

ABSTRACT

This system development project presents the analysis and design of Payroll System for Lighthouse Co., Ltd. The project is developed to solve the problems of incorrect union deductions and excess overtimes spending. The objectives of this project are to streamline the payroll processing procedures and to reduce the overtime spending.

The study of this project begins with the required definition and analysis of the existing system. Information system analysis and design tools such as context diagrams, data flow diagrams, data dictionaries, entity relationship diagram and structure charts are used to analyze both the existing and purposed systems. Candidate solution matrix is also used to compare various alternatives in order to come with the most effective solution. Capital budgeting models such as the payback method, the cost-benefit ratio, and the net present value are used to evaluate the purposed system.

It was found out that the new computerized system is implemented using Ethernet LAN with 1 server, 5 clients, and 4 printers. Software for the purposed system are Windows 2000 server and MS SQL server for the server and Windows 2000 workstation and MS Access 2000 for the clients. Based upon payback method, it shows that the initial investment will pay for itself after 1.5 years. In term of degree of achievement, the purposed system can process data about 4 times faster than the existing system.

To further improve the purposed system, it is recommended that any automatic input devices such as barcode reader should be implemented. This will allow users speeding up the process faster.