The High Cost of Supervisory Inaction

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Abstract

Management inaction can have disastrous consequences for firms despite many managers' belief that doing nothing does not impact performance. Doing nothing does something because management nonresponse to desirable or undesirable employee performance changes future worker behavior for the worse. Supervisory nonresponse to good employee performance sets the stage for extinction to occur which decades of research have demonstrated result in lower levels of desired conduct. Alternatively, supervisors who fail to address poor worker behavior may communicate to their subordinates that such undesirable performance is acceptable. Both practices lead to poor performance which can substantially damage firms.

Keywords: doing nothing, extinction, contingent rewards and punishments, management nonresponse, management inaction

"There are risks and costs to a program of action. But they are far less than the long-range risks and costs of comfortable inaction." —John F. Kennedy

Introduction

Effective managers exhibit both reward and disciplinary behavior towards subordinates (Arvey, Davis, & Nelson, 1984; Tejeda, Scandura, & Pillai, 2001) and let people know where they stand by recognizing good behavior and correcting those who may be off track. They do not shirk a leader's primary responsibility which includes monitoring and responding to the performance of subordinates (Yukl, 2006). This is important since research strongly demonstrates that employee behavior is, in part, a function of supervisory consequences (Luthans & Kreitner, 1985) and that worker conduct can be maintained or increased by rewards and reduced or eliminated by punishment (Luthans & Kreitner, 1985; Skinner, 1969).

An important feature of using consequences effectively is to apply them contingently or dependent or conditional on a worker's behavior; that is, a follower must know that a compliment or pay raise is a result of specific behaviors or a high level of performance. Making the follower aware of this contingency allows the follower to focus efforts on repeating the behavior or performance to obtain the reward again. A similar process occurs with leader punishment. When the manager expresses dissatisfaction with a follower's poor attendance and states, for instance, that repeated poor attendance will result in the worker's dismissal, the follower now has the knowledge needed to avoid further discipline. In both situations, making the reward or punishment contingent on specific follower behaviors and informing followers of

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this contingency provides the incentive and knowledge for followers to direct their behavior to attain rewards and avoid punishment (Howell & Costley, 2006).

Podsakoff, Tudor, and Skov (1982) examined the effects of contingencies and found contingent reward to have strong positive relationships with subordinate outcomes such as satisfaction and performance and that, surprisingly, even contingent punishment had small positive relationships with the outcome measures. This research highlights the importance of a clear link between subordinates' behavior and supervisory response. Even punishment or reprimands can be well received, as long as subordinates can see a relationship between their behavior and fitting consequences (Baum & Youngblood, 1975; O'Reilly & Puffer, 1989). Both contingent rewards and punishments administered to workers based on performance or task behaviors reduce role ambiguity and improve employee satisfaction, effort, conscientiousness, and performance, although contingent punishment to a smaller extent than contingent reward (Podsakoff, Podsakoff, & Kuskova, 2010). Additionally, contingent reward and punishment behavior promotes *group* drive, cohesiveness, and productivity, although again punishment effects appear weaker than contingent reward behaviors. Additionally, these researchers noted that workers also have greater liking for supervisors who use discipline appropriately since such supervision may be viewed as performance-based.

Supervisors, however, frequently provide incorrect consequences. Kerr (1975), in his classic article, described numerous examples in which leaders say one thing and reward or punish something else. Another inappropriate consequence seldom discussed but frequently observed is supervisor nonresponse to desirable and undesirable worker behavior. Managers fail to perceive that doing nothing is also a consequence—technically referred to as extinction.

Extinction

While extinction can be strictly defined as the withdrawal of positive reinforcement from a behavior previously rewarded (Luthans & Kreitner, 1985), the concept may be easier to understand as a condition in which "the performer does something and nothing happens" (Daniels, 1994, p. 29). When people do something resulting in no reinforcement, they will be less likely to repeat that behavior in the future or, as Skinner (1953) pointed out, "… when we engage in behavior which no longer 'pays off,' we find ourselves less inclined to behave that way again" (p. 69). "Just ignore it, and it'll go away" (Daniels, 1994, p. 62) is basically how extinction works. A good analogy for extinction is to imagine what would happen to a person's houseplants if they stopped watering them. Like a plant without water, a behavior without (occasional) reinforcement eventually dies and disappears. In each case, the behavior decreases because reinforcing consequences no longer occur.

A common assumption among most managers, however, is "that doing nothing will have no effect on performance" (Hellriegel & Slocum, 2007, p. 103) and that "no news is good news" (Hinkin & Schriesheim, 2008, p. 1246) because they believe that their inaction with respect to good and poor performance will have no effect on affective responses or future behavior of workers. Nevertheless, when supervisors do nothing following worker behavior they often demotivate good performers and frequently encourage poor workers. Those who practice "if you don't hear from me you know you are doing fine" (Hinkin & Schriesheim, 2004, p. 365) may be doing more harm than they suspect. Such managers change that performance for the worse in one of two ways: 1) they decrease the probability of future *desired* behavior, and 2) they open the door for increased levels of *undesired* performance. How doing nothing with regard to good or poor performance negatively impacts future worker conduct in now presented.

 ISSN 2325-4181 Online

Management Nonresponse to *Desirable* Employee Performance

Pithers (1985) found that the lack of appropriate reinforcement following a desired behavior resulted in a decline in performance over time. A leader who withholds reinforcement (e.g., praise), whether intentionally or unintentionally, may very well produce negative consequences. This finding is supported in studies by Hinkin and Schriesheim (2008). Additionally, Howell and Costley (2006) and Komaki (1998) noted that nonreinforced subordinate good performance leads to negative subordinate affective and behavioral responses (e.g., dissatisfaction and decreases in performance), and Skogstad, Einarsen, Torsheim, Aasland, and Hetland (2007) found that when a superior ignores legitimate expectations from subordinates by lack of presence, involvement, feedback, and rewards, such behaviors may negatively influence subordinates' role experiences.

Regrettably, busy managers frequently ignore good performers because they are low maintenance workers who often feel guilty taking up their boss's time (Robinson, 2005). But failing to recognize good performance can become a silent killer—like escalating blood pressure. What is killed, of course, is continued good performance. Moreover, "employees think managers are paid to 'provide recognition and praise'" (Podsakoff, Podsakoff, & Kuskova, 2010, p. 300). Management attention is a major positive consequence to the vast majority of the work force (Daniels, 1994), and if missing, then extinction may unintentionally occur which means that the productive behavior will decrease because it was overlooked. Doing nothing after someone behaves properly and positively can weaken and eliminate that worthy behavior.

Managers and supervisors, however, present a number of factors that they feel inhibit their use of reinforcements including the belief that rewards are ineffective, costs are too high, and issues related to amount and frequency of reinforcements. These are discussed below.

Effectiveness of rewards and reinforcements

Some researchers (Deci & Ryan, 1985) and popular writers (Kohn, 1993) argue against the use of extrinsic rewards because it supposedly undermines intrinsic motivation. These individuals cite professional athletes (for example, National Football Hall of Famer, Emmett Smith) who have indicated that they enjoyed playing amateur sports more than professional sports. Interestingly, no one has agreed to play professionally for free. Besides, several recent studies have shown a strong link between employee recognition systems and organizational success. For example, a study surveying 26,000 employees in 31 healthcare organizations found that companies in the top quartile of employee responses to the item " My organization recognizes excellence" outperformed companies in the bottom quartile on this response in their return on equity, return on assets, and operating margin by a factor of at least three-to-one (Gostick & Elton, 2007). In another study, Welbourne and Andrews (1996) reported that for 136 companies which engaged in an IPO, those that emphasized the use of employee rewards had over a 40% higher likelihood of survival 5 years later than did companies which did not highlight employee rewards. It appears, then, that the success of a firm likely depends on supervisors' recognition of deserving performers and that many performance problems may be created, not by what supervisors do, but by what they *don't* do.

This was demonstrated by Hinkin and Schriesheim (2004) who studied 243 employees at two different hospitality organizations and compared the effect of managers' giving feedback to employees on their job performance (Pritchard, Jones, Roth, Stuebing, & Ekeberg, 1988,

 ISSN 2325-4181 Online

consider supervisory feedback positive reinforcement) with a group given no comments. As expected, Hinkin and Schriesheim (2004) found a positive relationship between feedback and workers' effectiveness and satisfaction, and a direct negative relationship with workers' effectiveness and satisfaction for the group in which managers did not comment on good service performance of their employees. This study, the first which examined extinction in an organizational context, nicely illustrated that ignored effective behavior will eventually be stifled and eliminated. The researchers also noted, interestingly, that supervisors who did not respond to worker good performance also disregarded employee poor behavior.

Great organizations create greater success by praising and celebrating good performance, that is, by positive reinforcement. Recognizing achievements and milestones boosts pride, camaraderie, and leadership credibility. Über management consultant and author Tom Peters stated that successful leaders and companies should "Celebrate what you want to see more of'" (Peters, n. d.). By providing occasions to acknowledge, recognize, and reward meaningful accomplishments, leaders create a culture where progress and appreciation prevail. Employee recognition must be given more attention by leaders as they attempt to meet today's organizational challenges. By providing occasions to acknowledge, recognize, and reward meaningful accomplishments, leaders create a culture where progress and appreciation prevail. Employee recognition and positive reinforcement must be given more attention by leaders as they attempt to meet today's organizational challenges.

Cost of rewards

Some supervisors argue that providing rewards is prohibitively expensive. Such a view, however, represents a limited view of organizational behavior. For example, Graham and Unruh (1990) examined the value of 65 potential incentives and four out of the top five most motivating rewards ranked by employees were initiated by their manager, based upon performance, and required little or no money. These non-financial incentives involved supervisors:

1. Personally congratulating an employee for a job well done;
2. Writing a personal note for good performance;
3. Publicly recognizing an employee for good performance; and
4. Holding morale-building meetings to celebrate successes.

The Graham and Unruh (1990) research also revealed a preference for recognition based upon efforts which contribute to organizational success—not false praise or automatic length of service recognition.

Amount and frequency of reinforcement

If managers want desirable behavior to continue they must reward it. Nevertheless, it is a common supervisory misperception that they are frequently, and adequately, rewarding their employees. According to Rath and Clifton (2004) 65% of Americans had not received recognition for good work in the previous year. Nevertheless, many managers believe they are providing abundant recognition to their followers (Gostick & Elton, 2007) and say, "I use positive reinforcement all the time" (Daniels, 2001, p. 67) yet when their employees were asked when they last received positive reinforcement from the boss, the most common answer by far was "I can't remember" (Daniels, 2001, p. 67). Managers think they recognized their subordinates but worker perceptions differ. A similar frequency error was pointed out by Daniels (1994) who observed that some supervisors exclaim that "I reinforced him but he didn't change" (p. 70). According to Daniels (1994), however, "one positive reinforcer will not change your life" (p. 70)—or an employee's behavior! Although not in an organizational context, Skinner (1968) noted that to teach students to be competent in basic mathematical concepts requires in excess of 50,000 reinforcements—roughly a student's first four grades. This works out to more than 70 reinforcers per hour per student. Since failing to reinforce productive performance can be tantamount to extinction, it is easy to see why performance and motivation decline in even the best people. They are simply not getting sufficient reinforcement to continue doing a good job.

To help overcome this frequency error Daniels and Daniels (2004) offer a 4:1 ratio guide. The most effective managers employ a ratio of positive to negative interactions that exceeds 4:1. A helpful tip for managers who need to improve their ratios is to remember that for every time they apply a negative consequence, should find at least four opportunities to reinforce a desired performance. This may require the application of *The One-Minute Manager* (Blanchard & Johnson, 1981) principle of catching workers doing something right which asks supervisors to look for, notice, and celebrate it which in turn often involves management by walking around popularized by Peters and Waterman (1982).

Thus, a number of factors may contribute to the perceptions and reality that supervisors often do not recognize good conduct of workers. It also appears that leaders frequently do not acknowledge follower poor performance. This is discussed below.

Management Nonresponse to *Undesirable* Employee Performance

The key learning point above is that organizational stars and those who perform their job satisfactorily should get constructive notice from their supervisors. While good performers should receive managerial attention, a firm's poor performers deserve lots of attention too—perhaps even more than their productive coworkers. Negative performance feedback, though, presents a dilemma. Most believe it necessary but few want to deliver it (Ilgen & Davis, 2000). It is apparently so aversive that it is often neglected (Landy & Farr, 1980) frequently leading to future, more serious problems as well as spreading to others in the workgroup who may model the undesirable performance. Indeed, when ignored, little things often turn into big things. For instance, Pope John Paul II's legacy includes a belief among some of the faithful that he failed to deal adequately with not only allegations of sexual abuse by priests, but also with bishops who transferred clergymen to new assignments rather than confront the issue (Breen, 2011). This has led some to wonder why he is being beatified (a step on the road to sainthood in the Catholic Church) despite his record of ignoring the sexual abuse crisis. Consider likewise the supervisors of Army psychiatrist Major Nidal Hasan, the alleged gunman at Fort Hood, charged with killing 13 and wounding 43 soldiers in November 2009. Despite appraisal records which described him as unprofessional, erratic, and disturbing to both his colleagues and his patients, the Army promoted Hasan. Some might argue that the failure to discipline him for his earlier troubling behavior undoubtedly led to the catastrophic violence at the Texas army base (Mulrine, 2010).

Thus, due to their aversion to providing followers negative comments leaders often avoid doing so and ignore or discount performance problems. This often leads workers to believe that their conduct is satisfactory, until the frequency or severity of performance problems and the manager's frustration at the employee rise to extremely high levels (Larson, 1989). Such frustration-driven feedback often results in destructive criticism that can be interpersonally biting and harsh (Baron, 1990).

However Baron (1988) found that it was generally not the delivery of negative feedback, *per se*, that produced such unconstructive outcomes as increased levels of conflict, resentment, and aggression, but rather the manner in which supervisors conveyed such information that seemed to play the crucial role. Baron (1988) observed that performance discussions about poor performance using constructive criticism (specific, considerate, feedback that does not contain threats of termination or reassignment, or suggestions that an individual's poor performance results from negative internal attributions such as the person being stupid or lazy) did not generate strong feelings of anger and tension nor increase recipients' tendency to adopt ineffective techniques for dealing with poor performance (e.g., making endless excuses, refusing to change). Furthermore, Ilgen and Davis (2000) forcefully argued that giving negative feedback carries with it a responsibility to convey the message in a such a way that will not adversely affect the probability that the person will perform better in the future. Clearly, managers should engage in constructive suggestions with their poorly performing subordinates regarding how they might improve their future behavior.

Most often managers who continually overlook such workers hope the problem will disappear and that those employees will somehow turn themselves around or stop their troublesome conduct. Left to fester, however, bad behavior patterns often lead to project delays, expense overruns, and missed deadlines costing firms millions in lost productivity and revenue. Negative behaviors that supervisors ignore do not typically go away—they multiply when leaders fail to act because the behaviors are then assumed to be "accepted by leadership" (Thornton, 2011). Unfortunately, too many leaders seem to follow famous English author Rudyard Kipling's *Shut-Eye Sentry* who while on duty would "… shut my eyes in the sentry box, so I didn't see nothin' wrong" (2006, p. 362).

However, the impact of ignoring *undesirable* behavior is different than overlooking *desirable* behavior. As indicated above, ignoring desirable behavior decreases the future probability of good performance. Ignoring undesirable behavior, on the other hand, tends to maintain or increase ineffective and inefficient conduct. This is because the wrongdoing is often self-rewarding to a worker and involves an activity the follower already finds intrinsically satisfying. For instance, an employee who steals money from a firm experiences the naturally occurring positive consequence associated with having more money which will cause the undesirable behavior to persist because the worker continues to be positively reinforced for theft.

As with ignoring desirable behavior above, there are several considerations that need further elaboration relative to ignoring undesirable conduct. These include perceptions associated with doing nothing, conduct that cannot be ignored, social context considerations, and legal obligations to confront undesirable practices. Each is discussed in greater detail below.

Perceptions associated with doing nothing

Supervisory silence about wrongdoing might often be interpreted as subtle acceptance and consent (from the Latin maxim, 'Qui tacet consentire videtur' ['He who is silent seems to consent']) and consequently such nonresponse may act as an unintended reinforcer for the behavior they do not want (Daniels & Daniels, 2004). The absence of accurate and negative feedback frequently leads employees to believe their performance to be on target and that everything is well (Tata, 2002). While managers tend to assume that employees are aware that they are not doing an acceptable job, employees think differently and assume that everything is fine unless they are told otherwise (Bruce, 2012).

A supervisor may be dissatisfied with an employee's level of performance, and might truly believe that the employee ought to know that he or she to be missing the mark, but unless the boss challenges employees about performance deficiencies and expressly states what needs to

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be done, change is unlikely. By directly and objectively confronting a worker's problematic behavior, supervisors clearly show the wrongdoing to be unacceptable (Seidenfeld, 1998). Moreover, as Hinkin and Schriesheim (2008) noted, not responding to poor performance may very well have negative effects on perceptions of supervisors by subordinates and on subordinates' subsequent performance, suggesting that workers may be as sensitive to the reinforcement that they do not receive (but may want or feel they deserve) as they are to the rewards and punishments that they do receive.

Conduct that cannot be ignored

Particularly problematic behavior that occurs when people do things that are illegal, immoral, unethical (e.g., dishonesty, lying, cheating, and stealing), unsafe, unhealthy, or unfair to themselves or others cannot be ignored or allowed to continue (Daniels & Daniels, 2004). These behaviors might result in such devastating effects on others and firms that immediate action must be taken. Corrective action entailing punishment or penalty may be necessary. Such consequences, effectively used, do have appropriate places in management. They are intended to diminish or stop undesirable employee behavior.

Of all the nonactions likely to negatively impact a team's morale, none appears quite as damning as a supervisor's failure to respond promptly to a team member's poor performance. In a review of 32 management teams, Larson and LaFasto (1989) found that the most consistent and intense complaint from teams was the team leaders' unwillingness to address problems associated with poor performance of individual team associates: "more than any other single aspect of team leadership, members are disturbed by leaders who are unwilling to deal directly and effectively with self-serving or noncontributing team members" (p. 83). Moreover, O'Reilly and Puffer (1989) found that participants in their studies were more willing to work hard, felt more satisfied, and perceived more equitable treatment from their bosses when their supervisors punished poorly performing team members than when such individuals received no reprimands.

The impact of social contexts

Bandura's social learning theory (1986) posits that people learn from one another, via imitation, modeling, and by observing the consequences that others experience following their behavior. The failure to use negative sanctions may, therefore, reinforce unproductive norms as individuals learn, for instance, that it is permissible to arrive late or that slipshod quality is okay. Conversely, social learning theory suggests that individuals are less likely to engage in modeled behavior if they perceive that there will be punishing effects than if they anticipate positive outcomes. Properly applied, negative sanctions may act both to set specific goals and to help establish group norms which govern acceptable and unacceptable behaviors.

Failure to use negative sanctions may, from a social learning perspective, act as a reinforcer for undesired behaviors, lead to feelings of inequity, and establishment of unproductive group norms. In part this could be because when misconduct occurs, observers expect that violators will be punished (Hogan & Emler, 1981). In a social context, then, the use of negative sanctions may be a highly visible and effective tool for increasing both productivity and satisfaction (O'Reilly & Puffer, 1989). It seems that the observed tendency of managers to avoid the conflict frequently perceived as inherent with the use of punishment (O'Reilly & Weitz, 1980) results in a failure to use discipline occasioning feelings of inequity and lowered motivation, commitment, and cohesiveness among productive group members (Podsakoff & Todor, 1985).

 ISSN 2325-4181 Online

Ignoring bad behavior is particularly problematic because it invariably culminates in disillusionment from the very people the business relies most upon—those who consistently produce good results. Research by Schnake and Dumler (1989) supported this view and found that supervisors who fail to discipline others' inappropriate behavior is perceived as punishment by those performing at high levels and that leaders who punish unwanted employee behavior is viewed as rewarding by these high performers. Similarly, Podsakoff, Bommer, Podsakoff, and MacKenzie (2006) found that negative feedback provided by managers to poorly performing workers can have more functional effects on employee satisfaction than positive feedback considered undeserved. Moreover, employees generally feel better about their supervisor, coworkers, and opportunities for advancement when their leaders hold employees accountable for poor performance.

Managerial inaction to address an individual's unfavorable performance might also have significant implications for a workgroup. At least at first, group members may look to their leader to punish a deviant group member (Butterfield, Treviño, & Ball, 1996) but poor leadership may allow a negative person to persist in their destructive activity. If the supervisor does not address this behavior, then those ineffective performers may serve as models for antisocial behaviors that may infect the whole group (O'Fallon & Butterfield, 2011). The common idiom "a bad apple spoils the barrel" captures the core idea of negative individuals having deleterious effects on others (Sember & Sember, 2009). Felps, Mitchell, and Byington (2006) identified bad apples as those "individuals who chronically display behavior which asymmetrically impairs group functioning" (p. 180). Such individuals have a negative impact on group production related processes of motivation, creativity, and learning, as well as on the integrative processes of cooperation and conflict. Bad apples distract and drag down everyone, and their destructive behaviors, such as anger, laziness, and incompetence, are remarkably contagious. Chronic expressions of toxic behaviors allow these people to become a figurative thorn in the groups' side—and possibly a "destroyer" of the group itself (Wetlaufer, 1994). Felps et al. (2006) noted that groups having a bad apple performed 30% to 40% worse than similar groups without a bad apple. Furthermore, employees are more likely to model caustic behavior of others if they must work closely with them in order to do their job (Wagemen, 2000). This is noteworthy given that task interdependence is growing as organizations move toward the use of self-managed work teams and decentralized organizational structures (Erez, LePine, & Elms, 2002). Thus, a negative side effect of increased worker interface is that it enhances the likelihood that problematic behavior will be socially contagious requiring managers to intervene quickly before such propensities spread.

Supervisors are obligated to confront wrongdoing

Ignoring certain kinds of unwanted behavior can be especially problematic. For example, the Occupational Safety and Health Act's most basic provision, the so-called "general duty" clause, requires that the employer "furnish to each of his [sic] employees employment and a place of employment which are free from recognized hazards that are causing or likely to cause death or serious physical harm to his [sic] employees" (29 U.S.C., 1976). There is a duty of care to ensure, as far as reasonably practical, that workers are not exposed to risks of health or safety arising from the conduct of the employer's business. Leaders who do not address such harmful action will be seen as condoning it and may also be held responsible for unsafe practices.

Another area where non-responsive leadership may be problematic involves the failure to appropriately discipline. Consider the case of *Andrews v. Fowler* (1996) in which plaintiff

Andrews claimed being raped by Officer Fowler and sued under § 1983 of the Civil Rights Act of 1871. Plaintiff alleged the chief of police and mayor knew of several prior allegations of sexual misconduct involving Officer Fowler but failed to discipline him. Plaintiff alleged that this failure was essentially ratification of Officer Fowler's misconduct and stood as evidence that the "official policy" of the city became tacit authorization of Fowler's sexual misconduct. The court held that supervisors may be subject to individual liability for failing adequately to receive, investigate, or act upon complaints of wrongdoing by department employees if they: 1) received notice of pattern of unconstitutional acts committed by subordinates; 2) demonstrated deliberate indifference to or tacit authorization of offensive acts; 3) failed to take sufficient remedial action, and 4) such failure proximately caused injury.

Performance feedback and documentation are the foundation of employers' defense against discrimination and wrongful termination charges and, as a result, are one of management's most important responsibilities (Malos, 1998). Yet appraisals can be an organization's greatest vulnerability when they are not performed or executed satisfactorily. Hence, a good idea is to ensure that poorly performing employees are notified of work-related problems, so they cannot later claim that they would have improved but for the employer's failure to properly manage their performance. Such negligence was addressed in two court cases. In *Chamberlain v. Bissell* (1982) a company manager relied on a performance evaluation to discharge an employee. However, the employee in question was never informed that he would be discharged if his performance did not improve. The court held that the manager breached his duty to use ordinary care in conducting performance evaluations. Because the manager was in a position to give the employee an opportunity to improve, the court held that the manager was negligent in conducting the performance evaluation. Likewise, in *Schipani v. Ford Motor Company* (1981) the court held that plaintiff could state a cause of action against his employer for negligence in carrying out performance evaluations. The court indicated that "…the law imposes an obligation upon everyone who attempts to do anything for another, even gratuitously, to exercise some degree of care and skill in the performance of what he [sic] had undertaken, for nonperformance of which duty an action lies" (p. 623). Thus, legally it may be important to keep employees advised of poor performance so they cannot contest discharge by claiming that their behavior would have improved but for a faulty evaluation and review process.

Furthermore, any act of discrimination should be dealt with immediately. Sexual harassment, a form of sex discrimination, receives much attention in the workplace and properly so. Such behavior can have serious consequences to persons being harassed and to organizations as well. These firms often suffer damaged employee morale, lost productivity, costly law suits, and public relations nightmares because of organizational inaction (Peirce, Smolinski, & Rosen, 1998). Indeed, the United States Equal Employment Opportunity Commission's (1999) long-standing guidance on employer liability for harassment by workers assumes employer liability if the employer knew or should have known of the misconduct, unless it can show that it undertook reasonable care to prevent and promptly correct harassment.

Conclusion

Managers seldom recognize the dramatic impact of their own failure to act on their subordinates and that many performance issues are created not only by what supervisors do but also by what they do not do. Inaction with respect to desirable worker performance often results in extinction which reduces future positive conduct. Likewise, ignoring inappropriate employee

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behavior can lead employees to believe their poor performance is satisfactory because management neglects to tell them otherwise. There is a high cost of doing nothing which demonstrates that subordinates may be as sensitive to the reinforcement or discipline that they do *not* receive as they are to the rewards and punishments that they *do* receive. Managers must appropriately respond either to good or to poor worker performance. Not seizing opportunities to provide suitable consequences to employee conduct is a way poor leaders destroy firms.

Abundant evidence indicates that employee behavior is a function of its consequences. People do what brings praise and avoid what doesn't. Good performance will probably decline unless acknowledged while bad behavior will most likely continue or perhaps increase if not addressed. A number of implications for managers can be summarized. First, in any type of situation, effective leadership depends on reinforcing, motivating, and rewarding value enhancing behaviors in order to spur superior performance. The vast majority of leaders in organizations, however, believe they are doing so but subordinates tell a different story. Supervisors are thus encouraged to err on the side of providing too much positive reinforcement and to offer more frequent, specific, and personal recognition to employees. Something as simple as a pat on the back represents a meaningful incentive (Nelson, 1994) and so managers must not feel constrained by budgetary concerns, but rather only by their own imagination.

A second implication suggests that supervisors must realize that for greater misbehavior there is a high cost of doing nothing (Moore, 2002). Typically, bad conduct continues and in many cases will escalate as well as spread to others in the workgroup who may model the undesirable performance. When ignored, little things often turn into big things. To decrease such unwanted behavior punishment may be administered (Hellriegel & Slocum, 2007). Effectively used discipline does have an appropriate place in management but if supervisors only punish what they do not want and do not reinforce what they desire, improvement in performance is unlikely. Thus, supervisors should be encouraged to reinforce behavior incompatible with unwanted behavior (e.g., staying at a work station vs. taking excessive breaks).

Third, supervisors should not allow work-related problems to go unchecked and should counsel poor performers to encourage behavioral improvement and document action taken. Only after a supervisor determines—perhaps through a process similar to Mager and Pipe's (1984) analyzing performance problems—that an employee does not have a skill or ability deficiency (perhaps because of a lack of training), or that there are obstacles beyond the employee's control such as inadequate equipment or disruptive colleagues, should discipline be administered. The point is that if the cause of an employee's problem exists outside their control, then punishment might not be appropriate. If an employee can perform but does not, then punishment may be called for and proper documentation necessary. A good guideline to remember is that "If It Wasn't Documented, It Didn't Happen." The goal of documentation attempts to clearly memorialize the firm's efforts to address problematic behavior (Clancy & Warner, 1999). When followed regularly, accurate and contemporaneous documentation will add authenticity and credibility to the events leading to the supervisory action and will help the firm prevail against claims of wrongful discharge, breach of contract, and discrimination. Without proper documentation, the employee would be much more likely to win in the event of a court case (e.g., *Lloyd v. Georgia Gulf Corp*., 1992).

Finally, it may be well to remember management guru Peter Drucker's keen observation that "The manager directs people or misdirects them. He brings out what is in them or he stifles them…. Every manager does these things when he manages—whether he knows it or not. He may do them well, or he may do them wretchedly. But he always does them" (Drucker, 1954, p.

344). Drucker seemed to focus on managerial action but as demonstrated in this paper managerial *inaction* also influences workers. Most managers seldom recognize the dramatic impact of their own failure to act on their subordinates and that many performance problems are created not only by what they do but also by what they do not do.

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