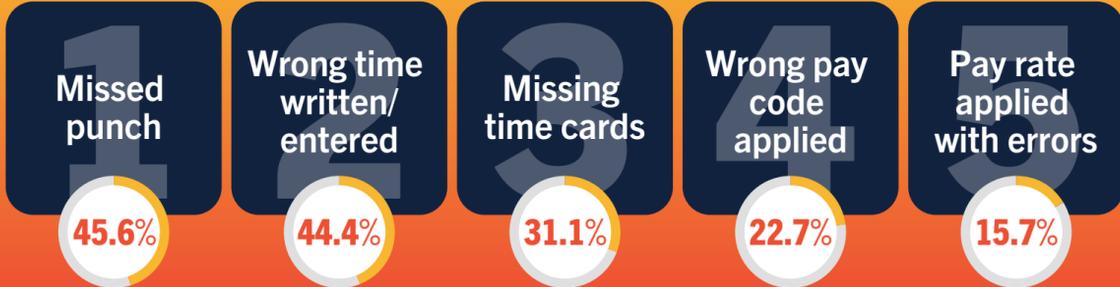
## Payroll errors are costing you too much — in time and money

Getting pay right the first time lets managers focus on creating revenue and improving customer service.



Just **13%** of paychecks for hourly workers perfectly represent the hours worked and pay due<sup>3</sup>

### Top 5 Causes of Imperfect Pay<sup>4</sup>



## Absenteeism: A productivity — and bottom line — killer

What if you could better track paid time off, whether it was planned, incidental, or extended?

The total cost of absenteeism as a percentage of payroll is between

**20.9%** and **22.1%**<sup>5</sup>



### Absenteeism Costs

**210** person hours (**\$7,493**) per manager/supervisor each year, and nearly **\$75k** annually for every 100 FTEs (an entire headcount of wasted time)<sup>6</sup>

## But What If You Could Change the Equation?

With Kronos you can take the guesswork out of people management. When you automate workforce management, you get the tools, visibility, and reporting you need to see where costs are occurring — and take action. Reduce time fraud, streamline payroll processing, and manage absenteeism — and give employees more time and budget to support your business goals.

### How Can It Work For You?

Reduce the time required to manage unexpected employee absence by

**60-80%**<sup>7</sup>



Eliminate **90%** of the processing time per time card/paycheck<sup>8</sup>

Cut the time needed to manage and control overtime by up to

**85%**<sup>9</sup>



for every 100 FTEs **save 360 person hours per year**, over **\$11,700** in unnecessary labor processing

To learn how Kronos can help your organization get greater visibility into labor costs and uncover potential financial savings, get your free, customized value assessment. Call us at **1 800 225 1561** to get started today.



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<sup>1</sup> American Payroll Association, *Trendline Survey, Reviewing Paycheck Challenges Up Close*, October 2016.

<sup>2</sup> Alinean and Kronos, *Kronos Value Assessment Tool*, Prepared for 0505 on May 20, 2017, at 9.

<sup>3</sup> American Payroll Association, *Trendline Survey, Reviewing Paycheck Challenges Up Close*, October 2016.

<sup>4</sup> American Payroll Association and Kronos Trendline Survey, *Payroll Pros See Benefits of an Automated Process*, December 2014.

<sup>5</sup> SHRM, *Total Financial Impact of Employee Absences in the US*, 2014, at 1.

<sup>6</sup> *Ibid*, at 3.

<sup>7</sup> SMB Group, *Cloud-Based Workforce Management Powers Midsized Organizations*, December 2015 at 6.

<sup>8</sup> Alinean and Kronos, *Kronos Value Assessment Tool*, Prepared for 0505 on May 20, 2017, at 28.

<sup>9</sup> Kronos, *Overtime Isn't Necessarily a Problem. Unwanted Overtime Is*, 2017, at 2.