

# NORDSTROM

## **Gemma Lionello and Fanya Chandler Joined NRF to Discuss Diversity, Inclusion and Belonging at Nordstrom**

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Executive vice president and general merchandise manager Gemma Lionello, and senior vice president Fanya Chandler, participated in a conversation at the National Retail Federation's 2021 Retail Converge event. Moderating the conversation was Fayetteville Road founding partner, Jessica Couch, as Gemma and Fanya shared insight into Nordstrom's commitment to diversity, inclusion and belonging. See highlights from their conversation below.

### **Our agency, Fayetteville Road, has had the pleasure of working with Nordstrom for the inclusive beauty initiative. What steps has Nordstrom taken towards diversity, inclusion and belonging —how are you supporting your employees and customers?**

*Fanya Chandler*

Our focus at Nordstrom has always been around the health, safety and wellbeing of our employees and customers. Although we have been on this journey for quite some time, it was crucial to lean into the moment we were in, in terms of the civil unrest, and create space for people to share and learn. I thought I knew a lot and just listening and providing space for our teams to share their experiences, whether it was at work or outside of work, was incredibly meaningful. We provided employee resource groups to ensure we are showing up in the right way.

Our listening sessions are about understanding what our employees are feeling. It's also a time for our leadership teams to share their experiences and being vulnerable. When I had the opportunity to host a listening session, I shared things that I'd never really shared before—that opened an opportunity for people to relate to each other in different ways. We've also set measurable goals for ourselves and created an action council to help develop, implement and measure programs to get us towards our goals.

### **Tell me about Nordstrom's diversity, inclusion and belonging goals along with your four pillars —how did you decide to focus on those areas?**

*Gemma Lionello*

Everything we do as a company, we put through the filter of the customer and our employees. We listen to our employees and value their opinions —especially employees on the front lines, closest to our customers. We've had our pillars set several years ago which include talent, culture, marketplace and leadership. Talent is about the diversity of our employees; the culture reflects the experience of our employees and how they feel working at Nordstrom. We want Nordstrom to be a place where everyone feels welcomed. Marketplace is about authentically serving our customers through the lens of equity and anti-racism. It's also about having products that our customers want and need from us. Our leadership expectations are to foster future-oriented leaders and create a shared culture that will drive our business ambition while making sure we hold ourselves accountable.

I mentioned the action council which encompasses many leaders from several areas of the business so that we can hold each other accountable and make sure that we achieve our goals. We have measurable targets that we have set, and they include increasing our Black and Latinx managers by at least 50%. We also committed to achieving \$500 million in sales from Black or Latinx brands owned, designed, or operated. In addition to this, we are also focusing on increasing our charitable donations to organizations that promote anti-racism. We recognize this as a subject we all own within Nordstrom, and we aim to be transparent and honest throughout this journey for our people and customers.

### **What I find awesome about Nordstrom is that you have been hiring diverse talent for so long —when I worked for Nordstrom, I remember seeing people that looked like me and diversity that reflected the customer. Why is it important to hire diverse talent?**

*Fanya Chandler*

We want to make this a great place to work so people want to stay and grow. It is essential to create an environment where people can be their authentic selves. This is not about simply checking the box on diversity—the power is in the other pieces of that, which is inclusion and belonging. To do everything we can to be customer-obsessed and have customers feel good and look their best, we have to have a team to support that.

Our approach is dedicated to creating a culture that's reflective of our customer base. We want customers walking into our stores or shopping online to feel connected and welcomed. Hiring diverse talent is the price of admission. The second piece of that is creating an environment where people want to stay and grow because they feel like they're part of something. And when they feel that way, they're going to give the best service to our customers.

### **Nordstrom committed to \$500 million in retail sales, from brands owned and designed by Black or Latinx individuals by 2025 —this is a monumental commitment. How you plan to tackle this goal?**

*Gemma Lionello*

We committed to achieving \$500 million in sales by 2025 but we're going to try to get there sooner and increase that goal for ourselves. With the help of Fayetteville Road, we are expanding our partnerships with Black-founded beauty brands—our partnerships must be done authentically. Working with a large retailer can be intimidating for smaller companies and start-ups and we aim to provide the right guidance for these brands to flourish. We take pride in mentoring our vendor partners and our brands.

Within the past six months, we have launched 19 Black-founded brands in our beauty department. We recognize this requires commitment in teaching brand partners the onboarding process, providing financial assistance and coaching. We want long-term relationships with our brand partners, and we

are committed to mutual success between vendor partners and Nordstrom.

**How is Nordstrom driving people of color into the stores through product assortment and selection?**

*Fanya Chandler*

It's our responsibility to have brands customers are looking for in-store and online. Often a customer's shopping journey starts online—we want customers to feel like they belong and connect when shopping on our site. The second part of that journey is taking a trip to our stores. Once customers come into a store, how do we make them feel? We want to be able to show up in a way that people just walk in and feel good. It's through every touchpoint, whether it's online or in-store that we want to give the best service. There isn't just one thing we can do to drive customers to shop with us—it's in every decision we make to create a great experience for the customer.

**What are some of the lessons you've learned on this journey of diversity, inclusion and belonging?**

*Gemma Lionello*

We learned that it's a journey and a lifetime commitment to our employees and customers. We need to constantly look at data and take swift action to respond to our customer's needs. We tend to want to be perfectionists because that's our nature, but if we launch a new program or a new brand, it's okay to be scrappy to deliver on our customers' and employees' needs. We implemented our Employee Resource Groups and our action council along with our pillars and goals, but how we lead as a company is what will make the difference.

*Fanya Chandler*

The biggest lesson I've learned is the power of listening, understanding and learning the expectations your team has of you as a company. We're very action-focused at Nordstrom and what I've learned over the past year is the importance of slowing down and listening. It's important to take a moment to understand and reflect on your own experiences as things evolve and change—taking my personal experiences into work helps me relate to others in different ways.