



A Practical Guide to Proactive Compliance: How to Stay Ahead with HR Service Delivery Technology



An introduction to compliance in HR

HR professionals are asked to be superheroes, responsible for a wide array of critical missions, such as employee engagement, retention, learning and development, succession planning, and benefits management. None of these missions will be successful if the company is fundamentally at risk. Underpinning all of HR's growth initiatives is the need to ensure compliance to keep a company's employee practices safe and legal.

Three key factors are driving an increased focus on compliance in HR teams



Global
complexity



Changes
in regulations



Penalties for
noncompliance

Each of these give HR added concerns and come with high fines and penalties for getting it wrong.

Despite HR's essential role in organizational compliance, and the costly consequences of noncompliance, many HR teams aren't using the latest best practices, many of which are made much easier through the support of user-friendly digital solutions. Given the burden of responsibility on HR, HR needs — and deserves — a flexible, global HR service delivery platform that provides the key capabilities for proactively managing compliance.

In this whitepaper we'll explore best practices for managing compliance and reducing risk, and why an HR service delivery platform can be a game-changer.

Proactively manage compliance

An audit, internal or external, can be a nightmare. Hopefully, you won't have to go through one, but wouldn't it be great if you were already prepared to pass with flying colors?

If you're keeping employee files as paper or in different HR systems, it can be challenging to know what documents are missing or are about to expire. Not to mention, it will be extremely painful to retrieve these documents during an audit. In an ICE audit in the US, for example, companies have just 3 days to pull together all I-9s for the entire organization which would be a Herculean task with paper files.

Smart HR teams think ahead. They store documents electronically in a system that makes it easy to tag, file, and search those documents, with fast and simple reporting capabilities. By regularly pulling reports to view missing files or documents about to expire, HR proactively manages compliance — collecting missing files or requesting recertifications — staying far ahead of an audit. And with simple reporting, it's easy to prove compliance to internal and external stakeholders.

Legal teams often provide HR with standard operating procedures that will help the organization in the event of litigation. It's important to provide standardized forms and procedures for inquiries around payroll, harassment, violence, etc. in order to defensibly highlight consistency of process. But standardizing this without technology to support you can be difficult.

Additionally, HR often supports employees based in different locations. Whether in a shared service center model, or simply HR by region, HR professionals provide services to employees across geographies and ensure compliance in any location where they have employees. This can be overwhelming if you are dealing with paper files.

By using an HR service delivery platform to manage employee files and ensure legal compliance, it becomes easy and efficient for you to standardize procedures and respond if or when there's an audit or lawsuit. You can manage local processes, forms, and files digitally — anytime, anywhere.

There's no prize for proving compliance during an audit, but an HR service delivery platform will help you sleep at night knowing you've proactively mitigated risk.

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Protect sensitive information

A key component of compliance is security. It's critical to securely store employee files, with access given only to those who should have it. Without security measures in place, you risk audit fines and potential lawsuits. Further, you wouldn't want an employee to be able to inadvertently access salary figures for the entire organization. Nor would you want an employee to discover the details of a discrimination lawsuit from another employee, or a personal request for extended sick leave. Unlike other business functions, it's critical that access to sensitive HR information is protected.

That said, you will sometimes need to share sensitive documents with non-HR stakeholders, like an internal legal team or a 3rd party auditor. The most secure way to accomplish this is to share files electronically, using a system with the right controls and security.

With an HR service delivery platform, only employees with the proper rights and roles can access documents. Through the platform, HR shares files securely with additional stakeholders — either making original files or watermarked copies available for download, or keeping files as view only — and you can specify the amount of time the files are available to the stakeholder. Providing access to the files through a platform like this is significantly more secure than email which can be accidentally forwarded, or physical mail which could end up on anyone's desk.

3 ways to protect sensitive information

1. Avoid email and paper

It's too easy for email to be forwarded and paper to be lost.

2. Implement role-based access

Only people who should have access to certain documents can access those documents.

3. Secure sharing with non-HR stakeholders

Provide documents to external parties through a secure system.

Managing globally: the 80/20 rule

As you develop a strategy for some of the more operational pieces of HR compliance, you'll want to consider the global implications. Whether by state or country, governments mandate specific forms and paperwork be captured or filed for each employee. Efficiencies are gained when you manage processes and employee files on a global level, but local requirements often roadblock HR.

A guiding principle for managing compliance across multiple geographies is the 80/20 rule. To maximize efficiency, determine the ideal processes to manage the majority of your organization's needs at a global level. This generally accounts for approximately 80% of HR processes. Then identify those local exceptions (approximately 20%) that need to be managed differently and determine how best to support those.

For example, you may have a global onboarding process; yet some regions require you to provide additional forms due to government regulations. Or you might need employees in certain regions to follow a process that includes additional training steps. Ideally, you'll create a global onboarding process that supports those specific local exceptions.

Other global considerations include document retention schedules and data privacy requirements, which are often dictated by country-specific laws. To comply with regulations, determine the requirements for each document type for each region and manage your retention schedules accordingly.

An HR service delivery platform gives you the tools to manage local requirements globally, building out global processes while allowing for local exceptions. And with an HR service delivery platform, you actively manage employee files — beyond just storage in a document repository. For example, you can set retention schedules based on document type and/or geography and define what action should be taken for each document, such as auto-expire, notify an individual or a group, or send for renewal.

Look for a platform that enables HR teams at a global level to:

1. Provide different processes and forms for different regions
2. Segment employee documents by country privacy requirements
3. Actively manage employee files, including records retention
4. Support local employees from anywhere

Adapt to a dynamic environment

Another aspect of laws and regulations is constant change. When these changes happen, HR is responsible for ensuring existing forms and processes are updated to comply with the new regulation. And more than that — you'll also want it to be easy to show things like which form version each employee used in case of audit.

Nimble and agile HR teams are supported by nimble and agile tools. In order to successfully navigate the global compliance landscape, HR technology should make it easy for you to be autonomous — without calling on IT for help. With the right user-friendly tools you can stay up-to-date and compliant, building out processes and forms, and managing employee files without having to wait for time and resources from IT.

With an HR service delivery platform, you can use metatags on forms to quickly prove employees filled out the right version of a form. It's also quick and easy to update processes to include a new required legal step, or to update a webform to include new required fields or instructions. Keep one step ahead in a dynamic environment by working nimbly.

Don't forget your employees!

How much time do you spend tracking down paperwork from employees and double-checking it for accuracy? How often are you sending reminders to employees to fill out a form? How often do you have to send it back for a re-do?

By automating your HR processes, you can assign tasks to employees to complete a form — without having to physically find the employee or send paperwork in the mail. Through web-based forms, you can use field validation to reduce the number of errors and mitigate risk. The manual work you currently spend going back and forth with employees on legally required paperwork is drastically reduced and you ensure a higher level of accuracy.

With an HR service delivery platform, it's easy to build out processes and workflows that notify employees of a new form to be acknowledged, signed, or completed. This automation significantly increases time to completion — getting you in compliance even faster.

Conclusion

A modern, global platform helps HR stay ahead of compliance. The UKG HR Service Delivery™ platform makes it simple for HR to manage global processes with local requirements, address any changes in legal regulations or in company policy, securely store and share employee files, and be proactive with easy-to-use reporting tools.

UKG HR Service Delivery also offers UKG HR Compliance Assist, a service to help you easily navigate complex rules and regulations regarding HR documents. Clients can access legal requirements by country for topics including document retention, data privacy, and eSignature — making it simple for you to manage compliance. Focus on your day-to-day missions and strategic objectives, without having to worry about compliance.

About UKG

At UKG (Ultimate Kronos Group), our purpose is people™. Built from a merger that created one of the largest cloud companies in the world, UKG believes organizations succeed when they focus on their people. As a leading global provider of HCM, payroll, HR service delivery, and workforce management solutions, UKG delivers award-winning Pro, Dimensions, and Ready solutions to help tens of thousands of organizations across geographies and in every industry drive better business outcomes, improve HR effectiveness, streamline the payroll process, and help make work a better, more connected experience for everyone. UKG has more than 13,000 employees around the globe and is known for an inclusive workplace culture. The company has earned numerous awards for culture, products, and services, including consecutive years on Fortune's *100 Best Companies to Work For* list. To learn more, visit [ukg.com](https://www.ukg.com).



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