

Testimony of C. David Ard, Senior Vice President, Global Head of People and Communications, Gap  
United States House Ways and Means Committee  
Human Resources Subcommittee  
Hearing on Jobs and Opportunities: Employers and the Jobs Gap  
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Chairman Smith, Ranking Member Davis, and members of the subcommittee, it is an honor to be with you today at this very important hearing on the challenge of finding qualified workers to support our business and providing more Americans opportunities for jobs.

I am here to talk about This Way Ahead, a Gap Inc. program that gives young people – especially those facing barriers to employment – an opportunity for a first job in Old Navy, Gap, and Banana Republic stores.

Before I share more about This Way Ahead, I ask you to pause and remember your first job and what it taught you. My first job was in a video store. Through that job, I learned that my time was worth something. Working allowed me to pay my own way when I was growing up, which made me feel in control.

A first job is an important milestone in every person's life. For many young people, especially those with limited opportunities, it can be life-changing and shape an individual's prospects for the future.

In the United States, there are 4.6 million "opportunity youth" – disconnected from school and work.<sup>1</sup> Research shows that not getting a first job as a teenager has a profound impact on your long-term earning potential. For example, being unemployed young can reduce earnings by as much as twenty percent for up to two decades.<sup>2</sup>

To address the challenge for opportunity youth, we recognized that we have two key assets: jobs in our stores and experience hiring teenagers. In our company's nearly fifty-year history, we estimate that we've given over one million youth their first jobs. Our store managers are great at coaching and development. We know what it takes to help young employees get on a path to future success.

So in 2007, we designed This Way Ahead to give youth facing barriers a way in to the workforce – and a way up.

Over the last ten years, we have also come to recognize that This Way Ahead is important for the long-term sustainability of our business. The program helps to expand our talent pool to support business growth and fosters a future customer base.

Here's how the program works: in each of the locations where This Way Ahead operates, we team up with local nonprofits that run job training programs. These nonprofit partners recruit motivated youth – ages 16 to 24 – facing barriers to employment. Our local Old Navy, Gap, and Banana Republic store employees volunteer with the nonprofits to help support training, making connections with the youth. Our employees run workshops on topics like customer service, conflict resolution, and presentation skills.

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<sup>1</sup> <http://www.measureofamerica.org/youth-disconnection-2018/>

<sup>2</sup> The Economist, *Youth Unemployment: Generation Jobless*, 2013

When the training ends, youth apply and store managers interview them. Thanks to the volunteer interactions prior to the interviews, the youth and hiring managers aren't meeting for the first time in a high-stakes interview.

One of the key differentiators lies in the interview itself: we guide the hiring managers to hire for potential, not credential. They probe on openness to feedback and work ethic, since those are two factors that contribute to success. Youth who demonstrate these attributes are hired to work in Old Navy, Gap, and Banana Republic stores.

Even more important than getting a job is keeping that job. In addition to store managers, who offer guidance and feedback, we also build in other support systems to help youth keep the job. Each This Way Ahead participant has a 'Big Sib' who they can ask questions they don't want to ask their managers, like how their locker works or where to eat lunch. There is also a job coach from the nonprofit, who meets regularly with the youth to provide additional support and advice on issues that may come up at work and at home.

All these supports – in addition to exposure to Gap Inc.'s culture and values – help to make the youth feel at home and welcomed into the family. They know we believe in them and want them to succeed.

I want to share the story of Dashawn Hightower, a This Way Ahead alumnus, that underlines the importance of these supports. Dashawn currently works at one of Gap Inc.'s largest stores, Old Navy 34th Street in Manhattan, as a Business + Operations Training Specialist. Dashawn is the oldest of three children, and lives with his mom and sisters in the Bronx. Dashawn started his career with us as a This Way Ahead participant at our Old Navy store in Harlem, New York. In his words:

*"This Way Ahead was a struggle – there were times when I was late or got written up. But, my managers pushed me, they didn't give up on me. Finally, my manager Yeera pulled me to the side and asked, 'What is it you want to do with this opportunity?'*

*I thought I had joined the program to become a sales associate and get a check. She made me realize that this was only the beginning. If I worked hard enough, there was real opportunity to grow within the company. That's what it took to turn me around."*

Dashawn has continued to grow with the company. He has held multiple specialist roles and has been promoted several times. He's now supervising This Way Ahead participants, helping others see the opportunities to advance professionally and grow their careers within our company.

In addition to the thousands of stories from program participants and managers, we've been tracking data on program participants since we launched the program in 2007. We know that youth who join our company through This Way Ahead make great employees:

- Their retention is strong: they typically stay twice as long as their peers
- They're a highly diverse group: last year, 96% self-identified as people of color
- They have some of the highest engagement scores in the company

As someone who thinks a lot about how to attract high-caliber talent to our company, this program is a dream come true. It is a secret weapon that makes my job that much easier.

We've also measured the program's impact through a third-party evaluator since the beginning. This past year:

- 71% of This Way Ahead participants improved their soft skills a lot (skills such as decision-making and time management)
- 70% of This Way Ahead participants increased their confidence a lot, particularly their confidence that they will be able to get a job in the future and their confidence in themselves overall

Managers of This Way Ahead participants grow too. Last year, 95% of This Way Ahead managers grew in at least one key competency -- ability to manage teams, communications skills, or ability to work with people from diverse backgrounds.

Beyond their own development, managers value that their company is investing in the community.

- 81% said that This Way Ahead increases their pride in working for Gap Inc. a lot
- 66% said it makes them a lot more willing to go beyond what is normally expected to help their brand succeed.

Again, as the head of people for Gap, this is important. It means our leaders are developing professionally and are engaged in their jobs.

As I mentioned, we have tracked results of This Way Ahead for many years. Because of consistently strong results, in 2016 Gap Inc. set a goal that by 2025, 5% of our entry-level new store hires employees will be This Way Ahead alumni.

We see 5% as just the beginning. We believe that some of the things we do today as part of This Way Ahead could become what we do for all our employees. We have done some analysis recently that suggests there's a pretty broad set of employees who can stand to benefit from these practices. Overall, 38% of Gap Inc.'s recent hires could be considered opportunity youth. For some of our brands – like Old Navy – it is even higher.<sup>3</sup>

Because of this, we're figuring out how we can better support our employees by bringing some of what we do in This Way Ahead to more of them. We see This Way Ahead as a key talent strategy.

We give this advice to other employers all the time: do not underestimate the valuable talent you may be overlooking by relying only on traditional recruitment and training practices. Programs like This Way Ahead demonstrate that we do not need to choose between what is good for the community and what is good for business. We can have both at the same time, and create sustainable programs that benefit all of us.

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<sup>3</sup> Based on data from July 2017 to January 2018 applying [FSG](#)'s methodology for determining opportunity youth (i.e. filtering by age, by zip codes classified as low-income by the Federal Government Centers of Medicare and Medicaid Services, by lack of post-secondary degree, and by lack of recent employment history within the last 6 months)