Digitization Makes Small HR Teams More Productive and More Personal

While the core responsibilities of human resources are mostly consistent across different sizes of organizations, HR professionals at smaller companies can encounter a unique set of challenges. Some of these include:

– Working with limited budgets, resources and staff

– Handling a wide variety of tasks across the entire recruiting and hire-to-retire lifecycle

– Sourcing and implementing tools

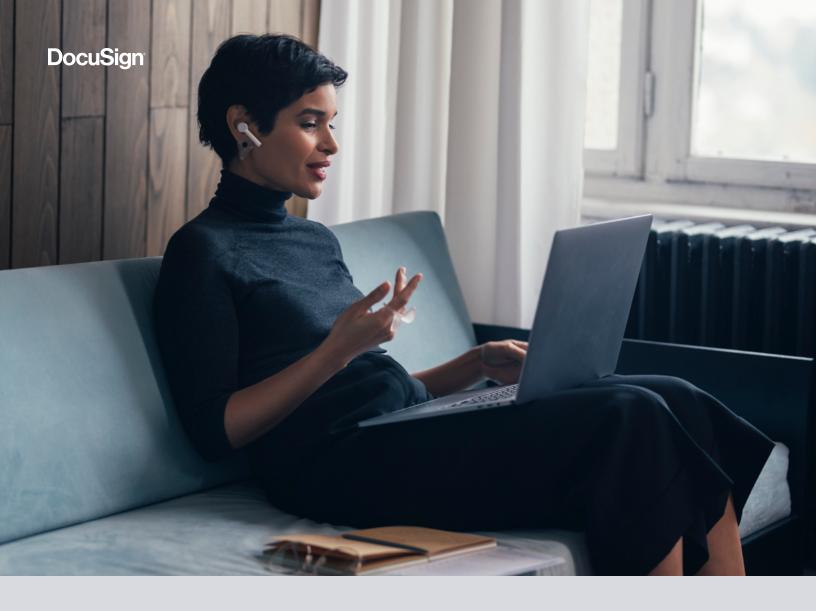– Setting policies and enforcing compliance

Add in current macro factors like labor shortages, increased competition, quiet quitting, economic uncertainty and the lingering effects of the upheaval from the last few years, and it's clear that HR professionals on small teams need a lifeline.

A recent survey of more than 1000 HR leaders indicates that 81% are burned out and 62% are considering changing careers. These alarming results clearly show it's past time to prioritize assistance for HR professionals, whose most critical responsibilities are helping employees navigate work pressures and supporting the pursuit of meaningful, successful careers.

Productivity is the point, but people should be the priority. Being more productive doesn't mean pushing hustle culture or distorting work-life balance. It means providing exceptional experiences, automation tools and frictionless processes so employees can focus on more strategic outcomes and professional development, reducing frustration and improving productivity and value.

In the same survey, 83% of HR leaders say they lack the right technology to achieve these goals. Yes, although it seems counterintuitive, digitizing operations is actually a great way to humanize an organization. Technology that automates repetitive tasks and removes barriers to convenience can create space for more meaningful human connections.

This paper explores four ways HR leaders at small businesses can reimagine their operations by embracing digital tools that help drive productivity, reduce paperwork and put people first.

1 Building a digital foundation

Digital technologies are now ubiquitous. And it's not just enterprises that benefit from their transformative power. A study by the U.S. Chamber of Commerce put this in perspective: 93% of small businesses use at least one technology platform to run their company, with 94% reporting it increases their organization's operational efficiency.

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And that's not all. Nearly nine in ten (88%) of those respondents say the technology helps them find more enjoyment in running their businesses, and 80% agree it positively impacts their work-life balance.

Even still, there's a good reason to take a cautious approach: digital tools can actually hinder productivity and increase frustration if not deployed strategically and used intelligently. Many small businesses are already using HR software; however, it's likely that some of these tools are functioning as point solutions.

There are two significant challenges with point solutions. First, the lack of integration between various HR systems operating on separate platforms or using incompatible data formats can cause issues with data synchronization, requiring manual workarounds and leading to potential data discrepancies. In a DocuSign survey of HR and other professionals, over 90% of teams report that their existing software isn't being used to full capacity, mainly because they aren't integrated with other tools and systems. Second, when each system has its own interface, login credentials and processes, it requires users to switch between platforms and workflows. This is incredibly draining for employees who lose about four hours per week toggling between these systems. That adds up to 26 days annually, a productivity drain that small HR teams cannot afford.

Small HR teams with limited budgets must spend wisely and consider how new tools will impact the entire HR lifecycle and even other parts of the business. It's also the perfect time to analyze their operations to determine which inefficiencies—like paper-based processes and manual data entry—can be rooted out and replaced with automation.

Building a digital foundation is about thinking big but starting small. That means implementing systems that provide quick and long-term ROI. These tools should provide immediate relief from redundant and error-prone tasks, integrate seamlessly into existing systems and workflows, and scale with future growth.

2 Prioritizing the employee experience

For HR professionals, employees are their most important customers. At any step in the hire-to-retire lifecycle, HR can play a crucial role in ensuring employees have a great experience. Exceptional employee experiences have a ripple effect across the rest of the business—positively impacting everything from recruiting to retention, customer satisfaction and the bottom line.

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According to recent research, 59% of U.S. workers are experiencing some form of burnout. But on the bright side, a Gartner study reveals that employers shifting to a human-centered approach are seeing a 20% increase in employees' mental and physical health and a 21% improvement in the number of high-performers.

But it's important to remember that HR professionals are employees too, and their well-being should never be overlooked. Just as happy sales and customer success employees lead to happy customers, the health and well-being of HR employees directly impact overall employee happiness. Small businesses must keep all their people at the center of everything they do to ensure a virtuous cycle of success.

There's a fundamental truth at the heart of the employee experience: people want to be recognized as people. That recognition can take many forms, but generally, it's centered around empathy. It's easy to say you understand where your employees are coming from, but putting compassion into practice means first listening and then providing carefully crafted options and opportunities.

Here are a few ideas for building an empathetic workplace:

– Normalize mental health discussions and encourage employees
  to use all available resources

– Be mindful of workloads and don't overburden employees with manual,
  repetitive tasks that can be automated

– Ask employees what will be fulfilling and find ways to weave that
  into their responsibilities

– Conduct regular manager-employee check-ins and quarterly reviews
  that prioritize progress

– Find ways to reduce unnecessary frictions and silos to free up time to spend
  on valuable strategic growth and development

– Encourage taking time off to recharge and promote a healthy work-life balance

– Recognize and reward top performers

– Leverage technology to offer flexible working arrangements and make all
  interactions—internally and externally—as simple and convenient as possible

Above all, prioritizing the employee experience is about fostering open communication. Understanding what employees need to perform at their best and building that into their daily experience creates a culture that will help grow their careers and the overall business.

3 Improving the candidate experience

An essential part of running a successful small business is recruiting top talent, quickly. Turnover will happen, so it's critical to replace outgoing employees efficiently to maintain stability and continue to grow.

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The ability to offer modern, convenient experiences to candidates goes a long way toward attracting and hiring the best people. Mobile devices and apps are ubiquitous, so candidates understandably expect the simplicity and immediacy of digital interactions with prospective employers. But when they're forced into manual processes and paper-based transactions, it makes the experience—and the outcome—worse for everyone.

Time is valuable, and one study shows that 70% of candidates are unwilling to submit a job application if it takes more than 15 minutes to complete. They probably can't know upfront how long it will take, but if it's time-consuming and laborious, they'll prematurely abandon the process. They may also share poor technology experiences with outdated systems on social media and job-seeking platforms.

The HR department is central to ensuring candidates have the best possible experience. And it's much more than just recruiting. A great candidate experience encompasses every interaction they have with the company and its brand—from interviews to the website and social media presence, employee referrals and even company ratings on review sites.

The common threads in top-notch candidate experiences are, once again, convenience and communication. More than 60% of candidates say that if they received feedback during the interview process, they'd be more likely to apply to the same company in the future—even if they didn't get the job.

Nobody wants to be ignored or ghosted, especially after they've gone through several steps. But small HR teams often struggle to manage all of these aspects, especially if they want to provide valuable feedback to each candidate.

Automation is a must for small-business HR teams with limited resources. It's a force multiplier that will help them stay competitive and create meaningful, lasting impressions with candidates.

Here are just a few candidate experience processes that can be automated:

– Application forms and résumé submissions

– Résumé screening

– Personalized communications and status updates

– Execution of NDAs

– Interview scheduling

– Skills assessments

– Surveys

– Approval and acceptance of offer letters

– New hire paperwork

However, be mindful and strategic about integrating these tools with other platforms and HR workstreams. Streamlining the candidate experience saves time for everyone involved, improves brand perception, and helps attract—and keep—top talent.

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4   Securing critical information and building trust

Putting people first means prioritizing their experiences so they can perform at their best. Digital transformation is an essential element of that commitment. Implementing tools that enable the anywhere economy, including helping organizations conduct business remotely and offering employees and candidates flexible and convenient experiences improves morale, productivity and the overall business.

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However, embracing modernization also comes with risks. Small businesses make up 99.9% of all companies in the U.S. and, unfortunately, 47% have suffered a cyberattack in the past year. Maintaining system security and confidentiality obviously poses another challenge, especially with sensitive employee information stored within these systems. Organizations must invest in robust cybersecurity measures and stay vigilant against potential data breaches or unauthorized access. With a single data breach's median cost reaching $18k in 2022 and rising, small businesses simply can't afford to use digital tools with suboptimal security.

While that dollar amount is high—especially for small businesses—it doesn't account for the accompanying damage to the business' reputation and trust. HR departments deal with sensitive employee and candidate data every day, and it's imperative they keep it private and secure. And, although digital platforms introduce cybersecurity risks, selecting the right tools with airtight data safeguards is still better than relying on legacy processes and physical documents.

Here are just a few ways digital solutions are the best way to protect vital data:

– Access controls that grant and prevent viewing rights based on roles and other customizable parameters

– Encryption that renders files unreadable even when unauthorized people or machines access them

– Backup and recovery of sensitive documents by storing them in multiple digital locations

– Monitoring and audit trails that track who accessed a file when and any changes that were made

– Compliance with regulations on safeguarding personal information

While these tools do the heavy lifting, there's still a critical human element. Security is only as strong as the weakest link in the chain. So it's essential to create data-handling policies and regularly train HR professionals on stringent security practices.

Digital transformation is a must for small businesses to stay competitive, but it simply can't be considered without a robust security plan. Human resources solutions and teams that prioritize security help build invaluable trust with employees, candidates and customers.

It starts and ends with agreements

The world is quickly adopting digital, mobile workflows that prioritize customer and employee experiences. Today's employees and candidates expect flexible employer interactions digitally from virtually anywhere, on any device, at any time. Printing, signing, scanning or physically returning paperwork such as offer letters, releases for background checks, and employee handbook acknowledgments is an outdated hassle. Smaller businesses can benefit from offering modern, convenient experiences to help them remain competitive in tight labor and customer service markets.

Agreements and contracts are a great place to start building a digital foundation because they undergird all business relationships and are the lifeblood of the HR-candidate-employee lifecycle. In a recent survey of HR leaders who digitized their agreement processes, 44% of users were more likely to report gains in productivity and 40% reported improved employee experience.

Providing exceptional experiences for employees and candidates demands a digital, streamlined, integrated approach to agreements across the recruiting, onboarding, compensation, compliance, performance management, benefits and offboarding phases of a person's journey.

Technology also serves as a powerful ally for small HR teams, helping them to overcome the challenges associated with heavy workloads and labor costs. Embracing technology enhances productivity and accuracy while empowering smaller HR teams—even teams of one—to focus on initiatives that drive long-term success. With the right technology, small businesses can streamline their HR operations, drive efficiency and position themselves for growth.

DocuSign can help replace the outdated and paper-based processes that are driving frustration and preventing your small business from attracting—and retaining—the best and brightest people.

Download the helpful HR Guide to Digital Agreements today and visit DocuSign for HR to learn more.

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