

Keep The Bully Boss

“Anyone can become angry—that is easy. But to be angry with the right person, to the right degree, at the right time, for the right purpose, and in the right way—that is not easy.”

-- Aristotle

Richard P. Himmer



The Cost of Keeping The Bully Boss

The most common understanding of bullying is a physical experience where the bully is usually larger and stronger and dishes out verbal teasing or abuse, often followed up with physical intimidation or harm. This is true in the schoolyard, but within the framework of the workplace, bullying is emotional in nature. Any physical abuse comes under the definition of harassment or sexual abuse.

Workplace bullying is the repeated exposure (6 months) to mistreatment and acts of aggression from coworkers, supervisors, and direct reports. It is reported that 28% to 36% of American workers suffer from bullying or continuous abuse compared to 25% in Sweden and 50% in Great Britain.

The estimated cost of bullying is between \$3 billion and \$5 billion annually. The replacement cost for managers and employees exceeds \$16 billion in Fortune 500 companies. The U.S. Department of Labor points out that workplace aggression affects absenteeism, turnover, fear, decreased worker productivity, and health insurance premiums.

Despite the growing volume of research, incivility, bullying, and harassment continue to escalate. Many organizational leaders and managers still deny or refuse to acknowledge that bullying exists within their company. In fact, when an employee brings a complaint to HR, the bully's supervisor, or a coworker, they either did nothing or made things worse (83%, 85%, 82% respectively).

Let's examine an organization of 500 employees. Statistically speaking, between 140 and 180 employees are currently experiencing bullying or have been bullied in the last year. A target (someone who is bullied) spends an average of 50% of their day focusing on how to avoid being bullied. How much does that cost in employee production, absenteeism, health insurance, and turnover?

Of the many theories surrounding workplace bullying, poor leadership and organizational chaos have a common solution. It is increasing organizational and managerial emotional intelligence, which teaches the skills of being aware, listening, and empathy.

Poor leadership is more than incompetence at the managerial level. Despite high IQs or strong technical skills, up to 75% of existing managers suffer from a low level of

social skills. They don't listen, they use positional power to coerce, they have low self-awareness of what is really going on around them, and ultimately they have low emotional self-control.

Executives often justify keeping their intelligent bully managers believing that they can't afford to lose them. Perhaps if the actual cost of a bully were calculated, executives would realize that they can't afford to keep any bully. Simply relocating a bully only transfers the problem to a new set of employees.

Let's take an example of one bully boss who *rules* over 10 employees and targets only 1 employee. The target's production will be reduced by over 50% and she will start a search for new employment. Assuming new employment is found, the average replacement cost is 1.5 times the benefit package. Assuming a \$50,000 benefit package; that is \$75k to replace the target, not counting the cost of reduced production.

Research shows that witnesses of targets feel the same level of pain and discomfort as the target and take on the role as though they were bullied. Let's assume that all the employees share the same benefit package and 2 more find new employment before the bully boss is eventually transferred.

The replacement cost is \$150k. The remaining seven employees reduce their production by at least 50%. Logic dictates that every employee produces greater than \$50,000 in revenue; therefore, they reduce their production by only their benefit package, which equals another \$175,000 ($7 \times \$50k/2$).

As we total the damages, we again ask, can any organization afford a bully? Total damages equal \$225,000 in new hires plus \$175,000 in reduced production for a total of \$400,000. Is it good business to turn a blind eye to such staggering numbers within our organizations?

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