

Spice House Improves Benefits Offerings, Cuts Costs, and Successfully Implements HR All-In-One System with Launchways



Overview

With a rapidly expanding ecommerce business, Spice House is the fastest-growing craft spice merchant in the Midwest. In late 2017, Charlie Mayer initiated the process to purchase Spice House from its original owners. The purchase process involved consolidating two employee groups, designing an

employee benefits program, establishing comprehensive business insurance coverage, and building human resources and payroll infrastructures. Spice House worked with Launchways to build scalable processes in each of these areas.

Case Study Highlights

Challenges

- Change in leadership
- No comprehensive, thoughtful benefits package
- Current business insurance provider could not provide appropriate coverage, needed immediate comprehensive risk coverage
- No clear processes around payroll, time and attendance, or employee record keeping
- Several employee discipline and HR compliance issues

Solutions

- Leveraged HR Best Practices Assessment to identify critical issues areas
- Assessed current insurance coverage and built a custom policy package
- Created a cost-effective comprehensive benefits package
- Implemented recommended all-in-one HR technology platform (HRMS)
- Began administrating payroll
- Provided support and ensured compliance adherence when addressing employee discipline issues

Results

- Single-choice health plan replaced with a custom-tailored, comprehensive benefits package
- Annual cost savings of 16% on employee benefits
- Automated payroll, time and attendance, employee record keeping, and new-hire onboarding
- Ensured compliance with all state and federal laws and regulations

Impending Ownership Transition Presents Several Challenges

Prior to engaging with Launchways, Charlie identified several challenges with his transition to owner of Spice House. To start, Spice House was offering a single-choice health plan to one of its employee groups and offered no health insurance to its second employee group. Charlie knew he had to secure a more comprehensive benefits package at a competitive price.

Spice House's second major challenge arose when their previous insurance broker refused to renew their policy on

the grounds of their rapid ecommerce expansion. For Spice House to remain compliant, Charlie knew he needed to secure comprehensive business coverage specially tailored to a manufacturer in the food industry.

The third challenge was a lack of clear processes around payroll, time keeping, attendance, and employee record keeping. Charlie needed to pinpoint an Human Resources Management System (HRMS) system that could handle all these processes effectively. Additionally, several employee discipline and compliance issues arose throughout the transition process. Charlie needed assistance in navigating these

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complex issues while remaining compliant with local and federal regulations.

Launchways Builds Custom Solutions with Spice House's Future Growth in Mind

While he originally considered working with a professional employer organization (PEO) to tackle these challenges, Charlie ultimately began a relationship with Launchways due to our comprehensive solution that covered all Spice House's needs in the areas of benefits, insurance, and human resources. Charlie recalled "I knew I needed a solution that could unify Spice House's disjointed operations. I didn't even know where to start, but Launchways provided a comprehensive solution with a clear roadmap to success. For us, it was a natural fit." After Charlie's initial consultation, the Launchways team completed a best practices assessment and identified several critical areas that needed to be addressed immediately for Spice House to remain compliant with federal and state regulations.

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When Spice House's current insurance provider failed to renew just one month prior to the ownership transition, The Launchways team quickly put together a comprehensive, cost-effective business insurance package, specifically tailored to the needs of a fast-growing business in the food sector. Charlie said "Launchways' insurance experts did an audit of the business, assessed which coverages we actually needed, and put together a comprehensive package at a great price. The entire process was so simple."

To address pressing concerns about the lack of a scalable payroll solution, the Launchways team did a cost-analysis of HRMS software and ultimately recommended an all-in-one HRMS platform which would handle Spice House's employee record keeping, new-hire onboarding, time and attendance, and payroll. Launchways' team spearheaded this technology implementation, ensuring all employee records were

up-to-date and compliant payroll processes were in place at the date of Charlie's transition to CEO of Spice House. "If it weren't for Launchways' guidance, I have no idea what solution we would have put in place for payroll, time-keeping, and employee paperwork" Charlie added.

"Not only was the Launchways team able to put together a plan that included everything I wanted and more, they also saved us tens of thousands of dollars annually."

After addressing critical HR and insurance issues, the Launchways team put together a benefits package for Spice House. Charlie explained "I knew I wanted to consolidate our current offerings to a single vendor and offer more comprehensive coverage across the board. Since Spice House previously offered only health, I wanted to increase our benefits offerings to include health, dental, vision, life, and a 401k. I figured that because we'd be offering more, it would result in cost increases." However, Launchways' benefits specialists were able to put together a comprehensive package of coverage at a cost savings of 16% per year. "Not only was the Launchways team able to put together a plan that included everything I wanted and more, they also saved us tens of thousands of dollars annually" Charlie added.

Throughout Charlie's transition process to owner of Spice House, Launchways' team of HR, insurance, and benefits specialists were on-call to address his most pressing issues. When unforeseen circumstances lead to Spice House's need to terminate an employee, Launchways' team handled all termination and compliance issues. "In terms of what ended up mattering the most, it was so important to have Launchways by our side to tackle ongoing HR challenges. The Launchways team anticipated and addressed critical issues areas I hadn't even thought about such as how to streamline payroll, how to maintain compliance with employee records, and how to appropriately handle several employee discipline issues as they came up" Charlie said.

Spice House Transitions Ownership Successfully with New Insurance, Benefits, and HR Solutions in Place

With Launchways' help, Spice House has successfully im-

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plemented scalable insurance, benefits, and HR solutions that allow Charlie to spend his time focusing on growing his company rather than worrying about compliance. The HR technology and payroll administration processes implemented by Launchways don't only save Charlie time, but also help ensure Spice House's workforce is being managed properly and that all compliance bases are covered. Spice House's new comprehensive benefits offering saves the company thousands of dollars a year and offers their employees immense value. Charlie noted "As a business owner, I'm incredibly busy managing my company and getting everything on track. The systems Launchways uses to get us where we need to go are simple and effective, so the entire process is quick and painless."

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Spice House continues to work with the Launchways through our benefits and insurance brokerage and payroll administration services. Charlie added "The Launchways team is extremely responsive. Throughout the entire process and all the challenges they've helped me tackle, I've never been frustrated once. They work with me through all the complications every step of the way. The solutions they build consistently exceed my expectations."

"If you're considering working with Launchways, I'd recommend focusing on where you want to go. Tell the Launchways team where you want your business to be in three months or in three years, and they will design a solution to help get you there" said Charlie.

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