Human Resource and Leadership Journal

(HRLJ)

Challenges in Tracking Non- Punched but Worked Hours: A Deep Dive into Travel and Training Time

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Karthikeyan Manikam

Affiliation: Amazon

https://orcid.org/0009-0008-9828-2478

Abstract

Purpose: This paper presents a comprehensive study on the challenges of tracking non-punched but worked hours, with a particular focus on travel and training time. These unregistered hours pose significant challenges in the realms of employee compensation and labor law compliance. Standard time-tracking systems are not equipped to handle the nuances of such non-traditional work hours, leading to potential disputes and financial grievances.

Methodology: Using travel time as a case study, this paper discusses the multifaceted nature of the problem, including unpredictability in travel, compensation for unexpected delays, and the inadequacies of current systems to automatically recognize and adjust for these hours. We propose a solution utilizing a customized program within the Kronos Time and Attendance system to accurately categorize and calculate non-punched hours, ensuring fair compensation and compliance with labor regulations.

Findings: The implications of these findings are profound, highlighting the necessity for advanced tracking solutions that align with labor laws while upholding fairness and transparency.

Unique contribution to theory, practice and policy: This paper aims to drive a paradigm shift towards integrating sophisticated time-tracking systems that respect and acknowledge every aspect of an employee's work life.

Keywords: *non-punched worked hours, time tracking, labor compliance, travel time, training compensation, timecard adjustments, Kronos system, employee self-service, overtime management, wage disputes, labor regulations, time tracking automation, grievance resolution, fair labor standards*

Introduction to Non-Punched but Worked Time

In the realm of time and attendance, there is a nuanced category that is often overlooked: non-punched but worked time. According to a Checkmate HCM journal, non-punched hours refer to the hours or minutes that an employee works but doesn't record using standard time-tracking methods, such as punch clocks or digital timecards.

At its core, non-punched but worked time captures the activities that fall outside the conventional boundaries of an employee's scheduled hours but are still integral to their job responsibilities. Examples include travel time for business trips, mandatory training sessions outside of regular hours, or even time spent setting up equipment before an official shift begins.

The challenge with non-punched but worked time lies in its inherent ambiguity. Unlike regular hours, which are clearly defined and easily tracked, these hours can be sporadic, varying from one employee to another and from one day to the next. They might not occur within the limits of the office or workplace, making them harder to monitor.For example, an employee may need to travel to different locations to provide training to customers. In these situations, the employee may not be able to clock in and clock out at the customer's location.

Yet, the importance of accurately tracking these hours cannot be overstated. They have direct implications for employee compensation, labor law compliance, and overall organizational transparency. Recognizing and accounting for non-punched but worked time ensures that employees are fairly compensated for all the work they do and that organizations stay compliant with labor regulations.

As we delve deeper into this topic, we'll explore the various scenarios where non- punched but worked time arises, the challenges it presents, and the best practices for managing it effectively.

Definition of Non-Punched Worked Hours

Non-punched worked hours refer to the time an employee spends on work-related activities that are not recorded or registered through standard time-tracking mechanisms, such as punch clocks, digital timecards, or automated attendance systems. These hours encompass tasks and responsibilities that fall outside the conventional boundaries of an employee's scheduled shift but are nonetheless integral to their job role.

Examples of non-punched worked hours include:

- **Travel Time**: Hours spent traveling for business-related purposes, excluding regular commutes.

- **Training Sessions**: Time dedicated to mandatory training or workshops that occur outside of regular working hours.

- **Preparation and Wrap-Up**: Time spent setting up or closing down equipment, tools, or workspaces before or after official shift times.

- **Off-Site Work**: Tasks performed outside the primary workplace, such as client meetings, site visits, or remote work that may not be tracked through standard mechanisms.

- **On-Call**: Instances where employees working beyond their scheduled hours but fail to record because of system limitations.

The accurate tracking and compensation of non-punched worked hours are crucial for ensuring fair remuneration, maintaining employee morale, and adhering to labor laws and regulations.

3. The Importance of Accurately Tracking Non-Punched Hours

We take Travel time as example to go through the complexity involved.

Travel That is All in a Day's Work:

Time spent by an employee traveling as part of their principal activity, such as traveling from job site to job site during the workday, should be considered work time and must be counted as hours worked. According to the U.S. Census Bureau, the average one-way commute in the United States increased to a new high of 27.6 minutes in 2019. While this time is generally not considered working time, it does represent a significant portion of an employee's day that could potentially be spent on work-related activities. And under the Fair Labor Standards Act (FLSA), employers are required to compensate non-exempt employees for all hours worked, including time spent on training and company business. Failure to accurately record and compensate for these activities could lead to wage and hour disputes.

Employees can request travel time to be recorded as duration or paycode through the employee self-service system. However, many current systems only automatically account for non-worked time, failing to recognize holidays, daily overtime, and weekly overtime. As a result, administrators must manually calculate overtime and holiday overtime hours by modifying the employee's time card. This manual process is prone to errors and can lead to a poor employee experience, as most employees prefer not to make time card corrections.

According to the U.S. Postal Service Office of the Inspector General, between fiscal years 2014 and 2019, employees filed 41 grievances nationwide related to disallowed time card adjustments. These grievances resulted in $532,708 in grievance payments, averaging $12,992 per employee. This represents a significant loss of wages that could have been used for essential expenses such as rent/mortgage, food, utilities, education supplies, vacations, healthcare expenses, and more.

Solution:

We can use the Kronos Time and Attendance system as an example to solve this problem. Employees can request Travel Time or On-Call Time through their self-service UI. Those hours can be directly loaded into the Paycode with the corresponding duration that the employee requested. Kronos can automatically categorize Travel Time if it is added for a full

day. However, if an employee partially punched in and out and partially reported their travel time, Kronos cannot recognize overtime for the travel time report. This is a system limitation.

To address this issue, I have created a new custom program that calculates and replaces the standard paycode with "Standard paycode" and "Standard paycode OT" for overtime. For example, if an employee worked 4 hours through punch in and punch out, and reported 5 hours of travel time, the total worked hours for the day would be 9 hours. According to state policy, associates need to be paid overtime if they work beyond 8 hours.

The new custom program automatically splits the "Travel Time" standard paycode into 4 hours of "Travel time" and 1 hour of "Travel Time overtime" in the time card. This ensures that the associate receives the one hour of overtime that they are eligible for.

Similarly, we can address the weekly overtime in a similar way.

The algorithm should change slightly if an employee applies travel time on a holiday. According to US policy, employees receive double pay when they work on a holiday. Therefore, the custom program algorithm should automatically recognize the holiday based on the holiday flag triggered in the time card. If an employee applies 4 hours of travel time on a holiday along with another 4 hours of punch in, the employee would be eligible for 4 hours of double pay. The custom program will automatically update the 4 hours of standard Travel Time paycode to "Travel Time double paycode" in the system.

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Figure1.1 Automating Non-punched worked hours
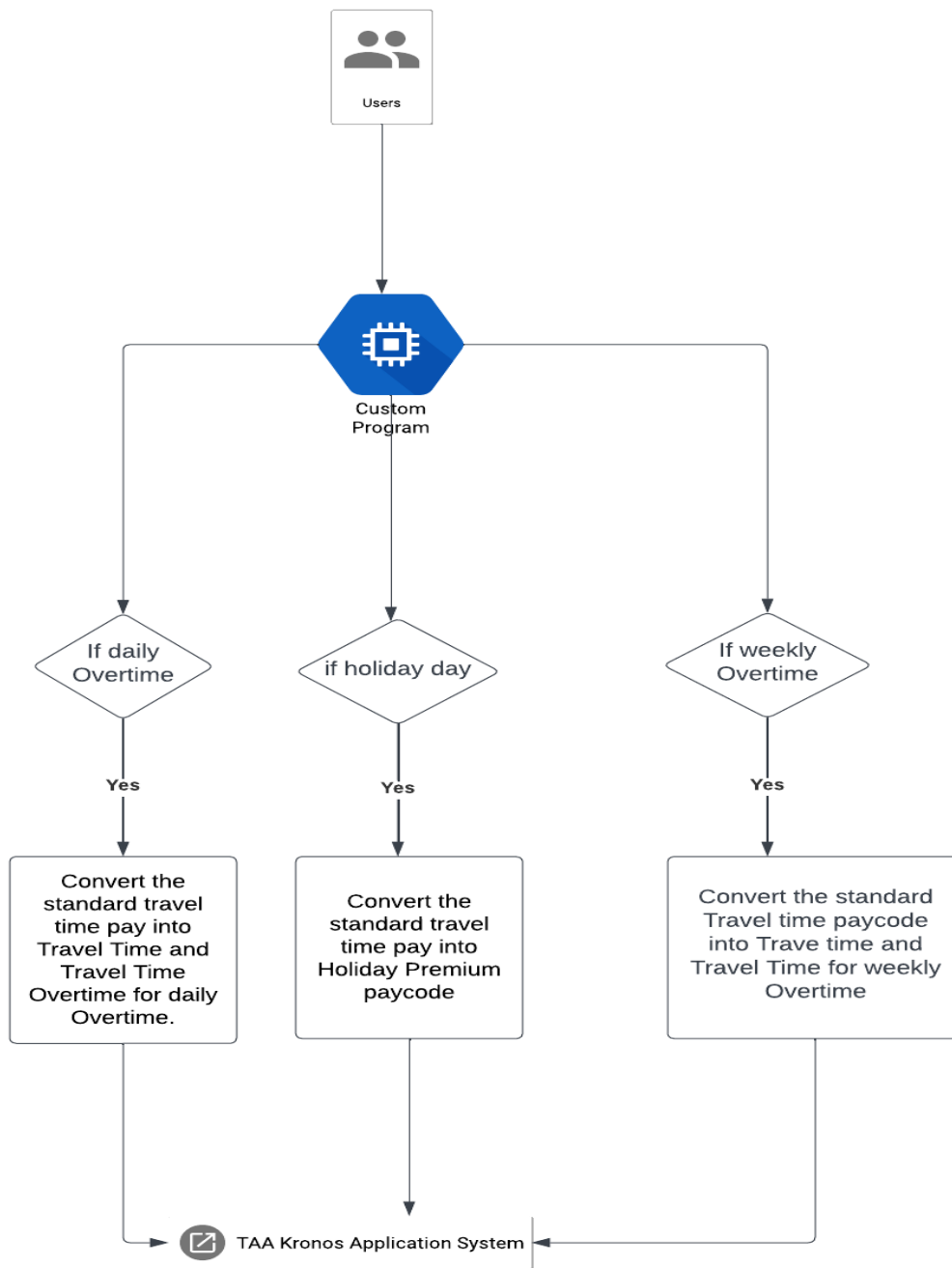
4. Challenges in Tracking Travel Time

Accounting for Unexpected Delays or Early Arrivals:

- **Unpredictability**: Travel, especially in busy urban areas, can be unpredictable.

  Delays due to traffic jams, public transport issues, or other unforeseen circumstances can extend travel time.

- **Compensation Challenges**: If an employee faces unexpected delays, should they be compensated for the additional time? Conversely, if they arrive earlier than expected, should the saved time be deducted?

Conclusion

The intricacies of tracking non-punched but worked hours, particularly in the context of travel and training time, pose significant challenges for both employers and employees. It is evident that standard time-tracking systems, while effective for regular hours, often fall short when it comes to capturing the nuanced activities that fall outside of conventional working hours. This oversight not only places organizations at risk for labor law infringements but also jeopardizes employee morale, trust, and fair compensation.

The case of travel time, as illustrated, highlights the complexity and multifaceted nature of the challenge. From unpredictable travel scenarios to intricate labor laws, there's a pressing need for more sophisticated systems that can automatically recognize and adjust for non-punched hours, be it due to travel, training, or other related activities.

Incorporating advanced solutions, such as the customized program within the Kronos Time and Attendance system, offers a promising avenue to address this issue. By automating the categorization and calculation of such hours, organizations can ensure a more transparent, accurate, and compliant time-tracking process.

It's imperative for organizations to recognize the implications of inaccurate time-tracking and strive towards integrating solutions that not only align with labor regulations but also uphold the principles of fairness, transparency, and respect for every employee's time and effort.

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