

Mohawk & Digital Designs

Cloud Based Paperless Pay Slip & W-2 Automation

Mohawk Industries Transforms a Problematic Paperless Solution into a Model of Simplicity and Performance while achieving a 52% Cost Reduction

Mohawk is a widely recognized market leader in flooring for home and commercial markets. Recently Mohawk integrated three acquisitions across seven countries and transformed itself into the largest flooring company in the entire world. CEO and Chairman Jeffery Lorberbaum credits Mohawk's exceptionally strong market position to "making good choices" in four key areas: "Choosing to Reinvest in Our Business, Choosing to Be Sustainable by Being Efficient, Choosing Product Innovation to Achieve Progress, and Choosing to Grow Globally and Manage Locally."¹ Maintaining their global competitiveness requires constant control on their costs while growing into emerging markets. When systems are not performing to their potential and there is opportunity to gain more control with a great ROI, Mohawk does not hesitate to move.

All Systems Have Room for Improvement

Mohawk's choice to embrace sustainable practices while controlling costs led to a project two years ago to eliminate the low-hanging fruit of printed pay slips and W-2s. Mohawk runs weekly and monthly payroll processes, and pay slips are distributed on a timely basis to each of Mohawk's 20,000 U.S. employees. Eliminating print operations and the time and labor involved improved efficiency and reduced costs. Their service levels to their employees also increased by making pay slips and W-2s instantly available through a secure employee portal.

The solution initially selected was plagued with problems from the beginning. Although the solution was hosted remotely, a maintenance-laden application had to be installed locally. This requirement involved a lot of front-end data entry by Mohawk personnel and imposed a burdensome regimen of on-going maintenance. It took months to implement the solution, and the vendor support was not very responsive.

A major problem was that, although pay slip and W-2 access was integrated with the existing HR portal, a separate login was required. According to Mark Dailey, Mohawk's Director of Shared Services and MDM (Master Data Management) "probably the foremost obstacle to implementing a new solution is helping all users understand how to log in." Mohawk Help Centers were flooded with calls for assistance recovering forgotten or misplaced login credentials. Continual maintenance and employee support calls to Mark's staff had become overwhelming, as well.

Another flaw in the existing solution was the presentment of electronic pay slips via their mobile application. Although the web portal presented the pay slip in PDF format, the mobile application did not, offering only the gross and net numbers for a specific pay period. With today's wide use of mobile technology, Mohawk wanted their employees to have easy, immediate access to actual images of their pay stubs and W-2's for personal business such as consumer loans for cars, mortgages, etc.



MOHAWK INDUSTRIES Business Case at a Glance

- \$7.3 Billion in Revenue
- World's Largest Flooring Company
- 20,000 U.S. Employees
- Headquartered in Calhoun, GA

PROJECT HIGHLIGHTS

- 52% Cost Reduction
- Achieved Employee Single Sign-On with Workday HCM
- Employee mobile view of true document images of pay slips

There Had To Be A Better Way

Mark turned to Digital Designs, a long-time document output management partner, and learned about DocAgent ePay. A SaaS solution that is part of Digital Designs suite of document capture, workflow and electronic presentment solutions, ePay could be integrated with Mohawk's payroll system and newly installed HCM solution.

According to Mark, it didn't take long to convince upper management to make the move. Mohawk would save 52% year-over-year by replacing the existing solution with DocAgent ePay. The savings were immediate, and DocAgent brought additional value in three key areas:

- Elimination of the employees' irritating extra sign-on credentials. DocAgent is seamlessly integrated with Mohawk's HR portal using SAML (Security Assertion Markup Language) technology with a one-touch icon.
- Delivery of complete "real life" copies of pay slips and W-2's to each employee mobile device eliminating the old solution's limited data-only view of just gross and net amounts. This has been helpful in assisting employees providing proof of employment outside the work place.
- DocAgent ePay was easy to implement from integration to 2 separate systems all the way through the training process. The entire project took less than 90 days to complete.

"The value we see in DocAgent far outweighs what we were experiencing with our former solution...for less than half the price."

– Mark Dailey
Mohawk Industries

A Partnership for the Future

Mark says, "I try to find good partners like Digital Designs that we can have a long-term relationship with and grow together as technology changes. To me, that's a valuable thing to have. Our mentality here is that we are a low-cost producer which means we're always looking for a way to save money on technology. Certainly on labor - we try to run as lean as we can. Once you've done that you have to find the lowest cost technology that offers the best value. The value we see in DocAgent far outweighs what we were experiencing with our former solution...for less than half the price." On choosing to be sustainable, Mark says, "Mohawk's committed. We have an entire department dedicated to that mission and it involves processes across the Enterprise. We're very mindful of our environment, and many of our customers require that we demonstrate sound sustainability practices and use green technology wherever possible."

The successful implementation of DocAgent through the outstanding commitment from Digital Designs has led Mohawk to invite Digital Designs to participate in an upcoming opportunity which is in the early planning stage.

¹ Mohawk, 2013 Corporate Responsibility and Sustainability Report, <http://www.mohawksustainability.com>

² Everstrand Bottle to Carpet Story, <https://www.youtube.com/watch?v=Qg8qOCN1Srk>

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