

Enhancing the Human Resources Function to Improve Performance While Reducing Cost

Huron partnered with Maine Medical Center to improve performance of the human resources (HR) function. While the organization was already performing well, the partnership was able to reduce benefit costs, improve staffing process and reduce compensation practices. These improvements resulted in \$7.5 million annually recurring savings.

Challenge

Maine Medical Center (MMC) was performing well. However, MMC recognized that to thrive in a post-reform environment, they needed to optimize their performance in the areas of staffing, benefits, compensation and absence management. MMC partnered with Huron for a comprehensive performance improvement project, which included a significant human resources cost reduction component.

“With the tools Huron developed and the extensive training they provided, our ability to manage in key areas such as overtime, PTO and staffing has improved significantly. I’m very pleased with the result.”

JUDITH WEST, SENIOR VICE PRESIDENT AND CHIEF HUMAN RESOURCES OFFICER, MAINE MEDICAL CENTER

Results

- \$1.7M** saved by PTO program redesign
- \$79,351** in savings through improved workers compensation management
- \$7.5M** annually recurring savings
- \$2.2M** savings through premium pay program redesign
- \$1.7M** savings through benefits plan redesign

Approach

Working side by side with MMC managers and staff, Huron helped MMC achieve substantial HR cost reductions while maintaining the organization’s high levels of quality and service — as well as its ability to recruit and retain top talent.

Reducing benefit costs: Helped MMC control and reduce plan costs for employees and dependents by redesigning benefits programs, contribution strategies and the Family and Medical Leave process.

Redesigning compensation practices: Revised premium pay policies and practices that were no longer market competitive. Redesigned PTO policies, absence management, accrual schedules and administrative practices, providing substantial labor cost savings.

Improving staffing process: Established more efficient processes for replacing positions as staff members retire or leave the organization. Also systemized processes for evaluating position change requests, improving position control.

Maine Medical Center is the largest tertiary care hospital in Northern New England, with more than 6,000 employees.



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