

# **OPERATIONAL MANAGEMENT & THE LEADERSHIP INDIFFERENCE EPIDEMIC**

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## **ABSTRACT**

Billions of dollars are spent every year for leadership and management training, yet the question is whether the focus is solely on the financial and physical assets of an organization or enhancing the real assets of an organization: its people. Without intrinsic motivation or a desire to help the organization achieve its mission and overall goals, some leaders merely combine staff members to handle the day-to-day operations without much care for the organization's overall long-term success; as long as there's a paycheck, who cares, right? This paper looks at some of the problems that create the Leadership Indifference Epidemic, along with ways to stop it. Leaders, managers, executives and members of the boardroom should be encouraging, supporting, and educating their staff... yet they don't because it's too hard, too costly, too difficult and/or somehow hurts productivity. But does it, really? Indifference can crush a business more than a credit crisis or a downturn in the stock market, but it's not always visible since it's a slow death from the inside.

**Keywords:** operational management, emotional intelligence, leadership indifference, toxic workplace, organizational health

## **INTRODUCTION**

Even during the good times, operational (and/or organizational) management is crucial to keep every department aligned toward the end game. This is most important during rough and tumultuous times, especially when the demands from the board or the shareholders seem to be stressing everyone out. Challenges are good, but there comes a breaking point when an outbreak of indifference starts to spread because certain decisions keep setting everyone up for failure.

You know it, you've experienced it, and you may have even been part of the outbreak. It can occur during times of major cash surpluses or while layoffs are occurring, especially when there's a lack of appreciation, respect and support among the staff. Think of those managers or shift leaders who are promoted from the regular crew of workers, but the new position has little authority with a lot of paperwork: a new title, slightly increased pay, extra hours, keys to the office, more meetings to attend, and a bit more stress.

Unfortunately, for some companies, managerial training can be an unfocused, piecemeal effort and/or a fairly short one: a 2-hour webinar on how to process payroll, maybe a 3-hour training session at headquarters, or a trainer to watch over the new manager for a couple of days. Some companies have extensive modules focused on leadership and management, but that may be limited only to MBA graduates or interns with little work experience. So new managers may be stuck in a role of primarily filling out paperwork for higher-level managers to process, review and strategize – and that doesn't leave much time to learn about leadership or management... except when deliveries are coming in or when it's time to process paychecks.

However, it's unfortunate that, due to "scarce resources and pressure to complete deadlines, managers become overwhelmed with day-to-day expectations [and] this type of behavior leads to the mistreatment of their employees/subordinates" (Rivero, 2016). What's worse is how an indifferent manager may also end up dismissing the needs and expectations of the customers.

Think of a job advertisement for a manager at a local franchise: does it sound like a job that can help grow and build an effective leader, or does it sound like it's for someone who will have a set of keys, does paperwork until exhaustion, then quit after a few months? It's barely much of an increase in salary, they really can't satisfy a customer's complaint without corporate approval (which makes customers more furious), and they may avoid situations since they aren't given the tools to handle certain issues (or don't know who to call for non-judgmental guidance).

### **WHY SHOULD THESE "LEADERS" CARE WHEN INDIFFERENCE HITS?**

Indifference sets in over time, such as when some executives still expect customers to pay for subpar services or products because of slick marketing techniques. And that is why it's important to be aware of these lazy, keep-the-status-quo scenarios, especially when a crisis hits the organization or when it's finally noticeable that loyal customers are going to competitors.

Indifference is like internal gossip, bad blood among colleagues, and other several toxic behaviors at work: if you ignore the indifference long enough (and simply hope it goes away), then it's increasingly difficult to change the mindset of a manager who no longer cares about the task at hand. When certain behaviors are allowed (even encouraged) by an indifferent manager who avoids conflict, "the apparent acceptance of inappropriate comments emboldens" others to spread this toxicity, and any excuses "are simply excuses and a failure to hold others accountable, [and] this cultural deviation soon becomes the norm" (Scarpa, 2015). Customers may not show it, but they can see or sense this behavior, which can negatively affect the organization's bottom line.

One problem is that "managers often have limited capacity to observe employees... [and] may have incomplete information about their employees' behaviors relative to their peers, over time, and in different contexts" (Harvey, Madison, et al., 2014). There's also underlying issues of workplace bullying or other conflicts that affect productivity of an organization's staff; what's worse is how it can harm "innocent bystanders [since] abused employees tend to mistreat family members, not just colleagues and customers" (Sutton, 2017). That's why indifference turns into an epidemic: it spreads beyond the office walls while disrespectful attitudes linger silently since the impact of a "toxic worker versus a superstar worker is much greater" (Housman & Minor,

2016) and indifference can be a proxy “for a sense of worker trust and sense of a positive work environment” (Housman & Minor, 2016).

### **HOW A LIE RUINS EVERYTHING**

Perjury. Accounting fraud. Leadership Indifference Epidemic. A lie has consequences.

“Perhaps most troubling for an organization [now entering] a new, degenerative state of normalcy is the seemingly impossible task of figuring out how to dig out of it” (Scarpa, 2015) – but if your organization is led by an indifferent manager who won’t (or can’t) make a solid decision to stop it, then the behavior continues. Worse is if the Board of Directors or the executive team doesn’t focus on the important issues or a key priority, so even previously supportive employees may no longer care.

One red flag is the high turnover of employees as a result of ineffective management, and that has much more to do with people skills rather than financial issues. “Many organizations that struggle to attract and keep high-caliber talent... [are offices where] employees observe leaders [who are consistently] afraid to make decisions, and/or set high standards, and/or hold people accountable, and/or take meaningful steps to earn employee trust” (Wolper, 2016). When it’s visible that people can openly talk back to authority figures, there’s no repercussions for tardiness, and there’s a clear lack of trust throughout the organization, then why would high-caliber scientists, teachers, leaders or employees want to stick around longer than they need to?

Some organizations seem to be afraid if certain employees “engage in deviant workplace behaviors... as a justified response to perceived mistreatment” (Harvey, Madison, et al., 2014) and may put policies in place to prevent this from happening. However, they will ignore the underlying issue of employees who are just going with the flow, are significantly withdrawn, and indifferent about what happens at work. And this can be painful for new employees who, after being fooled by bait-and-switch tactics, accepted employment in a toxic workplace. The overall impact of this level of indifference can get costly if those companies need to persistently search for talent instead of confronting (and resolving) the harsh, blunt issues that are hurting the company.

### **HOW INDIFFERENCE CAN DEVOUR THE SPIRIT OF THE WORKFORCE**

By design, some employees are only allowed to contribute a tiny bit of their intellectual capital – maybe it’s to maintain the traditional way things have been done for decades or it’s to prevent a complicated overhaul of the entire organization. New employees may be hired with the intended focus of bringing different ideas and mindsets, because the high-level managers say they want new voices and opinions. Yet it’s sad how those new hires can quickly be sidelined or their ideas squashed by employees with more years in the organization. Veteran employees should be respected as an asset to the organization – especially with their combined intellectual and experiential value – but a mismanaged workplace can make these loyal, long-term employees become more of a liability than a valuable part of the team.

Loyalty is essential, but it can sorely misguided because “what is loyal to one [manager] is likely not to be loyal to [another]” and that “the meaning of ‘the best interest of the organization’ will depend on the manager’s value system” (Divita, 1996). Some staff or managers are ‘loyal’ to many old-school methods, and their refusal to adapt to newer ones can be costly to the organization. Since “successful leaders will need to have both the learning agility to adapt to new realities as well as the capability to lead, coach, and inspire teams across the organization” (Burnette-Lemon, 2018), it’s disturbing if an organization is hoping or expecting this to happen naturally... without the company’s financial or managerial support.

## WHAT CAN STOP INDIFFERENCE FROM SPREADING

### **Stick to the basics:**

Tom Peters and Robert Waterman (1982) wrote how “attention to employees, not work conditions per se, has the dominant impact on productivity”. They also noted – even based on their research in the early 1980s – that “far too many managers have lost sight of the basics of quick action, service to customers, practical innovation, and the fact that you can’t get any of these without virtually everyone’s commitment” (Peters & Waterman, 1982).

### **Promote and cultivate trust:**

Another one of those basic tenets should be that those “leaders who promote trust in the workplace are far more successful as opposed to others” – those who fail to cultivate trust create “unproductive work environment [which result in] disastrous results for certain organizations” (Rivero, 2013). Some leaders, who are hired as new blood with helpful insight, can quickly become indifferent if their recommendations are constantly questioned or dismissed, and even faster if their subordinates, co-workers, or managers devalue their abilities. So trust your leaders and instill confidence in their decisions until they give you reasons not to.

### **Commit and buy-in with changes:**

Toyota looks at Total Quality Management (TQM) as a philosophical way of being, not just a system that people could simply plug in when they need it. “At its worst, it becomes a fairly mindless application... with the sole measure of success being dollars saved” (Liker & Franz, 2011) and a paradigm shift is essential or “it will be a one-off change in their process, and over time you will see it degrade” (Liker & Franz, 2011). Too many organizations haphazardly apply new innovative systems with an immediately expectation that it will fix major problems, or companies perpetually bandage their long-term strategies with minor and temporary fixes. The solution is to stop trying to make significant changes if the rest of the workforce hasn’t become mentality prepared for the long-term adjustments necessary to achieve the changes.

### **Educate more in essential, non-financial skills:**

How many organizations look for the quick fix to their problems? When there’s a lack of trust in employees and there are easier ways to increase automation, the title of manager can merely be given to a staff member without the thought behind *why* someone is chosen as a manager in the first place. It’s easy to assume that a manager’s role is a lot simpler today since there are more plug-and-play processes or turn-key operations – and there’s the added mentality that there’s no need to put effort into the job, especially if most people are restricted to simply follow orders. But even with all the advancements to improve operations from a human perspective, plenty of organizations are too still passive to encourage healthy behaviors and properly educate staff in understanding how emotional intelligence and organizational health can impact the bottom line.

### **Healthy companies thrive with healthy staff:**

Business consultant Patrick Lencioni says companies must be smart and healthy to thrive and survive. A key analogy he uses is whether a child wants to grow up in a healthy, loving environment or a smart, yet highly dysfunctional one (Lencioni, 2012). The same thing applies to a work environment because an unhealthy office can make bad habits fester into something worse if it’s not treated in time. A healthy company – *minimal politics, confusion, and turnover, while*

*having high morale and productivity* – trumps those organizations that focus solely on its smart attributes, like marketing or strategy (Lencioni, 2012). It’s no wonder why “smart organizations don’t seem to have any greater chance of getting healthier by virtue of their intelligence” and how leaders, “who pride themselves on expertise and intelligence, often struggle to acknowledge their flaws and learn from their peers” (Lencioni, 2012). Think of those humble staff members – hungry to succeed and supports their colleagues – who can be impactful as leaders because of their healthy behaviors and traits.

### **WITHIN THE TOXICITY, SOME OF THE BEST LEADERS REMAIN**

Even in places where good employees suffer from mental abuse by deceitful managerial tactics or toxic behaviors by co-workers, some of those employees may remain as the healthiest part of the organization. With a resilient attitude, they will still push away the indifference and try to be a leader without an official title: they abhor office politics, try to collaborate with others, and help co-workers, even the ones who badmouth colleagues and supervisors. As Rick Newman (2012) notes about people who have a “comfort level for discomfort”, they are “often able to make lifestyle sacrifices and put up with deprivation, as long as they believe it will help them accomplish something important.” However, continuously denying their chances to be helpful and attempt to make a significant impact to the organization can be demoralizing; for some people, it takes only a handful of persistent rejections to immediately spark an indifferent attitude.

In addition, even if the organization refuses to hold adequate training sessions or reimburse for classes, these informal leaders will still seek the knowledge to better themselves. They may invest in classes to improve their skills at the workplace, although it’s likely to prepare for another job since “an employee who doesn’t learn [will soon] depreciate in value” (Clark, 2008).

Some organizations simply dictate to managers what they need to do since the mindset is an indifferent “just tell me what to do” or a nonchalant “I’m just doing what I’m told”. That’s a concern when the organization still has a significant number of those healthy-minded, creative people, with plenty of intellectual capital, who seem to have lost their resiliency to poor decisions.

As stated earlier, it’s upsetting to a proactive employee when a significant amount of the veteran staff (and upper management) seem to disregard new ideas because they refuse to change, particularly with decades-old tactics that may no longer be as effective. Sure, you can sympathize with them: they fear there won’t be a support structure or a backup plan in case things don’t work out, especially if things are rushed or misguided due to lack of guidance. However, that paralysis toward change can be just as harmful or can lead to fears in the future. As Drucker & Maciariello (2004) advises, “the most effective way to manage change successfully is to create it” by using leaders who see change as an opportunity to improve the organization.

This is one reason why thoroughly examining current operations or getting feedback on status-quo tactics can be a painful exercise, but it can help prevent indifference while rejuvenating faith in the organization’s management. “Everyone is part of the system, so feedback is the lifeblood of the organization” so everyone knows “if the job they are doing is going well or needs to be fine-tuned” (Goleman, 2005). If the lifeblood of your leaders are perpetually drained because of the workplace, then prepare for them to leave the job or choose to accept being mediocre.

### **CONCLUSION**

Feedback and constructive criticism can directly impact the organization’s health, which ultimately will determine whether the operations flow or stop. But indifferent leaders don’t care about feedback – they care about the next paycheck or if the district manager is coming for a visit.

Without enough authority to independently do what they can or should do, so-called leaders will delegate most decisions to upper management, and that can be extremely frustrating for customers as well as employees. Within some industries and for certain employees, that's how it operates, and it understandably works well. But some organizations, that publicly say they have a passion for disruption or innovation, continue with a heavy dosage of indifference and inefficiency; this can result in a workplace that will keep on spinning into a downward spiral.

This cycle can ruin organizations – plus employees' careers for a while – because leaders can “possess the competence” to do their jobs, but have lost the motivation to work hard “for a variety of reasons” (Conger & Church, 2018). Those could include a lack of authority or the disregard of intellectual capital, so “rather than stay and endure the unmet need to contribute” (Clark, 2008), maybe it's just better for them to leave. Some beaten-down leaders may simply embrace the epidemic of indifference since they could play the game and get paid for barely working – the ‘golden handcuffs’ situation – in a place where they expected to make contributions.

Sometimes it's cluelessness because an organization, which doesn't think about “what they can do to retain good performers... who don't want to go the usual management routes”, may basically ignore those employees until they “walk out or give up” (DeLong & Vijayaraghavan, 2003). The company won't train or help unconventional, but healthy-minded, employees become true leaders, soon losing the talented workers and gradually wasting money on hiring replacements.

“Integrity should be at the top of every list of most important leadership traits... followed closely by transparency, the ability to inspire, be adaptable, influence others, and lead through periods of change and ambiguity” (Wolper, 2016). Along with that, managers and executives need to admit when they were wrong, even with a sincere, face-to-face apology on occasion. While some professionals may feel that's ‘soft’ or counter-intuitive, it may actually create a better organizational bond between staff and management because an empathic, self-aware manager will admit they know what they don't know and “people who assess themselves honestly... are well suited to do the same for the organizations they run” (Goleman, 2014).

For some leaders and executives, that blunt self-analysis – personal and professional – may end up being the hardest task of all.

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