

Consequences of Toxic Leadership

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Successful business leaders are supposed to mentor and encourage their employees. They are meant care about their team's wellbeing and support them whenever possible. But not all leaders have the best intentions.

Research shows the *Dark Triad*—narcissism, psychopathy and Machiavellianism as traits that relate to leadership effectiveness, according to [Fast Company](#). These personality traits are more likely to “engage in immoral and unethical behaviors to achieve their goals.”

When hiring or promoting a manager, these are traits you want to avoid, even though they may be difficult to spot. “It is not always easy at the recruitment stage to ascertain who will display these characteristics,” reads the article from *Fast Company*. “In general, individuals tend to de-emphasize their negative traits.”

Ronald Riggio, a professor of leadership and organizational psychology at Claremont McKenna College, said there are four main reasons people keep bad leaders in a position of power:

1. Arrogance and narcissism are confused with strength.
2. People fall into cognitive laziness.
3. Good results are equated with good leadership.
4. People enjoy power of association.

A University of Amsterdam [study](#) revealed group participants rated narcissistic leaders as “most effective” despite the reality of each leader's overall negative impact on the group. “Although narcissistic leaders are perceived as effective because of their displays of authority, [their] narcissism actually inhibited information exchange between group members,” according to the study.

But the consequences of toxic leadership impact businesses more than they may think. The Society of Human Resource Management said the average cost to hire employees is \$4,700—with executive roles being triple the amount of employees, according to [SHRM](#). Bad leadership skills can financially and reputationally put an organization at risk.

[Shift Management](#) listed a few ways toxic leaders control their environment for personal benefit:

- **Abuse of organizational structures** to interfere with workflow and interpersonal relationships.
- **Corporate control systems** to monitor the movements of others and discipline them at the first sign of threat to their control.
- **Workload to set people up to fail**, then use the failure as an excuse to bully.

Those in leadership positions are supposed to be held the most responsible, but sometimes it allows them to avoid accountability all together. “When a bad boss does something wrong, people often give them a ‘pass’ instead of holding them accountable,” Riggio said—and when accountability fails, toxic bosses continue to get away with poor behavior, unscathed, especially if others in the same group do not question the behavior.