

Rewire Your Approach to Talent— Join the Talent Rewire Innovation Lab

THE OPPORTUNITY FOR RETAIL EMPLOYERS *with a presence in Chicago*

Social trends and the shifting nature of work are creating the need to rewire employment systems in the retail sector

- The relationship between employers and workers is changing as the gig economy grows. Although employers stand to benefit from these trends, many continue to face persistent challenges recruiting and retaining high quality talent, particularly for frontline roles.*
- While unemployment rates are at historical lows, there are untapped talent pools. In Illinois, the unemployment rate among the white population is 3.6%, while for black and Latino populations the rate is 8.6% and 4.4%, respectively¹. These racial disparities are more stark in the face of changing racial demographics—people of color are expected to become the majority of the working class by 2032 nationally.*

Employers are rewiring their talent systems and changing their practices to address these immediate and future business needs. Are you?

WHY PARTICIPATE

Change is hard, but we can help. If you're a Human Resources, Corporate Social Responsibility, or Operations leader at your company looking for innovative and evidence-based ways to access and retain new pools of talent, Talent Rewire's Innovation Lab is for you. This nine-month long experience is a low-cost, low-risk opportunity to engage with other mid – to large-sized retail employers with a presence in Chicago to address your most pressing talent issues and get results.

More specifically, through the Innovation Labs you will:



Build your capacity to innovate new talent strategies that improve recruitment, retention, and/or advancement at your company with a focus on your diversity and inclusion goals



Design and implement a pilot that you can learn from and eventually scale, potentially with funding support from philanthropic partners



Receive coaching support and resources to support you with pilot implementation, data analysis, and evaluation



Join a community of employer pioneers who are committed to rewiring their talent to improve their business and the city of Chicago



Build your company brand as you share your talent innovations and learnings with the broader field

“Our work with the innovation lab helped us to design a program we think will help us build a robust pipeline of diverse talent and create lasting impact.”



Adrienne Collier
D&I Program
Manager, ESL
Federal Credit
Union

Learn more at www.talentrewire.org or by emailing **Cyndi Solitro**, Chicagoland Workforce Funder Alliance, at csolitro@cct.org or (312) 565-4169

¹ Illinois Department of Employment Security, November 2018 data

WHAT INNOVATION LABS ENTAIL

Our philanthropic support allows for a registration cost of \$1,500 and includes programming, meals, activities, and consulting support for up to three participants, valued at approximately \$20K per employer.

Innovation Lab members commit to the following:

- **Active participation** of up to three staff members over a nine-month timeframe, estimated at 5% to 25% of time depending on project
- Designing and implementing a **small-scale pilot** to test an inclusive talent strategy that addresses a business need within the company
- **Tracking data sharing impact stories** related to the pilot with the aim of contributing to the business case for different approaches
- **Sign-off from senior leadership** to participate

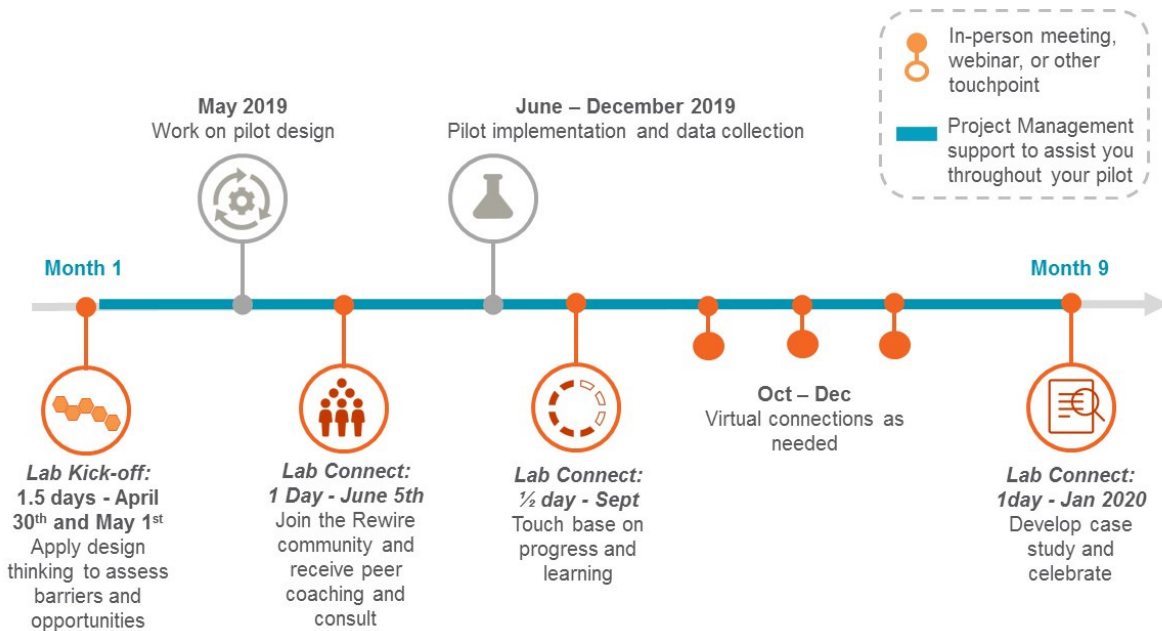
“There are great organizations doing this amazing work of preparing young people who we would not otherwise reach in our hiring process. We realized that there is a huge opportunity to expand our network and diversify our workforce through these partnerships, and we don’t have to do this important work alone.”



Carly Huey

HR Manager, Patagonia

INNOVATION LAB EXPERIENCE



INNOVATION LAB ALUMNI IN RETAIL SECTOR

Other participating sectors included energy, food manufacturing, and manufacturing



DEEP DIVE: MOD PIZZA



Why MOD Pizza joined the Innovation Lab:

MOD Pizza was founded with the goal of using business to make a positive social impact. Like many other companies, MOD was having difficulty recruiting entry-level workers to keep up with the 2,000 MOD jobs created every year through their rapid expansion. MOD was also challenged with high turnover. Although their rate was typical of the restaurant industry, it was higher than they would like and represented an opportunity to reduce costs.

What MOD did through the Innovation Lab:

Through FSG's Innovation Lab, MOD set out to discover whether a partnership with JUMA, a national youth-centered social enterprise, could help address their high turnover and recruitment challenges. The partnership provided MOD with a pipeline of career-ready youth who had access to wrap-around supports.

What happened as a result:

Less than a year into the partnership, MOD is finding that their collaboration with JUMA is having an impact on their recruitment and turnover. Of young people hired by MOD during the pilot, only 50% turned over by the 90-day mark compared to 67% for MOD's restaurants in the region. Given the success of the pilot, MOD plans to scale partnerships at a national level by creating a database of community-based organizations that all MOD general managers can tap into for talent and support.

MOD also disaggregated data as part of the Lab and learned that 70% of their 6,000+ employee base are 18-24 years old. Given this, the retention strategies implemented to support the youth hired through the pilot are also beneficial for their entire employee base. This has led to the launch of several new initiatives:

- **New KPIs:** MOD has begun to hold General Managers accountable for turnover rates. They have set a company goal of reducing turnover by 20% and in 2018 are already seeing a measurable reduction in turnover and cost due to this change.
- **Education Benefits:** Through their new Human Resource Information System, the team learned more about employees and their education levels. With many of MOD's youth lacking a college and sometimes high school degree, the company is looking to add an education assistance program to their benefits package to help staff develop their skills for careers at MOD and beyond.
- **Transparent Career Pathways:** MOD has developed resources that easily outline the steps and requirements to become a general manager. The company recognizes that they shouldn't operate on the assumption that every employee intrinsically understands the pathway to promotion but should instead support employees in helping them get there. They also recognize that MOD might not be a long-term career for everyone, but they can equip employees with meaningful professional development for job opportunities outside of MOD and create pathways for wage progression.

What's next for MOD:

MOD continues to build on their work with the Innovation Lab to lead in the Opportunity Employment space. By sharing their story, MOD hopes to demonstrate the business value of collaborating for talent instead of fighting for it, and how investing in the lives of employees can produce a positive ROI.

"The Innovation Lab has been like an accelerator to this process, forcing us to intentionally invest in partnerships and connecting us with valuable support resources. There is no way that we would be where we are today with regards to supporting impact hires without the Lab journey."



Megan Hansen
SVP of People
MOD Pizza

Company	Why they joined...	What they did...	How it has helped...
	Improve retention and advancement rates for diverse employees in order to better mirror customer base.	Established a new employee pipeline by developing an earn-and-learn program for minority students in partnership with a local community college.	<ul style="list-style-type: none"> • First cohort of students have outpaced retention rates for frontline employees. • Created a pool of employees for hard-to-fill hours, including Saturdays. • Inspired company-wide improvements like a formalized mentorship program.
	Improve retention rates for young associates by providing feedback and personalized recognition.	Piloted “Shout Outs,” a personalized recognition program in 3 airport locations.	<ul style="list-style-type: none"> • Program had high utilization among employees and supervisors • Resulted in deeper understanding that manager training was a need and that “Shout Outs” was an important tool.
	Develop new strategies to continue to recruit and retain OY on a global scale.	Analyzed data in new ways, including focus groups of employees and disaggregated data to ascertain opportunity youth status. Developed recruitment and retention toolkits for frontline managers.	<ul style="list-style-type: none"> • The company is launching <i>Youth Opportunity</i>, with a global goal to reduce barriers to employment for two-million young people by 2025 through pre-employment job readiness training, employment opportunities and workplace development programs.
NORDSTROM	Decrease attrition of frontline employees in Rack stores during first 60 days.	Partnered with Jobs for WA Grads to prepare and support multiple hires in 3 Rack Seattle stores and conducted supervisor training for working with youth with barriers.	<ul style="list-style-type: none"> • Tested new approach to hiring—job previews and on-the-spot interviewing and job offers. • Led to mindset shifts among participating hiring managers about where it is possible for Nordstrom to find new talent.
	Increase employee pride and satisfaction and build the case for hiring opportunity youth.	Partnered with Bellevue College and Year Up to develop and implement internship program, which included supervisor training.	<ul style="list-style-type: none"> • All participating store managers stated they would participate in the program again and would recommend the program to their peers. • Efforts to find a national partner are underway.
	Improve retention of entry level workforce specifically Opportunity Youth.	Pilot front line supervisor training, post-hire supports and possibly placement assessments at Hilton’s Riverside Hotel in NOLA where an OY Earn and Learn apprenticeship program will be piloted this summer. Pilot underway.	<ul style="list-style-type: none"> • The first apprentices were placed in June. • A member of Hilton’s corporate HR team has been involved so the outcomes of the project can be shared—and hopefully scaled—across the company.
	Diversify workforce to mirror the customer base of their store communities.	Partner with LAYC to recruit and support a diverse cohort of summer interns in DC with the intention of job offers for the holiday hiring season.	<ul style="list-style-type: none"> • All summer interns are staying on as employees. • The company is influencing other outdoor retailers to get involved in opportunity employment.