



FEBRUARY 2025

BYU 2025

FAITH & BELIEF AT FIRECRAFT

TEAM 08

AGENDA

01

Introduction



02

Current Challenge

03

Recommendations



04

Risks and Mitigations



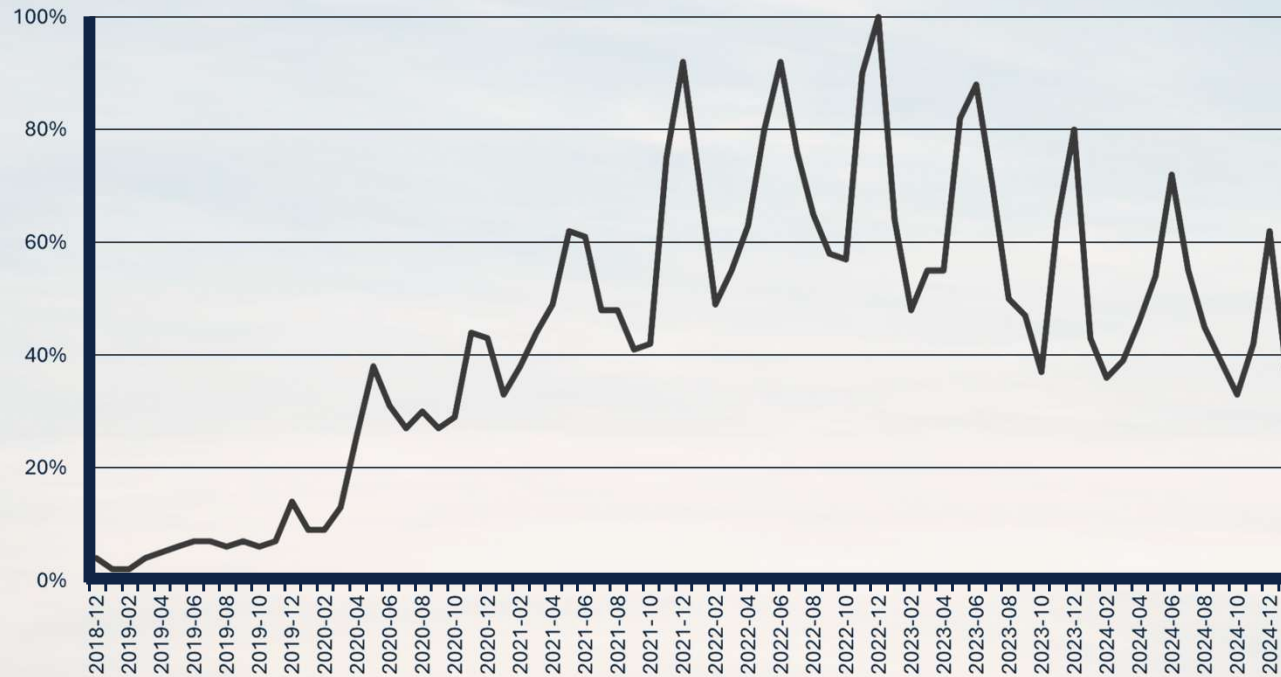
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Next Steps

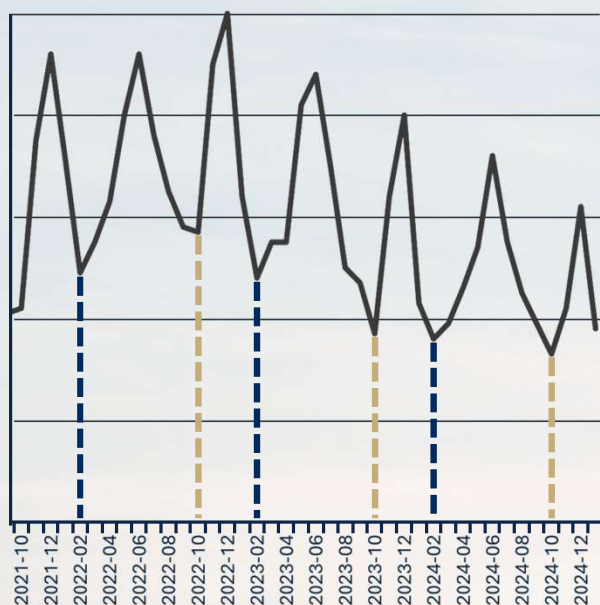


Introduction | Current Challenge | Recommendations | Risks & Mitigations | Next Steps

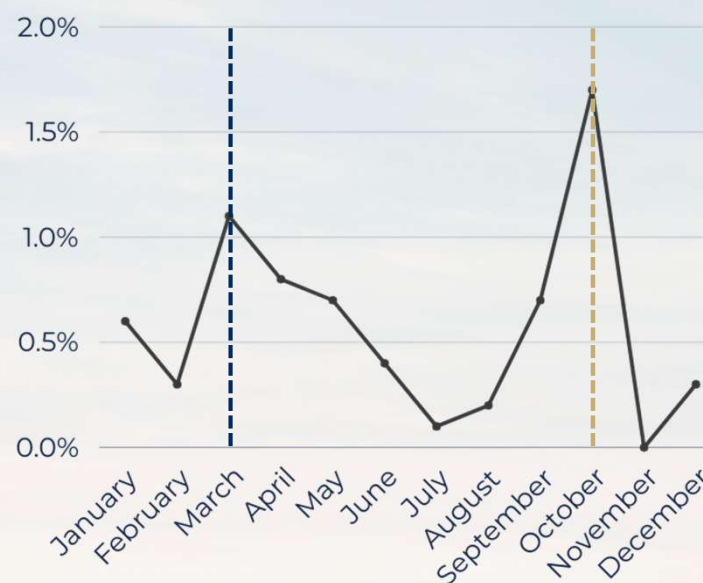
FireCraft Oven Sales as Percent of All-Time



Sales Downturn is Cyclical, Correlated to Turnover



↓ SALES



↑ EMPLOYEE TURNOVER

Core: A Cultural Analysis Framework



The FireCraft Gap

- 1**
POWER DISTANCE
Power distance refers to the degree to which individuals within an organization or company accept and expect an unequal distribution of authority and decision-making power.
- 2**
SPIRITUAL WELLBEING
The extent to which employees feel a sense of purpose, inner fulfillment, and alignment between their personal values and their workplace environment.
- 3**
INDIVIDUALISM VS. COLLECTIVISM
This dimension measures whether a company values personal independence (individualism) or group cohesion (collectivism).

Core Framework Driven Insights



LACKING AREA

KEY INSIGHTS

<p>1</p> <p>POWER DISTANCE</p>	<ul style="list-style-type: none">• FireCraft executives are split on the effectiveness of ERGs; regardless, employees see them as essential for culture & retention.• Ignoring employee needs further widens the gap, lowering morale & increasing turnover risk.
<p>2</p> <p>SPIRITUAL WELLBEING</p>	<ul style="list-style-type: none">• ERGs foster inclusion, supporting employees' faith and values, leading to stronger morale.• Removing ERGs weakens belonging, increasing stress, disengagement, and turnover.
<p>3</p> <p>INDIVIDUALISM VS COLLECTIVISM</p>	<ul style="list-style-type: none">• Executives prioritize cost-cutting (individual goals); employees value ERGs for connection (collective culture).• Cutting ERGs signals disconnection, reducing teamwork, morale, and long-term retention.

Unified Culture Stimulates Profitability

Honeywell

In the early 2000s, Honeywell struggled to integrate two sets of workers and a variety of conflicting working practices.

To address this, Honeywell implemented their “One Honeywell” initiative that sought a unified internal culture.

This initiative prioritized both financial metrics and motivating employees to “do right by [their] customers.”

THIS RESULTED IN:

\$100 BN

INCREASED MARKET
CAPITALIZATION

67%

INCREASED SELF-FUNDED
R&D SPENDING

Source: Financial Times



“Planting seeds for the future while also achieving short-term results is much harder to pull off than just aiming for one of these goals exclusively.”

David Cote

Honeywell CEO 2002-2017

ERGs drive connection

90%

of organizations use their ERGs
to assist new recruits

This *helps new employees feel connected to company culture* by offering mentorship, guidance and a sense of belonging during the onboarding process

Source: Forbes

A Connection to Culture Drives Professional and Personal Results

Those who strongly agree with “I feel connected to my organization’s culture” are:

4X

as likely

to be *engaged*
at work

5.8x

as likely

to strongly agree they would
recommend their organization
as a great place to work

62%

Less likely

to feel burned
out at work very
often or always

43%

Less likely

to be watching for job
opportunities or actively
looking for another job

Source: Gallup

More Engaged Employees Boosts Organizational Success



▲ **10%**
In customer
loyalty/engagement

▲ **18%**
In productivity (sales)

Source: Gallup

Greater Organizational Success

▲ **23%**
in profitability

▲ **70%**
in wellbeing (thriving
employees)

▲ **22%**
in organizational
citizenship (participation)



FIRECRAFT

ROUTE TO SUCCESS

Implementation Plan



Introduction | Current Challenge | **Recommendations** | Risks & Mitigations | Next Steps

ROUTE TO SUCCESS

Implementation Plan



Integrate ERGs and Executives into Onboarding



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COMPONENT

IMPACT

Executive
Introductions to
Presentations

ERG Leadership
Presentations and
Reception



**Integrate
ERGs and
Executives in
Onboarding**

More than **90%** of respondents in an IBM survey cited “top management sponsorship” as the factor that makes change successful

Building relationships with coworkers that celebrates their unique identities drives respect and engagement from the initial moment of hiring.

ROUTE TO SUCCESS

Implementation Plan



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COMPONENT

IMPACT

Charitable
Giving and
Donations

Community-
Focused Service
Projects



**Community
Engagement**

Through workplace charity drives and donation opportunities, employees can actively participate in social matters closest to them, thus enhancing corporate social responsibility.

Creating meaningful connections, while strengthening local support systems and fostering collective responsibility



FireCraft Collective

Club
Integration



Community
Engagement



Integrate ERGs
and Executives
into Onboarding



ROUTE TO SUCCESS

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COMPONENT

What is this?

Connecting people over shared interests along with identity

Example of Successful Execution

Duolingo

Example at FireCraft

Food Clubs and Cooking Classes



FireCraft Collective

**Club
Integration**

IMPACT

People can get to know the person next to them

Duolingo sees greater employee engagement as evidenced by the bi-annual survey they send out, and routinely return scores of over **90%**

By understanding the heritage behind culturally significant foods, and working to make them together, people will grow closer

Investment and Cost Associated

\$35,000

PROPOSED COST OF FIRECRAFT
COLLECTIVE

69x

ROI BASED ON DIRECT AND
OPPORTUNITY COSTS ASSOCIATED
WITH CUTTING ERGS

Engagement Driven Profitability

\$6.73 MM

SAVED FROM EMPLOYEE TURNOVER
COSTS BY RETAINING ERGS

\$5.52 MM

INCREASED PROFITABILITY DUE TO
HIGHER EMPLOYEE ENGAGEMENT

Source: Gallup, Forbes

RISKS AND MITIGATIONS

INTERRELIGIOUS AND INTER-GROUP CONFLICT

- Conflict mediators
- Safe Spaces for dialogue with executives
- Leadership accountability

UNEVEN DISTRIBUTION OF COLLECTIVE FUNDS

- Implement clear and transparent funding model
- Objective criteria: participation rates, impact engagement, and alignment with company values

POTENTIAL ERG & CLUB “SILOING,” GROUP ISOLATION

- Foster cross-ERG collaboration through joint events, mentorship programs, and company-wide initiatives that encourage diverse groups to engage with one another.

NEXT STEPS



6 Months

- Implement onboarding action items, community engagement steps, and augment ERGs to fit the FireCraft Collective model



12 Months

- Establish a biannual employee survey to gauge personal interest and their FireCraft Collective engagement



18 Months

- Measure Success
- Re-evaluate Collective budget dispersion according to employee surveys for ERGs and clubs to drive profitability through effective investment



24 Months

- Develop strategic partnerships to expand ERG resources and opportunities
- Leverage external collaborations to drive innovation and long-term sustainability

THANK YOU



OUR TEAM



Cale Brown



Walker Burley



Gretchen Minor

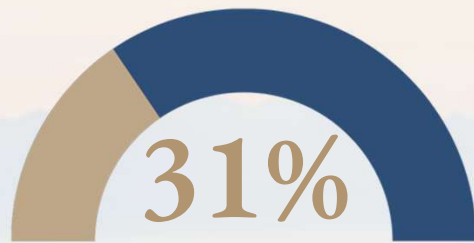


Ben Schouten

APPENDIX



The Cost of Disengagement



Only 31% of U.S. employees are engaged at work. That's less than **1 in 3 employees**

Source: Energage

8.8 Trillion

in lost productivity globally

[Employee Engagement Strategies: Fixing the World's \\$8.8 Trillion Problem](#)

ERG & Club Attendance

Interfaith Attendance											
Department	Percentage of Firm	Average Salary	Percent of department Interfaith Attendance	Total Att. Compared to Whole Company	Total Employees Attending	# of Employees in Dept.	Total Salary Cost per Department	\$/hr (department)	\$ saved per 2 hours per saved attendance from current ERG events	Turnover Cost	
Sales and Marketing	32.57%	\$ 74,754	7%	2.28%	16	228	\$ 17,043,164.46	\$ 8,069.68	\$ 367.96	\$ 984,242.75	
Operations	8.68%	\$ 107,660	8%	0.69%	5	61	\$ 6,541,421.60	\$ 3,097.26	\$ 43.01	\$ 431,733.83	
IT & Engineering	12.23%	\$ 152,514	5%	0.61%	4	86	\$ 13,056,723.54	\$ 6,182.16	\$ 75.61	\$ 538,589.85	
Research and Development	12.38%	\$ 116,044	14%	1.73%	12	87	\$ 10,056,373.04	\$ 4,761.54	\$ 165.05	\$ 1,161,511.09	
Support	12.23%	\$ 89,773	21%	2.57%	18	86	\$ 7,685,466.53	\$ 3,638.95	\$ 186.92	\$ 1,331,507.08	
Executive Leadership	4.41%	\$ 304,075	19%	0.84%	6	31	\$ 9,386,795.25	\$ 4,444.51	\$ 74.48	\$ 1,471,380.16	
Distribution and Logistics	6.26%	\$ 127,109	14%	0.88%	6	44	\$ 5,569,916.38	\$ 2,637.27	\$ 46.23	\$ 643,325.34	
Finance	6.69%	\$ 145,116	0%	0.00%	0	47	\$ 6,795,782.28	\$ 3,217.70	\$ -	\$ -	
HR	4.55%	\$ 109,745	6%	0.27%	2	32	\$ 3,495,378.25	\$ 1,655.01	\$ 9.04	\$ 173,021.22	
	100.00%	\$ 136,310	10%	9.87%	69		\$ 79,631,021.33		\$ 968.30	\$ 6,735,311.30	
									\$ 11,619.60	Increased costs due to	
									\$ 46,619.60	employee turnover	
									Inc. productivity from employees from removing ERGs	from removing ERGs	

Total Workforce	700	Std. Working Hours/Month	176
		Std. Working Hours/Year	2112
		Employees Quit due to not feeling supported	66%
Turnover rate	1.25	x their annual salary	

Increased Productivity due to Employee Engagement

Annual Revenue	Average Profit Margin	Annual Profit	Engaged Employees 23% increase in profitability	Resultant profit
\$ 300,000,000.00	8%	\$ 24,000,000.00	0.23	\$ 5,520,000.00

Proposed Costs

FireCraft Collective

Clubs

Other Clubs	\$ 5,000.00
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Clubs	\$ 5,000.00
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ERGs

Interfaith ERG	\$ 20,000.00
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Other ERGs	\$ 10,000.00
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ERGs	\$ 30,000.00
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Total	\$ 35,000.00
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Turnover Rates for 2024

Turnover for 2024

Months	Attrition Rate
January	0.6%
February	0.3%
March	1.1%
April	0.8%
May	0.7%
June	0.4%
July	0.1%
August	0.2%
September	0.7%
October	1.7%
November	-0.1%
December	0.3%

Quarters	Avg. # of Days to fill open roles	Avg. Count of Applicants per Open Role
Q1	77	81
Q2	42	71
Q3	62	95
Q4	38	89

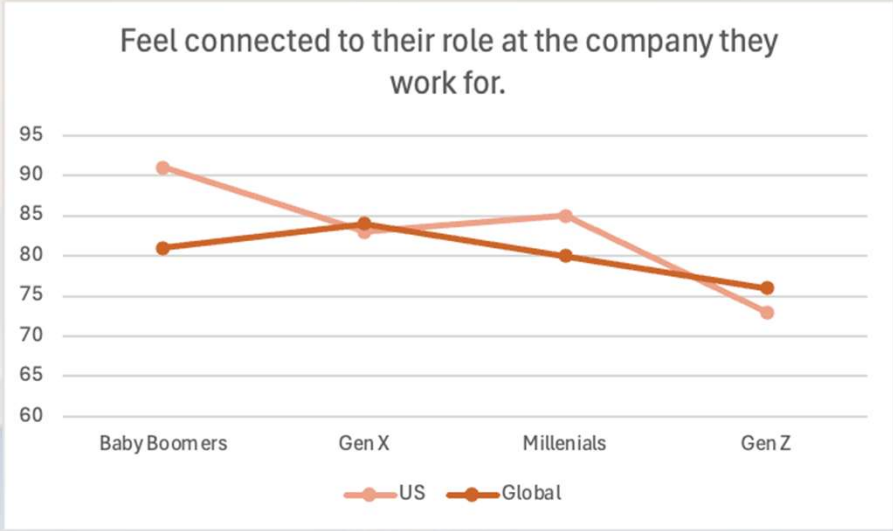
Employee Satisfaction Survey Results

Period	Happiness Score Avg
Q1 2024	3.78
Q2 2024	3.55
Q3 2024	3.69
Q4 2024	3.78

Chaplaincy Program C/B Analysis

Chaplaincy Program	
Cost	\$ 11.00 per employee per month
Total	\$ 7,700.00 per month
	\$ 92,400.00 Per year
"Benefit"	\$ 831,600.00 1\$ invested, \$9 in return
ROI	\$ 739,200.00

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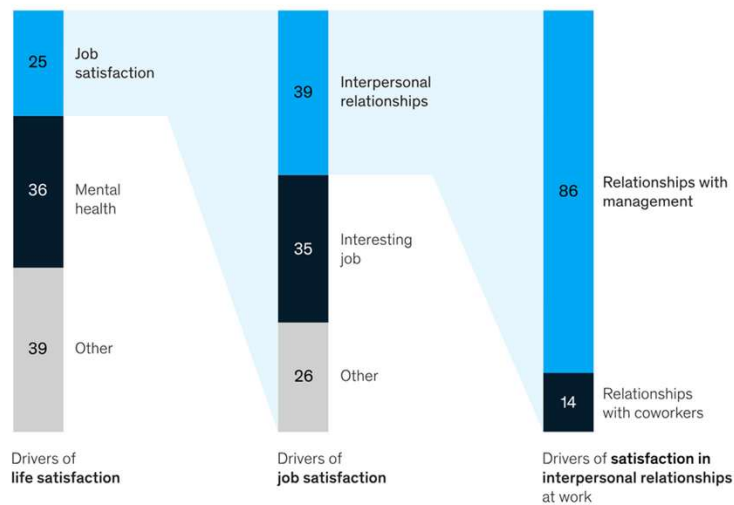
By 2030, Gen Z will make up 33% of the population

Source: Ford
Working for Balance 2024

Executive Buy-In

Relationships with management are a critical factor in employees' life satisfaction.

Share of satisfaction explained by each factor,¹ %

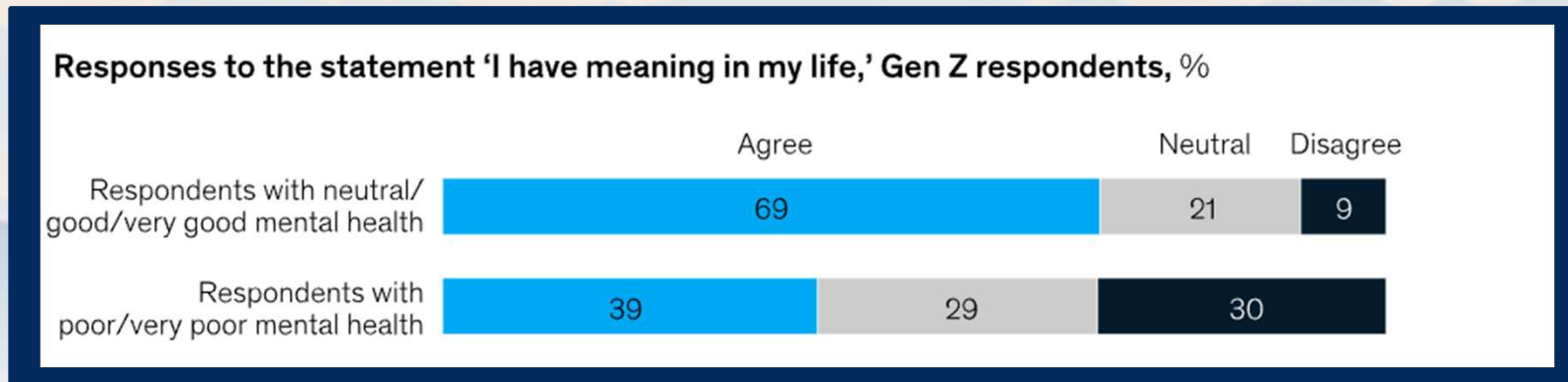


39% of employees report relationships with management to be a driver of job satisfaction

86% report that satisfaction in interpersonal relationships at work are driven by relationships with management

Source:
McKinsey

The Link Between Meaning and Mental Health in Gen Z



Source:
McKinsey

Hoefstede's Cultural Framework



Gallup's Spirituality-Wellbeing Connection Framework



Positive coping
and purpose
in life



Faith-based
social
connections



Community
and civic
engagement



Structural
stability

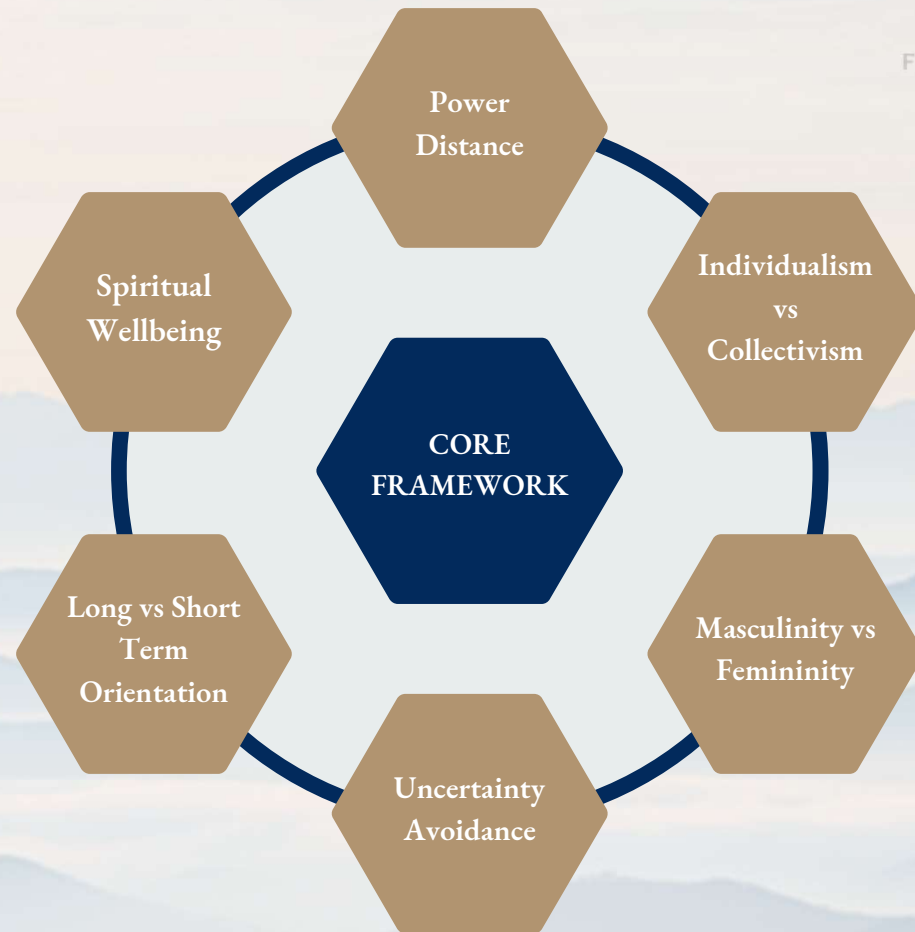


Workplace
support of
holistic wellbeing

Source: Gallup



Core: A Cultural Analysis Framework



Core framework analysis




FIRECRAFT

POWER DISTANCE	<ul style="list-style-type: none">• FireCraft executives are split on the effectiveness of ERGs; regardless, employees see them as essential for culture & retention.• Ignoring employee needs further widens the gap, lowering morale & increasing turnover risk.
SPIRITUAL WELLBEING	<ul style="list-style-type: none">• ERGs foster inclusion, supporting employees' faith and values, leading to stronger morale.• Removing ERGs weakens belonging, increasing stress, disengagement, and turnover.
INDIVIDUALISM VS COLLECTIVISM	<ul style="list-style-type: none">• Executives prioritize cost-cutting (individual goals); employees value ERGs for connection (collective culture).• Cutting ERGs signals disconnection, reducing teamwork, morale, and long-term retention.
MASCULINITY VS FEMININITY	<ul style="list-style-type: none">• FireCraft execs focus on profitability and making short-term decisions, indicative of a masculine culture• This may lead to a clash between a more feminine employee culture, which values community and well-being
UNCERTAINTY AVOIDANCE	<ul style="list-style-type: none">• FireCraft execs want to cut "soft-costs," signaling possible fear of uncertainty and avoidance of it due to short-term ideals and profit-maximizing attitudes• Not much is said on the employees and their aversion to change, but we can assume that employees would be willing to adopt things important to them willingly
LONG-TERM VS SHORT-TERM ORIENTATION	<ul style="list-style-type: none">• FireCraft executives value short-term growth over long-term goals, as indicated throughout the case. There is a disparity, however, between the board (short-term) and the c-suite (long-term)

Executive Buy-In

- Research finds that only 18 percent of organizations report being highly effective at organizational change management.
- Only 27% of employees believe their leadership is adequately trained to guide teams through change, indicating a significant opportunity for enhancing leadership development programs
- **HOW SPONSORS HELP ENABLE SUCCESS** - A critical factor in whether an initiative succeeds or fails is the executive sponsor—and his or her level of engagement. More than 90 per cent of respondents in an IBM survey cited “top management sponsorship” as the factor that makes change successful

Source: Gallup

The background of the slide features a soft-focus, misty mountain range. The mountains are layered, creating a sense of depth, and are rendered in various shades of light blue and pale yellow, suggesting a hazy or dawn/dusk atmosphere. The overall tone is calm and professional.

54% of organizations with ERGs reported an increase in a sense of belonging and community, and 14% saw an increase in retention. Numerous companies showcase the effectiveness of ERGs and the correlation between reducing turnover rates and maintaining company resource

Source: Fast Company



65%

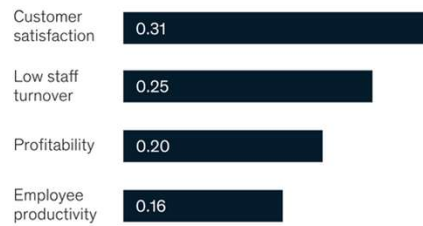
of employees participating in ERGs experience positive career impacts.

Source: Gallup

Exhibit 2

Employees' satisfaction is positively correlated with several aspects of company performance, including shareholder value.

Correlation between employee satisfaction and selected performance metrics¹



Annual shareholder returns for 100 best companies to work for ("Top 100"), relative to given portfolio, 1998–2009,² %



¹ Meta-analysis combining observations from >1.8 million employees and 82,000 business units.

² Risk adjusted; based on list compiled by *Fortune* for the United States.

Source: Jan-Emmanuel De Neve, Christian Krekel, and George Ward, *Employee Wellbeing, Productivity and Firm Performance*, CEP discussion paper, number 1605, March 2019, cep.lse.ac.uk; Jan-Emmanuel De Neve et al., "Work and well-being: A global perspective," *Global Happiness Policy Report 2018*, February 10, 2018, happinesscouncil.org; Alex Edmans, "Does the stock market fully value intangibles? Employee satisfaction and equity prices," *Journal of Financial Economics*, September 2011, Volume 101, Number 3, pp. 621–40; McKinsey analysis

EMPLOYEE ENGAGEMENT

\$8.9 trillion lost in global GDP due to low engagement

Employee engagement reflects the involvement and enthusiasm of employees in their work and workplace. Gallup has found that engaged business teams drive positive outcomes within organizations. Gallup estimates that low engagement costs the global economy US\$8.9 trillion, or 9% of global GDP.

23%
Engaged

62%
Not Engaged

15%
Actively Disengaged

Gallup

How to Measure Employee Engagement With the Q¹²

There are 12 needs managers can meet to improve employees' productivity. This approach to engagement is simple, and it works. These are the 12 employee needs that make up the items on Gallup's engagement survey:

00. How satisfied are you with your company as a place to work?
01. I know what is expected of me at work.
02. I have the materials and equipment I need to do my work right.
03. At work, I have the opportunity to do what I do best every day.
04. In the last seven days, I have received recognition or praise for doing good work.
05. My supervisor, or someone at work, seems to care about me as a person.
06. There is someone at work who encourages my development.
07. At work, my opinions seem to count.
08. The mission or purpose of my company makes me feel my job is important.
09. My associates or fellow employees are committed to doing quality work.
10. I have a best friend at work.
11. In the last six months, someone at work has talked to me about my progress.
12. This last year, I have had opportunities at work to learn and grow.



Gallup