

Case Study »

W-2 Management

Client Profile

Stein Mart targets fashion-aware, value-conscious customers who typically shop at traditional department and fine specialty stores.

Challenge

To decrease hard and soft costs by delivering an electronic W-2 to a highly distributed network of employees and stores, all while increasing the level of service and satisfaction.

Solution

By going with the TALX electronic W-2, Stein Mart was able to implement a faster, more efficient way of supplying employee W-2s which appealed to corporate and department store employees alike.

Results

Since implementing in 2007, Stein Mart has obtained consent from nearly 30% of their employee population, resulting in significant savings on paper and ink, postage, computer usage, and manpower.

Stein Mart

Client

Stein Mart opened the first branch store in 1977 in Memphis. The vision of selling upscale merchandise at discount prices in an easy-to-shop, appealing environment became the blueprint for developing a highly successful chain of stores employing nearly 20,000 people. Today, you can shop Stein Mart coast to coast. Stein Mart targets fashion-aware, value-conscious customers who typically shop at traditional department and fine specialty stores. As a differentiator, Stein Mart emphasizes a conventional specialty store approach to customer service, merchandise presentation and store design to attract this customer.

Challenge

One major challenge to Stein Mart is that they have a highly distributed network of stores and employees, operating 267 stores in 33 states with 14,500 employees. With most of these employees working in the stores themselves, Stein Mart was unable to supply those employees with onsite Internet access. Therefore, communicating certain initiatives to employees could prove challenging.

They also wanted to decrease hard W-2 costs which included paper and ink expenditures, postage, computer usage, and manpower. Additionally, they wanted to save on soft costs by relieving the stress and burden of W-2 season within their payroll department as well as free up their time to focus on other core competencies. Of course, Stein Mart wanted to accomplish these goals and increase employee satisfaction simultaneously.

They began by gauging interest in adopting a paperless W-2 with store managers, which turned out to be overwhelmingly positive. This gave them the green light to approach upper-management with the idea of undertaking a companywide electronic W-2.

“We are in retail and if the electronic W-2 can work for us, it can work for anyone. This applies to every organization”

-Greg Lohman, Stein Mart Human Resources

Solution

Since Stein Mart was already on the paperless pay system and employment verification service (The Work Number) through TALX, introducing the TALX paperless W-2 to employees was an easier transition that employees would also view as advantageous. They decided to deploy various internal campaigns via posters within the stores and emails to managers to relay to employees the new technology. Incentives were offered to managers to promote electronic W-2 consent with the message being heavily weighed on the convenience factor. Subsequent campaigns focused on storewide prizes for consent and promoted unlimited W-2 reprints, ease of use, "going green", safety and security, and quicker availability of their W-2.

New employees who are offered the opportunity to consent during the hiring process see the electronic W-2 as convenient and appropriate for the current times. They view Stein Mart's use of the technology as innovative. The electronic W-2 has also proven to be a brand enhancement for Stein Mart in competing for talent.

Results

Since introducing the electronic W-2 to employees in 2007, consent has steadily risen from 14.7% to 22.8% to 29.8% in '07, '08, and '09 respectively. At the corporate level, the consent rate currently stands at 75%, mainly due to greater ease of connectivity.

This year, Stein Mart processed approximately 19,000 W-2s with roughly 5,700 of those being delivered online, saving them money on both hard and soft costs. On average, reprints are requested for around 2.8% of W-2s. Of that 2.8%, 76% are processed and delivered entirely online, which the employees themselves can do independently without contacting Human Resources.

To learn more about how TALX can help your organization, contact us at **1-800-888-8277** or **moreinfo@talx.com**.