ARE CEOs AND PSYCHOPATHS CUT FROM THE SAME CLOTH?

WE’VE ALL HEARD TALES OF NIGHTMARE BOSSES – SOME OF US HAVE EVEN WORKED FOR THEM – BUT HOW THIN IS THE LINE BETWEEN BEING DEMANDING AND UNREASONABLE AND BEING HANNIBAL LECTER IN A SUIT?

The killer difference between classic psychopaths, such as Moors murderer Ian Brady, Dr Harold Shipman and Ted Bundy, and their corporate counterparts has to do with the two sets of characteristics or ‘factors’ identified by Hare. While corporate psychopaths score highly on Factor 1 items such as glibness and superficial charm (see box overleaf), they score much lower than their axe-swinging, Broadmoor-residing comrades on Factor 2 items, which include impulsive and antisocial behaviour and criminal versatility.

That said, one of the hallmarks of all psychopaths is a lack of empathy. As is the fact that morals and ethics are considered irrelevant. Michael Cameron is the Founder and CEO of talent management advisory service WinWinatWork.com. Over the past few years he’s interviewed more than 50 CEOs for his radio show. He says the closest he’s come to a psychopathic CEO has been when speaking to a friend who was implicated in a series of frauds orchestrated years ago by Ronald Moskowitz, CEO of Ferrofluidics Corporation. This involved inflating Ferro’s share price and concealing Moskowitz’s sale of $14 million of company stock.

Cameron says: “When I asked my friend (who I knew really well as a good person) how he could have gone along with this, he said Moskowitz assured him this was the way business worked, everyone was doing it, and not to worry; he had his back.”

TWISTED GENIUS

Another skill that socially acceptable psychopaths have, along with charm and pathological lying, is their uncanny ability to detect whom in their ranks is vulnerable to exploitation. Which brings us to the question of whether these people rise up the corporate hierarchy because of, or despite, their psychopathic tendencies.

Psychopathy, experts say, is not a single state, but a complex interplay of genetics, brain chemistry, upbringing and environment. The latter category includes corporate cultures that tolerate psychopathic behaviours because the CEO is considered a business genius and success is narrowly defined.

“Back in the 1980s, we used banks as an example of how, in any industry, you’d have some constructive, some passive and some aggressive styles, but overall these would average out,” says CEO Rob Cooke.
of Human Synergistics International. “But as banks became more oriented towards profitability, and their reward systems reinforced behaviours that led to short-term profits, we noticed these profiles shifted to bring more aggressive.

“When psychopathic personalities are lauded as business geniuses because they perform well in the short term across one or more criteria such as profitability – but poorly in others not considered important by the culture – they are enabled to move up the organisational hierarchy. As they become more powerful and wealthy, they get away with a lot more. But if you study these aggressive styles over time, you’ll see the same highly volatile performance that The Trump Organization has shown.”

POWER OF PSYCHOPATHY

But could some aspects of psychopathy be useful to a CEO? Like not caring enough to lose sleep over a business decision – as was the case for Martin Shkreli, former CEO of Turing Pharmaceuticals, who hiked the price of one of its drugs by 5,000 per cent?

One role in which callousness might benefit a top executive, says seasoned HR professional Craig McCoy, is turnaround specialist. That was the position in which former Sunbeam CEO Al ‘Chainsaw’ Dunlap excelled, before the US Securities and Exchange Commission ensured he could never serve in a public company again. This kind of person, says McCoy, “is unfettered by conscience or the need to feel a moral engagement with the people they’re firing, in order to make a business profitable so it can be sold off”.

However, after 31 years working for organisations such as Compaq, BUPA and Bupa, and now an interim HR professional, McCoy says he’s never met a Wolf of Wall Street type. Even the ruthless costcutters he’s known have never displayed the level of coldness Dunlap is said to have taken in ripping apart companies and careers.

While Cengiz Somay, CEO of corporate specialist First Names Group, jokes about his first name – the Turkish equivalent of Genghis, as in Genghis Khan, the ruthless Mogul conqueror – he’s more representative of today’s collaborative, emotionally intelligent leaders.

So are psychopath types less likely to thrive in people-centric companies such as his? “I get the sense that tolerance for psychopathic behaviour has lessened since 2008, certainly in financial services,” says Somay. “Hearing that out of all the defendants, Black has been the one to recognise the offence. Prosecutors during trial of media mogul Conrad Black

WHAT MAKES A PSYCHOPATH?

Psychopathy Checklist creator Robert Hare has found that ‘successful psychopaths’ score highly on the following Factor 1 characteristics associated with high-ranking individuals.

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<th>CHARACTERISTIC</th>
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| Glibness/superficial charm | “His actions are despicable, but he came across as friendly and charming.”  
Author of The Psychopath Inside, James Fallon |
| Grandiose sense of self-worth | “I will be the greatest jobs president God ever created.”  
Donald Trump |
| Pathological lying | “Cigarette smoking is no more addictive than coffee, tea or Twinkies.”  
James W Johnston, former CEO of RJR Nabisco |
| Conning/ manipulation | Multi-billionaire businessman Charles and David Koch allegedly blackmailed their eldest brother into giving up his claim to the family business by threatening to tell their father he was gay.  
Wikipedia |
| Lack of guilt or remorse | “Out of all the defendants, Black has been the most vocal in his lack of remorse and his refusal to recognise the offence.”  
Prosecutors during trial of media mogul Conrad Black |
| Callousness/lack of empathy | “I wouldn’t let a kid starve right in front of me… but if I ran the government I would cut out all welfare.”  
Donald Trump |
| Failure to accept responsibility for their own actions | “When there are problems, I don’t blame employees. I pick the right targets: management and the board of directors.”  
AL ‘Chainsaw’ Dunlap |

ONE OF THE HALLMARKS OF ALL PSYCHOPATHS IS A LACK OF EMPATHY. AS IS THE FACT THAT MORALS AND ETHICS ARE CONSIDERED IRRELEVANT

After 20 years in business, Somay says he’s only come across one corporate psychopath, but such behaviour is “quite toxic and incredibly destructive” in environments in which they operate. Arguably the four per cent psychopathic CEO statistic claimed by Bob Hare and others is less relevant outside the US. Indeed, Martha Stout’s book The Sociopath Next Door claims that one in every 25 Americans has no conscience.

Although research suggests psychopaths are more likely to run their own company, Hare’s colleague Paul Babiak disagrees. He has said that while he would describe former Apple boss Steve Jobs as narcissistic, he wouldn’t label him psychopathic for two key reasons. First, Jobs surrounded himself with great people, which a psychopath would never do because, as Donald Trump likes to claim, they’re the greatest people they know. Second, Jobs cared deeply about his companies, whereas psychopaths only care about themselves, enjoying the chaos and destruction they cause.

Suffice to say, though, if you find yourself working alongside a senior executive or rising star who reminds you a little of Hannibal Lecter, here’s a word of advice: Run. Or suffer the consequences. —

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