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Much has been said and written about what it takes to be a successful executive. There is extensive literature on how to be a good manager and on the professional traits required for top management. Successful business leaders are praised in the financial pages and admired for their leadership abilities, in particular for their assertiveness, creativity, good judgment, resilience and courage.

When executives fail they are judged based on similar criteria. Reference is made to poor leadership, bad decisions and negligence. In most cases, no one bothers to analyze the personality of the unsuccessful executive.

It seems to me that there is a relatively simple explanation for this one-sided investigation: In reality, it is extraordinarily difficult to accurately measure the influence that human failings have on business failure. The documents available to the public that can be used to evaluate a company, such as balance sheets and annual reports, say very little about the personality of the CEO. And other relevant information is rarely available.

Usually, however, it is character flaws—not professional incompetence—that cause executives to fail. Let us keep in mind that the human personality is made up of many different traits. Each can have both positive and negative effects.

As an example, I would like to point out that while ambition can significantly increase an executive's potential to achieve, excessive ambition causes unnecessary conflict and even failure. The effects of vanity on a person's life need to be differentiated in similar manner.

In and of itself, vanity is an innate human trait, and it is usually harmless. A complete lack of vanity would probably have a negative effect on a man's behavior—and this is probably even more the case for a woman. Conversely, excessive vanity is perceived as ridiculous or irritating. In the following analysis of vanity, I will only consider how it affects the life of an executive.

In my view, we need to keep in mind that personal vanity can be both positive and negative for an executive. So we should allow executives to really enjoy success, even when this, in part, constitutes the gratification of personal vanity. In my opinion, there is no disputing that vanity can elevate performance in the same way that ambition can. Who doesn't enjoy praise and recognition?

Therefore, we should not begrudge executives who experience success and approval as a result of superior performance. And just like everyone else, executives should be allowed to be vain in terms of caring about appearances, as long as they do not exaggerate.

But, like all human traits that can have negative consequences when excessive, vanity is no different. This is all the more important when it comes to executives, because when they conduct themselves inappropriately, there are not just personal consequences, but, most significantly, consequences for the company as well. This is why executives must be aware of how vanity can color their management style.

Profile of an Executive

A company's most noble purpose is to contribute to society while operating within the rules of market economics. In doing this, other interests, such as capital, management and labor need to be taken into account. Executives are responsible for shaping the company's contribution to society, within the limits of the autonomy granted to the company by market economics. Executives are officially granted this authority upon being hired. However, they must have earned this authority through professional competence and humanitarian attitudes. While the mandate to lead is associated with certain privileges, executives should never forget that their work also has the following mission: To lead means to serve.

Good executives use their work as an opportunity for self-actualization. They need freedom to be creative. They like to test the limits of their ability and to experience approval through success. This requires creativity, judgment, the willingness to work, resilience, intelligence and the ability to learn. It takes sensitivity, sincerity, fairness and kindness to be a good leader. An executive's personal attitude has great impact on his or her authority and credibility.

It is understood that executives are also looking for personal security and material prosperity. And this is legitimate. As long as executives are performing their corporate functions, their salaries should be commensurate. Rewarding management based on performance is equitable and fair.

Experiencing success as an executive means joy, approval and gratification all at once. And today it is still possible for corporate executives to experience the effects of personal decisions in a relatively short period of time—which is fortunate in a time of multi-lateral dependencies and anonymity!

Executives do not just internalize successful experiences, however. They strive for recognition and approval from their

colleagues as a quasi confirmation of their personal feelings. This is when healthy vanity starts to become dangerous.

Innate Human Vanity and its Effect on the Executive

Vanity should be considered a normal human trait. Vanity can be more or less pronounced, depending on the personality of the individual. It can have both positive and negative consequences over the course of an executive's career.

It may be helpful to evaluate, in general, the manifestations of vanity that are socially acceptable. Worth mentioning in this context is an increased willingness to adapt and increased personal discipline as a result of striving for more acceptance. There can even be an increased willingness to perform when ambition is fueled by vanity. Even human and professional weaknesses are suppressed when vanity propels striving for recognition.

In particular, the "vanity factor" plays a major role for up-and-coming executives when planning their career paths. Therefore we should in no way underestimate the positive variants of this trait. Large organizations have always exploited these impulses. I am referring to the traditional practice of bestowing medals and insignias of rank and of giving out awards.

We are familiar with corresponding forms of recognition in the business world, for example, who has the most expensively furnished office, who has an office with a window, who has the most impressive company car or who gets to fly first class.

It is hard to draw a line between the positive and negative effects of vanity. Striving for loftier goals can be simultaneously right and wrong. It always depends on whether or not a person is capable of realistic self-assessment, and whether or not he or she accurately understands the dangers of vanity and ambition.

There are various facets to the negative aspects of vanity. In striving for prestige and recognition it is all too easy for executives to succumb to the temptation to exaggerate their personal abilities and achievements, which can result in grossly overestimating themselves. The business environment punishes with contempt those who exaggerate their self-presentation. Individuals who overestimate their own abilities will eventually face failure and humiliation.

“Pride goes before a fall.” This proverb has been proven to be true over and over again: It is amazing how many successful careers have been derailed because of this human failing. We need to note that intelligence, education and expertise only advance a career if they are have an appropriate personality to go with them. This fact must be taken into account when the next generation of corporate leaders is being groomed. Boards of directors should think twice about whether they should appoint a “showoff” to the management board of a corporation.

The Importance of Self-Confidence

The aforementioned makes it clear just how important it is for executives to accurately understand themselves and their place in society. On the other hand, it is probably not possible for anyone to realistically or objectively evaluate himself or herself. Wishful projections and delusions mix in all too easily with convictions gained from experience. But despite this, it is the executives in particular who must step up and try to realistically analyze themselves and then display an appropriate degree of self-assurance.

Without self-assurance an executive will not be self-confident. Without self-confidence executives will not take the risks necessary to face difficult challenges or break new ground in creative ways. Executives can rely on self-confidence the way

some people use religious faith or strong motivation. A foundation of self-confidence is needed to summon the courage to start something new and to have the strength to persevere.

Executives who are equal to their jobs rarely have complexes, nor do they have an exaggerated need to promote themselves. Those, however, who are seduced by vanity and false ambition to take on more responsibility than they can handle will quickly be tempted to compensate for their lack of competence by exaggerating their accomplishments.

An executive's self-confidence must be based on his or her abilities and attitudes. This type of self-confidence has no trace of arrogance and even allows for humility. Only weak executives need to boast to get approval from their peers. Competent, autonomous executives can even afford to admit mistakes and failures and to apologize when appropriate. Sincerity and humility garner more respect and engender more affection than any cult of personality!

Conversely, arrogance can put executives in danger. First and foremost they should never take on projects that they are not up to doing. In this context ambition and vanity are poor advisors! Not even opportunities to earn a lot of money and take on illustrious positions should induce an executive to follow this path. If executives overestimate themselves in this manner even just once colleagues will be all the more ruthless at the first indication of failure. Vain, arrogant managers should not expect to be let off the hook; they can fall very far. Their carefully cultivated image is then quickly shattered, for good.

It is not easy for executives to accurately assess themselves and to develop their self-confidence accordingly. An executive will decide whether or not he or she is up to a particular job based on individual assessment of his or her potential in relationship to the demands of the task at hand. The problems faced by executives vary greatly in degree of difficulty and are difficult to gauge.

This is particularly problematic when an executive is new on a job. In this situation an exaggerated sense of self-confidence or even arrogance is of little use. It would be more helpful to try to assess the situation realistically and unemotionally. Advice from friends can serve well in this situation. In marriages where dialogue is possible, an executive's spouse can help with some of the decision-making process.

Do Executives Need to Promote Themselves?

We are all familiar with politicians who work hard to get into the public eye as often as possible. This is entirely justifiable in a democracy. Politicians need to present their personal side to voters just as much as they need to air their political views. In the interest of the system we can put up with the fact that in politics democratic and political needs are intermingled with a personal need for recognition. Perhaps we should also concede to politicians what we allow actors, namely that applause is the artist's bread and butter.

The question remains, however, of whether or not this applies to self-promotion of executives. Do executives really need to attend as many cocktail parties as possible, accept every offer to give a speech and pop up in the media as often as possible? Do their life stories really help increase their credibility and popularity? One must ask if the cultivation of a business executive's personal image is justified by his job.

An executive is obligated to represent his company in public and to his colleagues. Information about a company's performance is relevant to society, and dissemination of this information is required by law for good reason. Executives must comply with requirements to provide information in such a way that the company's mission, its purpose and its actions are understood. In this context there is absolutely no reason for executives to talk about themselves!

Of course we know that it is easier to do business reporting with a personal touch and that this is more interesting to the readers than an impartial annual report. We cannot expect to dissuade journalists from going about their trade in this fashion. But executives should not be encouraging these practices through their personal conduct.

Usually a CEO's performance and behavior can be easily judged by looking at the fruits of his or her labor. More and more frequently, today's standard corporate reporting takes into account the effect on the company of the leadership style and personality of the executive. It is appropriate and necessary for CEOs to be characterized this way because history has repeatedly confirmed that it is the skills of those in charge that determine the success of a corporation. Accordingly, proper corporate reporting is a useful report card for an executive.

In contrast, any efforts initiated by an executive in the interest of improving his or her personal image seem downright questionable. The business world is not so impenetrable that talent stays hidden. Therefore, it is not advisable for executives to cultivate their images through targeted promotion. Actually, the reverse—that executives who endeavor conspicuously and intently to boost their image are aware of their lack of ability and personal flaws—can be argued with good reason. This is because an inappropriate need for recognition is usually a result of low self-esteem stemming from incompetence. Of course, morbid ambition can also be the cause.

Cults of personality, which unfortunately are seen all too frequently, hurt not only the executive but the company as well. When recognition-obsessed executives come across as ridiculous or objectionable there is a real danger that this image will color the company image.

When there are cults surrounding top executives in a company, management often makes the mistake of allowing all

decisions to be made by the one at the top. Companies that are organized around a single person in this way can rarely respond to challenges of progress and continuity.

Thus executive vanity can also result in dangerous mistakes made by the leadership. Only the vain executives themselves are unaware that their coworkers have quickly grasped the difference between appearance and reality. Attempts by managers to artificially enhance their own authority usually have the opposite effect.

Manifestations and Effects of Vanity

Some misguided egotistical executives put personal interests ahead of the well-being of their companies. The otherwise healthy ambition to have a successful career can be just as dangerous in this regard as personal vanity. This phenomenon has been observed, for example, in the United States where the overvaluation of short-term successes has been detrimental to corporate strategy. All too often we observe corporate spokespeople in the US who appear to be more concerned about promoting themselves than their companies.

And, ultimately, is it not vanity and false ambition when executives place more value on large salaries for themselves than on reaching other corporate goals? Surely quantitative successes and continual corporate growth are closely related to the performance of the CEO. But when outsiders are analyzing results, do they know which people under which conditions have contributed to the company's present size? And isn't it possible that behind the façade of big numbers the current management is performing completely inadequately?

Unfortunately, when discussing this topic we must mention that executive vanity is reinforced to a high degree by the business press and by the reaction of the public to the press. And indeed, it is not easy to get a complete picture of

how management performs in any company. All too often the credit goes to the wrong person, and those who fail never get the blame they deserve.

I am convinced that management's performance is the deciding factor in the success of any company. However, this fact should not mislead executives into referring to "their" achievements. Perhaps a nineteenth-century entrepreneur could get away with being proud of "his success." But in today's work world and in fairness to colleagues we should know better than to claim personal credit for the achievements of the entire team.

Those who do are inappropriately giving in to vanity, while simultaneously revealing that they have not properly delegated. In this day and age corporations that depend on one executive to lead them are poorly run and in jeopardy. Today a company needs a broadly based management pyramid and employees working in partnership. Management results should be understood and presented as the product of the company as a whole.

It takes someone with a strong character who is firmly anchored in reality to be modest in the glow of success. There is nothing wrong with feeling the joy of success and self-affirmation. Executives are entitled to this kind of satisfaction, and it is important that they experience it on occasion if only to maintain their self-confidence. This is necessary to give them the courage to take risks and envision the future.

Whether they also need visible signs of their power remains to be seen. Does it really help them if their offices are decorated with valuable artwork, and they themselves have been decorated with medals and titles? Are they really more convincing if they use technical jargon that their audiences cannot understand? Executives who are obsessed with a need for acknowledgement should not delude themselves that their co-workers are impressed by this kind of show. They know genuine compassion and competent leadership when they

see it. Ostentatious and vanity-driven brouhaha only undermines the authority of a CEO.

And it is not just members of the staff who observe the vanity of these executives. Their colleagues and competitors are also affected by their vain behavior. The excessive vanity of one person can often erode the self-confidence of another, causing potential conflicts to flare up totally unnecessarily. Business and political leaders work hard to maintain personal contacts. This is as it should be. But sometimes arrogance and self-centeredness are the biggest obstacles to the success of these efforts.

A special mix of egotism and vanity can be observed in executives who desperately fight for their jobs even though they are not competent enough to fulfill the demands of their mandates. Their obsession with keeping the privileges, power and prestige of their positions often means they end up being objects of ridicule and contempt. This can do great harm to a company. With this in mind, it bears repeating that to lead means to serve. Personal motives must be subordinated to the task of fulfilling one's obligations to the job!

The demands on an entrepreneur are many and difficult. Executives must constantly monitor how efficiently they are working and they must budget their energy. In light of this it is really astonishing how much time and energy executives expend promoting themselves. Think about the amount of time spent for professional receptions and meetings, as well as the time necessary for personal appearances at social functions!

At these functions attempts to be "in" sometimes seem almost ridiculous. Although it may seem harmless for executives to try to adopt the ways of a particular group in society, being a follower in an intellectual sense—an all too common occurrence—is both undignified and risky. Careful observation in this regard, in particular in the metropolitan areas of the world, gives us all sorts of information about the putative autonomy of the elite in management.

Executives should turn a truly critical eye to this parlor game, which is sometimes as popular as it is considered important. If it is fun for them they should play along quietly—but they should be clear that they are participating for their own personal amusement, and not because it is necessary for the company. It is time to challenge the much-repeated argument that these events are important because of the number of contacts to be made.

Executives in this day and age need to master manners, style and the skill of communication, also on an international level. This will help to foster cooperation among people. However, cloaking such manners with formality can be risky. Formality can damage and handicap an executive. Those who view manners and style as tools should know that, at the same time, a person's appearance ultimately needs to reflect his or her personal stature and humanity. Excessive expressions of manners, particularly vanity, hamper communication. Clothes indeed make the man, apparently they also make the fool!

Vain executives are quite vulnerable. It can be very upsetting to these types if they are not getting the attention they think they deserve. These people have an inordinate fear of failure. When these executives do fail, they will do anything to save face—up to and including misrepresenting the facts.

Executives of this stripe cannot take even justified criticism, and they invariably take it as a personal attack. They investigate any rumors they hear and feel that "what people are saying" is terribly important. If an evaluation does not go as they hoped it would, they become exceedingly depressed. Consequently they often take refuge in isolation, closing themselves off to any criticism whatsoever. Ultimately, no one dares to contradict them.

Their subordinates in the workplace know that their advice is not welcomed, that it will not be accepted graciously and that contradicting the boss could put them in personal jeop-

ardy. Thus this type of executive ends up being surrounded only by “yes men” and sycophants. It is clear to everyone—except the vain executive—that this can only come to a bad end.

In fact, these executives expect the very opposite to happen: they continue to try to supplant reality with their vain wish projections. When, by chance, these executives do occasionally sense that they are on the wrong path, their personalities are so frail that they cannot bring themselves to respond appropriately, for example by voluntarily resigning their positions. They are damned to wait idly until external forces precipitate their downfall. For these vain executives this is a terrible end to their pitiable disposition. Worse still, this sometimes translates into great losses for the company and all too often even spells its end.

The Vain Executive and His Family

Those who indulge their vanity at work cannot suppress this habit in their private lives. On the contrary, the vain male executive gives in to his weaknesses even more at home where he meets with less resistance. He expects that his family will understand and respect him because he is so “important.” And so it goes without saying that everyone in the family must be respectful of him. With family dynamics like this, business associates will get the impression that the atmosphere at the workplace has been brought home.

Men who are this conceited do not have the devotion and patience for the level of understanding and dialogue that is required to foster authentic partnership. They lack the desire and the time for true participation or loving devotion. As overworked executives, they consider these things nonessential and not worthy of their time. Thus they slowly withdraw from the family unit—without even feeling a sense of loss!

The family unit will break down all the more quickly if family members are not constantly offering plaudits and respect and are behaving normally by occasionally even criticizing. The egocentric and arrogant executive does not suffer this kind of “disrespect” lightly. In the end these executives come to believe that their families do not understand them—a very egocentric rationale indeed!

Vain male managers will not normally admit to outsiders that they are the cause of the collapse of the family unit. Quite the contrary: they will keep up a façade for the outside world. They appear to be exemplary fathers, with loving children who excel in school. Fully befitting their position, their spouses are as well-educated as they are and equal partners ...

One contact with a family like this is often all it takes to see through the façade because is very difficult to put on an act when it comes to human affection and love. And it is usually the man of the house himself who betrays this deceptive illusion. The tone of voice he uses with his children and wife and the things he says in conversations quickly reveal the true situation.

The father will fall from his pedestal eventually, as the children mature and become more independent. The day will come when they are fed up with having to listen without being allowed to criticize, with being judged, and with serving as sounding boards for monologues by the head of the family. When this happens, a family will not remain a cohesive unit for much longer.

A turning point for the children and wife is when there ceases to be dialogue within the family. It is not good when the mother is the only nurturing parent. Adolescents in particular need a patient father with whom they can dialogue.

It is difficult for the wife, too, when the situation progresses to this stage. Often professional obligations require her to take on a certain role. She must be a perfect hostess and an intelligent, agile conversationalist. And of course her husband

expects her conversations to focus on how important he is. If the family unit has been fractured and she is not enthusiastic about her role as the executive's spouse, she will not be able to play this role satisfactorily.

Of course there are also variants where the executive's wife is as vain as her husband. When this is the case, they appear arrogant and absurd to outsiders. The competition that goes on in society to occasionally stoke the ambitions of a wife who craves recognition is usually a terrible strain for all involved. There is no place here for friendship and genuine human encounters. Even good friends cannot give advice to these couples. The only thing to do is to put up with them for as long as one is dependent on them.

Thus we can summarize by saying that the vain executive is usually not happy as a father nor is he a good partner. This matters little to him, but his family should be pitied.

Ways to Treat Vanity

It is true that vanity is an innate human trait, but this does not mean unalterable destiny. Just as one can foster or squelch other traits, one can assign innate vanity to an appropriate place in life. In order to do so successfully, however, one needs to understand the effects of vanity and be knowledgeable about one's own predisposition.

While it is possible to study the former methodically, assessing one's own tendencies is not so straightforward. This is because vain people are less likely to admit weaknesses to themselves or to others. On the contrary, it seems to me typical of these people that they make it quite clear, without being asked, that they are not the least bit interested in approval or recognition.

To be able to accurately analyze themselves in this regard executives need to take the time to have open, personal con-

versations with their closest friends and spouses. And, it should also be possible for members of management boards to have similar conversations among themselves. It is absolutely appropriate to discuss whether a company's image is professional enough or is being colored too much by specific individuals.

In this context one should be warned again about the widespread practice of personifying business reporting. The real tragedy about this journalistic technique is that many executives all too readily accept this format. Autonomy, courage and skill are needed to conduct appropriate, open conversations when it comes to tough human questions such as these. It can hardly be expected that those people who are dependent upon an executive will engage in this dialogue—it is just too risky to speak the truth.

Of course, experience can be a wise teacher when it comes to vanity. For mature executives to learn from experience, however, the lessons have to be extraordinarily difficult. And even repeated behavioral patterns.

It seems to me that a matter-of-fact examination of the actual forces at work in a company would be more helpful. Along with the company's management, influences such as capital, labor, the market and politics are examples of forces to be examined. This examination should include an effort to separate out the performances of other executives, present and past. Seeing one's own performance relative to the company's success should be enough to trigger recognition of personal vanity. This type of examination is necessary for executives who hope to be successful. In my view, however, the most effective way to correct a situation is to review and clarify goals. One must assume that self-aware executives have their own outlook on life and that they can use this to generate personal goals. I do not think that vanity can play a significant role for anyone who takes seriously the setting of goals.

It is hard to imagine that self-actualization and genuine personal satisfaction could be based on an illusion. In my opinion an entrepreneur's happiness and contentment should be based on the conviction that he or she is a good leader. Of course I know that tangible successes inspire plaudits and are flattering. But truly capable executives must free themselves from such dependencies.

I am thinking of those who, because they are confident in their abilities, are well-balanced people and as they mature become both wise and humble. These people are often accorded a high degree of admiration and recognition, which executives seeking overt approval never achieve.

Conclusion

In closing, I would like to summarize the most important statements:

- Executives need to recognize the effects of their vanity on their companies and on their personal careers. Beware of hidden dangers!
- Vanity usually has a negative effect on corporate leadership. If a company recognizes the situation in a timely manner it can be possible to halt an executive's misconduct.
- Clearly formulated philosophy of life and sincere dialogue with people personally close to the executive can lessen the negative manifestations of vanity.

The public must realize that it is not uncommon for executive vanity to have devastating effects. Because the job of running a company comes with a responsibility to the public and to the company, the effects of vanity need to be understood and controlled. The job of an executive necessarily limits the possibilities of self-actualization in the form of self-representation.

