

Overtime Premium – Understanding Overtime Analytics

Last Modified on 08/09/2024 12:48 pm MDT

Teamwork shows employers the cost of using an Overtime Hour vs a Regular Hour as a distinguished metric from using more or fewer total hours than expected.

See below: the business used 18 hours of overtime, with a payroll cost of \$195.00. **The cost to an employer for using Overtime vs Regular Hours is \$65, the "Overtime Premium"**. The cost of the "regular" portion of the 18 hours reports on the HOURS and Hours\$, so the employer can contemplate total hours and dollars scheduled vs worked.

TOTAL Base Hours and Base \$Hourly Scheduled vs Worked

Total Week	2023	Budget	Scheduled	Monday – Sunday Actual
Sales	\$110,998		\$134,600	\$134,990
Hours	477		529	418
OT Hours	0		18.5	18.0
\$ Hourly	\$1,351		\$1,336	\$1,182
\$ OT Premium	\$0		\$67	\$65

**OVERTIME PREMIUM:
Cost to a business for
using an Overtime Hour
vs a Regular Hour**

The Overtime Premium also shows as a "layer" on top of the week, rather than being assigned to a specific day. This recognizes that an extra shift which put someone into overtime could have been worked at any point in the workweek. Assigning all OT to the final day(s) of the workweek can lead to misleading conclusions.