

LUMINA FOUNDATION

FOCUS™

Spring 2018



Investing wisely

Exemplary employers
reap real returns by
developing workers' talent

// Wegmans / path to success

Grocery chain is a marvel — and a model.



// Cigna / human dividends

Health benefits firm benefits its workers.



// CVS / workers' success

Drugstore giant empowers employees.



Editor's note: The stories in this issue of Focus were reported and written by Steve Giegerich. Giegerich is a journalist with decades of experience, including stints as a reporter for the St. Louis Post-Dispatch and the Associated Press. He also has taught journalism at Columbia University and City University of New York and is now a freelance writer based in New York City.

On the cover: Ali Hassan, 18, is a cashier at a Wegmans supermarket near Rochester, N.Y. A native of Kenya and the oldest of six children, he also plays a key role in his family's transition to life in the United States. Thanks to an innovative scholarship program supported by Wegmans, he's building a bright future.

PRESIDENT'S MESSAGE

We've heard it for years from the nation's employers — in CEOs' speeches and op-ed pieces, in companies' annual reports, even in advertisements: "At XYZ Corp., our single greatest asset is our people."

Far too often, of course, such words are merely that: words ... high-sounding slogans uttered only to burnish a company's brand.

Fortunately, a growing number of America's companies truly practice what they preach. Not only do they recognize the immense value inherent in the talent of their employees, they're working actively and creatively to *foster* that talent.

That commitment — to support workers' efforts to deepen their knowledge and sharpen their skills through education and training — is increasingly important. In fact, it is critical to our nation's future.

More and more of today's business owners point to the stagnating effects of a growing skills gap. They bemoan the lack of qualified candidates for the increasingly demanding jobs they must fill — jobs that require more high-tech skills and higher-level thinking than ever.

Certainly, those concerns are valid. The skills gap is real, and a high school diploma — for decades the ticket to a steady job and a middle-class lifestyle — just doesn't cut it these days. And let's face it: It never will again. Advanced robotics, artificial intelligence, big-data analytics, instantaneous global communication — all these advances, plus cultural and technological innovations we can now only dream of, make higher-level learning an absolute necessity.

Simply put, the road to economic success and security now merely *begins* with high school graduation. Economists tell us that more than 95 percent of the jobs created since the recession ended in 2011 have gone to those who have earned a credential beyond the high school diploma.

That trend shows no sign of changing, and America's employers are taking note. Each year, they spend \$170 billion on formal education and training programs for their workers. These efforts take many forms, including tuition-assistance programs, on-site classes, apprenticeship and mentoring programs, and educational partnerships with colleges and universities.

Supporting these talent-development efforts is inherently the right thing to do, of course. But it's not only the workers who benefit. Companies that invest in educating their workers are reaping significant, tangible returns on those investments. Better-educated workers are more productive, more motivated, and more likely to remain with a company that has aided their individual progress. They are also in better health and more likely to be involved in their communities.

In short, to borrow another corporate buzzword, company-supported education and training programs are a "win-win."

This issue of Focus magazine is designed to highlight a few of those victories. It puts the spotlight on three companies that fully embrace the task of boosting employees' talent — and it does so from the perspective of the workers themselves.

For example, you'll meet Abigail Caraballo, a 25-year-old native of Puerto Rico who's worked for 10 years at a **Wegmans** supermarket near Rochester, N.Y. Wegmans' Work-Scholarship Connection program helped her graduate from high school a year early and paid much of the tuition for her associate degree in criminal justice.

You'll also read about Lisa Villarreal of Whitehouse, Texas, a network operations representative with **Cigna**, the health insurance giant. Villarreal, 53, took advantage of the company's Education Reimbursement Program to earn two degrees as a mid-career professional.

Finally, you'll meet Teresa Riggins Smith, 34, a Detroit resident who escaped public assistance — and found her true calling as a pharmacy technician — when she was recruited for an apprenticeship program sponsored by the **CVS** drugstore chain. The program changed Smith's life — and thousands more as well. Last year, CVS employed 4,600 apprenticeship-trained pharmacy techs and managers in 12 states.

In addition to these stories in the print version of Focus, there's a wealth of additional information on our website, www.luminafoundation.org. There, Focus offers several extra features, including compelling videos of some of the students, audio clips, and links to related stories.

Whether in print, on the web, or in your social media feeds, all of the material in this issue of Focus has one purpose: to highlight employers' efforts to boost workers' talent through education and training programs.

We at Lumina are proud to bring attention to this work, and we hope these stories inspire other companies to follow suit. When they do, they'll do more than just talk. They'll empower their workers, they'll improve the bottom line, and most important, they'll help the nation build the talent it needs to succeed.



A handwritten signature in black ink, appearing to read "J. P. Merisotis".

Jamie P. Merisotis
President and CEO
Lumina Foundation

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Jaquan Gordon, 19, here conferring with cashier Nick Matteson, is seizing the opportunities made possible by the company's scholarship program. He's working steadily, attending college classes in business management, and solidly on Wegmans' management track. "Before I started this program," he said, "I was just another black kid on the street with no job."



Grocery chain puts young workers on the path to success

PERINTON, N.Y. — The employee loading coconut milk into the dairy case is only 25, but she's already marking her 10th year with the company.

The personable 19-year-old selling lottery tickets and handling queries at the customer service center is a self-proclaimed "inner-city kid" now on the management track.

The 17-year-old handing out samples of a yogurt smoothie graduated from high school a year early and is racing to overcome a troubled childhood by pursuing a career in psychology.

And the cashier is a Kenyan immigrant — the oldest of six children, a straight-A student, and in some ways the main man in a family headed by parents who speak little English.

All are valued employees at this 120,000-square-foot Wegmans supermarket near Rochester. The store is a modern marvel. The aisles are wide; the produce, meat, and seafood fresh; and the amenities, including a café offering fine wines and craft beers, are second to none. The family-owned Wegmans chain, based in upstate New York, ranks near the top of nearly every consumer poll of the nation's best supermarkets. Even the restrooms draw raves.

"Wow," said a men's room patron, marveling at a one-stop sink that dispenses water, soap, and a hand dryer. "Where else but Wegmans?"

Customers likely know little about the dairy department coordinator, the cashier, or the customer service rep here at the Wegmans in Perinton, 15 miles southeast of Rochester. But if shoppers looked beyond the store's shiny amenities, they just might see the lives of these young people changing before their eyes. Those changes are part of an ongoing success story generated by the Hillside Work-Scholarship Connection, a Wegmans investment in the future of at-risk students.

For proof of that investment's value, look no further than the customer service rep, Jaquan Gordon. "Before I started this program, I was just another black kid on the street with no job," he says. Gordon, a first-year business management major at nearby Monroe Community College, recalls his first visit to the store as a transformational moment. "First time I walked through that door, I knew this is where I wanted to be and that I was going to challenge myself to be better," he says.

Filling the talent pipeline

Gordon is no outlier here. In fact, his story mirrors those of many of Wegmans' 300 work-scholarship employees. It also echoes in the ranks of the nearly 700 program alumni who have remained with Wegmans in transportation, customer service and management positions.

The tuition support offered through Wegmans' Employee Scholarship has helped 80 percent of the participants earn a credential beyond the high school diploma.

"We clearly have a pipeline for diverse talent," says program coordinator Ty Kelly, a Wegmans employee for more than two decades.

The talent was flowing in the wrong direction in the late 1980s when Wegmans was struggling to recruit, develop and retain a reliable workforce. Its service area, greater Rochester, featured a public school system that produced more dropouts than graduates. Officials of the grocery chain came up with a plan to benefit the business *and* the school district — an alliance designed to give at-risk students an incentive to stay in school and a foothold to lifelong careers at Wegmans.

The plan had contingencies. Job offers would be

extended only to students with a "C" average or better and with histories of steady school attendance. Employment was conditional, too. Wegmans would provide counseling and tutoring to student employees whose GPAs dropped below the hiring benchmark or whose attendance wavered, but an unchecked downslide could result in termination.

To monitor the status of program employees, Wegmans asked the district for access to student records. The district agreed and, in a bid to encourage student involvement, the company pledged tuition assistance to college-going students who remained with the company after high school graduation.

At first, the process of identifying, hiring, and mentoring work-scholarship students was handled by volunteer store-level and corporate employees. When the program took off, Wegmans

brought in Hillside Family of Agencies, a nonprofit social service agency, to assist in the effort.

Hillside has since established Work-Scholarship Connection programs with the University of Rochester, Rochester Regional Health, Target and Tops Friendly Markets, a Wegmans' competitor. The nonprofit also has a presence in Syracuse, Buffalo, and Albany. And, whether in health care, higher education or retail groceries, Work-Scholarship Connection has made a real difference. More than 90 percent of the program's student employees graduate from high school (compared to a 51 percent graduation rate in Rochester), and a substantial number continue their education in certificate and degree programs.

Each of those success stories began the same way: with a handshake.



Longtime Wegmans official Ty Kelly coordinates the Hillside Work-Scholarship Connection, a program that has cut high school dropout rates significantly and boosted college-going among at-risk youth in Rochester's public schools.



Jaquan Gordon has climbed the Wegmans ladder quickly, starting as a cashier and working his way up to the customer-service desk, where he deals with shoppers' complaints and handles refunds. "First time I walked through that door," he recalls, "I knew this is where I wanted to be and that I was going to challenge myself to be better."

Face-to-face recruitment

Abigail Caraballo was in her ninth-grade homeroom at Rochester's James Monroe High School when a Hillside Youth Advocate strolled through the door. The advocates Hillside assigns to each public high school in Rochester perform multiple functions. For students they act as mentors, counselors, and tutors. For participating Work-Scholarship Connection businesses and nonprofits, they act as recruiters. Recruitment can occur in a corridor, a cafeteria, a classroom, just about anywhere an advocate can snag a moment of a student's time.

Caraballo was especially attentive when the advocate in her homeroom laid out the benefits of a work-scholarship position with Wegmans. The prospect of earning money — for clothes, her first cellphone and gifts for an extended family of 12 siblings and step-siblings — was enticing. So was the opportunity to work for a company

that, to Caraballo, a recent transplant from Puerto Rico, represented middle-class success.

At 15, Caraballo barely met the program's age requirement. But she more than exceeded the standards for grades and attendance.

Before receiving a formal job offer, Caraballo and other candidates for work-scholarship jobs had to meet the requirements set out by the Youth Employment Training Academy (YETA), a five-day Hillside boot camp that, according to Caraballo, "teaches stuff a high school student wouldn't know."

Lesson One: "Eye contact and a firm handshake" (Ten years later, with her solid grip and steady gaze, Caraballo proves she was paying attention.) By the end of the week, Caraballo had also learned how to prepare a resume and dress properly for a job interview. YETA completed the training by testing her new-found skills in two mock interviews. Caraballo passed with ease, received



For Abigail Caraballo, a job at Wegmans came early. She started in 2008 at age 15, barely meeting the age requirement for the work scholarship program. Since then, she's held a variety of jobs and has progressed steadily — and not just at the store. She graduated from high school early and used her scholarship to earn an associate degree in criminal justice from Monroe Community College.

a job offer and was welcomed by Wegmans with a \$5 deposit in the savings account she maintains to this day.

She's held several positions since punching a Wegmans time clock for the first time in 2008. Each step, from handling orders at the pizza counter to shift coordinator to her current position as a team leader in the Perinton store's dairy section, represents a promotion and a step up the management ladder.

Never over the past decade has Caraballo taken for granted the opportunity she got as a high school freshman.

"It is really hard to get into Wegmans," she says. "I know a lot of kids who have tried." The Work-Scholarship Connection helps students get a foot in the door, she said. "They really push you. But without it, I wouldn't be where I am now. I'd probably be working small, part-time jobs."

Instead, her full-time salary allows Caraballo to support her 4-year-old daughter, rent her own apartment, set aside money in a life insurance policy, purchase a car

and sock money away in a program for first-time home buyers. Her next priority, thanks to a gentle nudge from Ty Kelly, is investing in the company-matched 401(k) retirement fund.

Graduating from high school early, Caraballo also took advantage of the tuition supplement, earning an associate degree in criminal justice from Monroe Community College. She's now thinking of enrolling in a law enforcement training academy. And should that occur, it will be with Kelly's blessing.

It's fair game if a work-scholarship employee has an opportunity to get into a desired field, Kelly says. "This is their first job. And I don't care what your first job is, it teaches you to be accountable, how to work as a team member, how to handle conflict resolution, how to learn, and how to apply what is relevant in school to the workplace."

Kelly knew of the work-scholarship program when he joined Wegmans in the early 1990s. But it wasn't until a 1997 promotion put him in charge of an urban store that he came to fully appreciate the program.

"We had hiring needs, and I took full advantage of the program to staff my store," he says. Five years later, the Wegman family put him in charge of the entire work-scholarship program.

The position requires Kelly to play several roles: administrator, counselor, manager, friend, confidante, cheerleader, transportation coordinator and, when necessary, a nag.

With 24/7 access to the Rochester schools' database, Kelly knows if a student employee has flunked a test, racked up excessive absences, showed up late for classes, or faced disciplinary action.

Student performances are tracked in a thick folder filled with color-coded sheets — green for students maintaining at least a C average, yellow for kids at risk of falling behind, red for students with academic problems that could result in reduced hours or, in the worst case, loss of employment. The last step is taken only after other efforts fail — including intensive tutoring and mentoring from a Hillside advocate.

Wegmans also addresses an issue that often hampers low-income workers: transportation. The firm contracts with a private bus carrier to chauffeur student employees to and from Rochester neighborhoods.

In a way, one of those buses transported Jaquan Gordon to a new world. Riding through Perinton as a young teen, Gordon saw virtually no one who looked like him. Today, the "city kid" embraces his relationship with the mostly white clientele at the only Wegmans location he has ever worked.

"I love it here," says the effusive Gordon. "Everyone treats me like family. I have a loving relationship with my customers, and I honestly believe most of them love me back."

Gordon is here, he said, because of a Hillside advocate who cornered him in a school corridor and told him about Work-Scholarship Connection.

"She was on me about my grades, my attendance, my tardiness — everything I needed to get here," Gordon



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Abigail Caraballo, a team leader in the store's dairy department, works full time to support herself and her 4-year-old daughter. But she's considering the idea of enrolling in a law enforcement training academy — a prospect that Wegmans officials fully support.



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says. "She let me know that to stay here I had to live up to the highest standards."

Gordon not only stayed, he rose through the ranks, moving from cashier to the high-profile customer service position selling lottery tickets, responding to complaints, and handling refunds. In January, Gordon became the first in his family to pursue higher education, attending his first business administration classes at Monroe Community College. He says his accomplishments send a message to other young men in his neighborhood.

"I'm showing them that if I can do it, then they can do it," he says. "If they put their mind to it then they can succeed at anything. All they have to do is set a goal and work toward it."

Gordon's co-worker, Endyia Allen, has never needed that kind of encouragement. Allen wanted a job so badly that she first tried to fill out a work-scholarship application at age 13. Never mind that the minimum working age in New York is 15.

Impatient to succeed

She was in no less a hurry to leave Rochester's Northeast College Preparatory High School. Allen is an anomaly in a state where students are known to wait until the last minute to take the dreaded Regents Exams, the standardized tests required for graduation. She sat for her first Regents in middle school and completed all the requirements at the end of her junior year.

Seeing "no purpose in staying a whole other year," Allen arranged to graduate at age 16 and moved directly from Northeast Prep to Genesee Community College, the first step toward becoming a psychologist or counselor. By then Allen had already been working as a Wegmans' work-scholarship employee — starting, of course, as soon as she turned 15. Now 17, she's forthright about the motivation to quickly leave childhood behind.

"I didn't have the best life growing up," Allen says. "My parents did not do what they needed to do. I think that's why I wanted a job so badly. I wanted to take my own responsibility."

This recollection, tinged with quiet compassion for the suffering of a mentally ill parent, explains her aspiration to study psychology. Her home now is a college dormitory. And for Allen, family has been formed in some ways by the co-workers and customers at Wegmans.

Allen works weekends only, limited by a full load of college courses, with the Wegmans tuition program covering part of the cost, and by a state law that prohibits full-time work for those under 18. Still she follows her grandfather's advice and tucks \$20 of every paycheck into a savings account.

"He told me, 'I don't care if you only work one day a week and make just \$30, always take out \$20.' I have, and in two years it added up quickly," Allen says. "That's how I bought my car."

Allen is a member of Wegmans' Knowledge-Based



With the encouragement of his mentor, Ty Kelly (background), Jaquan Gordon is working toward a career in management with Wegmans. Gordon, who's in his first year as a business major at Monroe Community College, says his experience at the grocery chain has widened his world. "It's made me stronger and made me shoot for higher goals."

Selling team, the supermarket employees who entice shoppers with product samples. She spent the first Saturday in 2018 mixing yogurt smoothies at a portable station, her ebullience winning over customers who had ventured out on a typically frigid Rochester-area morning in January.

Allen's contagious enthusiasm for a job that "changed everything" has even reversed the fortunes of her best friend. "She was not doing well in school," Allen recalls. "But she immediately got on herself as soon as she found out she could get a Wegmans job if she got her grades up. And now she's full-time."

The core of the Work-Scholarship Connection is a program that shows young people their own boundless potential. Another benefit, Kelly says, is a vibrantly diverse workforce for the 95-store Wegmans chain. And

no Wegmans' location makes the point better than the store that employs Gordon, Allen, and Caraballo.

The village of Fairport — and Perinton, the town that now encompasses it — were both founded during the 19th century heyday of the Erie Canal. Both are now part of Rochester's suburban sprawl, and both feature populations that are affluent — with a median annual household income of \$90,000 — and 90 percent white.

It wasn't so long ago that Wegmans Perinton employees looked very much like their customers. "I think we maybe had two African-Americans working out here," Kelly says.

In other words, there was little chance that a shopper here would encounter any employee with a story like the one cashier Ali Hassan can tell.

The painfully shy Hassan clearly dislikes talking about himself. But when he looks back on his 15-year-old self — the ninth-grader who was recruited for the Work-Scholarship Connection from the Rochester Leadership Academy for Young Men — Hassan says that today he's practically an extrovert.

Building people skills

"I really didn't have any people skills or anything (until) I started the YETA program and learned how to talk to people and shake their hands," Hassan says. Still far from loquacious, the 18-year-old nonetheless looks each customer in the eye, flashes the occasional smile and sometimes engages in friendly banter.

He brings to the task the intelligence of a straight-A student, the discipline of a volleyball and baseball athlete, and an immigrant's appreciation for the opportunities created by Wegmans and his adopted nation.

Hassan was 5 when his family left Kenya to join relatives in Kentucky. A brief stay there ended with a second and permanent move to Rochester, where his father works in manufacturing.

Because his parents' education essentially ended in elementary school, Hassan will be the first in his family to earn a high school diploma when he graduates in June.

The oldest of six, Hassan also serves as his parents' connection to the English-speaking world, paying the family bills, filing tax returns, and translating important household paperwork. For his part, Hassan has transitioned easily from East Africa to the shores of Lake Ontario. He balances varsity athletics with a part-time job and has built

an academic record that has him on track to earn the full scholarship awarded to every Rochester public high school student who's admitted to the University of Rochester.

It's a record that also has earned Hassan an annual Wegmans commendation for scholastic excellence. And he's pocketed dozens of the free movie tickets awarded to student employees who exceed the work-scholarship academic benchmark.

The money Hassan earns during his weekend shifts at Wegmans comes in handy, but he points to an intangible form of compensation.

"It has helped me grow a lot," he says. "When I'm at Wegmans, I show respect to every customer, no matter who they are. And I take that to school and show it to my classmates and teachers as well."

At this point of his life, Hassan is looking no further than enrolling in college. Jaquan Gordon on the other hand, got a glimpse of what the future holds during a January conversation with Ty Kelly.

Gordon's eyes widened as Kelly outlined the advancement opportunities for a young, smart, and determined employee interested in stretching his first job into a career at Wegmans.

Gordon already credits the store chain for providing "opportunities I've never had before. It's made me stronger and made me shoot for higher goals and it's going to help me succeed." But listening to Kelly made him recognize the potential of turning the customer service rep position into something much bigger.

Summoning the first lesson of the Youth Employment Training Academy, Gordon turned to Kelly.

"Thank you," he said, looking his mentor straight in the eye. ■



Ali Hassan, recruited for the work scholarship program three years ago at age 15, credits the program's Youth Employment Training Academy for helping shape his professional demeanor. "I really didn't have any people skills or anything (until) I started the YETA program," he recalls.



Lisa Villarreal, a network operations representative for health insurance giant Cigna, confers with co-worker Jenna Koestner. Villarreal, who earned bachelor's and master's degrees with the help of Cigna's tuition reimbursement program, has encouraged Koestner to pursue her own dream of higher education.



Cigna's focus on ROI pays huge human dividends

WHITEHOUSE, Texas — Cigna Corp., the global health benefits firm, calls Lisa Villarreal a network operations representative. Her neighbors call her pastor.

When not in her church clothes, Villarreal wears many other hats. She's a wife, a mother, a grandmother — and the liaison between Cigna and medical professionals who have questions about patients' health insurance coverage.

A latecomer to higher education, 53-year-old Villarreal proudly ticks off the letters she can now rightfully affix to the end of her name — “A.A., B.S. and M.S. ... and the three in front of it — ‘R-E-V.’”

Villarreal earned two of her credentials — an associate degree and a certification as a First Assembly of God minister — on her own dime. But she can (and does) thank Cigna for picking up the tab for the two additional degrees: the bachelor’s and her Master of Business Administration. If not for Cigna’s Education Reimbursement Program, “I probably wouldn’t have gone back to school,” Villarreal admits.

The workplace benefit that returned Lisa Villarreal to college helps her company, too, a recent economic analysis shows. On one hand, the tuition program makes college affordable for hundreds of Cigna employees.

On the other, it is a business strategy that gives Cigna a handsome financial return on investment. Cigna also realizes an intangible, perhaps even more valuable dividend: heightened employee loyalty.

In Villarreal’s case, the tuition program helped her earn not one, but two degrees — and at a point in her life when most people are content to spend time spoiling the grandkids. In short, her education’s been great — even though it came late.

Childhood sweethearts Lisa and John Villarreal married young (she was 17), moving quickly from high school to the work-a-day world to parenthood.

“All of that sort of ruled out college,” Lisa says.

For years, a degree was immaterial to the Villarreals, who supported the family with John’s income as a



long-haul trucker and Lisa's management of medical offices. Over the years, Lisa's jobs teamed her with all kinds of health professionals, from psychologists and oncologists to family practice physicians. She learned a lot, and life was good for her and her family.

But as the college application process approached for teen daughters Michelle and Jessica, their 30-something mother decided to set an example.

Doing it for the kids

"I wanted to show my kids that I had what it took," Villarreal explains. "I figured if I modeled for them, they couldn't say, 'Mom, you didn't go to college, so you

couldn't know what it's like.'"

Villarreal made her point by majoring in general studies at Angelina College in Lufkin, Texas, graduating in 1998. Associate degree in hand, she briefly considered the next step — a bachelor's program leading to a career as a history teacher. She quickly abandoned the idea, though, and assumed she'd never go back to school.

Villarreal didn't see it then, but she was just getting started.

Her second academic credential grew out Villarreal's longtime service as a volunteer youth leader in her church. Impressed with her connection to young people, leaders at Whitehouse Assembly of God church asked her to take over as the director of youth ministry.

Villarreal agreed, with a caveat: She wouldn't accept the offer without earning a relevant credential.

Lisa Villarreal and her husband, retired long-haul trucker John Villarreal, share their home office with Angel, one of the family's two dogs. Married at age 17 and busy working and raising two daughters, Lisa Villarreal got into higher education late. But she's made up for lost time, earning four credentials beyond her high school diploma.



In 2012, backed by a diploma from Global University, a Pentecostal seminary with an online presence, Villarreal was ordained as a First Assembly of God pastor. And she again assumed that her formal education had ended. Wrong again.

Two things conspired to return Villarreal to school. First, a 2013 job offer from Cigna. Second, a conversation in which daughter Michelle told her that a bachelor's degree could well be the "greatest gift you can give us."

That sent Villarreal scurrying to find a suitable online undergraduate program. That search that drew her to Liberty University, a Virginia school that also allowed her to add a specialization in health care management to her bachelor's degree in business.

Villarreal quickly lined up the major and university. All that remained was finding a way to pay for the program. It was then that she recalled the Education Reimbursement Program she'd learned about during her orientation at Cigna. There was only one hitch: As a new employee, Villarreal had to wait six months to become eligible for the benefit.

Once eligible, Villarreal scoffed when Liberty advised her to set aside five years to earn the 78 credits required to complete the program. She told admissions officials: "Let's see how quickly I can get this done."

Two years and 10 weeks later, she had her degree.

In 2013, the year Villarreal enrolled at Liberty, the tuition program provided a \$5,250 annual subsidy to undergraduates and \$8,000 to graduate students. Cigna has since increased the reimbursements to \$10,000 and \$12,000, respectively. To qualify for full reimbursement, student-employees must enroll in what the company calls "strategic fields of study" (health care management, for example). Employees seeking degrees in non-strategic areas qualify for smaller reimbursements.

Cigna's program and similar initiatives funnel about \$177 billion a year into the training and development of the U.S. workforce, according to a Lumina Foundation study on employer-subsidized education programs. On corporate balance sheets, employee educational supplements generally appear as tax write-offs. Cigna took a different approach, viewing the ERP as an investment — a talent-development strategy. The 2016 report — funded by Lumina Foundation and conducted by Accenture, a consulting and professional services company — characterized the program as a "high-quality learning ... pathway to increase both employers' ability to compete and employees' access to career opportunity and higher wages."

The report's authors analyzed two years of outcomes generated by the Cigna program. The findings, which garnered attention from *The Atlantic* magazine and leading business publications, cited a net savings of \$20 million and an ROI of 129 percent. In other words, for every dollar Cigna invested in the 2,220 employees who took advantage of the program from 2012 to 2014, the company got back one dollar and avoided \$1.29 in additional costs.



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Villarreal talks with Sam Raborn, a physician in one of the medical offices where she works on Cigna's behalf. A Cigna employee since 2013, she's earned a bachelor's degree in business from Liberty University and a master's from LeTourneau University — thanks in part to the company's Employee Reimbursement Program.





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And the dividends went well beyond the ledger sheet. Compared to non-participants, employees in the tuition-reimbursement program also were promoted more frequently, seized new career opportunities at a higher rate, and, on average, realized a 43 percent salary boost during the two-year study period. The salaries of new employees also jumped 57 percent, a rate that outpaced the earning power of employees who did not participate.

And then there were the intangibles.

"Returning to school is stressful enough without the burden of cost hanging over you," says Alicia Phillips, a member of the Chattanooga-based Cigna Collaborative Care Innovation Team. "Going back is tough. It's like the first day of high school all over again."

Phillips, who earned a bachelor's degree thanks to the tuition subsidy, is now enrolled at the University of Tennessee-Martin, seeking a graduate degree in operational leadership with an emphasis in health care management. She says she'll repay Cigna's investment in her future by remaining with the company through thick and thin.

Impressive returns

In fact, employee retention figured significantly in the hefty cost savings that sparked widespread interest in the program. The Lumina-Accenture study showed that tuition program enrollees were 8 percent more likely to remain with Cigna than employees who chose not to participate. For a corporation with 31,000 employees, less attrition saves millions of dollars in costs for recruiting and orienting new employees — a process that can take up to 18 months.

The program also makes Cigna more attractive to potential job candidates.


"It makes us more competitive," Phillips says. "I tell kids who are looking for jobs to start at Cigna, put in the time and get an education along with the job."

But the lure of the tuition program isn't limited to entry-level workers. Baltimore native Jennifer Smoot had a hard-and-fast requirement when she launched her job search a half dozen years ago. "I wouldn't have taken a job that didn't have tuition reimbursement," says the 40-year-old wife and mother of two.

Smoot made a stab at college right after high school but decided quickly that she couldn't spend another four years sitting in classrooms. She dropped out just five weeks into the first semester — and she has no regrets.

"I just wasn't ready," Smoot recalls. "I decided I'd work for a while, figure out what I liked and didn't like and take it from there."

What ultimately drew her in was health care analytics, a high-tech subset of the industry, and one that inspired Smoot to seek out a community college program to sharpen her skills. Technology helped her there, too. She found an online program that allowed her to sidestep the classroom tedium that had turned her off as an 18-year-old.



In addition to her business degrees, Villarreal is also certified as a First Assembly of God minister. Here, outside Whitehouse First Assembly of God Church, which she serves as director of youth ministry, "Pastor Lisa" talks with church member Stacia Edwards.

The online coursework also stirred an appetite for learning. As soon as she earned one degree, Smoot was hungry for another, a bachelor's. She approached her employer — a small health care firm — about setting up a tuition-reimbursement plan for employees. Company officials empathized, but they said such a subsidy would exceed the firm's budget.

Smoot immediately began looking for a company that *could* afford to send her back to college. And she didn't have to look far; her firm did business with Cigna.

Smoot is now in her seventh year with the health benefits giant, working as a senior project management specialist. She's due to receive her bachelor's in information systems management this May from the University of Maryland University College, the system's online learning program.

Cigna recently eliminated a requirement that tuition program participants remain with the company for a specified time after earning a credential. That means Smoot will graduate debt-free and with no strings attached. And that impresses another Cigna employee.

"It's a vote of confidence that tells us, 'We want to do the right thing for our employees whether they stay or not,'" Lane Johnson says. "And that speaks loud and strong about Cigna."

A registered nurse, Johnson had no shortage of medical expertise when she joined a Phoenix-based Cigna team 15 years ago. Before then, the Bachelor of Science in Nursing degree that Johnson had earned in 1991 from the University of Wisconsin-Eau Claire had served her well. But her new position with Cigna also required business skills, and that posed new challenges for Johnson.

"I never took a marketing class or a class in finance," she said. "And I certainly didn't have accounting."

Johnson knew she'd benefit from an advanced degree, but as a full-time employee and a single mother of two girls, she worried about trying to shoehorn school into her schedule.

And a graduate degree doesn't come cheap. As head of a one-income household that included a teen daughter

who would soon need help paying for college, Johnson was understandably anxious about cost. Crunching the numbers, she estimated she'd need \$10,000 annually for a Phoenix-area graduate program.

"Most people don't have that kind of money lying around," Johnson says. And she didn't either. She'd all but given up on her graduate degree when it dawned on her that Cigna offered a lifeline in the form of the tuition-reimbursement program. It couldn't pay for everything, but it covered enough to make the program possible.

As a result, Johnson, then 46, became what she calls "one of those overachievers." She enrolled in nearby Grand Canyon University, a private, nonprofit Christian school that helped her build a graduate degree package that combines health management, business administration and a master's in nursing education.

Returning to school after 24 years has had its moments, Johnson admits.

"I'm a graduate student in my 40s, sitting in a basic accounting class. Sometimes it feels like I'm learning Chinese without knowing the alphabet," she quips.

At those times, Johnson, now 48, reminds herself that things would be a lot worse if not for the tuition program.

"It's still a lot of work," says Johnson, who is due to graduate in June. "But, boy, (the tuition aid) really made it possible for me to embark on a program like this."

Johnson isn't alone. After all, it was the program that enabled Rev. Lisa Villarreal to add all those letters after her name. The B.B. from Liberty University, by the

way, last year turned into a master's degree with a specialization in health care administration from Longview, Texas-based LeTourneau University.

And if Villarreal wanted to keep climbing, the tuition program would help her to reach the top rung of the credentialing ladder. But Pastor Lisa swears — er, vows — that her college-going days are over. And this time she seems to really mean it.

"I know they'd pay if I wanted a doctorate," Villarreal says. "But I just don't want to write a 200-page dissertation on health care." ■



With her academic degrees displayed on the wall behind her, Lisa Villarreal, 53, is living proof that age is no hindrance to learning, particularly when an employer actively supports the effort. "I know they'd pay if I wanted a doctorate," Villarreal says of Cigna. "I just don't want to write a 200-page dissertation."



Villarreal, a First Assembly of God minister since 2012, leads a weekly discussion group among young adult members of her church, including (from left) Brian Toole, Erica Toole, Patrick Bassham, Stacia Edwards, and Meagan Kenney.



CVS store manager Teresa Riggins Smith, 34, confers with pharmacist Mostafa Aboutaleb while co-worker Dwayne Palmer tends to his duties in their Detroit-area drugstore. Smith, who says she “always wondered” what went on behind the pharmacy counter, jumped at the chance to enter the CVS apprenticeship program as a 21-year-old single mom.



Apprenticeship program an Rx for CVS workers' success

DETROIT — It was no different from any other state-mandated review to requalify for the public assistance Teresa Riggins Smith needed to support herself and her 2-year-old son.

At her local branch of a state social services agency, Smith reported on the status of her job searches and her efforts to enroll in a training program.

Then she headed to a presentation where nonprofits and businesses outlined some of the positions open to low-income job seekers in the Detroit area.

Smith, then 21, knew what she *didn't* want. The prospect of another gig as a security guard filled her with dread, and a fast-food joint held all the appeal of a cold french fry. There was, however, a job that had long piqued her curiosity. Smith had even looked into the cost of studying for a career in the profession at a community college, ultimately deciding it was beyond her means. The job was pharmacy technician.

"I always wondered, 'What do they do back there?'" Smith says, recalling the sensation of watching employees scurrying among shelves stacked with medications. "It seemed kind of exciting."

Call it fate, providence, serendipity. Call it what you will; it happened that day in 2005 when Smith reported to a Michigan Department of Health and Human Services satellite office to extend her public aid.

More precisely, it happened when a company recruiter — Lena Barkley — gave a brief presentation on a new apprenticeship program being launched by her employer, CVS Health. The program, now in its 14th year, prepares low-income job seekers for careers as pharmacy technicians — jobs that often lead to management positions in many of the company's nearly 10,000 retail stores.

"Our mission," Barkley says, "is to move people out of poverty."

Now known as the CVS Registered Apprenticeship Program, the start-up introduced to Smith was a public-private initiative funded by the U.S. Department of Labor. In 2005, the career services arm of nonprofit Goodwill Industries served as the facilitator between the government and employers.

CVS Health was among the employers that participated in the rollout. The company saw the program as a way to help fill the 70,000 pharmacy technician jobs it believes it will need to hire to meet the growing demand for medications among aging baby boomers.

Loosely modeled on programs in the skilled trades and other economic sectors, an "earn and learn" apprenticeship gives trainees a "no-cost" opportunity to draw a salary while learning a trade. CVS has since extended the program to include workers who are displaced by realignment, site relocations, or technology. The company in 2017 employed 4,600 apprenticeship-trained pharmacy technicians and management employees in 12 states.

An ironic career choice

Smith joined the first group of Rx techs to move through an orientation program that acquaints students with the CVS corporate ethos, customer service protocols and — above all — the dizzying array of medications a tech might handle on any given day.





CVS recruiter Lena Barkley (left) embraces pharmacy technician Tuduetso Marang, a 64-year-old immigrant from Botswana who entered the apprenticeship program as a displaced worker. Barkley recruited Marang last year at a Michigan unemployment office, where Marang had been a frequent visitor since losing a warehouse job in 2010.

It's ironic that drugs are central to Smith's career and thus her future — because they certainly shaped her past. In fact, drugs were the reason Smith found herself in that state agency back in 2005. She and her siblings had spent much of their childhoods shuttling in and out of foster homes, collateral damage caused by their parents' drug abuse.

At age 19, a year after graduating from high school, Smith had her first child and applied for public assistance. The system requires recipients to make a good-faith effort to support themselves and their families — a requirement that often leads to a series of dead-end, low-paying jobs. The cycle is indeed vicious. But it can be disrupted — as it was when Lena Barkley stepped forward to explain the CVS Apprenticeship program to the group that included Smith.

"A lot of people weren't interested," Smith recalls. "But my eyes were glued on her. I listened to everything she had to say ... because it was something I already wanted to do."

Smith couldn't wait to approach Barkley after the presentation. She peppered the CVS Workforce Initiatives Manager with questions about the application, the training, and the odds of landing a job — a prospect that, just hours earlier, had seemed hopelessly out of reach.

Before leaving, Smith posed a final query to Barkley, asking: "You're going to remember me, right?"

The path to a pharmacy tech position is essentially the same today as it was when Smith was accepted into the first apprenticeship cohort 13 years ago. It begins with a pre-screening and an invitation to apply. Those accepted into the program undergo intense training to acquaint them with the intricacies of a job in which there is literally no room for error. Apprentices are paid an hourly salary during the four-week training period.

Once training is complete, CVS places the candidates in stores for an 80-hour "externship" that almost always leads to a formal job offer.

Teresa Smith's first day at CVS is one she'll never forget. "I was only making minimum wage, \$7.50 (an hour)," she says. "But when I took this job it felt as if I was walking into a six-figure salary."

The enthusiasm soon gained the attention of management and, within a year, Smith was promoted to shift supervisor.

"I went in and learned everything I could," she says — a huge understatement. Just three years after Smith began her apprenticeship, CVS tapped her to manage a location in suburban Highland Park. Turns out she didn't just manage the pharmacy; she staved off a possible store closing by working to reorient employees and improve their overall performance.

"She's a mover and a shaker," Barkley says. "She always



Teresa Smith, here helping 9-year-old daughter Da'Nyla with her homework, has come a long way in the 13 years since being recruited for the CVS apprenticeship program. Da'Nyla is her second child, she's remarried, and is now a shift supervisor at her CVS store.



Smith, here conferring with management trainee Jannette Shepherd, does all she can to train and support her co-workers. The CVS program gave her a similar boost when she really needed it as a struggling single parent. “When I took this job, it felt as if I was walking into a six-figure salary,” Smith recalls.

wants to do what’s best for her employees so they, too, can move up.”

Smith insists she’s only doing what comes naturally, whether it’s nudging her employees to up their game or convincing young customers to follow in her footsteps.

“My goal is to bring people like me to CVS, train them and help them to be a success,” she says. “Success comes in many different boxes. It doesn’t have to mean you’re a millionaire. Success can be taking care of your family or making sure your gas and electric aren’t cut off. I look for key qualities when I hire. I want to help, so I give them my background and I look for my passion.”

Lightning strikes twice

Twelve years after Teresa Smith began her climb, Lena Barkley again found herself at the right place at the right time. She was at a Michigan unemployment office last year when Tuduetso Marang turned up. At the time, Marang had been looking for permanent work for more than six years. She lost a warehouse job in 2010 — the job that had helped Marang get six children through high school and into college and careers. Marang, a single mom, is divorced from the former Peace Corps volunteer



As a CVS pharmacy technician, Tuduetso Marang sorts prescriptions and interacts constantly with customers. She admits her road to the job hasn't been easy, but Lena Barkley, who recruits applicants for the apprenticeship program, calls Marang "a rising star."

who brought her to Detroit from her native Botswana.

After 2010, when the warehousing firm moved out of state, Marang became a semi-regular at a branch office of Michigan Works, the state employment and retraining agency. Her long job search at one point landed her in a pharmacy tech training program offered by a Detroit-area college. She managed to complete most of the course work, only to be derailed by a bedeviling math requirement.

But Marang didn't give up. She earned the Red Cross certification that qualified her to work as a home health aide and then spent two years in that role, though she always knew she wanted more. That desire kept leading her back to the Michigan Works branch, and she was there one day when Barkley introduced the CVS Apprenticeship to another at-risk group — the unemployed.

Again, call it fate, providence, serendipity — because it happened again.

Determination pays

Marang soon joined the first group of displaced workers to begin the CVS Apprenticeship process. A cohort that began with 25 hopefuls eventually shrunk by half and ultimately placed 10 candidates in the Rx tech pipeline.

"To my surprise, it wasn't the millennials who moved on," Barkley says. "It was the seniors who took the initiative, went from step to step and didn't give up."

Marang, facing longer odds than most, stuck with it, even though the lack of a home computer forced her to do the bulk of her training at the Michigan Works branch — a task that was even tougher because Marang has no car.

Despite it all, 64-year-old Tuduetso Marang last summer became a gainfully employed CVS pharmacy technician.

"It hasn't been easy," she says. "It takes a lot of determination for whatever you want out of life. And this is what I want in life right now: doing something so my children don't have to take care of me."

Barkley calls Marang "a rising star," an employee who's undeterred even though she still struggles with transportation issues. Marang works at a CVS location 15 minutes from her inner-city home — 15 minutes by car, that is. For Marang, the commute can take up to two hours on two separate buses.

To cut down on travel time, she often stays with a daughter who lives closer to the CVS location. She's also seeking assistance in buying a car through a Michigan First program that eases transportation costs for displaced employees who are returning to the workforce.

These hurdles notwithstanding, Marang has accomplished what she set out to do when she was laid off.

Teresa Riggins Smith, manager of the CVS outlet in Highland Park, has what she wants, too — and she *still* feels as if she's earning a six-figure salary.

"I don't come to work every day for a paycheck," she says. "I come to work to help others."

The young single mother who couldn't keep her eyes off Lena Barkley has since married, had a second child, purchased a home, and enrolled in college courses. But her anchor is still that fateful meeting, long ago, in a state social services agency.

"I told her: 'You're going to remember me one day,'" Smith says. "Thirteen years later, she's still a great mentor and a great friend. So that is definitely a promise kept." ■

Marang, here waiting for a bus, displays a dogged determination to succeed despite her transportation limitations. Her daily commute along the streets of Detroit can take up to two hours on two separate buses.





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