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Top Small Workplaces 2009

In a difficult economic year, these companies managed to keep their employees a priority

By [KELLY K. SPORS](#)

It's the kind of year that separates great small businesses from good ones.

For many companies, tough economic times inevitably end up pushing the work environment to the back burner. Benefits are slashed, innovative programs are dropped, employees get shut out of big decisions. Employees are lucky to have a job, many bosses figure. Anything extra is unaffordable.

But other companies view things differently. For them, a commitment to employees' well-being and development in times like these can pay off handsomely – both now and in the future. Companies with low turnover and high employee satisfaction and engagement are better positioned to save money and devise innovative ways to navigate the crisis. And they set up the company to do even better when the economy turns around.

For the third year in a row, The Wall Street Journal teamed up with Winning Workplaces, an Evanston, Ill., nonprofit that helps small and midsize companies create better work environments, to identify 15 small employers who have built some of the most exemplary, innovative workplaces.

Many of these winning employers faced tough times this year. Indeed, several laid off employees or cut benefits and pay. Even so, they didn't ditch their commitment to maintaining the best possible work environments. They used their strong people practices to fight the recession with empathy and open communication, and involved employees in cost-cutting and other key decisions. Many improved their hiring, professional development and retention practices so they could emerge from the downturn stronger.

So, what are these stellar small businesses, and what practices set them apart? Take a look.

RADIO FLYER INC.

BUSINESS: Toy products

BASED: Chicago

FOUNDED: 1917

EMPLOYEES: 110

2008 REVENUE: \$95.8 million

In 2004, Radio Flyer hit a speed bump: The decades-old family business decided it could no longer stay viable building its signature red wagons in the U.S. It closed its Chicago factory, laying off about half of its work force, and outsourced manufacturing to China.



"Emotionally, it was an incredibly difficult time for us," says Robert Pasin, chief executive and grandson of the company founder.

Mr. Pasin knew he needed to reinvent company culture. Inspired by a book on management, he set out to create a fun and energetic work environment where employees are very engaged in decision-making.

Today, Radio Flyer offers many activities and events for employees. Each summer, it hosts a Heritage Celebration that includes an all-staff party and the Radio Flyer Olympics, where employees compete in contests like tricycle races and doughnut eating. Radio Flyer has also created many employee-led teams and committees to oversee various facets of the workplace. The wellness committee, for instance, oversees initiatives to encourage healthy behaviors among employees. It devised a benefit where employees are reimbursed up to \$300 annually for activities such as running marathons or taking weight-loss counseling.

Earlier this year, some employees interested in environmental issues formed a committee that held a presentation on global warming and launched a campaign to get employees to reduce their carbon footprints both at home and work. They also recommended a new benefit where employees get paid 55 cents a mile to ride bikes to work, as part of the wellness-reimbursement plan.

Jeff Bricker, a 35-year-old senior industrial designer in Chicago who co-chairs the Eco-Flyers environmental committee, says Radio Flyer's emphasis on employee engagement allows workers to pursue their passions at work and feel invested in their jobs. "Everyone here takes real ownership in the workplace," he says.

The workplace efforts extend to Radio Flyer's office in China – led by Mr. Pasin's brother Paul – where it employs about 50 people who handle engineering, quality control and logistics. Top Small Workplaces judges were impressed that the company tries to keep benefits and employee-engagement initiatives consistent between the two offices as much as possible.

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