

MICHAEL BURCHELL
AND JENNIFER ROBIN

OF THE GREAT PLACE TO WORK® INSTITUTE

Producer of
the **FORTUNE**
100 BEST
COMPANIES TO
WORK FOR®
ANNUAL
LIST

the
GREAT
WORKPLACE

HOW TO BUILD IT, HOW TO KEEP IT,
AND
WHY IT MATTERS

More Praise for *The Great Workplace*

“A wonderful road map for becoming a great place to work. Burchell and Robin present a compelling case for improving workplace culture. This book is ideal for any leader who wishes to improve team effectiveness and make a difference in the organization. Inspiring!”

—Tim Felt, CEO, Colonial Pipeline

“Filled with practical examples of how great firms reinforce the trust, pride, and camaraderie essential to a great workplace. These are great ideas meant to be shared.”

—Jim Weddle, managing partner, Edward Jones

“Well-researched and well-written, Burchell and Robin’s book captures the essentials of what it takes to transition to a truly great workplace.”

—Brian E. Keeley, president and CEO,
Baptist Health South Florida

“Many companies aim to be a great place to work, yet their leaders struggle with how to get there. Burchell and Robin do a wonderful job articulating the importance of building great workplace culture and provide great examples and ideas for how to achieve this. Everyone in a leadership position should read this book.”

—Andrew Botwin, principal, Rothstein Kass

“Burchell and Robin tell real stories of how great organizations became (and remain) great workplaces by engaging the hearts and minds of the people who work there. The good news: the methods are transferable!”

—Peter J. Giammalvo, vice president, Organizational
Development, OhioHealth

“*The Great Workplace* is a blueprint for all business owners who want to create and maintain a happy and productive workplace. A valuable guide for managers looking to empower their staff at every level.”

—Jill Leonard Tavello, executive vice president of
Culture, Stew Leonard’s

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This book is dedicated to employees at great workplaces all over the world. Their words and stories have shaped the model of a Great Place to Work® and forever changed how we think about workplaces.

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FOREWORD

By Robert Levering

Great Place to Work® Institute Cofounder

When I first picked up the manuscript of this book, I asked myself why I didn't write a similar book 20 years ago. *The Great Workplace: How to Build It, How to Keep It, and Why It Matters* gives practical advice to any leader who wants to transform his or her workplace culture. Indeed, it promises to help leaders achieve their organizational goals while having a positive impact on the working lives of their employees.

The reason I wondered why I hadn't tackled the same subject 20 years ago is that that was when I wrote *A Great Place to Work: What Makes Some Employers So Good—and Most So Bad* (Random House, 1988). In that book, I explained what distinguishes a great workplace from others based on what Milton Moskowitz and I observed in researching our best-selling 1984 book *The 100 Best Companies to Work for in America*. My definition of a great place to work became the basis for the Model that has been used by our Institute for its survey work and consulting, and is explained and discussed at length in this volume. So it would have been a logical next step for me, as a professional journalist and author of a half-dozen books on business subjects, to write the book that Michael

Burchell and Jennifer Robin have done so beautifully in the volume you're now holding in your hands.

As I read through Burchell and Robin's book, however, I understood that I was not the right person to have written this book. As experienced consultants, the two of them are in a much better position than I to offer practical advice to leaders. Prior to joining the Great Place to Work® Institute in 2003, Burchell had firsthand experience inside a great workplace as an HR leader at W. L. Gore & Associates, one of only four companies that have appeared on every FORTUNE 100 Best® list since 1998, as well as in our 1984 and 1993 books. At the Institute, Burchell has worked with dozens of companies all over the globe in applying the Great Place to Work® Model to a wide variety of business issues. A former board member of the Delaware chapter of the Society for Human Resource Management, he currently is involved with the Organization Development Network. Burchell received his doctorate in diversity and social justice from the University of Massachusetts Amherst.

Robin also spent three years in a consulting role at the Institute before writing this book, working with leaders of a wide spectrum of organizations in applying the Great Place to Work Model. Robin brings the added dimension of having taught human resource management for three years at Bradley University in undergraduate, master's, and executive programs. She has a particular passion for applying the cutting-edge policies and practices as seen in her previous book focused on work-life balance issues, *A Life in Balance: Finding Meaning in a Chaotic World* (coauthored with Charles Stoner, University Press of America, 2006). She received a doctorate in industrial organizational psychology from the University of Tennessee.

Besides their own personal experience as consultants and academics, the two authors conducted on-site interviews at thirteen great workplaces—Camden Property Trust, CH2M HILL, General Mills, Google, W. L. Gore & Associates, Hoar Construction, Holder Construction, Microsoft,

PricewaterhouseCoopers LLP, SAS, SC Johnson, Scripps Health, and Wegmans Food Markets. At each of the firms, they interviewed the CEO and top HR executives, and conducted a focus group with a group of employees to fully understand their perspective. You will find studies of these companies in *The Great Workplace* as well as extensive quotes from their employees and leaders throughout the book.

Together, Burchell and Robin have produced a book that you will find extremely useful, if for no other reason than it's chock full of case studies as well as best practices from great workplaces, such as the "responsibility statements" used at Edward Jones instead of job descriptions, or the "Vision Days" at Stew Leonards, or the "Back to Basics" refresher course given to employees after five years working at J.M. Smucker. While leaders may not be able to directly import any of these best practices to their own organizations, they will undoubtedly find themselves stimulated to emulate the kinds of practices used by their peers at the best workplaces.

What makes this book especially significant is that Burchell and Robin do a masterful job of explaining the "why" behind such practices. They provide a framework for understanding why various practices help to create a great workplace environment, which in turn helps an organization be more productive and foster more innovation.

Burchell and Robin's message is simple: any company can become a great workplace, and this book can be your handbook to make yours one of them.

PREFACE

This book was 25 years in the making.

The Great Place to Work Institute has recognized and studied great workplaces since the early 1980s, and today the Institute operates in over 40 countries and conducts the largest annual study of workplace environments globally. We publish lists of the best workplaces in each of these countries, and we also have published benchmark studies, white papers, research articles, and several books. We advise businesses, hold educational conferences, and conduct training programs on the lessons we have learned. And yet, leaders were always asking us when we were going to write “The Book”—a book that would illustrate in a practical way how leaders can take action to create a great workplace.

This book is an answer to those requests. In this book we endeavor to lay out the basic framework of what a great workplace is from an employee’s perspective. While the voice of the employee takes center stage in this book, we have also incorporated the views and ideas of leaders, organizational best practices, and anecdotes and stories from our work as consultants. We have worked to draw upon the rich, deep experience that stems from studying great workplaces for over two decades. As you might imagine, we have learned a lot in that time, and we want to share with you a couple of things we now know.

We know and believe at our core that we can build a better society by helping companies transform their workplaces into great workplaces. Everyone benefits—individuals, organizations, families, and communities—when employees can give their best and know that the organization will also give them back its best. Yes, having a great workplace makes good business sense—as we will discover here—but at the end of the day, we believe that it is also the right thing to do.

We also know that great workplaces exist in every country, in every industry, and cut across organizations of all sizes and business models. Great workplaces exist in large, global organizations, small nonprofits, and government agencies as well. We believe your workplace can be a great workplace. This book aims to help you in that journey.

We know that the employee experience is central to understanding how to create a great workplace. It is the employee that determines whether his or her work environment is a great one, not the academic or business guru. As authors, we have had a front row in learning from these organizations—first and foremost by listening to their people. We have learned that great workplaces are at the same time simple and complex. We have tried to write this book in a rather straightforward, accessible style but still capture some of that complexity.

And finally, we know that leaders and organizations grow from the right amount of both challenge *and* support. This book aims to provide both. The challenge comes from the goal itself: to create and sustain a great workplace. Whether you cast that goal in language such as “be an employer of choice” or “have the best company to work for” or have a “fully engaged workforce” or win a “best company honor,” the underlying challenge you have is to transform your workplace. The support comes from the words of employees, leaders, and the best practices from their companies. From our own experience, we can tell you that an understanding of what makes a great workplace deepens and becomes more nuanced over time. Eventually, it becomes second nature

to consider your actions as a leader through the lens of the employee perspective. You will want to read this book and then keep it on hand to reference its best practices and stories. The final chapter gives suggestions on how to use best practices as you embark upon your own journey to a great workplace. We also encourage you to join our online community, which provides additional tips, tools, stories, and practices to support you along the way.

Both of us came to the Institute energized by the fact that it was our company that named hundreds of great workplaces around the world each year that we could learn from. Even more encouraging was that every year companies kept getting better. It energizes and encourages us now to know that your company may be the next list-maker. We wish you all the very best.

*Michael and Jennifer
June 2010*

the
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INTRODUCTION: THE VALUE OF CREATING GREAT WORKPLACES

*Ninety-five percent of my assets drive out the front gate
every evening. It's my job to bring them back.*

—JIM GOODNIGHT, CEO AND FOUNDER OF SAS

What makes a great workplace? It's not what you do. It's how you do it.

If you are a leader, you must communicate, make decisions, and interact with people, just as leaders in all companies do. You may carry out your job description very well. But to be a leader in a great workplace, you need to not only execute your role but also instill certain beliefs in people as you are doing it. A great workplace is one where people trust the people they work for, take pride in what they do, and enjoy the people they work with. As a leader, you are the one to create and reinforce these beliefs with every communication, every decision, every interaction. To create a great workplace, you'll need to do your job differently. It requires a mindshift; it requires viewing your employees like Jim Goodnight suggests in the quote that opens this chapter. You'll need to do your job realizing that how you do what you do makes a world of difference to employees.

Consider the following quotes from employees in great workplaces:

“We have the culture where people are willing to talk to each other, share what they know, and take the proactive step to get you in touch with the right person.”

“If you are a boss or a manager, you realize it’s not about you. It’s about empowering your people. And your voice doesn’t carry any more weight than anyone else’s. The only way this [management style] will work is by nurturing and nudging and helping set some vision.”

“Our company has growing pains like any company, but the people always come first. I truly know that I matter in this corporation, and that’s what keeps me here.”

What do people say about your company, division, or work-group? Do they say it’s a great place to work? If you don’t yet have a great workplace, it can be. And if it is already a great workplace, you can hang on to it. This book will show you how. Not by handing over a list of initiatives or steps, but by orienting you to a different way of doing things. We won’t tell you what to do, but we will tell you how to do it.

THE KNOWLEDGE BASE

The content of this book is based on years of research. Our company, the Great Place to Work Institute, has been studying great workplaces since its inception in 1991. But research began much earlier, in the early 1980s, when cofounder Robert Levering and Milton Moskowitz were approached by Addison-Wesley Publishing to write a book on the best places to work in America. When Robert and Milton set out to interview

people in companies around the country in 1980, business outcomes were not a key consideration. Rather, Robert and Milton believed that treating people well was the right thing to do, and so they focused exclusively on the employee experience. Still, they expected to see a connection between the companies with the happiest employees and the companies with the healthiest bottom lines. They also anticipated that they would see consistent practices among the best workplaces, those that Robert and Milton deemed the 100 best in America. From those consistencies, they hoped they could discern a recipe for creating a great workplace that could be followed by any leader in any organization.

In their 1984 book, *The 100 Best Companies to Work for in America*, Levering and Moskowitz described the experience of employees at the 100 best workplaces among the hundreds they researched. The *New York Times* bestseller provided informative stories about all 100 companies, and highlighted several aspects they shared, including opportunities, pay and benefits, and openness. Themes began to emerge about the characteristics of great workplaces, but what made great workplaces that way weren't categories of practices or policies.

Turns out that the intuitively obvious prediction, that organizations with the most creative practices and the best bottom lines would be the ones employees raved about, was not universally true. Something was going on that transcended the policies and practices at the best companies to work for. It wasn't *what* they were doing, it was *how* their leaders were doing it. Specifically, the practices companies had and the money leaders spent on employees did not always lead to great workplaces; the relationships they built in the process did.

In Levering's 1988 book, *A Great Place to Work: What Makes Some Employers So Good—And Most So Bad*, he discussed great workplaces in terms of relationships and put forth the definition of a Great Place to Work that opened this chapter and that appears throughout this book.

Specifically, he identified the relationships between employees and their leaders, between employees and their jobs, and between employees and each other as the indicators of a great place to work. Relationships at work matter, and in particular, the centrality of these three relationships influenced people's loyalty, commitment, and willingness to contribute to organizational goals and priorities. If leaders implemented practices and created programs and policies that contributed to these three relationships, employees had a great workplace experience. It mattered less what the programs, policies, and practices were, and more that they were done in a way that strengthened relationships. The Great Place to Work Model (see Figure 1.1) was developed during this time by the Institute's founders, Robert Levering and Amy Lyman. The Model was later formalized and today has five dimensions, which form the core chapters of this book: Credibility, Respect, Fairness (which, put together, comprise Trust); Pride; and Camaraderie.



Figure 1.1 The Great Place to Work Model

In the late 1990s, FORTUNE magazine approached the Institute to develop an annual list of the best companies to work for in America. Now the FORTUNE 100 Best Companies to Work For® list is released every January in one of the magazine's best-selling issues. While the FORTUNE list tends to showcase the perks and benefits that employees in those companies enjoy, those perks are not the reason the companies made the list in the first place. They made the list because of their leaders' ability to create strong relationships. They made the list because of the five dimensions.

Not only have these five hallmarks stood the test of time, they are also applicable to companies regardless of size or geographic location. The idea of great workplaces and the practical Model quickly spread beyond the United States. Now, in over 40 countries around the world, the Great Place to Work Institute has shown that organizations and their employees thrive when these hallmarks are woven into actions on the part of their leaders.

All told, the Institute surveys 2 million people and gathers data on the cultures of nearly 6,000 companies worldwide every year. We evaluate companies for list membership using consistent methodology, whether the company is 60 people or 6,000, located in Brazil or India. In these evaluations, we assess two aspects of workplaces. The first aspect, weighted more heavily, is the employee experience. The Institute administers a survey called the Trust Index® to determine the consistency of trust, pride, and camaraderie in the workplace and to learn directly from employees what makes their workplace great.

The second aspect we evaluate for our best companies lists are the programs, policies, and practices leaders put in place for their employees. Using our Culture Audit®, trained evaluators assess each organization, and care is taken to calibrate ratings across the hundreds of companies that apply each year. From the Culture Audits, the Institute gathers thousands of best practices that, like the survey's employee comments, breathe life into the concepts of trust, pride, and camaraderie. These practices range from Boston Consulting Group's policy of giving seasoned