Creating Healing Workplaces

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Karoshi, or death by overwork, is commonly known and feared among Japanese workers. When the Japanese government started releasing data in the 1980s about these sudden deaths by heart attack and stroke, they found that they were caused by reported occupational stress, long working hours, shift work, irregular work, lack of control, and unpaid overtime, mostly as a result of Japanese production management or "lean manufacturing," as it is known in the West.[1] Japanese workers labor an average of 2,017 hours a year–the highest in the world (followed by the United States, where workers spend an average of 1,907 hours a year at work).[2] Since then, both the Japanese government and businesses have been trying to take measures to require employees to take time off and go home on time. But the cultural shift has not been easy. Last year alone, the national police agency in Japan reported that they believed 10,000 suicides to be caused by overwork.[3]

In the United States today, worker satisfaction is at its lowest ever recorded. Employees here work longer hours and have less vacation time than their European counterparts, while surpassing them in productivity. For 22 years, The Conference Board has been surveying workers and found that a job satisfaction rate of 61% in 1987 has now dropped to a mere 45%. Not finding their jobs interesting, income not keeping pace with inflation, and cost of benefits eating into their take-home pay were some of the reasons cited for this low level of satisfaction. Some other key findings: only 43% felt secure in their jobs and 56% liked their coworkers (down from 61% in 1987).[4] The Gallup-Healthways Well-Being Index, which is an ongoing, long-term measurement of personal well-being based on the World Health Organization's definition of health, also surveys people on several factors to gauge their feelings and perceptions about their work environment.[5] The index consists of questions workers answer each day, such as "Are you satisfied or dissatisfied with your job or the work you do?" "At work, do you get to use your strengths to do what you do best every day, or not?" "Does your supervisor at work treat you more like he or she is your boss or your partner?" "Does your supervisor always create an environment that is trusting and open, or not?" Since 2008, Gallup has found these numbers to be steadily declining, from a high score of 53.3 in 2008 to a score of 48 in 2010.[5]

So why should any of this matter to employers? After all, in today's economy with massive joblessness, one should be happy to have a job–any job. But there is a down side. Low job satisfaction can stifle innovation and productivity and can cause more absenteeism. On the other hand, high levels of job satisfaction have shown to foster loyalty, lower turnover, creativity, positive attitude, good "citizenship," punctuality, helpfulness, dependability, even tidiness–the benefits go on and on.[6] From an employer's perspective, the question to be asked is what a healthy employee is worth, says Wendy Lynch, PhD, executive director of The Health as Human Capital Foundation.[7] Until recently researchers would answer this question in terms of savings in medical costs. However, she argues, reduction in medical costs is merely a secondary outcome. Healthy employees have improved function at work and have lower absentee rates and lower rates of on-the-job injury. What is being missed in the old thought process is the notion of human capital–the many abilities and resources the employee brings to the organization, including skills, abilities, experience, and attitude.[7] Bottom line, there are no downsides to creating a healthy and healing work environment. In fact, a recent survey of 700 employers representing 30 industries revealed that 67% of employers surveyed said that healthcare reform would encourage them to expand or improve their employee wellness programs.[8] There are hundreds of organizations who have quickly figured this out and are taking massive strides in making their worksites and cultures into places of inspiration, health, and healing.

Take the case of SAS, an 11,000-employee business analytics and software solutions company based in Cary, North Carolina. The culture is based on trust, flexibility, and values, says Allison Lane, a spokesperson for SAS. "It demonstrates our commitment to our employees' lifelong success. This philosophy contributes to close relationships with our employees." For SAS, employee longevity results in high retention and low turnover; 40% of employees have 10 or more years of service with SAS compared to 4.1 years for an average US worker.[9] SAS enjoys annual turnover rates of around 4% in the United States, compared to a 22% industry standard, says Lane. There is subsidized day care and preschool. There are the four company doctors and the dozen nurses who provide free primary care. The recreational amenities include basketball and racquetball courts, a swimming pool, exercise rooms, and 40 miles of running and biking trails. There is a meditation garden, as well as on-site haircuts, manicures, and jewelry repair. Employees are encouraged to work 35-hour weeks.

Academics have studied the company's benefit-enhanced corporate culture as a model for nurturing creativity and loyalty among engineers and other workers. In a 2003 report on the CBS News television show, *60 Minutes,* Morley Safer called working at SAS "the good life."[10] The SAS culture is engineered for its own logic: to reduce distractions and stress, and thus foster creativity. The architect of the SAS culture is Jim Goodnight, one of the founding leaders of the organization. The benefits have built up gradually over the years as a series of pragmatic steps, he says. The day care program began after a valued employee was about to leave to take care of her young child. The on-site medical checkups grow out of the belief that "good health is good business," he says. Today, SAS estimates that its healthcare center saves the company $5 million a year, by providing care more cheaply than an outside insurer and by not having employees leave the campus for doctor's visits.[10]

Obviously not all employers are large enough or have the resources to provide the comprehensive types or benefits and on-site services provided by SAS, but take a look at Zappos.com. This company of 2,000 employees (1,000 each based in two locations) went from making no money to making a billion dollars in revenue in a matter of 10 years. How did they do it? Tony Hsieh, CEO of Zappos.com, who was responsible for their turnaround, describes in his book, *Delivering Happiness: A Path to Profits, Passion, and Purpose,* how a different kind of culture became the model for achieving success. When Hsieh moved the company operations to Las Vegas from San Francisco, they quickly realized that all they had was each other, and making sure they hired the right people became critically important. Today, says human resources director Rebecca Henry, Zappos.com hires (and fires) people based on the values and culture. Every employee goes through two sets of interviews: one for skills, technical abilities, and knowledge, and one for culture fit. Candidates who don't fit both are not hired. If they do come on board and don't emulate the company values, they are paid to leave.

Zappos.com culture is defined in their 10 core values: deliver "WOW" through service; embrace and drive change; create fun and a little weirdness; be adventurous, creative, and open minded; pursue growth and learning; build open and honest relationships with communication; build positive team and family sprit; do more with less; be passionate and determined; and be humble. Delivering happiness to customers and employees is key to the success of the company, says Hsieh, and along the way he discovered the parallels between what the research has shown make people happy (pleasure, passion, and purpose) and what makes great companies (profits, passion, and purpose).[11]

Even though their workforce is young and relatively mobile (primarily call center and warehouse workers), turnover at Zappos.com is only 22% compared with industry average of 60% to 80%, says Henry. An impressive 11-year "pipeline" plan (that starts four years before joining Zappos.com to seven years after joining) for recruiting, training, and retaining employees has proven to be a winning strategy. Although the generous healthcare benefits and on-site learning opportunities make a difference, it is the sincerity of the organizational leaders to "walk the walk" and help create a fun, creative atmosphere with open and honest communication. Not surprisingly, in 2010 Zappos.com was ranked number 15 in *Fortune* magazine's annual Best Companies to Work For list.

A few days ago, I was online looking for a new pair of my favorite athletic shoes made by Tretorn. I knew nothing about this company, but clicking around on the Web site, I chanced upon the Tretorn in Time page–a brief history of the company. Little did I know that the company was founded in 1891 by a forward-thinking Swedish rubber entrepreneur. Even in those early days he was committed to creating an "extended family" of employees. He offered free healthcare and set up a day care center and kindergarten on site. When he died in 1962, Henry Dunker was the richest man in Sweden. The message is clear– happy people means healthy profits.

My good friend, Todd Linden, CEO of Grinnell Regional Medical Center in Grinnell, Iowa, has what I think is a brilliant formula for creating a truly healing workplace. He believes that (Talent + Skills + Interests) + (Mission + Values) × Vision = Meaningful Work. What more could one ask for?

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