



LUMINA ISSUE PAPER

STUDY SHOWS THE BENEFITS OF WALMART EDUCATION EFFORT

Retail Giant's Live Better U Program is Proving its Value

by Haley Glover

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Introduction

Manuel Gongora is studying to earn his certification as a pharmacy technician through Walmart's Live Better U program. A part-time associate at a store in Michigan, Manuel learned about the program in the breakroom and was encouraged by the store's personnel department to learn more. "This is very important for me personally. I'm literally starting from the ground up again," he said. "When I saw this program I thought, 'I'm getting up there in age. I better do something a little less physical that I can take anywhere with me.'"

Shakoya Wilson is earning a certificate in people and business leadership from Bellevue University through Live Better U, and she's doing it for her children. "Going back to school had been on my mind for 12 years. After I had my first child, it seemed almost impossible to return to school with working a full-time job and caring for an infant. Then I had another child. At that point, I just thought school wasn't an option anymore, but something in me just couldn't give up. To be more financially stable and to better care for my family and myself, I needed to further my education."

Paul Fowlkes is earning a bachelor's degree in computer science from Southern New Hampshire University. When tragedy struck his family when he was just 17, Paul dropped out of high school and got his GED, working to raise his sisters. His supervisor told him about Live Better U. "After five months of being there, my co-manager approached me and asked, 'What if you could go to school?' I love technology, but it was never a good time to just hop right into school because of the financing part—it's expensive to go to college! After 17 days of being enrolled, I was promoted to supervisor. The education was a solidifying point in how hard I was working—both at work and outside of work."

These are just three of the thousands of students who are on a new path thanks to Walmart's Live Better U program, which supports associates' education.

Live Better U: The basics

- **Who's eligible?** Approximately 1.5 million part-time and full-time Walmart and Sam's Club associates in the U.S. can earn college degrees or learn trade skills without the burden of education debt.
- **When?** Associates are eligible to enroll on the first day of employment.
- **What's covered?** Walmart covers all tuition, fees, and materials.
- **What does it cost?** As of mid-August 2021, the company pays the full cost of tuition and books for associates. Initially, Walmart associates contributed \$1 per day to participate in the program.
- **Is it working?** Nearly 30,000 students were active in the program as of April 30, 2021. So far, nearly 7,300 credentials have been earned, including those in high school, certificate, and degree programs.

About Live Better U

In 2018, Walmart announced Live Better U (LBU), a program designed to help the company's nearly 1.6 million front-line employees (associates) pursue further education. LBU covers programs from industry certifications to degrees, as well as high school completion and language programs. Live Better U is unique by design and by circumstance.

LBU supports Walmart's long-term employee retention and promotion strategies, helping associates to grow within the company. Walmart CEO Doug McMillon, a champion of the program, started with the company as a teenager, unloading trucks. Three-fourths of the company's store managers started as associates. Promotion and retention are key objectives of the Live Better U approach.

LBU was specifically designed to support educational programs for Walmart's diverse workforce, located in all 50 states and representing every background. The company partnered with Guild Education, a Denver-based organization that supports businesses to invest in employee educational benefits. Through Guild's college partnership model, Walmart associates have access to credential programs at many institutions—including Southern New Hampshire University, Bellevue University, and Purdue Global—that are recognized as high-quality online programs that serve working adult learners well. Guild provides coaching and guidance for learners throughout the process and administers the program on behalf of the company.

From the start, Walmart sought to meet their employees' needs and to provide an array of options, including high school completion programs, a college-readiness program designed to build student confidence and provide remediation, and a variety of degree programs. Credential programs focus on Walmart's areas of need, including cybersecurity, supply chain management, transportation and logistics management, and health care management. Credential options range from Career Diplomas, offered in areas such as skilled trades and health care, to bachelor's degrees in high-demand areas such as cybersecurity and business administration. (For a full list of programs, see Appendix A.)

All programs are offered online, and some include externship or practicum components. Over time, Walmart has expanded LBU, adding new credentials and a language program. As the program expanded, so too did associate participation.

While tuition assistance programs have existed for decades, dozens of companies in the last five years have developed models that serve students better:

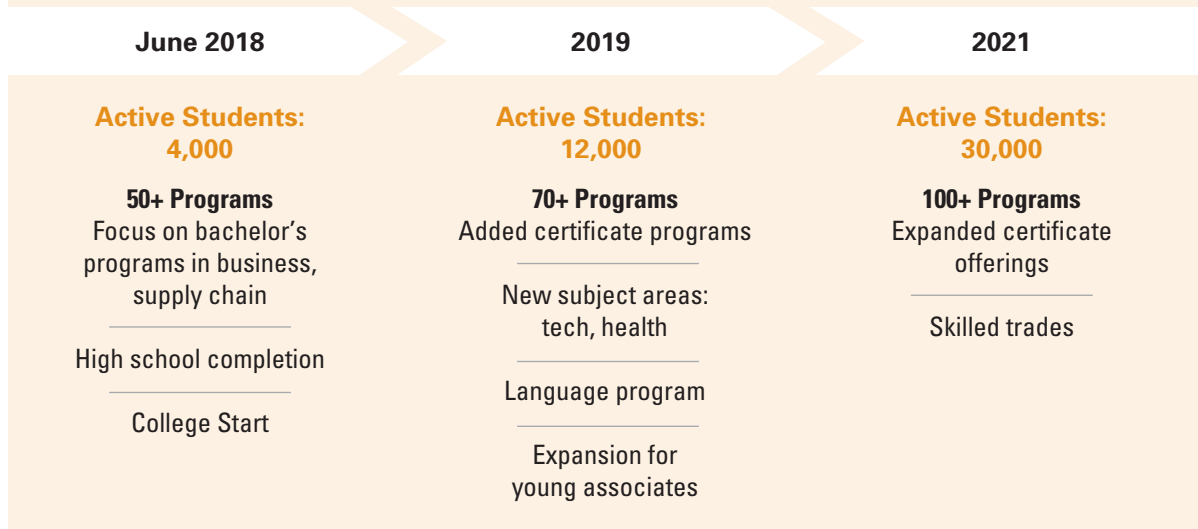
Assistance, not reimbursement: Traditionally, tuition benefit programs have operated via reimbursement, with employees paying up front and receiving reimbursement once courses were completed. This model effectively excludes lower-income workers who lack available funds. By contrast,



Moving forward with my education has given me hope, courage, and the ability to move forward to be recognized and become a more valuable asset to the company. I'm striving to be a good manager, leader, role model—and also to make a better salary.

- Shakoya Wilson, Walmart associate and LBU participant

Growth in Live Better U Program Participation



LBU provides direct payment to education providers on behalf of students. Program participants are not required to fulfill a term of service or pay back tuition assistance if they leave the company.

Objective eligibility: Many traditional models required supervisor nomination or approval to participate. New programs are moving strongly in the direction of universal eligibility, particularly for front-line workers, to avoid the bias and subjectivity that comes with an approval process. Nearly 1.6 million Walmart associates are eligible for the program, and eligibility begins on the first day of employment.

Tailored programs: Many companies are moving from a “go anywhere, study anything” approach to tailored programs. Such programs are offered in partnership with specific institutions and often feature particular programs that meet the company’s workforce needs. Walmart has partnered with Guild Education, which works with a network of education providers. These providers work with the company to customize curriculum when appropriate and serve working adults.

Student supports: Businesses are recognizing that providing tuition support, while important, is often not the only help that working adult students need to succeed. Such learners often need social and academic help as well financial assistance.

Live Better U builds on these practices with other important innovations. First, Walmart provides an extra payment—a tax gross-up—to employees who select a program whose cost exceeds the \$5,250 taxable income limit. This ensures that associates are not penalized come tax time for their participation in the program. Also important: Walmart employees who have completed the company’s Academy training program, as well as Sam’s Club associates who complete Manager in Training courses, qualify for significant academic credits at select partner institutions. This saves money for Walmart, which does not have to pay tuition for learning already acquired, and it saves time for students, who often are able to start college as second-semester freshmen.

About the Study

When Live Better U began in June 2018, Lumina Foundation committed to providing an objective study of the program, building on past analyses of employee education initiatives. Lumina commissioned Accenture, a global consulting firm, which analyzed depersonalized program data in a secure setting to get a full, objective look into the program. Guild Education provided additional depersonalized data on student enrollment, progress, and completion.

This study looks particularly at employee outcomes attributable to Live Better U. Of course, improved outcomes for associates benefit Walmart, but this study focuses on measurable impact for participating associates. Further, the study includes disaggregated outcomes by race and ethnicity, showing how Walmart's employees of color use and benefit from the program alongside white colleagues. This analysis focuses specifically on Walmart's hourly associates, who constitute 94 percent of its total workforce.

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The study looks particularly at the following factors:

- **Attrition:** Measures the rate at which employees left the company. The converse of this measure is retention, which describes the rate at which employees stay at the company. The study measures the relationships between LBU enrollment and voluntary attrition.
- **Promotion:** Measures the proportion of hourly associates who experienced a job level increase.
- **Performance ratings:** Measures the performance of hourly associates as assessed by supervisors.

All analysis uses data collected from June 2018 through July 2020. Program enrollment data was collected by Guild Education, and all personnel data was collected by Walmart. All personally identifiable information was removed before the data was shared with the Accenture team. Program analysis, conducted by Accenture, took place from October 2020 through February 2021.

As of June 2, 2021, Lumina became a shareholder of Guild Education. Lumina had no direct financial stake in Guild Education prior to the completion of the analysis conducted for this study. During the period of the study, Lumina may have held indirect interests in Guild through one or more commingled, blind pool investment vehicles managed by a third party or parties.

All data collection and analysis were done when Walmart associates paid \$1 per day to participate in the program. On July 27, 2021, Walmart announced it would pay for full tuition and books for participants.

Impact data presented, including attrition, promotion, and performance rating data, is disaggregated by racial/ethnic population and is specific to the hourly associate population. The analysis does not control for LBU program type (high school completion, certificate, degree) in showing differences among populations.

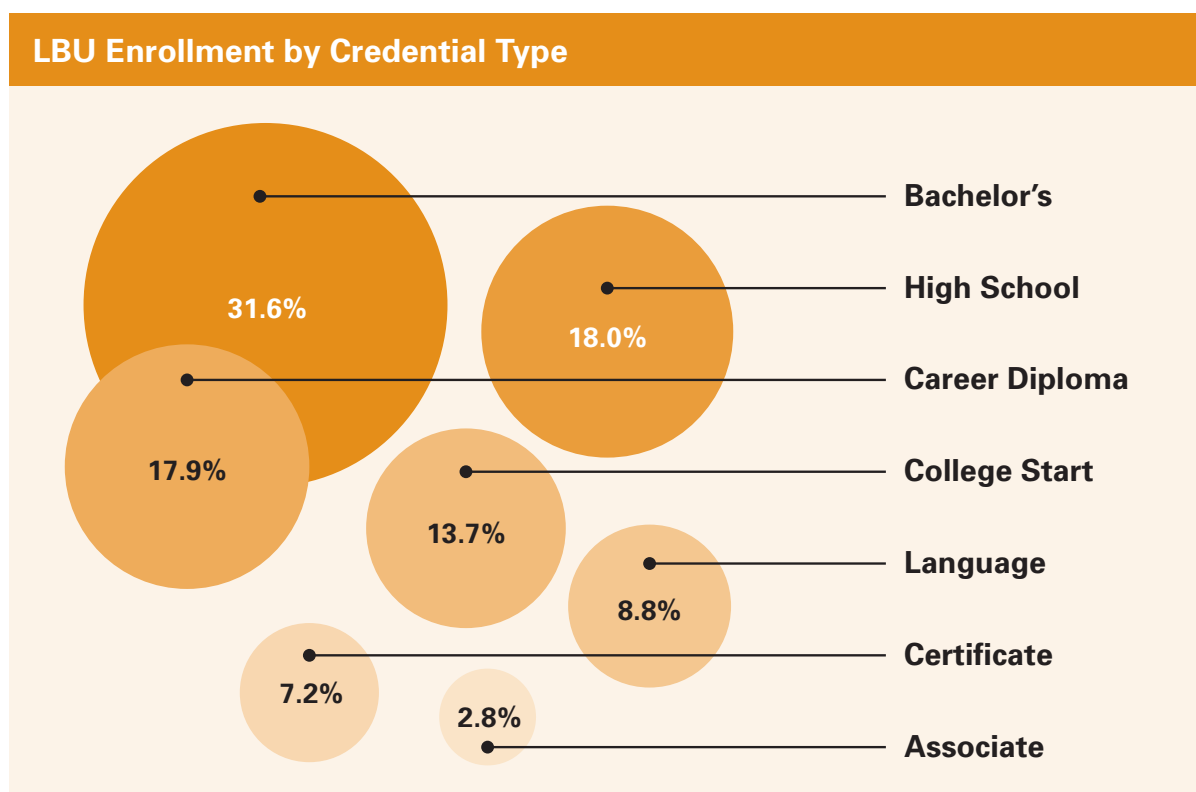
Credential Program Enrollment and Completion

Through April 30, 2021, nearly 30,000 Walmart associates were actively enrolled through LBU. Live Better U has supported nearly 7,300 program completions.

Program participation among hourly associates across racial and ethnic groups tracks very closely to overall employment. Fifty-two percent of hourly associates identify as white, while 21 percent and 18 percent identify as Black and Hispanic/Latino, respectively. Correspondingly, 49 percent of LBU participants identify as white. Eighteen percent of LBU participants identify as Black, and 16 percent identify as Hispanic/Latino.

Among bachelor's-seeking LBU participants, the program exceeds national enrollment trends, particularly for Black learners. Since the program launched, 17 percent of LBU students who enrolled in bachelor's programs through LBU identified as Black or African American. Nationally, based on an analysis of IPEDS data for undergraduate students enrolled in public and private bachelor's degree-granting colleges and universities, 10.9 percent of students identify as Black or African American.

Notably, 336 Walmart associates have earned bachelor's degrees since LBU launched just three years ago. Fifty students earned associate degrees in that time, along with 1,805 certificates. The program's emphasis on on-the-job learning at Walmart likely contributed to bachelor's and associate degree completions, which were earned much more quickly than anticipated. Learners can gain significant credits toward degrees through their work in Walmart Academies. The program also emphasizes recognition and application of previously earned academic credits toward degrees.





I finished my class with everything going on through the pandemic—I was still working hard. After my degree, there's always an opportunity to move up, whether it's being an assistant manager, co-manager or running your own store. Walmart helps you grow with them, and you don't have to come out of school with debt ... a degree is worth so much.

- Paul Fowlkes, Walmart associate and LBU participant

Most degrees earned to date are in business-related fields, reflecting LBU's early focus on those credentials. While business fields still make up about half of all college degree program enrollments, health care and technology fields are gaining traction.

Most recently, in summer 2020, LBU added Skilled Trades Career Diplomas. Nearly 3,000 students are enrolled in these programs, along with more than 5,400 who are enrolled in Health Care Career Diplomas. To date, 174 associates have earned Career Diplomas in these fields.

LBU supports high school completion and College Start programming, as well. Nearly 2,400 associates completed their high school studies, and another 2,519 completed College Start, a college pathway program for those who have never been to college or who may be nervous about attending. College Start allows students to self-pace and take courses pass/fail before formally enrolling, though the courses transfer for academic credit upon enrollment.

Program impacts

Based on [previous research](#), Walmart anticipated that the LBU program would significantly benefit participating workers. This study focused on understanding employee outcomes related to attrition, promotion, and job performance ratings.

Further, the study looked closely at Walmart's practice of aligning work-based training to college credit, which creates significant value for the employee and savings for the company.

Attrition

Past studies showed that employees who participate in educational benefits programs are less likely to leave the company than are non-participants. Walmart's hourly associates who participated in LBU are significantly less likely to leave the company than non-participants; participants leave the company at a rate four times lower than non-participants. These findings were shared across racial and ethnic groups, with Black and Hispanic/Latino associates leaving the company at a rate less than one-quarter than that of non-participants.

Attrition is an issue for all employers; replacing workers represents a significant cost. The LBU program created an environment where hourly associates who might otherwise have left the company, stayed.

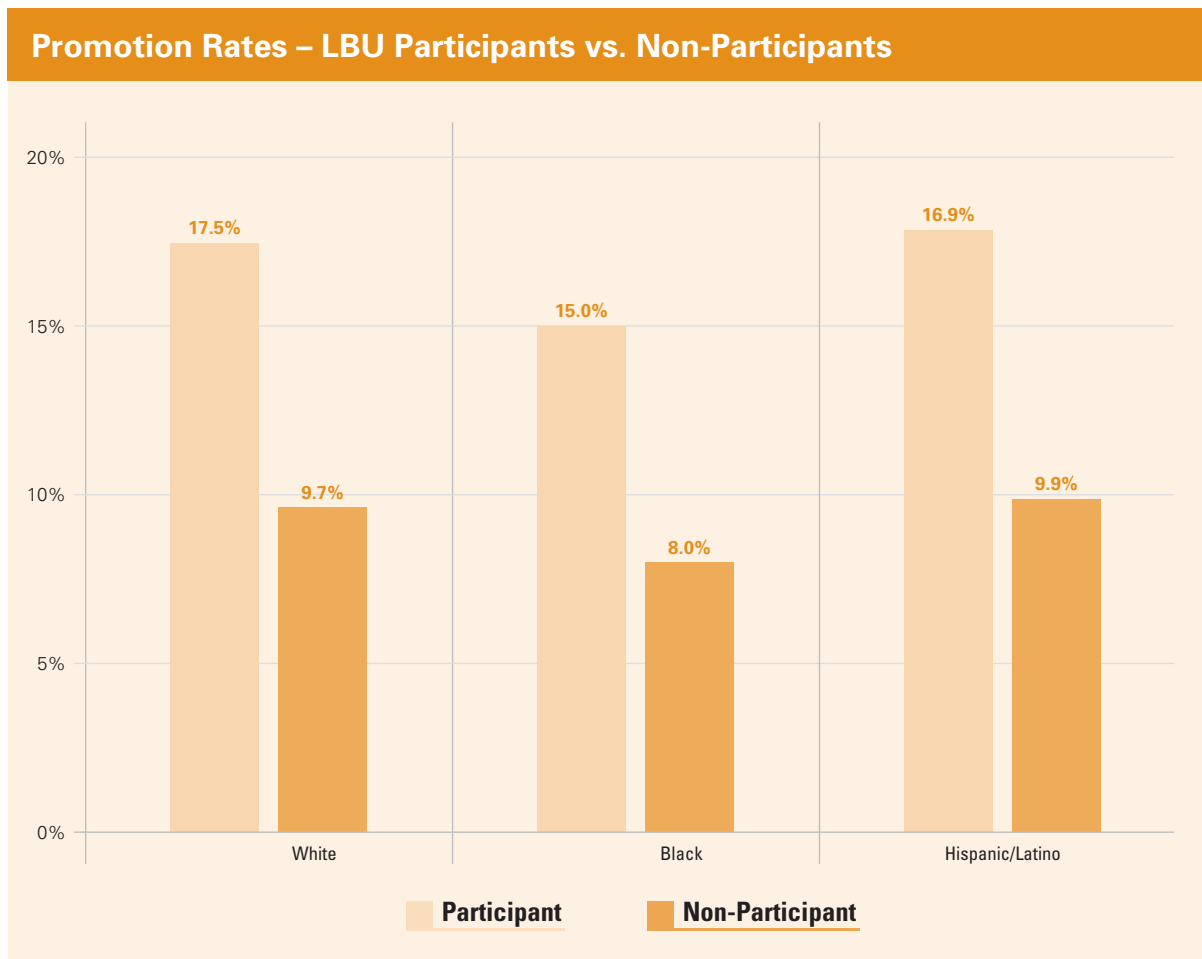
Promotion

Staying at the company created new opportunities for Live Better U participants. Promotions, measured through increases in job levels, are a strong signal of the program's value—to supervisors and associates.

Both male and female participants saw increased promotions. Male participants saw particular improvement, with 16.6 percent of them receiving a promotion—95 percent more than non-participating men. Seventeen percent of female participants gained a promotion, compared to 10 percent among non-participants.

Promotion benefits were impactful across racial/ethnic groups, as well. White hourly associates who participated in LBU were 80 percent more likely to receive a promotion than were non-participants. Black program participants were 87.5 percent more likely, and Hispanic/Latino associates were 70.7 percent more likely to earn a promotion, with 16.9 percent of participants being promoted.

Promotion is arguably the most tangible benefit to an employee. Promotions often come with higher wages, more authority and autonomy, and can signal strong work ethic and performance to future employers. The LBU program is distinguishing participants, creating lasting benefit for them.





Honestly, this has given me a new appreciation and respect for how Walmart is taking care of employees, especially part-time ones. These benefits are there for somebody like me, giving me an opportunity.

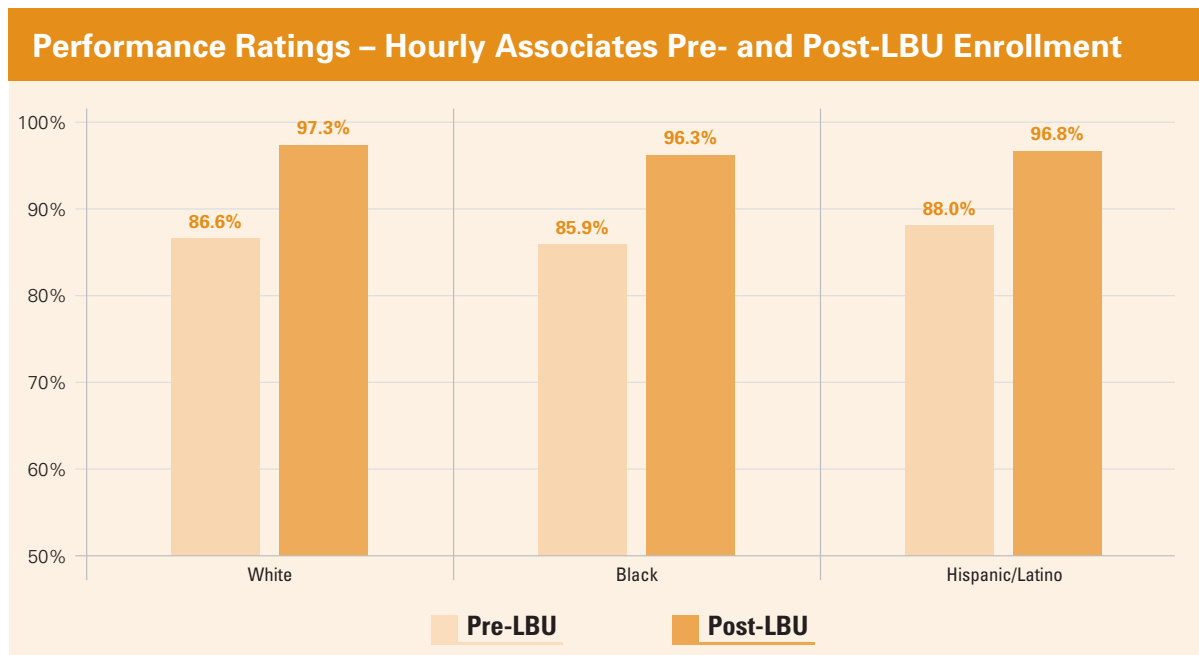
- Manuel Gongora, Walmart associate and LBU participant

Performance Ratings

Not surprisingly, based on attrition and promotion outcomes, Walmart associates who participate in LBU show significantly improved performance ratings over time. The study assessed performance ratings of LBU participants before and after they enrolled in the program, along with non-participants who were assessed over the same time. This measure shows that participation in LBU either improved actual performance by the participant over time or improved perception of that performance by his or her supervisor.

Within six months of enrolling in the program, participants increased their performance ratings by more than 10 percentage points, from 86.8 percent to 96.9 percent. Gains were consistent across gender and race/ethnicity. LBU participants identifying as female increased their performance ratings by 10.3 percentage points pre- and post-enrollment, while male associates' ratings increased by 9.7 percentage points. Improvements were consistent and significant across all racial/ethnic groups, as well. Black and white associates saw their performance ratings increase by more than 10 percentage points. Hispanic/Latino associates' ratings increased by a smaller amount, 8.8 percentage points, but started from a higher overall rating.

While increased performance ratings are certainly a benefit to the hourly associate, supervisors also clearly see a difference. Between performance ratings and promotions, LBU participants distinguish



themselves. Whether LBU motivates associates to perform better, or enables supervisors to better recognize already solid performance, supervisors appear to be making conscientious and consistent decisions that reinforce the value of the program.

Recognition of Learning

Walmart supports thousands of employees to receive training through its Academies, programs that provide employees with the specific skills and knowledge they need to take on new responsibilities and leadership. Academies focus on store operations, supply chain, and Sam's Club management. Employees learn with instructors and facilitators, and in applied settings. Students are assessed and demonstrate mastery of training curriculum before advancing.

In partnership with Guild Education and five network institutions, Walmart has connected Academy training to credit toward degrees, enabling employees who have completed Academy training to enter college with roughly a full semester's worth of credits. Partner institutions have evaluated Academy curriculum and training to understand the college-level competencies that students gain through the program. Once evaluated, credit is automatically applied toward the degree plans for Academy-completing students who enroll in LBU.

This practice is a significant innovation over standard practice, which often fails to recognize non-institutional learning for credit or may require students to re-test or prepare a portfolio to be assessed for credit. By automatically awarding credit for students who have had their learning validated by Walmart, the practice saves time and money, while recognizing learning that has already taken place. Also, the fact that universities award credit for Academy training shows Walmart's learners that such training is high-quality, creating a virtuous cycle.

While recognizing Academy learning is a smart thing to do, Walmart also sees the financial value of this practice. The company already pays to support Academy training for thousands of employees. It also pays for tuition and fees to college and university partners through Guild Education. By enabling Academy training to be explored and assessed by college and university partners and recognized for credit, Walmart has saved \$5.6 million in tuition costs for hourly associates—payments avoided because students had already mastered the curriculum and earned credit.

Institutional partners—such as Purdue University Global, Southern New Hampshire University and Bellevue University—stand to benefit as well, because the program creates a healthy pipeline of adult learners who receive financial and academic support.

Conclusion

Before the COVID-19 pandemic, employer-supported education programs proliferated. Recognizing the benefit of a motivated and educated workforce and looking for opportunities to attract talent in a tight labor market, companies revamped existing programs or launched new ones in a bid to support workers' efforts to earn credentials. The pandemic certainly shifted this movement, though the verdict is still out as to the lasting impact on these programs, especially in the hospitality and food service industry.

Walmart's program wasn't the first high-profile program to be launched, but it is among the largest in terms of active participants. Live Better U also innovated in some important areas, particularly in connecting work-based learning to credit, in providing a tax gross-up to prevent students from experiencing a tax burden, and in offering an expanding list of options to learners.

Lumina Foundation saw an opportunity to share the lessons from Walmart's experience and supported the study that produced the analysis shown here. We focused on hourly associates because they represent the vast majority of Walmart's 1.56 million eligible U.S. employees and the largest group of employees participating in the program.

To our knowledge, the study represents the first time a company has shown employee outcomes disaggregated by race and ethnicity. Understanding program impact on diverse employee populations is necessary to building a program that is equitable in delivery and outcomes. From the study, we can see that participation in the program is almost exactly representative of the hourly associate workforce. This shows that the program presents no significant barriers to participation for associates of color. While we can see that positive outcomes, such as promotion and improved performance ratings, are accruing to all associates, it is important that Walmart—and all companies that provide education benefit programs—look critically at their data to ensure equity in access and credential completion.

Walmart supports thousands of employees to receive training through its Academies, programs that provide employees with the specific skills and knowledge they need to take on new responsibilities and leadership.

Recommendations

We encourage Walmart and its partners to continue studying all aspects of Live Better U, particularly program completion data. Walmart is helping thousands of its associates to take steps into higher education, particularly through its language, high school and College Start programs. While nearly 5,000 students have completed high school and College Start programs and been rightly celebrated by the company, these same students would benefit from being supported and encouraged to continue their studies, moving on to certificate and degree programs. As the program matures, this will be a powerful indicator of its lasting impact.

Walmart should continue to promote and expand its work-based learning for credit model. This model has already proven to save money for the company—and associates' time. By making the curriculum and learning delivered through the Academies transparent, Walmart is supporting improved student pathways that recognize the needs of adult learners.

No national data source exists to provide information about how employer-supported education programs support equitable access and credential completion. Anecdotally, we understand that many traditional programs, especially those using a subjective eligibility process, are inequitable in design and outcomes. Walmart has taken a significant step toward improved transparency in analyzing the impacts of its education program across race and ethnicity. It is our hope that Walmart continues to deepen its understanding of LBU's impact across its diverse population of associates. We also hope that this act inspires other companies to do the same, building momentum for improved transparency and accountability.

Three years after its launch, Live Better U has made a measurable difference in the lives of thousands of people, and in turn, their communities. Over more time, LBU's impact will multiply as learners rise through the ranks of the company or take their skills and work elsewhere. It is our hope that Walmart will continue to expand LBU, and to inspire other companies to prioritize education as a benefit.

About Lumina Foundation

Lumina Foundation is an independent, private foundation in Indianapolis that is committed to making opportunities for learning beyond high school available to all. We envision a system that is easy to navigate, delivers fair results, and meets the nation's need for talent through a broad range of credentials. Our goal is to prepare people for informed citizenship and for success in a global economy. More information can be found by visiting www.luminafoundation.org

About Walmart

Walmart Inc. (NYSE: WMT) helps people around the world save money and live better—anytime and anywhere—in retail stores, online, and through their mobile devices. Each week, approximately 220 million customers and members visit approximately 10,500 stores and clubs under 48 banners in 24 countries and eCommerce websites. With fiscal year 2021 revenue of \$559 billion, Walmart employs 2.2 million associates worldwide. Walmart continues to be a leader in sustainability, corporate philanthropy, and employment opportunity. Additional information about Walmart can be found by visiting <https://corporate.walmart.com> on Facebook at <https://facebook.com/walmart> and on Twitter at <https://twitter.com/walmart>.

About Guild Education

Denver-based Guild Education is on a mission to unlock opportunity for America's workforce through education and upskilling. Guild is a certified B-Corp, founded to bridge the gap between education and employment for the 88M working adults in the US in need of upskilling for the future of work. Guild's industry-leading technology platform allows the nation's largest employers—including Walmart, The Walt Disney Company and Chipotle—to offer strategic education and upskilling to their employees, connecting them to a learning ecosystem of the nation's best universities and learning providers, with tuition paid by the company. Guild serves working learners from all 50 states, including 54 percent who are students of color and 56 percent female. Guild's platform pairs technology and hands-on coaching to address common barriers to college completion and successful upskilling for working learners. Guild partners with employers to manage payment flows, data transfer, and benefits administration, while helping working adult learners go to school debt-free, with support services all the way through graduation. For more information, visit www.guildeducation.com.

About Accenture

Accenture is a global professional services company with leading capabilities in digital, cloud and security. Combining unmatched experience and specialized skills across more than 40 industries, we offer Strategy and Consulting, Interactive, Technology and Operations services—all powered by the world's largest network of Advanced Technology and Intelligent Operations centers. Our 537,000 people deliver on the promise of technology and human ingenuity every day, serving clients in more than 120 countries. We embrace the power of change to create value and shared success for our clients, people, shareholders, partners and communities. Visit us at www.accenture.com.

Appendix A

Programs offered to Walmart associates

- » AA in General Business
- » AAS Information Technology
- » BA in Business Administration
- » BS Business Administration
- » BS Cybersecurity
- » BS Information Technology
- » BS Business Management and Leadership
- » BS Computer Information Systems
- » BS Computing Technology
- » BS Cloud Computing & Solutions
- » BS Business Administration
- » BS Healthcare Administration
- » BS Operations Management
- » BS Computer Science
- » BS Computer and Network Security
- » BS Healthcare Management
- » BS Supply Chain, Transportation and Logistics Management
- » Certificate, People & Business Leadership
- » Career Diploma, Electrician Training (Residential Electrician)
- » Career Diploma, Facilities Maintenance
- » Career Diploma, HVACR Technician
- » Career Diploma, Industrial Maintenance
- » Career Diploma, Construction
- » Career Diploma, Optician
- » Career Diploma, Pharmacy Technician
- » Career Diploma, Plumbing
- » "College Start:" A foundational program of introductory classes for bachelor's degrees
- » ESL/Language Programs
- » High School Completion
- » SAT/ACT Preparation



About the Author

Haley Glover is the strategy director for state action and equity at Lumina Foundation. In that role, she leads Lumina's efforts to mobilize states to act in ways that support student success and reduce racial disparities in credential attainment. She also led the foundation's work in measuring the impact of employer-provided education benefits programs.