

Resource 1: Net Wellbeing

ONLINE RESOURCES

The ability to reach more and more people over time is what enables organizations to grow. If you are motivated by the thought of scaling up products, services, and efforts to reach more people, this can allow your efforts to have an exponential return. As consumers, we all want things that are more practical, applicable, and efficient. And we all want to maximize our time and effort. This is where the ability to scale can have a profound influence.

In recent years there has been a major shift in what people expect of organizations. As a result, organizational leaders are getting serious about being in the business of improving society's overall wellbeing. A company that only makes profits for shareholders, pays wages, or captures more time and attention of consumers is no longer enough. Some of the largest corporations and CEOs in the world are now pointing their overarching mission toward products and services that improve wellbeing and make a substantive societal contribution.

Even investors are taking notice. Laurence Fink, founder and chief executive of one of the largest investment firms in the world, sends an annual letter to CEOs of all the companies they invest in. His 2018 message was clear: *"Society is demanding that companies, both public and private, serve a social purpose . . . To prosper over time, every company must not only deliver financial performance, but also show how it makes a positive contribution to society."*

While leaders like Fink are on the right track in aiming efforts at what society wants and needs, organizations have struggled with what this means for long-term expectations and daily operations. While it is relatively easy to count dollars earned or minutes spent using a technology platform, it is far more difficult to quantify how many interactions are truly meaningful to your customers or what products are most beneficial to society.

This is why organizations need to find an objective way to measure what I refer to as Net Wellbeing. Net Wellbeing is a straightforward concept to account for the fact that we experience thousands of small moments every day, which at the end of a day are either more positive or more negative. While there is no way to track, tag, classify, and summarize all of these interactions, we can ask some basic questions about whether the overall influence of something on your wellbeing is, on net, positive or negative.

Are Lives Better Because This Organization Exists?

For many years I have wrestled with how to determine if an organization is having a positive influence on society or not. The problem is, almost every company makes bold proclamations about how well they are serving their customers, clients, communities, employees, and shareholders. Even tobacco companies tout the number of jobs they create in local markets and conveniently ignore how many people are killed by the sum of their organizational efforts. As Robert F. Kennedy pointed out, the way we currently measure the success of all companies in the economy is through the metric of Gross National Product (now more commonly referred to as Gross Domestic Product or GDP), which gives us an incomplete picture at best.

As Kennedy described at an election rally in 1968:

“Gross National Product counts air pollution and cigarette advertising, and ambulances to clear our highways of carnage.

It counts special locks for our doors and the jails for the people who break them. It counts the destruction of the redwood and the loss of our natural wonder in chaotic sprawl.

It counts napalm and counts nuclear warheads and armored cars for the police to fight the riots in our cities. It counts Whitman’s rifle and Speck’s knife, and the television programs which glorify violence in order to sell toys to our children.

Yet the gross national product does not allow for the health of our children, the quality of their education or the joy of their play. It does not include the beauty of our poetry or the strength of our marriages, the intelligence of our public debate or the integrity of our public officials.

It measures neither our wit nor our courage, neither our wisdom nor our learning, neither our compassion nor our devotion to our country, it measures everything, in short, except that which makes life worthwhile.”

One clear implication of Kennedy’s point is that metrics like revenue and profit alone simply don’t measure what matters most. Yet most incentives that exist today are built around these metrics and perhaps a few other gauges like employee and customer satisfaction or shareholder returns. And even these more subjective measures of a company’s customers, for example, are only surveys of people who have chosen to interact or do business with that organization. Rarely, if ever, do they account for the organization’s influence on those who are not customers – let alone random members of the community.

Measuring What Makes Life Worthwhile

As a product of learning more about the limitations of today's corporate metrics, my team and I decided to try a little experiment in 2018. We asked a random sampling of 1,001 people a singular question about 10 of the largest companies and brands in the world. The exact wording of the question was:

"Is your life better or worse because this company exists?"

This question was followed by the name of a real company (e.g, Apple). This question was then repeated for the other nine companies, in order to capture comparable opinions with the same randomly selected person. Each company was evaluated on a scale of 1 to 5 from "much worse" to "much better."

When we looked at the initial rounds of data, it was clear that people are capable of making a rapid and global evaluation about whether their wellbeing is much worse, neutral, or much better because of a given organization. These data provided remarkable clarity about the company's overall social influence in the eyes of individuals and communities. Using these surveys and more than 10,000 data points, we then calculated a Net Wellbeing score to represent how each organization influences the world.

What follows are Net Wellbeing scores for these 10 organizations, ranked from most positive to most negative. While this research is in its early stages, our intent is to continue tracking and sharing these data regularly. My hope is that organizations start to measure the net wellbeing they are creating in a much more comprehensive manner over the next decade. Companies should be defined by the total wellbeing they create, not products or profits alone.

Company	Net Wellbeing
Google (YouTube)	+72%
Amazon	+60%
Netflix	+48%
Microsoft	+38%
Apple	+31%
Disney	+21%
Facebook (Instagram)	-7%
Coca-Cola	-11%
McDonald's	-37%
Philip Morris (Marlboro)	-97%

While it may be difficult for any of us as individuals to evaluate the influence of a company overall, we are all in a great position to determine whether the organizations we are part of are good for our individual wellbeing. In particular, your relationship with an employer is of the utmost importance for your health and wellbeing. And until organizations make more progress on this topic, it's up to you to figure out if the organizations you join are good for you or not.