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THE HBR INTERVIEW

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Leadership is the global obsession. Thousands of recent books—many of them best sellers—have dissected the leadership styles of great leaders from Jesus to Jefferson. Business writers, too, have joined the frenzy. The trouble is, much of the business literature on leadership—unlike the broader literature on the subject—starts with the assumption that leaders are rational beings. In part, that’s because readers come to these business books for advice, so they get suggestions on how to imitate the conscious motivations, behaviors, and choices of role models. Advice books are hardly likely to focus heavily on leaders’ irrational side—and still less likely to suggest that the role models’ successes may even stem from their psychological frailties. Yet irrationality is integral to human nature, and psychological conflict can contribute in significant ways to the drive to succeed. Surely, therefore, we can benefit from putting CEOs on the couch, to explore how their early personal experiences shaped subsequent behaviors and to understand how these leaders deal with setbacks and pain.

Although a number of business scholars—most notably Harvard’s Abraham Zaleznik and Harry Levinson—have explored the psychology of executives, only one has made the analysis of CEOs his life’s work: Manfred F.R. Kets de Vries, the Raoul de Vitry d’Avaucourt Chaired Professor of Leadership Development at Insead in Fontainebleau, France, and the director of Insead’s Global Leadership Center. Kets de Vries is also a practicing psychoanalyst whose research has provided rich pickings: He has authored or edited some 20 books on the psychology of leaders and organizations, in-
including best sellers such as *Life and Death in the Executive Fast Lane*, *The Leadership Mys-
tique*, and *The Neurotic Organization*. Kets de
Vries’s work has brought him close to many of
the world’s leading corporations: The execu-
tives of such firms as Heineken, BP, and Nokia
have drawn on his expertise. Indeed, it’s prob-
ably fair to say that no other leadership scholar
has had as much exposure to the mind of the
business leader.

So it was to Kets de Vries that HBR turned
for insight into what really goes on inside the
mind of the leader. In this edited version of a
wide-ranging discussion at his office in Paris,
Kets de Vries draws on three decades of experi-
ence and study to describe the psychological
profile of successful CEOs. He explores top ex-
cutives’ vulnerabilities, which are often inten-
sified by the ways followers try to manipu-
late their leaders. Kets de Vries also explains
just how these vulnerabilities play out in orga-
nizations and suggests how leaders might
overcome them. His prescription for healthy
leadership? Self-awareness and a well-
rounded personal life, as well as an ability to
suffer fools and laugh at yourself.

You’ve studied the psychology of leaders
your whole life. How do you identify the
successful ones?
The first thing I look for is emotional intelli-
gence—basically, how self-reflective is the per-
son? Of course, emotional intelligence involves
a lot more than just being introspective. It also
involves what I call the teddy bear factor: Do
people feel comfortable with you? Do they
want to be close to you? An emotionally intelli-
gent leader also knows how to single people
out and say, “Hey, Deborah, you’re special. I’ve
looked a long time for you, and I really want
you to be part of my team.” In general, emo-
tionally intelligent leaders tend to make better
team players, and they are more effective at
motivating themselves and others.

Unfortunately, the right side of the brain—
the part responsible for more intuitive pro-
cesses—is not stimulated in business school. As
a result, few students work to develop the skill
of emotional intelligence. Furthermore, lead-
ers do not always learn it on the job. This is par-
ticularly true today as more and more CEOs
come from the financial sector, where emo-
tional insight and people skills are often under-
rated. Of course, over the years, I’ve met highly
successful executives who are not self-reflective
at all. They’re total doers. You have to be a doer
to make it in business; navel-gazers do not
make great leaders. Nevertheless, in my experi-
ence, the most effective leaders are able to both
act and reflect, which prepares them to man-
ge the long term. These individuals not
only run, they also take the time to ask them-
selves where they are going and why.

Do the backgrounds of the successful lead-
ers you’ve studied have anything in com-
mon?
There is evidence that many successful male
leaders had strong, supportive mothers and
rather remote, absent fathers. This is beauti-
fully exemplified by Jack Welch, who, in his au-
tobiography, describes his attachment to a
powerhouse of a mother and depicts his father,
a train conductor, as pleasant enough but not
very present. The same was true of a very dif-
ferent leader—Virgin’s Richard Branson,
whose mother told everyone she knew that Ri-
chard would become prime minister one day. It
was Branson’s mother who convinced him that
he could do whatever he set his mind to do; his
father played a much smaller role in his life.

Former President Bill Clinton is yet another
product of an adoring mom and a missing dad
(his father died before Clinton was born). Indeed, it
seems to me that there is a lot of truth in
Freud’s famous statement that there is nothing
as conducive to success as being your mother’s
favorite. When it comes to women, though, it’s
harder to explain what makes for success—
there still aren’t enough women leaders in busi-
ness for researchers to make any real generali-
sations. But it does seem that the model for
great women leaders is more complicated than
that for great male leaders. As with the men,
some strong women leaders had powerful sup-
portive mothers. But others had powerful fa-
thers. Indeed, a successful woman often has
been her father’s favorite son.

Would you say that culture plays a role in
determining what type of leader you are?
Certainly, different cultures have very different
expectations of leaders. In America, for instance, a leader is a big shot. He takes himself very seriously, and other people put him on a pedestal. In the Dutch language, however, the word for "leader" can have two meanings, one of which is "martyr." In other words, a leader is someone who suffers. To put yourself on display and blow your own trumpet would never be acceptable in the Dutch world of work (and otherwise). It would show exceedingly bad taste.

The link between leadership and culture is very complex. Let me approach it through a hypothetical situation, admittedly a difficult one. Imagine that you're in a boat with your child, your spouse, and your mother. It's sinking, and you're the only one who can swim. Who do you choose to save? When this question is posed across a spectrum of cultures, 60% of the respondents in Western Europe and America (men and women) say they would save the child, and 40% say they would save the spouse. In most Islamic societies, 90% of respondents (men only) say they would save the mother. Recently I was in Saudi Arabia giving a leadership workshop. In response to this question, 100% of the participants (all were male) said they would save their mothers. Officially, the logic here is that you can always remarry and have another child, but you can never have another mother. But psychologically, the fact is that women are not allowed to do much in Saudi Arabia. They are very handicapped. So the only way they can live and get glory is through their sons (their daughters are also demeaned). What develops is an incredibly intense relationship between the mother and the son, so there is no wife—or child, for that matter—who can ever live up to the gratifications the mother provided.

This story has many implications, but to me it underscores the cultural complexity of leadership. It's not always easy to appreciate or understand that what people do, mean, and say varies from one culture to the next, and without that understanding, it is impossible to lead in another culture. A leadership style that would be effective in Sweden, for example, might be quite dysfunctional in Russia, whose business elite I have been studying for some time. Of course, I'm talking now about the national culture, not a corporate culture. But corporate culture varies enormously as well, and companies differ in how they regard factors such as power, status, and hierarchy. There are also great differences in the way executives from various national cultures look at control and authority. There are numerous explanations for this, but as the story illustrates, the differences often derive from variations in child rearing.

By the way, of all the national leadership styles I've studied, the Finnish is one I admire very much. Unlike the Swedes or the English, the Finns never had kings or queens except when they were imported, so they have this element of democracy and a strong belief that working hard makes things happen. The Finns also have a straightforward, plain honesty, which is very good in a leader. And unlike many American leaders, the Finns have a strong sense of humility. When things are going too well for them, they throw up their hands and groan, "My God, the sky is going to fall down on us." That touch of creative paranoia can make for very good leadership.

You often write that executives are irrational. What do you mean by that?

If you study executives, you quickly see that they don't behave rationally all the time. Indeed, irrational behavior is common in organizational life. It was my realization of this—and my desire to understand that irrationality—that led me into the fields of psychiatry and psychoanalysis. Once I started, I found that business leaders were much more complex than the subjects most psychologists studied. People in mental hospitals are actually easy to understand because they suffer from extreme conditions. The mental health of senior executives is much more subtle. They can't be too crazy or they generally don't make it to senior positions, but they are nonetheless extremely driven people. And when I analyze them, I usually find that their drives spring from childhood patterns and experiences that have carried over into adulthood. Executives don't like to hear this; they like to think they're totally in control. They're insulated to hear that certain things in their minds are unconscious. But like it or not, people have blind spots, and the nonrational personality needs of decision makers can seriously affect the management process.

What are these blind spots, and how do they play out in the organization?

I'm struggling with a case right now involving an entrepreneur. Part of his problem is that he
has great difficulty with authority. However simplistic this may sound, his troubles really do originate in a difficult relationship with his father. On top of that, he had a mother who was quite controlling. Not surprisingly, after he had started his company, he had a very hard time delegating; he micromanaged. For example, he opened all the mail that came to the company, and he insisted that everybody’s e-mails be forwarded to him! This level of control was manageable as long as the company was in the start-up phase, but once it had become a $20 million operation, the entrepreneur’s lack of trust in others’ capabilities had a stifling effect. Predictably, the entrepreneur just couldn’t keep good people. There was high turnover as people bristled under his exceedingly rigid control. Recently, this entrepreneur came to see me about hiring a large number of MBAs. I’m sure I could find many outstanding MBAs for his company, but I know they wouldn’t stay with him. They would surely cite different excuses for their dissatisfaction and resignations, but the real reason would be that the entrepreneur is a control freak, a failing of which he remains largely unconscious. And because he is unconscious of it, he can’t take responsibility for it, which means that nothing can change. Unfortunately, I am inclined to say that even if this entrepreneur could acknowledge his obsessive need for control, he would most likely come up with many elaborate rationalizations for his behavior. I believe it would take a great number of interventions before his destructive patterns could be brought to his conscious awareness.

In my work with CEOs, I also find that many executives are trying to compensate for narcissistic wounds—blows to their self-esteem that were inflicted in childhood by parents who were either too distant or too indulgent. (A child in an extremely indulgent household cannot develop a balanced sense of his own personality.) Typically, people with narcissistic injuries have a great hunger for recognition and external affirmation. To combat their feelings of helplessness and lack of self-worth, they are always in search of an admiring audience. In my work with leaders, I have found that CEOs generally have no idea that narcissistic wounds underlie their behavior. To make executives aware of their vulnerabilities, I sometimes ask them to describe the most critical negative voice that still plays in their heads from childhood. Even highly successful executives admit to saying things to themselves like, “You’re not as good as you pretend to be. You’re an imposter.” This is a parental voice that has lingered into adulthood. Larry Ellison is a very good example. I never met the man, but I once wrote a case about him. I found out that his stepfather used to tell him repeatedly: “You’ll never amount to anything. You will never be a success.” Of course, this affects his leadership style today. Ellison is always trying to prove the bastards wrong. Not surprisingly, he has created a very aggressive organization. In organizations, we often find strong links between the personality of the leader, his leadership style, and the general culture—especially in companies where power is centralized.

Can you expand on the narcissism of leaders? There’s been a lot of talk about the subject lately. Why is it so problematic?

We need to be careful here. Narcissism has a terrible reputation, often rightly so. But all people—especially leaders—need a healthy dose of narcissism in order to survive. It’s the engine that drives leadership. Assertiveness, self-confidence, tenacity, and creativity just can’t exist without it. But once a narcissist gets into a position of leadership, funny things start to happen. Because narcissistic leaders are often charismatic, employees start to project their own grandiose fantasies onto the narcissistic leader. And suddenly everything becomes surreal.

I remember being in a meeting once in southern Europe. Thirty senior executives were gathered for a presentation about the future of the organization. The president was a very wealthy man who used to brag that he would need ten lifetimes to spend all his money. Not surprisingly, his office was filled with enormous statues and paintings of himself. He arrived 20 minutes late for the meeting, and he came in talking on a mobile phone. Nobody acted annoyed. Eventually the presentation started, and the CEO’s phone rang. He picked it up and talked for 15 minutes while everybody sat there, waiting. Suddenly the CEO got up and said he had to go. This was the most important meeting of the year, and he just walked out. But no one, not one person, objected. Everyone told him what he wanted to hear. It was as if the CEO were in a hall of mirrors.

This reaction on the part of followers is hardly unusual. Do you remember the Peter Sellers film Being There? It looks at the life of an
illiterate and slow-witted gardener named Chance, who is standing in the street one day when a limousine backs into him. Hoping to avoid publicity, the woman in the car takes Chance home to be seen by a doctor who is caring for her husband, a big-shot financier and friend of the president. When the president asks Chance what he thinks about the economy, the poor man hasn’t a clue. Taking refuge in what he knows best—gardening—he says: “As long as the roots are not severed, all is well.” The president interprets this simple statement as a great revelation. The results are inevitable: Chance is eventually pushed to run for the presidency. It was George Bernard Shaw who said, “Kings are not born: They are made by artificial hallucination.” There’s a lot of truth to that. The problem with many so-called narcissistic leaders is that they both deliberately and inadvertently activate the latent narcissism of their followers. These followers are often ideal-hungry personalities who idealize wildly and uncritically. And if the leader happens to like being positively mirrored by others, he can become addicted to the followers’ idealization of him. Tragically, some leaders get to the point where they fire individuals who don’t praise them sufficiently.

Why are followers so prone to idealizing? It has its roots in what Freud called transference. Transference is probably the most important concept in psychotherapy; it was one of Freud’s great discoveries. After he started working with patients, Freud found to his great consternation that patients kept falling in love with him. To his immense credit, Freud realized that it couldn’t be his own wonderful personality that was stirring up such deep feelings of admiration. Instead, he realized that in their dealings with him, patients were interacting with powerful figures from their own internal theaters, usually important childhood figures like parents, teachers, and siblings. Transference is the term for this continuity between early childhood and adult behavior. What Freud meant is that we all bring to our current relationships a map of past relationships that we transfer onto the present. This particularly happens during times of stress and in hierarchical situations, which are reminiscent of the parent-child constellation. Indeed, people in positions of authority have an uncanny ability to reawaken transference processes in themselves and others. And these transference reactions can present themselves in a number of ways—positively or negatively. One employee, for example, may relate to her boss as if he were her favorite brother, and thus she idealizes him. But that boss may relate to her as if she were his withholding mother! It is precisely this confusion of time and place that results in the psychic “noise” of the workplace. Sadly, Freud was not interested in business, so he never studied it. But it would have been fascinating to see what sense he would have made of everyone’s tendency in business to relate to people as if they were someone else.

Doesn’t all this put followers in a vulnerable position as well? It certainly does. I discovered this when I was about 14 years old. I was with my brother in a youth camp in the Netherlands where we went every summer. Most children were sent to this camp for only three weeks, but we were sent there for the whole summer. After three weeks, there was always a transition between the old group and the new, and one year my brother and I decided to liven up the changeover with an initiation ritual. We placed a bathtub filled with freezing water in the middle of a field and announced that according to an old camp tradition, all the newcomers had to dunk themselves in the tub. I can still clearly remember this confusion of time and place that results in the psychic “noise” of the workplace. Sadly, Freud was not interested in business, so he never studied it. But it would have been fascinating to see what sense he would have made of everyone’s tendency in business to relate to people as if they were someone else.

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workplace—why wouldn't he say instead: “By doing very, very little, I can make the lives of 10,000 people much easier”? That's why at Instead I try to introduce CEOs to a kind of applied psychoanalysis in an organizational setting. In each of my workshops, there are around 20 individuals who together might be responsible for 100,000 people. My hope is that by helping leaders to become a little more self-reflective, we can make their organizations a bit less like concentration camps.

But with all the psychic noise in organizations, how can leaders ever get honest feedback and criticism?

Today there is a lot of talk about using 360-degree feedback. I use it quite a bit in my leadership workshops. When I use it for coaching purposes, I gather information not only from people at the workplace but also from people close to the leader in his or her private life. This helps me get a sense of who the leader really is. But people at very high levels are usually considered much too important to go through 360-degree feedback. And even if they do go through it, they often don't get honest comments. That's because it's not very difficult for the person being evaluated to figure out who said what on the feedback forms. So the people giving feedback skew their answers out of fear of retaliation. But even if they did give genuine feedback, it's unlikely they could express it in a way that would pierce the leader's narcissistic armor. That's why I like to make the case for having an organizational fool.

What do you mean?
The fool I'm talking about is a foil for the leader—and every leader needs one. Down through the ages, the fool has played a traditional role as the stabilizer of kings and queens (and other leaders). This is the wise fool of King Lear—the guardian of reality. The fool shows the leader his reflection and reminds him of the transience of power. He uses antics and humor to prevent foolish action and groupthink. Let's not forget: Humor humbles. It creates insights. That makes it a very powerful instrument for change. Let me explain the importance of the fool through an anecdote. A couple goes to a fair where there's a large, impressive-looking machine. The husband puts in a coin and receives a card telling him his age and what kind of person he is. He reads it and gets excited. It says: “You're brilliant and charming. Women fall all over you.” His wife grabs the card from him and turns it over. “Aha!” she says, “they got your age wrong, too.” Leaders in all organizations need someone like this who is willing to speak out and tell the leader how things really are. That's precisely the role of the fool. He offers the king a delicious sandwich, and between the slices of bread he shoves in a little piece of reality.

To be effective, organizations need people with a healthy disrespect for the boss—people who feel free to express emotions and opinions openly, who can engage in active give-and-take. Sadly, this typically happens only after a leader is out of power. As former President George Bush once remarked when he was asked what had changed since he left office: “Well, for one thing, I no longer win every golf game I play.” In a well-run organization, the CEO wouldn't win every golf game either. And if a leader wants honest feedback, he should ask himself whether or not he's created an organization in which there's a place for a fool.

You've often observed that leaders get caught up in a whirl of hyperactivity. What's behind that?

Anxiety is one reason. Action is a typical human response to anxiety, and executives tend to be an anxious bunch. At any given time, there are many things going on that the executives feel they have little control over. So, like anyone else, they tend to look for some form of support, and one well-accepted response in the business world is the retreat into action. Another reason is that many top executives suffer from depression. I see it all the time. The chief cause for executive depression is that people usually don't join the ranks of senior executives until they're middle-aged. And in middle age, people start to feel desperate about coming to terms with unfulfilled dreams before it's too late. The Germans have a term for this—Terror, the panic that strikes because of the closing of the gates, the closing down of possibilities. Midlife prompts a reappraisal of career identity; it raises concerns about burnout and loss of effectiveness. By the time a leader is a CEO, an existential crisis is often imminent. This can happen with anyone, but the probability is higher with CEOs and senior executives, because so many of them have been devoting their lives almost exclusively to work.
I tell you honestly that very, very few executives lead balanced lives. They delude themselves about it, too. If you ask them how much time they spend with their wives and children, they give you numbers that are completely at odds with the numbers the families give. I worked for two years as a consultant and coach with about 150 managing directors of a large, well-known investment bank to help them be more effective as leaders in their organization. These were people who worked 70, 80 hours a week, and they worked very efficiently, very successfully. What's more, they were typically smart, pleasant, and insightful—very sure of themselves. But because they were such workaholics, these investment bankers were not secure about their personal lives. They had tremendous guilt over their families, whom they never saw. When I began my work with them, all they talked about at first was problems in the organization and conflicts they were having with one another. Eventually, however, as our conversations continued—often one-on-one—they began to acknowledge that the roots of their problems lay elsewhere, in some internal conflicts.

As I dug around, I found that these investment bankers, like many top executives who are obsessed with work and money, often had experienced deprivation of some kind early in life. They work for large salaries and option packages as a way of obtaining what is sometimes crudely described as "fuck you money," to be independent. It is their way of having more control over a world they often perceive (given their early experiences in life) as uncontrollable. The trouble is that once they've proved they're successful, they can't get off the treadmill. All they know how to do is work. In the meantime, their personal relationships have become a mess. So they feel stuck and bored, and that makes them more depressed. Unfortunately, in business you are not allowed to show pain. So to liven himself up a bit, the CEO might find a new wife, a trophy wife. Or he might try to pull off some really big, aggressive deal, like a takeover. Now that provides some excitement. What better way to cure boredom than by becoming a modern day Viking, raping and plundering? Mergers and marriages both help to mask CEOs' psychic pain. But at some point, all leaders have to slow down. Retirement looms. When that happens, the depression that has never been resolved starts to become apparent.

Let's conclude by looking at the glass as half full. What makes a leader healthy? Healthy leaders are able to live intensely. They're passionate about what they do. That's because they are able to experience the full range of their feelings—without any color blindness to any particular emotion. At the same time, healthy leaders strongly believe in their ability to control (or at least affect) the events that impact their lives. They're able to take personal responsibility; they are not always scapegoating or blaming other people for what goes wrong. Healthy leaders don't easily lose control or resort to impulsive acts. They can work through their own anxiety and ambivalence. As we saw earlier, healthy leaders are very talented in self-observation and self-analysis; the best leaders are highly motivated to spend time on self-reflection. Another factor is that healthy leaders, unlike the less healthy ones, have the ability to deal with the disappointments of life. They can acknowledge their depression and work it through. Very importantly, they have the capacity to establish and maintain relationships (including satisfactory sexual relationships). Their lives are in balance, and they can play. They are creative and inventive and have the capacity to be nonconformist. These are the things that are fundamental, but I would also hope (after having said all of this!) that we can accept that we need a little madness in our leaders, because I happen to believe that those who accept the madness in themselves may be the healthiest leaders of all. To quote Shaw once again, "We want a few mad people now. See where the sane ones have landed us!"

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