

DBL and Revolution Foods:

Developing education programs for its hourly workers

“A lot of people know about the impact Revolution Foods has by serving healthy meals to school children. What many people may not know is that the company cares as much for its 1,000+ employees as it does for the kids to whom it serves healthy meals. DBL was happy to help the company create a financial literacy program and a vocational ESL program for its hourly employees, in response to management’s expression of the needs of its employees.”

—MARK PERUTZ, DBL PARTNER

Scaling Revolution Foods’ Workforce

As of June 2014, Revolution Foods has 1,000+ local community hired employees nationwide, about 75% of whom are in entry-level positions earning livable wages with quality benefits as food preparation chefs, delivery drivers, kitchen managers, and office managers. In the fall of 2006, soon after DBL’s founding investment in Revolution Foods when the company was starting to scale operations, DBL connected the company to local workforce investment boards to help Revolution Foods source qualified job applicants from low-to-moderate income (LMI) communities. This was the first instance of workforce assistance that DBL provided to Revolution Foods, which led to recurring discussions with management about the needs of its employees and how DBL could help, later resulting in the development of financial education and vocational ESL programs for its hourly workers.

Revolution Foods hourly employees and their need for financial education

For the 2011-12 school year, Revolution Foods’ Oakland facility had 100 hourly employees, 40 percent of whom were estimated not to have a bank account. Of those that did have bank accounts, more than half did not take advantage of

direct deposit. As a result, Revolution Foods went through the administratively intensive process of cutting paper checks. Twice a month, a large portion of Revolution Foods employees were taking their paper checks and going to predatory check-cashing services that charged a hefty fee, typically adding up to \$300 per year. Direct deposit would save both the company and its employees time and money, but would require employees to have bank accounts and get personal finance education on how best to use them.

DBL develops a financial education program to meet the needs of the hourly employees

In the fall of 2011, the DBL team began assembling the resources to hold two financial education workshops in Oakland on the value of banking, budgeting, and saving for Revolution Foods’ Oakland employees. DBL’s Mark Perutz and Lisa Hagerman developed the financial education workshop and presentation and tailored it for Revolution Foods’ employees.

DBL identified a local organization, One PacificCoast Foundation, with experienced financial literacy educators to run the sessions in both English and Spanish. DBL connected with many of the traditional commercial banks as well as the local community development financial institutions in the area to learn about their entry-level banking programs.

DBL learned that while many of the commercial banks did not cater to low-income first-time bank users, some local financial institutions had the services and local resources to meet the needs of Revolution Foods' Oakland-based employees. The DBL team identified a certified community development financial institution (One Pacific Coast Bank) and a local credit union (Community Trust) with headquarters in close proximity to Revolution Foods' Oakland culinary center and an extensive local ATM network that offered customized banking products with no minimum account balances or monthly service fees. Both financial institutions were local, had Spanish-speaking employees, were committed to helping low-income individuals build wealth, and were welcoming to first time holders of bank accounts and individuals who may have experienced difficulty with using bank accounts in the past, such as making overdrafts.

To further make opening and using bank accounts attractive to the employees, DBL led investors in donating funds for incentives to kick-start employee savings accounts and partnered with EARN, a nonprofit that provides savings programs to help low-income individuals build financial assets. These programs made banking and saving more attractive and accessible for the Revolution Foods' employees. Ultimately, in the spring and fall of 2012, 75 Revolution Foods employees at the Oakland Culinary Center and 25 employees at the Los Angeles Culinary Center, took their own personal time to attend and learn about the many banking resources available to them.

Continuing to assist the hourly employees: Tax assistance and the Vocational ESL program

Revolution Foods' commitment to their employees' development has led to increased employee retention, thereby lowering employee recruitment and training costs. DBL has continued to connect Revolution Foods to other personal and professional development opportunities. In early 2013, DBL initiated a free tax preparation workshop onsite at Revolution Foods that was led by Community Trust.

In the spring of 2014, DBL created a Vocational English as a Second Language (VESL) program that offered Oakland-based entry-level employees the opportunity to improve their English to help them advance into managerial roles. DBL sourced the partners that included course instruction by the Castro Valley Adult School's Chair of the English as a Second Language Department and funding through the Inner City Advisors Talent Management Initiative supported by the Alameda County Social Services Agency. The successful 12-week pilot course provided English instruction for both life and on-the-job skills and incorporated a financial education session in partnership with Community Trust. A total of 15 students successfully completed the level one class and a level two class is being planned for the fall of 2014.

Conclusion

DBL, in its capacity as a double bottom line investor, continues to add value for both Revolution Foods and their employees by working closely with the company to develop programs that meet the company's growing employee development needs.

Lisa Hagerman, DBL's Director of Programs, explains, "Our ongoing work with Revolution Foods is to help the company in showing their commitment to their employees through a series of workforce development initiatives. We leverage local partnerships and available government funding to help us successfully develop and implement the programs."