
CoreCentric Works with Launchways to Streamline HR Operations & Create a Scalable Employee Benefits Strategy

Executive Summary

2016 was a transformative year for CoreCentric that brought new opportunities and new HR challenges. The company experienced rapid financial growth as they closed a \$4M funding round, revamped its leadership team, and consolidated its operations from four locations to a new facility in Carol Stream, IL. CoreCentric turned to Launchways to help them address challenges presented by their rapid growth and to support their continued growth by developing a long-term benefits strategy and implement scalable and efficient HR and hiring processes.

Company Overview

Corecentric Solutions is a fast-growing aftermarket service solutions provider in the electrical manufacturing space. Founded in 1995, they serve multiple channels which include Retail, Wholesale, Manufacturing, Distribution, and Aftermarket Service. CoreCentric's mission is to partner with customers to reduce overall costs while maintaining their commitment to their employees, stakeholders, and the environment.

Fast Growth Exposes Inefficient HR Processes and Unchecked Benefits Expenses

In 2016, CoreCentric had received new funding and was moving into a centralized facility with room to accommodate growing operations. The company was perfectly poised to launch a period of rapid expansion. But CoreCentric's new leadership team realized that outdated HR and hiring processes and increasing benefits expenses threatened their ability to maximize the company's growth.

Prior to working with Launchways, CoreCentric took a tactical and manual approach to all of its HR and benefits processes. This prevented their HR team from aligning the company's HR policies and benefits strategy with company goals to fuel the company's growth. As CoreCentric's CFO Brian Cassell explains, "Our HR processes were very manual and time-consuming. Because of this, our staff's time was spent mostly on putting out day-to-day fires rather than moving forward long-term strategic objectives. We had challenges unifying the HR function behind the company's long-term strategic goals."

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Case Study Highlights

Challenges

- Rising benefits costs and limited visibility into the factors driving the cost increases
- Tactical approach to benefits & HR prevented strategic alignment with business goals
- Manual and time-consuming HR processes
- No clearly defined process for workforce planning and talent acquisition

Solutions

- Replaced insurance provider to generate savings and increase transparency
- Crafted a path to self-funded employee insurance
- Conducted strategic HR assessment
- Created a roadmap for an end-to-end HR solution
- Provided short-term HR support
- Implemented talent acquisition processes reflecting best practices

Results

- Significant employee benefits savings and a strategic approach to benefits that supports CoreCentric's continued growth
- Increased efficiencies, allowing CoreCentric's HR team to focus on longer-term strategic objectives
- Helped CoreCentric grow and support their team to accelerate their business' growth
- Improved HR and benefits experience delivers increased value to employees to improve talent acquisition, engagement, and retention

In particular, as CoreCentric looked to grow their team to staff their new facility and grow their business, they realized that their hiring processes were outdated and they lacked an overall hiring strategy. CoreCentric did not have workforce planning processes to help them develop a hiring strategy or effective criteria for evaluating candidates and hiring the right staff to support their growth objectives.

Additionally, CoreCentric had become frustrated by their rising benefits costs that threaten to drain valuable resources away from their expansion. Their healthcare insurance carrier issued a 9% increase in CoreCentric's premiums which would result in significant expenses for the growing company. But at the same time, their benefits broker at the time did not provide meaningful claims data to justify the increase or help CoreCentric improve plan utilization to combat costs. And while CoreCentric considered switching to a self-funded model, the limited claims data that their previous carrier did provide caused potential providers to issue quotes that were far from cost-effective.

Across the board, CoreCentric knew that they had to take a more streamlined and intentional approach to the tactical side of HR, hiring, and benefits so that they could focus on strategy and support their continued growth. And they decided that Launchways was the right partner to help them achieve this goal.

Launchways Sets CoreCentric Up for HR Success while Overhauling Benefits

CoreCentric initially chose Launchways as their partner to streamline their HR processes and establish policies and processes that would support the company's growth. The CoreCentric team was especially frustrated by fragmented human resources processes and wanted to work with an HR partner who could unify their processes as CoreCentric unified their operations in their new facility. Brian had this to say about why Launchways was the right choice for the company's needs: "I felt that Launchways provided more value at a significant cost-savings. For us, Launchways presented an end-to-end solution to tackle our HR challenges. I knew Launchways would be a very good ongoing resource for our team moving forward."

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Launchways started streamlining CoreCentric's HR practices by completing an HR best practices assessment, which helped the CoreCentric team pinpoint the best place to start in refining their HR processes. It became clear that the company's HR team was understaffed and did not have the resources necessary to make strategic changes. So, the Launchways team provided short-term HR support which facilitated high-impact changes to HR practices quickly.

These changes included outsourcing time-consuming HR functions to allow the CoreCentric team to focus on the strategic side of HR and developing a robust hiring process and clear talent acquisition best practices that facilitated better hiring practices across the board at CoreCentric. Launchways also immediately started administering the company's employee benefits to save the internal team even more time while delivering a smoother, more valuable employee experience.

With new, efficient HR and hiring processes in place, CoreCentric was ready to expand – and quickly. Launchways continued to advise the CoreCentric team, improve systems to support the company's continued expansion, and enable CoreCentric to attract, evaluate, and hire the talent that they needed. In 2019 when the company's previous health insurance carrier announced that it was going to raise its rates, CoreCentric executives knew it was time to be working with Launchways on the benefits front as well.

Given the surprise rate hike and lack of information about the factors driving the increased costs, CoreCentric decided that they wanted to transition to a self-funded model to take full control over their healthcare costs. When providers returned quotes that were not cost-effective for the growing company, Launchways implemented benefits from a new carrier who offered lower rates and greater transparency as an interim measure to help CoreCentric move towards self-funding in the long-term.

Launchways Continues to Support CoreCentric's Growth

Launchways' initial HR assessment and process overhaul was vital to CoreCentric's ability to develop a strategic approach to human resources while saving time and money along the way. "Now, we're strategically automating portions of our HR operations and it's resulting in huge time savings for our team. With the time we save, we're able to focus on bigger-picture issues rather than constantly dealing with putting out day-to-day problems as they come up" notes Brian.



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And thanks to their new hiring process that Launchways crafted, CoreCentric has been able to attract, evaluate, and retain the top talent they need to fuel their continued growth. As Brian says, “With Launchways’ help, we now have the right people in the right seats.”

Employee benefits have been a vital part of CoreCentric’s efforts to build a stronger team that will deliver future successes. From the get-go, Launchways worked with CoreCentric’s HR team to develop a benefits strategy that appealed to employees and job candidates to help CoreCentric stand out as an employer. Brian has this to say about the initial benefits overhaul, “Launchways helped us craft a strategic benefits program. They did all of the research and presented the best practices – they vetted all the information before presenting it to us so we could make informed purchase decisions. Our entire strategy and process around benefits is much more automated now with Launchways’ help.”

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Not only was Launchways able to streamline CoreCentric’s benefits administration and help them develop an effective benefits strategy, but we have also been able to move the company towards a self-funded insurance model while generating savings along the way. Their new health insurance plan delivers an effective 9% savings compared to their previous carrier and provides CoreCentric with valuable claims data that will help them take control of their healthcare costs in the short-term and

transition to self-funding in the long-term. Brian added: “If you’re looking for a strategic solution provider versus just a broker, Launchways is the place to work with.”

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“The Launchways team will work with you to correct and streamline” said Brian. Brooke Martinez, Corecentric HR Generalist, added “The Launchways team is fantastic with our employees. They consistently go above and beyond to make sure our employees are taken care of.” Brian views Launchways as a long-term partner: “I see Launchways as our long-term strategic partner. It’s a relationship that continues to evolve and I know as we grow they will continue to ensure we’re following best practices and providing maximum value to our employees.”

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