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ReVe final report

Creating strategic relationships focused on building diverse talent pipelines in the community

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# Situation Assessment

Reve Academy is an organization committed to advancing equity in student achievement and future employment. It has a student enterprises program and services offering aimed at equipping students with a foundation of professional skills by giving them real world experience working on real projects for companies in the Twin Cities area.

Reve Academy’s current customer base consists of smaller organizations and projects experience the following challenges:

* Sometimes smaller organizations do not have the scale and therefore maturity to understand how projects work nor is there internal support for a Reve Project
* Misalignment of customer expectations and what is delivered exacerbated by issues onboarding REVE interns into the client organizations
* “Digiteers”, which are digital volunteers, individuals who are experienced in the domains of Reve’s projects and act as advisors and leaders to the Reve Project teams are not always abundant and are sometimes spread across multiple projects on multiple client sites.

## Objectives

Reve seeks to shift its customer base from smaller organizations to larger organizations in the Twin Cities while maintaining the company’s mission to “empower students to dream with direction through pathways to digital careers.”

Specifically, Reve is considering new service offerings and seeks to understand what that service could look like and what the business development approach would be.

# The Current Landscape

Most companies understand that diversity results in better performance outcomes for their organizations. As a result, there has been a trend in organizations investing in Diversity programs. Despite this, many of these organizations struggle to meet diversity objectives and ultimately those business outcomes.

## Diversity Drives Performance

Diversity programs make intuitive sense. It is the right thing to do. However, there is clear evidence that it makes sense in just business terms as well. Organizations ranking in the top 25% for the diversity of their workforce are likely to have positive financial outcomes above their industry medians. Conversely, the bottom quartile is less likely to beat their industry median. (McKinsey, 2015). This implies diversity is a competitive differentiator empirically linked to improved financial performance.

This correlation indicates when companies invest in Diversity and Inclusion programs, they are more successful. As such, these investments should lead to an improved ability to secure the right talent to drive better customer satisfaction and alignment and improved employee engagement, creating a cycle of improving financial performance over time (McKinsey, 2015).

The results of research have not gone unnoticed and organizations are looking internally to understand their internal levels of diversity.

## There is a lack of diversity in the workplace

Most managers intuitively believe their companies benefit from diversity. While the research is piling up on the benefits, organizations still have a long way to go to achieve diverse workforces. In fact, the results of an HBR survey indicate 78% of those responded work at companies that lack diversity (HBR, 2013).

## Most Organizations have D&I programs

While the benefits are understood, many organizations have diversity gaps and are taking action to resolve them. In fact, according to a BCG study, 98% of respondents have programs in place to address diversity gaps. Further, many believe recruiting is the most difficult hurdle.

# Proposed Strategy

The ACE team makes the following stepwise recommendation:

1. Build a pipeline of sales targets
2. Connect with Diversity leaders and leverage this network to bring business and technology leaders from these organizations to REVE events such as Revival
3. Consider expanding Revival, and leverage its success to build a secondary service offering while highlighting the value of the design challenge pilots

## Target Customers

REVE should build a pipeline of companies with the following attributes:

* Appointed Diversity & Inclusion Leaders
* Diverse Leadership teams
* Fortune 500

Companies with appointed Diversity leaders have already demonstrated a willingness to invest resources into building a more diverse workplace. These leaders are positioned to connect REVE to business and technology leaders inside the organization who understand and aspire to building a more diverse workforce.

REVE could leverage this desire to position a new service offering that helps organizations leverage REVE interns to drive value for their organizations without moving through long recruiting cycles. Further, REVE interns gain exposure to the organization, learn more about it and will potentially aspire to work, in a full-time capacity, for the organization in the future. This creates a longer-term recruiting pipeline for permanent roles inside the organization.

Diverse leadership teams have first-hand experiences with the difficulties and challenges of building diversity into the workforce and may be willing to take a longer-term view of achieving Diversity metrics. Whereas, leadership teams lacking diversity may lack a clear understanding of diversity problems resulting in poorly sized or allocated budgets (BCG, 2019).

Finally, REVE should focus on Fortune 500 companies, but pay keen attention to profitability. Larger companies will have more project work and a better understanding of the complexities projects bring. The amount of resources dedicated to a REVE engagement is less impactful to bottom line performance and their willingness to engage might be higher. However, REVE should also mind the profitability of those companies. An organization with a large top line may have less tolerance for suboptimal results if they operate in low-margin business environments.

## Connect

With the right companies in the sales pipeline, REVE should use Diversity leaders to connect with budget owners inside the organization. With the growth in investments in Diversity, organizations will have focused staff who may be able to connect REVE to the right technology and business managers. Conversely, reaching out directly to technology and business managers can put REVE into a long list of emails these managers receive every day.

With the attention of budget owners, REVE can use its existing platform to show the value its interns can bring to an organization. REVE Revival is an event that showcases the talent that can be brought to execute its services. Several ACE Leaders attended this event in 2020 and all were impressed by the work of the REVE interns.

With an internal connection to a Diversity leader and demonstrated capabilities via events such as REVE Revival, REVE will be positioned to have a conversation that moves beyond a slide deck pitch and one that builds from a platform of mutual understanding of the value REVE can bring to the prospective organization.

## Expanding REVE Revival

REVE Revival is an annual event based around a design challenge format, that pairs teams of interns with professionals from sponsoring companies. The teams spend a day developing and innovating around building a proposal with the goal of leveraging technology to improve their communities, presenting their results at the end of the day.

ACE members were fortunate to be invited to attend the 2020 Revival event. seeing the innovative concepts, well thought out business analysis, and actionable next steps addressed any lingering concerns we may have had about the value high school aged students can provide to an organization. According to the recap of the 2019 REVE Revival event, participating companies agree with the ACE assessment. In addition to raising funds for 36 future REVE internships, 100% of surveyed participants responding that they would recommend REVE to a colleague, and the event getting an overall Net Promoter Score of 78.

Clearly Revival is an event that effectively showcases the value of REVE students. REVE should consider expanding the event, either in size or frequency, to maximize its effectiveness. Larger local companies are more likely to be sponsors for events like Revival and expanding its reach will help increase REVE’s visibility in the tech community, driving interest and opening pathways for new partnerships.

## Building a New Capability

In addition to expanding the Revival event, REVE could leverage their success with the design challenge model to build a new service offering. REVE could engage companies that express interest in the Revival event and working with them develop a similarly structured event sponsored by the interested company.

Rather than focusing on broad societal issues, REVE would work with the sponsoring company to build a challenge or set of challenges that directly address the unique problems and challenges facing the sponsoring company.

These challenges would play to the unique strengths and abilities of the REVE interns, leveraging them to quickly drive value to the customer. Some examples of challenges might be overhauling a product’s outdated user interface with modern usability and accessibility in mind or providing a proposal to overhaul a company’s social media presence to reframe how their brand is perceived in the community.

By focusing on companies that already have a favorable view of this type of offering from Revival REVE can avoid misalignment on expectations, and working with the sponsoring company to build challenges that both address existing challenges as well as play to the existing strengths of the interns REVE can minimize onboarding time allowing interns to drive value for a company in a very short timeframe.

ACE members see this new offering as a service that can coexist and drive value for their existing internship model. Working closely with a sponsoring company to develop challenges for this new engagement, REVE should try to build internal knowledge for how that company does business and where their existing consulting model may fit. This information can be leveraged in future engagements to flatten the onboarding curve and tighten alignment between REVE and the customer, reducing some of the obstacles they are currently facing with their existing offerings.

Perhaps the most important benefit of this suggested offering is that it is a new avenue for providing value to the interns themselves. Working closely with professionals in the tech field during the events as well as the exposure to real challenges and issues facing the tech community in Minnesota today is invaluable for young men and women looking to start their careers in technology, and gives REVE a new way to fulfill their mission of providing REVE Academy students with a pathway to success in digital careers.

# Wrap up and Next Steps

Based on some current challenges, Reve Academy is looking to shift its customer base from smaller organizations to larger organizations in the Twin Cities while maintaining their mission to “empower students to dream with direction through pathways to digital careers.”

Challenges such as:

* Smaller companies often do not have the budgets to support Reve’s price tag
* Smaller companies often do not understand the agency model offered by Reve
* Smaller companies often do not have the need for frequently augmenting talent
* Smaller companies often do not focus as much on diversity and developing local tech talent

Expanding into larger organizations could mitigate these challenges. We are recommending two proposed changes as entry points into these larger organizations.

1. First, Reve should capitalize on businesses who have invested in Diversity & Inclusion programs as *they* recognize and support the diversity needs that align to Reve’s mission. Those organization are willing to invest resources into building a more diverse workplace. Many local Twin Cities companies have been recognized for their diversity efforts by DiversityInc, a dominant “diversity” publication with [web traffic and social media](https://www.diversityinc.com/diversity-management/diversityinc-takes-1-spot-web-traffic-social-media-reach) reach. Medtronic, Ecolab, US Bank, Best Buy and Target are just a few. Reve should reach out to those companies explaining their mission of building authentic diversity in the local tech industry by empowering students to succeed in the workplace. These students are our future, and their perspective is valuable. Reve should use them as their springboard into these organizations.
2. Second, we suggest that Reve capitalize on the success of their annual Revival event by increasing its frequency and positioning it as a secondary offering. They should use this new design challenge offering as a marketing tool, reaching out to companies who attend Revival events and leave those events impressed and eager to conduct a design challenge of their own. Reve should work to organize and conduct future targeted design challenges where they are the single sponsor; where their dedication to developing diverse and local talent can be showcased and revered by other organizations while Reve interns are working to directly address the issues and hurdles that apply to that specific company, without onboarding or a major time or financial commitment. It is a win-win situation!

# References

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