

CASE STUDY: GLOBAL ENTERPRISE



**OneSpan**

The Digital Agreements Security Company

# From Contracts to HR

Increasing the Business Impact of Electronic Signatures Across the Enterprise

# AT-A-GLANCE

<b>INITIATIVE</b>	<b>DIGITAL TRANSFORMATION IN HR</b>
<b>SYNOPSIS</b>	Within this company, one division is transforming the hiring process by integrating e-signature technology with SAP Human Capital Management (HCM) to keep recruiting and onboarding end-to-end digital. For phase 1, this project focuses on the hiring process for temporary employees. The company will progressively extend e-signature to other HR processes.
<b>TIMELINES</b>	<b>2020 – 2021 TO LAUNCH PHASE 1: HIRING OF TEMPORARY EMPLOYEES</b>
<b>KEY BENEFITS</b>	<ul style="list-style-type: none"> <li>· OneSpan Sign was already used in another business unit for e-signing B2B contracts globally. The corporate team responsible for the new HR roll-out was able to leverage existing e-signature knowledge in this other business unit to facilitate their HR transformation project.</li> <li>· Save 60 sheets of paper and \$10 per hire by eliminating the need to scan paper files into the system. In 2020, the business unit in question hired 90,000 seasonal workers at an imaging cost of \$900,000.</li> <li>· Reduced the time to hire and onboard new recruits.</li> <li>· Increased employee satisfaction among recruiters and hiring managers.</li> <li>· Used the corporate IT Services team to integrate OneSpan Sign with SAP and develop in-house e-signature expertise.</li> <li>· Laid the groundwork to expand e-signature to other HR processes.</li> </ul>
<b>IT ECOSYSTEM</b>	<ul style="list-style-type: none"> <li>· OneSpan Sign</li> <li>· SAP Human Capital Management</li> </ul>

## Expanding Enterprise Digitization

This company employs a workforce of over 100,000. E-Signature use is quickly growing across the company, where OneSpan Sign is used for processes such as signing B2B.

As e-signature adoption grows across their business, the e-contracting use case became a model for a large-scale HR digitization project within another division. The HR project required e-signatures to maintain a fully digital recruiting process.

E-Signatures were essential to ease the hiring process for their 1,500 recruiters and hiring managers – as well as the tens of thousands of seasonal employees needed to temporarily staff the company's service branches during peak periods each year.

By integrating OneSpan Sign with their SAP Human Capital Management (HCM) platform, the company has improved the hiring process, increased employee satisfaction and cut costs. They have also laid the groundwork for expanding e-signature to hundreds of other HR processes, including rehiring on-call staff, contract renewals, contract changes, and much more.

**“ Without e-signature it's impossible to have a clean, end-to-end digital process that doesn't break. ”**

**- Company stakeholder**

## Scanning New Hire Paperwork Cost Nearly \$1 Million per Year

For the past 3 - 4 years, the company has been accelerating digitalization in corporate center functions such as HR. As part of their HR transformation, the company introduced an eFile or electronic employee file to digitize all employee records.

Prior to going digital, the HR team would print, sign, and process employee records on paper. All of this paperwork then had to be boxed and shipped around the country to various storage facilities where it is retained for 10 years.

While the transition to digital is underway, employee records still being executed on paper have to be scanned to create the eFile. This adds more costs, time, and effort that will be eliminated once processes are paperless. It costs \$10 per hire just to scan the 60 pages of new-hire paperwork into the system. For the 90,000 temporary workers hired in 2020, the \$900,000 in scanning costs triggered a corporate team to find a better solution. The team proposed electronic signatures to executive management and got approval to implement an e-signature solution.

Although imaging costs were the primary problem, the division also had a challenge with the time required to hire and onboard temporary staff. From the point where the candidate applies until their first day of work, HR wanted to speed up the process from 2 weeks to 2 days. With a digital process that new hires could complete on their phone before arriving on-site, management saw an opportunity to speed up the process and enable new hires to start working sooner.

## Complex Processes Require a Flexible E-Sign Solution

Ahead of peak seasons, it's typical to hire and onboard as many as 8,000 people at a time. It's important that this volume of HR processing happen quickly and efficiently, so new hires can begin working as quickly as possible.

Prior to introducing e-signatures, the hiring process would take place face-to-face. Applicants would arrive on-site, staff would check their passport to confirm identity, and both parties would review and sign HR documents face-to-face.

For these limited contracts, there are up to 15 documents that make up the onboarding package and employment contract. In the onboarding package, only 4 documents need signatures. Of these, each needs two signatures: one each from the recruiter and employee. In the contract package, there is the contract and three other documents that require signature.

Because hiring processes are subject to legal regulations, there are added layers of complexity when automating. That's why the project team looked for flexibility in their e-signature solution – to smoothly handle all scenarios and exceptions. This includes:

- **Flexibility of e-signature types:** Limited employment contracts have different legal requirements than permanent contracts. For temporary workers, the documents in the onboarding package can be signed with an Advanced Electronic Signature (AES), but the documents in the contract package require a Qualified Electronic Signature (QES). The company needed an e-signature solution that would support both signature types.
- **Flexibility to partially automate a process in order to get started and gain experience:** To launch the digital process, the team focused on keeping it simple. For the first year, only documents that can be e-signed with an AES were automated. This made it possible to gain experience with e-signatures and achieve immediate cost and time savings, without having to automate everything all at once.
- **Flexibility to print and sign on paper when needed:** They also needed the ability to print to paper if required. To start, they are offering e-signatures as optional. The hiring manager can choose the digital process or use paper if a new hire requests it. The HR team is excited about the new digital process, but having the flexibility to print when necessary was very important. When this happens, any paper documents signed in ink can be scanned and uploaded back into OneSpan Sign so that downstream processing remains digital.
- **Flexibility to support both remote and on-site scenarios:** One of the biggest differences in the new digital process is that signing no longer has to take place on-site. This was a significant change to a process that had always happened face-to-face. With digital came new opportunities to optimize the process, so the team focused on the remote scenario to start.

To enable the remote workflow, one of the first questions the recruiter will ask a new hire is whether they have a phone.

- If yes, the recruiter explains to the new hire how to sign on their phone. The new hire then receives an email notification with a link to a secure site where the documents are hosted. Because they already authenticated when logging in to their email account, they do not have to re-authenticate to access the documents.
- If no, the recruiter switches to paper and the documents are signed on-site.
- **Flexibility to support a range of authentication methods:** Because OneSpan Sign supports a broad range of authentication options, the company can choose from nine different user authentication methods for other types of HR processes in the future, from SMS one-time passcode to digital verification of a government-issued ID document.

## INTEGRATION WITH SAP HCM

### Pre-Integration Reasoning

#### Why Build?

The company desired an integration with SAP HCM to handle the onboarding packages and contract packages for hiring and re-hiring employees. Since SAP had no plans to build a OneSpan Sign integration into their HCM platform, the company needed to find another way. After some investigation, they decided to build an integration with their own internal experts.

#### Where to Start?

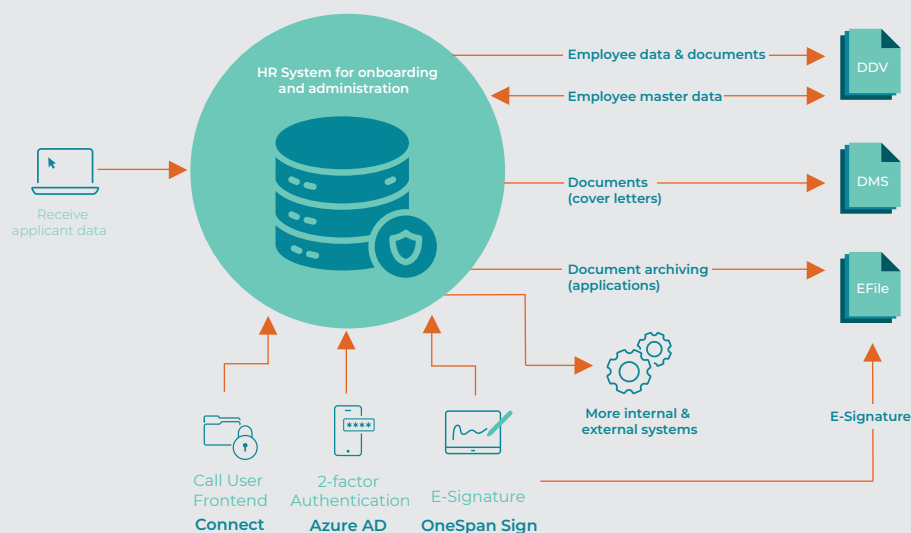
Since the team was looking to transform two processes (the onboarding package and the contract package), they wanted to narrow the scope of the first phase of the integration. Due to the requirement for a Qualified Electronic Signature for the contract, they started with the onboarding package first.

### The Integration

The company uses a separate system (non-SAP) for recruitment. The decision to hire the candidate goes through this platform. Upon deciding to hire the candidate, a link is generated, taking the recruiter to a web form where the final completion of data entry is done for the onboarding package (and in the future, for the contract package as well).

This is where the OneSpan Sign integration is initiated. The onboarding package documents, recruitment sheet, and signer information for the onboarding package are sent to OneSpan Sign to generate an e-signature package. The candidate receives an email via the OneSpan Sign service to review and sign ~60 pages of documents. Receiving these documents remotely is very useful as it allows the candidate plenty of time to review and sign the documents before arriving on-site.

Once the candidate e-signs and the "Completed" notification is received by the integration, the documents are retrieved from OneSpan Sign and archived in the eFile system. After this, the candidate comes in for their on-site appointment to manually sign the employment contract. This employment contract and the QES requirement will be the next phase of their digital transformation.



Basic architecture diagram of the company's integration of OneSpan Sign with SAP HCM.

## Building the Integration

The overall process of building this custom integration ended up being fairly straightforward. To create the transaction within OneSpan Sign, an ABAP module had to be built within the SAP HCM platform to accept the documents and data from the web form. A single REST API POST call is made to OneSpan Sign with a multi-part form, including the documents and transaction metadata payload. Within the SAP system, the ABAP module needed to be given an IP address to be able to send this call.

Once the transaction is generated in OneSpan Sign, the e-signature service takes over and sends notifications to the users to invite them to sign the documents. OneSpan Sign is able to send out Callback Notifications to help facilitate an end-to-end solution of creating the transaction and then archiving the completed documents in their final resting place.

To handle these notifications, a standalone listener application was created. When an action happens within OneSpan Sign, like an email bouncing or a transaction completing, a POST request is sent to this listener application. To route the calls to the appropriate location, the company configured the URL to their listener application within the OneSpan Sign admin panel. (For additional security, the team can specify a Callback Key, which will be sent along with the POST notifications from OneSpan Sign, in the Authorization header.)

For this integration, the company cared most about the PACKAGE\_COMPLETE notification coming from OneSpan Sign. Upon receiving this notification, API calls were made to download the signed documents and the evidence summary from the OneSpan Sign system. From here, these documents were sent into the company's archival platform, eFile.

This overall process took two developers about 30 days. What makes this more impressive is that going into this, they didn't know where to start. Given some initial direction, like in this case study, this integration could take even less time to complete.

## NEXT STEPS

The company's goal is to achieve 80% digital adoption and reduce paper to only 20% of cases. While still in the early stages of roll-out, recruiters and hiring managers are seeing encouraging results. Candidates are either looking at the paperwork at home beforehand or choosing to sign documents with their mobile devices on-site in minutes.

***“Applicants are very satisfied,” says a company spokesperson.***

***“They feel that they have chosen the right company, because they don’t have to work through 60 pages of paper, but can sign digitally on their cell phone.”***

Looking forward, the company is considering e-signature for other areas of the business. “We now know how the integration into OneSpan Sign works. In the future, the implementation will be much quicker,” says the spokesperson.

The project team has developed a module-independent integration that can easily be reused and adapted for additional integrations with other SAP modules.



***We are not just improving an individual process by introducing e-signature.  
We are improving the end-to-end hiring process.***



***- Company stakeholder***

## About OneSpan

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OneSpan, the digital agreements security company™, helps organizations accelerate digital transformations by enabling secure, compliant, and refreshingly easy customer agreements and transaction experiences. Organizations requiring high assurance security, including the integrity of end-users and the fidelity of transaction records behind every agreement, choose OneSpan to simplify and secure business processes with their partners and customers. Trusted by global blue-chip enterprises, including more than 60% of the world's largest 100 banks, OneSpan processes millions of digital agreements and billions of transactions in 100+ countries annually.

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