BOOST HR AGILITY: SIMPLIFYING AND SPEEDING REMOTE WORK WITH E-SIGNATURES

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In this report, we'll look at how e-signatures help HR departments modernize, identify the capabilities most vital to success, and reveal the benefits that HR departments gain from implementing e-signatures.

Transformation and improvement happen constantly within businesses. But sometimes, significant events occur that push organizations to accelerate their moves towards modernization.

The current environment — as a result of the COVID-19 pandemic, shut-downs, and stay at home orders — is definitely one of those significant events. In navigating this new environment, businesses are finding that trying to succeed with processes and technologies designed for in-person and in-office communications is a recipe for failure.

Today, remote work isn't just an option for some employees, it's now the reality for the majority of workforces. All areas of businesses are working to overcome the challenges of a mainly remote workforce, but these hurdles can be especially high for HR departments.

From onboarding and training new hires that have never been in an office, to managing benefits and payments, to staying regulatory compliant, HR departments often find that their processes are interrupted by manual steps and paper processes that are difficult — if not impossible — to carry out now. However, Aberdeen research has found that HR departments that are leaders in innovation, agility, and effectively managing employees, have been able to overcome these challenges by modernizing vital processes through the use of e-signatures.

Leading HR departments aren't simply choosing any e-signature solution. They are following key steps, best practices, and criteria to ensure that they are making the right choice and implementing e-signature solutions that will provide the greatest benefit.

The Challenge to Optimize HR in a Remote Work World

Few departments in an organization are more about talking to and interacting with people than HR — it literally has "human" in its name.

Successful talent acquisition has traditionally been based on in-person interviews and meetings, onboarding typically involves lots of meetings

Top Pressures on HR Departments Due to Covid-19:

- Push to reduce overall labor costs
- Low or declining employee engagement
- Need to reduce hiring costs
- Poor internal communications

Source: Aberdeen, September 2020

and training to go over what's expected of new hires, and the day-to-day management of staff often benefits from face-to-face interactions. All of this means that the current move to remote work has created a huge challenge for HR departments.

Aberdeen research has found that 91% of workers are able to work remotely, and today that means that most employees are. To successfully manage these remote workers, HR departments need systems in place that allow them to acquire talent, train and on-board workers, and manage staff no matter where they are.

Processes that are interrupted by slow and manual steps hamper these vital HR tasks even in the best of times and businesses today are facing more hurdles than ever before, especially when it comes to getting signatures, fulfilling compliance regulations and ensuring employees have needed information. Among the top challenges Aberdeen has found are that HR departments lack the right tools for document governance, they can't ensure compliance with regulatory requirements, and their current HR solutions limit productivity.

Figure 1: Top Pressures to Modernize HR Document and Process Management
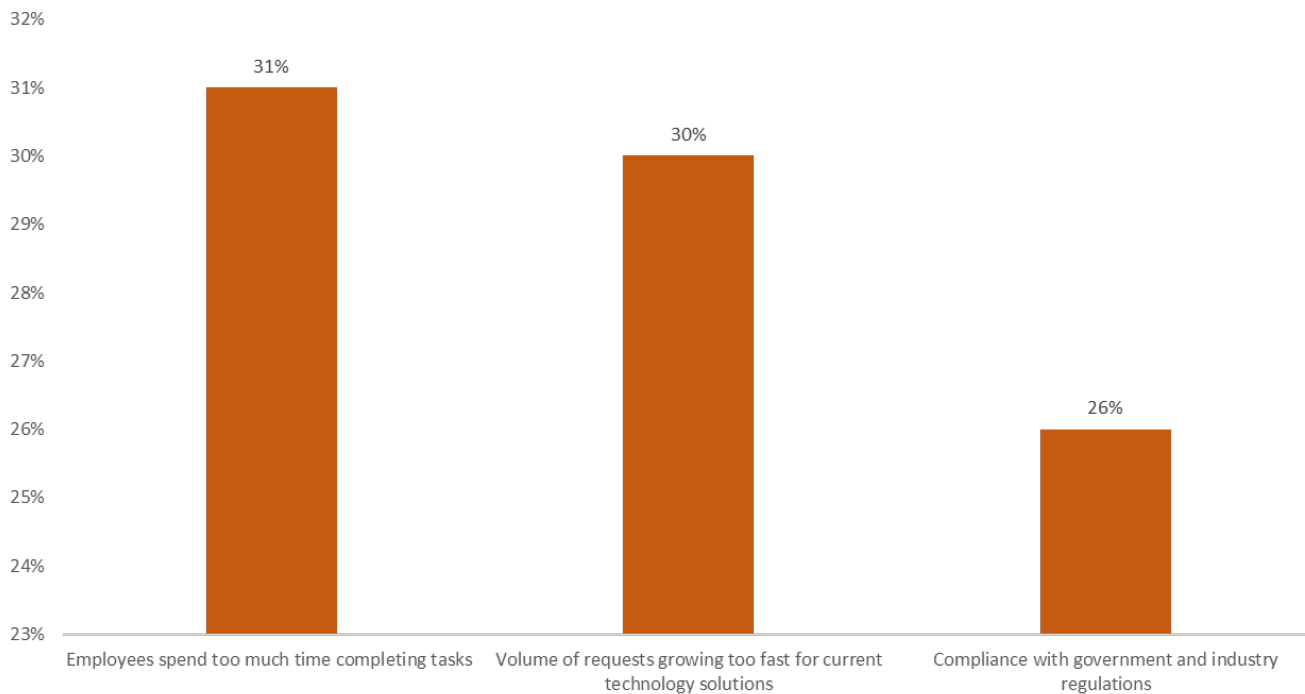
Source: Aberdeen, September 2020   n=528

To overcome these challenges, HR departments are increasingly driven to improve their document and process management capabilities, as shown by the top pressures in Figure 1. The top pressure that Aberdeen research has found is the amount of time that employees spend completing tasks.

When things that could take minutes end up taking days, businesses see real costs in lost productivity. Also, HR departments are pressured to improve simply by the sheer amount of requests they need to fulfill, which is often driven by new and complex regulatory requirements.

Clearly, these HR organizations need to modernize and improve. One of the best ways that they can innovate and embrace digital transformation is by digitizing processes that have manual and paper-based steps.

A Key Sign of HR Modernization and Agility

Increasingly in our daily lives, e-signatures have become a common way to finalize documents. If you've gotten a mortgage, bought a car, changed insurance, or done any number of personal tasks, there's a good chance you were able to sign for everything digitally. This is why it can be especially frustrating when a modern business still requires someone to put pen to paper, and then, mail or fax a document (who still even *has* a fax machine?).

So, it's no surprise that leading HR organizations have increasingly turned to e-signatures as a key driver of their process and document modernization and transformation efforts. In fact, Aberdeen has found that 94% of Best-in-Class organizations (meaning they are in the top 20% of key success metrics) are utilizing e-signature solutions.

With e-signatures in place, these leading HR organizations can efficiently and quickly acquire new hires, know that all required documents and processes have been followed during onboarding, and keep all vital contracts and documents managed accurately and securely. These organizations see a huge boost in efficiency as Aberdeen has found that, when e-signatures are deployed effectively, processes that often took days or even weeks are much more likely to be done in minutes.
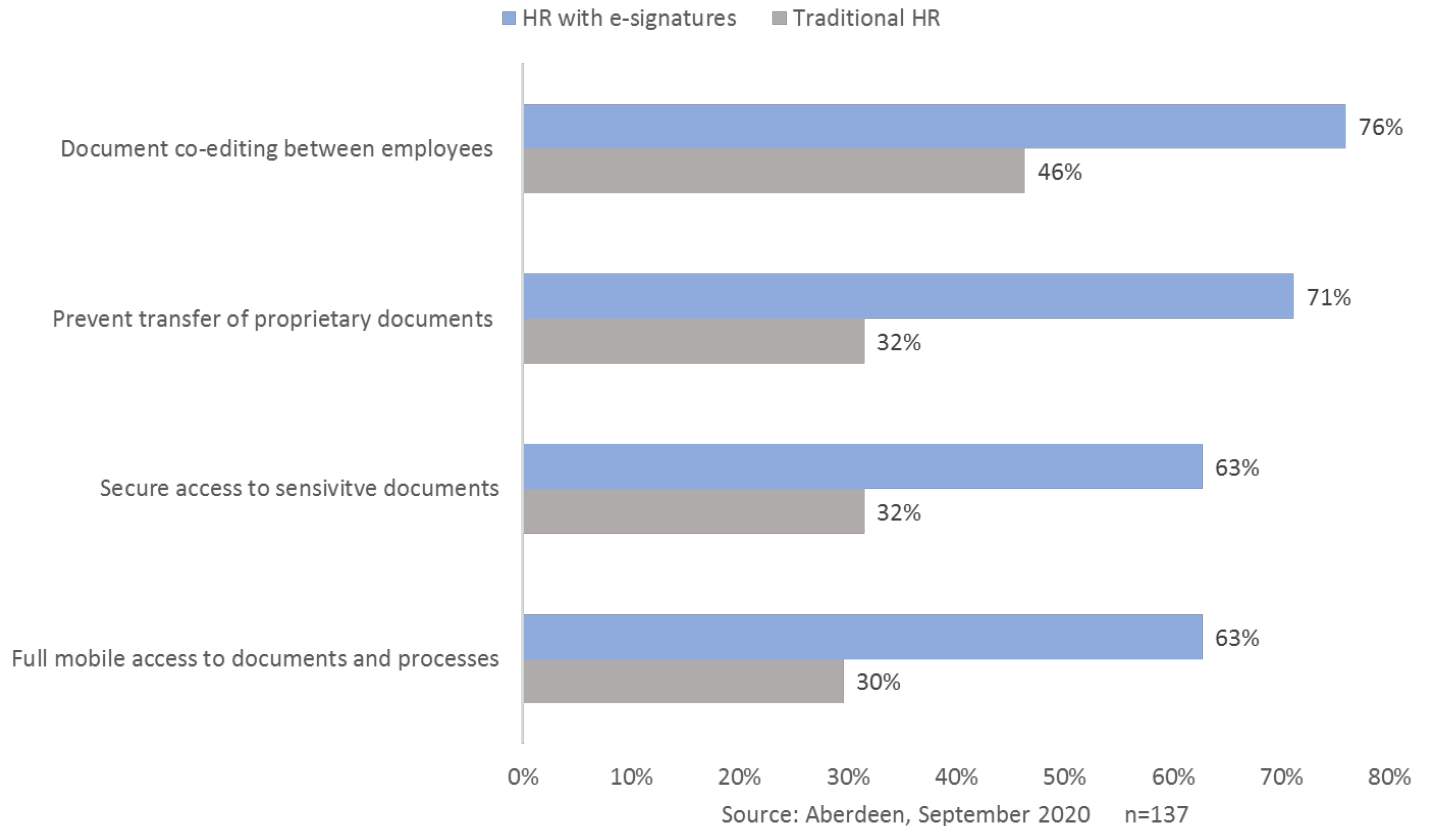
We've also seen that businesses leveraging e-signatures are more likely to be modernizing in other areas, utilizing more new technologies, and taking advantage of improved document and process management solutions and capabilities. HR departments that have modernized through

20 Minutes or Less

In a recent Aberdeen case study, after adopting e-signatures, a large financial firm saw turnaround for signed documents go from an average of several days

to under **20** minutes.

e-signatures are outpacing their traditional competitors in key document security and access capabilities (Figure 2).

Figure 2: HR with E-signatures Leads in Document and Process Management Capabilities

Legend: ■ HR with e-signatures ■ Traditional HR

Capability	HR with e-signatures	Traditional HR
Document co-editing between employees	76%	46%
Prevent transfer of proprietary documents	71%	32%
Secure access to sensivitve documents	63%	32%
Full mobile access to documents and processes	63%	30%

Source: Aberdeen, September 2020   n=137

Looking at this data, we see that HR departments that are already benefitting from e-signatures are also making documents more accessible to remote workers: they are 65% more likely to allow for document collaboration and more than 2x more likely to provide full mobile access and capabilities. These more agile and modernized HR departments are also highly focused on ensuring that documents and processes are secure, as they are 2x more likely than traditional HR to both secure access to sensitive documents and utilize compliance tools to make sure sensitive information doesn't end up in the wrong hands.

When agile and forward-looking HR departments utilize e-signature solutions, they aren't simply deploying a single technology for digital signing of contracts, benefits, and regulatory documents. They are actually implementing a key step of a strategy to modernize and innovate

in every area of communication, collaboration, document management, and security.

How the Right E-signature Solution Leads to HR Success

So, what is the right way for a forward-thinking HR department to choose and implement an e-signature solution? Is it simply a matter of picking e-signature software off a shelf and running with it?

Based on Aberdeen research, leading businesses put a lot more thought and effort into their selection criteria and deployment of e-signature systems. These leaders look for innovative solutions that are cloud-native, mobile ready, and take advantage of emerging technologies such as artificial intelligence.

Most importantly, they leverage e-signature solutions that can be tightly integrated with vital business systems such as email, real-time collaboration and communication, document storage systems, and HCM platforms. They also look for solutions that implement cutting-edge artificial intelligence technologies that streamline tasks and workflows (like forms-based processes) and ease regulatory compliance. Moreover, they look for partners who understand their requirements and are focused on modernization and future-proof capabilities.

With this integration and intelligence, employees and HR staff quickly leverage e-signatures within the tools that they use every day. When workers don't need to open another window or learn how to use new software, they can easily take advantage of e-signatures for signing new hires and approving documentation, which in turn speeds their daily workflows. Moreover, AI-driven automation saves time and boosts time to resolve tasks and processes.

Best-in-Class Benefits for E-signature Powered HR Departments

We've seen how prevalent the use of e-signatures is among businesses identified as Best-in-Class for HR departments. In fact, at 94%, it's nearly impossible to find a Best-in-Class organization that doesn't use e-signatures. The reason for this is clear: These businesses see significant benefits in vital areas of HR, especially onboarding new employees. With the increased challenges we've found due to the current pandemic and remote work situations, leading HR businesses are outpacing peers and fueling their overall agility and innovation, as seen in Figure 3.

Looking at this data, we find that when the Best-in-Class use e-signatures, they are 22% more likely than their competitors to report improvement when onboarding new hires and 45% more likely to boost their document management capabilities.

Figure 3: How Best-in-Class HR Wins with E-signatures

■ Best-in-Class ■ All Others

68%

56%

67%

46%

Onboarding   Documents management
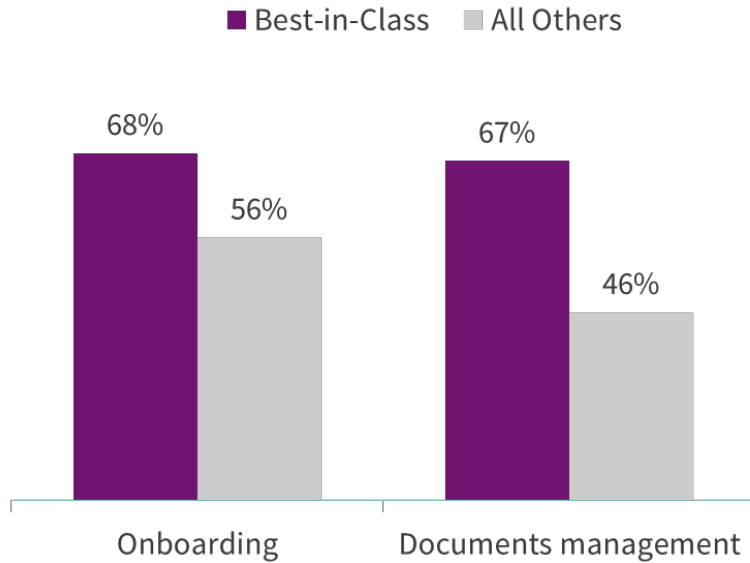
% of respondents who indicated each program "Improved" workforce performance

n = 250, Source: Aberdeen, May 2020

With e-signatures fully integrated into their core systems, these organizations increase flexibility, improve security, carry out all tasks, and ensure everything is complete and accurate — even when newly hired talent has never entered an office or met with HR face-to-face.

However, while the utilization of e-signatures is pervasive within the Best-in-Class, HR departments don't have to be leaders to see the benefits of these solutions. Aberdeen research has found that any HR department that effectively deploys integrated e-signature solutions gains advantages over their competition and boosts vital areas of talent acquisition, onboarding, and overall productivity.

We compared HR departments that have deployed e-signature solutions with those that are still attempting to get by with traditional manual and paper processes (Table 1). Looking at this data, we see that HR departments with e-signature capabilities see significant benefits and are better able to reach their goals.

Table 1: Boosting HR Agility with E-signatures

HR departments that utilize e-signatures:

4x	faster time-to-hire than competitors
50%	more likely to not need IT assistance to obtain signatures of employee contracts / documents
70%	higher employee productivity

With modernized and integrated e-signature capabilities at their disposal, these HR departments are able to hire and bring on new employees at a rate that is 4x higher than their competition. By removing the barriers of in-person signatures and processes, these more agile and innovative businesses have new workers on the job and productive right away. With a more agile HR department, these businesses are meeting the pressure to reduce costs in hiring, and, as the increased productivity shows, they are boosting employee engagement and communication.

By having an intelligent and integrated e-signature solution at their disposal, HR staff also easily send and collect e-signatures without ever having to bring in IT assistance, thus saving valuable time and resources for both departments. And with the many security and compliance capabilities that come with modern e-signature systems, these HR departments are much more likely to find that the quality of their content and documents is of the highest level.

Recommendations and Key Takeaways

The move to an increasingly remote and at-home workforce isn't likely to reverse, even after the pandemic is over. Even without COVID-19, in a world where schools no longer teach cursive writing and biometrics are pervasive, reliance on paper and pen signatures was probably going the way of the horse and buggy anyways.

It makes sense that Best-in-Class HR departments have already made the move to modernized e-signature solutions. These systems are a key reason why these organizations are more agile, flexible, and productive than their competitors.

E-signatures are the new normal for acquiring talent, onboarding hires, and managing and assisting employees — these capabilities are basically synonymous with Best-in-Class HR operations. To modernize and transform your HR department, consider these key steps towards success.

▶ **Know When and Where to Focus the Technology First.** Successful organizations first implement e-signatures for high volume processes where they will see the most value add. As the benefits become apparent for this initial rollout, the business can then focus to the next highest value add process, and so on.

▶ **Implement fully integrated e-signature solutions**. On its own, an e-signature tool can improve HR processes and tasks. But when staff can't use them within their preferred work environments, or need to undergo additional training, then a business is just putting up unnecessary barriers. Best-in-Class HR departments implement e-signature systems that are well integrated with the tools and systems that staff work with every day.

▶ **Build for agility.** The differences between e-signatures and traditional HR processes is pretty stark. Open a digital document and press a button to sign, or print out a document, sign it, and then mail or fax or sneaker-net it back to HR. One option takes seconds, the other takes hours or even days. When HR departments leverage e-signatures, they speed processes and are able to hire and onboard fast and efficiently.

▶ **Future Proof HR**. Today's technologies are transforming constantly and things like artificial intelligence and mobile access that once seemed cutting edge are now expected table stakes. HR departments that want to become leaders need to leverage solutions and technologies that aren't just designed for today's capabilities but are well positioned to work with what's coming tomorrow.

About Aberdeen

Since 1988, Aberdeen has published research that helps businesses worldwide to improve their performance. Our analysts derive fact-based, vendor-neutral insights from a proprietary analytical framework, which identifies Best-in-Class organizations from primary research conducted with industry practitioners. The resulting research content is used by hundreds of thousands of business professionals to drive smarter decision-making and improve business strategies. Aberdeen is headquartered in Waltham, Massachusetts, USA.