

“

[Walmart is] betting that a better-paid, better-trained workforce will keep more customers satisfied.”

— Fortune Magazine
September 2016

SOCIETAL IMPACT



Create **SHARED
VALUE** for
business and
society



**WHOLE-
SYSTEM**
change



Lead through
the **BUSINESS**



Use
PHILANTHROPY



Focus on actions
that draw on
**COMPANY
STRENGTHS**



COLLABORATE
with others

BUSINESS IMPACT

WALMART'S GLOBAL RESPONSIBILITY PRIORITIES



OPPORTUNITY

Creating economic opportunity

- Foster great jobs and advancement
- Grow local, diverse and small business



SUSTAINABILITY

Enhancing the sustainability of product supply chains

- Sustainable operations
 - Reduce energy and emissions
 - Eliminate waste
- Sustainable products
 - Lower environmental footprint
 - Provide healthier and safer products
 - Increase transparency
 - Support worker dignity



COMMUNITY

Strengthening local communities

- Fight hunger
- Enhance disaster response and preparedness
- Support community development



Vision for Retail Opportunity Initiative: In Five Years (from 2015-2020):

Retail workers
**lives/opportunities are
actually made better** by
our (grantees and partners)
collective work.

A healthy system of
partners working
collaboratively on retail
advancement.

A specific **network of retail
employers** aligned around
economic mobility goals for
incumbent workers.

New and different thinking
around **the role of the
retail sector** and “**first-
jobs**” in creating pathways
to economic opportunity.

We are 2 years into our 5-year strategy for retail opportunity in the U.S.

What have we accomplished and what is on the horizon?

YEAR 0-2

- Conducted research and analysis to support our retail opportunity strategy
- Built relationships with various stakeholders in the workforce space
- Made grants to partners to develop and test career pathways, credentials, and other tools for employee advancement

YEAR 2 - 4

- Make grants to support adoption and scaling of **career pathways, credentials** and advancement tools
- Create and lead **employer coalitions** to validate and adopt credentials, career pathways, and advancement tools
- Double down on **place-based initiatives**

YEAR 5

- Consolidate and share learnings - demonstrating clear ROI for employers, current and future retail workers
- Identify and support ways to continue efforts to increase the economic mobility of workers in retail and related sectors

We have five key work streams within Retail Opportunity:

What we do	Approach	Why we do it	Grantees and other collaborators
Perception of retail	<ul style="list-style-type: none"> • Fund research that identifies enablers and barriers to opportunity in frontline retail • Work with hiring managers and incumbent retail workers to enhance awareness that frontline retail jobs lead to workforce skill development 	<ul style="list-style-type: none"> • Current perception that frontline retail jobs require no skill or that one can maintain a retail job without acquiring any skills is a barrier to building advancement programs 	<ul style="list-style-type: none"> • FHI360 • Opportunity Nation • FSG
Training / advancement	<ul style="list-style-type: none"> • Invest in NGO interventions related to upskilling incumbent workers, including potential development of credentials to certify skills have been attained 	<ul style="list-style-type: none"> • Retail advancement is often employer-specific and lacks a clear definition of skills for advancement With a more transparent, competency-based system transferability across the sector and into adjacent sectors will be more feasible 	<ul style="list-style-type: none"> • Goodwill Industries • League for Innovation
Employer engagement	<ul style="list-style-type: none"> • Invest in and pilot models employers can implement that improve stability and upskilling, while strengthening businesses 	<ul style="list-style-type: none"> • Ultimately, employer practices will have the greatest impact of shifting the quality of opportunity available to workers, recognizing industry credentials, providing high-quality on-the-job training and defining clear career paths unlock advancement. 	<ul style="list-style-type: none"> • Engagement with 100,000 Opportunities Initiative • National Immigration Forum 2.0 • FSG 1.0 and 2.0 • National Skills Coalition • I+E 1.0
Tools and technology	<ul style="list-style-type: none"> • Create tools (such as curricula, digital career-pathways, technology training tools, certifications) to provide quality content for training organizations and employers 	<ul style="list-style-type: none"> • A set of common tools used across the industry will unlock efficiency, allow us to leverage technology and create greater opportunity across the sector and into adjacent sectors 	<ul style="list-style-type: none"> • National Immigration Forum (ESL for retail) 1.0 and 2.0 • National Retail Federation (credential) • ACT Foundation (Career Pathways tool) • League for Innovation
Local market pilots	<ul style="list-style-type: none"> • Select a subset of communities in the US to work with a network of organizations (i.e. NGOs, local government and other employers) to test collective approach to building greater career pathways and mobility in local retail sector 	<ul style="list-style-type: none"> • Impact is maximized not in single interventions, but in the combination. A local pilot allows us to test this theory and reshape the ecosystem. 	<ul style="list-style-type: none"> • Center for Future of Arizona (Phoenix) • Aspen Institute • Chicago Cook Partnership • MSI • I+E 2.0 • NFWS

A job in retail means **opportunity** to build a career

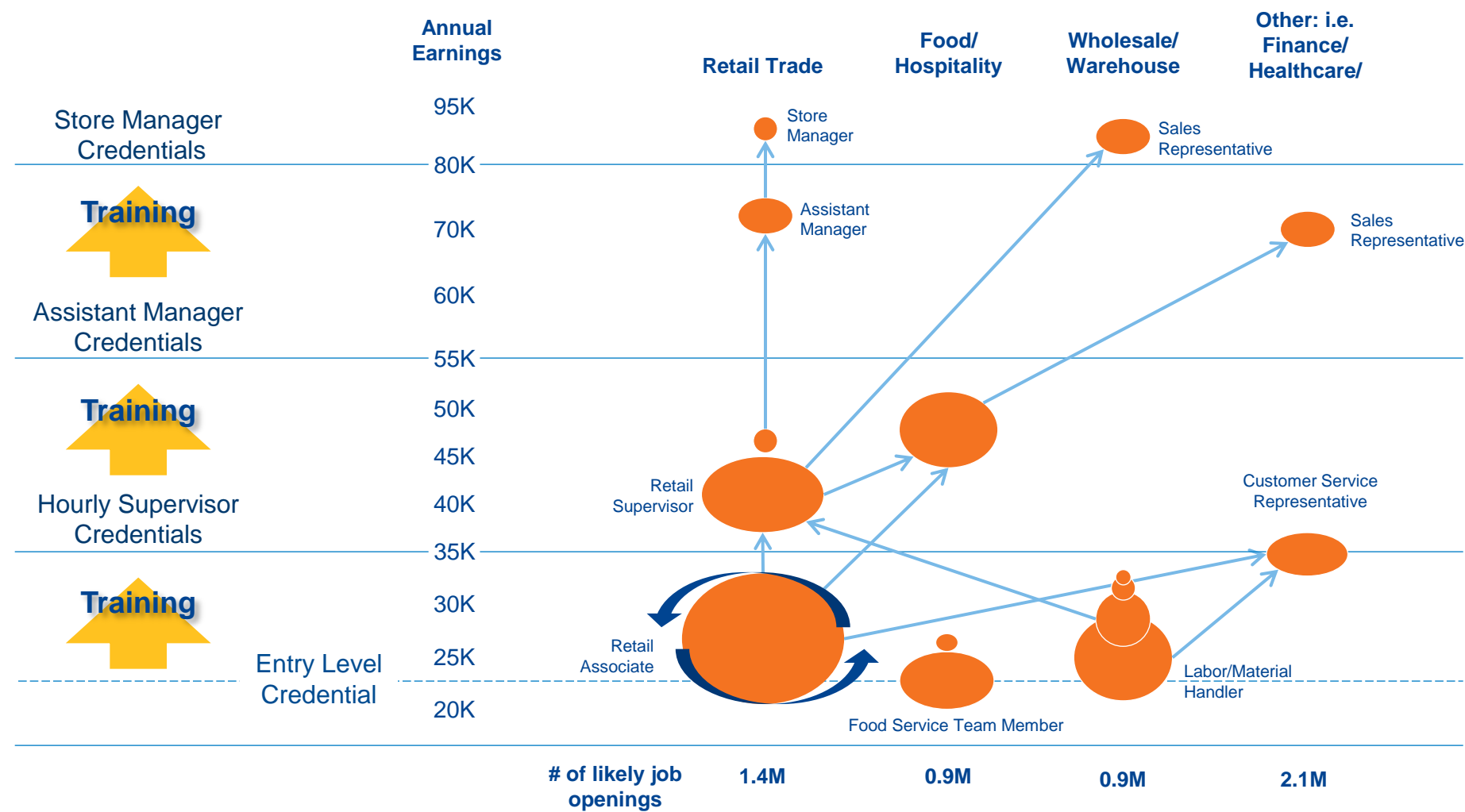
WALMART
STORE MANAGERS
CAN EARN AN AVERAGE OF
\$170,000 PER YEAR

75%
OF STORE MANAGEMENT
STARTED AS
HOURLY ASSOCIATES
INCLUDING OUR CEO

160,000
PEOPLE
PROMOTED
EVERY YEAR

RETAIL CAREER PATHWAYS

>60%
turnover
in retail
sector





\$100 million to increase mobility of frontline retail workers



CHICAGO COOK
WORKFORCE PARTNERSHIP



THE ASPEN INSTITUTE



JOBS FOR THE FUTURE



NATIONAL SKILLS COALITION
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Skilled Workforce



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Walmart  #WorkThatMatters

FIVE STRATEGIES

Perception of Retail

Training and Advancement | Employer Engagement | Tools and Technologies | Local Market Pilots



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The Container Store®

Walmart's investment and work
extends throughout the retail sector



NORDSTROM

JPMORGAN CHASE & CO.

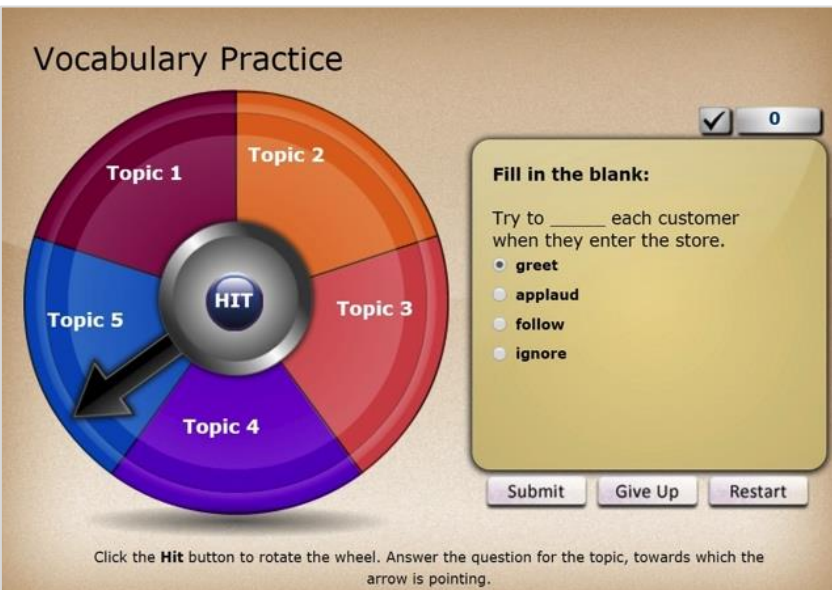
Walmart  #WorkThatMatters

FIVE STRATEGIES

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Tools and Technologies

Local Market Pilots



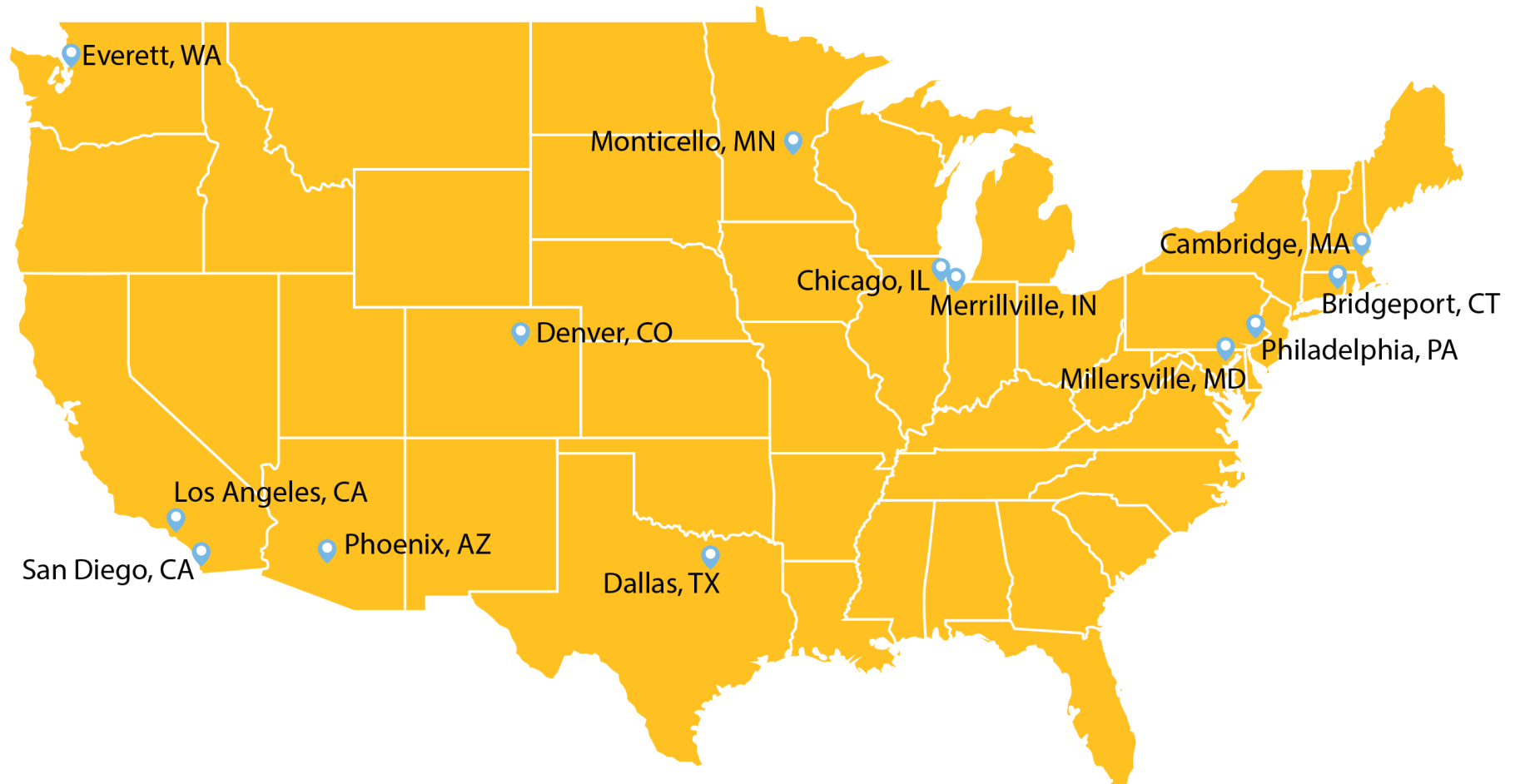
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Local Market Pilots

Map Currently Includes:







- Chicago Cook Sites (11)
- I&E Site (Dallas)
- CfA Site (Phoenix)



As we reshape local workforce systems, we are pursuing different approaches depending on market maturity and priorities of existing workforce development organizations

	Capacity-building of local ecosystem	Local work led by national organization	Local collaborative
Definition	Major grant to local backbone organization, with additional grants directly to other local nonprofits and national workforce organizations operating locally	Major grant to national workforce expert to enter local markets and lead implementation, with input from Walmart associates and local partners	Major grant to national workforce development leaders with strong, innovative local branches for them to transfer proven approaches into local retail sector
Pros	<ul style="list-style-type: none"> • Opportunity to accelerate progress in retail markets with weak workforce development system • Greater ability for Walmart to shape direction • Potentially stronger Walmart branding 	<ul style="list-style-type: none"> • Expertise • Credibility • Path to scale 	<ul style="list-style-type: none"> • Leverages national experts and local leaders • Momentum from building on existing initiatives
Cons	<ul style="list-style-type: none"> • More work for Walmart team • Expensive to build capacity unless other funders engaged • Lack of capable local orgs may slow progress 	<ul style="list-style-type: none"> • Can have difficulty in national expert building right local relationships • Expensive to fund national leaders and local work, unless other funders engaged 	<ul style="list-style-type: none"> • Less control (due to giving greater voice to local leaders); risk of conflicting agendas, approaches • Can be difficult to scale to other locations
Examples	 CENTER FOR THE FUTURE OF ARIZONA	 THE ASPEN INSTITUTE 	   CHICAGO COOK WORKFORCE PARTNERSHIP

Through varying approaches, we will be reshaping local workforce systems in over 20 locations across the U.S.

	Approach	What we are doing in the locations	Location(s)
1  CENTER FOR THE FUTURE OF ARIZONA	Capacity-building of ecosystem	Single site community-based education and workforce organization leading creation of a retail-sector workforce strategy	Phoenix, AZ
2  THE ASPEN INSTITUTE	National org leading local work	“Reimagine Retail”: integrated local strategy for building new framework for retail career pathways	5 Sites to be selected in Q1 FY18
3  innovateducate	National org leading local work	Seeks to validate a place-based systems change model that will improve the economic mobility of incumbent entry-level retail workers in Dallas.	Dallas, TX
4  McKinsey Social Initiative	National org leading local work	NGO-led partnership with 4-6 local retail employers piloting an integrated program for employee advancement (<i>planning grant underway / implementation grant likely to come to April board meeting</i>)	1 Site to be selected in Q1 FY18 by MSI, short-list: Dallas, Jacksonville or Miami
5  National Fund for Workforce Solutions	Local collaborative	Using existing workforce innovation hubs to pilot retail-sector advancement interventions <i>Grant to come to January, 2017, board meeting</i>	3 Sites to be selected in Q2 FY18 by National Fund
6  CHICAGO COOK WORKFORCE PARTNERSHIP	Local collaborative	Building the capacity of a network of Workforce Investment Boards (WIBs) to provide strong retail career services	Chicago, IL; Merrillville, IN; Philadelphia, PA; Monticello, MN; Millersville, MD; Bridgeport, CT; Los Angeles, CA; Everett, WA; Cambridge, MA; San Diego, CA; Denver, CO