

The 'bad apples' among the organizational leaders: Do we know them?

15 October 2021



Dr Mamun Ala, Dr Kuldeep Kaur & Dr Dilraj Wadhwa, Australian Institute of Business

Introduction

Unethical leadership is an issue for rich and poor countries alike, and in both public and private sectors. According to [Tepper \(2007\)](#), around 13.6% of all employees in the USA have experienced abusive supervision at their workplace resulting in considerable damage to their quality of life. In this short article we have used the term 'bad apples' for unethical leaders in organizations whose presence may not readily be apparent but who often use their power and position for personal, financial or political gains. We first outline what ethical leadership might be, and then explore the causes and consequences of unethical leadership.

What is ethical leadership?

Ethical leaders are consistently genuine and righteous in personal and professional lives in regard to their intentions, decisions, behaviours and actions. Ethical leaders possess the qualities of strong moral persons such as honesty, fairness, approachability, trustworthiness, and concern for others (Brown & Mitchell 2010).

Ethical leadership has been linked with the following two personality dimensions ([Walumbwa and Schaubroeck 2009](#)):

- *Conscientiousness* – consistent in thoughts, emotions, feelings and actions; controlled; firm on commitments; and goal-oriented; and
- *Agreeableness* – warm, friendly, altruistic, modest and trusting.

Ethical leaders act as role models for others and promote ethical conduct across their organizations. Ethical leaders judiciously use rewards and penalties to motivate employees to set ethical goals, maintain productive work behaviours, complete tasks on time, and successfully deal with ethical dilemmas (Brown & Mitchell 2010).

How do we recognise the 'bad apples'?

In simple terms, unethical leadership is deviation from accepted moral standards. A study by [Sam \(2020\)](#) reports six types of unethical practices among administrative leadership in educational institutions in the United States: absenteeism, irresponsible information sharing, lack of respect for others, misuse of power, favouritism, and focus on personal gain.

Unethical leadership has been associated with the following personality traits ([Tepper 2007](#); Brown & Mitchell 2010; [Hassan 2019](#)):

- *Neuroticism* – an overall tendency to be occupied with negative emotions such as anxiety, depression, anger, self-doubt, frustration, and moodiness.
- *Narcissism* – a tendency to have an inflated self-image. Narcissistic people are likely to be arrogant and selfish. They generally lack empathy for others and have an excessive need for attention and admiration.
- *Social dominance orientation* – a tendency to endorse social hierarchy and inequality. Individuals with social dominance orientation believe that 'inferior' groups should be dominated by 'superior' groups. They strive to maximise their social power, dominance and use coercion or aggression in controlling others' behaviours.
- *Right-wing authoritarianism* – a personality type that is characterised by three traits, namely 1) strict submission to authority; 2) moral absolutism (strict allegiance to conventional values); and 3) punitive attitudes or aggressive treatment to deviants or dissidents. Right-wing authoritarians aggressively try to preserve order, structure, and social norms.

Taken together, 'bad apples' are often aggressive, self-centered, corrupt, oppressive and dictatorial.

What turns 'good apples' into 'bad apples'?

Unethical behaviours or actions by the people in authority is likely to have a hugely negative impact on employees and the organisation. Business literature is loaded with examples of unethical leadership behaviour but little information is available on the so-called "psychological traps" that enhance the propensity to behave unethically. These traps being psychological in nature actually blur the boundary between right and wrong, and individuals can become entangled inside webs of self-deception.

In a separate study, Hoyk and Hersey (2009) describe three main psychological traps that attract leaders towards unethical behaviour, namely:

- *Obedience to authority* – Leaders with this notion use their power to exercise unethical behaviour as they know that the subordinates will follow them without opposition.
- *The need for closure* – Leaders assigned with the responsibility to find optimal solutions to organizational problems may just rely on quick fixes rather than using the power of brainstorming and group synergy. They refuse ideas expressed by others and discourage questioning.
- *The defensive trap* – Leaders try to deny the breach or find an easy way to reverse the course (because of guilt and shame). They tend to provide a false consensus and point to others who committed similar mistakes (but were successful).

As suggested by [Constantino \(2015\)](#), unethical actions by leaders are linked to their *perceived invincibility* – they may do things on a whim, and then blame others for the undesirable consequences. Some leaders commonly give an excuse of environmental pressures for their unethical conduct; others who have experienced mistreatment themselves have higher tendencies to display similar behaviour with their followers ([Ayree et al. 2007](#); [Odole 2018](#)).

Why get rid of 'bad apples'?

It is clear that unethical behaviors and actions by organisational leaders have detrimental effects on the performance of the organisation as well as the productivity and welfare of employees. For example, in 2006 alone, the estimated annual costs of abusive supervision (in regard to health care costs, absenteeism, and loss of productivity) incurred by the U.S. Corporations was \$23.8 billion; by reducing the incidence of abusive supervision by just 1%, they could have saved \$238 million ([Tepper et al. 2006](#)). However, the most severe consequences of unethical leadership include higher levels of employee psychological distress, poor health outcomes, lack of commitment, and greater turnover intentions ([Thorne 2010](#)). Overall, unethical leadership not only impedes the effective functioning of organizations but also destroys organizations from within, and jeopardizes their economic viability.

Conclusion

To sum up, 'bad apples' are not a rare species. Often they are hidden. It is important for us to recognise those bad apples and deal with them (if possible). If not identified, their behaviour and actions are likely to have profoundly negative impacts on individuals and organizations.



Dr. Mamun Ala

Lecturer, Australian Institute of Business

Mamun is Lecturer in Strategic Management and International Business at the Australian Institute of Business. He also serves as the AIB Ethics Committee Coordinator and Indigenous Student Academic Mentor. With a PhD in Applied Economics (International trade regulation) from the University of South Australia (UniSA) and an MPhil in Management, Mamun taught eight years at UniSA and three years at Flinders University.



Dr Kuldeep Kaur

Lecturer in leadership, Australian Institute of Business.

Kuldeep is an enthusiastic lecturer and a competent researcher. She has previously worked at the University of South Australia and Flinders University and has over a seven-year of experience working in the industry. Her research focuses on job attitudes and employee behaviour.



Dr. Dilraj Wadhwa

Lecturer, Australian Institute of Business.

Dr. Wadhwa is an experienced academics previously had appointments at Flinders University and University of South Australia. Her area of teaching & Research is in Human Resource Management primarily focusing on Diversity and Inclusion, Career Planning & Management and Employee Motivation.