Fall 2023 Case Competition

**pwc** x Pebble Beat

# Z-Commerce

# Meet the Team

Pebble Beat

**Aileen Xia**
*Molecular & Cell Biology*
*Class of 2026*

**Angel Gallegos**
*Bioengineering*
*Class of 2027*

**Krish Arora**
*Data Science & Math*
*Class of 2027*

**Emily Chiang**
*Molecular & Cell Biology*
*Class of 2027*

# Agenda

# Background

Issues & Opportunities within Z-Commerce

## Company Overview

Z-Commerce is a home exercise equipment company known for affordable and quality workout products

## Current Situation

Due to economic challenges in Q1 2023, including an economic recession and financial pressures, Z-Commerce imposed a 10% workforce reduction

This resulted in employee uncertainty for their job security and overall future within Z-Commerce

## Immediate Company Goals

- Emphasize open communication
- Reinforce employee trust through uncertain market conditions

- Build a positive work environment
- Prioritize morale and personal value for remaining team members

- Provide various growth opportunities
- Pertain to employee's individual interests and current company role

# Case Study: Peloton

## Real-World Impact of Peloton's Layoffs

### Mass Layoffs at Peloton in FY 2022

### Problems Facing the Company

CEO Turnover    Fewer Restrictions    Overspeculation

Due to a decrease in company profitability, Peloton reduced 20% of its total workforce in both corporate and customer-facing positions throughout FY 2022

## Richard Duffy

*Former Operations & Supply Chain Employee at Peloton*

" The remainder of our team after February's layoffs … had to deal with the survivor's guilt, lack of psychological safety, and professional PTSD that comes from a company that suddenly makes them feel undervalued and no longer like they are part of the familial bond that the company once so proudly exhibited as a cornerstone of its culture. "

**Key Takeaway**

After the layoff, Duffy not only lost most of his team but also the connection they had fostered while working together, causing him to leave Peloton

# Overview of Recommendations

Rebuild trust that leadership has employees' best interests in mind

## 01 *Unity*

Employees should feel connected with coworkers and company leaders

## 02 *Value*

Employees should be appreciated for the time and dedication they put in

## 03 *Growth*

Employees should feel supported in pursuing their professional goals

# Unity: Workplace Cohesion

Cultivating a Sense of Belonging

## Member-Member Communication

Managers should hold weekly town hall meetings within each team every Monday

## Member-Leader Communication

Managers should hold one-to-one "coffee chats" with each employee every two weeks

## Employees feel more connected when they are able to…

**1** Voice their opinions to the whole team

**2** Stay up-to-date with project developments

**3** Receive praise for strong group efforts

**4** Connect with leaders on a personal level

**5** Express their professional goals to leaders

**6** Provide feedback on workplace culture

### Key Performance Indicator

Use PwC's culture thumbprint API to assess team flow and employee sentiment during coffee chats and town hall meetings, aiming to observe 10% increase in internal communication and messages
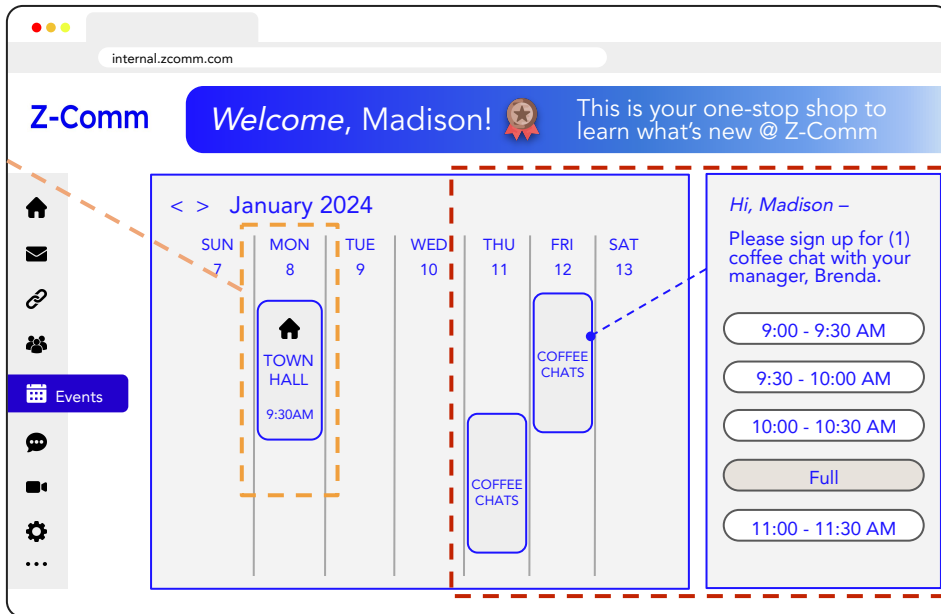
# Unity: Workplace Cohesion

Executing this recommendation involves several stakeholders

**Member-Member Communication**

An internal **Z-Comm** website shared among employees will be the main platform for the workforce to strive for cohesion

**Member-Leader Communication**

The event calendar on the internal Z-Comm website highlights the weekly team Town Hall meetings to streamline the process of its employees knowing the details of the event, including the location, time, and topics discussed.

To incentivize one-on-one conversations between team members, the coffee chat slots presented here will make it easier for employees like Madison to meet with their managers based on their availabilities.



Z-Comm

internal.zcomm.com

*Welcome*, Madison! This is your one-stop shop to learn what's new @ Z-Comm

< > January 2024

| SUN 7 | MON 8 | TUE 9 | WED 10 | THU 11 | FRI 12 | SAT 13 |

TOWN HALL 9:30AM

COFFEE CHATS

COFFEE CHATS

Hi, Madison –

Please sign up for (1) coffee chat with your manager, Brenda.

- 9:00 - 9:30 AM
- 9:30 - 10:00 AM
- 10:00 - 10:30 AM
- Full
- 11:00 - 11:30 AM

# Value: Employee Recognition

Acknowledging Dedication in the Workplace

## Loyalty

- Celebrate work anniversaries for employees through gift giving
- Rewards tenure and hard work within the company

## Performance

- Milestone badges awarded to employees for project completion
- Incentivizes productivity among employees

Work badges displayed on Z-Comm employee profiles

### Rookie of the Year
- First-year employees receive badges that acknowledge their har

### Workiversary Badge
- Each employee receives badges that correspond to years of service

### Project Leader
- Heads of project teams receive badges to demonstrate their leadership

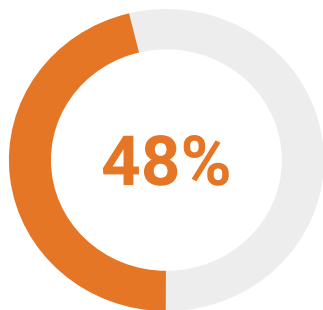**Key Performance Indicator**

Conduct employee surveys to gauge personal recognition and the acknowledgment of their self-esteem within the organization — evaluate productivity metrics in accordance with the spectrum of feedback
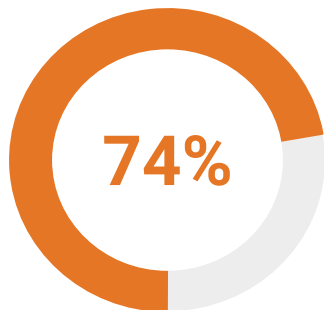
# Growth: Professional Development

Fostering Employee Growth

## Key Statistics

**48%**

Employees are seeking companies offering training opportunities

**74%**

Employees say lack of PD opportunities prevents one's full work potential

## Annual PD-Week Includes …

**Enhanced Motivation**
Stimulates an innovative and growth mindset — drives innovation within their projects and tasks

**Career Advancement**
Developing new skills and individual knowledge can help boost their commitment to their specific role

**Business Resource Groups**
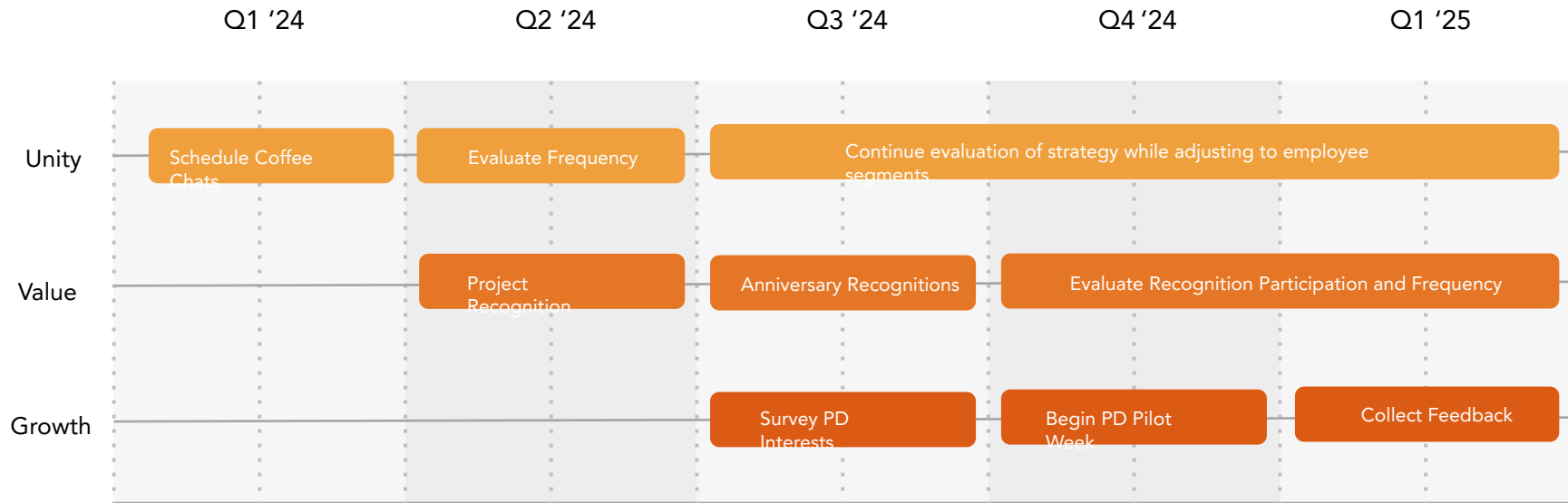Implement BRGs to supplement PD training, striving for DEI and ESG throughout Z-Commerce

**Key Performance Indicator**
Develop visualizations to compare employee performance and productivity before and after PD program certifications are merited — aim for 15% improvement in job performance

# Implementation
### Next Steps for FY '24



|  | Q1 '24 | Q2 '24 | Q3 '24 | Q4 '24 | Q1 '25 |
|---|---|---|---|---|---|
| **Unity** | Schedule Coffee Chats | Evaluate Frequency | Continue evaluation of strategy while adjusting to employee segments | | |
| **Value** | | Project Recognition | Anniversary Recognitions | Evaluate Recognition Participation and Frequency | |
| **Growth** | | | Survey PD Interests | Begin PD Pilot Week | Collect Feedback |

Background        Recommendations        Implementation        Risks & Mitigations        Q&A        Appendix

# Q & A

# Risks and Mitigations

Potential Challenges

## Potential Risks

> Frequent meetings cause time and resource constraints

> Tenure-based hierarchies may form in the workplace

> Employees may start to emphasize quantity over quality

> Employees may exhibit varying preferences for PD topics

> Quality of PD curriculum may not be measurable or effective

## Mitigations & Solutions

> Implement a 6-week period where employee segments and leaders adjust according to meeting time needs

> Deliver an anonymous feedback form to gauge employee sentiment regarding tenure-based awards and recognition

> Establish quantifiable and measurable objectives within projects in order to guide and assist employee efforts

> Select PD topics that are most relevant to Z-Commerce while considering preferred topics by members

> Leverage PwC's diverse industry expertise to enhance Z-Commerce's professional development curriculum

# Appendix

"I almost made it to the three year mark! After surviving the devastating layoffs at Peloton Interactive this past February, the remainder of our team pivoted and proved how resilient and innovative they are. I was lucky to be in a lead role with such an inspiring, intelligent, and talented team. The most recent round of layoffs, this past Friday, took with it the rest of our team and I am saddened by this decision made by Peloton Interactive.

The remainder of our team after February's layoffs not only had to figure out how to keep everything running smoothly with a team that was 60% smaller than the previous day, they also had to deal with the survivor's guilt, lack of psychological safety, and professional PTSD that comes from a company that suddenly makes them feel undervalued and no longer like they are part of the familial bond that the company once so proudly exhibited as a cornerstone of its corporate culture.

Being an empathetic leader that sees greatness in every member of the team I am leading, I wish there was some company somewhere that could hire us all to keep working together because we were an awesome team that frequently and seemingly effortlessly accomplished amazing things with grace and pride.

As we all move on to new roles and our next great adventures I trust that everyone will do well and accomplish great things.

Thank you to the OPSC team for all you have taught me and the strength you all have given me to keep moving forward as a well-rounded leader. I wish you all the very best of everything and I hope you have all found time to take a breath, take a beat, and prepare for the amazing things you all have coming your way."

# Appendix

Essentially, having direct report meetings on a regular basis helps you understand what's going on with your team and every person on it. Whether you're sharing feedback, asking one-on-one questions, or catching up on goal progress, these meetings are how you stay connected with employees.

Data on the best conversation cadence between managers and employees

We analyzed over 30,000 employee feedback messages collected through Officevibe between 2017 and 2020. These are our findings of how people answered the question 'what would be your ideal frequency of communication with your manager?':

Monthly or every 2 weeks was the frequency most often cited, found in 25% of the messages analyzed.

- 22% of the feedback cited weekly communication or several times a week.
- Only 8% of messages cited daily communication.
- Phrases like 'at least' and 'minimum' were used in 11% of the responses.

*The takeaway? Employees want to communicate with their manager somewhere between weekly and monthly.*

# Appendix

## Purpose of Monday Meetings

The name says it all: a team meeting is one that allows all the members of a unit or organization to convene, communicate, and collaborate on shared objectives. There are different types of team gatherings, though, and each serves a different purpose. To run an effective team meeting, take the time to evaluate your needs and plan accordingly.

In any organization you'll find the following types of team meetings:

- Daily status updates. These quick check-ins help employees update their colleagues on what they're working on and are a great place to ask for support on upcoming projects in real-time. The daily cadence isn't necessary for all teams, but it can be very useful for development teams working on time-sensitive sprints, for example.

- Weekly team meetings. If scheduled on a Monday, a weekly team meeting can be helpful for aligning priorities and addressing issues or roadblocks. They're also a great moment for managers to reflect on the previous week's work and give recognition for strong team efforts.

- Town hall meetings. Large-scale meetings like town halls gather the entire team and are a great opportunity to have an open discussion on high-level topics like strategies and company roadmaps. These are helpful for aligning people across teams or departments.

- One-time meetings. This is the type of meeting that managers schedule as needed and as important things come up that need to be addressed in a timely fashion. For example, if there's a major change that will impact the team, like a departure, strategy shift, or restructuring.

- Retrospectives. Post-mortem, debrief, wrap-up; regardless of your preferred moniker, a retrospective meeting is one that takes place at the end of a project or campaign and gives you the chance to look back on your work. In retrospective team meetings, units take the time to review results and understand what went well, and take note of what can be improved on for future projects. Retrospective meetings help a team improve its methods and grow stronger as a group.

# Appendix

The Culture Thumbprint, a tech-enabled diagnostic service developed by the Katzenbach Center, and delivered on Listen Platform, is how PwC assesses organizational culture. It is an AI-driven survey-based tool that surfaces insights on dominant culture traits, so that leaders can identify The Critical Few behaviors that help drive cultural alignment with business outcomes and employee experience.

Identify impact on execution
Find traits that can support or hinder the execution of your transformation, as well as potential trade-offs or tensions between traits needed to support competing priorities. Discover your natural patterns of working to help you customize your change activities.

Understand if your culture delivers
Assess the level of alignment between your culture and various strategic objectives and explore the implications of your culture on aspects of your workplace experience including collaboration, inclusion and engagement.

Discover subcultures
Explore "subcultures" within an organization and differences in norms or patterns of behavior between teams. Simply compare across demographics such as location, department, level, and more.

*"Unlock performance by aligning your culture with strategic aspirations"*

# Appendix

Employee Anniversary Recognition

Why should you celebrate employee anniversaries?

Recognizing employee anniversaries through years of service awards or other employee anniversary recognition programs is essential for maintaining a positive workplace culture. Acknowledging an employee's years of service shows that their contributions are valued, and can lead to improved morale, increased loyalty, and higher retention rates. Celebrating work anniversaries create a more positive work environment and a strong sense of community within the workplace.

When should you celebrate employee anniversaries?

When you celebrate employee anniversaries is up to you. Typically, they are celebrated yearly. Special milestones can include the 1-year, 3-year, 5-year, and 10-year + mark! The longer an employee is with your company, the more you should recognize them. Employee anniversaries should be a big deal and treated as such by the employee and employer.

Recognizing employee anniversaries through years of service awards and other employee anniversary recognition programs is a crucial part of creating a positive workplace culture.

Remember that while celebrating employee milestones is important, regular employee recognition is just as important. Employees are what keep your business running and you should treat them with respect and importance.

# Appendix

Prior experience can be an important part of what makes a good employee, but the value of employee training and development cannot be understated. Often, some of the best employees are the ones who feel as though they've been trained properly and have the opportunity to advance their careers.

To learn more about why employee training and development is so important, we've gathered an extensive list of the data and trends that will outline all of the pros. According to our extensive research:

- 45% of workers would stay at a company longer if it invested in their learning and development
- 92% of employees say employee training programs have a positive effect on their engagement when well-planned.
- Companies with comprehensive training programs have a 24% higher profit margin.
- 76% of employees are looking for opportunities to expand their careers.
- 59% of employees report no formal workplace training.

Employee training and development isn't just beneficial for employers, as many employees actually long for the opportunity. Here are some examples of how employees view the subject:

- 87% of Millennials say that professional development and career growth are important to them.
- 74% of workers say that a lack of employee development opportunities is preventing them from reaching their full potential.
- 58% of employees say professional development contributes to their job satisfaction.
- 68% of employees say training and development are the most important company policy
- 74% of workers are willing to learn new skills or retrain to stay employable.

# Appendix

## UPenn - Wharton PD Engagement

Employers have a lot to gain from investing in their employees' professional development. One clear advantage is that continued education provides organizations with a more skilled and knowledgeable workforce. This can help companies improve processes, become more efficient, and competitive. Offering growth and learning opportunities also demonstrates a commitment to their employees' success, which can boost worker morale.

Employees are also more likely to stay when companies understand the importance of professional development. Companies can attract and retain top talent more readily by investing in their employees. A recent large-scale Gallup study found that 68% of workers believe employer-provided upskilling is crucial when considering a new job. Additionally, 48% say they would switch to a new job if it offered skills training opportunities.

Six Ways Professional Development Can Boost Engagement:

- Increased job satisfaction: When employees can learn and develop new skills, they are likely to feel more satisfied with their job and the company they work for.
- Increased motivation and productivity: Learning new skills and knowledge can give employees the confidence and motivation needed to take on new challenges and improve their performance.
- Increased innovation: As workers broaden their knowledge and develop new skills, they can infuse an organization with innovative ideas and solutions.
- Create a sense of loyalty: Offering professional development opportunities demonstrates to employees that their employer cares about their career growth which can create a sense of loyalty and commitment.
- Encourage collaboration: Professional development opportunities can bring employees together, encouraging collaboration and the exchange of ideas.
- Enhanced career prospects: Developing new skills and knowledge may help employees advance within the company, boosting their commitment to their role.

# Appendix

A recent survey of more than 2,000 employees reveals organizations that offer professional development opportunities have employees who are 15 percent more engaged in their work. Such businesses also see 34 percent higher retention rates than those that don't offer similar opportunities.

Key Findings:

78% of employees have access to professional development.
92% of employees think having access to professional development was important or very important.
Tuition reimbursement is the second most desired professional development opportunity by employees but ranked fourth for what employers offer.
Employees with professional development opportunities are 15% more engaged.
Employees with professional development opportunities have 34% higher retention.

# Appendix

"Our industry-focused network is designed to anticipate and address your business needs."

"Our teams have built lasting relationships with our clients and deliver value in all that we do - across our audit and assurance, tax and consulting services. We've got industry based experts ready to help you address the complex environment encompassing technology, your people, regulations, supply chains, accounting standards, competitors, brand protection - and so much more."

## Industries

| Consumer markets | > | Health industries | > | Technology, media and telecommunications | > |
| Energy, utilities and resources | > | Industrial products | > | |
| Financial services | > | | | All industries | |

# Appendix
## Projected Annual Costs of Implementation Per Team

### Workplace Cohesion

*Town Hall Meetings*

0.5 hour per week
52 weeks per year
$10 per employee per hour
10 employees per team

$2600 per year

*Coffee Chats*

0.50 hour per month
12 months per year
$10 per employee per hour
10 employees per team

$600 per year

### Employee Recognition

*Work Anniversary Gifts*

$100 budget per employee
9 employees per team

$900 per year

### Professional Development

*PD Resources*

$1000 per employee
10 employees per team
1 week per year

$10,000 per year

### Financial Assumptions

- Each team consists of 10 employees, including the manager

- Meetings take up, on average, $10 per hour for each employee

- Did not assume number of employees in company, due to market uncertainty

**Z-Commerce is expected to spend around $14,100 per team annually.**