Quiet Quitting: Loud Firing?

by Charles B. Wendel

A recent article on the *Financial Brand* website discusses the disturbing phenomenon termed "Quiet Quitting," yet another movement that erodes the focus on work and worker productivity.

Bank managers may need to put on their big boy or girl pants to deal with this culture destroying phenomenon. Unfortunately, management may be failing to do so, instead placating a group that reminds me of unruly children running wild over their permissive parents.

The article begins by highlighting how the definition of this term varies dramatically.

Korn Ferry senior client partner, Elise Freedman: "What quiet quitting means is someone who has decided, 'I want to prioritize my wellbeing overall and things outside of work'." The article continues: "Others, however, believe quiet quitting is a signal of a poor work ethic and an inferior employee attitude. Jamie Dimon, CEO of JPMorgan, said during an earnings call that China is right to label Americans 'incompetent and lazy.' From that perspective, quiet quitting is a form of goldbricking next door to theft."

As noted in the article, a Gallup study estimates that 50% of US workers are "quiet quitters" who have disengaged or 'emotionally withdrawn from their job."

What's the solution? No surprise that recommendations include pay for performance, advancement opportunities, and a management that engages with employees and encourages their potential. But pay for performance, individual KPIs, and 360 feedback have been around for a long time. So too the desire for advancement.

An often unmentioned challenge is one that Dimon's comment underscores: worker *and* manager laziness. Laziness has been with us forever, but the pandemic and an unwillingness or inability to return to a more "normal" operating environment threatens both bank culture and performance.

Let's face it, working from home is way easier than changing from your sweatpants and transporting yourself to an office. And when companies try to modify stay at home policies, employees react with outrage. Apparently, GM management made the mistake in April 2021of promoting what they termed a "Work Appropriately" policy whereby white-collar employees could work at home, seemingly at their discretion.

But a few weeks ago the *Insider* website reported a change in that policy: "GM was changing its policy to drive 'collaboration, enterprise mindset, and impact' as the company prepares to launch as many as 22 electric vehicles by 2023." Workers needed to show up three-days a week. But the reaction was outrage, with GM leadership lacking leadership and backing off its three-day a week requirement until next year.

Let me be clear. Most employees do not work as hard and are not as productive when they work in their PJs with their dog or child on their laps. Certainly, building a positive culture becomes more difficult. And the interplay between employees that can lead to new ideas and a common purpose…tough to pull off. Top salespeople will usually continue to sell and make as much money as possible, but many staff…no.

Beyond the valid but well-worn recommendations mentioned above, what should banks do to minimize quiet quitting? First, top management must demonstrate that it has not quit. Too often I have heard managers complain about "them" within their bank putting up barriers to progress. In more than one instant the "them" was the person making the complaint.

Second, they need to have some guts. For example, the GM request to come to work 60% of the time does not seem outrageous. Buckling under the push back just makes GM management look stupid and/or weak and sets them up for more push back from those who have quietly quit from their homes.

Third, accept some pain. I've heard many excuses from managers concerning why they should not exit an employee. In times of contraction managers fear that exiting an employee could result in an inability to replace the person due to cost reduction efforts. Better a mediocre or poor employee versus none. In good times when competition for people is severe, managers fear being able to replace the mediocre or poor employee with a better one. There is always a justification for inaction.

The current administration's list of harmful actions is long and expanding. Undercutting the culture of work, giving money away for no work, and paying back another person's debt with your money are all on that list. It is going to be up to, dare I use the word, capitalists to work to restore the culture of work and working together rather than submit to the sometimes unreasonable demands of the quitters.

Yes, all companies need to operate with increased flexibility regarding their employees. But they cannot afford to sacrifice productivity, culture, and a focus on all stakeholders for a subset of employees.

Some of the quiet quitters may need to go.

FIC works with senior management and Boards on issues that are critical to a bank's sustainability and growth. We emphasize practical solutions that we customize to a company's capabilities and culture. Reach FIC at cwendel@ficinc.com.