

Clarity - What is Job Costing

Clarity Job costing abilities

The Clarity Job Costing module provides multiple levels of functionality to the client in which they can choose to take full or partial advantage of at their own discretion.

At the most basic level, Clarity Job Costing allows for the application of multiple pay rates for a payment definition on a single paycard, dismissing the need for multiple payrolls to be run or numerous payroll categories to be defined to pay an individual multiple rates of pay.

Clarity Job Costing will also enable to the reporting of time that an employee works against a variety of jobs, each job itself can also be awarded a rate of pay or premium that the employee receives while working on that particular job. An example would be in a restaurant, an employee can work on Friday for 10 hours, the first four are in the kitchen at \$13.00 per hour and the later 6 are as a bartender for \$9.50 an hour. Multiple rates, different jobs, yet still only one paycard.

In addition to being able to report to multiple jobs and rates of pay the Job Costing also enables us to report the department that the employee worked in while doing a particular task or job. This functionality lets us do comprehensive reporting to see which departments within our organization are using the most number of resources.

However, we can use this feature with Clarity "Automatic cost allocation" which tells the software to report other categories payment/deduction amounts in equal rates between the departments that the employee works in.

Why is this important?

In the above example the employee's hourly wages were split 40% in the kitchen and 60% in the bar. The employee also has to pay Taxes on these earnings, we can allocate that the taxes being remitted are to come from the departments that the employee worked in, so if they employee worked a 60/40 ratio then the federal taxes could also be split in a 60/40 ratio as well. This would also enable you to have the liabilities report to individual General Ledger Accounts.

Clarity Job Costing will also give us daily records as the number of hours an employee worked and the rate that they received while doing working that day. This helps us to easily calculate "Retroactive payments calculations".

Clarity Job Costing has many more abilities such as allowing for import of Time Clock data; Calculating Burden costs; and associating work with a unique GL account for simplified billing practices.