

# Moving Out Of The Stone Age

Utilizing technology to keep employees in compliance.

by Jennifer Anspach

A stereotypical business office scene often depicts filing cabinets overflowing with papers, stacks of documents and files piled on desks in a sea of cubicles that seem to go on for miles, fax machines churning out endless reams of paper, computers buzzing, and employees scribbling notes while answering a stream of phone calls. In some industries, these images hit very close to home. In fact, it was less than a decade ago when the mortgage field services industry embraced new technologies and subsequently went paperless - well, almost.



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Like many businesses or industries, there is one segment that can still be stuck in an avalanche of paper - support departments, or specifically, the human resources (HR) department. The first impression these businesses make when hiring new employees - often millennial applicants who can be considered techie experts - is that these departments are stuck in the Stone Age as they juggle a stack of documents on their first day of work. Like many companies, operations, or the heart of the organization, are the first to receive the latest and greatest in technology, and often, the support departments are left to utilize out-of-date systems.

As technology evolves, companies invest a significant amount of money upgrading operational systems and implementing this new technology. In doing

so, they have learned of the impact technology can have on an organization. Through technology, companies have been able to automate certain processes and improve workflow, among many other benefits. To aid in bringing that department out of the dark ages, it is imperative that companies implement an electronic filing system because the benefits companies are experiencing in operations can be effective for their HR departments, as well. This includes improving organization by streamlining processes, engaging the company's information security team and ensuring compliance with client guidelines, in addition to guaranteeing that clients, too, are in compliance with regulatory guidelines and local, state and federal legislation.

## Organization improved

Onboarding new employees or even maintaining files for existing associates requires housing a lot of documents and



an incredible amount of organizational skills. There is an abundance of paperwork that needs to be completed when onboarding a new associate. This can become overwhelming from a tracking perspective. Often, the data needed from one form to another is duplicative and becomes time-consuming to complete. If a simple application on your smartphone can streamline processes, why can't support departments do the same?

The way the system works is once the offer letter for a new employee has been signed, an electronic system enables companies to send links to a new associate. This allows him or her to complete the documentation prior to his or her arrival so the first day can be spent hitting the ground running - interacting with new teammates, training for the new position and learning about the industry - rather than filling out forms. The system also can be configured to send push notifications to the applicant when documents are not submitted. This saves time for both the applicant or the new employee and the recruiting associate. It also frees up other HR associates to dedicate time to developing new employees and other employee relations initiatives.

With the right electronic filing system, the sky is the limit. The most effective tool utilizes a robust workflow system. Not only can it streamline internal HR files - originating with the onboarding process - but it can also implement workflows for other HR-related processes.

An electronic filing system can be used to create a link that generates a workflow when placing an associate on any type of corrective counseling. This allows the HR associate to be actively involved, ensure designated follow-up with an associate occurs and maintain consistency across the board. Additionally, analytics are available on the types of corrective action that are transpiring within the organization. Based on this information, companies can determine if there is a policy that needs revising or clarification - in the past, this would

have been done off of anecdotal information, but now, it is supported by facts.

In large organizations, the number of associates that have intermittent Family and Medical Leave Act benefits can create a tracking nightmare, especially if the tracking is completed manually in-house. Utilizing the electronic system to initiate requests, track the necessary paperwork and generate reminders on key dates has ensured compliance with the federal regulations around this type of leave. Record retention and data separation requirements are also critical to implementation, making a company's information technology (IT) security team a crucial partner in selecting, implementing and maintaining an electronic filing system.

### **IT security's role**

Although it seems simple in concept, involvement from the company's IT security team when moving to an electronic filing system is critical in ensuring it has the proper security protocols in place. The only benefit of the old paper system described above was that the file room was locked and secured, and only those with keys could gain access. The IT security team will be able to aid in figuratively "locking" personnel information - ensuring that all of the private and confidential data is secure and cannot be breached. The team needs to be involved in the system's integration, in addition to confirming it is operating without any issues.

### **Clients benefit the most**

Although all of these benefits described above are good for each company or organization utilizing them, the most important element of the system is the increased quality and compliance it creates for clients.

In the old paper system, when a client needed to perform a compliance audit or test, because companies are typically held to the same hiring standards that they practice, the company's HR team would have to manually pull all of the personnel files that were randomly selected and cross their fingers

and hope that something was not misfiled or missing due to human error. Even if regular internal audits were performed, the company was only verifying the records in its samples.

With an electronic filing in place, companies can run queries on a predetermined schedule for all document types to ensure that there is nothing missing. Realizing that the query is only as good as the initial data load, a detailed audit on those records that are critical to our operation is necessary prior to uploading the information. This gives the company the confidence in knowing that all of the information is in place and easy to access the next time a client performs a compliance audit or test. It can ensure that all background checks, required personnel files and other important paperwork are on file and accessible - solidifying that it is compliant with client and regulatory requirements.

Installing an electronic filing system in the HR department frees up associates who will spend less time tracking down documents and more time focusing on adding value to the lines of business they support. It helps them shift their focus to developing training initiatives that ensure quality results from employees while staying ahead of clients' needs. The implementation of this initiative has also given access to employee files and records to all HR associates, streamlining employee needs and requests.

HR managers will no longer lose sleep over compliance issues and can remain confident that they are keeping clients in compliance, as these rules and controls were built up front. Now their biggest concern is what they are going to do with all of the empty filing cabinets. **SM**

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**Jennifer Anspach is the assistant vice president of human capital for Safeguard Properties, the largest mortgage field services company in the U.S. She can be reached at [jennifer.anspach@safeguardproperties.com](mailto:jennifer.anspach@safeguardproperties.com).**

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