



Insurer Validates and Optimizes HR System Changes Through Benefit Audit

Customer Profile

Missouri Employers Mutual (MEM) is a monoline workers' compensation insurer that provides workplace safety resources across the state of Missouri and beyond. The organization was trying to understand what was causing internal capacity constraints and how much of that was triggered by disconnected systems and inefficient manual processes. MEM overhauled its human resources system and improved processes, but the team wanted help validating their updated processes and identifying additional areas for improvement.

Benefits

- Validated the new processes and systems put in place
- Uncovered fixes to minimize risk and better protect employees
- Provided peace of mind that system fixes were on the right track

Services



Audit Services

Client Challenge

Monoline workers' compensation insurance company Missouri Employers Mutual sought an enhanced, more robust human resources system to reduce the workload on employees and minimize the time they spent muddling through inefficient, manual processes.

In 2017, MEM implemented a new HR system across the organization, but it lacked some capabilities the team needed to more efficiently complete everyday tasks.

For example, team members were manually connecting key data points like compensation to payroll, without an integrated compensation module. They were also managing the employee onboarding process without a dedicated module. By the time they discovered the crux of these inefficiencies, the leaders who spearheaded the system implementation were no longer employed at MEM, leaving the remaining employees to do their best to manage their way through a system they were unfamiliar with.

To rectify this, MEM took a deep dive into their HR system to identify areas for opportunity, capabilities they could unlock and processes they could streamline. Once they improved the system to the best of their ability, they decided that bringing in an auditor was the next logical step. MEM had already formed a longstanding relationship with Armanino LLP, one of the 20 largest independent accounting and consulting firms in the U.S., so they felt confident that Armanino could help validate the changes and identify opportunities for further improvement.

"We felt like we had done a significant amount of the lifting to streamline and automate the system, but we didn't want to assume we had found all of our opportunities. We did not have the capacity or capability to dig in like Armanino does, so we turned to them to determine where else we could improve," said Kelli Hathman, rewards and experience manager at MEM.

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Kelli Hathman
Rewards & Experience Manager
MEM

Solution

Armanino's audit experts closely collaborated with MEM from initial review and scoping of procedures and throughout the entirety of the audit to ensure that MEM was set up for success.

As part of the data analytics and validation process, the experts dug into MEM's information and systems, identifying opportunities to streamline or automate areas as part of the employee open enrollment process. The Armanino team asked about outlier data to ensure their scripts and analytics were accurate, and they made adjustments when necessary to align with the logic of the open enrollment process or individual benefit plans.

Armanino's experts also provided feedback on how the HR team could either work with their existing HR system or with a vendor to streamline or automate some of their manual tasks. Communication and collaboration were key throughout the process to ensure everyone was on the same page.

“It was such an easy process,” said Misty Wilkerson, senior benefits consultant. “The Armanino team was clear on what information they needed from the beginning. All along the way, they were specific about any follow-up requests or questions they had and were proactive in scheduling follow-up meetings with our team to review what they had found. Having that personalized contact made the entire process much less stressful.”

Results

The audit validated MEM's process improvements and the work they had done to streamline their systems. Ultimately, Armanino found that MEM had done a thorough job of improving procedural controls and benefits documentation prior to the audit. Armanino provided recommendations to more clearly communicate with employees, including adding verbiage on COBRA into the benefits guide and ensuring that their HR system automatically identifies employees turning age 26 who no longer qualify to remain under their parents' insurance plan. The most impactful result, however, was the peace of mind MEM gained knowing that their overhauled system was functioning as it should.

WHAT THEY'RE SAYING

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Misty Wilkerson
Senior Benefits Consultant
MEM

Next Steps

A revitalized HR system, validated and bolstered by an internal audit, has greatly improved MEM's day-to-day work functions. They have been able to utilize their enhanced system for more strategic, specific processes and have been able to identify more missing modules.

Armanino's audit gave MEM the confidence that their HR team can manage their workload to support roughly 300 employees. The audit also provided MEM with clarity on how their system will have to scale with the business as MEM grows.

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