Controlling Content:
An Ongoing HR Challenge

As human resource departments continue to rely on labor-intensive, costly and unwieldy paper documents, enterprise content management offers relief.

BY TOM STARNER

O f the many things you can say about human resources, one that resonates with HR professionals is, "It's complicated."

Whether the task at hand is recruiting, retention, learning, benefits, regulatory compliance or other critical employee-focused processes, HR today manages more complexity than it ever has.

Additionally, even in today's high-tech world, that growing complexity continues to generate difficult-to-manage paper content and employee files.

"For HR today, managing content remains an overwhelming challenge," says Katie Alberti, a solution marketing specialist for administrative solutions at Westlake, Ohio-based Hyland, creator of OnBase®, an enterprise content management (ECM) solution provider. "While there are many great technology options for recruiting talent or learning, those solutions are not set up to manage content across the entire HR spectrum."

Alberti says that to meet employment regulations and drive internal processes, HR departments must manage hundreds or even hundreds of thousands of employee files and supporting documents, depending on company size. Paper-based information also poses security risks: Not only is it often unsecured and susceptible to natural disasters, it also makes it difficult to support compliance efforts, such as retention guidelines.

"Manually processing information via paper is extremely time-consuming and labor-intensive for HR staff, prohibiting it from focusing on the job—improving HR's level of service to employees," she says.

Despite those ongoing paper avalanches, HR leaders do have an option, says Jim Kohan, solutions architect at Hyland.

"HR leaders should take a good look at the available technology and tools to simplify the content conundrum," Kohan says, adding that many current Hyland clients seem to be heading in that direction. "I've found that, quite often, an existing client would come to us because it was using ECM in one area of its business, but wanted to expand it for HR."

In other words, companies may purchase ECM software for something else, such as accounts payable, but will then look to expand it to HR. As Kohan notes, ECM can work in every department, with a wide range of document types and processes. While HR today is finally being recognized as a critical factor in an organization's success, it continues to generate a good deal of difficult-to-manage, counter-productive paper documents.

Onboarding Perfect for ECM

When it comes to bringing on new employees, HR is always looking to better manage the onboarding process and provide new employees with as smooth a transition as possible. By providing HR with a holistic view of all related information in a single location, ECM can enable HR staff to easily track the entire onboarding process and monitor tasks across departments, says Alberti.

Craig LeClair, vice president and principal analyst with Forrester, specializes in enterprise architecture. He says there are a number of areas in which ECM can have a positive impact on a business, but calls ECM a "killer app" for handling onboarding.

"When hiring a new employee, you have a host of departments to coordinate with and much 'unstructured' work activity," LeClair says. "The ECM solutions that come with workflow allow you to organize and process a new employee in a much more auditable, transparent and efficient manner."

LeClair adds that the most important advantage is all the documents that an employee signs when he or

she comes on do not get lost in the paper world. This would include waivers and all other types of documents necessary from an HR compliance perspective.

"It's critical because it manages both coordination and security," LeClair says. "For the business doing the hiring, it basically reduces the amount of non-value-added searching for documents, which still happens more than you might think."

One specific example of how ECM can support both HR and the business is when an employee leaves the company but, for some reason, has not signed a non-compete document, or the document was signed but can't be located. If a dispute arises about termination, that could prove costly for an employer.

"It's all discoverable information to have if there is litigation, and ECM does a great job ensuring you have what you need," LeClair says, adding that, while ECM is not entirely new and larger companies have been using it for a decade, mid-sized businesses with at least 1,000 employees would be smart to look into using an ECM solution within HR.

On another front, he says, ECM is also valuable beyond transactional content management (documents associated with a recurring process), as it can also be used for "business content management," which means the information used inside the company (e.g. that employees generate via file sync and share systems or other document collaboration sites).

"Businesses are providing a new way of collaborating, and the information can allow HR to trap the conversations going on in this area," LeClair says. "Transactional ECM work has been going on for years, but we also are starting to see an equal emphasis on collecting and managing activity streams, via social sites like Salesforce Chatter, that aids knowledge dissemination and collaboration."

Driving the HR Change

As mentioned by Hyland's Kohan, his company has seen the move to using ECM more within HR being driven by existing customers. In most cases, HR didn't have the bandwidth to make a tech purchase on this scale.

"Very rarely is our initial footprint in the HR department, but we see customers starting to tailor and tweak ECM for use within HR," he says. "Our customers come to us. They ask us to help match the technology with their HR needs."

Alberti says many existing HR applications have some document storage capability, such as offering the ability to attach a file to an email. But what ECM delivers is both document and data management. Alberti adds that, in many situations, disposing of a document at the proper time is just as important as having documents stored.

"We have seen some companies fined because of an old I-9 doc on file," she says. "Even if the I-9 no longer needs to be stored, any error on it will still result in a fine. An ECM solution ensures this information is purged when necessary."

Both Kohan and Alberti are quick to add that ECM is not aiming to supplant any specific HR applications in the space; it's just offering the strength of effective, easy-to-use data integration capabilities. In fact, ECM platforms can easily integrate with existing payroll, talent management or HRMS applications.

"ECM really is complementary to existing HR software," Alberti says. "It is not looking to push out, say, a Taleo® or similar HR application. ECM is focused on secure

document storage and workflow processing, with a point-and-click ease-of-use."

As to the size of an organization that could benefit from ECM, it can be used by companies with tens of thousands of employees, to those with as few as two HR users.

"In most cases, HR leaders don't think about buying ECM," Kohan says. "They often can't decide if they have a need for it or not. But if their file storage is chaotic, they have poor document workflow or if there is an audit, they quickly will discover how valuable ECM can be."

Alberti adds that, from her time working with HR leaders, she has found HR practitioners, and line-of-business managers as well, can be resistant to change. Also, by its nature, HR has been "married" to the paper process for many, many years. However, now, at a time when instant access to information is critical, HR needs to ask how it can help keep its company competitive—by improving its hiring and retention processes, and by growing strategically.

"In so many cases, HR is still relying on paper, which means slow processing and reaction time," she says.

For example, the resumé paper mountain has not really been solved, Alberti says, noting that, even if an employer has a system to handle the entire worker-lifecycle management, it still has documents and data in disparate systems that need to be accessed.

The answer is a central repository for all information, and not just for HR, she says, adding that it's called enterprise content management because it can be leveraged in every area within an organization, including HR-related areas such as accounts payable and legal.

"ECM will never be the most important application with respect to the ERP or payroll," she says. "But it can play a critical role if you want to ensure you are getting the most out of all your systems. ECM exists to help in that effort."

Also, as younger employees enter the workforce, having documents accessible via smart phones, tablets and other mobile devices can serve as an effective recruiting tool.

"With today's younger workers, you have to have those capabilities," Alberti says. "Features such as instant notifications will resonate with younger employees. There are many industries having a hard time attracting younger talent and dealing with paper is a sure turn-off for them."

Forrester's LeClair says that, even with a decade of use, the level of penetration for today's more advanced ECM solutions remains low.

"ECM still has a lot of runway," he says. "Thousands of companies that could benefit have not implemented ECM for HR. Or, they may have implemented an ECM solution in the past but it no longer meets today's requirements. For example, it is not mobile-enabled."

LeClair says ECM is a system that supports core systems in HR, whether it connects to the HR systems of record such as SAP® or Oracle PeopleSoft®, or cloud-based systems such as Workday®.

"ECM manages the less structured content and links it to records in the core HR systems," he adds. "Companies that don't do a good a job managing the unstructured work going on around those structured systems will be at a disadvantage."

Across Industries, OnBase ECM Making a Clear Difference

Healthcare

Rural Wisconsin Health Cooperative/ Upland Hills Health

Reducing HR Costs, Hassles and Paper with OnBase

Serving 40 rural hospitals throughout Wisconsin, Rural Wisconsin Health Cooperative (RWHC) provides its member hospitals with a variety of resources to leverage within their organizations.

Upland Hills Health, in Dodgeville, Wis., is one of those members. Growing personnel files were cumbersome and, as more paper documents were added to employee files, the facility's HR department could no longer justify continuously spending money on paper and additional filing cabinets to store it.

However, as with most technology purchases, cost was also a factor in choosing the right document management company. When Upland, which has 460 employees, learned that RWHC was willing to share its imaging system, the company found its solution … OnBase® by Hyland, an enterprise content management (ECM) platform.

"HR is our first area of focus because some our personnel files were just getting to be huge," says Troy Marx, director of HR at Upland. "It didn't make sense to continue to load paper files and buy extra filing cabinets. It was a bad system and there was a better option available."

Working with RWHC and Naviant, an authorized OnBase solution provider, Upland now takes advantage of a shared-service model that allows the hospital to use OnBase without buying client and web licenses or investing in servers. Instead, Upland uses a hosted version of the ECM software that provides unlimited space for its growing employee files.

Marx explains that OnBase makes it easy for HR staff to quickly find employee documents when needed. As new employees join the company and enter the onboarding process, HR staff members scan all documents into OnBase, including I-9s, credentials and provider contracts. With employee information at its fingertips, HR staff instantly accesses needed documents electronically, allowing the focus to be on higher-value, more strategic HR work.

OnBase also securely stores employee information, providing access only to those who need it. Using OnBase, Upland's HR staff can limit user rights to specific documents and document types—a security level that is crucial to the hospital.

"We're very restrictive with who knows what about our employees," Marx says. "Frankly, we could have taken all of those employee documents and files, scanned them in as PDFs and made our own file-management system. But the security behind OnBase was a critical component that we wanted as well."

Retail

Clicks Group Limited

Leading Retailer Integrates OnBase with SAP® to Improve HR, AP

Clicks Group Limited, a leading health and beauty retail and supply group based in Cape Town, South Africa, is excited about the controls it can use when it comes to the company's massive number of employee records and documents, especially in the HR and payroll areas.

By using OnBase, Clicks Group sets specific security controls so HR staff members can only open files that they have rights to see. OnBase also automatically pushes employee-related documents to payroll, speeding the process and keeping it accurate.

Previously, if an employee went on leave or quit his or her job, the paper documents that had stated the last date of pay may have been lost in the shuffle and couldn't be tracked through the normal processes. As a result, the organization might continue to have the employee on payroll and wouldn't find out until a monthly reconciliation.

Now those documents are all in OnBase, where they remain secure, tracked and automatically forwarded—so payroll is based on real-time information.

Also, by extending the solution, Clicks Group has expanded OnBase to include advertising files, legal contracts and all HR-compliance documents, bringing even more value to the table.

"OnBase is scalable and easy to work with," says Paul Niemantinga, director of accounts payable for Clicks Group Limited. "Once we showed how OnBase worked well in one area, we could get others very excited. We chose a phased approach, encouraging end-user adoption."

To maintain compliance, in fact, the company had a team dedicated to "archive diving" for accounts payable documents, and even then, it only found the correct invoice 50 percent of the time. The company needed a solution that could give it electronic access to information to improve compliance in both AP and HR, while seamlessly integrating with the company's existing SAP system.

Now Clicks Group AP staff immediately access 99 percent of invoices electronically. Users don't even need to leave the SAP system to find them. They just sign into SAP and the related OnBase documents pop up, Niemantinga says.

Clicks Group also has stronger security and tracking, improving compliance with multiple regulations in departments across the entire company, especially HR.

"With staff accessing invoices electronically, it almost doubles our retrieval rate," Niemantinga says. "It's been a real change for us. Both AP and HR are much more effective and efficient now."

Manufacturing

Gallatin Steel Co.

ECM Drives Worker Safety on the Manufacturing Floor

Employee safety is the number one priority for Gallatin Steel Co., located in Ghent, Ky. But ensuring employees review and acknowledge the latest safety policies and procedures proved difficult, at best.

"It was a cumbersome process," says Tamera Koegler-Vaughan, process manager of information systems at Gallatin. "Managers would leave the right piece of paper in plain view, hoping that every shift would read and acknowledge the update. But they weren't sure who had signed off on the document and who hadn't. They were always missing people."

Working with Results Engineering, an OnBase authorized solution provider, Gallatin implemented OnBase to speed up employee safety policy acknowledgement. Once a policy is updated, OnBase instantly sends it to necessary employees for review and acknowledgement, ensuring their safety while working with a variety of machinery and equipment.

Gallatin also created a web portal, providing staff with the ability to sign in and review new information at their own pace.

"Overall, OnBase is a great system for controlling documents, disseminating them to our workforce and making changes quickly," says Butch Collins, Gallatin's general manager of safety and security. "It's made it easier for employees to do reviews during their shifts—they can review them on maintenance days or whenever they have down time."

Prior to implementing OnBase, manually processing incident reports also prevented employees from learning how to stay safe on the job. Once a safety issue took place, employees gathered incident information—including accident reports, photos, etc.—in a binder and circulated it throughout the company for review. The process was time-consuming and slowed Gallatin's ability to review and update policies and procedures.

By streamlining incident reporting with OnBase, the manufacturer now quickly disseminates safety updates to staff. Now, employees electronically input any incident that occurs into OnBase, including any photos, diagrams and related information.

"If we want to talk about a particular incident during an executive or team safety meeting, we can pull it up and review all of the information," Collins says. "It provides awareness as well as documentation that is easily accessible for safety leaders."

OnBase also reduces time spent preparing for audits and increases user acceptance because employees are so used to it now—they have all the information they need to do their jobs at their fingertips. Most of all, it helps keep employees safer.

"With OnBase, we know employees review the latest version of safety procedures," says Koegler-Vaughan. "It assures us they're mindful of the most up-to-date information to perform their jobs in a safe workplace."