

# William C. Steere Jr.

**William C. Steere Jr. began his career with Pfizer Inc. in 1959 as a medical service representative. Since then he has moved through a variety of marketing and management positions with ever-increasing responsibilities. He was elected president of Pfizer in February 1991, CEO in May 1991, and chairman of the board and CEO in March 1992. In January 2000, Pfizer was recognized as one of the 100 Best Companies to Work For by both *Fortune* and *Hispanic* magazines. In October 1999, Pfizer received a C. Everett Koop National Health Award and was named one of the Top 100 Companies for Working Mothers by *Working Mother* magazine.**



**In 1999, Pfizer received the AWHP Award for Corporate-Based Program With More Than 1,000 Employees for its innovative worksite health promotion programs (See Page 24, *Worksite Health* Fall 1999).**



# Prescription for Success: Healthy Employees

*William C. Steere Jr., the chairman of the board and CEO of Pfizer Inc., one of the world's largest pharmaceutical companies, discusses his company's worksite health programs and their impact on employee performance and the bottom line with Worksite Health Co-Senior Editor George Pfeiffer, M.S.E., AWHP.*

**George Pfeiffer: Pfizer established its employee health and fitness program in 1986. What was the rationale for this initiative? Has that rationale changed as a result of the changing competitive landscape?**

**William C. Steere Jr.:** Our reason for establishing Pfizer's in-house health and fitness program was really quite simple. We recognized that helping our employees stay healthy isn't only in the best interests of the company and its shareholders, it's also the right thing to do for our people. Pfizer's mission is to help people live fuller, healthier lives — whether they are our employees or the patients who benefit from our innovative medicines.

Pfizer's employee health and wellness program is a direct outgrowth of our company's core values — two of which are respect for people and performance. This program offers an excellent example of Pfizer's respect for our employees, and it helps them improve their own job performance.

**Pfeiffer: Do you believe that Pfizer's health promotion programs and its other employee support services increase the value of your company's human capital and improve your competitive advantage?**

**Steere:** We're in a very competitive industry — and one in which human capital is the key factor. Pfizer's people are our most valuable asset. They give us a major competitive advantage. They're skilled, well-educated and highly motivated to excel. We want to help them perform to the best of their ability. And that's why we've established such a wide range of employee support services — including our health promotion programs.

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Pfizer has long been recognized as an excellent place to work. And our health and wellness programs are just part of the reason why we've become the employer of choice in our industry. That reputation has given us a tremendous competitive edge in recruiting — and retaining — the best employees.

At Pfizer, we believe that we have a responsibility to give our people the resources they need to stay as healthy

as possible. Having a healthy, motivated work force is vitally important to the company as a whole. We're committed to our employees' wellness, and that's why we've integrated our employee health services with our fitness and health promotion programs. Pfizer's management is committed to all of our employee support services, and that commitment has been a key reason for the success of those services.

**Pfeiffer: Last year Pfizer received the C. Everett Koop National Health Award for its health promotion initiatives. This prestigious award is given to programs that have breadth as well as quantifiable outcomes. How much weight should traditional bottom-line measurements have in justifying these programs?**

**Steere:** As a publicly traded company, we have a fiduciary responsibility to our shareholders, and that includes safeguarding and improving our employees' health so that they — and Pfizer — can turn in a topnotch performance. When we developed the Pfizer Premier Employer Program, we made it as cost-effective as possible.

One good example is the ergonomics program, which is available to all headquarters personnel. We did two



large-scale surveys — one beforehand, and another afterward — to measure self-reported productivity. We found that the program helped to increase productivity by 1.5 percent, which translated into savings of more than \$1 million, or a return on investment of more than 3.5 to 1.

Between 1994 and 1997, our physical therapy program saw an average return on investment of more than 2 to 1. This program helped employees avoid off-site visits for therapy, which in turn enabled the company to save more than \$590,000. [For more on Pfizer's physical therapy program, see "Physical Therapy Center Complements Pfizer's Corporate Wellness Effort," in the spring 1998 issue.]

In 1998, we estimate that our fitness centers produced a return on investment of better than 4 to 1, as shown by differences between participants and nonparticipants in terms of absenteeism, turnover, performance and productivity.

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We also know from our own research, as well as from other studies, that companies with healthy, happy workers have a tremendous advantage over their competitors. This research is summarized in two monographs that are part of our Economic Realities in Health Care series: *"The Competitive Advantage of a Healthy Work Force"* and *"Targeting Health Conditions for Better Employee Productivity"*

We pay attention to the needs of our employees, and we invest in their potential. We have a long-term perspective. Pfizer's employee-retention

rate is the envy of the industry. It allows us to amortize our investment in employee support programs over our employees' whole careers, which ensures that the company gets an ample payback.

The personal happiness of our people — and their ability to pursue and achieve their own goals — are critical to the well-being of our company. And we've found that our people appreciate and respond to our programs to boost their potential, both on and off the job. Our employees have tremendous loyalty to Pfizer, and many people throughout the world would like to join our ranks.

Let me give you just one example. A few years ago, we decided to establish a new sales force of 700 people. We got more than 70,000 applications for those jobs. That's a good indication of how much interest there is in working at Pfizer, and it shows that we're widely known as a company that cares about its employees and treats them well.

**Pfeiffer: I understand that you are an enthusiastic participant in your organization's fitness center. Can you give us a sample of your typical routine and describe the benefits you derive from your efforts?**

**Steere:** I try to exercise for one hour, four times a week. My workout normally begins with 20 to 30 minutes of cardiovascular work — on a treadmill, an upper-body ergometer and an elliptical climber. Then I spend another 30 minutes lifting weights and doing abdominal and stretching exercises. Regular exercise is vital. It's essential in helping to prevent illnesses like cancer, osteoporosis and cardiovascular disease. On top of that, exercise helps me to handle stress, and it improves my enjoyment of many other activities outside the office.

**Pfeiffer: It's hard to define productivity when we speak of nonmanufacturing functions — we're no longer**

**measuring widgets per hour. In your view, what are the characteristics of a productive individual at Pfizer, and where does health fit into this description?**

**Steere:** Employees are productive when they contribute to our corporate mission of discovering, developing and bringing to market innovative pharmaceuticals that help people live healthier

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and fuller lives. Our people do this, above all, by living the eight core values that are responsible for our company's success. These values are integrity, respect for people, customer focus, performance, innovation, teamwork, leadership and community.

Managers throughout Pfizer are always on the lookout to recognize and reward employees who demonstrate these qualities. But if you look closely, you'll see that good health is an invaluable asset in practicing each of these values.

Without a healthy work force, we simply couldn't innovate and perform at the level that has made Pfizer a worldwide leader in innovative medicine. And we couldn't have a highly functioning work force if we didn't provide the opportunities, support and tools that our employees need to stay healthy. The quality of our people is the key reason that our company has been so successful during the past decade.