



TD Securities Cashes In On Partnership With Black Mountain Group

By Bruce Shutan

Sometimes it takes an acquisition to dramatize the difference between where an organization has been and where it's headed. Such was the case for TD Securities, Inc. in New York, a subsidiary of the Canadian company, TD Bank Financial Group which specializes in capital markets and which is also an investment banking boutique focused on media and telecommunications.

Call it a tale of two cities: Employee data from the firm's newly acquired Chicago office was automated first without any trouble, while data from the firm's New York office that had long been manually input wasn't updated. "When I went to turn on New York for the first automated open enrollment in July 2002, there were incorrect addresses and people had life-event changes that needed updating," according to Marianne Vitale, the company's vice president and director of human resources and a TD employee for nearly 30 years.

Prior to the 30-day implementation of proprietary benefits-enrollment software from New York-based international outsourcing provider Black Mountain, TD's paper-intensive climate was highly disorganized. New-hire documentation used to take 90 minutes before the orientation process even began. "You'd sit down and fill out 20 forms – one after another," she recalls. "Then the benefits person would have to copy, sign, fax and mail all the information to separate carriers. You're talking about a two-day process."

Mike Harris, TD client manager at Black Mountain, says the main challenge was to coordinate data flow – ensuring correct information exchanged hands and was fed back for payroll deduction.

The ambitious month-long enrollment in March 2002 went off without a hitch. TD's 500 new employees signed on with no need for training other than a cheat sheet on accessing the system, user I.D. and password. There were no technical glitches. Education materials were self-explanatory. And following employee meetings in February, everyone was enrolled by April Fools Day – and that's no joke.

When TD's COBRA administrator fell down on the job, Black Mountain conducted a mop-up operation in September 2002 so that now all employee data is squeaky clean. "I had so many problems with people getting dropped off the carrier system," she says of the old process at TD, "and ended up running out of patience."

Another paperless project involved the production of benefit statements. TD's manual pension calculations were running about \$400 per head count, which is why the firm finally decided in 1997 to issue personalized benefit statements. "It was professionally done and well received," Vitale reports, noting how the threefold pamphlet summarized employee personal information, benefit elections and "hidden" benefit costs that the company was incurring each year on behalf of its workforce. Transportation spending account statements were added in 1999.

A MATTER OF TRUST

There's a simple equation for building outsourcing relationships, according to Vitale: 60% trust + 20% open and constant communication, 10% patience and 10% individual company goals = success.

"I remember being on the phone with Black Mountain one night from Chicago and they wanted to delay enrollment implementation by one day," she says. "They knew when to put on the brakes, and I knew I was in good hands. Employment information had to be correct. I couldn't roll out something with a wrong salary."

While the outsourcing partnership with Black Mountain still hasn't been fully quantified, Vitale is confident of a sunny outcome. She's expecting at least a 10% savings but is about nine months away from crunching the numbers. Improved accuracy and superior customer service surely will continue to raise employee-satisfaction levels, which TD plans to examine in a poll following next year's open enrollment period.

There's already a world of difference that's showing up anecdotally. New hires, for instance, are sitting at their desks just 20 minutes after the initial visit to HR. "And we no longer have to worry about them getting signed up or receiving a medical card," she enthuses. "It's a big relief for us."

Another advantage is that the HR department can focus on plan design issues. "There's a fresh set of eyes looking at all these processes I've done for years such as getting renewals right and working with multiple vendors," Vitale explains. "I'm technically in the banking and broker-dealer business. I'm not in the benefits business. I don't know what's new out there with orthodontia or cataract coverage. Everybody calls me on Friday trying to sell benefit products. Now I tell them to call Black Mountain."



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