

Wolf In The Corner Office: Identifying & Neutralizing High-Performing Toxic Leaders



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Problem of Practice:

One of the pervasive leadership challenges faced by organizations globally today is balancing high performance with the well-being of employees. Organizations often overlook or downplay abusive behaviors exhibited by star performers. However, the impact of abusive supervision extends far beyond individual victim outcomes. It affects organizational culture, erodes trust, collaboration and team morale. Moreover, when high performers engage in abusive behaviors, it signals to others that success justifies poor behavior, setting a toxic precedent. A recent [study](#) by Robert B. Lount Jr., Woohee Choi and Bennett J. Tepper talks about how a leader's performance sets the tone on how the employees perceive them – as an abuser or a 'tough love' leader.¹ This essay discusses how senior leaders and middle management can identify and address abusive supervision in their organizations

¹ The article "“Abuser” or “Tough Love” Boss?: The moderating role of leader performance in shaping the labels employees use in response to abusive supervision" by Robert B. Lount Jr., Woohee Choi and Bennett J. Tepper featured in Volume 183 of *Organizational Behavior and Human Decision Processes* talks about how a leader's performance sets the tone on how the employees perceive them – as an abuser or a 'tough love' leader

Dark side of high performance

Research shows that the line between an abusive boss and a tough boss is quite blurry and when the boss is a star performer, the followers perceive the abusive behavior as 'tough love' instead of reporting it as deviant or problematic. Does this sound surprising? Data shows that abusive supervision [affects](#) up to 13.6% of employees in the United States and costs companies an estimated \$23.8 billion annually.²

So, what is abusive supervision? The standard definition for [abusive supervision](#) is 'a sustained display of hostile verbal and nonverbal behaviors, excluding physical contact'.³ Abusive supervision is characterized by public humiliation, extreme criticism, loud tantrums, frequent outbursts of anger, rude and disrespectful behaviour and the use of coercion towards employees, among many other forms.

Consider one of the famous role models for leadership in modern times, Steve Jobs. He was known for his creative and innovative genius but he was also known for his autocratic management style, the tendency to micromanage and being a [difficult boss](#) who did not hold back on strong feedback.⁴ Steve Jobs' leadership style was often marked by both rudeness and inspiration. Apple cofounder Steve Wozniak believed such conflicts and harshness were unnecessary but Jobs stood by his approach, which "came from who he was and his background".⁵ Jobs inspired Apple employees with a deep passion for creating innovative products and instilled a belief in their ability to achieve the impossible. Although Jobs admitted he might have achieved the same results while being nicer, he felt his direct and sometimes rough style was essential to his leadership.

Tough love or toxicity

But there is a very blurry line between abusive supervision and tough love. Those with a penchant for high levels of work excellence may get away with micromanagement, excessive criticism and even intimidation under the garb of 'getting results'. However, [studies](#) have found that employees under abusive supervision suffer from psychological distress, decreased job and life satisfaction, increased conflicts at work, high anxiety and depression, emotional exhaustion, decreasing commitment and productivity at work.⁶ Often, subordinates may rationalize abusive behavior as 'tough love' or a commitment to excellence or a drive for success, especially when the leader is a star performer, as was the case with Jobs.

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In contrast, when the leader is not a high performer, the tolerance for problematic behaviors is less and employees see the leaders' actions from a more transparent lens and even report the abuse. A prime example is Silicon Valley's erstwhile 'visionary star' and founder of Theranos, [Elizabeth Holmes](#).⁷ She was found guilty of several fraud charges, and her company, Theranos, was dissolved in 2018. But when she was at her



peak, employees found her inspiring and justified her controlling, demanding and abusive leadership since she was going to 'change the world'. However, when the truth about her failure to develop blood-testing technology was revealed, employees turned against her and reported instances of abuse, deception and control. Unlike Steve Jobs, employees realized that Holmes and others in top management had disillusioned them and that the high-performance culture at [Theranos](#) was merely a façade for manipulation and abuse.⁸

Often, the idealists amongst us would question the abusive behavior of high-performing leaders and its impact on the organization's culture. However, the pragmatists would argue that letting star performers go would mean arming our competition with excellent talent and a grudge against us. Such companies argue that the benefits they reap in the form of happy clients, and higher financial returns cover up for the mistreatment the abusers dole out. Such benchmarks and norms are especially accepted in industries that require quick decision-making such as high-tech, advertising, global sales and film production. Ambitious and aspirational employees often look up to these leaders for mentoring and motivation. But is the perception of such leaders and its effect uniform across all employees?

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Such 'tough love' leaders often demand long work hours, relentlessly push for excellence and put intense pressure on teams. Take the leadership style of [Elon Musk](#), known for co-founding Tesla and SpaceX – some consider it transformational, others call it reckless.⁹ Reports describe Musk's [leadership](#) as very demanding and intense.¹⁰ Musk places high expectations on his staff, pushing them to think and innovate constantly, which brings results. But, this style can also lead to a highly pressurized work environment, which can harm employee morale and productivity.

So then, should managerial leaders at various levels and sectors adopt such a style to reach new heights? While Musk is known to appreciate employees for their unwavering efforts, his employees need to be at their best whenever the boss demands. Such a leadership



style is highly focused on getting results at the cost of concern for individual and employee well-being, mental health, happiness and psychological safety. When others emulate Musk's leadership attributes, its acceptance can justify abusive behaviour, thus enabling a corporate culture of high pressure and toxicity in the name of high performance.

Then there are some high-performing leaders who are good at hiding their bad behaviour while others are not even afraid of consequences due to lack of accountability. Hence, there is a need to bring their behaviour to notice and make them accountable. To take a leaf from history, consider the case of [Leona Helmsley](#), 'The Queen of Mean'.¹¹ She owned and managed around 30 hotels in America in the 1980s and was known for berating and firing staff over minor mistakes. Unfortunately for Leona, her story ended in jail for tax invasions. Her abusive treatment of employees backfired, when former staff queued up to testify against her in court, recounting tales of fear and business fraud.

This leads to the question of whether employees are able to speak up only when their bosses are exposed for being involved in illegal or fraudulent activities and are out of the company. The problem then lies in the inability of organizations to establish a system whereby employees can speak up freely against abusive leaders still on the payroll.

Mitigating the impact

As discussed, employees working under abusive supervision tend to suffer from severe physical and mental distress, and it is here that leaders need to

question whether the cultural damage caused by a lack of accountability in mistreating employees is worth the profits that star performers bring to the table.

The clarion call for organizations is to create an ecosystem that identifies, addresses and resolves any grievances of mistreatment fairly and swiftly so that anyone in the organization, star performer or not, does not feel that they are unaccountable. Human Resources (HR) must partner with the top leadership to design a zero-tolerance policy towards workplace mistreatment. Since perceptions of abuse and mistreatment are subjective, the guidelines to deal with cases of undesirable behavior of team leaders should leave no room for abusive leaders to retaliate, even when a case is of a simple nature. Practical steps include establishing anonymous feedback channels or direct communication pathways to senior management. For instance, the Indian multinational IT company HCL uses an online ticketing system that allows employees to report [management concerns](#), while Tata Consultancy Services, another Indian multinational technology company, addresses grievances through arbitration.¹² As HCL CEO Vineet Nayar said, “the organization would be inverted, where the top is accountable to the bottom”. Additionally, there is a need to create an open environment where employees can approach top management directly.

Looking back at what Steve Jobs and Steve Wozniak acknowledged, results could be achieved with a

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different, softer approach; therefore, there is a need for leaders at every level to adopt alternative approaches to meet their team and departmental targets. This requires interventions at the organizational level in the form of leadership training programs and awareness of the consequences of abusive behaviour. Leadership training programs train team leaders to follow [behavioral norms](#) that imbibe moral integrity, respect for employee well-being over performance and increase accountability.¹³ The training programs should be built on understanding why certain behavioral norms should be promoted and how they level up to the values and purpose of the company. Top management can lead by example. For example, initiatives like HCL's 'Employee First, Customer Second' [policy](#) demonstrate how valuing employees enhances their sense of ownership and commitment to the company's success.¹⁴ The company CEO turned the organizational chart upside-down and made [managers](#) accountable to frontline employees.¹⁵ He also ensured that those in support functions supported frontline employees, instead of just following hierarchy's rigid systems. Similarly, [Wipro](#) has also



implemented a seven-step leadership reviews program, 'Winds of Change', to convert employee feedback into action and ensure leaders meet business goals and uphold company culture.¹⁶

HR managers can play an essential role in ensuring the efficiency of such programs and reviews. As Vineet Nayar, former CEO of HCL, emphasized, HR's role extends beyond merely adhering to policies or managing structures. According to him, HR is profoundly responsible for understanding each employee's unique [aspirations](#) and igniting a sense of purpose at the individual level.¹⁷ For HR to be truly transformational, it must take ownership of identifying and addressing abusive supervision directly rather than dismissing such behaviour as a common occurrence.

Redefining modern leadership

Abusive supervision, workplace gaslighting, incivility and many other forms of insidious behaviors may seem

to lie in the eyes of the victim and get miscategorized as 'tough love' or 'the way the world works'. However, their ripple effects are detrimental to employees and organizations' culture. The deterioration of mental well-being and employee morale, productivity and corrosion of culture that such leaders leave in their wake does not justify their worth. Ultimately, the litmus test of an organization's success lies not just in the performance of its stars but in its ability to hold every leader accountable, ensuring that respect and fairness are not sacrificed at the altar of high performance. The organisations must acknowledge toxic traits such as abusive supervision as a problem and take steps to correct them, as HCL did by making managers accountable to employees. Our essay highlights other exemplars, such as TCS and Wipro, which have converted the feedback from concerned employees into action.



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Article Information:

Date article submitted: Dec 3, 2024

Date article approved: Feb 13, 2025

Date article published: Mar 31, 2025

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