

Three Predictions for the Workplace Culture of the Future

From Great Place to Work's Research into the
FORTUNE 100 Best Companies to Work For® List,

Updated for 2018



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The Past 20 Years: Where We've Been, and Where We're Headed

In 1998, when we worked with FORTUNE to publish the first list of the country's 100 Best Companies to Work For, the story ran alongside ads touting the business benefits of Palm Pilots and the Internet.

A lot can change in 20 years—including the fact that over this same period, employees' experience of the workplace has risen to the forefront of business leaders' priorities. Concern over competition for talent has become a driving force, and creative collaboration has become essential in the face of fast-paced change.

Consider:



In a recent [survey](#) of CEOs by PriceWaterhouseCoopers, 41 percent cited workplace culture as the aspect of their talent strategy that would make the greatest impact on attracting and retaining the people needed to remain competitive.



Nearly seven in ten executives in a recent [Deloitte survey](#) on the future of the workplace said company culture will be critical to realizing their organizational mission. By contrast, only 14 percent said culture had little or no impact.



In its [2017 CEO Challenge](#), the Conference Board found that building an open and inclusive culture that lets talent thrive is a top concern among CEOs globally.

This focus on culture from the top is not surprising. After 20 years of studying the experiences of more than 10 million employees annually in over 50 countries, Great Place to Work has found a trust-based culture to be a strong driver of successful business. A look at results from all companies vying for a spot on the 100 Best list shows that compared to employees at peer companies, employees who said they have a great place to work were:

4x

4x more likely to say they're willing to give extra to get the job done

8x

8x more likely to say they're proud to share where they work, enhancing their employers' brand

13x

13x more likely to say they want to work there for a long time

20x

20x more likely to say their workplaces exhibit traits linked to innovation

Culture as a Strategic Priority

Past FORTUNE 100 Best Companies to Work For lists foretold that culture would become a top strategic priority. Today's lists offer a glimpse into what employees can expect from their organizations in the years ahead.

As the 100 Best Companies continue to raise the bar for the rest of corporate America, we predict companies that aren't prepared to meet these expectations will fall behind.

"Offering an outstanding workplace experience to every employee matters now more than ever," said Great Place to Work Chief Innovation Officer Tony Bond. "The ongoing shift to the knowledge economy—and now to the [human economy](#)—along with the rise of Millennials as the largest cohort of American workers, means that offering a personally fulfilling workplace where all employees can achieve their full potential is no longer optional."

Based on our research as well as current and projected trends, we believe that the workplace culture of the future will be defined by three key trends:



A Fairer Workplace For All Employees



Increased Focus on Developing All Employees



A Deeper Sense of Purpose For All Employees

The Proof is in the Profit

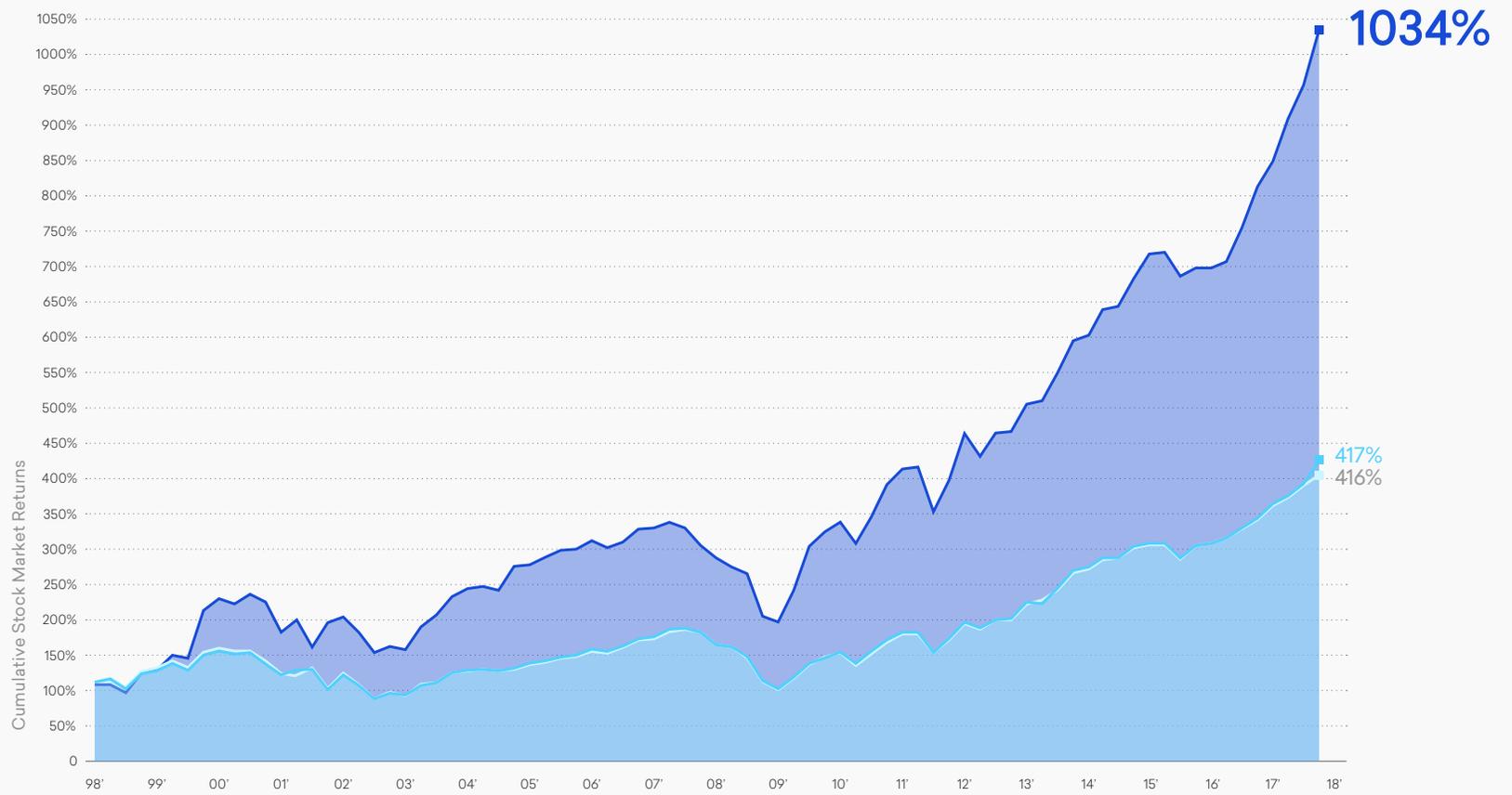
A hypothetical portfolio of publicly-traded companies on the FORTUNE 100 Best Companies to Work For list substantially outperformed the market overall.

Comparative Cumulative

Stock Market Returns

1998–2018

- FORTUNE 100 Best
- Russell 3000
- Russell 1000



Source: FTSE Russell

A Great Place to Work For All: Three Predictions for the Workplace Culture of the Future

“

As the world becomes more complex, it is essential to tap into ideas and expertise from people with different backgrounds and experiences. And I think that Baird does that better than any other firm in the market. The other element of our business that I think is unique is the fairness with which we manage compensation and promotion decisions. There is so much time, energy and thought put into the process to make sure that rewards and recognition are allocated in a transparent and fair way.”

Employee from
100 Best Company

Baird

Prediction 1: A Fairer Workplace for All Employees

Employees across all surveyed companies who said they have a great workplace were **12 times** more likely to express a commitment to stay with their employers for a long time. A shared sense of fairness is an essential component of this type of high-trust environment, and one that has changed more dramatically than any other area over the past 20 years.

“Fairness is an area where we’ve seen tremendous momentum over the years,” said Great Place to Work’s Bond. “Among people working at our first list of the 100 Best Companies in 1998, only 56 percent said promotions went to those who best deserve them, compared to an average of 75 percent at the winning companies in 2018. There’s a similar trend across many of the areas that assess perceptions of Fairness, suggesting that employees will continue to look for more equitable places to build their careers.”

Beyond fair promotions, since 1998 we’ve seen vast increases in equal access to recognition opportunities, fewer experiences of favoritism and politicking, a more just and inclusive work environment, as well as improved perceptions of fair pay. This progress in pay is especially notable since compensation **has stagnated** in the U.S. over the same period.

Great Place to Work Trust Index® Survey Statement

	1998 100 Best	2018 100 Best	Difference
 People avoid politicking and backstabbing as ways to get things done.	56%	78%	22
 Promotions go to those who best deserve them.	56%	75%	19
 Managers avoid playing favorites.	55%	73%	18
 Everyone has an opportunity to get special recognition.	66%	83%	17
 People here are paid fairly for the work they do.	65%	78%	13
 I am treated as a full member here regardless of my position.	75%	88%	13

Data indicates the percentage of employees who believe this survey statement is “Often true” or “Almost always true.”

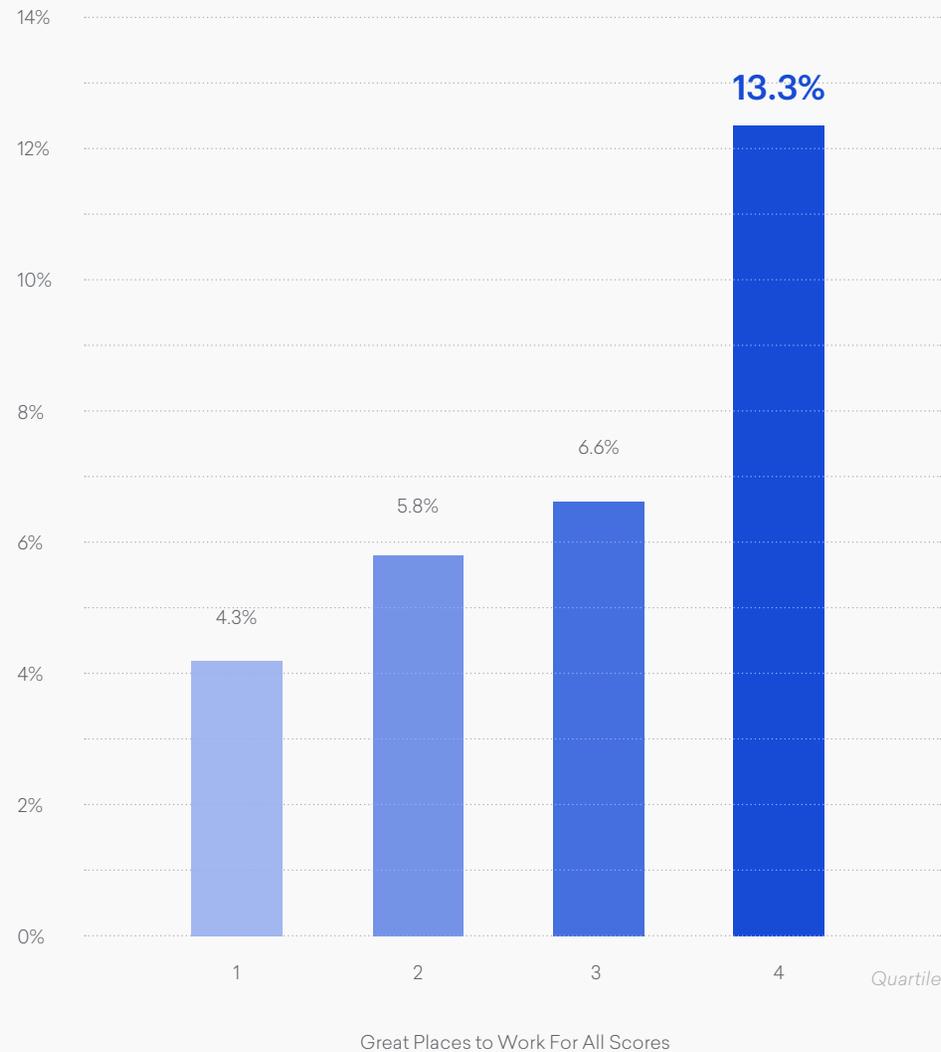
Fairness Means Higher Revenue Growth

In studying the FORTUNE 100 Best and the non-winning contender companies, we found that the more consistent and inclusive an organization's culture of trust is, and the more diverse it is demographically, the more likely it is to outperform peers in revenue growth.

In fact, companies in the top quartile on these metrics enjoy **three times** the revenue growth of companies in the bottom quartile.

In other words, enabling all employees to experience a great workplace is not only beneficial to society; it also positions a company to leverage its human potential, so that the business can in turn reach its full potential. The very best workplaces know they have to create an outstanding culture for everyone, no matter who they are or what they do for the organization. The best workplaces of the future will be those that build a Great Place to Work FOR ALL.

Great Places to Work For All Make the Most Money
Median Year-Over-Year Revenue Growth



“

There is a path to ownership (stock) within this company. It is a clear and defined set of criteria that need to be met in order to move up the ladder to be considered for internal professional promotions and stock offers. This is a merit-based system that everyone in the company is eligible to participate in. Employees can progress at their own pace and are encouraged and mentored along the way. Ownership (stock) is considered an investment for the future growth of the company and a way to personally participate in the company's future development.”

Employee from
100 Best Company
Kimley-Horn

Source: Data from Great Place to Work® Trust Culture Audit® and Trust Index® Survey, 2017

The Free Flow of Information: A Path to Fairness?

Alongside the notable improvements in Fairness since 1998 has been a complete shift in the way information is shared in our companies. Advances in technology have empowered employees to access information and share ideas within their organizations faster and more ubiquitously than ever before.

FORTUNE 100 Best Companies reported that enhancing communication to promote transparency and idea-sharing via virtual and face-to-face methods was their top cultural priority, including:

- Making important information readily available to employees
- Making leaders and managers available for feedback
- Proactively soliciting ideas to improve how their organizations do business

In practice, this can be as simple as instituting a rotating group lunch with an executive, a cross-departmental happy hour, candid all-hands meetings about financial performance or a new online collaboration tool.

Improved access to information and ideas leads to more than an aligned and innovative workforce; it also enables increased transparency and inclusion—and a fairer employee experience overall.



Prediction 2: Increased Focus on Developing All Employees

Over the past 20 years, Best Companies have consistently stood apart for their efforts to help employees reach their full potential. This trend is still true today. For example, the average company on the 1998 list offered employees approximately 35 hours per year of training and development. By 2017, that number grew to more than 58 hours for hourly employees, and 65 hours for salaried--a 76% increase since the first FORTUNE 100 Best Companies list.

This trend mirrors the concerns of today's corporate leaders. For example, participants in the Conference Board's [CEO Challenge](#) placed "attracting talent" and cultivating tomorrow's leaders at the top of their concerns for 2017. Leading employers are well-prepared for these challenges, thanks to consistent professional development offered across the workforce. Frequently, this is taking the form of continuous development. [Ernst & Young](#) and [TDIndustries](#), for instance, replaced yearly performance reviews with feedback offered in real time or during career-centered conversations held on a quarterly basis.

This shift goes hand-in-hand with an emphasis on mentoring and easily accessible training. The latter often includes "self-serve" lessons that employees can access in short segments online. At the same time, colleagues get some form of tuition reimbursement for formal coursework from 91 of the 100 Best Companies to Work For, with an average maximum contribution of about \$7500 annually per employee.

It's crucial to note that these organizations don't limit training opportunities to leadership or "high potential" employees. Instead, employees across roles have access to real-time feedback and growth opportunities, enabling everyone to achieve their potential within the company and lift the organization to new heights.



Best Practices



Leadership Accountability

[American Fidelity Assurance's](#) model for how leaders should behave is more than an HR reference document. Accountability groups meet monthly to discuss the strengths and weaknesses of senior leaders, focusing especially on coaching, championing and serving as role models to employees.

Southern Ohio Medical Center

Very Good things are happening here

Act Local

[Southern Ohio Medical Center](#) commits to developing talent in its corner of Appalachia by focusing on internal advancement over external recruitment. Additionally, the organization contributes up to \$10,500 toward employees' career-related bachelor's degrees.



Show You Care

Employees want more out of work than titles or compensation. [Marriott](#) recognizes this with its TakeCare program focused on associates' wellbeing. TakeCare incorporates career development within a broader framework that focuses on the whole person. This includes wellness programs, formal training and traditional benefits, along with fun programs like photo contests that let employees show co-workers what makes them smile.

A Caring Workplace

Authentic development stems from a concern for employees as individuals, as well as members of a team. It's a mindset that pays off: In a recent study of Great Place to Work-Certified technology companies, employees who consistently experienced a caring workplace were six times more likely to innovate and five times more likely to plan a long career with their company. The 100 Best set themselves up for success by cultivating respectful and collegial places to do business. As companies seek to move ahead by investing in employee training

and development, take note: the truly great workplaces will be those that temper their investment with integrated support for the whole employee.

As companies seek to move ahead by investing in employee training and development, take note: the truly great workplaces will be those that temper their investment with integrated support for the whole employee.

Intentions Matter		1998 100 Best	2018 100 Best	Difference
	People look forward to coming to work here.	70%	83%	13
	People are encouraged to balance their work life and their personal life.	70%	83%	13
	This is a psychologically and emotionally healthy place to work.	72%	82%	10
	People care about each other here.	81%	90%	9
	I can be myself here.	82%	88%	6
	Management shows a sincere interest in me as a person, not just an employee.	78%	83%	5

“ I have worked for this company for 26-plus years. While the business constantly evolves, we are never set up to fail. The training and information on keeping our company the best it can be is always there.”

Employee from
100 Best Company
**Wegmans Food
Markets**

Data indicates the percentage of employees who believe this survey statement is “Often true” or “Almost always true.”

Prediction 3: A Deeper Sense of Purpose For All Employees

Connecting employees to a deeper sense of purpose and meaning at work was a key focus among the 100 Best this year. While fostering a sense of purpose at work has always been crucial to a strong workplace culture, this is an area where leaders are now placing renewed focus. And, studies show that employees too (Millennials in particular) are placing a higher premium on feeling a sense of purpose at work. Given this, we predict that this area will become an increasingly significant priority for organizations.

Many companies described how they connect employees across the company—regardless of role—to the broader purpose of the organization. One way is through proactive campaigns featuring employees talking about the work they do, why they do it, and the subsequent impact.

Indeed, across the 100 Best Companies:



84% of employees reported that their work has “special meaning; this is not just a job”



87% feel they “make a difference here”

Notably, all of these statements were found to be highly correlated to employee’s desire to plan a long-term future with the company.

Beyond connecting employees to the outcome of their unique job responsibilities, the opportunity for volunteerism and philanthropy is another key differentiator among the 100 Best. A whopping 93% of employees at the 2017 FORTUNE 100 Best report they “feel good about the ways we contribute to the community,” and over half of companies offer employees paid time off to volunteer.

Committing to giving-centered programs has an enormous impact on the employee experience. People who felt their employers made a positive impact on the world were:

- **4x more likely to report they work on teams that give extra**
- **11x more committed to stay with their organizations**
- **14x more likely to look forward to coming to work**

In other words, an exceptional workplace is more than the sum of its benefits and career opportunities. Employees look for and give more to companies that offer a wide-reaching mission.

Best Practices

vmware®

Making it Personal

VMware’s Good Gigs program marries employees’ personal passions with the company’s philanthropy. Cross-functional teams spend three months honing their leadership skills on international projects, such as educational programs at orphanages in Vietnam and schools in South Africa.



Share your Happy Campaign

Marriott invited employees to “Share Your Happy” – to say what really makes them smile. The company asked associates to snap a photo of them doing what makes them happy inside or outside the workplace. It could be a place, an activity, a person, anything! The more photos submitted, the more chances each location had to win \$1,000 to host a happiness event. By the end of the campaign, the company had received 26,379 photos from 613 locations. Five randomly selected locations won funds to host their own event.



Paying it Forward

Veterans United Home Loans puts giving front-and-center from day one. All new hires receive a \$10 gift certificate with instructions to “pay it forward” with a good deed. Their orientation then includes a chance to share how they brightened someone else’s day, setting the expectation that giving back will be integral to their work.

Who Are the Leading Companies?

The FORTUNE 100 Best Companies to Work For aren't necessarily the biggest, wealthiest or most famous. They represent a wide range of sizes, locations and industries. Together, they show that a great workplace is within reach for any organization committed to its people.

“

This firm is a true partnership. As a new financial advisor, it is amazing to me how others who were in my position (whether long ago or not long ago) are so willing to help, give advice or answer questions. Everyone seems truly interested in helping each other become successful, probably because we all realize what a great opportunity this job is and would hate to see someone not be successful. Despite having multiple offices in the same area, there is never any sort of negative rivalry. On the contrary, we all seek success for each other.”

Employee from
100 Best Company
Edward Jones



Key Statistics from the 2018 FORTUNE 100 Best Companies to Work For®

Total number of employees:

2,360,277

Full-time jobs added by the winning companies in the last year:

95,082

Largest Company

FedEx

281,933 employees

Average number of job applicants per opening:

43

Smallest Company

NuStar Energy LP

1,284 employees

Average number of paid days off after one year of employment:

26

Most common industries:

Professional Services

19 Companies

Financial Services

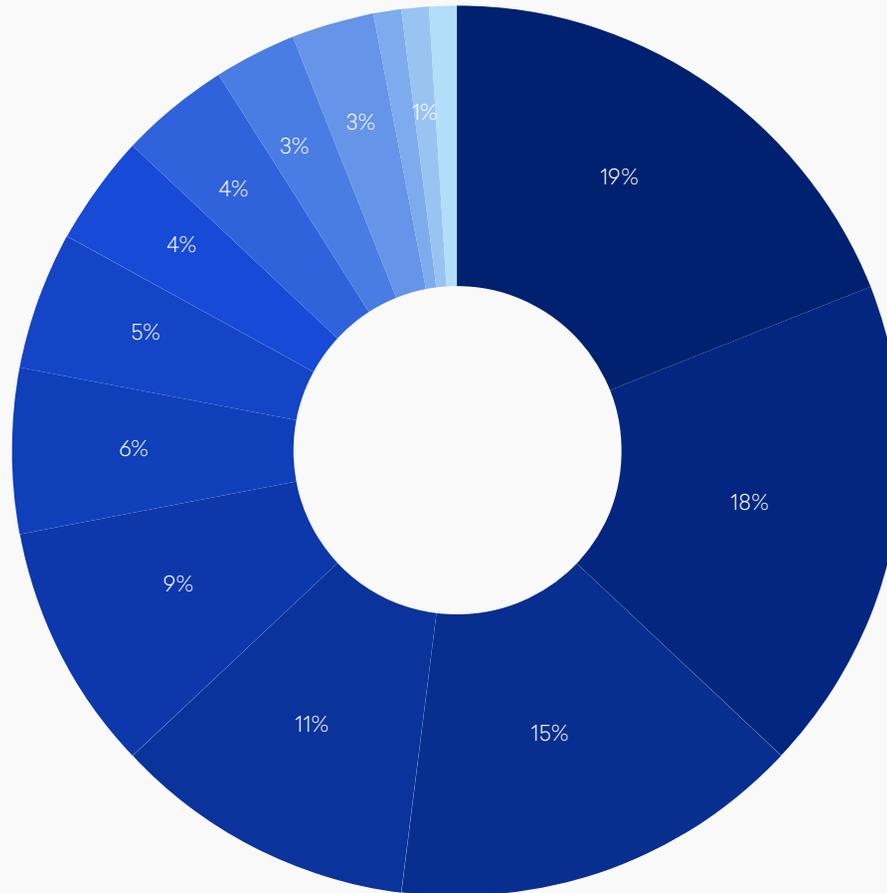
18 Companies

State with the most Best Companies, hosting 20 of their headquarters:



Percent of 100 Best Companies by Industry

Professional Services	19%
Financial Services & Insurance	18%
Information Technology	15%
Health Care	11%
Retail	9%
Hospitality	6%
Manufacturing & Production	5%
Biotechnology & Pharmaceuticals	4%
Construction & Real Estate	4%
Telecommunicaitons	3%
Transportation	3%
Advertising & Marketing	1%
Electronics	1%
Media	1%



The Top 10

1. 
2. 
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5. 
6. 
7. 
8. 
9. 
10. 

The Legends List

Outstanding workplace cultures are built to last. These companies have held a place among the 100 Best for 20 or more years.

How We Choose the FORTUNE 100 Best Companies to Work For

Each year FORTUNE partners with Great Place to Work to conduct the most extensive employee survey in corporate America. The ranking is based on feedback from more than 232,000 employees at Great Place to Work-Certified™ companies with employee populations above 1,000.

Winning a spot on this list indicates the company has distinguished itself from peers by creating a great place to work for employees – measured and ranked through our analysis of the company’s results on our Trust Index® Employee Survey and Culture Audit™ questionnaire.

The Trust Index Survey allows employees to anonymously assess their workplace, including aspects like the honesty and communication quality of management, degree of support for employees’ personal and professional lives and the authenticity of relationships with colleagues. Results from the survey are highly reliable, with a 95% confidence level and a margin of error of 5% or less. Companies’ results on the Trust Index Survey are compared to peer organizations of like size and complexity. The Culture Audit includes detailed questions about benefits, programs and practices.



Years on List: 21
2018 Rank: 48
 HQ: San Jose, California
 Employees in US: 36,284
 Founded: 1984



Years on List: 21
2018 Rank: 47
 HQ: Lakeland, Florida
 Employees in US: 189,607
 Founded: 1930



Years on List: 21
2018 Rank: 35
 HQ: Bethesda, Maryland
 Employees in US: 136,781
 Founded: 1927



Years on List: 21
2018 Rank: 89
 HQ: New York, New York
 Employees in US: 15,236
 Founded: 1869



Years on List: 21
2018 Rank: 2
 HQ: Rochester, New York
 Employees in US: 47,084
 Founded: 1916



Years on List: 21
2018 Rank: 37
 HQ: Cary, North Carolina
 Employees in US: 7,167
 Founded: 1976



Years on List: 21
2018 Rank: 99
 HQ: Toronto, Ontario
 Employees in US: 14,346
 Founded: 1960



Years on List: 21
2018 Rank: 73
 HQ: Dallas, Texas
 Employees in US: 2,320
 Founded: 1946



Years on List: 21
2018 Rank: 88
 HQ: Seattle, Washington
 Employees in US: 66,554
 Founded: 1901



Years on List: 21
2018 Rank: 43
 HQ: Kent, Washington
 Employees in US: 12,973
 Founded: 1938



Years on List: 20
2018 Rank: 8
 HQ: South San Francisco, California
 Employees in US: 15,064
 Founded: 1976



Years on List: 20
2018 Rank: 51
 HQ: Deerfield Beach, Florida
 Employees in US: 4,222
 Founded: 1968



Years on List: 20
2018 Rank: 85
 HQ: Columbus, Georgia
 Employees in US: 5,401
 Founded: 1955



Years on List: 20
2018 Rank: 20
 HQ: Southfield, Michigan
 Employees in US: 2,234
 Founded: 1924



Years on List: 20
2018 Rank: 52
 HQ: New York, New York
 Employees in US: 43,874
 Founded: 1894

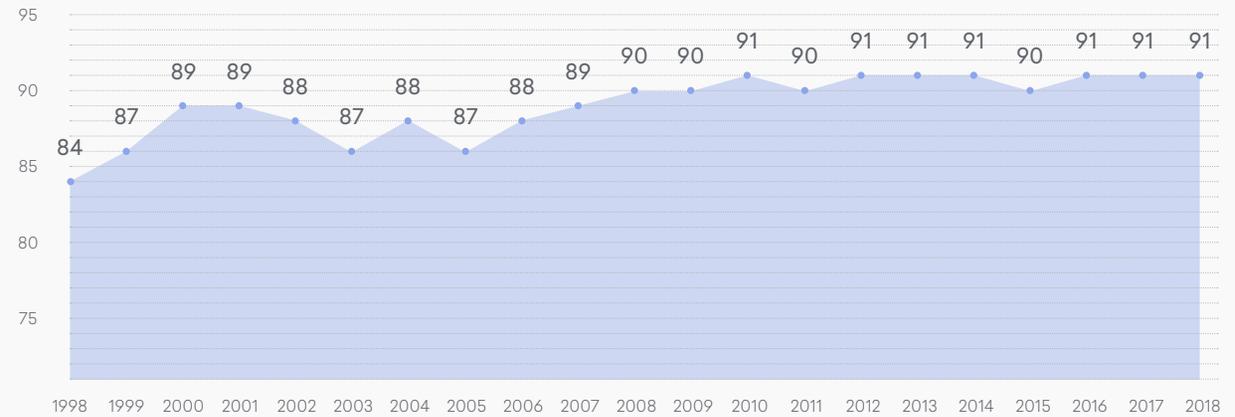
A Rising Bar

Even among the leading employers, colleagues' experiences in the workplace have improved substantially since we began measuring them. Most notably, a larger percentage of 100 Best employees report that all things considered, they experience a great workplace.

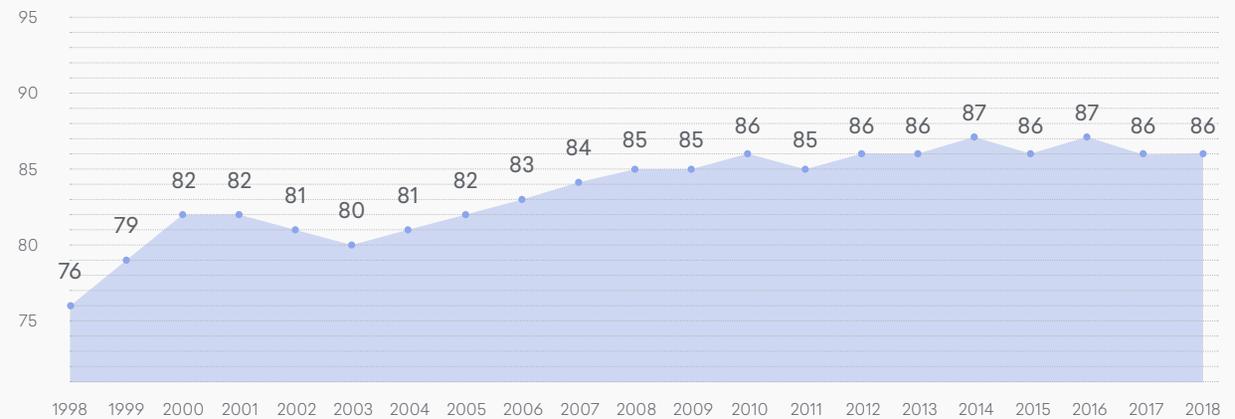
How people at the 100 Best have rated their employers over the past 20 years

Source: Data from Great Place to Work® Trust Index® Survey, 1998–2017

Taking everything into account, I would say this is a great place to work.



Average of all Great Place to Work Model Statements



Closing Thoughts

Since 1998, we've studied and celebrated the country's most respected employers. Since the beginning, they've shown that an investment in culture can pay dividends for employees and shareholders alike. It might be putting it too gently to say that Great Places to Work For All are better for the world; with social divisions widening, the best workplaces in the emerging climate are organizations **where fairness reigns**, and where all people are inspired to reach new heights.

As the place where people spend so much of their waking lives, workplaces that provide a positive experience for all employees are improving society overall. In short, Great Places to Work For All are paving the way to a more prosperous future—a future that every one of us can be a part of.



About Great Place to Work

For 30 years, Great Place to Work® has worked with leading companies from around the world to identify and build high-trust, high-performance workplace cultures. Our research has proven that building great workplaces to work for all isn't just the right thing to do, it's better for business. Through our **Best Workplaces lists, consulting services, and Certification program**, Great Place to Work provides the expertise needed to create, sustain and recognize outstanding workplace cultures.

In the United States, Great Place to Work produces the annual FORTUNE 100 Best Companies to Work For® list and a series of Great Place to Work Best Workplaces lists, including lists for Millennials, Women, Diversity, Small and Medium Companies and over a half dozen different industries.

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