



Professional Services firms increasingly want to improve visibility of where employees are spending time across projects, jobs, clients or other categories. In addition to capturing details on where hourly employees work, these organizations need better tracking of their exempt employees to aid in invoicing clients, managing compliance, monitoring project profitability and other labor reporting. Some of the common challenges facing these companies are:



Capturing and Allocating Salary Hours/Earnings to Projects

Ensuring that their exempt employees' actual hours are accurately captured and applied to the respective client, project, etc. instead of fixed or "guesstimate" allocations.



FLSA Compliance for Bonus/Commission Payments

Many professional services organizations pay bonuses/commissions that need to be applied against a prior period when earned. The Fair Labor Standards Act requires these nondiscretionary payments to adjust overtime earnings for certain employees.



Deriving Bonuses/Incentives

To incent employees to meet objectives, many professional services companies have incentive based pay policies (e.g. bonuses) so employees can earn more based on achieving results.

Pre-Evaluation Questions:

1) How do you manage your time capture and allocation of projects/clients for your salaried and hourly employees?

Many professional companies still rely on Excel. The allocation of the salaried earnings by projects are often estimates which results in unreliable labor reports, financials and client invoicing.

2) Do you have overtime eligible employees that earn bonuses/commissions?

If these employee's get monthly, quarterly or annual bonuses/commissions the earnings must be applied to the period when they were earned and the employee is entitled to a retro overtime pay adjustment.

How IDI Extends Your HCM Workforce Management System:



Salary Allocation

- Automates the project/client allocation that they are likely doing in Excel or manually.
- Provides payroll with the accurate details needed for labor reports and client invoicing.

Retro FLSA

- Manages the proper overtime rate calculations and “look back” adjustments required by FLSA guidelines for overtime eligible employees who receive monthly, quarterly or annual payments.

Bonuses/Incentives

- Read and processes data from the time system and/or CRM to calculate employee bonuses/commissions and create an import file(s) in the format required for payroll.

Financial Impact on P&L:

- **Time/cost savings** with automated, accurate allocation of salaried earnings to projects & clients.
- **Time/cost savings** with automated transfer of commission/bonus into payroll.
- **Avoid Department of Labor fines** by being in compliance with FLSA for prior period adjustments.