

Leadership Toxicity: Sources and Remedies

ART PADILLA & PAUL MULVEY



Here a biological metaphor elucidates to the effects of toxic leadership using four elements: strength of toxin, levels or dosage of toxicity, time exposure and speed of recovery, and the three sources of possible toxins: leaders, followers, and organisational contexts. We suggest focusing on leadership outcomes and consequences is an appropriate way to consider toxic leadership and, secondly, a more comprehensive view of destructive leadership encompassing a leader, the followers, and the situational contexts or environments is needed. Finally, we offer remedies and prevention strategies to minimise possible destructive leadership.

KEYWORDS: Toxic leadership, organisational outcomes, leader derailment, leaders, susceptible followers, conducive environments, remedies, prevention strategies.

Introduction

Justice Potter Stewart, one of the wittier US Supreme Court justices, wrote this on the legal definition of obscenity:

“I shall not today attempt further to define the kinds of material I understand to be embraced . . . [b]ut I know it when I see it . . . “

(*Jacobellis v. Ohio*, 1964).

While Justice Stewart later regretted having written this opinion because of its legal imprecision, it underscores the challenges of characterising a term inherently ambiguous and difficult to define. Destructive leadership has many of the same definitional challenges.

In this paper we use the biological or chemical notion of toxicity as a metaphor to consider the effects of toxic leadership on organisations. In defining toxicity we focus on four elements: strength of toxin, levels or dosage of toxicity, time exposure and speed of recovery, and the three sources of possible toxins: leaders, followers, and organisational contexts. We first discuss definitional issues and conclude that the leader-centric focus of leadership research tends to obscure rather than to clarify matters. We also suggest two things: First, focusing on leadership outcomes and consequences is an appropriate way to consider toxic leadership. Second, a more comprehensive view of destructive leadership encompassing a leader, the followers, and the situational

contexts or environments is needed. We conclude by proposing several ways to minimise potentially toxic results by providing 'anti-venom' remedies that address the three leadership elements: leader, followers, and contexts.

What is destructive leadership?

An overarching definitional issue concerns process *versus* outcomes. While there are exceptions (O'Connor *et al.*, 1995; Padilla, Hogan, and Kaiser, 2007), most scholars concentrate on leader behaviours (e.g., Allio, 2007; Goldman, 2006; Hogan & Hogan, 2001; Klein & House, 1995). In addition, other elements such as follower characteristics and behaviours or situational contexts that contribute to destructive leadership are seldom explored. Focusing on behaviours is perhaps more problematic than focusing on outcomes in considering destructive vs. constructive leadership. If there are destructive outcomes, for example, as in the case of Enron or Idi Amin's Uganda, destructive leadership has also been present. However, some leader behaviours, such as not listening, or some traits, such as narcissism, might not be desirable but they are also not necessarily associated with destructive outcomes.

Executive Derailment vs. Organisational Destruction

Undesirable traits or consequent behaviours like manipulation, intimidation, and coercion have been found to be associated with personal derailment (Leslie & Van Velsor, 1996). Eliot Spitzer's recent fall from the Governorship of the State of New York, USA, is emblematic of career derailment. We suggest these types of leader derailments mainly affect the leader; the

destruction is internally or personally focused. Once the toxic leader is removed, the organisation quickly returns to normal operation. On the other hand, if a flawed leader, working with susceptible followers and conducive situations and contexts, causes organisational destructiveness that leaves the group materially worse off, then destructive leadership is said to have occurred. The toxicity in such cases affects the organisation or group negatively in comparison to its rivals or competitors. If the toxicity is strong enough, adverse effects might extend beyond the immediate organisation and its members, as in the 1984 case of the Union Carbide disaster in Bhopal, India (Kurzman, 1987; Weir, 1987). The distinction between behaviours or traits on the one hand and outcomes on the other seems useful in understanding destructive leadership and crucial in developing strategies to prevent or mitigate it.

In the case of a classic derailment of a leader, the implication is that either the followers (or stakeholders) and/or the environmental contexts are sufficiently strong and stable to overcome a leader's toxicity. There are no durable adverse effects on organisational performance, although the leader's family or his or her immediate colleagues might be significantly affected. In organisational situations where leaders do not derail, either destructive or constructive organisational outcomes would ensue depending on the dynamic interplay of leader, followers, and contexts. The relationships among these three elements—leader, followers, and organisational contexts—determine whether outcomes are ultimately constructive or not. The model below depicts these relationships.

This conceptual depiction emphasises three possible outcomes: personal derailment with negligible long-term consequences for the group or organisation; constructive outcomes; and destructive outcomes. The diagram underscores the fundamental interplay among the

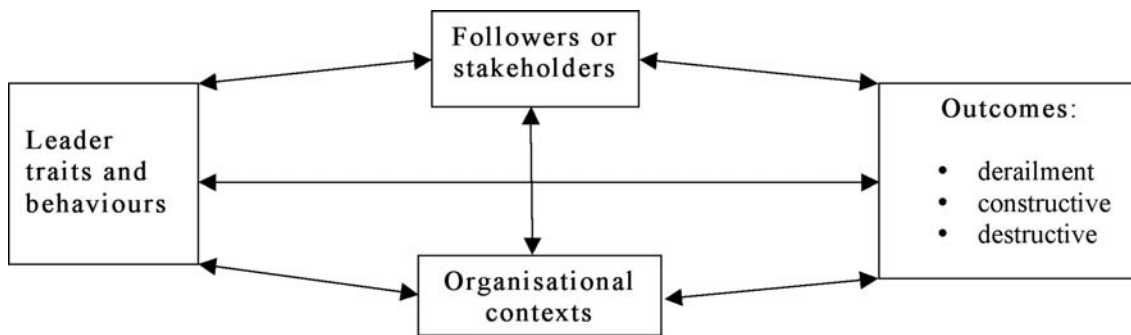


Figure 1

three elements. With strong, non-susceptible followers and effective organisational processes and rules, higher levels of leader toxicity (in the form of self-destructive traits and behaviours) will be associated with short-term and minimal organisational outcomes. Given strong, non-susceptible followers and effective organisational processes and rules, greater leader toxicity will tend to be associated with leader derailment or removal. On the other hand, greater leader toxicity, in concert with susceptible followers or weakened organisational environments, is more likely to result in destructive organisational outcomes. Greater leader toxicity traits or behaviours will also increase the likelihood that strong and non-susceptible followers will leave the organisation given the opportunity to do so. Moreover, the model suggests that stronger, less susceptible followers (more educated, with less power distance from leaders, with greater abilities to leave for better alternatives) can affect both the characteristics of leaders and of organisational contexts. Similarly, toxic leaders can, over time, adversely influence institutional conditions, the rule of law, as well as the relative independence and empowerment of followers.

A more useful definition of toxic leadership

Bennis (2007) and Vroom and Jago (2007) complain that definitions of leadership vary

considerably and that there are no accepted theories for its study. Hackman and Wageman (2007) have recently observed that one possible reason for these conditions is that the right questions haven't been asked. Leader attribution error, whereby leaders are given too much credit (or blame) for outcomes, is at the top of the inventory of such questions. Leader-centric research is explainable by three factors: popular conception, leader visibility, and difficulty in the simultaneous analysis of followers and situational contexts. Images of the warrior on horse yelling "Freedom!", or of the fallen governor at a press conference, are emblematic of popular conceptions about 'Leaders'. While there are situations in which leaders have tremendous impacts, and such instances are worth studying, there are many more situations where organisational contexts and follower characteristics and behaviours are the crucial ones to examine (Mintzberg, 1999).

The literature is ambivalent as well about 'goodness' and leadership (Kellerman, 2004). To some scholars, the words 'destructive' or 'toxic' do not belong in the same sentence with 'leadership'. According to this view, if it is unethical or immoral, it is not leadership (Burns, 1978, 2003). This perspective underscores the range of definitional difficulties and limits the ability to explore a wider variety of leadership and followership situations. Are toxic leaders totally or entirely destructive in terms of the outcomes?

Most leaders, whether generally considered to be toxic or not, are associated with constructive outcomes. Most are also associated with blunders and negative consequences for their followers or organisations. There are levels or ranges of toxicity in leaders, followers, and organisational contexts, with primarily toxic leaders on the negative end of the scale and non-toxic ones toward the constructive end of the scale. Toxic leadership also focuses on the needs and desires of the leader, and their closest associates, because the goals and objectives they seek might ultimately involve tactics of force and coercion. In totalitarian regimes, for example, the use of police controls and adherence to rigid policies to achieve/impose their goals are typical (Howell & Avolio, 1992; Padilla *et al.*, 2007; Sankowsky, 1995). The foregoing suggests that the definition of destructive leadership contains at least five elements (Padilla *et al.*, 2007):

- First—it exists along a continuum ranging from mostly destructive to mostly constructive results. This underscores that any sort of leadership will have positive and negative consequences.
- Second—it is associated with the interests of the leader rather than with the objectives of the group as a whole.
- Third—because it ultimately focuses on leader goals, it eventually involves coercion and force rather than persuasion and cooperation.
- Fourth—destructive leadership is principally manifested in the negative outcomes of the group in comparison to its competitors or rivals.
- Fifth—it requires the involvement of susceptible followers and conducive environments.

From these five definitional elements flow several avenues for testable hypotheses and further research. Next we consider the notion of toxicity.

Toxicity and its consequences

Toxicity is the degree to which exposure to a chemical or biological substance (or to some physical source, such as extreme noise or vibration) is able to produce damage or illness. In biological terms, toxicity refers to an exposed person, organ, or cell. Toxicity might refer to the effect on a whole organism, such as a human or a bacterium or a plant, or to part of an organism such as a cell (cytotoxicity) or an organ (organ toxicity) such as the kidney (nephrotoxicity). In organisational contexts we refer to toxicity as the type and level of toxic elements to which an organisation is exposed.

There are four important aspects to toxicity: strength of the toxin, dosage or level, time exposure and speed of recovery, and sources of possible toxins. A highly toxic agent such as cobra venom will have greater consequences than a comparable dosage of a weaker one like cat dander. In the case of Arthur Andersen, one of the 'Big Five' public accounting firms, both 'leader' and 'follower' toxic behaviour sealed the firm's fate from the time it was subpoenaed in November, 2001 to the time it surrendered its licenses in August, 2002 (Cahan & Zhang, 2006). Despite the founder's reputation for honesty, Arthur Andersen effectively ceased to exist after the firm's principals were convicted of obstruction of justice. Even though the US Supreme Court reversed the convictions in 2005 on technical grounds, 85,000 employees were unemployed and numerous organisations' accounts audited by Andersen became suspect.

Toxicological effects tend also to be dose-dependent. There are undetectable consequences to one-time exposure to minute amounts of mercury in certain kinds of fish such as tuna. On the other hand, drinking too much water, a substance not usually considered toxic, can over-saturate cells and lead to water intoxication. Similarly toxic leader behaviours can have undetectable effects in small amounts such

as the exploiting or devaluing of subordinates (Lubit, 2004), whereas in greater quantity this can lower motivation and employment tenure of these subordinates. In contrast, mildly toxic leader behaviour, such as avoiding negative feedback, can have destructive outcomes for the organisation if widely used.

The length of time of exposure is also related to toxicity. Longer or more repeated exposures will have greater consequences. Hambrick and D'Aveni (1992) found failing firms not only had divergent or dysfunctional top teams in their last years, but that the divergences became more pronounced as the failing firms approached bankruptcy. In terms of impacts, it is useful to recognise the ability of individual organisms or parts of organisms to resist, and to recover from, exposure to a given toxin. Some organisms are not affected at all to exposures that will destroy others. The ability to resist the effects of toxins depends on a variety of conditions, such as genetic pre-disposition or levels of previous exposure or acquired immunity to certain toxic agents. These factors in concert will determine the extent to which organisms are affected, how rapidly symptoms are exhibited, and the speed with which they might recover if they are affected at all. Even though the resignation of Eliot Spitzer as Governor of New York created media frenzy, the State of New York and its public institutions were not noticeably affected. Lieutenant Governor David Patterson assumed the governorship within a week after the Spitzer story was first reported publicly and the state and its agencies seemed to withstand the deleterious effects of a self-destructing leader (Cohen & Simpson, 2008).

A 'Toxic' Triangle

Padilla *et al.* (2007) have argued that destructive leadership occurs in a 'toxic triangle' including destructive leaders, susceptible followers, and conducive environments and that the degree of

destructiveness can be measured by the level of toxicity among these three components. The three components are interactive, that is, each needs to have some level of toxicity or susceptibility to the toxin for negative effects to occur. Strassel (2008) notes how many reporters built careers on Spitzer leaks intended to bully innocent people and that the "press corps acted as an adjunct of Spitzer power, rather than a skeptic of it." The media, according to Strassel, colluded with Spitzer by not providing the needed level of checks and balances: Time Magazine had named Spitzer "Crusader of the Year;" Atlantic Monthly fulsomely referred to Spitzer as a "rock star;" the Washington Post compared him to Teddy Roosevelt (Strassel, 2008). We propose that destructive leadership occurs when the potential for toxicity from one vector of the toxic triangle is not counter-balanced by the other two vectors. (Figure 2)

One of the unexplored questions in the leadership literature is whether a toxic leader is sufficient to 'trump' strong and independent followers and stability and effectiveness in its institutions and organisational processes. Put differently, could a Mussolini, a Castro, or a Hitler survive in a healthy democracy? The other side of this question is whether an Abraham Lincoln could overcome a sorry environment and weak or corrupt followers. On the one hand, strong institutions, with adequate checks and balances, rule of law, and fair and

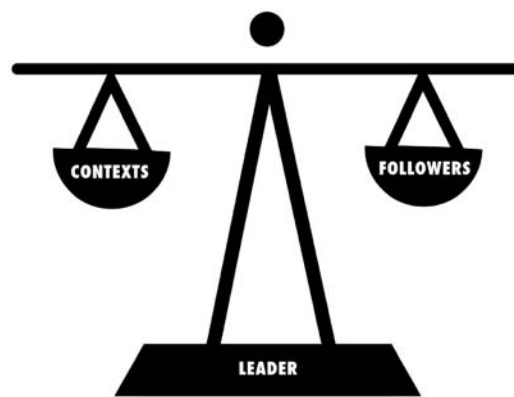


Figure 2: The toxic triangle.

established legal and social processes, might seem sufficient to overcome a toxic leader. An adoring and unquestioning media—successfully seduced perhaps by a toxic leader can contribute to the toxicity.

How permanent is the damage and how quickly can organisations recover from leadership toxicity? At what point does a toxic leader significantly reduce the effectiveness of organisational members, units within the organisation, or the organisation itself? What time lags exist in the process? Even though leaders like WorldCom CEO Bernard Ebbers are still serving their prison sentences, WorldCom filed for and then emerged from bankruptcy as MCI in 2002. Later, in 2005, MCI was acquired by Verizon Communications for \$7.6 billion. The damage was still significant as many investors recouped only a small portion of their investment.

Preventing destructive leadership

A major concern for practitioners (i.e., managers, leaders, public officials, and consultants) is how to prevent the negative effects of toxic leadership. In medical terms, are there prophylactics and antidotes? Below, we review several prescriptions for the prevention of and solutions for destructive leadership. They follow the three parts of the toxic triangle focusing on the leader, the followers, and the context. Before presenting these prescriptions, however, it is useful to provide a caveat. Many aspects of the more serious destructive leadership problems might be called 'wicked' (Rittel & Webber, 1973), ill-structured (Mitroff & Mason, 1980), or messes (Ackoff, 1974). 'Wicked problems' are those that are interrelated with other problems and have incomplete, contradictory, or changing requirements. They are not easily solved and the introduction of change might not solve the problem (Rittel & Webber, 1973).

Avoiding or Removing the Destructive Leader

A) LEADER SELECTION, DEVELOPMENT, OR DIAGNOSIS:

Many leaders, and therefore most destructive leaders, rise through hierarchies in organisations. For established organisations, political and corporate leaders usually have vast experience prior to rising to their leadership position. They are developed, placed, or selected from a large pool of contenders. At each stage of their ascent it is possible to observe toxic behaviours and to take appropriate action. However, it is not safe to assume that toxic leaders have displayed toxic behaviours characteristics prior to their rise to their leadership position. For example, Ken Lay (Enron CEO) was well liked in his community in Houston, Texas, and did not display visibly destructive traits or engage in toxic behaviours during most of his term in corporate leadership. On the other hand, Lay's hand-picked chief financial officer, Andrew Fastow, had a reputation for arrogant aggressiveness and combative behaviour (Raghavan, 2002: A1). More recently, Elliot Spitzer's rapid rise in New York politics was associated with arrogance, hubris, and with the accumulation of adversaries, although he was elected to the governor's office with 69% of the vote (Barron, 2008; Cohen and Efrati, 2008).

An important predictor of future behaviour is previous behaviour. Yet, many executive selection or succession processes often do not explore relationships with former co-workers and supervisors very carefully (Hogan *et al.*, 1994) to identify traits or behaviours characteristic of destructive leaders. It is also difficult to require candidates for high positions to complete selection assessment procedures because boards of directors do not wish to offend or drive off a perceived limited supply of talent. Personality inventories are widely used in gov-

ernment and industry. In fact, eighty-nine of the *Fortune 100* companies employ the Myers-Briggs Type Indicator (MBTI) in their selection and promotion processes (Pepper, Kolesnikov-Jessop, & Hermann, 2005). Although there are some personality inventories, such as the Big Five, that include measures of counterproductive behaviour (*i.e.*, neuroticism), most personality measures focus on productive job-related behaviour and not counterproductive behaviours. Despite their ability to identify potential issues, one problem is that responses to psychometric questionnaires can be faked (Martin, Bowen & Hunt, 2002; Viswesvaran & Ones, 1999) and it is unclear just how widely personality inventories are used currently at the executive level.

A subset of personality measures are those focusing on specific traits such as honesty or integrity. A review of the research reports that there is compelling evidence that many integrity tests possess above-zero validity for certain criteria, such as counterproductive behaviour in the workplace (Ones, Viswesvaran, & Schmidt, 1993). However, there are concerns about classification errors (*e.g.*, answering too honestly), and similar to personality tests noted above, fakability. Furthermore, according to a review conducted by the U.S. federal government's Office of Technological Assessment, 95.6 percent of people who fail integrity tests are incorrectly classified as dishonest—an error rate far worse than that of the notoriously unreliable polygraph machine (Office of Technological Assessment, 1990). It may be that we are not testing all of the right people, the leaders.

A final source of selection, development, or diagnosis might be used to weed out the destructive leader is executive development. Executive development includes activities targeted at developing the leadership and content area skills and competencies of those who have or might have executive positions in organisations. It is unclear if and how often

these programs focus on identifying destructive leaders, if ethics training is included, and how this development is successfully transferred back to behaviour in organisational settings.

In sum, a destructive leader's toxic personality and behaviours have not been the focus of executive selection practices. Although there is considerable evidence that personality is related to managerial success (Hogan *et al.*, 1994; Judge *et al.*, 2002; Moutafi, *et al.*, 2007), further research is necessary. One possible intervention is introducing leadership development programmes focused on the creation of independent thinking. Professional and higher education can also place more emphasis on the development of ethical behaviour through courses and special seminars that focus on real cases and consequences.

B) EMPOWERING FOLLOWERS:

Another approach to prevent or solve the problem of the toxic leader is to focus on followers. Walton (2007) identified this as the internal context. Padilla *et al.* (2007) identified two types of susceptible followers, *conformers* and *colluders*. Conformers passively allow leaders to engage in destructive leadership by virtue of their unmet needs, negative core self-evaluations, and immaturity. Conversely, because colluders ambitiously desire to promote themselves and pursue their selfish goals, they often conspire with destructive leaders. Intervention for the colluders should follow the same prescriptions as for leaders noted above.

Intervention for the conformers requires a different path. The several dozen corporate scandals during the last decade suggest possible solutions. Many of these toxic situations have been uncovered by whistleblowers (*e.g.*, Cynthia Cooper of Worldcom and Sherron Watkins of

Enron). Internal reporting of organisational wrongdoing is the most common type of initial whistle blowing (Miceli & Near, 1984). Unfortunately, such reports often arrive too late to prevent much of the damage. Investors have lost money, employees have lost jobs and retirement funds have disappeared, and public confidence in large corporations is shaken. However, strengthening the organisation's culture might empower conformers to engage in whistle blowing or other preventative behaviour. One major deterrent to whistle blowing is that it requires a psychologically robust individual to be able to withstand the pressures their actions will unleash upon them. Whistleblowers typically report economic losses, psychological distress, and major health problems as a result of disclosing wrongdoing.

Section 806 of the 2002 Sarbanes-Oxley Act in the US is designed to encourage employees of public companies to come forward with otherwise confidential information about financial crimes. It directs companies to protect employees who provide information about corporate financial wrongdoing by implementing safeguard procedures. According to US law, organisations cannot penalise or discriminate against whistleblowers. Also, the law encourages whistle blowing in publicly held companies by supporting a culture sympathetic to employees having doubts that the company is following the law. Finally, it requires boards of directors' audit committees to implement tracking systems for anonymous information from employees (Verschoor, 2003).

Evidence suggests that corporations have either eliminated toxic leadership conditions or the law is not protecting whistleblowers. Between the passing of the law in July 2002 and July 2007 about 1,000 individuals filed complaints. Although some were withdrawn and settled, only three won at the Administrative Review Board in the Department of Labor (Shine, 2007).

C) ORGANISATIONAL ENVIRONMENT:

The third component in the toxic triangle is the environment that surrounds leaders, followers, and their interactions. Leadership theorists recognise that the context matters (e.g., Hackman & Wageman, 2007, Vroom & Jago, 2007). Padilla *et al.* (2007) argue that four environmental factors are conducive for destructive leadership:

- Absence of checks and balances.
- Instability.
- Perceived threat.
- Cultural values.

Organisations and governments operate in a system of varying levels of checks and balances. At the national level, governments with transparent policy processes, strong civic and legal institutions, and functioning under fair rules of law clearly have fewer destructive leadership episodes (Padilla *et al.*, 2007; Transparency International, 2005). However, shorter leader/CEO tenure might lead to a shorter period during which to make a mark, thus creating an incentive to make a quicker impact by taking ethical short-cuts in the process (Lublin, 2007; Padilla, 2005). Such public, transparent, and visible processes and procedures in an organisation's environment are indispensable in preventing or mitigating toxic consequences.

In the US and Europe, corporate boards of directors are taking a stronger interest in monitoring CEO behaviour and performance (Gandossy, & Sonnenfeldt, 2004). In the US and the UK, recent changes including the Sarbanes-Oxley Act (2002), the reinvigoration of the Foreign Corrupt Practices Act (1977) and the Cadbury Committee Report (1992) promote several initiatives for stronger board oversight. These initiatives include greater independence for the board of directors, a completely independent audit committee, and stronger internal controls. Other changes that would strengthen

governance in the US include limiting the number of boards on which a person can serve and recognising the rights of stockholders to a direct role in board oversight by allowing them to nominate directors. Finally, although the Sarbanes-Oxley Act (2002) includes deterrents by authorising criminal penalties for violators, it remains to be seen if it has been working. The evidence thus far is inconclusive given the relatively short time since its inception.

Another significant check and balance reform related to the avoidance of toxic results is to require formal separation of CEO and chair of the board positions. In contrast to the US, separate CEO and chair positions are now common practice in Europe (*i.e.*, Dahya and Travlos, 2000; Kakabadse, Kakabadse, & Barratt, 2006) whereas a recent study found that one person shared the CEO and chair roles in 80% of US firms while 90% of UK firms divided these roles (Strategic Direction, 2006).

CONCLUSIONS

We use here the concept of toxicity as a metaphor to consider the effects of toxic leadership on organisations. We suggest that focusing on organisational outcomes, rather than on leader traits or behaviours, is a fruitful way to examine toxic leadership. This perspective allows for a distinction between inwardly focused destructiveness (as in leader derailment from the fast track) versus those situations where leader, follower, and contexts combine to produce destructive or constructive outcomes. It also provides a more comprehensive view of destructive leadership encompassing a leader, the followers, and the situational contexts or environments. We observe that solutions to the problem of toxic leadership are particularly vexing as they often have aspects of wicked problems (Rittel & Webber, 1973). We conclude by suggesting sev-

eral ways to minimise the likelihood of toxic results with 'anti-venom' remedies addressing the three leadership elements: leader, followers, and contexts. Many of our prescriptions are external interventions and beg the question: Will external interventions limit the frequency of toxic leaders? Ethicists do not universally agree with this approach and suggest also focusing on selection and development of ethical leaders (Bragues, 2008).

REFERENCES

- Ackoff, R. L. (1974) *Redesigning the future*. New York: Wiley
- Allio, R. (2007) "Bad leaders: How they get that way and what to do about them". *Strategy & Leadership*, 34 (3): 12-17.
- Anonymous (2006) "So, are two heads better than one?: Behind the veil of the CEO and chairman relationship", *Strategic Direction*, 22(11), 19-21.
- Barron, J. (2008, March 11) "Spitzer allegations send wave of shock". *New York Times*
- Bennis, W. (2007) "The challenges of leadership in the modern world: Introduction to the special issue". *American Psychologist*, 62(1), 2-5.
- Bragues, G. (2008) "The ancients against the moderns: Focusing on the character of corporate leaders". *Journal of Business Ethics*, 78: 373-387.
- Burns, J. (1978) *Leadership*. New York: Harper & Row.
- Burns, J. (2003) *Transformational leadership*. New York: Atlantic Monthly Press.
- Cahan, S. F. & Zhang, W. (2006) "After Enron: Auditor conservatism and ex-Andersen clients". *Accounting Review*, 81(1), 49-82.
- Cohen, L. and Efrati, A. (2008, March 11) "Spitzer engulfed in sex scandal". *Wall Street Journal*.
- Cohen, L. and Simpson, G. (2008, March 13) "Gov. Spitzer steps down, seeks deal to avoid prosecution". *Wall Street Journal*, A1.
- Dahya, J. and Travlos, N. G. (2000) "Does the one man show pay? Theory and evidence on the dual CEO revisited". *European Financial Management*, 6(1), 85-98.
- Foreign Corrupt Practices Act (1977) 15 U.S.C. §§ 78dd-1.
- Gandossy, R., & Sonnenfeldt, J. A. (2004) *Leadership and governance from the inside out*. San Francisco: John Wiley & Sons.

- Goldman, A. (2006) "High toxicity leadership: Borderline personality disorder and the dysfunctional organisation". *Journal of Managerial Psychology*, 21 (8): 733-746.
- Hackman, J. R. & Wageman, R. (2007) "Asking the right questions about leadership". *American Psychologist*, 62(1), 43-47.
- Hambrick, D. C. and D'Aveni, R. A. (1992) "Top team deterioration as part of the downward spiral of large corporate bankruptcies". *Management Science*, 38(10), 1445-1466.
- Hogan, R., Curphy, G. J., & Hogan, J. (1994) "What we know about leadership: Effectiveness and personality". *American Psychologist*, 49, 493-504.
- Hogan, R., & Hogan, J. (2001) "Assessing leadership: A view from the dark side". *International Journal of Selection and Assessment*, 9, 40-51.
- Howell, J. M., & Avolio, B. J. (1992) "The ethics of charismatic leadership: Submission or liberation?". *Academy of Management Executive*, 6, 43-54.
- Jacobellis v. Ohio. (1964) 378 U.S. 184, 197.
- Judge, T., Bono, J., Ilies, R., & Gerhardt, M. W. (2002) "Personality and leadership: A qualitative and quantitative review". *Journal of Applied Psychology*, 87, 765-780.
- Kakabadse, A., Kakabadse, N.K., Barratt, R. (2006) "Chairman and chief executive officer (CEO): that sacred and secret relationship", *Journal of Management Development*, 25(2), 134-150.
- Kellerman, B. (2004) *Bad leadership: What it is, how it happens, why it matters*. Boston, MA: Harvard Business School Press.
- Klein, K., & House, R. (1995) "On fire: Charismatic leadership and levels of analysis". *Leadership Quarterly*, 6, 183-198.
- Kurzman, D. (1987) *A killing wind: Inside Union Carbide and the Bhopal catastrophe*. New York: McGraw-Hill.
- Leslie, J., & Van Velsor, E. (1996) *A look at derailment today*. Greensboro, NC: Center for Creative Leadership.
- Lubit, R. (2004) "The tyranny of toxic managers: Applying emotional intelligence to deal with difficult personalities". *Ivey Business Journal*, March/April, 1-7.
- Lublin, J. S. (2007, October 22) "For boards, firing or keeping a CEO can be tough call". *Wall Street Journal*. (Eastern edition). New York, N.Y. B.1.
- Martin, B.A., Bowen, C.C. & Hunt, S.T. (2002) "How effective are people at faking on personality questionnaires?" *Personality and Individual Differences*, 32(2), 247-256.
- Miceli, M. P. & Near, J. (1984) "The Relationships Among Beliefs, Organisational Position, and Whistle-Blowing Status: A Discriminant Analysis". *Academy of Management Journal*, 27, 687-701.
- Mintzberg, H. (1999) "Managing quietly". *Leader to Leader*, 12: 24-30.
- Mitroff, I. I. & Mason, R. O. (1980) "Structuring ill-structured policy issues: Further explorations in a methodology for messy problems". *Strategic Management Journal*, 1(4), 331-342.
- Moutafi, J., Furnham, A., & Crump, J. (2007) "Is managerial level related to personality?" *British Journal of Management*, 18, 272-280.
- O'Connor, J., Mumford, M., Clifton, T., Gessner, T., & Connelly, M. (1995) "Charismatic leaders and destructiveness: An historiometric study". *Leadership Quarterly*, 6, 529-555.
- Ones, D. S., Viswesvaran, C., & Schmidt, F. L. (1993) Comprehensive meta-analysis of integrity test validities: Findings and implications for personnel selection and theories of job performance [Monograph]. *Journal of Applied Psychology*, 78, 679-703.
- Padilla, A. (2005) *Portraits in leadership: Six extraordinary university presidents*. Westport, CT: Praeger.
- Padilla, A., Hogan, R. & Kaiser, R. B. (2007) "The toxic triangle: Destructive leaders, susceptible followers, and conducive environments". *Leadership Quarterly*, 18(3), 176-194.
- Pepper, T., Kolesnikov-Jessop, S., & Hermann, M. (2005) "Inside the Head of an Applicant". *Newsweek*, 145(8), 24-26.
- Raghavan, A. (2002, August 26) "Full speed ahead: How Enron bosses created a culture of pushing limits". *Wall Street Journal*, A1.
- Report of the Committee on the Financial Aspects of Corporate Governance (Cadbury Committee). (1992) Retrieved April 15, 2008, from <http://www.ecgi.org>.
- Rittel, H. W. J. & Webber, M. M. (1973). "Dilemmas in a general theory of planning". *Policy Sciences*, 4, 155-169.
- Sankowsky, D. (1995) "The charismatic leader as a narcissist: Understanding the abuse of power". *Organisational Dynamics*, 23, 57-71.
- Sarbanes-Oxley Act (2002) 18 U.S.C. § 1514 (A)(a)(I).
- Shine, D. B. (2007) "Pity the SOX whistleblower; Pity the SOX lawyer whistleblower!" *Labor Law Journal*, 58(4), 228-241.
- Soroka v. Dayton Hudson Corp., 7 Cal. App. 4th 203, review granted, 4 Cal. Rptr. 2d 180 (1992).
- Strassel, K. (2008, March 12) "Spitzer's media enablers". *Wall Street Journal*, pp. A21.

- Transparency International (2005) Transparency international corruption perceptions index. Retrieved March 14, 2008, from http://www.transparency.org/policy_research/surveys_indices/cpi/2007
- U.S. Congress, Office of Technological Assessment (1990) The use of integrity tests for pre-employment screening (OTA-SET- 442). Washington, DC: U.S. Government Printing Office.
- Verschuur, C. (2003). "Will new law result in more whistle blowing?" *Strategic Finance*, 84(8), 23-24.
- Viswesvaran, C. and Ones, D. (1999) "Meta-analyses of fakability estimates: Implications for personality measurement". *Educational and Psychological Measurement*, 59(2), 197-210.
- Vroom, V. H. & Jago, A. G. (2007) "The role of the situation in leadership. Asking the right questions about leadership". *American Psychologist*, 62(1), 43-47.
- Walton, M (2007) Leadership Toxicity—An inevitable affliction of organisations? *Organisations & People*, 14, 19-27
- Weir, David. (1987) *The Bhopal syndrome: Pesticides, environment, and health*. Sierra Club Books: San Francisco.

BIOGRAPHICAL NOTE

Dr. Art Padilla is professor of leadership and strategy at North Carolina State's College of Management. He previously served as vice president of the 16-campus University of North Carolina. He recently authored *Portraits in Leadership*, published by Praeger/Greenwood in 2005.

Dr. Paul W. Mulvey is an associate professor in the College of Management at North Carolina State University. He earned a Ph.D. from the Ohio State University. He has written two books and published articles in variety of professional and academic journals such as *Academy of Management Executive*, *Academy of Management Journal*, *Compensation and Benefits Review*, *Industrial Relations*, *Organisational Behavior and Human Decision Processes*, *Journal of Social Psychology*, *Small Group Research*, and *WorldatWork Journal*. He has conducted research and consulted with many organisations and he is member of the WorldatWork (formerly the ACA) and the Academy of Management.