

The Toxicity Tax: Protecting Your Internal Coaching ROI

THE PROBLEM: THE "TOXICITY TAX" ON PERFORMANCE

Explains 18% of Performance Variance

INTERNAL COACHING

TOXICITY CAUSES RESOURCE DEPLETION:
Employees use mental bandwidth for "survival" & self-protection.

Little energy left for coaching reflection.



TOXIC LEADERSHIP IS A SYSTEMATIC PATTERN:
Durable pattern of abusive supervision, narcissism, & unpredictability. NOT just one "bad day".



★ HIGHER PERFORMANCE



COACHING RETURNS ARE NOT UNIFORM.
Toxic leadership significantly attenuates performance gains (2026 study).

STATISTICAL IMPACT (β) ON PERFORMANCE

Internal Coaching	+0.43	Significant Positive Prediction
Toxic Leadership Moderation	-0.11	Significant Weakening of Benefits

TRANSFORMING THE LANDSCAPE

THE SOLUTION: BUILDING A RESILIENT GROWTH ECOSYSTEM

ARCHITECT PSYCHOLOGICAL SAFETY

Separate coaching from formal performance evaluations. Establish STRICT CONFIDENTIALITY as a "SAFE HARBOR".



OPERATIONALIZE "MODEL, COACH, CARE"

MICROSOFT:
Embed coaching into leadership frameworks

GOOGLE "G2G" MODEL:
Use volunteer peer coaches without hierarchical authority.



IMPLEMENT ACCOUNTABILITY MECHANISMS



360°

Use 360-DEGREE ASSESSMENTS & SAFE REPORTING CHANNELS to make toxic behavior visible. Ensures "RELATIONAL SOIL" is HEALTHY for coaching to grow.

