

HealthEquity Shrinks Supplier Onboarding Lead Time

70%

Reduction in onboarding time.

1,334

Supplier connections through Graphite.

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International Media Company Slices Supplier Onboarding Times by 70%

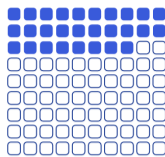
Media giant achieves remarkable efficiency gain in supplier onboarding by adopting Graphite.

Background

HealthEquity is a healthcare benefits and financial services company that manages health savings, flexible spending, and other tax-advantaged accounts for its clients.

Because HealthEquity has access to confidential health and finance information, ensuring compliance with HIPAA, data privacy, and other industry regulations is essential. Suppliers can't simply be fast-tracked through the system—careful due diligence is always required.

Lead time for onboarding a new vendor dropped from 90 to 28 days.



The Challenge

Founded in 2002, HealthEquity began with fewer than 1,000 employees and a small vendor base. However, after acquiring WageWorks, their supplier base nearly doubled and they grew to nearly 3,000 employees. They now work with over 1,300 suppliers.

The company quickly found that with this new and growing number of suppliers, it could no longer effectively manage and monitor its supplier base.

Fragmented Onboarding

Prior to implementing Graphite, HealthEquity's [supplier onboarding](#) process was complex and fragmented. There were no tools in place to allow various teams to effectively communicate and collaborate, nor was there a central location to store data and contracts.

This meant that their [security and risk management](#) teams often weren't notified when a new supplier was under consideration and ongoing rescreens were inconsistent. Without central storage, it was difficult to quickly and easily know where each supplier was in their onboarding journey.

Low Visibility

Supplier data instead lived in several different systems, with different teams, or even on individual computers. Information stored this way was often outdated and inaccurate or riddled with duplicates across various systems. Suppliers were named differently between systems, making it difficult to track down contracts and spend data.

Because of this disorganized storage of supplier data, visibility became a serious issue. Access to the information that procurement, finance, and legal teams needed to make decisions was limited or outdated, making it much harder for these teams to work effectively and productively.

Poor Risk Management

One of procurement's most essential tasks is to protect the company from potential risks brought on by new suppliers. However, with limited visibility and a dysfunctional onboarding process, this task became difficult to execute.

Limited access to supplier data made it difficult to accurately assess and manage potential risk, and as a result, many suppliers were slipping through the cracks unchecked.

It was time to implement a centralized and accessible procurement system.

Why Graphite?

The search began for a complete solution that could connect all the necessary teams, offer visibility across the entire procurement process, and help clean up the messy data.

That's when HealthEquity learned about Graphite: a system that offered a secure, central repository for teams to store and access supplier information all in one place. *"I think the number one reason we liked the Graphite Connect tool was that it allowed us to have all the separate workflows in one location," said Gina Smith, Program Manager for Risk Management. "So it was going to service the needs of our procurement team, our data privacy group, our information security group, and even our enterprise risk management team."*

Contract Management

Implementing [Graphite Connect](#) made it easy to keep track of contracts. Teams can send, upload, or perform searches for specific contracts all within the same system.

Within the platform, it is easy to assign triggers to certain tasks so the appropriate stakeholders are involved every step of the way. Redlines can all be shared on the platform as well, with an audit trail of changes and updates. All stakeholders have visibility into when a contract is completed and ready for the next steps.

Reporting

The Graphite Connect platform also made reporting a breeze for the procurement team. With greater insight into team functions and processes, HealthEquity's procurement team is poised to become more highly efficient.

"The data that you can get out of Graphite has been awesome. We've been able to build reports of contracts coming due in the next 60, 90, 120 days and we've seen lead times decrease," said Ian Harward, Director of Procurement. "We can actually show how long it's taking our vendors to connect with us in the system, and how long security and legal reviews are taking."

Onboarding Suppliers

The workflow for [onboarding suppliers](#) quickly became more streamlined with Graphite. Now a supplier who wants to do business with HealthEquity can simply complete and submit a designated questionnaire, as well as structured security vetting based on HealthEquity's specific needs.

"Graphite is making our company safer through the vetting process, which can be rigorous and long," said Connie Michalak, Purchasing Coordinator for HealthEquity. "With Graphite, we're able to get very specific with the due diligence that should be done."

After a supplier is approved, Graphite automatically validates all their information including tax ID, bank data, OFAC, and other sanctions. The best part? Team members always know they're working with the most accurate, up-to-date, and high-quality data about any given supplier.

"Graphite is very intuitive and friendly. And with the amount of suppliers that we need to onboard, Graphite is a great tool."

Connie Michalak
Purchasing Coordinator, HealthEquity

Risk Management

With Graphite Connect, the risk management team now has visibility into every supplier that is onboarded, so high-risk suppliers are less likely to slip through the cracks. Automated rescreen reminders make it easier to stay on top of annual controls. And, because of this transparency, HealthEquity has visibility into the status and risk level of each and every supplier.

The Results

Graphite Connect provides HealthEquity with a more unified and holistic view of every supplier. Now, systems, teams, and data are connected. The procurement, risk, compliance, legal, and finance teams have a single location to monitor activity, manage reviews, and reach out to suppliers. Not only is there greater visibility into the supplier network, the entire process from onboarding all the way to contract approval is significantly faster.

"Graphite definitely helped us to scrub our vendor data to make sure there weren't any duplicates, which was super helpful."

Ian Harward
Director of Procurement, HealthEquity

"You can get a more holistic look at what the lead time looks like, which has a lot of positive downstream impacts," said Harward. "You have project managers who are trying to plan for onboarding a new vendor. And now that we can say, hey, it's taking us about 28 days from start to finish, depending on how responsive the vendor is, it's helped with scheduling and eliminated a lot of issues on the backend. There were times it would literally take us 12 weeks to get a vendor onboarded. Through this process, it's helped streamline a lot of that."

Stakeholders can see what's happening at every stage. Procurement knows exactly what's going on with compliance, and vice versa. Based on HealthEquity's business rules, the appropriate suppliers are getting routed to the [risk management](#) and legal teams for review.

"We can get that information in front of our compliance teams sooner to quickly determine whether a partner meets controls that are in place," said Smith. "and avoid working with partners that would have presented a significant risk."

Results

- Faster, more efficient supplier onboarding process
- Greater visibility and reporting to leadership
- Improved communication and collaboration between teams
- Cleaner data, reducing duplicates and inaccuracies
- Ability to pinpoint high- and low-risk suppliers
- Identify bottlenecks in the process and make any necessary changes

What's Next?

HealthEquity is pleased with what it has accomplished so far with Graphite. Never one to rest on its laurels, the healthcare benefits and financial services company continues looking toward the future to see how to make the partnership even better. A project is in the works to fine-tune the existing system and take a deeper dive into business logic for compliance.

Heard Enough?

Let's drive the same results for your business. Reach out to learn more about how Graphite can take your supplier management to the next level.

See for Yourself