

# Finance Department Reorganization

## Problem

Meridian evaluated the Finance Department at Kern Medical Center and concluded that its resources, structure, and staff were not being optimized. Meridian determined that re-organizing staff, consolidating tasks, and improving efficiencies would help to eliminate waste, increase accountability, and improve the accuracy of the accounting principles.

## Approach



### Mapping the Current Structure

An *organizational chart* was developed to understand the department structure. An *inventory* was taken of all tasks being performed to understand how employee time was being allocated. A *survey* was conducted of all department staff to understand the amount of time each task took.



### Assessment of Task Assignment

Documenting the existing structure helped identify bottlenecks in the month-end close process as well as highlighting the fact that tasks had been haphazardly assigned which created inconsistencies and inefficiencies.



### Optimizing Staffing and Policies

With the assistance of the CFO, and other key leaders within the Finance Department, tasks were grouped strategically and reassigned based on staff strengths and competencies. All tasks were assessed and revised to ensure that they met the hospital and county standards and were consistent with best practices.

## Results

The Finance Department now has an atmosphere of accountability and tasks have been consolidated and assigned to employees based on ability and experience. The realignment of tasks has increased department efficiency, as evident by a **15% reduction in time taken to perform monthly close process**, and staff is more collaborative. The Department will continue to be monitored to ensure controls are working properly.

### MONTH-END CLOSE TASK ASSIGNMENT BY EMPLOYEE

