#### 11. Toxic Employees: Descriptions & Fixes (Guide for Managers)

How to deal with toxic employees?

Here's for you a Realpolitik resource for dealing with toxic employees.

First, I will briefly explain the psychology of toxic employees. And then I'll give you some advice based on their specific personality profile.



# **#1. Rebels Without A Cause**

I hate you, don't fire me

These types of toxic employees cannot stand having a boss.

They reject any type of outside authority, are hypersensitive to power dynamics and they soon come to resent *any* boss who doesn't grant them enough freedom.

## **Psychology Profile**

Some rebels had an overbearing parent or a <u>highly demanding</u> parent to whom they are *still* rebelling.

Accepting dominance hierarchies is indeed a sign of maturity, but rebels are locked into a child role (see <u>Transactional Analysis</u>). And now, even as adults, any outside authority triggers the same parental resistances of their teenage years.

But today, instead of slaying the overbearing father, they want to slay *you*.

Sometimes though childhood has little to do with it and Rebels are simply <u>power-hungry individuals</u> themselves.

They want to be the ones giving orders and calling the shots and they hate you for having authority over them.

These types of toxic employees often have huge egos coupled with very thin-skin. A terrible combination for anyone aspiring to a leader position (see <u>Trump</u>).

#### They Make Excuses to Hate You

Rebel Without a Cause make excuses to hate bosses and people with power over them.

They are sometimes "social justice warriors", saying they hate power because "it's unfair" or because it "oppresses people".

That's only a front of course: the truth is that they resent people who have power over them.

Watch out for them: they can easily turn you into an enemy.

#### **How it Feels Managing Rebels**

With the aggressive types, you will get into power struggles.

If they are more the <u>passive-aggressive types</u>, then you'll see typical <u>passive-aggressive signs</u> (delayed replies, poor executions, <u>undermining</u> behind your back etc.).

#### **How to Deal With Rebels**

It's a common mistake trying to overpower.

Overpowering rebels is tantamount to cure a problem with more of what causes the problem.

They will come to see you more and more as the abusive inflictor of terrible ego beat downs.

And they will want to destroy you to vindicate the infamy.

What to do then?

If they are poor at what they do, fire them.

If they are good, you must give them "freedom of operation". Make them feel like they are special agents with "license to act like self-employed".

Yep, that's the secret to keep these guys performing problemfree: make them feel like they are self-employed.

Allow them to work from home, come and go at their time and, if they perform, remove any needs for reporting.

Just let them come to you with the results and the money they earn for your company -that's what you want in the end, no?-.

Just Like Investment Bank's Traders

This is the method that investment banks use with <u>alpha-males</u>, <u>overaggressive</u> traders (<u>Taleb</u>, <u>2018</u>).

Banks grant them lots of freedom and let alone to perform. When they lose more than they make, that's the time to fire them.
After all, they never had any allegiance to you, right?

#### Skills You Need to Master

If too many people in your team seem to resent your management, it's time to face the fact that you might be the problem.

You need to learn to manage not through authority and title, but more by example (read <u>power over VS power through</u>).

And if you cannot grant more freedom to top-performers, then you must wonder if *you* are the one with power issues (in this case: the need to feel powerful).

#### **#1.2 Domesticated Rebels**

Don't confuse "true" rebels with "domesticated" rebels (I borrow the nomenclature here from <u>Greene</u>).

Domesticated rebels are allowed to go slightly against the grain and espouse slightly unconventional opinions.

The group usually looks at them and smile, or shake their head in light disapproval when they go too overboard.

But they are overall safe, have little to no power and rarely go places. As a matter of fact, most other members feel superior to the domesticated rebels, who are seen as juvenile and immature.

Some highly autocratic leaders can actually use them as a (false) proof of their open-mindedness and their approval of a free exchange of opinion.

Example: Dennis Rodman

Dennis Rodman was an example of a character in-between a toxic rebel and a domesticated one.

Phil Jackson describes in <u>Eleven Rings</u> how he'd show up for training with untied shoes, or hiding jewelry beneath the jersey.

The best way to handle it is not to take it too seriously. Make a joke about it, give a small fine or completely ignore it.

Once the rebel understands that nobody really cares, they will drop it.

#### Say Jackson:

To control people, the biggest mistake is to try to control them directly. Give them lots of room instead, even encourage them to be mischievous and then watch them.

You might want to use a similar approach for the productive rebels in your team.

This is important because if you try to enforce authority on the smallest possible infraction, then you can push Rodman types into full-blown rebels.

And from a small-time, meaningless action, you end up with a full-blown war and you're forced to kick them out -which you might not want if they do great work-.

# **#2. The Cynics**

Just when you want to soar with the eagles... A cynic will bring you back with the turkeys.

Cynics are insidious because they masquerade their envious doom and gloom as realism.

They position themselves as simply rational, realist types that the rest of your team should better listen to.

And that makes them toxic employees per excellence.

## **Psychology Profile**

There are 3 main types of cynics:

- Defensive cynicism (it's not that I'm successful, it's just that everything sucks and I don't even want to try)
- Power mover (use cynicism to discredit others)
- Former idealists

The last one is most common in plum Western societies -poor countries have seen too much dog-eat-dog behavior to nurture many idealists-.

Former idealists change tack when they hit life difficulties and realize that the company, the state, the people or whatever it is they were duped to believe in, weren't there.

Hurt and disappointed, instead of rebalancing their views, they swing in the opposite direction.

## **High-Achieving Cynics**

Here's the kicker:

Most executives and top performers are positively cynic.

The positive cynic is a different breed.

Not swayed by corporate BS, he focuses on giving because he obeys the cardinal rule of effective cynicism:

#1. Rule of a successful cynic: the more I give, the more I can ask.

And, contrary to Pollyanna operators who apply misguided advice of "giving without asking", they are very assertive in demanding their share of the pie:

*Cynic High-Flyer*: don't give me BS, I put X on the table, and I want Y back.

And they are not wrong!

Better to assertively ask for what's fair, then waiting and hoping the man will be nice enough to give.

## **How to Deal With Cynics**

If they are poor performers, what are they doing in your team?

They destroy team morale and undermine your authority.

If they are high achieving cynics, make sure the non written contract is in place: **they can remain cynic**, **but they must play the game**. Playing the game entails showing up to team events, pay lip service to the company's values and pretending they give a f\*ck about Mark the IT nerd's birthday.

Yep, welcome to company's politics Mr. Cynic.

# **#3. Homo Economicus**

I am paid for 8 hours. At 17:30 hours I go home.

What you wrote on the contract, you get.

Don't expect extra work, extra effort or special allegiance. With him, you get what you pay for -literally-.

## **Psychology Profile**

Sometimes the homo economicus is afraid of being taken advantage of.

He is afraid that if he does more and doesn't get more, then he will get hurt by the unfairness of this world -he fails to see that that's the perfect test for an employer-.

But more often the homo economicus is your average Joe.

Not particularly driven, no particularly motivated and, often, not particularly bright either.

He's gotten his degree with average grades so that he could live a simple yet comfortable life with a mortgage, a car, and an average lady on his side.

He pays his health insurance, his pension plan and he trusts the system to take care of him if things go south.

That's it.

He's not bad... He's just an average fella.

## **Toxicity Impact**

How can this guy be a toxic employee?

Well, he's not... If you are running simple operations like, say, business process outsourcing or if he is some dull compliance work.

But the homo economicus is toxic for top performing teams.

Why?

Because they will form a clique with other homo economicus, slackers and cynics.

And they will become the ballast preventing you from flying.

That average-performing clique will also stand in stark contrast to the top performers, the extra-milers and your screaming fans employees.

The two groups will grow further and further apart and, at a certain point, some of the extra-mile employees will start thinking "why working hard if these slackers will be reaping the same rewards"? And, like in any <u>public good game</u>, the givers will stop giving.

That's how average Joes harm team performance.

If you need excellence, you don't the Homo Economicus

# #4. The Thin-Skinned

This meme sums up well the Thin-Skinned employee:



They have a fragile ego that easily gets hurt. And that means that you need to police your words and much of your effort must go on etiquette, not on results.

They also make a lot of drama and, potentially, unneeded escalation to upper management.

#### **Psychology Profile**

Thin-Skinned are prototypes of <u>fixed mindset people</u>.

That is, they believe that their traits and skills are fixed in time, which in turn means they interpret negative feedback *on their work* as you telling them they *are* bad and unworthy.

**Everything is personal with Thin-Skinned employees.** 

And that's why they can't stomach reality: reality is often harsh.

## **Toxicity Impact**

Thin-Skinned don't belong in high-performance, result-oriented teams because unadulterated, raw and quick feedback from reality should be the only metric there (see Ray Dalio's Principles).

Thin-Skinned employees can't grow quick enough to meet the needs of performance-based teams, so one of two things will happen:

- 1. The team comes down to meet the thin-skinned employees, a "kid gloves approach" takes hold and efficiency pays the price
- 2. The team steamrolls the Thin-Skinned who is left behind, quits or creates drama

Watch out because what you perceive as "honesty" and "no-BS approach" is "bullying" and "verbal abuse" for the thin-skinned employee.

And those you don't want those labels in an HR formal complaint.





Vindicative employees are a subset of thin-skinned and they are particularly toxic employees to deal with.

They might put a fake stoic face, but in reality, they hurt and they never forget.

And they swear that they will make you pay for your insolence.

They never communicate directly and honestly and as they stew in their resentment for you, their interpretation of reality becomes more and more distorted.

Many managers fail to see the signs, and that's how they end up blindsided when they got called by HR with no idea how the hell they got there.

And there might be no real proof in that brief.

The dumbest and most spiteful of them will sue you even if they got nothing on you -contrary to the Machiavellian players outlined below-.

#### **How to Deal With Thin-Skins**

If you're in big sprawling corporations, you can't avoid them.

And if you are the more the aggressive type, you must take it on you to learn some tactful communication.

If you can move them, put them into easier roles.

They will do well in quieter back-office environments: they tend to be conscientious people.

They can also become very loyal to you because their fragile ego goes both ways: they get hurt easily and they also get hooked easily on emotional rewards.

Oh, what is that that you're asking?

What to do if you're in a startup or in any "no space for faint of heart employees"?

Then you know what you gotta do pal...

# **#5. Shirkers**

Efficiency is doing as little as possible while collecting the same salary

Shirkers are some of the most common toxic employees.

They are busy with mysterious projects, take long to finish tasks and generally try to do as little as possible to get by.

Oh, and they also take long lunched and often get sick.

#### **Psychology Profile**

There several types of shirkers:

- Entitled shirkers: victims of entitlement mentality, such as the belief that they are due stuff without having to put in the work
- Nurtured shirkers: grew up with helicopter parents who gave everything (except good parenting)
- Lazy shirkers: apathetic to work and life, they just don't see the point and their biggest ambition is Netflix and pizza

Finally, there are the socially clueless shirkers. They overlap with entitled and nurtured and don't see or understand that healthy relationships entail <u>an exchange</u>.

## **How it Feels Managing Shirkers**

Some shirkers are professionals in *looking* busy.

They like being in multiple easy projects so that you never know what's their real workload.

And they can always refer to "that other project they're working on".

But the most toxic shirkers have learned the greatest secret of easy office life: if **they make it difficult for people to approach and deal with them**, nobody will ever give them work.

Some of them become difficult employees through latent aggression, while others do it with passive aggression.

Milton in "Office Space" is an example of the second type:

https://youtu.be/jsLUidiYm0w

## **Toxicity Impact**

What's toxic with shirkers?

They spread the virus!

Free-riders aren't just toxic in companies and teams: **free-riders are toxic to societies**.

The number of free riders varies widely depending on whether or not punishment is introduced in the exchanges (<u>Fehr and Gächter, 2000</u>).

The issue is that free rider, as <u>James Surowiecki</u> righteously notes, "poison" the whole system.

Employees who would go the extra mile in a fair contribution system stop giving when free riders show up.

And that's why free riders are devastatingly toxic: they trigger vicious circles of apathy, demotivation, and disinvestment.

# **#6. Power Seekers**

My boss is my stepping stone

Power Seekers have huge ambitions.

That ambition includes taking your place or, even better, jumping straight above you.

They are dangerous for managers because if moving up means destroying you in the process, they will happily do so.

## **Psychology Profiles**

The poorest power seekers will make it obvious that they reject your authority and are planning of overtaking you.

But most of them are Machiavellian and manipulative to the core.

They pretend of being all about "doing a great job" and "learning from you". And they'll even build you up in the process.

Of course, they fully support management and the company's values. But not because they believe in them, but because they know that aligning with power is always one of the best strategies to *accrue* power.

You Are The Placeholder Boss

Power seekers have this attitude towards bosses:

I work for you now because I couldn't find any better, but you're only my stepping stone and I'll move up as soon as I can.

This breed of toxic reports is not planning to be your report for long. Unless you're equally ruthless as they are, they often have contempt for you.

However, they will mask it really well.

#### How to Deal With Power Seekers

If it's your company, you can use them.

Unless they're pure <u>sociopaths</u>, you can bridle them and milk their ambitions for your own benefit and make the rules clear: everyone can go up, as long as they deliver.

If it's not your company and you don't have great ambitions, don't cross them and let them free to walk their power path: there is no point in making this your beef, after all.

If you don't like them, make sure you don't teach them anything and watch out they don't go beyond your back: they have a tendency to bypass their line manager and go for the bigger bosses.

# **#7. Suck-Up Players**

The closer I get to by boss, the more power I have

Suck-up players' flatter you and support you.

But it doesn't come for free: they do it because they want you to like them, protect them and, crucially, to play favorites with them.

## **Psychology Profile**

We talked about Suck-up players in office politics players as well.

Suck-up players can brown-nose for different reasons, ranging from admiration to love to power-infatuation.

True suck-up players are not very ambitious.

Seeking power by reflection and brown nosing indeed are defensive games, low-status behavior and inherently submissive.

Just like children unconsciously seek their parents' goodwill, so suckup players seek political safety.

## **Toxicity Analysis**

You might wonder:

How can these guys be toxic?

They are toxic for two reasons:

- 1. Your other reports might think you two are in cahoots
- 2. It injects politics into your teams and lowers the morale

Finally, if you're not attentive enough, they might even manage to get too close and win your favors.

You want to avoid that at all costs or you'll come across as weak and easy to manipulate.

Remember this golden rule of management:

When you grow too close to someone specific, you grow distant with all the others

#### 7.2. Double Agents

Double agents side with the boss.

The problem is that they side with the boss... Against the rest of the team.

Naive managers will relish the ally thinking they have acquired a strategic intel partner.

#### Don't fall for that!

Double agents are toxic because they split the group and inflate (or create) drama to increase their own status.

Honest team communication is the first casualty of double agents. And the second is a split team. You can't have that.

#### Be Careful Of:

Personal assistants, secretaries and linchpin employees tend to go for this role. Don't allow the closeness of the working relationships to become an "us" and "the rest of the team".

#### **Prevent With:**

When they come up with juicy gossip, remain neutral and cold. Minimize and act like it's nothing.

Alternatively, when they share gossip about a colleague you can tell them "thank you for letting me know, we can't have that in this great team, let's go talk to that person to clarify".

That will shame them and reinforce to everyone that your team is for straight shooters.

Just make sure to do it naturally, as if that's how you always behaved in your life. That way it's more effective and it doesn't seem like you are punishing them

Similar to double agents are:

**Mild Enforcers**: the ones who say "but the boss said that" whenever a colleague tries a different approach. And then tell the boss about the mischevious colleague (you recognize these types from school already)

**Strong Enforcers**: blind loyalty they express by squashing any internal dissent. But great teams *need* dissent and diversity of opinions

**Side-kicks**: seek a close relationship to form a "duo" of power. Keep distance: the second in command goes to the most productive employee, not to the closest to you

## **#8. The Predators**

#### How can I screw them over...

If shirkers are happy to give as little as possible, predatory employees actively look for ways to *take* as much as possible.

Employees with this mindset rarely stop at moral and ethical consideration.

And hey even rarely stop at lawful boundaries -unless they can leverage the law to screw you over, that is-

### **Psychology Analysis**

Here we start getting into criminal psychology and psychopathologies.

They have no moral standards, are cynics and sometimes are sociopaths and psychopaths.

If they do have internal morals, some of them will manipulate themselves first and foremost.

They will twist the story in their mind and paint you as the evil boss they must destroy -and yeah, they are the Robin Hood of that story of course-.

The lowest quality overlaps with the shirkers.

They're the kind of toxic employees who are mentally deranged enough to voluntarily hurt themselves just to get insurance money.

The most Machiavellian of them instead connive and conspire to enact more elaborate frauds.

For example, they will read corporate laws and record your infractions just so that one day they can sue you and your company.

## **Toxicity Analysis**

These types of toxic employees, needless to say, are some of the most dangerous you'll ever meet.

They destroy team morale, bring about legal woes and make for terrible PR and publicity.

#### **How to Deal With Predators**

You must learn to read people and prevent.

Look for signs of antisocial-disorder personalities, examine past employment history -often dotted by very brief stints- and check references.

If they are already in your company, the best solution is always to cut them off.

But you must do so with ruthless Machiavellianism.

Because if they have dirt on your or on your company, expect getting sued.

American Beauty has an example of a predatory toxic employee:

https://youtu.be/hJVXg1AHQTY

Begin with the end in mind: imagine that your worst employees will act like that.

And be prepared for that type of showdown.

# **#9. Team Vampires**

Team vampires is an umbrella term referring to a cluster of personality types that are most likely to disrupt positive team dynamics.

They include:

**Borderline personality disorders**: wild swings of emotions and paper-thin egos hypersensitive to criticism and rejection, which they tend to see everywhere. Can lash out against managers and colleagues alike (Kreisman, 2010)

**Histrionic**: they crave attention. And they will create drama just to get that attention

**Narcissists**: they have a huge ego, they will try to get all the credit and "I" always comes before the team (and second there is "me", and third "mine")

**Obsessive-compulsives**: crave to reduce life's complexities and stick to procedures, morals and status-quo. They're OK in big corporations but terrible in start-ups and creative industries

A good book to quickly review and understand these personalities is "Emotional Vampires" by Bernstein.