

Are 'best places to work' really the best?

There is an increasing evidence for unreliability of survey data used in constructing certain professional and business reviews

By J. Pfeffer and M. Muneer, Special to Gulf News
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It's the season of "best places to work" ratings and reports appearing across the world in various publications. Everyone seems to love such rankings even if there is no transparency in the listing criteria. After all, these rankings are good business for both the publications that present them and the organisations that prepare them.

A cursory look at the latest United States list of best places to work reveals many surprises. Each year, seemingly great enterprises disappear from the list. We don't think it is because they have fallen from "great" to "good". For instance, at one time, Southwest Airlines and Google were ranked near the top, but they have been off the list for some years. Some of these companies have decided to opt out of the voluntary choice to participate in the process. Filling out the forms and going through the ratings procedure require time and money. And they have come to realise the "for-profit" aspect of the ratings and those doing them; and the fact that — just as in the case of sites such as Trip Advisor and Yelp — scoring high may be as much about understanding how to play the ratings game as some objective indicator of merit.

We became intrigued by the rankings when some highly-ranked companies were described by their employees as horrible and unhealthy places to work, while doing a research on the subject of toxicity in management.

Employees described feeling stressed from the pressures to deliver beyond reasonable limits, having little or no control over their work schedules, facing long and sometimes unpredictable hours, and being pressured to forgo leave to appear at important company events. For instance, one executive was requested to report back two weeks into her maternity leave to make a presentation. Last fall, a very highly ranked company revealed in an all-hands meeting that it was confronting soaring medical and prescription drug claims. Clearly, workplace health and the best places to work ranking are not the same thing, even though the two seem to have high correlation.

Why are the rating organisations not including the workplace health issues into their rating criteria? They could. A single-item measure of self-reported health has been found to prospectively predict mortality and morbidity, even with current health status and other health indicators statistically controlled. Moreover, self-reported health has been found to be a valid predictor of subsequent health outcomes for various subpopulations including young and older people and various ethnic groups. There are also validated surveys of mental health and other measures of work environments that have been found to predict having a physician-diagnosed illness and mortality.

We also see increasing evidence for unreliability for survey data used in constructing reviews. A recent paper published in the *Journal of Consumer Research* shows this is the case for consumer reviews of products and services. Since such reviews have economical consequences in that consumers rely on them to make buy or no-buy decisions, enterprises have incentives to upload fake reviews, and they do. Different scholarly research implies the poor validity of online user ratings as assessed by different methods.

And then there's prescription drug use. Researchers at Denmark's Aarhus University used the country's prescription data paired with other surveys to unearth various factors associated with workplace stress. For example, use of sedatives and hypnotics were higher among the first time entrepreneurs and their spouses in the first two years after starting the ventures. When wives earned more than husbands, the men were prone to use more erectile dysfunction prescriptions while the wives tended to use insomnia and anti-anxiety medicines. A study found that pay-for-performance was associated with greater use of psychotropic

medicines. Employees of organisations that underwent major restructuring had more stress-related prescription drug use. Data on prescription drug use, along with measures of sickness absence and other health care claims from stress-induced conditions, can provide insights on the real toxicity of workplaces.

So why do the rankings not use health-related indicators that have been shown to measure important well-being outcomes? Possibly because the companies that prepare the lists also sell services to the organisations being listed. Whether it is Glassdoor that prepares the list for *Forbes*, Great Places to Work Institute that does the analysis for *Fortune*, or PeopleStrong that makes the list for *Business Today*, all sell products and services to some or all of the companies they are ranking. The Great Places to Work Institute offers various "packages" to companies for improving their scores. Information on the proportion of employees taking antidepressants or sleeping pills, and the health status, controlling for age of course, of employee populations are important measures of human sustainability. As such, this information should not remain completely private. Stock exchanges and health and wellness regulators should make such information filing mandatory for all listed companies. If such data were available publicly, it will be a very objective metric to rank companies on healthy environment.

As for prospective employees, if you are planning to apply for a new job based on just the Forbes or Fortune lists of best places to work, don't. Instead you will learn volumes about the enterprise you contemplate joining by asking the interviewers politely about the prescription medications they currently take, the hours they are putting in, whether they are able to readily balance work and family demands, how much control they have over their jobs, and the level of economic insecurity they face.

J. Pfeffer is chair professor of OB at Stanford University and M Muneer is co-founder and chief evangelist at Medici Institute. Tweet: @MuneerMuh