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Using Biometrics to Eliminate Employee Time Theft

Biometric technology offers an easy, secure method to make highly accurate verifications of an individual. Employee attendance verification is a major user of biometrics today because an individual's biometric characteristics are difficult to duplicate. This technology eliminates the need for employees to carry badges and key fobs, which can easily be lost or stolen. Biometric time clocks also prevent "buddy punching," where one employee knowingly punches for another. Today, thousands of companies use biometric time clocks in conjunction with Attendance on Demand software to manage employee time and attendance.

How Biometric Technologies Work

Biometric technologies rely on unique, permanent, and scannable human characteristics that are exclusive to each individual. These characteristics remain constant over time and are reliably collected using a sensor.

Different biometric technologies use different aspects of the human anatomy for verification. One of the most common technologies in use today is the hand reader. Hand readers measure the size of the hand and the shape, length, and width of the fingers; in essence, the hand geometry.

Biometric Time Clocks and Employee Identification

Biometric time clocks provide more capabilities than just punching in and out. Attendance on Demand and today's advanced biometric time clocks let employees transfer between jobs or departments, review hours and schedules, and even request time off. Employee identification typically requires a three-step process: enrollment, identification/verification, and refinement.

1. **Enrollment:** A template for every individual is established. The time clock scans the employee's hand, taking a number of measurements and saving them digitally. Templates are stored in the Attendance on Demand database associated with the time clock.
2. **Identification or Verification:** In Identification mode, an employee places her hand on the clock. The hand scan is compared to all available hand templates in the database to find a match. In Verification mode, the employee first identifies



himself by entering a personal identification number (PIN) and then scans his hand. The time clock compares the new scan to a known template for that employee for verification.

3. **Refinement:** As the employee continues to use the time recorder, the hand template is adjusted for slight changes in the measured characteristics.

Biometric time clocks can also offer labor management tools for supervisors that are defined in Attendance on Demand. These include important functions like setting or lifting punch restrictions that prevent employees from punching in or out too early, sending employee messages, and adding missing punches. Supervisors have access to a different feature set at the time clock but are identified using the same three-step process.

Ending Time Theft and Minimizing Risk

Each year countless hours and dollars are lost when employees falsely record time worked. Buddy punching is a contributing



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Industry-leading Attendance on Demand is a secure, cloud-based time and attendance service with no software to buy or upfront hardware infrastructure costs. Attendance on Demand offers affordable, monthly, per-employee billing, as well as:

- On-demand labor management tools
- PPACA features
- Scheduling
- Timekeeping
- Absence management
- Budgets
- Benefit accruals

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factor. With buddy punching, employees punch in or out for friends who are tardy or leave work early. When time clocks use only PINs or badges for punching, buddy punching is possible. Security access is another key benefit of biometric systems. The biometric time clock can act as a security monitor to grant or deny access to a secure area. Organizations save the cost of purchasing and maintaining magnetic or proximity identification cards or fobs for employees and prevent fraudulent access.

Finally, regulatory compliance is another area where biometric time clocks can help. Some states have rules for meal break duration and frequency. Punch restrictions at the time clock can prevent employees from punching in too early when returning from mandated meal or break times. When combined with Attendance on Demand, biometric time recorders help maintain accurate and irrefutable employee time and attendance records for reporting and responding to wage and hour inquiries and meeting Affordable Care Act (ACA) tracking requirements.

Is Biometric Attendance Verification Right for Your Organization?

The following are criteria you can use to determine if biometric time clocks are right for your organization:

1. **Evaluate the need for authentication or identification.** A workplace with employee time fraud problems or a need to control security access can benefit greatly from biometric time recorders. A workplace without security concerns or hourly workers

may not need biometrics to maintain accurate employee time and attendance records.

2. **Consider the cost/benefit ratio.** For smaller organizations, the cost of biometric equipment may be greater than gains from eliminating time theft. However, as biometric technology advances, the price is lowering, allowing more organizations to adopt it. Lower-cost biometric time clocks have begun entering the market, becoming an option for organizations of all sizes.

3. **Assess the compatibility of the biometric technology with the work environment.** It is essential that biometric readings be as accurate as possible. For this reason, the environment in which biometric sensors are used is crucial to ensure a good read of employee biometric characteristics. In any environment, a small percentage of the population cannot use the biometric system, so it is imperative that the device has an alternate method for interaction. For time recorders, this method usually involves the entry of a PIN and pass-code instead of the biometric scanner.

4. **Be sensitive to the concerns of employees.** When considering the purchase of biometric time recorders, it is important to address the privacy concerns of employees. Explain that a hand reader does not store or recognize employee fingerprints—it uses hand or finger measurements to create a template for the employee. These measurements are used only for internal authentication and security access. They cannot be used to re-create biometric data such as a person's actual fingerprint. Furthermore, employee

privacy is enhanced with biometric time clocks. When an employee accesses benefit time balances using a biometric time clock, no other employee is privy to these records, increasing the security of personal information. Employees may also be concerned about the potential health impact of using the same finger or hand sensor that many other employees use. Assure employees that sensor use is similar to using a doorknob or ATM. Furthermore, antibacterial materials are being incorporated into time clock design. For instance, the Schlage Biometrics HandPunch G-Series time clock uses a silver-based anti-microbial agent that inhibits the growth of bacteria, mold, and fungi.

What Does the Future Hold for Biometrics in Time and Attendance?

The possibilities of biometrics for employee authentication are endless. Experts attest that biometric technology is likely to be used increasingly in transactions requiring identity authentication since it reduces the opportunity for fraud. In time and attendance, biometrics improve the ease-of-use and accuracy of timekeeping systems while bolstering corporate security and enhancing employee privacy. ■

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