Human Resource Specialties, Inc.

Office of Federal Contract Compliance,
Supply and Service Program
Proposed Renewal of the Approval of
Information Collection Requirements

This response is respectfully submitted to the Office of Management and Budget by Human Resource Specialties, Inc., a 35-year provider of Affirmative Action Plans and related support.

Overview

This commentary addresses the impact of a footnote appearing in two of the proposed data collection letters:

- Section 503 of the Rehabilitation Act of 1973 (Section 503) and its implementing regulations in 41 CFR part 60-741, and
- the Vietnam Era Veterans' Readjustment Act of 1974 (VEVRAA) and its implementing regulations in 41 CFR part 60-300.

"..All applicant and employee level data provided in response to this letter must include a name or identifier unique to each applicant and employee. The unique identifier must be consistent across databases (i.e., self-identification information, compensation information, and employment activity data)."

This footnote appears:

- at the bottom of page 2 of OFCCP's proposed notice letter for a focused Compliance Review for Section 503 of the Rehabilitation Act of 1973 (Section 503) and its implementing regulations in 41 CFR part 60-741, and
- at the bottom of page 2 of OFCCP's proposed notice letter for a focused review under the authority of the Vietnam Era Veterans' Readjustment Act of 1974 (VEVRAA) and its implementing regulations in 41 CFR part 60-300.

These footnotes do not reflect existing requirements. If approved for inclusion in these collection requirements, they will have the effect of imposing upon federal contractors a new, expensive compliance burden.

Applicant Tracking and Human Resource Information Systems
Employers purchase Applicant Tracking Systems (ATS) from specialized vendors. Employers, particularly larger ones, use an ATS to track and manage applicants (commonly in the thousands) each year. The vast majority of these applicants will not subsequently become employees. Employers spend thousands of dollars to customize and install ATS software. Among other things, employers must ensure that installations comply with EEOC and OFCCP applicant tracking regulations.

Employers also purchase Human Resource Information Systems (HRIS) software. Employers almost always buy their HRIS and ATS from entirely separate vendors. Many of these HRIS are designed to meet industry-specific environments, such as health care, manufacturing or food processing. Employers rely on the HRIS not only for EEO and affirmative action compliance, but for managing a wide variety of employee-related issues such as compensation, benefits, employee leaves, etc.

Installing or switching both of these systems is costly and time-consuming. Major system transitions typically require many months and extensive involvement of various employee functions, such as compensation and payroll, benefits, talent acquisition, leave administration, etc. Furthermore, there is significant training and “down time” involved in a system implementation which impacts business productivity.

Importance of Applicant and Employee ID Codes
The majority of employers already use identifier codes. However, since most employers use two different system vendors and these systems do not interact, applicant codes are not the same as employee codes.

An ATS will assign a numeric code to identify applicants.

Likewise, an HRIS will assign an employee code that follows the employee throughout his or her tenure within an organization.

Employee names do not accurately meet the criteria of a “unique identifier.” ATS and HRIS software assign codes because employee and applicant names are not unique. People often share common or similar names. Additionally, names can be problematic because of spelling variations, multiple languages, nick-names and name changes for various reasons.

Summary

OFCCP wants to require a **“*unique identifier [that] must be consistent across databases (i.e., self-identification information, compensation information, and employment activity data).”***

This will be burdensome for employers because it:

- imposes a data demand that will be both expensive and time-consuming to implement
- provides no justification for adding a costly new compliance burden
- does not provide employers adequate time to update current systems or implement new systems

A particular concern is that this new requirement appears only as a footnote. This could convey the perception to the OMB and other readers that employers are already required to apply a unique identifier across databases. That conclusion would not be accurate.