

3 Takeaways from MIT SMR/Glassdoor Culture 500 Report

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Enriching work culture is a priority for all companies: 80% of CEOs and CFOs believe they need to improve company culture, since that is among the top five factors driving their company's valuation. But how can companies quantify and understand drivers of culture to make the right improvements?

A recent MIT Sloan/Glassdoor study titled "[Measuring Culture in Leading Companies](#)" demonstrates an innovative approach to understanding culture by mining information from employee review sites like Glassdoor. Here are three takeaways from the report:

1 – Review sites contain troves of untapped company culture information



Employees and candidates are constantly engaging with review sites – Glassdoor alone has collected more than 49 million reviews across nearly 1 million organizations. While these sites contain the typical five-point ratings found on any internal workplace survey, those scores shed little insight into the specifics of corporate culture.

Instead, the MIT study explains that the real value for measuring culture lies in the free text responses that each

reviewer provides. Aggregating this word-of-mouth information constructs a comprehensive picture of your company's culture directly from the voice of the employees themselves. It can also help assess how your company is doing on the intangible but important aspects of workplace culture – including work/life balance, collaboration, or integrity.

2 – Employee reviews can accurately represent your workplace culture

MIT's research points to the validity of using employee review data to analyze company culture. The number of an average company's Glassdoor reviews represent 3-4% of its total employment, which is a sample size much higher than the .001% of a typical U.S. political poll.

Employee review sites are also becoming less polarized. Since posts are anonymous, [employees](#) can share candid opinions without fear of reprisal. Platforms like Glassdoor also have policies keeping employees from posting multiple times a year, prohibit companies from incentivizing positive reviews, and encourage visitors with moderate perspectives to post. All this makes employee reviews reliable.

3 – Reviews of company culture can predict overall company health

Your culture story on employee review sites affects your bottom line. According to MIT, employee reviews can reliably predict corporate outcomes including future profitability, stock market returns, innovation, customer satisfaction, and financial fraud.

Monitoring your employee reviews can also help you contain cultural issues before they escalate. Years prior to Wells Fargo's 2018 federal penalties for opening nearly 2 million

unauthorized accounts, discussion of integrity and ethics on the bank's Glassdoor reviews appeared twice as often. Only later did an independent investigation confirm that the root cause of the fraud was the culture of the division whose employees opened the accounts.

Elevate your culture analysis with employee reviews

The study makes clear that analyzing employee reviews should be a vital part of any strategy to improve your company culture. Keeping track of reviews on sites like Glassdoor can help you unearth the key drivers of culture in your workplace and catch problem-areas before they arise.

PublicRelay's human-assisted AI platform analyzes all your employee reviews to continually help you improve your company culture. [Click here to request a demo.](#)