

# Dealing with Toxic Management

A Comprehensive Guide for HR Leaders

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## Introduction

Workplace culture can make or break a company's success. While many organizations focus on enhancing engagement, boosting morale, and improving productivity, they often overlook one of the most corrosive forces in the workplace: toxic managers. These individuals not only disrupt teams but also create long-term damage to a company's culture, employee retention, and overall performance.

Is your organization struggling with high employee turnover, decreased productivity, or low morale? Have you ever wondered if poor management practices could be the root cause? Toxic behaviors may be silently undermining your company's culture and affecting your bottom line in ways that are hard to measure.

One of the most significant, yet often underestimated, costs associated with toxic management is employee turnover. Unlike operational or administrative costs, which are straightforward to measure, the true cost of turnover is multifaceted and difficult to quantify. It includes not only the direct expenses of recruitment and training but also hidden costs such as lost productivity, knowledge drain, and the negative impact on team morale. Because these costs are harder to calculate, they are often overlooked, making it easier for organizations to ignore the root cause—poor management practices.

Additionally, when employees leave due to toxic management, they often share negative experiences through word-of-mouth, damaging the company's employer brand. This can hinder recruitment efforts and even impact client relationships. Addressing toxic behaviors not only helps prevent these internal and external consequences but also strengthens the organization's culture and reputation, ensuring long-term success.



# **Part 1: Identifying Toxic Management Behaviors**

Toxic management isn't always blatant. Often, toxic behaviors manifest in subtle yet destructive ways that erode trust and morale within teams. Some of the most harmful behaviors, such as passive-aggressiveness and micro-aggressions, go unnoticed by senior leadership and are rarely reported by employees due to a lack of trust in HR. Below are five toxic behaviors to watch for:

#### 1. Shifts in Behavior Between Superiors and Subordinates

Toxic managers often behave very differently when interacting with superiors compared to their subordinates. While they may present themselves as polished, cooperative, and enthusiastic to higher-ups, they can be dismissive, belittling, or even hostile toward their team members. This duality makes it difficult for senior leadership to detect the issue, as the negative behaviors are often hidden from view. Employees may be reluctant to raise concerns because they feel their manager's positive rapport with leadership will overshadow their complaints.

#### 2. Passive-Aggressiveness

This is one of the most challenging toxic behaviors to identify and address. Passive-aggressive managers tend to undermine their team through indirect means, such as withholding important information, assigning unrealistic deadlines, or giving backhanded compliments. These behaviors create a hostile work environment but are difficult for employees to call out, as they often feel subjective or subtle. Passive-aggressiveness erodes trust, fosters resentment, and leads to communication breakdowns within teams.

## 3. Micro-Aggressions

Micro-aggressions—small, often unintentional actions or comments that reflect unconscious bias—are a form of toxic behavior that can be particularly damaging in diverse workplaces. Toxic managers may make offhand remarks about an employee's background, gender, race, or other personal characteristics, creating an unwelcoming atmosphere. These behaviors are often dismissed as "jokes" or misunderstandings, making it difficult for employees to feel justified in reporting them. Over time, micro-aggressions contribute to feelings of alienation and dissatisfaction, particularly among minority employees.



#### 4. Favoritism and Manipulation

Toxic managers often favor certain employees, creating a divide within the team. They may give preferential treatment to a select few while being overly critical or dismissive of others. This favoritism not only undermines team cohesion but also discourages transparency. In many cases, employees hesitate to report such behavior, fearing retaliation or further alienation.

#### 5. Lack of Accountability Coupled with Blame-Shifting

Toxic managers often avoid taking responsibility for their own mistakes, instead shifting blame onto subordinates. Similar to passive-aggressive behavior, this blame-shifting can be subtle and difficult to detect. For instance, a manager may provide direction that leads to a negative outcome, but rather than acknowledging their role in the failure, they allow the employee to take the fall, or they somehow seem to forget the initial direction given by them and imply to the employee that the result was due to their incompetence. This behavior undermines trust within the team, discourages initiative, and fosters a culture of fear and risk aversion.



# Part 2: The Difficulty in Reporting Toxic Behaviors

One of the major challenges in addressing toxic management is the difficulty employees face in reporting these behaviors, especially when the manager in question enjoys a good relationship with senior leaders or when HR departments are seen as ineffective or biased.

#### Lack of Trust in HR

Many employees are hesitant to report toxic behaviors due to a lack of trust in HR. HR departments are often perceived as being aligned with management, which can discourage employees from coming forward. Fear of retaliation, concerns about confidentiality, and the belief that HR will not take meaningful action contribute to a culture of silence. As a result, toxic behaviors—especially subtle ones like passive-aggressiveness and micro-aggressions—go unreported and unaddressed.

When HR is done right, it considers the importance of employee retention to the overall success of the company and that it is in the company's best interest to act on behalf of both the employee and management.

## The Invisible Nature of Micro-Aggressions and Passive-Aggression

Passive-aggressive behaviors and micro-aggressions are particularly challenging to report because they often seem subjective or difficult to quantify. Employees may question whether they are overreacting or fear that their concerns will be dismissed as trivial. This uncertainty, coupled with a lack of clear evidence, often results in these behaviors being tolerated for far too long. Over time, the cumulative effect of these seemingly small incidents can lead to significant damage to both individual well-being and overall team morale as well as lower productivity and higher employee turnover.

## **Power Dynamics**

In many organizations, the power dynamics between employees and toxic managers can be overwhelming. Employees may feel that they have no real recourse to challenge their manager's behavior, particularly if that manager is well-regarded by senior leadership. The fear of losing one's job, being passed over for promotions, or being labeled as a troublemaker can keep employees from raising legitimate concerns.



# Part 3: Strategies for Addressing Toxic Management Behaviors

#### 1. Establish Clear Reporting Channels

Employees need to feel confident that they can report toxic behavior without fear of retaliation. Implement anonymous reporting systems that allow employees to raise concerns without disclosing their identity. This can help surface toxic behaviors that would otherwise go unnoticed.

#### 2. Empower HR to Take Action

HR departments must be **empowered to act impartially and swiftly** when dealing with toxic managers. Training HR teams to recognize subtle toxic behaviors like passive-aggressiveness and micro-aggressions is crucial. Additionally, HR should have the authority to investigate claims thoroughly and hold managers accountable, regardless of their standing in the company.

#### 3. Leadership Commitment

To effectively address toxic management, leadership must be fully committed to fostering a healthy organizational culture. Senior leaders should demonstrate zero tolerance for toxic behaviors, ensuring that these issues are taken seriously at all levels of the organization. Publicly supporting HR in these efforts can build trust and encourage employees to come forward with concerns.

#### 4. Regular Culture Audits

Regular culture audits, **led by external consultants**, can help organizations stay ahead of toxicity. A culture auditor immerses themselves in the organization, engaging with employees to observe and evaluate the true state of the company culture. Audits can include interviews, surveys, and even anonymous feedback tools to provide a comprehensive view of how employees experience the culture on a daily basis. These audits allow organizations to identify issues early and take corrective action before they escalate.

#### 5. Appoint Culture Ambassadors

Introducing **Culture Ambassadors**—selected from all levels of the organization—can help maintain a healthy culture and address toxic behaviors. These ambassadors rotate annually to bring fresh perspectives and prevent concentrated influence.



By choosing representatives from different departments, organizations ensure diverse voices are heard and that cultural issues are identified early. Culture Ambassadors can serve as a link between employees and leadership, offering a safer way for employees to raise concerns, thus fostering trust and transparency. This initiative encourages accountability and reinforces the organization's core values.

#### 6. Training and Development

All managers should undergo **regular training** on leadership skills, emotional intelligence, and diversity and inclusion. This helps to ensure that managers are aware of the impact of their actions and behaviors on the broader workplace culture. Emphasize training in recognizing and preventing passive-aggressive and micro-aggressive behaviors, particularly those that may arise unconsciously.



# **Part 4: Building Trust in HR**

For employees to report toxic behaviors, they must trust that HR will act in their best interests. Building this trust is essential for addressing toxicity in a meaningful way.

#### 1. Transparency in Processes

HR must be transparent about how reports of toxic behavior are handled. Providing clear communication on what employees can expect when they report a concern—such as timelines for investigation and potential outcomes—can build confidence in the system.

#### 2. Confidentiality and Non-Retaliation Policies

Employees need to be assured that their reports will be kept confidential and that they will not face retaliation for coming forward. HR should establish and enforce strict non-retaliation policies to protect employees from adverse consequences.

#### 3. HR as an Employee Advocate

Rather than being seen as solely aligned with management, HR should position itself as an advocate for both employees and the company. Regular check-ins, pulse surveys, and open-door policies can help HR demonstrate its commitment to employee well-being and a healthy work environment.

#### Comparison Table: Before and After Addressing Toxic Managers

Metric	Before Addressing Toxicity	After Addressing Toxicity
Employee Retention	High turnover due to dissatisfaction and burnout	Improved retention as toxic behavior is reduced
Team Morale	Low, leading to disengagement	Significant improvement in morale and engagement
Trust in Management	Diminished, as employees fear retaliation or inaction	Restored trust, with employees feeling safe to report issues
Employee Productivity	Decreased, as stress and toxicity affect performance	Enhanced productivity due to a healthier work environment
Collaboration	Fragmented, as toxic managers foster division	Strengthened teamwork and collaboration



# **Part 5: Case Studies: Real-World Examples**

## **Case Study 1: Anonymous Company Addressing Passive-Aggressiveness**

A mid-sized company discovered that passive-aggressive management was leading to reduced team performance. Through culture audits and leadership training, they implemented regular feedback sessions and transparent communication channels, leading to a 25% increase in team collaboration and retention over the next year.

Read more on addressing passive-aggressive behaviors: <u>Verywell Mind - How to Deal with</u> Passive-Aggressive People

## **Case Study 2: Large Corporation Confronting Micro-Aggressions**

A large corporation found that micro-aggressions were contributing to high turnover among minority employees. After introducing mandatory diversity training and an anonymous feedback tool, micro-aggression reports dropped by 40% within six months, and minority employee retention increased by 15%.

For more on micro-aggressions and diversity training: <u>Society for Human Resource Management</u> (SHRM) - Addressing Micro-Aggressions in the Workplace

## Case Study 3: Building Trust in HR to Handle Toxic Managers

In a high-tech firm, employees hesitated to report toxic management due to fear of retaliation. HR introduced anonymous reporting and began conducting third-party culture audits. Trust in HR grew by 30%, and employee complaints were handled 20% faster than before.

Learn more about building trust in HR: Gallup - How to Build Trust in HR



## **Part 6: Conclusion**

Addressing toxic management is one of the most important steps an organization can take to protect its culture and ensure long-term success. While identifying and confronting these behaviors can be challenging, organizations that commit to transparency, accountability, and proactive management strategies will see significant rewards in employee engagement, retention, and overall performance.

HR leaders and leadership teams play a critical role in this transformation. By building trust, empowering employees to speak up, and holding toxic managers accountable, they can become the driving force behind a healthier, more productive workplace. This proactive approach not only strengthens the internal culture but also enhances the organization's external reputation, making it more attractive to top talent and trusted by clients and partners.

# **About Wren insight Group**

Wren Insight Group is a strategic consultancy specializing in fractional executive and advisory services, helping businesses unlock their potential through expert guidance in leadership, company culture, operations, and marketing. Our focus includes culture audits, strategic communications, operational improvements, and tailored marketing solutions that drive growth and enhance organizational performance.

With a diverse team of experts, we provide customized strategies designed to meet the unique needs of startups, small businesses, and established organizations alike. Whether addressing leadership challenges, streamlining operations, or elevating marketing efforts, Wren Insight Group is committed to delivering measurable impact and long-term success.

Learn more at www.wreninsightgroup.com.

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