ABSTRACT

Toxic leadership has existed in organizations, societies and nations and history is witness to all those leaders who have displayed toxic behaviors to fulfill personal needs. However, the concept of toxic leadership has not been given due importance in the whole gamut of leadership theories which exist. Toxic leadership not only impacts performance at the organizational level but also at the individual level. The aim of this paper is to understand the theory of Toxic Leadership and the behaviors exhibited by Toxic leaders. The paper also attempts to trace the origins of toxic behaviors and also to understand the reasons of toxicity and its impact on individual and organizational performance.

Keywords: Toxic Leadership, Dysfunctional Leadership, Toxic Triangle and Organizational Performance.

I. INTRODUCTION

Recent spate of corporate scandals and catastrophic failures at mega corporations such as those at Enron, WorldCom, Bear Sterns and Lehman Brothers and others have been attributed to some extent to leadership behaviors. Emerging economies like India too have not been immune to these trends where we have witnessed similar failures in well known corporations like Satyam Computers Services Ltd and scams in various government projects like Common Wealth games, Adarsh Housing society scam and many others. In emerging economies which face many problems like poverty, unemployment, population explosion, epidemics etc, such failures of corporations and scandals in government projects further add distress to the economy, individual employees, investors and government. Such occurrences have raised questions on the intentions and objectives of leaders and whether these failures were deliberate or due to the incompetence in these arrogant and impulsive leaders. These business scandals question various leadership models that have been proposed by researchers in last three decades.
The recent scams and scandals have been ascribed to the actions of toxic leaders who develop toxic instruments to create toxic assets without due consideration to the potential catastrophic damages to others. In all these cases, the leaders were found to be blame worthy for allowing such damaging behavior, and to make matters worse, by being party to deceit. The failure to curb such destructive and toxic behavior allowed ruthless and unscrupulous leaders to fulfill their illicit goals and damage the organizations.

While there is a plethora of literature available on factors which make a leader effective and how leaders influence and motivate their subordinates to achieve organizational goals (Northouse, 2007), however, there is scant literature available on negative aspects of leadership. Practically, there is abundance of leaders who are perceived to be detrimental to the organization and who cause severe physical and psychological damage to their subordinates. Although an understanding of effective leadership is imperative for developing managers and supervisors, it is equally important to identify the behaviors of leaders who knowingly or unintentionally inflict enduring harm on their subordinates. The other side of leadership which includes the negative aspects such as subordinate harassment, ridicule, physical hardships, mental torture, and an increasing workplace stress and unhappiness has been ignored in leadership research and very few studies exist on these aspects.

II. EXPLORING TOXIC LEADERSHIP

Reed (2004), based on the research in military organizations, stated that leaders who exhibited negative and destructive leadership tendencies in using their position tend to propel their organizations towards destruction. While the paper dealt with the problem of destructive leadership existing in the armed forces, this issue was found to exist in the corporate sector as well (Pelletier, 2010). Toxic leadership is a style of leadership in which leaders, due to their negative behavior and detrimental personal characteristics inflict long lasting and serious harm directly on their followers and indirectly to their organizations. The interpersonal style of the leader, thus, has implications in formulating the organizational culture both when it is positive and when it is negative.

Recent research has also shown that toxic leaders had an evident lack of concern for the welfare of subordinates, a personality that negatively affected organizational culture, and a belief by subordinates who felt that their superior’s actions were driven primarily by selfish motives and self-interest (Reed, 2004). Toxic leadership is thus seen as an approach that created an environment wherein employees were rewarded for agreeing with the leader and reprimanded for challenging his/her authority. In this type of environment enthusiasm, creativity, autonomy, and innovativeness of the people are curtailed and the leader’s interest assumed paramount importance. This kind of destructive leadership has today emerged as a silent killer that tends to position leaders who have a capability to hurt and eliminate those subordinates who question their authority and decisions.

Many researchers have defined toxic leadership in their context, but defining “toxic leadership” remains an exasperating task primarily due to differences in perceptions about how leadership is viewed, since one subordinate might view a leader as toxic and another might view the same person as a hero (Lipman-Blumen, 2005). In addition to this, a toxic leader need not necessarily display toxic behaviors in all situations. To add to the complexity, different toxic leaders demonstrate varying levels and types of toxicity and the impact of their toxic decisions and actions also vary to a large extent (Walton, 2007).

Goldman, (2009) defines toxic leadership as “being destructive, disturbing, and dysfunctional acts of supervision that spread among members of the workforce”. Flynn (1999) provides a clear and pragmatic characterization of toxic leadership to align the leader’s behaviors and actions with the effects that they have on the workplace environment. “A manager who bullies, threatens, yells. The manager whose mood swings determines the climate of the office on any given workday. Who forces employees to whisper in sympathy in cubicles and hallways”. The competence of toxic leaders
cannot be underestimated as many times they are influential leaders who have ‘the right stuff’, but just in the wrong intensity, and with an objective guided by an agenda based on self interest (Williams, 2005).

A working definition of toxic leadership could be thus described as, ‘a series of purposeful and deliberate behaviors and acts of a leader that disrupt the effective functioning of the organization and are intended to maneuver, deceive, intimidate, and humiliate others with the objective of personal gains’.

III. TRACING THE ORIGINS

The repertoire of toxic leaders covers a broad spectrum; it includes leaders with mild, unintended toxicity to leaders who are seen as being absolute evil, and includes tendencies such as dishonesty, hypocrisy, sabotage, manipulation, fraud and unethical behavior (Lipman-Blumen, 2005). History has also thrown up leaders whose leadership can be identified as toxic, one of them being Hitler who is a prime example of being a destructive leader. A look into the past of toxic leaders shows that they do not develop toxic tendencies in a day, in fact their style evolved over a period of time. It became highly toxic, when it was left unquestioned by superiors or peers. When these leaders take higher level positions in the organization, the impact of their behavior is even greater.

Leadership toxicity also stems from a perceived threat to the status, power and control which elicits toxic behavior in leaders who are vulnerable. Minor changes in an executive’s authority and accomplishments, which are generally attained after a lot of hard work and effort, can be perceived as a threat and cause psychological insecurity and generate fierce defensive reactions. These executives become more vulnerable and sensitive and they view their identity and reputation being at stake. Ludeman and Erlandson (2004) explained how successful leaders failed to use their emotional intelligence to such an extent that ‘the more executive authority people achieved, the more pressure they felt and the more prominent their faults became’ which in turn intensified their sense of vulnerability and generally triggered toxic behavior.

The drive to acquire power and authority could also become an addiction for some leaders. It is also possible that this insatiable desire could become so strong that a leader might focus all his energy to protect or enhance his status and authority. This innate desire explains why successful leaders find themselves in difficult situations when asked to relinquish power and authority resulting in an increased risk of leadership toxicity.

Organizations could also become an incubator of toxic or dysfunctional behavior by providing their own toxins, through counterproductive policies and practices, including unreasonable goals, excessive internal competition, and cultures that encourage blame game (Lipman-Blumen, 2005). Leaders who uncompromisingly pursued unreasonable profits from quarter to quarter could also be a major source of this kind of leadership (Macklem, 2005). Another source of toxicity is when average performance is given more weightage over merit-based output. These types of organizational practices tend to suffocate the above average performers who feel disillusioned and dejected. Another reason for the emergence of toxic leadership is when personal agendas of leaders take precedence over the long-term well-being of the organization (Atkinson & Butcher, 2003). When dysfunctional behavior of leaders in senior positions are modeled by the subordinates, then the focus is more on individual interests than on organizational objectives resulting in an ineffective organization.

‘Evolution is considered to be competitive game in which victory came from outscoring the competition’ hence resulting in leaders tending to turn dysfunctional to remain relevant (Lawrence and Nohria, 2002). This could help to explain the unhealthy competition which prevails in
organizations and at times, results in a blame game increasing the risk of leadership toxicity when organizations go through problems.

When the followers avoid disagreements with leaders for fear of reprisal, an opportunity arises for workplace toxicity to emerge (Jones, 1996). Leaders who usurp their position and authority in such situations tend to take control of the workplace and become quite rigid and adamantly in their approach blinded to new ideas or suggestions from subordinates. Impatient and short tempered leaders who are constantly on the edge at the place of work could also be the cause for emergence of toxicity. These leaders develop a habit of throwing temper tantrums, shout, make unreasonable demands, use abusive language and belittle employees openly. When subordinates are treated as financial liabilities by the senior leadership instead of assets, it could create a culture of toxicity and could lead to a decay of morale and self esteem of the employees (Macklem, 2005). As toxicity emerges in leaders, hard working and sincere subordinates tend to move away from the toxic atmosphere and there would be higher employee turnover.

According to the Padilla et al. (2007), “negative organizational outcomes are not only the product of dysfunctional leader behaviors but also susceptible followers and the contributing environment in which they interact”. These three components form the ‘toxic triangle’. The three components of the toxic triangle, their characteristics and their interactions with each other determine the level of intensity of toxicity existing in organizations.

IV. IDENTIFYING TOXIC LEADERSHIP: EXPLORING THE PARADIGM

Looking at organizations where toxicity exists, things might appear to be normal from outside, but there would be serious trouble within the organization. Feeling of helplessness, reduced autonomy, no opportunity for participation, erratic job situation, reduced efficiency and innovation, lower job satisfaction, psychic and psychosomatic problems such as anxiety, depression, frustration, and stomach problems, are all known symptoms of toxic leader’s behavior (Ashforth, 1994). Some other characteristics that have been linked with toxic behaviors are: aggression, abusive behaviors, egotism, greed, selfishness, and lack of integrity. Toxic leadership behaviors fall on a continuum ranging from insignificant gestures to physical abuse to others, and from petty pilfering to fraud and cheating and distortion of facts against the organization.

Toxic leaders are not interested in mentoring and developing subordinates. They enjoy controlling and subjugating and seen insulting and abusing others. All those who come in contact with these leaders are affected by the toxic leaders' behaviors and decisions. However, toxic leaders are generally indecisive unless there is a crisis. When a decision is made, it is often quick and appears to lack rationale. An important way to look at toxicity in an organization is to look at the impact of such leadership on the culture of the organization. All these behaviors and characteristics of toxic leaders result in a culture which is ambiguous and results in stressful employees.

V. IMPACT OF TOXIC LEADERSHIP

There is enough evidence on the impact of toxic leadership both at organizational and individual levels. Organizational outcomes include negative effect on organizational performance (Ashforth, 1997), counterproductive work behavior (Duffy, et al., 2002), and higher turnover intention (Tate, 2009). Counterproductive behaviors tend to be attributed to perceived injustice by the employees who retaliate by inflicting harm and producing systemic damage in an organization like sabotaging operations, providing inaccurate information, and being uncooperative to co-workers. The awareness of the presence of toxic behaviors by the external workforce can also negatively affect an organization to attract qualified ethical candidates (Sutton, 2007).
Outcomes at individuals levels include lack of motivation, sexual harassment (Chan, Lam, Chow, & Cheung, 2008), decreased job satisfaction (Tate, 2009). Studies have also shown that abusive leadership has a positive relationship with turnover intentions and employee stress, and negative relationship with organizational commitment and job satisfaction (Rayner and Cooper, 1997). In addition to this, employees who face attack on self-esteem display low self-confidence and a reduced sense of self-efficacy leading to deterioration in individual performance (Kusy and Holloway, 2009). When working with toxic leaders, employees are left with two options namely, conform or leave. Leaving would lead to higher turnover resulting in increased costs of recruitment and a possible economic consequence for the organization. Those who remain will have reduced commitment and loyalty for the organization. Some people, however, may view toxic leadership as good and follow willingly. These employees would possibly be groomed to become the next generation of toxic leaders.

In military settings, toxic leadership is considered to be even more damaging as the impact of toxic leaders on their subordinates’ performance is greater for those who find their jobs meaningful and have a strong sense of commitment (Harris, Kacmar, Zivunsk, & Shaw, 2007). Reed (2004) stated that in a military organization, toxic leaders erode unit cohesion and reduce team spirit and under worst case scenarios, toxic leadership could even lead to mutiny and death. Other less serious outcomes include loss of trust, reduced effectiveness and commitment, misinterpretation of communication, and diminished follower well-being (Ashforth, 1997). In short, toxic leadership affects a soldier’s mindset, loyalty, and mission accomplishment.

VI. WHY ARE TOXIC LEADERS ACCEPTED?

Every organization has leaders who by their destructive behaviors and dysfunction attributes cause serious and enduring damage to the individuals and organizations they lead. Subordinates under the toxic leaders usually hate and despise them; however, they may be accepted in organizations for reasons such as, higher productivity and profits produced by the team under them. Their drive for a need for recognition, power, and self-promotion initially increases the organizational output and leads to accelerated growth. The enhanced output and better corporate results prompts the top management in encouraging these leaders who continue this type of leadership, till it starts affecting the company’s bottom line and good subordinates start leaving the organization.

While followers often recognize toxic leaders, but still accept them and adulate them and occasionally even support their toxicity. Followers get attracted by charismatic leaders who display high levels of energy and many toxic leaders are found to be charismatic and they are able to get difficult things done and clear the road blocks with effortless ease. The other reason for acceptance of toxic leaders can be attributed to the internal needs of the followers who find toxic leaders providing them the comfort, safety and the promise to satisfy their needs and aspirations. Also these powerful leaders tend to take important decisions in an organization and being associated with them satisfies the need of being in the centre of action. Further in this world of uncertainty, disorder and in crisis situations a leader who promises an orderly, predictable and controlled world would satisfy the inherent fears of unpredictability in people. This controlled environment can look very attractive when everything around seems to fall apart. This can also be another reason for followers to not only accept but also support leaders who have toxic tendencies.

VII. IMPLICATIONS

Toxic leadership is a very sensitive issue. Toxic leaders themselves do not think they are toxic, and if questioned on the issue, they would more than likely say, they were acting with the best
of intentions. Subordinates’ opinions on the same leader depend on their individual interactions and results in being loved by some and hated by others. Every leader at one time or another has been labeled openly or in private as toxic. The most evident implication is that as toxic leadership is related to decreased employee performance, commitment, and job satisfaction, strong efforts should be made to reduce the likelihood of such destructive behaviors (Lipman-Blumen, 2005). The behaviors and performance of leaders needs to be monitored and assessed to ensure that they engage in interactions with followers which results in a healthy work environment. Executive mentors who work with leaders should evaluate the leader’s interactions with subordinates and educate and train the leader about the nature of dysfunctional behaviors and provide a feedback when they exhibit these potentially toxic behaviors. Organizations also need to formulate checks and controls for early identification of toxic leadership behaviors within the organization as it allows the organization the opportunity to intervene and assist in re-educating aberrant leaders. Identification in the early part of a leader’s career also decreases the possibility of building strong toxic behaviors. Once toxic leadership behaviors have been exposed, recognized and appropriate action taken within the organization, such lessons learned can become an integral part of the selection or promotion process for future leaders. With this mechanism, the growth of toxic leadership may be curbed in an organization and the same can be a lesson to curb their toxic tendencies.

In case organizations do not have mechanisms to monitor toxic leadership behaviors, they can seek professional intervention by external counselors for helping the victims and also re-educating the deviant leaders. The last option available with an organization is to offer a safe exit for leaders who engage in toxic behaviors and rhetoric.

VIII. CONCLUSION

Leadership toxicity seems to be a ubiquitous aspect of organizations, yet it attracts far less attention that it merits. It is inevitable that a leader as a human being will always remain susceptible to the vulnerabilities irrespective of their position, educational and professional background and experience. Many a times, the working environments are what prompt leaders towards toxicity to some extent. So, the key question that remains to be answered is how should organizations prepare and protect themselves from such eventuality. Thus, if leadership toxicity is an inevitable disease of organizational life, then the sooner it is recognized and considered in the development of leaders, the better it is.

To conclude, it can be said without an iota of doubt that toxic leadership is extremely dangerous to individuals, and also to the sustainability of the organization. Individuals having toxic traits and potentiality of toxic and dysfunctional behaviors should not be allowed to operate and grow in an organization under any circumstances. This brings in a lot of responsibility and involvement of the Board of directors, CEO’s and other senior executives and they must do everything within their power and influence to prevent an individual or groups of rogue leaders from hijacking the organization for their own self-interests. Toxic leadership behaviors will not disappear from the organizations on their own accord, they must be driven out by responsible and ethical corporate guardians. Given the scanty nature of the empirical evidence from Indian organizations, there is an urgent need to explore the traits of toxic leaders and to develop a scale of toxicity so as to be able to detoxify the organizations and people working in it so that they can derive greater meaning from the work and the workplace.

REFERENCES


Books