

Data Integrity: How to Avoid 'Fictionalizing' Your Benefit Facts

By Andrew Brickman, Director of Benefits Administration, Corporate Synergies 10/22/2015

I once worked for a manager who enjoyed engaging clients with a childhood game called “whisper down the lane.” A message is passed by a whisper from one person to the next in a group of people, and the final version is often radically different from the original. The manager used the game to demonstrate the importance of integrating databases and limiting the number of human touches along the way.

We sometimes encountered a client who refused to play, but most were willing to participate, even though they were not sure what to expect beyond a simple ice-breaker before getting to more serious topics. But the result of the game was almost always the same. Clients invariably experienced that the message at the beginning of the game was often very different at the end, which demonstrated our point: If we can't correctly pass a simple statement through a small group, can we rely on disparate systems and manual processes for important business planning and forecasting? The answer was we could not.

Today, as I travel and meet with many diverse organizations, I am always surprised how many of

these businesses rely on duplicate data entry, storing the same data in multiple systems, and worse, tracking information *manually* on spreadsheets. These methods are often not secure and prone to tremendous errors that results in inaccurate data. In turn, inaccurate data triggers unreliable forecasting for guiding important company decisions. Not only is the accuracy in question, but it takes a tremendous amount of time to compile this bad data in the first place.

It can be difficult to quantify the cost of using disparate and manual systems. It can be difficult to quantify the cost of using disparate and manual systems. One cost that is easier to quantify is benefits administration. I've seen the pain of benefits data integrity issues.

If say, manual administration, overpayments for ineligible dependents, wrong tier coverage, and processing mistakes result in a 7% error, when you factor in the millions of dollars being spent on employee benefits, that 7% error rate can translate into huge dollars wasted.

However, with one point of entry for all employee information, this expense can be mitigated. With one system of record for all employee data, transactions like terminations can flow from payroll to benefits and end with notifications to carriers and third party vendors. This data flow occurs seamlessly, eliminating the need for multiple portal entries. It also eliminates the inevitable avalanche of handwritten notes with reminders and follow-up.

Furthermore, with one system for benefits administration, deductions are accurate. It's also much easier to implement important cost-saving measures like dependent eligibility verification.

There are multiple options for employers to integrate employee data. There are several vendors that market an integrated payroll/HRIS solution. In certain cases, these are excellent options for employers. One point of entry and one vendor can ease implementation and it doesn't require a lot of programming or customization to get the solution up and running.

The downside of integrated payroll/HRIS solution? You are all in with one vendor and your ability to customize programs is limited. If customization is allowed, it is very expensive and time consuming to set up.

The latest trend in the employee data marketplace is leveraging "best of breed" solutions to meet varying needs within your HR department. While evaluating several vendors and tying different solutions together is never seamless, most systems today do

work well with passing information into and out of their database.

This gives you maximum flexibility to customize [technology](#) to meet all of your organizational needs and eliminates the risk of relying on one vendor for all of your services. It also gives you the required level of data integration, eliminating many of the challenges of manual or disparate systems. It also gives you the ability to keep the technology you like and eliminates having to replace everything with an all-in-one system.

Many of our clients are choosing this approach with their benefits administration. While integrated HRIS solutions are starting to offer more sophisticated benefit enrollment engines, most cannot match the ability to embed [state-of-the-art decision support tools](#) and [customized employee communications](#) with benefit enrollment.

These types of tools are more critical than ever due to the increasingly complex and consumer-driven benefits that employers are offering. Employees need help with benefit plan decisions (and understanding the implications of those decisions before they choose their plan), and customized enrollment apps can deliver a personalized solution while providing accurate data integration for the employer.

The great news is there are a lot of options for employers who want to integrate data and avoid the risk and errors of incongruent systems. Whether you use an all-in HRIS system or integrate best-of-breed

benefit enrollment and administration applications,
the goal of a single database can be realized.

Reporting, forecasting and budgeting will be easier,
ending the headache of compiling data and the effort
of using that data to implement an organizational
strategy. And here's the upshot, the data you enter
at the beginning of the process will look the same at
the end.

No more whispering down the lane.

For more information, please call [1.877.426.7779](tel:1.877.426.7779)