



Case Study:

Sears, Roebuck and Co.



Client

Sears, Roebuck and Co. ("Sears"), a wholly owned subsidiary of Sears Holdings Corp., is a leading broadline retailer providing merchandise and related services. With revenues in 2004 of \$36.1 billion, Sears offers its wide range of home merchandise, apparel, and automotive products and services through more than 2,400 Sears-branded and affiliated stores in the U.S. and Canada. This includes approximately 870 full-line and 1,100 specialty stores in the U.S. Sears also offers a variety of merchandise and services through sears.com, landsend.com, and specialty catalogs.

Challenge

Sears is a complex organization with over 800 individual locations working with a shared services, or a service center concept. Sears processes around 40,000 unemployment claims a year. With such a high claims volume, there are always cases that need to be addressed on a daily basis.

Solution

After weighing in-house and other external providers, Sears selected TALX to manage its unemployment claims process. After working together to establish an efficient process, an unemployment cost management program was launched.

Each morning, Sears receives an e-mail from the TALX team which lists cases that need attention. On a typical day, there might be anywhere from three or four cases to a dozen cases on the spreadsheet. Sears reviews that spreadsheet each day and immediately calls the units that need more information. There is a deadline for response, and each afternoon by 3:00 p.m. the spreadsheet is sent back to TALX.

In addition, TALX monitors which states allow voluntary contributions and the deadlines for each state. TALX notifies Sears when a deadline is approaching, and performs all the analysis involved. Another critical service TALX performs is a SUI rate assessment for all states in order to project rates for the coming year. Most states don't provide the actual rate determinations until mid-December or early in the new year, but TALX projects highly accurate rates well in advance.

Results

The key measure of success is the compliance ratio – the percentage of claims to which Sears responded by the deadline. Sears' compliance ratio went up from 93.5 percent to 99.9 percent. This is the best ratio Sears has ever had. This has helped Sears boost their win ratio, the percentage of unjustified claims that were protested and won, which improved from 85 percent to 91 percent.

TALX performs a yearly analysis of the savings versus the cost of the service and provides detailed reports explaining the assumptions used in calculating the savings in each area of service they perform. In the latest report, the return on investment for Sears was about 22-to-1, demonstrating that TALX is helping Sears save significant time and money.

For more information, please call **1-800-888-8277** or visit www.talx.com.