

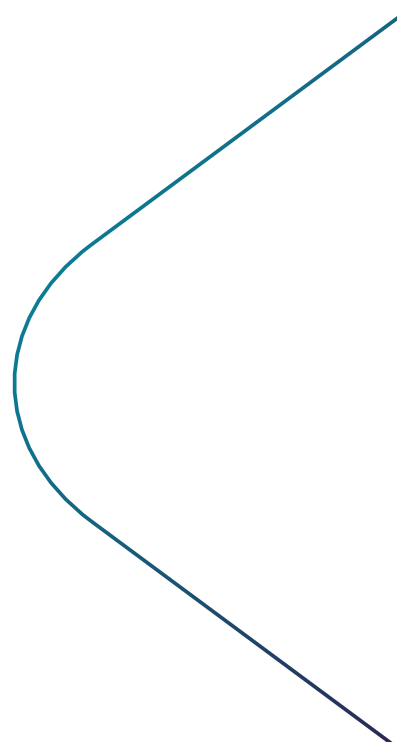
# A Successful Rollout of Digital Personnel Files in Three Phases

Make Your Paper Archive Redundant!



## Table of contents

<b>Digital HR dossiers: A successful start to digitalization</b>	<b>3</b>
A successful start to digitalization	3
The benefits of digital dossiers at a glance	3
<b>1. Preparation and analysis</b>	<b>4</b>
Taking stock and defining goals	4
Taking stock: specific key figures	4
Defining goals: specific key figures	5
Taking stock: storage structure	7
Defining goals: digital personnel files schemes	8
Taking stock: IT infrastructure	9
<b>2. Introduction phase</b>	<b>10</b>
Scanning and classification	10
Digitizing archives – say goodbye to file folder archives!	10
The scanning process	11
The scanning and classification software	11
Import to the digital personnel file	11
Assignment to existing dossiers	11
Automatically creating new personnel files	11
Archiving	12
The format	12
Audit compliance	12
Working with digital personnel files	13
Fast search	13
Easy editing	13
Smart collaboration	13
Checks at a glance	13
Direct storage	13
<b>3. Establishment phase</b>	<b>14</b>
Change management – focusing on employees	14
Be smart. Adjustments can be made at any time.	15
Digression: workflow development stage.	15
Process analysis for vacation request process	16
Process analysis for digital vacation request process	17





## Digital HR dossiers

### A successful start to digitalization

Digital personnel files do not require any space, are always available and are easy to search. The benefits are clear to see. But what does a roll-out look like in your company? And what do you have to look out for? This white paper gives you a summary of the project process: **Analysis, introduction and establishment – three steps to achieving your goals. Let's get going!**

### A successful start to digitalization

Mounds of paper on office desks and countless basement rooms filled with dusty records – some of which may already be starting to mold.

You would think such a dossier storage system would be a thing of the past – after all, the ability to find and use information quickly is a crucial factor in a company's success. For many companies, however, important knowledge is still gathering dust in basement filing rooms.

The time is more than ripe to say goodbye to your basement filing systems by introducing digital files in your HR department. The benefits are clear to see.

### The benefits of digital dossiers at a glance

- ✓ Save space and rental costs by getting rid of your paper archive
- ✓ Central permission and access management
- ✓ All the documents in your company are available digitally and can be edited in an instant
- ✓ All dossiers can be searched with ease based on a wide variety of characteristics (e.g. employee name, personnel number, job title, department)
- ✓ Dispense with reproductions and copies of documents
- ✓ Multiple people can access and work on one dossier at the same time
- ✓ Custom filing schemes
- ✓ Audit-compliant archiving

Once the benefits have become clear, a digital HR dossier project will quickly move to the top of the agenda in your organization. But how do you carry out a project successfully?

**The answer: step by step – in three different phases. We will show you how!**





# 1. Preparation and analysis

The first step is to put the existing structure within your company under the microscope. This step involves analyzing and documenting processes, taking stock and defining goals.

## Taking stock and defining goals

### Taking stock: specific key figures

The first step in taking stock is to gather specific key figures related to the current quality of your processes. These figures give you an insight into your current situation and show the potential for optimization through digitalization in your company.

You can find the relevant key figures in the table to the right.

Now simply try to find the values for the listed key figures. The column on the right will help you. Don't worry if you are unsure of all the values, just ask the people responsible for them or provide an estimate.

Once you have gathered these key figures, you will have a good base to derive your goals. You can also use them as the basis for calculating a return on investment (ROI).



### Key figures

### Value in the company

Time required to capture and sort in each document in minutes

Time required to store each document in minutes

Time required to search through each dossier in minutes

Number of search operations per day

Number of reproductions/copies per day

Time required for each reproduction/copy in minutes

Created or edited document pages per month

Size of the archive in m<sup>2</sup>

Monthly rent and costs for the archive



## Defining goals: specific key figures

Once you have established an overview of the current situation in your company, you can define your first goals. At this point, it is important to designate specific target values. This is the only way to measure the success of the project later. Here, once again, you use the key figures to do so.

You should preferably work with the software provider to quantify these target values. In the ideal scenario, the software provider will have many years of experience with clients and will be able to tell you which target values are realistic within your specific company.

Alongside measurable goals, there are also less tangible objectives that should be laid down while defining your goals. Less tangible factors such as employee satisfaction have an effect on a company's success. In this regard, the following targets are relevant to many companies.



### Key figures

### Target value in the company

Time required to capture and sort in each document in minutes

Time required to store each document in minutes

Time required to search through each dossier in minutes

Number of search operations per day

Number of reproductions/copies per day

Time required for each reproduction/copy in minutes

Created or edited document pages per month

Size of the archive in m<sup>2</sup>

Monthly rent and costs for the archive



## Qualitative goals

- ✓ Compliance with legal requirements (such as audit compliance and document retention regulations)
- ✓ Central permission and access management
- ✓ Better results thanks to easier collaboration between different departments or locations
- ✓ Access to personnel files from anywhere and at anytime, supporting New Work and upcoming remote working models
- ✓ Clearly defined allocation of authorizations
- ✓ Transparency throughout processes in the company
- ✓ Secure access to information
- ✓ Easier checks of approvals
- ✓ Employee satisfaction by making work easier
- ✓ Connectivity with different devices
- ✓ Attractive, digital working environment
- ✓ Integration into existing systems





## Taking stock: storage structure

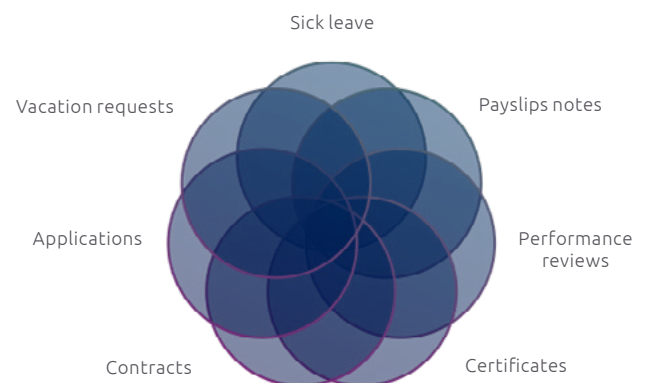
Alongside gathering the key figures, there is a second important step in the preparation and analysis phase: taking stock of the storage structure and document processing system within your company. Only once you have fully recorded the current structure in your HR department, can you introduce digital filing schemes in a sensible and practical way.

The first question: what are the kinds of documents and files used in your department? And how do they travel through the company? Who are they used and/or stored by?

The paper flow in the company and the structure of the archive should be analyzed as closely as possible. Furthermore, a check should be carried out to ensure that legal requirements are complied with. That gives the company complete transparency.

- ✓ Summary of all the kinds of documents in the HR department
- ✓ Depiction of all the paper flows within the company
- ✓ Recording of the current storage structure for the archive, including existing filing schemes
- ✓ Employee access to their personnel files
- ✓ Stumbling blocks in individual processes
- ✓ Cycle times
- ✓ Media gaps
- ✓ Check of adherence to retention periods and audit compliance

This newly gained transparency has another decisive benefit: it makes it easy to identify which document processes are the least efficient and therefore where the greatest potential for optimization lies. In other words: the company learns which areas cause the most headaches. These document groups and the related processes are the starting point for setting up your digital personnel files.



**Tip:** even at this early stage in the project, you should involve senior people from your HR department. They know which document types are used the most and the information that is most important to have quick access to.



## Defining goals: digital personnel files schemes

“A filing scheme (also referred to as a “dossier scheme”, “file plan”, “archive plan”, “filing plan” or “record scheme”) is a tool for systematically arranging and continuously managing all the written correspondence in an organization (dossiers, documents and data). The filing scheme provides a framework for content and assists you with creating new files and finding existing ones – no matter whether they are in analog or digital form. With the help of a filing scheme, you can also ensure the cohesiveness of hybrid records that exist partly in paper form and partly in electronic and database form.

But which documents are to be found in which folders? And who is permitted to view and edit them? These issues must be defined in a filing scheme. The results of your earlier stocktaking serve as the basis for creating your digital personnel file scheme for your organization. One constant support tool: the actual folder. company complete transparency.

You can organize the digital personnel file in a way that fits your daily work. On the one hand, you can define a deep structure with subfolders. On the other hand, there is a possibility to leave the structure flat and only work with documents and their properties.

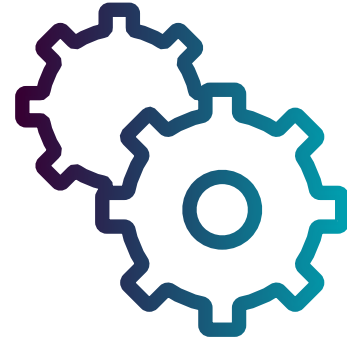






## Taking stock: IT infrastructure

Before you can start introducing your digital personnel files, your current IT infrastructure has to be mapped. This is required to identify the optimal digital solutions and interfaces for your company, ensuring perfect integration into existing systems. The following questions are helpful while taking stock. You can answer the questions directly in the document.



1. Is there an existing DMS? If so, which one?

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2. Do you use an ERP system? If so, which one?

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3. Do you use HR software? If so, which one?

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4. Which documents should be stored in the personnel file and where do they come from?

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5. When should a personnel file be created? (e.g. in the application phase or as soon as a new employee is created in your HR system)?

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6. Which is the leading system? Where does the master data come from?

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7. Do you manage system permissions centrally? (e.g. via active directory)

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## 2. Introduction phase

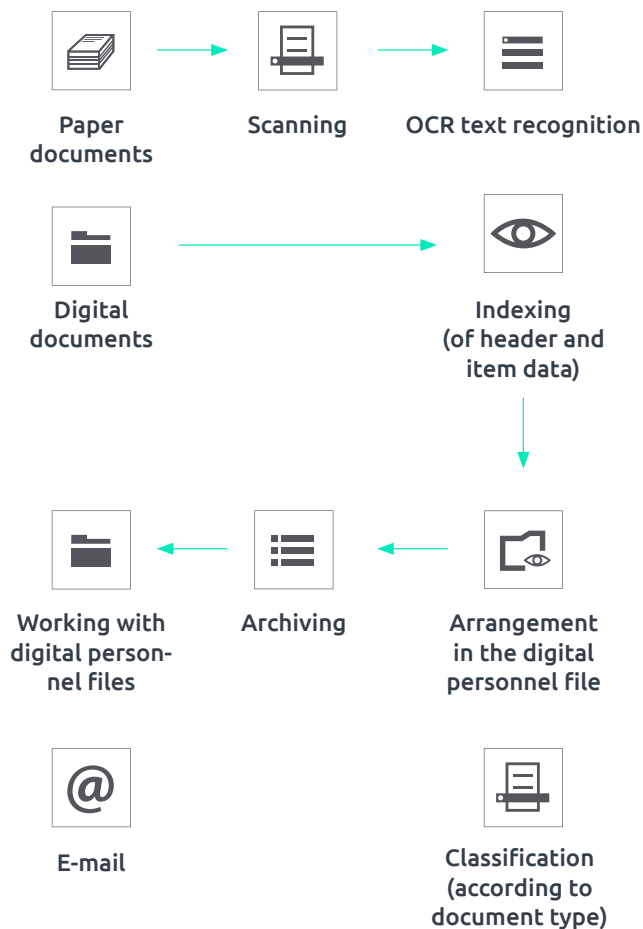
The second phase in the project is the introduction phase. Once stocktaking in the department is complete and clear goals have been defined, the introduction can begin. Most companies implement the process shown in the chart below to move away from paper archives and utilize all the benefits of digital personnel files. With that in mind, we will explain the process step by step in this chapter. You will also get some helpful tips and learn how to avoid potential stumbling blocks.

To ensure that documents are available in digital personnel files and ready for editing, they first have to be scanned in. The first step is to digitize your paper archive.

### Digitizing archives – say goodbye to file folder archives!

To work with digital personnel files in your company, all the HR-related documents from your paper archive have to be scanned in. What is the best way to do that?

### Scanning and classification



Many companies call on external scanning service providers at this point. As well as document scanning, these providers also offer other services such as collecting documents or even destroying paper documents in compliance with data privacy legislation once they have been digitized. Working with a scanning service provider is helpful if you have to digitize large quantities of dossiers in a short period of time. For instance, d.velop works together with ratiodata or DMI.

If the number of files to be digitized is manageable or if there is no time pressure, you can deploy your own personnel to scan the documents internally.



### The scanning process

As well as digitizing your paper archive, the scanning scenario for your future process has to be established. A variety of decisions have to be made in this regard:

- ✓ How many documents are being scanned in how long a time period?
- ✓ Are the documents to be scanned individually or in batches?
- ✓ Which scanner makes most sense? A workstation scanner or bulk scanner?
- ✓ Are the documents to be scanned centrally or decentrally?

With all of these questions, it is helpful to have an experienced partner by your side to offer guidance. This partner can tell you which options make the most sense for your organization.

### The scanning and classification software

The perfect “archiving process” can work only with the right scanning and classification software. With such software, the scanned documents can be read automatically using intelligent full text recognition (OCR recognition). This records all the relevant information, such as the header and item data. Using the read data as a basis, the documents can be classified by type and assigned to the appropriate digital personnel files.

Companies are now receiving more and more documents through digital channels. That means there is no need to scan them. Nevertheless, these documents do still have to be indexed and classified. The classification software performs this task. No matter the channel through which the documents arrive at the company, they can be assigned to the digital personnel files.

## Import to the digital personnel file

### Assignment to existing dossiers

The “Scanning and classification” section showed how documents imported as scans or in any other format can be automatically analyzed, and the information is autonomously allocated to the corresponding existing digital personnel files based on this information. The assignment is carried out based on filing schemes designed according to your requirements.

### Automatically creating new personnel files

If, during the process of storing a document, it appears that a suitable personnel file does not exist yet, a new personnel file can automatically be created based on the given properties. This is possible thanks to the pre-designed filing schemes. Here is an example: You have hired Austin Fraser as a new employee for your company. While importing the initial contract document, you detect that there is no personnel file for Austin yet.



The system asks you to enter the following properties, in order to make the personnel file searchable based on the given information in the future:

- ✓ First name
- ✓ Last name
- ✓ Personnel number
- ✓ Job title
- ✓ Address
- ✓ Department
- ✓ Supervisor
- ✓ Date of birth
- ✓ Entry date

In contrast to the example above, you can create a personnel file based on the given information from your HR system. In that case, Austin's personnel file will be created based on the master data that you or another colleague entered into the HR system before. With that approach, master data can be handled centrally in your leading system.

## Archiving

Your digital personnel files and all their documents are automatically archived in long-term file formats that comply with auditing requirements. A variety of components play a role in ensuring this.

### The format

If, during the process of storing a document, it appears that a suitable personnel file does not exist yet, a new personnel file can automatically be created based on the given properties. This is possible thanks to the pre-designed filing schemes. Here is an example:

You have hired Austin Fraser as a new employee for your company. While importing the initial contract doc-

ument, you detect that there is no personnel file for Austin yet.

The challenge with digital archiving is to save information in such a way that, firstly, it cannot be changed and, secondly, it can still be read after years or even decades have passed, and even if the application in which it was created (for instance, a word processing program) has not existed for some time.

For a long time, TIFF was the dominant file format in the area of long-term archiving. However, as the requirements for the layout of documents became greater, some of the disadvantages of the format quickly became apparent.

The PDF/A format has established itself as the standard for long-term archiving throughout the world in the meantime. This format is based on the ISO standard 19005 from 2005. The format offers companies the greatest possible compliance security, completely irrespective of the operating systems or software used. It is also further developed on a regular basis. You can find more information about the PDF/A format [here](#).

### Audit compliance

Anyone involved with document archiving will quickly become familiar with the term "auditing compliance". But what is the idea behind this term and how can you ensure auditing compliance?

Auditing compliance means that the systems and operational processes within a company can be regarded as proper and appropriate in relation to legal regulations. The term usually relates to audit-compliant archiving of information and documents that are subject to legal retention periods. For example, in the EU the general data protection regulation (GDPR) play an important



role in this regard. In other countries and regions other regulations may apply, so you should make sure that these are met by the systems functionalities. Be aware that in most cases technical and processual aspects go hand in hand and a procedural documentation may be needed.



## Working with digital personnel files

The operating principles behind digital personnel files make your everyday work easier.

### Fast search

Digital personnel files are much easier to search through than a paper archive. Full-text indexing means all the documents can be searched using keywords. You can find what you are looking for in seconds. To do so, you can use a single field search or adapt the search masks to your specific requirements.

### Easy editing

You can access your digital personnel files using your familiar operating interfaces (e.g. Word, Outlook, SAP) at any time with the push of a button: you can continue to work with them without any media gaps, and make and save changes with ease.

### Smart collaboration

With digital personnel files, you are no longer bound to a locally saved folders. Whether it's a colleague in the neighboring office or staff in the local branch – everyone can access their digital personnel file with ease to

work on them. The rights structure defined in the filing schemes ensures that each person receives only the information that they are allowed to see. Furthermore, it is also extremely easy to send documents and tasks through the system. A notification in the system mailbox and the e-mail inbox ensures that the relevant people definitely know a document has been shared.

### Checks at a glance

All the documents for and information in the digital personnel file can be viewed at a glance, making it easy to check whether the information in a document is correct. With one click, you can grant approval and store the document in compliance with auditing requirements.

### Direct storage

Store documents in just a few clicks – and directly from your existing systems if you want. They are automatically assigned to the right personnel file based on the properties read. However, you can also store them manually at any time.



### 3. Establishment phase

You have introduced the software, all your processes are running and the digital personnel files are available. Project complete, right? Not quite! The rollout of digital personnel files does not bring much to your company if staff do not work with them.



#### Change management – focusing on employees

**But how do you motivate staff to work with digital personnel files?**

1. Actively involve staff in the project: to start with, appoint a project team with people in charge who are active in each phase of the project. Throughout each phase, keep the rest of your staff informed about where the project stands, how it is going and what benefits they can expect from it.
2. Train! Book training sessions with the software provider itself. Let some of your staff become experts in working with the software. These experts can then teach other staff in the company.
3. Inspire! Show your staff the added value in their daily work. Describe useful functions. Do marketing: success stories, tutorials and groups in social media are helpful tools in this respect.
4. Identify fans of the software within the company and use them as influencers.
5. Listen! By actively listening, you can quickly identify fans of the software within the company and support them. You will also pick up on critical voices that might possibly weaken you. Active listening may also result in interesting suggestions for improvement.



## Be smart. Adjustments can be made at any time.

The dedicated analysis of the existing structure, the experience of a strong partner, and a well thought-out concept will ensure the best possible rollout of digital personnel files in your organization. Nevertheless, in the concept stage, you may not have covered all the use cases in your daily work. The structure of a digital personnel file is not set in stone, and adjustments can be made at any time. If sensible optimizations appear, they should be introduced. As a result, the system becomes even more efficient and meets more and more of your individual requirements.

## Digression: workflow development stage.

The introduction of digital personnel files gives you the perfect basis for digitizing and, to a great extent, automating all the processes in your company in the long term. You can implement workflows for a variety of different areas. We recommend starting with the processes that hurt the most. You can easily find out which processes they are by using an analysis matrix.

The digitization of the vacation request process offers the potential for a quick optimization because it's a recurring and repetitive process. With that in mind, we have filled out the analysis matrix below using the vacation request process as an example.





## Process analysis for vacation request process

### Previous process

The employee wants to request his vacation. In order to do so, the employee needs to do the following things. First, he needs to print out the vacation request form. He manually writes down the period of time he wants to take off. The employee needs to scan the form so he can send it to his supervisor who needs to approve the request. Then, the supervisor prints out the form so he can sign and therefore approve the vacation request. After that, the supervisor scans in the approved form so he can forward it to the employee as well as to the HR department. Then, HR manually deducts the days from the employee's leave quota.

### "Pains" for the company

- Process of manual work is time consuming (printing, scanning, signing)
- Media gaps exists
- Need to check if the vacation request was filled in correctly
- High rate of process errors due to manual tasks
- Time consuming for the involved parties during the approval process

### "Pains" for the employee

- Process of manual work is time consuming (printing, scanning)
- Lack of transparency in regard to the status of the request
- Not an easy overview of current leave quota
- Media gaps exists
- High rate of process errors due to manual work

### Media gaps

- Printing out vacation requests





## Process analysis for digital vacation request process

### Digital process

The employee uses an online vacation request form. By setting the period of his vacation time, the system automatically deducts the days from the employee's vacation quota. After submitting the form, the supervisor receives a notification to review the employee's vacation request. He then just needs to approve the request. After the approval, the employee receives a notification that his request was approved. HR doesn't need to do anything, since the days were deducted automatically and the request was saved to the employee's personnel file.

All involved parties can check the request's status at any time.

### Benefits to the company

- ✓ Avoidance of media gaps
- ✓ Increased transparency
- ✓ Minimizing sources of error
- ✓ Improved process quality
- ✓ Standardization of processes
- ✓ Reduced costs and processing time
- ✓ Increased employee satisfaction

### Benefits to staff

- ✓ Less manual work, higher level of automation
- ✓ Faster approval of vacation requests
- ✓ Employee can quickly see his current leave quota status
- ✓ More transparency in regard to the request's status

# d.velop

d.velop AG, founded in 1992 and based in Gescher, Germany, develops and markets software for the complete digitization of business processes and industry-specific procedures and provides companies with consulting on every aspect of digitization. By adding mobile apps as well as standardized and custom SaaS solutions to its established ECM portfolio of services relating to document management, archiving and workflows, the software manufacturer has also expanded to offer managed services. These services include sophisticated compliance management to provide legal certainty and ensure compliance with all statutory regulations.

d.velop provides digital services that connect people with one another and simplify and redefine workflows and cases. As a result, the ECM specialist helps companies and organizations to utilize their full potential. A strong global network of around 360 specialized partners ensures that d.velop Enterprise Content Services are available worldwide.

d.velop products – whether on premises, in the cloud or in a hybrid form – are now used by more than 12,200 customers across multiple industries with over 2.8 million users; these customers include Tupperware Germany, eismann Tiefkühl-Heimservice GmbH, Parker Hannifin GmbH, Nobilia, Schmitz Cargobull, FingerHaus GmbH, the city of Wuppertal, Basler Versicherungen, DZ Bank AG, Saarland University Medical Center and Greifswald University Hospital.

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