

Executives Say Caring for Employees Simply the Right Thing to Do

BestCompaniesAZ.com assisted in a recently completed master's thesis on high-performance corporate cultures by referring four of its clients to participate in the study. Specifically, the thesis examined why some companies make caring for employees a management priority. The majority of executives surveyed stated the no. 1 reason they believe caring for employees is important is because it's morally "the right thing to do." The next highest-rated reasons given were: "increases customer care," "increases quality of life for all," "makes company more profitable," and "creates a better work environment."

The four companies who participated in the research were bluemedia, a company that designs and prints vehicle wraps and other large format graphics; St. Joseph's Hospital and Medical Center, the first and the largest hospital in Phoenix; McMurry, a marketing/communications company; and Creative Business Resources, a provider of human resource outsourcing services. The research methods for the thesis included a comprehensive review of existing literature, along with primary research conducted with 14 high-level business executives from these four Phoenix-area businesses. Six c-level executives participated in the research, including three CEOs.

When asked what positive benefits the company experienced for having a caring corporate culture, the highest response was increased employee retention, followed by increased productivity; happier, healthier employees; increased employee loyalty; easier to recruit new employees and clients; and a great corporate culture. Additional benefits "caring" companies reap are increased innovation; increased customer service; an increase in customers; the ability to adapt to changing marketing conditions more quickly; and increased profitability.

According to those surveyed, the most common elements found in a caring corporate culture include having a clearly articulated mission and strategy, having the proper organizational structure, inspiring (or motivating) employees, giving rewards and

recognition, having common goals, encouraging knowledge sharing, issuing challenging assignments, offering growth opportunities, encouraging and rewarding innovation, and empowering employees. These elements mostly stem from the philosophy that the employee is the number one customer. Southwest Airlines is one of the most vocal companies supporting this mindset.

“I believe all great companies need to foster a sense of belonging, high accomplishment, empowerment, and fun,” said one executive from McMurry. “Plus, people need to know that they are contributing to something larger than they are as individuals. The business advantages and results of having a great place to work are becoming so well documented that at times I fear losing this competitive advantage as others catch on.”

There are many repercussions a company may suffer from not taking proper care of its employees. Some of these negative consequences include the inability to retain employees, adapt to a rapidly changing business environment, and assimilate new hires into the existing culture. Other repercussions include creating a stressful (and sometimes hostile) work environment, and decreasing the success of a merger or acquisition.

Employee dissatisfaction is typically high in non-caring corporate cultures. The dissatisfaction of American employees with their jobs is well documented by secondary research. A Harris Interactive survey reveals less than half of American employees feel either satisfied or extremely satisfied with their jobs, only 20 percent feel passionate about their jobs, 33 percent regard themselves as employed in a dead-end job, and 21 percent are looking to change their career.

Another important finding of this study is that choosing to care for employees starts with the CEO and is carried forth by the management team. In order to become a caring company, it must start with a foundation of values and ethics that must be shared by management and employees.

The research was conducted by Jeff Pizzino, owner of PizzInovations, LLC—a local public relations and corporate communications consulting firm. The thesis fulfilled an M.B.A. requirement for Western International University.