



## Pizza Hut's EVP Unlocks Employees' Potential

Pizza Hut  
Best Employee Value Proposition  
October 2017



### Company Background



Company At-a-Glance	
Headquarters	Plano, Texas
Year Founded	1958
Revenue	\$5B Annually for U.S. Business
Employees	150,000 in the U.S.; 350,000 globally
Global Scale	The main headquarters in Plano, Texas, include the U.S. Division and the International Division. There are international business hubs in the UK, Dubai, and Singapore, and nine small business units in Latin America/Caribbean, Canada, South Africa, India, Russia, Thailand, Brazil, Turkey, and South Korea.
Customers/Output, etc.	16,000 restaurants world-wide in more 100 countries; serve pizza, pasta, and wings to customers around the world.
Industry	Quick Service Restaurant Industry
Stock Symbol	YUM
Website	<a href="http://www.pizzahut.com">www.pizzahut.com</a>



### Budget and Timeframe

Budget and Timeframe	
Overall budget	\$500,000
Number of (HR, Learning, Talent) employees involved with the implementation?	7 key squad members
Number of Operations or Subject Matter Expert employees involved with the implementation?	14
Number of contractors involved with implementation	1
Timeframe to implement	Two years
Start date of the program	January 2016

### Business Alignment

Pizza Hut recently embarked on a journey to invite 350,000 team members worldwide to become brand ambassadors and culture champions. The objective was to produce the following measurable results:

- Goal 1: Improve employee retention.
- Goal 2: Enhance the customer experience.

Both of those goals could be accomplished by its third goal:

- Goal 3: Increase employee engagement and boost employee happiness.

To do so, Pizza Hut established an Employee Value Proposition that authentically reflects the Pizza Hut culture and powerfully highlights its unique strengths and benefits to its employees.

### Where Pizza Hut Began

Pizza Hut started with its team members. Through a survey, the company learned that employees see Pizza Hut as a place where they can:

- Become their best.
- Make friends.
- Have fun.

These three truths directly support Pizza Hut's ultimate commitment to employees: Pizza Hut is here to help unlock their potential. Together, these truths became the framework for its EVP: Life Unboxed.

#### Figure 1: Life Unboxed

##### **THIS IS LIFE UNBOXED.**

There's nothing cookie-cutter about Pizza Hut. Not our pizzas. Not our people. And definitely not the way we do life. Around here, we don't settle for anything less than food we're proud to serve.

And we don't just clock in. Not when we can also **BECOME OUR BEST, MAKE FRIENDS, AND HAVE FUN** while we're at it.

We're not for people who want to blend in. We're for those who are ready to break free. Let's lose the limits and go for what we're after.

Source: Pizza Hut 2017

### How Life Unboxed Supports Talent Strategy

Pizza Hut understands several things about its team members. For example:

1. It knows that, for employees, a job at Pizza Hut may not be their only thing, but – because it focuses on helping them reach their goals – Pizza Hut may be the very thing that makes the rest possible.
2. Pizza Hut knows that people who think outside the box, people who want more for themselves, and people who break the mold can achieve great things. Those individuals are innovators, problem-solvers, and go-getters. The company wants those people on its team.

The Life Unboxed messaging appeals to the kind of employees who will thrive at Pizza Hut – people who love pizza and want to reach their goals and exceed expectations. Pizza Hut is passionate about helping its employees see the bigger picture and unlock their full potential. The foundational themes of personal development, pride, future, and advancement are actively reinforced through its EVP.

### How Life Unboxed Supports its Goals

**Goal 1: Improve employee retention.** The company created its new EVP to better communicate what kind of employer Pizza Hut is, what’s great about working there, and just how much a person can achieve by doing so. Life Unboxed also invites team members into something bigger than themselves. All of these elements are behavioral principles that are key to boosting employee engagement and happiness – and, thereby, retention.

**Goal 2: Enhance the customer experience.** Life Unboxed supports the customer experience in two key ways: The “something bigger” it is inviting people into is the opportunity to make customers happy, and happier employees result in happier customers.

**Goal 3: Increase employee engagement and boost employee happiness.** Pizza Hut built its EVP around the principles of behavioral economics, tapping into the key drivers of employee engagement that resonate with its culture.

### How Life Unboxed Aligns with its Mission and Vision

Pizza Hut’s mission is: Make it easier to get a better pizza.

Its service principles are:

- Give service with a smile.
- Create food you’re proud to serve.
- Deliver it fast, hot, and on time.

Delivering on these principles requires employees who love pizza, think creatively, and are happy and engaged at work. The EVP directly supports and aligns with these needs.

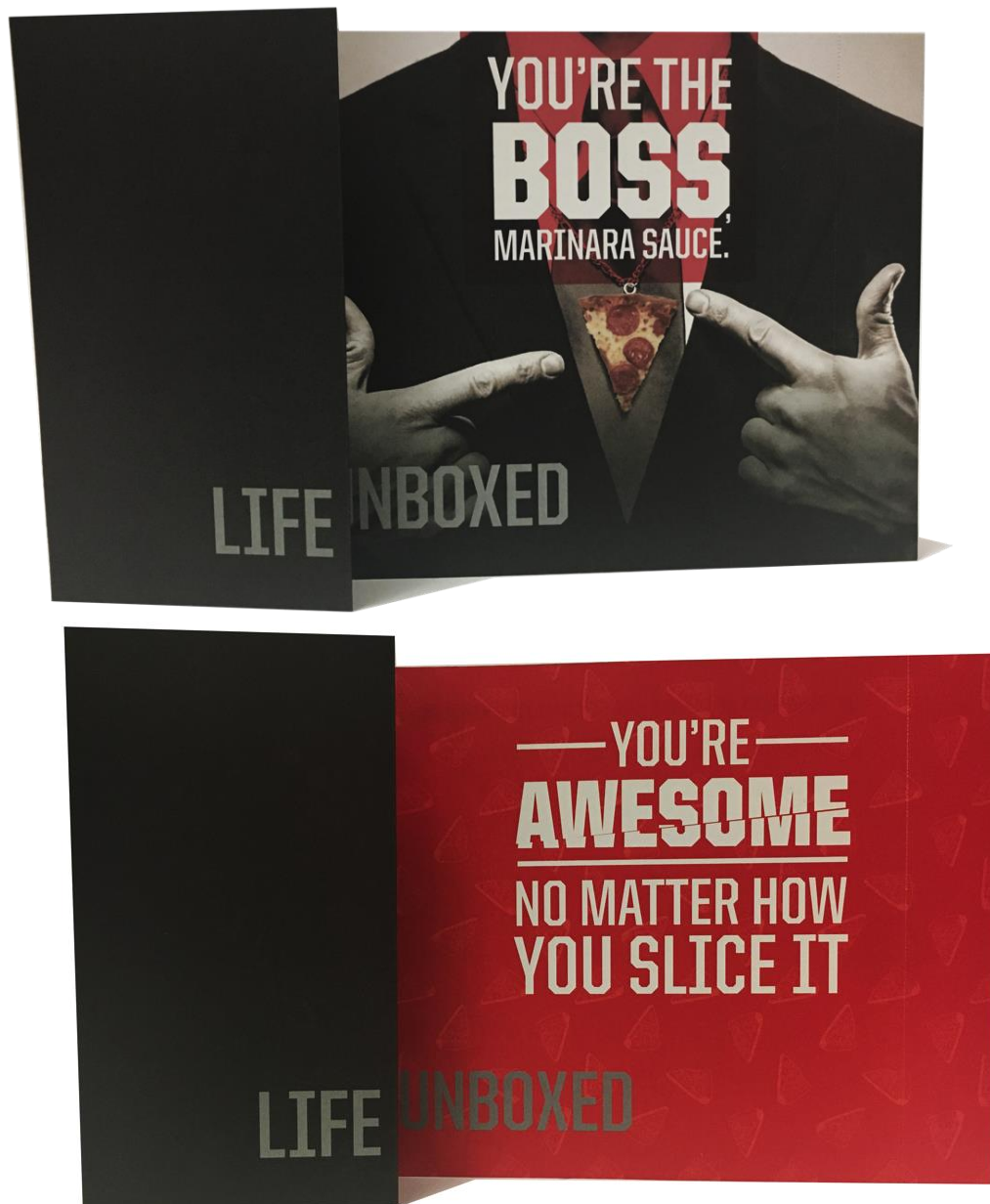
Life Unboxed at Pizza Hut has become a competitive advantage for engaging team members and showing them that they are part of something bigger. Its people don’t just make pizzas, they make people’s day – whether that’s for other team members, customers, or communities the company serves.



## Reinforcing Life Unboxed Through Rewards and Recognition

Pizza Hut has a strong culture of recognition, and it has activated the habit of recognition around Life Unboxed through customized, back-of-house recognition cards and other programs.

Figure 2: Sample Life Recognition Cards



Source: Pizza Hut 2017



Pizza Hut also supports Life Unboxed through other signature programs, including:

- **Life Unboxed EDU.** A tuition-discount program that helps team members earn a college degree while working at Pizza Hut.
- **Leading with Heart.** A unique leadership development program designed to transform behavior, enrich culture, and drive performance.

In addition, the company implemented the Life Unboxed Award – given to one restaurant general manager – someone who champions Life Unboxed culture-driving initiatives in the restaurant and in the community and who makes it a priority to enhance the team member experience.

## Design

To effectively communicate the message of Life Unboxed, Pizza Hut needed visuals and design that were also “unboxed.” It needed a look and feel that would inspire employees versus inform them. It wanted to connect with hearts, not just heads. And, ultimately, the final product needed to feel authentic to the company. It needed to be something its employees could own.

With a human, conversational voice and powerful visuals, Pizza Hut’s EVP goes well beyond words. A bold, visually-driven approach ties the messages together across a wide range of platforms and collateral.

Figure 3: Bold and Visually Driven Approach



Source: Pizza Hut 2017

Figure 4: Sample Life Unboxed



Source: Pizza Hut 2017

## Communication

Figure 5: Launch Event



Source: Pizza Hut 2017



In January 2016, Pizza Hut held an event at its corporate headquarters to launch Life Unboxed. The event generated excitement, pride, and awareness of Life Unboxed through the following elements:

- A massive rally led by the CEO and the Leadership Team.
- Breakout sessions with fun, symbolic activities to convey the meaning of each Life Unboxed culture principle: Team Together, Believe in All People, and Recognize. The breakouts helped convey the message that every day everyone embodies Life Unboxed – it's not a program, it's a mindset.
- Commitment Cards that every employee submitted with their personal commitment on how they would live Life Unboxed.
- Attendees left the event with the Life Unboxed booklet and several other branded takeaways that serve as daily reminders of the Pizza Hut EVP.

### **Life Unboxed Experience Tour**

Following the initial launch, a small group embarked on a journey to 30 cities in 30 days to spread the message throughout the U.S. At each stop, rallies were held with franchisees, key operators, field area coaches, and franchise organization leaders. The rallies had an action-packed, fun-filled agenda designed to teach about Life Unboxed and help train them to roll it out at their local restaurants.

### **Franchise Rallies**

After the Life Unboxed Experience Tour, each U.S. franchise group organized additional rallies to get the Life Unboxed message to every restaurant, every general manager, and every team member.

This enormous cascade of launch events was successfully completed in six months, with Life Unboxed introduced to all 150,000 team members in 6,500 restaurants in the U.S.

### **eLearning**

Next, all of the onboarding eLearning modules on the Pizza Hut LMS were refreshed to include the Life Unboxed messaging. This communication step was critical to ensure that all new employees were introduced to its Life Unboxed promise, culture, and service during their first 30 days on the job.



Figure 6: Back-of-house Kits



Source: Pizza Hut 2017

Franchises were offered back-of-house kits to transform the work environment and convey consistent meaning about what Life Unboxed really means. These kits included make-table covers, modular posters, communications hubs, career pathing posters, employee brochures, recognition cards, and manager training.

Figure 7: Environmentals





Source: Pizza Hut 2017

At corporate, Life Unboxed messaging was installed through large-scale environmentals. Life Unboxed and everything it stands for became a visible presence throughout common areas and conference rooms.

## Social Media

The Life Unboxed message also was promoted outside the company with social media videos, PR initiatives, and employment branding on the Hut Life blog that shared what it really means to be a Pizza Hut employee.

This strategy has not only boosted recruitment efforts by bringing in more candidates who are strongly aligned with the company and its values, but has also started to solidify the Pizza Hut culture reputation as a whole.

## Measurable Benefits

Since the Life Unboxed Experience Tour, the company has seen outstanding engagement world-wide, including a 100% adoption rate of Life Unboxed throughout the U.S. and a 100% roll-out rate in each individually-operated international business unit (each tailored in a relevant way for the local cultures).

Pizza Hut also has seen significant results on its goals:

### Goal 1: Improve Employee Retention

- The company has seen between a 10-70% drop in turnover for stores that have fully implemented the Life Unboxed mindset. This result is a huge win, especially for an industry that regularly sees up to 150% turnover – and sometimes higher – in the restaurants.
- In addition, it is seeing a boost in recruitment with more candidates applying who are strongly aligned with Pizza Hut's values.

### Goal 2: Enhance the Customer Experience

A good customer experience is always the result of team members who are living Life Unboxed. Here are two actual Facebook posts that represent some Life Unboxed results:

- **From a Pizza Hut customer.** “Our family decided to go eat at Pizza Hut. The customer service was best I ever experienced. Its waitress kept my children entertained ... she really put a smile on their faces. They even wanted to give her a big hug before we left. Pizza Hut, she is one of your greatest employees. Thank you for a wonderful experience.”
- **From a Pizza Hut team member.** “At Pizza Hut, it's the most satisfying thing to be able to serve a hot fresh pizza and know you've truly made an impact on someone's day. Nothing beats a happy customer! #lifeunboxed.”

In highly engaged stores, a difference also has been observed in the business metrics where product quality and accuracy scores are three points higher, production times are one minute less, and 20% more calls are answered. In an industry where speed and product quality are key, this translates to an enormous increase in customer satisfaction.

### Goal 3: Increase Employee Engagement and Boost Employee Happiness

The responses received from the stores have been consistently positive whether from team members, franchisees, or managers. The Life Unboxed EVP expresses the true culture of Pizza Hut and feels authentic to the teams.

One franchisee said: “I was waiting for you to tell me I had to roll out another program of the month. But this is different – this is putting a name to the culture I've had in my store all along.”



Pizza Hut also receives ongoing testimonials, letters, and comments with a continual flow of examples of the EVP's success.

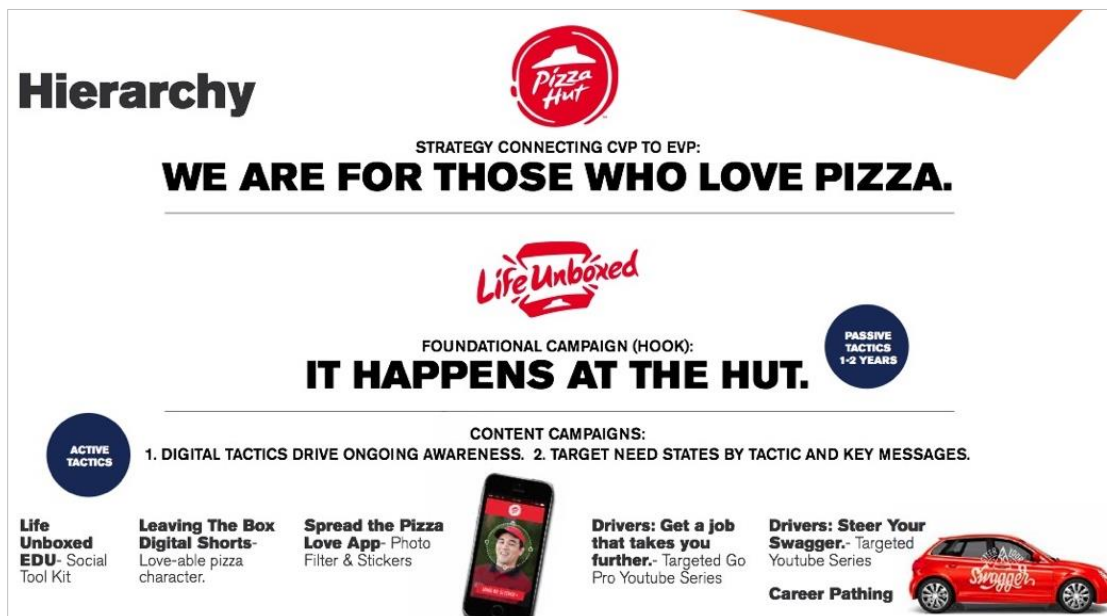
## Overall

Just one year in, Life Unboxed already has changed the mindset of its teams around the world. But Pizza Hut isn't stopping now. The company knows it must continue to rally behind its EVP with consistent communication to all stakeholders internally and externally.

Some ongoing efforts include:

- Ongoing investment in the signature programs that were launched in support of Life Unboxed, including Life Unboxed EDU, Life Unboxed Volunteers, Life Unboxed Community programs, and Leadership Development programs.
- A new Life Unboxed "culture rating" on Pizza Hut's annual performance appraisals.
- A new recruitment campaign rooted in Life Unboxed to ensure Pizza Hut hires people who align with its EVP. The message hierarchy below shows how Pizza Hut amplified Life Unboxed into its recruitment message: "It Happens at the Hut."

Figure 8: Hierarchy



Source: Pizza Hut 2017

## Buy-in from the Top





Leadership support has been integral to the success of Life Unboxed. The president and entire leadership team make it a priority to reinforce the EVP message at every turn to team members and franchisees. Life Unboxed messaging is woven into company-wide presentations, recognitions, culture initiatives, and more. Leadership presence will continue to be a key to reinforcing the EVP.

### **Evolving and Improving**

Even as the program builds momentum, the company is uncovering key learnings and working to evolve the message in an organic way while maintaining the principles behind it. Pizza Hut is committed to a two-way conversation with its team members so it knows how the organization is doing and what needs improvement. Its employee engagement surveys help to identify these areas of opportunity.

### **Leveraging Behavioral Economics**

Pizza Hut also continues to explore insights discovered through research conducted by BI WORLDWIDE that revealed the “rules of engagement” that most resonate with and motivate Pizza Hut team members:

- Be cool. (Be true to oneself.)
- Don’t kill the meaning. (Give employees purpose in their jobs.)
- Take it to extremes. (Make employees feel like they’ve accomplished something big.)

These insights have helped the company communicate effectively and gain faster buy-in.

Pizza Hut looks forward to building on its Life Unboxed EVP and continuing to learn from it, evolve it, and leverage it to set the company apart from the rest.

With Life Unboxed, Pizza Hut may not be the only thing, but it may be the very thing that makes the rest possible.



## About Brandon Hall Group

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