

# ABOVE THE LINE

**How to create a company culture that engages employees, delights customers and delivers results**

*Michael Henderson*

Reviewed by Jill Rigney.

Opening a book about company culture with the statement, **“organisations don’t like people”** is very bold to say the least. However as you delve into this book you will gain an appreciation of the statement.

**Michael Henderson** is a corporate anthropologist with 30 years' experience consulting to organisations to enhance their workplace culture. In this book Michael gives us a new approach (based upon a unique combination of Anthropological knowledge, strategic business methods and leadership development theory) to shift accountability for company culture into the hands of employees themselves.

“Changing the way we think about culture, from something static to something active that is constantly developing..  
...means we do not administer a ‘culture change program’ and then tick...company culture off our to-do lists. Culture is never complete.”

The four key messages from this book are:

- What “corporate culture” really means
- How aligning culture and values drives business success
- Which traits denote “below-the-line” and “above-the-line” cultures
- How to create and maintain an above-the-line culture

Some of the underlying beliefs in this book are:

- Culture is one of the best inventions of human beings, but not enough organisations understand it well enough to tap into its power
- Every organisation (or family) has a culture, whether known or unknown. The trick is to know it and design what you want it to be
- Culture has more influence on an organisation’s performance than strategy. Strategy is important, but aligning the culture to the strategy is more important
- Culture is dynamic, not static – you can’t tick off you’ve done it and forget about it!
- Culture belongs to the people, not the organisation
- People’s personal values are more important than the organisational values – you have to embrace them
- Work is a privilege
- People are what make change possible – or impossible
- Values can and do change. Even company values can become out-dated
- Leadership is not a title
- Culture is available in two forms: above and below the line



In his statement 'businesses don't like people', Michael is referring to how humans respond to things. Based on the understanding that when we don't like something we seek to control it, or at least our relationship with it in some way; ie. we limit our exposure to the things we do not like or avoid them. Because people have a tendency to be changeable, emotional, paradoxical at times and they prefer stories to numbers, etc. it's common for organisations to see human beings as messy! This results in them seeking to control people through the use of systems, processes, policies and the like. In seeking to control people, organisations often put a stranglehold on the culture and in doing so lose the most powerful and productive offering people can provide.

## **The book has four elements to its framework:**

- Part one: Understanding culture
- Part two: Above the line culture
- Part three: Elevating culture
- Part four: Culture planning

### **Understanding culture**

John Lennon famously wrote, 'Life is what happens to you while you're busy making other plans' and likewise Michael has observed that an organisation's culture is what happens while executives are busy creating and executing a 'strategic plan'.

As he states, 'a culture is built upon a set of values and beliefs. Any business strategy that is at odds with these values or beliefs is doomed, as culture will always prove to be a more powerful attraction for people.'

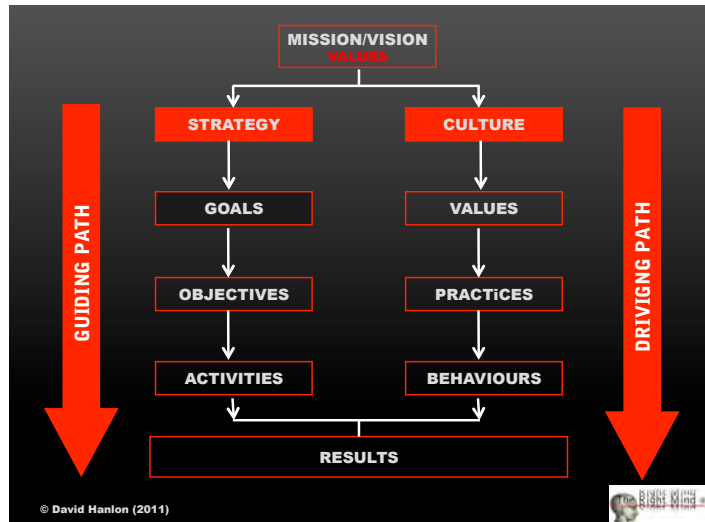
A businesses 'strategic plan' is ultimately important to its success and future direction however, after such a strategy has been formulated, agreed upon and initiated, the organisation's wider culture will have an impact on the willingness of people within the organisation to engage with and actually deliver the strategy. It is at this point culture's powerful influence really kicks in.

Strategy without  
culturing is powerless.  
Yet culturing without  
strategy is aimless.



### Strategy = What    Culture = How

Strategy is **WHAT** a business is going to do to be successful and **CULTURE** is **HOW** it will be done and delivered to be successful. Quite often culture is an organisations first point of failure; ie. the strategy was excellent yet the delivery and implementation let down its success.



### Above the line culture

The second part of the book addresses discovering and understand above and below the line cultures, what they look like and what the impacts are. The slide below provides a summary of the attributes that define these two cultures.

ABOVE THE LINE CULTURES			
GIVING	FAST	BELONGING	MATURE
SENSE OF HUMOUR		ADAPTIVE	
THOUGHT LEADING	ATTENTION	TURNED OUT	WILLING
STRONG EMPLOYEE VALUES		OPTIMISTIC	
BELOW THE LINE CULTURES			
MISALIGNED TO STRATEGY	FEARFUL	ANGRY	LOST
TAKING	DRAINING	EMPTY	REACTIVE
DISINGENUOUS SENSE OF RUMOUR		ATTENTION TURNED IN	
ADOPTS SILO MENTALITY	CHILDISH	BLAME STORMS	PESSIMISTIC
HIGH STAFF TURNOVER			

Above the line: Michael Henderson

Examples of "Above-the-line" companies include Oh Calcutta, Toms Shoes, Zappos and Outward Bound whilst examples of "Below-the-line" companies include Enron and Goldman Sachs.



Above the line organisational culture sees culture making a significant or dominant contribution to both performance and employee satisfaction. Employees willingly take the initiative, support each other and are willing to engage in constructive criticism without fear or retribution or neglect of their ideas or suggestions.

<b>Above the line</b>	<b>Excelling</b>	The culture is the most dominant contributing factor to high performance and employee satisfaction
	<b>Succeeding</b>	The culture makes a significant contribution to performance
<b>Transition state</b>	<b>Stable</b>	Employees "tread carefully" – culture is not proven either way
<b>Below the line</b>	<b>Disabled</b>	Falling into disrepair
	<b>Dying</b>	Decaying rapidly. Close to dying
	<b>Dead</b>	No longer exists

Below the line cultural features progressively demonstrate lack of respect and/or trust in the leaders, less caring for customer sentiment and therefore less interest in product quality.

Below we summarise the key features of each cultural attribute.

<b>Above the Line</b>	<b>Below the Line</b>
<ol style="list-style-type: none"> <li>1. Creates a largely social friction-free environment, leading to increased productivity</li> <li>2. Higher levels of collaboration, sharing and creativity</li> <li>3. Becomes a magnet for attracting like minded people – ie. a preferred employer</li> <li>4. Retain staff longer</li> <li>5. Staff require less micro-management</li> <li>6. Makes customer service a primary motivating experience for everyone</li> <li>7. Aligns with and influences the successful implementation of the business strategy</li> <li>8. Open communication: people are safe to express ideas, concerns and suggestions</li> <li>9. Reinforces and builds the company brand</li> <li>10. Draws on the huge amount of employee's discretionary efforts and energy when needed in times of challenges or crisis</li> </ol>	<ol style="list-style-type: none"> <li>1. By definition it means culture is misaligned with business strategy. The further the culture is below the line the more at risk any business strategy will be – no matter how good or appropriate the strategy may be.</li> <li>2. Higher levels of absenteeism – this has a direct negative affect on productivity and performance</li> <li>3. Productivity declines as people withhold or withdraw their efforts and energy to complete tasks</li> <li>4. Higher levels of staff turnover which not only interrupts performance, it's a very costly process</li> <li>5. Higher levels of communication issues and therefore conflict which consumes large quantities of both time and money</li> <li>6. Reduced customer delight – the customer will see and feel it</li> <li>7. Staff withhold ideas, suggestions and information</li> <li>8. Statistically these organisations have higher rates of theft, fraud, sabotage and bullying</li> <li>9. Brand erosion – your brand is your customers experience</li> <li>10. Silo mentalities build within the company</li> </ol>



## Elevating culture

This section focuses on the areas and things that need to exist for an above the line culture to grow and thrive.

Michael suggests there needs to be three **Cultural Buoyancy Devices** lifting the level of an organisation's culture. These are:

- 1. Leaders worth following.** These are people who are credible, approachable and take culture seriously. They can clearly articulate the *why, what and how's* of the organisation. They are consistent and they demonstrate values and accountability through their own behaviours.
- 2. Work worth doing.** The work must be meaningful and contribute to something more than a take home wage as well as provide personal and/or professional growth for each individual. The work and the organisation must connect with their own personal values.
- 3. Cultures worth contributing to.** This is a step above 'belonging' to a culture. Employees like it because they feel and believe they have played an active role in creating it. The leadership team know and understand this and support their employees in maintaining the culture.

"A good salary in a bad cultural experience is a bribe; a good salary in a culture worth belonging to doubles the value of the salary."

## Culture Planning

Most organisations have a business plan, a strategic plan, a marketing plan or a safety plan, however most don't have an active culture plan. A culture plan enables leaders to determine what specific steps to take to support the raising of the culture to the next level above its current state.

"Culture is the sum of all the thousands of daily behaviours exhibited in your business."

A culture plan is based on six aspects and in hierarchical order they are:

- 1. Purpose** – Define the purpose of your organisation so employees find their work meaningful. Talking about the purpose of their work reinforces its meaning. Businesses are often guilty of doing this as a once off or never articulating it.
- 2. Identity** – Your corporate identity translates as being positive or negative when employees tell outsiders where they work. Employee body language reveals an above- or below-the-line culture. Align your identity with what you really represent. For example, a company identified with product innovation should say so often in order to enable employees to orient their contributions in that direction, no matter what positions they hold.



3. **Values** – Select a maximum of three important values to focus on. Align them to your culture and to what your culture intends to drive. For example, if your culture features “customer intimacy,” choose values that support it. Employees rally behind appropriately chosen values.
4. **Capability** – Recognise people when their behaviours most align with your culture. Immediate recognition makes such behaviours memorable. Build these capabilities further through formal coaching and mentoring.
5. **Behaviour** – Align your rewards and recognition processes to send strong messages about which behaviours align to the culture.
6. **Environment** – Monitor and adjust the climate of your culture. Consider the technology that your employees use. The location of their work, their diversity and the state of your brand in the market all affect the current and prospective employees’ perceptions and, eventually, have an impact on your overall culture.

Michael ends the books with a useful section on how to implement the cultural improvement using current technology, managing remote people in remote offices, applying it to different generations, demographics and dealing with suppliers or third party providers etc.

## Summary

*Above the Line* is designed to improve company culture by focusing on staff engagement, customer delight and business performance. Providing powerful insights, strategies and practical tools.

All in all, a great read on culture with some practical takeaways and applications. Michael has an engaging writing style and I liked the case studies, in particular, Australian company examples.

## Availability

*Above the Line* is available in good bookstores, in e-book and audible downloads online.

## The reviewer

Jill Rigney is a consultant with The Right Mind International Pty Ltd. She works in the area leadership training and organisational alignment.