





## **Foreword**

# Heard the old saw that one bad apple spoils the barrel? It applies to workplaces too.

Workplaces aren't swamped with toxic leadersmost managers and executives are honest, caring people. But there are enough toxic leaders in the world to threaten comapny reputations (think Uber) and produce real psychological harm (think Harvey Weinstein). While high profile cases catch the eye, more worrying are the ones who don't - and who exist in too many workplaces.

This short book describes how to spot toxic leaders, how to survive working for one and finally what organisations should do to prevent toxic leadership in the first place.

Our organisations are experts in working with companies to deal with, mitigate and prevent toxic leadership. We hope you find it valuable.

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## **About the Authors**

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### Chapter one:

# Toxic Leaders



I've lost confidence and I'm not trusting my judgement anymore - I'm second guessing myself. My motivation has dropped away.

A coaching client described feeling this way at a recent catch-up. He was sad and weary, physically and emotionally. He's a senior leader in a very large company, respected by his colleagues, deeply

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committed to the work he does and well regarded by staff. At what should be the rising peak of his career all signs of the competent, smart and confident man he had been on joining the firm were extinguished. He summed up his situation in a sentence:

"I feel my boss thinks I am of zero value".

We tend to think of toxic leaders in dramatic terms: Gordon Ramsay ripping into a kitchen contestant, <u>Elon Musk</u> firing a whole department in a rage or Travis Kalanick building a bro culture at Uber.

Bad leadership however, is more mundane and insidious than star CEO meltdowns.

It's more a mix of incompetent judgement and a daily diet of low-level inconsiderate behaviour. It's leaving staff hanging for a decision and then blaming them for inaction. It's the wearing requirement to reschedule your day to make an urgent meeting with the boss and then being blown off. It's watching them take praise when you win but being isolated when things get hard or mistakes are made.

In another company we are consulting to we were asked for advice by someone who had come to dread her meetings with her manager. The boss was consistent only in being erratic: booked one-on-ones were changed or cancelled at short notice. The manager was habitually late or the meeting cut short because 'something important has come up'. She rarely found her manager listened but instead talked over her, complained about her requests for resource and left her with the constant sense that "nothing is quite right'. Occasionally she would get praise or positive feedback, but that felt random and could be contradicted the next week.



The toxic pattern of punishment and reward creates a weird dependence: think of a rat pressing a lever to get a treat.

This toxic pattern of unpredictable punishment and intermittent reward we know from psychology research creates a weird dependence: think of a rat pressing a lever to get a food treat. The rat actually works harder and tolerates more punishment (electric shocks) when the reward is occasional and

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can't be predicted than if it is regular. Translate this to humans and we end up striving hard for "crumbs" of feedback and feeling lousy along the way. Or you can think of it as a workplace Stockholm Syndrome, where you depend upon your captor for the necessities of working life.

Toxic leadership is bad not just because of a hit to wellbeing but also from the negative impact on performance.

The <u>economic impact</u> of avoiding a toxic worker is two times larger than that of hiring a star performer. Bad leadership results in organisational alienation, role conflicts, unfairness, and poorer work-related attitudes among direct reports. Toxic leadership reduces job satisfaction, job dedication and work motivation.

In the same vein, it establishes the norm that it's ok to treat people badly, to lie and to cover up bullying (see a NZ example here, or read about Amazon here). Toxic leaders build organisational cultures just as all managers do, teaching people what is ok or not and creating unwritten values that shape future decisions and behaviour.

Of deeper concern, the evidence is clear that toxic leaders impact individuals' psychological health in equally damning ways. A strong base of evidence demonstrates <u>increased psychological distress</u>, depression, anxiety, and lowered self-esteem <u>as well as negative physica</u> health consequences.

Toxic leadership is due to one (or more) of three reasons.



Firstly, the <u>traits or characteristics</u> that predispose them to treat others poorly are actually valued by those looking to promote.

Arrogance, narcissism and manipulation go often hand-in-hand with <u>charisma</u> and too often people are <u>given</u> leadership roles simply because they are more confident and better at self-promotion than they are competent and compassionate.



Secondly, research has repeatedly shown that followership is a human evolutionary instinct.

That means merely being in the role or position of being a leader <u>changes the way</u> that person is

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perceived and treated (meaning we defer to those in authority) and views those below them. People in power <u>tend to blame</u> those below them for mistakes and assume they have more control than they actually have. Without the benefit of a sound moral character or external checks and balances this is clearly a recipe for exploitation.



Toxic leaders are also <u>enabled</u> by lax oversight, poor processes and weak cultures.

Managers in poorly run firms can 'get away' with toxic behaviour for years: Harvey Weinstein was enabled to prey on young women because he was never challenged. So if you have someone who is toxic, how do you survive? We'll look at strategies to cope next.



#### **Chapter two:**

# How to survive a toxic boss



# How to survive a toxic boss

We have some concrete advice for tackling what often feels like an impossible situation.



Toxic leaders come in all shapes and sizes, but they <u>inevitably</u> share five characteristics:

- 1. They are self-interested rather than concerned with your needs or other people's wellbeing.
- 2. They lack integrity. That is, they deny statements they made; break commitments given; and bend or break rules to suit themselves.
- 3. They pursue short-term ends rather than a deeper purpose or strategic goals.
- 4. They are often politically savvy. Toxic leaders are frequently skilled in managing upwards and in self-promotion.
- 5. They are deaf to feedback, and may be hostile and vengeful.

Understanding these personality features is a useful part of your survival guide. Since toxic leaders are primarily concerned with their own wants and needs your priority is to pay attention to your wellbeing.

### Look after yourself first



Take your feelings of anxiety or fear seriously.

Stay connected with whānau and friends and talk with them about your situation. Remaining silent or minimising how bad things really are will trick you into feeling it's your fault and reduces the options you can consider. Good emotional support is vital to feel heard and cared for: it has a protective impact on your wellbeing and adds a protective buffer as you navigate the situation. If you can

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access professional support that's often useful, or look for someone who can be a "safe harbour", a person you rely on for wise counsel and help you brainstorm your next steps. If you do have the resources consider engaging with a coach or mentor with experience in this field. It's ok to ask them directly how many people they have helped with toxic leadership and examples of what they can do to help.



It's also vital to look after yourself well.

When we feel scared, anxious or depressed we may stop doing things that bring joy and satisfaction: so make sure you are eating well, getting quality sleep, exercising as often as you can, and scheduling in activities that give you hope. Seeking out positive experiences and emotions in the midst of a tough time seems counter intuitive but is proven to <a href="mailto:buffer stress">buffer stress</a> and will lift your mood and mindset. This effect is both neurochemical and physiological: positive emotions signal our bodies and brains that a stress state is not required.

#### **Consider leaving**

One of the odd effects on followers of toxic leaders is that people stay more often than they quit.

There are a few reasons for this: people like their companies and their work. Or consider that no one likes a whiner, so we put up with bad behaviour because everyone else seems to. We also tend to overvalue what we have right now (a job) and undervalue the unknown (could I get another job? Could I get one before my money runs out?).

We also fall prey to occasional praise or rewards in the midst of bad behaviour – like a pokie machine, this intermittent reinforcement keeps us hanging on because you never know when something good might happen.

# But we do encourage you to very seriously consider leaving.

Toxic leaders rarely change: you can read a terrible report about a Twitter executive <a href="here">here</a> who told a Black colleague she could pass for white if she wore glasses. He was counselled, promised to change, wrote a memo to staff saying he would change – only for a colleague who had complained again about him to be pushed out instead.

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If you find yourself arguing back against the mantra "It's only a job", you may be more emotionally invested – brainstorm all the reasons you want to stay to see if you can pinpoint what is keeping you hooked in?

#### Bend but don't break



When we do have some ability to influence or control a situation, then generally active coping or problem-solving strategies are best – what are the things you can control and influence in your current situation? Importantly, however, if it feels that nothing or very little is under your control then research shows that a style of coping called "acceptance coping" results in significantly less distress. In particular, this style may be useful in workplace environments where people have low autonomy (control) over their work.

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#### **Acceptance coping**

Acceptance coping is a psychological technique that helps you deal with bad situations. It means finding a way to be OK when we cannot change this situation. Acceptance is not a passive process and it's not giving up. Rather, it's reminding ourselves, "This is how things are, for now."

# To practise active acceptance coping, you need to:

1. Recognise and accept our thoughts and feelings about a situation, even if they may be difficult: but act them out.



"I'm seriously upset about this, I would like to shout at my boss and tell him what I think of his behaviour."

2. Focus on your wellbeing:

"Maintaining my professionalism is important to me, I'm going to let this situation go today and not react."



#### Control what you can control

These methods all increase psychological distance.

- For example, set boundaries around how and when you work.
- Build buffer zones into your role and your day –
  make sure that you give yourself recovery time
  after interactions with your leader, so you are not
  jumping into other meetings carrying the "load"
- Other options could include reducing contact with the toxic boss: online meetings rather than in person so you don't have to be in the same room, using emails rather than in-person or phone calls.

You can also extend buffer zones by scheduling daily pleasurable activities as well as experiences you can look forward to.



## How to survive a toxic boss

#### Fog

Toxic leaders often cast blame liberally and the temptation is to defend yourself. Frankly, you are wasting your breath. Instead, try 'fogging': don't defend, don't admit that you're wrong and don't say that they are wrong.

So if attacked with,

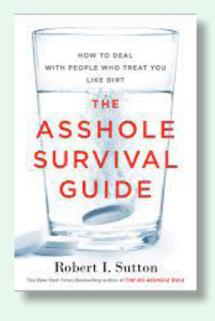
"You're useless at your job,"

you could respond by saying

"Well, I can see how you might think that" or "That's definitely one way to look at things".

This is a defensive technique – it won't change the situation, but acts to disarm the attacker.

If you want to delve a bit deeper, an excellent guide is Professor Bob Sutton's book "The Asshole Survival Guide: How to Deal with People Who Treat You Like Dirt".



## **Chapter three:**

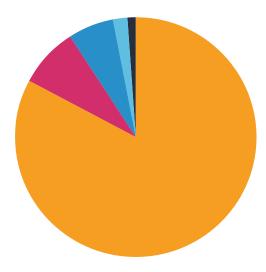
# Preventing toxic leadership



If you have 20 minutes spare and an urge to peer behind the curtain, read the independent review of Mediaworks culture <a href="here">here</a>. Mediaworks runs the radio stations George, MaiFM, The Rock, The Edge and others. The review found there was a boys club culture of hard drinking, racist and sexist behaviour and intimidating sexual harassment. "Only hire hot," was advice on hiring women.

Led by white party boys, the company demographics looked like this:

- New Zealand European: 82.9%
- Other European / Australian: 7.9%
- Māori: 6.1%
- Chinese: 2.0%
- Pasifika and other ethnicities: 1.0%.



Although over half the people spoken to had witnessed sexual harassment and wanted the company to change the independent reviewer noted that some leaders still believed the complaints came from people who were "disgruntled" and "not cut out for the media industry". Also noted: most workers still 'loved the industry'.

#### **Cultures reflect leaders values**

Cultures do not arrive ready-made.

They are the outcome of choices made about people, goals and behaviours over a period of years. They are especially a reflection of the leadership of a company: what and who those people most value. In understanding a toxic culture, look no further than the leaders of the firm.

It follows then that choosing people who have good characters increases the chances of a positive culture. The <u>core ingredients</u> of good leadership, namely competence, humility, and integrity, are universal and they are always preferable to the alternative: arrogance, incompetence, and dishonesty. Sadly, it is well-established that leaders

# Preventing toxic leadership

# That leads to three clear actions to prevent a toxic workplace:

Firstly, hire for positive character traits in addition to appropriate skills and performance. Good hiring means relying less on interviews (in fact, experiment with <u>blind auditions</u>, as orchestras do to reduce a bias towards hiring men) and instead use sound and objective personality and ability assessments, alongside a tightly structured interview.

Secondly, the business case for diversity is overwhelming. If you doubt this, then consider that the most dynamic and attractive cities in the world are all melting pots: London, Singapore, New York. There is a direct correlation between high-skilled immigration and an increase in the level of innovation and economic performance in cities and regions. Firms with a higher proportion of female senior leadership perform better than those with low or no female leaders. A company that welcomes people from anywhere can do business with anyone.

Thirdly, toxic leaders could not hold their positions without the collusion (forced, unconscious or willing) of people around them, or if the checks and balances at firms and public institutions worked to expose them. Power, position and prestige act as an insulation for those who hold them, and followers rarely call leaders to account. Confronting and standing up to bullies removes a lot of their power. Here are strategies to do that safely.



# Preventing toxic leadership

To pierce this insulation and hold people in power accountable for their actions requires three things:

1

A clear statement about how to behave so no one is in any doubt. As an example, here's an excerpt from what NZ company Mainfreight expects of everyone:

- tear down the walls of bureaucracy, hierarchy and superiority
- eat together use mealtimes as a discussion time
- don't beat up your brothers or sisters
- an enduring company is built by many good people, not a few

It also requires internal institutions (like the Board, a competent HR function, or a Union) who have the power to hold toxic leaders to those standards

2

A competent board and people function: If your organisation has a Board then they are ultimately accountable for the wellbeing of staff: mental health and

staff wellbeing is as much a priority as lost-time

injury rates and sales and any competent Board will want to understand turnover rates, unusual departures and see the engagement and wellbeing survey.

There is no value having codes of conduct or policies for harassment and bullying if there is no competent HR (or People and Culture, People Operations, People Experience, Employee Success or any other name) function. HR should also have the trust of staff to hear complaints, a mechanism to complain anonymously, and the backbone to call out bad behaviour. That was not the case at MediaWorks – indeed, the people function was called out for not acting, despite many complaints. We understand that in too many organisations complaining to HR would be about the last thing any sane person might do. So turn to your Union representative. And to reiterate – if you are being harassed or bullied put exiting the company high on your list of options.

No job is worth your mental health.

# Preventing toxic leadership

Make sure there are mechanisms for capturing (and acting on) feedback. The science of gathering feedback about a manager's performance via 180° or

360° feedback is well established. A well-designed survey provides followers with an important voice and can identify toxic leadership patterns. Similarly wellbeing or staff engagement surveys identify the emotional state of followers – and of course, the job of any competent leader is to make their followers successful and confident.

Airlines have long taught aircrew to speak up and share their observations to counter to human tendency to defer to those higher in the

hierarchy. Crew resource management training teaches self-awareness, enhanced situational awareness, assertiveness, decision-making, conflict management, and listening. A NZ company one of us is working with has recently instituted just this kind of process to ensure higher levels of psychological safety.

Organisations and people <u>languish</u> under toxic leadership. Fight the power.



Winsborough select and develop leaders who build powerful teams and effective workplaces.





Umbrella provides interventions to develop cultures of wellbeing within workplaces.





