

HAERGI

WHITE PAPER

CHANGES IN EMPLOYEE
DOCUMENTATION MANAGEMENT:
FROM PAPER FILES TO E-FILES
IN THE DIGITAL ERA

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Introduction

A personal file is a set of documents related to an employee's employment, which the employer collects and stores in order to accurately document the course of employment and meet the requirements of labor law and personal data protection regulations. The employer is obliged to secure employee documentation in a manner that ensures its confidentiality, integrity, completeness, availability and protection against damage or destruction for a specified period of time.

The first references to the obligation to document employee matters in Poland can be found in the Regulation of the Minister of Labour and Social Policy of 28 May 1996. Pursuant to the second chapter contained in this document, the employer establishes and maintains individual personal files for each employee. These documents had to be divided into three sections: A, B and C. Section A contained materials related to the recruitment process, Section B included documents related to the establishment of the employment relationship and the course of employment, while Section C dealt with documentation related to the termination of employment.

In addition, the regulation required that "documents placed in different sections of personnel files be arranged chronologically and numbered; each of these sections had to contain a complete list of the documents that were contained in them."¹

To date, these regulations have managed to develop and undergo significant changes, mainly due to the need to adapt the law to the new technological and organizational realities. Changes have taken place in such elements as:

¹ <https://www.infor.pl/akt-prawny/DZU.1996.062.0000286,rozporzadzenie-ministra-pracy-i-polityki-socjalnej-w-sprawie-zakresu-prowadzenia-przez-pracodawcow-dokumentacji-w-sprawach-zwiazanych-ze-stosunkiem-pracy-oraz-sposobu-prowadzenia-akt-osobowych-pracown.html>

- Form of keeping records – in 2015, the possibility of partially keeping personal files in electronic form was introduced, while the Regulation of the Minister of Family, Labour and Social Policy, which came into force on 1 January 2019, enabled full keeping of employee records in electronic form.²
- Document storage period – the length of time for which the employer must store employee documentation has changed – from 50 years to 10 years.
- Employer's information obligations – the employer's obligations to inform employees about the manner and rules of processing their personal data have been strengthened, which is the result of the introduction of the General Data Protection Regulation (GDPR).
- Access to files by the employee - modern regulations give employees greater rights to access their employee records and their copies, which makes it easier for them to control the information stored about them in the company.

Development of documentation technologies

The history of electronic personal files in the world dates back to the 70s of the twentieth century, when some organizations began to experiment with computer processing of employee data. At that time, all HR records were kept only on paper. HR systems would only be found in payroll, with green screen technology on mainframes, although these systems often generated basic printed reports, such as employee lists.

In the 1980s, HRIS (Human Resource Information Systems) began to appear, which combined HR management functions such as recruitment, employee data management, and benefits administration. The advancement of

² <https://isap.sejm.gov.pl/isap.nsf/download.xsp/WDU20180002369/O/D20182369.pdf>

technology meant that these systems became more and more advanced and more and more companies had the opportunity to implement them.

In the 90s of the twentieth century, Windows systems began to replace DOS systems, and HR systems underwent modernization, which included new reporting capabilities, improved functionality, added multi-user distribution via LAN and introduced new modules to meet the needs of HR employees.

In the 21st century, the development of the Internet and cloud technologies has made electronic personnel files a standard in most large organizations around the world. HR systems have become extensive platforms that, in addition to storing employee data, also offer tools for data analysis, trend forecasting and talent management. Thanks to the cloud, access to these systems became possible from anywhere in the world, which enabled companies to effectively manage HR.

Digitization of personal files in Poland

In Poland, companies have also not remained indifferent to the development of HR systems. Digital solutions have become a popular choice, including electronic personal files. This contributed to changes in Polish law that took place at the end of the second decade of the 21st century.

Retention period

Since 1 January 2019, the Act of 10 January 2018 has been in force, which significantly shortened the period of mandatory storage of employee documentation – from the applicable 50 years to 10 years. This change applies to people who were hired after 31 December 2018.

Shortening the period of storage of employee documentation is a significant convenience for employers, because the 50-year period of storage of employees' personal files was associated primarily with the costs of their storage and protection against destruction.

From 1 January 2019, the employer has gained the possibility of choosing – it can stay with the paper version or switch to e-files, storing employees' personal files in an electronic version for 10 years. This option applies only to employees hired after 1 January 1999. The files of employees employed before this date must still be kept for 50 years, because it is only from 1 January 1999 that employee contributions are recorded in the Płatnik system. The employer may shorten the period of storing employee files to 10 years, provided that he voluntarily submits to the Social Insurance Institution (ZUS) information reports on the settlement of pension and disability contributions of all employees.

How to store

The second of the available facilitations is keeping personal files in electronic form. Since the beginning of 2019, employers have been able to choose between keeping employee files in paper or electronic form, and electronic files can be a substitute for the paper version. Thanks to the use of appropriate security measures in accordance with the requirements of the GDPR, electronic employee documentation can significantly facilitate document management in companies. According to the Act, the employer may change the method of keeping files from paper to electronic and vice versa. In the case of switching from paper to electronic version, the employer is obliged to:

- To equip yourself with a qualified electronic signature or a qualified electronic seal.
- To prepare a digital representation of the files, e.g. a scan.

The regulations show that scanning documents alone is not sufficient to properly transform employee files into digital form. It is necessary to use security measures, such as electronic signatures, which ensures their authenticity and compliance with applicable law.

Almost immediately, with the introduction of this facilitation, tools began to appear on the market, thanks to which companies in Poland can effectively manage employee documentation in electronic form, which are compliant with the latest legal regulations and data security standards. Today's tools for storing personal files, the so-called e-Files, give m.in such possibilities as:

- automatic recognition of documents and assigning them to appropriate categories,
- generate advanced reports;
- monitoring deadlines and compliance;
- use of e-signatures;
- integration with various systems.

Benefits of digitizing employee documentation

In the digital age, electronic employee records are becoming increasingly important as an important aspect of efficient human resource management. This form of storing and handling employee documents not only improves HR processes, but also increases data security and provides easier access to information.

Increase process efficiency:

Electronic documentation allows you to quickly search and share documents online. This speeds up HR processes such as employee onboarding or offboarding, making them smoother and less taxing for the HR department.

Improving data security:

1. Electronic employee records provide better protection against unauthorized access or loss of documents. The risks associated with the physical storage of documents, such as damage or loss, are fully eliminated.

Save time and resources:

1. Switching to electronic documentation allows documents to be signed with employees remotely, which speeds up recruitment processes and other formalities.
2. Reducing paper consumption supports sustainability practices.

Increase data availability and transparency:

1. Electronic employee records allow employees and HR departments to access documents from anywhere and at any time. This is especially important in the case of remote work or company branches on different continents.
2. Data transparency is enhanced by the ability to categorize, index, and search documents. Employees can quickly find the information they need without having to search through paper folders.

Operational efficiency and cost reduction:

1. Digital documentation reduces the need to store paper documents, which translates into savings related to the purchase and maintenance of racks, archiving and office space.
2. Paperwork processes such as signing contracts and reporting leave can be automated, speeding up operations and reducing administrative costs.

It is worth noting that the benefits of digitizing employee documentation are visible to both employees and HR departments.

Challenges and barriers in the implementation of the e-File

The introduction of the e-File can bring many benefits, which also comes with some challenges and barriers. Below, we will discuss the technical and organizational aspects of the implementation of the e-File and the related legal regulations.

1. Technical challenges and barriers

a) Choosing the right system

When implementing the e-File, it is crucial to choose the right system or software. Companies must carefully analyze the available solutions, taking into account their functionality, scalability, security and compatibility with other systems used in the organization. Choosing the wrong system can lead to problems with integration, performance, or data security.

b) Transfer of existing documentation

The introduction of the e-File requires the transfer of existing employee documentation to electronic form. This task can be time-consuming and requires careful consideration. It is necessary to define the process of data portability, verify its correctness and ensure consistency between paper and electronic data.

2. Legal and Compliance

a) GDPR and personal data protection

The introduction of the e-File is associated with the processing of employees' personal data. Compliance with the GDPR (General Data Protection Regulation) is mandatory. Companies must ensure data security, remembering the right to access information and to delete it.

b) Archiving and storage

The legal regulations also regulate the period of storage of employee documents. The e-File must enable proper archiving and management of the document life cycle in order to meet the statutory requirements.

3. Examples of problems encountered by companies

When implementing an e-Brief, companies may encounter various problems, such as:

- Resistance of employees to change,
- Difficulties in adapting existing processes to the new tool,
- Conflicts between departments (e.g. HR and IT),
- Data migration issues.

In conclusion, **the e-File** is a valuable tool, but its implementation requires careful planning, understanding of the technical aspects and compliance with legal regulations. If a company approaches this task responsibly, **an e-Briefcase** can bring many benefits to both employees and the organization as a whole.