

# What Does It Mean To Be A “People-First Company”?

## Top Practices & Tools

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1. Providing clearly documented performance objectives and expectations during onboarding
2. Showing appreciation
3. Tying bonuses to employee performance
4. Maintaining a safe and healthy work environment
5. Providing a clear path for advancement within the company

Looking at the top 5 items that our management partners ranked as most important for attracting, retaining, motivating, and developing employees, it's clear that practices, particularly those that reinforce a **sense of fairness and transparency**, have a greater impact than perks and benefits.

There's a universal nature to these items that make them essential to a strong people-oriented culture. **People like to know what to expect. They like to know that their work matters and that they'll be rewarded for doing a good job.** These practices are simple, but they don't happen automatically, and they may fall by the wayside in companies with a weak culture.

Additionally, there was the highest diversity of opinion on sharing company financial goals, opportunities for equity participation, providing company branded apparel, and doing team-building outings and events. We think all of these items can be effective in shaping a strong culture, but their effectiveness will vary with different people and in different settings, thus the diversity of opinion.

## What about “core benefits”?

There was broad consensus that competitive wages and benefits including paid time off, health insurance, and 401(k) are **critical to attracting top talent**. But, they didn't rise to the top of the list, perhaps because they are more **easily replicated by competition**, and therefore, don't contribute as much to long-term employee engagement.

# Most Frequently Used Practices & Tools

1. Maintaining a safe and healthy work environment
2. Affordable health insurance that exceeds peer companies/competition
3. Formal performance reviews (at least annually)
4. 401(k)
5. Leaders that show appreciation

There aren't too many surprises or insights to draw from this list. These items are all essential to a strong people-based culture.

## Top 5 Differential

These items had the highest differences between average importance score and average frequency of use/implementation score. These likely represent areas of opportunity to further differentiate.

1. Childcare assistance
2. Opportunities for equity participation
3. Volunteer opportunities as a company
4. Team-building outings and events
5. Providing informal management/leadership training<sup>1</sup>
6. Providing clear path for advancement within the company<sup>1</sup>
7. Company support for charitable causes<sup>1</sup>

<sup>1</sup>Three-way tie for 5<sup>th</sup>