

How Your Company Culture Affects Your Bottom Line

By Ann N. Gatty, Ph.D.



Building a positive, trusting, high-performance company culture takes time. This culture is the personality that your company projects to the public. Creating such an environment that is sustained over time, takes continual nurturing. Getting to behavioral change requires understanding, open-mindedness and an appreciation of diversity, because it takes all types of personalities to create a solid foundation. Such effort is well worth the time and energy because a positive culture will boost the bottom line through increased productivity, better customer service, and longer positive employee retention.

Creating a healthy company culture starts with competent, inspirational leadership

- Leaders who understand that the company culture is the foundation upon which to build success are more likely to respect the diverse thinking and personalities that leads to increased innovation and productivity.
- Leaders who can communicate an inspiring company vision to employees are more likely to find that there is buy-in, and everyone works together to build a positive, energized work environment.
- Leaders who encourage a healthy company culture are more likely to find people who trust and like their management team, respect their leaders and enjoy colleague friendships and they are excited to be a part of the company's future.
- Leaders who are willing to listen to employees and learn about their different perspectives are more likely to experience an open atmosphere where any confusion or conflicts can be more easily addressed.

But what happens if employees are not happy? When employees are happy, they show up for work each day and work while they're there. Unhappy employees bring excessive absenteeism, higher than average turnover, and wasted time on personal activities like the use of social media. These habits cause businesses to lose money every day. The amount of money lost due to having to replace employees who leave, or shouldering low productivity levels, can vary greatly. However, we do know that the bottom line will be affected.

Beware of Micromanaging!

We believe that the leader is only as good as the people who surrounds her. A strong company culture, comprised of intelligent, hardworking, and collaborative employees can lead to break-through ideas and quality service. So, if you have this talent, why not delegate.?

If you carefully plan your assignments and delegate with appropriate accountability, productivity expands exponentially. This management method will keep employees focused, motivated and respected. If the leader has hired capable employees, but doesn't delegate, the company bottom line will suffer. Here's how:

- **Limiting Productivity:** Micromanaging causes the leader to operate as a one-person business. By limiting employee delegation, the leader is probably performing part or parts of other employee jobs and still paying that employee, who is not producing. Why add staff if you refuse to let them be productive?



- **Limiting Growth:** Micromanaging causes leaders to work for the company rather than work on the company. Wasting time performing tasks that employees could handle means that the leader is not working on other activities that only she can accomplish. The ability to expand the company's horizons is limited by busy work.
- **Limited Employee Engagement:** Micromanaging can suffocate employee morale. Research indicates that workers with little control of their job tasks and work environment have lower levels of productivity than those allowed to be accountable for their own work. Such micromanaging also causes a higher level of employee turnover as these individuals will develop a feeling of frustration and most likely seek employment elsewhere.

There is a fine line between leaders who delegate effectively and leaders who micromanage. Establishing a positive company culture allows leaders to build a solid company with healthy growth. Employees are there to contribute to that growth. Too many times, leaders fall into the trap of micromanaging and stifling productivity. This affects the bottom line. The profit potential is directly impacted when employees are limited in the work output.

At [Strategic People Solutions](#), we have created a specific program to assist leaders in developing a healthy workplace environment, where employees can thrive and quality productivity explodes. Take a look at our [Workplace Sphere of Excellence](#) and let's have a conversation about how we can help grow your company business together.

About the author

Dr. Ann Gatty is a partner at Strategic People Solutions, a business consulting firm, providing business implementation strategy, leadership mentoring and HR employment solutions. Dr. Ann created [The Business Sphere of Excellence](#)[®], a strategic business implementation model, which is used to construct business implementation plans to help companies run more efficiently and profitably. Dr. Ann is an expert in understanding and improving the workplace culture, which is foundational for implementing any successful strategic initiatives. To better explain the importance of positive employee engagement, Dr. Ann partners with Beretta, her Great Dane therapy dog to present her key findings. They have recently authored [Leadership Unleashed: A Great Dane's Wisdom for the Business World](#).