In 1976, about the same time that Aveda and Patagonia were getting off the ground, four college buddies with a passion for statistics hung out their corporate shingle in the Research Triangle Park in Cary, North Carolina—Jim Goodnight, Tony Barr, John Sail, and Jane Hedwig were all founders of SAS Institute. (SAS stands for statistical analysis software, an application that reduces piles of raw data into manageable chunks of business intelligence.)

Initially, the company built software to analyze agricultural data, a college interest. But the founders quickly realized that many other industries, from banking to pharmaceuticals, could also benefit from their analysis software, so they drew up expansion plans, secured bank loans, and hired salespeople to call on companies. Barr managed the company's information systems, Sail oversaw a small group of programmers on various projects; and Hedwig focused on the software product documentation. Goodnight, eager to lead, took the role of CEO and president.

While other future high-tech titans designed distribution systems and graphical interfaces as their companies' foundation, Goodnight, who had a novel vision of how to design the perfect

high-tech company, established a family-friendly employee life-style. SAS became a pioneer of the concept of work-life balance, especially for technology companies, which famously soaked eighty to one hundred hours a week from their employees.

Goodnight noticed that most software houses had employee programs that pulled families apart, wore away at worker health, and led to burnout. He knew he could do better. One of the first rules he implemented was a thirty-five-hour workweek: Overtime wasn't allowed, nor was working weekends.

Goodnight was a student of productivity and believed that most errors occur when an employee is working too much or too late. And he couldn't stomach putting his employees through the same hamster-on-a-treadmill work environment he'd witnessed when he'd visited a computer company while still in college. SAS also offered unlimited sick days; Goodnight knew that a sick employee on the job turned in poor work, made others ill, and took longer to mend.

A math whiz, Goodnight calculated that employee retention was a profit booster; he could tell you exactly what it would cost to replace lost programmers versus what it cost to give them free food, health care, fitness, and other services.

SAS Institute built its corporate campus based on Goodnight's vision. Like Patagonia, the company sponsored on-site day care for working parents. The corporate cafeteria served meals to employees as well as to their families and offered them high chairs and toys. In 1983, the company opened an on-site health care center staffed by family nurse practitioners, offering free services to any employee and his or her family; a state-of-the-art gymnasium soon followed.

On a typical workday, dozens of families eat lunch together, play on the corporate lawn, and swim in the company pool, making the campus resemble a resort more than a computer company. SAS has continually added new features for family, personal, and mental

health, such as weekly deliveries of thousands of fresh flowers and an artist-in-residence program.

Even though, as a private company, SAS doesn't offer stock options, the turnover rate is less than 5 percent—about 70 percent lower than the industry average. The savings from reduced hiring and training costs adds up to more than $70 million per year. And the employees who stay are highly productive, bringing in an average of over half a million dollars in revenue per year.

Over the course of thirty years, SAS Institute has received continuous recognition. *Working Mother* magazine named it as one of the top employers for moms six years in a row. *Fortune* put it on the Best Companies to Work For list ten years in a row. In 2006, Oprah Winfrey named SAS the best company in America to work for.

The second wave of social innovation at SAS Institute rolled in with Goodnight's commitment to improve education in his company's backyard. He believes the best way to build a pipeline of future tech workers is to improve educational opportunities. He also believes he should reward the community that makes his business possible. Thus, in 1997, the company invested $15 million in a local, world-class college-prep school, the Cary Academy, and made it available to employees' families as well as community members.

SAS Institute, a major supporter of Communities In Schools, which helps troubled students graduate from school and pursue a college degree, also gives grants to local colleges and sponsors a leadership academy.

Like other pioneers, Goodnight is happy to share his insights with anyone who visits the SAS campus, and he has invited leading companies, from Google to IKEA, to send delegations to learn how to re-create the SAS experience.