

COMPANIES ARE INCREASING PROFITS DESPITE SUBSTANTIAL JOB LOSSES

July 16, 2008 Malvern, Pennsylvania: As unemployment rates continue to increase, many companies are embracing new ways to cut costs in order to increase revenue.

According to the Labor Department, the United States lost 62,000 jobs in June, marking the sixth straight month of losses. Heavy job losses in manufacturing, construction, and retail add to the growing unemployment rate.

“Employers throughout the United States are dealing with increased costs for paper, energy, and food which typically lead to cutting expenses to increase profitability” says Allen Noll, CPA and President of The Payroll Factory.

The Payroll Factory recommends a different approach to increasing profitability. Instead of reducing costs for 50 small line items such as water or postage which might save a few dollars each month, we encourage business owners and payroll administrators to attack a big challenge first. Payroll/labor costs are usually the first or second largest expense to any company.

Reducing payroll costs is the easiest way to make an immediate and significant impact on a company's bottom line. After evaluating existing payroll costs, The Payroll Factory can then recommend price reductions, time, and productivity savers such as biometric time clocks.

A study by the APA (American Payroll Association) shows that by adopting an automated time and attendance system companies can save up to 4% on their annual payroll expense. Biometric time clocks replace the traditional time clock used to track employee attendance. Instead of punching a time card, completing a time card manually, or swiping a card, the employee inserts their hand or even one finger into the biometric reader and enters their employee number.

This technology eliminates buddy punching and the early clock-in ensuring only correct staff is able to sign in for work. “We have customers that are using biometric technology and suspect they are saving \$500,000 or more annually due to the implementation of biometric time clocks.” says Allen Noll.

Biometric technology is available as one of The Payroll Factory's core solutions.

About The Payroll Factory: The Payroll Factory has been providing payroll services for over 20 years. We are a locally owned and professionally managed service company. We provide excellent service to hundreds of companies with locations and employees throughout the United States. Currently, the company transmits hundreds of millions of dollars to the tax authorities electronically and produces tens of thousands of W-2's each year. As one of the leading providers of outsourced payroll solutions, we are constantly working to keep our systems and services on the leading edge and developing better ways to satisfy the payroll needs of the business community. Some of these advancements include biometric hand recognition, employee debit cards, spreadsheet import of payroll data, and web payroll entry. Allen Noll, CPA took over The Payroll Factory as President in 2002 and has the company poised to be the largest individually owned payroll processing company in the Mid-Atlantic Region. To learn more about The Payroll Factory, visit www.thepayrollfactory.com