

Item Worksheet—Item 5.1

Workforce Environment

Relevant Key Factors

1. 889 team members; managers = “coaches”; sr. leaders = “sr. coaches.” Employee groups: 28% Call Center (HS diploma); 36% Warehouse & Fulfillment (HS diploma); 18% Corporate/Administrative (bachelor’s); 4% Marketing/Sales (associate/bachelor’s); 3% Purchasing (associate/bachelor’s); 6% IT (bachelor’s); 5% Operations Support (bachelor’s/cert/. All Call Center team members are fitness enthusiasts. Call Center team members hold fitness certifications. Tenure: 11% <= 1 yr; 25% 1-2 yrs; 18% 3-5 yrs; 27% 6-10 yrs; 19% >10 yrs. 42% Black; 38% White; 11% Hispanic; 6% Asian; 3% Other. No organized bargaining units.
2. Vary slightly by workforce segment; include teamwork, recognition, pride in work, opportunity to grow, communication, professional development/technical training (for IT & Ops Support).
3. Basic health/safety requirements in office environment; warehouse & fulfillment areas: required to training in hazard communications, lockout/tagout, lifting/handling, fire extinguishers. Team members who drive forklifts certified in forklift safety.
4. Workforce: SC7: retaining skilled team members in competitive boutique athlete market.
5. SA7: highly engaged team members.

Strengths

++	Strength	Rationale	Item Ref.
	<p>The applicant’s Capability and Capacity Planning Model (Figure 5.1-1), integrated with the SPP to assess workforce needs, helps address the strategic challenge of retaining skilled team members. With the model, the People Team evaluates the current state of the workforce, forecasts the future state, reviews the forecast against benchmarks, and develops plans to close gaps. The process is reviewed annually; the benchmarking step is a recent addition.</p>	<p>***CONSENSUS—COMMENT STANDS AS IS CHANGED THE RELEVANCE TO ... MAY ADDRESS THE SC OF RETAINING SKILLED TEAM MEMBERS ... PER TEAM FEEDBACK.</p> <p>Identified as a strength by seven examiners. Approach addresses 5.1a(1). Approach may address strategic challenge of retaining skilled team members in competitive boutique athlete market. There was one OFI for this approach, regarding clarity of how the model addresses expansion of warehouse. This can be addressed without conflict in the OFI section.</p> <p>*****Removed “... and may aid in retention of skilled team members in competitive boutique athlete market” per</p>	a(1)

++	Strength	Rationale	Item Ref.
		feedback from backup (used in a[2] comment).	
	<p>The applicant’s recruiting, hiring, and onboarding approaches may aid in the retention of skilled team members in the competitive online boutique athletic market. The applicant posts positions internally and with a wide variety of external media. After screening, candidates undergo a behavioral-based interview. New team members participate in FitWelcome! A 2013 ShapeltUp analysis resulted in a standardized onboarding process and repository of information for new team members, the introduction of FitBuddy, and a welcome lunch with the CEO.</p>	<p>*****CONSENSUS—RESOLVED CONFLICT BY GIVING APPLICANT CREDIT JUST FOR ITS RECRUITMENT, HIRING AND ONBOARDING PROCESSES.... COMMENT REWRITTEN TO REFLECT THIS CONSENSUS</p> <p>*****A POSSIBLE WAY TO RESOLVE CONFLICT BETWEEN THIS AND A(2) OFI IS TO REMOVE THE WORD DIVERSE AND INCLUDE MORE OF THE RECRUITING, HIRING, AND ONBOARDING PROCESSES WITHIN THIS COMMENT.... QUICK DISCUSSION DURING CONSENSUS ... I’LL TRY TO HAVE A POTENTIAL COMMENT READY IF THAT IS WHERE THE TEAM WANTS TO GO.</p> <p>Included as strength for the following: Identified as a strength by six examiners (Ex1, Ex2, Ex3, Ex4, Ex6, Ex7). Uses information from Capability & Capacity Planning Model (5.1-1) and RNAs. May address strategic challenge of hiring and retaining workers. Aligns with SA of engaged workforce through team member referrals, values, & FitFul Pledge.</p> <p>*****Rewrote comment based on backup feedback.</p>	a(2)
	<p>The applicant supports team members through services and benefit choices that may be tailored to meet individual needs, including financial, health, professional development, work-life balance, and others. With the addition of the fitness center and the WellFit Program, these services and benefit choices support the applicant’s core competency of fitness and may help the applicant achieve its SO of</p>	<p>****CONSENSUS COMMENT STANDS AS IS. CHANGED CORE VALUE TO CORE COMPETENCY IN LAST SENTENCE.</p> <p>Included as a strength for the following reasons: Identified as a strength by five examiners (Ex1, Ex3, Ex4, Ex6, Ex7). Benefits are not a workforce engagement factor. While doesn’t support any of the workforce engagement factors, believe it is an expectation for many workers and</p>	b(2)

++	Strength	Rationale	Item Ref.
	improving overall employee engagement.	<p>does support applicant's value of Fitness as well as SO of improving employee engagement and increasing WellFit participation to 80%. While there are b(2) OFIs, this strength is for providing benefits that support the workforce. The OFIs are for no clarity whether benefits are available to all team members in all locations or if the benefits/policies are tailored to the unique needs of diverse workforce</p> <p>*****Tweaked comment based on feedback from backup.</p>	
	<p>The applicant's approaches to workplace environmental factors respond to the workforce engagement factor of pride in work. Measurable work environmental goals for health, security, and access are segmented by workforce groups (Figure 5.1-2). Improvements in parking lot lighting reduced team member concerns, and a ShapeltUp analysis that changed forklift training has decreased injuries. Processes and policies are supported by SOPPs and reinforced in coach rounding and in training.</p>	<p>****CONSENSUS—COMMENT STANDS AS IS.</p> <p>Included as a strength for these reasons: Identified as strength by three examiners (Ex2, Ex5, Ex7). The Criteria ask for performance measures & improvement goals, which are in Fig. 5.1-2. This strength comment addresses this part of the Criteria. Two examiners identified b(1) OFI for little description of methods used to assure workplace safety, security, and access issues (identified in P.1-3 and Fig. 5.1-2) for different work environments. The second part of the Criteria asks for significant differences in the factors and their performance measures or targets for different workplace environments. Fig. 5.1-2 does address that to some point between warehouse and everyone else. At this point, the OFI doesn't conflict with the strength as written.</p> <p>*****Clarified second sentence based on feedback from backup</p>	b(1)

Notes

a(4) comment deleted at consensus: The workforce is prepared for changing capability and capacity needs through leadership communications. (NOTE: Left this here as possible strength if team feels warranted) THREE COMMENTS FROM TEAM SUGGESTING REMOVAL OF THIS STRENGTH AS IT IS WEAK COMPARED TO OTHER COMMENTS. TOTAL NUMBER OF COMMENTS SUGGEST IT CAN BE DELETED. HOWEVER, SOME TEAM MEMBERS DISAGREE WITH THE A(4) OFI AND SAY

THE ORGANIZATION IS PREPARED FOR CHANGING CAPACITY AND CAPABILITY. I'LL LEAVE THIS HERE FOR NOW FOR DISCUSSION IN CONJUNCTION WITH THE A(4) OFI.

***CONSENSUS—COMMENT DELETED Identified as a strength by three examiners (Ex3, Ex5, Ex6) Does support workforce engagement factor of communication However, conflicts with the a(1) OFI in the notes and the a(4) OFIs These observations are for the leadership communications that happen when there is a change in workforce capability or capacity, not necessarily how the applicant prepares its workforce for changing capability/capacity (manage workforce to ensure continuity, prevent reductions, minimize reductions, prepare for & manage periods of workforce growth, prepare for changes in organizational structure & work systems) as asked by the criteria. Applicant may benefit from an OFI regarding the process of preparing its workforce for changes, especially in light of the increase in warehouse space & hiring of new workers that may affect warehouse worker engagement if applicant doesn't prepare them for what is coming. Or may affect engagement if decision to use contract.

Did not use a(3) strength from one examiner (applicant organizes the workforce into functional groups with SOPPS defining standardized work, and APs for project work) for the following reasons: 1) several examiners noted this as an OFI, 2) while comment may be important, there are other strengths that are more important to the applicant.

One examiner identified an a(1) OFI regarding how the applicant is managing capability/capacity & recruitment of additional warehouse and related personnel to handle the increase in warehouse capacity and number of SKUs. Given the importance of this endeavor, would have expected this issue to be mentioned at least as an example of how the planning model works or have it in the action plans in Fig. 2.1-3. There are more than 200 people working in the three warehouses (25% of the workforce), and there is almost nothing in the application about this function. This hopefully was represented in the a(4) OFI comment below.

Opportunities for Improvement

--	Opportunity for Improvement	Rationale	Item Ref.
	<p>It is not clear how the functional department/cross-functional team organization of the workforce leverages the applicant's core competencies of innovation, relationships, and fitness, or how the approach reinforces customer focus. Approaches in these areas may help the applicant leverage workforce management processes to drive the mission to delight customers always.</p>	<p>****CONSENSUS—COMMENT STANDS AS IS, AS IT SUPPORTS THE KEY THEM OF CAPITALIZING ON CORE COMPETENCIES. TEAM CONFLICT ON WHETHER TO NARROW OR LEAVE AS IS.... CONSENSUS ITEM.</p> <p>Identified as an opportunity for improvement by six examiners (Ex1, Ex3, Ex4, Ex5, Ex6, Ex7). Applicant organized into functional departments and also in cross-functional teams, either standing or project-based to accomplish the work of the organization. Unclear how this approach to work accomplishment leverages core competencies or reinforces customer focus. 1.1 set stage for creating the environment, but isn't clear how they organize and manage the workforce to make that happen and gain the strategic advantage of highly engaged team members.</p>	a(3)

--	Opportunity for Improvement	Rationale	Item Ref.
		<p>Note: Customer and business focus are reinforced by aligning the mission and vision thorough the APs and QCPs. Perhaps the comment should just be for how the applicant's workforce is organized; it is not clear on how it capitalizes on the core competencies.</p>	
	<p>The applicant's diversity recruiting goals do not appear to mirror or to be segmented to represent the diverse ideas, cultures, and thinking of the applicant's customer community. Ensuring diversity that represents the customer base may provide an opportunity to benefit from the diversity of the customer community to increase opportunities for high performance.</p>	<p>****CONSENSUS—COMMENT STANDS AS DIVERSITY ISSUE RESOLVED BY REMOVING THE REFERENCE FROM THE A(2) STRENGTH, THUS REMOVING THE CONFLICT.</p> <p>STILL SEEMS TO BE SOME DIFFERENCE OF OPINION ON THE DIVERSITY ISSUE. SOME TEAM MEMBERS FEEL THE COMMENT IS OK, OTHERS FEEL IT CONFLICTS WITH THE A(2) STRENGTH. POSSIBLE WAY TO RESOLVE IS TO LEAVE OFI AS IS AND TAKE THE WORD DIVERSE OUT OF THE STRENGTH COMMENT.</p> <p>Identified as an opportunity for improvement by three examiners (Ex3, Ex5, Ex7). No evidence that StartFit in-house internship program representation mirrors the community. Retention has improved, but no evidence that results are segmented to ensure alignment with the population served.</p>	a(2)
	<p>Full deployment of workforce climate approaches is not apparent. For example, it is not clear whether benefits such as WellFit are available to team members outside headquarters, whether HEALTH is encouraged for all team members, or whether the applicant makes accommodations for diverse team members, such as those hired as challenged athletes. Approaches to ensure full deployment across workplace locations and groups</p>	<p>*****CONSENSUS—COMMENT STANDS AS IS.</p> <p>Identified by one examiner (Ex4), but parts of b(1) identified by Ex3 and b(2) identified by Ex2, Ex5.</p> <p>BASED ON FEEDBACK, ADDED THE WORD "FULL" BEFORE "DEPLOYMENT" IN THE FIRST SENTENCE TO ACKNOWLEDGE APPROACHES ARE IN PLACE IN SOME SEGMENTS.</p> <p>Combined this with the observations by other examiners as indicated below. Possible that this and the other b(1-2)</p>	b

--	Opportunity for Improvement	Rationale	Item Ref.
	may help the applicant retain skilled team members in the competitive boutique athlete market.	<p>comments are in conflict with the strength above.</p> <p>*****Re-wrote first sentence to better clarify the OFI per feedback from backup.</p>	

Notes

DELETED AT CONSENSUS—a(4) It is unclear how the applicant prepares team members for changing capability and capacity needs. The applicant does not describe how it prepares for and manages periods of workforce growth beyond information to team members of plans for expansion. Although the applicant has not experienced a reduction in force, no process is described for how this would be accomplished should it become necessary. A well-ordered process to prepare the workforce for changes in capability, capacity, organizational structure or work systems may help reinforce the core competency of relationships and the strategic advantage of a highly engaged workforce.

****CONSENSUS—TEAM FELT THAT THIS COMMENT DID NOT REFLECT THE APPLICANT AND WILL BE DELETED FROM THE FINAL DOCUMENT. THE APPLICANT DOES PREPARE NOT JUST THROUGH COMMUNICATION, BUT MAKING THE FLEXIBLE TO MOVE AROUND THE ORGANIZATION THROUGH L&D, SustainIt EFFORTS, SOPPs, CROSS TRAINING & MANAGING TEMPORARY GROWTH WITH CONTRACT EMPLOYEES.

All OFI comments were used. The b, b(1), and b(2) comments were all very similar and combined into one b OFI.

Little description of the methods used to ensure workplace safety, security, and access issues (identified in P.1-3 and Figure 5.1-2) for different workplace environments—identified by Ex3. Incorporated into the b OFI.

It is not clear how the applicant tailors benefits and policies (Fig. 5.1-3) to the unique needs of a diverse workforce and different workforce groups or segments. It is also not clear how the benefits and policies offered compare to industry benchmarks and those of competitors in their market niche. If benefits are not competitive, the applicant may not be able to meet its key strategic challenge of retaining skilled team members in the competitive boutique athlete market. —identified by Ex2, Ex5. Incorporated into the b OFI.

Scoring

Score Value: 55

Score Range: 50–65%

Why shouldn't the score be in the range above or below the selected one?

**CONSENSUS-NO CHANGE EVEN WITH CONSENSUS UPDATES.

Have 3 maybe 4 OFIs, 3 at the multiple level, 1 at the overall level, 4 strengths, 1 at the multiple requirement level, others at the overall requirement level.

Strengths show approach-overall requirements. (A)

There is deployment in 2 of the strengths, OFIs issued for deployment (D)

While there is some learning, not sure it is a fact-based & systematic evaluation & improvement process across the board. There is some organizational learning/innovation in place for improving the efficiency/effectiveness (L)

In some cases, approach aligned with overall organizational needs & other process items (SPP, etc.) (I)

Didn't go down to next scoring range as applicant is above early stages of alignment, has an approach to learning, is not in early stages of deployment.

Didn't go up to next scoring range as missing some multiple requirements, some deployment gaps, not to the organizational level analysis & sharing & more aligned than integrated.