

“Tagetik has provided Hunterdon Medical Center with a unified solution that is able to meet our budgeting and cost accounting needs in a timely fashion. From the beginning, Tagetik was a company that Hunterdon Medical Center felt we wanted to do business with because Tagetik cared about the success of our business.”

John Torley, Financial Manager at Hunterdon Medical Center

Company

Hunterdon Medical Center

Industry

Healthcare

Corporate Performance Management

- Budgeting & Planning
- Financial reporting
- Cost Accounting

Key facts

- 178 beds
- 1,600 staff (FTE)
- \$230 million in annual revenues

Requirements

- Budgeting and cost accounting from one vendor
- Integration with financial reporting
- Limited IT involvement
- Adoption of specific business and approval process

Benefits and Results

- One application, user interface and database
- Shorter Budget cycle
- Faster planning and reporting cycles
- Fewer errors and better security
- Complete upgrades without professional consulting

The challenge

In order to deliver quality, effective healthcare, the Hunterdon Medical Center has always placed great value on teamwork, personal initiative and continuous innovation. Its staff members have applied these standards to all aspects of their work—including internal processes such as planning, cost accounting and financial reporting.

However, back in 2010, the financial department diagnosed incurable problems caused by the hospital's aging financial systems and the massive use of spreadsheets. The budgeting process became increasingly complex and more prone to errors. To complicate matters, users would send multiple iterations back and forth via e-mail during budget negotiations. Considering that there were over 100 contributors and very limited resources, the finance team needed a new solution to simplify and gain more control over these processes and to also overcome challenges on the cost accounting side because there was no insight into the logic of the allocations being performed.

The objectives

The finance department at Hunterdon Medical Center had many different requirements for the new system, especially with regards to the functionality for planning. These included:

- Forecasting gross revenue based on inpatient/outpatient admissions and other trended statistics through regression analysis;
- Projecting HR-related expenses per individual employee and making assumptions for new hires;
- Estimating operating expenses that reflect inflation factors and seasonality;
- Evaluating new programs and capital requests;

The financial team also wanted to be able to allocate fixed and variable expenses to the appropriate departments based on the estimated number of full-time employees (i.e. FTEs), generated revenues or other factors. In addition, they wanted to analyze which procedures were the best and worst performers in each department thus determining the profitability of each department through a rigorous process of overhead distribution. Finally, it wanted to leverage that information to create tailored reports for department managers, executives and Finance.

The solution

Using Tagetik, Hunterdon Medical Center was able to implement these various requirements quickly and shorten their budget cycle time. Because Tagetik has a single

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John Torley
Financial Manager
at Hunterdon Medical Center

database, the finance team is able to monitor progress, update reports and make modifications as needed. The reporting and cost accounting processes are now unified in one application, with one user interface and one database.

Using the built-in features of Tagetik, the hospital has been able to bring its balance sheet, income and cash flow statements in balance without journal entries. Since it can easily adapt the financial models and templates during the collection processes, it has significantly decreased planning cycles.

The benefits

By minimizing the use of spreadsheets, the hospital has been able to eliminate the number of manual errors while providing optimal data security. Since users share information, activities, and deadlines more easily, the level of collaboration and the quality of these processes has increased dramatically.

"Tagetik has provided us with an audit log that Hunterdon Medical Center never had before. This has reduced some of the issues we've had in the past when nobody could remember who or why changes were made. This has been especially beneficial to me because in February, a VP called asking me why an expense was eliminated from the budget, and I was able to audit and find out that it was the same VP that removed the expense. It was a quick call," says John Torley, Financial Manager at Hunterdon Medical Center.

About Hunterdon Medical Center



Hunterdon Healthcare

Hunterdon Medical Center is a 178-bed non-profit community hospital based in Flemington, New Jersey. The center provides a full

range of preventive, diagnostic, and therapeutic inpatient and outpatient hospital and community health services, and generates over \$230 million in annual revenues and has the full-time equivalent of 1,600 staff members.

About Tagetik

At Tagetik our mission is understanding the complex challenges that face The Office of Finance and translating that knowledge into intuitive, enterprise-scale performance management software solutions that drive business results. With Tagetik Cloud, or on-premise, you can unify financial and operational planning; shorten your consolidation and close process; immediately analyze results, model and compare full financial statement impact of business scenarios; adjust your strategic plan; seamlessly update rolling forecasts; produce formatted and auditable financial statements and management reports; collaborate on business reviews, and automate disclosure and board reporting. We've built-in the financial intelligence so you can orchestrate some or all of this in one place. Find out why more than 750 customers in more than 35 countries count on Tagetik to improve efficiency, reduce risk, save money and delivers results, visit www.tagetik.com.

We get Finance. You get results.