**Chapter 1**

THE PROBLEM AND ITS SETTING

**Introduction**

Attendance plays an important role in every organization. It helps determine whether or not a business can be successful in the future. And through the attendance monitoring, the employees will also help train themselves to become more punctual, thus resulting to a day-to-day task being fulfilled on time. Attendance will also serve as a basis in deciding which employees are most likely to stay in the company for a longer time.

Other than being a basis on determining the possible effects for the company and its employees, attendance also serves as an aspect that can affect the relationship of its employees. Some employee might fabricate their attendance records which would be unfair to others because the ones who fabricated their records would earn more or just the same as the others without rendering the same time or amount of work that should’ve been done. This kind of situation greatly affects the work environment and can change the mood or work attitude of anyone.

Also, the attendance of the employees will serve as a basis on computing the employee's’ pay slip more accurately. Thus with a proper attendance monitoring, the generation of every employee's’ salary would be made in an accurate way.

**Background of the Study**

Advancement of technology these days is continuously flourishing, all for the betterment of our daily activities, but some people are obstinate about it, insisting that manually doing the job is more reliable. Well, human error is something that can’t be prevented no matter how careful one is for it is a deviation from intention, expectation or desirability, what’s more if it is intentional caused by greed or desire to get ahead in life, and so the possibility of relying on technology shouldn’t be disregarded completely.

Currently, some organization still uses the old ways of monitoring the attendance records of its employees, such as time cards and log books that is guarded by a personnel by the entrance of the company. People, or in this case, employees, are not as honest as they say they are and could do dishonest things to turn the situation in their favor, like since the records are guarded by a personnel who could have needs and could be bribed to lower his/her morale, an employee could take advantage of that personnel in order to cheat his/her attendance record, or an employee who is “friends” to the personnel in charge thus could come and leave work regardless of the office hours but still getting paid normally. Such actions will then generate an unreliable and fabricated records that will affect the other employees – as it will be unfair to those who goes to work on time, and the organization – paying a salary that shouldn’t be paid.

The proposed system, the DTR Using Face Recognition and Payroll System for Government Institutions, will be a more practical decision for an organization to use as it will generate a reliable and not fabricated attendance records of its employees as they come and leave the company premises, thus produces a precise paycheck that each employee deserves.

**Objectives of the Study**

The general objective of this Study is to develop an Intranet-based Payroll System for Government Institutions using Facial Recognition.

Specifically, it aims to:

1. Design the system with the following features:
2. Record the attendance of employees with the DTR using facial recognition;
3. Calculate the deductions, loans, taxes, and gross earnings of the employee per cut off;
4. Monitor the remaining leave of the employee (e.g. sick leave or vacation leave);
5. Monitor the record of deductions made from the employee’s pay slip every cut off;
6. Generate pay slip; and
7. Notify the employees when their pay slip is ready through SMS;
8. Create the system using:
9. Sublime Text 3;
10. WampServer; and
11. Microsoft Visual Studio 2010.
12. To test and improve the system’s functionality, accuracy, responsiveness, and portability.
13. Determine the acceptability level of the system using ISO 9126.

**Scope and Limitations of the Study**

The study focuses on the development of the Payroll System for Government Institutions using Facial Recognition. For security purposes, the system is intranet based which means that the accessing of the system can only be done within the scope of the network of the organization.

The system records the daily time in and time out of every employee through the DTR module of the system using the facial recognition. The system lets every employee to view his/her daily attendance by accessing his/her account in the payroll system. The system prohibits every employee to log into the DTR when it is out of office hours of the organization.

The system generates a pay slip based on the regular payroll which means that the system only acknowledges the hours worked of the employee within the office hours. Every pay slip the system generates are stored so the employees could view their previous pay slips as well as the deductions history the organization deducted every cut off and monitor the remaining leave of the employee.

Every account has an access level which limits the things employees can do using their account.

**Significance of the Study**

The system’s purpose is for the benefit of the organization as it will help improve the punctuality of employee, speed-up work and will help generate a precise and automated employee salary. Another aspect that the organization will benefit from is that the reports of the employees’ attendance and pay slip won’t be fabricated. The process in getting each employees’ salaries would then be more reliable. In this manner, every result will be produced in an easier and faster way, thus, will increase the productivity of the organization.