

Pizza Pioneer

Sherleen Mahoney

MOD Pizza's purpose-driven culture centers on opportunities and gratitude

MOD Pizza, opened in 2008, is the original fast-casual pizza concept, serving individual artisan-style thin-crust pizzas and salads. Guests can choose between 10 pizza combinations from the menu or create their own pizzas with up to 30 toppings for one flat price. Its pizza model, the first of its kind, has created the thriving fast-casual pizza landscape that exists today.

Pizza is just part of MOD's story. The successful and growing brand has made local headlines for its people-first philosophy. The company pays employees between \$10.50 and \$15 an hour, provides health insurance and paid time off, and provides second-chance career opportunities.

The company readily hires candidates often overlooked by typical employers, including people who have served time in prison, with special needs, from homeless shelters and foster care. In fact, the company actively engages in community outreach to seek out these individuals. This hiring practice, coupled with the policy of promoting from within, has helped countless people turn their lives around.

The MOD Way

The founders of MOD Pizza, husband-and-wife team Scott and Ally Svenson, have a winning instinct for creating companies to fill a need. MOD Pizza is not the Svenson's first successful venture. In the mid- 1990s, when the Washington couple was living in London and missing Seattle-style coffee, they started their first business, Seattle Coffee Co., which grew to 65 locations in 18 months before it was acquired by Starbucks. The Svensons also helped grow a brand named Carluccio's, an Italian restaurant popular in the U.K.

After their European success, the Svensons moved back to Washington. Like many busy parents, they wanted convenient and healthier food options for their four young boys; satisfying each child's palette was important as well. Chipotle was a family favorite but similar options were lacking. Seeing a gap in the market led to the creation of MOD Pizza.

Because the first restaurant opened during the recession, the Svensons sought to provide customers with great value, settling on a flat price for a pizza with more than 30 toppings.

Each pizza, made with King Arthur flour, is hand-cooked in a gas-fired oven. The bricks are heated between 700 and 800 degrees, cooking the pizza in three minutes.

Pizzas are all hand-cooked, a process that creates a true artisan pizza, each with its own character.

The restaurants roast four vegetables every season. They are currently offering roasted garlic, asparagus, corn and broccoli—unique and delicious pizza and salad toppings.

When possible, the company selects ingredients with no extra additives or unnecessary preservatives.

For example, MOD's meatballs are made simply with ground beef, water and salt. Sundried tomatoes were recently discontinued because the company couldn't find a suitable product without additives.

MOD Pizza has always placed people at the center of its business. The Svensons regularly gather for meals at their local restaurant like it's their dining room. It is exactly the kind of healthier food and welcoming space they were envisioning for their family when they created MOD Pizza.

The menu features pizzas named after the Svenson's boys, Tristan, Dillon, Caspian and Jasper, and their friends' 7-year-old daughter named Maddy, who lost her fight against leukemia. The seasonal pizza is named after Vice President of Partnerships John Dikos' new son, Crosby.

Though the company did not set out to be a force for change, the Svensons wanted their business to have a purpose.

"Scott is an incredibly astute and compassionate businessman, and Ally is not only whip smart, but an extraordinarily warm person; everyone loves her," said Charlotte Wayte, Marketing Manager at MOD Pizza. "I believe it was Nelson Mandela who said, 'A good head and a good heart are always a formidable combination', and that is certainly the case with Scott and Ally."

The company currently has 217 restaurants, five of which are located in the U.K. The company plans to continue its steady growth over the next year. As the brand flourishes, it is bringing its great food and ethos of doing good to more communities nationwide.

MOD Squad

Restaurant team members, known as MOD squads, exhibit drive, enthusiasm and heart.

Those are the qualities Sophia Arellano and Kaila Donaldson, Recruiting Coordinators for MOD Pizza, are looking for as they source the squad-level positions for the all of the company stores across the U.S.

There's also a general manager recruiter and a Support Center recruiter.

The duo works closely with the restaurant managers, coaching them on how to enthuse and engage their teams.

Arellano, who has been with the company for four years, has seen the company experience tremendous growth.

"When I started in 2013, we had six stores," she said. "When I began working at the Support Center a year and a half ago, we had around 100. Now we have a total of 217 stores, both company owned and franchise, so I've seen it from the beginning."

Last year was a busy year for the recruiting team as they built the MOD Squad to nearly 4,000 strong.

Arellano started her MOD career in a restaurant, working on the make line. Her strong work ethic, drive and dependability got her noticed quickly. She was initially invited to interview for an accounting position at the Support Center, but didn't get the job. Later, she was hired as a recruiter, which aligns perfectly with her passion for providing opportunities to individuals from communities in need of opportunities.

It's a purpose that is close to her heart.

Prior to working at MOD Pizza, she struggled with addiction and spent three years at Washington Corrections Center for Women. While in prison, her niece Articia Venigas, who works in accounting at MOD Pizza, and is married to Kory Harp, Regional Training Manager with MOD, wrote her a letter saying she would get her a job at MOD when she was released.

Arellano was skeptical of the job at first and felt unprepared to work in the service industry, but she learned quickly and became a valuable team member. As her confidence was rebuilt, she began setting higher career goals for herself.

Many MOD employees share Arellano's story.

"We have several individuals with similar stories to mine; people who have risen through the ranks and now hold leadership positions within the company," Arellano said.

Today, Arellano actively engages in community outreach to source squad-level positions. She visits prisons and treatment centers to share her story. She works with case workers and reentry specialists to help break the cycle of recidivism.

"When I visit these facilities, I tell them, 'I know how you're feeling. I remember sitting where you are,'" she said. "People there can be in a dark place. They lose hope and feel like no one is going to give them a chance when they get out. They can get stuck because of high barriers and a lack of opportunities. I want to provide them with the opportunities that were provided to me. I get to be a part of something positive, and these opportunities don't happen every day. Today, I'm a force of good in the community, and MOD has helped me do that."

After regaining custody of her 7-year-old son Andres, she was determined to provide a good life for him.

"I don't want to go back to prison," she said. "I'm still 'on paper'; I still have to check in but in the process, I get to share how I was able to turn my life around."

These days, Arellano enjoys spending time with Andres. They play sports, attend outdoor shows and street fairs, watch movies and cook together.

Andres loves MOD Pizza, too, boasting, "My mom works for MOD Pizza!"

"He likes to build his own pizza," Arellano said. "He goes crazy and even likes veggies. He gets the full MOD experience."

As the company grows, the recruiting team is looking at ways to scale its impact-hire programs nationwide.

"We're not just a pizza company; we're pizza with a purpose," Arellano said.

MOD Design

No MOD Pizza restaurant is alike. The design team's goal is to make each one unique.

The seven designers have degrees and backgrounds in interior design, architecture or graphic design. They are divided into five regions, with two floating support designers. A region's MOD Pod, as it's called, consists of a real estate manager, a construction team member and a designer. The designers meet regularly to share ideas and to work collaboratively.

The company believes a relevant, elevated design is important to customer experience and offers a competitive advantage.

The design team draws inspiration from London's youthful and rebellious mod period. Christine Monge, Director of Store Design, describes the design as industrial modern.

All restaurants have a "Wall of Fame," a large-scale photo collage of people in MOD restaurants from across the country. There's also a sticker wall for guests to post MOD stickers with their names.

Many of the tabletops are made from reclaimed wood, the floors are concrete, steel metalwork is used throughout the space, and the ceilings expose the buildings' structures. The team uses graphic elements to add unique touches to the restaurants.

In Killeen, Texas, for example, where there is an army base, the restaurant features a big "KILLEEN" sign that is made of shadowboxes filled with plastic green army men.

Across the street from an Arizona restaurant, ostrich races take place. In the restaurant is a quirky, oversized photo of a racing ostrich.

The MOD logo is a shield, which the design team has fun customizing for each location.

The restaurant in Cupertino, Calif., across from the new Apple headquarters, has a MOD shield that is lit from behind like the Apple logo. In Washington, by the Microsoft campus, the local restaurant's shield is made of black-and-white PC keyboard keys. In the Annapolis, Md., restaurant, the logo is made from coiled boat rope, a nod to the Naval Academy.

"Brands usually have logos that are never altered, and we certainly have that with our exterior signage, but at MOD, we get creative with the shields to reflect the personality of our teams," Monge said.

When new restaurants open, the design team reaches out to the local real estate manager, marketing manager and the operations teams to gain an understanding of the regional culture for inspiration.

In brand-new markets, where no MOD Pizzas exist, the real estate team gathers local information from brokers and landlords for the design team to use as they brainstorm ideas.

Monge said she has never worked for a company that affords her this level of creativity.

"We're still young, so the company is not rigid," she said. "It's an exciting time to be a designer here. We have unique opportunities that some designers never have."

A store's design depends on its market. If it's a mature market, with several restaurants, the team can be more creative and think of ideas that haven't been done before.

It was especially fun last year when the company opened five restaurants in the U.K. The team also enjoys designing local restaurants in which their family and friends visit.

"We always learn from the last restaurant and challenge ourselves to make the next one even better," Monge said. "My team is an extremely talented bunch. We have a lot of fun selling pizza to make the world a better place."

Maintaining MOD

The small, four-member facilities team is charged with managing each unique restaurant. They must know what kind of furniture, fixtures, finishes, materials, signage and graphics are in each location. Custom designs also mean higher repair and replacement costs.

The key to successfully supporting 217 unique restaurants lies in collaboration and in proper documentation. The facilities team works closely with the design and construction teams in choosing products and relies on them to accurately share and transfer information about what is in each location and any revisions to the plans. Fortunately, the kitchen equipment is standard across all restaurants.

"For every fixture and finish material implemented into our stores, it is a collaborative effort," said John Watson, Facilities Manager at MOD Pizza. "Our input is critical when making specification changes as facilities is accountable to maintain the store through its lifecycle at a minimum of cost to maximize the stores' contribution."

Facilities has high visibility into the restaurants. They know firsthand how the materials, equipment and graphics are holding up and provide important feedback about repair costs, root-cause analysis and suggested alternatives to the design and development teams.

The facilities team is small, but they are scaling up to meet the demands of the aggressive national expansion. Watson estimates that 5 to 10 percent of restaurants submit urgent or emergency requests each day, which requires the full attention of a facilities manager. Given this estimation, each facility manager can effectively support around 50 to 75 restaurants.

"Each facilities team member possesses strong problem-solving skills, an adaptive attitude, a bit of inherent MacGyver and the demeanor of a 911 operator," Watson said. "Then we throw in an up to three-hour time-zone difference just to keep it interesting."

Previously, service requests were routed to the Support Center via phone calls. Anyone receiving the call, regardless of their position or expertise, would take point on the issue until it was resolved.

Now, if service is needed, the restaurant's general manager connects with the district manager for initial troubleshooting. As MOD typically promotes from within, the district manager has enough prior in-store experience to provide an effective level of triage. Most of the time, the district manager can help resolve an issue before it is escalated to the facilities department. This process also gives management immediate insight to the issues the restaurants face.

If the issue needs facilities involvement, a service request is initiated via email and is input into a database for tracking purposes and analytical reporting. For critical issues that require an immediate response, squad members can call a 24/7 emergency phone line.

In the near future, a robust cloud-based service request platform will be in place. It will allow the team to efficiently manage the in - creasing number of requests that are expected as the company opens approximately 100 new stores each year, and as the existing stores begin to age.

The facilities team maintains a list of reliable and responsive service vendors, both national and local. It is constantly revised based on past performance and costs and as new partnerships in new markets are added.

To minimize equipment downtime and excessive repair costs associated with a run-to-fail model, the team has implemented regularly scheduled preventive maintenance services for HVAC, all restaurant equipment, grease interceptors, oven hood, ductwork, and fire suppression and life safety systems.

Service partnerships with Ecolab Equipment Care, Liquid Environmental Services, Consolidated Fire Protection and Brinco Mechanical allow the team to concentrate on more urgent concerns.

Once partnerships with service vendors are established, the service level agreements hold them responsible for scheduling all preventive maintenance directly with the restaurants or with the property managers. The facilities team receives regular reporting from the vendors to confirm the work has been completed and if any follow-up was required. Soon, equipment asset tagging will be implemented into their new service request platforms. This will include equipment lifecycle and depreciation schedules and allow for better tracking and analytics.

As the company opens more restaurants and expands nationwide, the team believes the best way to deliver efficient support lies in communication rather than adding more boots on the ground for field support. While technical expertise is important, the team also relies on advances in communication, such as using email, smartphones, photo/ video sharing and vendor service-request platforms, along with the continued support of the regional construction and operations managers. This model allows them to remain small yet robust and centralized at the Support Center.

"We continually evaluate our program to ensure we are providing the best method of support," Watson said. "Regional MOD pods have already been implemented within our real estate and store development teams. As our store count grows, MOD facilities may need to follow suit."

While the team provides a high level of customer service and creative problem-solving, he prides his team on their responsiveness, especially to critical issues. The ovens, for example, have no built-in redundancy. When one isn't operating, the full attention of the whole team is required.

"If an oven is not operational, and the squad team has a full line of customers, we empathize greatly," Watson said. "We might be 1,000 miles away, but we use every resource available to get them back online as quickly as possible."

At the heart of MOD's culture is the belief that it is an honor and a privilege to be in service to others. It is a mantra that Watson and his team believe in.

"We are passionate about our purpose beyond pizza," he said. "Pizza is the platform that allows us to do great things for our squad members, our customers and their community."

Pizza with a Purpose

MOD Pizza measures success differently. Rather than guest count and profits, success is measured by how well the company embraces individuality, the well-being of employees, and by the opportunities they afford to people from all walks of life. As the company grows, it brings its impactful culture to more communities, working towards the goal of making positive change ubiquitous.

Sherleen Mahoney is a staff writer for Facilitator magazine.

MOD Shields Clockwise from top left page: Marysville, Wash., recognizes the local logging community; Alameda, Calif.: The shield has a cool blue glow that reflects MOD's location on San Francisco Bay; Almaden Ranch in San Jose, Calif.: An artist in Seattle created the center portion, made entirely of hand-coiled paper and fabric. It's one of the most unique shields MOD has done and really makes a statement about how much the company cares about items that are handcrafted. Greenbriar in Fairfax, Va., is host to one of the world's largest Legos conventions, and the restaurant is just down the road from the convention center. The shield is made from Legos as a nod to the event; Annapolis: Made from coiled boat rope as a nod to the Naval Academy; Fort Hood in Killeen, Texas: The shield is a nod to the military. It looks like it was taken off the side of a plane, hence the metal plating and the riveting; Cupertino, Calif.: Across from the new Apple headquarters, the MOD shield is lit from behind like the Apple logo; Killeen, Texas: A big "KILLEEN" sign is made of shadowboxes filled with plastic green army men.