

What makes a company a great place to work?



by Leigh Branham

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On the airplane ride back from a "Workplace of Choice" conference, I was thinking what a shame it is that more companies don't seriously pursue the coveted status of being selected as one of *Fortune* magazine's 100 greatest places to work.

The problem is, lots of CEOs say they want their companies to be great employers, but do nothing to hold managers accountable for treating people right. Only 50 percent of employees, say their companies are good (not great) places to work.

Well-intentioned CEOs and human resource professionals are easily seduced by lists in business magazines that pretend to reveal "the top 20 employee retention strategies." These lists are invariably weighted toward tangible and short-term practices such as paid time off, telecommuting, flex hours, more generous health benefits, subsidized child care, tuition reimbursement, extended parent leave and so on.

There's nothing wrong with anything on that list. They all work, or at least they work if they fit your work force and your culture.

There are two key truths for anyone currently strategizing about how to make their organization a better place to work:

- People join companies, but they leave leaders and managers — so put the emphasis on long-term intangibles, like creating a positive management culture, innovative recruiting, rigorous hiring, holding managers accountable for managing people well, and training those managers in the people skills that engage and retain employees
- The great workplaces don't try to cut and paste other companies' practices because those practices may not reinforce their own work force and business strategies, which tend to mirror one another. Instead, they build on what's already special about their organizations.

Tulsa-based QuikTrip, a Great-Workplace winner, has maintained one of the lowest turnover rates in its industry with practices that promote trust, excellence, and caring. The company knows exactly what kind of employees it wants, and screens carefully for desired traits and talents. It pays all trainers a retention-based bonus, requires one-on-one employee-manager meetings every 60 days, creates the opportunity for managers to make healthy performance bonuses, creates a Monday-Friday-only shift and gives women who are primary caregivers an extra three days off per year.

But QuikTrip's human resources vice president, Kim Owen, will tell you the most important thing the company does is create a climate of trust. In fact, a whopping 98 percent of the company's employees say they trust management

Trust is one employee retention strategy that works for all organizations.

At Great-Workplace winner, MitreCorp., the company practices open communication between senior leaders and all employees. The CEO instituted a "closing the loop" program that allows employees to ask any question they want anonymously, with an answer guaranteed to all employees.

At First Horizons Bank in Tennessee managers sometimes sneak out with their employees to attend a movie matinee after reaching a team performance milestone, and employees are actually encouraged to take time on the Internet to take care of whatever personal business may otherwise be distracting them from their work.

At SAS Institute employees are trusted to go home and work on a project. The company also maintains the best on-site child care in North Carolina.

There is not enough room here to do justice to all the caring, innovative and common-sense things the great and committed employers do to keep employees engaged and loyal. The Great Place to Work Institute reports that there are three things on which all *Fortune 100* companies score high: trust (as measured by leadership credibility, an atmosphere of mutual respect, and fairness), pride in one's contributions (supported by recognition for excellence) and camaraderie (inducting the ability to be oneself, a welcoming atmosphere and a sense of family or team).

The most compelling reason to compete for employer-of-choice status may be financial performance. Over a five-year period companies on Fortune's yearly list of great places to work averaged almost 16 percent stock growth, compared with only 5 percent among Standard & Poor's 500 companies.

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