# Addressing Today's HR Challenges with Document Management

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**Biography**

*Greg Ford is Managing Director of document management and imaging software company, Version One. Greg has 27 years' experience in UK software and services. For ten years, he worked at Sage, most recently as Managing Director of the mid-market division.*

*An energetic and talented Managing Director, Greg has significant senior level experience gained in a dynamic customer and results oriented environment, and has an ability to create the conditions for people to succeed, resulting in strong growth and operating margin that is coupled to an extraordinary customer experience.*

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## Abstract

*Who would be a human resources (HR) professional? With the economy still struggling, the challenges are greater than ever before. Redundancies, redeployment, and talent gaps are just some of the many challenges facing HR. In order to work smarter at a time when many are forced to do more with fewer resources, it is vital to implement intelligent technologies that automate a number of manual processes. Solutions such as document management deliver a range of benefits to the HR department, from efficiency and cost savings through to enabling smarter decision making. This paper will discuss the importance of document management solutions to the HR function. With solutions such as these in place, HR is more able to operate at maximum effectiveness and deliver a valued, strategic service to the business.*

## Introduction

Against a backdrop of economic challenges, increasing pressure is being placed on the human resources (HR) professional who is reliant on their HR department to carefully manage the employee lifecycle – from hiring through to firing – while trying to keep costs to a minimum and meeting both organizational and regulatory requirements. With relentless cost cutting measures forcing redundancies, restructuring of departments and redeployment of staff; while ongoing, and sometimes sudden, talent gaps are requiring swift recruitment campaigns, it is hardly surprising that many UK HR departments are feeling 'up against it'.

The key to working smarter at a time when many HR professionals are doing more work with fewer resources, is to implement intelligent technologies which automate a number of manual processes. Solutions such as document management and imaging systems remove manually-intensive administration, freeing-up time for more value-adding activities. These solutions are also vital for removing costs from the bottom line, supporting regulatory compliance and aiding decision making, ensuring that HR departments are operating at maximum effectiveness and delivering value for money.

## The HR challenges

UK HR departments are experiencing numerous challenges while having to respond to a period of economic uncertainty and change. According to the Office of National Statistics, just over 2.6 million people are currently unemployed in the UK (May 2012). These figures highlight that many employers are undergoing change, including redundancies, restructuring and redeployment, as they try to cope with the ongoing external pressures. With so many people out of work, many employers are being inundated with hundreds and sometimes thousands of job applications for every single role, putting tremendous pressure on HR professionals, who are often drowning under reams of paper.

On top of this, HR departments are faced with having to manage an increasingly mobile, disparate and global workforce. The workplace is no longer four walls and rows of desks but instead, it consists of people's homes, train carriages and offices on the other side of the world. Remote and flexible working therefore brings with it its own challenges, including the secure and timely circulation and approval of information.

The ongoing cost and regulatory pressures HR departments are facing, including the difficulty in showing that HR delivers a return-on-investment (ROI), and the need to comply with extensive organizational and external rules and regulations, add to the considerable challenges facing today's HR professional.

## HR automation technologies for smarter working

Key considerations for HR departments include how they can work more effectively and more efficiently with the same number or fewer HR professionals; how to reduce operational costs; how to cope with ongoing regulatory compliance and how to more easily demonstrate an ROI.

Although there is no single, silver bullet, there are a number of technologies that can address the aforementioned challenges. These include electronic document management and imaging solutions. These solutions integrate with an organization's existing HR system to replace paper-based procedures with automated alternatives. Depending upon how 'paperless' a HR department would like to be, these solutions can be used to remove some or all of the paper from its HR processes.

Using document management and imaging, all HR documents can be produced electronically and then automatically circulated to appropriate, authorized people across the organization for their review and action. Expenses forms and holiday requests, for example, can be raised by staff electronically and circulated using workflow technology for managerial approval. Similarly, promotion and pay increase recommendations can be circulated electronically for review and authorization.

Paper documents received into the organization, such as job applications, can be imaged using a high speed scanner and then the originals destroyed. In addition, all electronic documents can be indexed, for instance by using barcode or optical character recognition (OCR) technology, linked to the appropriate record in the HR system and then securely stored in the central electronic document archive. With all HR documents and information stored electronically, this removes the need for filing cabinets full of paper records.

This paperless, automated approach supports the HR professional's need to retain a multitude of detailed records, access them in a timely manner, advise the right parties of important occurrences, and enable proactive and informed decision making.

### Key benefits of document management to the HR department

#### *Less administration and greater efficiencies*
Document management technologies are able to free-up the HR department's time, enabling them to reduce manually-intensive administration and instead, concentrate on more value-adding tasks. For instance, instead of spending time locating and then forwarding information to staff upon their request, staff can be provided with the means to self-serve using the internet or company-wide intranet. This could include allowing them direct access to their own National Insurance details, electronic pay slips and annual leave documents.

Workflow also enables the swift and secure circulation of documents across an organization, replacing the time-consuming retrieval, photocopying and postage of documents. With administration time freed-up, the HR team can spend more time on adding value, for instance negotiating recruitment fees and analysing recruitment and staff retention strategies.

#### *Cost savings*
As we all know, time costs money and this is especially true of staff who spend time on manually-intensive administrative tasks. The cost of having six individuals spending one hour per day retrieving documents adds up to £17,280 per annum (when an employee costs £12 per hour, including organization costs). This certainly provides food for thought.

Hard cost savings can also be achieved through the elimination of pre-printed stationery, printing, photocopying, postage costs and off-site storage facilities.

The latter can prove very costly, especially as there are fees involved in the retrieval of archived documents. In fact, some businesses are saving many thousands of pounds every year just by eliminating their third party archiving facilities. Many organizations are enjoying a return on their investment within just six months.

### *Document security and compliance*
HR professionals are tasked with managing all manner of information, much of which is highly confidential, and the challenges can be daunting. From the posting of a vacancy through to an employee's hiring, management and departure, detailed records have to be obtained and made available when appropriate.

Managing such sensitive information when it is in paper form provides an array of challenges as documents can get lost, damaged, tampered with and fall into the wrong hands, potentially leading to distress and legal action.

With increasing importance being placed on document and data retention from a regulatory point of view, but also from the perspective of litigation protection, the need for document management software for securely storing records is becoming increasingly recognized.

The Data Protection Act 1998, for example, requires those holding personal data to comply with eight data protection principles, to register with the Information Commissioner, and to allow people to access and, if necessary, to correct data that relates to them. This supports the need for quick and secure access to employee data and documents.

In addition, the comprehensive document retention policies relating to employees means that documents covering employment/career, health, pay, pension, welfare and security, need to be retained for a stipulated number of years. Documents such as contracts of employment, overseas service records, pension entitlement, death benefit nominations and termination of employment should generally be kept for 100 years from date of birth, putting significant strain on paper archiving facilities.

Electronic document management eliminates the need for expensive paper archives and as the documents are securely stored and then easily searchable and retrievable from the electronic archive, they cannot get altered, lost or mislaid. The security settings ensure that only those people who are authorized to view a document can see it, and as each interaction with the document is recorded, there is a clear audit trail which records who has viewed the document, when, and the actions which were taken.

### *Streamlined employee management and smarter decision making*
The automation of HR processes and having all employee information easily accessible from the desktop, streamlines employee management, from hiring,

interviewing and performance reviews through to disciplinaries and exit interviews.

When redundancies, restructuring and/or redeployment proving unavoidable for many organizations, it is also important to have quick and easy access to all key HR documents so that management is provided with a holistic view of each employee and their performance levels.  By drilling down through the HR system and accessing salary information as well as documents relating to key performance indicators, accreditations, training, absenteeism and disciplinary procedures, management is provided with all the information needed to determine the value of each employee to the business.  At a time when change may be unavoidable, having access to such comprehensive information at a touch of a button will at least bring about informed business decisions.


## Conclusion

Who would be a HR professional?  Against a backdrop of severe and prolonged economic instability, the HR professional's job is perhaps more challenging than ever before as they try to manage their organization's key asset – its people.  With restructuring programmes, redundancies and retaining and attracting talent combined with the everyday operational and regulatory pressures that come with the job, it may seem an unenviable task.

To address the HR professional's challenges, it is vital to be supported by technologies, such as document management and imaging solutions.  These enable streamlined processes, cost savings, regulatory compliance and ultimately, smarter working.  It is only with the right IT solutions, can the HR department operate at maximum effectiveness and deliver a valued, strategic service to the business.