The Best Companies to Work For: How Do Organizations Get On That Prestigious List

Jill M. Morris
St. John Fisher College

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The Best Companies to Work For: How Do Organizations Get On That Prestigious List

Abstract
Fortune Magazine has "The 100 Best Companies To Work For." HR Magazine has " The 50 Best Small and Medium Companies to Work For." Every year thousands of companies compete to become a "Best Company." This research study examines the five dimensions that establish a "Best Company." Extent research and literature has been examined to further understand each of the dimensions. Representatives of four "Best Companies" were interviewed to gain insight into policies, practices and procedures that have made each organization a "Best Company." The information gathered was then compiled to identify four key themes lending to practical suggestions other organization could use to help get onto a "Best Company"- list. These themes are: (1) the importance of training; (2) the organization's need to support its employees; (3) a strong emphasis on communication; (4) the importance of recognizing employees' efforts.

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Thank you to my family: for without their endless support throughout my life and schooling, I would not have accomplished all that I have. Thank you for understanding when I ignored you to sit in front of the computer and missed dinner to attend study groups. Thank you for working with me through my trials and celebrating my successes.

Thank you to my cohort. The constant support shared throughout this program has meant so very much. Thank you for the good times and the laughter.
Abstract

*Fortune Magazine* has “The 100 Best Companies To Work For.” *HR Magazine* has “The 50 Best Small and Medium Companies to Work For.” Every year thousands of companies compete to become a “Best Company.”

This research study examines the five dimensions that establish a “Best Company.” Extent research and literature has been examined to further understand each of the dimensions. Representatives of four “Best Companies” were interviewed to gain insight into policies, practices and procedures that have made each organization a “Best Company.” The information gathered was then compiled to identify four key themes lending to practical suggestions other organization could use to help get onto a “Best Company” list. These themes are: (1) the importance of training; (2) the organization’s need to support its employees; (3) a strong emphasis on communication; (4) the importance of recognizing employees’ efforts.
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Chapter 1

Introduction

Overview

*Fortune* has “The 100 Best Companies to Work For.” *HR Magazine* has, “The 50 Best Small and Medium Companies to Work For.” How do organizations get on these lists, and what does it mean for them if they do?

Great Places to Work Institute scores these companies on a number of different aspects. Two-thirds of the score is based on a survey entitled, “Great Places to Work Trust Index,” as well as written comments submitted by employees. The remaining one-third of a company’s score is an evaluation of the company’s response to the Institute’s Cultural Audit (Levering & Moskowitz, 2002).

There are five aspects upon which each company is evaluated: credibility, respect, fairness, pride and camaraderie. Credibility, respect and fairness are considered to be the dimensions that make up trust in an organization.

Organizational Benefits

There are a number of organizational benefits for companies making the list. “Companies rated high by their employees are also more efficient, productive and have more quality goods and services” (Brown, 1993).
Organizations that rank as one of the “Best Companies” typically see a large increase in their applicant pool. This allows the company a broader selection of employees from which to choose, which, in turn, typically raises the quality of new hire selections. Organizations that have been named one of “The Best Companies” have lower turnover rates, reductions in health care costs and higher levels of customer satisfaction. They also tend to have employees who are more innovative and creative, and are also more likely to take calculated risks. Hence, the organization tends to have higher productivity and is more profitable.

Problem Statement

*Fortune* and *HR Magazine* have encouraged organizations in the pursuit of continuous improvement. To create their list of “The Best Companies to Work For,” these magazines use the Great Places to Work Index, developed by Great Places to Work Institute.

Although the competition to get on the lists is intense, there is very little information about how an organization can actually get on the “Best Companies to Work For” list. The Institute is very secretive about what aspects are on the Work Index. Organizations can only discover the criteria by going through the application process and being reviewed by The Institute.
**Purpose of Study**

The purpose of this study was to identify some of the policies, practices and procedures of organizations that have made the “Best Companies” list. This study then compiled practical suggestions for any organization to consider if it intends to apply to become a “Best Company.”

**Research Questions**

1. What do the best companies to work for do to make them the best companies to work for?
2. What practices and beliefs do other organizations need to have in order to get onto the list of being one of the best companies to work for?

**Significance of Study**

This study may be useful to the HRD community because it provides practical suggestions any organization can incorporate to become a desirable company for employees to work. Each of the five dimensions of the Greatest Places to Work Assessment has been explored. Suggestions were created regarding how to improve on each dimension in order to obtain a passing score on the assessment.

This study consolidated key information and then developed guidelines that organizations can use to improve their company, and perhaps become one of the best companies for which to work. Using these guidelines, human resource development professionals can create change strategies to help their organization join the prestigious lists.
Conceptual Framework

Guiding this research has been be *Fortune's* "The 100 Best Companies to Work For," from 2002 to 2004, as well as *HR Magazine's* "The 50 Best Small and Medium Companies to Work For," from July of 2004.

*Fortune* briefly discussed several key elements of success, such as job growth, hours of training provided for employees and the average annual pay. The article also discusses employees' opinions about what they believe makes their company a "Best Company to Work For."

*HR Magazine* briefly provided the pertinent facts about training hours provided, and the demographics of the employees. This magazine also included interviews with employees of some of the companies that made the list. There is a summary of what the employees deem to be important within the company that makes that organization the best company for which to work.
Definitions

“Best Companies” – a company that made the “Best Company to Work For” list

Great Places to Work Index (the Work Index) – the survey and interviewing process
    used by the institute to evaluate each organization

Great Places to Work Institute (the Institute) – the independent organization used by
    Fortune and HR Magazine to create the “Best Places to Work For” list

Five Dimensions of a Great Place to Work – (1) Credibility, (2) Respect, (3) Fairness,
    (4) Pride and (5) Camaraderie

Trust – the essential ingredient for the workplace relationships between the employees
    and the employer; composed of credibility, respect and fairness

Credibility – regular communication with employees about the company’s direction and
    plans, and the solicitation of their ideas; words must be followed by action

Respect – providing employees with equipment, resources and training they need in
    order to do their job, appreciating good work and extra effort

Fairness – receiving equitable opportunity for recognition; decisions are made
    impartially and without discrimination

Pride – the workplace relationship between the employee and their jobs/company

Camaraderie – the workplace relationship between the employee and other employees
Chapter 2

Literature Review

The Great Place to Work Institute, founded by Robert Levering, a best-selling author, and Amy Lyman, an organizational consultant, is an international institution. This organization evaluates and ranks companies to earn a place on the "Best Companies to Work For" lists published by Fortune and HR Magazine. The Institute is dedicated to building a better society by helping organizations transform their workplace into a "great place" by offering tools and services to help companies become more effective.

The Institute has created The Greatest Places to Work Index, which is designed as an assessment of five corporate attributes: Credibility, Respect, Fairness, Pride and Camaraderie. According to The Index, these dimensions are not mutually exclusive, but rather reinforcing and collectively supportive of a "Great Place to Work." This chapter will review the five dimensions respectively.

Trust

Trust is comprised of credibility, respect and fairness. The Great Places to Work Institute defines trust as, "the essential ingredient for the primary workplace relationship between the employee and the employer" (http://www.greatplacetowork.com).

Trust has an integral part in the relationship between employees and their organization. In the workplace, trust between the manager and the employee is an important component
for a healthy work environment. Wells and Kipnis (2001) found that without trust, there is a tendency for people to attempt to control the behavior of individuals that are not trusted. The less trusted an employee is, the more the managers try to control him or her. Additionally, Perry and Mankin (2004), state that an aspect of trust is that a trustful person's actions will be, “beneficial, favorable, or at least not detrimental to one’s interests” (p. 278).

Credibility

Credibility, an aspect of trust, is expressed when “what [managers] say is true, that their actions are consistent with their words, and that they will be ethical in their business practices” (Lyman, 2003, p. 25).

A good beginning to earning credibility is to solicit ideas from the individuals involved. The group should decide on the goals to be met and how to achieve them. The credibility dimension involves a person following through with actions discussed by everyone to reach the company’s goals. Those “who are deemed trustworthy possess the attributes of credibility and competence” (Mankin & Perry, 2004, p. 278). This means they are truthful, reliable, approachable, and carry through on promises.

Pagano and Pagano (2004) state that there are nine steps that people can take to become more credible.
Step one - Deliver Bad News Well. If bad news must be delivered, it should be done as soon as possible and with honesty and directness. Be sure to take some care and concern to lessen the impact on the person who is receiving bad news.

Step Two - Be Overwhelmingly Honest. Credibility is about doing what you say you’ll do. From the start, identify what can and cannot be accomplished. You need to be open and honest about every step. This will enhance your credibility with those around you.

Step Three - Gathering Intelligence. Ask others for their opinions. This shows respect and increases the individual’s feeling of self worth. The feedback shared by the employee allows the manager to develop an action plan that better aligns the manager with the employee’s expectations. This also allows the staff to be part of the solution and not part of the problem.

Step Four – Be Composed. It is important to show one’s abilities to overcome challenges. Remaining composed in the face of difficulties adds to one’s credibility. Problems may arise, but remaining composed will give the appearance of confidence and trustworthiness.

Step Five – Letting Your Guard Down. Let others get to know you, your values, and your interests. This requires maturity and self-awareness because of how others may perceive you. Letting your guard down allows others to become acquainted with your personality
so trust can be developed in your ability to accomplish goals and lead to reinforcing your credibility.

*Step Six – Keeping Promises.* Again, this is making sure you do what you say you’re going to do. If you make a promise, others are going to expect you to follow through. Credibility increases with every promise that is kept. However, if promises do have to be broken, explain the reasoning behind it. Most often people will be more understanding toward broken promises if they are told the circumstances behind the decision.

*Step Seven – Properly Handling Mistakes.* No one is perfect. Sometimes mistakes will be made. It is essential to address them honestly and not try to cover them up. “Confessing mistakes signals courage, accountability and humility” (Pagano & Pagano, 2004, p. 22).

*Step Eight – Avoiding Destructive Comments.* It is important to pay attention to the language a manager uses, as well as the subject matter. Delivering criticism in a positive and reassuring manner will allow employees to accept the information more easily. The manager will also be perceived as an enabler to personal development rather than a gossip or just plain mean.

*Step Nine – Showing Others You Care.* It is important to emphasize the value of quality and productivity. However, it is just as crucial to show an appreciation for jobs well done. A manager can simply tell an employee he or she did a good job, or reward
employees with a small token of recognition like movie tickets or a gift certificate to dinner. Employees will know their managers care about the quality of work they do.

Respect

Respect is needed throughout organizations because it has a direct impact on how employees relate to each other. Indirectly, this could impact the organization, and its productivity.

Respect is shown “through support provided for professional growth, the inclusion of employees’ ideas in decision-making, and through care, both within the workplace and in life outside of work” (Lyman, 2003, p. 25). Respecting employees involves rewarding good work and extra effort. Employees will be more inclined to respect their employers if they are made to feel a vital part of the organization.

It is necessary to make employees feel their jobs are important. In truth, their jobs are important. This can be done easily through communication and education. Tell employees how their job relates to the company’s goals and provide tools for development and training to allow them to do it better (Koblenz, 2003). Koblenz (2003) supports Lyman’s (2003) definition in that employees and their opinions should be taken into consideration when making decisions.

Most employees have families and lives outside of work. Respected employers are ones who encourage a work/life balance and are concerned with the well-being of the
employees and their families. This concern is shown, in part, through offering compensation and benefits. (Koblenz, 2003). Benefits are an institutionalized method of providing for an employee’s work/life balance.

Benefits are more than just medical, dental and a 401k. Organizations that respect an employee’s work/life balance have benefits like flex-time, where employees do not have to work the regular 9 to 5, but instead can work 7 to 3:30 or 11 to 7.

Job Sharing is another example. This benefit is where more than one person does the same job, but at different times. One person could come in and work the morning, then could be relieved by a second person who continues with the same job in the afternoon.

**Fairness**

A fair organization is one in which an employee, “regardless of position or personal characteristics, can expect a certain level of fair and equitable treatment by people within the organization in terms of pay and benefits, career development opportunities, and the just resolution of problems or concerns” (Lyman, 2003, p. 25). “In order to lead others, one must first serve them” (Lyman, 2003, p. 26). This thought reflects ideas first stated by Frederick Taylor back in the early 20th century (Weisbord, 2004). Taylor believed the best way to manage was to serve the employees. A good manager needs to be available to remove roadblocks for employees and provide information or suggestions as needed by employees.
Pride

Pride is, “the workplace relationship between employees and their jobs or company” (http://www.greatplacetowork.com). Pride comes to individuals in different forms. All organizations should include goals within their mission statements or corporate objectives in order to energize the employees and make them feel positive about their jobs.

When an employee is able to take pride in his or her work, they tend to be more productive and efficient (Gavin & Mason, 2004). Pride is shown by employees in how well they do their job, and how they present their jobs to others.

In a case study done by Bakos and Frasier (2004), the focus of their study was partially on encouraging pride in one’s work. When employees were observed performing aspects of their job well, they were recognized and rewarded. The most prized acknowledgement was a handwritten thank you from the employee’s supervisor. This is a good example of the fact that it takes very little effort to encourage people to take pride in their work.

There is another type of person, one who does not like public acknowledgement of the work they do. They have pride in themselves and what they accomplish. They are satisfied in knowing they did a good job, without someone else needing to say so.

Camaraderie

Camaraderie is, “the workplace relationship between the employee and other employees” (http://www.greatplacetowork.com). Camaraderie within a team can be a powerful
motivator (Neumann, Glockner, Hite & Taylor, 1993). A team with a strong sense of camaraderie can be immensely more productive and effective. Employees that have a strong feeling of camaraderie with their peers can build off each other’s strengths and lend support to weaknesses.

Camaraderie is not just between peers, but between employees and executives as well. It can be nurtured through “water cooler chats,” or informal meetings where people feel open to discuss ideas and opinions. Camaraderie can extend beyond the workplace. Company sponsored events give an opportunity to employees to build relationships with fellow co-workers in a more social setting.

This Research Study

What are clearly missing from the current research are practical guidelines for organizations to follow on how to become exemplary at these dimensions so as to become a “Best Company.”

The following research study addresses the gap between the “Best Companies” and other organizations. Representatives from four companies that have made the “Best Companies” were interviewed. From these interviews, practical suggestions were derived that can be applied to help any organization be eligible to become a “Best Company.”
Summary

Every year thousands of companies apply to the Great Place to Work Institute in an attempt to become a "Best Company." However, only a few companies receive the honor of being selected as a "Best Company." As described, the "Best Companies" are those that succeed in having a trusting relationship between management and employees. This is accomplished by having all employees of every rank be credible, respect each other and the organization they work for, and adhere to a common standard of fairness. The "Best Companies" continue to thrive because the people of the organizations show pride in their work and encourage camaraderie among employees.

This study takes the understanding of "Best Companies" to the next level by investigating how some of the "Best Companies" actually create trust, respect and fairness in their environment.
Chapter 3

Method

Introduction

This qualitative research project is based on “The Best Companies to Work For” lists in Fortune Magazine and HR Magazine. This study consisted of interviews with five representatives from organizations located in the Northeastern United States that have made the “Best Companies” lists within the last three years.

Qualitative Approach

The methodology for this study is qualitative so as to find common themes among organizations that have made them a “Best Company.” This research is not a test of theories or constructs, but rather a multi-case exploration of best practices.

Design and Participants

1. Wegman’s Food Market, Inc. Wegman’s began in 1915 with a small family owned grocery store and a fruit cart that was pushed through the streets of Rochester, New York, by the Wegman’s children. Wegman’s was known for its innovation, being the first to introduce refrigerated displays, vaporized water to keep produce fresh, and frozen foods. Today, Wegman’s is continuing to grow and innovate. They do over $3 billion in annual sales and employ over 32,000 people. In 2005, Wegman’s became Fortune Magazine’s number one “Best Company to Work For.” (http://www.wegmans.com).
The Wegman’s interview was with the Manager of Consumer Services & Public Relations. She has worked for Wegman’s in different capacities for over twenty years. She began her career with Wegman’s as a part-time pharmacy technician. Later, she went from part-time to full-time in a new role as a Customer Service Specialist, a division of Consumer Affairs. For the past thirteen years, this participant has been the Manager of Consumer Services & Public Relations, and she enjoys her work immensely.

2. Starbucks Corporation. Starbucks opened its first coffee shop in 1971 in the famous Pike’s Place Market in Seattle, Washington. Through the years, Starbucks expanded with other shops, portable coffee bars, and locations in Barnes & Noble bookstores. Today, Starbucks is an international organization with 8,377 locations around the world, earning $4.1 billion in revenues and was ranked the second “Best Company to Work For” in 2005. (http://www.starbucks.com).

The Starbucks interview was with a store manager. This participant has been in the specialty food business for close to thirty years. He joined the Starbucks Corporation about seven and a half years ago. Today, he has the most profitable location in Rochester, New York, with revenues of over a million dollars per year.

3. Green Mountain Coffee Roasters, Inc. Green Mountain Coffee Roasters Inc. started as a little coffee shop in Waitsfield, Vermont. Before long, the demand for this specialty coffee had increased tremendously. Restaurants and hotels were asking for delivery of the coffee and equipment. Skiers and travelers asked for the coffee to be sent to their
homes. Now Green Mountain Coffee Roasters is a $137 million business (http://www.gmcr.com). *HR Magazine* has ranked Green Mountain Coffee Roasters as the ninth best medium sized company for which to work.

The Green Mountain Coffee Roasters interview was with the Organizational Development Coordinator/ Specialist and Assistant to Vice President of Human Resources and Organizational Development. Green Mountain Coffee Roasters was her first job after graduating college. She has been with the company for two years.

4. *Paychex, Inc.* Paychex began its operation with 40 clients operating under the name of Paymaster. Paymaster had only one employee, Tom Golisano. Paychex has won many prestigious titles as an up and coming company to watch. Now, Paychex is a nationwide organization with over half a million clients (http://www.paychex.com) earning approximately $1.3 billion in revenues. Paychex has continued to expand and is now entering the European market with facilities in Germany and plans to expand even further.

Paychex ranked prominently on *Fortune*’s “100 Best Companies to Work For” four of the past five years. Paychex chose not to apply for the list in 2005 because they did not believe the organization had anything new to offer. However, they will be applying for the 2006 list.
The Paychex interview was with the Human Resource Program Manager. She has been with Paychex for almost two years.

Data Collection Procedure

Two interviews were conducted in person, one was conducted via e-mail surveys and one by telephone. Each interview lasted between 45 minutes and one hour. The interviews were conducted between March 21, 2005 and March 28, 2005.

Measures

A seven-item questionnaire was created based on the subject’s professional background and the six dimensions The Great Place to Work Index focuses on. The questions were as follows:

1) What is your professional background?
   a. What position do you hold with the organization?
   b. How long have you been employed with the organization?

2) The Great Places to Work Institute define trust as, “the essential ingredient for the primary workplace relationship between the employee and the employer.”
   a. What are your thoughts regarding that definition?
   b. Does your organization promote the instillation of trust?
   c. What are some examples?

3) Credibility is defined by The Institute as, “managers regularly communicating with employees about the company’s direction and plans – and solicit their ideas.”
The Institute implies that for an organization to be credible, its words must be followed by action.

a. What are your thoughts regarding that definition?

b. Does your organization promote the image of being credible?

c. What are some examples?

4) The Institute states, "Respect involves providing employees with the equipment, resources, and training they need to do their job." Another key aspect of respect involves rewarding good work and extra effort.

a. What are your thoughts regarding that definition?

b. Do the employees of your organization believe their employers to be respectable?

c. What are some examples?

5) The Great Places to Work Institute believe a fair organization is one that shares its economic success equitably through benefit and compensation programs. All employees receive recognition and equal opportunity for advancement.

a. What are your thoughts regarding that definition?

b. Does your organization promote fairness?

c. What are some examples?

6) The Institute states that pride is, "the workplace relationship between employees and their jobs or company."

a. What are your thoughts regarding that definition?

b. Does your organization encourage pride throughout the company?

c. What are some examples?
Chapter 4

Key Research Findings

Purpose of Research

This qualitative research project is based on “The Best Companies to Work For” lists in *Fortune Magazine* and *HR Magazine*. This study consisted of interviews with four representatives from organizations located in the Northeastern United States that have made the “Best Companies” lists within the last three years.

Every year thousands of organizations apply to The Great Place to Work Institute for a chance to be listed in *Fortune’s* or *HR Magazine’s* “Best Companies to Work For” list. Representatives of four organizations that have made these lists were interviewed for this study. This chapter provides a summary of the responses derived from the interviews and the key findings from the data.

<table>
<thead>
<tr>
<th>Trust</th>
<th>the essential ingredient for the primary workplace relationship between the employee and the employer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wegman’s</td>
<td>The Manager of Customer Services and Public Relations wholeheartedly agreed that trust is an essential ingredient in the workplace. Trust is the basis for all good relationships, and every organization should begin by establishing trust.</td>
</tr>
<tr>
<td></td>
<td>Wegman’s readily shares information with its employees on a regular basis. Wegman’s makes sure the employees know important</td>
</tr>
<tr>
<td>Company</td>
<td>Description</td>
</tr>
<tr>
<td>---------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Starbucks</td>
<td>To show trust and respect for the people that work for them, Starbucks calls them partners, never employees. Starbucks mission is the prime example of the relationship Starbucks want to have with its partners. The mission statement is comprised of six aspects:</td>
</tr>
<tr>
<td></td>
<td>• Provide a great work environment and treat each other with respect and dignity.</td>
</tr>
<tr>
<td></td>
<td>• Embrace diversity as an essential component in the way we do business.</td>
</tr>
<tr>
<td></td>
<td>• Apply the highest standards of excellence to the purchasing, roasting and fresh delivery of our coffee.</td>
</tr>
<tr>
<td></td>
<td>• Develop enthusiastically satisfied customers all of the time.</td>
</tr>
<tr>
<td></td>
<td>• Contribute positively to our communities and our environment</td>
</tr>
<tr>
<td></td>
<td>• Recognize that profitability is essential to our future success.</td>
</tr>
<tr>
<td></td>
<td>With these aspects clearly defined, trust is built between partners and the organization.</td>
</tr>
<tr>
<td>Green Mountain</td>
<td>It is important to realize that there are actually two employers to be focused on when discussing the relationship between employees and employers. One employer in an employee's direct supervisor, and another is the general management of the organization.</td>
</tr>
</tbody>
</table>
|               | Green Mountain conveys a trusting organization by having an open
<p>| Paychex | Paychex employees have a strong sense of trust in their organization. The employees trust in the stability of the organization and with that that the organization will take care of them. Paychex continues to grow and expand, even through tough economic times. Every year, Paychex tries to do more to help their employees. |
| Credibility | what managers say is true, that their actions are consistent with their words, and that they will be ethical in their business practices |
| Wegman’s | Credibility is an important element in Wegman’s culture. Two-way communication is strongly encouraged. Employees’ ideas are often solicited in forms of focus groups and employee luncheons with open forums. Jack DePeters is the Vice President of Store Operations. Employees that have problems or employees complimenting each other are encouraged to e-mail Jack DePeters. Every week DePeters posts the e-mails on the company intranet along with his response to every message submitted. Open communication continues when employees looking for career |</p>
<table>
<thead>
<tr>
<th>Company</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Starbucks</td>
<td>Every week a company newsletter is sent out. This explains new programs, sales or available trainings. There are also voice mail messages sent out from the Regional Managers and District Managers. Starbucks has a program called “Mission Review.” The Mission Review has a number of applications. Partners use the Mission Review to submit ideas to the “high ups.” It can be used to compliment a partner for going above and beyond their job responsibilities. This program can also be used to submit criticism that partners feel need to be addressed. The Starbucks Corporation values the Mission Reviews so much that they respond to every single Review, often within four weeks.</td>
</tr>
<tr>
<td>Green Mountain</td>
<td>Green Mountain strives to be credible through regular communications and soliciting employees’ ideas. This is accomplished through department meetings where employees are</td>
</tr>
</tbody>
</table>
| Paychex | Paychex puts great effort into communicating with all employees. There are daily news announcements posted on the company intranet, and supervisors have weekly staff meetings.

Paychex solicits employee feedback by way of a support center. This is where any employee can call in with ideas or concerns. Each item is logged and addressed by a member of the Human Resource staff.

Occasionally Paychex will host focus groups. This is a helpful way to solicit ideas and opinions from employees on certain programs or services. |

| Respect | through support provided for professional growth, the inclusion of employees’ ideas in decision-making, and through care, both within the workplace and in life outside of work |

| Wegman’s | The representative from Wegman’s agreed that respecting employees involves providing them with the tools necessary for them to succeed. She would add to the definition a segment about respecting differences: culture, ethnicity, age, etc. |

Wegman’s has a link on their website, “Who We Are.” This site lists Wegman’s values. “Our people choose us because:
- We care about and listen to our people
- High Standards are a way of life. We pursue excellence in everything we do.
- We make a difference in every community we serve
- We respect our people
- We empower our people to make decisions that improve their work and benefit our customers and our company” (http://www.wegmans.com).

Wegman’s also sees the advantage of having a well-trained staff. On average, Wegman’s will have over a hundred hours of training per employee per year (Levering, 2004). Wegman’s trainings are often referred to as Universities. There is the Meat University, and the Seafood University and so on. Each department has its own university that trains every employee working in that department on everything they may need to know. This way they are knowledgeable about their area and products and can better serve the customer.

<p>| Starbucks | Starbucks does a number of training modules for its partners. All new hires go through 18 to 20 hours of training. There are modules for baristas, operating equipment, register training and many more. All these trainings are preparing new partners for the Starbucks culture. |</p>
<table>
<thead>
<tr>
<th>Company</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Starbucks</td>
<td>Starbucks realizes that not everyone knows how to resolve every issue. Each partner is supplied with a tri-fold business card of support services that can be called by any partner at any time. For example, there is the Business Conduct line where partners can call about anything they find questionable in the store. The media relations line can aid any partner in what to do if a reporter would like to interview the store and its partners.</td>
</tr>
<tr>
<td>Green Mountain</td>
<td>It is critical to the success of an organization to supply employees with the resources and training they need to do their jobs. Green Mountain provides its employees with job specific training regarding both information and equipment. Computers are upgraded on a regular basis to aid in job efficiency. There are also a number of trainings to improve employees’ job skills.</td>
</tr>
<tr>
<td>Paychex</td>
<td>Paychex provides over a hundred hours of training per person, per year. They have created the University of Paychex. Where at any one-week there are one to two hundred employees present. At the University, they have management trainings in which managers can learn situational management, recruiting techniques, disciplinary actions, and other helpful skills. There are trainings on managing projects, trainings for changing position within the company, trainings on almost everything an employee would need. Paychex also has “The Big Picture” training program. Within the</td>
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first six months of being hired, a new employee goes through two half-day sessions of trainings which include discussions with the CEO, the Vice President of Sales, the head of Human Resources or Training, etc.

Paychex is committed to their employees and making sure they have the right resources and trainings to be the best at their job. This is one of the reasons Paychex has a tuition assistance program in which employees can receive up to $5,500 per year for continuing their education in field relative to their position.

*Training Magazine* will be ranking Paychex as number 20 on the “Best Training Organizations” list of 2005.

<table>
<thead>
<tr>
<th>Fairness</th>
<th>that regardless of position or personal characteristics, an employee can expect a certain level of fair and equitable treatment by people within the organization in terms of pay and benefits, career development opportunities, and the just resolution of problems or concerns</th>
</tr>
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<tbody>
<tr>
<td>Wegman’s</td>
<td>Wegman’s has a fair and competitive benefit program. Benefits such as medical, dental and so forth are equally available for all full-time employees. There are even more benefits offered to all employees, part-time or full-time. Wegman’s created a scholarship program in 1984 in which any employee who works a set number of hours is eligible for up to $1,500 per year. Every employee can get their prescriptions for only five dollars. Wegman’s has a program for</td>
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<td>Company</td>
<td>Description</td>
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<td>adoption assistance in which an employee is eligible for up to $5,000 in a twelve-month period, with a maximum of $10,000 to aid in an adoption.</td>
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<tr>
<td>Starbucks</td>
<td>Starbucks has some very industry specific benefits. All partners can receive one pound of free coffee per week. For every shift worked, the partners can have three complimentary beverages.</td>
</tr>
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<td></td>
<td>There are more traditional benefits, such as every partner receives a 30% discount on everything in the store. All partners who work 20 hours a week or more are eligible for benefits like medical, vision, dental and so on. However, the partners only pay 25% of the cost of the benefits; Starbucks picks up the other 75%.</td>
</tr>
<tr>
<td>Green Mountain</td>
<td>Green Mountain believes itself to be a fair organization and is working hard to become even better. The company offers competitive benefits and strives to offer all employees a livable wage.</td>
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<tr>
<td></td>
<td>Green Mountain also works on improving current benefits. For example, they have increased the number of scholarships available to employees and their children and have instituted a new adoption benefit for employees adopting a child.</td>
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<tr>
<td>Paychex</td>
<td>Paychex offers the standard health care benefits, but at a considerably lower deductible than their competitors. Paychex provides a report that tells employees how the benefits they receive enhance their</td>
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</tbody>
</table>
paycheck. For example, an employee may make $25,000 a year, but
he or she is receiving $5,000 in benefits.

Paychex has a series of programs called “Wellness and Well Power.”
This initiative offers employees a smoking cessation program, a
weight loss program and health screenings. There is a health
advocate who is a dedicated licensed nurse offering suggestions as to
who and where people can go to get the help they are searching for.

Paychex is conscientious of the work/life balance its employees need.
If an employee is looking for a kennel for his or her dog, Paychex
will help. If an employee has an aging family member needing home
aid or to be placed in a nursing facility, Paychex will help.

Paychex has an ergonomic department where ergonomic specialists
go to employees’ work areas and create an ergonomically healthy
workplace.

<table>
<thead>
<tr>
<th>Pride</th>
<th>the workplace relationship between employees and their jobs or company</th>
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</table>
| Wegman’s | Wegman’s employees often show pride in their company. When
| | Wegman’s receives accolades, such as being the number one “Best
| | Company to Work For,” the entire company celebrates. Wegman’s
| | sees it as important to celebrate success with everyone. |
| Starbucks | Starbucks has “The Green Apron Book.” In this book, are five principles Starbucks prides itself on: be involved, be considerate, be knowledgeable, be welcoming and be genuine. Partners that have pride in their job show these qualities every day. |
| Green Mountain | Green Mountain has a set of principles that state that Personal Excellence is built on a high level of skills, knowledge, self-awareness, self-motivation and respectful intentions towards all. The company believes that the employees take great pride in their jobs and strive to be the best because they take pride in the work environment. There are examples everywhere throughout Green Mountain of employees taking pride in their jobs. Employees get excited when they get to share their knowledge with their peers when a project they have been working on is highlighted in the organization. A member of the sales force drove two extra hours to drop off coffee
<table>
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<tr>
<th>Paychex</th>
<th>Many Paychex employees have pride in their organization. Paychex has never had to layoff employees; in fact, the company continues to grow and hire more. Not many organizations can say that, especially during this economically sluggish time. For three consecutive years, Paychex has made <em>Fortune</em>’s “100 Best Companies to Work For” list.</th>
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<tr>
<td>Camaraderie</td>
<td>the workplace relationship between the employee and other employees</td>
</tr>
<tr>
<td>Wegman’s</td>
<td>The representative believes that camaraderie is missing in most other workplaces. Many companies discourage employees getting together outside of work. To encourage camaraderie, Wegman’s has created sports leagues. The company supports softball team and volleyball teams. Often times employees will lend assistance to community projects and improvement plans.</td>
</tr>
<tr>
<td>Starbucks</td>
<td>Starbucks encourage camaraderie in a two-fold effort. First, partners get together outside of work. The second is they get together for a community purpose. For example, every year in Rochester there is an AIDS Walk, which is a fund raising event to benefit local AIDS program and AIDS</td>
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</table>
research nationwide. Starbucks is a major sponsor of this event and the organization asks partners to help serve drinks at the event and encourages them to participate in the walk as well.

Starbucks is the largest supporter of CARE, an organization dedicated to helping poor communities in 70 countries. Many Starbucks’ partners develop teams to go out and help the CARE program. To help encourage this type of camaraderie, Starbucks pays its partners $10 per hour of volunteer, up to $10,000.

Other times, partners get together in a more casual type of event. For example, all the Rochester area partners and their families were invited to a sledding party this past winter.

Starbucks has a division called Thrive. This is a place where partners can order needed gear with the Starbucks logo for company-sponsored sports teams, etc.

| Green Mountain | Green Mountain wants its employees to enjoy coming to work and have a sense that there is a collaborative environment. To promote camaraderie throughout the organizations, Green Mountain has a Random Acts of Kindness (RAK) program in which employees thank one another for going the extra mile. There are “After Action Reviews” where, when a mistake is made, employees across the |
| Paychex | Paychex employees have a strong sense of camaraderie in the workplace. Employees are friendly and help one another on large projects, or every day tasks. Every year there are company sponsored clam bakes, Christmas parties, and other events. This provides employees with the ability to get together without work being the primary focus. |

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**Key Findings**

Based on the interview responses from the four organization representatives interviewed, four key themes emerged:

1) Strong emphasis on training – the “Best Companies” spend a great deal of time and money to ensure their employees are receiving the correct amount of pertinent training.

2) Supporting employees – the “Best Companies” support their employees through such efforts as the organization paying a greater amount of health care benefit premiums, supporting extra curricular activities, and offering free food.

3) Strong Communication – the “Best Companies” communicate through e-mail, conferences, meetings, but also have the executives go out to the locations and talk with the employees, and encourage a true open-door policy.

4) Recognition – the “Best Companies” recognize their employees publicly and provide small tokens of appreciation for work well done.
In Chapter 5 each of these four themes will be discussed in greater detail. Included will be practical suggestions on how any organization can improve in each of these areas.
Chapter 5

Research Analysis

This chapter will briefly review the findings from this study and identify a few common themes. It will then discuss the implications to HRD practice. There will be practical suggestions for organizations working towards becoming a “Best Company.” It will conclude with a few recommendations for future research.

Summary of Key Findings

As stated in Chapter 4, the following are practices and philosophies each of the “Best Companies” share:

1. Strong emphasis on training
2. Supporting employees
3. Strong Communication
4. Recognition

Discussion of theme one: Training

All of the organizations researched had a firm commitment to training. These organizations provide many hours of training and an extensive curriculum to prepare the employees to do the best job they can. Training seems to be an integral part of the organizational strategy.
Having a strong focus on training provides many benefits for both the organization and its employees. For an organization, proper training can lead to lower employee turnover and higher productivity. An organization’s dedication to training communicates to employees the company’s desire to keep its people employable, and prepared for the future. When proper training is provided, employees are more confident in their abilities and employee morale increases. The costs involved in training and development, and providing growth opportunities for employees is relatively low (Drizin & Schneider, 2004).

Training does more than just help employees learn job skills. Effective training can help retain and motivate employees, and increase productivity and innovation (Noe, 2002). Effective training can also be the means to creating a competitive advantage in an industry, leading to a high performance working environment (Pfeffer & Veiga, 1999).

The commitment of the “Best Companies” to training is not surprising to the researcher. In the past, this researcher has worked for companies that do not have a commitment to training, and for organizations that do have a strong focus on training. Working for training focused organizations was a much more enjoyable work experience and created a loyalty to the organization even after leaving the company.
Discussion of theme two: Supporting Employees

The “Best Companies” support their employees. They have identified benefits and “perks” that are important to employees, and then also created ways to help employees in accomplishing personal and professional goals. It is not surprising that people want to work for an organization that cares about their employees as much, if not more, than just the bottom line. A company showing they care about their employees can have many positive effects: employees will feel and show pride in both their work and their company; they will work harder; productivity can go up; and customer satisfaction is almost always improved.

Many employees want to develop skills and knowledge that will help them succeed professionally. This can be accomplished through company offered scholarships and tuition reimbursement programs for continuing education. Such programs do not just benefit the employee. “Employees tend to work harder and exhibit loyal behavior during the time they work for organizations that provide development opportunities. They’ll be more motivated, work harder, and stay longer” (Drizin & Schneider, 2004, p. 43). These scholarships and tuition reimbursement programs should not be limited to only fields related to the employee’s current position. Allowing a range of studies provides well-rounded employees that can bring different points of view to the work environment.

Food is a surprisingly motivating “perk” for management to provide employees. As a new manager, this researcher has often “bribed” her employees by bringing snacks into
work. The employees appreciated the food. In return, the employees were happier and more productive.

It has been this researcher’s experience that employees will work harder for managers or organizations that are respectful and show interest in employees’ lives. The researcher has seen in her own work environment that employees will work harder for managers who inquire about the employee’s life and interests. Those same employees will also tend to be more obstinate toward the managers who just give orders and do not seem to care about the employees as people.

The researcher has also worked for organizations that have offered financial assistance for continuing education, and organizations that have not. She has more respect and loyalty for the organization that offered a scholarship, and harbored negative feelings toward the organization that did not.

Discussion of theme three: Strong Communication

The key to strong communication is to ensure that it is two-way. The “Best Companies” use many vehicles for communication such as e-mail, managers’ meetings, teleconferencing, intranet, and newsletters. In person conversations have proven to be very effective. This allows not only the manager to deliver information, but also to solicit the employees’ opinions about the information being discussed.
Information must trickle down from the top executives to the front line employees, as well as trickle up the same path (Dolan, 2003). When the organizational goals and strategies are communicated, all employees are better equipped to work in the same direction. “The sharing of information on such things as financial performance, strategy and operational measures conveys to the organization’s people that they are trusted” (Pfeffer & Veiga, 1999, p. 44). As much information as possible should be shared with all stakeholders and their feedback should be incorporated into the final decisions (Dolan, 2003).

Information, both positive and negative, should also be communicated in a timely fashion. “Move quickly and be honest when communicating” (Greising-Pophal, 2005, p. 83). Even if the idea being discussed has not completely been implemented, getting the information out to everyone will prepare the employees and they will be more receptive to whatever changes will be occurring.

Many organizations have boasted about having an “open-door policy.” It has been this researcher’s experiences that although there is such a policy, that door is rarely open at all. The “Best Companies” don’t just say they want feedback from employees, but actively encourage employee involvement in decisions.

The researcher works for an organization that was acquired by another company. Initially, vague information was discussed by lower and middle managers for quite some
time before the actual acquisition. Then more detailed information was passed around that made the purchase of our company less shocking and aided in a smoother transition.

Discussion of theme four: Recognition

The “Best Companies” will often recognize their employees for their hard work and productivity. Employees are the base of any organization. If the employees are doing well, the company will do well also.

Effective recognition programs benefit the organization. Organizations that recognize their employees tend to have a lower turnover rate and have more motivated employees (Messmer, 2004). Recognition should be done often, even for quick wins and small accomplishments. This will build enthusiasm among the employees and help keep them productive (Dolan, 2003).

Glowing accolades for employees can help an organization in a number of ways. The applicant pool will be more plentiful with potential employees who want to work for a generous and respectful company. Customers will want to do business with companies that are known for a good working relationship with the employees and treating them well. There is “a direct relationship between a company’s financial success and its commitment to management practices that treat people as assets,” (Pfeffer & Viega, 1999, p. 37).
This researcher hardly ever receives recognition from her direct manager on the hard work she does. This at times makes her less motivated to work diligently at her job. However, her manager tells others what a great job she does and that she is an asset to the organization. Receiving recognition from people not even in her location makes the researcher proud and she strives to keep up that reputation.

*Implications for HRD Practitioners*

Many organizations focus too heavily on the financial aspects of the business. Human Resource Development (HRD) practitioners understand that to develop an organization, the organization needs to develop its employees. The following are eight practical suggestions organizations can implement in order to work toward becoming a “Best Company.”

*Training*

1. *Budgeting* - The first step to having a strong training program is to have a training budget. A portion of the organization’s budget should be allocated to training needs such as computers, training rooms or locations, and research of training opportunities. Approximately 2-3% of the payroll budget needs to be designated for training as well.

2. *Needs Assessment* - An organization creating a training strategy should begin with a Needs Assessment. This will allow the company to evaluate where training is most needed and will be the most valuable. From there, the training department should create
some pilot programs, initiate them, and then evaluate the strengths and weaknesses of each program. As new needs arise for training programs the HRD professionals should create training that will help employees perform their duties to the best of their abilities.

3. **Training Format** - Training does not solely have to be in a classroom environment. Some training, when pertinent, can be done with e-learning on a company’s intranet. Employees can be provided training information through educational videos. For larger scale training efforts involving a lot of information being provided to a large number of people, a seminar may be an appropriate forum to consider.

**Supporting Employees**

4. **Compensation and Benefits.** The amount in an employee’s paycheck is very important to them. Organizations can affect one’s paycheck with more than just a salary. Benefits, like medical, dental and 401K are deducted from employees’ paychecks. These are aspects the organizations have some control over. When businesses are working on a deal with insurance providers, the organization should not accept the first bid. Most health care providers will bargain with companies and provide a discounted rate due to the large volume of potential subscribers.

“Best Companies,” like Starbucks, go even further. For example, Starbucks will make a deal with a medical insurance provider where the partners will have $40 deducted from their paychecks to cover the premiums. As an additional benefit, Starbucks will pay 75%
of that $40 premium, thus reducing the partner’s payment to a deduction of only $10 as opposed to $40, essentially, putting more money into the employees’ paychecks.

5. **Perks** - There are more to benefits than just traditional medical, dental and retirement contributions. Some “perks” can be just as valuable to employees. Green Mountain Coffee Roasters has a free cafeteria where employees do not have to pay for the food provided. Paychex has a subsidized cafeteria, so employees only pay about 50% of the real cost. Some other perks employers provide are sporting event tickets, or movie passes.

Supporting employees can also be accomplished through camaraderie efforts. Organizations can sponsor recreational sports teams or have company sponsored teambuilding events like a clambake, or sledding party.

6. **Tuition Assistance** - Employees will feel supported by organizations who enable continuing education. Having a good scholarship or continuing education program is beneficial for the employee and the employer. This program should be available to a large majority of employees with flexible requirements. Organizations should not make it hard for someone to better themselves and their organization.
Communication

7. Out of the Office - Companies are run by executive officers and boards of directors. These senior managers usually reside in quiet offices behind closed doors. The “Best Companies” break through that dysfunctional practice and get the executives to go into the working locations and mingle with employees. How are the executives to truly know what is going on in the organization if no one visits the employees doing the work? Executives and higher managers cannot just be anonymous, faceless, nameless “suits.” Employees should know the executives by name and feel that they are approachable.

Many times a day high-ranking officials of organizations make decisions that have an impact on the workforce. The “Best Companies” will solicit employees’ opinions on any number of matters before making decisions. Decision makers can have a lunch forum in where employees’ ideas are solicited and their questions can get answered.

Recognition

8. Recognition. HRD professionals need to create effective reward and recognition programs. The programs need to be advertised to all employees, encouraged to be used as well as be easy to use.

One option could be to have readily available post cards that are pre-addressed to the HR department where an individual can identify an employee and explain the event they wish
to be recognized. The HR department can acknowledge the accolade throughout the employee’s workplace and if warranted, reward the employee. Rewards should be proportional to the deed. They can range from a five-dollar gift card to dinner passes to an expensive local restaurant.

*Suggestions for Future Research*

There are a number of opportunities for researching more about the aspects of what makes a “Best Company.” Some possible future research studies are:

1) There is a need for a practical self-administered audit process that will evaluate a work environment with a “user-friendly” index. Future research could combine the practical suggestions of this research with results of the index pertaining to the five dimensions of the Great Place to Work Index.

2) A future research project could examine the Great Place to Work Index to determine if it is an accurate barometer to evaluate a “Best Company.” Are there other more accurate or relevant aspects to a “Best Company” than merely the five dimensions The Index focuses on?

3) Future research could also evaluate if the “Best Companies” are in fact leaders in their respective industries. That is, how do “Best Companies” compare to competition in terms of stock prices, revenue per employee, and profits? This study would essentially ask the question, “Does being a ‘Best Company’ lead to financial and organizational success?”
Summary

This study researched each of the dimensions that the Great Place to Work Index focuses on: trust, credibility, respect, fairness, pride and camaraderie. The researcher conducted interviews with representatives from four organizations deemed a “Best Company to Work For.”

With the information provided through the interviews and extent data, four key findings were discovered: (1) “Best Companies” have a strong focus on training (2) “Best Companies” support their employees personally and professionally (3) “Best Companies” understand the need for constant two-way communication (4) “Best Companies” identify that recognizing employees’ efforts is very important.

Every year thousands of organizations compete to become a “Best Company.” They each try to show themselves to be more progressive, more attuned to their employees and to have better organizational practices than the competitors. Despite organizations’ attempts to make great working environments for their employees, there are still many organizations that try to control employees and believe them to be expendable. The “Best Companies” realize that their organization’s greatest assets are their employees. That is why employees have chosen these companies to be the best.


