

# The DEEPEST FAMILY TRUST

*Relationships inside and outside companies determine profits on all levels* **BY ELIE DOLGIN**

**T**he news came as a shock to workers at the warehouse in Frimley. In 2011, SC Johnson announced plans to outsource its UK warehouse operations. About a dozen employees were let go. Although they received generous severance packages and career training, they were still out of work.

Within a month, “all hell broke loose,” recalls Fisk Johnson, chairman and CEO of SC Johnson and the fifth generation of his family to lead the 131-year-old company. The new vendor couldn’t handle the logistics or support customer service. Products — including Brillo pads, Glade air freshener and Pledge furniture polish — weren’t getting on supermarket shelves. “It was an absolute disaster,” Johnson says.

The company needed help. Executives went back to the employees that had been laid off and asked them to assist with the transition. Every single one agreed. Johnson was so touched, he flew over from the SC Johnson headquarters in Racine, Wisconsin, to thank them personally. He remembers those conversations like it was yesterday.

“They basically said, ‘I so appreciate everything this company has done for me over the years that I’m happy to come back and do my part,’” he recalls. “I was just blown away by that.” To Johnson that showed the amazing goodwill of SC Johnson people and meant the company must be doing something right, too. “When those things happen,” he says, “it helps me learn for the next time we have to go through one of those difficult decisions.”

## CREATING COMMITMENT

Positive and open attitudes — from employees and their CEO — are clear signs of what Paul Zak, director of the Center for Neuroeconomics Studies at Claremont Graduate University in California, calls a “high-trust organization,” something he argues is

essential for any business to thrive. “It’s really about creating this human-centric culture,” Zak says. “It’s understanding the ennobling value of work.”

In his latest book, *Trust Factor: The Science of Creating High-Performance Companies*, Zak explains that employees of high-trust organizations are more productive; they stay with employers longer; and they have greater job satisfaction. Moreover, Zak’s research shows that companies with cultures focused on trust and engagement generate more profits over time. They also tend to pay their employees more and build stronger links with their communities. Zak calls this the “triple bottom line.”

“There’s no altruism here,” Zak notes. If it works the right way, it should be good for everyone, he says.

According to Johnson his family has lived by this principle since his great-great-grandfather, Samuel Curtis Johnson, founded the company. “I come from a family where we just do things because it’s the right thing to do,” Johnson says (See ‘Protecting People and Principles.’).

Case in point: In 1975, Johnson’s father, Sam, decided to eliminate chlorofluorocarbons from the company’s aerosol products a full three years before regulations required it to do so. It was one of the first major acts made in the

interest of environmental responsibility at SC Johnson. It’s a commitment that Johnson has continued to this day through the company’s Greenlist program, which is an effort to eliminate chemical ingredients or packaging materials deemed harmful to the environment or human health (See ‘Greenlist Process.’).

For SC Johnson’s 13,000 employees in more than 70 countries, initiatives like Greenlist provide a clear purpose that permeates the organization. Those kinds of initiatives, Johnson says, “give people a sense of pride and commitment to the company’s mission.”

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