

# Finance Department Reorganization

## Problem

Meridian evaluated a hospital client's finance department and concluded that its resources, structure, and staff were not optimal. Meridian determined that re-organizing the staff, consolidating tasks, and improving efficiencies would help eliminate waste, increase accountability, and improve the accuracy of the accounting practices.

## Approach



### Mapping the Current Structure

Meridian deployed a 3-pronged approach toward understanding the problem:

- An *Organizational Chart* was created to better understand department relationships.
- An *Inventory of Tasks* was performed to evaluate how employee time was allocated.
- An *Observational Survey* of department was undertaken to reveal the amount of time each task actually 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.

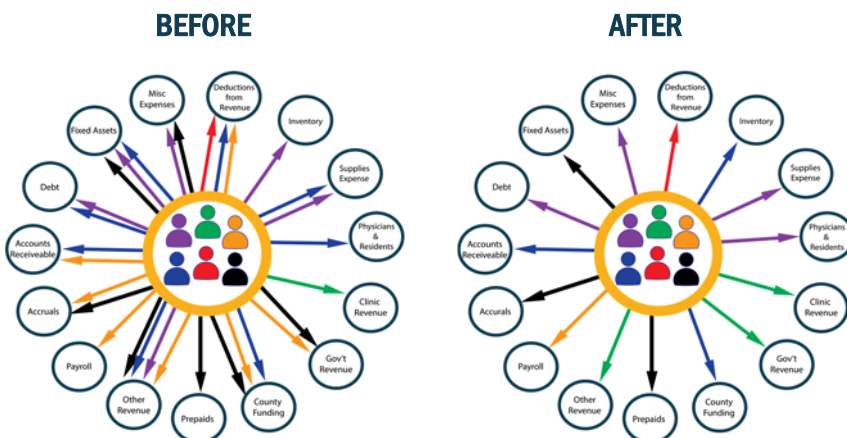


### Optimizing Staffing and Policies

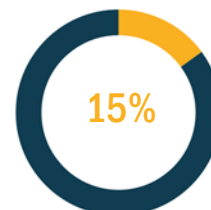
With the assistance of the CFO, and other key leaders within the Finance Department, tasks were grouped strategically and reassigned based on staff strengths and competencies. All tasks were assessed and revised to ensure that they met the hospital and county standards and were consistent with best practices.

## Results

### MONTH-END CLOSE TASK ASSIGNMENT BY EMPLOYEE



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



**Reduction**  
In the time taken to complete a monthly close process of journal entries