

SK Food Group Evaluation Report SUMMARY

In July 2014, LeadersUp began its program year and launched its first pilot program with the SK Food Group, a leader in the manufacturing and wholesale food industry. Under the leadership of CEO Steve Sposari, SK Food Group issued a challenge to LeadersUp to help them source, train, and hire opportunity youth for its newest facility just outside of Columbus, Ohio. To learn more about their talent needs, LeadersUp used a customized employer engagement process to query the Human Resources Unit at SK Food Group. After a successful consultation LeadersUp developed a robust strategy for reaching local workforce providers to source talent for entry-level positions within the production and warehouse units at SK Food Group.

Additionally, LeadersUp worked with SK Food Group and skilling partners to develop solutions to issues such as access to transportation, lack of appropriate clothing, and engaging opportunity youth hires to increase their persistence. This was the inaugural pilot program for LeadersUp and our research—put into practice can be used to present employers, practitioners, and youth advocates with empirical information about better ways to develop employer-led youth employment programs.



DISCOVERY

Identify Talent needs

Issue Request for Proposal



DESIGN

Plan Pilot Implementation

Select and Onboard Skilling Partner



DRIVE

Activate and Manage Pilot

Monitor and Evaluate Outcomes

We were required to tailor the pilot specifically to the needs of SK Food Group, and assess and understand the capabilities of each of the skilling partners. The diagram below provides an overview of the process of utilizing implementation science within a pilot program.





HIRING AND IMPACT

Ultimately, SK Food Group hired 162 LeadersUp-affiliated opportunity youth. Steve Sposari has estimated that 90 of those youth remain employed with SK Food Group—a 56% retention rate. The persistence of these youth as well as the training they received through the LeadersUp pilot program has resulted in significant gains for SK Food Group including:

- A reduction of over \$1,000 a month in recruiting expenses due to better persistence rates of opportunity youth employees
- A reduction in the turnover rate by 23%
- A total savings of \$495,000 in turnover costs (average turnover cost per associate is \$5,500) which includes a reduction in training expenses and start-up challenges: SK Food Group provides a minimum of 40 hours of training to new associates (at the cost of \$50 per hour) and even with extensive pre-training, it still takes time to get associates familiar with processes—the less training they have to provide, the quicker they are able to sustain maximum efficiencies.

One of the important aspects of hiring opportunity youth is that, for every unemployed opportunity youth there is an estimated taxpayer burden of \$13,900 and \$1,680 in lost annual tax revenue for the state and federal governments. With 90 youth employed, this equates to over \$1.25 million in taxpayer burden savings and over \$150,000 in tax revenue for state and federal governments.

CONCLUSIONS

This pilot demonstrated the importance for all LeadersUp pilot programs, of implementation science and the need for adaptability throughout the process. By utilizing an assessment and engagement process with many actors, we were able to identify, source, train, and refer 162 individuals to SK Food Group with a persistence rate of 56%.

