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Is Time Theft Robbing You Blind?

Time theft costs American businesses hundreds of billions of dollars each year. This results from employees who "steal" from their employers by willfully wasting time for which they are paid. A leading authority on employment issues has conducted numerous surveys relative to time theft and concluded that the average employee "steals" approximately 54 minutes per day, or 4.5 hours per week, from his/her employer. This totals nearly six full workweeks per year! You could be losing more than 10% of your payroll through the following forms of time theft:

Late arrival or early departure	Taking long lunch hours and breaks
Requesting paid sick days for inappropriate reasons	Slowing down the work pace to create overtime
Excessive socializing and personal telephone calls	Handling personal business at work
Using Company time & facilities to operate another business	

Time theft is not confined to any one type of person or industry. It applies to "white collar" and "blue collar" employees in every type of business, institution, profession and governmental agency. It occurs in every organization with a payroll.

The majority of executives surveyed state that permanent employees steal more time than temporary employees. Also, the greater the employee's seniority, the greater the chance they will steal time from their employer. Office personnel steal more time than manufacturing employees, and employees under thirty years old tend to steal more time than older employees.

What does this mean to you? You are being robbed of hundreds, maybe thousands of dollars per year. While much of this lost time is very difficult to control, eliminating time theft due to late arrivals and early departures can add profits to your bottom line. The following chart shows what arriving at work 5 minutes late and leaving work 5 minutes early for the workday and at lunch hours can cost your business. This conservative estimate is based on 250 working days a year at a rate of 20 minutes each day.

Number of Employees		2	5	10	25	50	100
Hourly Rate	Cost per Minute	Profit Loss					
\$5.15	\$0.0858	\$858	\$2,146	\$4,292	\$10,729	\$21,458	\$42,917
\$6.00	\$0.1000	\$1,000	\$2,500	\$5,000	\$12,500	\$25,000	\$50,000
\$8.00	\$0.1333	\$1,333	\$3,333	\$6,667	\$16,667	\$33,333	\$66,667
\$12.00	\$0.2000	\$2,000	\$5,000	\$10,000	\$25,000	\$50,000	\$100,000
\$15.00	\$0.2500	\$2,500	\$6,250	\$12,500	\$31,250	\$62,500	\$125,000

Keep in mind that the above numbers only cover standard wages. The overhead and overtime that each employee costs the company could easily increase the above figures by 50-100 percent.

Employing time and attendance systems can greatly reduce your losses due to time theft by eliminating the practice of coming to work late, leaving early, and taking a few extra minutes at lunch. Many products are capable of ringing a bell or horn to signal the beginning and the end of breaks which will reduce employees extending their breaks by several minutes. Some companies use time and attendance products simply as a "behavior modification" device to constantly enforce the notion of best practices as it pertains to work day requirements.

Loyal employees are proud of their attendance records. Many time recording products have been sold to satisfy loyal employees who complain about other workers coming in late and leaving early. If time theft is allowed to continue, it is very likely that your loyal employees will begin abusing your time, rather than using their own time. This is simply human nature, "If he can do it and get away with it, then so can I." In this respect, a time and attendance product can make employee reviews much more positive.

Time theft unabated can be construed as a benefit. If you do not keep accurate time records and you or your payroll manager knowingly allows employees to have a minute or two here and there, then it may be hard to explain when you try to reprimand or fire someone for being late. When you use time recorders in your business, you can be sure that you are receiving accurate and indisputable time records where favoritism is not a factor.

In addition to reducing time theft, we have heard customers state that time recorders when used by their employees, have provided them with one or more of the following benefits:

- **Increased Production**
- **Eliminated Disputes Regarding Pay**
- **Provided Record of Opening and Closing Times at Branch Stores**
- **Accelerated Payroll Preparation**
- **Freed Foreman or Owner as TimeKeeper**
- **Made Honor Systems Work**
- **Eliminated Favoritism on Part of Timekeeper**
- **Provided Legible Records of Hours Worked**
- **Improved Relations with Employees**
- **Enforced the Work Schedule**
- **Proved Compliance with Wage-Hour Legislation**
- **Established Respect for Time**
- **Made Flexible Time Schedules Work**
- **Provided Time Records that are Honored by any Court of Law**
- **Enabled the Correct Calculation of Product or Service Costs**

As the value of the minute increases, so does the need for more accurate attendance and job cost records. There appears to be enough congressional support to almost assure an increase in the federal minimum wage. When the minimum wage goes up, so do other wages in a ripple effect. When your cost for labor increases, a time recorder can help to assure you that you get what you've paid for.

Check the chart on the previous page again to see how much it will cost you not to use time clocks in your business. You will see that you are paying a big price by not having your employees use attendance time recorders. The price is the continued huge loss of profit dollars to time theft.

Stop time theft before your employees consider the time they steal from you as simply another fringe benefit. Regretfully, the profits you lose to time theft will probably cost more than all of your other fringe benefits put together and not one single employee will ever thank you for it.

If you don't use a time and attendance system, isn't it about time to seriously consider one?

FOR FAST ACTION:

Call Acroprint toll free at 1-800-334-7190 (Fax: 919-850-0720).

The sooner you act, the sooner you will TURN TIME THEFT INTO PROFIT DOLLARS!

W. Glenn Robbins, President
Acroprint Time Recorder Co.