

CHAPTER 5

Withholding Effort at Work

Understanding and Preventing Shirking, Job Neglect, Social Loafing, and Free Riding

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Throughout modern times, business cycles have contributed to organizational conditions with well-understood implications for the employee–employer relationship. During “boom” periods, qualified employees are scarce and expensive. During these periods, employers express concern about maintaining competitive pay and benefits practices, protecting their “investment” in human resources, creating and maintaining an attractive work environment, and minimizing turnover. During “bust” periods, qualified labor becomes much more easily found, and employers focus on minimizing the cost of human resource “overhead,” downsizing, maximizing operational efficiency, and optimizing the performance of remaining employees. Although macroeconomic conditions are arguably the key driver of these approaches, similar patterns of employment practices can also be attributed to the competitive position, life cycle stage, and/or traditions of a focal organization (Ferris, Hochwarter, Buckley, Harrell-Cook, & Frink, 1999).

In both the best and worst of times, content and configuration of employment practices play an important role in determining the nature of the “psychological contract” between employees and employers. In some instances, the conditions that are created allow employees to conclude that it is at least rational—and perhaps

even reasonable—to provide less than their full effort. Withholding of effort at work, in its various forms, has been labeled “production deviance” (Robinson & Bennett, 1995). The purpose of this chapter is to introduce the reader to the various forms that this withholding of effort takes, to discuss its implications for organizations, and to highlight management’s role in its prevention. Certainly, managing employee performance is a central aspect of managerial work. Managers are rightly concerned that subordinates provide fair effort. When effort is withheld, individual and organizational performance may be reduced. In addition, coworkers who observe an individual withholding effort without facing adverse consequences will quickly determine that they are being treated inequitably. Among the predictable reactions to such a conclusion are additional reductions in effort, morale problems, and perhaps departures from the organization.

A growing body of organizational behavior research has been conducted to identify the factors that cause employees to withhold effort (Albanese & Van Fleet, 1985; Karau & Williams, 1993, 1997; Kidwell & Bennett, 1993, 2001; Kidwell & Robie, 2003; Miles & Klein, 2002). Several forms of withholding effort on the job have been identified. These forms differ in regard to either (a) the performance context in which the withholding of effort occurs (e.g., an employee working alone or in a work group) or (b) the employee motivation behind the withholding of effort. All end in the same place, that is, with employees withholding effort that their supervisor expects for proper fulfillment of their work responsibilities. At the same time, the unique contextual and motivational components of each form provide cues about the steps that managers might properly view as remedies. For that reason, we begin with a brief description of each form of withholding effort.

Withholding Effort

Shirking

The first two forms of withholding effort, shirking and job neglect, focus on a performance context where an individual employee is working alone. *Shirking* is a term whose development can be traced to the economics literature and has been defined as an increase in the tendency to supply less effort in the presence of some incentive to do so (Jones, 1984; Leibowitz & Tollison, 1980). Essentially, shirking occurs when an employee determines that he or she can create more “leisure time” and will face no negative consequence for doing so. The assumption underlying the shirking literature is that employees will shirk when employers are not monitoring them. Employees are thought to reduce their work effort because their interests do not necessarily match those of the organization (Judge & Chandler, 1996). In fact, it has been suggested that employees prefer larger amounts of on-the-job free time for a given wage and will shirk when the utility gained from shirking exceeds that gained from working. Accordingly, managerial policies that limit the incentive to shirk have been designed to enhance either the cost of shirking or the value of working.

Much of the shirking research in the economics field has focused on the use of various compensation policies to decrease shirking: (a) paying above-market wages

to elevate the cost of job loss and to deter shirking in contexts where it is hard for managers to directly monitor employees (e.g., Cappelli & Chauvin, 1991; Krueger, 1991) and (b) tournaments where employees compete for desirable top-paying assignments (Lazear & Rosen, 1981). In the organizational behavior field, expectancy theory (Vroom, 1964) and equity theory (Lawler, 1968) have been used to justify the use of compensation policies to decrease shirking. According to expectancy theory, employees will work harder if they perceive that hard work will be rewarded. For that reason, various compensation policies make explicit to employees that their efforts will not go unnoticed. Equity theory suggests that employees who believe that they are overrewarded in comparison with their coworkers may increase work effort to establish equity. On the other hand, those employees who believe that they are underrewarded may react through shirking. Consequently, employee perceptions as to the “fairness” of reward systems are expected to play a role in employee decisions to withhold effort.

The empirical research on shirking has found that the compensation policies suggested by the economics and organizational behavior literatures do, in fact, have an impact on shirking. Whereas the bulk of this shirking research has focused on organizational-level determinants of shirking, little research has examined why employees in the same organization or work group would shirk. The exception to this is a study that focused on individual-level determinants of shirking (Judge & Chandler, 1996). Interestingly, this study did not find a link between how closely supervisors monitored employees’ behavior and employees’ level of shirking. Instead, the study found that job satisfaction and general life satisfaction negatively affected shirking. Employees who are unhappy with their jobs, or with their lives in general, are more likely to withdraw from their jobs through shirking. Thus, paying attention to the factors associated with subordinates’ job dissatisfaction is another way in which to deter employee shirking. Although the managerial implications for job satisfaction are clear, the finding about general life satisfaction indicates that shirking is not wholly determined by organizational practices. In sum, carefully designed compensation policies and attention to subordinates’ job satisfaction can be effective deterrents of employee shirking, yet other factors not under the organization’s direct control (e.g., general life satisfaction) may also contribute to an employee’s level of shirking.

Job Neglect

The second form of withholding effort that occurs in an individual performance context is *job neglect*, that is, a tendency for employees to passively allow conditions at work to deteriorate through a focus on nonwork interests. Job neglect involves the withholding of effort in favor of a focus on other interests.

Someone who spends work time managing a personal portfolio of auctions on eBay, for example, is guilty of job neglect. This form of job neglect has recently been labeled “cyberloafing” (Lim, 2002). Apparently, such job neglect is prevalent. A recent study reported that 30% to 40% of employees’ work time is spent using the Internet for non-work-related purposes (Verton, 2000).

Understood in this way, job neglect is easily conceptualized as a particular form of shirking behavior. It may manifest itself through decreased effort, increased absenteeism or lateness, or decreased speed of work. Job neglect has been measured by asking employees the degree to which they avoid work by speaking with coworkers, offering less effort than they know they can, intentionally steering clear of their supervisors, taking more frequent and longer breaks than is allowed, making deliberate mistakes, and arriving at work late (Leck & Saunders, 1992; Rusbult, Farrell, Rogers, & Mainous, 1988).

Organizational commitment and satisfaction with work, supervision, pay, promotion, and coworkers are among the attitudes expected to be negatively related to job neglect. Research has suggested that those who withhold effort from their jobs passively through job neglect believe that the options of selecting more active responses to being unhappy with their work environment (e.g., leaving the organization, complaining to a supervisor) are either too risky or of no use (Withey & Cooper, 1989). Specifically, employees who believe that it would be difficult to transfer their skills to another job would have high exit costs and, thus, would be more likely to neglect their jobs than to leave. Similarly, employees who think that voicing their job dissatisfaction (e.g., through complaining to a supervisor) would result in penalties are expected to instead respond through job neglect. In addition, employees with an external locus of control do not believe that they have control over the decisions in their lives (i.e., a more active response would be useless) and, thus, would also respond to job dissatisfaction passively through job neglect.

Whereas most job neglect research has focused on both extrinsic motivators (e.g., pay) and intrinsic motivators (e.g., satisfaction resulting from high achievement levels), some recent studies have found that elements of an employee's job context (e.g., the employee's relationship with the boss, characteristics of the employee's work group) also affect job neglect. Kidwell and Bennett (2001) found that employees were less likely to neglect their jobs if they perceived that their bosses exhibited expertise and consideration. Research on leader-member exchange (e.g., Sparrowe & Liden, 1997) has suggested that employees have expectations about what their supervisors should do in exchange for their job effort. Employees with supervisors who do not provide what is expected (e.g., expertise, consideration) are likely to exhibit greater levels of job neglect.

A related component of an employee-employer relationship that can affect job neglect concerns equity perceptions. Lim (2002) suggested that employees surf the Internet during work hours as a form of retribution against the organization (i.e., to correct what they view as injustice). This justification, referred to as neutralization, implies that when employees think that their managers have not recognized their contributions (e.g., working extra hours to complete an assignment), they will retaliate by spending work time on nonwork interests (Lim, 2002). Using the Internet for personal purposes during work hours is often thought of as a simple way in which to get back at the organization because it is convenient and somewhat easy to hide.

In addition to the employee-employer relationship, another job context area associated with job neglect involves characteristics of an employee's work group. The Kidwell and Bennett (2001) study found that employees were less likely to

neglect their jobs if they perceived that their work groups exhibited altruistic behaviors. Examples of altruistic behaviors include helping coworkers with heavy workloads and helping newcomers to “learn the ropes.” When employees perceive that their work groups are altruistic, they do not want to endanger the spirit of solidarity and emotional bonding within their groups by neglecting their jobs. Similarly, the study found that employees working in cohesive groups were less likely to neglect their jobs (Kidwell & Bennett, 2001). Members of cohesive work groups identify strongly with one another and are committed to their tasks. A strong group norm of cohesiveness is likely to prevent employees from defying their groups and neglecting their jobs.

Taken as a whole, the findings of the Kidwell and Bennett (2001) and Lim (2002) studies highlight the importance of *noneconomic* motivations in influencing job neglect. Variables such as consideration, altruism, cohesiveness, and equity are noneconomic motivators, which involve helping others or preserving relationships with others, as opposed to economic motivators, which are based on things such as a rational cost–benefit analysis of monetary reward or punishment.

Shirking and job neglect can occur in virtually any context. The next two forms of withholding effort, however, are unique to work groups. The common feature of these two forms of withholding effort is a group performance context structured in such a way that there is great difficulty in identifying individual contributions.

Social Loafing

Social loafing occurs in a group context and can be defined as a tendency to reduce effort because the nature of the focal task makes it impossible for others to determine individual contribution (Kerr & Bruun, 1983). In a meta-analytic review of social loafing research, Karau and Williams (1993) noted that the phenomenon has been observed on cognitive (e.g., brainstorming), physical (e.g., rope pulling, shouting), evaluative (e.g., ratings of performance), and perceptual (e.g., computer simulations) tasks.

That same body of research has generated six somewhat interrelated explanations for the presence of social loafing. Social impact theory (Latané, 1981) proposed that social loafing occurs when a request for effort is made of multiple “targets” rather than of a single target. This is similar to the predictions of Jackson and Williams (1985), whose arousal reduction explanation posits that the presence of others is “drive reducing”; that is, the fact that other employees are involved reduces the pressure on a single employee to perform. A third explanation involves whether or not individuals can “hide in the crowd” as opposed to having their contributions easily identified (e.g., Davis, 1969; Williams, Harkins, & Latané, 1981). Fourth, the dispensability of effort view (Kerr & Bruun, 1983) suggests that individuals will loaf when they conclude that their own effort is not essential to the production of the group’s work. Fifth, the matching of effort view (cf. Jackson & Harkins, 1985) posits that individuals “match” their efforts to those they expect from coworkers so as to avoid being played for “suckers” (cf. Schnake, 1991). Finally, the self-attention perspective (Mullen, 1983) suggests that individuals pay

less attention to their work effort due to an increased self-awareness caused by the group performance context.

Karau and Williams (1993) identified a number of factors that increase the likelihood that social loafing will occur. In summary, their results indicate that social loafing is more likely when (a) individual output cannot be evaluated (see also Gagne & Zuckerman, 1999; George, 1992), (b) the tasks involved are viewed as unimportant, (c) a group performance comparison is not available, (d) individuals are working with strangers on a group task, (e) individuals have reason to suspect their fellow group members will perform well without their personal contribution, and/or (f) individuals see their potential contributions as redundant with those offered by other group members. Subsequent research has also identified the lack of incentives (George, 1995), lack of individual evaluations (Karau & Williams, 1993), low group cohesiveness (Duffy & Shaw, 2000; Karau & Hart, 1998), and low-quality leader-member relations (Murphy, Wayne, Liden, & Erdogan, 2003) to be associated with higher levels of social loafing. In a recent multilevel study of 23 work groups in two organizations, increases in social loafing were related to larger group size and decreased group cohesiveness, whereas at the individual level of analysis, increased task interdependence and decreases in distributive justice and task visibility were linked to greater degrees of social loafing (Liden, Wayne, Jaworski, & Bennett, 2004).

Free Riding

Free riding refers to social loafing that occurs when an individual is able to obtain some benefit from the group without contributing a fair share of the costs associated with the production of that benefit (Albanese & Van Fleet, 1985; Olson, 1965). Students will recognize this phenomenon as one that often plagues group class projects. When all group members receive the same grade from the evaluation of a group project regardless of individual contributions, the situation is ripe for free riders (Brooks & Ammons, 2003). In organizations, circumstances where group members are recognized or rewarded *as a group* are likely to produce free riding as well. Because the individual still participates in whatever “reward” the group earns, the free rider enjoys that benefit without bearing a fair share of the costs required to obtain it (e.g., Albanese & Van Fleet, 1985). In fact, when the reward is indivisible and can be obtained through others’ work, the decision to withhold effort is economically rational.

In the near term, free riding might not result in lower group performance. After all, the free rider is counting on his or her share of the group reward and has chosen to withhold effort only because he or she can do so at no cost. Over time, however, coworkers of free riders have been found to be less committed to group goals, have lower levels of individual performance, set lower goals for their own achievement, and constitute groups whose performance suffers (Miles & Klein, 2002). Miles and Klein (2002) suggested that free riding, if left unchecked, creates a “spiral of negative consequences” for organizations.

Challenges for Managers

The process through which these forms of production deviance develop is clear. First, individuals determine, for varied reasons, that withholding of effort is a viable personal performance strategy. Next, they withhold effort (a) to restore their sense of being treated equitably, (b) to make available time to pursue other interests, (c) because there is no “cost” in terms of either a sanction or a reduced reward, and/or (d) simply because they can. Then, to the extent that withholding of effort is noticeable to coworkers, a negative impact on the coworkers’ attitudes and behaviors is expected to develop over time. If this situation is left unchecked, negative consequences with regard to production norms may be felt. In addition to reduced productivity, one would expect an increase in turnover and other withdrawal behaviors as well as lower morale. In the aggregate, the potential cost of production deviance for an organization may be substantial.

Before turning attention to the remedies that managers should consider in addressing withholding of effort, it is important to note that diagnosing it is not always an easy task. It is precisely this difficulty of diagnosis that creates the opportunity for employees to withhold effort in the first place. Although there are performance contexts in which withholding of effort is more easily seen (e.g., a situation where performance measures are assessed objectively and where accepted productivity norms exist), many employees perform tasks that do not lend themselves to such clear observation. A second challenge is that managers may conclude that employees’ performance is unacceptable but might not immediately know the best explanation why. Although effort may be the best explanation, there are other explanations for low performance that are unrelated to effort. Before designing a course of action, managers need to accurately diagnose the underlying cause for the performance decrement.

Fundamentally, there are four explanations for low performance: (a) lack of appropriate effort, (b) lack of ability, (c) task difficulty, and (d) chance. Our focus in this chapter is on lack of effort. Suggestions for managers to deal with our topic of interest are discussed in what follows. In contrast to the recommendations for an effort explanation of a performance decrement, lack of ability issues are best addressed by training or reassigning employees, whereas task difficulty issues are best addressed by breaking a task into less difficult components or by providing additional resources. Poor performance explained by bad luck (e.g., an unforeseeable change in market conditions, a personal crisis) might not be particularly manageable, and because the constellation of forces that led to the bad luck is unlikely to reappear in a recognizable manner, the situation might not require managerial intervention.

In comparing the managerial remedies for various sources of a performance decrement, it becomes clear that misunderstanding the underlying cause will likely lead to the selection of an inappropriate remedy. Clearly, efforts to correct a performance decrement that is truly due to lack of effort using an inappropriate remedy, such as breaking the task into less difficult increments or providing more training, are not likely to work. Similarly, trying to “fix” a withholding effort

problem when an employee's performance problems are caused by other factors is also unlikely to produce the desired results.

That said, the review of the literature earlier indicated that there are many reasons why individuals choose to withhold effort on the job. Clearly, work context plays the key role in that it provides cues to employees that withholding of effort is tolerated, rational and to be expected, and/or undetectable. Furthermore, the conclusion that withholding effort generally has negative consequences for both the organization and the perpetrator's coworkers is easily understood. In sum, when employee withholding of effort is left unchecked, there are certainly deleterious impacts on productivity and morale. Fortunately, this is one form of workplace deviance that managers generally have some ability to address. For example, by paying close attention to the way in which work groups are constructed, jobs are designed, and rewards are distributed, managers can minimize the incentives for the withholding of effort and thereby redress its negative consequences for organizational effectiveness and employee morale. In the paragraphs that follow, we discuss suggestions for managers concerned with reducing the likelihood of employee withholding of effort on the job. Our approaches fall into four categories: style of supervision, job design, incentive systems, and employee selection.

Style of Supervision

One conclusion that might be reached from our discussion of withholding effort is that the answer is to simply supervise employees more closely. If employees sense that managers will quickly detect reduced effort, and if managers deliver negative consequences for that reduction of effort, employees should be deterred from reducing their effort. During the past 20 years, organizations have experimented with various technologies to monitor employee performance as a way of deterring employees from withholding effort on the job (Chalykoff & Kochan, 1989). For example, organizations have installed software to count keystrokes per minute among data entry employees and have installed cameras in break areas, restrooms, and employee dressing areas. However, monitoring has not been the panacea that some predicted it might be (e.g., Judge & Chandler, 1996), and many employees view such measures as an invasion of their privacy.

The business press has recently devoted attention to employees' responses to monitoring through creating ways in which to appear to be working hard when one actually is not (Spencer, 2003). For instance, remote control technology allows employees to open documents on their office computer screens while they are away from their offices. Timer features in software allow e-mails to be sent during the middle of the night while employees sleep. So, just as technology has afforded organizations the opportunity to monitor employee performance more closely, it has also enhanced the ability of employees to disguise their withholding of effort.

Methods to increase direct supervision through more traditional methods have also proven to be difficult. Simply put, direct supervision is expensive. It requires that managers have a narrower span of control, effectively increasing the need for greater numbers of more expensive employees. Certainly, large numbers of

employees work in positions that are inherently difficult to monitor (e.g., outside sales and service). Thus, given the problems associated with direct supervision as a means of deterring withholding of effort, more fruitful methods include attention to job design, reward systems, and employee selection. These alternatives are discussed in the following subsections.

Job Design

With regard to job design, the key contributor to withholding of effort is an inability to identify individual contribution to the performance of a task. Naturally, then, one recommendation for those seeking to curtail the withholding of effort is to pay careful attention to the way in which work is allocated across jobs. To the extent that individuals can be held accountable for the performance of a discrete piece of work, the opportunities to withhold effort are mitigated. Employees experiencing role ambiguity are not likely to understand how their personal activities at work relate to their tasks, goals, and procedures for performing well. Thus, employees might not exert full effort until they understand exactly how to perform their tasks. Group size and performance norms might affect the degree to which employees understand their roles (Kidwell & Bennett, 2001).

Another job design issue related to withholding effort is goal setting. As noted previously, one explanation for why individuals expend less effort on group tasks involves matching their performance to that of other group members. When group members believe that others will exert low effort, social matching may drive them to decrease their own effort. Consequently, the total group performance would likely be low. In this case, group members' attempts to achieve equity in effort lead to withholding of effort. One study offered preliminary evidence that setting goals can reduce the likelihood of social matching and, thus, of withholding effort. In a laboratory study, Leeuwen and Knippenberg (2002) found that a specific group goal acted as an alternative standard for determining a group member's performance. When a group goal was present, the majority of the participants' perceptions of a fair contribution seemed to be determined by the goal instead of by their expectations of other group members' performance. Thus, the presence of a specific standard may shape group members' perceptions about what performance level is viewed as equitable and, as a result, may reduce the likelihood of withholding effort.

A related job design issue regarding withholding effort concerns task interdependence. Task interdependence is the extent to which group members rely on each other to conduct their jobs (Kiggundu, 1981). Interdependence varies across groups, increasing as workflow goes from pooled (i.e., the work from each individual is added to that done by others for a group total), to sequential (i.e., each employee is one step in a multistep production process similar to an assembly line), to reciprocal (i.e., the group's work product is the result of a number of multiparty interactions) interdependence (Thompson, 1967). As task interdependence increases, it becomes more difficult to detect withholding of effort. Thus, those interested in preventing employees from withholding effort should consider the level of task interdependence surrounding the job in question.

Incentive Systems

Another suggestion for managers concerned about reducing the likelihood of employee withholding of effort on the job involves incentive systems. Managers should strengthen the linkage between exerting effort and performing a job well. Expectancy theory (Vroom, 1964) suggests that establishing a connection between effort and performance is critical to understanding whether employees will be motivated to exert effort. If a worker perceives no link between exerting effort and performing a job well, it follows that the worker would not be motivated to exert effort or might exert less effort.

Managers can strengthen the effort–performance linkage in a number of ways, including (a) provision of clear instructions at the outset of the task; (b) timely, accurate, and constructive performance feedback during and after the task; and (c) provision of sufficient resources for task completion. Expectancy theory also suggests that employees will be less likely to withhold effort if they think that their effort will be rewarded. It is important to keep in mind that although the financial reward itself is important, employee perceptions of the equity of performance–reward linkages are equally critical. Recall that equity theory suggests that employees who believe that they are overrewarded in comparison with their coworkers may boost their work effort to achieve equity. Conversely, those employees who think that they are underrewarded may react by withholding effort. Thus, managers should use an incentive system that (a) establishes a clear link between effort and performance and (b) rewards high effort in ways that are perceived as equitable.

In addition, managers should not focus only on financial rewards in deterring job neglect and shirking. Research points to the role of employees' expectations of their supervisors in influencing withholding of effort. Employees with supervisors who take steps to provide what is expected (e.g., expertise, consideration) are more likely to reciprocate through lower levels of withholding effort.

Employee Selection

With regard to employee selection, managers should select work group members with high perceptions of altruism and cohesiveness. Recall that research has found that employees perceiving a high level of altruism and cohesiveness in a group are less likely to withhold effort (Kidwell & Bennett, 2001). Perceptions of group cohesiveness and altruism are important factors that affect employees' decisions to exert full effort or withhold it because group members who help one another and are committed to the group's work tend to bond together emotionally. Such employees are thought to have a desire to support the group's sense of camaraderie and do not want to endanger it by neglecting their jobs. Thus, managers should not view financial rewards as the sole contributor to how much effort is exerted and should also consider the role that work group characteristics play in shaping employees' decisions about how much effort to exert in their jobs.

Once managers have selected employees who are not likely to withhold effort, they should expose these employees to a high-performance culture during the

socialization process (Schein, 1984). In so doing, managers may promote the value that the organization places on high performance and may teach employees the appropriate ways in which to avoid and manage withholding effort problems. In a high-performance culture, managers attract and retain employees who not only have the skills required to do their jobs but also are so energized by the organization's core values that they "give 110%" (Rosenthal & Masarech, 2003). This culture serves to attract those who fit in with it and serves to deter those who believe that they do not fit in with such a culture; thus, withholding of effort may be prevented.

Ethical Issues in the Withholding of Effort

One theme explored in this book is the consideration of ethical issues in the management of deviant behavior at work. In that regard, the withholding of effort presents an interesting case. There are two major sets of ethical questions that merit consideration.

First, is an employee who provides less than full effort in return for his or her wages behaving unethically? In other words, is it enough to meet minimum performance expectations—to "hit the numbers"—and not to make a complete effort for a higher level of performance? Said differently, is it fair for an employer to expect an employee's best effort, or should that employer be content with satisfactory effort?

Second, our discussion has implied that the work expected by the employer is itself of an appropriate nature. Recently, however, we have seen many examples of employers requesting that employees perform tasks that the larger community views as inappropriate (e.g., Bing, 2002; Thomas, 2002). In such cases, does withholding of effort become a form of disobedience that would be applauded outside the walls of these firms? If so, does this require that we be careful about creating a workplace where the structures to prevent the withholding of effort are so strong as to distort employee perceptions of ethical corporate behavior?

Conclusions

Our review has shown that there are numerous and varied reasons why employees might conclude that it is rational to withhold effort on the job. Whether withholding of effort occurs (a) to compensate for a sense of inequitable treatment, (b) to create "free time" for undertaking activities of a more personal interest, or (c) "just because it can," withholding of effort creates two basic problems for organizations. First, the focal employees are not providing the organization with what it expects. Second, if left unchecked, the withholding of effort may create the negative performance spiral among coworkers predicted by Miles and Klein (2002).

In total, the costs of withholding effort may be substantial (e.g., decreased productivity, morale problems, turnover). To help managers deter employee withholding of effort, a number of suggestions were offered. First, because managers are not always able to directly observe employees withholding effort, managers need to

carefully diagnose any performance decrement to properly assess its root cause. An incorrect diagnosis will lead to an ineffective remedy. Then, in those instances where managers determine that withholding of effort is the cause of the performance decrement, a number of potential actions involving job design, reward systems, and employee selection may be useful. Through careful consideration of the cues contained in the work context, managers can reduce the incidence of employee withholding of effort and its potentially damaging effects.

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CASE 5

The Low-Quality Loafers

Just a few weeks after his appointment as unit manager at Talaveras Industries, Bowman Vance was informed by the plant superintendent that his section and its employees had been selected for a continuous quality improvement (CQI) program.

CQI was a new approach at Talaveras, and if Vance was successful at implementing the program within 1 year, the unit would gain quality certification, an important external recognition of product quality and work process improvement. In addition, if the program worked, it would be extended to the rest of the 300-employee company.

There were 25 employees in Vance's unit. Of these, 20 were union members and the others were assistant managers and clerical staff members. Consultants who were experts in statistical process control, self-directed teams, and other elements of the quality program were brought in to discuss these issues with the union employees and build momentum for the change to a quality process improvement program.

The union workers were skeptical of the program at first, but thanks to the enthusiasm of Vance, the two union stewards, and other key employees, the program implementation began and was quite well received during the first 6 weeks. Of the 20 union employees, most attended and participated in team-building activities, learned about building quality into the process, came to regular meetings, and generally understood and accepted the need for change and the principles behind it relatively quickly.

A trio of older workers did not. Lucas Bradford, 58 years of age, had worked at Talaveras for 25 years. He was content to do the minimum amount

AUTHOR'S NOTE: This case was prepared by Roland Kidwell (Niagara University) as the basis for classroom discussion. It is based on an actual organization investigated by the author. The names of all characters and the organization are fictitious, as are some details, to protect the identities of the individuals and the organization involved.

of work and instead focused on his off-hour activities. He came to work on time, put in minimal effort, would not go out of his way to try anything new, and was the first one out the door to get to his boat at the lake during the summer months or to get out into the woods during hunting season. He regularly failed to show up for meetings regarding the quality effort. When the stewards asked him about this, Bradford said he would try to attend in the future, but he did not make an appearance. Otherwise, his work was a bit below average.

Marv Goldberg, 55 years of age and a 30-year Talaveras employee, actively opposed the quality effort. He came to the regular meetings and talked about the lack of need for change, how this was being forced on the union employees, and how it was unfair of the company to ask employees who were doing their jobs to make changes. "We put in the effort to make a quality product; we don't need to change the way we do things to satisfy a bunch of outside consultants and gurus," he said at one meeting. The other employees generally shrugged off his comments and paid little attention. Goldberg had few friends at the company and was generally isolated from the other employees. His job performance was significantly below average.

Joe Machiano, 60 years of age and a 35-year Talaveras employee, had a small crafts business that he operated at night and during weekends. He sold wood carvings during his off hours. When he should have been at the meetings, he was in the break room carving figurines for his part-time business. When he was invited to the meetings or otherwise to participate in the quality effort, he said that he was going to retire soon and that the changes were not going to play a role in his future, so he found them a waste of time. His job performance was generally below average.

Three months into the program, morale among other employees started to dip. There was grumbling about the three employees who were not attending the meetings. The message that the three men were sending to management was, "We've been here for years. This is not what we signed up for when we came here. This is not fair."

Other union employees who had been with the company just as long as Bradford, Goldberg, and Machiano participated fully in the continuous improvement effort and wondered whether the three laggards were hurting the overall productivity of the unit. Vance, his assistants, and the union representatives realized that more employees needed to be hired to pick up the slack, but the plant superintendent had given strong signals that new hiring was not going to happen anytime soon.

After months of subtle encouragement from Vance and his assistants, Vance spoke to the three men individually. Each worker said that he did not see the need for accepting the program and would not change his behavior, complaining that it wasn't fair because they were not being paid anything extra to become involved in the program. Although the answers were similar, Vance was convinced that the three men were not engaging in a concerted organized effort.

Vance again went to the management and asked that he be supported in an effort to discipline or fire the three employees. The plant superintendent

said that it would be too expensive to fight the union on this and that so long as the men were doing the minimum, they could not be seriously punished. The superintendent also said that Vance could not add staff members, at least until the next budget year. Although the union stewards were openly supportive of Vance and the quality effort, they privately told him that they would have to defend the employees if any disciplinary action took place.

A week later, James Omatao, a young employee, confronted Vance in his office. "This loafing is not fair to the rest of us who are working our butts off to make this quality thing happen," Omatao told the unit manager. "We're getting tired of having to pick up the work and cover for the mistakes of these slackers. What are you going to do about it, Mr. Vance?"

Discussion Questions

1. Is this a case of deviant behavior in the workplace? Explain.
2. Using Chapter 5 as your guide, explain whether withholding effort is occurring in this case. If so, which type?
3. Is it fair for the company to expect that the three longtime employees will change their behavior to meet the quality effort? Why or why not?
4. Evaluate the behavior of the three longtime employees in terms of ethics and fairness. Evaluate the behavior of Bowman Vance in terms of ethics and fairness.
5. Based on information included in Chapter 5 and other sources available to you, what might Vance do about this situation that would be both effective and ethical?

