Grossmont-Cuyamaca Community College District

Business Process Analysis:

Benefits Selection and Administration Process

July 23 – 24, 2014

Strata Information Group

Workshop Outline

As part of the preparation for a new HR and Finance ERP, Grossmont-Cuyamaca Community College District (GCCCD) is working with Strata Information Group (SIG) to analyze and improve the underlying processes. This analysis yields an ideal process map along with guiding principles to be used to set the trajectory for the implementation of the new system and processes. The objectives are to develop better processes and to take full advantage of technology.

To meet the objectives, a Business Process Analysis (BPA) workshop was conducted to examine the benefits selection and administration processes at GCCCD. The objectives of the workshops included the following:

- Review the principles of Business Process Analysis (BPA)
- Map the existing processes
- Analyze the process maps and identify obstacles and potential opportunities for improvement
- Design new processes that enhance service, reduce steps, and take full advantage of technology
- Set the trajectory toward the "ideal" process

Participants represented a wide range of departments – Benefits, Human Resources, Business Services, Academic Departments, Counseling, Purchasing, Accounting, and IT. Grossmont College, Cuyamaca College, and the District were all well represented. Kari Blinn, from SIG, facilitated the workshop. Participants were engaged and candid. They articulated the issues with the current processes – and generated many opportunities for improvement. This document contains the contents and outcomes of the groups' efforts.

Process Themes

Process mapping is a technique used to visualize and to correct process problems. The group reviewed the following symptoms:

- Choke points – when all paths lead to a single person
- Layering – adding automated steps on top of paper steps
- End runs – disregarding the established process entirely and jumping to the end
- Shadow systems – entering the same data in multiple systems – e.g. Excel, Access
- Exception-based – complexity resulting from "one time five years ago, event ABC happened"
- Unintended consequences "downstream"
- Not scalable – the process breaks under increased volume
- Focus on symptoms rather than roots
- Paper-heavy – long, opaque, sequential, inefficient

Observations

During the workshop, participants identified issues with the current processes. Themes included the following:

- Long, unnecessarily complicated process
    - Manual
    - Paper-driven
    - Inefficient
    - Redundant data entry and shadow systems
    - Error prone
    - Time lags – i.e. benefits processed after the new hire starts job
- Not welcoming for new employees
    - Lost in the onboarding process
    - Focused on "paperwork" rather than GCCCD's core values and goals
- Not transparent – employees and staff cannot view where something is in the process
- Choke point
    - Single individual at the intersection of all benefits activities
    - Reactive rather than proactive
- Difficult to extract data for analysis, tracking, projections, and distribution

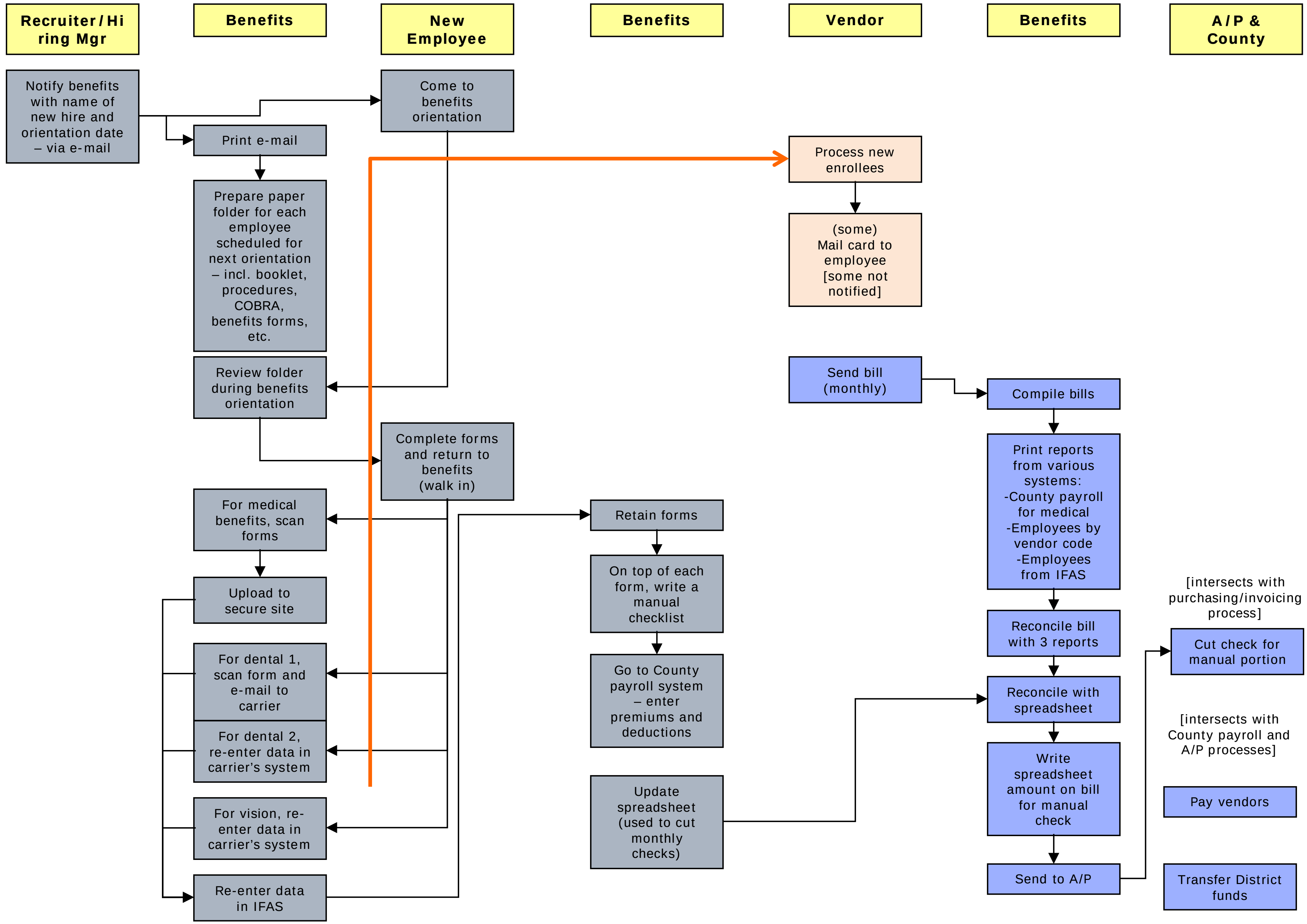
Process Maps

Mapping processes with stakeholders serves as a vehicle to:

- Identify issues with the current process
- Work together to develop a clear, streamlined, consistent process
- Take full advantage of technology
- Ensure that processes support the District and College's objectives

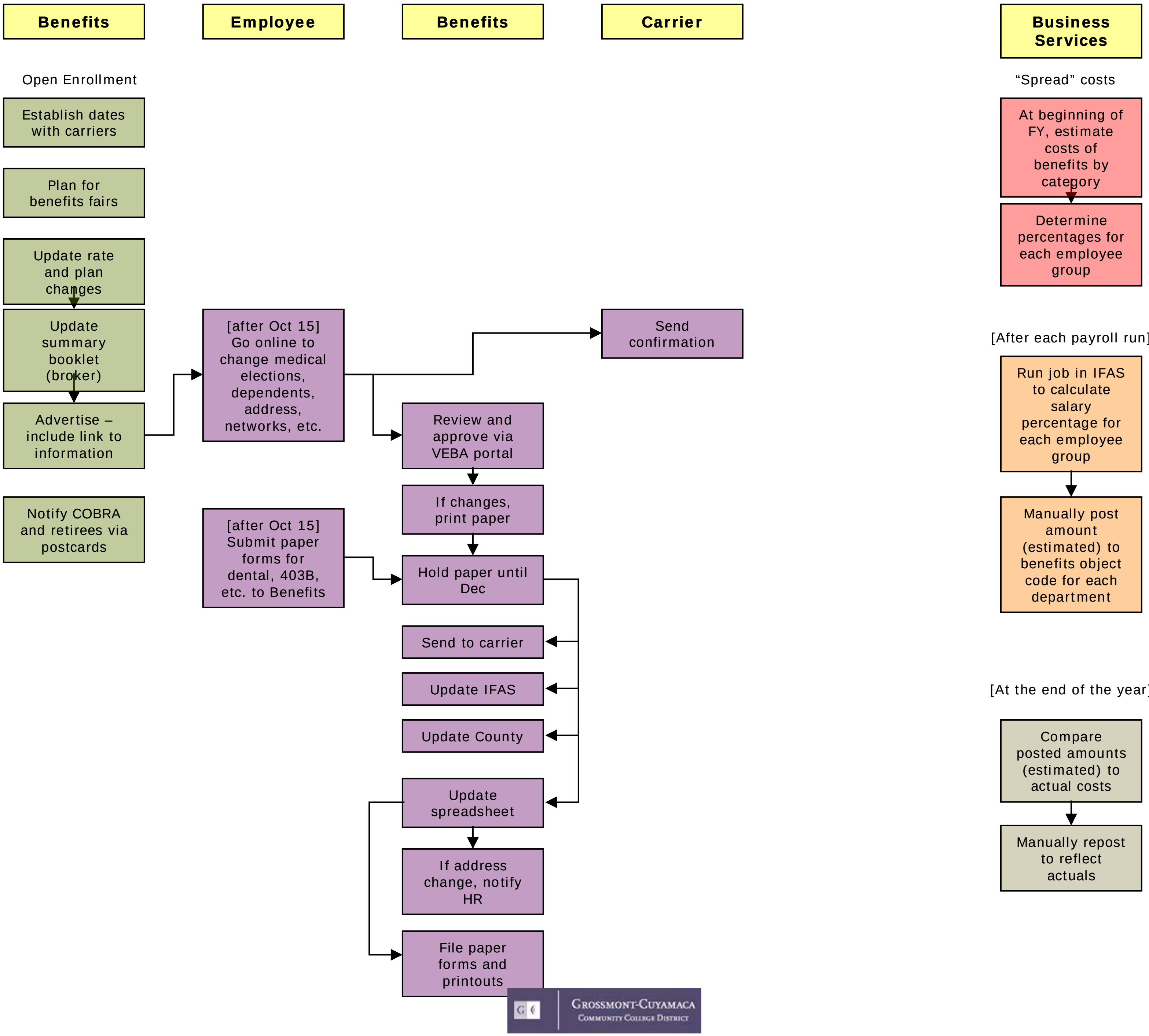
By drawing a map together, participants are able to see and to describe issues. They also use the map as a "lever" to re-imagine the process and to generate ideas for improving service and efficienc

Current Benefits Selection and Administration Process – 1



GROSSMONT-CUYAMACA COMMUNITY COLLEGE DISTRICT

Current Benefits Selection and Administration Process – 2

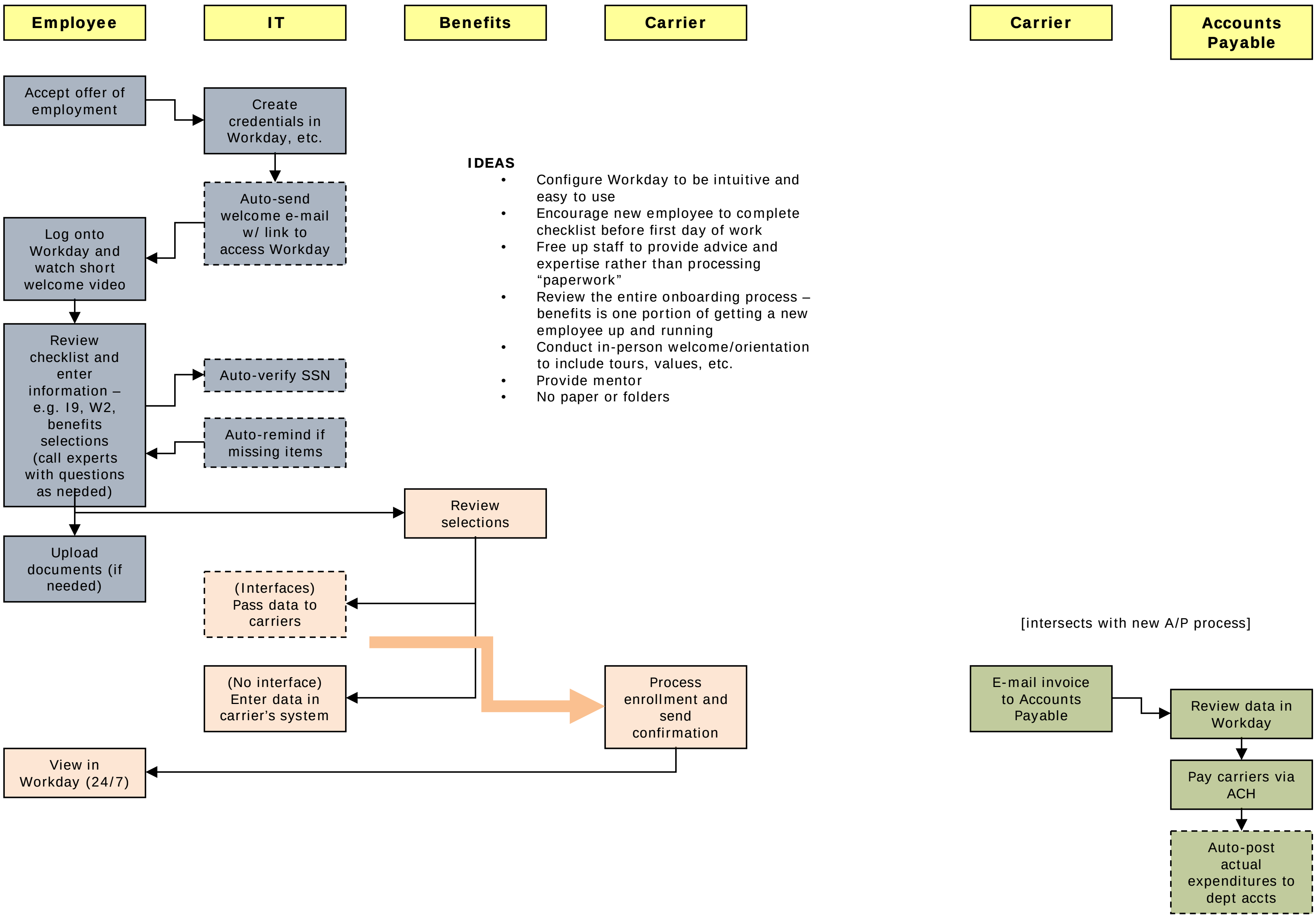


“Ideal” Process

The group collaborated to “think differently” about the benefits process – and onboarding in general. The pages that follow display an “ideal” map in support of this effort. Participants generated fantastic ideas for improving the process.

- Design the process from the new employee’s perspective
    - Feel welcome
    - Enable them to hit the ground running on their first day
    - Easy to access, intuitive, logical – 24/7 web-based (no paper forms)
    - Provide expert advice when they need it
- From the providers’ perspective, provide better, higher value service to employees
    - Attend fairs and other outreach events
    - Helpful assistance in person, via phone, on chat
    - Access and analyze information for projections and planning
    - Develop smarter, more effective operations
- Invest energy in re-imagining the entire onboarding/welcoming process
    - Reinforce values
    - Align with strategic objectives
    - Ensure employee retention
    - Good for the District and the Colleges

Ideal Benefits Selection and Administration Process



IDEAS

- Configure Workday to be intuitive and easy to use
- Encourage new employee to complete checklist before first day of work
- Free up staff to provide advice and expertise rather than processing "paperwork"
- Review the entire onboarding process – benefits is one portion of getting a new employee up and running
- Conduct in-person welcome/orientation to include tours, values, etc.
- Provide mentor
- No paper or folders

Grossmont-Cuyamaca Community College District

APPENDIX A

Opportunities for Improvement

In brainstorming fashion, participants identified the following opportunities. (These are not listed in ranked order, nor do they necessarily represent consensus.)

- Accurate budget projections for benefits expenditures
- Auto-notification of a new hire – or new recruitment
- All information in one place – "single source"
- Clarify pay before start date
- Replace "paperwork" with a robust system
- Provide true orientation early – include welcome, values, questions, tours
- Clarify terminology – most people are not benefits experts
- Collect all benefits information well before the new employee's start date
- Develop interface with benefits carriers
- Reconsider some policies – e.g. when do benefits, vacation and sick leave start?
- Develop an easy reference for employees
- Provide short videos to communicate information – employees can view when they want to
- Minimize surprises – e.g. provide online calculators
- Auto-calculate medical deduction
- Account for all benefits recipients in Workday – e.g. auxiliary, spouse, dependent
- Allow employees to update and change their own information – e.g. address changes (then auto-notify vendors)
- Create a consolidated onboarding checklist for all new employees (by type) in Workday
- Identify one place to enter enrollment information – handle communication to vendors on the back end
- Free up staff for more high-value activities – e.g. analyze data and trends, advise employees, create new services, provide training, strategic planning
- Ensure clear audit trail (Workday provides this)
- Access all HR, benefits and payroll information from Workday
- Develop a proper accounts payable process with access to back up data
- Reconsider outsourcing all 125 funds
- Post actual cost of benefits back to departmental accounts OR auto-calculate percentage and auto-post
- Business need – find an easy way to charge departments for cost of benefits
- Encumber benefits
- View "my own" plan information in Workday
- Configure Workday to only display allowable actions
- Enter data close to the action/decision (don't hold information for later processing) – use future effective dates
- Allow web-based access to "my info" 24/7

- Ensure benefits information is easy to find
- Allow employee to enter life events – e.g. marriage, child, change in exemptions – then auto-notify departments
- Plan for new agreement regarding adjunct faculty eligibility for benefits – enrollments in September and February – effective 1/1/15
- Put all adjunct faculty members in Workday
- Take measurements to assess affects of new law – ACA
- Don't break out COBRA details
- Outsource COBRA – ask Workday about COBRA strategies
- With fiscal independence, plan for taking on all services currently being provided by the County – e.g. 3121
- Budget for retirement benefits – e.g. anticipate ERI totals
- Require fewer documents – e.g. don't need to see marriage certificate
- Utilize verification services for SSN and other key information

APPENDIX B

Obstacles

In the same manner, participants identified the following obstacles:

- There's not always a clean hand-off between HR and Benefits when someone is hired
- Not all stakeholders have access to see projected/planned positions
- Waiting on process for new hires – e.g. faculty
- Lags in getting needed information to start the benefits process – e.g. SSN, personal data
- Manually tracking "paperwork" – various offices (e.g. deans) following up with new hires
- Paper = delays
- Enormous stack of paper used in the benefits process
- E-mail for new hire is provided too late in the process
- Unclear policy about whether new hires should be paid to complete paperwork
- "Orientation" means "come fill out forms"
- Asking for the same information over and over – e.g. name, SSN – communicates that we have old systems and processes – not very welcoming
- Forms are filed in "17 places" – security risk
- Redundant data entry increases errors
- New hires have questions about plans, premiums, etc.
- Benefits "orientation" occurs after the person starts working – therefore they have no medical insurance cards before they start
- Some new hires would start on a different date if they understood the implications on benefits – e.g. sick and vacation day rules
- Some information is unclear – e.g. disability
- Information is outdated the minute it's printed
- Surprises – "I wish I had known" – e.g. changing from an HMO to PPO
- Have to follow up with some carriers
- Same data is entered 4, 5, and 6 times
- Some benefits recipients – e.g. spouse, dependent – are not in the County system – therefore tracking in a shadow system
- Many silos – e.g. new employees have at least 4 different checklists
- Benefits are being administered in several departments – e.g. Benefits, Payroll, HR
- No clear confirmation for dental PPO and vision coverage
- Three separate systems must be reconciled before paying the monthly bills to vendors
- Accounts Payable is paying bills without seeing the back up information – data exists in a shadow system
- Full-time faculty receive benefits for twelve months, but are not paid for twelve months – must track manually
- Flex 125 is difficult to administer – issues include confidentiality, deposits but not expenses, data is out-of-sync, risk associated with advances

- Barnes and Noble payments tracked on a spreadsheet
- “Spreading” (allocating costs) based on a formula across account codes – imprecise
- Manual steps to post benefits percentage back to departments (after payroll is run)
- Why track salary and benefits by departments monthly? If needed for management reporting, reconsider the current process
- Different information is entered and maintained in different systems
    - Difficult to reconcile
    - Numbers may be incomplete
    - Out-of-sync
- Open enrollment – some online, some not
- Open enrollment selections being “held” until late December – no confirmation
- Benefits staff spending time talking about how the process works, rather than how great GCCCD benefits are
- Current process is very complicated
- Employees cannot simply go online and see their compensation (salary and benefits) and leave balances (sick and vacation)
- Benefits encumbrances are sometimes too low
- Some dollars are not encumbered – e.g. payroll piece

APPENDIX C

Interfaces

Over the course of the workshop, participants identified external entities that may or may not require an interface with Workday:

- VEBA
- SDCOE
- Delta
- VSP
- Aflac
- York
- SRC Aetna