

Tools

Goodbye Buddy Punching

New to quick-service, biometric hand scanning is eliminating fraud. By Frank Jossi



Bessed with a unique dexterity not found in the rest of the animal world, human hands represent one of the wonders of creation. On a more mundane level they possess enough characteristics to serve as an excellent tool for personal identification.

The hand cannot lie.

Recognition Systems, Inc., the Campbell, California-based biometric component of Ingersoll-Rand's Security & Safety Group's electronic access control division, has more than 75,000 hand geometry units reading the lifelines of millions of people around the world every day. The company virtually started the field of "hand recognition" technology in 1986 for time and attendance and access control, building up an enviable record as one of the world's largest biometric companies.

So what is biometric technology? Biometric manufacturers employ technology that distinguishes people through telltale parts of the human anatomy—fingerprints, irises, facial features, hand shapes—or through other means like the way a person signs his name or types on a keyboard. (Yes, the way you type is stylistically all yours.) Once the stuff of science fiction, biometric applications have taken off as post-9/11 security jumpstarted the \$1.4 billion global industry, which will triple in size over the next three years, predicts the New York-based International Biometric Group (IBG).

Predictably, the growth in sales comes largely from the government, travel, and transportation sectors since post-9/11 security concerns play an important role in the industry's skyrocketing appeal. The IBG's research shows finger scans represented more than half the sales last year, followed by facial scan (11.4 percent), and hand scan at 10 percent, says Trevor W. Prout, director of marketing for IBG. Frost & Sullivan's World Biometrics Report, however, points out that hand geometry dominates the small market for biometric time and attendance applications, commanding a 46 percent market share.

Hand scanning devices produced by Recognition Systems have been used in a variety of situations. The 1996 Olympic Village employed HandReaders to track 65,000 people living there during the 28-day event. Various Italian banks, British prisons, and even a few health clubs use Recognition Systems's technology on daily basis. Still, says

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director of marketing Bill Spence, the firm has only a handful of quick-service clients—an Irish Burger King franchisee, a U.S. Krispy Kreme franchisee, Joe's Stone Crab in Miami, a South American McDonald's franchisee, and a Korean restaurant chain.

Those restaurants combine the hand readers with time and attendance applications to log in when employees arrive and when they leave. Recognition Systems sells four different "HandPunch" models for time and attendance that can be scaled for businesses employing anywhere from 50 to more than 20,000 employees at a cost of roughly \$1,000 to \$3,000 per unit. They are used to replace the easily lost, sometimes fraudulently used time cards, badges, bar code slot readers, and other time and attendance tools.

The weakness of those traditional systems, says Spence, is that they allow employees to clock in for others, dubbed "buddy punching." HandPunch units nip that problem in the bud because they require the presence of employees—and their hands—to register for work. "It might be only five minutes [before the buddy shows up for work] but five minutes can be one percent of a person's pay," says Spence. "Remember, in the service industry the labor component is huge and

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reducing the inci dence of frau d is imp ortant."

So how well do these systems work? Quit e well, says a Venezuelan McDonald 's fran chise e who, last Oct ober, install ed Hand -Punch at 85 restaurants. Since then payrol I costs declined 22 percent. The chain's 3,400 employee s keep the term inals busy, log gin g in an average 7,500 times a day for a total of 2.5 m ill ion annual "p unches," say s Spence.

In a prepared press release, Jose Ramon Casal, who installed the system for McDo nald's whil e working for the Caracas-based systems integrator Electronica Quantum,

son," he says. "Students make up about 90 percent of the McDo nald's workfor ce in Venezuela. They were frequently punching etry is more effective and produce s few er errors when there are larger employ ee population s. With hand geometry, a lar ger area

"McDonald's moved to biometrics because they wanted to verify that the employee clocking in was really that person," Casal says

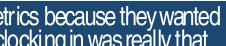
one another in to cover for exams or other school-rel ated events."

Using card technology for time and attendance, a popula r opti on the franc his ee for -



says elimination of buddy punching prom pted the mov e. "McD onal d's mov ed to biom etric s because they want ed to veri fy that the employee clockin g in was really that permerly used, did not address the problem. "A card only veri fies a card," Casal continues. "We have used fin ger scanning for other appli cation s, but we believe that hand geom-

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is scanned than with fing er scans and the temp late is updated after every scan so it remains curr ent."

The applic ation isn't all th at diffic ult to use, either. Employees place a right hand on the scanner when they arrive and punch in a personal identification number. The technol ogy, which takes just a second to verify an employ ee, even helps managers avoid the ine vit able challenges of overseeing a workplace composed of employees with whom they have long established relations.

Sin ce man y McDo nal d's man agers com e from within the organization's ranks they sometimes struggle to impose "rules and restrictions" on their fellow employees, argues Casal. Hand Punch takes the manager out of the equation since technology handles time and atten dance. Spence, too, sees that as a primary advantage since hand scanning allows employ ees to inherently treat everyone the same so no one employ ee can be the "gu y who is beating the system."

The reason HandPunch appeals to so many over seas quic k-servi ce franchisees, he explains, is that they have not invested as heavily in information technology so they have few er legacy systems to contend wit h. "On e of the thin gs I've seen many time s in internation al markets is they (clients) don't have existing infrastructure, they're building systems from the ground up," he says.

Recognit ion Systems hopes to soon attract more Ame ric an restaurants and chains. "In the qui ck-servic e ind ustry wher e budd y punc hin g is problematic, electronic time and attendance mak es sense," says Spence. "It gets rid of manual errors and it's a much more efficient way of do ing thing s." Q



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