Building Confidence in Compliance and Credibility

Transforming the background verification process for Human Resources Shared Services (HRSS) at Wipro Limited

Today, acquiring and retaining the right talent requires more than a skilled HR team. Remote capabilities are blurring the boundaries between digital and physical worlds, transforming how we work and live. New-age service models emerging with the advent of cloud technology are not bound by the typical constraints of space and time. To keep pace, businesses are adopting new technologies and digitalizing operations. One that requires urgent digital transformation is HR's background verification process.

Every organization, regardless of size and industry, conducts an employee background verification process — a process wherein the information supplied by the potential employee is authenticated. The information may vary from educational credentials and professional history to criminal records and drug screening, depending on a clients' requirement or as required by the law.

Wipro's HR Shared Services (HRSS) is tasked with conducting a large volume of background verifications at a global scale every month. Wipro has 200,000 employees spread across six continents and serves large enterprise clients across industry verticals. It adds approximately 60,000 new employees each year. The background verification process is managed centrally by Wipro's Global HR Shared Services (HRSS) team.

Previously, diverse policies and processes complicated the verification checks and required a huge support network. It was critical to reinvent the systems, policies, and processes across the organization to streamline the background verification process.

The need for a background verifications

Background verification (BGV) is essential for making informed hiring decisions and has deep roots in business risk, compliance, and data security. The reasons why an organization conducts a background check vary: protecting employees and customers, complying with the law, preventing theft and other criminal activity in their respective organizations. HelloVerify, a background screening company, reports that even mid-sized companies re spending anywhere between USD 1.5 million to 2 million annually on background screening of potential employees.

Top Reasons to Conduct Background Checks

86% Protecting employees, customers, etc.

52% Improve quality of hires

39% Mandated by law / regulation

38% Protect company reputation

36% Prevent and / or reduce theft, embezzlement, other criminal activity

Source: A White paper report on Background screening by NABS

Compliance is important to ensure customers' data or resources are protected. However, organizations face internal and external challenges to operationalize the entire process and ensure compliance. Delays in the verification process led to lost revenue, but rushing can lead to non-compliance and risk damaging a company's reputation for safety.

Every year, Wipro HRSS conducts around 120,000 verifications. The process requires validation of a candidate's work history, academic records, legal and criminal records, and identity verification through empaneled partners. The process mitigates any risk or exposure that Wipro might have because of a wrong hire and protects the organization against any possible data theft or malpractices. With an average of 10,000 verifications per month, the process requires a rigorous approach.

Wipro BGV Transformation

Integrating 50+ countries

With a presence in more than 50 countries, Wipro serves clients across domains from Manufacturing to Banking and Financial Services to Healthcare and Telecom. The process and methodology of conducting background verification of employees varied across teams and as per their geographic location, client types, and industries.

The approach was traditional, with differing levels of dependency on local teams to understand the regional nuances of legal and compliance requirements. Screening the potential employees was often done offline, which posed a challenge from a sustainability and scalability standpoint.

Challenges

Non-standard processes

Wipro has operations in six continents servicing clients across various domains. Because approaches vary from client to client, industry to industry, background verification becomes increasingly complex, presenting huge challenges for Wipro its teams looked to standardize and integrate a verification process.

Country-based partners and their available tools

There are not many global partners available in the background-verification space. There are a few still starting up (KPMG, E&Y, ADP), but they depend largely on local partners, sub-contracting to them. Relying on so many parties can negatively impact speed and accuracy of background checks. Also, since full-fledge background verification of potential employees is still a relatively new concept, not many partners have scalable tools which can be integrated with the internal platform Wipro has developed and integrated through APIs with other partners.

Language dependency

In Latin America countries and many European countries, the official language for communication is often the local/regional language. Reading and understanding the legal announcements, notifications, circulars, and other documents hence requires a mastery or at least a working knowledge of the local language. As the central HRSS team operated from the India region they had only a limited language capability of handling the language diversity.

Varying geography norms and local laws

Not every country, and not even every jurisdiction within certain countries, follow the same procedures for background checks. Most require the consent of the candidate, but the privacy laws of different countries demand different disclosure procedures and adherence becomes extremely difficult. In countries with a presence of work councils and unions, the organization must pass all verifications through those groups, which then provide consent for required checks. This leads to different checks for different countries, provinces, or states.

European countries are regulated by complex data-protection and data-transfer laws that inhibit the collection, storage, and transfer of certain personal data and documents across borders. For instance, Germany's data privacy laws forbid organizations to collect the candidate's ID documents, even online retention of these documents is not allowed. Poland prohibits the collection of documents related to the place of birth as illegal same as Japan in the Asian continent.

Approach

Correctly identifying the stakeholders among the local teams

Wipro has operations in six continents servicing clients across various domains. Because approaches vary from client to client, industry to industry, background verification becomes increasingly complex, presenting huge challenges for Wipro its teams looked to standardize and integrate a verification process.

Preparing and implementing a standard checklist

A detailed checklist of documents and reports was created to share with vendors and local teams. A guide was also prepared for the candidates to show them how to upload required documents on defined platforms. In addition to the checklist, guide training sessions were organized for local vendors as well as the internal stakeholders to provide an understanding of the process and to carry out the online screening practice seamlessly.

Integration with local vendors for background verification

As the team operated centrally from India location, it was necessary to gain the sense of visibility to comprehend the region-specific documents and reports and examine the capability of the vendors performing the verifications in these regions. To do so, the team connected with the HRSS members based out of these regions to understand local documentation and nuances and, with the vendors to get sample reports. This gave a direction to the establishment of a standardized process and customize the system as per geographical requirement for implementing verification.

Creating Privacy Notices and Consent Forms

Once teams clarified the checks laws and regulations, the next step was to create privacy notices and consent forms for employees for each of these locations. Consent forms were prepared in bilingual format depending on the countries. Privacy notices cited all the checks the organization would conduct on a potential employee as well as who will be processing the collected information and how. After successfully defining and outlining the verification process and training completion, system access was enabled for all the stakeholders for background verification of new hires.

Outcome

As of now, the process is completely integrated across 54 countries out of 58 countries. The standardization and integration of the process further enabled the team to take a leap towards automation of the processes. The team now uses optical character recognition (OCR), natural language processing (NLP) and machine learning (ML) to read and extract BGV requirements from clients. Technology has also helped the team increase efficiency by eliminating silos and reducing manual interventions.

The successful standardization of BGV process not only helped Wipro meet compliance requirements and mitigate the risks of wrong hires; it also optimized on the recruiting costs by connecting all stakeholders, eliminating redundant interfaces, and saving numerous man-hours.

BGV transformation to a standard global platform

Wipro used design thinking to re-engineer the BGV process to cater to global requirements across industry segments while keeping focus on the candidate experience. This included revisiting processes, designing standard operating procedures, establishing guidelines, calling out local variances and regulatory requirements. Wipro also needed to create a configurable platform to capture the candidates' journeys through this process, and a central database to design dashboards and procure data for analytics to enable the business to onboard verified candidates on time.

Preparing and implementing a standard checklist

The first step was to ensure we had feasible policies around verification. Centralization of the process helped the function to standardize but call out variances to define policies as applicable for the country and customers.

Hyper-automation

Introduction of a smart intelligent system to identify variations and configure the defined verification criteria during employee movement and configuration of complex data structure creating a completely automated workflow through auto initiation made the process seamless.

Configurable connected platform on the cloud

Creating a straight-through process introducing a configurable platform on the cloud which also enabled us to connect to the APIs of partner systems was another critical milestone we had for a seamless process. Internally developed I-verify platform catered to map the right checks as specified by organization or customers, the regulatory requirement, and Data privacy norms. Tracking the whole verification journey at different stages to monitor progress helped in defining SLAs, managing quality, and creating a data repository for further analytics. The integration of the ATS system with I verify helped initiate the process in seconds and without any manual intervention.

Cognitive solution for quality

Cognitive layer on the platform helped identify quality issues, identify anomalies against applied rules which helped not only in substantial improvement in Turn Around Time but also could build a protection layer against any noncompliance either for a statutory requirement or against any contractual obligation. The cognitive solution was also deployed for extracting the contractual requirement as documented in Master Service Agreement by deploying Optical Character Recognition (OCR), Natural Language Processing (NLP), and Machine Learning (ML).

Success Story of Reduced Turnaround Time (TAT) during COVID-19

Case Study

One of the industry verticals that Wipro serves is banking and financial services. Wipro had designed a solution for clients in the banking sector that would help them overcome their challenges with mortgage processing.

Wipro's digital operations and platforms (DOP) entity won a client project that required Wipro to on-board more than 100 candidates within four to five weeks, complete with background checks and clearance of all potential employees. In addition to legal requirements, the client had its own stringent compliance requirements that the project team had to meet with the account.

Challenges with the turnaround time to complete BGV

The average turnaround time to complete background verification for one employee, provided complete and accurate information is made available in the very first instance was nine business days. However, the COVID -19 pandemic created a roadblock. Government lockdown orders closed educational institutions and laboratories, impeding the verification process. Additionally, Wipro's DOP hires candidates for seasonal and temporary jobs. These employees also work as temps in other companies. Even under usual circumstances, validating and verifying all the required documents and checks from multiple workplaces takes time. During the pandemic, BGV impacted turnaround time significantly.

Approach

At the time, iVerify, a Wipro tool used to collect documents from candidates, was not in operation for the screening of new hires. The project team had to resort to the offline BGV process to complete the background screening of all the candidates within the stipulated timeframe.

The team concluded that conducting partial checks online and the rest of the screening process later, when the pandemic was under better control, would be the optimal solution. The client approved the approach on the condition that, in the event of adverse findings, the project team take the necessary actions. Our team designed a daily tracker for governance and shared it with the client to track the screening progress of the candidates.

To initiate the offline BGVs for the first batch, the BGV team sought the requisite approvals from the stakeholders, then worked hand-in-hand with the recruitment team, providing an account-specific checklist of required candidate documents to avoid any possible delays due to insufficient submissions. To accelerate the document submission, the BGV team contacted candidates of this account directly, during induction sessions, resolving any issues and concerns related to the same.

The outcome

By carefully weighing the risks and suggesting timely solutions, the BGV team succeeded in completing background verification for more than 100 candidates within a record time of three days, rather than typical nine days. The transformation helped improve overall service quality, reduce manual processing, and lower cycle time, while the flawless, on-time delivery was instrumental in winning Wipro another project from the same client to on-board another 100 employees in Tampa, Florida.

Turn Around Time (TAT) in pre-BGV process reduced from 32 days to 11 days and post BGV process from 52 days to 8-10 days days resulting in 80% reduction in cycle time. Agency TAT allocation reduced from 1 working day to 1 hour.

Single platform supporting an end to end automated workflow eliminating the off-line processes. thus enabling all stakeholders easy access to background verification status, reports and candidate information.

0 Audit Observations around the process which earlier used to be red in all the onsite offshore and customer mandated as well as internal audits.

100% adherence to the customer mandated requirements as signed off in the Master Service Level Agreement (MSA).

Document insufficiencies which is a major factor for delay in BGV completion have been reduced from 23% to 3%

Strong Quality Controls incorporated for critical steps leading to 100% Quality check for every BGV Processed

100% compliance to local laws and General Data Protection Regulations (GDPR)

100% coverage of BGV across geographies for core and partner hires

Wipro's Keys to Success

Collaboration
All stakeholders — from talent and project management to shared services and IT — need to work together to fully integrate any updates to the process.

System Integration
Internal and external network systems must be integrated for greater reliability and increased efficiency.

Strong Governance Model
Internal and external network systems must be integrated for greater reliability and increased efficiency.

Tools & Tech
Flawless execution requires strong system support, including access to the right tools and technology for the project.

Conclusion

Technology is becoming more and more critical to effective HR function. The case studies in this paper demonstrate how digitalization of even a very specific process, employee background verification, can improve business performance and employee experience. Investing in holistic solutions like these, which balance the needs of the business and the employees, can help organizations achieve short-term business wins while setting them up for sustained success in the long-term.

About the author

Putul Mathur

Vice President – Human Resources & Global Head – HR Shared Services, Wipro Limited.

Putul Mathur is an innovative HR professional with over 20 years of experience. She has been instrumental in defining and designing the HR processes for the industry.

Putul's specialties include strategic HR, change management, leadership development, organizational transformation, and large-scale employee-engagement frameworks.

She has designed and implemented shared-services models for all HR-related transactions, optimizing HR headcount in business partnerships and increasing efficiency by over 30%. Using advanced technologies like hyper-automation and AI (Wipro Holmes),

Putul has driven the entire digital transformation of all HRSS processes, from hire to retire. Introducing these technologies has enhanced the overall employee experience and provided a more agile environment for all HR and employee processes.

Acknowledgment

Wipro Limited
Doddakannelli,
Sarjapur Road,
Bangalore-560 035,
India
Tel: +91 (80) 2844 0011
Fax: +91 (80) 2844 0256
wipro.com

Wipro Limited (NYSE: WIT, BSE: 507685, NSE: WIPRO) is a leading global information technology, consulting and business process services company. We harness the power of cognitive computing, hyper-automation, robotics, cloud, analytics and emerging technologies to help our clients adapt to the digital world and make them successful. A company recognized globally for its comprehensive portfolio of services, strong commitment to sustainability and good corporate citizenship, we have over 200,000 dedicated employees serving clients across six continents. Together, we discover ideas and connect the dots to build a better and a bold new future.

For more information,
please write to us at **info@wipro.com**