

Shining a Light on the Dark Side: How the Global Financial Crisis Exposed the Dark Side of Leadership

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Overview

What is the issue?

Introducing psychopathy in the workplace

Where do psychopaths work?

What is the impact of workplace psychopaths?

What can we do about it?

What is the issue?



Destructive leadership

- 50% of leaders fail (Hogan et al., 2010)
- Failure is not necessarily attributed to not having enough of the 'good' stuff; Failure is often due to possessing traits which fall into the 'dark side' of personality (Hogan, 2009; Hogan & Hogan, 2009; Spain et al., 2013).
- Such traits are implicated in a host of issues for organisations including poor staff morale and satisfaction, bullying, poor levels of productivity, high staff turnover, unethical behaviour and even white collar crime (see Spain et al., 2013 for a summary).

What is psychopathy?



What is psychopathy?

- 3 factors of psychopathy (Cook & Michie, 2001)
- Clinical psychopaths have large numbers of characteristics in each factor
- Evidence suggests the disorder is dimensional

Factor 1: Arrogant and Deceitful Interpersonal Style

Glib
Grandiose
Conning/manipulation
Pathological lying

Factor 2: Deficient Affective Experience

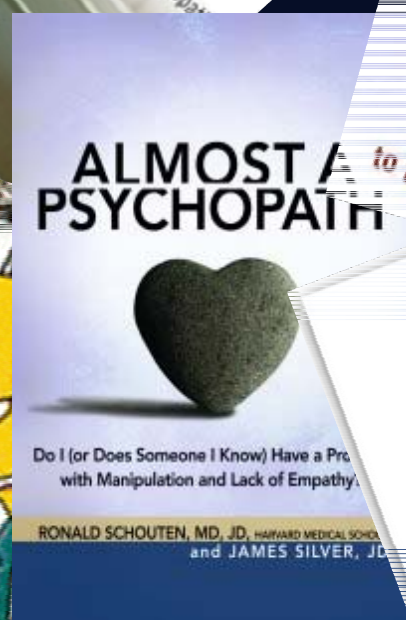
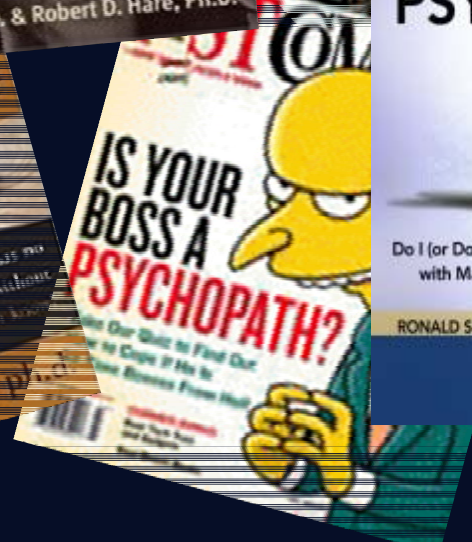
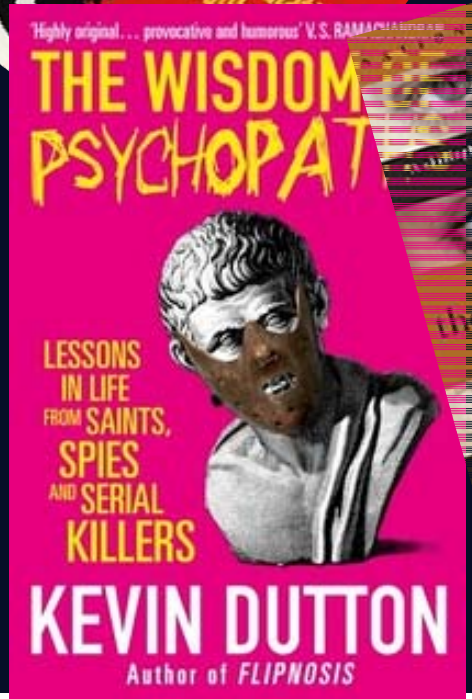
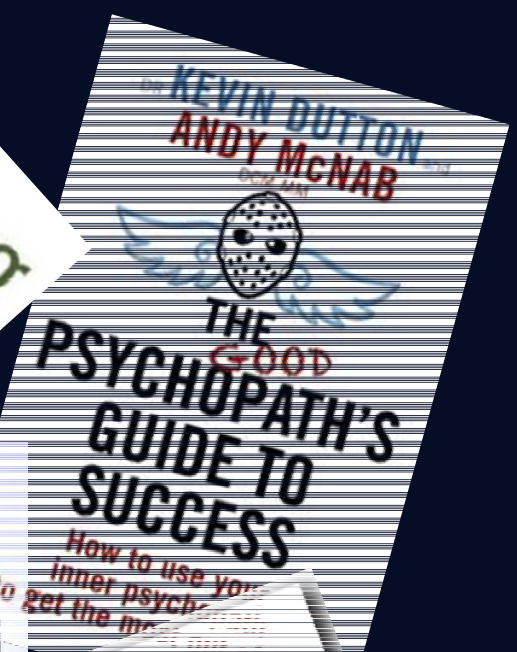
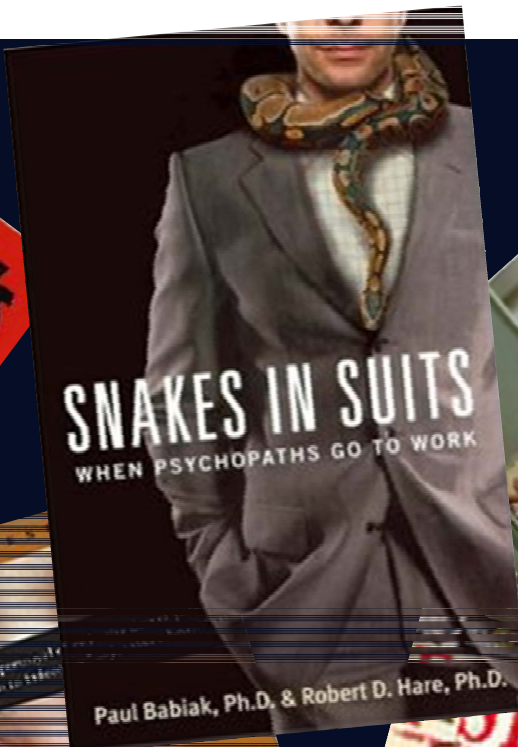
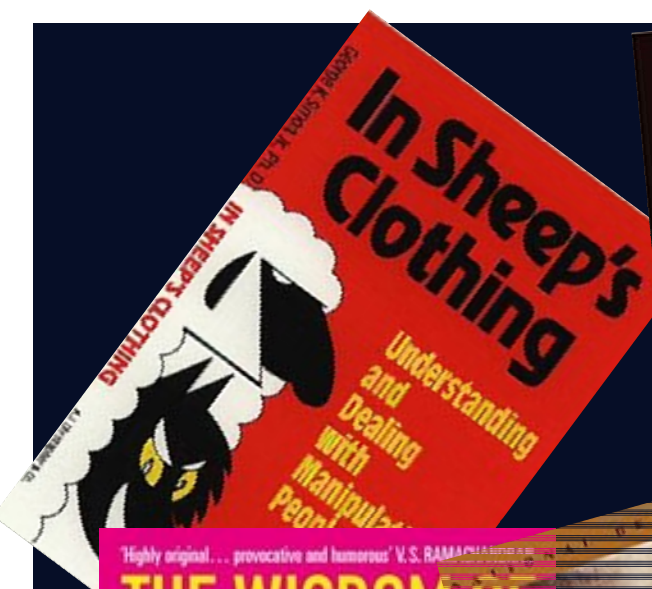
Shallow affect
Callous lack of empathy
Lack of remorse
Failure to accept responsibility

Factor 3: Impulsive and Irresponsible Behavioural Style

Need for stimulation/proneness to boredom
Irresponsibility
Impulsivity
Parasitic lifestyle
Lack of long-term goals

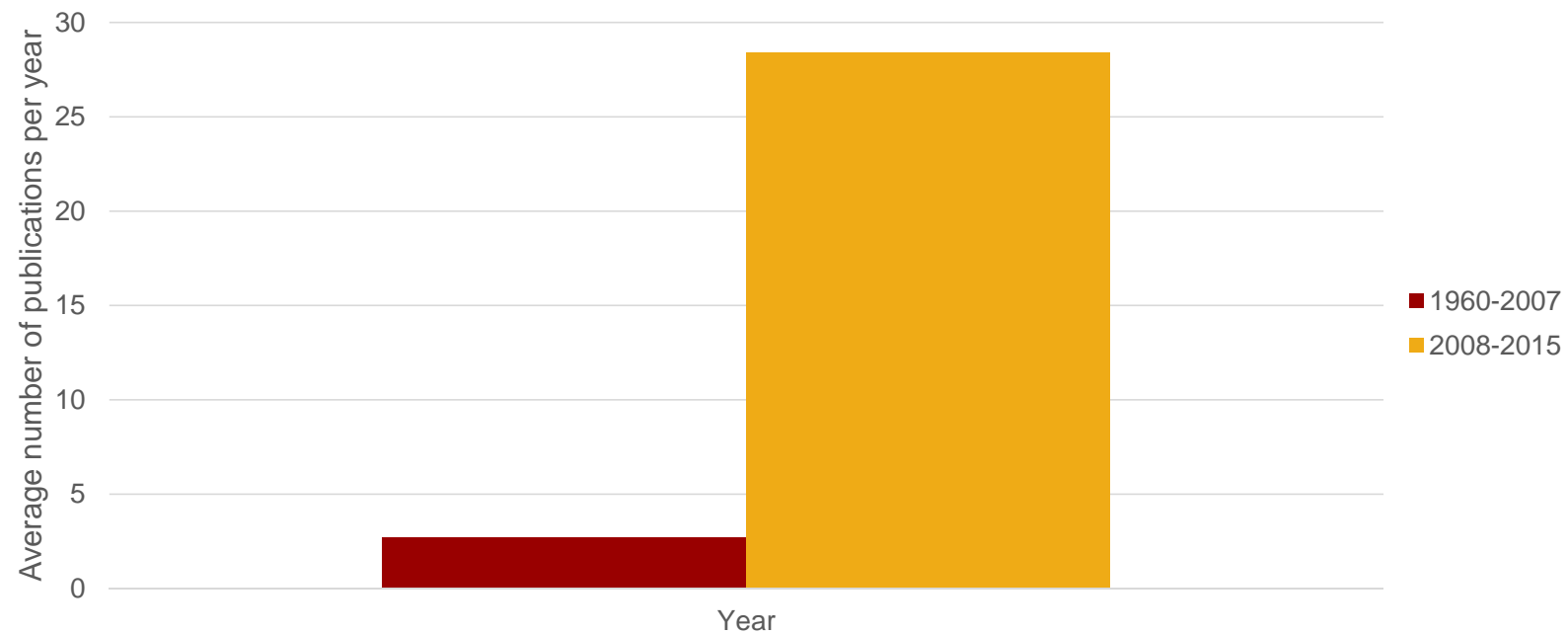
Psychopaths in the workplace

- Babiak (1995, 2000) Case studies of clinically diagnosable individuals currently employed within organisations.
- Boddy (2010), Boddy et al. (2010a, 2010b) Empirical studies showing that other's report working with psychopathic individuals.
- Lilienfeld et al. (2014) Self-report measure of psychopathy in the workplace.
- Babiak et al. (2010) application of the PCL-R in the workplace.
- Board & Fritzon (2005) high levels of psychopathy in British CEOs
- Show evidence of individuals with high levels of psychopathic traits working within organisations.



Looking on the bright side of the 'dark side'

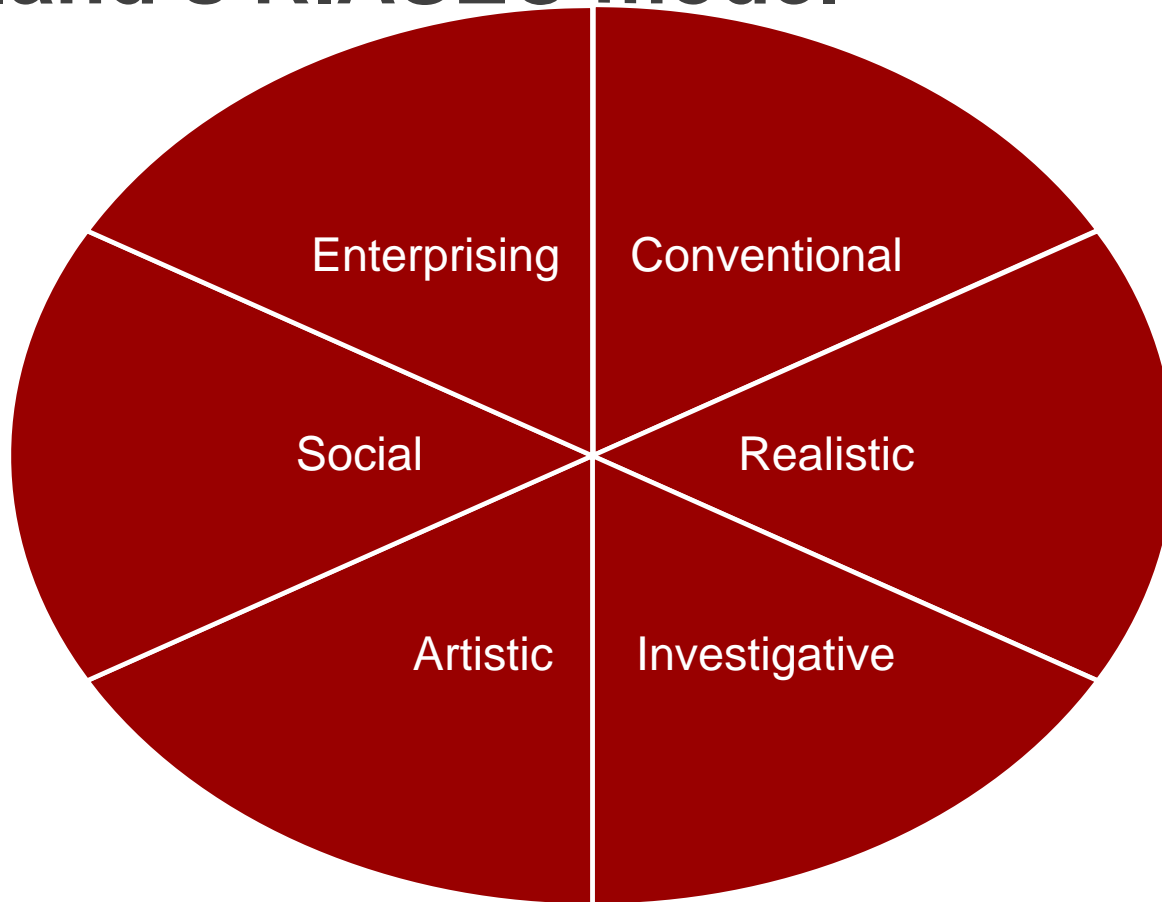
"Organisational Psychopaths" Publications from 1960-2015



Where do psychopaths work?

- Little research identifying what kinds of organisations psychopaths work for.
- Boddy (2011) implicates psychopaths in the global financial crisis
- Boddy (2010) found that highest numbers of psychopaths are working within finance, insurance, banking and communications companies and the lowest numbers in retail, wholesale, accommodation and transport companies.
- Lilienfeld et al. (2014) found higher levels of psychopathy in business roles compared to psychology and mental health.

Holland's RIASEC model

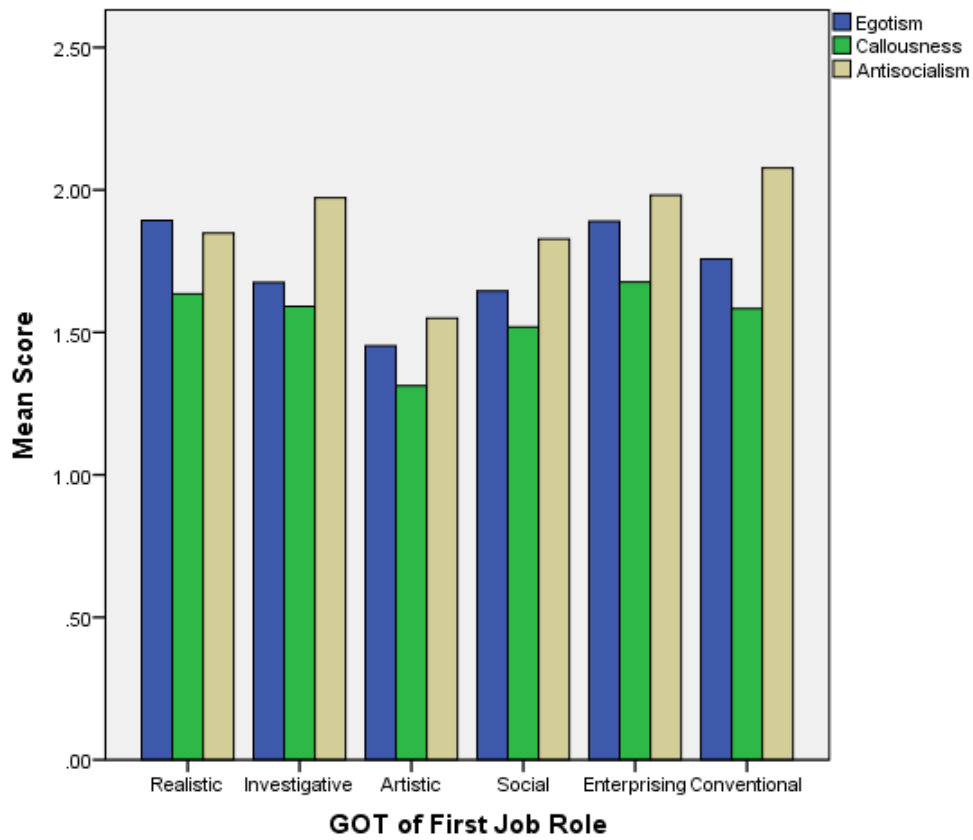


Research methodology

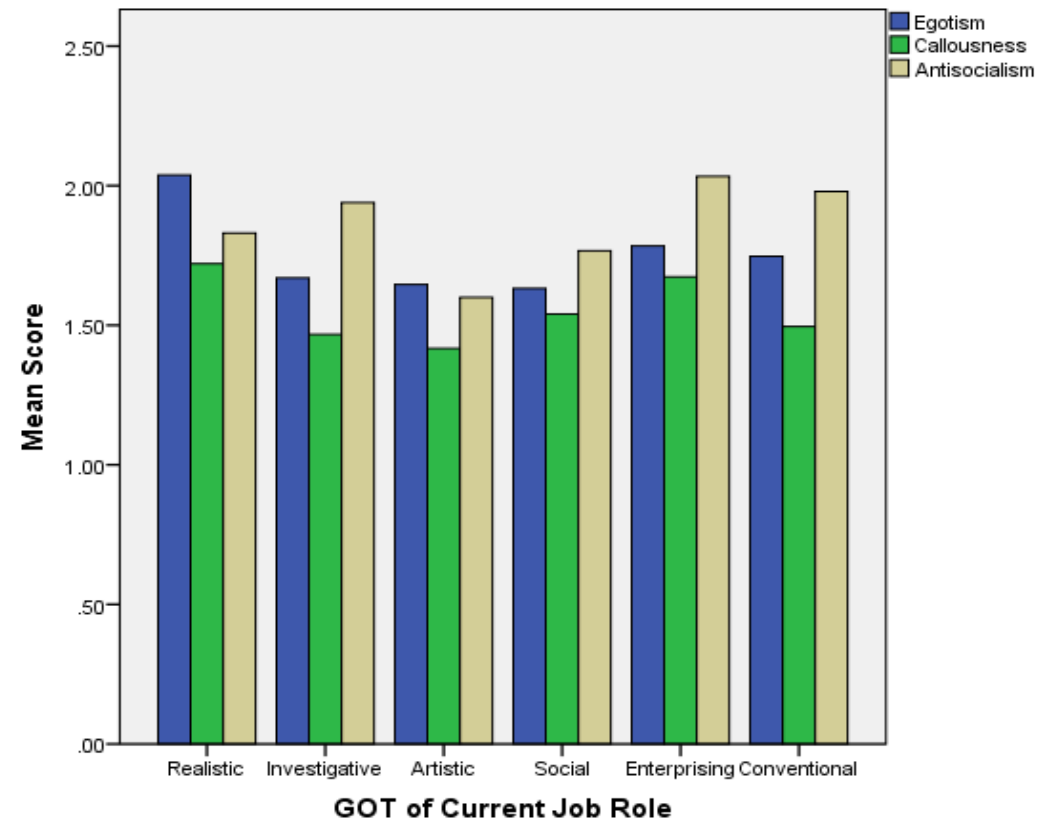
- Quantitative survey of alumni of UK Universities
- Self-report measures of psychopathy and occupational choice
- Logistic regression used to assess whether Egotism, Callousness and Antisocialism predict the general occupational theme of occupational choice

Results

FIRST GRADUATE ROLE



CURRENT GRADUATE ROLE



So what does it mean?

ENTERPRISING AND CONVENTIONAL



REALISTIC

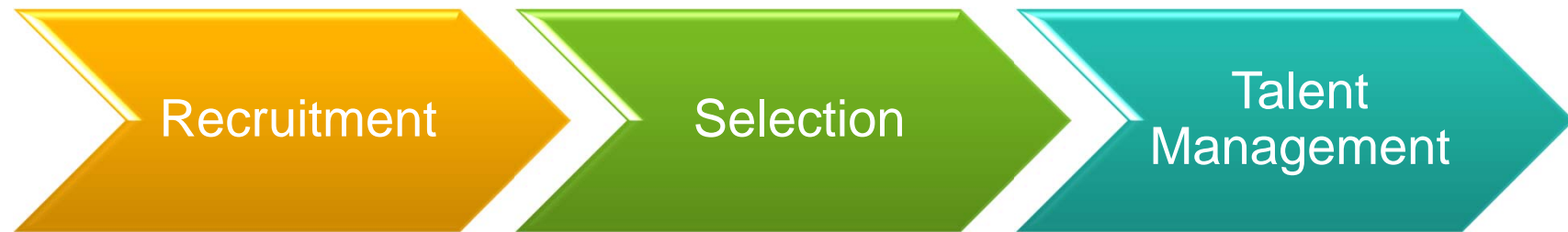


Psychopaths in the boardroom and organisational risks

- Financial risk from poor decisions, self-promoting behaviour and lack of loyalty
- Reputational risk from exposure of negative behaviours and culture
- Sustainability risks from losing or failing to develop talent



What can be done?



Questions?

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