



# Interfaith at FireCraft Pizzaworks

*Presented by Group 9*

## Agenda

- ▶ *Understand the broader ERG environment*
- ▶ *Assess FireCraft's current situation*
- ▶ *Review recommendation and VALUES™ evaluation framework*
- ▶ *Discuss benefits and potential risks*

## Meet The Team!



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# Headlines show that corporate America is becoming disillusioned with DEI.

Diversity And Inclusion

## What Comes After DEI

How a new framework built around fairness, access, inclusion, and representation can succeed where DEI has failed. by Lily Zheng

January 23, 2025

## DEI Is Fading: Time To Sharpen Your Inclusive Leadership Skills

Corinne Post Contributor

Corinne Post analyzes execs, C-suites and boards with a diversity lens

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Jul 28, 2024, 05:00am EDT

SPORTS | FOOTBALL

## America Is Abandoning DEI. The NFL Remains All-In.

Everyone from the federal government to Fortune 500 companies is dialing back their diversity efforts. But America's most popular sport is standing its ground.

By Andrew Beaton [Follow](#)

Feb. 6, 2025 7:00 am ET

THE ATLANTIC DAILY

## The End of the DEI Era

As Donald Trump returns to the White House, a newly emboldened anti-DEI bloc has gained powerful allies.

By John Hendrickson

Sources: [What Comes After DEI](#), [DEI Is Fading: Time To Sharpen Your Inclusive Leadership Skills](#), [America Is Abandoning DEI. The NFL Remains All-In.](#) - WSJ, [The End of the DEI Era](#) - The Atlantic

But the Marriott adage remains true.



"Take care of associates and they will take care of the customers."

—**JW MARRIOTT**

*Source: Core Values & Heritage*

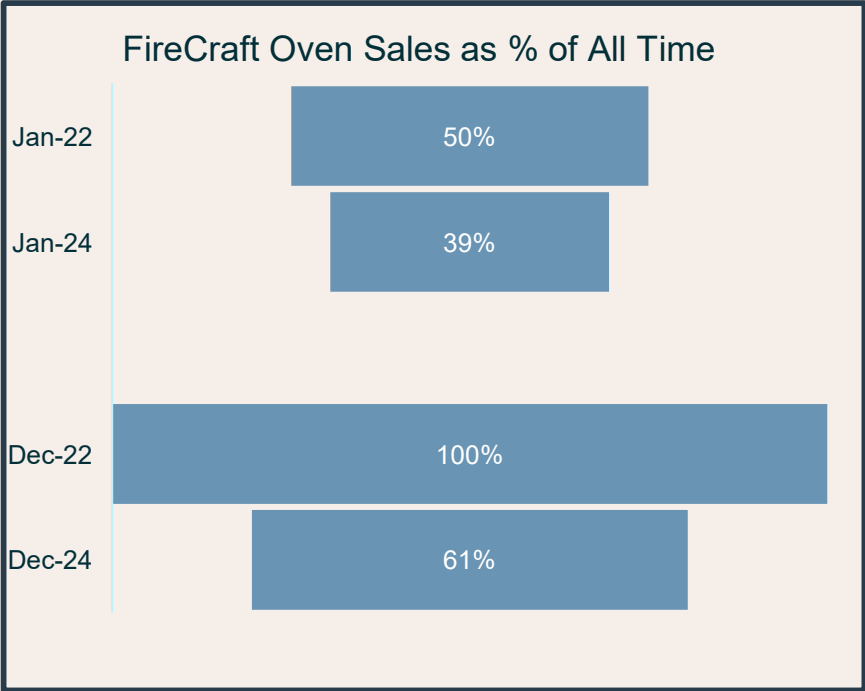
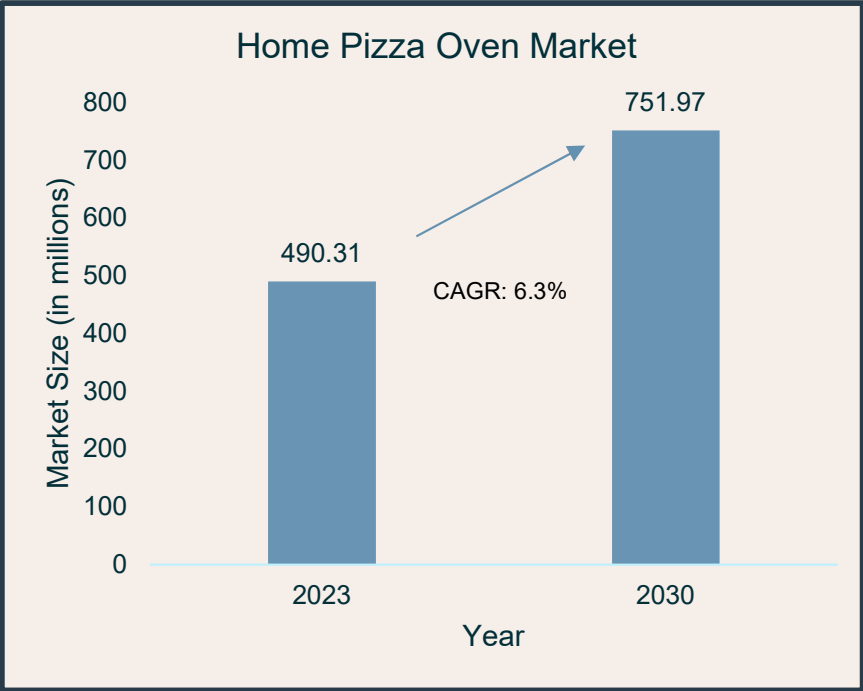
Interfaith ERGs are found across America's most successful companies.



Source: *Information on Companies with ERGs — Faith Driven Investor*

# The home pizza market expects continued success, despite FireCraft's P2Y.

*Despite a decline in home cooking post-COVID, FireCraft has lots of whitespace to grow.*



Source: Home Pizza Oven Market | Size, Share, Growth | 2024 – 2030

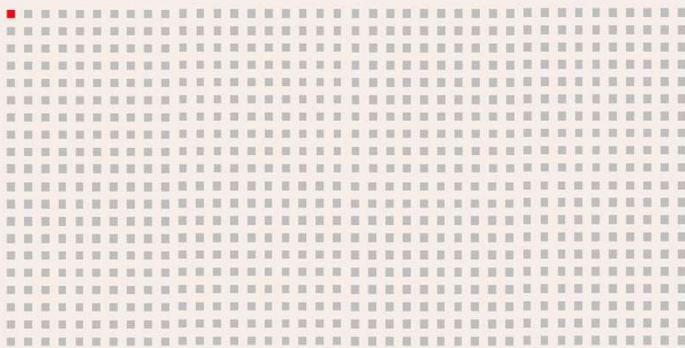
# FireCraft is questioning the worthiness of ERGs.

*Should we cut the interfaith ERG to reduce cost and use funding somewhere else so that we can meet our expected return?*

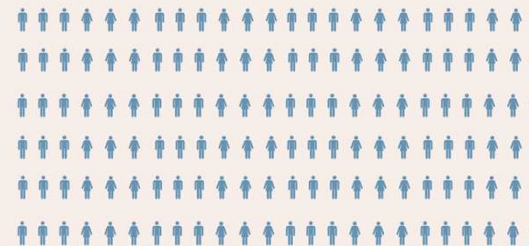
Cutting ERG will result in:

Very Little Cost Savings

Only **0.01%** of FireCraft's revenue is spent on ERG



Culture Challenge



Rapid expansion from **50 to 700** people creates organizational challenge in people and culture

## Recommendation

We developed a proprietary VALUES™ framework to evaluate the value ERGs, chaplaincies, and other DEI-related programs bring to a firm.

*Based on our analysis, FireCraft's interfaith ERG provides a net positive impact on the company and should continue to receive funding.*

**Vision**  
**Advocacy**  
**Labor**  
**Utilization**  
**Expertise**  
**Satisfaction**

## Improving morale through an interfaith ERG aligns with FireCraft's vision for 2025.

### **Vision**

Advocacy

Labor

Utilization

Expertise

Satisfaction

"The firm's annual goals [are] to improve employee morale and to strengthen inter-firm relationships"

- FireCraft

"...Recent research and practice show that honoring religious identity not only leads to greater employee engagement but also has benefits beyond employee morale."

- *Harvard Business Review*

# An interfaith ERG mitigates FireCraft's legal vulnerabilities by advocating for employees at risk of religious discrimination.

Vision  
**Advocacy**  
Labor  
Utilization  
Expertise  
Satisfaction

## Equal Employment Opportunity Commission

- **110** lawsuits filed by the EEOC in 2024
- Firms can be sued if they fail to provide Reasonable Accommodations

## Role of ERGs

- **Provide implicit protection** by acting as first-line responders to workplace situations
- Foster inclusive dialogue to prevent conflicts



Source: *Fiscal Year 2024 EEOC Litigation Focuses on Emerging Issues and Underserved, Vulnerable Populations* |  
*U.S. Equal Employment Opportunity Commission*

# FireCraft gains \$50+ in labor utilization for every \$1 spent on interfaith ERG programming.

Vision  
 Advocacy  
**Labor Utilization**  
 Expertise  
 Satisfaction

|  |                 |
|--|-----------------|
| ERG Allocated Budget <sup>1</sup>          | \$20,000        |
| Employee Time Investment Cost <sup>2</sup> | \$102,050       |
| <b>Total Costs</b>                         | <b>\$0.122M</b> |

|   |                   |
|---|-------------------|
| Lower Attrition <sup>3</sup>            | \$1.9M - \$2.5M   |
| Higher Employee Engagement <sup>4</sup> | \$4.6M            |
| <b>Total Savings</b>                    | <b>\$6.5-7.1M</b> |

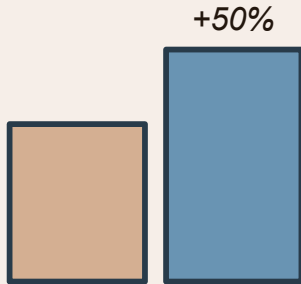
**\$1 cost: \$53 - \$58 savings**

1. Case fact 2. Hourly Revenue per employee \* # of hours every two weeks \* # of employees participating in Interfaith ERG 3. % attrition expected without ERG Programs \* Employee headcount \* Employee Turnover Cost (Hiring Costs + Training Costs + Time to Full Productivity Cost) 4. # of disengaged employees \* Disengagement cost as a % of annual salary \* annual salary

# ERGs are strategic assets that drive employee engagement, reduce turnover costs, and improve talent development.

Vision  
Advocacy  
**Labor Utilization**  
Expertise  
Satisfaction

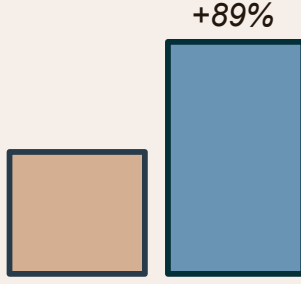
### Tenure



Non-ERG ERG

**ERG members have 50% longer tenure** than non-members, thus reducing turnover costs which can be 1.5 to 2x current salary

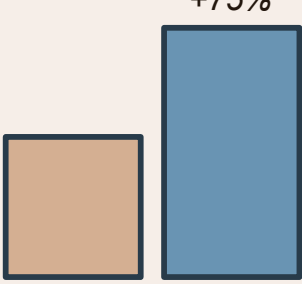
### Performance



Non-ERG ERG

ERG members were rated **high performers 89% more often**

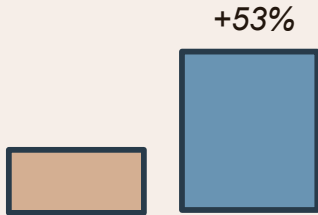
### Promotion



Non-ERG ERG

ERG members had a **75% higher promotion rate**

### Recruitment



Non-ERG ERG

ERG members were **153% more likely to make a quality referral**

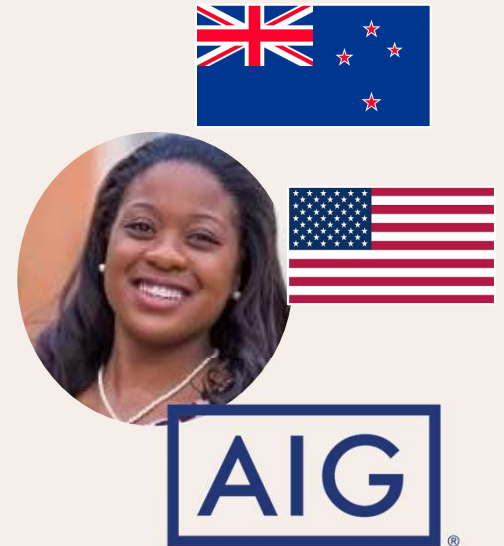
Source: The Business Impact of Employee Resource Groups by Telescope

## An interfaith ERG provides internal subject-matter expertise that FireCraft can leverage during times of difficulty.

Vision  
Advocacy  
Labor  
Utilization  
**Expertise**  
Satisfaction

"Without that resource group, you're using that funding to hire an outside consultant; it's going to cost you way more."

- *Mariah Butler, Founder, AIG Insurance Global Interfaith ERG*



# Employee satisfaction measures should be assessed annually by FireCraft leadership.

Vision  
Advocacy  
Labor  
Utilization  
Expertise  
**Satisfaction**

### **Track Participation Rates Overtime**

If # of participants in the ERG programs grow over time, it implies higher effectiveness of the ESG programs

### **Conduct Exit / Entry Interview**

Lower percentages of leaving due to cultural inclusion signals high effectiveness of ESG programs  
“What makes you choose to join our company?”

### **Calculate Satisfaction Score**

Are employees happy with their current jobs and faith needs?

### **Compare ESG vs Non ESG members**

Does ESG member feel more inclusive?  
How does ESG and Non-ESG member differ in career growth (promotion rate) and delivering business results?

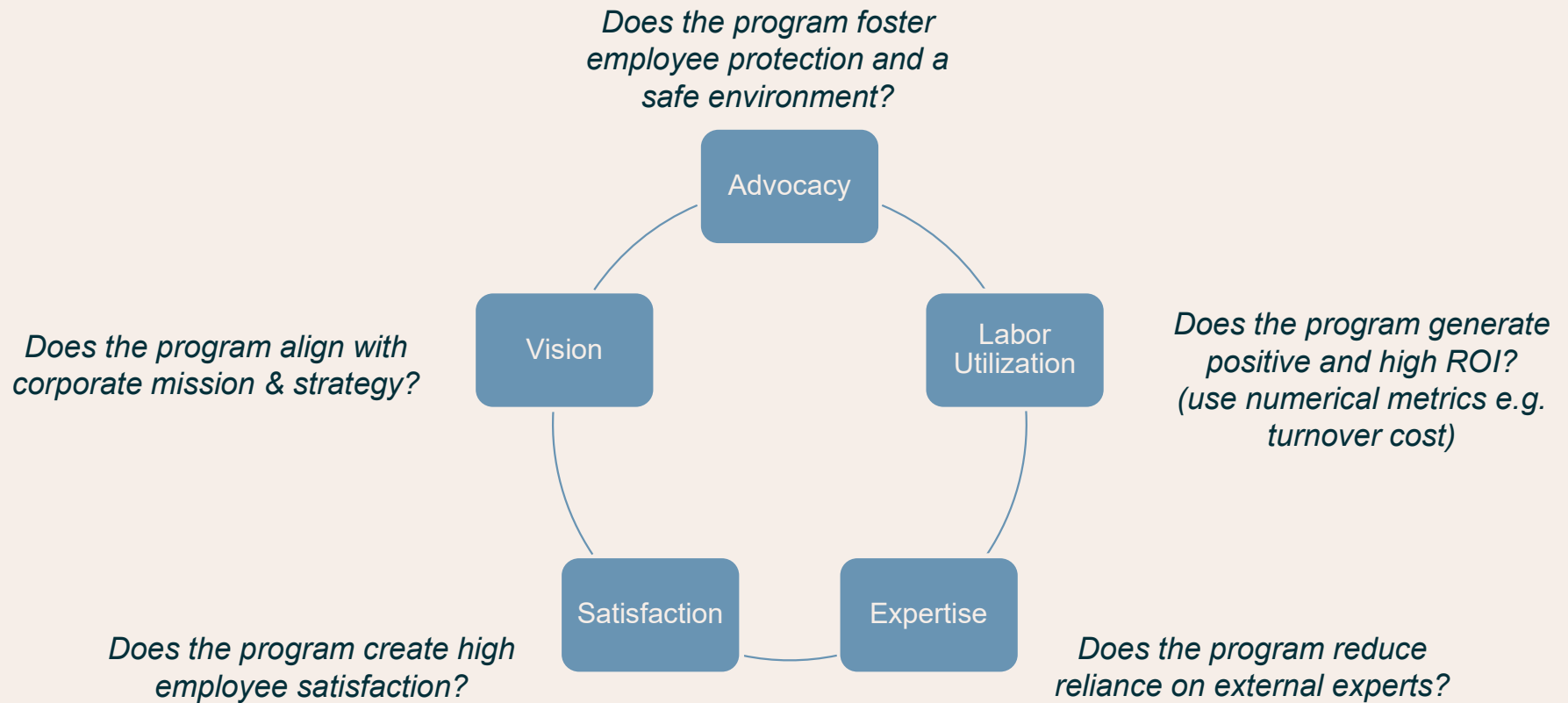
### **Count # of ESG Memberships & Track the Trend**

High # of memberships = High employees interests in ESG

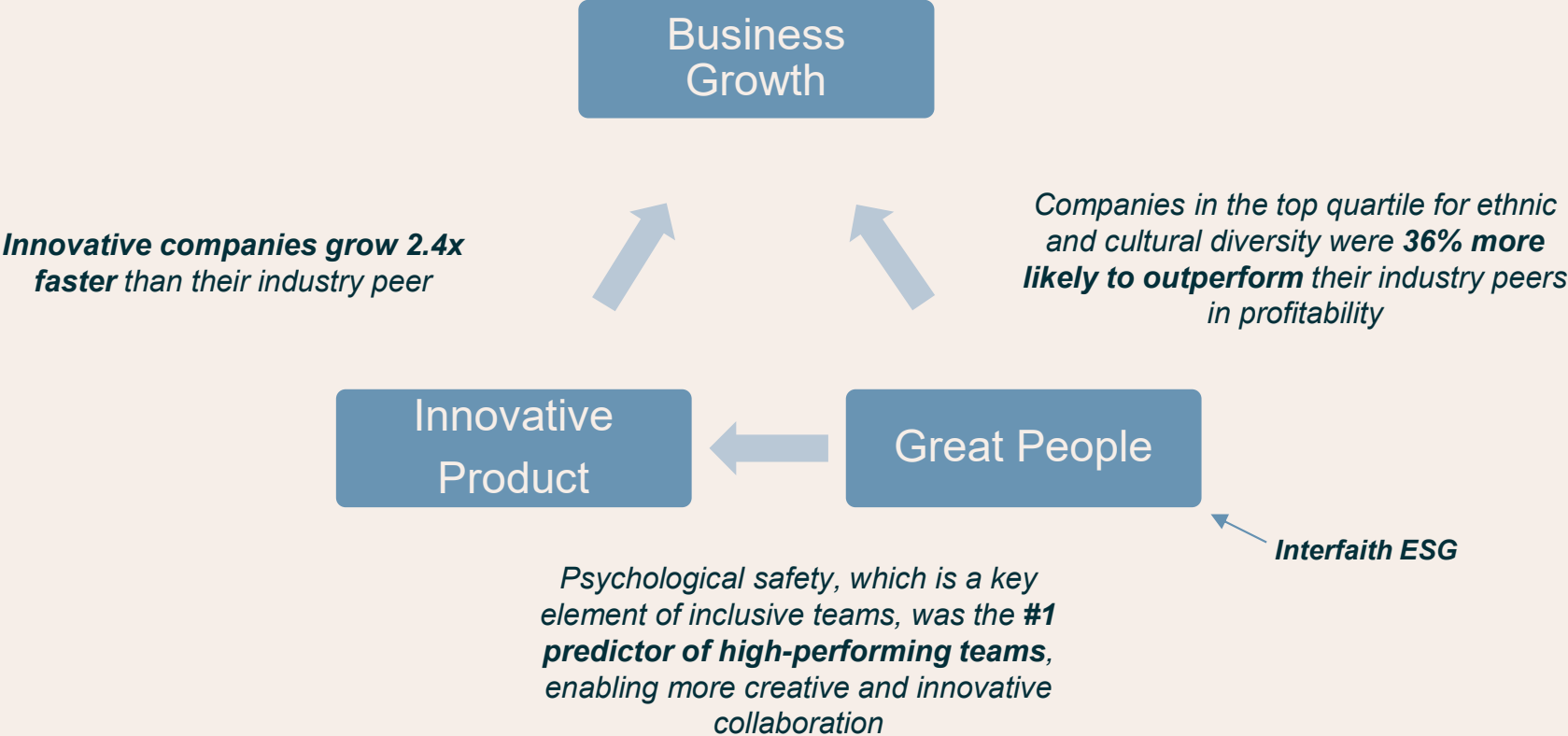
### **Create Anonymous Survey**

Do you think the current ESG programs is helpful and relevant?

# VALUES™ Framework: A way to evaluate ERG programs



# Optimized ERG efforts will fuel FireCraft Pizzaworks' sustainable long-term growth.



Source: Google's Project Aristotle (2016), McKinsey Diversity Win Report (2020), Deloitte (2023)

# It is important to acknowledge potential risks to implement ESG programs effectively



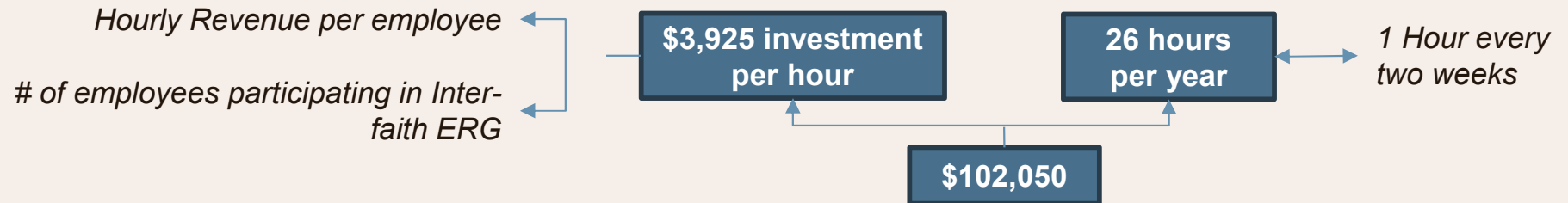
| Risk Assessment Key |        | Severity   |           |             |             | Low                       |
|---------------------|--------|------------|-----------|-------------|-------------|---------------------------|
|                     |        | Acceptable | Tolerable | Undesirable | Intolerable | Ok to proceed             |
| Likelihood          | Low    |            | 3         |             |             | Medium<br>Take Mitigation |
|                     | Medium |            | 2,4       | 1           |             | High<br>Double Check      |
|                     | High   |            |           |             |             | Extreme<br>On Hold        |

# Thank You!



***With ROI of 50, keeping and improving ERG will help FireCraft create competitive advantage and maintain sustainable growth!***

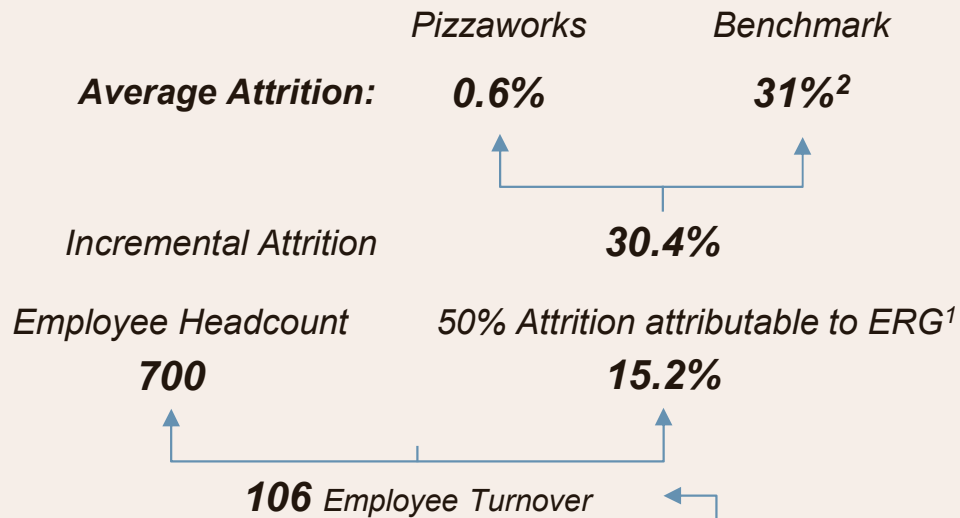
# Employee Time Investment Cost



| Department                        | Average Salary | Hourly Revenue |   | # of employees part of inter-faith ERG |   | Investment     |
|-----------------------------------|----------------|----------------|---|--|---|----------------|
| <b>Sales and Marketing</b>        | \$74,754       | \$36           | × | 16                                     | = | \$574          |
| <b>Operations</b>                 | \$107,660      | \$52           | × | 5                                      | = | \$252          |
| <b>IT &amp; Engineering</b>       | \$152,514      | \$73           | × | 4                                      | = | \$314          |
| <b>Research and Development</b>   | \$116,044      | \$56           | × | 12                                     | = | \$677          |
| <b>Support</b>                    | \$89,773       | \$43           | × | 18                                     | = | \$776          |
| <b>Executive Leadership</b>       | \$304,075      | \$146          | × | 6                                      | = | \$857          |
| <b>Distribution and Logistics</b> | \$127,109      | \$61           | × | 6                                      | = | \$375          |
| <b>Finance</b>                    | \$145,116      | \$70           | × | 0                                      | = | \$ -           |
| <b>HR</b>                         | \$109,745      | \$53           | × | 2                                      | = | \$101          |
|                                   |                |                |   |  |   | <b>\$3,925</b> |

# Costs Saved Due to Low Attrition

## Approach 1

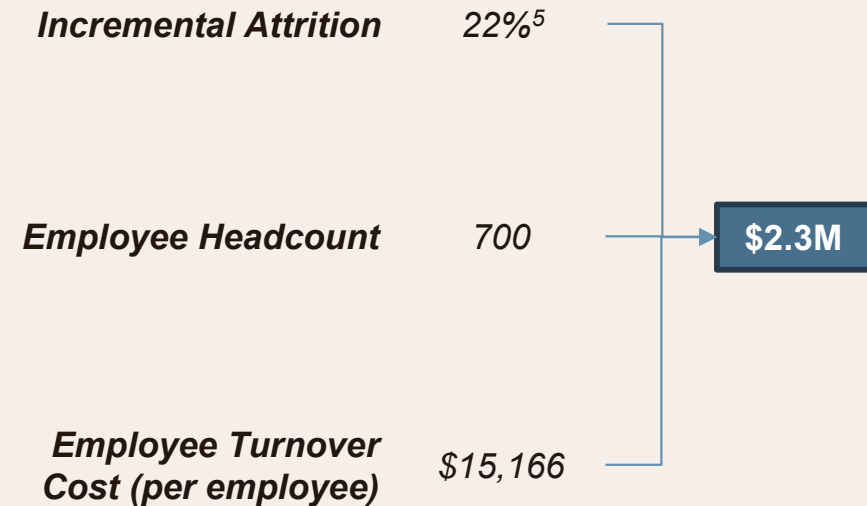


| Costs                         | Per Employee         |
|-------------------------------|----------------------|
| Hiring Costs                  | \$4,700 <sup>3</sup> |
| Training Costs                | \$986 <sup>3</sup>   |
| Time to Full Productivity     | \$9,480 <sup>4</sup> |
| <b>Employee Turnover Cost</b> | <b>\$15,166</b>      |

**\$1.6M**

## Approach 2

Research from Gallup shows that companies with more diverse workforces experience 22% lower turnover rates



1. BCG Study 2. Avg. Attrition for Mfg. (37%) and Start-up (25%) 3. Jobvite 4. Assuming 1-month to productivity 5. Proactive Talent

# Costs Saved Due to High Engagement

Research from Gallup shows that, on average, 17% employees are disengaged, and the total cost of a disengaged employee is 34% of their annual salary

| <b>Department</b>                 | <b>Average Salary</b> | <b>Total # of employees</b> | <b>Disengaged Employees</b> | <b>Disengaged Employees * Annual Salary * 34%</b> |
|-----------------------------------|-----------------------|-----------------------------|-----------------------------|---|
| <b>Sales and Marketing</b>        | \$74,754              | 228                         | 39                          | \$ 985,095  |
| <b>Operations</b>                 | \$107,660             | 61                          | 10                          | \$ 378,094  |
| <b>IT &amp; Engineering</b>       | \$152,514             | 86                          | 15                          | \$ 754,679  |
| <b>Research and Development</b>   | \$116,044             | 87                          | 15                          | \$ 581,258  |
| <b>Support</b>                    | \$89,773              | 86                          | 15                          | \$ 444,220  |
| <b>Executive Leadership</b>       | \$304,075             | 31                          | 5                           | \$ 542,557  |
| <b>Distribution and Logistics</b> | \$127,109             | 44                          | 7                           | \$ 321,941  |
| <b>Finance</b>                    | \$145,116             | 47                          | 8                           | \$ 392,796  |
| <b>HR</b>                         | \$109,745             | 32                          | 5                           | \$ 202,033  |
|                                   |                       |                             |                             | <b>\$ 4,602,673</b>                               |