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# R.O.B. Magazine's (3rd) annual ranking of Canada's top employers by Hewitt Associates

By John Daly -Friday, December 28, 2001 Feature

#### The 50 best companies to work for - in Canada

## R.O.B. Magazine's third annual ranking of Canada's top employers by Hewitt Associates

If you think there is a simple recipe for becoming a top-ranked employer, you won't find it in this year's Best Companies survey. As in the previous two years, the Top 50 are a very diverse group, with headquarters from Victoria to Halifax, and in businesses that range from travel to banking to selling chocolates.

Again this year, the ranking was compiled by R.O.B. Magazine and the international consulting firm Hewitt Associates. We expanded the list to 50 from 35, for two reasons: There were more participants, and the scores across the board were higher. "The competition is much tougher," says Leslie Dutton, a consultant with Hewitt.



Although the 50 Best pay better than the rest of the companies in the survey and provide perks others do not, those factors were not decisive. Measures of employee morale made a bigger difference. Several parts of the survey dealt with employees' perceptions of their CEO, their relationships with co-workers and their opportunities for advancement. To give you a taste of this, we have profiled five companies in more detail: Flight Centre Ltd. (this year's No. 1), Eli Lilly Canada Inc., Wal-Mart Canada Corp., Golder Associates Ltd. and Federal Express Canada Ltd.

Different companies strengthen that "we're-all-in-this-together" feeling in different ways. At Flight Centre, the Australian-owned budget travel agency, staff get a small base salary plus commission, and there are no company cars or on-site daycare. Managers have no offices and take out their own trash. But Flight Centre chooses its eclectic staff carefully, there is constant encouragement from the top, and there are monthly parties called "buzz nights." Company awards nights may sound corny, but Dutton says "it's less about the event than the recognition."

Photograph by Adrian Byrne At Eli Lilly Canada, the subsidiary of the huge multinational pharmaceutical company, the approach is much more formal. In a 1996 internal survey, the company found that the role of immediate supervisors is crucial. So Lilly upgraded supervisors' management skills. To help with work-life balance, Lilly offers take-home meals for \$3.50 apiece.

Still, some programs and perks clearly set the 50 Best apart: 52% of them have on-site fitness facilities, versus 26% for the other companies in the survey; 62% have formal diversity programs to encourage women and minorities, versus 37% for the rest; 76% offer stress reduction programs, versus 37% for the remainder.

Employee ownership is also important: An average of 24% of the employees in the 50 Best own stock in their own company, versus 3% in the rest. At Royal Bank, the only big bank to make the list this year, 85% own shares. Dutton says those results are no surprise. To her, it's similar to "the difference between owning a car and renting one." The allure of stock options has faded with the recent turmoil in the markets. But whatever happens to stock prices, Dutton says employees who own shares are more focused on what makes their company succeed.

Some companies are conspicuously absent from the list. Last year's winner, Nortel Networks, plunged into an industry-wide downturn just as survey results were published in our February, 2001, issue, and soon announced staff cuts of more than 20,000. The company chose not to participate this year. Canadian Tire, the winner in 2000, also chose not to participate. Instead, it says it has focused its efforts on a sweeping transition under CEO Wayne Sales, who took over in 2000.

In total, just 16 of last year's 35 Best Companies made it onto this year's list. Dutton says a recession will test companies even more. The 50 Best will be in a better position than most to make the list again next year. But they, too, will have to work hard.

—John Daly

# **Full Coverage:**

Company profile: Flight Centre

Company profile: Golder
Company profile: Eli Lilly
Company profile: Wal-Mart
Company profile: Fedex

#### HOW WE PICKED THE 50 BEST

We began in April, 2001, by sending invitations to more than 1,000 companies across Canada with at least 300 employees. One reason for that criterion is that the evaluation process is so intensive. Our partner, for the third year in a row, is Hewitt Associates, North America's largest human-resources consulting firm. Hewitt has more than 13.000 associates in 37 countries, including 400 associates in five offices in Canada. The survey consisted of three parts. First, each participating company distributed a detailed questionnaire to 250 randomly selected employees. That counted for 70% of the mark. Companies also completed a comprehensive human-resources practices survey, the People Practices Inventory. It counted for 25% of the final score. As well, each CEO completed a questionnaire about his or her philosophy about the value of people. It counted for 5%. Hewitt received completed submissions from 161 companies, up from 86 last year and 62 in 2000. If you want to participate next year, send an inquiry to bestcompanies@hewitt.com

	k Last Year	Company	Revenues (1)	Employees (2)	Voluntary (3)	Some Reasons they Stand Out
	1 cai		(\$ millions)	` '	Turnover	
1	-	· Flight Centre Ltd. Toronto	\$107	420	6.1%	Monthly parties. "Incento" dollars give staff travel discounts
2	-	Intuit Canada Ltd. Edmonton	\$53	344	2.2%	Matches 75% of RRSP contributions (\$3,500 yearly max)
3	3	· Hewlett-Packard (Canada) Ltd. Miss., Ont.	\$1,800	1,400	4.4%	Owns a family resort. RRSP matching increases with service
4	5	Surrey Metro Savings Credit Union Surrey, B.C	\$66	650	16.1%	Buy one share, get one free from stock option plan
5	4	Eli Lilly Canada, Inc. Toronto	\$66	691	6.8%	Internal stellite television links employees worldwide
6	-	BC Biomedical Laboratories Ltd. Surrey, B.C.	NA	526	2.3%	Family events galore: barbecues, golf, tobogganing and more
7	-	· Microsoft Canada Co., Miss., Ont.	\$710	500	8.9%	Almost all employees get laptops, free on-line connection
8	-	* McDonald's Restaurants of Canada Ltd. Toronto	\$2,150	4,300	5.8%	Two-month paid sabbatical after 10 years of service
9	-	Wal-Mart Canada Corp. Miss., Ont.	NA	50,000	20.1%	Full- and part-timers share in chain and store profits
10	-	· Telus Corp. Burnaby, B.C.	\$6,084	26,300	1.8%	100 stock options a year per employee from 2001 to 2003
11	9	• The Maritime Life Assurance Co. Halifax	\$1,795	2,032	6.8%	Yearly bonus for all staff based on customer satisfaction
12	12	Delta Hotels Ltd. Toronto	448	8,000	19.2%	Staff discounts on rooms, half-price meals
13	-	Aventis Pharma Inc. Laval, Que.	NA	800	5.0%	Stock options for all and 15% discount on shares
14	-	JTI-Macdonald Corp. Toronto	NA	544	2.2%	Three four-day weekends in the summer
15	-	Starwood Hotels and Resorts (Canada) Toronto	\$395	3,200	21.4%	Co-op program for hundreds of students. 75% hired annually

16	-	Novartis Pharma Canada Inc. Dorval, Que.	\$379	605	5.5%	Preferred access to a private medical clinic
17	-	· Hudson's Bay Co. Toronto, Ont.	\$7,519	22,253	10.0%	New on-line learning program offers over 40 courses
18	-	Compaq Canada Corp. Richmond Hill, Ont.	\$1,600	1,120	7.4%	Provides \$25-a-month subsidy for home internet connection
19	-	Rothmans Benson & Hedges Inc. Toronto	\$535	790	1.4%	On-site massage therapist. Outings to tobacco farms
20	-	Golder Associates Ltd. Vancouver	\$126	1,140	6.0%	Environmental consulting firm is 100% employee-owned
21	-	R.C. Purdy's Chocolates Ltd. Vancouver	NA	500	NA	Family-run since 1907. Everyone serves customers
22	-	· Royal Bank of Canada Toronto	\$10,107 <sup>(4)</sup>	36,980	6.4%	Encourages staff mobility. 25% per year assume new roles
23	13	Chubb Insurance Co. of Canada Toronto	\$329	443	4.8%	40 hours of paid learning per year per employee
24	19	· S.C. Johnson & Son, Ltd. Brantford, Ont.	NA	425	3.0%	On-site massage, gym and lactation room for mothers
25	-	· Mercedes-Benz Canada Inc. Toronto	\$982	646	3.4%	Staff can test-drive five cars over five weeks
26	-	BP Canada Energy Co. Calgary	\$13,200	1,275	3.7%	Very pro-environment. Staff get free shade-grown coffee
27	15	Merck Frosst Canada Ltd. Kirkland, Que.	NA	1,687	4.3%	Daycare centre near office. Spring-break and summer day camp
28	-	Nexen Inc. Calgary	\$2,764	1,412	3.8%	Choice of flex-schedule arrangements for work/life balance
29	-	EllisDon Corp. London, Ont.	NA	930	9.1%	Staff who meet quota share 25% of operating earnings
30	-	Sierra Systems Group Inc. Vancouver	\$78	667	19.2%	All employees share in profits monthly
31	25	Federal Express Canada Ltd. Miss., Ont.	NA	4,682	9.7%	"Out-of-box" initiatives instead of layoffs last fall
32	20	· Amex Canada Inc. Markham, Ont.	\$641	3,528	9.2%	Parties nationwide when profits cracked \$100 million in 2000
33	-	· Fluor Canada Ltd. Calgary	\$1,558	1,160	7.6%	Provides up to \$7,500 a year for external

						training
34	11	Procter & Gamble Inc. Toronto	\$1,900	2,716	NA	Executives work in cubicles to encourage communication
35	-	· QLT Inc. Vancouver	\$49	336	6.3%	On-site shiatsu massage and personal trainer
36	-	GlaxoSmithKline Inc. Miss., Ont.	NA	1,794	7.8%	Year-round self-scheduling and compressed work weeks
37	-	· PCL Constructors Inc. Edmonton	\$1,797	1,055	7.9%	100% -owned by current employees
38	-	· AstraZeneca Canada Inc. Miss., Ont.	\$708	1,427	5.1%	Nine company holidays during the year, four at year-end
39	28	· General Motors of Canada Ltd. Oshawa, Ont.	\$42,000	25,884	0.2%	New flex-pension program. Extended parental leaves
40	23	PanCanadian Energy Corp. Calgary	\$3,629(4)	1,670	4.6%	Talent Quest program pays \$2,500 per referral hired
41	-	Intria Items Inc. Miss., Ont.	\$312	5,431	4.1%	Financial transactions processor offers three types of staff awards
42	-	Ceridian Canada Ltd. Winnipeg	\$149	1,350	5.0%	15% discount on company stock. Loans to buy a computer
43	-	Kellogg Canada Inc. Toronto	\$600	900	1.2%	On-site fitness centre. Many family events
44	14	The Cumis Group Ltd. Burlington, Ont.	\$214	507	8.3%	Company home mortgages at 1.5% below market rates
45	-	Marriott Hotels of Canada Toronto	\$331	1,335	25.8%	Discounts on rooms, food. Annual Associate Appreciation Week
46	-	Chevron Canada Resources Calgary	NA	545	4.4%	Compressed work week can mean every other Friday off
47	-	Ericsson Canada Inc. Mount-Royal, Que.	\$694	1,932	12.6%	On-site daycare, gym and yoga classes
48	-	IMS Health, Canada Pointe Claire, Que.	NA	330	7.3%	Stock options and performance bonuses for all employees
49	-	Bristol-Myers Squibb Canada Inc. St. Laurent, Que.	NA	1,017	8.2%	In-house gym and fitness classes, including Thai boxing
50	31	Deloitte & Touche LLP Toronto	\$876	5,613	15.6%	Pays employees \$1,500 to \$6,000 for referrals hired

Notes: (1) Revenues are audited figures for 2000 or latest comparable period.

- (2) Full- and Part-time employees
- (3) Annualized rate as of July, 2001
- (4) From Canadian operations only

## **Related Links:**

Web Sites:

» R.O.B. Magazine

(http://www.robmagazine.com)

» Hewitt Associates

(http://www.hewitt.com)

#### **Related Stories:**

- » Company profile: Flight Centre
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