Introduction

The topic of hubris in business and among businesspersons has been taken up in earnest at least since Richard Roll’s celebrated article laying out the argument for a “hubris hypothesis” in 1986. In the twenty-five years since, the management literature has looked at the consequences of hubris (Argyris, 1992; Bodolica & Spraggon, 2011; Carson, 2003; Hiller and Hambrick, 1997), the sources (Kroll, et al, 2000; Ford, 2006; Roll, 1986), its relationship to other negative phenomena (Hiller & Hambrick, 2005) and its institutionalization (Singh, 2008). My aim in this paper is to revisit hubris in the business world, first through the lenses provided by a few of the cognitive, neurological and psychological sciences, which themselves have undergone a revolution of sorts in the past twenty-five years relative to discoveries made possible by fMRI machines, genetics, field work; and secondly with reference, albeit briefly, to teachings from two great wisdom traditions. I will support my claim that hubris is at least as great a challenge as greed by giving a few examples of where and how I think that is true, and providing some analysis of the sort of hubris in evidence with reference to these sciences. I will also support my claim that hubris is the antithesis of wisdom; therefore, we ought to be especially concerned to understand hubris as well as we can. Lastly, I invoke two short teachings from Christianity and Buddhism as their perennial insight into the nature of hubris dovetails nicely with what the sciences, to which I refer, have found. While my method is largely integrative and speculative, I also draw on fourteen years experience as an executive consultant to provide an illustration or two of the phenomena of hubris among not only senior and corporate executives, but, as my title
indicates, among rank and file managers who well-represent the universality of this particular affliction.

**Hubris as the Root Cause of Many Current Managerial and Leadership Problems**

I begin by making the claim that hubris, as much if not more than greed, is at the root of many of our current managerial and leadership problems. In doing so, I have in mind an unfortunately long list of examples of hubris in leaders and managers, expressed by a shared tendency toward unfounded certainty and arrogance about one’s own prowess and about one’s own wisdom, leading to an inability or unwillingness to listen (Argyris, 1992; DeWilde, 2010; Kurtzman, 2010; Sedikides, et al, 2008). I will share only a few such examples due to space constraints, but in the hopes that the reader will infer the scope of the problem.

**Hubris and Psychopathy**

First on my list is Bernie Madoff. I understand that he might be pointed to instead as the very worst example of apparent Wall Street greed, but consider the observations of one of his most eloquent commentators, the financial journalist Diane Henriches. In an interview concerning her book on Madoff, *The Wizard of Lies*, Henriches (2011) argued that even more than greed it was hubris that was Madoff’s major flaw, his Achilles heel. In an interview on National Public Radio with *Fresh Air* host Terri Gross, Henriches said that in her jailhouse conversations with Madoff, she noticed that he could not bring himself to acknowledge his own failings, even going so far as to say that *he decided to end his Ponzi scheme himself* because he was “tired of it,” not necessarily because he was found out or was wracked with guilt (Henriches qtd. to T. Gross, NPR, April 26, 2011, my italics). Gross goes on to ask Henriches if she thinks Madoff is a special case, i.e., a psychopath or a sociopath, someone who, while dangerous,
nonetheless rare and in being so reassures us that most of those who hold some aspect of the public financial trust are fortunately not like that. Henriques qualified her response by disavowing armchair psychology, but was adamant that Madoff represents not psychopathology, but rather is an example of someone who falls along a spectrum; more extreme, maybe, but not rare (T. Gross, NPR, April 26, 2011).

Whether or not Madoff is a psychopath, most especially in the way that noted psychologist Robert Hare (1993) defines that term, is a question for further research, which has been called for by Boddy and others (Boddy, JBE 2011; Boddy, 2011; Hare & Babiak, 2007). If in fact Madoff is a psychopath, then the literature on hubris will need to expand to consider two probably distinct categories of hubristic behavior. One, exemplified by people like Madoff, comprising a small yet significant (and significantly dangerous) percentage, will be those afflicted by psychopathy. The psychological roots of this smaller group will be different than the psychology of the larger group, as Hare and Babiak (2007) have already addressed in their book Snakes in Suits. They theorize that there may be as many as 100,000 psychopaths in New York City alone, and that financial and governmental organizations present an irresistible target for their brand of charming, clever behavior, grounded though it is in utterly ruthless self-interest that demonstrates no discernible ability to empathize or bond with other human beings. In his new book Driven to Lead, which is aimed at a management audience, Harvard Business School professor Paul Lawrence (2010) picks up on this aspect of Hare’s work and argues that there is in fact a neurological basis for understanding psychopathic behavior (Lawrence refers to them mostly as “people without conscience”) that underlies the hubris one sees in some managers and leaders (p. 72). The defect is genetic and resides in the limbic area of the brain, the part that is responsible for emotions and emotional input to other parts of the brain (Lawrence, 2011, p. 41).
When that is not functioning, or is severely weakened, people afflicted in such a manner simply cannot feel what others are feeling, cannot imagine that their actions many cause harm to others or that they themselves should feel any distress about the harm they do cause (Lawrence, 2011, pg. 41). Lawrence (2011) is convinced that the numbers of psychopaths among executives and leaders has increased dramatically in the past two decades and strongly suggests it would be wise for the rest of us to begin testing procedures for business and governmental leaders that would begin to limit access to power for those who clearly and scientifically demonstrate psychopathic tendencies or traits (p.41). This is a somewhat shocking suggestion, and highly controversial, of course, but if it can be shown conclusively that some of the more glaring and destructive hubris we witness in our business leaders is due to psychopathy, then surely it would be unwise to ignore that behavior (Lawrence, 2011). From Lawrence’s point of view, it is not a matter of involuntarily subjecting the population to this sort of testing, but rather arguing that if any one business student or person desires to control vast resources or wield considerable power through business, the rest of us have a vested interest in that person’s psychological make-up. It is at base a utilitarian argument and, given the consequences and the emerging neurological science, may be one we are going to hear more often.

**Hubris and Self-Deception**

Yet, I also claim that hubris is a universal affliction, not necessarily reserved for those who are emotionally and empathetically stunted due to unfortunate genetic mutations or injury. This second category of hubris is marked by psychological and evolutionary traits common to us all, however much they may differ by degree. This second category, and further evidence that hubris plays as much of a role in destructive business outcomes as greed, includes people like
Joe Cassano, A.I.G. Financial Products manager for several years running up to the financial crisis of 2008. Cassano has been described by the author Michael Lewis (2009) as “The Man Who Crashed the World.” Fair assessment or not, what does seem to be true is that Cassano was not greedy in the usual Wall Street sense, but instead was afflicted with hubris that was compensatory for his shortcomings.

By all accounts Cassano had more of his own money invested in A.I.G. F.P. than anyone else in the firm, and his lone status concern seemed to be “his place in the global financial order” (Lewis, 2009, p. 137). In other words, Cassano’s interest was in proving he belonged and that he had gotten the best of those who were in most other ways his “social betters” (Lewis, 2009, p. 137). He was portrayed as “someone who didn’t fully understand all the calculations and whose judgment was clouded by his insecurity…” and who became “…a cartoon despot” (Lewis, 2009, p. 136). Cassano’s problem, at root, was hubris connected to a delusional sense of ownership that A.I.G.F.P. was “his,” that no one else could or should make decisions on its behalf, and whose style was to bully to get his way (Lewis, 2009). Hubris in this manifestation has as its source two other characteristics noted in the literature, those of anagnosis: “a lack of knowledge that creates in us the inability to make sense of how everything fits together to form the big picture,” and harmartia: “the inability to get outside our own limited perspective” (Ford, 2006, p.481). But here too we can go a little deeper than prior commentary on sources of hubris, thanks to the sciences. I mentioned above that there might be evolutionary reasons, or at least traces of reasons, for the continuation of hubris even though it seems to be such a destructive flaw in us. Two possible candidates have emerged from primatology and from evolutionary psychology and biology to help explain what we see by way of these behaviors, and those are the phenomena of self-deception and hierarchy.
Why might Cassano, like the rest of us albeit to a greater degree, be beholden to self-deception when he might just as well realize that he is of course bound by a limited perspective and could, with an appropriate act of will, be able to overcome that limitation? The answer, and one business students and managers are unfortunately too seldom introduced to, has its origins in Robert Trivers seminal work on the biological bases of relationships. Trivers (1976) argues that we are almost always in conflict in relationships because we look to serve our greatest “love” — our self and the biological compulsion to propagate that “self” — while at the very same time attempting to convince those we are in relationship with that serving our own interests is not our primary motivation:

If… deceit is fundamental to animal communication, then there must be strong selection to spot deception and this ought, in turn, to select for a degree of self-deception, rendering some facts and motives unconscious so as not to betray… the deception being practiced. (Trivers, 1976, qtd. in Pinker, 2002, p. 263)

This passage has been used before to make various points, but here I want to say this insight from Trivers is nothing less than one of the keys to wisdom itself, insofar as it will help managers and leaders who are aware of it develop one necessary and deep, abiding perspective on not only who they are, but also who are their peers and co-workers. If “knowing thyself” is as important to business persons as it is to philosophers, —and given their role in the world it ought to be— then understanding that we are not necessarily evolved to see or practice ever more accurately what the “truth” is when it comes to human motivation or presentation can help us devise both attitudes and safeguards relative to the tendency for misapprehension.

Hubris is the certain conviction that I am right — that I am smarter, more moral, more competent, etc., than others — and one of its most unnerving features is not, as some of the
literature has held, that it is *solely* a willful and conscious self-aggrandizement or a reaction to an unreflective environment, but that it is based upon a millions of years of adaptation strategy. This assertion is borne out by studies showing that, in the psychologist’s Steven Pinker’s (2002) words, “self-deception is among the deepest roots of human strife and folly…all parties assess themselves to be wiser, abler and nobler than they really are and each can sincerely believe that logic and evidence are on his side…” (p. 264). Recent experiments with human subjects conducted by researchers like Jonathan Haidt (2006) in psychology, Dan Ariely (2008) in behavioral economics, and Brendan Nyhan (2010) in political science demonstrate a strong tendency, for example, in all of us to hold fast to convictions even in the face of irrefutable evidence—i.e. facts—proving that the convictions are wrong. Nyhan (2010) based upon his research into attempts to correct misapprehensions, has coined the term “the backfire effect,” which describes his observations that among certain targeted ideological groups the attempt to correct a false impression actually “*increases* misperceptions among the group in question” (Nyhan, 2010, p. 2).

As Mark Twain said, “It ain’t what you don’t know that gets you into trouble. It’s what you know for sure that just ain’t so” (qtd. in Nyhan, 2010, p. 2). This certainty, and pride in it, is a central hallmark of hubris, which seems counterintuitive at best, irrational at worst, and yet persists. Why? Because evolution has selected for self-deception in some cases for the following reason: if we ourselves are not convinced of the position we are taking, then that position is unlikely to move others to take it as well. And in some cases—instances in parenting, romantic encounters, trading in the expectations market, and advertising, for example—really believing one’s own “misleading truths,” as Kant might say, is highly effective in promoting one’s own ends, though inflated it is a particularly virulent source for hubris (Pinker, 2002).
What this means is that we cannot simply implore people to be honest, either with themselves or us, when we think it is obvious that they are being less than honest. For good evolutionary reasons it may not be apparent at all to the person in question. In cases where this is true wisdom will not fall from ethical imperatives; it will emerge from a better understanding of how we are.

**Hubris and Hierarchy**

Hierarchy is also a candidate for an evolutionary source of hubris. Commentators have occasionally observed that business leaders who are uncritical in their acceptance of praise from peers or employees are more easily led to hubris, and that is surely true, but what I want to note here is that a hierarchical structure is a prerequisite to this occurring. Hierarchical structures, and the loyalty and deference upon which they depend, are found in our closet cousins, the higher primates, where they are often forged by physical strength and physical violence. And despite all the recent talk about flat structures, our corporations, universities, religious institutions and politics show that for majority percentages of the population deference to an authority persists as an organizing principle. Humans do not countenance brute force to crown their leaders, or certainly not nearly as much as in the past, but we still do admire certain character traits that lead to a position of dominance. Confidence, competence, charisma, intelligence, and appearance, among others, are expressions of fitness for leadership. But as uncritical or unmediated praise for these attributes builds, and an uncritical acceptance of them encourages an overestimation of one’s own tactical maneuvers, fortitude, charm, successes (real or imagined), and even a nominal virtue like generosity (the ability to grant favors), hubris is the likely result (Billett & Qian, 2008; Hayward & Hambrick, 1997; Treviño, et al, 2007).
In a properly ordered hierarchy, the deference paid is well earned because the leader provides protection, stability, guidance, mentoring, and even, at their best, wisdom. In psychoanalytic terms, they may even become the repository of healthy transference (Ket de Vries, 2003; Maccoby, 2004). But when deference, or respectful dependency, is translated as ontological superiority and hubris results, the consequences can be even worse than instability or unfair distribution of resources; the results can by tyranny, exploitation, and dehumanization. S. Desai, et al (2011) have tentatively shown that as compensation for executives grows exponentially beyond their co-workers they, the executives, become meaner in their relationships with them. There may be an evolutionary antecedent to this as well, in that influential primatologist Frans de Waal (2006) in his important book on the origins of morality itself proposes that in the primate world the sense of how others should behave is essentially egocentric, and if deviated from dominant individuals impose harsh penalties on more subordinate ones. Of course human morality is much more evolved and complicated, and we can and do devise controls that limit the expression of unfair punitive measures, but looking at the ways hierarchy evolves and how it may contribute to hubris in managers is a line of inquiry that deserves more attention. Treviño, et al (2007) have echoes of this in their findings that senior managers in organizations have a generally rosier picture of ethics in the organization than lower-level employees do, a not surprising finding in that among humans in organizations, as in true among higher primates, higher-ranking managers, especially those prone to hubris, can mete out disadvantages in ways that can appear, and too often are, random or whimsical (Desai, et al, 2011; Ford, 2006; Kets de Vries, 2003).

**Beyond Madoff and Cassano**
It would be easy—too easy, in fact—to go on. One might point to Paul Ingrassia’s (2010) portrayal of General Motors CEO Rick Wagoner in the book *Crash Course*. When a GM executive showed Wagoner the 2004 *National Geographic* story titled “The End of Cheap Oil” as a way to suggest that GM was “relying too heavily on trucks and SUVs, Wagoner retorted that the same faulty thinking had made GM the last company in Detroit to cash in on the truck boom and he wasn’t about to repeat that mistake” (Ingrassia, 2010, p. 156). Here, of course, greed and hubris are conjoined, but a stubborn refusal to consider reasonable evidence to the contrary of one’s own opinion (hubris) may, ironically, actually have impaired whatever potentially greedy impulses or aspirations Wagoner had for himself and GM. The desire not to be wrong once again trumps rational self-interest (Hiller and Hambrick, 2005; Kroll, et al, 2000).

Or consider former British Petroleum CEO Tony Hayward, who announced to NBC News shortly after the oil spill in the Gulf of Mexico that while he was sorry this had happened, no one wanted it over more than he did, because “I’d like my life back” (NBC Today, 30 May, 2010, 0:12-0:14). However intended, the remark was a nihilistic, disdainful, self-absorbed characteristic of hubris. Among those in the national media, I would also include Brian Moynihan, the CEO of Bank of America. BofA has garnered some bad press recently regarding some its customer-alienating fees and practices. Referring to that bad, but in most eyes fair, press, Moynihan said to a gathering of BofA employees, “I, like you, get a little incensed when you think about how much good all of you do, whether it’s volunteer hours, charitable giving we do, serving clients and customers well,” he said to employees last week, according to a *Bloomberg* report. “You ought to think a little about that before you start yelling at us” (Reeves, 2011).
These are famous examples, but I am claiming the tendency is universal, though its expression is varies widely. More common examples of hubristic behavior are well known among the rank and file and, from my own work with over one-hundred managers, executives and leaders, I offer these as representative samples: a disconcerting tendency on the part of a manager to repeatedly take credit for work that is not his; a manager who is completely self-satisfied with his managerial style and refuses to develop or respond to requests based upon innovation; leaders who keep information, profits, and opportunities excessively to themselves; and executives who take revenge on subordinates who are successful. To respond well to these and other challenges that regularly confront those in business, it is not enough to dismiss the behavior as simply greedy or, as some, rather remarkably do, “normal” if unappealing. And it may strike some as beside the point to argue that hubris is as much if not more in evidence than greed as we look at the failings among managers in business, given the fallout of both. But of course it does matter what diagnosis we give to various ills, insomuch as these failings will require a proper diagnosis before the appropriate therapy can commence.

Greed seeks to fill a vacuum, to satiate what cannot be satiated, to strip others of their just desserts by taking too much of something for oneself and to do so in the name of reward or ruthlessness. It is a sign of what both Augustine and the Buddha would regard as improperly ordered desire, a craving for the wrong things, i.e., temporal rather than lasting pleasures. Managers afflicted by greed long for something they feel they lack, and at its base is insecurity. Hubris shares some of these traits, but is also marked by profound narcissism, a sense that the rules do not apply, and that one can do no wrong (a Midas touch) and that therefore one does not have to listen. I italicize this last part for two reasons: 1) it does not get emphasized enough in the literature on hubris, and 2) it stands in direct contrast to all recent studies on how leaders in
organizations become successful, i.e., that getting one’s ego out of the way and listening and responding to what was being said to them was at the heart of their evolution from struggling managers to respected and effective leaders (Hayward, et al, 2006; Kurtzman, 2010).

Hubris as Antithesis to Wisdom

I began the paper by making the large claim that hubris, as much if not more than greed, is at the root of many of our current managerial and leadership problem. I’ve attempted to demonstrate how and why that might be true, though we still need to address what may be the most significant source of hubris, narcissism and I will do that below. I turn now to the second large claim I make, which is that hubris is the antithesis of wisdom. Hubris is as big an obstacle as any to managers and business students actually achieving practical wisdom. Accounting for hubris by way of psychopathy, self-deception, and hierarchy helps explain its prevalence and persistence, but if these factors were completely determinative—if this were the sum total of our evolved morality and psychology—there would be no room to talk about wisdom at all. But they are not, and fortunately there is. But another question occurs: is “wisdom” really what managers and business students are aiming at? How does “wisdom,” so lofty and ethereal, enter the business conversation at all? Isn’t wisdom the province of philosophy, or religion, maybe art? Don’t philosophy and religion offer perennial truths about the nature of human wisdom and folly, while psychology and related sciences offer only tentative and temporal conclusions, help along the way?

To explore that objection, let us turn our attention to the consideration of narcissism as one more recognized and especially stubborn source of hubris (Kets de Vries, 2003; Kroll, et al, 2000).
It is certainly not the case that philosophy or religion has ignored narcissism, and we’ll end the paper with brief reference to two wisdom traditions that have deep teachings on the cultivation of humility, but again if we are at all serious that managers should “know themselves” and those they work with (Moberg, 2007), the current literature generated by psychology will likely be a great aid to that end.

If narcissism is described by “an overbearing sense of grandiosity, and need for admiration,” and if it is prevalent as a source of hubris, then managers have every reason to be utterly concerned with understanding and responding to it as it surfaces in both themselves and others. So where do we look to understand how it comes about, which is the understanding required to develop the wisdom to appropriately and effectively address it? The surface presentation of a narcissist is usually understood by psychology as compensatory, the result of some deep wound to the real self, leading the narcissist to create a false self that may be only vaguely aware of any real self and its damage (Johnson, 1994). The manager who is dealing with narcissism that contributes to hubris needs the wisdom to know that this presentation of a false self runs deep and will not be responsive to threats or remedies based on, for example, behaviorist models. Beyond some basic awareness of what is happening at a psychological level with those to whom the manager leads, or reports, she must also seek the wisdom to understand her own responses to the behavior she is witnessing. In both cases—her own and with the narcissist—the road to developing the wise response is long, difficult and filled with missteps. That is very much in the nature of things, as I have suggested above, and exactly why hubris is a universal affliction and not just reserved for some special segment of the population. The ultimate irony in approaching managing from this point of view would be to ascribe wisdom to one’s self based upon psychological or neurological findings that only lead us back to humility.
So wisdom is paradoxical: it needs immense and disparate sources of knowledge and information; yet, wisdom must hold conclusions lightly—it must act, as managers must, with confidence borne of knowledge and humility borne of ignorance. Wisdom must seek to cultivate the deepest reaches of authenticity while keeping an alert eye out for the narcissism that comes of high self-regard.

The Aristotelian line about wisdom, which Barry Schwartz and Sharpe (2010) boil down to the overarching theme of “doing the right thing in the right way to the right person at the right time” retains its intuitive appeal, but is only useful as an orientation point from which managers and leaders might ask further questions about its meaning. Robert Sternberg (1998) helps us by offering a more detailed perspective when he writes that wisdom is “the tacit knowledge that lets a person balance two sets of things. First, wise people are able to balance their own needs, the needs of others, and the needs of persons or things beyond the immediate interaction… Second, wise people are able to balance three responses to situations: adaptation…to the environment…shaping (changing the environment), and selection (choosing to move to a new environment)” (qtd. in Haidt, 2006, p. 152). Coming to be wise in this way is predicated upon a rich and varied life story from which appropriate lessons are drawn. At the heart of this approach to wisdom, I would attest, would be a profound humility in the face of ambiguity that nonetheless recognizes the need to choose, to act, and to take responsibility for both. In other words, we must be tempered by experience, and that experience, if it be truly of the world and even more importantly of our “selves” as agents, actors, and deeply layered beings whose own nature is often conflicted, will lead us to what those free from narcissism have known so well, and that is that there can be more than one “truth” in a given situation, and being comfortable with that ambiguity is the hallmark of a mature—and potentially wise—individual.
Conclusion: Addressing Hubris with Two Wisdom Traditions

Evolutionary biologists and psychologists have argued, in the last twenty-five years, that religion is an evolutionary and cultural adaptation to help keep order, suppress some of our more base instincts and impulses, and create lasting communities (Haidt, 2006; Lehrer, 2010; Wilson, 1975). It is not transcendent in origins, but grounded in natural needs or reasonable goals. One of those needs is to check selfish or self-absorbed behavior, like hubris, which threatens the life of the community, and look to wisdom teachings that can be seen, at least by some, as a survival guide to this world, not the next. The false self, the narcissistic self that would make of itself a god, that would set itself apart from natural truths about social dependencies and conventional rules about the respect owed to others, is prey to hubris and a danger to us all. Teachings from Buddhism and Christianity, for all their differences, share a commitment to overcoming this false self, exposing it for the insecure and anxious creature it is, and setting a course for wisdom that, in our context, would relieve managers and leaders of the burden of creating an even larger false self than most of us are wont to do.

Buddhism speaks to narcissism, this unholy fixation on a false self that leaves no room for authentic being or relationship with others. The narcissist is finally a coward, someone who spends most of his life keeping any and all unpleasant truths at bay. Narcissism, says the Buddhist, covers over our existential dilemmas, our questions of meaning, insubstantiality and death, and substitutes for them a false sense of completeness, wholeness (Epstein, 1995). As antidote to hubris, the Buddha, consistent with modern scientific findings about the self, gently teaches that we are of two, or three, or more “minds” about ourselves precisely because there is no one inherent consciousness that is eternally true above all others.
As little as we know about the brain, we do know that it is in continual conversation with itself, region to region, checking and balancing the impulses and inputs in feedback loops that the best computer would envy. We are not the fixed or static beings that hubris pretends we are. Jonathan Haidt (2006) recommends meditation as one of the very best ways to check and change ourselves, and that is corroborated by more studies than I can list here. Meditation, in non-sectarian form, is being offered at institutions all over the world—including business schools—and it will work to offset the sources of hubris by instructing us in the ways of our minds, a humbling course of study if ever there was one.

Finally, I will end by suggesting that along with what the sciences are teaching us to be true about human nature, we do well to remember the stories culture has left us with also. The Tower of Babel story, for example. As a brief reminder, the Tower was being built to celebrate the power and achievements of Man, an exaltation of what Man could achieve if he spoke a common language and recognized a common purpose. The Tower would reach the heavens and those atop it might be as God was. According to the story, God saw this as hubris and not only destroyed the Tower, but scattered the people and gave them different languages to speak, so that they would be unified no more. The clearest message is that if one attempts to usurp the powers of God one will be humbled, so better to seek humility proactively, to make of it a virtue in life. As this generation of businesspersons, leaders, and masters of the universe seeks to build a globalized world, which language will they choose? One that seeks humility and stewardship, or one that speaks to self-deception, dominant hierarchy and narcissism? All of us have an evolutionary interest in the answer.
References


