How Progressive Companies Create Long-Term Value and Competitive Advantage

Through Their Talent Development Strategy
Who’s Available?
If Cincinnati’s 20-65 Year-Olds Were 100 People…
Once we take out people who are employed, people who are not looking for work, women, men without a high school diploma, and men who have an arrest record, we are left with...

2 unemployed men who are seeking a job, have a diploma, and a clean background check
For perspective, the high school seniors add 2 more people to the pool each year and 1 of them will enroll in post-secondary education.
So What Does This Mean?

- Focus on unemployed men with a HS diploma and clean background is too limiting
- Adding in HS students does not add much more to the already limited pool

- We need to be fishing in better stocked ponds, i.e.
  - currently employed/underemployed
  - expanded use of programs serving those with many barriers (immigrants, criminal records, disabilities, etc.)
There are 10x more people who are underemployed than there are unemployed or are coming out of high school.

Employer practice/policy change

Create a job/culture that will incent them to leave their current job

72 would be employed

Underemployed – 30%

versus
Programs serving immigrants, women, returning citizens, people with disabilities, etc. e.g. create a job/culture that will incent and support their transition into the workforce.

Of those not employed, 21 of them would not be looking for work.
Simply Put…

This is a business issue, not a social-service issue.

Solving the talent issue begins and ends with the employer.
Create a Talent Development Strategy that is *integrated into* business strategy

*Not an initiative*
Align People, Purpose, and Values for Operational Excellence and Innovation

Long-Term Value Creation - Competitive Advantage

Business Outcomes and Operational Performance

- Profits
- EBITDA/ROC
- Customer Satisfaction
- Productivity
- Labor Cost
- Patient Outcomes
- Employer of Choice
- Employee Outcomes, e.g., job growth, retention, wage growth
- Etc.
Intersection of Talent and Operations

- Sources of Talent
- Job Design
- Redesign Core Operations
- Benchmark and Contracting

Diagram:
- Customer/Market
- Product/Service
- Talent
- Operations
National Fund Job Design Framework

Foundational
- Compensation
  - Wages & benefits
  - Financial incentives
  - Employee loans
- Fundamentals
  - Safety
  - Fairness
  - Respect
  - Job security
  - Grievance procedure
- Structure
  - Open communication
  - Stable hours & scheduling

Support
- Training
  - Entry-level
  - Specialized
- Internal Assistance
  - Supervisory training
  - Job coaching
  - Peer mentors
  - Team development
  - Financial counseling
- External Linkages
  - Tax credits
  - Childcare
  - Transportation

Opportunity
- Career Development
  - Cross training
  - Advancement
  - Educational benefits
- Acknowledgment
  - Internal & external recognition
  - Leveling of perks
- Engagement
  - Participation/Self-management
- Representation
- Pride
- Ownership

Find the complete framework on nationalfund.org
Scorecard Results

Social Impact Scorecard

Your score is based on frontline workers earning less than $60k / year compared to industry standards. The mission of the program is to encourage and equip business leaders to enact strategies that simultaneously produce outstanding outcomes for their businesses and frontline workers.

Cogswell Cogs Q4 2017 ⭐⭐⭐⭐⭐

Your overall score is average for Manufacturing!

<table>
<thead>
<tr>
<th>Overall</th>
<th>Job Growth</th>
<th>Retention</th>
<th>Earnings</th>
<th>Co. Wide Retention</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.5</td>
<td>8%</td>
<td>55%</td>
<td>8%</td>
<td>73%</td>
</tr>
</tbody>
</table>

**Benefits Credit**

<table>
<thead>
<tr>
<th>Benefits Credit</th>
<th>Qualifying Plan</th>
<th>Quality Standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Insurance</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td>Retirement Plans</td>
<td>✅</td>
<td>-</td>
</tr>
<tr>
<td>Paid Leave</td>
<td>✅</td>
<td>✅</td>
</tr>
</tbody>
</table>

**How can you improve your score?**

1. Your best area for scoring improvement is Retention Rate.

*Your Benefits credits increased your score 1 star!*

* Overall score includes a reported 0% temporary workers / 1099
Thank you

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