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Addressing Bad Management Practices in a Family Owned Oil Field Environmental Organization: A Longitudinal Case Study of a Management Turnaround

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Abstract. Bad management practices can plague any organization and can be an ongoing challenge for organizations of all sizes. In the case of Extra Environmental, Inc. (EEI), bad managementhas had a more significant impact as it permeated throughout every major department in the company. A culture of bad management has entrenched itself at EEI, while the ownership partners operated as if bad management practices were a byproduct of the oil and gas industry. A case study, used to undertake this report was based on the uniqueness of the parameters and specific measures taken to address the challenges. The case study identified five (5) key problems, as detailed below, that was studied, diagnosed, and addressed, to meet this case study's objectives. This case assessed the steps employed to address the specific bad managementpractices, and to gain an understanding of what good management looks like so corrective actions can be employed to aid an organization. The strategies and activities undertaken in this study focused on not only fixing bad management practices, but also to create strong management functions inan organization and stabilize their workforce and grow the organization. Cultural and change aspects were also key factors in this study in that they are foundational components that must be addressed to gain any level of success in turning around bad management practices at an organization. Thus, a compilation of diagnosis, corrective actions, change, and culture were identified as the key success factors in this study as well as the support given by many of the literature resources used in this study. It was the financial impact, as well as other major problems identified in the due diligence process, that created the rationale for this case study.

Keywords. Management practices, Environmental Organization, Management. **JEL.** E01, Q00, Q50.

1. Introduction

mall and medium size enterprises have been recognized as the engines to achieve the growth objectives of developing countries because they mobilize idle funds, are labor intensive, employ more labor per unit of capital than large enterprises, promote indigenous technological know-how, are able to compete (but behind protective barriers), and use mainly local resources (Poza & Daughtery, 2014). The problem of bad management practices is an on-going challenge for organizations of all sizes, but tends to

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have a more significant impact on small organizations due to their broad touch-points with the employee population. These types ofbad management practices at Extra Environmental Inc. (EEI) have affected nearly every aspect of this organization with a plethora of negative consequences. Several bi-products that have come about related to bad supervisors are thingssuch as organizational growth, competing in their industry, the organizations reputation, customer service, employee morale, and employee conduct that further complicates these challenges. The subsequent financial impact related to bad management practices typically has significant negative consequences for small businesses (Huselid, 1995).

The issues facing organizations are complex, and the fixes are not simple (Harris, Maninez & Ward 1994). Yet, the management of EEL thought that negative and simple actions would correct the bad management practices in this organization because these bad practices were seen as being caused by unproductive, lazy employees and managers. Operators of small and medium businesses face external and internal risks, which threatens the performance. profitability and sustainability of the business (Srivastava & Bhatnagar, 2008). As the complexity of the business continues to increase, there will be a greater need for organizations to understand the systems in which they operate and how to leverage their actions (Maninez & Ward 1994). According to a report on factors affecting an organization, poor management was blamed for 58% of the negative issues influencing an organization (Batt& Colvin, 2011). The main purpose of this paper was to illustrate a case study from a heavy manufacturing industry that focused on a single organization that pertained to bad management. This case study also assessed the steps the organization took to address the bad management, as well as to gain an understanding of what good management looked like, so turnaround strategies could be employed at EEI.

2. Background and Organization Profile

Extra Environmental Inc. (EEI) is anorganization that provides geological, land assessment and environmental protection services to the oil and gas industry in the Gulf Coast Region. Most of the organization's services are conducted within the South Texas oil shale industry as well as with other oil and gas industry functions. EEI is a Texas corporation, owned by two brothers who each own 50% equal private stock sharesgiving them full ownership, has been in business for more than 20 years. The organization has 130 employee positions and 27 managerial positions that, on average, are 97% filled at any given time. There are three departments, which are production and labor, research and development and administration. There are 77employee positions in the production and labor department, includingnine junior managers, five mid-level managers and twosenior managers. The research and development department has 12 geologists and scientists with one midlevel manager and one senior level manager. The administration department has 14 support employees and managers, two junior managers, four midlevel managers, one senior manager, and the two owners who act as executive managers. It is important to know that the administration department consists of accounting, sales, support, information technology and human resources. According to EEI's human resources department, the organizationstruggled with a 56% turnover rate on average per year. The data analysis from employee exit interviews illustrated that more than 80% of the employees and managers listed the

topthree reasons for leaving as being poor management practices, lack of training and organizational communication.

EEI allowed the researcher total access to all levels of their employee's financial information, operations and production information, along with any other type of information needed, no matter how sensitive. The researcher studied EEI over a three (3) year period, which included semi-monthly meetings as well as offsite pre-work and post-work. Phase 1 of the study focused on studying pertinent EEI documents, interviewing the owners, meeting with the two human resource employees and managers and direct observation, which encompassed the first six months of this longitudinal study. The secondsix months period was spent on interviewing managers and employees in both individual and group settings. The third phase of this study lasted the final two years, which involved more interviews along with diagnosing and addressing the five main areas, as listed below. Furthermore, the researcher was allowed to diagnose the main issues and take the actions the researcher felt were needed to address identified problemsrelated to bad management practices. Lastly, the confidentially aspect was a make or break premise of this study.

3. Rationale and Purpose

As the culture of the business evolved, the management's perception of the workforce and their corresponding bad practices ran contrary to theowner's view and what they advertised to both their internal and external stakeholders. One of the initial focal points of the study was the organization's efforts to develop their managers from initial employment to the beginning of this three year study. The organization had also reached a crisis level with regard to the quality of their product and organization brand, which caused EEIto lose market share, whichhurt their reputation with some of the largest oil and gas organizations in the country. As poor management problems began to multiply, the overall profit of the organization begin to drop, while the costs related to poor management increased. In the initial financial assessment, these losses and increased costs wereapproaching more than \$400,000 annually. It was the financial impact, as well as other major problems identified in the due diligence process, that created the rationale for this case study. The organization wanted to not only fix this problem, but also toaddress the poor management practices. Another goal wasto create strong management functions within their organization to allow the company to stabilize the workforce in order to grow the organization. The owners also feared they were losing their position in their industry and felt that undertaking these efforts would go along way in addressing problematic areas and stabilizing their position in the industry.

Based on the problems identified and the overall objectives of the organization, it was very clear that that theproblem of poor management needed to be immediately addressed. From the very start, there was a clear lack of defined goals for each employee in their jobs, as well as lack of accountability throughout EEI. The environmental issues in this organization, turbulence, and lack of formal guidance are part of the rational of this study. As part of this rational, this study focused on five (5) objectives. The first objectivewas to explore why the organization was experiencing so many bad management practices. The second objective was to explore the EEI culture andwhether it had an impact on the bad management practices. The third objective was to assess the impact of bad

management practices on the organization. The fourth objective was to explore the willingness of this organization to accept changes necessary to bring out meaningful change. The fifth objective was to diagnose the employee relationswithin the organization as well as its impact on bad management practices. This study was significant for this organization for a number of reasons. First, it studied as well as reported on the quality and quantity issues that have plagued the company because of poor management practices. Second, the study addressedthe serious loss of revenue through risk issues and how meaningful change would have a positive impact on the issues facing this organization. The third area of significance in this study wasthat it addressed problems related to employee relations. The issue of risk management was also another significant aspect of this study in that bad management practices had created a very unsafe work environment. The last major significant area related to this study was the overall cultural problem that poor management practices have created in this organization.

4. Study Design

The case study method was selected, based on the uniqueness of the study parameters and the specific measures taken to address the challenges. This method allowed for a detailed investigation of their business problems as well as an opportunity to examine the possible solutions to employ to support the evidence and solutions related to meetingthe problems discovered. The case study identified five key problems, as illustrated above, that needed to be studied, diagnosed, and addressed to meet this case study's objectives. Before any type of solutions where implemented, the premise related to why they existed and who was responsible for them was investigated. Among other aspects that were addressed as part of this case was to analyze the supporting evidence, background information, relevant facts, and the most important issues. Also assessedwaswhy the solutions were chosen and why other alternatives were rejected. Lastly, the case study reviewed factors to determine and discuss specific strategies for accomplishing the proposed solution. Over the three-year span of this study, the researcher was allowed to setup as many meetings as deemed necessary to identify the critical problems and their root causes. The researcher was also allowed free access to visit the facilities and speak with or interview organizational employees and managers in their work setting. As mentioned above, the facility was visited twice a month over the three-year period. Furthermore, teleconferences, research, and Skype were used to develop this longitudinal study. It is important to note that the organization did not sponsor any of the researchers travel or compensate him in any way.

5.Discussion and Analysis

5.1. Current bad management

The negative management practices became widespread in the management staff, have plagued this organization for several years, and have been an accepted style within their organization. Yet, it seemed to come as a surprise to the ownership as they appeared to have ignored warning indicators. This could have been because they were very 'hands off' from a management standpoint, or because they chose to ignore the problems in hopes they would correct themselves. Whatever occurring was clearly missed by the ownership until it became a threat to the existence of the organization. Managing is not a complex premise, but it is also vague in that

it has a different meaning to different people in positions of management (Davis, Schoorman&Donaldson, 1997). The manner in which many of the managers were promoted was also brought into question. The study's due diligence clearly indicated that there were no any clear expectations as to what managers were accountable for at any level of the organization. The ownership felt that, like their evolution, the management practices would be handed down. Yet, they could not explain any type of process in which good management practices or expectations were handed down. This was a major reason as to why this organization had a great than 60% turnover rate each year per the human resources records.

As this case study was conducted, it became clear that the constant training of new employees and managers, as well as the moving around of key employees showed a clear connection between bad management practices and quality issues. The management staff was practicing a very aggressive and demeaning autocratic style of management. Autocratic styles of management are less rigid than dictatorial and bureaucratic (Blair, 1995). As employees were promoted into positions of management, they only knew this style of management, thus they fell into an autocratic style. This was their de facto style and it was accepted as there were no actions taken to prepare or develop these employees for management positions. As part of thehandling of bad supervisors, the organization should provide them suggestions as well as show them what good management looks like (Redman & Snape, 2005). By not doing so, it allowed the bad management practices of these employees and managers to replicate these behaviors as part of their daily functions.

The few management development opportunities that did exist were focused mainly on mandatory training sessions. Based on this premise, the focus on developing managers was all but nonexistent, which left major gaps in this effort. In order for an organization to change bad behaviors in their managers, they must change the way they enable their managers. It is only when the organization changes its behaviors will they be able to change bad management principles and processes in their organizations (Cardon& Stevens, 2004). As part of this process of better development of employees and managers who are part of the management staff, the organization must clearly identify expectations and outcomes related to success and failure. If this process is not implemented, the management paradigm fails when confronted with complex problems where there are no clearly defined objectives and a plethora of mutually contradictory approaches, each of which is plausible in a particular frame of reference (Ludwig, 2001). Only then can the organization focus on identifying the root causes of the bad management within the organization. Once this occurs, corrective actions can be implemented to address bad management practices.

These actions allowed the organization to focus on a more robust management development effort that focuses on behaviors in competency clusters to bring bad practices into the realm of good management practice actions or eliminate those who could not meet the new requirements (Sharma, Chrisman&Chua 1997). The competency cluster process wasdefined in the workforce development section of this case study. The deployment of the competency cluster process to develop the managers created the expected types of behaviors, which became the expectations of the organizations managers (Stevens, 2011). As the corrective actions were taken, through the Competency Cluster Management Development Program, the organization saw a change in the manner in which the management staff

interacted with staff and participated in other aspects of management (Guthrie, 2001). The ownership saw this as a clear success and in keeping with their expectations and the history of the organization. As was the case with the typical employee, they tended to mimic the behavior of those who were successful in the organization as they saw it as a path to success and advancement (Bloom, Sadun, & Van Reenen, 2012). To this end, if an organization is not viewing the type of behaviors they desire within their organizations, they will need to take actions to modify or eliminate those behaviors they view as bad in favor of those they deem appropriate and desirable. This organization created a new reliance on good management behaviors as opposed to the bad management practices that had been the norm in the organization prior to the Competency Cluster Management Development Program. These changes must occur as there was no shortage of managers with bad behaviors and this threatened to make the entire organization become incompetent (Greguras & Diefendorff, 2009).

5.2. Culture

The culture at this organization was one of despair, disdain and one in which employees and managers wanted to "get back at" the organization based on bad management practices. This dysfunctional culture had emerged over time and, according to the ownership, took them by surprise. Regardless of what the owners were or were not aware of, these dysfunctions became part of the organization's fabric and became a major challenge that needed to be overcome (Ashby, 1947). A critical problem in this organization as well as with many other family-owned organizationswas that an incompetent culture tends to permeate itself within an organization with bad management practices (Bloom, Sadun, & Van Reenen, 2012). More times than not, it becomes a general issue in that the founding generation creates a culture based on their vision, values and business practices whereas subsequent generations typically take either a laisse-faire approach or an opposite approach (Poza & Daugherty, 2014). Either of these approaches creates a state of confusion, upheaval, or an 'anything goes' attitude. This essentially means that the internal processes and procedures do not adapt or are abandoned related to the central purpose of the organization, thus allowing for individual agendas to emerge (Amboise & Muldowney, 2010). As was the case in this organization, processes related to proper management were routinely disregarded in favor of the bad management practices, personal views and shortcuts, sometimes found on hidden agendas. This created a state of confusion, disruption and frustration, thus an incompetent culture (Boxall &Macky, 2007). Yet there were a few competent managers in this incompetent culture, which inhibited their ability to create personal and organizational success (Bartholomew & Smith, 2006). Examples of bad management are all too easy to find in an organization, and this was even more prevalent in this organization. This problem was exasperated by the inability of the management's efforts to motivate apathetic supervisors. The broader impact related to this culture and subsequent management development failures had a negative impact on the entire employee population. A long-term international research effort illustrated that poor management is rampant and that most leaders of poorly managed organizations are unaware of the deficiencies (Dver & Reeves, 1995). Until the organization can identify these issues and figure why the cultural aspects were compromised, they will be unable to address the problems that the bad management practices have on this organization.

This culture, in its current state, was dysfunctional due to the broad degree of bad management practices within the organization (Redman &

Snape, 2005). As managers and employees were interviewed, nearly everyone either had a different view of the culture that was centered on them or their section, or they had no idea what the central tenets of the culture entailed. When pressed as to how their cultural view compared to the literature the organization had related to the tents and objectives of the culture, they responded that they were aware of "some" literature. Some of the employees and managers who were interviewed explained that they recalled that they received literature related to the organization's culture and were told to read it, but there was nothing in the way of management follow up or ownership reinforcement. When the owners of a family-owned business fail to reinforce the cultural tenets, the culture runs the risk of changing to one that is based on selfish motives and one that is not recognizable to the business owners (Boxall &Macky, 2007). In the case of this organization, the lack of cultural reinforcement had an impact of enabling bad management practices, which in turn, had a detrimental influenceon employee relations. When bad management practices permeate a culture, poor performing employees and managersare allowed to linger within the organization (Chrisman, Chua, &Litz, 2004). This dysfunctional culture also allowed major problems to be covered up and if problems were exposed, bad management practices stymied corrective action efforts.

Before any type of corrective actions could be taken to address the bad management practice's impact on the organization, the organization had much pre-work to do to understand what their expectations were and what the reality of the current culture was. The first step in the pre-work was for the owners to take a hard look at themselves as part of the reason that the dysfunctional culture was allowed to emerge. When family business owners are faced with their own humility, it is extremely difficult for them to address issues based on the expectations that their heuristics drove their expected culture, which they expected their managers to understand and carry out (Way, 2002). Once the ownership assessed their role in allowing these dysfunctional cultures to emerge in the organization, specific objectives, along with detailed steps in correcting the culture, were devised. This was a critical process in addressing the turn-around process in the conversion from bad management practices to productive management practices. This aspect of the entire program was considered tobe the foundation for all other processes since an organization's culture is the single most impactful aspect of any action in an organization (Boxall &Macky, 2007).

The Cultural Assessment was the first step in diagnosing the overall needs related to changing this culture that had been severely impacted by bad management practices (Huselid, 1995). The key aspect that was used in the Cultural Assessment was a due diligence process that was devised in the first phase of this study as well as general cultural objectives. The Cultural Assessment allowed for the objectives needed to address this aspect of EEI's desire to correct the bad management practices in the organization. Employees were given a pre-test to ascertain their view of the culture of the organization, as well as what they saw as being problems or benefits of the EEI culture. A series of individual interviews and group sessions were held to discuss how bad management practices had impacted the EEI. These sessions were also used to explain how good management practices influenced and promoted a productive culture. Key aspects leading up to this point were combined to develop a cultural turnaround plan, at least as it was related to bad management practices. A cultural transformation and

acclimation process was deployed that had four key aspects. First, all EEI employees and managers went through a cultural re-orientation session where the objectives, expectations and parameters where discussed. Included in this re-orientation were the new ethics, cultural vision and mission. Secondly, several workforce development sessions were held that included general EEI material, but also material specific to their department and job. Thirdly, role playing, scenario playing and other situational analyses were used for the balance of the study to ensure thatemployees and managerswere reinforced in the ways of the revised culture, but also to place employees and managers in a position that they were forced to make tough decisions. Lastly, an on-going, Process Improvement Team Program was developed in which employees and managers were to continue to work on cultural processes and serve as cultural ambassadors. The members of the Process Improvement Teams were balanced between employees and managers in which both groups served on a rotating basis. The last key aspect in the cultural turnaround focused on cultural reinforcement, which focused on both self-audits, and cross-departmental audits. During the study period, each department was directed to audit their group and provide the findings to the Process Improvement Team. The same process was used in cross- departmental audits, except the departments were tasked with auditing other departments.

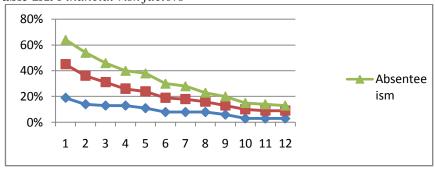
5.3. Organizational Change

The ability to embrace change to modify their behaviors tends to create good management practices, and thus, better management staff (Bartholomew & Smith2006). However, the managers at EEI were very resistant to new changes, as well as to those behavioral changes that they thought were not worth undertaking. Any type of organizational change must ensure the actions taken have the highest potential for a positive, sustainable change (Gerhart, 1990). The opportunity for organizations to be successful has a limited number of ways it can be achieved through change strategies (Miller, Winter, Fitzgerald, & Paul, 2000). There is no mystical formula or silver bullet as it focuses on the ability for organization to be able to change bad management practices to what the organization sees as being good management practices. The desire of an organization should be to deploy strategies to create bright, stable, agreeable, conscientious practices and allowtop-level management to drive the change of bad management practices into a state of being a good management (Bartholomew & Smith, 2006). As the organization changes management strategies to transform their bad management practices into good management practices to better influence employees and managers, they must stop treating old ideas as if they are new (Chrisman, Chua&Litz, 2004). The changes in strategies generated must be well thought out in keeping with the organization's mission as well as create a real opportunity for modification of bad management practices (Srivastava &Bhatnagar, 2008). When the organization fails to create a specific plan to modify the behavior of bad managers, it runs the risk of invalidating the overall effort and creates even stronger resistance to change in future efforts, valid or not. The result is a proliferation of bad supervisors as they become emboldened by the inability of the organization to modify their behaviors (Gerhart, 1990). Celebrating successes is a very productive manner in which an organization can begin to move bad management practices to those who would be considered good managers (Boxall &Macky, 2007). This goes back to an organization developing, implementing and nurturing the types of good management the organization wishes to create in the organization. EEI

owners felt that approximately 80% of their managers who they considered to be using bad management practices posed a major challenge to change initiatives because they were so set in their ways. The resistance to change creates one of the major challenges for the organization to eliminate or reduce bad management practices (Gregarus&Diefenorff, 2009).

How likely are organizations to succeed if they adopt meaningful changes in their management practices? Yet the major challenge, as mentioned earlier, is the organizations willingness to identify and embrace their shortcomings so they can deploy change strategies to address bad management practices. First, EEI had to create a vision and illustrate their vision as to what successful management practices looked like in their organization. Once the vision was developed and illustrated, the organization had to deconstruct what they had used in the past. The deconstruction process involved taking processes apart to study individual aspects to find the points that must be addressed to begin the process of implementing desired management practices (Carney, 2005). For EEI, this was especially hard as they considered themselves an "old school" organization with one of the owners being more open to the deconstruction process than the other, who attributed most of the bad management practices to the "nature of the beast". Only when thedeconstruction was complete, could the organization reconstruct indicators of success as it related to the good management practices it desired. Only when deconstruction and reconstruction occurred could the organization begin to commit to making thecultural changes needed by the organization (Miller, Winter, Fitzgerald&Paul, 2000). As the organization develops theircultural changes, it needed to instill the desired management practices; it soughtbroadmanagement practice knowledge to understand how the EEI sections interlinked with others. The next step in the change process related to bad management practices by instilling the ability of the EEI managers to learn from their mistakes and not see mistakes as a sign of failure. This premise was a real problem in this organization, which led to cover ups, finger pointing, unnecessary issues and destructive rivalries (Way, 2002). Once this challenge was addressed, the next change strategy involved developing good management practice related to taking logical risks to better challenge their employees to become more efficient and effective. The last change strategy deployed in the overall change process related to developing good management practices to take constructive criticism, as this allowed for openness to corrections and changes that are typically not present in a bad manager (Blair, 1995). The reasons for this were the same as it was with the mistake acceptance strategy. In implementing corrective actions, EEI was better able to engage in positive actions that were directly linked to the employees who arrived to work on time and did not miss as much work.

Table 1A. Financial risk factors



Y axis = % of increase or decrease X axis = Each quarter of the longitudinal study

Financial risk management should be an integral part of small and medium scale enterprises (Mitchell, Obeidat, & Bray 2013). This premise eluded the management staff at EEI as the organization became financially impacted by a very high turnover rate with its rank-and-file employees and managers. The impact of bad management practices related to financial risk was to explore how the said actions affected the company from a financialstandpoint (Richer, Blanchard & Vallerand 2002). The bad management practices at EEI had three main impacts on the financial risk of the organization. First, the revenue drain on the organization through false claims based on poor morale had the most dramatic impact within this aspect. According to many of the employees, they and their co-workers often feigned a soft tissue injury to get time away from what they saw as a brutal work environment. This phenomenon also adversely affected the general safety program as the company's safety risk incident reports had also climbed to unacceptable level (Tsui, Pearce, Porter, & Tripoli 1997). This is significant because, at this time, EEI had a self-insured worker's compensation plan. This meant that every claim, doctor's appointment, etc. along with compensating employees for recovery, was paid by the company. While the company did have a catastrophic plan, they saw costs in this area rise to several hundred thousand dollars per year. Another riskfor EEI that was impacted by bad management practices related to the very high unemployment insurance rate the organization experienced due to its high turnover rate. As detailed earlier in this case study, the company had well over a 50% turnover rate and the exit interviews showed that the main reason they left the company was because of bad management practices. Last, based on the very high turnover rate, the organization was forced to spend direct revenue on advertising, using a contingent workforce as a stop-gap measure (Glebbeek & Bax, 2004).

At least as much indirect revenue was being spent by the organization through the internal time and resources EEI had to deploy to acquire talent and get them up to a productive level. There were significant costs related to employee turnover and when it increased to the level experienced by this organization, it became a financial management issue as well as a threat to their financial well-being and production (Gregarus & Diefenorff, 2009). These three3 factors had a direct impact on the organizations financial risk management as well as affecting the quantity and quality aspect of the organization's product. The key strategy that the organization developed and deployed to mitigate this challenge was through proper training, while developing employees and managers to take on increasing roles of

responsibility and cross-functional work processes. Since this involves muchin the way of workforce development, more specific strategies will be addressed in the section of this case study focused specifically on the overall workforce development strategies deployed to address bad management practices. Further, many of these issues were also included in the sections related to organizational change and cultural change. As is illustrated in Table 1A, EEI was able to realize significant financial benefits by addressing their bad management practices.

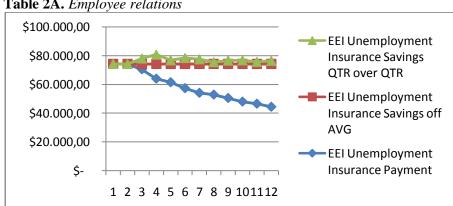
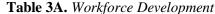


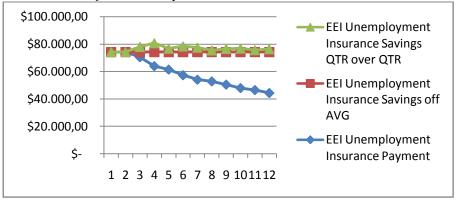
Table 2A. Employee relations

Y axis = Amount of increase or decrease X axis = Each quarter of the longitudinal study

Bad management practices were having an adverse impact on this organization as well as an adverse impact on employee relations within the organization. As has been seen earlier in this case study, many of the workers who left the organization did so because of the bad management practices within EEI. In discussion with several groups of employees and managers, as well as individual employees and managers, most identified themselves as being ready to leave the organization. This was especially problematic since these employees took a short term attitude, which inherently impacts their production (Way, 2002). Nearly all the employees interviewed and observed over the three-year spanof this study, were no longer being motivated by their work at EEI. Unmotivated workers bring a variety of problems to the workplace, among them being both subversive and counter-productive actions, among others (Carney, 2005). The human resources department as well as organizational documents showed a significant increase in employee incidents. These incidents ranged from contrary attitudes, insubordination, employee fighting, harassment, and serious misconduct (Boxall &Macky, 2007). This is an area where the two owners drastically differed as one of them saw this as a clear threat to the organization, while the other thought it was merely a natural byproduct of the type of employee employed in the oil fields. It took a great deal of analysis, engagement and convincing, both owners came to the realization that this was not only a threat to EEI, but was a result of bad management practices. Throughout the tenure of this case study, observations and interviews illustrated an overall sense of despair and frustration. This assessment also illustrated how bad management practices impacted the increase of repeat offenses in the organization (Gregarus&Diefenorff, 2009). As with the previous section on financial risk, the strategies deployed to address this challenge were also a component of those strategies used to

address cultural change, organizational change and workforce management. In the table below, EEI identified many of their employee relation issues by addressing their bad management practices.





Y axis = Amount of increase or decrease X axis = Each quarter of the longitudinal study

Outside of an orientation overview and some basic mandatory training sessions, workforce development was essentially non-existent. It was immediately clear that the lack of workforce development training had a major impact on the bad management practices. The problem appeared to be a vast disconnect between employers and would-be workers. At EEI, there was a major dissatisfaction with the lack of management development efforts, which played a role in the major problems facing the organization's problems with regard to the high turnover rate. The EEI management staff was not getting much in the way of formal development, such as training, mentoring and coaching, which are not only highly valued but is needed to develop productive managers (Tsui, Pearce, Porter, & Tripoli, 1997). One of the major variables that impacted this lack of development was because the organization was in a constant frenetic state of upheaval and trying to do more with less. In this environment, managers naturally tended to be most focused on essential day-to-day operations and less focused on developing its managers for the longer-term (Blair, 1995). This may have been a byproduct of the assumption that workforce development activities were perceived as having less of a return-on-investment for the here and now work objectives (Gregarus&Diefenorff, 2009). Studies have shown that it is helpful over the years if the managers had spent more time with the owners to get a better perspective as to what the organization viewed as good management practices (Tsui, Pearce, Porter Tripoli, 1997). The managers could then mimic those strategies in their work and engagement with their employees.

To address the lack of workforce development, EEI developed a Comprehensive Workforce Development Program to not only develop more productive managers but also, more productive employees. The owners felt that this program was needed to address this aspect of their organization's bad management practices, but also to deal with other bad management practices that plagued EEI. A Competency Cluster Workforce Development Program was set up within the organization address all of these issues (Stevens, 2011). Participants who successfully met each competencyin a specific course would receive credit; when the participant completed each

competency course, theyreceived a mastery level certificate. Since the program was constructed in several competency clusters, the program participants had an opportunity to achieve several certificates of mastery related to pre-determined areas of need. The competencies were identified to first address the bad management practices and then other objectives.

6. Conclusion

The bad management practices at Extra Environmental Inc. (EEI) affected nearly every aspect of this organization with a plethora of negative consequences. The problem of bad management practices impacted every aspect of EEI until the owners realized the extent of the problem and the root causes. In the early stages of the study, EEI struggled with finding the direction needed to address the bad management practices that were plaguing the company. During the three years that this study undertook, five study objectives were adequately addressed through semi-monthly meetings as well as offsite pre-work and post-work. The study was broken up into six phases that started with due diligence as well as diagnosis and cumulated with workforce development and after-action reviews. EEI followed through in undertaking the necessary actions to address the challenges of bad management.

Appendix

Meetings, Development, & AssessmentPhase-1(Months 1-6)

| Audience | Topic(s) | Objectives | Outcomes |
|------------|-------------|----------------------------|---|
| Ownership | Project | Explore which major | Set major objectives related to |
| | exploration | objectives to pursue | targeted deficiencies |
| HR | Due | Assess which documents | Gained access to all HR systems & |
| | diligence | were available | documents |
| Accounting | Due | Assess which documents | Gained access to all accounting |
| S | diligence | were available | systems & documents |
| Ownership | Due | Discuss level of | All known information was available |
| г | diligence | information available | |
| Management | Project | Meet with management | 1. Explained project parameters & |
| C | parameters | staff (25% at a time) | expectations |
| | | | 2. Did not explain reasons behind |
| | | | study |
| HR | Assessment | Get HR insight related to | Compared figures related to project |
| | | objectives | objectives |
| | | 3 | 2. Gained insight related to |
| | | | intangibles |
| Accounting | Assessment | Get HR insight related to | Compared figures related to project |
| | | objectives | objectives |
| | | g | 2. Gained insight related to |
| | | | intangibles |
| Employees | Project | Explain project objectives | Explained project parameters & |
| 1 7 | overview | (Various times to meet | expectations |
| | | schedules) | 2. Did not explain reasons behind |
| | | | study |
| Managers | 4 Hour | Provide general | 1. This is the first management |
| | Seminar | development related to | training many of the managers |
| | | managing | received |
| | | 2. In-depth discussion of | 2. Began the process of overcoming |
| | | the objectives/problems | manager resistance to the initial |
| | | 3 1 | findings |
| | | | 3. Despite initial resistance, the |
| | | | managers agreed to begin to focus on |
| | | | the objectives |
| Employees | 2 Hour | Provide general | 1. This is the first employee relations |
| 1 , | Seminars | development related to | training many of the employees |
| | (Conducted | employee relations | received |
| | several) | 2. In-depth discussion of | Began the process of working toward |
| | , | the objectives/challenges | accomplishing the study objectives |

| | | Addressed what it too to be a good employee at EEI Not to create a focus on manager problems | |
|------------|----------------------|--|--|
| Ownership | Review & Planning | 1. Provide update on phase assessments 2. Setup long term training processes 3. Setup Key Performance Indicators (KPI's) 4. Setup training scheduled for modules | Addressed findings of initial activities Agreed on phase activities Setup KPI's to be measured related to the study objectives |
| HR | Review | Explained the HR KPI's & how they will be measured Discussed activities & impact of actions related to study objectives | Setup HR KPI reporting process Gained insight related to employee relation issues Received a "temperature" check for employees |
| Accounting | | Explained the HR KPI's & how they will be measured Discussed activities & impact of actions related to study objectives | Setup HR KPI reporting process Gained insight related to employee relation issues Received a "temperature" check for employees |

Meetings, Development, & AssessmentPhases-2-6(Months 7-36)

| Audience | Topic(s) | Objectives | Outcomes |
|------------|--|---|---|
| Ownership | Review &Planning | Provide update on previous phase Setup training processes for next module Setup Key Performance Indicators (KPI's) Scheduled module | Addressed findings of previous phase Agreed on next phase activities Assessed KPI's from previous phase |
| Employees | Assessment | Meet with 20% of employees at a time Inquire about each specific objective Ask about improvement opportunities Open discussion time | Gained employee perspective about objectives Uncovered a number of management issues specifically related to the objectives Uncovered issues that had both direct & indirect impact on the objectives |
| HR | Review | Explored the HR KPI's & how they are trending Discuss activities & impact of actions related to study objectives | 1. Reviewed HR KPI reporting process 2. Gained insight related to employee relation issues 3. Received a "temperature" check for employees |
| Managers | 4 Hour Seminar | Set up phase objectives Provide objective specific training In-depth discussion of the objectives/problems After-action-review (AAR) related to previous module | Gained insight related to study objectives Met specific phase objectives Gained insight related to management challenges & employee issues |
| Employees | 2 Hour Seminars (Conducted several) | Provide objective specific development In-depth discussion of the phase challenges & opportunities General roundtable challenges & opportunities | Gained specific measurable on training issues Began the process of working toward addressing specific workplace challenges & opportunities |
| Accounting | | Explored the accounting KPI's & how they are trending Discuss activities & impact of actions related to study objectives | Reviewed accounting KPI reporting process Gained insight related to study related financial trends |
| Employee | Individual Discussions | 1. Random selection of employees for a 15 minute | Record responses to assess against training & other study |

| | | discussion 2. Ask a series of very general questions | related material 2. Gained insight into employee perspective |
|--|---------------------------|--|--|
| Manager | Individual Discussions | Random selection of employees for a 15 minute discussion Ask a series of very general questions | Record responses to assess against training & other study related material Gained insight into employee perspective |
| Manageme nt Employee PIT Crew | Group Work | Setup a Process Improvement Team (PIT) Crew to work on study objectives Semployees & 2 managers who serve staggered terms on a quarterly basis Audit selected sections based on study objective criteria Evolve into a standing committee to address employeemanagement challenges & opportunities | 1. The PIT Crew gained a new insight related to study objectives 2. Began to speak as a team 3. Shared specific information to aid in meeting the study objectives 4. Became a peer coaching group 5. Became a workplace council to better EEI |
| Managers | Group Discussion | Random selection of 7 employees to discuss study objectives Open discussion roundtable to allow them to lead the discussion | Record pertinent points to add to and compare against study related materials Discussed communication challenges & opportunities at EEI |
| Managers | Group Discussion | Random selection of 7 employees to discuss study objectives Examine study related challenges Explore employee relation challenges Open discussion roundtable to allow them to lead the discussion | Record pertinent points to add to and compare against study related materials Discussed communication challenges & opportunities at EEI 3. Informal development actions in achieving study objectives & general management actions |

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