

A Great Place to Work

– an Interview with Robert Levering

Robert Levering was coauthor of Fortune magazine's annual "100 Best Companies to Work For" for twenty years, and he co-founded the company Great Place to Work. He is a long-time member of the Religious Society of Friends and currently attends Santa Cruz Friends Meeting (PYM). Robert spoke by phone with Western Friend on June 20, 2018. The following text is a lightly edited a transcript of that interview.

Western Friend: Would you start by talking about the work you have done with Great Place to Work? How you got started in the field in general and with that focus in particular?

Robert Levering: Sure... How about first I give a quick description of the work that I did and then go into how I got into it?

WF: Sure, that sounds great.

RL: Okay. I started Great Place to Work in 1992 with my ex-wife Amy Lyman. We were both members of San Francisco Meeting. The company grew a lot, and by the time I sold it three years ago, we had offices in 45 countries and about 750 people working for the company. We produced "best workplace" lists in about 50 countries, similar to the one that we havwe done for Fortune Magazine, the one called "100 Best Companies to Work For."

So, one question I do get asked is how a person who started his professional life as a full-time Vietnam anti-war organizer for six years wound up in the belly of the beast, you know, writing for Fortune and hobnobbing with CEOs of global companies and starting my own company.

WF: Yeah, a global company.

RL: It did become a global company. Well, after college I worked for six years with various antiwar groups such as AFSC and the national coalitions. After the war wound down, I got interested in the farm workers movement. I discovered that I had a knack for journalism, and I got very interested in writing about the story of the farm workers in the summer of 1973. So originally it was about the farm workers and the labor movement, and after five or six years of magazine writing, I started writing books. The subject matter that I was most interested in was workplacesbecause I had started writing about the farm workers.

WF: Would you mind taking little bird walk here and tell about what you were reporting about the farm workers at that time in history?

RL: Oh, in the summer of '73. The United Farm Workers union had won a major contract with the growers in the late '60s, and it expired the summer of '73. Then the growers did a bunch of sweetheart deals with the Teamsters Union. That provoked a major upsurge in the movement in the fields of Central California.

WF: And when you say sweetheart deals, what did that mean for the workers?

RL: Well, the historic unions were willing to undercut the UFW. So the growers made deals with the Teamsters, who were more willing to be more lenient on working conditions and wages and so on.

WF: Right, and what was it exactly that the farm workers were asking for? What was their bottom line?

RL: More! [laughs] What do unions always ask for? More. I mean, they just felt that they had won some very hard-fought struggles in the late '60s – particularly the grape boycott was a very hard fought. And they won recognition, and that got taken away from them. So that was very big. That summer was a very dramatic summer. And I felt very passionate writing about it. I thought it was important to tell their story.

WF: Right.

RL: Then for several years, a lot of the stories I wrote were related to the union movement. There was a vibrant labor movement at the time. So I covered a lot of strikes, union organizing drives, and workers who had filed lawsuits against their employers.

WF: And who was publishing these stories of yours?

RL: Well, I wound up as a staff writer and an editor at the Bay Guardian in San Francisco, but I also freelanced for other publications.

So, anyway, long story short, another writer named Milton Moskowitz invited me to help him do a book about the corporate world. So we did this book called *Everybody's Business*, and it was meant to be an encyclopedia of the largest companies in America, written for the layperson. Sort of, what each company's history was, and who owns and runs it and what is the work place like. We did that for about 400 companies, an 800 page book, double column. It was a huge effort.

Anyway, that book sold very well. It actually got on some bestseller lists. Then an editor in New York suggested we write a book called *The 100 Best Companies to Work for in America*. I thought it was a great idea, but I also thought we have much more material for a book about the hundred *worst* companies to work for. But the editor said they didn't have enough lawyers for *that* book. So we wound up deciding we'd give it a try, as of course any writer who's asked by an editor to write a book for them would do.

So despite my skepticism, Milton and I thought we could see what we could find out. From doing the first book, we already knew there were just tremendous differences in the quality of workplaces. But there was very little written about it at that time, in the early 1980s. So we went out and visited almost 150 companies over a two-year period, and, what we found was that there were a number of remarkably good workplaces out there.

The book we wrote wasn't about one hundred *perfect* workplaces places, it was the hundred best of the places we'd looked at. And we just looked at companies that had good reputations. We're talking about an era when Hewlett-Packard had an extraordinarily good reputation, and a lot of people were familiar with that and with the "Hewlett-Packard Way." They had a lot of really good perks that were significant, that were very good for the employees. Like they had a whole bunch of retreat centers and campgrounds that employees and their families could use. But besides the perks, the Hewlett-Packard Way

was about trying to treat everybody collaboratively and cooperatively, through a much more decentralized structure than most companies, a much less hierarchical.

Those were the kinds of things we I discovered in writing the book. Then the book came out and it became an instant bestseller. It got on the New York Times bestseller list very quickly. And it became very popular in part because no one had ever written a book like that before. More typical was management literature explaining how do you get the most efficiency out of the workers, squeeze them for as much as you can. Or books from the other side, the union viewpoint, they were looking at the workplace with ideological blinders on. The concept that you can put all companies in the same category, it is just simply not true.

There is a theory of social change, where you point the finger at the bad guys and shame them into changing. All right, I've done a lot of that. A lot of Friends have been part of hundreds of demonstrations and civil disobedience actions. But I do think that when you're up against the corporate world, with its bevy of PR managers and so on, pointing the finger at them isn't necessarily as good a method of social change as pointing out what's good about them. Then let their own propensity to compete get them to aspire to be better. I believe our lists of the best workplaces have done that. We set our standards based on what the employees had to say about workplaces, and we used those standards as our basis for identifying good workplaces. We wouldn't say a company has a great workplace because it makes more money. It's great because the employees think it's great.

WF: Did you see any examples of companies changing their approaches based on that model of competition?

RL: Oh yeah. There is a tremendous amount of companies that benchmark themselves with the companies on our lists, particularly the companies in the top ten. That's a big deal in the corporate world. The companies that made it on our list oftentimes, particularly the ones that scored really high up, they often get an influx of candidates. The Wall Street Journal did an article about it. And there is even some evidence that their stock prices were better. Just from a purely hard-nosed business viewpoint, the companies that we picked on the basis of employee surveys, we know that these companies consistently had higher returns, that their stock prices were higher – dramatically higher over a ten-year period. So it's a win-win in that respect, but it also makes sense. It makes sense that if employees are highly motivated, and if they are working *with* each other instead of *against* each other, you're going to have a high-quality work environment with good results.

WF: And how did your work on *The 100 Best Companies* lead you into consulting with companies to help make them better workplaces?

RL: So we did *The 100 Best* in 1984. After that, I did a book called *A Great Place to Work*. Its subtitle was, "What makes some employers so good and most so bad." What I did was, I went back to the twenty top companies in the first book, and I spent a lot more time with them. I tried to understand what they had in common. And it was a very disparate group. Some were huge and some of were small. And they covered all kinds of industries – from Wall Street to Silicon Valley – and their workplace practices on the surfaces were very different. Some had profit sharing and others didn't, and so on.

So what did they have in common? What I found was, when I did interviews, I heard the same things again and again, no matter where I was. What I heard repeatedly was that

there was a high level of trust between the employee and the management at the great places to work. That was the key that made the difference. It wasn't specifically any policies. All sorts of policies could reflect a high level of trust.

That is what I discovered, and from that, I developed a theory. I developed a definition of a great workplace. My definition was: A great place to work is one where you trust the people you work for, have pride in what you do, and enjoy the people you work with.

WF: That sounds good.

RL: Yeah, it sounds great, but more importantly, it fits the data.

WF: Right.

RL: Then Amy and I and one other person made a survey based on those concepts. We used it both within the United States and globally.

WF: When you hear people say "trust," could you unpack that a little more?

RL: What I see is that there are three elements. The first is credibility, which really means, from the employee viewpoint, do they believe what the management says? Do they feel they can ask any questions and get a straight answer? Do they feel also they can rely on management's word? If management says something, will they stick to it?

WF: Right. So no hidden agendas.

RL: Right. There has to be as much transparency as possible. And integrity is part of credibility, too. That's a very very big deal for a lot of companies, to make sure that they operate with integrity, that lying and cheating are just not how they do business.

WF: Right.

RL: The second element in trust is respect. That has to do with what the employee thinks about what the management thinks about them. Do they feel that management shows appreciation for them? Does management ask for employees' opinions? Include them in things? And then, does the company provide benefits that show that management actually cares about the employees – benefits that actually make a difference in people's lives?

Then the third element is fairness. In some ways, it doesn't make a difference how much you are being paid if you don't think decisions about pay and promotions are being made in a fair and open way.

WF: Sure.

RL: So that's what I mean by trust.

WF: Right. That's a big umbrella

RL: It's a big umbrella, but all if these are essentially measurable. Every year we have nearly a thousand companies worldwide and somewhere north of five million employees taking our survey. All those points are things that, if you ask people, you can find out. If you ask whether the management has any integrity, they will tell you.

WF: So you were publishing books and you were also using this survey as a consulting tool?

RL: Right. We used it to do articles for magazines and newspapers all over the world, but also for individual companies. They would ask us essentially to do a workplace assessment. We'd tell them what their employees thought about them.

WF: And how did that happen the first time? Were you surprised?

RL: What happened was that a fellow, Michael Kelly, who did employee surveys as his business, read my book and decided he would like to produce a survey using the principles in the book. So it was his idea. And Amy taught organizational development at U.C. Davis, so she knew a lot about surveys, and so the three of us created a survey. Our idea was maybe we'd be able to find some companies interested in it. And oh yeah! A bunch of companies were interested.

WF: So were there any ways that your work drew upon your experience as a Friend?

RL: I think that the way Quaker meetings operate ideally is with a high degree of respect for each individual, and in very decentralized way, and in a way that each of us really listens to people and tries to take care of everyone in the community. In many ways, what I found in the very best workplaces was very much in accord with the values that Friends practice when we are at our best.

And I can also just say that for me, the fact that I had one foot in the corporate world when I also had a spiritual practice in a community that was rooted in higher principles, it helped me personally navigate the corporate world. It helped me feel clearly that I was in the corporate world but not of it, with my being a Quaker.

WF: So what situations did you find yourself in that you really needed to draw on your faith?

RL: There are just so many examples in the corporate world and the wider secular culture that show people put very little stock in integrity. Fame and fortune and all of that take precedence. And for me, I did have some very specific times when people would try to, bribe is too strong a word, but let's say they would try to impress me with money or other kinds of things, hobnobbing with people or going places.

Well, I faced the whole business of the core Quaker testimony of integrity. It all boils down to holding yourself accountable; it's about following God's will. And because of that, the corporate life just didn't have any attraction for me. I just knew that there was a part of me that was not part of the corporate world.

Other people I worked with, I could see them falling into that allure . . . I am really proud that our company never had any scandals. We were in a situation where we could have very easily gotten off the tracks.

And you know, for all those years, I almost never missed a meeting for worship. Even all the travel I did, it was important for me to be centered down and to feel the presence of God . There's value to our form of worship, to faith, to the kinds of communities that we build, and the basic beliefs that we hold.

WF: Yeah. This touches on something I'm really interested to ask you about – the question of Quakers in business. It was only a couple years ago that I started learning a little about the history of early Friends and their successes in mainstream commerce. And how more recently, Friends have turned away from business, and have been employed instead in

education and healthcare and nonprofits. I've heard it argued that, in a way, you could see this as our abdication of responsibility for the marketplace. I'm just curious to hear reflections on the relationship between Quakers and business today.

RL: Well, that has been of concern to me – how few Friends are actually in the real business world, the for-profit world. I have heard countless sneering comments by Friends about for-profit business, reflecting unexamined assumptions about people who work in that world, spoken with a kind of tone of moral superiority. And that really is not fair. Not just that it's not fair to the individual, but it's also not fair to stereotype a whole class of people.

It's true that some of these companies do awful things to the world. When people suggest that the entire corporate world is like that, I know exactly what they are talking about. But those views are so much at odds with reality. There are millions of great people in the corporate world. The vast majority of people work for a for-profit company, something like four-fifths of the workforce.

Also, non-profits and government agencies are totally dependent on the for-profit businesses that are dirtying their hands in the corporate world, generating revenues that go into charitable donations and taxes. There is kind of a hypocrisy in getting on your horse about the oil companies, yet still driving your car!

WF: Right, right.

WF: Yeah. I had my own kind of inclination, the way I grew up, to have a bad attitude towards for-profit companies. Then the last non-profit I worked for, I saw how our mission was malleable according to the priorities big foundations. And I realized the hypocrisy of that.

RL: Exactly. Just because a business is non-profit doesn't make it pure. Many non-profits actually operate along the same lines as for-profit institutions. They try to lower their expenses and raise their revenue, and they go out of business if they don't.

With our business, Great Place to Work, we had the choice of being a non-profit or a for-profit. I felt that, even if we were providing a social good with what we were doing, our clients were for-profit organizations. It didn't seem right to me to occupy the space of a non-profit in a world of for-profits.

WF: Yeah, that makes sense.

RL: It seemed to be more consistent with what we were dealing with – to structure our business as a for-profit.

WF: Well, this is a bit disconnected from what we've been talking about. But I'm curious anyway. What was your personal kind of trajectory with becoming a Friend?

RL: I got involved with Friends in high school. I went to an AFSC work camp in Harlem in New York City. My first meeting for worship was there. My mother, who was a very devout Christian, kept a book on her bedside table that I picked up from time to time. This was "A Testament of Devotion" by Thomas Kelly. I didn't know until much later that he was a Quaker, but I really liked that book. Then I wound up going to Swarthmore College, which was founded by Quakers and has a meetinghouse on campus. Then after college, I got

involved with the anti-war movement, specifically with Quaker organizations in Philadelphia.

So I came into the Quaker world largely through social action. Then I became more interested in other aspects of our faith, particularly after having some children, more interested in the religion side of the religion.

WF: So getting back to the workplace today . . . There seems to be a kind of rising up into public explicit consciousness of the inequities in our country today. Equal opportunity in terms of race and gender and etcetera doesn't seem to be moving substantially in the right direction in our culture. I'm interested in your thoughts about how the work that you've done might be used to help resolve some of those seemingly intractable unfairnesses.

RL: Well, strictly on the diversity issues, the corporate world is way ahead of government and society in general.

There was a huge push in the late '90s and early 'thousands to improve their practices for inclusion of women and minorities. We developed a questionnaire about these practices. And I would say that in the late '90s, you could really differentiate between companies on the basis of those practices. We got stats on percentages on all levels of the companies.

WF: So, the ones that score high on your survey, those would be outside the mainstream, in terms of having good diversity outcomes when the mainstream doesn't?

RL: No. The difference we saw was that on the particular questions about diversity practices, we could see a lot of differences between companies in the late 90s, then by the late 2000s, there wasn't much difference among them. Essentially all of them had made dramatic changes. So in regard to the diversity issue, the corporate world is more of a model than a lagger.

WF: Yeah. Well, I'm a very superficial reader of the world. And in my superficial reading, I've seen statistics that show that real-world distributions of wealth and income is not moving in a positive direction very quickly. But maybe I'm reading things with a jaded eye, and maybe more progress is happening that I'm not paying attention to.

RL: I'd say that I was looking at the microeconomics, not the macro. I was looking at individual companies and their behavior. You have to differentiate between how the overall system works and how individual companies operate.

I'd say that the problem of those basic inequities, and I mean there are horrible inequities in the corporate world between the top management salaries and the lower-downs, and in general. The causes of those inequities are extraordinarily complicated, because you get into how companies started, and when. I don't think that the solution to inequities on the macro level can be found within the realm of what individual companies do. Except I do think that widespread employee ownership of firms would make a huge difference. Nearly half of the great places to work on our list had some significant measure of employee ownership. It makes a huge difference in the level of trust in the enterprise.

WF: Right.

RL: Because if you feel you are actually sharing in the profits of the enterprise, that goes a long way in making you feel like it is a fair place to work.

WF: Right. So it's a bigger social question of who gets to be part of that team. Where I live, a lot of getting people getting their foot in the door happens in coffee shops. There's a lot deal making at coffee shops I think, down here. So, I was sitting at a coffee shop and I overheard an interaction of someone trying to get funding for their start-up, which was going to some sort of app that would screen potential employees for "cultural fit." And looking at how monochrome Silicon Valley companies are tending to be, I could only think cynically about what they meant by "cultural fit." But the first step to equity would be at least to be able to get a foot in the door.

RL: Yeah. That's a complicated one... It is very hard to have a high trust environment if you have people with very different values and so on. But it's definitely a problem when cultural fit is defined by race, gender, education levels, that sort of thing. I think in general that that companies have tried to define their cultures in an expansive enough way that they actually are getting people who can contribute. regardless of their backgrounds.

WF: That's the ideal.

RL: That's the ideal, but it's also a reality. The laws are real tough on companies that actually discriminate against people. The Silicon Valley thing is, that's a hard one. But there is progress. You know, a lot of companies that are advertising to gays – something that twenty years ago was unimaginable. But now it's normal, not only in advertising, but the CEO of Apple is a gay man.

WF: Uh-huh.

RL: That's why I have such a hard time with Friends who have an outdated and unrealistic picture of what the corporate world is all about. I mean, it's just people. You've got well over a hundred million people in corporations. If you're just going to write them off, you're writing off most of the country.

WF: Right, right. So what do you think corporations have to teach Friends?

RL: I couldn't answer that. Corporations are just too different from one another.

WF: Fair point. But if I ask it less broadly... How do the principles you discovered in researching *Great Place to Work* relate to the Quaker ideas of "good order" or "authority"? You know, I think that in Pacific Yearly Meeting and some other circles of Friends, I see a concern that somehow we've lost our way in terms of our foundational orientation. People seem concerned that Friends are too ready to express a kind of knee-jerk reaction against elders and authority. I'd be interested in hearing your observations on that, if that makes any sense.

RL: I think that most people involved in the corporate world would find it strange that Friends complain about uses of authority, because companies tend to be pretty hierarchical. And that goes for government and non-profits as well.

[Call ended abruptly due to technical issue.]