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# PAYTECH

## Dick's Sporting Goods Achieves Electronic Pay With ADP

### STEPPING UP TO THE PLATE

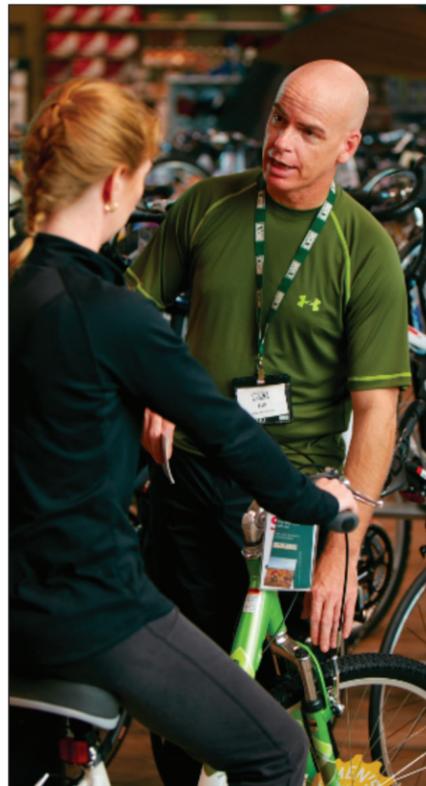
With 500-plus store locations in more than 40 states, Dick's Sporting Goods needed a better approach for managing the ever-changing patchwork of payroll laws in each state. The retailer opted to take the offensive and focus on implementing electronic payroll in California and Oregon—states with pay laws that presented particular challenges for the retailer.

Similar to a professional sports franchise, a business's roster of employees is constantly in flux as workers regularly come and go. As team members part ways with the company or join the team, the employer must manage a number of different payroll compliance obligations.

In addition to ensuring employees were paid on time, Dick's Sporting Goods wanted to make the process of paying employees simpler. Physically handing out paychecks to each associate took its toll on managers, who were forced to leave customers on the sales floor unattended while distributing checks that carried the potential of being altered, lost, or stolen. The retailer wanted to expand its payroll offering to feature multiple electronic payroll options for associates, including direct deposit and a paycard that offers employees easy and free access to their pay.

### TEAMMATES REUNITED

Dick's Sporting Goods first partnered with ADP in 2005 to provide direct deposit and



paycard solutions as a way to streamline its payroll. As the retailer sought to expand its footprint in California and Oregon, it again turned to ADP, knowing the provider had the expertise needed to assist Dick's Sporting Goods in meeting its goals of moving toward total electronic payroll.

The retailer's phased rollout was under an aggressive timeline, hoping to

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convert nearly 30,000 associates to direct deposit or the ADP paycard solution right off the bat—only three months after being implemented in each store. Like any elite athlete, the company rose to the occasion when the game was on the line.

### KICKING IT OFF

With stores in nearly every state, Dick's Sporting Goods needed to be strategic with its electronic pay rollout. First it tackled California in June 2010, followed by Oregon—the two highest-priority states for the company. Store managers were equipped with toolkits that highlighted the

benefits of electronic payment and explained, with respect to the paycard option, in layman's terms to employees how to log in to the cardholder website, check account balances, transfer money, and access tips for avoiding fees.

"Making things simple for our associates was our main focus," said Andrew Neff, Senior Payroll Administrator at Dick's Sporting Goods. By submitting a single form, associates who signed up had immediate access to ADP's Payment Solutions tools, enabling them to receive payments via direct deposit, prepaid card, and/or check.

### GAME PLANNING

After California and Oregon, Dick's Sporting Goods began implementing the electronic solution in other states with similar payroll laws.

This was an equally heavy lift, and the sporting goods chain sought to get ahead of the curve and move quickly in these states. Managers were sent biweekly status reports to track enrollment progress, and it soon became a point of pride as store locations reveled in competing to reach 100% electronic participation. Employees experienced the benefits of electronic pay firsthand. They were now able to access their account information remotely.

### THE FINAL SCORE

Dick's Sporting Goods now manages its staffing issues in California and Oregon like a pro. "It used to take a few days to issue a check. Now we can turn around a check in an hour or two," said Lindsay Forish, CPP, Payroll Supervisor. In the past, processing these payment

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— Lindsay Forish, CPP  
Payroll Supervisor  
Dick's Sporting Goods

claims required hundreds of hours of administrative work as well as printing and shipping costs for each individual check, costing the company thousands of dollars each year.

The focus on shifting to electronic payroll sparked surprising results. "We were hopeful people would embrace electronic pay, but we were shocked to see how quickly direct deposit skyrocketed," Forish said. Since its introduction over 18 months ago, more than 90% of all associates in states with payroll legislation—that had presented as a challenge for Dick's Sporting Goods—are now using direct deposit. In addition 5% percent use the ALINE Card by ADP<sup>SM</sup>.

"For every check that we don't print, that's one less opportunity for something to go wrong," Forish said. In 2009, there were thousands of unresolved and outstanding check claims on the books. Since adopting ADP's payroll disbursement offering in 2010, that number has reduced drastically to only 5% company-wide.

In addition to payroll, other areas

of the business have become increasingly electronic as Dick's Sporting Goods now has the ability to pull reports and run analyses using digital payroll data. This not only results in better informed, more precise business decisions but also a smaller paper footprint. It's estimated that Dick's Sporting Goods now operates 80% electronic for both payroll and pay statements.

### CREATING A DYNASTY

Shooting to open an additional 400 stores in the future, Dick's Sporting Goods has aggressive plans for expansion. This type of growth simply would not be possible if the existing framework for electronic pay did not provide a solid return on investment. Management has seen the benefits of electronic pay firsthand and now coaches associates on the electronic payment options available from their hire date or when a new store opens, resulting in wins across the board.

### ABOUT ALINE PAY BY ADP

ALINE Pay by ADP<sup>SM</sup> is a single-source solution for businesses that want to move their employees toward 100% electronic pay. The ALINE Pay solution includes everything an employer needs to help reduce the cost and operational inefficiencies of payroll administration. With ALINE Pay, organizations enjoy one reliable resource with a single-file process that can reduce the burden of managing multiple vendors and help drive operational efficiencies. Employees also benefit from the flexible payroll options including direct deposit and the ALINE Card paycard. ■

The American Payroll Association (APA), [www.americanpayroll.org](http://www.americanpayroll.org), is the nation's leader in payroll education, publications, and training. This nonprofit association conducts more than 300 payroll training conferences and seminars across the country each year and publishes a complete library of resource texts and newsletters. Representing more than 23,000 members, APA is the industry's highly respected and collective voice in Washington, D.C. Get more information at [www.americanpayroll.org](http://www.americanpayroll.org).

APA's sister organization, the American Accounts Payable Association (AAPA), is the authority for the latest news and trends in the accounts payable field. AAPA offers training, publications, and many more membership benefits, all designed to help accounting and finance professionals get the most out of their careers. Get more information at [www.americanap.org](http://www.americanap.org).

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