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<https://www.wsj.com/articles/companies-manipulate-glassdoor-by-inflating-rankings-and-pressuring-employees-11548171977>

## BUSINESS

# Companies Manipulate Glassdoor by Inflating Rankings and Pressuring Employees

Employers flood the ranking site with 5-star postings requested from enthusiastic staffers, leading to unusual spikes, a WSJ investigation found

By Rolfe Winkler and Andrea Fuller

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Last summer, employees of Guaranteed Rate Inc. posted a stream of negative reviews about the mortgage broker on Glassdoor, a company-ratings website.

“An American sweatshop,” read a one-star review in June. “Worst company I ever worked for,” read another in July. The company’s rating on Glassdoor, which is determined by employee feedback, fell to 2.6 stars out of 5.

Concerned that negative reviews could hurt recruiting, Guaranteed Rate CEO Victor Ciardelli instructed his team to enlist employees likely to post positive reviews, said a person familiar with his instructions. In September and October these employees flooded Glassdoor with hundreds of five-star ratings. The company rating now sits at 4.1.

Glassdoor has become an important arbiter of employee sentiment in today’s highly competitive job market. A Wall Street Journal investigation shows it can be manipulated by employers trying to sway opinion in their favor.

An analysis of millions of anonymous reviews posted on Glassdoor’s site identified more than 400 companies with unusually large single-month increases in reviews. Some companies, including Elon Musk’s rocket company Space Exploration Technologies Corp. and software giant SAP SE, have had multiple spikes.

During the vast majority of these surges, the ratings were disproportionately positive compared with the surrounding months, the Journal's analysis shows.

Glassdoor's problem echoes the challenges faced by other online rating platforms, who are trying to ensure their rankings are real and maintain users' trust. Amazon.com Inc., local-business site Yelp Inc. and hotel-and-restaurant site TripAdvisor Inc. have all had to fend off attempts to game reviews and ratings.

Glassdoor's company ratings are a powerful weapon in job recruiting, giving companies an incentive to inflate them. Sought-after workers—the site gets about 60 million users per month, according to web-research firm SimilarWeb—read reviews to help determine where they want to work.



SAP's stand at a job fair in Berlin. PHOTO: KRISZTIAN BOCSI/BLOOMBERG NEWS

"Glassdoor is the most dominant company reviews website by far," said Andy Challenger, vice president of outplacement firm Challenger, Gray & Christmas. He said low ratings can discourage applicants, "particularly at a time like right now, with unemployment at historically low levels when companies are fighting to retain and attract good people."

In the Journal's analysis, five-star ratings collectively made up 45% of

reviews in the months where the number of reviews jumped, compared with 25% in the six months before and after. While it isn't possible to determine from the data alone what caused each spike, a statistical test shows the likelihood that so many would skew positive by chance is highly improbable.

Well-known names with large spikes included messaging-app developer Slack Technologies Inc., professional-networking site LinkedIn, health insurer Anthem Inc., household-products maker Clorox Co. and Jack Daniel's maker Brown-Forman Corp.

Spokespeople for Slack, LinkedIn and Anthem said their companies have encouraged employees to give feedback. A Brown-Forman spokeswoman said it doesn't have a formal strategy to solicit reviews. Clorox didn't respond to a request for comment.

In some cases, companies have encouraged loyal employees to post reviews as part of a publicity campaign. SpaceX and SAP, for example, galvanized employees to leave reviews to make Glassdoor's annual ranking of the "Best Places to Work."

Other companies, including Guaranteed Rate, have pressured employees to write positive reviews in order to raise poor ratings, according to interviews with current and former employees.

Guaranteed Rate's Mr. Ciardelli said in a written statement that his management team felt Glassdoor ratings didn't accurately reflect the company's work environment and so it asked employees to post reviews.

A Glassdoor spokeswoman said reviews may jump for a variety of reasons, including hiring surges, a company event or internal encouragement. She said Glassdoor rejects about 5% to 10% of submitted reviews because they violate its community guidelines, which among other things bar those created by fake accounts or that have offensive content. Suspected "ballot box stuffing" could also cause Glassdoor to remove positive reviews, she said. The company touts a combination of human moderators and technology filters to detect attempted abuse.

Glassdoor provides a way for people to read fair and balanced opinions about workplaces, the spokeswoman said. "People aren't afraid to speak up," she said. "The employee is just as powerful as the employer."

Japan-based Recruit Holdings Co. acquired Glassdoor last year for \$1.2 billion.

Glassdoor reviews of many large companies have grown increasingly positive in recent years, according to the analysis of more than 4.3 million reviews. The Journal looked at the roughly 8,500 companies with a U.S. presence that had at least 100 reviews.

Five-star reviews increased to 28% of the total reviews in the analysis in December 2018, from 17% in January 2013. The share of one-star reviews stayed roughly flat, while two-, three-, and four-star reviews fell. Statisticians at Columbia University and the University of Washington helped the Journal develop its methodology.

Glassdoor's spokeswoman said that the average rating across all companies has held steady at about 3.4 since Glassdoor launched in 2008. Glassdoor hosts reviews for more than 800,000 companies, hundreds of thousands of which have only a handful of reviews and were too small to be included in the Journal's analysis.

Users post reviews, and companies can post responses, free. Glassdoor charges companies to customize their pages and promote open jobs, from a few hundred dollars to tens of thousands of dollars a month. Paying customers can feature a glowing review at the top of their page, prevent rival companies' jobs from appearing and post promotional photos and videos.

Glassdoor warns companies not to coerce employees to post positive reviews or to incentivize them to do so with money or prizes. It does encourage businesses to solicit reviews from all employees, and it coaches clients on how to target groups that tend to be more enthusiastic, such as new hires, according to guidelines for employers posted on its site.

Each year, Glassdoor drives traffic—and a flood of reviews—to its site by ranking hundreds of companies and CEOs in the U.S. and four other countries. Many companies promote the "Best Places to Work" award in news releases because it helps with recruiting efforts.

Glassdoor said its algorithm ranks the companies based in part on the quantity of reviews in the past year, as well as "what employees have to say that shows winners truly outshine the rest."

According to the Journal's analysis, more than a quarter of spikes came in October—right around the deadline for Glassdoor's annual ranking.

Management consulting firm Bain & Co., which was recently crowned Glassdoor's best place to work for 2019, has ranked first or second for several years. Its reviews have surged in the months before the deadline since 2015, and they were disproportionately five-star compared with the surrounding months.

Bain said employees are encouraged to participate in the Glassdoor ranking. "What they share reflects their own experiences, opinions, and points of view," said Keith Bevans, a partner and global head of consultant recruiting.

SAP shared with the Journal an Aug. 22 email sent by its "employer brand" team that asked employees to post Glassdoor reviews and mentioned the annual award. "It is our

ambition to position SAP as one of the best employers in the U.S.—and you play an important role in making this happen,” the email said.

That day, employees deluged the site with 193 reviews, more than the company had received in the entire month up to that point. About 89% of the reviews it received that day were five-star, compared with less than two-thirds most months last year. SAP placed 27th on Glassdoor’s U.S. ranking.

An SAP spokeswoman said the company seeks reviews because it wants feedback, both good and bad.

In the summer of 2017, SpaceX recruiter Brittany Jacobson sent emails encouraging employees to post reviews in order to make Glassdoor’s “Best” list, said a person familiar with the effort. Workers were offered free SpaceX mugs for completing their review, said the person.

That followed a push in 2016, according to a second person, who said that SpaceX’s human-resources chief, Brian Bjelde, had taken notice of negative reviews that complained about SpaceX’s long hours and poor management.

SpaceX employees flooded Glassdoor with 180 five-star reviews in October 2016. In most months that year, it earned less than a dozen five-star reviews. It had other spikes in 2017 and 2018.

Some months with high numbers of reviews came after interns were recruited, according to the first person familiar with the effort. They provided more than 84% of five-star reviews in July 2016 and in August 2017. Glassdoor allows users to filter out certain employee categories, such as interns and contractors.

Ms. Jacobson took credit for the campaigns on her LinkedIn profile, writing that she executed “company-wide employer branding campaigns” on Glassdoor, increasing the number of reviews by more than 1,000, raising the company’s overall rating to 4.4 stars from 3.8 and resulting in SpaceX landing on Glassdoor’s “Best” list two years in a row.

Ms. Jacobson didn’t respond to requests for comment. She removed the reference to Glassdoor on her LinkedIn page in mid-December after being contacted by the Journal.

Mr. Bjelde, the human-resources chief, said the company has “and will continue to encourage employees to share honest, candid and accurate feedback about working at SpaceX.” A company spokeswoman said Mr. Bjelde didn’t sign off on gifts in exchange for reviews or ask for positive reviews.



Staff at SpaceX gathered for an address by NASA astronauts last year. PHOTO: JONATHAN NEWTON/THE WASHINGTON POST/GETTY IMAGES

Glassdoor said companies can't pay to have negative comments taken down. If companies complain about negative reviews, even if the comments meet guidelines, Glassdoor is willing to email the authors and require them to reverify that the reviews are truthful to keep them on the site, in a little known practice.

Glassdoor's spokeswoman said it wants to insure people expressing their opinions "feel that they can stand by them." She declined to say how often Glassdoor sends out such emails or why it does so.

The Journal reviewed two reverify emails sent to employees of San Francisco-based mortgage-software startup Roostify. One was sent in November 2017 to Tara Scherner de la Fuente after she anonymously posted a negative review about Roostify, two months after she left the company as a software engineer. Ms. Scherner de la Fuente said she and other colleagues left negative reviews after their acrimonious departure from the company.

Ms. Scherner de la Fuente criticized Roostify's management in her review, which was titled, "If You Get an Offer, RUN! RUN! Why Did You Even Interview There? ARE YOU DESPERATE?"

Two weeks after she posted the review, Glassdoor sent its email to Ms. Scherner de la Fuente, saying her review met the site's rules but contained "strong allegations, language and/or opinions." It said "we need you to re-verify it as a truthful statement in order for us to keep [sic] live on Glassdoor." Ms. Scherner de la Fuente said she verified the post, and her review remains.

A former Glassdoor employee said content moderators escalate complaints from companies if they complain loudly and frequently enough about reviews.

The Glassdoor spokeswoman declined to discuss details of the escalation process but said "all reviews and companies are treated equally" as part of it. Glassdoor can contact anonymous reviewers because it requires an email address to sign up.

Jennifer Peatman, who headed Roostify's human-resources team at the time many of the negative reviews were written, surmised they came from disgruntled former engineers who she said didn't have the coding skills the company believed it needed. Ms. Peatman said Roostify, which pays Glassdoor for extra features, asked the site to remove the negative reviews but that it refused to do so.

Ms. Peatman said she asked human-resources staffers on her team to post new reviews on Glassdoor, hoping to offset the negative ones. She said she didn't request positive



Glassdoor asked Tara Scherner de la Fuente to reverify her post that criticized her former employer, Roostify.

PHOTO: PINAR ISTEK FOR THE WALL STREET JOURNAL

reviews but hoped they would be. Ms. Peatman said she left the company a month later, in December 2017, because of what she called poor leadership.

A Roostify spokeswoman said it encourages employees to provide feedback on Glassdoor to increase the profile for Roostify. “We also use feedback from Glassdoor to improve our company,” she said.

At Guaranteed Rate, the large mortgage lender based in Chicago, reviews complaining about management, pay and long work hours were piling up last summer.

Not only did Guaranteed Rate’s rating on Glassdoor drop to 2.6 in June from about 3.5 a year earlier, the approval rating for Mr. Ciardelli, the CEO, plummeted to 43% from about 75%.

Mr. Ciardelli’s effort to ask employees to post reviews turned the tide. In September and October, 240 five-star reviews were posted, compared with 20 total five-stars in the prior eight months. Dozens of glowing reviews were written by people who listed their title as managers.



Victor Ciardelli, CEO of Guaranteed Rate, instructed his staff to enlist employees likely to post positive reviews on Glassdoor to help the company's ranking, according to a person familiar with his instructions. **PHOTO: CHARLES REX ARBOGAST/ASSOCIATED PRESS**

Some Guaranteed Rate employees received another email in late October noting their “collective responsibility to provide positive feedback,” according to text of the email that was read to the Journal by a current employee. “Please complete a Glassdoor review with a strong five-star rating for us,” it said.

Mr. Ciardelli’s approval rating on Glassdoor is now 83%.

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#### METHODOLOGY

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To analyze trends among Glassdoor reviews, The Wall Street Journal gathered 4.8 million reviews for more than 8,500 companies, rated on a one-star to five-star scale. The data were collected from the companies with a U.S. presence that had at least 100 total reviews.

First, the Journal studied whether the composition of Glassdoor reviews changed over the period between 2013 and 2018, which represents about 90% of the reviews

collected, or 4.3 million. They had: The share of five-star reviews increased to 28% of all reviews in December 2018, up 11 percentage points from January 2013.

Meanwhile, four-star ratings fell by 2 percentage points to 28% of ratings, three-star ratings fell by 5 percentage points to 21%, and two-star ratings fell by 3 percentage points to 11%. One-star ratings stayed flat at 13% of ratings.

A spokeswoman for Glassdoor said review scores have consistently averaged about 3.4 stars since 2008. That calculation was based on data for more than 800,000 companies, most of which the Journal didn't include in its analysis because they had too few reviews.

The Journal also looked for potential examples of companies gaming Glassdoor ratings by having employees flood the site with positive reviews. To identify these, the Journal examined companies with unusually large numbers of reviews in a single month between 2013 and 2018. The Journal limited its analysis to companies that had at least 50 reviews in a single month.

That left more than 600 companies and nearly 12,000 company-month combinations. The Journal identified spikes by comparing each month's review count for a given company to the surrounding six months before and after the month. For recent months, the Journal used the six months before and however many months of data were available after.

The Journal considered a month to be a spike if the total number of reviews in the month was greater than three standard deviations above the mean of the surrounding months.

Ultimately, the Journal identified 506 spikes at 403 companies. Most of the spikes were positive, with just over 400 at 328 companies having a higher percentage of five-star reviews than the surrounding months.

In individual cases, the data alone aren't enough to determine why the spike occurred. A Glassdoor spokeswoman said that reviews can jump for reasons including hiring surges, a company event or internal encouragement, adding that Glassdoor removes reviews that violate its policies prohibiting coercing or giving incentives to employees who write reviews.

The Journal used the binomial test to assess the probability that spikes with a higher proportion of five-star ratings than the surrounding months would occur at least as often as they do by chance alone. That probability was low, below 0.1%,

meaning that the difference between spike and nonspike periods was statistically significant.

The most extreme spikes—those 10 standard deviations above the mean or more—skewed even more positive. Among the 121 such spikes, 98% had a larger percentage of five-star ratings than the surrounding months.

Among all spikes, five-star ratings collectively made up 45% of reviews, compared with 25% of reviews in the surrounding periods.

The average rating for months in a spike was 4.0, compared with the surrounding months, which averaged 3.5.

The Journal looked at other periods including three, nine, and 12 months before and after each month and found similar patterns. The Journal also found that five-star reviews made up a disproportionate share of spikes compared with the surrounding months when minimum review counts other than 50 reviews were used, including 25 reviews, 75 reviews, 100 reviews, and no threshold.

The reviews in the Journal's analysis were those available on Glassdoor's website in early January 2019. In some cases, Glassdoor filters out some reviews of interns and freelancers so users don't see them by default, though they remain on the site. The Journal examined all reviews listed for each company with the default filters removed. Review counts can change over time, for example, if users take down old reviews or if Glassdoor determines that a post is noncompliant with its standards.

To develop its methodology, the Journal consulted with Tian Zheng, a statistics professor at Columbia University, and Serge Sverdlov, lecturer at University of Washington and principal at Redmond Analytics LLC, a statistical consulting company.

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