

CEOs and Workplace Bullying: Are You Willing to Risk Everything?



“Workplace bullying is likely the “single most preventable and needless expense on a company’s register.” – P. Barnes

CEOs establish and foster workplace behaviour expectations through their own Leadership values and actions. Simply put – I believe that we learn from the examples set by those above. In effect, that leads to two clear choices that CEOs have: do they commit to a positive, respectful model for workplace culture or a disrespectful, bullying model? This fundamental decision impacts your organization and also reflects back onto you as the leader.

Professor Edwin Locke, an industrial psychologist, defines Leadership as *the process of inducing others to pursue a common goal or vision*. Locke’s definition focuses on two key components: formulating a shared goal or vision; and persuading others to follow. Leadership, then is an activity with an overarching purpose – to inspire others to act in the pursuit of a joint value or set of values. Leadership is also a relational concept – without followers, there cannot be a leader.

Until recently, workplace bullying from the top received little attention. Command and control CEOs were often revered and feared. Talk in the CEO world might sound like this - “She’s an icon of power and success but she’d be awful to work for.” However, there is more and more evidence that CEOs who bully pose a serious threat to their organizations, their employees and even their own job security.

Choosing a “bullying” Leadership style

CEOs that choose a bullying leadership style drive predominantly through dominance, fear and negative reinforcement. Employees have no choice but to do as their leader says. One can see the merit of this command and control leadership style on the battlefield. However, I don’t believe it belongs in the workplace.

The bullying model creates a workplace culture where employees feel vulnerable, anxious and uncertain. All too commonly, CEOs that choose this model embrace disrespectful behavior. They motivate by threat, humiliation and exerting power over others.

The results can be diabolical for the organization, the employees and for the CEO. By

highlighting the pitfalls of CEOs leading using bullying tactics of negative reinforcement and disrespect, I hope to inspire CEOs to choose to choose the highroad, creating a respectful workplace culture. Simply put – being a bully poses significant risk to you as a leader.

Workplace Bullying – The Leadership Style Test

There is irrefutable data that CEOs set the tone and behavioral expectations for their organizations – their leadership style, expectations and workplace respect tolerance levels ripple throughout the business. In our hyper-competitive world there are intense and ever-present demands for results. Many organizations become so focused on short-term results that they ignore how they are achieved or the long-term impacts of the means used to get those results.

I believe that when CEOs tolerate disrespect or behave that way themselves, those underneath them will adopt the same approach. Following their CEO's disrespectful lead, senior management will say "People are our most valuable asset," but that it will be a hollow cliché. The workplace culture will resonate disrespect, creating a Darwinian workplace – if survival of the fittest is what the CEO desires, then that is likely what will eventually happen.

Some CEOs willingly sacrifice a respectful workplace culture in order to please shareholders, customers, and stakeholders with baseline results. They may believe their employees matter most but in actual fact, results trump everything. If bullying gets those results, then this is the means selected to achieve the ends. The New York Times in a 2015 article reported this phenomenon about Amazon.

"At Amazon, workers are encouraged to tear apart one another's ideas...toil long and late...and held to standards that the company boasts are 'unreasonably high.' The company's winners dream up innovations. Losers leave or are fired in annual cullings of the staff — 'purposeful Darwinism,' one former Amazon human resources director said."

Of particular importance is a quote in the article by Jeff Bezos, founder and CEO of Amazon:

"As the company has grown, Mr. Bezos has become more committed to his original ideas, viewing them in almost moral terms, those who have worked closely with him say. "My main job today: I work hard at helping to maintain the culture," Mr. Bezos said last year at a conference."

The New York Times suggests that Amazon exemplifies the impact of Mr. Bezos' deliberate choice of leadership style and workplace culture. To quote Mark Graban, author and healthcare expert - "You get what you expect and deserve what you tolerate." Mr. Bezos is getting what he expects and deserves what he tolerates. Following this logic, if bullying is a tolerated behaviour, a disrespectful culture will evolve. Fear will be the primary motivator. The article alleges that is exactly how things work at Amazon.

A decision to lead using bullying and instilling fear may bring short-term results or appear to drive performance. This perception may, in turn, lead some CEOs to believe this is an effective motivational approach. For example, Mr. Bezos is seems to be committed to this type of leadership strategy – he would likely argue that it works for him and, many would argue that Amazon's accelerated growth and market value speak

for themselves. However, the real question to ask is whether it's working for his employees. Amazon's results aside, I don't believe employees that feel anxiety, fear and disrespect produce well - and there are many examples that support my perspective.

As the New York Times aptly pointed out, Bezos' strategy may in fact be producing diabolical long-term impacts on reputation, innovation, disengagement, and turnover that other CEOs should consider. I doubt Amazon anticipated that its market share value would tumble 19 billion dollars in the week following the article. What this exposure cost in negative public relations, loss of reputation, lost opportunity costs (i.e. potential Amazon applicants that decided not to work there) or a loss of investor confidence is impossible to estimate. Nonetheless, it's fair to say that for other CEOs that are vulnerable to attack (unlike Mr. Bezos), they may have faced a shareholder revolt and even lost their job like the CEO of Volkswagen when news of the company's deliberate emission misrepresentation came to light.

Focusing exclusively on the risk that CEOs bear for supporting a bullying culture (either by being bullies themselves or by promoting organizational influencers that are), I question whether they appreciate the risks they have embraced. These risks could result in self-destructive, unanticipated consequences – ruining their career, reputation, and taking their beloved businesses down with them. I believe that it's possible (and in the best long-term organizational interest) to have both workplace respect and healthy competition. Staff don't need to be abused to perform to their fullest.

The popular TV show *60 Minutes* produced an explosive piece called the *King of Coal* in March 2016 about a US mining company CEO that was convicted of a workplace safety crime for "*ignoring mine safety laws and fostering a corporate mentality that allowed the disaster to occur.*" The piece highlighted a workplace culture based on bullying that permeated the company. "*The CEO sent terse handwritten notes and memos to managers criticizing them for high costs and low coal production... "you have a kid to feed" he wrote, "do your job"... "pitiful." "I could Khrushchev you"...and..."in my opinion children could run these mines better than you all do."*

The defendant, Don Blankenship, had for decades been one of West Virginia's most influential and powerful figures. The CEO of Massey Energy, the largest coal producer in Appalachia, he employed 5,800 people and operated more than 40 mines. *60 Minutes* noted that: "*Prosecutors say for years he condoned and tolerated safety violations for the sake of profit. A federal jury came to a landmark decision, finding Don Blankenship guilty of conspiring to willfully violate mine safety laws.*"

Mr. Blankenship lost his job and reputation - the profit-producing bully will be also be spending time in prison. To make matters worse, Massey Energy, and its owner, Alpha Natural Resources, are both under bankruptcy protection. Having lost all their investment, I wonder what the shareholders of Alpha Natural Resources think of Massey's leader now? Was Blankenship's decision to rule Massey as a tyrant and workplace terrorist worth it?

This example highlights the risk that CEOs take by leading with bullying and ignoring their legal and social responsibilities - results are important but if they come at a cost of an unethical, disrespectful workplace culture, the CEO may lose her job and image. Even worse, she could be facing prosecution. But of utmost importance, people could lose their lives.

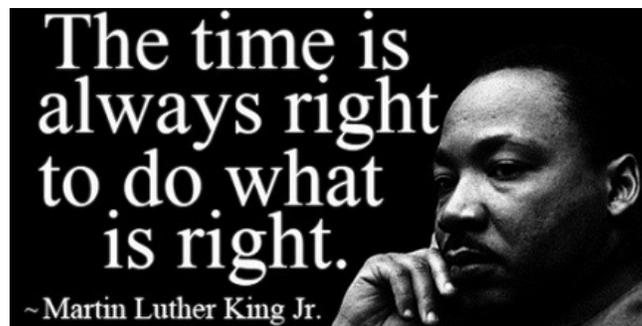
Few CEOs are impervious to their Boards of Directors, public pressure and shareholders

opinions. Ask Sepp Blatter, formerly of FIFA, or Martin Winterkorn, formerly of Volkswagen, if they regret decisions made to shortcut ethics and accountability. Were the short-term results worth it? What kind of legacy does Mr. Blankenship leave behind?

I believe that CEOs determine their destiny when they choose their leadership values and style. The choice is quite simple – do results/profits alone drive the workplace culture or does workplace culture drive results/profits? There are incredibly successful CEOs that vehemently oppose the leadership style demonstrated by Mr. Bezos, Blatter, and Blankenship – Sam Walton, Warren Buffet, Bill Gates to name a few.

Through increased awareness and focusing on the costs associated with a bullying workplace culture, I hope that, despite constant pressure to perform, CEOs will forbid bullying as a results-driver. I hope that CEOs will show courage and walk the talk of servant leadership. In the meantime, the stories of CEOs that select bullying continue to educate us about the consequences. Further, reports of CEOs paying a dear price for their choice of leadership values will also continue.

To quote Orrin Woodward, founder of Life Leadership and bestselling author: “You cannot expect your team to rise above your example.” To choose or not to choose to bully – that is the CEO’s question. What will you choose?



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