



# Toxic Leadership and Its Impact on Organizational Competitiveness and Sustainability *A Case Study Approach*

<sup>1</sup>Almudena Berzosa, <sup>2</sup>Prof. Dr. Abhijit Ganguly,

<sup>1</sup>Doctoral Candidate, <sup>2</sup>DBA Programme Lead,

<sup>1</sup>UCAM University / Westford University College. Dubai, UAE

**Abstract :** This study investigates the widespread influence of toxic leadership on organizational competitiveness and sustainability. This research employs a case study methodology to examine how toxic leadership behaviors—specifically manipulation, intimidation, and emotional instability—diminish productivity, degrade employee morale, and harm corporate culture. Based on qualitative research of documented incidents across many sectors, including healthcare, technology, and corporate settings, the findings reveal substantial consequences such as diminished innovation, elevated turnover, reputational damage, and cultural decline. The study synthesizes theoretical frameworks such as the Toxic Triangle and Destructive Leadership Theory, offering insights into the systemic characteristics of toxic leadership and its enduring consequences. Recommendations for leadership training, explicit policies, and staff well-being activities are suggested to alleviate these consequences and promote sustainable corporate growth.

**Key Words:** Literature Review, Toxic-Leadership, Leadership, Organizational Competitiveness, Sustainable-Leadership

## I. INTRODUCTION

In 2017, the results of a poll performed by Life Meets Work Consulting were published, revealing that up to 56% of employees reported working for a toxic CEO whose behavior generated an unhealthy workplace atmosphere (Lebowitz, 2017). Around one-third of all leaders are capable of demonstrating this problematic leadership style (Wolor et al., 2022) but these phenomena should not surprise us, as research findings indicate a notable emergence of toxic leadership experiences already in post-primary school (Snow et al., 2021).

Researchers have suggested several themes that pertain to toxic leadership directed at subordinates. These encompass “destructive behavior” (Einarsen et al., 2007), “petty tyrants” (Ashforth, 1994), “abusive supervisors” (Hornstein, 1996), “health-endangering leaders” (Kile, 1990), “bullies” (Namie & Namie, 2000), “derailed leaders” (Schackleton, 1995), “intolerable bosses” (Lombardo & McCall, 1984), and even “psychopaths” (Furnham & Taylor, 2004).

Toxic leadership is characterized by behaviors such as manipulation, intimidation, and emotional volatility. These traits often consolidate power through fear, suppress dissent, and disrupt workplace harmony. Leaders with toxic tendencies undermine employee well-being, leading to higher absenteeism, job dissatisfaction, and increased turnover (MIT Sloan, 2022).

Wolor et al. (2022) highlight the negative impact of toxic leadership on employee performance; toxic leaders may exhibit great competence and effectiveness in their roles; nonetheless, they foster an unhealthy environment among their subordinates and peers, with the repercussions of their actions extending beyond a limited number of persons.

As the modern workforce increasingly emphasizes positive work environments and prioritizes ethical management, toxic leadership represents a stark contrast to these developing expectations. Growing awareness of mental health, especially in remote work settings, has elevated the need to address toxic behaviors within organizations (Emerald Insight, 2023).

**Research Focus:** This article explores the impact of toxic leadership on organizational competitiveness and sustainability, and how these behaviors erode organizational trust, harm company culture, and significantly damage the external reputation, making it difficult to attract and retain talent. The rise of remote work and increasing mental health awareness have made toxic leadership a central issue for sustaining organizational success.

**Scope:** To thoroughly understand these implications, the article examines three real-world case studies that highlight how toxic leadership affects productivity, talent retention, and culture. These cases provide concrete evidence of how leadership toxicity undermines organizational competitiveness and sustainability.

## II. LITERATURE REVIEW

### Defining Toxic Leadership

According to Ashforth (1994), employees who work for toxic bosses are more likely to suffer from anxiety, stress and even burnout. Research shows that the happiness and mental and physical health of employees suffer under toxic leadership. Physical health issues, decreased job satisfaction, and absenteeism can result from these psychological impacts (Zaghmout, 2024).

Toxic leadership, characterized by abusive, manipulative (Mehta & Maheshwari, 2014), and destructive behavior (Lipman-Blumen, 2010), is a complex and multifaceted phenomenon that has been extensively studied in psychology, organizational behavior and leadership research.

The expressions toxic leader, toxic manager, toxic culture, and toxic organization are increasingly prevalent in business, leadership, and management literature. Analyst Gillian Flynn (Flynn, 1999) offers an accurate characterization of a toxic manager as one who bullies, intimidates, shouts, and threatens. The manager whose fluctuating emotions dictate the office atmosphere on every single workday. Who compels employees to communicate in hushed tones of sympathy within cubicles and corridors.

The term "toxic leadership" was introduced by Dr. Marcia L. Whicker (1996) and is associated with several maladaptive leadership behaviors. Whicker characterized toxic leaders as "maladjusted, malcontent, malevolent, and even malicious." They achieve success by undermining others. They revel in territorial defense, conflict, and dominance rather than elevating their adherents.

Toxic leadership refers to a pattern of destructive behaviors and dysfunctional personal characteristics exhibited by individuals in leadership positions that inflict serious and enduring harm on followers, organizations, and non-followers alike.

This form of leadership is characterized by a systematic and repeated abuse of power, manifesting through actions that undermine the well-being, motivation, and productivity of subordinates.

According to Lipman-Blumen (2005), toxic leaders are those who engage in harmful behaviors that harm their subordinates' motivation, happiness, and productivity. These leaders often abuse their power for their own gain, ignoring the negative impact on their team and the company as a whole. Expanding on this idea, Einarsen, Aasland, and Skogstad (2007) define destructive leadership as repeated and systemic actions that undermine the organization's goals, tasks, resources, and effectiveness while also diminishing subordinates' motivation, happiness, or contentment with their jobs. Such behavior promotes an atmosphere of mistrust and anxiety, which in turn hinders teamwork and open dialogue inside the company.

This fits into what Padilla, Hogan, and Kaiser (2007) call the "Toxic Triangle," a model that describes the relationship between toxic leadership dynamics, vulnerable followers, and supportive environments.

Toxic leadership goes beyond simple incompetence or poor leadership; it includes malicious actions that injure people and the company, sometimes masked by charisma and oratory (Goldman, 2009). Particularly harmful to business culture, staff well-being, and performance as a whole is this leadership style. Toxic leaders are those that do not possess integrity, who deceive their followers, and who incite people to engage in shameful behaviors such as sabotage, manipulation, hypocrisy, corruption, etc. (Lipman-Blumen, 2010).

Overall organizational performance is impacted by toxic leadership, not just individual people. Leaders that are toxic to their teams may spread seeds of distrust and dread that choke off creativity, teamwork, innovation and open communication (Frost, 2004).

Schmidt (2008) established that toxic leaders are those who create an environment of fear and mistrust, hindering open communication and collaboration. This environment created stifles innovation and creativity, limiting the organization's ability to adapt to changing circumstances.

Krasikova, Green, and LeBreton (2013) conducted a meta-analysis examining the effects of destructive leadership behaviors on organizational outcomes. They found that toxic leadership is associated with:

- Decreased employee performance
- Increased counterproductive work behaviors
- Lower overall organizational effectiveness

The disruption of organizational operations and the substantial expenditures of hiring and training new staff might result from the loss of experienced employees (Beetham & Okhai, 2017).

A large amount of research emphasizes the negative aspects of leadership practices in organizations, including negative leadership, abusive leadership, and destructive leadership (Zaman et al., 2023). Rai and Bhandarker (2019) described it as "toxic leadership behaviors that encompass divisiveness, laissez-faire attitudes, the promotion of inequity, social exclusion, and the undermining of followers' security and self-esteem". Additionally, high turnover rates are associated with toxic leadership because employees try to run away leaving behind the bad atmosphere (Mehta & Maheshwari, 2014). Senior executives also underline a correlation between toxic leadership with employee discontent, lack of commitment, and quiet quitting (Berzosa, 2024; Schubert, 2022).

As summarized in Table 1, toxic leadership encompasses a range of harmful behaviors, including but not limited to manipulation, hostility, abuse of power, unethical practices, micromanagement, public humiliation, unrealistic demands, and favoritism (Stringer et al, 2023).

Table 1: Literature Review

Academic Authors	Key Concepts	Impacts of Toxic Leadership
Ashforth (1994)	Toxic leadership contributes to employee anxiety, stress, and burnout.	Leads to physical health issues, decreased job satisfaction, and absenteeism.
Zaghmout (2024)	Toxic leaders harm employee happiness and mental/physical health.	Decreased job satisfaction, increased absenteeism, and overall harm to well-being.
Mehta & Maheshwari (2014)	Defines toxic leadership as abusive and manipulative behavior.	Creates high turnover rates as employees seek to escape a negative atmosphere.
Flynn (1999)	Toxic managers bully, intimidate, and impose their emotions on the work environment.	Creates a stressful and unstable work environment, undermining employee morale.
Whicker (1996)	Introduced the term "toxic leadership" with traits like malevolence and dominance over collaboration.	Leaders revel in conflict and control, creating an atmosphere of suppression and negativity.
Lipman-Blumen (2005)	Toxic leaders harm subordinates' motivation and well-being, using power for personal gain.	Impedes team motivation and productivity, fostering a culture of mistrust and anxiety.
Einarsen, Aasland & Skogstad (2007)	Destructive leadership includes repetitive harmful behaviors that undermine organization and morale.	Promotes distrust, anxiety, and inhibits open communication and teamwork.
Padilla, Hogan & Kaiser (2007)	Introduced the "Toxic Triangle," linking toxic leaders with vulnerable followers and enabling environments.	Highlights the systemic nature of toxic leadership within supportive environments.
Goldman (2009)	Toxic leadership involves charisma masking harmful intentions.	Impacts business culture and staff well-being, often encouraging unethical actions.
Frost (2004)	Toxic leaders instill distrust and fear, suppressing creativity and collaboration.	Hinders innovation, teamwork, and open communication.
Schmidt (2008)	Toxic leaders create environments of fear and mistrust, stifling open communication.	Limits organizational adaptability by hindering innovation and creativity.
Krasikova, Green & LeBreton (2013)	Meta-analysis shows toxic leadership decreases performance and increases counterproductive behaviors.	Reduces organizational effectiveness and raises costs due to turnover and training needs.
Beetham & Okhai (2017)	Toxic leadership can lead to high turnover, disrupting operations and increasing hiring/training expenses.	Negatively affects organizational stability and incurs substantial operational costs.
Rai & Bhandarker (2019)	Describes toxic behaviors like divisiveness, inequity, and undermining followers' security.	Creates social exclusion and reduces self-esteem, causing high turnover and disengagement.
Stringer et al. (2023)	Toxic leadership behaviors include manipulation, abuse, unethical practices, and favoritism.	Undermines organizational health and fosters a hostile work environment that impacts employee loyalty and morale.

## Theoretical Models:

There are a number of useful theoretical models that may be used to better comprehend toxic leadership and the dynamics and behaviors that lead to toxic workplaces (Table 2).

Table 2. Theoretical Models

Theoretical Model	Description	Key Components
The Toxic Triangle	Describes the conditions that foster toxic leadership by examining leader traits, follower characteristics, and environmental factors.	<ul style="list-style-type: none"> <li>- Destructive Leaders: Narcissism, self-interest, manipulation</li> <li>- Susceptible Followers: Vulnerable to influence due to unmet needs</li> <li>- Conducive Environments: Lack of accountability and ethical standards (Padilla, Hogan, and Kaiser, 2007)</li> </ul>
Schmidt's Toxic Leadership Scale	Identifies five dimensions of toxic leadership to assess varying toxic traits and behaviors in leaders.	<ul style="list-style-type: none"> <li>- Abusive Supervision</li> <li>- Authoritarian Leadership</li> <li>- Narcissism</li> <li>- Self-Promotion</li> <li>- Unpredictability (Schmidt, 2008)</li> </ul>
Destructive Leadership Theory	Toxic leadership: repeated, systematic behaviors.	<ul style="list-style-type: none"> <li>- Direct Destructive Behaviors: Direct harm to subordinates</li> <li>- Indirect Destructive Behaviors: Undermining organization's functioning (Einarsen, Aasland, and Skogstad, 2007)</li> </ul>
Lipman-Blumen's Toxic Leadership Framework	Focuses on leaders who engage in behaviors that harm subordinates' motivation, productivity, and well-being for personal gain.	<ul style="list-style-type: none"> <li>- Power abuse</li> <li>- Erosion of Subordinate Well-Being</li> </ul>

Theoretical Model	Description	Key Components
		- Destructive Behaviors that target organizational health (Lipman-Blumen, 2005)
<b>Social Learning Theory applied to Toxic Leadership</b>	Explains how toxic leadership behaviors are perpetuated within organizations through learned behavior and imitation.	- Observation of toxic behaviors - Imitation by employees who may adopt these behaviors as norms - Based on Bandura's (1977) Social Learning Theory

### Research Gaps

Despite extensive research, several areas remain underexplored in toxic leadership studies:

- **Longitudinal Studies:** Most studies offer a snapshot of toxic leadership impacts, lacking a long-term perspective on its effects over time. Research exploring how prolonged exposure to toxic leadership affects career trajectories, mental health, and organizational resilience would be valuable.
- **Preventive and Remedial Strategies:** While the impacts are well-documented, less research has focused on effective interventions and strategies for preventing and mitigating toxic leadership in organizations. Developing insights into these approaches could be instrumental for leadership development programs.
- **Remote Work Environments:** The rise of remote work models presents unique challenges in managing toxic leadership. Further research on toxic leadership's effects and dynamics in virtual settings could provide modern organizations with guidance on addressing this issue in remote teams.
- **Early Indicators and Prediction:** There is a lack of reliable indicators for the early stages of toxic leadership or ways to predict it. Research has primarily focused on identifying toxic behaviors after they have caused harm, rather than predicting them before they manifest significantly.
- **Contextual Variability:** Most existing research has concentrated on business environments or the military, leaving a gap in understanding toxic leadership in educational organizations, public organizations, and other sectors.
- More studies are needed to test and validate solutions that can prevent or reduce the occurrence of toxic leadership.

## III. METHODOLOGY

### 3.1 Research Design

A qualitative, case study approach has been selected to examine the impact of toxic leadership on organizational outcomes such as productivity, employee turnover, reputation, and cultural sustainability.

The qualitative approach is ideal for capturing the nuances and complexities inherent in organizational behavior influenced by toxic leadership. By focusing on documented cases, this research seeks to provide detailed insights into the dynamics and consequences of toxic leadership without direct participant observation or surveys.

### 3.2 Data Collection

Given the nature of this study, data will be collected exclusively from secondary sources. This method provides an efficient means of gathering substantial data, including documented leadership styles, organizational culture indicators, and observed impacts on employee well-being and organizational sustainability. The sources include:

- **Published Case Studies:** Documented cases that highlight specific instances of toxic leadership, with a focus on sectors such as technology, healthcare, and high-paced competitive environments. These sources provide evidence on leadership impacts and organizational outcomes.
- **Industry Reports:** Authoritative reports from organizations like SHRM and MIT Sloan, which include statistical insights on toxic work environments, employee turnover rates, and productivity losses.
- **Peer-Reviewed Academic Literature:** Scholarly articles that detail toxic leadership behaviors, theoretical models, and the effects of such leadership on various industries. Articles from reputable journals (e.g., MIT Sloan Management Review, Emerald Insight) support the analysis.

These secondary data sources allow for a structured analysis of existing cases and are selected based on relevance, credibility, and alignment with the study's objectives.

### 3.3 Case Study Selection Criteria

- **Sectoral Diversity:** Cases span different industries, including technology, healthcare, and traditional corporate environments, to examine variations in toxic leadership impacts across sectors.
- **Leadership Behavior Documentation:** Each case features well-documented toxic leadership behaviors, including instances of intimidation, manipulation, and disregard for employee well-being.
- **Outcome Relevance:** Selected cases illustrate core study outcomes, including productivity decline, high employee turnover, organizational reputation damage, and cultural breakdown. These outcomes reflect toxic leadership's broader organizational implications.
- **Credibility of Data Source:** Only cases documented by reliable sources such as SHRM reports, peer-reviewed journals, and reputable industry publications are included.

### 3.4 Data Analysis

A thematic analysis approach is applied to interpret and categorize the impacts of toxic leadership within each case study. It allows for identifying recurring themes across cases and drawing out key insights about toxic leadership's effects on organizational sustainability. The analysis focuses on the following themes:

- **Productivity Impact:** Evaluation of how toxic leadership behaviors contribute to decreased productivity through mechanisms such as fear, reduced creativity, and lack of cooperation.
- **Employee Turnover:** Analysis of cases where high turnover and talent loss are directly linked to toxic leadership practices, including lack of recognition, poor communication, and abusive cultures.
- **Reputation Damage:** Exploration of how toxic leadership affects the organization's external perception, influencing both its brand and ability to attract talent.
- **Cultural Erosion:** Examination of the cultural breakdowns, particularly in sectors where collaboration and trust are essential, such as healthcare.

The thematic analysis framework allows for drawing connections between toxic leadership traits and organizational sustainability.

### 3.5 Limitations

While the case study approach provides detailed insights, there are certain limitations to this study:

- **Reliance on Secondary Data:** The study depends on the accuracy and completeness of existing reports, which may limit the scope of firsthand insights. The absence of direct interviews or observations means some contextual nuances may be lost.
- **Potential for Sector-Specific Bias:** The selected cases may not fully represent the variety of toxic leadership impacts across all industries, particularly since sectors like healthcare and technology have unique work cultures that may amplify certain effects.
- **Time-Bound Data:** Since some data points are derived from studies or reports published at specific times, the findings might not reflect current conditions in rapidly evolving sectors.

## IV. CASE STUDIES

### Case Study 1: Decreased Productivity

#### a) Fear and Intimidation

Poor leadership often creates a fearful work environment. It is an environment where employees feel uncomfortable, scared, or intimidated through unpredictable reprimands, sexual harassment, discriminatory treatment, and lack of transparency (Rubinsztein et al., 2024). The SHRM data primarily references organizations across diverse industries, with findings particularly evident in sectors like corporate offices, healthcare, and education, where hierarchical structures and high-pressure environments amplify the impact of toxic leadership. The impact is that it reduces efficiency and discourages creativity. According to SHRM Culture Report (2019), 40% of HR professionals reported complaints of sexual harassment and discriminatory treatment. Vara-Horna et al. (2023) found that employees will experience less job satisfaction, psychological distress and physical stress, which in turn affects their productivity within the workplace.

## b) Reduced creativity

An organization that is led by a culture of fear discourages creativity. A concept that aligns with Destructive Leadership Theory. Creative solutions are often stifled in instances where employees are apprehended. SHRM reports affirm that 76% of workers presume that managers determine the organizational culture, with approximately 29% claiming that their managers are incompetent in team leadership (SHRM, 2019). For example, a lack of good leadership results in demotivated employees who spend most of their time trying not to get reprimanded in a case where ideas become scarce. Equally important, Naeem & Khurram (2020) found that toxic traits in leadership make the work more complicated and stressful. When employees encounter stress from the demanding nature of work and interpersonal conflict, they may experience fear and adopt appropriate coping mechanisms (Rashid & Rizvi (2020). In such scenarios, productivity is compromised and impacted directly by leadership's failure to create a favorable and inclusive environment.

## c) Reduced Cooperation

According to the social learning theory applied to toxic leadership, if employees notice certain behaviors that elicit positive responses from top management, they are likely to reproduce these behaviors. It creates a work environment filled with dread and apprehension instead of cooperation and inventiveness. According to Brouwers & Paltu (2020), three out of 10 leaders may manifest a toxic leadership style. The implication is that it leads to a high turnover rate. According to SHRM research, 58% of those who left their jobs due to culture claim people managers were the main reason (2019). As a result, such workplace toxicity leads to job insecurity and high turnover patterns among employees (Hattab et al., 2022). Workers also do not take risks and choose to remain silent, which may affect the company's productivity and creativity.

## d) Reflection

To offset the above effects, leadership must foster open communication and embrace employees as valuable organizational assets. SHRM report found that organizational culture is crucial for talent management and can provide a conducive working environment and incentives to drive engagement and creativity. Managers and HR must ensure that subordinates are motivated and protected and that their input is valued to drive productivity and innovation. Furthermore, if the leadership builds and maintains a healthy culture, employees will be more motivated to attain organizational objectives.

## Case Study 2: High Employee Turnover and Damaged Reputation

## a) Abusive Cultures

A great Resignation study conducted in mid-2021 at MIT Sloan noted that Nvidia and Tesla had rampant turnover owing to abusive cultures and leadership (Sull et al., 2022). The unrelenting force to make innovations at bright speeds without consideration or regard for employees' complaints demonstrates destructive leadership, which is part of the Toxic Triangle. These organizations are typically managed by egotistical leaders who are tyrannical and who have little regard for the welfare of their employees by pushing them to work harder towards achieving quick success.

## b) Stiff Competition

The other factor is that the environment within these companies is competitive and urgent, which also promotes toxic leadership. Cutting-edge innovative organizations such as Nvidia and Tesla foster highly pressurized work cultures that lead to compulsory overtime and job satisfaction. Susceptible followers also play a role in sustaining toxicity: conformers may conform because they lack job security or do not want retaliation from their superiors. At the same time, colluders may model negative behaviors to gain promotion within the corporation.

## c) Innovation pressure

In high-paced environments such as Nvidia and Tesla, the negative impact of toxic leadership could be exacerbated by high levels of pressure to innovate and frequent changes. Lipman-Blumen's Toxic Leadership Framework shows that toxic leaders in such environments are likely to use fear to control their followers. The employees become reliant on the leaders, particularly in technology environments that require innovation. This constant quest for innovation may force leaders to compromise the employees' welfare as they seek more achievements, thus raising the chances of mistreating workers. Traditional industries might take longer to change their ways, but in the high-pressure world of technology, adaptability is crucial, and when that gets warped under the influence of toxic leadership, it turns into a cycle of burnout for compliance under toxic leadership.

## d) Company's reputation

The Great Resignation witnessed in the United States led to 24 million employees quitting their jobs within six months. Organizations with poor workplaces or toxic cultures have been severely impacted (Sull et al., 2022). Its negative impact does not end with tarnishing the company's image. Employees, aware of toxic practices, may consider such workplaces untrustworthy or hazardous and thus refrain from applying. Also, organizations with high turnover rates risk losing their valuable staff because poor recognition of work performance was another factor isolated to enhance attrition.

## e) Reflection

In the long run, toxic leadership fosters cause-and-effect relationships with negative actions such as manipulation and intimidation, which demotivates employees and erodes trust. This situation often results in stress, disengagement, and even burnout, which lowers productivity levels, innovation, and leads to high turnover rates. The remaining leaders may exhibit even

worse behavioral tendencies due to the pressure they experience in the organization. Toxic leadership contributes to a self-reinforcing negative cycle that has unfavorable effects on recruitment, employee turnover, and overall performance.

### Case Study 3: Cultural Breakdown and Loss of Trust

#### a) Destructive Behaviors

A systematic literature review in the healthcare context reveals that toxic leadership severely threatens organizational viability. Leaders engage in repeated use of destructive behaviors, resulting in poor staff morale, burnout, and the deterioration of organizational culture (Labrague et al., 2023). Increasingly, the destructive leadership theory asserts that toxic leadership entails engaging in negative actions that negatively impact morale and degrade the culture within the organization (Mackey et al., 2021). These behaviors cause staff members to perceive being inconsequential, resulting in trust breakdown and organizational identification reduction. Therefore, employees get stressed and demotivated, leading to high turnover and absenteeism, as Diab & Hassan (2023) highlighted. Workers self-organize and psychologically disengage from an organization seen as unsupportive, thus threatening sustainability.

#### b) Intimidation and Alienation

In the healthcare delivery system, trust between the teams is critical to patient outcomes. However, Lipman-Blumen's Toxic Leadership Framework posits that toxic leaders undermine such trust through intimidation and alienation techniques (Çoban 2022). This behavior encourages the culture of the "non-protestation of practices" whereby healthcare providers stay quiet due to fear of repercussions (Reyhanoglu & Akin, 2022). The result of such silence hinders the free flow of addressing and reporting patient care issues. Internal trust is negatively impacted when interpersonal collaboration decreases, leading to worsened team performance and patient service quality.

#### c) External Perception

Furthermore, toxic leadership impacts the organization's external perception by patients, potential clients, regulatory bodies, and the community. Healthcare organizations with toxic workplace environments have greater patient-related complaints, medication mistakes, and other adverse occurrences, which correlate with lower employee motivation and productivity (Labrague, 2021). This shift also risks patient loyalty while making the enterprise vulnerable to losing accreditation and facing legal repercussions, adding more pressure to its dwindling resources and damaging its standing.

#### d) Reflection

According to the findings mentioned in the review, toxic leadership poses severe detrimental consequences for employee engagement and organizational loyalty, which are crucial for enhancing complex care in healthcare organizations. Job aspirants tend to avoid organizations with poor culture, which causes more vacancies that strain existing staff. Equally important, toxic leadership not only impairs the confidence, performance, and well-being of employees and patients but also weakens the organization's capacity for healthy work and quality patient service, which threatens the organization's stability and performance in healthcare.

## V. DISCUSSION

### Synthesis of Findings Common Themes

#### a) Fear and Low Morale

Fear and low morale are prominent themes throughout the cases. Workers report high stress because autocratic and non-supportive management undermines morale and productivity (SHRM, 2019; Labrague et al., 2023). A culture of fear hinders free and constructive communication and decreases employees' desire to present their ideas

#### b) Disengagement and Silence

The toxic organizational culture results in apathy due to reluctance to contribute ideas during meetings or make suggestions to avoid punishment (Reyhanoglu & Akin, 2022; Diab & Hassan, 2023). It is called 'the silence behavior,' which can potentially put patients at risk and hinder teamwork.

#### c) High Turnover

One general sign of toxic workplace leadership is high turnover, no matter the field. Inadequate leadership results in high turnover rates, putting organizations through financial and operational strains (Sull et al., 2022). Unhealthy work environments lead to an estimated \$300 billion in annual turnover linked to employee disengagement and burnout

### Impact on Competitiveness

#### a) Lower Productivity

Employees in toxic environments may perform poorly as toxic organizational cultures discourage innovation and productivity (SHRM, 2019; Naeem et al., 2020). Organizational leaders who do not ensure that employees' working environments are favorable end up suppressing employees' performance levels, thereby pulling down productivity

## b) High Turnover

High turnover has a negative impact on competitiveness due to the loss of expertise, productivity, high costs of replacements, etc. (Sull et al., 2022) noted that High turnover erodes the stable foundation of the organization and undermines its productivity.

## c) Reputational Damage

It also erodes organizational reputation and credibility and hampers its ability to attract talented employees. Sull et al. (2022) noted that prospective employees perceive organizations with high turnover and toxic workplace culture as unattractive.

## Impact on Sustainability

## a) Cultural Erosion

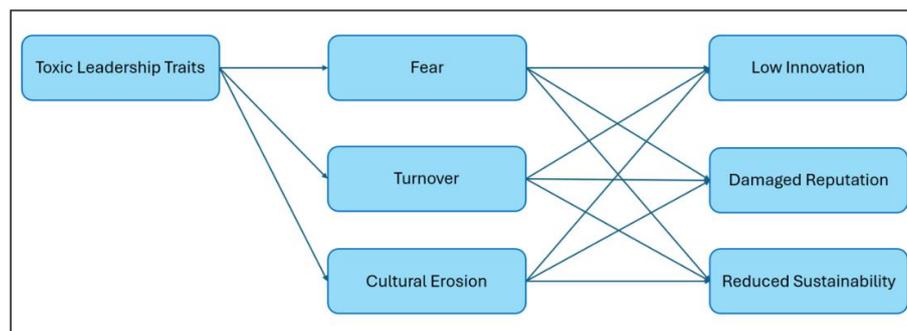
Toxic leaders undermine a positive organizational climate, replacing healthy cooperation with mistrust and exclusion (Labrague et al., 2023). This cultural erosion undermines enduring organizational focus and cohesion, which hampers the ability to sustain employee interest or motivation

## b) Financial Instability

Unhealthy workplaces are characterized by high turnover, low productivity, and damaged corporate image, thus causing fluctuations in revenue. Through recruiting expenses, truancy, and legal concerns, the performance and financial stability of the organization are affected negatively. Conversely, Labrague et al. (2023) found that toxic leadership can financially burden organizations due to the potential turnover of employees exposed to toxic leaders.

To visually capture the interplay between toxic leadership traits, key themes such as fear, turnover, and cultural erosion, and their far-reaching impacts on organizational competitiveness and sustainability, a synthesis diagram has been included (Figure 1)

Figure 1



Such effects show that it is imperative to encourage and promote constructive and ethical leadership to enhance the competitiveness and stability of organizations. Toxic leadership drags the entire workforce into a cycle of low morale, poor productivity, and disengagement, negatively fostering organizational development and performance in the long run.

## VI. CONCLUSION

### Summary of Insights

Toxic leadership, like leadership in general, is more easily described than defined, but terms like self aggrandizing, petty, abusive, indifferent to unit climate, and interpersonally malicious seem to capture the concept. It negatively impacts both the organizational climate and employees. Toxic leaders exhibit manipulative, abusive, and emotionally unstable behaviors. As a result, they negatively influence organizational culture, resulting in low morale, high attrition, and low performance. Scholarly theories such as the Toxic Triangle and the Destructive Leadership Theory show how toxic leadership manifests through influencing vulnerable followers in organizations. Studies have validated such models, indicating that organizations managed by toxic leaders face poor organizational performance.

### Practical Recommendations

1. **Leadership Training:** Employers need to offer periodic staff development programs that target areas like emotional intelligence, conflict management, and staff communication skills (Shalom & Rose, 2023). Development can assist leaders in becoming aware of the impact of their behavior on other people and create a cultural shift towards an organizational culture where people feel valued and supported.

2. **Establishing Clear Policies and Accountability Measures:** It is crucial to set up and observe the specific rules that do not tolerate toxic behavior. Employers should enact guidelines that address what is acceptable regarding the behavior of leaders, the repercussions of detrimental actions, and procedures for reporting incidents without risking reprisal. There should also be periodic evaluations of the leaders' effectiveness to ensure they achieve their goals.

3. Employee Feedback Mechanisms: Organizations can set up routine feedback mechanisms like questionnaires and discussions where employees can voice their concerns and ideas (Shalom & Rose, 2023). Sharing survey outcomes and leaders' actions can enhance awareness, engagement, and constructive conversations.

4. Enhanced Support and Resources for Employee Well-being (Shalom & Rose, 2023). Easy access to psychological resources and counseling services or well-being programs could potentially lessen the toxic impact of the leadership style in the healthcare industry.

### Future Research

Future studies should carry out a multicohort longitudinal economic study of the sources of toxic leadership, the influence of toxic leadership patterns on cultural factors in workplaces, and the effects of toxic leadership in various organizational settings, including the remote workplace environment, with emphasis on prevention strategies.

### REFERENCES

- [1] Ashforth, B. (1994). Petty Tyranny in Organizations. *Human Relations*, 47, 755-778. <https://doi.org/10.1177/001872679404700701>
- [2] Bandura, A., 1977. *Social learning theory*. Englewood Cliffs, NJ: Prentice Hall.
- [3] Bhandarker, A., & Rai, S. (2019). Toxic leadership: Emotional distress and coping strategy. *International Journal of Organization Theory & Behavior*.
- [4] Beetham, J., & Okhai, L. (2017). Workplace Dyslexia & Specific Learning Difficulties—Productivity, Engagement and Well-Being. *Open Journal of Social Sciences*, 5, 56-78. <https://doi.org/10.4236/jss.2017.56007>
- [5] Berzosa, A. (2024) 'How to recognize and deal with toxic leaders', LinkedIn, 31 October. Available at: <https://shorturl.at/5MTAq>
- [6] Çoban, C. (2022). The dark side of leadership: A conceptual assessment of toxic leadership. *Business Economics and Management Research Journal*, 5(1), 50-61. <https://dergipark.org.tr/en/download/article-file/1977827>
- [7] Diab Ghanem Atalla, A., & Hassan Mostafa, W. (2023). Relationship between toxic leadership and work outcomes: a cross-sectional study. *Egyptian Journal of Health Care*, 14(1), 199-211. [https://journals.ekb.eg/article\\_280739\\_a3b1cbdc37b210ad3c5a603933ce7d44.pdf](https://journals.ekb.eg/article_280739_a3b1cbdc37b210ad3c5a603933ce7d44.pdf)
- [8] Einarsen, S.V., Aasland, M.S. and Skogstad, A. (2007) 'Destructive leadership behavior: A definition and conceptual model', *The Leadership Quarterly*, 18(3), pp. 207-216. doi: 10.1016/j.leaqua.2007.03.002.
- [9] Emerald Insight (2023) 'Toxic leadership and its relationship with outcomes on the nursing workforce and patient safety: a systematic review.' Available at: <https://www.emerald.com/insight/content/doi/10.1108/LHS-06-2023-0047/full/html> (Accessed: 17 October 2024).
- [10] Einarsen, S., Aasland, M.S. and Skogstad, A., 2007. Destructive leadership behaviour: A definition and conceptual model. *The leadership quarterly*, 18(3), pp.207-216.
- [11] Flynn, G. (1999) 'Stop toxic managers before they stop you', *Workforce*, August, pp. 44-46.
- [12] Frost, P. J. (2004). Handling Toxic Emotions: New Challenges for Leaders and Their Organizations. *Organizational Dynamics*, 33, 111-127.
- [13] Furnham, A., & Taylor, J. (2004). *The dark side of behaviour at work. Understanding and avoiding employees leaving, thieving and deceiving*. New York: Palgrave Macmillan.
- [14] Goldman, A. (2009) *Destructive leaders and dysfunctional organizations: a therapeutic approach*. Cambridge: Cambridge University Press.
- [15] Hattab, S., Wirawan, H., Salam, R., Daswati, D., & Niswaty, R. (2022). The effect of toxic leadership on turnover Intention and counterproductive work behavior in Indonesian public organizations. *International Journal of Public Sector Management*, 35(3), 317-333. <https://www.researchgate.net/profile/Hillman-Wirawan-2/publication/358965899>
- [16] Hornstein, H. A. (1996). *Brutal Bosses and their pray*. New York: Riverhead Books.
- [17] Kile, S. M. (1990). *Helsefarleg leierskap (Health endangering leadership)*. Bergen, Norway: Universitetet i Bergen.
- [18] Krasikova, D. V., Green, S. G., & LeBreton, J. M. (2013). Destructive Leadership: A Theoretical Review, Integration, and Future Research Agenda. *Journal of Management*, 39, 1308-1338.
- [19] Lebowitz, S. (2017) 'A new study says 56% of employees have toxic bosses — here's how to know if you're one of them', *Business Insider*, 14 June. Available at: <https://www.businessinsider.com/signs-you-have-a-toxic-boss-2017-6> (Accessed: 23 October 2024)
- [20] Lipman-Blumen, J. (2005). Toxic leadership: When grand illusions masquerade as noble visions. *Leader to Leader*, 2005(36), 29-36. [https://doi.org/10.1057/9780230305335\\_23](https://doi.org/10.1057/9780230305335_23)
- [21] Lipman-Blumen, J. (2010). Toxic leadership: A conceptual framework. In F. Bournois, J. Duval-Hamel, S. Roussillon, & J.L. Scaringella (Eds.), *Handbook of top management teams* (pp. 214-220). Palgrave Macmillan UK.
- [22] Lombardo, M. M., & McCall, M. W. J. (1984). *Coping with an intolerable boss*. Greensboro, North Carolina: Center for Creative Leadership.
- [23] Mackey, J. D., Ellen III, B. P., McAllister, C. P., & Alexander, K. C. (2021). The dark side of leadership: A systematic literature review and meta-analysis of destructive leadership research. *Journal of Business Research*, 132, 705-718.

<https://members.bestbusinesscoach.ca/wp-content/uploads/2022/11/The-dark-side-of-leadership-A-systematic-literature-review-and-meta-analysis-of-destructive-leadership-research.pdf>

- [24] Mehta, S., & Maheshwari, G. C. (2014). Consequence of Toxic Leadership on Employee Job Satisfaction and Organizational Commitment. *Journal of Contemporary Management Research*, 8, 1-23.
- [25] MIT Sloan Management Review (2022) 'Toxic culture is driving the Great Resignation.' Available at: <https://sloanreview.mit.edu/article/toxic-culture-is-driving-the-great-resignation/> (Accessed: 17 October 2024).
- [26] Naeem, F., & Khurram, S. (2020). Influence of toxic leadership on turnover intention: The mediating role of psychological wellbeing and employee engagement. Naeem, F., & Khurram, S.(2020). Influence of toxic leadership on turnover intention: The mediating role of psychological wellbeing and employee engagement. *Pakistan Journal of Commerce and Social Sciences*, 14(3), 682-713. <https://papers.ssrn.com/sol3/Delivery.cfm?abstractid=3706933>
- [27] Namie, G., & Namie, R. (2000). *The bully at work. What you can do to stop the hurt and reclaim the dignity on the job.* Naperville: Sourcebooks, Inc.
- [28] Padilla, Hogan, & Kaiser. (2007). The toxic triangle: Destructive leaders, susceptible followers, and conducive environments. *The Leadership Quarterly*, 18(3), 176-194.
- [29] Quiroz-Gutierrez, M. (2024). Nvidia employees often work seven days a week and until 2 a.m., but golden handcuffs keep them tied to the company. *Fortune*. <https://fortune.com/2024/08/27/nvidia-employees-stress-pressure-work-place-stock-grants-wealth/>
- [30] Rashid, M., & Rizvi, S. T. H. (2020). Impact of Workplace Bullying on Employee Creativity. Role of Workplace Fear, Employee Silence, and Psychological Capital. *RADS Journal of Business Management*, 2(2), 59-78. <http://www.jbm.juw.edu.pk/index.php/jbm/article/download/32/24>
- [31] Reyhanoglu, M., & Akin, O. (2022). Impact of toxic leadership on the intention to leave: research on permanent and contracted hospital employees. *Journal of Economic and Administrative Sciences*, 38(1), 156-177. <https://www.emerald.com/insight/1026-4116.htm>
- [32] Schmidt, A. A. (2008). Development and Validation of the Toxic Leadership Scale. Ph.D. Thesis, University of Maryland.
- [33] Schubert, J. (2022). 'Is quiet quitting about bad leadership?', LinkedIn, 21 September. Available at: <https://shorturl.at/X91Ew>
- [34] Shalom, J., & Rose, J. (2023). Preventing Toxic Leadership through Leadership Development. *Politics & Policy*. [https://www.researchgate.net/publication/376134478\\_Preventing\\_Toxic\\_Leadership\\_through\\_Leadership\\_Development?enrichId=rgreq-32d1f10566469872c080c8718820fc7c-XXX&enrichSource=Y292Z2XJQYWdlOzM3NjEzNDQ3ODtBUzoxMTQzMjMTIwODY0OTgwMUAXNzAxNDc1NDUzMjMy&el=1\\_x\\_2&\\_esc=publicationCoverPdf](https://www.researchgate.net/publication/376134478_Preventing_Toxic_Leadership_through_Leadership_Development?enrichId=rgreq-32d1f10566469872c080c8718820fc7c-XXX&enrichSource=Y292Z2XJQYWdlOzM3NjEzNDQ3ODtBUzoxMTQzMjMTIwODY0OTgwMUAXNzAxNDc1NDUzMjMy&el=1_x_2&_esc=publicationCoverPdf)
- [35] SHRM. (2019) The high cost of a toxic workplace culture How culture impacts the workforce—and the bottom line [https://www.shrm.org/content/dam/en/shrm/research/SHRM-Culture-Report\\_2019.pdf](https://www.shrm.org/content/dam/en/shrm/research/SHRM-Culture-Report_2019.pdf)
- [36] Sull, D., Sull, C., & Zweig, B. (2022). Toxic Culture Is Driving the Great Resignation — ACMP NorCal. ACMP NorCal. <https://www.acmpnorcalchapter.org/changemanagement-articles/2022/1/26/toxic-culture-is-driving-the-great-resignation>
- [37] Snow, N., Hickey, N., Blom, N., O'Mahony, L. and Mannix-McNamara, P. (2021) 'An exploration of leadership in post-primary schools: the emergence of toxic leadership', *Societies*, 11(2), p. 54. doi: 10.3390/soc11020054.
- [38] Stringer, D.M., Hurlbert, J.H., BOSWELL, M.L. and BARFOOT, S., 2023. Defining Toxic Leading for the Air Force. *Air & Space Operations Review*, 2(4).
- [39] Sull, D., Sull, C., & Zweig, B. (2022). Toxic Culture Is Driving the Great Resignation — ACMP NorCal. ACMP NorCal. <https://www.acmpnorcalchapter.org/changemanagement-articles/2022/1/26/toxic-culture-is-driving-the-great-resignation>
- [40] Vara-Horna, A., Asencios-Gonzalez, Z., Quipuzco-Chicata, L., Díaz-Rosillo, A., & Supo-Rojas, D. (2023). Preventing Workplace Sexual Harassment and Productivity Loss during Crisis Periods: The Protective Role of Equitable Management. *Sustainability*, 15(23), 16195.
- [41] Whicker, M. L. 1996, "Toxic Leaders: When Organizations Go Bad", New York: Doubleday
- [42] Wolor, C.W., Ardiansyah, A., Rofaida, R., Nurkhin, A. and Rababah, M.A. (2022) 'Impact of toxic leadership on employee performance', *Health Psychology Research*, 10(4), p. 57551. doi: 10.52965/001c.57551.
- [43] Zaman, A., Iqbal, N., Yasmin, R., & Imran, M. K. (2023). Toxic leadership and employee outcomes: The mediating role of psychological contract breach. *European Journal of Management and Business Economics*