

Narcissistic Leaders: The Incredible Pros, the Inevitable Cons

In the winter of 2000, at the height of the dot-com boom, business leaders posed for the covers of Time, BusinessWeek, and the Economist with the aplomb and confidence of rock stars.

These were a different breed from their counterparts of just 10 or 20 years before, who shunned the press and whose comments were carefully crafted by corporate PR departments.

Such love of the limelight often stems from what Freud called a narcissistic personality, says psychoanalyst and anthropologist Michael Maccoby. Narcissists are good for companies in extraordinary times--those that need people with the passion and daring to take them in new directions.

But narcissists can also lead companies into disaster by refusing to listen to the advice and warnings of their managers. It's not always true, as Andy Grove famously put it, that only the paranoid survive. Most business advice is focused on the more analytic personality that Freud labeled obsessive.

But recommendations about creating teamwork and being more receptive to subordinates will not resonate with narcissists. Narcissists who want to overcome the limits of their personalities must work as hard at that as they do at business success.

One solution is to find a trusted sidekick who can point out the operational requirements of the narcissistic leader's often overly grandiose vision and keep him or her rooted in reality. Another is to take a leap of faith and go into psychoanalysis, which can give these leaders the tools to overcome their sometimes fatal character flaws.