

Henley Business School

University of Reading

**Management by Perkele!**

**Understanding the History, Prevalence and Impact of Power Abuse,  
Narcissism and Destructive Management Behaviours in Finnish  
Organizations**

Word Count: 18,582 words

By Marko J. Repo

Student Number: 27024240

January 2022

Management Research Challenge (Dissertation) submitted in partial fulfilment  
of the requirements for the degree of

Master of Business Administration



Narcissus (Caravaggio, c. 1597-1599)  
Galleria Nazionale d'Arte Antica. Rome, Italy

*“Fool, why try to catch a fleeting image, in vain?  
What you search for is nowhere: turning away, what you love is lost!  
What you perceive is the shadow of reflected form: nothing of you is in it.  
It comes and stays with you, and leaves with you, if you can leave!”*

– Ovid, *Metamorphoses*, Book III (8 A.D.)  
Translated by A.S. Kline

# Abstract

Creating a functional *organizational culture* is the paramount task of its leaders in order for employees to put their capabilities systematically into good use. Executive activities always take place in a cultural context and, as a corollary, a healthy organizational culture must align with the values and norms of its surrounding society. When a *destructive leadership* style becomes an endemic part of organizational culture, it takes a heavy toll on the employees' well-being at the individual level and may severely affect the performance – or even the public image – of the organization itself.

The modern research of destructive leadership is revolving around how these destructive behaviours manifest themselves in organizations, looking both into the aspects related to the organizational culture itself and individual dark traits exhibited by their leaders.

Based on extensive literature review and several interviews with experts of HR and psychology, this work attempts to explore the various forms of destructive leadership and its impact in Finnish organizations. The primary research data consists of 138 self-administrated employee surveys supported by information collected by four individual expert interviews. The acquired data is evaluated in light of five research hypotheses and four separate research parameters, with an initial presumption that destructive leadership exists in Finnish organizations and is more common than thought.

The research suggests that destructive leadership is a *prevalent*, albeit somewhat poorly understood phenomenon at Finnish workplaces, manifesting itself in several negative ways and having detrimental consequences especially for employees' *health & well-being, motivation & engagement* and the *organizational performance*. The executive level and the HR function play a critical role for maintaining a healthy organizational culture. The role of the HR and *recruitment processes* becomes critical in order to prevent people with toxic personalities from ending up in the key positions of an organization.

# Acknowledgments

I want to express my deepest gratitude to all the members of our whole MBA cohort – all those decent fellows who shared the whole amazing journey with me, but also those who chose to hop off from the ride and all those whose paths crossed mine just intermittently: Ari Tarvainen, Antti Katajakunnas, Emma Liljeström, Meeri Kantola, Johanna Helminen, Tuomas Hiironniemi, Lars Holm, Olli Mäkelä, Tiina Hovi, Antti Joki, Marja Keso, Toni Korpivaara, Frank Ligthart, John Lönnberg, Tuula Mäki, Kari Saukkonen, Juha Vakkila, Miika Varjonen, Ulla Kärnä and Oona Paasolainen. You all made this trip worth it.

For endowing us with all their wisdom and professional insight, I want to thank all the professors, organizers and other assistants of Henley Business School. A big special thanks goes to Prof. Chris Dalton for his outstanding Personal Development module series and providing us with a new perspective into career development and life in general. I want to particularly thank Mr. Michael Starkey for supervising this thesis, for all his valuable feedback and keeping up high academic standards on my work.

I wish to extend my thanks to all the current and former, diligent and hard-working people of Henley Business School faculty in Finland: Annu Matula, Juha Malmivaara, Paula Sääski, Maarit Aalto, Kirsi Vepsäläinen, Sabine Doms, Päivi Harajärvi, Salla Gantsi and others.

I am also in debt of gratitude to my employer Nohau Solutions AB and all my jolly colleagues in Finland, Sweden and Denmark: Mikael Johnsson, Leevi Lehtinen, Renny Ruha, Monica Viljainen, Joona Sauramäki, Kalevi Ratschunas, Flemming Jensen, Henrik Andersen, Ahmed Khalifeh, Alexander Majzoub, Joakim Nilsson, Jonas Tran, Jörgen Nilsson, Lena Bernhardsson, Malin Holmström, Martin Andersson, Mikael Gustafsson and Victoria Andén.

Finally, I am thankful to all my precious friends for providing me with their support and encouragement during this challenging endeavour. Big special thanks both to my dear friends Tuulikki and Joonas for all the good times we have spent together.

# Table of contents

<b>Abstract</b>	<b>3</b>
<b>Acknowledgments</b>	<b>4</b>
<b>Table of contents</b>	<b>5</b>
<b>List of figures</b>	<b>7</b>
<b>List of tables</b>	<b>8</b>
<b>Chapter 1 – Introduction</b>	<b>9</b>
1.1 Background and context	9
1.2 Significance – why is this research needed?	11
1.3 Research questions and objectives	12
1.4 Personal objectives	13
1.5 The outline of this work	14
<b>Chapter 2 – Review of existing knowledge and practice</b>	<b>15</b>
2.1 Review purpose	15
2.2 External context – the surrounding society’s culture	15
2.3 Internal context – the organizational culture	18
2.4 Leadership in cultural context	21
2.5 Understanding destructive leadership	22
2.6 Abusive leadership, workplace bullying and violence	25
2.7 Toxic and counterproductive leadership	26
2.8 The Dark Triad – destructive leadership personality	27
2.8.1 Narcissism	30
2.8.2 Machiavellianism	32
2.8.3 Corporate psychopathy	33
2.9 Review conclusion and knowledge gaps	36
<b>Chapter 3 – Research methodology</b>	<b>39</b>
3.1 Research philosophy and selected methods	39
3.2 Rationale for mixed-mode research methodology	41
3.3 Sampling frame	42
3.4 Refining the sample data for analysis	42
3.5 Administration and methodological limitations	43
3.6 Description of organizational employee surveys	44
3.7 Supporting expert interviews	49
3.8 Research hypotheses	50
3.9 Concluding words on adopted methodology	51
	5

<b>Chapter 4 – Data acquisition and analysis</b>	<b>52</b>
4.1 Research process overview and timeline	52
4.2 Data profile overview and analysis methods	53
4.2 Employee surveys – quantitative data analysis	54
4.2.1 Distribution of employees’ observations by research categories	56
4.2.2 Experienced levels of impact by research categories	57
4.3 Employee surveys – qualitative analysis and thematic highlights	59
4.3.1 Destructive leadership culture	62
4.3.2 Abuse of Power & Corruption	64
4.3.3 Dark psychological traits	65
4.3.4 Abusive supervision & Violence	68
4.3.5 Toxic leadership	69
4.4 Individual interviews – summary	71
4.4.1 On the organizational culture and leadership	71
4.4.2 On the nature of Dark Triad traits and their impact	72
4.4.3 On the importance of the HR and recruitment processes	73
4.4.4 On good leadership and organizational practices	74
4.5 Interpretation of data and further discussion	75
<b>Chapter 5 – Conclusion and recommendations</b>	<b>77</b>
5.1 Conclusion	77
5.2 Recommendations for organizations	80
5.3 Acknowledged limitations and future work	82
<b>Chapter 6 – Personal reflections</b>	<b>84</b>
<b>References</b>	<b>87</b>
<b>Appendices</b>	<b>96</b>
Appendix I – Abridged transcriptions of employee surveys	96
Appendix II – Respondent sample summary	130
Appendix III – Supplementary interview questions	135
Appendix IV – Personal correspondence and interviews	139

## List of figures

1. Caravaggio: Narcissus	<b>2</b>
2. Hofstede Country comparison in six dimensions	<b>16</b>
3. The Cultural Iceberg model adapted from Schein (1985)	<b>21</b>
4. A classification of destructive leadership behaviours	<b>23</b>
5. The Toxic Triangle: The leader, the followers and the environment	<b>24</b>
6. The Dark Triad personality constructs	<b>28</b>
7. Locations of dark traits in the Interpersonal Circumplex	<b>29</b>
8. Psychopathy in relation with ASPD and NPD	<b>34</b>
9. Illustration of Saunders Research Onion model	<b>40</b>
10. The research setup represented as convergent parallel design	<b>41</b>
11. The Employee Survey data collection process flow illustrated	<b>45</b>
12. The distribution of respondent organizations by types and sizes	<b>54</b>
13. The distribution of respondents by their organizational positions	<b>55</b>
14. The distribution of the observed forms of destructive leadership	<b>56</b>
15. Reported impact on employees' health & well-being	<b>57</b>
16. Reported impact on employees' motivation & engagement	<b>57</b>
17. Reported impact on organizational goals & performance	<b>58</b>
18. Reported impact on organizational perceived image & reputation	<b>58</b>

## List of tables

1. Analyzing Finland in Hofstede's six cultural dimensions	<b>17</b>
2. Employee survey questions – section one	<b>46</b>
3. Employee survey questions – section two	<b>47</b>
4. Illustration of first-order thematic analysis for qualitative data	<b>60</b>
5. Illustration of second-order thematic analysis for qualitative data	<b>61</b>
6. Featured highlights of destructive leadership culture	<b>62</b>
7. Featured highlights of abuse of power and corruption	<b>64</b>
8. Featured highlights of dark psychological personality	<b>65</b>
9. Featured highlights of abusive supervision and violence	<b>68</b>
10. Featured highlights of toxic leadership	<b>69</b>

# Chapter 1 – Introduction

## 1.1 Background and context

The impetus for this MBA dissertation came from the 2019 statistics released in the Finnish Working Life Barometer by the Ministry of Economic Affairs and Employment, an annual high-level overview of the national working conditions. Based on the data, roughly 36% of employees in the private sector and 44–46% in the public sector had observed discrimination at their workplace. In addition, 56% of the people interviewed had observed occasional workplace harassment “...by their colleagues, supervisors or customers”, and 26–49% of the municipal employees had either observed or experienced physical violence themselves (Keyriläinen, 2020). According to the Finnish Institute of Occupational Health (2019), roughly 140,000 Finnish employees get subjected to inappropriate workplace behaviour such as *bullying*, *harassment* or *violence* every year.

Being publicly renowned for its low levels of corruption, Finland has a good international reputation, entitling the country’s perception as one of the least corrupt countries in the world (Transparency International, 2020). However, this notion has been severely challenged by several recent blatant cases of high-level scandals involving *corruption* and *abuse of power*. Particularly notable has been the case of Jari Aarnio, the former head of Helsinki anti-drugs police (BBC, 2016). He was sentenced to jail for several aggravated crimes, including abuse of office, drug trafficking, coercion, murder and bribery. Another recent scandal occurred in 2021, when the head of the National Audit Office of Finland (NAOF), was suspended from her office due to several suspected malpractices (Helsinki Times, 2021). Although no official prosecution has been raised by the time of writing, the gravity of this case was accentuated by the NAOF’s governmental watchdog role as a “supervisor of supervisors”.

The aforementioned facts provide a strong rationale to ask, to which extent the reported cases are symptomatic of more persistent, espoused factors attributed to the Finnish working culture? Are there some other culturally specific

variations of leadership malpractices to be found, which are so deeply ingrained and taken for granted that they are not any longer discernible from the normal social conventions? These examples also give rise to the thought that the Finnish non-corrupt image might be spurious – or biased – to some degree, rather based on public indoctrination and cultural acclimation than reality. Thwarting evil by unseeing it has a strong cultural heritage in Finland. While high-profile scandals have an enormous potential to undermine public morale, they also raise concerns of a deeper moral problem tightly knit inside the Finnish public sector.

The history provides several examples of prominent global corporations whose demise was actively furthered by their own executive malpractices – Enron, Monsanto, Tyco and WorldCom to mention a few. The former France Télécom (now, Orange S.A.) is haunted by its scandalous reorganization program during the period of 2008–2009 and the notorious staff reductions leading to thirty-five employee suicides. Its former CEO, Mr. Didier Lombard has reputedly said: *“I’ll get them out one way or another, through the window or through the door.”* (BBC, 2019). The scandal had abysmal consequences for the company’s reputation, causing its name to become a byword for *toxic management*. Both Orange and Mr. Lombard were found guilty of moral harassment *“...not merely tolerated by the executive, but deliberately integrated into the management system and systematically applied on an industrial scale.”* (Leaders League, 2019; CBC News, 2019).

The France Télécom case serves as a gloomy demonstration of *destructive leadership*, referring to systematic executive or managerial practices – legally or morally questionable – occurring *intendedly and repeatedly, manifesting themselves in daily leadership practices within an organization*, which are created in *interaction between the leader, the followers and the environmental context*, and are *embedded into its working culture as an accepted reality*, despite their tangential or offensive nature towards the legislation, the norms of society or the business practices ordinarily considered as generally acceptable.

The Finnish business history cannot provide such grandiose scandals of international scale, but there are examples of famous executive blunders (e.g. Nokia's downfall) where the organization's direct leadership contributed towards its downfall or at least hastening it on its own – not because of undertaken strategic decisions per se, but the harmful cultural influence that had spread across and become rooted within the company.

## **1.2 Significance – why is this research needed?**

There are leadership styles that are particularly harmful or outright toxic to the organization, despite the fact that they are not identified as such until later times after conducting a rigorous post-mortem case analysis. Superficially impeccable and lawful organizational facades can often hide a toxic working culture. Due to the introverted nature of these organizations, collecting information from their practices can be formidably challenging. Corrupt employee non-disclosure practices have been a particularly hot discussion topic in recent years, and increasingly frequent confidentiality agreements, often encountered in higher level positions of organizations, have the potential to exacerbate the problem by silencing the employees from speaking out about observed misbehaviours (see e.g. Business Insider, 2020; Forbes, 2020; Passman&Kaplan, 2017).

The existing body of business management literature on destructive leadership in Finland reveals that the research seems to be relatively unorganized and scattered. The field is extensive and no comprehensive study attempting to chart the different forms of bad leadership practices in Finland exists as of the time of writing. While the inappropriate behaviour at the workplaces – notably the different forms of *abusive supervision* (forming a particular subcategory in its own) is generally a well-understood and reported topic in Finland, evidently the other facets of destructive leadership and its various modes of manifestation have received little public attention. While there are several studies pertaining to certain aspects of dark leadership, they typically take a psychological approach and settle for narrowly examining certain leader characteristics such as narcissism. There is an observable knowledge gap that undoubtedly provides an opportunity for a deeper study.

This dissertation arose from the need to explore the *prevalence* of different types of destructive leadership in Finland, understand them in the cultural context and assess the *impact* of potentially harmful effects faced by organizations and the surrounding society including such factors as *economic losses, lost productivity, stained public reputation, degraded working morale* and *increased absenteeism*. Based on precursory and informal conversations with several different people concerning destructive leadership prior to embarking on the actual writing work at the preliminary stages of this study, it became evident that there are plenty of experiences and observations that people working in different positions all over the society are willing to share.

This work is aimed to bring valuable information for individuals working in different managerial roles of organizations – especially those occupying HR functions and responsible for developing new recruiting practices in their organizations, leaders in different executive and managerial roles, recruiting agencies and public institutions. The study is also intended to consolidate the leaders' understanding of the mechanisms through which the negative influences spread within organizational culture. For a reader more interested in social aspects of how destructive leadership manifests in Finland, the study will hopefully serve as a useful source of first-hand individual experiences and stories of witnessed malpractices and misconduct as they happened.

### **1.3 Research questions and objectives**

While the available body of international academic literature on bad leadership practices is accumulating, the research specific to Finland remains relatively scarce. This study aims to explore the various forms of destructive leadership in organizations, assessing their relevance, prevalence and impact in the Finnish cultural context and historical basis.

The research questions are as follows:

- *How common (prevalence) is destructive leadership as a phenomenon in Finnish organizations and which forms (impact) does it take?*
- *What can be done to prevent or mitigate the negative effects of destructive leadership in organizations?*

Drawing upon the information available from the management literature, news and journals, and supported by the research data collected from the field, the objectives of this study are three-fold as follows:

- *Gain a better understanding of the contemporary destructive leadership in cultural context – how it manifests in Finnish organizations and how it is experienced by the employees of these organizations.*
- *Form a better understanding of destructive leadership in Finnish organizations by reflecting the acquired employee experiences against information provided by well-informed experts of the field.*
- *Explore the ways how Finnish organizations can mitigate the occurrence of destructive leadership and – based on the evidence – suggest best practices in order to prevent this destructive influence in organizations.*

## **1.4 Personal objectives**

In the first place, this work should be seen as an endeavour to understand how negative leadership behaviour contributes to organizations' success or failure. While it represents the last milestone on my MBA journey and a personal attempt to understand the dark side of human psychology thus supporting my personal learning goals, I hope this work also benefits the Finnish organizations and all aspiring future leaders.

The secondary aim of this work is to further my development as a professional and develop our organization, allowing me to become a better leader and promote understanding on how to better create a healthy, functional working environment.

## **1.5 The outline of this work**

This work contains six chapters and is structured as follows.

Chapter 1, this chapter, serves as a background for the research. Providing the rudimentary introduction to the topic, it defines the research questions and the personal objectives, and finally explains why further research will be needed.

Chapter 2 provides an overview of the existing literature and introduces the reader with necessary terminology, concepts, theory and frameworks. Building on modern management research, it elaborates on the concept of culture and its significance in leadership, then delving into various forms of destructive leadership and examining their various modes of manifestation more closely.

Chapter 3 outlines the adopted research methodology for the field study carried out as a part of this work. Introducing the principles and methodology behind the field research, it also provides an overview of the sampling process and survey administration. Lastly, it describes the structure of the research methods.

Chapter 4 elaborates on the collected results, providing a deeper analysis on the data acquired by the employee surveys and the summarized contents from the supplementary expert interviews. The data is analyzed by reflecting it against the theory and the practical interpretation of these results is discussed.

Chapter 5 serves as the conclusion, discussing the key observations and provides recommendations for organizations. It aims to pull together all the deliverables gathered over this research and contemplate on their significance and limitations. The chapter also discusses ideas for further research.

Chapter 6 contains the author's own personal reflections in light of the set learning objectives and contemplation of observed personal development. Written from a personal perspective, it provides an introspective view of the overall takeaways from this research and the whole MBA journey in general.

# Chapter 2 – Review of existing knowledge and practice

## 2.1 Review purpose

This chapter provides an overview of existing knowledge by delving into the body of the state-of-the-art leadership research available. After introducing the reader to the concept of *culture* in *external* and *internal* contexts, the chapter continues by discussing the *role of leadership in a context of creation of organizational culture* and defining *destructive leadership*. Finally, the chapter provides a discourse on the various elements of destructive leadership and how they might take place at *organizational* and *individual* levels.

## 2.2 External context – the surrounding society's culture

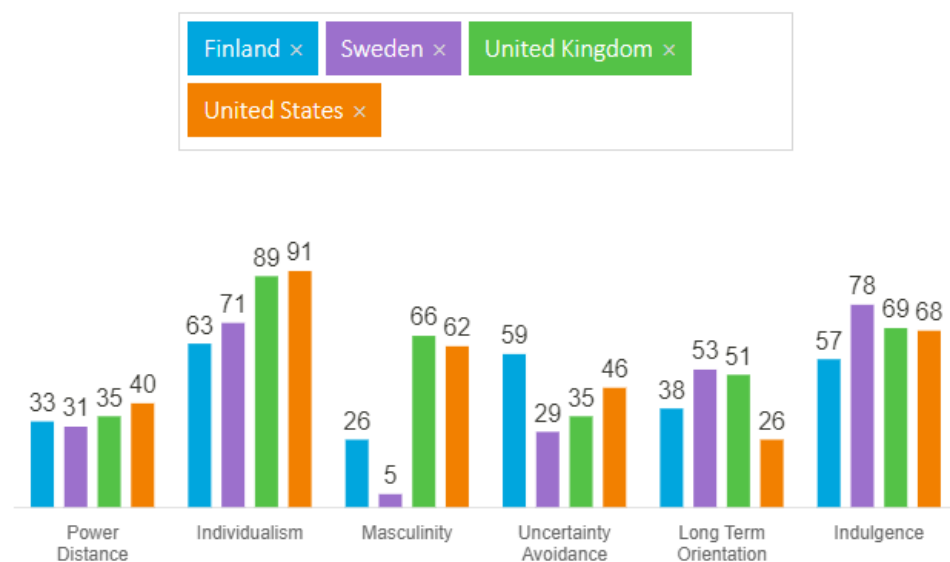
According to Hofstede (2001), a culture is “...*the collective programming of the mind which distinguishes the members of one group or category of people from others*”. Schein (1985) sees the culture as a set of shared solutions to universal problems of *external adaptation* and *internal integration*. The norms, beliefs, attitudes and values of a society – its culture – are formed over a long time as a result of complex evolution of various macro-environmental factors, such as the indigenous historical heritage, politics, economy, demographics, institutions, technological progress, environment, jurisdiction and various international agreements (see e.g. Tayeb, 2003). There is *heterogeneity*, however, and conflicting subcultures exist within a national culture (Wilton, 2016). Social structures are historically embedded and can be slow to change, despite the pressure of globalization (Wilton, 2016: 113).

The leadership practices should always be examined against the backdrop of the cultural context. This implies that setting universally applicable, prescriptive moral standards for good or bad business leadership practices (so called *universalist view*) is problematic. This is meant by saying that leadership is *contextual* and *contingent*. However, in order to preserve its acceptability and

reputation, an organization needs to always match its practices to conform with the *beliefs*, *norms* and *values* meaningful for the surrounding society.

Hofstede (2001) measured the cultural values of 117,000 IBM employees in 40 countries, categorizing them in five cultural dimensions. Using the categories of *individualism*, *power distance*, *uncertainty avoidance*, *masculinity* and *long-/short-term orientation*, his goal was to assess the effect of these cultural traits in organizations.

The picture (see Figure 2.1) compares Hofstede's dimensions for four industrialized western countries. The sixth dimension, *indulgence*, was incorporated later after the original study.



*Figure 2.1. Finland, Sweden, the UK and the US comparison using Hofstede's six dimensions. Source: Hofstede Insights (2021)*

The interpretation of these scores are presented in Table 2.1 below. In many ways, these results reflect Finland's fairly young status as a highly developed Western country, with a link to its closed past and clan-like traditions. While indicating fairly *low inequalities*, somewhat *rigid moral codes* and *respect for traditions*, they also exhibit high appreciation of *individual freedom*, *well-being* and *individual responsibility* seen in other high-developed countries.

Despite their common past, Finland and Sweden (the latter being even more liberal and well-being oriented) have retained less similarities than the UK and the US, which – probably due to their common language ancestry and roots in a class society – are more tolerant towards *inequalities, individual profit-seeking* and aggressive *pursuing of power*.

Table 2.1. Analyzing Finland in Hofstede's dimensions (Hofstede Insights, 2021)

**Power distance (low)**

*Flat hierarchies, equality, independent style, coaching management, decentralized power, direct communication and dislike of control.*

**Individualism (fairly high)**

*Individualist society. Loosely-knit society, responsibility of self, guilt and loss of self-esteem when violating societal norms, meritocracy, management of individuals and contracts based on mutual benefits.*

**Masculinity (low)**

*Feminine society. Caring for others and quality of life matters. Typical features are: work to make a living, seeking consensus and compromise, valuing equality, well-being, mutual support, solidarity and quality of work life.*

**Avoiding uncertainty (high)**

*High preference of avoiding uncertainty. Fairly inflexible moral codes and beliefs, showing suspicion against unorthodox ideas, need for rules, appreciation of time and money, working hard, feeling of security, precision and punctuality and preference for stability.*

**Long-term orientation (low)**

*Low score indicates normative society, truth-seeking, respect for traditions, small propensity to save and striving towards quick results.*

**Indulgence (fairly high)**

*People have a tendency to realise their impulses, possessing a positive attitude and optimism, showing a higher degree of importance for leisure time.*

It can be surmised that Finnish *solidarity* and *appreciation* for traditions are further amplified by the strong shared symbolism of the Finnish wartime period of 1939–1945, reinforcing the *cultural narrative* of a small nation fighting for independence against the massive Soviet Union invasion.

Finns traditionally give a great value to leaders who are *direct, authentic, hard-working, exhibit humility* and *do not raise themselves to a pedestal* without cause. When matching these socially accepted *external values* with the *internal organizational cultures*, Finnish leaders can create morally solid organizational cultures. On the other hand, Finns tend to scorn organizations that intentionally or repeatedly violate good behaviour and culturally accepted values.

## **2.3 Internal context – the organizational culture**

The organizational culture can be defined as the basic assumptions or beliefs that are shared by organizational individuals (Schein, 1985). It can also be construed as a system of shared values and norms that defines the attitudes and behaviours emblematic to the organization (O'Reilly & Chatman, 1996).

Culture and leadership are two sides of the same coin. As pointed out by Schein (1985): *“The only real thing of importance that leaders do is to create and manage the culture.”* The cultural norms define boundaries on how the society as whole and organizations define leadership. Schein posits that culture is created as the result of a complex *group learning process* that is only partially influenced by the leader's behaviour. (Schein, 1985)

Creating a healthy organizational culture is paramount for any organization. The culture evolves in time, being *constantly shaped by forces* exerted from inside and outside. The culture not only contains the physical symbols and artifacts characteristic to it, but also constitutes the *long-time memory, beliefs* and *norms* of an organization. The organizational culture also enables organizations to *retain their identities* long after their original founders have passed away.

Tayeb (2005) suggests that the culture informally influences management through “*internalized socially accepted norms of behaviour.*” The organizational culture affects its individuals through psychological factors such as *social pressure* and *perceived effects of power*. This is solidly demonstrated in the field of *social psychology* numerous times – some worth noting are the *Milgram experiments* (1963) for showing the effects of *destructive obedience* in a sample group and the *Stanford prison experiment* by Zimbardo (1971) studying the *power of authority* and *cognitive dissonance* theory. These notorious studies were remarkable in time, providing a theoretical framework to explain how *norms* are *transferred to* and *internalized* by individuals within organizations.

The culture has a remarkable tendency to persist once established and resist further changes. This phenomenon could be aptly explained by psychological concepts of *confirmation bias* and *belief perseverance* manifesting themselves at a collective level – this means tendency to seek out and recall information supporting *preconceived perceptions*, while actively *rejecting information that conflicts with them* (ThoughtCo, 2019).

However, the culture can also *support* and *amplify* the leadership influence if the executive activities align well with the prevailing organizational culture. Executive activities inexorably *send ripples* through an organization, impacting its culture that either amplifies or provides a resisting force against changes. It is up to the leaders of an organization to create, transform and nurture this culture wisely. (Schein, 1985; O’Reilly, Chatman & Doerr, 2018)

The management literature recognizes several models of transformative leadership to overcome this resistance (or *organizational inertia*) – such as the *8-Step Change Model* introduced by Kotter (1995) – and describe how a positive change can be initiated and subsequently put into motion within an organization. Major changes always leave *traces* in the organizational culture after their occurrence, as they continue to live in *stories, memories, values* and *beliefs*. Therefore, leadership is seamlessly interlinked with the organizational culture in good and bad.

Matti Alahuhta – the former CEO and President of KONE Corporation – indisputably one of the most distinguished leaders in Finland, interprets the organizational culture “...as an entirety consisting of its organizational values, ways of working, interactions, history and generally all its official and unofficial practices.” (Alahuhta, 2015). He reflects on the nature of organizational culture in relation to time: “The corporate culture changes, albeit slowly. ... More importantly, it can be changed ... by defining the desired values and developing these values further. The other important way is the selection process for key personnel.” (Alahuhta, 2015: 134). A strong and healthy organizational culture acts as a cohesive glue for the organization “...creating a common language and understanding and sense of belonging. ... A good, healthy corporate culture is a great enabler.”

The visible structures – all the physical material, people, artifacts and formal policies – form merely a small part of an organization. The *norms*, *needs* and *unconscious beliefs* that remain hidden together form the invisible part of the organization (Schein, 1985). See Figure 2.2 below.

The organizational culture is in constant interaction with the surrounding external context. It *overlaps* or is *entirely surrounded* by the culture of its host country, occasionally even *competing* with it. An organization itself can also have several competing internal subcultures of its own – this could happen, for example, during mergers when attempting to fuse together the practices of two very dissimilar companies. Subcultures develop when *coherent groups* form their *own interpretation of the dominant company culture*. Formation of subcultures is *inevitable* – they are arising from employees’ feeling that they need to develop their own idiosyncratic *behaviours*, *values* and *goals* to fulfill their functions. (see e.g. Seau, 2021). Internal *tribalism* is inherently not a good or bad thing, relevant is how these subcultures align with the organizational core values and how these groups are managed.

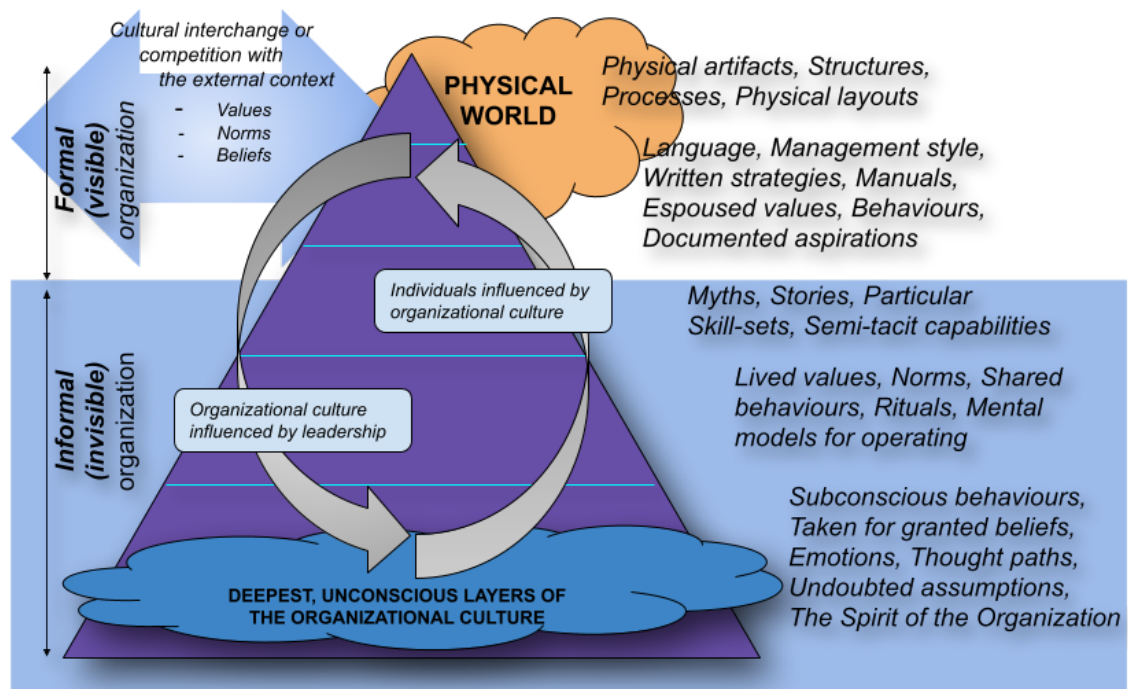


Figure 2.2. The Cultural Iceberg Model. Adapted from Schein (1985).

## 2.4 Leadership in cultural context

Selecting the correct people to correct executive positions is not merely vital for organizational success, but also a precondition for *healthy values and norms to take root* in the organizational culture. The HR functions play a pivotal role here, as it is their responsibility to devise the processes and protocols for key personnel selection, interviews, recruitments, minimizing risks and – ultimately – damage control. For the executive level, this means identifying and eliminating destructive influences that are already present within the organization.

The concept of *management by perkele* – a term of Swedish origin that eponymously presents itself in the title of this work – refers to a set of authoritarian management and leadership practices that historically manifest themselves in Finnish decision making (Riski, 2017). Instead of building on rapport and consensus, the term depicts pushing decisions forward aggressively and suppressing potential counter-arguments by abusive rhetoric, threats and negativity. Although often considered a form of *commanding (coercive) leadership style* as defined by Goleman (2000), it could also be

attributed to *abusive supervision* and thus seen as a cultural variant of destructive leadership indigenous to Finland. While the same leadership style can be interpreted as a personal communication style or a form of destructive leadership, drawing a line between them can be sometimes difficult.

Another noteworthy example of such cultural peculiarity is the “*hyvä veli*” (eng. *dear brother*) *networks*, representing a form of Finnish corruption and – when occurring as a part of business practices – *toxic leadership*. While considered widely pejorative nowadays, it refers to informal groups of influential people striving towards mutual benefits by resorting to their positions to circumvent the official decision-making processes. Although this phenomenon nowadays presents itself in many exclusive clubs, gentleman societies, elite niches and business networks, it is particularly often heard in the context of building, planning and municipal zoning. Due to the cultural differences, the term is in kinship but not directly analogous to the “*old boy networks*” of prestigious universities, which are presumably more familiar in the English-speaking world.

## **2.5 Understanding destructive leadership**

Instead of focusing on positive associations between the leader personality and the organizational culture, the recent body of management research has been increasingly interested in the dark side of leadership and its potential influence on people and organizations (O'Reilly, Chatman & Doerr, 2018: 3). Although there is no established terminology (Singh et al, 2018), destructive leadership can be used to describe all executive or managerial behaviour that becomes harmful for an organization or its individuals and adopted as a systemic part of the organizational culture. It takes many forms – expressed intentions, attitudes, chosen strategy, communication style, repeated actions and outward behaviors of decision-makers, but also as hidden personality and ulterior motives. See Figure 2.3 below for one possible classification.

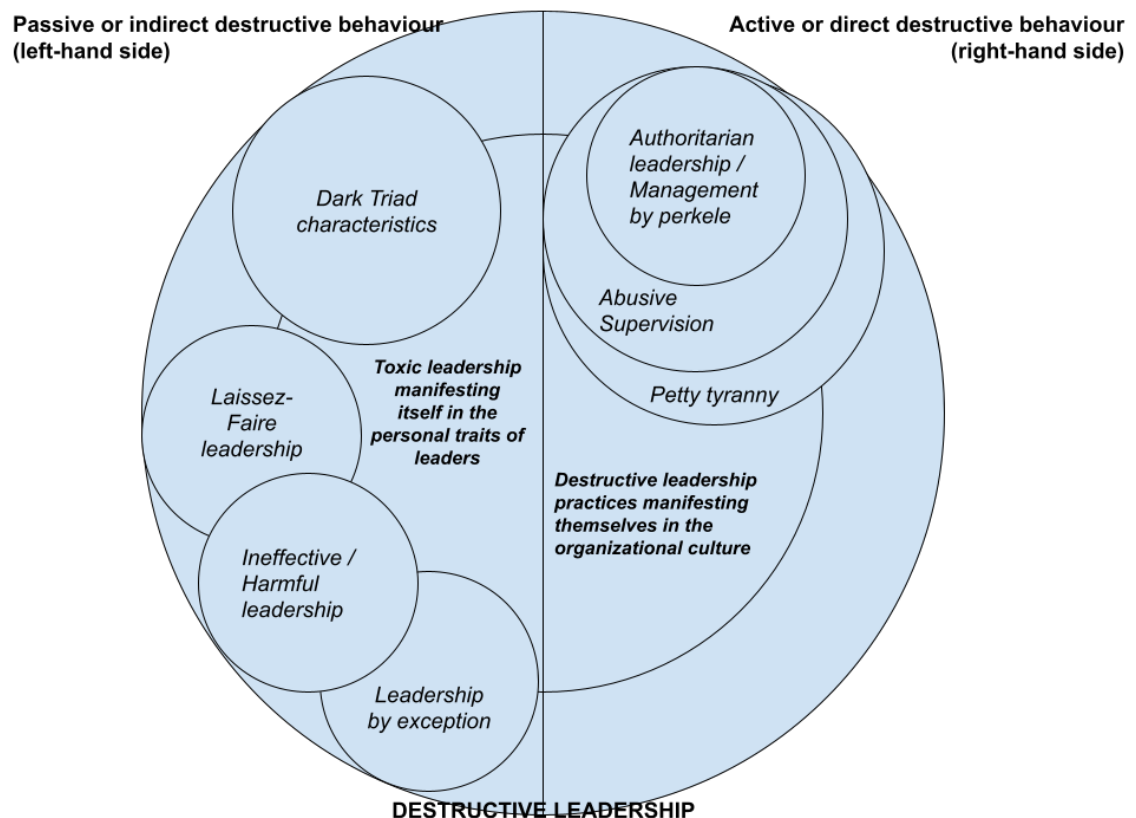


Figure 2.3. One possible classification of destructive leadership behaviours.  
Adapted from Thoroughgood (2018).

This model exhibits a clear attempt to separate *dark personal leadership styles* from *culturally bad leadership practices*, such as authoritarian leadership (including management by perkele), abusive supervision and petty tyranny. Creating a comprehensive model is challenging as these different forms can be overlapping. For example, the presence of *narcissism* often precedes other forms of destructive leadership such as *workplace bullying*.

*Destructive leaders* systematically and repeatedly violate the legitimate interests of the organizations they lead “...damaging their goals, tasks, resources and effectiveness and/or the motivation, well-being or job satisfaction of subordinates.” (Einarsen et al., 2007).

According to Thoroughgood et al. (2018), leadership is never created in a vacuum, but is “...a dynamic, cocreational process between leaders, followers,

and environments”. In order to better understand destructive leadership, more cohesive approaches are required. Padilla et al. (2007) illustrate destructive leadership as an interaction of three factors: *the leader*, *the followers* and a suitable, *conducive environment* (see Figure 2.4).

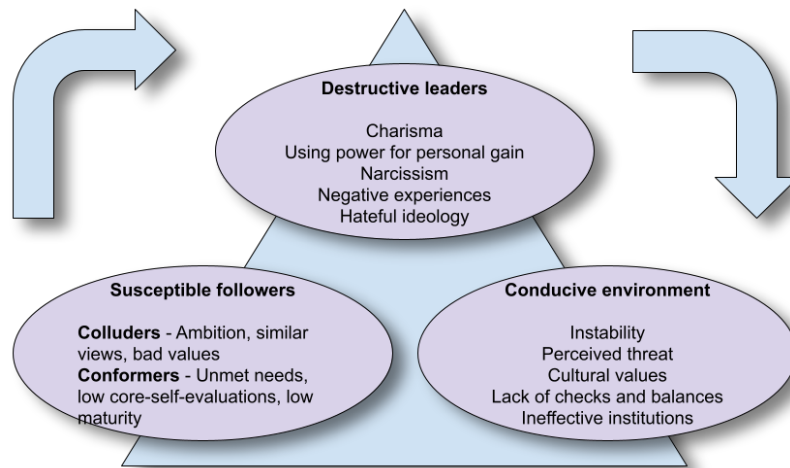


Figure 2.4 The Toxic Triangle: the dynamics between leaders, followers and the surrounding environment. Adapted from Padilla et al. (2007).

Destructive leaders can be *charismatic* – they appeal to their followers, have a *vision*, possess *great oratory skills* and exhibit overall *vigor*. Featuring symptoms of narcissism, they regularly exploit the power at their disposal for gaining personal benefits. They may have *negative life experiences* combined with sentiment of *suppressed hate*, *resentment*, *grudge* or personal *need for retribution*.

Susceptible followers can be divided into two distinct groups: *colluders*, actively supporting the leader for personal gain or shared world-view, and *conformers*, who passively let the leader influence them because of their immaturity, low self-esteem or unmet needs. Getting these groups’ support is a critical precondition for a destructive leader’s rise to power.

The *systemic instability*, *ineffective institutions* and the *volatile mindset* of followers create a conducive environment, increasing the likelihood that a destructive leader can assume power.

## 2.6 Abusive leadership, workplace bullying and violence

Abusive supervision is a term describing a set of negative managerial practices that degrades job motivation and employees' well-being. It is a relatively well-acknowledged problem in Western countries, severely sapping the *work morale*, *employee trust*, *organizational performance* and the *public image* of the organization. It also increases *staff turnover*, *mental distress*, *burnouts*, *conflicts* and *absenteeism*. Often co-occurring with other destructive management patterns, the presence of abusive supervision often indicates unhealthy organizational culture and is symptomatic for organizations with severe issues with leadership. When it becomes a means of leadership and an intrinsically accepted norm of the organization, the term *abusive leadership* can be used.

As defined by Tepper (2000), abusive supervision consists of employees' perception of sustained *verbal* and *non-verbal* hostility from their supervisors, excluding physical contact. As per definition, this hostility needs to have a repeated or sustained pattern. If physical contact is involved, the term *workplace violence* is rather used. *Workplace bullying* is a more general term, describing hostile activity targeting one or several individuals within the organization by their *peers* or people working at *different levels of an organization*.

Abusive supervision can take several forms – common are *yelling*, *threatening*, *intimidating*, *withholding information*, *humiliating in public*, *taking unwarranted credit from the work of subordinates*, *silent treatment* or *scapegoating*. Its detrimental impact is manifold, affecting the organization and its employees at various levels. The association between abusive supervision and job dissatisfaction is somewhat complicated. Whereas abusive supervision is found to be *positively correlated with increased job dissatisfaction*, the factors such as *critical thinking* and *feedback avoidance* seem to have a moderating effect (Qian et al., 2017).

## 2.7 Toxic and counterproductive leadership

*Toxic (or counterproductive) leaders* are individuals who persistently generate severe *enduring* and *harmful effects* for an organization and its employees because of their *destructive behaviour, lack of integrity, dishonourable actions* or entirely *lacking qualification to act in their role*. Their mere existence jeopardizes the well-being, performance and interests of an organization.

Toxic leadership forms a distinct subcategory of destructive leadership, differing from it mostly because it sees the *harmful outcomes as collateral damage*, without necessary premeditated purpose or systematic leadership activity required. This is a very broad category, including “*corruption, hypocrisy, sabotage and manipulation, as well as other assorted unethical, illegal and criminal acts.*” (Lipman-Blumen, 2010: 218). Although often co-occurring with other forms of destructive leadership (especially *dark personality traits*), these are not necessarily related.

It is not even a precondition that toxic leaders seek to cause intentional damage within an organization. As suggested by Lipman-Blumen (2005 & 2010), these leaders “*may be unintentionally toxic and cause harm through their recklessness and incompetence*”. A causal link between the leader’s actions – or lack of actions – and the resulting negative consequences of these actions can be established nonetheless. Even good intentions can carry toxic outcomes when performed by incompetent or ineffective leader.

Second important characteristic for a toxic leader are attempts to maintain the position of power and conceal their incompetence by influence attempts towards superiors by *active ingratiation* or *selective information dissemination*. (Lipman-Blumen, 2010). Similarly, there can be influence attempts towards subordinates by *micromanagement* and *blocking interaction*. This has severe consequences for employees’ ability to function normally.

The third important difference to destructive leadership is the *lack of follower loyalty*. The employees acknowledge the toxic leader's lack of character, and not only *choose to unfollow* them but also *neutralize their influence* by devising ways to maneuver around their influence. (Milosevic et al., 2020)

A notable example of Finnish toxic leadership is the case of franchised fast-food chain Snacky, which ended up in bankruptcy in 2015. In 2017, its former CEO Jukka Nieminen had a jail sentence of 5,5 years for several aggravated financial crimes, frauds and thefts, such as withdrawing 1,1 MEUR from Snacky's parent company and stealing 600,000 EUR in cash from the company's cash registers.

## **2.8 The Dark Triad – destructive leadership personality**

In recent years, the fields of psychology and business management have been particularly interested in a certain constellation of distinct but clearly overlapping personality constructs that can be construed to form the core of the dark side of human personality. When manifesting themselves in a person in subclinical form, these traits – *machiavellianism*, *narcissism* and *psychopathy* – are often aptly referred to as '*the Dark Triad*' (Paulhus & Williams, 2002). See Figure 2.5 below. Although some authors, such as Judge et al. (2009), include *hubris* – an inflated sense of self-worth, confidence and pride – to replace psychopathy in this model, this perception is not widely adopted. Moreover, hubris can be incorporated into both narcissism and psychopathy as one facet of these traits.

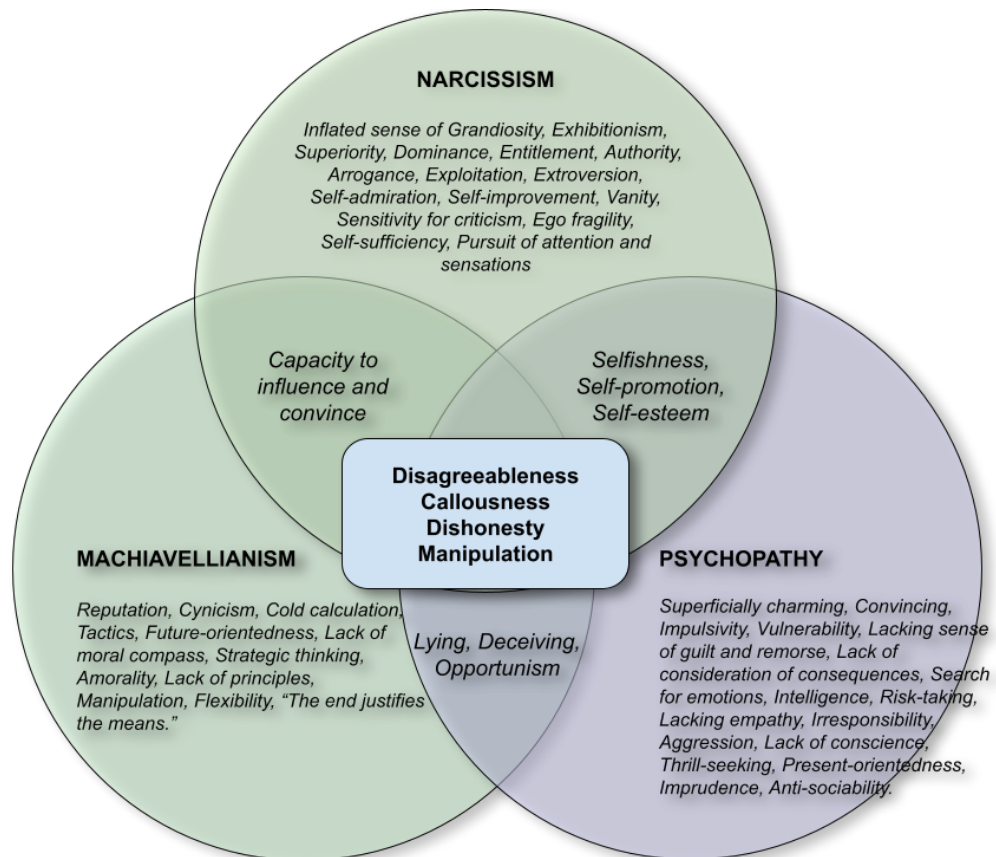
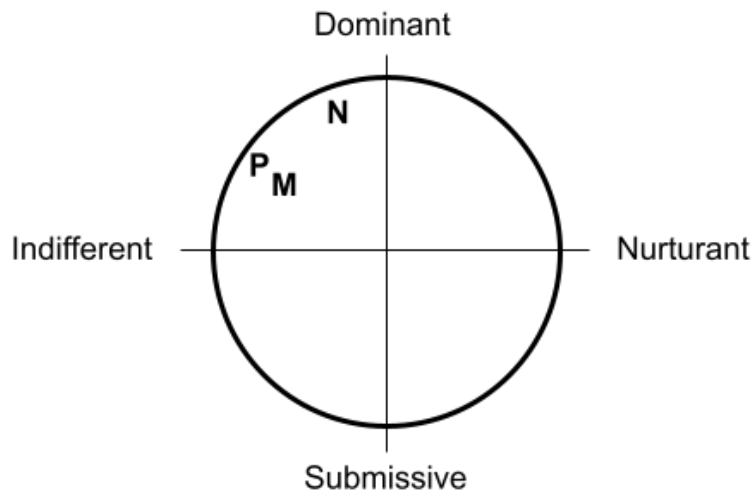


Figure 2.5. The Dark Triad personality traits. Adapted from D'Souza (2016).

The dark personality characteristics are considered toxic and *antagonistic*, striving for *egoistic goals* at the expense or entirely without regard for others (Jones & Paulhus, 2010). The dark traits appear on a spectrum and a degree of them can be found in every person. Although some *healthy narcissism* is a prerequisite for leaders, the dark characteristics turn sour when manifesting in excess and take destructive forms – especially so when occurring at the executive level. They are widely considered harmful for an organization, and several studies identify the occurrence of dark personality traits as *predictors of leadership derailment* (see e.g. Kippenberger, 1997; Hogan & Hogan, 2001). According to Harms, Spain & Hannah (2001), the presence of these traits *inhibits growth and leader development*.

The dark traits are closely related to the callous-manipulative interpersonal style and located in the second quadrant of the Interpersonal Circumplex (Jones & Paulhus, 2010). This quadrant is inhabited by personal traits characterized as

“...arrogant, calculating, callous, and manipulative” (Jones & Paulhus, 2010).  
See Figure 2.6 below.



*Figure 2.6. Psychopathy (P), Machiavellianism (M) and Narcissism (N) locations in the Interpersonal Circumplex. Based on Jones & Paulhus (2010).*

However, narcissism is seen to correlate with *openness* and *extraversion*, where the other traits do not. Psychopathy and machiavellianism both correlate negatively with *conscientiousness* whereas narcissism does not. While closely related, they can be shown to be different constructs. (Jones & Paulhus, 2010).

Narcissists and *corporate psychopaths* exploit their skills in manipulation to get promoted and regrettably often end up at the top of an organization. They are entirely *devoted to their own needs* and maintain their apparent loyalty as long as the employer's interests coincide with theirs.

Common features for personality disorders such as narcissism or psychopathy is that they become a relatively permanent part of human personality (e.g. Puolakka, 2020) and are developed very early – *changing them will be difficult*. Such individuals tend to have a higher predisposition to *criminal behaviour* and they are also more likely to bring *toxic influence into organizations*.

An interesting question is whether these characteristics can be internalized as a prevalent part of organizational culture that guides the organization's actions (Brueckner, 2013; Palmu, 2017; Puolakka, 2020). The answer is deemed to be yes: the behaviours of criminal organizations very regularly seem to reflect the psychopathic behaviour of its individuals. When led by a psychopath or a canny narcissist, the whole society can *fall ill* and *end up in a crisis or a state of war* (Puolakka, 2020: 73).

One could also argue that many populist parties, labour unions, special interest groups and organized lobbying organizations are Machiavellian by definition. Nokia is said to have become a victim of its own success and scourged by pervasive narcissism during the top of its game (Palmu, 2017). In certain conditions, the organization can lose its touch with reality and even the healthy narcissism can get out of hand, causing it to become a toxic "crowd movement" spreading through the surrounding society and employees at the individual level.

The recent history of increasing cases of immoral, even psychopathic corporate conduct – *failures to conform to social norms and ethical standards* – has also caused a question to arise whether organizational actions should be assessed using the same criteria that apply in human psychology, and *held accountable to human moral principles* although they are legal entities (Brueckner, 2013).

### **2.8.1 Narcissism**

The term *narcissism* stems from the story of Narcissus, who desperately fell in love with his own reflection in water, and – unable to receive counter-affection – perished next to it, turning to a flower now bearing his name. Narcissism can be understood both as *a clinical, pathological psychiatric condition* (Narcissistic Personality Disorder, NPD) or as *a psychological trait on a spectrum*.

Narcissism seems to be a relatively stable trait forming early in childhood. In contrast to *healthy narcissism*, a necessary part for human development in childhood and adolescence, excess narcissism is widely acknowledged to

cause severe problems and conflicts in relationships. Narcissistic persons build an idealized self-image protecting their *fragile ego*. Characterized by *self-aggrandizement, haughtiness, lack of empathy, manipulation* and *arrogance*, narcissists are incapable of internalizing feelings of *guilt* and *shame*. They regularly resort to *projection* as a psychological *defense mechanism*.

Narcissistic leaders, in all their *self-consciousness* and *vanity*, rarely ask for help or feedback. They *neither admit mistakes nor take responsibility* for damages their actions might have caused. Even with their excessive egocentrism, people with pathological narcissistic personality disorder can feel emotions – the lack of cold-blooded callousness and predatory nature are factors discerning them from *psychopaths*.

There is some fairly recent existing research (O'Reilly, Chatman & Doerr, 2018) examining how a leader's narcissistic personality affects the organizational culture in two dimensions: *collaboration* and *integrity*. The study shows that while narcissistic leaders are more apt to lead organizational cultures with less collaborative and integrity traits, the organizational culture also *amplifies* the narcissistic leader's behaviour, potentially leading to creating an organizational culture lower in collaboration and integrity.

According to Helinä Häkkänen-Nyholm (PhD), associate professor in forensic and criminal psychology, commonly observed features in narcissistic organizations are *the lack of set boundaries or control, enabling or tolerant organizational culture, tendency to avoid conflicts* and *reluctance to give warnings and admonitions* (Lyytinen, 2019). Such organizations are typically ill-prepared to intervene in wrongdoings and transgressions. Often, narcissistic bosses are perceived as *introverted, unreliable, unempathetic* and *oversensitive* towards criticism – still they are frequently able to give a very good first impression. There seems to be a clear correlation between narcissism and workplace bullying. (Lyytinen, 2019)

Narcissistic Personality Inventory and its variations, developed by Raskin & Hall (1979), has become a standard tool for assessing the presence of subclinical narcissistic traits in people. Although not intended for diagnosing NPD, it is widely utilized by people working in the field of psychology to measure the levels of narcissism as a psychological construct.

### 2.8.2 Machiavellianism

A psychological trait named after the famed 16th century Renaissance diplomat and political philosopher Niccolò Machiavelli – mostly known for his political work *The Prince* (ital. *Il Principe*, 1513) – machiavellianism is *a cynical philosophy* revolving around the notion of *the end justifying the means at all costs*. Philosophically, machiavellianism also draws influence from the ancient text *The Art of War* written by Sun Tzu (c. 400 B.C). While having close resemblance to psychopathy, machiavellianism is a separate construct.

While both traits share the same dark core of *callousness* and *dishonesty*, the most discerning feature is the machiavellian stance towards *time dimension*. While the psychopathic trait is renowned for its characteristic *impulsiveness*, *ruthlessness* and *anti-sociality* while *lacking proper advance planning*, the machiavellian trait tends to be *future-oriented*, resorting to *strategic calculation*, *exploitation*, *scheming* and *manipulation* to achieve the desired long-term goals. *Long-term planning*, *planning and preparation*, *impulse control*, *situational adaptation*, *alliance building* and *reputation* maintenance are all typical characteristics of machiavellians (Jones & Paulhus, 2010).

Individuals high in machiavellianism exhibit *a lack of principles* or *moral compass*. More often than not, they resort to *immoral tactics*, *exploitation*, *coercion* and *manipulation* to pursue their strategic objectives. Acting selfish and deceitful, they exhibit indifference and disregard for other people while maneuvering towards their goals.

A modern notion of machiavellianism at the workplace incorporates three components: *maintaining power*, *harsh management tactics* and *manipulation* behaviours. Its presence at the workplace has been discovered to correlate positively with *counterproductive behaviour* and *workplace deviance* (Kessler et al, 2010). There is also a positive correlation between machiavellianism and *abusive supervision* – including workplace bullying (Kiazad et al, 2010).

In the 1960's, Christie and Geis introduced a Likert-scale based personal evaluation tool called Mach IV to assess the presence of machiavellianism construct in their test subjects. Later on, this test became a sort of a gold standard and the original results have been widely replicated (Christie & Geis, 2013; Fehr & Samson, 2013; Repacholi & Slaughter, 2004).

Compared to psychopathy and narcissism, machiavellianism is a very alien concept and all but unknown to the Finnish culture. References to this trait in Finnish management literature are scant. It has been surmised that in countries with *tougher competitive culture*, the machiavellian personalities might be more common. There is little evidence to support this presumption however.

According to Jones & Paulhus (2009, 2010), machiavellians are abundant and can be identified via measures such as Mach IV. However, while acknowledging the nature of machiavellianism as a separate psychological construct, its close resemblance and nearly coinciding position in the interpersonal circumplex give a reason to study it as *an aspect of subclinical psychopathy* rather than a trait on its own. This perception gets support from Mealey (1995), who uses machiavellianism interchangeably as a synonym for psychopathy.

### **2.8.3 Corporate psychopathy**

The modern construct for classic psychopathy has evolved from the seminal work *The Mask of Sanity* by Hervey M. Cleckley (1976), an American psychiatrist. Classic psychopaths are characterized by *callousness*, *manipulation*, *impulsiveness*, *thrill-seeking* and *antisocial behaviour* with little concern for the consequences. In its clinical form, it is closely associated with

Antisocial Personality Disorder (ASPD) and Narcissistic Personality Disorder (NPD). As aptly summarized by Lauerma (2012): “ASPD, when blended with narcissistic callousness and manipulative tendencies .. then, we’re dealing with a psychopath.”

Due to the *self-devastating, impulsive* and *irresponsible* nature of ASPD that usually leads to a short expected life-span for an individual, it was once thought that psychopathy is a virtually non-existent phenomenon in upper levels of society. However, this notion has been later refuted – a small group of subclinical psychopathy seems to exist that falls outside the clinical definitions for both ASPD and NPD (Lauerma, 2012) making it hard to diagnose. See Figure 2.7 below. This group of *high-functional psychopaths* is often referred to as *corporate* – or, “*white-collar*” – *psychopaths*.

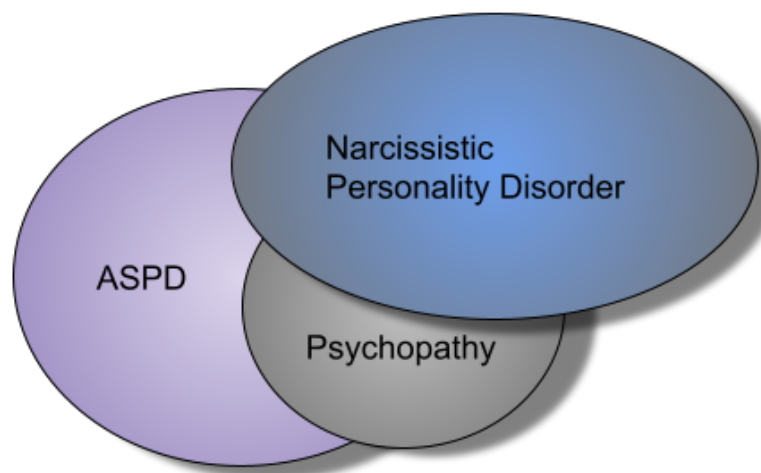


Figure 2.7. Psychopathy seen in relation to ASPD and NPD.

Adapted from Lauerma (2012).

Corporate psychopaths are adepts at creating a narrative that keeps them alive while navigating through daily interactions. They don't build their success on professional competence or reliability, but personal *charm*, *deceit* and an unmatched *ability to pretend*. Contemporary business life inadvertently favours corporate psychopaths – they regularly succeed in making a *good impression* in job interviews, appearing *alert*, *confident* and *superficially charming* (Cleckley, 1976).

Disguising their true nature behind the mask of outwardly charisma, they can be notoriously hard to detect, even by experienced interviewers. Corporate psychopaths have a regular tendency to lie about their past working experience, and also *fabricate their education, certificates and diplomas* (Rouling & Bourdage, 2017). According to Lauerma (2012), psychopaths have *very low blood cortisol levels* and other physiological markers of stress. This means that they fare exceptionally well when lying and in highly stressful situations.

A true corporate *psychopath does not possess a conscience or experience any remorse for their actions*. As ruthless deceivers, they manipulate themselves to positions of power by means of abuse and gaslighting, *exploiting vulnerabilities* in the system. The corporate psychopath's rise to power typically follows five stages: *entry, assessment, manipulation, confrontation* and *ascension*. (Babiak & Hare, 2006).

Psychopathy is most harmful for its deeply permeating, utmostly devastating effect on the organization and its surrounding societal structures. Due to their *innate narcissism, self-consciousness* and *call to power*, white-collar psychopaths very often end up in high organizational positions. Increasing organizational *negligence* and *moral apathy* are secondary, but hardly less harmful consequences from psychopaths' actions.

The presence of a corporate psychopath may have many severe detrimental consequences at the workplace: *abusive supervision, staff turnover, legal problems, degraded shareholder value, degraded morale and performance, absenteeism, conflicts* and *counterproductive work behaviour* have been reported (Bruk-Lee & Spector, 2006; Forsyth, Banks & Daniels, 2012).

The estimates vary from country to country, but the relative fraction of psychopaths is thought to be roughly 1% of the total population (Hare, 1994). On the other hand, this figure is assumed to be higher in the business world, indicating overrepresentation of 3–4% among senior management positions

(Babiak & Hare, 2006). Hare (1993) has considered the late British media tycoon Robert Maxwell a good candidate for a typical corporate psychopath.

It is important to note the impact of the surrounding culture on the prevalence of observed psychopathy rates. For example, as the relative number of psychopaths in the United States is higher than in the United Kingdom, it has been suspected that the American society is perhaps more rewarding towards egocentric behaviour when compared to the UK. (Erikson, 2018: 38)

One of the most widely acclaimed psychological assessment tools to test the presence of psychopathic traits is Psychopathy Checklist - Revised (PCL-R), developed by influential Canadian psychologist Robert D. Hare in 1985. PCL-R is still one of the most *valid* (it measures the presence of the psychopathic features) and *reliable* (it provides similar results regardless of the assessor) metrics available (Lauerma, 2009). When used in standardized conditions by a qualified psychologist, the PCL-R accuracy is considered excellent.

However, it is rarely used in organizations because of the required time and expenses involved. To address this shortcoming, some simplified tools such as B-Scan 360 have been developed (Babiak & Hare, 2014) for organizations but they have seen little use in practice.

## **2.9 Review conclusion and knowledge gaps**

Organizations are constantly influenced by the values, norms and beliefs of surrounding society. The organization needs to adapt its practices to match with the expectations of its local environment, as its actions have direct *consequences on how it is perceived by the public*. Leadership is about managing the organizational culture. The organizational culture changes slowly, acting both as an *amplifier* or *resistance* towards the executive actions, but also as a memory for *values, norms* and *beliefs* of the organization.

*Destructive leadership* can cause the organizational culture to become tainted, leading to various severely negative consequences for the organization itself and its individuals. Destructive behaviour can be seen as negative practices *embedded into the organizational culture*, but also as the *individual dark traits* manifesting in leaders' personality. In certain preconditions, these traits can be internalized as an accepted normal within the organization and a part of collective reality.

The author identifies the following knowledge gaps in the literature:

- *Prevalence*. There is no existing Finnish study to chart the prevalence of different forms of destructive behaviour in workplaces. *How common is destructive leadership in Finnish organizations?*
- *Impact at individual and organizational level*. There seems to be no existing study attempting to chart the degree of influence on the organization and its employees for different forms of destructive leadership. *Which forms does destructive leadership take and how does it impact?*
- *Subjective experiences*. There is no comprehensive study charting the observations and experiences of individuals working in Finnish organizations about destructive leadership. *How is destructive leadership experienced at an individual level?*
- *Mitigating negative influences*. There is no study exploring the various methods which Finnish organizations are applying to eliminate the negative impact of destructive leadership in workplaces. *How are organizations trying to manage destructive leadership as a problem?*

Concluding this chapter, the author suggests that more research on destructive leadership in the Finnish cultural context will be needed on the following research questions.

- *How common is destructive leadership as a phenomenon in Finnish organizations and which forms does it take?*
- *What can be done to prevent or mitigate the negative effects of bad leadership?*

Drawing upon the information available from the management literature, news and journals, and supported by the research data collected from the field, the objectives of this study are three-fold as follows:

- *Get a better picture of the contemporary destructive leadership in cultural context – how it manifests in Finnish organizations and how it is experienced by the employees of these organizations.*
- *Form a comprehensive understanding of destructive leadership in modern organizations by reflecting the acquired employee data against high-quality information by interviewing various experts of the field.*
- *Understand the different ways how Finnish organizations already attempt to mitigate the occurrence of destructive leadership and – based on the evidence – suggest best practices to prevent and mitigate the influence of destructive influence in organizations.*

## Chapter 3 – Research methodology

This chapter explains the basis of the chosen methodology for the field research carried out as a part of the study. Starting from describing and justifying the adopted *research philosophy*, it continues by covering the details of chosen *research methodology* and proceeding with describing the actual *methods for data collection and analysis*. Finally, the *research hypotheses* are presented.

### 3.1 Research philosophy and selected methods

The Saunders onion (see Figure 3.1) was chosen as a convenient model to facilitate constructing an appropriate research approach.

**Research philosophy** The research will take place in a set of underlying *ontological, epistemological and axiological* assumptions. Ontologically, modern organizations are diverse and complex social structures, each having their own unique interpretation for reality. Hence, a *relativistic* approach will be required, as taking a singular *objective* or *universalist* view applicable in all contexts will be all but impossible. Epistemologically, the research must reflect reality – a good theory is what works in practice.

In terms of axiology, It is important to observe that the *author's own Western values, assumptions, norms and beliefs* inevitably reflect into the work. While not desirable, this is expected – as already discussed, leadership always happens in a context of the surrounding culture and its values, appreciating both subjective and objective factors, making the research *value-driven*. (Saunders et al., 2019: 145)

The research will take a *pragmatic* view. It is a good research philosophy, as the research questions are well-defined and practical solutions informing future practices are preferred as an outcome.

**Theory development** Building on literature review, one part of the research is *deductive*, attempting to test pre-defined hypotheses in a selected sample group. The *inductive* part consists of the *qualitative* material acquired by interviewings and employee experiences with a goal to provide more information on the nature of destructive leadership as a phenomenon.

**Methodological choice** *Mixed-mode* research provides both *qualitative* information in a form of written accounts describing experiences and interview audio recordings, and *quantitative* information consisting of numerical data.

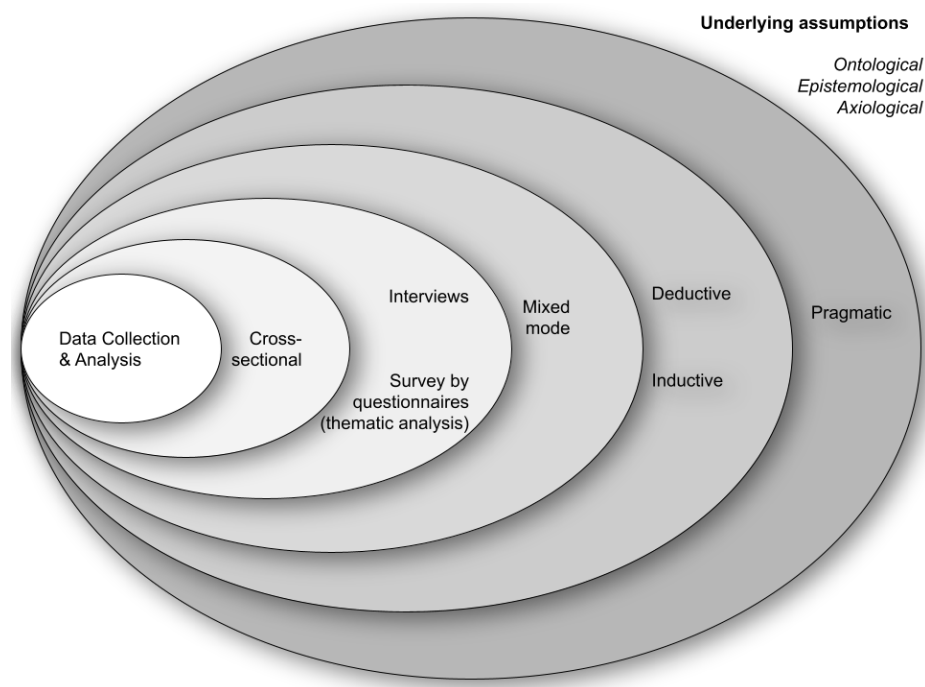


Figure 3.1. The Research Onion. Adapted from Saunders et al. (2019: 130).

**Time horizon** The study focuses on the research phenomena at a particular point of time, making it effectively a *cross-sectional* study.

**Data collection & Analysis** The primary research is carried out by *anonymous, self-administrative Google Forms -based online surveys*, supported by *interviews* to provide a secondary source of data.

### 3.2 Rationale for mixed-mode research methodology

The intent of employee surveys is to collect *numeric* and *descriptive* data about the observations of the sample group and organizations at a specific point of time – effectively making the study a *cross-sectional mixed-methods research*. This approach allows for comparing the qualitative employee experiences against quantifiable data such as the responder position and the organization-specific information (e.g. organization size, type and turnover). Mixed approach is not a non-problematic approach because of its increased complexity, but when applied successfully it has potential to bring better confidence in the obtained results.

The mixed-mode survey model conveniently enables collecting data in both *qualitative* and *quantitative* formats, refining the obtained data and attempting to establish identifiable correlations between them. The results are tested against the initial hypotheses in order to perform an adequate synthesis based on the results and finally interpreted to bring up satisfactory conclusions for the research (see Figure 3.2 below).

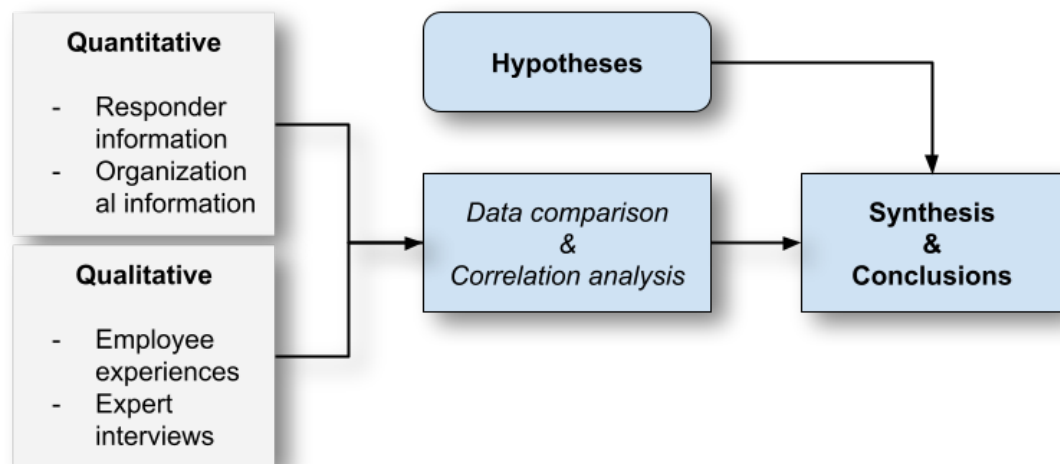


Figure 3.2. The research setup represented as convergent parallel design.

Adapted from Bell et al. (2019: 573)

### 3.3 Sampling frame

The first broadcast of survey invitations will be targeted for roughly 1,000 employees utilizing social media, with an intended aim for 50 received responses of adequate quality. The respondents will be encouraged to forward the survey invitation further within their own social spheres. The weakness of this “viral spreading” approach will be that it is impossible to control the total number of people receiving the survey link or the types of responder groups.

For interviews, five individuals from suitable areas of expertise will be interviewed as a secondary source to provide supporting additional information.

### 3.4 Refining the sample data for analysis

The *quantitative* part of the surveys carries important information about the *responder organizations*, the *responder roles* and the *assessed impact* of their negative experiences in quantified levels. The quantified information can be easily represented in numbers, categories and graphical figures to facilitate the analysis.

The *qualitative* part of surveys intends to shed light on the *subjective experiences* of responders. Because of its extensive, diverse and unstructured nature, *thematic analysis* is deemed the best approach to identify the recurring themes for the qualitative research input. In practice, the *recurrent themes* form identified *categories*, based on certain keywords (or *codes*) as they recur in the employee stories. The main challenge will be *recognizing the recurrent themes* relevant for the research objectives and mapping these themes to form suitable research categories. (Bell et al, 2019: 519).

The expert interviews aim to provide supplementary information about the research topic in a Finnish context, against which the data obtained through surveys can be conveniently reflected. Applying several methods to reinforce the research validity is considered a form of *triangulation* (Bell et al, 2019).

While the interview data based on audio recording constitutes a qualitative data

set of its own, strictly speaking, the interviews can be interpreted to extend the literature review (Chapter 2) rather than forming a discrete research data set requiring analysis of its own.

### **3.5 Administration and methodological limitations**

The surveys will be *anonymous* and *self-administered*. They are designed and implemented in Google Forms (see the next section for a detailed description). They will be broadcasted to respondents by exploiting the social media phenomenon called “viral spreading” – referring to the tendency of social media users to forward any interesting published material within their own social spheres, leading to a high but intermittent visibility on the social media.

Although this delivery mode will enable a very high number of potential respondents to be reached, this will come with a drawback that the *total relative response rate (%) remains unknown* as it will be all but impossible to retrieve the information of the total number of people who were subjected to the survey. Moreover, this method allows for little control over particular target groups that should be included or excluded.

### 3.6 Description of organizational employee surveys

The starting point of the research was that the questions needed to be easy to answer and anonymous to protect the identities of responders and their organizations against any possible incurring retaliatory actions from behalf of employers. The terminology requiring professional knowledge would be avoided and questions should be clear enough, so that the responders can answer them comfortably regardless of their chosen career or rank in the organization. The survey was chosen to be fully *self-administered*. For responders' convenience, the required time for filling up the forms was planned to be five minutes at maximum.

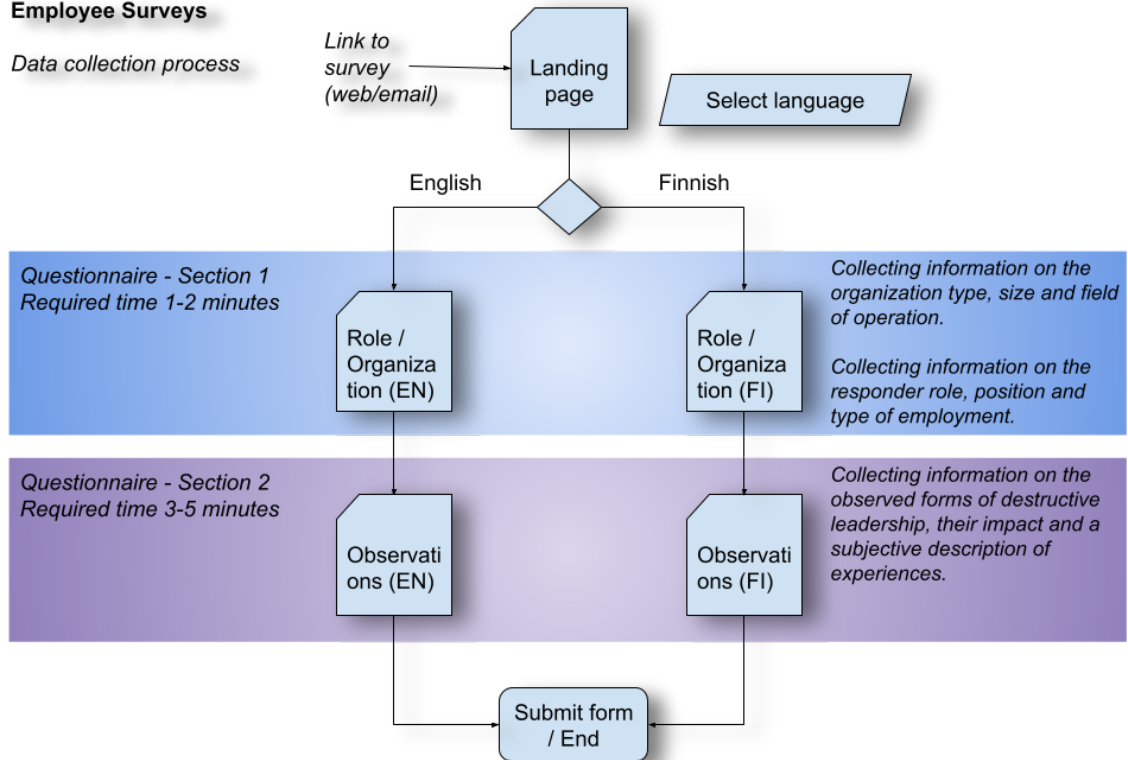
Google Forms was chosen as the survey platform because of its intuitive visual style. While being fairly limited in terms of features available in more professional research tools, it was seen as a decent choice for carrying out a basic questionnaire that uses mostly text fields, checkboxes and Likert-scales.

Given the high number of international employees working and residing in Finland, the surveys were designed in two language versions, Finnish and English. The Finnish version was designed first and the template translated to English as directly as possible.

The survey starts with an introductory header describing the nature of the study. It is followed by an Ethics & Data Protection clause that the responder needs to accept before proceeding forward. See Figure 3.1.

## Employee Surveys

Data collection process



## Employee surveys deliverable outputs

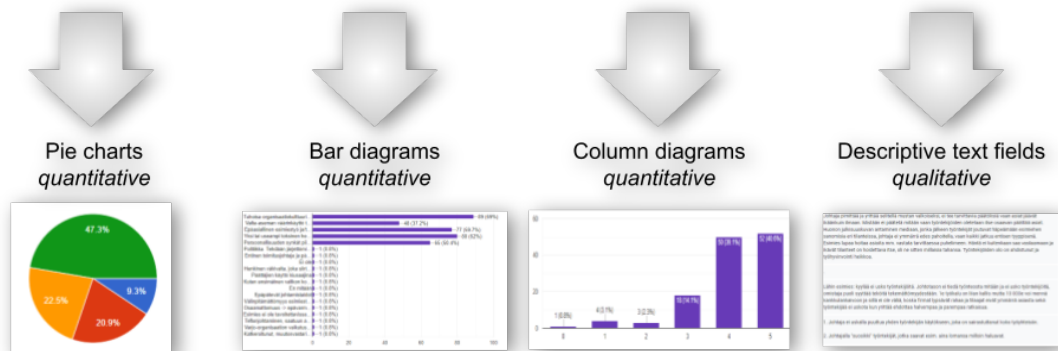


Figure 3.1. A diagram of the Employee Survey data collection process flow and its various deliverables.

The survey contains two sections. The first section allows for the responders to describe their employer organizations and their role in the organization for further classification. See Table 3.1 for question items.

*Table 3.1. The Employee Survey section one question items*

**Employer type (check box)**

- Private sector - A small to medium sized business or a major corporation
- Public sector - The governmental department or a municipality
- Non-profit - An association, a foundation or other non-profit organization

**Organization size (check box)**

- Micro (<10 employees)
- Small (<50 employees)
- Medium (50 - 250 employees)
- Large (250 -> employees)

**Estimated annual turnover (short text field, optional)**

**Description of the field of your organization (short text field)**

- For example. Software industry, military, mining industry, wood-processing

**Your role or title in your organization (short text field)**

- For example. Project manager, teacher, salesman.

**Your position in the organization (check box)**

- Employee / Public official
- Manager / Director / Executive
- Company owner / Business partner
- External / Consultant
- Other: (short textfield)

This section contains all the necessary classification criteria for responders, allowing for comparison according to their employer types, organization sizes, their positions and job titles. For 'Your position in the organization' item, the extra sub-item 'Other' was included for any possible roles that don't fit any category. The expected response time for this section is 1-2 minutes.

The second section of the survey contains the information about the actual employee observations. See Table 3.2 as below.

Table 3.2. The Employee Survey section two question items

**Which forms of destructive leadership have you witnessed?**

**(multiple choice)**

- *Destructive leadership culture. The leadership or the organization works in ways that are conflicting/harmful/damaging for the organization itself and/or its individual people. The damage can be financial losses, stained public image/reputation, degraded working morale or lower levels of well-being.*
- *Abuse of power and/or corruption. Utilizing immoral/unethical/illegal ways to pursue personal/organizational benefits.*
- *Abusive supervision and/or violence. Workplace bullying, harassment, humiliation, threatening/intimidation, coercion, physical violence, ...*
- *Toxic leader(s). Harmful, incompetent, acting criminally, sabotaging, indifferent or ineffective leader or manager. Behaviour may be intended or inadvertent. You and/or your colleagues need to constantly "clean up the mess" or minimize the damages.*
- *Person with dark psychological traits. Narcissism, corporate psychopathy, manipulation, hubris or sadism.*
- *Other: (short textfield)*

**Please assess the harmful influence for HEALTH and WELL-BEING on the scale 0..5 (Likert scale)**

- *A scale from 0 (no harmful impact at all) to 5 (very destructive impact)*

**Please assess the harmful influence for WORK MOTIVATION and ENGAGEMENT on the scale 0..5 (Likert scale)**

- *A scale from 0 (no harmful impact at all) to 5 (very destructive impact)*

**Please assess the harmful influence for ORGANIZATIONAL GOALS, WORK PERFORMANCE and CAPABILITIES on the scale 0..5 (Likert scale)**

- *A scale from 0 (no harmful impact at all) to 5 (very destructive impact)*

**Please assess the harmful influence for PERCEIVED PUBLIC IMAGE and REPUTATION on the scale 0..5 (Likert scale)**

- *A scale from 0 (no harmful impact at all) to 5 (very destructive impact)*

**Please describe how destructive leadership appears in your organization. Use full sentences and try to find 1-3 examples to describe the different forms of leadership that you chose above. (long text field)**

- *A free-text field for a longer answer.*

Section two contains items allowing for the responders to share their subjective experiences in both qualitative and quantitative metrics. First, the questionnaire provides first-hand information on the *prevalence* of destructive leadership as they are experienced. The multiple choice selection ‘Which forms of destructive leadership have you experienced?’ forms an interlinkage point between the responder experiences and the various forms of destructive leadership explained in Chapter 2.

The Likert-scale items ‘Please assess the harmful influence for...’ are planned to measure the subjective experience of *impact* in terms of four different research attributes:

1. *Individual impact: Health & Well-being*
2. *Individual impact: Work motivation & Engagement*
3. *Organizational impact: Organizational goals, Work performance and Capabilities*
4. *Organizational impact: Perceived public image & Reputation*

The aforementioned items together establish the *quantitative* part for the research. The text-field at the end of the survey is designed to enable the responders to reflect on their *qualitative* experiences using freeform sentences. The expected response time for section two is 3-5 minutes.

Once submitted, the responses are collected automatically by Google Forms and ready to be analyzed. Based on the *quantitative data*, the software generates graphical representations such as charts and diagrams automatically. It also allows for exporting the data as a spreadsheet, facilitating statistical calculations. For *qualitative data*, manual analysis will be required.

### **3.7 Supporting expert interviews**

As a second source of primary data, the research incorporates a series of interviews with distinguished experts of their corresponding fields. Aiming for five high-quality interviews to attain more understanding on the topic of dark leadership, the experts will be individually chosen based on their expected competence to shed more light on the various aspects of dark leadership and thereby facilitate the analysis of primary data collected via the surveys. While expecting significant challenges in matching the schedules to find suitable times for interviews, five interviews is considered an appropriate number to provide a sufficient backdrop against which to analyze the survey data.

The suitable interviewees will be carefully selected based on their expertise in management recruitment, leadership coaching, psychology or a medical profession, deemed to bring valuable professional insight into the research topic and ultimately ease the synthesis of theoretical knowledge with the research findings.

The chosen individuals will be approached by email or telephone and interviews are then scheduled for the next few days. After confirming the interview date, 6-8 questions pertaining to their particular field of expertise will be devised. The interview questions will be provided in advance in order to ensure that the interviewee has an appropriate understanding of the research context and can prepare accordingly. A research information sheet that provides a summary of the research topics and the consent sheet will be provided as an attachment to the invitation email where possible.

Each interview will be designed in such a way that the overall meeting time does not exceed 60 min. All question items are qualitative and structured but open in nature, allowing for free conversation during the interview. The interviews will be recorded for later transcription and the summarized contents then analyzed in Chapter 4. This information represents valuable expert

perceptions relevant for the research area, complementing the literature review in a cultural context.

### 3.8 Research hypotheses

The research seeks to confirm the following *null hypotheses* ( $H_0$ ). The *alternative hypotheses* ( $H_a$ ), are presented below in brackets. The hypotheses are named to facilitate identifying and referring back to them later.

#### **$H_01$ : Existence in organizations**

***Destructive leadership exists at Finnish workplaces in various forms, either embedded into the organizational culture or toxic individual leadership practices, concordant to theoretical expectations present in this work.*** ( $H_a1$ : No evidence of destructive leadership can be observed in Finnish organizations).

#### **$H_02$ : Deleterious impact in organizations**

***Destructive leadership has a deleterious impact on the organizational culture, and its effects on organizational performance, organizational reputation, employee well-being and employee motivation can be subjectively measured using pre-defined criteria.*** ( $H_a2$ : No impact on the research parameters can be observed or the impact is positive).

#### **$H_03$ : Uniform prevalence in different organization sizes and types**

***Destructive leadership exists in organizations irrespective of organizational types and sizes. While manifesting itself in different ways depending on the organization type, its prevalence in organizations should be relatively uniform.*** ( $H_a3$ : Destructive leadership is visibly more prevalent in certain organizational types and sizes).

#### **$H_04$ : Non-uniform dissatisfaction based on respondent position**

***Destructive leadership creates stronger dissatisfaction among the employees lower in the organizational hierarchy, where the subjectively perceived power to make a difference is lower.*** ( $H_a4$ : Destructive leadership creates dissatisfaction in equal amounts at all levels of the organization).

#### **H<sub>0</sub>5 : Interlinkage between leadership and culture**

*The relation between **destructive leadership and organizational culture is bi-directional**. The leadership directly affects the organizational culture, and the norms, attitudes and beliefs of the culture are directly reflected back to the individual actors.* (H<sub>a</sub>5: There is no observable relationship between the leadership and the organizational culture, or the culture is unidirectional).

### **3.9 Concluding words on adopted methodology**

This chapter discussed the background, philosophy, methodology and design of the primary research involved as a part of this work. Much effort has been put into designing a secure set-up, where the target group can share their experiences confidentially without compromising the identity of respondents and their corresponding organizations.

While anonymous employee surveys – especially when disseminated virally over the social media – inevitably possess certain weaknesses and limitations in terms of such factors as *data veracity*, the *lack of randomness* in the sample group and *lack of control* over the number of respondents, the author considers the selected research methodology good enough provided that the caveats and drawbacks involved have been properly factored in. The research proceedings are more detailedly discussed in the next chapter.

## Chapter 4 – Data acquisition and analysis

This chapter focuses on describing the *field research process* outlined in the previous chapter and *analyzing the acquired data*. It starts by overviewing the research process *timeline* and *data profile*, also introducing briefly the used analysis methods. The chapter also provides analysis for the *quantitative* and qualitative data sets and discusses the *obtained results*. It also summarizes the information acquired from *individual interviews* and reflects the results against *hypotheses* defined in Chapter 3.

### 4.1 Research process overview and timeline

The employee surveys were successfully launched on 9 August 2021 via social media, initially reaching a group of 884 persons, then spreading virally and gaining substantial visibility over the first few days. A surge of responses was produced, peaking roughly 24h from the initial broadcast and then quickly dissipating during day two. Estimating roughly 6,000 – 8,000 people received the survey within the first two days from appearing via LinkedIn or Facebook.

During the data collection process, the free-form *qualitative* text field (employee experiences) had to be changed from *optional* to *required*. This change was necessitated by the first few incoming responses that lacked proper description, thus remaining incomplete. This shortcoming was identified early on day one and rectified without a meaningful corruption of data.

The individual interviews were carried out during 12 – 31 August, 2021 at four different meetings, producing 3h of audio material. One interview was canceled due to the acutely deteriorated health of the interviewee.

The employee survey was closed on 9 October 2021, after two months.

## 4.2 Data profile overview and analysis methods

The final employee survey data contains **138** samples (134 in Finnish + 4 in English) including **6** incomplete, duplicates or corrupted. The flawed samples were included into analysis selectively by applying usable parts. In addition, **3** responses were disqualified entirely.

Altogether, **133** (96,4%) representative samples were used as the basis for *quantitative analysis* – due to the very low number of responses in English (2,9%) and because of technical limitations in Google Forms, these were excluded from statistical calculations in order to avoid introducing two separate datasets and ease the analysis. A *mixed-method* approach is a convenient approach, as it allows for analysing the numerical information and descriptive employee stories separately. For this purpose, 133 samples accompanied with four supplementary interviews is likely to provide a decent basis to inform understanding.

For analysing the *quantitative* data, Google Forms automatically provides the rudimentary capabilities for numerical analysis and graphical representation. For necessary calculations, a spreadsheet form was used to provide the basic statistical values such as *mean* and *mean deviation* manually. The quantitative part directly interlinks with the primary research question about *prevalence* and *impact* of destructive leadership in organizations, as defined in Chapter 1.

For *qualitative* data, *thematic analysis* will be used to identify the recurring themes appearing in the employee stories. Thematic analysis requires reading through the responses manually, identifying and picking the *relevant concepts* to find common *themes* that occur repeatedly in the employee stories. The identified themes will be then mapped against the *main research categories* (explained further in Section 4.3). This analysis complements the quantitative analysis, providing valuable information on subjectively experienced *impact* in organizations.

## 4.2 Employee surveys – quantitative data analysis

The image below illustrates the distribution of organization types and sizes. See Figure 4.1 below. Roughly  $\frac{2}{3}$  of respondents reported working in the private sector, while the remaining  $\frac{1}{3}$  part comprised surveys from either the public sector or other organizations such as societies, foundations and non-profit associations. In terms of size, survey data was acquired from all organization sizes – from smallest SME:s and self-employed entrepreneurs to vast multinational corporations.

The observed distribution matches adequately with the structure of Finnish economy in terms of organization sizes and types, supporting the hypothesis **H<sub>0</sub>3** on uniform prevalence in organizations. This also indicates that the responses cover enough different types of organizations from various sectors.

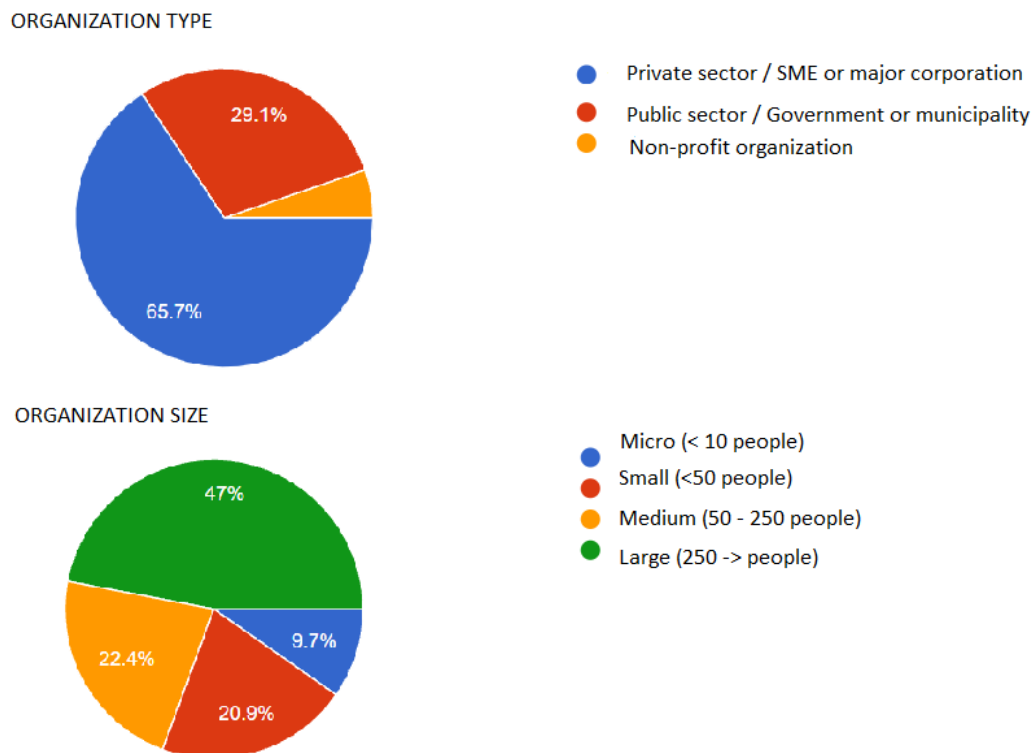
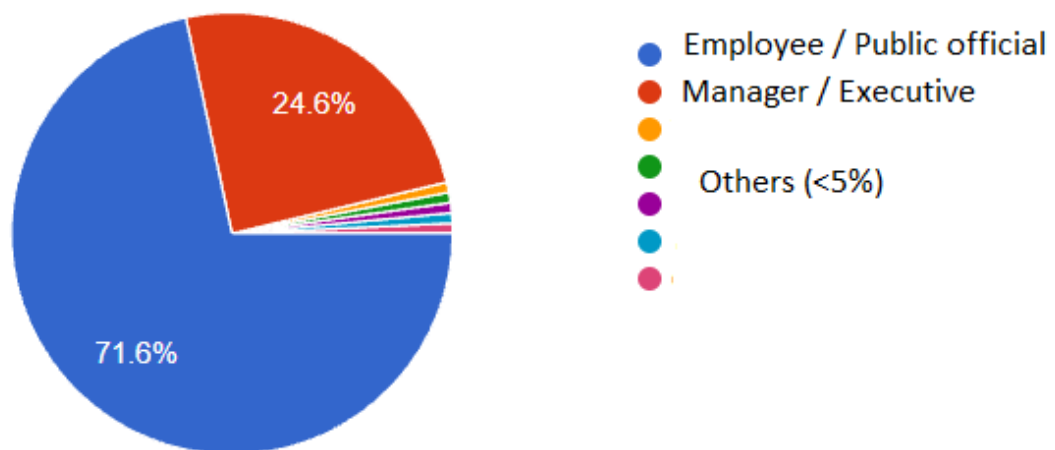


Figure 4.1. Distribution of organization types (top) and sizes (bottom)



*Figure 4.2. Distribution of respondents by organizational position*

The responses represented predominantly the employee or public official level (71,9%), but also the number of responses from managerial or executive level was surprisingly high (25%). There were some random responses from entrepreneurs, company owners, consultants or former employees, but their number was low. See Figure 4.2.

#### 4.2.1 Distribution of employees' observations by research categories

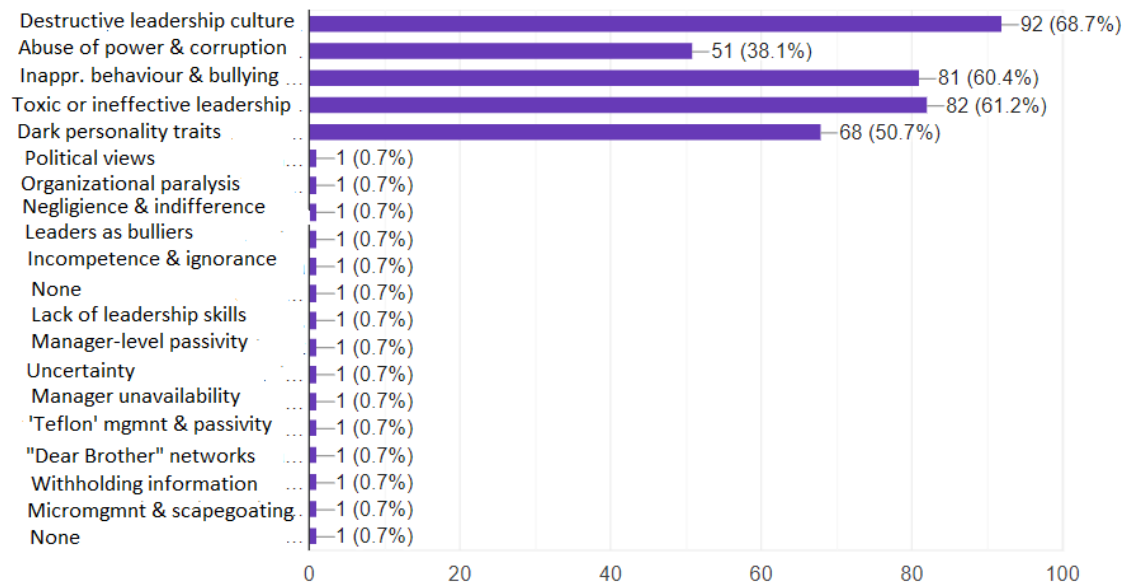


Figure 4.3. Distribution on the observed forms of destructive leadership

**Discussion** The clear majority of respondents (68,7%) ticked the '*Destructive leadership*' category, implying various problems embedded into the organizational culture. '*Inappropriate behaviour*' and '*Toxic persons*' classes were also very common. The '*Abuse of power & corruption*' category clearly received fewer selections. See Figure 4.3.

There were a few responses falling into the '*Other*' category that the respondents perceived as problematic. There were some interesting themes such as *political views* (making decisions based on the political views), *organizational paralysis* (the organization as a hostage of its past leadership) and various themes of leadership *passivity*, *negligence*, *incompetence*, *failure to react*, *micro-management* and *unavailability*. These latter represent, in fact, instances of toxic leadership. A few respondents also referred to the presence of various internal cliques of power withholding information, "a shadow organization" or "Dear Brother" networks, implying that power is actually used by people outside of the formal organizational decision-making processes.

### 4.2.2 Experienced levels of impact by research categories

For each research category, the mean  $\mu$  and standard deviation  $\sigma$  were calculated to produce information on distributions provided by the sample group  $N$ . The distributions are illustrated in Figures 4.4–4.7 as below.

#### Employee Health & Well-being

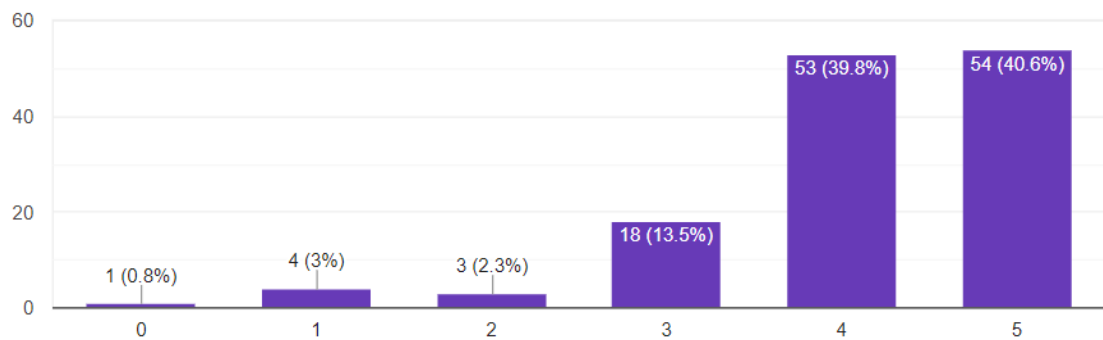


Figure 4.4. Perceived impact on employee health & well-being

$\mu = 4,126$      $\sigma = 1,010$      $N = 133$

#### Employee Motivation & Engagement

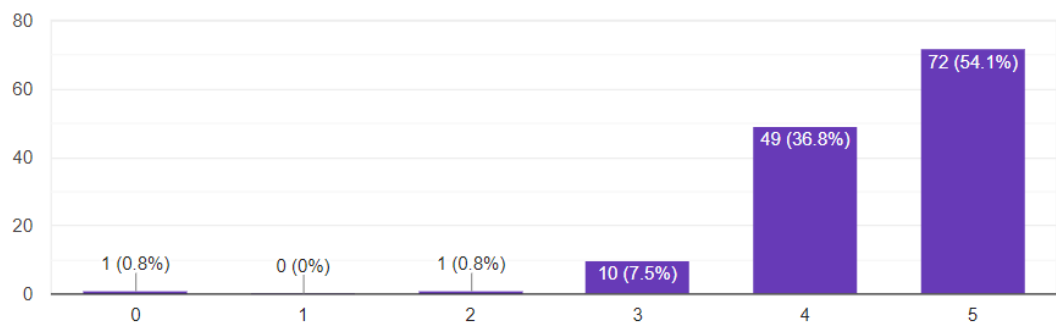


Figure 4.5. Perceived impact on employee motivation & engagement

$\mu = 4,418$      $\sigma = 0,771$      $N = 133$

### Organizational Goals, Performance & Operational capability

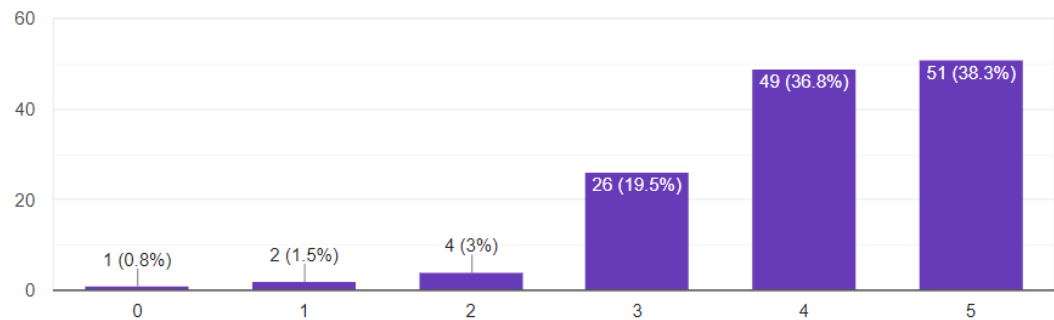


Figure 4.6. Perceived impact on organizational performance

$\mu = 4,047$      $\sigma = 0,979$      $N = 133$

### Organizational Perceived Public Image & Reputation

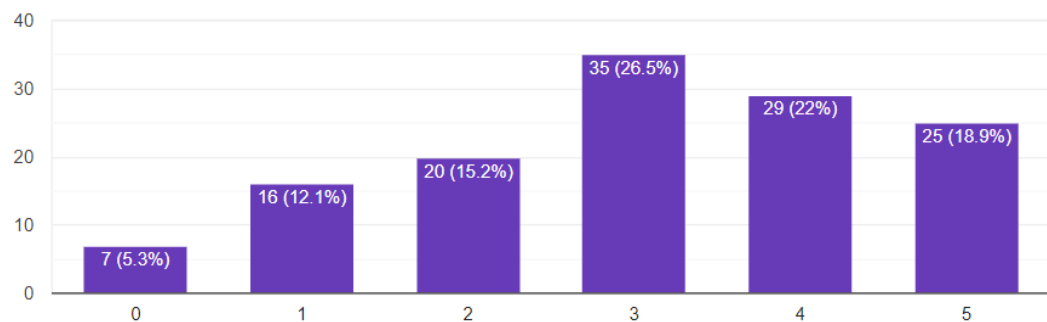


Figure 4.7. Perceived impact on public image & reputation

$\mu = 3,045$      $\sigma = 1,451$      $N = 132$

**Discussion**        The problems in leadership appear to be especially deleterious for employees' *motivation and engagement*, which scores very high in surveys ( $\mu = 4,418$ ,  $\sigma = 0,771$ ). While the relationship between the observed *organization performance* and *employee motivation* is non-trivial and difficult to establish, these response patterns exhibit very striking similarities, suggesting a strong correlation between these research parameters.

While the interpretation for employee *health and well-being* was defined very broadly, the evidence suggests that the leadership problems seem to take a profound toll on employees' subjective personal well-being. Even though the relation between the concepts of well-being, motivation and working performance is very complicated, this parameter can likely act as a predictor for the number of sick-leave days and staff turnover.

The impact on *organizational image and reputation* appears to produce the most spread. As the public image that an organization possesses is created externally in interaction with the external society and customers, as a concept it can remain distant for individual employees, proving out to be very difficult to assess. While there seems to be a causal correlation between the quality of leadership and the perceived external image, this relation remains somewhat vague and controversial. As mentioned earlier however: immaculate facades, confidentiality agreements and good organizational reputation can sometimes hide very noxious working environments.

### **4.3 Employee surveys – qualitative analysis and thematic highlights**

The qualitative sample data varied from a few word sentences to accurate and coherent full-page accounts. There was an interesting difference visible between the *employee-level* and the *decision-maker* respondent groups. While experiences from the first group were typically characterized by *brevity*, *personal emotions* and *based on individual events and incidents*, the decision-maker group systematically provided *longer narratives* with insightful, more *comprehensive views* and *strategic thinking* from the viewpoint of their corresponding organization.

The transcriptions of employee experiences are included as Appendix I. The respondent profiles are listed in Appendix II. A *thematic analysis* will be used to identify *recurrent concepts* from this raw data in order to identify *common themes* and finally form the *research categories*.

The first step involved manually reading through the employee experiences, identifying and highlighting the recurrent concepts based on employee-centric concepts. The closely related concepts were regrouped and combined under larger *thematic categories* in the Excel sheet. This step is called *first-order thematic analysis* (Bell et al., 2019: 528) . See Table 4.1 below to illustrate this process.

**Table 4.1. Illustration of first-order thematic analysis carried out to identify the recurring concepts to establish thematic categories.**

	A	B	C	D	E	F
1	<b>Personal gain</b>	Individual gains	Gain advantage	Running for pers	Bring tobacco	Striv
2	<b>Corruption</b>	Corruption				
3	<b>Bullying</b>	Workplace bullying	Workplace bullying rampant		After two months Work	
4	<b>Favouritism</b>	Task favouritism	Favouritism	Favouritism	Company hired r	Drive
5	<b>Humiliation</b>	Results lambasted publicly	Humiliates and c	Humiliated until e	Humiliated the e	Hum
6	<b>Lying</b>	Lying and holding back info	The supervisor h	Lying and talking	One toxic person disto	
7	<b>Illegal practices</b>	Outdated and illegal practic	recruiting agains	Illegal threats		
8	<b>Narcissism</b>	Manager narcissistic	Thinking they are	One-upping	The manager wa	Narc
9	<b>Holding back informati</b>	Keeping decisions secret	Holding back info	holding back the information		
10	<b>Anxiety</b>	Mood anxious				
11	<b>Poor well-being</b>	Sabotage well-being	Fully exhausted,	Burn-outs	Well-being affect Mon	
12	<b>Incompetence</b>	Unable to lead	Incompetent ma	Manager can do	Complete ignor	Man
13	<b>Official notice</b>	Official warning	I was given offici	written warning	written warning	
14	<b>Suppressing criticism</b>	threatened to reduce the nu	Threats to sack people were cons	indirect threats		
15	<b>Dear Brother</b>	Niche groups	slick inner circle	"Dear Brother" n	"inner circle"	inner
16	<b>Does not listen</b>					
17	<b>Monitoring</b>					
18	<b>Immoral activity</b>					
19	<b>Clinging to power</b>	Hold all the power	securing his own	attained all the power		
20	<b>Sabotage</b>	Sabotage others				
21	<b>People resian</b>	Everyone left	Staff turnover	Good people lea	Staff turnover	(kev'

At the next phase, the *main research categories* were formed based on the research-centric concepts (*second-order analysis*). The main research categories are as follows:

- *Destructive leadership culture*
- *Abuse of power & Corruption*
- *Dark psychological traits*
- *Abusive supervision & Violence*
- *Toxic leadership*

The themes produced by the first-order analysis were then matched and placed under these final research categories. See Table 4.2 below for illustration.

*Table 4.2. Illustrated the second-order thematic analysis involving forming the main research categories using research-centric terminology.*

<b>DESTRUCTIVE LEADERSHIP CULTURE</b>						
Suppressing criticism	threatened to reduce the nu	Threats to sack people were cons	indirect threats			
Holding back information	Keeping decisions secret	Holding back info	holding back the information			
Frozen out	Frozen out	Frozen out from	Smoking out	Freezing out	people who do n	you are
Monitoring						
Anxiety	Mood anxious					
Poor well-being	Sabotage well-being	Fully exhausted,	Burn-outs	Well-being affect	Money talks rath	Fatigue
Official notice	Official warning	I was given offici	written warning	written warning		
People resign	Everyone left	Staff turnover	Good people lea	Staff turnover	(key) employees	visibly hi
<b>ABUSE OF POWER &amp; CORRUPTION</b>						
Personal gain	Individual gains	Gain advantage	Running for pers	Bring tobacco	Striving to benefi	placing c
Corruption	Corruption					
Illegal practices	Outdated and illegal practic	recruiting agains	Illegal threats			
Favouritism	Task favouritism	Favouritism	Favouritism	Company hired r	Drivers favoured	Favoure
Immoral activity						
Dear Brother	Niche groups	slick inner circle	"Dear Brother" n	"inner circle"	inner circle beha	People ε
Clinging to power	Hold all the power	securing his own	attained all the power			
<b>DARK PSYCHOLOGICAL TRAITS</b>						
Narcissism	Manager narcissistic	Thinking they are	One-upping	The manager wa	Narcissism	He alone

It should be noted that several themes such as ‘belittling’ and ‘favouritism’ could be matched with several main categories.

After this classification, each main research category could be examined at a deeper level in terms of their typically associated themes and characteristics. The following subsections discuss the typically observed features attributed to each research category, along with selected highlights picked from employee stories followed by commentary discussion based on these observations.

### 4.3.1 Destructive leadership culture

*Suppressing criticism, management by fear, favouritism, freezing (smoking) out, poor well-being, anxiety, lack of respect, inequality, scolding, humiliation, sick leaves, resignations, staff turnover, impact on work motivation, impact on organizational performance, using informers, official notices, unjustified terminations, putting all responsibility on employees, suicides. See Table 4.3.*

*Table 4.3. Featured examples of destructive leadership*

#### **Selected examples of destructive leadership culture (68,7%)**

**"The top management sabotages the climate and the well-being of employees.** People are nice but stricken by apathy. People resign, but the problem is never with the employer or the society but the employee."

**"Hard and unfair leadership culture.** No appreciation for professionals, who are frozen out from the organization without investigating the real causes of sabotage. Workplace bullying and staff turnover is rampant ..."

**"People are frozen out from the company.** Tasks are given without providing support and the results publicly lambasted. ... Refused to discuss blatant workplace abuse and insinuated that leaving the company might be a good idea. This happened to several people, while silently hoping that they don't talk to each other. ... Everyone left the company within a short timeframe."

**"Too high a workload for one person.** 7,5 h work days is not enough to ensure that the tasks are done properly ... Employees get burn-outs and staff turnover is high. Training new employees burdens older employees. Successes

*are not rewarded, but all daily activities have still to be recorded to demonstrate your efficiency."*

*"Neglecting employees completely. Because of this, an increasing number of (key) employees are leaving. Those who can leave. The employees are **fully exhausted and burst into tears inadvertently during the workday or get severe nervous breakdowns**. Some employees have taken sick leave for exhaustion."*

**Discussion** The accounts demonstrate the severe impact caused by destructive leadership on the organizational culture. At this point, the organizational culture itself is fundamentally diseased – destructive behaviour is no longer limited merely to individual actors – causing poor well-being and increasing staff turnovers and absenteeism. Its impact visibly reflects itself to the motivation, physical health and mental well-being of organizational subjects. A toxic working culture creates several performance-related problems for the organization itself and various problems for the employees' health, well-being and work motivation.

The experiences run the gamut of recurring themes – perceptions of *favouritism, inequality and lack of appreciation* seem to be relatively commonly perceived by Finnish employees. There were some mentions in relation to *gender inequality* and *unfair career opportunities*. The perception of injustice causes frustration and lack of motivation among employees. The misuse of *official notices, unjustified employment terminations* and *freezing out* (or colloquially, *smoking out* in Finland) are prominent perceptions among responders. Detailed accounts of *scolding* and *public humiliation* in front of other employees were a recurrent theme.

At this stage, the working culture has typically become so noxious that changing it will require substantial efforts from the behalf of organizational management. The whole working society and its performance suffers.

### 4.3.2 Abuse of Power & Corruption

*Pursuing personal gains, abuse of power, corruption, illegal and immoral practices, niche groups, Dear Brother networks, clinging to power, inequality, unjustified terminations, using informers, using sycophants. See Table 4.4.*

*Table 4.4. Featured examples of abuse of power and corruption*

#### **Selected examples of abuse of power and corruption (38,1%)**

*"Keeping decisions secret (in a municipality where things should be public). **In the background are the interests of some political niche groups.**"*

*"**The inner circle behaved unethically and silenced others by bullying.** The municipal manager and her politician husband played dirty games."*

*"Decisions were made and organizations built within a **religious network** among others. **Kinship was seen as an advantage for promotions, e.g. getting international expat assignments and the associated benefits.**"*

*"**Placing one's own career first, the interest of the organization is secondary ... Abusing power blatantly as a driver for personal gains. No one cares about good behaviour or morale. "Dear Brother" network at its best.**"*

**Discussion** A relatively low number of respondents picked this category and it was mostly chosen together with other categories. The abuse of power, corruption and white-collar crimes become rarely visible to ordinary employees unless it concerns them directly. However, when prevalent the abuse of power creates frustration, organizational cynicism, moral corruption and an increasing sense of injustice in the organization, leading to decreased work motivation.

References to privileged niche groups like “Dear Brother” networks, “inner circles” and “political niche groups” imply perception of unfairness and lack of trust upon decision-makers’ impartiality or sovereignty. Even in lack of evidence, this experience can severely undermine the organizational working morale, leading to increased juxtaposition of employees and decision-makers, manifesting in increased *tribalism* and *they-against-us* thinking.

Significant resources are typically required to research financial crimes, making this category notoriously difficult to study. A mention of *religious networks* is particularly interesting, as the significance of the church in business life has been dwindling in the modern era. Some religious niche groups still have some support especially in the rural parts of Finland, forming their own tightly-knit niches backing up each other.

### 4.3.3 Dark psychological traits

*Narcissism, refusal to talk, lying, sabotage, using sycophants, smashing ideas, discrediting, hijacking ideas, neglecting others’ work, intolerance for others’ success, toxic sarcasm, boasting, petty tyranny, employee isolation, silent treatment, personal or collective retaliation, scapegoating, backstabbing, covering up own mistakes, using sycophants, denying accountability, sulking.*  
See Table 4.5.

Table 4.5. Featured examples of dark psychological traits

#### **Selected examples of dark psychological traits (50,7%)**

*“Egomaniac bosses who spend one-on-one discussions talking about themselves and boasting about their own achievements ...”*

*“Every time the company made success and records were broken, the director took all the credit, even though his contribution was mostly negative. ... This narcissistic*

**leader was able to keep up the facade** so that the stakeholders never suspected anything or cared. And the employees were **kept in fear** so that nobody wanted to say anything."

"The supervisor systematically **isolated certain employees, not talking to them and spoke ill of them. Yelled warnings against face belonged to his managerial toolkit.** To cover up his own incompetence and laziness, he always needed such **a scapegoat.** All five employees had their turn during one year. my turn was last and it was horrible."

"**The list is endless, childlike, naive, emotional, narcissistic psychopath hidden behind a wide smile and happy facade** when "someone happened to see or hear" or if the topic was about the public image of the organization. **Stalking, persecution, keeping you outside the "inner circle", suspicion - all this with a smile on his face. He felt himself as a visionaire, the bringer of a brighter tomorrow, a pioneer."**

"**Spreading lies** about an inconvenient person, **scapegoating this person for a crime staged by the boss, letting bullying continue until the employee resigns e.g. by sending nasty messages** concerning even the members of the employee's family and newborn child, **trying to drive over by a car ... A jealous boss behind all this"**

### **Discussion**

The dark psychological traits take many forms at the workplace, but always at an individual level. As it becomes apparent from many stories, the accounts are closely coherent with depictions available in the body of dark leadership research. Narcissistic behaviour in particular seems to be relatively common at workplaces and the decision-maker level. While even

healthy organizations can harbour individuals with disorders or narcissistic traits, they will become a problem when becoming rooted as a part of organizational practices. Cynicism, fear, pursuing individual gains and striving for personal survival all become the prevalent norm in the organization.

Characteristic to this behaviour is gathering *coteries* of like-minded sycophants, belittling employees, discrediting, backstabbing, spreading rumours, hijacking credits, isolating employees, weaponized use of silence as a form of punishment and projecting own mistakes to employees by *scapegoating*. In its most pathological form, Narcissistic Personality Disorder (NPD), it is closely related to psychopathy. Even in subclinical forms, these psychological constructs may cause severe internal issues and conflicts at workplaces.

While the references to *psychopathy* were scarce in number, there were some samples exhibiting typically sociopathic behaviour. This is demonstrated by the last example featuring *scapegoating an employee for a staged crime and attempting to run over by a car*, carrying the hallmark signs of callousness and unempathetic ruthlessness of a psychopath. While the alleged events are based on the respondent's subjective perceptions and cannot be confirmed, they support the empirical notion of psychopathic inclination toward extreme actions by any means deemed necessary, not limited to killing if their personal interest is at stake.

#### 4.3.4 Abusive supervision & Violence

*Bullying, belittling, aggression, yelling, intimidation, public humiliation, lying, scolding, use of condescending language, removing and transferring work tasks, calling by names, pushing to leave, sexual innuendo, pushing to accept salary reduction, improper treatment, rude management style, management by fear, lack of respect, using informers. See Table 4.7.*

*Table 4.7. Featured examples of abusive supervision and violence*

##### **Selected examples of abusive supervision and violence (60,4%)**

*"We got a new CEO, my new boss. After two months the **workplace bullying** started. All suddenly, I **seemed to be incompetent for my work**, despite working on them for five years and received commendations prior. I was given an **official notice** based on made up excuses and blackmailed to resign."*

*"The HR director fires and punishes people wantonly based on rumours, without investigating the facts and starts bullying if someone dares to make a stand."*

*"The **aggressive behaviour of the boss when giving instructions to an employee, yelling**. Physically tall manager almost comes into physical contact and uses his physical prowess as a means of enforcing, even though speaking in a normal tone. ... Mental pushing from the store managers ... So intense that during 11 years, **3 employees committed suicide**."*

*"The manager humiliated the subordinates until they had no choice but resign. During two years, 38/42 employees left but the executive level still didn't interfere."*

**Discussion** Abusive supervision was reportedly a frequent experience among respondents. Inappropriate behaviour, calling by names, public humiliation, belittling, bullying, yelling and threats were very common. Abusive supervision has devastating personal effects on the well-being and motivation of the personnel. This issue can arise in many ways, manifesting in individuals, groups or, in its pathological form, become a characteristic norm in an organization. It is frequently attributed to other severe issues scourging an organization – for example, it can either stem itself from a cynical, destructive organizational culture where employees' well-being is neglected or ensue as a byproduct caused by severely narcissistic people.

In all its forms, its effects on individuals are devastating and resulting in severe degradation of working morale, performance and individual well-being. Burn-outs, exhaustion, depression and other mental health problems are typical symptoms among employees. Stories about humiliation and pushing were recurrent themes. One particular story featuring committed suicides carries a dark resemblance to the France Télécom reorganizations.

#### 4.3.5 Toxic leadership

*Incompetence, missing leadership, neglecting employees, employees left to cope alone, turning blind eye, passivity, negligence, ignoring employees, suppressing criticism, ignoring views, manager unavailable, micromanagement, lack of trust, criticizing employees, stalking, putting public image above well-being, undervaluing.* See Table 4.8.

Table 4.8. Featured examples of toxic leadership

##### Selected examples of toxic leadership (61,2%)

*“Family business with **incompetent leadership**. Problems with family dynamics ... The head of sales has never worked on sales himself and manages by numbers ... **Employees raising constructive criticism are met with official notice.**”*

*"... A mid-level senior official clings to his power, although being unable to lead his unit."*

*"A toxic principal who turned a blind eye ... even when tobacco dealers entered the school building. Her excuse for this negligence was data protection and privacy."*

**Discussion** In contrast to the destructive leadership culture, toxic leadership manifests itself in individuals or groups, that because of their *ineffectiveness, passivity* or *incompetence* undermine the organizational objectives and the general well-being of a working society. In this group, incompetence, lack of leadership, negligence, turning a blind eye and leaving them to cope alone were recurrent motifs. These are very common problems especially seen in Finnish family businesses, where an unfit person rises and clings to power based on kinship, not competence and merits. Their influence can be deleterious for the workplace morale.

Toxic leadership incorporates various forms of poor individual leadership that become harmful for organizations and their employees, without an underlying intention as a prerequisite. It is an important reminder on how entire organizations can turn sour not because of activity but *negligence, passivity* and *personal incompetence* of their leaders. Leaving employees to cope on their own – sometimes called *laissez-faire* leadership – can effectively lead to the total loss of control and inability to survive from crises. This leadership style is generally known to cause lowest productivity in groups (Anbazhagan & Kotur, 2014).

## 4.4 Individual interviews – summary

Four out of the planned five individual interviews were successfully carried out as a part of field research. All these conversations were treated as separate sources (named S1–S4) and considered as material complementing the literature review covered in Chapter 2.

While the first conversation, S1, did not technically meet the criteria of a structured interview – it was based on discussion notes made from the basis of telephone conversation and email exchange rather than a recorded audio – and was treated as a personal correspondence to retain processual rigourness.

For S2–S4, the interview questions are included as Appendix III. For an interested reader, the detailed summaries of all four interviews are included as Appendix IV.

### 4.4.1 On the organizational culture and leadership

Leadership has a pivotal role in creation of the functional organizational culture and should always be viewed against the ethnic and cultural backdrops. Compared to Sweden, for example, the authoritarian leadership style (*management by perkele*) is deemed to be better tolerated in Finland due to historical reasons. While authoritarianism can still thrive in certain hierarchical workplaces, such as military or hospitals where the authorities are not questioned, it is majorly seen as an outdated leadership approach.

The organizational culture acts “*like the water where the fishes swim*”, forming *the basis of trust* that glues the organization together. The leadership culture can be very inert and slow to change. For any drastic changes a generational change might be required. Organizations gradually become the image of their leaders in good and bad. The Cultural Iceberg model by Schein (1985) provides an adequate model to explain how leader activities transform into norms, beliefs and get eventually embedded as integral parts of the organization’s culture.

#### 4.4.2 On the nature of Dark Triad traits and their impact

While *narcissism* has been recognized as a stable and persistent phenomenon in society, the interviews support the notion of the contemporary society's role in promoting the presence of narcissistic behaviour.

The modern Western *fast-paced work culture*, along with the pursuit of *quick profits, seeking self-gratification* and *increased competition* seem to favour and accentuate narcissistic and psychopathic behaviour. The dark traits are relatively well understood among psychologists and recruitment professionals. In contrast to the *haughty, condescending* and *self-aggrandizing* behaviour that is traditionally viewed as hallmark signs of "white-collar narcissism", *covert narcissism* – a more subtle variant of narcissism related to a fragile ego and weak self-esteem – seems to be a dominant cultural variant in Finland. This form is characterized by resorting to toxic behaviour as a means of defense, causing negative phenomena such as *backstabbing, scapegoating, smear campaigns* and *conspiring* to become rooted into the organizational culture.

Narcissism seems to be prevalent in the upper tiers of the society – especially so among coveted high-profile professions such as CEOs, surgeons and clergymen – allowing for access to remarkable power and influence. When excessively present at workplaces, however, severely narcissistic and psychopathic personalities can create various problems.

A narcissistic working culture promotes an atmosphere of fear and deteriorates the working morale among the personnel by drawing forth their dormant dark traits. A narcissistic leader typically places his personal gains ahead of the interests of his organization while aggressively striving to cling to power, *hoarding unwarranted credit* from successes and *shifting blame* from failures.

At an individual level, narcissism does not merely manifest in leaders' explicit actions, but takes place in various insidious and manipulative shapes, such as using the *silence, subtle messages* and *gestures* as a means of *power and control*. For narcissistic leaders, propping up their position by gathering *coteries* of like-minded followers – an atmosphere of secrecy and workplace bullying

often follow as symptoms. Employees refusing to submit to this behaviour are frequently in risk of being frozen out or become targets for smear campaigns.

The toxic working milieu effectively saps the organization, but can also negatively affect its surrounding society. When becoming a normative part of the culture, narcissism can even become a form of “mass psychosis”, where it is self-sustained by the culture itself via group pressure. The interviewees unanimously agree that entire organizations can become narcissistic, reflecting the behaviour of their leaders. Such organizations typically develop various kinds of problems in the long run by undermining the trust among employees, leading to a *degraded level of collaboration*, *cynicism* and *toxic working morale*. Increasing *staff turnover* and *sick leave days* are common.

#### **4.4.3 On the importance of the HR and recruitment processes**

If the organization is already tainted by destructive leadership culture, there are no simple solutions. Ideally, destructive individuals should be filtered out during the recruitment stage. Therefore, an effective HR function and well-planned recruitment processes are vital in keeping the organization clean from destructive influences. As the Finnish organizations seem not to either understand or give credit to psychological factors when recruiting people to key positions, it is recommended that professional psychologists are used in recruiting processes.

Recruiting key talent can be vastly expensive, and making wrong recruitments even more so. The recruitment process is all about *minimizing risks* and *forecasting the future*. An experienced HR professional with strong intuition can become valuable in identifying deviations and discrepancies in the applicants' background.

Although new psychological testing tools (such as RAVEN) are developed, interviews still remain the backbone of the recruiting process. Moreover, psychological testing is strictly regulated by legislation, setting clear boundaries for information on what the testing methods can reveal – in particular, information on the applicants' medical conditions such as clinical illnesses

cannot be directly utilized even in the case of real concern that the applicant fulfills the criteria of clinical psychopathy or NPD.

However, just the extreme cases usually cause problems and it is more important to find out the applicants' aptitudes and resources for the particular position. Psychopathic traits are relatively common among high-level executives – psychopathy or narcissistic traits alone don't make any leader unfit. In fact, these traits can be beneficial in positions where hard decisions need to be done within a short time-frame and empathy becomes a hindrance. Instead of seeking people with exceptional talents, it is usually better to find people who lack excessive destructive psychological traits. The compulsive hunting for destructive traits should not distract organizations by obscuring their primary goal, i.e. *creating a functional and healthy organizational culture*.

#### **4.4.4 On good leadership and organizational practices**

The leaders need to constantly challenge themselves by honestly asking if they are doing the right things. This calls for humble *self-reflection* and truthful *introspection* at all levels of leadership. The inherent difficulty for excessively narcissistic leaders is their inability to face the consequences of their own actions.

It is up to the HR department and the executive level to identify and fix problems in the work society where required. The organization needs clear procedures and sufficient feedback channels for employees to get help when needed. All recruitment decisions should follow the same uniform processes and utilizing more HR professionals properly trained in dealing with deviations at the workplace. In recruitment situations utilizing psychological professionals with proper understanding in human behaviour is strongly advised to keep the executive positions clear of toxic personalities.

## 4.5 Interpretation of data and further discussion

The amount of collected data was vast and provided good first-hand insight into how destructive leadership is experienced in Finnish organizations. While the interpretations vary depending on the responders' position and career, the thematic analysis on employee accounts seemingly provides a satisfactory view into sentiments that prevail in organizations scourged by various forms of destructive leadership.

Mixed-mode survey method allowed mapping the *qualitative* employee stories against predefined *quantitative* research categories, allowing for better assessment of how different modes of destructive leadership appear in the Finnish working life.

Interestingly, many respondents seem to intuitively make separation between the organizational culture as something that is *intangible*, i.e. has something to do with the workplace atmosphere, and *activities of its individual actors*. This clearly supports the theoretical presumption of destructive leadership occurring separately both as a phenomenon impacting the organizational culture, but also at the individual level, manifesting itself in personal characteristics of an organization's leaders perceived by its employees. This duality was predicted by **H<sub>0</sub>5** (Leadership/Culture interlinkage) and clearly advocates the perception that destructive leadership should be treated both as individual and organizational phenomena.

The results seem to conclusively affirm the research hypothesis **H<sub>0</sub>1** (Existence) of destructive leadership existing in Finnish work life. The results confirm **H<sub>0</sub>2** (Impact) about negative influence on the organizational culture – while the effects on *reputation & public image* remains ambivalent, the deleterious effects on *health & well-being, motivation & engagement* and *organizational performance* are profound and clearly asserted.

The results also support premise **H<sub>0</sub>3** (Uniform prevalence), as there seems to be no clear pattern between the organizational types/sizes and prevalence of destructive practices. Destructive leadership seems to appear in all areas of Finnish economy.

The survey results also support **H<sub>0</sub>5** (Leadership/Culture interlinkage), providing further validation for the suggested mechanism based on the Cultural Iceberg model (1985) about how leadership influences are conveyed into the organizational culture. This reinforces the notion that individuals both *heavily influence* and are *influenced by* the beliefs, values and attitudes embedded in the organizational culture. The hypothesis **H<sub>0</sub>5**, supported by *social factors* such as *social pressure* and *perceived effects of power*, may provide an explanatory model, albeit incomplete, of how organizational culture turns toxic. This model can be further complemented with the idea of *organization culture amplifying leaders' behaviour* (see 2.8.1) as suggested by O'Reilly, Chatman & Doerr (2018).

However, the study fails to convincingly assert the veracity of **H<sub>0</sub>4** (Non-uniform dissatisfaction). This can be clearly seen from the samples provided by decision-maker level respondents and their shared stories, indicating that destructive leadership is acknowledged and seen equally problematic even at organizational key positions. This supports the alternative hypothesis **H<sub>a</sub>4** on *destructive leadership creating dissatisfaction equally at all levels of the organization*.

# Chapter 5 – Conclusion and recommendations

This chapter serves as a conclusion for this work summarizing the *key observations* and, based on them, provides *recommendations for organizations*. The chapter discusses the *value of this research* and its *results*. The final section discusses the acknowledged *limitations* for a potential reader, also outlining some possible suggested directions for *future work*.

## 5.1 Conclusion

The research at hand constitutes – to the author’s best knowledge – one of the most comprehensive attempts to build an overview of destructive leadership in its various forms in Finnish organizations to date, applying the concepts and terminology as they are used in the international leadership research. The work seeks to address the following research questions:

- *How common (prevalence) is destructive leadership as a phenomenon in Finnish organizations and which forms (impact) does it take?*
- *What can be done to prevent or mitigate the negative effects of destructive leadership in organizations?*

The main objectives were to *gain better understanding of destructive leadership in Finnish cultural context based on acquired first-hand experiences*, reflect the acquired data against the views provided by professionals in the fields of HR and psychology, and finally *understand the different ways how organizations can mitigate or eliminate the influence of destructive leadership at workplaces*.

Built on extensive literature review into the body of destructive leadership, interviews and employee surveys, the study provides convincing evidence on the nature of different forms of negative leadership existing in contemporary Finnish work life.

In spite of practical challenges, such as reaching out to organizational individuals willing to talk, the research demonstrates that it is currently entirely possible to study destructive leadership behaviours in organizations. By using anonymous surveys and utilizing social media as the platform, a substantial body of evidence could be gathered.

Even in the absence of external incentives, the survey respondents seem to exhibit clear *internal motivation* to share their experiences. While the psychological *reward mechanisms* do not fit the scope of this work, more understanding of motivational mechanisms would be needed in order to conduct better research in this area.

The sample group generally exhibits a strong *normative moral code* and *well-developed sense of right and wrong*. Survey reports were deeply personal and emotionally loaded, conveying a feeling of *disapproval* and *frustration* – there seems to be a subjectively experienced gap between *how things currently are* and *how they should be*.

Based on the obtained data and interviews, several key observations could be made:

- The research *confirms* the existence of destructive leadership in several forms at Finnish workplaces (**H<sub>0</sub>1**), manifesting either as an integrally *embedded part of the organizational culture* or *reflected through individual behaviours*. Therefore, destructive leadership should be understood and researched as a phenomenon occurring at both levels.
- The research *confirms* the causal interlinkage between destructive leadership and its deleterious impact on the organization culture and employees (**H<sub>0</sub>2**). As demonstrated by the data, this impact seems to be particularly detrimental for *employees motivation, organizational performance* and *employees health & well-being*. Symptomatic for such organizations are *high staff-turnover, increasing sick leaves, workplace*

*bullying, degraded working motivation and low performance*. For *public image & reputation* the correlation seems to be more complex and non-trivial. While this impact seems to be negative in general, the correlation seems to be weaker than for the other three research parameters.

- The research *confirms* that destructive leadership exists in all types and sizes of Finnish organizations (**H<sub>03</sub>**), regardless of turnover. While destructive leadership seems to be relatively more common in *public sector organizations* (*public administration, healthcare and education* foremost), this may be more related to *authoritarian and hierarchical* culture that is traditionally more accepted in these sectors.
- The research *refutes* the perception of destructive leadership creating stronger dissatisfaction among the employees at the lower levels of the organizational hierarchy (**H<sub>04</sub>**). Although some qualitative differences between the data collected from *decision-makers* and *employee-level* could be discerned in terms of narrative style, destructive leadership was acknowledged as problematic regardless of the respondent position.
- The research *confirms* the interlinkage between leadership activities and the organizational culture (**H<sub>05</sub>**), reinforcing the idea of leadership having a pivotal role in creating the organizational culture that works as a mediator – or, an *amplifier* as suggested by O'Reilly et al. (2018) – for executive actions, but also reflects the effects of organizational culture back to individuals. Individuals create organizational culture in good and bad, but once created it is slow to change.
- *Destructive leadership* requires *destructive leaders, susceptible followers* and a *conducive environment* (i.e. the organizational culture) to exist (Padilla et al., 2007). Organizations can protect themselves by preventing toxic people from entering key positions, providing employees

with sufficient feedback channels and cultivating a healthy working environment.

## 5.2 Recommendations for organizations

Based on the evidence and key observations that resulted from this work, this section discusses recommendations for organizations, also drawing upon interviews S1–S4 carried out during the research process (see Appendix IV).

For every organization, it is crucial to internalize Schein's (1985) perception of *leadership* and *culture* as flip sides of the same coin – leadership is about creating a healthy organizational culture which, in turn, constitutes a fundamental prerequisite for any functional organization. A functional culture can be seen as “*the water where fishes swim*” (Palmu) or “*...a great enabler*” (Alahuhta, 2015: 134).

Aside from developing *strategic thinking* and *internal capabilities*, it's worthwhile to examine the unconscious *values*, *beliefs* and *attitudes* that have rooted themselves into the deep-layers of the organization. A healthy work environment and motivated employees are predictors for the organization's performance in the future.

On the other hand, destructive forces often arise from within the organization itself in a form of unfit decision-makers. Emphasizing the devastating effects that destructive leadership potentially summons upon the organization and its individuals, it is important that organizations educate themselves and fortify their procedures against this phenomenon.

Developing an organization simultaneously means developing its culture, and it is imperative to recruit decision-makers that are genuinely willing to develop its values and attitudes. In pursuit for short-term gains, egotistical leaders exhibiting excessively *narcissistic*, *machiavellian* or *psychopathic* traits can be effective in executing hard short-term decisions (e.g. lay-offs), but are seldom able to fully commit to the collective cause of an organization, let alone achieve

positive transformation in a longer perspective whilst making the whole organization fall ill in the process. Organizations gradually change, becoming the image of these leaders (Palmu).

All interviewees agree that whole organizations can become narcissistic – “*Any organization can become narcissistic, if the leader is able to gain enough momentum among followers*” (Niemelä). When the organization is already tainted, it will be difficult and expensive to take corrective steps backwards, and toxic organizations are inclined to attract equally toxic leaders, as bleakly demonstrated by the cases of Enron and France Télécom.

Leaders at all levels of organizations should reflect on their own narcissism as decision-makers by practising daily *self-reflection* and *introspection*. They should keep challenging themselves by constantly asking questions: “*Are we doing the right things? Are we doing the things right?*”.

While it is not possible and even necessary to remove the presence of the dark traits entirely, their impact can be drastically mitigated by preventing toxic persons from gaining entry in the first place. Influential positions of power tend to be highly alluring for individuals with dark personality characteristics and the *recruitment process* is pivotal in keeping toxic persons away from the key positions. To this end, organizations should examine and revise their recruitment processes, if needed.

Any recruiting process is all about *minimizing risks* and *forecasting the future*, where a perfect success rate is never achievable (Peltokangas). “*Recruiting is difficult and expensive – making wrong recruitment even more so.*” (Palo). Therefore, it is a recommended practice to utilize the services of psychological professionals when filling up key positions. “*Psychological testing is an investment in the future, it is a well-used time... a correct person for a correct position.*” (Peltokangas)

However, *the final recruiting decision always belongs to the organization management*. The responsibility of creating a healthy working milieu belongs to the *executive level* and the *HR function*, and cannot be externalized to recruitment consultants. Therefore, organizations must educate themselves on the various aspects of destructive leadership and dark psychological traits across the board.

Moreover, although it would be ideal to filter out people with excessively dark traits during the recruitment phase, legislation sets the limits for using psychological testing methodology employed by recruiting agencies to identify people with pathological disorders. (Niemelä; Palo)

Finally, organizations need to take care of the well-being of their employees by adopting processes and feedback channels which employees can use to get help when required. The company also needs to identify and take measures against *workplace bullying* without exceptions (Peltokangas). Adopting and monitoring suitable metrics such as *sick leave days* and *staff turnover* is recommended, as they can provide important signals on the workplace sentiment (Peltokangas). An unhealthy organization cannot perform as expected (Palo). In a sick organization there are always people who spread this downbeat mood further.

### **5.3 Acknowledged limitations and future work**

The reader should acknowledge the *selection bias* resulting from the available resources, time and the chosen mode of data collection. While efforts were made to get enough sample data from outside of the author's own social circles in order to achieve proper *randomization*, many respondents still represent so-called middle class or highly educated "white-collar" professionals. As an implication, an important group of less educated working class, "blue-collar", could not be reached, leaving a lot of valuable perceptions and experiences of Finnish workers hidden.

A foreign reader should also remember the nature of leadership as a *contextual* and *contingent* process without universally valid norms – the author of this work inevitably reflects his own adopted beliefs and moral norms when dealing with ethical questions pertaining to the “good” and “bad” leadership.

These norms should be always seen as a byproduct of the surrounding ethnic background, local culture, history, values and traditions – for example, it is possible that a reader with an Asian background would disagree with some prescriptive value statements made during this thesis. The suggested – or “correct” – interpretation is that an organizational culture should always form an equilibrium with its local surrounding culture. A “good” leader contributes towards building an effective working environment that serves to achieve the organizational objectives while considering the well-being of its employees and the values of its surrounding society.

For the future, the author identifies a need for further research on the impact of *organizational structure and culture on how destructive leadership manifests in such organizations and is perceived by their employees*. Analysis based on e.g. the Competing Values Framework introduced by Quinn & Rohrbaugh (1983) – shedding more light on how the organization operates, modes of collaboration and its values – would be highly beneficial but could not be fit in the scope of this work.

## Chapter 6 – Personal reflections

Serving as a pinnacle point for my MBA journey at Henley Business School, this work was mostly written in the second half of the pandemic-ridden year of 2021. It was an ambitious project that enabled me to access the dark side of leadership and properly explore such psychological facets of organizational practices that are seldomly brought into the daylight.

For me, personally, the organizational behaviour and the psychology of leadership have always been intriguing topics. Although the topic of my thesis was initially met with puzzled silence by my peers, the vast amount of accrued survey data and privately received compliments afterwards convinced me that there was a latent demand for a study in dark leadership.

Although feeling a certain degree of pride and gratefulness while writing these concluding sentences for this final chapter of my thesis, for the sake of sincerity it must be noted that bringing this work to the grand finale was neither a straightforward or self-obvious accomplishment. While my original motivators for entering the Henley MBA program all came from my employer of that time, all these my original reasons simply vanished by employer change in 2019. In fact, my position has changed twice during the span of this journey.

This pragmatic rationale I once had was replaced by something deeper, more pervasive hunger to bring the program into completion on the merit of the *academic challenge itself, self-actualization and intrepid exploration of my personal limits*. For me – at some emotional level – this accomplishment also served as a reconciliation for abandoning my business studies and leaving the university many years ago for a career. Now, I consider this debt I owed to myself repaid.

Looking into the mirror, I recognize a substantial transformation has taken place. The MBA program has been a vehicle of *self-improvement, self-reflection and introspection*. Aside from delivering a substantial amount of valuable

managerial knowledge, its most rewarding part was undoubtedly the Personal Development module series, which – as I recall to have been reflecting – provided “*a handrail but not a crutch*” for all the rest of the studies. In some way, this series constituted a philosophical red line and a backdrop against which to reflect everything I learned. Not only did the Personal Development series provide insight into life itself, not just my future career, it also forced me to stop and carry out a thorough appraisal on my current *values*, *premises* and *subconscious expectations* that I possess for life – some of which I had taken for granted, forgotten or otherwise neglected for years. Coinciding with a very challenging period in my personal life, the Henley MBA program seemingly took me through an extraordinary learning path that not only would make me a better leader, but a stronger and more mature person with a sense of confidence and humility in equal amounts.

*Self-reflection and truthful introspection* – the concepts used by one of my interviewees. In some way, these words are the fundamental motif that echo and resonate all over this thesis. While exploring the darkest corners of human psychology, this work allowed me to examine myself truthfully as a human being. By pushing me down the path of honest self-reflection, writing this thesis granted me an opportunity to make an honest inventory of my own dark personality characteristics. By identifying, understanding and controlling these traits within myself, this allows me to take one step further towards humility in my profession and better self-awareness.

Before embarking on the research work at hand, I set several personal development objectives for myself. The first goal was supporting my development as a professional and a leader. The second goal was to hone my scholarly skills in conducting academic research after so many years, while improving my ability to search and utilize high-quality information in appropriate contexts. The last objective was to understand the research topic well enough to further a positive working culture in our organization and to prevent the presence of toxic leadership at the workplace. Looking at this accomplishment, I consider these objectives adequately met.

Subjectively speaking, the most difficult and time-consuming part of this research took place in August 2021 when scheduling the individual interviews. Finding suitable people for interviews and trying to match these schedules to fit together was a very fatiguing task, causing some deviations to my initial plans.

Creating interview questions for each interviewee independently to match their areas of expertise involved a lot of manual work upfront. As a result of these interviews, three hours of unprocessed audio material was produced. The transcription process alone – analyzing the audio recordings, identifying the meaningful information and finally transforming the main elements to a concise form – required a substantial amount of work. Looking backwards, however, the whole process was successful as a lot of invaluable information could be acquired from different professionals to support the primary research data.

Finding references for the literature review was relatively straight-forward. The available literature provided evidence in the form of international psychological and managerial journals and publications from over three decades. The major challenge was to place this information into the Finnish cultural context. The most important frameworks, such as Schein (1985) and Hofstede (2001), are well-known and readily applicable. When matched together, a consistent and coherent picture of interaction in an organizational context could be built, forming a solid theoretical basis for the rest of the study. Due to the limited space, however, the thesis could only partially convey all the interesting details pertaining to these models. In particular, the discussion on how dark leadership impacts on different organizational types remains unsatisfactory and deserves further research of its own.

Concluding the thesis here, I can say with a fairly high confidence that I've succeeded in creating an academic piece of research that not only supports my personal and career growth, but also provides a reasonable starting point for any willing future researcher of destructive leadership to take over from here. Therefore, in good conscience, I submit this work as a final partial fulfillment to take my degree of Master of Business Administration into completion.

## References

Alahuhta, M. (2015). Johtajuus. EU: Docendo Oy.

Anbazhagan, S., & Kotur, B. R. (2014). Worker productivity, leadership style relationship. *IOSR Journal of Business and Management*, 16(8): 62–70.

Babiak, P. & Hare, R. D. (2006). Snakes in suits: when psychopaths go to work. New York: Regan Books.

Babiak, P. & Hare, R. (2014). The B-Scan 360 manual.

BBC News. (2016). Finland jails police chief Aarnio for drug-smuggling. [Online] Available at: <<https://www.bbc.com/news/world-europe-38458583>> (Accessed: 14 July 2021).

BBC News. (2019). France Télécom suicides: Three former bosses jailed. [Online] Available at: <<https://www.bbc.com/news/world-europe-50865211>> (Accessed: 14 July 2021).

Bell, E., Bryman, A., & Harley, B. (2019). *Business Research Methods*. Oxford: University Press.

Bruk-Lee, V. & Spector, P.E. (2006). The social stressors-counterproductive work behaviors link: are conflicts with supervisors and coworkers the same?. *Journal of occupational health psychology*, 11(2): 145–156.

Brueckner, M. (2013). Corporation as psychopath. *Encyclopedia of Corporate Social Responsibility*: 613–618.

Business Insider. (2020). *Former Bloomberg employees, citing confidentiality agreements, say they fear speaking out about a toxic workplace culture*. [Online] Available at:

<<https://www.businessinsider.com/bloomberg-employees-confidentiality-agreements-afraid-speak-out-toxic-workplace-culture-2020-3>> (Accessed: 19 July 2021)

CBC News. (2019). French telco Orange found guilty over workers' suicides in landmark ruling. [Online] Available at:  
<<https://www.cbc.ca/news/world/french-telco-orange-found-guilty-workers-suicides-landmark-ruling-1.5404882>> (Accessed: 28 July 2021)

Christie, R. & Geis, F.L. (2013). *Studies in machiavellianism*. Academic Press.

Cleckley, H. (1976). *The mask of sanity*, 5th edn. St. Louis, MO: Mosby.

D'Souza, M. F. (2016). *Manobras financeiras e o dark triad: o despertar do lado sombrio na gestão* (Doctoral Dissertation). São Paulo: Universidade de São Paulo.

Einarsen, S., Aasland, M. & Skogstad, A. (2007). Destructive leadership behaviour: A definition and conceptual model. *The Leadership Quarterly*, 18(3): 207–16.

Erikson, T. (2018). *Psykopaatit ympärilläni*. EU: Atena Kustannus Oy.

Fehr, B. & Samsom, D. (2013). The Construct of Machiavellianism: Twenty Years Later. *Advances in personality assessment*, Vol. 9: 77.

Forbes. (2020). 4 Things You Didn't Know About Non-Disclosure Agreements. [Online] Available at:  
<<https://www.forbes.com/sites/heidilynnekurter/2020/01/21/4-things-you-didnt-know-about-non-disclosure-agreements>> (Accessed: 19 July 2021)

Goleman, D. (2000). Leadership that gets results. *Harvard Business Review*, 78(2): 78–90.

Hare, R. D. (1993). *Without conscience: The disturbing world of the psychopaths among us*. Guilford Press.

Hare, R. D. (1994). Predators: The Disturbing World of the Psychopaths among Us. *Psychology Today*, 27: 55–63.

Harms, P. D., Spain, S. M. & Hannah, S. T. (2011). Leader development and the dark side of personality. *Leadership Quarterly*, 22: 495–509.

Helsinki Times. (2021). [VTV's Yli-Viikari denies allegations, blames public pressure for suspension](https://www.helsinkitimes.fi/finland/finland-news/domestic/19065-vtv-s-yli-viikari-i-denies-allegations-blames-public-pressure-for-suspension.html). [Online] Available at: <<https://www.helsinkitimes.fi/finland/finland-news/domestic/19065-vtv-s-yli-viikari-i-denies-allegations-blames-public-pressure-for-suspension.html>> (Accessed: 14 July 2021).

Hofstede, G. (2001). *Culture's Consequences: Comparing Values, Behaviors, Institutions, and Organizations Across Nations*, 2nd ed. Thousand Oaks, CA: Sage.

Hofstede Insights. (2021). *Hofstede Insights country comparison tool*. [Online] Available at: <<https://www.hofstede-insights.com/country-comparison/>> (Accessed: 21 July 2021)

Hogan, R., & Hogan, J. (2001). Assessing leadership: A view from the dark side. *International Journal of Selection and Assessment*, 9: 40–51.

Jones, D.N. & Paulhus, D.L. (2009). Machiavellianism.

Jones, D.N. & Paulhus, D.L. (2010). Differentiating The Dark Triad within the Interpersonal Circumplex. *Handbook of interpersonal psychology: Theory, research, assessment and therapeutic interventions*: 249–267.

Judge, T., Piccolo, R. & Kosalka, T. (2009). The bright and dark sides of leader traits: A review and theoretical extension of the leader trait paradigm. *The Leadership Quarterly*, 20: 855–875.

Kessler, S. R., Bandelli, A. C., Spector, P. E., Borman, W. C., Nelson, C. E. & Pennely, L. M. (2010). Re-examining Macchiavelli: A three-dimensional model of Machiavellianism in the workplace. *Journal of Applied Social Psychology*, 40(8): 1868–1896.

Kotter, J. (1995). Leading change: why transformation efforts fail. *Harvard Business Review*, 73(2): 55–67.

Keyriläinen, M. (2020). *Working Life Barometer 2019*. Publications of the Ministry of Economic Affairs and Employment 2020:53. [Online] Available at: <[https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/162527/TEM\\_2020\\_53.pdf](https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/162527/TEM_2020_53.pdf)> (Accessed: 22 June 2021).

Kiazad, K., Restubog, S. L. D., Zagenczyk, T. J., Kiewitz, C., Tang, R. L. (2010). In pursuit of power: The role of authoritarian leadership in the relationship between supervisors' Machiavellianism and subordinates' perceptions of abusive supervisory behavior. *Journal of Research in Personality*, 44(4): 512–519.

Kippenberger, T. (1997). The dark side of leadership: What drives people to become leaders? *The Antidote*, 2: 11–13.

Lauerma, H. (2009). *Pahuuden anatomia: Pahuus, hulluus, poikkeavuus*. Edita

Lauerma, H. (2012, April 11). *Studia generalia: Pahuus, hulluus ja psykopatia*. Public presentation at Pori University Center, Finland.

Leaders League. (2019). France Telecom suicides: Toxic Management Goes on Trial. [Online] Available at:

<<https://www.leadersleague.com/en/news/france-telecom-suicides-toxic-management-goes-on-trial>> (Accessed: 28 July 2021).

Lipman-Blumen, J. (2005). Toxic leadership: When grand illusions masquerade as noble visions. *Leader to Leader*, 36: 29–36.

Lipman-Blumen, J. (2010). Toxic Leadership: A Conceptual Framework. In: Bournois, F., Duval-Hamel, J., Roussillon, S. and Scaringella, J.L. (eds) *Handbook of Top Management Teams*. London: Palgrave Macmillan: 214–220

Lyytinen, N. (2019). *Narsismi työelämässä*. Vieraana Helinä Häkkänen-Nyholm (Psykopodiaa, No. 1). [Podcast] 1 April 2019. Available at: <<https://www.ninalyytinen.fi/psykopodiaa/2019/4/1/psykopodiaa-1-narsismi-tyoelamassa>> (Accessed: 5 July 2021).

Mealey, L. (1995). The sociobiology of sociopathy: An integrated evolutionary model. *Behavioral and Brain Sciences*, 18: 523–599.

Milgram, S. (1963). Behavioral Study of obedience. *The Journal of Abnormal and Social Psychology*, 67(4): 371–378.

Milosevic, I., Maric, S. and Lončar, D. (2020). Defeating the Toxic Boss: The Nature of Toxic Leadership and the Role of Followers. *Journal of Leadership & Organizational Studies*, 27(2): 117–137

Forsyth, D.R., Banks, G.C. & McDaniel, M.A. (2012). A meta-analysis of the Dark Triad and work behavior: a social exchange perspective. *Journal of applied psychology*, 97(3): 557–579.

O'Reilly, C.A. & Chatman, J.A. (1996). Culture as social control: Corporations, cults and commitment. *Research in Organizational Behavior*, 18: 157–200.

O'Reilly, C., Chatman, J. & Doerr, B. (2018). When 'Me' Trumps 'We': Narcissistic Leaders and the Cultures They Create. *Academy of Management Proceedings*.

Padilla, A., Hogan, R. & Kaiser, R. (2007). The toxic triangle: Destructive leaders, susceptible followers, and conducive environments. *The Leadership Quarterly*, 18(3): 176–94.

Palmu, A.; *Spotlight: Narsistinen epidemia*. (2017). Yle Fem, broadcasted on 11 April. [Online] Available at: <<https://areena.yle.fi/1-3797226>> (Accessed: 22 June 2021)

Passman&Kaplan. (2017). *Do nondisclosure agreements permeate a toxic workplace culture?* [Online] Available at: <<https://www.passmanandkaplan.com/blog/2017/11/do-nondisclosure-agreements-perpetuate-a-toxic-workplace-culture>> (Accessed: 19 July 2021)

Paulhus, D. L. & Williams, K. M. (2002). The Dark Triad of personality: Narcissism, Machiavellianism and psychopathy. *Journal of Research in Personality*, 36(6): 556–563.

Peltokangas, H. (2016). Leadership, personality and performance.

Puolakka, P. (2020). Narsistit vankilassa. EU: Deadline Kustannus Oy.

Qian, J., Song, B. & Wang, B. (2017). Abusive Supervision and Job Dissatisfaction: The Moderating Effects of Feedback Avoidance and Critical Thinking. *Frontiers in psychology*, 8(496): 1–10.

Quinn, R. E. & Rohrbaugh, J. (1983). A Spatial Model of Effectiveness Criteria: Towards a Competing Values Approach to Organizational Analysis. *Management Science*, 29(3): 363–377.

- Raskin, R.N. & Hall, C.S. (1979). A narcissistic personality inventory. *Psychological reports*.
- Rauthmann, J. F. (2012). The Dark Triad and Interpersonal Perception: Similarities and Differences in the Social Consequences of Narcissism, Machiavellianism, and Psychopathy. *Social Psychological and Personality Science*, 3(4): 487–496.
- Repacholi, B. & Slaughter, V. (2004). Bypassing Empathy: A Machiavellian Theory of Mind and Sneaky Power. *Individual Differences in Theory of Mind: 50–77*. Psychology Press.
- Riski, V. (2017). Authoritarian management versus emotionally intelligent leadership. University of Oulu.
- Roulin, N. & Bourdage, J.S. (2017). Once an impression manager, always an impression manager? Antecedents of honest and deceptive impression management use and variability across multiple job interviews. *Frontiers in psychology*, 8: 29.
- Saunders, M., Lewis, P. & Thornhill, A. (2019). Research Methods for Business Students, 8th ed. *Harlow: Pearson*.
- Schein, E.A. (1985). Organizational culture and leadership. *San Francisco, CA: Jossey-Bass*.
- Seau, R. *Organizational Subculture: The Good, The Bad, and The Misunderstandings*. [Online] Available at:  
<<https://bonfyreapp.com/blog/organizational-subculture-good-bad>>  
(Accessed: 20 October 2021)

Singh, N., Sengupta, S. & Dev, S. (2018). Toxic Leadership: The Most Menacing Form of Leadership. [Online] Available at:  
<<https://www.intechopen.com/chapters/60316>> (Accessed: 22 July 2021)

Tzu, S. (ca 400 B.C). Sun Tzu: The Art of War.

Tayeb, M. (2003) International Management. *Harlow: Pearson*.

Tayeb, M. (2005). *International Human Resource Management: A Multinational Company Perspective*, Oxford: Oxford University Press.

Tepper, B. (2000). Consequences of Abusive Supervision. *The Academy of Management Journal*, 43(2): 178-190.

Thoroughgood, C., Sawyer, K., Padilla, A. & Lunsford, L. (2018). Destructive Leadership: A Critique of Leader-Centric Perspectives and Toward a More Holistic Definition. *Journal of Business Ethics*, 151(3): 627–649

ThoughtCo. (2019). *What Is Belief Perseverance? Definition and Examples*. [Online] Available at:  
<<https://www.thoughtco.com/belief-perseverance-4774628>> (Accessed: 29 July 2021)

Transparency International. (2021). Corruption Perceptions Index 2020. [Online] Available at:  
<[https://images.transparencycdn.org/images/CPI2020\\_Report\\_EN\\_0802-WEB-1\\_2021-02-08-103053.pdf](https://images.transparencycdn.org/images/CPI2020_Report_EN_0802-WEB-1_2021-02-08-103053.pdf)> (Accessed: 30 June 2021).

Wilton, N. (2016). An Introduction to Human Resource Management. Sage.

Zimbardo, P. G. (1971). The power and pathology of imprisonment. *Congressional Record*. (Serial No. 15, October 25, 1971). Hearings before Subcommittee No. 3, of the Committee on the Judiciary, House of

Representatives, Ninety-Second Congress, *First Session on Corrections, Part II, Prisons, Prison Reform and Prisoner's Rights: California*. Washington, DC: U.S. Government Printing Office.

# Appendices

## Appendix I – Abridged transcriptions of employee surveys

### Author's remarks

This addendum contains the transcriptions of employee experiences as translated from Finnish originals, abridged where necessary and with codified keywords required for first-order thematic analysis marked in **bold**.

The idiomatic Finnish expressions have been translated to English as accurately as possible, attempting to preserve the original intention. Due to the lack of gender-specific personal pronouns in the Finnish language, third-person pronouns *he / she* or possessives such as *his / her(s)* are used arbitrarily unless becoming explicit from the context.

All samples are anonymized in order to protect the privacy of respondents and their corresponding organizations.

Absurdia of power to achieve one's **own goals**. **Corruption**.

.

**Bullying**. **Favoritism**. **Humiliation**.

.

Toxic leadership. Lying, **illegal surveillance practices** (e.g. recording of meetings without consent or even informing employees the discussion is recorded).

.

Dark traits. **Egomaniac bosses who spend one-on-one discussions talking about themselves and boasting about their own achievements**, not answering or even listening to what the employee has to say.

.

The manager **holds information** and turns things black and white. ... The employees are assumed to decide themselves. Giving a bad impression to the media, causing shame among employees. ... **Anxiety among employees and well-being at work is weak.**

.

Family business with **incompetent leadership**. Problems with family dynamics ... The head of sales has never worked on sales himself and manages by numbers ... **Employees raising constructive criticism are met with official notice.**

.

**People from a particular Dear Brother circle get promoted,** without notable success in their current roles. The **executive level turns a blind eye and refuses to listen to the malaise of employees.**

.

An **official warning** comes easily. Working remotely is forbidden, the network traffic and employee presence are constantly **monitored.**

.

**Systematic immoral activity for maximizing the result of the department and individual gains.**

.

New leader tears down design activities intentionally. A **mid-level senior official clings to his power, although being unable to lead his unit.**

.

**The top management sabotages the climate and the well-being of employees.** People are nice but stricken by apathy. **People resign,** but the problem is never with the employer or the society but the employee. The leaders comment on resignations in this style "xxx was a difficult person".

.

The executive level uses **condescending language** when talking about the employees, often revealing details related to the resigned people.

.

If an employee needs assistance and asks help from the managers, this commonly results in **scolding because of their lack of competence and inability to manage their workload**. They won't get the requested help.

.

**People are frozen out from the company.** Tasks are given without providing support and the results publicly lambasted. ... Tasks transferred to other employees without a reason and referred to incompetence when asked for a reason. ... **Refused to discuss blatant workplace abuse and insinuated that leaving the company might be a good idea.** This happened to several people, while silently hoping that they don't talk to each other. ... **Everyone left the company within a short timeframe.**

.

Decisions are not made based on the best information available, but on the personal views of the leader (often erroneously). Rushed decision-making (often reversing the decision or fixing the damages). Keeping decisions secret (in a municipality where things should be public). **In the background are the interests of some political niche groups.**

.

**Abuse of power. Calling employees girls and boys, jokes with sexual innuendo, bullying, belittling, ignoring views, following the people with bad temper, using hurry as an excuse to sabotage others.** Incompetent managerial activity, vague goals, evaluating results ignoring the lack of information that employee had at the time of decision or lack of resources. Micromanagement. **Task**

favoritism. Funding given to familiar faces. ... The most blatant example was that the number of codelines produced by a person who was responsible for support and coding were calculated and evaluated as worthless, despite the fact that the support caused too much workload. ... This person was forced to accept salary reduction because he was a person with Asperger's Syndrome and couldn't afford the risk of searching for another workplace.

.

When getting an undesired response, the leader keeps asking the same questions repeatedly expecting answers to change. This is **pushing**.

.

A leader **asks something but he ignores** the answer and writes it down in a form that matches his desire.

.

Deadlines are set to two days.

.

The leader delegates tasks that belong to him to his subordinates.

.

**Too high a workload for one person.** 7,5 h work days is not enough to ensure that the tasks are done properly ... The weekly goals are raised despite the fact that even the previous goals proved out to be too high. ... Changing extra hours to day-offs is difficult, because tasks keep accumulating and then you slip further and further away from your personal goals. **Employees get burn-outs and staff turnover is high. Training new employees burdens older employees.** Successes are not rewarded, but all daily activities have still to be recorded to demonstrate your efficiency.

.

A leader **treats employees constantly improperly and doesn't trust them. Derogatory commenting on their clothing or physical properties. He initially smashes others' ideas but presents them later as his own. He cannot handle the success of others but belittles them. Wants to participate in all projects and have the last word, causing inefficiency, slipping from project schedules and frustration. The staff turnover is high and good employees are leaving for e.g. competitors. Because this person owns a substantial part of the company, the situation is difficult to change. People who try to interfere are frozen out.**

.

**Employees are not heard, even when their well-being is affected. Employees cannot speak their mind or they are punished. Rude management style, keeping up a good image outwards although employees are treated as slaves. There are no rewards but immediate lay-offs ensue if the company has suffered financially because of bad leadership.**

.

The leader uses the information he gets to **gain advantage for his own business. Workplace bullying** ended up in court when the mother of the **bullied** employee started retaliation. **Two leaders criticize employees on the phone, without noticing that they had left the microphone open on Teams. This was heard by several leaders representing stakeholders. Tasks were removed from an employee, because he asked to check his level of salary.**

.

The executives say that we are able to cope with 2 instructors against 6 children on the neural spectrum. (ADHD, ADD, Asperger, autism). ... The manager considers the number of personnel correct and there are no issues.

... Money talks rather than well-being and safety. This causes fatigue amongst employees.

.

The manager told the nurse that she can be replaced by a practical nurse if she is not willing to do her tasks, or she can leave. When asked instructions for challenging and dangerous situations, he says that such situations develop competence. He **undervalues** professional employees.

.

The manager is very narcissistic. In teams he always brings up how he can do everything better, even without professional competence in the field. He humiliates and comments inappropriately. Employees won't dare to talk to (other managers) or professional counselors because this manager is always present. The manager has temper tantrums on the phone if you inform you're on sick leave, or simply if he has one of those worse days.

.

During temporary lay-offs, (the manager) suspended a pregnant employee and hired new. Then arranged a cottage vacation for the rest of the team.

.

The whole team was exposed to Covid-19 except for one, who was called back to work with an exposed employee even though the manager knew that his vacation was about to start in one day. If the employee had been infected, he would have spent his holiday in quarantine.

.

The management prioritizes positive social media discussion and reputation. **Still, they undermine the working conditions every day and the head of kindergarten has to carry the consequences. Even though she has no power to make difference in decisions. ...**

The organization leaders are not informed on what is really happening, but **think they are wiser and know things better**. Because of this, they make bad decisions and won't empower others for decision making. ... **The leaders have created a culture where only positive commenting on their ideas is allowed**. The early childhood education in xxx must not be criticized, except positively. Otherwise there will be consequences.

.

A classic leader personality, **who wants to hold all power of decision-making to himself**. The employees are heard superficially, but this does not have any real impact.

.

Few people ... Managers who are not competent to work in their role ... **The well-being of subordinates decreases, petty tyranny is rampant and not constructive at all, people are scolded in front of others etc.**

.

**Corruption, favouritism; neglecting, inappropriate behaviour, toxic sarcasm.**

.

**Projects break down - the leadership is missing, sticking to insignificant details, ... Leaving the employees to cope alone.**

.

The leader's incompetence to handle inappropriate behaviour and choosing the easiest route i.e. **no real decision making**. The people were unsatisfied, causing a **downbeat mood** among employees.

.

**Hard and unfair leadership culture. No appreciation for professionals, who are frozen out from the organization without investigating the real causes of sabotage.**

**Workplace bullying and staff turnover is rampant.** Poor and not empowering decision-making.

.

**A manager belittling the development ideas** and opinions of their subordinates or they are not asked at all ... **An ideal employee does not complain about anything.** The manager does not see that the discontent behind the complaints is dissatisfaction towards the ways of working and attitudes. **Certain professional groups are not appreciated and women belittled.**

.

**Burnout-related sick leave was "avoiding duties".** The manager only listened to people whom he liked. When comparing experiences, he always tended to **one-up** ... **worse insomnia, worse work-load.**

.

**Belittling employees** in every possible way. The experiences and opinions are **belittled or turned into their negative sense.** Crossing the manager led to **verbal beating.** **Employees are unequal** and appreciation is missing. Employees' own words are used against them.

.

The leader has lost interest in his own work. For cost reasons, the work of several people is assigned to one.

.

We got a new CEO, my new boss. After two months the **workplace bullying** started. All suddenly, **I seemed to be incompetent for my work,** despite working on them for five years and received commendations prior. I was given an **official notice** based on made up excuses and blackmailed to resign. In my opinion, **the manager was a narcissist resorting to a century old leadership style.** He should have been flattered and you couldn't speak your mind.

.

**Scolding, belittling and repression.** Special issue of stocks entirely bypassing other stockholders and the investor contract. Inappropriate behaviour.

.

**Narcissism. Running for personal gain. Boasting. E.g. calling employees 'dimwits' to other people.** Failing to purchase work clothing. Treating as **unequal. Flattening employee ideas while praising his own. Putting all responsibility to the employees in clearing meetings.**

.

**Management by fear, favouritism.**

.

Permanent employment and the probation period is about to end. I had to choose if I should continue the probation or leave. **By resorting to threats they made me accept to continue on probation.** I resigned later. **Constant scolding of employees.**

.

**No trust** in officials who have all the knowledge and expertise. The management does not have updated knowledge ... **actions outdated and partially illegal.** Officials cannot work against law, so there is friction between the employees and the management. **Mistakes are not learned from** or behaviour changed by the management. **The employees are not getting respect or being listened to ...** The employees are waiting for the management to retire, so that things would change.

.

... The company hired merely acquaintances or relatives who were not always even competent for the work. One even drank alcohol at the workplace and nobody interfered for a year. **The manager also abstained from taking any stance towards perceived inequality in workloads. ...** The manager's mood was also very fluctuating and **the mood at**

the workplace anxious, because he yelled at us when asked about something. Sometimes, it was entirely possible to discuss the very same topic normally. **The company got medicare when I announced I would resign if this matter would not be dealt with. We were forced to plan certain special routes for drivers favoured by the manager so that they could bring them tobacco / beer for their personal needs.** The manager's wife was in the same organization and behaved inappropriately. ... I am happy that I got out of such a toxic workplace.

.

My job description was completely misleading. ... After a month I dared to open my mouth that I had been cheated as my role was different to what was promised. **After this conversation, my boss threatened to fire me and won't greet me anymore. ... This has impacted on my work motivation, the organization and my own well-being.**

.

**Workplace bullying, treating people unequally.**

.

Thinking short-term. Savings must be done at once (by laying off people), but nobody thinks about who performs the job in the future or which resources to use to perform the same job as before the reductions. **The cost savings will look good for some time, but destroy the company in the long run.**

.

**The manager behaves like a dictator.** Won't listen to the personnels thoughts about e.g. how to arrange the work times for efficiency. The manager has a few **favoured persons**, who don't need to live by the same regulations as the others and they are rewarded by paying extra although their performance wouldn't match with others. The manager can neither be reached by messages or telephone nor is he

present at the workplace almost ever. The employees **cannot trust that the matters concerning them or decisions would be handled timely, which has caused financial losses for employees.** The manager makes decisions on the annual vacations without hearing the employees and informs them just a week before the start of vacations.

.

The **complete ignorance** of the leader about what is being done and why. **Causes a reaction where he alone is competent and the others are not. Things are put into motion by yelling and calling by names ... bad performance levels.**

.

The **leader behaves inappropriately and bullies certain employees.** Accompanied by another member from the executive group, these both enable the **inappropriate behaviour and imprudent way to talk about the employees.** Some people are **favoured**, you cannot disagree, you have to support the leader's own ideas. Publicly, the organization values are highlighted, but the action is exactly opposite in practice. This affected the whole organization and **there was untrust and dysfunctional collaboration everywhere. In the meetings, people are yelled at and attacked in person. When I raised the topic on the table the result was that my contract was terminated during the probation period.**

.

... The manager **highlighted his role as a leader** and a manager but failed to be present in difficult situations. The employees had to cope with themselves, fortunately successfully. Certain people were **favoured** over others e.g. when agreeing upon working times and day-offs. ... Payroll had problems because the information didn't reach it in time ... **I wanted to resign one month earlier but**

the manager threatened me with a poor evaluation on the letter of reference: "This will haunt you in your next position if you leave now." I felt that I was forced to stay. ... The reputation of this manager has spread so widely, that it is difficult to fill up the vacancies of the people who have left.

.

The manager blatantly **favoured a few people**. Their benefits were distinctively above those of others, including the salary, working benefits ... They could travel during the work time (this wasn't the case with the others).

.

During the work environment questionnaire, this manager's performance was evaluated regularly as 0/5, but this did not have any impact.

.

The manager humiliated the subordinates until they had no choice but resign. During two years, 38/42 employees left but the executive level still didn't interfere.

.

**All failures will be attributed to employees without considering the circumstances or supporting the employees.** The employee will be left alone to cope with toxic and aggressive customers. The leader remains distant from the daily operations ...

.

There was sales training for employees on the weekend. Without extra salary, without compensating day-offs, mandatory. The training took place at the office and the lunch consisted of old sandwiches. ... **Later, there was an email from the CEO at around 22:00, saying "Are you stupid, all of you?"** The team didn't get a good enough grade. ...

.

Incompetent manager/sales director. **Speaking malignly about certain former and current employees. Bringing forth his own superiority, although there is no competence at all.**

.

Poor communication, the employees always get last minute information about the changes. Stand-ins are searched just the day before or not at all. The working day holiday bonuses have been removed, although the company is profitable. The employee schedules are misleading. ... **Simply, it is as if the employees do not receive any respect whatsoever and only the money counts. ...**

.

There is no competence, only beliefs on how things are. **The leadership is based on ratting out the others, always punitively.** These cases are never investigated, and e.g. an incompetent project manager can say anything about the competence of IT professional and this is taken as a fact. ... Because of "source protection" the target can never know who has said and what. You're just told that there has been some feedback about your competence and it is not good. **There is a court of trusted informers.**

.

**Workplace bullying, criticizing.**

.

The employer loathes the English skills of an employee, even though they are good but not as fluent as comparable to native speakers. ... **The manager has humiliated the employee's language skills publicly in front of customers.**

.

**Inappropriate behaviour regularly, belittling and bullying. Lying and holding back necessary information**

**from employees.** Today they say something, next week something else and after that they say nothing.

.

... A few years ago, a new customer was extremely violent. The predicament was delayed and kept secret, because the more difficult the customer is, the more profitable it is in this business. Eventually the customer got transferred away after battering several counselors and other customers. **The managers arranged an employee meeting where the regional director gave hell to everyone. Threatened to send even more worse customers to the department.**

.

**One service manager retaliated** by not hiring a back-up to one shift, because he thought the employees should have reduced the number of staff proactively the previous day, when there was an extra person included in the work shift planning. So, we made the next shift with reduced personnel. The same boss also **threatened to reduce the number of free days if someone would complain about the working environment.** ... The previous service manager admitted his difficulties to cope with a challenging unit and did his best ... Still, when we're talking about a challenging department for violent customers, the team cannot cope unless the boss is a person with steel nerves.

.

For a long time, **the supervisor has left me uninformed,** although I should be comprehensively informed on behalf of my position. ... Never did I get properly briefed into my role as a stand-in, or the extent of my authority or decision power defined appropriately. The decisions are made somewhere in corridors based on face-to-face meetings or in the front of the manager's whiteboard, and they are informed out randomly or not at all. ... **My workload has been reduced without talking to me and camouflaged this as**

**caring: the workload will be lighter.** ... For years, the manager has used his work-time mostly for **securing his own power. Treats employees unequally. Has his favourites and those whom he can somewhat tolerate until they understand to leave.** I'm still there, even though he has taken my work room and hired a new person into a position between me and him. This new person does stuff that I did before. ... The most upsetting moments are when you become the target of the manager's suppressed rage. **He makes sure he won't make mistakes, yell etc. but still humiliates, even publicly.**

.

Letting such a warped and unhealthy leadership culture to continue and turning a blind eye, treating people **unequally and in a racist manner, neglecting a part of employees and treating them like enemies, putting own mistakes to subordinates, scolding and criticizing, lying and talking crap about the employees.** Retaliating things that happened during the free-time later at work. The supervisor let his spouse manipulate things at work despite not even working there, just because of some events that happened at free-time. **Smoking out competent people. No gratitude, no commendations, hijacking credits belonging to other people. Good mornings go only to the suitable people.**

.

**The organization culture is draining people dry mentally and physically.** When people get promoted to the executive level, they turn oppressing, callous skinflints that rip the performance out of their subordinates' skin, because this is expected from them. The workers won't get raises, but a white-collar can get a raise of thousands euros based on the "face factor". **Badmouthing behind employees'**

backs, yelling, backstabbing and lack of respect cause high staff turnover. The truth doesn't matter.

.

The HR director fires and punishes people wantonly based on rumours, without investigating the facts and starts bullying if someone dares to make a stand. He is commonly considered an icy person who does not understand compassion. The same director keeps similarly callous and methodically cheating subordinates under his protection ...

.

Spreading lies about an inconvenient person, scapegoating this person for a crime staged by the boss, letting bullying continue until the employee resigns e.g. by sending nasty messages concerning even the members of the employee's family and newborn child, trying to drive over by a car ... A jealous boss behind all this.

.

I did the work which the management presented as their own and took all the credit. In development discussions I asked for new challenges. They removed all the sensible work, replacing it with manual work. I was studying besides my daily work, and the CEO looked down on my efforts. I resigned.

.

Micromanagement, lack of trust, bullying, public humiliation, backstabbing, covering up own errors, the employees were ignored ... Everything is permitted for doctors.

.

The manager is abusing his position e.g. by favouring certain employees and asking someone to act as a "mole" who informs him what people are talking about him and who is doing what. For employees in this manager's unfavour,

the working schedule can be exactly opposite to what was hoped or unergonomic. ... **The manager has also requested some customers to work as "moles" informing him about the employee activities. ...**

.

... The supervisor systematically **isolated certain employees, not talking to them and spoke ill of them. Yelled warnings against face belonged to his managerial toolkit.** To cover up his own incompetence and laziness, he always needed such a **scapegoat**. All five employees had their turn during one year, my turn was last and it was horrible. **I lost my sleep, I was afraid to go to work, my heart was beating. I appealed to this supervisor's boss, but he ignored me.** Eventually, I talked about the situation to a representative of our customer company ... **My own bosses heard about this, and I received screaming and a written warning.** I didn't sign it but resigned immediately. ...

.

... A very toxic boss who liked to intimidate the subordinates, e.g. by screaming my name angrily and when seeing me scared, laughing and saying "nothing". Later on, he was sacked. ...

.

**The well-being of employees was ignored.** ... They did neither intervene in **workplace bullying** nor did they raise salaries even though they promised. ...

.

The **aggressive behaviour of the boss when giving instructions to an employee, yelling.** Physically tall manager almost comes into physical contact and uses his physical prowess as a means of enforcing, even though speaking in a normal tone. **Unequal leadership** ... Mental pushing from the store managers ... So intense that during

11 years, 3 employees committed suicide. Unjustified terminations of working contracts, also based on lies.

.

The manager prefers sycophants and hires such people only. The manager doesn't possess empathy whatsoever, tormenting positive employees until they collapse. The organizational problems are ignored because the main issue is the manager himself and intervening would cause some extra work ...

.

The manager is developing a slick inner circle of manipulating subordinates, whom the manager listens to in all his uncertainty. The competent - read, threatening - people are bullied to death.

.

The closest manager is stalking and does not place trust in employees. The executives don't understand anything about the work and don't believe the employees, the owners blaming workers for their own inactivity. Investing 1 EUR on a tool is too much, but 10.000 EUR can be unnecessarily wasted ...

.

The leader/owner led his company by fear. Threats and mental abuse (perform or you're fired, the business is so bad that salaries cannot be raised, demoting people behind backs, giving responsibility de facto but not visibly on paper or in salary) was targeted to several people and became a norm. The people turned over regularly or were so young that the situation was tolerated. ... Several months after I left the company, I received a call from the leader, I was accused of having taken advantage of the company and my performance was criticized.

.

Leadership by fear.

.

**One toxic person lies to everyone and turns people against each other. The abuse of power,** forces the people to work with a too small team and does not attempt to improve the situation. An **incompetent person** jeopardizes the customer safety life-threateningly refusing to understand and the manager won't intervene. **Bullies can do anything, the manager is not interested, nobody helps.**

.

Things are stuck on the manager's desk. He's too busy to control or instruct, everyone's doing what they like.

.

**The director won't dare to interfere with the behaviour of an employee who has caused the whole working society to fall ill.** The director has certain **favourite** persons who can keep their vacations when they wish. **The director wants to polish the public image too much,** while the ordinary employees are forced to tell the truth. E.g. we are often working with too few personnel.

.

Unclear organization, e.g. two CEO:s. **Neither did any leading actually.** Conflicts and unclear objectives. Very difficult for employees because of the lack of vision. ... **Frustration and depression in the work society.**

.

Too many roles and subordinates for a manager who was not fit to be a manager but more interested in IT-related topics. **Team management and developing matters were negligible. Caused frustration because nothing changed.**

...

.

The manager **humiliates the employees** in e.g. weekly meetings. Comments such as "You haven't done this either?", "Why are you bugging me by leaving work undone?"

or "You're useless, what are you doing here?" are all familiar ... **Speaking behind employees' backs.**

.

Even though the company broke all previous sales records, the salesmen **never received full bonuses, because even the record sales were not enough to please this Mrs. Director.**

... The organization regularly organizes events where rich and influential members of society are also invited. The director always remembered to introduce the most important customers to them, while forgetting her own people almost without exception. ... If an employee's children were sick, working remotely was not possible (although no particular reason was given) ... **These employees were then discredited for such "recklessness" towards key customers and employees were defamed for their lack of commitment.**

... **Threats to sack people were constant.** One employee was singled out one after another until someone else made a mistake and the crosshair was placed on him next. Just as an example of **mental abuse** that was practised. ... The director called at least twice a day and wanted to know how many calls had been done and with whom. Exceeding sales targets was not enough. ... **Every time the company made success and records were broken, the director took all the credit, even though his contribution was mostly negative.** ... The most problematic is that this **narcissistic leader was able to keep up the facade** so that the stakeholders never suspected anything or cared. And the employees were **kept in fear** so that nobody wanted to say anything. ...

.

The manager **cannot be reached, won't answer emails or confirm proposals.** This is slowing down doing things and causes frustration.

.

**One person has attained all the power** within a municipal organization and things are frozen to 1980's. All matters go through the hands of this person ... Won't respond to emails and if you keep asking questions the answers are really inappropriate. ... **The staff turnover is high even among leaders.**

.

The manager **threatens to fire you** if something doesn't go as planned. **Screaming on the phone, won't listen.**

Threatens to reduce the mistakes off from the salary.

**While on sick leave, the manager plans such unfamiliar driving routes which would require two weeks of training, so that he can provide written warnings. Fabricates warnings from old issues that took place over one year back.**

.

**Workplace bullying** from the behalf of management, **favouritism, unnecessary rushing, recruiting against law, spreading rumours and indirect threats. Narcissism becomes visible by oppressing employees and making remarks on minute imperfections that are insignificant. Nothing is enough even if you have exceeded yourself. Well-being of employees is secondary ... The managers speak ill of employees and put words to their mouth. ... After such incidents, the employee in question will be "punished", meaning bad shifts for several weeks in row, worse tasks ... The pressure gets worse.**

.

**Neglecting others' work,** handling things behind people's back, making conclusions without hearing the concerned person.

.

**Striving to benefit individually beyond the interests of the organization or subordinates.**

.

... the department received poor points for its work environment. The director blamed us and could not receive criticism. I realized that increasing workload was intentional, because the director knew I would do the job without protesting. ... The director used his people as "flying monkeys" to get various reports from me, burdening me further. This director's goal was that nothing would point at him directly, so that he wouldn't be held accountable, and he could use his lack of information as an excuse.

.

The manager distorted the truth about past events. ... As a new employee I was singled out for monitoring. ... The manager's old colleagues singled me out and bullied me repeatedly by taunting. The manager didn't intervene but participated along with the others.

.

Placing one's own career first, the interest of the organization is secondary ... Abusing power blatantly as a driver for personal gains. No one cares about good behaviour or morale. "Dear Brother" network at its best. Narcissistic persons flock to people of power and imitate using this power among their own internal circles. Serious bullying cases are covered up or belittled. Disgusting.

.

Abusing managerial positions e.g. for bullying and forcing subordinates to do his will. Freezing out people by assigning an unreasonable workload and criticizing publicly when one cannot "obviously" perform.

.

The sellers had to keep account of every greeted customer they made during their shift, leading to customers complaining about the aggressive attitude by the sellers.

Also, discussing in the saleroom and going for a break together were forbidden and it was monitored that this rule was obeyed. ... The inconvenient employees had to listen to **illegal threats about being monitored by security cameras and keeping track on how they stamp their working hours**, e.g. when visiting the restroom. ... When the HR department received a group complaint about the behaviour of a certain manager, **the sellers were scolded for persecuting this manager and all the years of misbehaviour were suddenly swept under the rug**. ... The bonus of a particularly good month was not paid, when the management decided not to include the last days into the sales. ...

.

**No career opportunities for women.** Actions in conflict with the company's public image. **Contracts terminated without a reason, but compensated by money in exchange for silence.** E.g. merely homosexuality or willingness to advance one's career are good reasons to change a permanent contract to temporary one.

.

**Bureaucratic leadership culture.**

.

Fully **incompetent** person in a key position.

.

**Neglecting employees completely.** Because of this, an increasing number of **(key) employees are leaving**. Those who can leave. The employees are **fully exhausted and burst into tears inadvertently during the workday or get severe nervous breakdowns**. Some employees have taken sick leave for exhaustion. The employees are told to tell "alternate truths" about e.g. resources available. **People who raise issues on the table** (particularly concerning leadership) **are scolded and accused for spreading bad spirit**, even if

these actions would be constructive and targeted for the common good. According to the management, these issues are related to the Covid19 period. ... **Management is authoritarian in the 1980's style (management by perkele).** The new leadership has no guts to bypass the will of the previous management, i.e. **the fear reaches the topmost levels.** ...

.

A petty little-boss who takes his "pet" employees to work with him even despite having no training whatsoever.

.

The CEO expected outwardly visible gratefulness just because you had a chance to work in "such a great workplace". ... **Narcissistic attitude, the director considered himself to be the prime example.** ... You were assumed to work around the clock, but still stamp in the normal 7,5 hours daily. ... About this overly excessive workload and burden the CEO said "we all have it like this, me too, but these things need to be done" ... **The list is endless, childlike, naive, emotional, narcissistic psychopath hidden behind a wide smile and happy facade** when "someone happened to see or hear" or if the topic was about the public image of the organization. **Stalking, persecution, keeping you outside the "inner circle", suspicion - all this with a smile on his face. He felt himself as a visionaire, a bringer of brighter tomorrow, a pioneer.**

.

A toxic principal who turned a blind eye ... even when tobacco dealers entered the school building. Her excuse for this negligence was data protection and privacy. The matters concerning pupils of refugee background were not furthered, the development discussions weren't kept, the pupils didn't know who the principal was. You weren't

supposed to address anyone by names but numbers just like in the former Soviet union. ... **The competent people left the school.**

.

I've ran the finances ... the leaders are not concerned about our cash situation ... **I haven't got any stand-ins, just stress and insomnia.** All suddenly, I got fired after 19 years ...

.

... **The director is not interested in overviewing the projects together with employees,** only invoicing is important. Hours are spent working alone and when the director finally has time to provide some feedback, things often start anew ... This is frustrating as this could be avoided by a proper initial briefing ... **reflecting on the motivation of the workplace and frustration.**

.

**"Face factor** correlation".

.

... None of the closest managers is actually an expert of the field they are running, **leading to managerial uncertainty and incompetence.** ... Proposals from senior management about face-to-face lunch meetings in order to build a **favourite person system.** All informational events (Teams) are recorded, **so no one dares to ask anything in a fear of getting reputation as stupid ...**

.

Double standards in communication, treating the employees as entrepreneurs. ... **The employees are treated unequally, men who are friends with the boss get higher salary ...**

Borrowing of personal property without permission ...

Criticizing an employee's car. ...

.

The work performance part of salary (=salary factor) is not based on performance but **whether the manager likes you or not.**

.

**"Corrupted" manager-level has a mutual agreement to support each other in difficult situations. Questionable predicaments arise when people who do not fit into this corrupted crowd are frozen out of the organization.**

.

**Favouring certain people.** Verbal promises are intended to be broken. **The manager is pursuing individual gains at every occasion, bypassing the interests of the company or its people.**

.

The "shit rolling downhill" in the hierarchy - if the upper manager has some pressures, they become the headache of a lower level. **If there's a problem in production, you need to find a scapegoat first, who then gets a loadful of "well-chosen words".** ... When it comes to dealing with workload management issues faced by a new-comer, they just say that "your predecessors didn't have problems with that either", even there's a **visibly high staff turnover at that particular account**, especially when it comes to the team management for performing employees. The employee responsibility of prioritizing the tasks is emphasized ... but if you postpone something, you will hear about this afterwards.

.

**The inner circle behaved unethically and silenced others by bullying.** The municipal manager and her politician husband played dirty games.

.

**In a personal development discussion, my manager assessed my performance based on how I described my tasks.** Only

certain people are allowed to do extra hours or Sundays. Some people could work even while being intoxicated.

.

**Unfairness** of working schedule planning towards different employees.

.

**The inappropriate behaviour** of the closest manager, e.g. **holding back the information, silent treatment** and withdrawing from interaction. Failing to get help when required.

.

The company values are fully conflicting with its actions and goals in practice. In reality, maximizing profits matters most, not a good treatment/service according to the contract. **The leader is a sadistic narcissist, who pursues maximizing own bonuses** and this all is off from both employees and customers alike. **The leader is always lying, you are not supposed to address any problems and if you do, you're smoked out.**

.

The CEO is short-tempered and gets nervous quickly. When doing so, **he goes to a personal level. Won't apologize afterwards. He has singled out a particular group of employees and gives remarks about small things**, e.g. someone has raised his legs on a chair during a lunch-break. **Belittles the efforts of certain employees while praising the persons in his favour.**

.

While striving to keep the public facade of the organization faultless, **the organization is unable to develop itself internally because of a few people and the culture.** Being afraid of its foreign owners while attempting to demonstrate that everything's fine and

dandy, and new investments unnecessary because an investment permission would be needed.

.

~~Leadership is motivating and the organization takes care of well-being.~~ INVALID SAMPLE

.

The narcissistic "the problem is not me, but the others - usually lazy and incompetent subordinates, but fortunately you can quickly fire them" mode of operation.

.

In our team meetings the two leaders spotlight the mistakes made in particular, e.g. the layout of Powerpoints, chosen form of words ... **Criticizing others, humiliation in front of others;** abusing power by asking unreasonably difficult questions from the junior employees which they cannot know. **When these points were reported to the executive level, almost nothing could be done because these ill-behaving people bring enormous sums of money to the company. ...**

.

The director is suspicious towards the job of a certain person, even though this is a dependable and responsible employee and has demonstrated the results concretely. **You cannot tell anything personal, because this information will be used to backstab you later. E.g. if you tell the dates of your spouse's planned vacations, the director threatens to prevent you keeping the holidays at the same time, unless you perform certain assignments e.g. work trips.**

.

The director is nagging and questioning one remote worker, despite the fact that this person has a full right for teleworking established based on his contract. This fact has been confirmed on behalf of the employer. ...

.

It is called "team work" although three out of five members decide on what to do and two are operating based on these decisions. The role of these two members has diminished, tasks removed and hasn't been replaced with alternative, constructive or developing tasks. The job supervision is poor on behalf of the director.

.

The manager drove the officials to "underground" by **overburdening** them. **No one was willing/able/interested anymore about helping others. The manager could point out a mistake in front of others.** In the morning, when you came to work, the manager would wait there with a paper list of things which did not work out in his opinion. He gave unrealistic objectives, occasionally saying that an official should be overloaded. **Today, you could receive his "blessing" but the next day the carpet was pulled from under you questioning the whole decision.**

.

**Management by fear, threats, abuse of power, selective assignment of tasks** - you cannot do what you're good at.

.

The supervisor loathed sick leavers. Two employees ended up in quarantine decreed by the officials (food industry and salmonella). At the Christmas party, **the drunken boss harassed these people about their sick leave.** An employee was trained poorly in rush. Time passed, "you should have been able to do it". There were some mistakes. **Inflamed relations with colleagues, reduced levels of motivation. Sick leaves became a general attitude, bad communication, poor job performance.** This manager made mistakes in meetings. A downward spiral. He eventually left and moved to another position. ... I was working as a workload coordinator for a team of 30 people. For cost savings the

tasks had to be outsourced to India. I had to keep account on all tasks that were kept within the team and provide reasons why these tasks were performed in Finland.

**Occasionally it was like in Gordon Ramsay's kitchen - you could hear the yelling from the parking lot.**

.

**Inappropriate supervision, the manager keeps meetings where participants are criticized too detailedly and in front of others.** The manager writes down all matters brought to him but never proceeds with handling them or reacting to them. He had to leave.

.

There are peculiarities with the employee selection process when filling up vacancies where the selections are justified by a big picture, **so that the strengths possessed by employees are turned negative when applying to a new position.**

.

... People are getting promoted to new positions or given new tasks because of their connectedness (so called "**dear brother networks**"), which they are not fit for because of their competence and personality. ... **Tasks or positions are not given to willing or competent people, but the people who are seen as "suitable".** The lack of transparency causes bad blood and reduces working motivation for some employees. Contradicting principles and practice, scapegoats are not searched but they are found, however. No one wills to take responsibility anymore. ... **What remains is lack of trust,** but there is no need for improvements either because the guilty employee was found already. **Resorting to various disciplinary measures and changing rules, the organization and its management shows that it won't have confidence in its employees competence or motivation.** Sometimes the

intentions might be good, but the way how it is communicated forward causes **a drop in the team spirit.**

.

**Workplace bullying** from the management (**speaking ill and in a condescending manner** about subordinates in the hearing distance of others), poor communication and leadership skills (no training, no instructing, but criticism follows if things don't go right. People are not supported, there is no interest in the employees, employees are left to cope with themselves. **Still, the executives are expecting profits and lashing people towards better performance. The employees are generally seen as a cost item and their well-being is considered secondary.**

.

Lying, the topic that was agreed upon did not apply in practice when the topic concerning the organization was discussed with HR. **The chief workplace steward was not willing to intervene because he was about to retire soon.** Decisions were made and organizations built within a **religious network** among others. **Kinship was seen as an advantage for promotions, e.g. getting international expat assignments and the associated benefits.** The company doesn't face reputation damages however, because the industry is financially sound and the company is so large that its local leadership culture won't become outwardly obtrusive in a small municipality.

.

Implementing tools, operating models and organizational structures that won't work in practice - either designed based on insufficient information or the transformation is driven through so rapidly that the **employees cannot adapt to keep up their performance.** ... Increasing the number of middle-level directors and **creating a competitive milieu**

by various bonus systems that leads to pursuing personal gains ... Creating such bonus systems for performing employees that cause competition for personal gains, at the cost of helping colleagues because your individual bonuses would suffer. From the viewpoint of competence, this leads to a situation where you **hold back the information and the organization won't acquire new skills. Or grow mentally.** ... The actions of mid-level managers are not coherent with the top-level objectives. The message that the company delivers outwards is different to the message delivered by the mid-level and downwards ... **Chaotic operation models cause experienced people to leave the company.** ... The salary level development at the employee level is not in line with their competence ... People are managed by emails and "intranet instructions". Supervisors don't know their team or their competence except on a paper. ... **Cultural differences and different languages impact on the manager-employee relations and their ability to collaborate.** ... The director has his own favourite persons, so called "trusted players" who always get to pick "cherries from the tree". Others are **experiencing discrimination.** ... The new people are tossed to the "deep end of the pool" in a "swim or drown" mentality. And this is the way to separate "the wheat from the chaff". **If the boss has an interest in running marathons or music, then the company hires marathon runners and musicians.** Competing with other companies and even internally is an objective. Be better than others and you'll be rewarded. **This won't improve the "us" mindset.**

.

**Providing negative feedback in a callously aggressive manner, in front of a large crowd of employees. Speaking ill behind employees' backs.** Vague, conflicting

communication and giving a false sense that you can make a difference.

.

**Belittling employee competence, lack of appreciation. The bosses "know everything", so called "social class" -thinking.**

.

Several organizational changes were carried out, which were not planned well enough.

.

**The leader did provide little verbal feedback.** Very often, the poor development in sales resulted in numeric feedback, so that the poor results were highlighted in red. **The director made a visit to make observations outside the business hours along with an external so-called expert** and later provided written feedback to the subordinates.

.

The merchant **lied to customers** claiming that he had made the product himself, even though it had been made by an employee. **He discredited his own employee by lying** that this employee couldn't create products required by the customer, and if the customer was satisfied by a particular service or a product he started defaming his employee by **denouncing or lying directly about him**. If the customer was very satisfied and praised the employee, **this would result in throwing things, whining and sulking for a full week. ... He kept his employees on zero-hour contracts for 20 years even though the days were full 8 hours. Two contracts per year. ...** You had to offset every absence and the overtime hours were never compensated. You couldn't use occupational medicare ... The employee had to pay from his/her own money in order to get a lamp and a

chair for his/her work desk. ... any mandatory unexpected absences could trigger one week of **sulking**.

.

## Appendix II – Respondent sample summary

*This appendix contains the unordered list of employee survey respondents.*

Sample #	Title	Position	Industry	Organization Type	Remarks
1	Sales Manager	Employee	Print industry	Manufacturing	
2	Consultant	Employee	ICT	Information	
3	Business Director	Decision-maker	Technical sales	Sales	
4	Specialist	Employee	Government	Public	
5	Team Lead	Decision-maker	IT Sector	Information	
6	Project Manager	Decision-maker	Media	Media	
7	Design	Employee	Finance	Finance	
8	Sales Assistant	Employee	Manufacturing	Manufacturing	
9	Director	Decision-maker	Software industry	Information	
10	Financial Manager	Employee	Municipality	Public	
11	Manager	Entrepreneur/Owner	Leisure	Other	
12	IT Services Manager/Product Owner/Scrum Master	Employee	Government/Municipality (Public Sector Administration)	Public	
13	Teacher	Employee	Education	Public	
14	Consultant	Employee	Recruiting	Human Resources	
15	Specialist	Decision-maker	Finance	Finance	
16	Nurse	Employee	Healthcare	Public	
17	Development Manager	Decision-maker	Municipality	Public	
18	Family Counselor	Employee	Social Welfare	Social Welfare	
19	Kindergarten Director	Decision-maker	Education	Public	
20	Account Manager	Decision-maker	Healthcare	Healthcare	
21	Service Manager	Decision-maker	Restaurant services	Restaurant	
22	Compliance Manager	Decision-maker	Technology	Technology	
23	Sourcing Manager	Decision-maker	Manufacturing	Manufacturing	
24	Livelihood Manager	Decision-maker	Municipality	Public	
25	Director	Decision-maker	Education	Public	
26	Director	Decision-maker	Municipality	Public	
27	Practical nurse	Employee	Social Welfare & Healthcare	Public	
28	Director	Decision-maker	Social Welfare & Healthcare	Public	
29	Family Counselor	Employee	Social Welfare	Social Welfare	
30	Communications Manager	Decision-maker	Media	Public	
31	Financial Manager	Employee	Technology	Technology	
32	Expert	Employee	Culture & Leisure	Public	

33	Coordinator	Employee	Manufacturing	Manufacturing	
34	Director	Decision-maker	Manufacturing	Manufacturing	
35	Faculty Manager	Employee	Faculty Management	Property Maintenance	
36	Site Manager	Employee	Grocery store	Retail business	
37	Payroll Accountant	Employee	Other HR services	Human Resources	
38	Social Worker	Employee	Social Welfare	Public	
39	Traffic Coordinator	Employee	Transportation	Logistics	
40	HR Coordinator	Employee	Staff leasing	Human Resources	
41	Teacher	Employee	Education	Public	
42	HR Manager	Decision-maker	Non-profit organization	Non-profit organization	
43	Instructor	Employee	Social Welfare	Public	
44	Deputy Principal	Employee	Education	Non-profit organization	
45	Mechanical Installer	Employee	Plastics industry	Manufacturing	
46	HR Manager	Decision-maker	Faculty Management	Property Maintenance	
47	Payroll Accountant	Employee	Staff leasing in industry	Human Resources	
48	Teacher	Employee	Education	Non-profit organization	
49	Executive Assistant	Employee	Textile cleaning and rental services	Rental services	
50	Accountant	Employee	Healthcare	Healthcare	
51	Practical nurse	Employee	Social Welfare & Healthcare	Healthcare	
52	Practical nurse	Employee	Social Welfare & Healthcare (Geriatric)	Public	
53	Cook	Employee	Restaurant services	Restaurant	
54	Seller/Hairdresser	Employee	Trade business	Commerce	
55	Production Worker	Employee	Manufacturing	Manufacturing	
56	Special needs assistant	Employee	Basic-level education	Public	
57	Seller	Employee	Trade business	Commerce	
58	Teacher	Employee	Education	Public	
59	Expert	Employee	IT Sector	Information	
60	Lawyer	Other expert	Traffic	Public	INVALID SAMPLE
61	Mechanical Installer	Employee	Faculty Management	Property Maintenance	
62	Head of Marketing	Decision-maker	Architectural design	Design	
63	Sales Manager	Employee	Services	Services	

64	Worker	Employee	Energy sector	Energy	
65	Practical nurse	Employee	Social Welfare & Healthcare	Social Welfare	
66	Customer Representative/Trainer	Employee	Education/Training	Public	
67	Day-care worker	Employee	Pre-school education	Public	
68	Purchaser	Employee	Machine building	Manufacturing	
69	Lead Designer	Employee	Mining technology	Technology	
70	Expert	Decision-maker	Retail trade	Commerce	
71	Managing Director	Decision-maker	Construction	Construction	
72	Director	Decision-maker	Machine workshop industry	Manufacturing	
73	Employment Coordinator	Other employee and team leader	Municipality	Public	
74	Driver	Employee	Transportation	Logistics	
75	Seller	Employee	Trade business	Commerce	
76	Field Worker	Employee	Facility Management	Property Maintenance	
77	Key Account Seller	Employee	Transportation	Logistics	
78	Product Group Manager	Decision-maker	Technical sales and import	Commerce	
79	Production Director	Decision-maker	Construction	Construction	
80	Supply Chain Director	Decision-maker	Manufacturing	Manufacturing	
81	Product Manager	Employee	Communications and media	Media	
82	Paramedic	Employee	Healthcare	Healthcare	
83	Manager	Decision-maker	Electric industry	Technology	
84	Systems Specialist	Employee	Food safety administration	Public	
85	Heavy Machinery Installer	Employee	Heavy machines	Logistics	INVALID SAMPLE
86	Graphical Designer	Employee	Government	Public	
87	Manager	Decision-maker	Retail trade	Commerce	
88	Software Developer	Employee	Medical industry	Medical	
89	Department Secretary	Employee	Healthcare	Healthcare	
90	Sales Manager	Decision-maker	Manufacturing	Manufacturing	
91	Seller	Employee	Retail trade	Commerce	
92	Financial administrative	Employee	Manufacturing	Manufacturing	
93	Industrial Worker	Employee	Manufacturing	Manufacturing	
94	Senior Expert	Employee	Executive Consultancy	Consultant	
95	Prison Officer	Employee	Department of Corrections	Public	
96	Team Lead	Employee	Chemical Sector	Process Industry	
97	Head of Supervisor	Employee	Social Welfare & Healthcare	Social Welfare	
98	Designer	Employee	Readiness (?)	Non-profit organization	LOW QUALITY
99	Manager	Employee	Telecommunications	Technology	

100	Physiotherapist	Employee	Social Welfare & Healthcare	Healthcare	
101	Manager	Decision-maker	Social Welfare & Healthcare	Non-profit organization	
102	Project Manager	Employee	IT software and services	Information	
103	Expert	Employee	IT solutions and maintenance	Information	
104	Account Manager	Employee	Retail trade	Commerce	
105	Project Manager	Decision-maker	Machine workshop industry	Manufacturing	
106	Operations Supervisor	Employee	Oil industry	Public/Technology	
107	Product Manager	Employee	Metering, testing, automation solutions and computers	Technology	
108	Purchaser	Employee	Importing	Commerce	
109	Laboratory Technician	Employee	Technical industry	Technology	
110	Expert	Decision-maker	Technology	Technology	
111	Coordinator	Employee	Free-time activities	Non-profit organization	
112	Production Planner	Employee	Logistics	Logistics	
113	Elementary School Lecturer	Employee	Education	Public	
114	Office Administrator	Employee	Transportation	Logistics	
115	Supervisor for mentally handicapped	Employee	Social care for mentally handicapped	Social Welfare	
116	Operator	Employee	Chemical Sector	Process Industry	
117	Elementary School Lecturer	Employee	Education	Public	DUPLICATE
118	Quality Manager	Employee	Manufacturing	Manufacturing	
119	Development Director	Employee	Software industry	Information	
120	Producer	Employee	Municipal culture provision	Public	
121	Sales Manager	Employee	Trade of high-value and luxury products	Commerce	
122	Technical Director	Decision-maker	Municipality	Public	
123	Restaurant Manager	Decision-maker	Restaurant services	Restaurant	
124	Special Class Teacher	Employee	Education	Public	
125	Pre-school Teacher	Employee	Pre-school education	Public	
126	Services Foreman	Employee	Social Welfare & Healthcare	Non-profit organization	
127	Foreman	Other former employee	Transportation	Logistics	
128	Expert	Employee	Training organization	Public	
129	Interior Architect	Employee	Interior architecture	Design	
130	Expert	Employee	Consultancy	Consultant	
131	IT Support Person	Employee	Software industry	Information	
132	Owner/Chairman of the Board	Entrepreneur / Owner	Manufacturing	Manufacturing	
133	Services Responsible	Employee	Software industry	Public	

134	Consultant (multiple roles)	External / Consultant	Technology	Technology	
135	Customer Responsible/Product Manager	Employee	Training	Consultant	
136	Foreman/Occupational safety officer/Maintenance operator	Employee	Packaging industry	Manufacturing	
137	Textile seller/Dressmaker	Employee	Retail trade	Commerce	
138	HR Manager	Decision-maker	Trade business	Commerce	

## Appendix III – Supplementary interview questions

Interview questions for Sources 2,3 and 4 as translated from Finnish originals.

### Source 2. Peltokangas

1. *Dark traits in organizations. How common are dark traits at workplaces in Finnish context? Are these some characteristics in Finnish society that either protect from or promote narcissistic behaviours in Finnish work life? Which kind of issues might a narcissistic supervisor or a leader bring into an organization?*
2. *Your personal career experiences. As a professional, how often do you encounter personalities which you identify as potentially destructive if ending up in key positions? Are there some hallmark features which should ring bells, and how difficult is it to detect such features? Do you identify some notable persons from the Finnish work life, which you in any case wouldn't allow to end up in key positions?*
3. *Your organization's experiences in dark leadership. Have you as an organization encountered any problems with dark leadership? Have the observed issues been ethical, or did they relate to e.g. employees' well-being or organizational performance? Have these issues been acknowledged and discussed at the top executive level, or dealt at the HR function level?*
4. *Employee perspective. When it comes to your organizational HR practices, have you observed any positive impact on e.g. employee satisfaction, motivation or performance? Do employees consider it important to keep the work environment free from narcissistic personalities?*
5. *Recruiting practices supported by psychological testing. Which kind of metrics are contemporarily used to support the executive recruiting processes and to which extent? Do these methods aim at identifying particular psychological traits (e.g. narcissism) or just building an overall*

*picture of how well the candidate fits the position? Tell me more about how the Rorschach Comprehensive System (RCS) is currently used and other metrics you're using – what are their benefits and limitations?*

6. *Your personal message for improvement. Based on your observations made during your career, what changes should Finnish organizations do in their practices – from the viewpoint of leadership – to eliminate dark leadership and improve the general well-being at work?*

### **Source 3. Niemelä**

1. *Narcissism as a societal phenomenon. How much does your society receive contacts from victims of narcissism e.g. in 2020? Which events cause people to contact you? Do these numbers remain the same from year to year, statistically speaking, or has there been visible changes over time? Do you see narcissism as a personal disorder rather than an excessive psychological trait?*
2. *Narcissism in Finnish context. Considering the characteristics typical to narcissism, are these the same regardless of nationality? Are there some features attributed to the Finnish culture, which either promote or reduce the narcissism in the society? Does the western competition culture somehow favour the severely narcissistic personality type?*
3. *The victim perspective. When a victim of narcissism contacts you, are there some hallmark signs common to the experiences? How did they eventually understand that they have befallen a victim of narcissistic behaviour? What are the typical mental traumas and what is the recovery process like? Is it a difficult and long process?*
4. *Narcissistic behaviour at workplaces. You mentioned that roughly 2% of contacts deal with workplace bullying. How does narcissistic behaviour manifest itself at workplaces? How does an ordinary employee experience it? Does narcissism regularly manifest as workplace bullying, or does it imply some other unethical behaviour such as criminal activity?*
5. *Narcissism as an organizational trait. Narcissism is usually seen as an individual trait, but in recent years the management literature has raised*

*a discussion on how narcissism can become a fixed part of organizational culture. When discussing narcissism, can we use the same concepts and descriptions when talking about organizations as we use when talking about individual psychological traits – is it possible for an entire organization to be narcissistic?*

- 6. Narcissistic leader. Let's think about a strongly narcissistic person in a key position. What are the possible negative impacts on the organization? How strong is the impact on the well-being and performance of employees?*
- 7. Reducing the effects of narcissism. What kind of actions are needed in order to reduce the negative effects by narcissistic leaders or white-collar psychopaths? Do these actions belong to the executive level or the HR/recruitment function? If you had to give one suggestion to organizations on how to renew the recruitment practices, what would it be – how to prevent narcissistic leaders from ending up in power?*
- 8. Narcissistic organization or supervisor from the employee perspective. If an employee feels that the climate at the workplace is turning to toxic, or a leader/line-manager exhibits such traits, what can he/she do? Are there any existing ways to identify and protect oneself in advance?*

#### **Source 4. Palo**

- 1. The history of psychological testing as a part of recruitment processes in Finland. How long has psychological testing been practised in Finland? How the field has developed over the years and is it still maturing? Are the currently used psychological testing methods based on some “universally used” methods, or are these developed by recruitment agencies based on their own needs?*
- 2. The prevalence of dark traits statistically. How many key-position candidates do you test annually (e.g. year 2020)? Is there any existing statistics, how many candidates exhibit the dark traits at an observable level? Is there any noticeable distinction between the leader candidates and the background average, statistically speaking?*

3. *“The Dark Triad” and leadership. How well the role of dark traits is understood by the recruitment business as a part of the applicant personality? During the recruitment stage, how commonly acknowledged is the fact that the person is severely narcissistic or he/she has psychopathic traits? From the professional perspective, how necessary do you consider testing these traits nowadays? Is there any relevance in separating the different dark psychological constructs – do you assess the traits e.g. such as callousness, empathy or manipulation tendency separately?*
4. *The perspective of organizations. How widely the existence of harmful psychological traits in candidates is acknowledged among the companies – for example, do the companies show interest towards the severely narcissistic personality characteristics in applicants? Have you experienced cases where such an applicant has driven a company into problems or a crisis?*
5. *Psychological testing methods. Which kind of testing tools are used when filling the organizational key positions nowadays? Is the primary goal to assert the applicant’s general suitability to the position, or also identify individual traits that might form a risk in organizations? How reliable are the testing methods? Do you just deliver the test results to a commissioning organization, i.e. leaving the responsibility of interpretation for them, or does the recruitment agency also give direct recommendations related to e.g. the applicant personality?*
6. *Open reflections and the message to Finnish organizations. Is there something that should be changed at Finnish workplaces in order to root away the toxic leadership culture? Does the responsibility belong to the leadership or HR function? Are psychologists used in adequate numbers nowadays, or should organizations utilize them more?*

## **Appendix IV – Personal correspondence and interviews**

### **Author's remarks**

This addendum contains the summaries of all four individual discussions carried out as a part of the research, as translated from non-verbatim audio recordings and written meeting notes. Instead of providing directly quoted transcriptions, only the main ideas are present.

**Source 1: Annu Palmu. *Lawyer & Director of Legal Affairs / Nokia Corporation (1988-2005), Author, Entrepreneur, Business Management Consultant***

*Unstructured telephone conversation and e-mail exchange 12 August 2021*

Palmu contemplates on her past career during Nokia's prime years, during which she had a privileged front-seat view to its operation as a senior executive of the company's legal affairs. She explains how there was an observable shift in the company's organizational culture during her career.

Criticizing the change in leadership paradigm, she also authored a book about her experiences (Palmu, 2009) that received wide attention in time but also provoked resentment because of its contents.

Palmu firmly opposes the recent years' development in Finnish corporate leadership practices, seeing them as foreign, devastating and harmful. These corporate management styles – mostly of American origin – put the focus on the processual practices, efficiency and performance, while treating the employees as disposable resources or – in a way – parts of a machine. This mechanistic leadership model revolves around mathematical formulas and automated data systems, systematically reducing the human values and joy of working to nothing more than numbers and key performance indicators.

Palmu maintains that leadership has a pivotal role here – *organizations gradually turn and become the image of their leaders*. In organizations,

narcissism does not merely take a form in actions, but it also manifests itself every day in *manipulative use of silence, subtle messages and gestures* as a means of *power and control*.

This has a sapping effect, not merely on the trust that glues the organization together, but also the surrounding society. The organizational culture is “*like the water where fishes swim*” – a narcissistic culture inevitably changes the individuals of the organization by drawing forth individual dark traits which may have remained dormant, effectively enabling it to spread and pervade the whole organization. This can also gradually happen to individuals that haven’t exhibited narcissistic tendencies per se from the very beginning.

As for what should be done to keep the organization culture clear from unhealthy influences, Palmu has a clear message: *self-reflection* and truthful, constant *introspection* at all levels of leadership. Leaders need to constantly challenge themselves to honestly ask if they are doing the right things.

However, the inherent difficulty for narcissist leaders is their superficial, well-groomed false-self covering their fragile ego and in-built shame which they cannot confront. With a sense of deep, unsettled inadequacy lingering in their core, narcissistic leaders cannot face the consequences of their actions, but eventually spread the same narcissism to the whole organization. When manifesting in groups, it can even be called a form of “mass psychosis”. Narcissism, however, may ultimately take different forms in different organizations.

**Source 2: Hanna Peltokangas. *HR Director / Organization anonymity requested.***

*Structured interview 20 August 2021*

Narcissism is variably present in different professions. Thirsty for power, narcissists are known to be relatively common among surgeons, clergymen and top executives. For any larger organization, it is unlikely that narcissistic persons can be entirely avoided. These traits are relatively common in recruitment situations.

When considering leadership, both *the ethnic* and *the cultural contexts* matter. “Management by perkele” is tolerated in the Finnish working culture because it was long an accepted way of leadership. This is in contrast with e.g. Sweden, where the leadership culture is dialogue-based and takes employees into account – the Finnish leadership culture would not be possible in Sweden.

In certain workplaces, such as hospitals, where the *hierarchical leadership* culture still prevails and where leaders or authorities are not second-guessed, authoritarian leadership can still persist. The leadership culture is changing very slowly and any radical changes in the organizational culture might require a generational change. However, Peltokangas sees that Finland is taking steps forward in a good direction.

While the business world cannot write clinical diagnoses, it is acknowledged that narcissists or strongly psychopathic personalities can create various problems. At all levels, the issues may become visible as frustration or exasperation towards how the organization is working. For example, an employee might feel that his job efforts or skills are not valued enough.

As narcissists cannot see faults in themselves, for a narcissistic person it is utmostly difficult to receive criticism of any kind. As self-development inevitably requires introspection, this might lead to severe problems in the long term. In the absence of introspection, *scapegoats* will be always needed. This undermines the level of collaboration and degrades the organizational culture. Such an organization may develop various kinds of problems in the long run.

Another important aspect to narcissistic personality is how they evaluate their own level of competence. Conflicts ensue when this level doesn't match with how it is perceived by others. During recruitment interviews, it is typical to ask the candidate how they feel about their major successes and failures. It is crucial to assess to which extent the candidate attributes the past successes and failures to their own activity, instead of external factors or surrounding circumstances.

A recruiting process is all about *minimizing risks* and *forecasting the future*, where a perfect success rate can never be achieved. For an experienced recruiter, it is important to maintain acuity to internal feelings and intuition. Interviews are always the primary assets of recruitment, psychological testing tools are secondary. Still, dark traits might be difficult to identify. Peltokangas says she would be cautious about drawing conclusions on psychopathology concerning any public high-profile leaders. The media always provides a biased image of reality. For a layman, recognizing a psychopath is all but impossible.

Because of their professional experience, HR specialists and psychologists can be invaluable during the recruitment process, but their role is limited just to giving recommendations – the final recruiting decision is always left for the management.

The organizational culture based on blame shifting is slow to change. It is important that an organization takes measures against workplace bullying without exceptions. Equally important is that the employees have feedback channels where they can safely speak their opinion.

Occasionally there are situations where the performance of the recruited person is not what was expected. An important warning signal is how frequently the candidate has changed positions. Collecting any notable degree of experience will take at least two active years in a single position. Although constant change is a prevailing normal in many modern organizations, frequent career-hopping should be considered a red flag.

For assessing the well-being of employees and the atmosphere, metrics such as *staff turnover* and *number of sick leave days* can be used to draw conclusions about the workplace atmosphere. One should practise caution when interpreting these numbers, however. It is typical to managers to see reality too positively.

The recruiting agencies use various psychological testing methods. One notable is the *Rorschach Comprehensive System (RCS)* (see e.g. Peltokangas, 2016) that is relatively uncommon in Finland but widely used in major

organizations at a global level, especially in different leadership management programs. To be applied successfully, a substantial amount of training – roughly 1-1,5 years – is required for a psychologist to use it. The actual testing situation may consume 1-2h and analyzing the results up to 1,5 h. This means that the testing process is expensive and the number of skilled psychologists relatively low.

The economic trends are visible also in recruiting business. Nowadays, it is becoming more common that tests are performed by people without qualification in psychology. *"Psychological testing is an investment in the future, it is well-used time... a correct person for a correct position."*, summarizes Peltokangas. *"Compared to the possibility that a key position is occupied by a toxic person, 4h is nothing."*

Recruiting professionals seek well-performing professionals. For a very narcissistic person, Rorschach typically gives a certain pattern of parameters. This has a clear correlation with organizational well-being and performance. However, Rorschach delivers a large amount of different parameters and they must always be interpreted in a context with the interview situation.

In recruiting, everything is about managing probabilities and the accompanying risks. Succeeding brings great benefits in a form of organizational progress and lower staff turnover. Organizations are very different, however, and so are the recruitment processes. There are more degrees of freedom and flexibility in the private sector, as there is more pressure towards paper qualification in the public sector which also tends to be more hierarchical.

**Source 3: Marjut Niemelä. Expert / *Narsismin uhrien tuki ry* (eng. *Society for Supporting the Victims of Narcissism*).**

*Structured interview 23 August 2021*

The society receives roughly 2,000 calls annually, most questions pertaining to private matters such as restraining orders and custody battles, but also some 2% concerning workplace bullying. Narcissism as a phenomenon is relatively persistent and there are no major visible fluctuations in time. Public knowledge

about narcissism has been steadily growing over the years in the wake of "*the narcissistic boom*" that took place a decade ago. The body of international research about the topic has been growing rapidly, and the peer groups enable people to better understand this phenomenon.

Narcissism takes place on a spectrum. In its most pathological form, it does not differ much from psychopathy. Certain narcissistic traits may become visible in difficult periods of life such as divorces. Essentially, narcissism is *an issue of self-esteem, a compensation mechanism for weak self-confidence*. When narcissistic people cannot cope with the realities of life, they build a hardened false-image around their weak emotional self, locking out emotions such as compassion and empathy. Most people that the society deals with have a degree of narcissistic traits, with roughly 10-15% exhibiting psychopathic traits with no empathy whatsoever.

Interestingly, so called "*covert narcissism*" appears to be the culturally dominant type of narcissism in Finland. Having a linkage to weak self-esteem, it is distinct from the more archetypal form of "*grandiose*" or white-collar narcissism that more commonly presents itself in e.g. Anglo-American culture. Covert narcissism is characterized by resorting to toxic behaviour as a means of defense. Because of the inherent lack of ability to internalize criticism, phenomena such as backstabbing, smear campaigns and conspiring may increase when manifesting in an organization.

The modern competition culture and vying for top positions increases narcissism – it is very common for narcissists to seek managerial or executive roles. Typically, these people are not interested in tasks involving lots of difficult or minute details. Narcissists prefer high-profile positions where it is easier to hoard recognition and unwarranted credit. As decision-makers aiming for easy wins, it is important for them to be in control. A quick-paced contemporary society favours narcissists – successes are always credited to them, but failures can be projected on scapegoats. Often, victims feel themselves put upon or cheated – they're abandoned as soon as they are no longer of use for a

narcissist. The mental and emotional distress carries a heavy toll, and it is usual that confounded victims do not even know what has befallen upon them. The recovery can be a long and difficult process, possibly taking years.

Narcissists like to build and maintain *coteries* of like-minded followers at a workplace, categorizing people who are for or against them. Workplace bullying often co-occurs as a symptom of narcissism, and an atmosphere of secrecy might be created. Surmisable, a degree of narcissism is nowadays required for advancing career or getting promotions.

It is more than likely that constructs of the Dark Triad can be found at many workplaces. For example, a manager can delegate all work to a single employee and all the promotions and raises go to favoured people, while certain people always carry the stain of a scapegoat.

There also exists a correlation between narcissism and criminal behaviour. The organizational resources can be used for personal gain. The deeper one goes on a narcissistic spectrum, the more prevalent comes the role of financial misbehaviour. A person can even be killed if the financial rewards are substantial enough.

Niemelä sees that *any organization can become narcissistic, if the leader is able to gain enough momentum among followers*. In such an organization, everyone starts pursuing their individual cause. Employees need to choose if they want to play along or risk being smoked out. A climate of fear will ensue, people are going into a survival mode and working just to satisfy the top-level demands. This will result in increased *stress, pressure, anxiety, depression* and *insomnia*. Organization-wise, the working performance is drastically reduced.

In an organization with a narcissistic leader, employees' means to make a difference are limited. If they are not willing to participate in the narcissist's powerplay, *leaving is a highly recommended option*. An employee can also discuss with the HR department or a medicare provider, but this might have

limited effect. An employee can also contact a safety representative, who is legally obliged to intervene. If an employee understands the power dynamics at the workplace, they can also rally their colleagues to challenge the narcissist, but these are all considered "scorched earth" options, potentially having deleterious effects on the general climate of a workplace.

If the organization is pervaded by a narcissistic influence, there is no simple solution. Therefore, it would be ideal to *filter out people with personality disorders during the recruitment stage* long before they can make a harmful impact at the workplace. For people with suspected severe personality disorders, it is imperative to keep them out of leadership positions and the recruiting stage is pivotal. Niemelä suggests that *trained psychiatric services could be employed as external services by organizations*. Narcissistic people rarely seek medical help proactively for their issues.

**Source 4: Heidi Palo. *Leading Psychologist / MPS Enterprises, Senior Partner, Certified Business Coach***

*Structured interview 31 August 2021*

In Finland, the first organizations employing psychological testing were Finnish Railways and the Finnish Air Force. As strategically critical organizations, the original goal has been to better understand human behaviour and personality, as well as to assess perception and logical reasoning. Psychological testing has been a growing area since the 1950's, reaching somewhat unregulated – even "wild" – proportions in the 1970-80's. The Finnish Psychological Association developed best practices for personal assessment, and the contemporary testing methods are faithful to standards defined by this body.

*"Recruiting is difficult and expensive – making wrong recruitment even more so",* says Palo. Companies are very keen to understand how to make successful recruitment. The trend is towards more for less – companies expect to get high-quality consultation for less investments, but the risk to make fatally

wrong decisions increases as testing resources are reduced. Gamification is another growing trend with its own attributed problems.

Some methodologies, such as RAVEN assessment tools, are adopted widely to measure logical performance, but any comprehensive, universally applicable assessment protocol doesn't exist. Certain consulting companies resort to their own metrics developed in-house, others apply purchased test sets.

Psychological testing performed in Finland is strictly regulated by legislation. All testing performed by HR consultants must measure *relevant work performance* – clinical methods that provide information on the general health of the applicant cannot be utilized. However, a professional degree in psychology is not required to perform testing nowadays.

This has certain important consequences when dealing with people with personality disorders – for example, as psychopathy is considered a clinical illness, the assessment methods employed by HR cannot take side when dealing with such disorders. Even in the face of a real risk that the applicant has a severe personality disorder, this information cannot be put to a test report.

For measuring the Dark Triad constructs in particular, however, a fairly new test pattern – *TOP - The Dark Triad of Personality at Work* – has been recently introduced. It is a professional self-assessment testing tool targeted for psychological use and scientific research.

MPS performs assessments roughly for 2000-3000 applicants yearly, mostly for top executive and high-level expert positions. *Generally less than 1 out of 100 people in the base population fulfills the criteria of psychopathic traits but this number is surmised to be higher among top executives.* The psychopathic traits may be even beneficial in some positions, where empathy might prevent the person fulfilling his work successfully.

When assessing work performance, an experienced HR consultant utilizes several different methods. Palo underlines the importance of separating information on the *applicants' health* from their *ability to work*. For example, she would refrain from using Rorschach for recruitment purposes because of its ability to solicit health-related information on severe underlying mental issues. While being used by some recruiting agencies, *a very experienced and disciplined professional tester is required who understands all the associated risks and limitations*.

Companies occasionally say that they don't want narcissistic employees, but the dark traits seem to be poorly understood by Finnish organizations. The responsibility of sieving out the dangerously unfit applicants is generally outsourced to consultation agencies. In general, Palo is very cautious when it comes to the contemporary use of the word "narcissism" – the whole term is abused in the public and people using it excessively tend to regularly possess somewhat narcissistic personalities themselves.

All people contributing to work life fall somewhere on the dark personality spectrum, and it is just the extreme cases that typically cause problems. When seeking good applicants, *it is generally not better to find people with exceptional talents, but people who lack serious negative traits* – this approach has the best chances to bring a good outcome.

Palo recalls just one case where a successfully tested person has caused problems afterwards. One interviewee spoke of himself incessantly, denied possessing any weaknesses, his assessment tests passed with flying colours and the person was finally recommended for the position. However, when the client company checked the references, they were told by the previous employer that the person in question was very narcissistic and caused total havoc in the previous team.

All existing psychological testing methods have their characteristic limitations that need to be acknowledged. *It is imperative that multiple methods which are*

*considered valid and reliable are employed.* The interview is the crux of any recruitment process – the assessment tools, group simulations etc. merely bring supporting evidence on how the candidate is able to cope with daily situations at a workplace. However, they always need to be applied in a particular context and reflected against the actual interview. The more skilled and experienced the consultant is, the easier it will be to perform a high-quality assessment. Intuition is a valuable tool for any experienced HR specialist, providing the tester with the ability to identify inconsistencies and discrepancies in the candidate's profile. *The recruiting consultant needs to understand all relevant cultural differences, working culture and the current situation – such as major changes – that prevails in the organization.*

All test reports are delivered both to the client organization and the assessed applicant. Personality assessment reports are always prepared into a concise, easily comprehensible form that the client organization can understand. All recommendations and conclusions need to be clear.

Palo sees that the Finnish work life is relatively healthy, generally speaking. What matters is to *take care of people's ability to work*. There must be existing feedback channels at employees' disposal to get help when required. Organizations need clear instructions on what to do e.g. if one notices their colleagues to exhibit signs of impending burnout. If the organization is unhealthy, it cannot perform as expected. When an organization culture is sick, there are always people who spread this downbeat mood further.

It is the responsibility of both the HR department and the executives to rectify the problems in the work environment. When the problems are deeply rooted into the organizational structures, they cannot be addressed by external actors such as medicare providers. *All recruiting decisions should follow the same predefined processes, as the recruitment stage is critical for keeping toxic influence out from the organization.* Organizations have a tendency to rely on the applicant background as a predictor of future successes, especially when it comes to filling high-profile positions. Perhaps the companies should be less

skeptical about using external recruiting consultants, as they are independent and provide a non-biased view on candidate capabilities.