



Return On Investment Analysis

This Document will help your company put a Return on Investment value to the InfiniTime System. This formula is predicated on the average company using their present personnel after they have become proficient in using the system. Savings usually fall into three distinct areas:

1. Payroll Preparation and Manual Calculation
2. Human Error
3. Employee Time Theft

1. Payroll Preparations and Manual Calculation

Add time to do the following and multiply total by the payroll clerks' rate of pay.

Collect 100 time cards per pay period (3 min. per card):	5 hrs.
Calculate and round each pair of IN and OUT:	6 hrs.
Calculating Policies (Overtime, Rounding, Bonuses Etc.):	1 hrs.
Entering sick and vacation days:	½ hrs.
Checking sick and vacation hours (accruals):	½ hrs.
Data entry into payroll program:	2 hrs.

Weekly Total: 15 x \$15 (payroll clerk hourly rate) = \$225

Yearly Total: (225 x 52) = **\$11,700**

2. Human Error

Studies have shown that payroll error factors are between 1% and 4% of total payroll. Assume a 1% rate

Weekly Total: 50,000 x 1% = \$500

Yearly Total: (\$500 x 52) = **\$26,000**

3. Employee Time Theft

Take your annual payroll and multiply it by a selected percentage (1% = .01)

A survey by Robert Half and Associates determined that companies utilizing automated time and attendance systems realized savings between 1%% and 5% of their payroll by eliminating employee time theft.

Annual Payroll: \$2,600,000 x .01 = **\$26,000**



Totals As Calculated in Areas 1,2,3

Payroll Preparation: \$11,700
 Human Error: \$26,000
 Employee Time Theft: \$26,000
 Total Cost of Manual System: **\$63,700**

Costs When Using the InfiniTime System

Collect data from terminals: 0 hrs.
 Print exception reports: 0 hrs.
 Supervisors to fill in exceptions: 1 hrs.
 Calculating available sick and vacationing: 0 hrs.
 Enter corrections, sick, and vacation days: 1 hrs.
 Importing into payroll system per pay period: 0 hrs.
 Edit time cards: 2 hrs

Weekly Total: 4 x \$15 (payroll clerk hourly rate) = \$60
Yearly Total: (\$60 x 52) = **\$3,210**

Deduct the cost of operating the InfiniTime System from the cost of the manual system

Total Annual Cost of Manual System: \$63,700
 Total Annual Cost of InfiniTime System: \$3,120

Total Annual Savings: \$60,580

The Preceding figures may fluctuate depending on how tight the controls over personnel are exercised. A significant saving is apparent, regardless.

Savings Factor	50 Employees	100 Employees	250 Employees	500 Employees	1000 Employees
Manual Calculation	\$4,290	\$8,580	\$21,395	\$42,790	\$85,580
Time Theft	\$13,000	\$26,000	\$65,000	\$130,000	\$260,000
Human Error	\$13,000	\$26,000	\$65,000	\$130,000	\$260,000
Total Savings	\$30,290	\$60,580	\$151,395	\$302,790	\$605,580