



NAVIGATING HR COMPLIANCE AND REGULATORY STRATEGY



Always Designing
for People®



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HOW COMPLIANCE CAN BECOME YOUR ORGANIZATION'S HIDDEN SUPERPOWER

When we imagine having superpowers, we picture doing things differently. Teleporting allows us to skip the commute, and cloning ourselves lets us complete our to-do lists more quickly. Superpowers shift our perspective on what's possible.



What if shifting our perspective on compliance reveals the hidden potential to create a better workplace?



For business and HR leaders, compliance is not a nice-to-have; it's mandatory. And being required is, interestingly, where the superpower lies.

When used strategically, compliance can do more than mitigate risk. It can help reimagine processes, strengthen protections for the company and its people and create more meaningful connections with employees.



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HOW COMPLIANCE SHAPES THE WORKPLACE



Employment law exists to ensure that employees are paid correctly, treated fairly and work in a safe environment. In most cases, the applicable law is based on where the employee physically performs their work, whether locally or scattered across states or countries.



When the applicable laws require different treatment for employees in different locations, it can create challenges for how to treat everyone fairly without also creating administrative challenges.

Alternatively, considering compliance as an opportunity, a chance to step back and look at what the overall goal is, offers the chance to unlock something even better.

A chance to identify a superpower.

HOW COMPLIANCE SHAPES OUR CULTURE



A big part of an organization's culture is knowing what the rules are, when employees are expected to follow them and what happens if they don't. Policies only work when the organization's words and actions match. If they don't, policies are just HR theater: Everyone goes right back to what they were doing before the training, ignoring what they were taught and the acknowledgment they signed.



There are benefits to compliance beyond reduced risk of claims, harm and discrimination. When the rules are clear, fair and consistently enforced, people can be held accountable for knowing and following them. Employees and leaders know what to expect.



When an organization's words and actions align, employees know they can believe what they are told. **And that builds integrity and trust for everyone.**

COMPLIANCE SUPERPOWERS

Transforming everyday compliance responsibilities into superpowers shifts the focus from mere checkbox tasks to new opportunities. This approach positions compliance as a foundation for a stronger workforce and resilient operations, turning the organization into a hero that others aspire to follow.



THE SUPERPOWER OF FAIRNESS

EQUAL OPPORTUNITY



THE SUPERPOWER OF CLARITY

PAY EQUITY



THE SUPERPOWER OF CONFIDENCE

PAYROLL ACCURACY



THE SUPERPOWER OF CARING

HEALTH AND SAFETY



THE SUPERPOWER OF SECURITY

DATA AND PRIVACY



THE SUPERPOWER OF STABILITY

EMPLOYEE BENEFITS



THE SUPERPOWER OF SPEED

AI TOOLS

THE SUPERPOWER OF FAIRNESS

EQUAL OPPORTUNITY IN PRACTICE



Employers have a legal obligation to provide a work environment free from discrimination and harassment. These laws apply across protected characteristics, such as sex, race, religion, national origin and more. In practice, that means antidiscrimination laws apply to everyone. Every employee is entitled to be treated fairly, no matter who they are.

At work, we expect that people are evaluated based on their skills, experience and performance. In reality, that's easier said than done. All people are impacted by the presence of bias, which can show up in decisions and processes.

That's why it's important to regularly review people analytics — to analyze the actual data within the HR systems — and track outcomes. Without that visibility, patterns of inequity can persist undetected and unaddressed.

Fairness unlocks integrity

When employees are treated fairly because the policies are clear and applied consistently, they can learn to recognize their employer has integrity. They can focus on the work. This approach puts emphasis on prevention rather than mitigation or claims management.

"Fairness isn't achieved by policy alone. It comes from making thoughtful, consistent decisions, supported by the right technology and grounded in trusted data. When organizations can see potential inequities earlier, they can build workplaces that are not only compliant, but more transparent, equitable, and deserving of employee trust."

— **Helena Almeida**, Vice President, Assistant General Counsel, ADP

What it's connected to:

- Health and safety
- Trust
- Engagement
- Performance management
- Retention
- Productivity
- Recruiting
- Culture

Where to look:

- Data on engagement, absences, turnover, performance, claims and flight risk
- Demographic data and breakdown by managers
- Talking to people and getting the whole story
- Pulse surveys, employee resource groups (ERGs) and employer reviews online
- Feedback from listening tours
- Power and resource distribution

Why it matters:

- When we create an environment where people feel treated fairly and appreciated for who they are, compliance becomes a little easier.
- Discrimination and harassment are harmful to people and the environment. Nondiscrimination is more than a compliance issue; it's a health and safety issue.
- Recognizing and addressing the ways we make people feel othered is essential to good business.



What to do:

- Treat discrimination and harassment as a health and safety issue, where the goal is to prevent injury instead of waiting for someone to say something.
- Protect everyone and investigate problems.
- Check communications for bias and stereotypes.
- Learn more about neurodiversity, disabilities and accommodations.
- Consider who may be left out and how to address it.
- Provide a discrimination- and harassment-free workplace.



“What we really provide is care, and if we don’t have the right people, the right talent, providing that care, then we can’t exist. Leisure Care’s culture is founded on a very simple philosophy: People are first in everything we do. We don’t grow unless we have the people and the support needed to do so. Platform being second: When we’ve got the right people doing the right things, we need the systems to support them, one of which is ADP, and only when we have those two things in place do we grow.”

— **Bre Grubbs**, Partner and Chief Strategy Officer, Leisure Care

When the culture is one of fairness and integrity, the result is often longer employee tenure, lower turnover, higher engagement and better work.



Learn more

Improve inclusion and fairness with a [data-driven approach to people analytics](#)



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THE SUPERPOWER OF CLARITY

PAY EQUITY AND TRANSPARENCY



Fair pay is related to equal opportunity. The concept of equal pay for equal work is a foundation of fairness. Compensation is also one of the common places where bias can show up: when people were hired, their experience or tenure, their protected characteristics and other circumstances.

“Leaders must remind themselves of what’s important when it comes to well-being at work, which is building trust, empowering people and ensuring their company cares for employees inside and outside of work. Keep those principles as guideposts, no matter what might change around you in the world of work.”

— Jay Caldwell, Chief Talent Officer, ADP

Pay clarity unlocks trust

Pay transparency establishes and communicates the compensation range for each job role in an organization. It helps to ensure that compensation is tied to skills, effort and responsibility rather than who is doing the work.

Pay transparency doesn't necessarily mean everyone knows what everyone else in the organization makes. It does mean that candidates have an established sense of what a job role pays at the time they apply or interview, and that employees have access to information about what people who do similar work are paid at their organization.

Clear, competitive and fair pay builds trust and is beneficial to everyone. And pay equity and transparency have never been easier to assess and address. ADP has the [technology and the data](#) to understand and analyze compensation rates — both within an organization and in the external market.

► PAY EQUITY

What it's connected to:

- Culture
- Equity and fairness
- Wages and hours worked
- Budget
- Performance management
- Pay data and pay-gap reporting

Where to look:

- Rules are different by state and locality. Know the requirements for every location where an employee works.
- Pay transparency can be included in job postings, interviews, performance reviews and total compensation reports.
- In pay equity audits, you may find some gaps.

Why it matters:

- The essence of employment is that the employee works and the employer pays. For employees, making sure pay is fair is one of the employer's main responsibilities.
- Liability can be easier to prove; it's data and math.
- Pay equity is not optional.
- It's less expensive to solve pay gaps than to litigate.



What to do:

- Use a payroll provider who knows what they are doing, will stay on top of changes and whose solutions help you identify gaps proactively.
- Review your compensation philosophy, strategy, pay grades and how you designate comparable work or jobs.
- Understand why people are paid what they are paid and what justifies differences.
- Explore tools to audit and monitor pay equity.
- Pay equity is a great foundation for a culture of compliance. Start with the money and build on that.



“Increased social awareness and workplace transparency have made pay equity more than just a standard compliance issue for many businesses today. In addition to avoiding potential litigation, forward-thinking employers who implement fair pay policies may be able to improve their organization’s reputation, keep employees engaged and attract new talent.”

— **Trusha Palkhiwala**, Divisional Vice President, Global HR Shared Services, ADP



Learn more

Know your [state and local pay transparency laws](#)



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THE SUPERPOWER OF CONFIDENCE

PAYROLL ACCURACY AND PAID LEAVE



Wage payments must be on time and accurate, not only because employees depend on their compensation, but also because wage and hour violations can be extremely expensive. ADP has tools and technology to make it easy.

Paid leave is part of both pay and benefits. Compliance with leave requirements can be complex since individual jurisdictions, states and countries have different laws on paid sick leave, paid and unpaid parental leave and what happens if a member of the military reserves is called to active duty.

Consistency creates confidence

It's important to review your policies, especially if you have work locations in different localities, states or countries. Sometimes, identifying the most employee-friendly rule and applying it everywhere can save time and money, even if it looks like the more expensive option at first.

Payroll and paid leave compliance depends on having a solutions provider with the resources to stay on top of changes and the tools to make paying employees simple and easy. It also depends on having a broader view of what is happening by location to be sure that pay and leave practices are as consistent and fair as possible.

"Leave is one of the most confusing areas of employment law for both employers and employees. As employers deal with changing requirements, it's not only important to make sure your policies and practices follow the applicable laws; it's also essential to consider how differing practices may affect culture, fairness and even administrative burdens. A broader view can help you stay compliant, streamline approaches and avoid potential issues when different rules apply to different employees."

— **Michael Grosso**, Senior Counsel, Workforce Management, ADP

Confidence unlocks reliability

Accurate payroll along with on-schedule direct deposits and electronic wage payments should be standard operating procedure. When employees can rely on their pay, they learn they can rely on the employer to show up in other ways as promised.

Having the right tools and data also provides both confidence and reliability for the employer so they can review actual outcomes and create policies and programs that work for everyone.

"I feel secure that things are being done correctly, legally and efficiently [with ADP]. I do not know everything, and having ADP at my side brings me comfort knowing I have a partner who is an expert, so that I can focus on other aspects of my role."

— **Renee Messick**, Operations Manager, Therapeutic Kneads



Learn more

Pay your people [with ease and compliance confidence](#)



What it's connected to:

- Scheduling
- Payroll
- Budget
- Workforce management
- Planning
- Culture
- Retention
- Fairness and accommodation
- Health and safety

Where to look:

- Payroll processes
- Payroll updates when laws change
- Employee classification as exempt or nonexempt
- Vacation, sick time, PTO, personal days, holidays
- Parental leave policies
- Bereavement leave
- Family and Medical Leave Act (FMLA) and state versions
- Remote policies
- Accommodation practices
- Reimbursements
- Training
- Time clocks and tracking nonexempt time
- Data on how employees use leave
- Data on retention

Why it matters:

- Reliable payroll processes help meet employee expectations and can play a role in mitigating the risk of costly issues, liability and penalties.
- Wage, hour and leave are some of the most regulated areas in employment at local, state and federal levels.
- Employees need time off for many different reasons.
- Work that fits into people's lives helps them thrive everywhere.

What to do:

- Make sure your payroll provider keeps everything up to date for state and federal law, including changes to tax law.
- Review your leave policies to make sure they are fair to everyone and are flexible enough to handle the issues that come up.
- Review leave data by department and manager to understand trends and identify opportunities to support a culture where employees feel comfortable using available sick leave and vacation time in accordance with company policy.
- Make sure timekeeping for nonexempt employees is accurate and avoids rounding.
- Consider whether parental leave policies are fair to all parents.
- Consider how to handle long leaves of absence for workplace injuries, other injuries and illnesses.

THE SUPERPOWER OF CARING

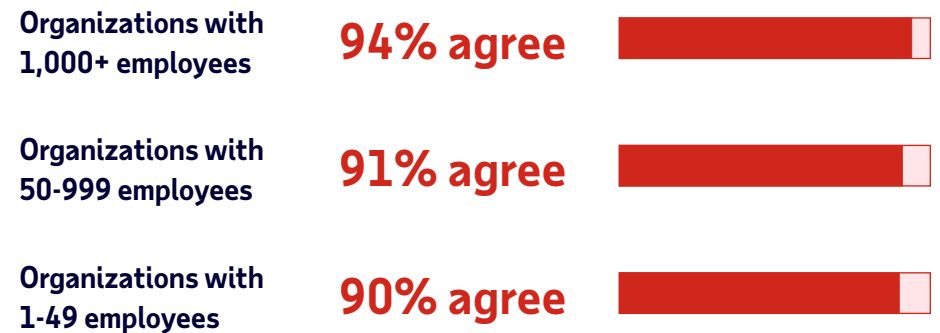
WORKPLACE HEALTH AND SAFETY



As any workers' compensation provider can attest, prevention and preparation are the keys to health and safety compliance. How the employer handles accidents and injuries (physical and emotional) can show employees that the employer cares about them.

Taking the time to consider how to prevent injuries, offering training to make work safer and having plans and processes in place to handle disasters or violence makes a difference. When leaders demonstrate a caring mindset, it can make a huge difference in how and whether employees feel acknowledged, understood and prepared for what may happen or what they face.

Responsibility to ensure employees' physical well-being¹



"We elevated out of tactical work, focused on building our culture and showing our people we care. It's put the human back in HR."

— **Diana Harney**, Chief Operating Officer and Executive Vice President, Maverick Solutions

Caring unlocks compassion

In putting together plans for health and safety compliance, be sure to consider adding a therapist or organizational psychologist and a crisis communications person to the team — or have equivalent external resources identified and ready to activate when needed. They can provide valuable insight into the best approaches.

Being able to put ourselves in our employees' position and do what's possible to assist builds loyalty and goodwill that last long after an injury heals.

“Processing workers’ compensation through ADP has been such a return on our investment. It’s crucial for running our business, and having it within ADP saves us so much time.”

— Dr. Beju Rao, PhD, Founder, President and CEO, Amruta Inc.



Learn more

[Streamline your workers' compensation premium payments](#)



What it's connected to:

- Discrimination is a health and safety issue
- How organizations treat safety can reflect their perspective on the value of human life and well-being of employees
- Paid sick leave requirements
- Insurance premiums and coverage can benefit from safety meetings and training
- Performance: Taking innovative risks requires safety on a physical and emotional level
- Weather emergencies and disasters

Where to look:

- Mental and emotional health
- Environment (noise, light, air) and equipment
- Schedules and leave
- Priorities of how resources are allocated to these issues
- State laws on rights during emergencies

Why it matters:

- Protecting people's safety and health should be a fundamental priority.
- If you don't, accidents, injuries, damage, lawsuits, investigations and fines can happen.
- Claims determine compensation insurance premiums
- 2.5 million workplace injuries are reported per year.²
- 14 people die at work every day.³
- Workplace injuries occur at a rate of roughly one every 10 seconds.⁴

What to do:

- Prioritize all aspects of safety and well-being.
- Assess what can and can't be changed.
- Check your data and surveys and talk to people to uncover problems that have an environmental or safety component.

THE SUPERPOWER OF SECURITY

DATA PRIVACY AND PROTECTION



An employer's data is one of its most valuable assets. Protecting the confidentiality of trade secrets and proprietary processes is part of [data security and protecting competitive intelligence](#). Employees also have a privacy interest in what kinds of personal data the employer collects, how it is stored and how it is used.



Learn more

Learn about [responsible AI at ADP](#)

For both categories of data, employers should educate those handling them on what to protect, how and why, so that their people can do the right thing. Organizations also need a call-a-friend resource when questions about data privacy, trade secrets and proprietary information arise.



For example, if employees know company trucks are tracked with GPS data and that the time and location data are compared with when they clock in and clock out, they could be more responsible.

Employers are well served to be transparent about what types of data they collect and how they use it. There also may be legal obligations related to certain types of information like geolocation. Knowing employees understand what's at stake and providing the resources needed to manage proprietary and personal data properly gives organizations confidence that key assets are safe.

"Workforce data management is going to become increasingly important to companies. They have the ability to bring together data from different silos and systems. And when they do so, it's important that they manage that data to help make sure it's high quality, that they've addressed data privacy and security and that they use it to provide opportunities for their workers and insights to help manage their workforce."

— **Jason Albert**, Global Chief Privacy Officer, ADP



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What it's connected to:

- Approach to data security reflects the “techspertise” of an organization.
- An organization's data reveals proprietary and confidential information about it and its employees.
- Employees may not be trained or given the information they need to understand what is proprietary and confidential.
- Data and privacy affect:
 - Mutual trust
 - Competitive intelligence
 - Company assets and finances

Where to look:

- Understand what information the organization collects and how it is used.
- Assess IT and systems security.
- Review training and whether people understand how to protect privacy and data and why.
- Consider getting expert help if you don't have resources in-house.

Why it matters:

- Employees are on the front lines of security, making the right training, tools and processes essential to reducing risk.
- Protecting data of employees and customers from hacking and misuse — General Data Protection Regulation (GDPR) and state data privacy laws
- Fines for violations can be significant.
- Costs of dealing with data breaches can be huge.
- Protection of trade secrets and business strategy.
- For many companies, data is their primary asset.



What to do:

- Understand what matters and why and how to teach people to care about data privacy.
- A clear and thoughtful data policy reflects concern for transparency, privacy and employee consent.
- Make any training, app, software or approach easy, and minimize burden on users — or people won't do it.
- Find creative ways to approach it. Talk to your leadership and development professionals.
- Establish technological solutions where possible to reduce process burden.

THE SUPERPOWER OF STABILITY

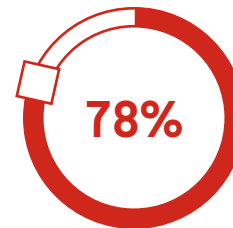
EMPLOYEE BENEFITS AND COMPLIANCE



Employee benefits are broader and more varied than just health insurance. They can include retirement plans, life and disability coverage, on-site childcare, tuition assistance, transportation or food perks and retail discounts. Even so, healthcare benefits remain foundational. Paid time off, flexible schedules, remote work options and opportunities for equity can also play a major role.

Stability starts with strong benefits

Everyone benefits from benefits. Yet administering employee benefits is often complex. Compliance requirements, tax implications and legal considerations can be difficult to navigate without expert support. Thoughtful benefits programs, when administered effectively, mean that employees and their dependents have insurance when they are ill, savings for later and help with childcare or their education. When people feel genuinely cared for, the impact is significant: They're far more likely to be engaged, loyal and productive at work.⁶



of employees say that access to medical insurance makes them feel valued by their employer.⁵



Learn more

[Learn how to manage ACA compliance, wage garnishments, employment tax and more](#)

► EMPLOYEE BENEFITS

What it's connected to:

- Payroll
- Data security
- Benefits administration
- Recruiting
- Tax and financial planning for the company and employees
- Pay equity and transparency

Where to look:

- Employee Retirement Income Security Act (ERISA): governs retirement, healthcare, disability and life insurance benefits
- Health Insurance Portability and Accountability Act (HIPAA): regulates the transfer and protection of employee medical information
- Affordable Care Act (ACA): sets requirements for health insurance eligibility, affordability, and reporting
- FMLA and state or local paid leave laws: establish leave entitlements and protections
- Employee equity programs: used as incentives and subject to compliance and reporting requirements
- Tax implications of fringe benefits: includes items such as company cars, life insurance over \$50,000 and other taxable benefits

Why it matters:

- Compliance is complex and requires professional expertise.
- Coverage for reproductive health decisions is becoming a differentiator.
- Violations are expensive and a huge challenge.
- Benefits reward employees in a tax-efficient way.

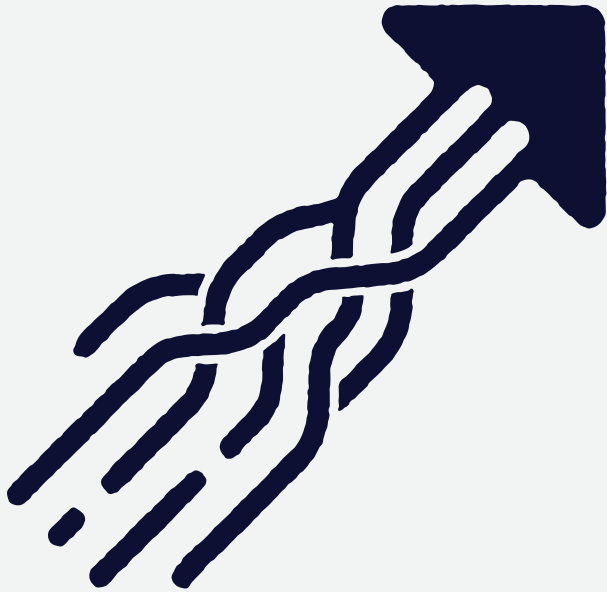


What to do:

- Get expert help for the compliance part.
- Benefits affect employees long after they are gone. What does that mean for your employer brand, recruiting, business strategies and bottom line?
- Review your benefits for use, cost and coverage.
- Make leave policies and practices both market competitive and frictionless where possible.

THE SUPERPOWER OF SPEED

AI TOOLS AT WORK



Artificial intelligence (AI) is everywhere computing is. If it's digital, it can probably be used with, for or by AI. Fundamentally, AI is the ability to process massive amounts of data and produce custom outputs and analysis far quicker than humans can. It's the superpower of super speed.

Using AI responsibly

AI also presents new compliance issues and challenges. Some questions include how copyright affects content created with or by AI, whether transcripts of confidential or privileged discussions created by AI can be discovered in litigation and how and whether information generated with AI can be used in important decisions like hiring or loan applications.

This technology can be an extraordinary and effective tool, but it must be used responsibly and keep humans involved, especially in decision-making.



Learn more

Explore the intersection of AI in HR:
[Five use cases you should know](#)

“When HR frames AI with purpose, the conversation shifts from ‘We built it’ to ‘We built it together with trust, clarity and human intent.’ That is what being human means in the AI era.”

— **Naomi Lariviere**, Chief Product Officer, Product Management & HX, ADP



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► AI TOOLS

What it's connected to:

- Any digital content
- Software and digital tools

Where to look:

- Everywhere: Know who is using it, which AI source, how it is used, for what and whether it's internal or external facing.

Why it matters:

- Bias and fairness
- Copyright
- Accuracy
- Privacy
- Data security
- Proprietary data and information
- U.S., state and European Union laws on using AI in hiring decisions

What to do:

- Inventory AI tools used across the organization.
- Ensure human review to check for accuracy and quality.
- Establish clear policies on when, how and whether AI can be used at work.
- Explore new ways to use AI to reimagine how work gets done.



Learn more

Learn how ADP can help organizations [maintain compliance and deliver better outcomes in the AI era](#)

“When evaluating any AI tool, consider whether it was developed using secure, high-quality data, whether it produces reliable and meaningful results and whether it helps streamline — rather than complicate — work processes. Maintaining human oversight, providing transparency to employees, regularly monitoring output and addressing potential issues early are key aspects of a responsible AI program.”

— **Helena Almeida**, Vice President, Assistant General Counsel, ADP



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WHAT COMPLIANCE MAKES POSSIBLE



Reframing compliance as a superpower allows organizations and HR teams to protect the organization and manage risk. It also opens the door to rethinking how to engage with employees and how work gets done. Now that's heroic.

With tools that are easy, smart and human by design, ADP helps organizations turn insight into action, instilling confidence in leaders worldwide as they build compliant, intelligent, people-centric workplaces.



[Discover ADP solutions](#)

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