

Daily Rate transaction – Weekly Employee



How to setup a daily rate transaction for a weekly employee

Incident:

Instead of paying an employee using a hourly transaction, you rather want to pay them by capturing the amount of days that have worked and pay them only for those days.

Solution:

Before setting up any rate, you need to be sure of the working hours for this employee.

1. Navigate to Edit, Employee Masterfile.
2. Click on the Magnifying glass and select the employee you need to view from the list and click on OK.
3. Once you are in this employees Masterfile you will click on the Rates tab and then on the Working days sub tab. Make a note of the hours per day, hours per week and days per month. After doing this you can close this Masterfile.
4. Navigate to Process, Payslips.
5. Click on the Magnifying glass and select the employee you need to work on from the list and click on OK.
6. On the default tab, click on the first available white space and type in the code 5001 – Daily Wage. Press tab until you get to the Quantity tab, in this tab you will have to do a calculation, take the average hours per week (that you made a note off above) and divide that by the average hours per day. Enter this amount as the quantity. Press tab again until you get to the amount tab, you will need to calculate this value by taking the value that you added in under quantity and multiplying it by the amount that this employee will receive per day. Once you have calculated this amount you will enter it in the Amount tab. You can now click on Save (the third Icon from the left). Say Yes to the prompt to add this transaction to the periodic tab.

Example:

The Masterfile displays Average hours per day as 8, average days per week as 40 and average days per month as 21.67. This person should be paid R500 per day. The Quantity on the default tab for code 5001 will be 5 (40/8). The Amount on the default tab for code 5001 will be R2500.

It is important to note, that you shouldn't make further alterations to this transaction on the Default tab as it will affect your rate, to capture the amount of hours that this employee worked during the month you will click on the Income tab on the Process, Payslips screen and adjust the quantity of days worked in the month on this tab.