

Inside Trader Joe's Podcast Transcript – ICYMI: What's It Like to Work at Trader Joe's?

Tara Hey, Matt, this is going to be an episode, it's a little shorter than most.

Matt: Oh, that might be a relief for some people.

Tara: Well, that's true. In this episode of Inside Trader Joe's, we're focused on five letters, I-C-Y-M-I, also known as in case you missed it.

Matt: I like it. You know there are often things that we just take for granted because we know them to be the way in which we run the business. And sometimes people have questions and we think, "Oh gosh, that's obvious." But it might not be obvious.

Tara: And so we thought, "Hey, let's do that on the podcast." Let's talk to people about things they might have missed because we don't talk about them enough. Just focus on like, you know, why is your parking lot so wacky? Or why do you discontinue my favorite products? You know, like little questions we can answer quickly that don't require a full episode of Inside Trader Joe's.

Matt: Or a question that often comes up, what makes Trader Joe's a great place to work? What's it like to be a crew member at Trader Joe's and what are the benefits of being a crew member? So we thought we'd take a moment and answer that right now.

Tara: Exactly.

[Theme music begins and two bells at a neighborhood Trader Joe's.]

Matt: I-C-Y-M-I. Let's go Inside Trader Joe's.

Tara: I'm Tara Miller, director of words and phrases and clauses for Trader Joe's.

Matt: And I'm Matt Sloan, the marketing product guy.

Tara: You know, I walk into a store and I see crew members who look to me like the future of the company.

[Theme music ends.]

Tara: And that's a really, that's a really great thing to see when you walk into a Trader Joe's.

Matt: We need the crew to run our business and we're committed to being a people centric business. We're not looking to have self-checkout robots in lieu of humans.

Tara: You know, no matter which Trader Joe's location you work in across the country, first and foremost is competitive pay. Like we pay our people well. We don't do minimum wage at Trader Joe's. We pay our people above industry averages. Our crew members are eligible to receive raises twice a year. And that can equal a 7% increase annually in their rate of pay.

Matt: And that twice a year performance and wage review is a conversation. And it's an opportunity for feedback, for feedback from a variety of perspectives, your fellow crew members, and the mates and captain of the store. It's a really interesting opportunity for each crew member to hear about how they're doing and how important their contributions are to that store's success.

Tara: Which is a pretty cool thing. We also offer incredible medical, dental, and vision plans.

Matt: And there's a variety of health benefit plans for crew members. And for a crew member the full array of benefits cost that crew member less than \$100 a month. That cost continues to be below \$100 a month. And to be eligible for those health benefits for the full array, a crew member would need to work on average 28 hours a week. Health insurance costs are going up, have been going up, they continue to go up, and Trader Joe's pays more than well-above 80% of the premium costs for the health benefits for the crew.

Tara: As a crew member, you have choices for the kind of insurance that you want to carry for yourself. And Trader Joe's, as you said, picks up a significant portion of the cost of those benefits.

Matt: We have a retirement plan. It's a 700 hours a year eligibility level, which is about 14 hours a week or a couple shifts, two shifts, a week. The company contributes, totally company funded contribution for those crew members. And last year, calendar year 2021, Trader Joe's contributed more than \$100M into the crew retirement program.

Tara: Crew can contribute as well, but they don't have to. That Trader Joe's contribution happens regardless of whether a crew member decides to also contribute to the plan, which is a pretty cool thing. Okay, so retirement is when you're no longer working, but while you're working, it's nice to have paid time off. And even for part-time workers that are not working a whole lot of hours, we offer paid time off benefits, which is pretty great.

Matt: That's right. Every crew member from the first day at Trader Joe's, from day one, begins earning paid time off. And that time off account, there's no cap on it, there's no limit to it, it can build over time, that's a real interesting difference. Our approach to pay time off, we think of it and we call it an absence reserve. It is an account that builds up over time. It is open-ended with regard to how each crew member uses it, whether it's for a sick day, a vacation day, a special occasion, those are decisions that each crew member makes.

Tara: Yeah, and also interesting to note is it doesn't expire. So if you don't use it all in one year, it rolls over to the next year. And if you don't use all of that, it rolls over.

Matt: The accrual rate, the rate at which you build up that account, does increase with time, with tenure. It's a nice, flexible way to use paid time off.

Tara: Another really cool benefit that I want to mention is the store discount. I certainly do a lot of my grocery shopping at Trader Joe's. Our crew members get a discount on every single product in our stores and it's kind of tiered, but not on what you buy, it's on how much you buy. So if you spend less than \$20, you get a 10% discount on everything that you're purchasing. If you spend \$20 or more, that discount is 20% on every single product you buy. You're getting a 20% discount on your grocery shopping, which I have to say is just huge in my grocery budget.

Matt: And admittedly, I have a bias here. I think our prices are outstanding and I spend a lot of time checking them in the larger marketplace. To get a 20% discount on those already great prices is a phenomenal thing.

Tara: Yeah, I agree. One last thing to talk about in this little episode of Inside Trader Joe's is job growth. And maybe some people don't see that as a "benefit," but we really do because we value promoting people from within and taking people along on the growth journey with us. We promote people based on their performance in the store. And the proof is kind of in the pudding, right? Almost 80% of the mates, so the supervisors, the assistant manager kind of people in our stores, started as crew.

Matt: Absolutely. And all of our captains, 100% of our captains, were promoted from the mate role into the captain role. And we need people.

Tara: We've been lucky recently, Matt, you and I, to get out to a bunch of stores and talk to a bunch of crew members. And you feel that vibe in the stores, of people who love what they do and really appreciate their fellow crew members and their mates and their captains and the captains who really appreciate their crew, you feel it.

Matt: Our next full episode is the 50th episode of Inside Trader Joe's and in it we explore the spirit of our crew across the country.

Tara: So we said this was gonna be short, right? One thing we don't want to grow is the length of this episode.

Matt: So what makes Trader Joe's a great place to work? Our crew. And thanks to them in every store, across the country. In case you missed it, this has been our first I-C-Y-M-I episode, and we look forward to bringing you more in the future.

Tara: Thanks for listening.

Matt: And thanks for listening.