A Case for

Kindness

Cutting Out the Waste of Dysfunctional Work Practices

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# Cruelty is Ruining Your Business

Cruelty and toxic behaviors are the enemy of profit. Bullying bleeds talent, leading to high turnover and costly recruitment. Fear stifles creative thinking, hampering innovation and growth. A hostile environment tanks customer loyalty, with bad reviews damaging the brand. Add lawsuits, plummeting morale, and disengaged employees producing subpar work to the mix, and it becomes clear that the damage to the business is profound.

This isn't just opinion. Throughout this guide, you will find research and data highlighting how sticking to the old ways of working no longer works and could ultimately destroy your business.



# Kindness at Work Matters

Kindness at work isn't just warm and fuzzy; it's a powerful business tool. Healthy, supported employees are more productive, engaged, and likely to stay, saving companies on turnover costs. Acts of kindness, such as gratitude and collaboration, fuel better communication and innovation, leading to smarter solutions. A healthy work environment also attracts top talent and boosts customer satisfaction, giving your business a competitive edge. Ultimately, kinder workplaces see higher profits and increased customer satisfaction, proving kindness isn't just the right thing to do, it's smart for business too.



# Workplace Mental Health Matters

Given that most of us spend 80% of our time at work, workplaces have an enormous impact on our mental health. From how we interact with each other to workflow processes to the content of the work we do, we are exposed to potential hazards that can cause harm.

Addressing these hazards, including everything from workload to toxic behaviors, not only supports the well-being of employees but also plays a pivotal role in retaining top talent and driving innovation. As our understanding of human needs evolves, various parts of the world are instituting protections for both physical and psychological harm at work.



# Do We Stick to these Destructive Practices?

The pushback on these concepts can be confusing at times. Not only are there decades of research that show the negative impact to the bottom line when the workplace is unhealthy, common sense tells us that treating people poorly decreases their ability to perform at their best. If this were another part of the business, such as finance or marketing, would the belief be that managing this poorly improves business outcomes and profitability? I think not.

Companies resist addressing toxic behaviors for several reasons, often reflecting a mix of short-term thinking, fear, and lack of awareness:



- Fear of disruption and conflict: Addressing toxicity often requires difficult conversations and changes, which can be intimidating and disrupt day-to-day operations. Fear of losing key performers or creating tension may lead to inaction.
- Short-term gains over longterm benefits: Companies might prioritize immediate performance squeezed out of employees and ignore the long-term risks of burnout, presenteeism, and more.
- Lack of awareness or clear definition: Companies may not have clear definitions of toxic behavior, making it difficult to identify and address.
- Fear of legal repercussions: Concerns about wrongful termination lawsuits or other legal issues can lead companies to avoid taking action, even in clear cases.
- Lack of resources or effective strategies: Addressing toxicity requires resources and training to ensure fair and effective interventions. Although not costly compared to the repercussions, some companies may believe they can simply ignore the problem.
- Culture of silence: A culture that doesn't encourage reporting or speaking up about toxic behavior allows it to persist. Fear of retaliation or not being taken seriously can silence victims.
- Power dynamics and favoritism: Sometimes, powerful individuals exhibiting toxic behavior are protected due to their perceived value or connections, creating a double standard.

While these reasons may explain the resistance, it's important to remember that the costs of inaction are often far greater than the challenges of addressing toxic behavior. Companies committed to building a positive and sustainable culture must prioritize creating safety, clear reporting channels, developing clear policies, and taking decisive action against harmful behavior.

This guide is designed to help highlight the costs of continuing these practices and provide insight into the business benefits of creating a healthier workplace. While kindness isn't the only part of a high-performing organization, opening up the conversation can be a good first step in developing a thriving workplace and workforce. Use the checklist below to identify hidden issues may be holding your business back.



- Fear of disruption
- Fear of conflict
- Short-term focus
- Lack of awareness
- Fear of legal repercussions
- Lack of resources

- Lack of clear strategy
- Culture of silence
- Power dynamics
- Favoritism

# What if it's the

Have your heard the scary story where the babysitter is getting harassing phone calls and then finds out the calls are coming from inside the house? That is what it's like when the CEO is the main cause of a toxic workplace.



Before we go any further, the first question to ask is, is it primarily (or solely) the CEO's fault or are there other factors to consider? The reason to ask this is that it can be relatively easy to blame leadership. This certainly does not negate poor behavior but it is important to consider a few things:

- Is there a biased mental model towards the CEO? For example, some people have a mental model of leaders in parental roles or as a hero or villain. Check in to make sure this isn't the case for you.
- How often do the behaviors of concern arise? We all have bad days. If this is an on-going problem, clearly it is something that needs to be addressed.
- Are these "old tapes"? Just like anyone, leaders make mistakes. Ideally, they learn from them and evolve. Make sure the assessment of the CEO isn't based on something from the past that has already been addressed.

• Have you or anyone else discussed the concern with CEO? If so, what was the response? If not, why not? Being thoughtful about the needs of the CEO as a fellow human can be a good place to start.

Ok, if you have reviewed the issues and are clear the CEO is the root cause, what can be done in this situation? From our experience, there are several approaches that can work, depending on the CEO, your role, and other factors. If you have a good relationship with the CEO or the CEO is open to feedback, having a frank (yet kind) conversation can be the best approach.

However, if there isn't interest in changing, defensiveness, dysfunctional norms have spread, etc. the organization may need to work around the CEO in order to improve. THIS IS NOT A LONG-TERM SOLUTION, but it may be the only option for the time being. It's important to acknowledge that this is a tough situation and to weigh your options. It is also critical to set realistic expectations and practice self-compassion if you decide to take action.

Here are some ideas if this is something you would like to attempt:

- Lead by example: Be the embodiment of kindness yourself. Show respect, empathy, and appreciation to your team members, even under pressure. This behavior becomes contagious and sets a positive standard for others.
- Build a supportive team: Cultivate a team environment where kindness is valued and encouraged. Recognize and celebrate acts of kindness, big and small. Foster open communication and collaboration, creating a sense of belonging and mutual support.



- Empower your team: Give your team members autonomy and ownership in their work. This fosters trust and confidence, leading to increased engagement and motivation. Encourage them to practice kindness not just within the team, but also outwards towards colleagues and clients.
- Create a feedback loop: Establish safe and anonymous ways for employees to share their experiences and concerns. Openly address issues of negativity or unkindness without shaming or blaming individuals. Use constructive feedback to encourage positive change.
- Become grounded in your own values: Be clear about your purpose in staying and in your life in general. If you find you are compromising your values, it's time to reconsider staying.
- Set boundaries: This may be a challenge, but make sure you are taking care of your personal boundaries and that you give yourself enough time to be healthy.



- Speak up, when possible: If there are opportunities to directly address the CEO's behavior, do so constructively and privately. Focus on the impact their actions have on the organization and team, not personal attacks.
- Seek external support: Consider seeking guidance from HR, external coaches, or consultants who specialize in fostering positive workplace cultures.



- Align with existing values: If the organization has stated values that include kindness or respect, use them as a lever for change. Highlight how unkind behavior is misaligned with the company's core principles.
- Reward positive behavior and ignore negative behavior: Try positive reinforcement by only focusing on positive behaviors and pointing these out as they happen. Couple this by not responding to outbursts or other actions that are unhelpful to the team.
- Recognize and accept what you cannot control: Influencing others to make changes can be challenging. Make sure you recognize what is beyond your control, including the opinions of others. And accept that, even if you do your best, change may not happen.
- Remember, progress takes time: Be patient and persistent. Even small changes, consistently implemented, can have a significant impact on the overall culture of kindness within your team.
- Consider further action: In extreme cases, if the CEO's behavior is causing significant harm or hindering the organization's goals, consider escalating the issue through appropriate channels (HR, board of directors, etc.). This should be a last resort and pursued with careful consideration.

It's important to be realistic about the limitations of your influence, but remember that every positive action counts. By leading with kindness and creating a supportive team environment, you can make a difference and contribute to a more positive culture within your organization.

Tips I would like to try

Realistic goals

How I will know we are progressing

Boundaries that are important





# Symptoms of Poor

# Workplace Mental Health

There are several indicators that may reflect strains on the psychological health and safety of your business. If left unaddressed, issues within a company culture can have a significant impact on employee satisfaction and retention, as well as other business outcomes.

- High Turnover: Frequent employee departures, rapid rejection of new hires
- Change Fatigue: Lacking time for changes to become adopted before moving to what's next
- Resentment: Holding grudges or bitterness, passiveaggressive behaviors
- Apathy: Lack of enthusiasm or engagement, bitterness, cynicism
- Unreasonable Workloads: Overwork or unsustainable timelines to get work done

- Distrust: Feeling others cannot be relied on, assumption of bad intent
- Fear: Working under threat of shaming, punishment, or being fired
- Unclear Expectations: Inconsistent, unspoken, or rapidly changing measurements of success
- "Flip-flopping": Switching or backtracking on decisions, lack of accountability
- Bullying: Intimidation or coercion, cliques, shaming and other harmful behaviors

Symptoms that relate to your workplace

Other symptoms of concern



# Why is cruelty wasteful?

The perception that the work practices of the present or the past are superior is inherently flawed. There are well documented inefficiencies in most businesses, many of which are caused by poor attention to the needs of the workforce.

One common response to the need for healthier workers is that it lacks a clear return on investment. Yet, as is shown below and more broadly covered in *The Workplace Mental Health Strategy Workbook*, there are ample studies that establish clear returns for having healthy employees.

On the other hand, there is much less evidence that mistreating employees, ignoring toxic behaviors, bullying or other dysfunctions are connected to a healthy bottom line.

In fact, mental health is now one of the most costly risks for businesses given that it is the number one cause for missed work and contributes to a \$210.5 billion a year loss to the US economy, according to the APA. Below are a few common currentstate practices that are harmful to both employee and economic health that can also be connected to poor health and safety.



**70% of IT Projects Fail -** largest root cause is communication and fear of raising issues

IoTNow 2024

**Cost of Failure:** \$260 Billion annually

Quality is at a 50 Year Low - 74% of consumers say they experienced issues, up 66% since 2020

WSJ 2023

Cost of Losing a **Customer: Lost Revenue & 5-7X Cost** to Replace

70% of Managers are Poor -

Consistent data from Gallup and others shows that managers are lacking

**Cost of Bad Managers:** \$960 Billion annually

#### 75% of Employees Witness Bullying

- and 20% of workers report being bullied at work

#### **Cost of Bullying:** \$2.6 Trillion

Consider the risks currently in your organization that are accepted as part of business. This can be everything from turnover to customer service costs to employee errors due to stress or excessive workloads. Use the space below to consider the hidden costs in your organization.

**Company issue:** 

**Direct cost:** 

Indirect costs (ex turnover, lost customers, etc):

How often does this issue occur?

#### What % of root causes are due to:

- Poor communication
- Delayed decision-making
- Rushed work
- Lack of role clarity
- Under-skilled resources
- Misaligned priorities
- Politics
- Low accountability
- Distrust
- · Lack of adequate funding
- Other toxic behaviors



The costs of ignoring workplace mental health

# *Sips* for taking action



As you recognize and raise awareness of the waste that is caused by unhealthy practices, you may feel compelled to take action. However, action without strategy or purpose can create noise and distraction for the team and yourself, can decrease belief that addressing the issues will work for the long term, and can even worsen the situation. Therefore, we recommend the following:

- Identify root cause: Don't just treat the symptoms, delve deeper to understand the underlying reasons for dysfunctional practices. Ask "why" repeatedly until you reach the core issue.
- Start with the end in mind: Define a clear vision for success. What does an optimal, efficient future state look like? Having a target helps guide your actions.
- Align to the strategy and goals of the business: Ensure your efforts to create a healthy organization contribute to the bigger picture and support the company's overall objectives?
- Find champions to partner with internally: Identify passionate individuals within the organization who believe in the cause who can provide support and momentum.

• Identify a knowledgeable external partner to support you: Seek expertise from consultants, industry leaders, or other organizations who have successfully tackled similar challenges. Their specialized knowledge can accelerate your progress.

Once you have a good foundation, there are some simple best practices that can add value and help identify and remove waste, thereby creating efficiency, reducing costs, and accelerating performance. Check off any you think might work for your organization:

- Conduct a psychosocial audit to identify what the biggest hazards are
- Revise competencies to establish behavior expectations, including successful behaviors, as well as what it looks like when they are under developed
- Identify any factors outside of the control of the organization that could be negatively impacting the mental health of the team and determine how to support them



- Look critically at processes in the organization that create unnecessary busy work, work arounds, or inefficiencies
- Train leaders on how to create a psychologically healthy and safe workplace, including skills they need for navigating challenges in a healthy and productive way

# Stay Connected

Establishing and executing a workplace mental health strategy can seem like an overwhelming task. We hope you stay connected with Verdant so we can support your efforts, provide you with tools and resources, or just provide a sounding board as you tackle new areas of the business.

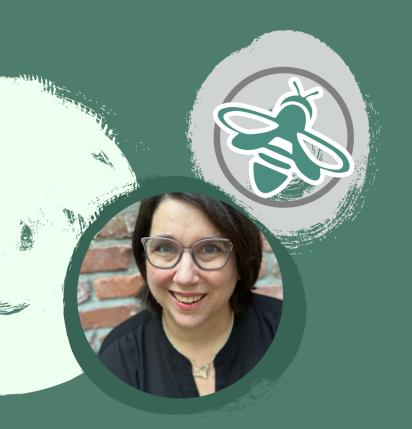
We are here to help you and your hive thrive!



Sign up for our newsletter to get the latest updates on workplace mental health



Set up a time to meet with us to discuss how we can help your hive thrive



### Contact:

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# Learn More

#### **The Workplace Mental Health Strategy Workbook**

Expanding on the some of the concepts covered here, the Workplace Mental Health Strategy Workbook provides the data, framework, and guidance to craft your organizational approach for creating a healthy and thriving workplace. Brimming with the latest research on psychological health and safety, as well as global guidelines on this topic, HR, DEI and other leaders can use this interactive workbook to move from reactive to proactive through practical recommendations, case studies, and best practices.



#### The Resilient Leader Workbook

The Resilient Leader Workbook helps experienced and new leaders understand the unique stressors in their role and scientifically-proven tactics to address these stressors, practice self-care, role model healthy practices for their teams, and avoid (or even recover from) burnout.



Dr. Allessandria Polizzi (aka Dr. Al) is a former HR executive who is now the CEO of Verdant Consulting, a top 20 Workplace Wellness provider and top 10 Emerging Organizational Change company for 2022 that supports mental health in the workplace through resiliency and psychological health and safety programs. She is also the ISO global liaison for Occupational Health and Safety and has served as an expert on psychological health and safety for professional associations, media, and the National Safety Council. As a former English professor turned change management consultant turned HR leader, Dr. Al has worn many hats and always seems to be trying to create order from chaos. She currently lives outside of Boston with her high school sweetheart, two adult children, parrot and pug. She loves making new friends and is delighted to connect with new people via LinkedIn, TikTok or email at Allessandria@verdantconsulting.net

