

Controls

Timecard Collection - Like You've Never Heard

Executive Summary. One of the top complaints of construction employers is the collection of completed timecards – in a timely manner that is. Here is a suggestion for improvement you probably haven't heard.

What sort of timecard? Although this phenomenon of untimely timecard collection happens to salaried employees who simply have to record the number "8" five days in a row, the type of card we're talking about here is a foreman's card with his crew.



For a construction foreman, this feels like an exhaustive daily homework assignment that returns daily like a lingering virus. Daily reporting, breaking out employees' hours into various tasks, the weather, safety observations, and on and on.

Foreman is already getting additional pay. Many construction companies will estimate a daily 8-hour workshift for a foreman at 8.5 hours – the members of his crew are paid eight hours for the eight hour day while the foreman gets paid 8.5 hours for the eight hour workday. The daily extra half hour for the foreman is for completion of his or timecard. Each five day workweek, he gets paid that additional 2.5 hours (on overtime too).

The delivery. The often times *unwritten* rule is that it's due daily, but often not made clear by management. What usually happens? You know, the timecards come in at noon on Tuesday when it was due at 10:00 am on Tuesday. Now your payroll staff is double whammied, the timecards are late and they all came in at once.

The fix. It's a two part process:

- 1. Record the number of days in which the foreman submitted the timecard within twenty-four hours.
- 2. Cut a 2^{nd} paycheck the 1^{st} check for the forty hours, the 2^{nd} check for the the additional $\frac{1}{2}$ hour increments in which the timecard was collected timely.

This works even better if the checks get home to the spouse. The wife sees two checks a week now – one for the weekly hard work, and the additional check for the daily documentation. And next thing you know, you may get the spouse helping.

My story. I've visited with nearly 100 contractors in the past three years, and have been in the business for almost thirty years. Nothing works well. Nothing. This idea is unique. It shows a missed opportunity cost of 2.5 hours per week (\$125/week or \$6,500 a year). Plenty of spouses back home are depending on every last dollar and if (s)he can't get the foreman to do them on time, perhaps she'll jump in and help!

And yes, it is more work for your staff. But isn't it already too much work and inconvenience and stress for your staff already?

Scott Jennings, P.E., is the President of <u>SJ Construction Consulting, LLC</u> (808) 271-5150. He recently owned and operated a heavy/civil construction company and now provides cost estimating, litigation support, and efficiency advice to contractors. He is also the founder of <u>Runjob Software, Inc.</u> **Download our QR scanner app:** <u>runjobsoftware.com/mobile/</u>