



# How Chipotle improved retention by deepening its commitment to its mission

**Guild**



With more than 80,000 employees nationwide, Chipotle was struggling with high turnover of its frontline population—a common industry problem. To attract and retain top talent, they redesigned their tuition reimbursement program, transforming a legacy benefit into a best-in-class program aligned with their vision and strategic priorities.

## The problem

### **In an industry known for high turnover, Chipotle needed an advantage**

In 2016, Chipotle—like many other restaurant brands—was facing a retention problem. With low unemployment rates nationwide, many employers were starting to reexamine their benefits in an attempt to attract and retain talent in a tight labor market.

Chipotle was no exception. The company was seeing an annual turnover rate of 145% for hourly workers within the first six months on the job. Not only was the problem costing money, it was affecting restaurant operations such as customer service and efficiency.

Like many other restaurants and retail companies struggling with retention, Chipotle took a look at their benefits to see how they could improve their employer value proposition. The company already had a strong brand; customers and employees alike are drawn to Chipotle's commitment to sustainability, quality, and ethical business practices. To stay aligned with its mission, Chipotle decided to redesign and expand its tuition reimbursement program.



“Of those enrolled in our educational assistance program, 85% are crew members and the benefit has a significant impact on their tenure and growth... Nearly 70% of our GMs are internal promotions.”

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Brian Niccol  
Chairman and CEO  
Chipotle

# The solution

## An education benefits program aligned with Chipotle's values

In looking to improve retention, Chipotle saw an opportunity to design a benefit that aligned with both business needs and its purpose to “Cultivate a Better World.”

In 2016, Chipotle partnered with Guild Education to launch the Cultivate Education benefits program for hourly employees, including entry-level workers also known as crew members. In order to give employees a chance at a better future, Chipotle provided tuition reimbursement up to \$5,250 for a degree of the employees' choosing at a network of high-quality schools and universities that catered directly to working adults.



## 75 different degrees

In 2019 Chipotle expanded the Cultivate Education benefits program to offer 100% tuition coverage for select programs.

### Fast facts

**Launched:** 2016

**Most Recent Policy Update:** 2021

**Benefit:** Fully funded tuition assistance, partially funded tuition assistance, and tuition reimbursement

**Programs:** 111 tuition-free programs, 71 of which are in business or technology

**Schools:** The University of Arizona, Bellevue University, UMass Global, Southern New Hampshire University, Wilmington University, Paul Quinn College

# The results

## Major improvements in retention, talent development—and an expansion of the program

After program launch in 2016, Chipotle found that those who took advantage of the education benefit retained at a much higher rate than their peers. As of June 2022, employees with less than six months of tenure were more than twice as likely to retain as those not engaged with the program.

The company also improved restaurant stability as many employees who received their education stayed at Chipotle longer and were promoted to management positions. Others continued working there simply because they felt a sense of loyalty to the business that was investing in them and their future.

The results were so impressive that Chipotle worked to deepen its commitment. First, they reduced the tenure requirement to access the program—doubling the number of eligible employees. In addition, the company understood there were still employees who couldn't afford to pay for tuition and wait to be reimbursed until they completed the course.

To provide access to those employees and make it easier for all crew members to go back to school, in 2019 Chipotle expanded the Cultivate Education benefits program to cover 100% of tuition costs upfront for 75 different degrees in business and technology. Tuition-free degrees in these fields align with Chipotle's priorities and give employees the chance to gain the skills and knowledge necessary to succeed in an evolving job market.

The results soon became clear. Not only were more crew members able to access education, the company found that as of June 2022, Chipotle crew members are 6x more likely to advance into manager positions after enrolling in Cultivate.

Chipotle also expanded their academic network to better support employees, adding tuition-free programs at Paul Quinn College, the nation's first urban work college and one of the oldest HBCUs in the country.



## Student spotlight

Tania Ortega started working at Chipotle in college, considering it a side job on the way to finding a career. Little did she know she'd end up finding that career at Chipotle. By the time she graduated with her first degree, a bachelor's in psychology, Tania was a General Manager.

Thanks to the Cultivate Education program, she was able to take her career to the next level by getting a second degree in business. Tania now manages a multi-million dollar business unit for Chipotle, overseeing seven restaurants as a Field Leader in Central Los Angeles.

"I'm so glad I ended up in the restaurant industry because you get the best of both worlds. You have the business aspect, which is engaging and fun and challenging, and then there's the people aspect of it, which makes the whole thing feel worthwhile and really makes it a career."

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Tania Ortega  
Field Leader  
Chipotle

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2.1x

more likely to retain as a participant with <6 months tenure when enrolled in education vs non-engaged peers

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6x

more likely to advance into manager positions after enrolling in Cultivate

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Guild helps Fortune 1000 employers align their workforces with the economy of the future through thoughtful education benefits programs designed to attract, retain, and advance talent. To learn more, visit [guild.com](https://guild.com).

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