



# NEXT JUMP

Next Jump is a \$2 billion e-commerce company with about 200 employees. It is headquartered in New York City, with satellite offices in Boston, San Francisco, and London. Next Jump partners with more than 30,000 merchants to provide a system of special pricing and rewards for the employees of its business clients, including 70% of the Fortune 1000.



## PROGRAM GOALS & HISTORY

Next Jump's health promotion program was developed incrementally over the last two decades. Unlike most companies, Next Jump's primary concern was not healthcare costs. Given the demographics of the company (mostly under-30 computer engineers), health costs are low. The underlying goals were to:

- Attract and retain employees by building a good corporate culture that makes people happy to work at the company;
- Provide employees an opportunity to maintain/improve their health (particularly physical fitness and nutrition) while still being maximally productive at work; and
- Provide tools for energy management and stress reduction.

## PROGRAM DESIGN

### Programs/Activities:

- Fully equipped onsite fitness center with rock climbing wall, batting cage, treadmills, bikes and weights.
- Recreation room with ping pong table.
- Fitness Challenge: A weekly team-based competition that motivates employees (through financial incentives and team dynamics) to exercise consistently.
- Onsite fitness classes and personal training for top performers.
- Annual fitness screening.
- Various programs to address stress-management: e.g., Talking Partners program encourages daily communication and "venting"; mentor-mentee program; flexible schedules; nap room; and a rather unique no-fire policy.
- Annual summer outing at a campsite in upstate New York.
- Holiday party dance competition where each team is given a budget for a choreographer.

### Environmental supports:

- As a departure from the junk food and caffeine that dominates in many tech companies, Next Jump creates a focus on healthy diet.
- Free healthy breakfast provided daily; free lunch if employees work out at the gym; free "social dinner."
- Trail mix bins with nuts and other healthy snacks with Red/Yellow/Green item labeling, portion-controlled cups, and strategic placement to encourage consumption of "green" items.

### Incentive design:

- Each week, the winning team of the "Fitness Challenge" gets 100,000 WOWPoints (\$1000) to split among team members. WOWPoints can be used to shop at hundreds of online retailers.

## LEADERSHIP COMMITMENT

Founder and CEO, Charlie Kim, conceived the program with the belief: Take care of your people and they will take care

of the business. Leadership has observed that health (mind and body) ignites performance. As a result, leadership is actively involved and committed to developing a healthy company culture.

### CULTURE OF HEALTH

There is a large emphasis on culture at Next Jump. Some of the key ideas underpinning the program—creating rituals, building character, and documenting everything on the walls—are drawn from the Marine Corp and early childhood education, and are intended to reinforce a culture of health. A healthy company culture is supported by a variety of company rituals—for example, eating a healthy breakfast together every day, and turning off computers periodically for a few hours to “reflect” on one’s life and work.



### EMPLOYEE ENGAGEMENT

Employees at Next Jump are provided with the necessary tools, resources, and support for healthy lifestyle choices—particularly with regard to nutrition and physical activity. Moreover, there is very clear and consistent messaging in their environment and from all levels of leadership encouraging them to be healthy. The Fitness Challenge strategy of combining teamwork, competition, and incentives is very effective at motivating employees to maintain physical activity—on average, more than 90% of employees meet the standard of exercising at least twice a week for 20 minutes. Employees are very engaged in the program and feel a sense of ownership because the initiatives are continually evolving based on their feedback.

### MEASUREMENT AND EVALUATION

There is not a lot of focus on traditional metrics in Next Jump’s program; for example, there is no health risk assessment. This is largely because of the demographics of the company (majority under-30), and because of the broader focus on culture and wellbeing (not just health and healthcare cost). Although the program has not been

formally evaluated, there are many measures that indicate positive impact. For example:

- 1) Hiring – Next Jump has been able to attract top talent where over 5,000 applicants apply for roughly 10 positions a year, including applicants from the top 4 East Coast engineering schools;
- 2) Development – 70% of the leadership was hired out of college and mentored over the last 4 to 6 years. Employee engagement is off the charts and the company attributes this to the growth and development of its employees health in both mind and body;
- 3) Retention – employee turnover rates which peaked at 40% have declined and held consistently to low single digits, significantly below the industry norm;
- 4) Financial Results – a 5 Year compound annual growth rate of 30% in e-commerce sales grew to a 120% average for the past 3 years.

### LESSONS LEARNED / CHALLENGES

Like most strong health promotion programs, Next Jump’s program evolved incrementally over several years with occasional setbacks and lessons learned. One notable lesson early in the history of the Fitness Challenge was that, “you can’t lead with incentives”—behavior change that is motivated only by financial incentives is short-lived. By adding transparency/accountability/“gamification” through an employee-designed portal that tracks gym use, the company saw a significant and sustained increase in physical activity.

*“If it’s more than one person’s problem, it’s a company problem.” ~Charlie Kim on physical inactivity.*

### STRENGTHS/KEY SUCCESS FACTORS

A key strength of Next Jump’s program is that it is “baked into” the culture of the organization. The company did not hire vendors to develop the program, but built it internally with feedback from employees. The company’s leadership is very accessible and has made an effort to know employees and find out what is meaningful to them. Also important to the success of the program has been the wide use of technology to promote engagement and streamline programs, much of it developed by the employees of Next Jump. Next Jump is currently working on packaging their technology to give it away, in the hopes of changing the world by changing workplace culture.

### LINKS

<http://www.nextjump.com>  
<http://blog.nextjump.com/>  
<https://www.youtube.com/user/OfficialNextJump>  
<https://twitter.com/charlieykim>