

# The 100 best companies to work for essay sample

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## **The 100 Best Companies to Work For**

An analysis of the main and sub lists in February's issue of the FORTUNE 100 Best Companies to Work For in America revealed some unexpected discoveries. Conventionally, the driving force behind career choices and pursuits made by young people is the financial benefit, prestige and fulfillment that will come from their chosen profession. With the annual pay being the main determinant. 2011 FORTUNE 100 list belies this belief.

The pay is not only sizeable, but also the benefits are unrivaled making these companies the envy of most and the best to work for in America. These benefits are diverse in nature, ranging from fully paid healthcare premiums to massage chairs and dogs in the work place.

According to FORTUNE magazine's article, 14 per cent of the top 100 companies fully pay their employees' healthcare premiums and the top 3 in this category are ranked in the overall top 10 list. Onsite child-care centers are offered by 25 per cent of the top 100 companies.

Telecommuting is also another benefit listed. These companies allow their employees to work from home or the road at least 20 per cent of the time and a further 21 per cent offer fully paid sabbaticals.

However, it was the companies that encourage a work-life balance and those that have had any layoffs that carried the day. 4 of the top 5 companies in the former category are in the top 20 overall companies' list, while the top 3 companies in the latter category are in the top 10 overall ranks for the best companies to work for.

SAS was ranked as the best company to work for in America. It has been on the FORTUNE 100 list for the last 14 years. According to the Vice President of

Human Resources at SAS: " the culture at the company presents a vibrant work environment in which people can thrive and be challenged, while maintaining a healthy work-life balance. This creates a culture of happy, healthy employees that drives productivity and allows SAS to focus on continued innovation and customer service" (SAS, 2011). FORTUNE magazine quotes a manager at SAS who adds that people stay at in the company because they feel regarded and cared for (2011).

The Boston Consulting Group (BCG) was ranked as the second best company to work for in America. This company places emphasis on employee development; it has a collaborative culture, extensive training, progressive benefits and a commitment to social-responsibility initiatives (BCG, 2011). BCG offers its employees a chance to work with humanitarian organizations such as U. N., World Food Program and Save the Children. The company's consultants provided on-the-ground support following the Haiti earthquake. The firm's generous pay also draws in consultants (FORTUNE, 2011).

Google was ranked as forth best company to work for. The work environment at Google is a far cry from being conventional. It is a social environment where employees have lunch together and the office space characterized by huddle rooms, shared cubicles and game rooms with no solo offices.

Creativity and innovation is fostered. According to Google, the employees, referred to as Googlers, are comfortable sharing ideas and opinions (' The Google Culture', n. d.).

Wikipedia defines the social exchange theory as a sociological perspective that explains social change and stability as a process of negotiated exchanges between parties (' Social Exchange Theory', 2011). Homans

further explained, individuals create and maintain social structures by taking into given conditions that influence an individual's behavior such as stimuli, rewards and punishments. All human relationships are formed by the use of a subjective cost-benefit analysis and the comparison of the alternatives (Wikipedia, 2011).

Howard & Crompton argue that the exchange theory is applicable to any successful business transaction. All the parties to the transaction must agree that a satisfactory value exchange has occurred for any transaction to succeed (2004). According to McCarville & Copeland, the theory is based on three elements: rationality, marginal utility and fairness (1994).

All action is fundamentally rational in character and people calculate the likely costs and benefits of any action before deciding what to do (Scot, 2000). These rational individuals choose the alternative that is likely to give them the greatest satisfaction (Heath, 1976). However, rationality in social exchange is acting not just for money (Frey 1997) but for the outcome which is defined by Wikipedia as the difference between the reward and cost ('Social Exchange Theory', 2011). BCG was the only firm, from the companies ranked top 10, to feature in the top 10 list for the companies with the highest average annual pay. This means that the employees in the top 10 firms were able to clearly state all their goals, both monetary and non-monetary perks and the outcome gave them the greatest level of satisfaction.

Fairness can be related to the work environments at the 3 featured firms. Homans stated, it is expected that there is a fairly equitable exchange of rewards and costs between persons; rule of distributive justice (Trevino, 2009). Google's turnover increase by 20 per cent, consequently they

rewarded all their employees with a 10 per cent pay hike. Consultants are attracted to BCG by their attractive pay. (FORTUNE, 2011)

According to Homans, the observed behavior of individuals is where sociology begins its analysis and not from the roles, institutions and other abstractions. He went further to explain that the individuals create and maintain social structures by taking into given conditions that influence an individual's behavior such as stimuli, rewards and punishments. Individuals who get much from others are under pressure to give much to them. This is the philosophy these 3 companies apply. They focus on the individual and forming a favorable exchange. They offer unrivalled rewards to match the costs required. The outcome is happy, motivated and productive individuals who are attain or even exceed their set targets contributing to the organization's overall performance.

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