

THE GLOBE AND MAIL

REPORT ON BUSINESS

MAGAZINE

the **fifty**
best
companies

TO WORK FOR IN CANADA

By Steve Brearton and John Daly
(Photographs by Sandy Pereira)

Hewitt

SO THAT STOCK-OPTIONS PLAN ISN'T EXACTLY motivating the troops these days. Here's what to do: Give them a monthly beer bash instead. Hold a draw to win a four-slice toaster or a 13-inch colour TV. Or simply send an e-mail telling someone you really appreciate what they're doing.

Absurd? We can prove it's not. Yes, your employees care about their salaries and benefits, but according to the thousands of staff who responded to our fourth annual Best Companies survey, it's the total package that matters more.

"The best organizations have discovered what people *should* be paid," says Ted Emond, a Toronto-based consultant at Hewitt Associates, the firm that compiles our survey. Those salaries are often just the industry norm. What's important, says Emond, is that employees perceive that their compensation is fair. Hardly anyone would confess to being overpaid but, astonishingly, 67% of staffers at the 50 Best feel their pay is appropriate for their jobs. Only 42% say the same at companies that didn't make our list.

In the end, the best employers are the ones who articulate a clear and consistent vision, starting with the CEO. They're the companies that develop programs to keep staff focused on their goals, while actually *listening* to them and acting on their suggestions.

Commitment from the top is vital. On average, CEOs at the 50 Best spend four days a month with staff, versus two days for non-Best Companies. That contact is important whether or not the CEO is naturally outgoing or not. Catherine Woodman, vice-president of human resources at The Maritime Life Assurance Co. (No. 19), on our list for the fourth year in a row, chuckles when she talks about her boss, William Black. "He is not, by nature, a warm, loving guy," she says. "He's an actuary." But she adds, "He's done the logic. He knows he has to be out front."

In smaller companies, conveying a consistent message—and doing it personally—is a bit easier. Flight Centre (No. 3), the chain of travel agencies that topped our ranking last

RANK	LAST YEAR	COMPANY Headquarters	INDUSTRY	CEO TENURE	REVENUES ⁽¹⁾ (millions)	EMPLOYEES ⁽²⁾ (in Canada)	VOLUNTARY ⁽³⁾ TURNOVER
1	6	BC Biomedical Laboratories Ltd. Surrey, B.C.	Medical	9 years	N.A.	371	2.2%
2	-	Janssen-Ortho Inc. Toronto	Pharmaceuticals	2 years	\$429	750	6.5%
3	1	Flight Centre Ltd. Toronto/Vancouver	Travel	8 years	\$220	389	30.3%
4	-	Edward Jones Canada Mississauga, Ont.	Investment dealer	9 years	\$64	1,132	5.6%
5	29	EllisDon Corp. London, Ont.	Construction	15 years	\$755	667	4.7%
6	-	Crystal Decisions Inc. Vancouver	Software	1 year	\$341	769	5.9%
7	19	Rothmans Benson & Hedges Inc. Toronto	Tobacco	4 years	\$563	787	2.0%
8	2	Intuit Canada Ltd. Edmonton	Financial software	10 years	N.A.	328	6.7%
9	23	Chubb Insurance Co. of Canada Toronto	Insurance	5 years	\$363	503	2.7%
10	25	Mercedes-Benz Canada Inc. Toronto	Auto sales	8 years	\$977	651	3.3%
11	13	Aventis Pharma Inc. Laval, Que.	Pharmaceuticals	4 years	\$374	767	4.6%
12	37	PCL Construction Group Inc. Edmonton	Construction	6 years	\$1,800	973	6.2%
13	20	Golder Associates Ltd. Burnaby, B.C.	Engineering consulting	4 years	\$139	975	7.1%
14	-	Enterprise Rent-A-Car St. Louis, Mo.	Auto rentals	11 years	\$6,500 ⁽⁵⁾	1,006	13.9%
15	-	Pfizer Canada Pharmaceutical Group Kirkland, Que.	Pharmaceuticals	3 years	\$1,100	868	1.5%
16	12	Delta Hotels Limited Toronto	Hotels	5 years	\$508	4,333	12.3%
17	14	JTI-Macdonald Corp. Toronto	Tobacco	3 years	N.A.	545	0.9%
18	24	S.C. Johnson & Son, Ltd. Brantford, Ont.	Household products	1 year	N.A.	450	3.8%
19	11	The Maritime Life Assurance Co. Halifax	Insurance	7 years	\$1,880	2,149	5.0%
20	16	Novartis Pharmaceuticals Canada Inc. Dorval, Que.	Pharmaceuticals	2 years	\$417	700	5.0%
21	15	Starwood Hotels & Resorts Worldwide Inc. Toronto	Hotels	8 years	\$400	3,476	14.6%
22	-	MDS Sciex Concord, Ont.	Scientific instruments	19 years	\$160	372	2.2%
23	38	AstraZeneca Canada Inc. Mississauga, Ont.	Pharmaceuticals	3 years	\$811	1,420	4.1%
24	31	Federal Express Canada Ltd. Mississauga, Ont.	Courier	2 years	N.A.	3,000	11.6%
25	36	GlaxoSmithKline Inc. Mississauga, Ont.	Pharmaceuticals	8 years	N.A.	1,751	8.9%

⁽¹⁾Revenues are for 2001 or latest annual period ⁽²⁾Full-time employees ⁽³⁾Annualized rate as of July, 2002, or most recent figure; not including retirement ⁽⁴⁾For 2001 or latest annual period

year, still has monthly “buzz night” parties for its staff. Everyone still takes out their own trash. But the ranks have grown from 253 employees in 2000 to 466 people now in Ontario, Alberta and British Columbia. “I used to have coffee with all of the staff every month,” says Grahame Hubbard, managing director for Flight Centre’s East Coast operations. Now, four other executives help him with the task. Growing into a bigger company while holding on to a small-business attitude is, as Hubbard says, “a big challenge.”

But it’s possible, if you have formal employee programs and managers blessed with the human touch. Consider Hudson’s Bay Co. (No. 28), the largest employer on our 50 Best list, with 70,000 full- and part-time staff across the country. In addition to the Bay, it operates the Zellers, Home Outfitters and Fields chains and tries to maintain consistent pay, benefits and standards at its more than 500 locations. This means placing a lot of responsibility on its 3,000 front-line managers.

“On a Saturday in mid-December [during the Christmas rush], the guy running the store in Lethbridge is as good as any CEO in the country,” says Bob Kolida, Hudson’s Bay’s senior vice-president of human resources.

Fostering that small-business vibe means giving your people some tangible praise—and some sense of their importance to the system. In the Hewitt survey, 61% of employees at the 50 Best agreed with the statement “I receive adequate recognition beyond compensation for my contributions and accomplishments.” That compared with just 41% at companies that didn’t make our list.

Betty Buysen, a veteran of the HR department at Edmonton-based Intuit Canada Ltd. (No. 8), which sells personal-finance and accounting software, says the recognition factor constantly comes up in other research. “Here we are spending millions of dollars trying to ensure that our employees are better paid when, in fact, what they’re looking for is simple recognition,” she says.

AVG. YEARLY TRAINING (hours per employee)	EMPLOYEES OWNING STOCKS	EMPLOYEES RECEIVING SALARY INCREASE ⁽⁴⁾	AVERAGE BASE SALARY INCREASE ⁽⁴⁾	SOME REASONS THEY STAND OUT	RANK
38	N.A.	100%	7.0%	Employee-directed health benefits and flex-work opportunities	1
37	60%	99%	5.0%	Leadership development, innovation teams and “heroes of the month”	2
50	82%	94%	20.0%	Promotes almost exclusively from within. Monthly parties	3
180	N.A.	99%	5.0%	Profit-sharing and partnership opportunities for all	4
60	25%	95%	4.0%	Rapid promotion, monthly learning sessions and employee parties	5
35	100%	90%	N.A.	Stock options, on-site gym and company chalet at Whistler	6
29	4%	100%	3.4%	Monthly staff socials, family Christmas parties and picnics	7
48	100%	N.A.	N.A.	Annual family weekend at Jasper Park Lodge. Staff nap rooms	8
62	23%	99%	5.5%	Company matches employee RRSP contributions by 200%	9
35	N.A.	100%	3.0%	Staff can test-drive cars. Firm pays for professional development	10
30	26%	100%	N.A.	Summer work hours and quarterly town-hall meetings with president	11
43	75%	95%	3.5%	100% employee-owned. Opportunities to relocate abroad	12
40	41%	100%	6.9%	Golder “U” in-house training sessions for all staff	13
100	N.A.	N.A.	N.A.	Emphasizes internal promotion and local autonomy	14
n.a	78%	93%	4.0%	On-site doctor, daycare and fitness centre. Take-home meal plan	15
25	5%	85%	3.2%	Commitment to career planning. Discounted and free hotel rooms	16
18	0%	100%	4.0%	Flex hours, job sharing and on-site massage therapy	17
N.A.	N.A.	N.A.	N.A.	Kids’ camps in summer and during March and Christmas breaks	18
14	80%	99%	2.9%	On-site fitness and daycare. Discounts on home and auto insurance	19
30	4%	100%	4.0%	Maternity leave top-up plan. Dry-cleaning service, take-home meals	20
11	1%	100%	3.0%	Co-op program for students, with 75% hired permanently each year	21
47	60%	N.A.	N.A.	On-site fitness, massage and meditation. Free corporate concierge	22
N.A.	N.A.	N.A.	N.A.	Six days annually to create long weekends. On-site personal trainer	23
N.A.	N.A.	100%	N.A.	No-layoff philosophy. Full benefits, including pension, for part-timers	24
N.A.	N.A.	N.A.	N.A.	Educational and compassionate leave. Spirit days with surprise gifts	25

⁽⁵⁾Worldwide revenues, U.S. dollars

Although that's probably an oversimplification, it's an attitude that separates the Best Companies from the rest. It can be as simple as a manager congratulating an employee on a five-year anniversary at the beginning of the day—not at the end—or maybe an annual outing at a theme park.

At Intuit, recognition starts on day 1. New employees get a canvas tote bag stuffed with a copy of the company's software and a candy jar for their desk. (Candy breaks the ice with your cubicle neighbour, says Buysen). Later on, they might win a free toaster oven or TV—the company is big on giveaways—or an invitation to take their families to the annual corporate weekend retreat.

This kind of thing seems to pump up the rank and file more than, say, owning a stake in the company. Just 41% of employees at the 50 Best own company stock, compared with 45% at non-Best Companies (see page 60)—oddly low, since the payoff can be considerable. According to Kolida,

Hudson's Bay employees get \$1 worth of company shares for every \$6 they buy through the corporate program—an immediate 17% return.

Ultimately, what makes a company one of the 50 Best varies dramatically from place to place. Consider the Top 5, which we profile on the following pages. You'd have trouble finding five more dissimilar firms: BC Biomedical Laboratories Ltd., a community-based testing service for blood and other medical needs; Janssen-Ortho Inc., the Canadian subsidiary of a multinational drug giant; Flight Centre, a brash, youth-oriented discount travel agent; Edward Jones, a chain of storefront brokerages for average investors; and EllisDon Corp., an international construction company.

None of these companies is a hub for glamorous, high-paid jobs. Rather, each one believes in praise, believes in people, and feels their employees' goals should be one with the overall corporate plan. Here's how they all do it.

RANK	LAST YEAR	COMPANY Headquarters	INDUSTRY	CEO TENURE	REVENUES ⁽¹⁾ (millions)	EMPLOYEES ⁽²⁾ (in Canada)	VOLUNTARY ⁽³⁾ TURNOVER
26	44	The CUMIS Group Ltd. Burlington, Ont.	Insurance	6 years	\$229	538	9.3%
27	35	QLT Inc. Vancouver	Pharmaceuticals	1 year	\$130	352	7.7%
28	17	Hudson's Bay Company Toronto	Retail	3 years	\$7,400	27,824	4.1%
29	47	Ericsson Canada Inc. Mount Royal, Que.	Telecommunications	1 year	\$696	1,800	2.6%
30	48	IMS Health Canada Pointe-Claire, Que.	Health care data	3 years	N.A.	280	8.2%
31	-	ACNielsen Co. of Canada Markham, Ont.	Market research	2 years	N.A.	653	8.1%
32	-	Canadian Tire Corp. Ltd. ⁽⁶⁾ Toronto	Retail	2 years	\$5,438	4,269	5.7%
33	8	McDonald's Restaurants of Canada Ltd. ⁽⁶⁾ Toronto	Fast food	N.A.	\$2,240	4,850	19.4%
34	-	Bennett Jones LLP Calgary	Law	5 years	N.A.	624	13.6%
35	5	Eli Lilly Canada Inc. Toronto	Pharmaceuticals	3 years	N.A.	674	6.2%
36	-	Shell Canada Ltd. Calgary	Oil and gas	4 years	\$7,730	3,632	1.8%
37	28	Nexen Inc. Calgary	Oil and gas	2 years	\$1,309	1,459	5.1%
38	-	Standard Aero Ltd. Winnipeg	Aircraft maintenance	18 years	\$269	1,374	3.5%
39	-	Keg Restaurants Ltd. Richmond, B.C.	Restaurants	6 years	N.A.	1,456	14.7%
40	-	Unilever Canada Toronto	Consumer products	2 years	\$1,596	619	10.3%
41	-	Dofasco Inc. Hamilton	Steel	10 years	\$2,900	7,490	0.6%
42	-	Dundee Realty Corp. Toronto	Real estate	6 years	\$199	288	10.8%
43	-	Chemco Electrical Contractors Ltd. Edmonton	Construction	24 years	\$75	800	64.0%
44	-	Electronic Arts (Canada) Inc. Burnaby, B.C.	Electronic games	20 years	\$550	535	7.6%
45	22	RBC Financial Group Toronto	Financial services	2 years	\$9,868 ⁽⁷⁾	48,700	6.0%
46	-	Accenture Inc. Canada Toronto	Consulting	7 years	\$308	1,298	9.2%
47	-	Envision Financial Langley, B.C.	Financial services	6 years	\$124	482	7.7%
48	-	Dun & Bradstreet Canada Mississauga, Ont.	Financial data	5 years	\$52	331	8.3%
49	-	Maritz Canada Mississauga, Ont.	Consumer research	2 years	\$108	341	9.4%
50	-	Xerox Canada Inc. Toronto	Information systems	3 years	\$1,429	4,351	7.5%

⁽¹⁾ Revenues are for 2001 or latest annual period ⁽²⁾ Full-time employees ⁽³⁾ Annualized rate as of July, 2002, or most recent figure; not including retirement ⁽⁴⁾ For 2001 or latest annual period

HOW WE PICKED THE 50 BEST

We began in April, 2002, by sending invitations to more than 1,500 companies across Canada with at least 300 employees. One reason for that criterion is to ensure there's a level playing field between large and small companies. Our partner, for the fourth year in a row, was Hewitt Associates, North America's largest human-resources consulting firm. Hewitt has 15,682 associates in 37 countries, including 444 associates in five cities in Canada.

The survey consisted of three parts. First, each participating company distributed a detailed questionnaire to a minimum of 200 employees—more in the case of larger companies—who were selected at random, but also according to strict guidelines. That counted for 70% of the mark. Companies also completed a comprehensive human-resources practices survey, known as the People Practices Inventory, and a Leadership Team Survey for top executives. Together, those two elements counted for 30% of the mark. Hewitt received completed submissions from 128 companies, up from 62 in 2000, the first year we did the survey.

For more information, including instructions for applying for the next survey, log on to www.hewitt.com/best-companiescanada. Good luck!

AVG. YEARLY TRAINING (hours per employee)	EMPLOYEES OWNING STOCKS	EMPLOYEES RECEIVING SALARY INCREASE ⁽⁴⁾	AVERAGE BASE SALARY INCREASE ⁽⁴⁾	SOME REASONS THEY STAND OUT	RANK
31	1%	94%	2.2%	Opportunities for volunteer work on company time. Flex schedules	26
N.A.	N.A.	N.A.	N.A.	Stock-option incentive plan. Family assistance program	27
62	5%	100%	2.0%	Committed to training and promoting from within. Profit sharing	28
38	63%	90%	2.9%	On-site gym, daycare and wellness programs. Flex schedules	29
27	N.A.	98%	3.8%	Options for flextime, telecommuting and compressed workweek	30
N.A.	N.A.	N.A.	N.A.	Annual career day to explore opportunities within the company	31
17	100%	95%	3.2%	Stock purchase plan, on-line learning, seasonal gifts, staff discounts	32
N.A.	N.A.	N.A.	N.A.	Profit sharing. Bachelor of Flipology gives office staff in-store training	33
N.A.	N.A.	99%	N.A.	Courses to keep up with current law. Profit-based bonuses	34
65	9%	98%	4.5%	Work-and-life task force. Grants for adoptive parents. On-site fitness	35
N.A.	44%	98%	4.5%	Staff can rate supervisors. Formal commitment to workplace diversity	36
21	N.A.	99%	4.5%	Health subsidy and company gym. Share ownership and savings plans	37
N.A.	0%	99%	3.3%	Twice-monthly president's breakfast for groups of 12 employees	38
32	N.A.	85%	3.0%	Pays in industry top-quartile. Yearly ski race and party (Ont. and B.C.)	39
22	N.A.	98%	4.0%	Tuition reimbursement. Fitness subsidies and on-site massage	40
68	N.A.	96%	3.2%	Profit sharing. Sports and recreation park. Renowned Christmas party	41
35	10%	91%	3.5%	Senior executives work in open concept. Annual health month	42
45	0	100%	6.0%	Business is high-turnover, so new and old employees treated the same	43
6	100%	97%	3.5%	Formal career plans. On-site soccer, basketball and arcade games	44
N.A.	80%	80%	2.3%	Subsidized share-purchase plan. CEO conference calls open to all staff	45
360	100%	100%	6.8%	Flextime. 15% discount on share purchases. Hiring referral incentives	46
45	N.A.	94%	2.2%	Profit sharing or share ownership plan. Staff concierge. Flex benefits	47
45	13%	94%	3.0%	Career planning. Profit sharing and stock purchase discounts	48
24	0	90%	3.4%	Monthly all-employee meetings. Focus on community and charities	49
46	3.8%	90%	3.2%	Extensive learning and development programs. Eager to help women	50

⁽⁵⁾Worldwide revenues, U.S. dollars ⁽⁶⁾Corporate and head-office employees only. Does not include employees in franchise or dealer-owned outlets ⁽⁷⁾Revenues from Canadian operations

1

BC BIOMEDICAL

It's a provincial blood lab and not a company that aspires to become huge or find a cure for cancer. Not that its people mind. The staff like things cozy, personal

HOW DO YOU IGNITE THE passions of your staff when your company isn't pushing into new markets or wowing the world with new products?

That's been a constant worry for Doug Buchanan, CEO and managing director of BC Biomedical Laboratories. Buchanan runs British Columbia's largest community lab, owned and operated by 46 pathologists in the Lower Mainland. Founded 45 years ago by Burnaby physician Cam Coady, the company does blood work, drug screening, clinical trials, among other things, mainly for the public health system.

BC Biomedical has grown

slowly as demand for labs has increased. It now has more than 600 employees, an astounding 89% of them women—which lends things “a natural, high sense of empathy,” Buchanan says. “Our practice is centred around caring for patients, so that's a powerful force.”

As a unique public-private hybrid, the company does what it does happily and without aspirations for world domination. (It is limited by its mandate to serve B.C. doctors, plus it needs a licence to open new labs.) So, says Buchanan, “we have to try other things to create a sense of excitement.”

Step 1: Get the right kind

of staff. There are essentially two types of jobs at BC Biomedical: gathering blood and other samples from patients, and analyzing those samples in labs. As a result, Buchanan looks for people with “absolute, unwavering commitment to quality of work.” There's also the nature of the job: “The stuff we do isn't necessarily pleasant,” he adds, “so it takes a really special person at the front end.”

Step 2: Maintain a flat structure, much like that of a medical practice. “There are no more than two people between me as CEO and any other employee in this organization,” says Buchanan. “I'm connected to the front lines, and people drop in and talk to me with concerns and comments all the time.”

Step 3: Strategize to keep things interesting. “We think work needs to offer opportunities to interact, to learn and grow, and it should be fun,” says Buchanan.

Easy access to the boss fosters a consensus-building model of leadership. “I think it is the most essential aspect of creating *followership*,” Buchanan says, leaning heavy into the buzz-speak. “You are more effective...getting things done through other people. Some things take a little longer, but we get greater support.” What's more, an employee advisory group convenes regularly and sounds out any proposals for big-picture changes.

The company also gives staff more leeway with

shifts and scheduling than you'd typically find in the industry, offering part-time casual work, flex hours and job sharing. Two employees sharing one post each gets a full benefits package and works out their own schedule, including holidays. “If it fits our workflow,” Buchanan says, “we're interested in experimenting.”

Keeping things lively for employees' families is another key goal: barbecues, picnics and Christmas parties are annual affairs.

There's also a staff profit-sharing plan and a health program that gives each employee a \$250 disbursement each year, in addition to their regular benefits. Employees can spend these funds on any health-related service they like. It's a step toward a more flexible benefits package that the employees will increasingly control.

BC Biomedical's business may be steady-as-they-come, but its employees seem to thrive on that stability. “We've got a small edge in attractiveness for recruiting, but it's something we need to keep working on,” says Buchanan.

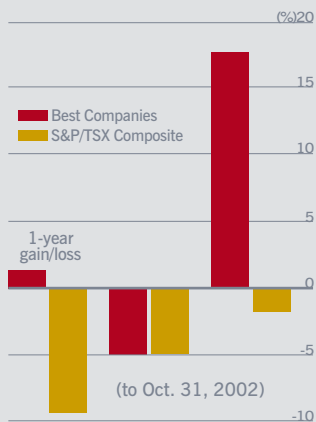
The question is how he'll improve a voluntary turnover rate that barely surpasses 2%. Wait for the answer next year.

I love my job because... “I can pick up the phone and talk to my CEO, no problem. I'm taking a computer course and I just called him up to help me with my project”—medical laboratory technologist Debbie Miotto (right, in the white lab coat)



THE BEST AND THE STOCK MARKET

Are good employers good investments? And do share ownership and stock-options plans succeed in motivating staff and improving company performance? When the markets soared in the 1990s, both answers were obviously yes. But in this year's survey, the link between ownership and results isn't as clear. Still, shares of the top employers do well over time. We compared the 31 Best companies whose shares trade publicly against the Toronto Stock Exchange's S&P/TSX Composite Index. (Five of them have been public for less than five years, and four have been public for less than three years.)



BEST COMPANIES OUTPERFORM THEIR COMPETITORS

» Excess annual total shareholder return above industry average (5 years) is **14.4%**

THEIR SALES ARE ALSO GROWING FASTER THAN NON-BEST COMPANIES

» Average annual sales growth (over 5 years):

Best Companies 14%
Other companies 9%

BEST COMPANIES OFFER SHARES TO MORE EMPLOYEES THAN NON-BEST COMPANIES

» Percentage of employees eligible for stock options:

Best Companies 61%
Other companies 46%

BUT FEWER EMPLOYEES IN BEST COMPANIES ACTUALLY OWN PART OF THE COMPANY

» Staff who own shares:

Best Companies 41%
Other companies 45%



2

JIM MITCHELL, PRESIDENT of the Toronto-based pharmaceutical firm Janssen-Ortho, expects his 900 employees to be seen and heard. To get right down to it: "If people want to come to work and hide somewhere, I don't think this is the place to do it." This is a "high-performance culture," he stresses. "We strive to hire the best, motivate and direct them as much as we can and

then get out of the way."

Mitchell starts with his "do what's right" rules, a simple plan for running the company: First, do what's right for the customer, then for the employee and the community. You'll do what's right for the shareholder along the way.

Because lack of communication is his mortal enemy, Mitchell holds monthly cafeteria meetings at head office. "It's very informal," he says. "I tell them how the company's doing, we talk about issues and we

JANSSEN-ORTHO





3

YOUTHFUL, ENERGETIC Flight Centre, an Australia-based company with international reach, is looking for a few good people. But if you've already worked in the holiday business, don't bother applying. "Less than 5% of our employees have a travel background," says Grahame Hubbard, managing director for Flight Centre's 55 stores and 350 employees in Eastern Canada. His people tend to be young self-starters from diverse backgrounds who've travelled extensively and speak a few languages: "They sell the sizzle of the steak, rather than just the steak itself."

The discount travel retailer prides itself on being the industry oddball—unlike most of its peers, it has also been profitable every quarter

since Sept. 11, 2001.

Passion is the main job requirement and, in return, the company commits to 50 hours of training for staff each year, contributes \$100 a month to each store's slush fund—employees can use it to cover emergency costs—and offers monthly parties and semi-regular thank-you trips. Recently, Flight Centre took 55 managers and assistant managers to Chicago, spending \$46,000 for the weekend.

All retail employees—half of whom own company stock—saw their base pay increase by \$5,000 in 2001. Average pay for travel agents is about \$600 a week industry-wide, but Hubbard says his staff usually earn much more than that. They work hard for it, he adds. "I'm *not* a believer in motivating people," he says. "I personally don't believe anyone can motivate anybody. But I do believe you can provide an atmosphere where people feel they want to grow and do better for themselves."

I love my job because... "There's faith in me. I can make judgment calls without getting everything approved by five people"—Melissa Sturgeon (below right, with colleague Katherine Twomey), assistant team leader of the 335 Bay Street store in Toronto



recognize the heroes—the employees who've driven the business forward." More praise comes in the form of the Medallion Awards, peer-chosen bronze, silver and gold medals given to top performers.

Each employee's goals are tied to a list of corporate objectives. "It links everybody into an all-for-one-and-one-for-all concept," Mitchell says, meaning an employee can earn a yearly bonus of up to 20% if both the person and the company meet their goals.

Beyond this, there's the work/life balance: Janssen-

Ortho offers flex hours, summer hours, educational grants and family social functions. "You want people to wake up and love to come to work," says the boss. "It amazes me sometimes, the energy level we have here. You perform—and we treat you well."

I love my job because...

"They recognize and reward. You're actually patted on the back. And every employee has a development plan"—John Inglis (above), clinical supply unit assistant (he co-ordinates the supply of drugs for ongoing trials)

IT'S ALL ABOUT THE BOSS

Effective employee relations start at the top. CEOs and other top managers at the 50 Best Companies communicate more often and more effectively with staff than leaders at other companies. As a result, employees identify more closely with management and its goals.

» Percentage of staff who said senior management is appropriately accessible to employees:

Best Companies 69%
Other companies 49%

» Percentage of employees who feel managers are open and honest in communication:

Best Companies 71%
Other companies 50%

» Percentage of staff who feel their bosses expertly run the business:

Best Companies 80%
Other companies 59%

» Percentage of executive-tier employees who have the opportunity to evaluate their superiors at least once a year:

Best Companies 79%
Other companies 37%

» Percentage of front-line employees who have the opportunity to evaluate their superiors at least once a year:

Best Companies 63%
Other companies 27%



EDWARD JONES

4

THERE ARE NO JOB descriptions at Edward Jones. "It's pretty simple," says Gary Reamey, the Mississauga, Ont.-based principal of Canadian operations for the U.S. brokerage. "You give good people responsibility and

you let them achieve."

Still, Reamey and crew are keen on clarity, issuing "responsibility statements" to staff that articulate a focused business model: Jones serves individual investors out of single-broker offices, often in malls.

One of the firm's greatest challenges is finding self-motivated individuals who fit its orderly structure. That's why it hires only about 30 staff out of the 1,200 Canadians who apply for sales positions each month. It's the first investment job for more than 85% of new hires—the company wants

fresh recruits, trained the Edward Jones way.

The few who survive the rigorous hiring process are rewarded with opportunity. Apart from competitive benefits and compensation, Edward Jones provides continuing-education funds, a 24-hour help line for everything from consumer advice to mental health, and e-mail raffles for seats in the corporate box at Toronto's Air Canada Centre.

Edward Jones is a private partnership, so all employees

can participate in ownership. One in 20 Canadian staffers do, sharing a group RRSP in which 24% of all profits are invested. The partnership structure helps the firm grow over the long term. "We are not so focused on making the next quarter's numbers. That focus jeopardizes long-term success," says Reamey, a 25-year veteran of the company. "We've been around since 1871, so if we're talking about quarters, we're talking about quarter-centuries."

I love my job because... "I made the switch from Bay Street to Main Street, from a place where there were 500 brokers to a one-broker branch. This has taken me back to the basic reason why I'm in this industry: to help my clients"—Doug Chillman (above), investment representative, Yorkville branch, Toronto

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ELLISDON >

When Donald and David Ellis Smith founded EllisDon Corp. in London, Ont., in 1951, the staff of their construction firm could fit into a Chevy sedan. By 1954, the brothers had opened a Calgary branch, the first step in a famously aggressive expansion plan.

EllisDon prospered well into the 1980s. But during an industry-wide slump in the '90s, it worried about losing its people. EllisDon had proved it could build bridges and airports, but when it came to building careers, things had to change.

Five years ago, EllisDon rebuilt its training programs, reforming an environment that president and CEO Geoff Smith (Donald's son) calls "sink or swim." Meaning: "You'd go find someone and if he had the experience you'd give him a shot. If he didn't make it, you'd go find someone else."

As Smith says, "We want people to stay with us and to *know* that they'll stay with us...We look for a certain philosophical bent in our staff. You have to be someone who wants to get out and make decisions, maybe with a little less support than you will get at other companies."

But support comes in the way of education. Staff can attend monthly sessions at EllisDon University—an event, not a place. It can take the form of a dinner with a speaker, or a tour of a subcontractor's operations.

EllisDon also has a web-



based system, EdgeBuilder, that manages each project and even watches job sites via webcams. "Construction is about hundreds of thousands of documents," Smith explains, "and this system is state of the art."

Staff chime in during regular meetings about values and strategy. As well, in 1998, EllisDon rearranged its ownership structure, and set aside 45% of its shares to reward long-serving employees in future for their

contributions. Promoting from within is also a priority. "Before we go outside," says Smith, "we should make sure we've looked within."

In the end, autonomy is key. Since a project manager might operate as far away from HQ as Saskatchewan, Smith says the message is, "We trust

you, service the client and tell us how you're doing.

"Everybody talks about giving employees power," he adds. "My father was giving employees all sorts of power at a very young age back in the '60s, before anyone had heard of this stuff." Turns out this is an old-company value after all. **RI**

I love my job because... "It's a company that lets you work and isn't always on your back. You go to your weekly meeting and then you go and do what you have to do"—Tony Cunha, labour foreman (above), working on the expansion of Toronto General Hospital

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