

Pratch & Company

Insights Into Executives

Case Studies

These case studies reveal how business situations can conflict with an executive's coping style, diminishing his effectiveness. We provide excerpts from Active Coping Assessments of four executives within the same company.

This public company was founded by private investors to exploit opportunities in a rapidly consolidating industry whose competitive environment is not likely to soon settle down. The company has few managers and little in the way of procedure in its operations.

The first case describes the psychological functioning of Mark, the CEO. He was exceptionally capable at building the business in its earlier stages, but now is unable to relinquish control over operations in order to focus on strategy. As a result, the company is foundering.

Brian, Peter, and Mauricio are vice presidents in charge of financial operations in different parts of the world. Their required behaviors and accountabilities are identical, and they display many of the qualities that we associate with effective, A level business leaders. All are active copers, but each is quite different psychologically. Brian and Peter warrant grooming as potential future chief executives. Mauricio is very capable at his job, but has deep-rooted psychological issues difficult to address in a workplace setting. His growth and maturity will come through long-term psychotherapy. Barring a major personal crisis, however, it is unlikely he will see the need.

Mark, 53 (Chief Executive Officer)

Background Under Mark's leadership, the company took less than eight years to grow from \$80 million in revenues to several billion. Today the company is at a crossroads. Either it quickly grows itself into a \$5-10 billion company (through acquisitions) or it makes itself an attractive target to be acquired. For two years, the company has postponed a decision and as a consequence lacks a viable strategy for moving forward. While it continues to make acquisitions, these have been opportunistic, reflecting the company's ability to find attractive targets at good prices.

A charismatic leader, Mark generates tremendous excitement. He is intelligent and endlessly hard working, and he believes there is a moral center to his work. He is highly ethical, a strong communicator, and extremely good at connecting with people, particularly important customers. Far more than is common in the industry, he has attempted to make the company's organization and decision-making style reflect his personal values. Here he has been very successful, as the company enjoys a warmer and more collegial environment than its competitors. Many of the firm's best executives were creamed off from the firms he acquired, making for an

exceptionally capable group of operating managers. As these executives left or retired, however, Mark has not been as successful in finding replacements of the same caliber.

Mark's leadership style, unfortunately, makes for an organizationally opaque senior management. He refuses to publish an organizational chart, and, like the Ford Motor Company under the original Henry, employees risk being fired if they are discovered to have produced their own. Lacking titles and clear lines of authority, senior managers are forced to debate important matters in seemingly endless meetings and conference calls. As consensus-oriented as this process may appear, it is all but guaranteed not to produce results. Important matters (and far too many trivial ones) are necessarily kicked upstairs to Mark, as he alone possesses final decision-making power. Mark, in fact, enjoys meddling, and does not hesitate to overrule and ignore his senior executives when it pleases him, doing so without explanation or justification.

Despite the peculiarities of Mark's leadership, the company prospered. In 1998, Mark announced he planned to retire in three years. No longer able to ignore the company's organizational shortcomings, the board of directors pressured Mark to remedy them before he retired. Their concerns centered on the interplay between strategy and structure. Mark resisted their pressuring him, and the more he resisted, the more they applied pressure.

Active Coping Assessment The projective techniques indicate that Mark's internal conflicts over issues of power and authority undermine his considerable conceptual and interpersonal abilities. These conflicts emerge in a leadership style carefully tailored to play to his strengths and avoid his weaknesses. Mark has organized the company around his psychological need to deny that power and authority even exist. He resists formal hierarchy and uses the rhetoric of consensus and empowerment to pretend that all managers have a more or less equal say. The company possesses a careful vocabulary about managerial roles and their relative power. Managers, in fact, are never managers – they are leaders. Subordinates are never subordinates – they are protégés who take direction from their leaders. Mark is very definitely not the CEO – he is merely “a leader of leaders,” and often a “teacher.” Despite his apparent aversion to hierarchy and the trappings of power, Mark is almost despotically autocratic and arbitrary. Although he could never admit this, he makes it very clear that he, and he alone, is in charge.

Mark is unwilling – terrified even – of admitting what projective measures indicate is his passionate desire for power. Desiring power means yielding to aggressive impulses that are extremely frightening to him. Consequently, he must disavow them. At a very deep level of his psyche, he cannot tolerate his impulse to act aggressively. He wants very much to act rashly, even destructively, towards others while fearing that their intentions toward him are equally malign. The only way he knows how to control this impulse is to deny it exists – power, authority, hierarchy are simply assumed away. Of course, power, authority, and hierarchy do not magically disappear because Mark refuses to talk about them. His decision-making style, in fact, is fundamentally quite aggressive – do unto others before they do unto him. On the behavioral level, therefore, he effectively emasculates other executives while doing everything in his power to avoid their emasculating him.

The company has been unable to commit to a particular growth strategy because Mark resists the advice of his directors, consultants, and his own strategic planners. He does not want

to be hemmed in by anyone imposing options and choices – even if he agrees with their suggestions. Similarly, he resists the mandates of the board to define an organizational structure that will survive his retirement.

Armed with this understanding of Mark's decision-making style, the company's organizational and strategic shortcomings become apparent and easily explicable. When his control is challenged, he does not demonstrate active coping. Not only does he not allow his executives to make decisions, he is threatened by their competence. He tolerates capable executives only as long as they defer to his leadership. Even then, he sabotages anyone who might be a potential successor and rejects capable outside candidates. Action-oriented senior executive work around Mark's aversion to their making decisions by simply going ahead without consulting him and then "begging his forgiveness" for having been so rash and ill-considered.

Mark's conflicts with the board of directors are almost preordained. Directors are effectively his only superiors, and he will do virtually anything to resist their giving him direction or their making decisions that he would prefer to make. Because he cannot tolerate head-on conflict with the board, he usually will not overtly resist. Rather, he indicates his willingness to do as they would like while in practice he only goes through the motions. Mark is very good at dithering, of using motion to give the appearance of progress. This is the reason the company has gone three years without the strategy/structure matter having been resolved. The directors' increasing frustration only makes them more insistent that he act, and the more they pressure him, the more he frustrates their desires. Mark's tactic with the board is effectively brinkmanship – to go eyeball-to-eyeball and then see who blinks first.

Mark does not – indeed, cannot – see himself as hurting the company by these maneuvers. To the contrary, he regards himself in grandiose terms, as the savior without whom the company would come crashing down. He inhabits the company's most dramatic role and believes that, in these stormy times, he alone can save the company – just as he alone built the company. By being free to be capricious, to overturn decisions as he sees fit, he is able to preserve his power as pure potential, giving it a pristine quality that denies the limits of his actual power – the fantasy of a savior requires that he have unlimited power and make all decisions for the company. Despite his superficially nurturing and communal demeanor, other people's interest are finally of no consequence to him. The company exists as the audience and opportunity for him to act out his fantasy of saving them from their mistakes. He does not comprehend how autocratic his behavior actually is.

Having an increasingly weak management team is unfortunate because Mark sincerely does not want to fail. At work, he is driven not only by a tremendous fear of failure – of which he is aware – but also by a fear of leaving an environment that is warm and familiar – of which he is not aware. The company he created has become his home. He has no outside interests, and few outside social affiliations. He does not want a successor because that means he will have to leave the home he has created for himself.

Recommendations In many respects, Mark is the sort of leader a venture capitalist looks for to grow a start-up venture into a profitable business. Mark is a gifted and creative strategist who sees the big picture and finds meaning in the challenge of changing the world and leaving behind

a legacy. He does not seek to understand the future – he attempts to create it. He has a compelling vision and will take risks to make it a reality. He is detail oriented, exceptionally hard working, independent, and not easily impressed. He is deeply knowledgeable about the company's operations and its products. He is especially effective in attracting followers, and he does so through his elegant and sophisticated use of language to explain what he intends to accomplish.

But let us also be clear about his liabilities. He demands the organization identify with him and become the living embodiment of his values. His “teaching” involves indoctrinating his executives through speeches, memos, and occasionally confrontations he almost always wins. Despite the guise of a participative style, he dominates meetings and tends to overwhelm subordinates. Unconsciously, he wants to be a dictator but consciously tries to present the image of being a facilitator of equals. His unconscious wish to dominate others seeps through. Others sense it. It is evident in the effects of his leadership. But his mind sees only that which it wants to see and avoids that which creates so much anxiety that he must deny its existence. His leadership style is problematic in this period of the development of the organization. While he is relentless in pursuit of his goals, his passion is also marked by the primitive danger of extinction – Mark too willingly courts risk when the company would now be better served by procedure and routine. Adept at leading the company when it was smaller, Mark's methods have finally become inappropriate.

Mark's hands-on, controlling style is not suited to a huge corporation that needs to become even larger if it intends to remain independent. What were once his strengths have become his weaknesses. Rather than cope actively with the new demands of his expanded responsibilities to set corporate objectives, he instead retreats into minutiae and trivia. When he does involve himself in operating decisions, his managers neither seek nor welcome his meddling. As the demands on his leadership have evolved, Mark has been unable to adapt. He still runs the company as if it were a start-up. He is not prepared to listen to advice or delegate responsibility and probably believes that on most matters he knows more and has better judgment than any of his executives – or directors. As more independent-minded players leave or are pushed out, succession becomes a particular problem. He runs the greatest risk of isolating himself at the moment of success.

Mark has a tendency toward grandiosity. When the company was smaller, this grandiosity was a kind of competitive advantage because it allowed him to inspire, lead, and build. As the company grew, however, its achievements fed his grandiosity while shrinking his span of control. Feeling less and less in control, he holds on even more tightly to the illusion that he is right and others are not. Were Mark less conflicted about power and authority, were his own psychological growth to track the growth of the company, he would be able to share his power with his senior executives so they could operate in his stead, making decisions that he should not.

Mark's issues are deep rooted. Once an active copier, his conflicts over power and aggression are so great that he expends too much psychological energy defending against them rather than coping with the actual demands of his role. At the age of 53, he is not likely to outgrow them and they can only be addressed through psychotherapy. Coaching and mentoring

will not work because he is too emotionally remote. The problems identified by the board of directors will, in all likelihood, continue to be problems. When the board finally loses patience, Mark will be ousted.

Mark is a nearly ideal leader to build a start-up into a profitable business. Investors and directors must appreciate, however, that when the company requires more stable, routine management, his strengths will become liabilities. When bureaucracy and procedures are needed, Mark is not one to give up control. At that point, directors could facilitate his gracious exit by offering him the opportunity to repeat his success at another start-up.

Brian, 30 (vice president of finance for Asian operations)

Introduction Brian demonstrates congruency in active coping across levels of measures and in almost all situations. Unconsciously, he feels guilty about being successful and disavows his ambition. Although he strives to be successful, he becomes uncertain in situations that stimulate his competitive strivings. At such times, he can be overly circumspect in making decisions and may not move swiftly enough to prevent being exploited. These competitive situations are the only times when he demonstrates passive coping. Because he is generally an active copier and his good mental health, his shortcomings are extremely amenable to change. With increasing maturity, Brian may well outgrow his anxiety. But in the meantime, he should be mentored to respond in an appropriately assertive way.

Active Coping Assessment Brian is highly motivated to succeed and can be trusted to do the right thing. His integrity and values are beyond reproach. He pushes himself hard and expects similar dedication from those around him. Brian is well organized, paces himself well, and tolerates sustained pressure. In stressful situations, as revealed by the semi-projective and projective measures (and confirmed by Brian and his work colleagues), he remains calm and deliberate without sacrificing a sense of urgency. He is confident that all problems have solutions, and prefers to see tasks through to a conclusion. At times, however, the projective tests indicate that his conscientiousness can be excessive, causing him to devote more effort and resources to problems that others would consider reasonable.

Nevertheless, his judgment is generally sound. The psychological tests demonstrate that he sees the big picture as well as the details. He approaches problems in an orderly and analytical fashion. His thinking can be as abstract or practical as situations require. Cognitively, Brian's style is cautious and deliberate. His decision-making is thoughtful and logical. Aware of the limits of his expertise and knowledge, he does not move forward until he has a full understanding of likely consequences. Once he is confident he is doing the right thing, however, he is not afraid to act.

Brian, in fact, possesses an exceptional willingness to act under stressful conditions. He easily takes the initiative and urges others to follow his lead. Peers and subordinates trust his leadership and defer to it. His humor is warm and affectionate, giving him a natural ability to ease tensions in groups. As confirmed by the projective techniques, he picks up on non-verbal cues and emotional nuances that words and actions may not otherwise convey. During disagreements, he is able to maintain a human connection with opponents, which permits him to

advance his position without belittling others or needing to be hostile or aggressive. Brian meets all of the psychological requirements of leadership.

Brian is also, however, a near-ideal subordinate. Although he prefers to resolve issues on his own, his cautious cognitive style inclines him to seek guidance from senior, more experienced executives. He has the self-confidence to accept direction without feeling diminished.

Brian is a basically trusting individual. Still somewhat naïve, he does not yet recognize early enough when others are dishonest or manipulative. His cautious style requires he slow decisions down to his own timetable. He prefers to examine a problem from every angle and mull over his response before acting. Since many circumstances do not permit the luxury of delay, Brian needs to learn to act more quickly. While he usually knows what to do, he delays to make himself feel comfortable. He must learn to trust his judgment more so that he does act quickly when appropriate.

Brian delays acting because he feels guilty about his ambition. The semi-projective and projective tests reveal that this delay is related to a sense of guilt about his ambition. He fears that his competitive striving may destroy relationships that are sustaining to him. This causes him to dwell on problems and accept more than his share of responsibility for failures and mistakes. Indeed, he overextends himself, taking the world's troubles to heart. Moreover, when events do not unfold as expected, he becomes frightened and worried. He finds himself too tightly wound, unable to relax or sleep, and has difficulty concentrating on matters other than work. Brian's core problem is his severe conscience. On the one hand it fosters his consistent integrity and pursuit of success. On the other hand, it imposes on him responsibility for matters beyond his control. To meet these self imposed obligations, he overextends himself. He is unable to resist an inner voice of authority that compels him to take on more responsibility than is reasonable to accept – passively capitulating to these demands rather than actively and autonomously determining when enough is enough. His sensitivity and wish to be helpful make him vulnerable to exploitation, as he is unable to act quickly enough to cut off those who will take advantage. He may not be tough enough in situations that require punishment, discipline, or standing up to manipulators. The unconscious guilt triggered by these situations results in a passive coping response.

Recommendations Brian is well suited for the management of a start-up and could even be a potential CEO. He has an intense wish to master new challenges. If the company or its largest shareholders make the effort to groom him by exposing him to increasingly important financial and operating responsibilities, his achievement orientation will repay the investment many times over.

That being said, Brian is young and inexperienced. Therefore, his ambitions need to be more focused. Brian would benefit greatly from mentoring. Ideally, this person will not feel threatened by Brian's increasing success. He will have the confidence to share his experience with Brian while exercising a light touch regarding advice as Brian works to reach his own conclusions. The company's largest shareholders continue to make investments in other ventures, including start-ups. They need to take an active role in helping Brian mature so that when the right opportunity presents itself, they can position hi as CEO of a start-up.

Brian needs to learn to tolerate that he cannot do everything, that some things are simply beyond his control. When things go wrong, he tends to feel guilty. This guilt distorts his understanding of what is actually occurring, a temporary reversion into passive coping. At such times, Brian's strength – his conscientiousness – becomes a liability because it clouds his judgment. His mentor can help refocus his judgment by pointing out where he is not to blame. This will make him more hard-nosed and realistic in his appreciation of others' actions and their motives. He needs to develop a degree of skepticism about his rivals and peers and to take more assertive, even aggressive, stand when necessary. His mentor can help develop and hone his ability to read other's motivations and interests and respond more appropriately.

Brian is exceptionally well suited for the stress of running a start-up venture. For the time being, until he gains confidence, Brian would benefit from several years' grooming before stepping into the role of chief executive.

Peter, 46 (vice president of finance for North American operations)

Introduction Peter has a very healthy personality. With appropriate coaching, he can modify the inconsistencies in what is a generally active coping style. Although he describes himself as an assertive leader willing to confront conflict, the materials elicited by the projective techniques indicate that he cannot tolerate conflict. At times when he is required to take an assertive, autonomous stand as a leader, he may make concessions or withdraw from debate. He is aware of his heavy dependency on others. Fortunately, he has both the potential and the desire to learn to recognize when he feels threatened by conflict. This awareness will enable him to counter his inclination to withdraw or concede that would otherwise keep him from realizing his leadership aspirations.

Active Coping Assessment Well educated and extremely experienced, Peter came to the company with an impressive resume. He previously was the CFO for a division of a Fortune 100 industrial corporation whose revenues are larger than the total revenues of his present employer. He is conscientious, hard working, loyal, and trustworthy, and expects others to have these qualities. For someone who has succeeded in companies known for tough-minded management, Peter is genuinely warm and caring.

Peter is the consummate team player, self-effacing about his own achievements while being intensely competitive regarding the group's. These qualities are reflected in his self-description, what colleagues say about him, and how he responded to the semi-projective and projective tests. His leadership style works best in groups, where he will assert himself to steer others to consensus. Colleagues sense his commitment to their well-being and are often willing to yield to his persuasive powers, confident that he is not misleading or exploiting them. A conciliator who seeks points of agreement, he is extremely well suited for the collaborative work characteristic of upper-level management. Peter is a politician in the best sense of the word.

His approach is not without its drawbacks. His cooperative behavior is a way of avoiding conflicts focused on personal confrontation. He possesses a great fear of conflict, thereby inhibiting or limiting his active coping capacity in confrontive situations. Although he

described himself as able to confront poor performance and stand up for favored projects and proposals, his responses on the semi-projective and projective tests were incongruent with this self-description. Fundamentally consultative in outlook, Peter is uncomfortable making unilateral decisions. Moreover, when confronted by a person whose position is non-negotiable, he is more likely to concede than tolerate an impasse or breakdown in negotiations. Also, when he has to draw the line and control others, he may not exercise his power to its fullest. At such times, he will disappoint subordinates who expect him to behave more authoritatively.

Peter lacks the psychological autonomy needed to act independently of the group. Throughout his life, his strategy has been to blend in rather than stand out. He is willing to sacrifice aspects of his desires or ambitions in order to ensure harmony within the group. He is not aware of this sacrifice. His defining characteristic is his dependence on others, which, while a source of strength, also can be a liability. It serves him well when situations require building consensus and teamwork. It serves him less well when the action he must take requires him to tolerate divisiveness, lack of agreement, or bruised feelings. He values the goodwill and respect of his colleagues too much to be a truly decisive leader. He is limited when the role requires him to take a firm stance, push his ideas against opposition, or hold other accountable.

Recommendations Given Peter's tremendous capacity to cope with many varieties of protracted stress, combined with his experience, intelligence, and education, he is well suited to handle the demands of senior management. His Achilles' heel is interpersonal conflict. His leadership style requires him to sidestep situations that lead to conflict. With subordinates he can be too easily conciliatory and nurturing when the more appropriate behavior is to instruct or reprimand. Too often, when confronted by unpleasant conflict, he withdraws from the situation, unable to bring his other psychological strengths to bear to implement the obvious solution.

While this has the potential to be a very debilitating weakness, it is also amenable to change. Peter understands that his career is at risk of plateauing if he does not provide the leadership needed. He would benefit from coaching by a mentor who is not an immediate part of his management group. Such a mentor would require him to maintain a firm stand or make an unpopular decision. This mentor would support him in situations of conflict so that he can think clearly and take charge. Confronted by his vulnerabilities, Peter can and will surmount them.

For Peter to be a successful CEO, his collegial style of leadership would require a strong board of directors and a cohesive and supportive team of managers. Absent these conditions, for example, in a venture that requires placing large bets on unproven strategies or technologies, where disagreements over matters of corporate direction may be vehement, Peter's style is less well suited, for he may yield to his tendency to cope passively.

Peter may will be happier (and more effective) in a larger, more traditional corporate environment. Although his stability, experience, and mature leadership would give investors confidence in the depth of a new venture's management, he is himself unlikely to be comfortable as a CEO.

Mauricio, 37 (vice president of finance for European operations)

Introduction Mauricio is unlikely to overcome the psychological issues that undermine his achieving his career ambitions. On the surface, he is charming and easily able to seduce interviewers into seeing him as the powerful figure he claims to be. Although extremely talented and exceptionally bright, he does not have the underlying confidence in his competencies that would give him the psychological autonomy to pursue initiatives without seeking support from superiors. He copes actively only when he receives the positive regard of authority figures. Absent such symbolic demonstrations, he passively blames those who represent authority for his lack of satisfaction or success at work.

In short, he comes across well on self-report measures. It is on the deeper levels of behavior that his deeply ingrained passive dependence on external sources of esteem, predominantly superiors' approval and status symbols, are evident. This passivity and lack of autonomy is discordant with the active coping he demonstrates on self-report measures.

Active Coping Assessment Extroverted and expansive, Mauricio maintains an essentially aesthetic orientation to life and work. He derives enormous satisfaction from new experiences and stimulating situations. While he is a hard worker and can be disciplined and systematic, he dislikes routine and seeks to avoid it. His ability to improvise is exceptional, and he is comfortable with uncertainty and change. Earlier in his career, Mauricio was on track to become partner at a Big Five accounting firm. Hoping, however, to combine his skills in finance with an interest in long-range business development and corporate strategy, he left public accounting to join his present employer.

Mauricio excels at nurturing relationships. His ability to minister to the perceived need and desires of powerful superiors lies at the very heart of his success. He devotes considerable attention to relations with senior executives of large corporate customers, financial institutions, and large shareholders, government officials, as well as those at competing divisions within his own company. This social dexterity, combined with his strategic sense, makes him a capable negotiator. He is exceptionally able at explaining his position in ways that take into account the other person's perspective and needs. Attuned to what his listener wants to hear, he is facile at changing his self-presentation. These qualities make him a successful rainmaker.

Mauricio is adroit at reading other people because he works for their approval. He has a strong desire to be the center of attention. He strives to succeed in order to be admired and respected by superiors. Almost exclusively oriented towards pleasing superiors, he can be very high-handed with peers and subordinates. He rarely consults others and includes them only as absolutely necessary for his own success. Confident that his solutions are the right ones, willing and able to implement them, he is indifferent to what colleagues think. He sees them as objects he can manipulate in his quest to advance himself.

The projective measures indicate the unconsciously, Mauricio believes he is unworthy of being loved. To compensate, he continually demonstrates his competency at work. Through achievement, he earns the esteem of his seniors, which, in turn, makes him feel valued in ways he cannot find in himself. As inadequate as he feels, success at work fuels a propensity to think he can achieve what others do not think he can, and that he is permitted to cut corners and bend

rules when others may not. At the same time, he has a nagging suspicion that his sense of entitlement is unrealistic and unmerited.

To convince himself that he is in fact powerful, he relies on external symbols to represent his basic sense of self. The best external symbols are material – money and what (lots of) money can buy. Without them, he lacks confidence that he can take charge effectively. Less visible symbols, such as power and position within the company, are valuable to him only to the extent they allow him to play a starring role.

Desperate to be a star, he frequently acts as a prima donna. He exercises his skill at connecting socially with others primarily to provide himself with an audience. As much as he requires the approval of authority figures, at the deepest levels of his psyche, he regards them as weak and bungling – as less competent than he. If they disappoint him – and they inevitably will – he will abandon them and look for replacements. He makes his contempt evident towards superiors he does not respect. Because colleagues are never friends or even allies, he has no one to turn to when he does fail. His peers perceive him far more accurately than do his superiors and tolerate him only as long as he delivers results.

More than is typical of senior executives in larger corporations, Mauricio is sooner or later likely to quit or be fired. The moment he does not receive the approval and rewards he desperately wants, he is likely to leave in a huff. Because he has so few allies to protect him, he risks being fired for the kinds of setbacks or failures that better-liked executives would survive. As he goes from company to company in a series of high-level lateral moves to escape his sense of injury and disappointment, Mauricio will plateau in his career.

Recommendations Mauricio is too self-centered and insecure to be an effective leader. He is unwilling to be a loyal team player because he sees authority figures as bungling and prone to disappoint him. At the same time, he is equally indifferent to leading others or creating an environment in which others can succeed. As charming, even seductive in his appeal as Mauricio is, investors must be on guard so that they do not harbor false expectations that he will magically rise above who he truly is. If he were to join a start-up venture, the most investors could expect of him is that he be a member of senior management with important responsibilities that he will discharge with great skill and success. But they must remember that he requires considerable handholding. Incapable of being mentored, incapable of leading, he can only be managed.

The easiest way to manage Mauricio is for colleagues and investors to treat him as someone special. He is extremely susceptible to flattery. The more praised and respected he feels, the more flexible he will be in what he will do for the company. He will work extremely hard if he gets from his superiors the symbolic recognition he craves. When he asks for feedback on his performance, his superiors must remember that what he is really asking for is reassurance to counteract his wavering self-esteem as well as calling attention to a performance that is going very well

Mauricio's problems call for a stronger, more corrective response than most executives are able or willing to give. The psychological issues that drive his behavior are deep-seated. For him to resolve them, he needs psychotherapy. His problems are not amenable to coaching or

mentoring. An empathic therapist could give him the admiration he requires, which would enable him to focus on external matters rather than internal issues of self-esteem.

Mauricio is a wild card. Directors and investors should be wary of his seductive appeal and harbor no false hopes that he can provide the kind of leadership a new venture would need. He can be given important responsibilities that do not require leadership.