

Five Key Trends Time Tracking Software Can Identify

The Misconception

Tracking time is often viewed with a somewhat negative connotation. At best, it is a necessary though disliked factor of determining wages and billing. At worst, it is seen as a method of keeping employees under totalitarian scrutiny, a waste of time, and inefficient. However, the truth is that time tracking, when instituted properly, can have massive benefits for a company and for its individual employees. Following are five key trends time tracking software can identify. Take a look and see if these sound like areas where your business could be improved.



1. Employee Inefficiency

Employee inefficiency is one of those factors that can seem relatively minor, yet over time can prove a serious drain of money on the company. Without tracking the work an employee does, it is difficult to know just how much they contribute to the success of your company. Often, the employee has no idea they are inefficient as they simply perform their tasks without evaluation or modification. Keeping track of tasks that employees spend time on will reveal potential issues before they become a drain, and the information will benefit both the employer and the employee. Many times, even slight variations in responsibility will eliminate fiscal losses long term.

Note that this does not mean saddling the employee with more and more work. Rather, it means giving them work that they are more efficient at, or that will prove more beneficial to the company.

2. Employee Overwork

Similar to employee inefficiency, this is one of those problems that often reveal itself only when it is too late to do anything about it. Inevitably, in any organization, there will be those individuals who are talented at many things. The temptation is to give them more and more responsibilities. While this may initially be viewed positively by the employee, eventually it can prove too great a strain. Over time, job satisfaction may go down and the employee may get so burned out that he leaves.

Aside from losing an asset to the company, this can have an even more damaging effect. The loss of an employee who is responsible for numerous key tasks can bring operations to a standstill, particularly if there is no replacement on the radar. Thus, it is necessary to allocate responsibilities fairly. With time tracking software in place, you can glean from the system that another employee has much more free time than the heavily burdened resource. Moving that task to the other employee can then free your burdened resource to focus on more pressing work, and will also spread the tasks around. In doing this, the well-being of an entire business doesn't rest on the shoulders of one talented individual.

3. Projects Over Time and Budget

Failing to track time on important projects, particularly those done for an outside client or which have non-negotiable budgets or deadlines, can prove disastrous. Often, problems emerge as a result of shoddy planning or

estimates that are little more than guesses. When a project gets off track early on, the problems typically compound over time. Tracking time spent on projects, and comparing available resources to that time, allows the project team to address issues when corrections are much easier and require less money and stress. The key is being able to identify problems as they happen, which really cannot be done unless progress is tracked. Further, keeping a backlog of tracked projects allows for better estimates in the future. Corrections will become less and less necessary as more experience is gained and assimilated into a catalogued knowledge base.

4. PTO Issues

When a business schedules for a new quarter or assigns human resources to a project, they will typically check an employee's schedule to ensure that they are available. However, the odds are that top executives aren't privy to employees' personal schedules. Indeed, it would be unreasonable to expect them to be. However, when a key employee has planned a trip right when they are scheduled for a project, issues arise and can derail even the best laid plans. For that reason, managers need to be able to see when an employee is going to be gone.

Good time tracking software allows for this through advanced notification and scheduling of time off, as well as integrated permissions to make sure that a vacationing employee doesn't disrupt the flow of business too much. While this can at first seem oppressive to employees, it actually serves to protect them as much as the company. If they find out that their involvement on a project is absolutely critical, they may have to cancel plans and possibly lose money on booking fees and flights. It is much better for all parties to know the actual availability of employees.

5. Real Price of Internal Costs

Internal costs are often overlooked simply because many of them are deemed "necessary expenses" and then forgotten. But for many businesses, especially those just starting out, internal costs can actually eat up a significant portion of revenue. While the internal costs of business are too variable to make sweeping points around in this article, suffice it to say that there are many instances in which time tracking programs can eliminate unnecessary expenses.

For instance, are you a B2B services firm that sees few sales towards the end of the year? Encouraging employees to take time off then, or even increasing the number of company holidays around that time, can actually decrease the amount spent on wasted electricity. You can even reduce the number of company holidays during more profitable times of the year while maintaining employee satisfaction.

Let's assume that you hire someone to work in your building, yet find that the majority of their time is spent on tasks they can do at home. Allowing them to telecommute can save on utilities while allowing them more autonomy. Identifying where and when you can cut internal costs can save buckets of money long term.

Final Thoughts

These are but a few of the trends that time tracking software can identify. Like any tool, it can be used or misused within an organization, yet without it some tasks would be significantly more difficult or even downright impossible. Advanced time tracking solutions can provide immediate, tangible benefits to a company, as well as long term results. The implementation of such a system can drastically improve efficiency, employee satisfaction and corporate profitability.