

Systemic Flaws in Modern Management Practices: An Auto ethnographic Examination of Leadership Failure, Organizational Politics, and Structural Misalignment

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Abstract

Even though management theory, leadership training, and organizational governance are always changing, many organizations still have deep-seated problems that hurt their effectiveness and the health of their employees. Organizations frequently implement formal management frameworks, ethical standards, and performance assessment systems; however, these overt measures often obscure enduring challenges. Common problems include authoritarian leadership, favoritism, a lack of accountability, and a lack of alignment within the organization. These problems are especially obvious in companies with strict hierarchies and cultures that are very far apart in terms of power. In these companies, authority is centralized, decision-making is concentrated, and questioning leadership is not encouraged. In these situations, employees often feel like they have no power, and the way the organization works becomes inflexible and ineffective. This study examines systemic issues through an auto ethnographic lens, focusing on a mid-sized contracting and logistics firm in Saudi Arabia, designated as Company X. Auto ethnography facilitates a comprehensive investigation of organizational life by integrating personal experience with analysis rooted in management theory. This research analyzes the interplay of rigid leadership styles, political alliances, departmental isolation, and inadequate governance structures in diminishing organizational performance and adversely affecting employee satisfaction, leveraging extensive professional experience and pertinent literature. The results demonstrate that these issues are not merely attributable to suboptimal individual choices. Instead, they come from structural, cultural, and managerial conditions that are linked and make things less efficient, less ethical, and less engaged for employees. The study stresses that real change in an organization can't come from just updating policies or making things look better. For real and lasting change to happen, there needs to be ethical leadership, open governance, fair and merit-based decision-making, and work environments that are safe for employees to speak up and work together. This research provides pragmatic lessons for managers and organizations seeking to rectify entrenched dysfunctions by integrating experiential knowledge with academic analysis. It also adds to management theory by showing that organizational failure has human and cultural aspects and that long-term success depends on fixing both structural and ethical issues within organizations. The study elucidates the persistence of systemic management failures, their effects on employees, and the critical measures organizations must implement to cultivate ethical, efficient, and inclusive work environments.

Keywords: systemic management failure, auto ethnography, toxic leadership, organizational politics, governance, workplace ethics, Saudi Arabia

Introduction

In the twenty-first century, organizations operate in an environment characterized by rapid technological change, intense competition, and increasing pressure from stakeholders to act in a transparent, responsible, and ethical manner. Contemporary management discourse emphasizes the importance of adaptability, innovation, employee engagement, and integrated organizational functions as key contributors to organizational success. Organizations today have unprecedented access to management knowledge and governance practices designed to improve effectiveness and long-term sustainability. Despite this, many organizations remain entrenched in traditional management approaches that rely heavily on hierarchy, control, and personal authority. In many cases, formal and informal organizational structures coexist, resulting in environments where loyalty is valued over competence and personal alignment is prioritized over organizational goals. As a result, systemic problems become embedded within daily workflows, ultimately undermining trust, performance, and employee well-being. This gap between how managers believe organizations should function and how they actually operate represents a significant challenge for modern management practice. While organizations may appear professional and contemporary to external observers, internally they are often marked by unclear decision-making processes, weak accountability, and the implementation of decisions through fear rather than collaboration. Such environments employ individuals with talent and motivation to create positive change, yet these efforts are frequently obstructed by rigid hierarchies and internal politics. This issue is particularly pronounced in societies characterized by high power distance and multiple hierarchical levels, where questioning authority is discouraged and leadership power is rarely challenged. In these contexts, ineffective management practices can persist for extended periods with minimal resistance, creating conditions that foster unethical behavior and operational inefficiency. Although toxic leadership, organizational politics, and poor governance have been widely examined in existing literature, much of this research relies on survey-based or observational methods. While valuable, these approaches may overlook the subtle, everyday mechanisms through which power is exercised and organizational problems are sustained at the micro level. There remains a strong need for research that captures organizational realities from an internal perspective, especially in regions that are underrepresented in the literature, such as the Middle East. This study addresses this gap by employing an auto ethnographic approach to examine systemic managerial failures within Company X, a Saudi Arabian contracting and logistics firm. Personal work experiences are analyzed in relation to existing theoretical frameworks to enhance understanding of organizational failure and resilience.

Literature Review

The Role of Organizational Culture in the Perpetuation of Dysfunction Despite the fact that organizational culture defines how formal rules and procedures are understood and operated, most of the researchers concur on the fact that culture is a powerful control mechanism on behavior, rather than written rules or strategy plans. The formal management system may become a mere formal in the case the organizational culture does not fit the proclaimed organizational values imbued with the sense of fairness, accountability, and transparency. In a company characterized by many hierarchical levels and power distance, the authority can be concentrated. This implies that obedience can be given more importance than criticism. This may lead to a culture whereby individuals may have a hard time approaching each other with a sense of ease in their communication. In addition, above feedback can be restricted. This can result in the organizations appearing as being professionally run and at the same time degrading their own organizational values in one way or the other. Such a paradox within the culture can find its way into perpetuating problems within an organization easily.

Toxic and Authoritarian Leadership Toxic leadership is a negative behavior exhibited by leaders and helps in poor organization of the workers. Other traits are narcissism, strictness, failure to empathize with others, intolerance in case the other person opposes them, and intolerance to change. The traits are extremely destructive in a hierarchical environment as the leaders dictate the flow of the information, resource availability, and the opportunity of the workers. The activities of authoritarian leadership prevent workers voicing and acting, which establishes fearing and dependent workplaces. The employees of such a company are more predisposed to preoccupation with problems avoidance and sufficient work to avoid trouble instead of optimal employment, thus less innovative and motivated.

Toxic work environment and stress, burnout, absenteeism, and turnover have proven and consistent evidence.

Favoritism and Nepotism in Workplace Favoritism The term Favoritism and Nepotism explains that there are certain cases when organization politics involves the use of personalized relationships during decision-making processes instead of using standards. The effect will make employees think that everything is not as it should, consequently making the employees unable to trust their superiors with their own words. When rewards are given to an employee in form of loyalty, employee dedication declines and thus, the ability to perform in an organization reduces. This is a tendency created by the political behavior that forms an isolated management group that protects its members without paying attention to the perceived threats. The group strengthens over the years, gets the effective replaced and upholds status quo. This brings about morale degradation.

Poor Coordination of Resources and Organizational Structure to be effective, a strategy, structure, and processes of a company have to fit into each other to form a unifying system. When the departments act as independent organizations or as rivals, there will be no co-ordination and the vision of the company-wide goals will be confusing. Lack of collaboration and efficiency in departments due to absence of departmental silos have negative effects on performance. Another aspect that contributes to politics is siloes environment. These departmental heads might choose to use a disjointed working

environment to gain more power, preserve their selfish interests and evade responsibility to anyone. In these conditions, employees are always too busy with organization politics at the expense of organization objectives. Weakness and vulnerability to Governance and Institutionalization of Unethical Practices Audits, performance management and compliance processes are some form of governance processes, which are expected to assist in holding people accountable and acting in an ethical way.

Auto Ethnography as means of Analysis:

Auto ethnography offers a compelling approach to research through offering a rich methodological agenda in probing the internal processes of organization that normally are enveloped in shroud that is punctuated by a systemic failure such as dictatorial leadership, nepotism as well as anarchy. Other than the reality that auto ethnography is a combination of personal experiences and academic discourse of the researchers, the conventional research approaches tend to consider objective measurements and measurable results. This alone helps us to explore the organizational life, in terms of emotional, ethical and relational aspects, which together in a much more distinguished way than otherwise. Greater complexities that are more nuanced yet consequential patterns of exclusion, miscommunication, and moral disengagement might be discovered in actual on the ground employee experience than is common unearthed of the reserves of traditional inquiry in organizations that are highly fragmented, exhibit low hierarchies, and likely quite highly fragmented. To illustrate, the perception of employees that he or she is treated in a favorable manner during decisions making or the absence of psychological safety will directly impact the engagement, trust, and overall performance, hence the interdependence of culture, structure, and leadership practices. Auto ethnography connects personal experience on micro level to macro level organizational analysis through situating such experiences in an expanded theoretical and cultural context. This offers much information regarding reform. It highlights that effective organizational change cannot just be achieved through new rules or figurative modernization, but instead, there should be the growth of ethical leadership, open forms of governance, merit based evaluation systems and cultures in work environments that attach value to employee voice and welfare. Conversely, auto ethnographic studies indicate that ethical and cultural breakdowns are not single incidences, rather they are more likely to be ingrained within the organizational structure as well as embedded by the norms and the practices that have become institutionally rooted. The method is thus reflectively and analytically utilized as a way of explaining these dynamics, to allow scholars and practitioners to come up with strategies that deal with the human and cultural bases of organizational performance, as opposed to providing structural solutions. The combination of autobiography and scholarly research within the field of auto ethnography is the means to further the management theory and practice by stressing on the ethical, relational, and cultural concerns that should be laid in order to achieve sustainable organizational success. Adams T E, Holman Jones S and Ellis C (2015). Auto ethnography Roadmap to qualitative research. Oxford University Press. Bochner A P and Ellis C (2016).

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Methodology

In order to research the dynamics within Company X, the research study adopts a qualitative research design that includes the auto ethnographic research method to gain a unique view of understanding the complex processes in an in depth manner, which includes leadership ethics, politics at workplace, and organizational inefficiencies (Ellis et al., 2011). The fact that professional experience has been incorporated into the scope of analysis in this study gives it the ability to illuminate on the intricacies or rather, the invisible side of organizational processes on interpersonal conflict, power struggles and organizational culture affecting employee behavior. This was gathered between several years, and the participant was able to observe and be involved in the operations of the said organizations. This level of interaction allowed noting the trends in how the organizations operated, some of which were authoritarianism, nepotism, a silo mentality, and bad management. This type of reflective interaction helped the participant to see how the data that was gathered falls under a larger phenomenon, and not a series of independent cases. In order to enable the data gathered to uphold a certain degree of rigor of its findings, the data has been compelled to be triangulated with a series of management/organizational approaches, literature on the ethics of management, the culture of the organizations as well as the work life of employees respectively (Creswell and Poth, 2018; Van Maanen, 2011). The design has ethics incorporated in it. The identifiers of the entire organizations are erased and the emphasis is set on the systemic trends rather than individual behavior. The current research project complies with the general requirements of both the qualitative research and an auto ethnographic one, maintaining the anonymity, respect, and integrity of the findings (Bochner and Ellis, 2016). This study holds significance in the area of management in bringing together the concept of experiencing something among the things learned and demonstrating that grasping the essence of entities needs the study of the structure, which organizations operate in, as well as the people, who form a part of those organizations most specifically the people affected by the governance failures within the culture.

Results

The results of this research were able to establish that Company X had high-rooted managerial issues that were detrimental to the performance of the company as well as the well-being of its employees. During the greater part of the time, the leadership was very totalitarian, very centralized in its decision making and not at all open and not ready to adopt new styles of management. Most of the time leaders did not pay attention to the points of view of other peoples and discouraged the questioning of things making the compliance more important than critical thinking or involvement. Not only did this mode of operation (stifling new ideas), but the atmosphere of fear

had been created in which the workers felt safe in raising questions and problems as well as offering suggestions on how they would like to see things improved. More centralization was achieved as informal networks of loyalty which were dominated by long serving managers and which exerted strong influence on the decision to promote and allocate resources and the strategy formulation process. These usually inhibited or relegated high achieving workers who were termed as politically inconvenient. Such favoritism goes against the values of meritocracy and infuriates employees and makes good workers resign. Favoring certain employees against others caused the perception of inequality of opportunities, and weakened the organization. The interdepartmental interactions were also influenced. Its separate departments were considered to be independent entities and their power conflicts were more significant than any effort of uniting the employees to accomplish a mission. Little information sharing took place and collaboration was perceived to be a threat to their respective power. Their ineffectiveness was caused by continuous blocking and inability to coordinate the work, slowing the projects down and making workers more and more frustrated. These situations caused an eventual fragmented organizational culture whereby individual or departmental interests were highly valued over group interests. Governance systems were poor and not effectively put in place. Any system that has no rigid audits, appropriate reporting systems and accountability formations would encourage unethical behavior, including conflict of interest or resource diversion, with impunity. Employees were used to the same behavior without any penalty and they thought that they could also get away with it. That was not much to regain their trust in the leadership. The failure of these systems was deadly to the human. Employees stated that they were extremely stressed, emotionally drained, and not as safe as they were in their mind. Low voice, unveiled preference, and injustice led to burnout, detachment, and exit rates. Such an environment was detrimental to the wellbeing of people, reduced the chances of organizations to be sustainable in the long term due to reduced morale, the difficulty to retain talent employees and reduced productivity.

Discussion

When it comes to Company X, it could be observed that system failure is very end-rooted and hard to change under the influence of complexities within the sphere of leadership style and dimensions. Authoritarian aspects of leadership were not isolated one time episodes, rather, it is more institutionalized, compounded, and reinforced by a culture of fear, fragmentation and inquiry and critical dialogue. Marginal ways through which informal structural forces and loyalties in terms of networks acted to secure against already established power relations so that opposing forces to entreat reform or transparency were silenced soon. In this case, a dynamic of bad governance, manifested through weak audit procedures and untidy decision making process, allowed that instances of bad morality go uncontested and instead continued to flourish preparing a vicious cycle that went unchecked, where inefficiency, cronyism and poor morality became the new norm and not the reason behind which questionable governance should be challenged and reformed. This case, however, object to the many idealized assumptions that can be seen in the classical management

theory which had traditionally upheld rational decision making, ethical leadership, and the principles of meritocracy. The reality of it is that the everyday life of people in an organization may offer a more complicated and challenging ethical situation. Rules merely influence policy, but also circuits, politics, as well as the ingrained cultural norms. The study appreciates the wisdom of lived experience, which frequently provides information about the human and organizational impact that arise due to system malfunctions that include decreased morale, psychological trauma, or turnover. It is also shown in the research results that shallow reform efforts that are meant to give an appearance of modernization or change of policies, instead of focusing on the cultural and structure problems inherent in an organization, are rather unsuccessful. In order to actually make steps ahead, an organization must make changes that will bring it closer to proper leadership ethics, open governance, the involvement of employees in the decision making process, and an honest possibility of providing input. Such changes are essential in order that organizations do not operate in circles of inefficiency, distrust, and employee engagement.

Conclusion

This auto ethnographic research has underlined how there is a necessity to pursue the systemic flaws of the modern managerial approaches. Company X example is an ideal example of how authoritarianism, nepotism, silo strategy, and bad governance may adversely affect both the welfare and the performance of the workers. The staffs in such stressed environments have little confidence in the organizational setup and are most likely to be unmotivated because of the associated high degree of stress and lack of trust in organizational leadership. The findings of this work indicate that the poor organization performance despite hierarchy of the present type is not brought about by a single area of weakness, but it is a culmination of organizational values held over prolonged periods, which is inappropriate. To solve these issues, one has to look beyond the solution of rules, processes, and superficial changes that address only symbolic modernization. As much as structures and enforcement systems are handy, they cannot stand alone. It is vital that there is a strong dedication to ethical management, clear decision making and process of promotion based on merit and fairness. The companies need to establish the culture that operates on the principle of psychological safety, personnel openness, and interdepartmental/interleave interaction within the organizational framework. The opportunities should be used in future development and innovations of structural weaknesses through inclusivity, accountability, and shared responsibility. This study combines the subjective experience and scholarly research in achieving a dual impact on the discipline of management studies. It shows that human factors like trust, integrity, and fairness and employee engagement are equally important to organizational performance as technical skill. Only by conductively considering the basic human and ethical aspects of management, as this particular work, heavily explains, it is possible to effect significant and enduring change through dissection of the leadership conduct and the ensuing organizational cultures and governmental structures. The experience gained in Company X lends credibility to any company that wishes to develop an

environment where employees would be able to enjoy wellbeing and attain long-term performance gains within an organization.

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