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The story behind the Story: Lessons in leadership

By Jack Keogh

Introduction

Last year, I wrote a book called "**Driving Straight on Crooked Lines: How an Irishman found his heart and nearly lost his mind**" It's autobiographical about my experience in one of the most powerful orders in Roman Catholicism, an organization where I worked for 20 years. This article is based on the events described in the book.

One of the challenges of being a priest in the Catholic Church is that the Chairman of the Board, the Pope, is infallible. My first CEO (Superior General), a Mexican priest named Marcial Maciel, founder of the Legion of Christ, did not claim to be infallible but acted as if he could never make a mistake. I obeyed him for some twenty years. After I left the Legion and discovered how many executives in the corporate world think and act as if they are infallible I realized how blessed I was to have had only two infallible bosses!

About "Business Books"

"Driving Straight on Crooked Lines" is not about commerce or strategy. It is about purpose, discovery, and character told from the idealistic perspective of an Irishman who "*found his heart and nearly lost his mind*." It can help you clarify your own position and the sort of leader you aspire to be. It might even show you how organizational genius and dysfunctional leadership can be at odds with each other, pulling employees and their leaders in opposite directions. By engaging with an organization (a Catholic religious order) quite different to your own business, you perhaps can think more intuitively about situations and ideas that challenge you, frighten you, or annoy you.

Every so often, business leaders need to rethink the ideas that drive them and make organizations run. Success in business as in life is not the result of following some guru's checklist – even though it is the implied message from many business books: do these things and you too can become an inspirational hero.

Success in life and in business is complex. To my mind, leadership must engage the sum total of who we are. It relates to how we deal with our families, our spouses and children, our employees, customers, stakeholders, and our creditors. **"Driving Straight on Crooked Lines"** may help you rethink some of your own ideas about purpose, leadership and organizations.

The story behind the story

One of the stories "behind the story" of my book, is about the devastating effect a dysfunctional leader can have on high potential individuals and teams and how a bad leader, combined with certain circumstances, can create a toxic organization.

This article explores the theme of toxic leadership more explicitly than the stories I tell in my memoirs. I hope it helps you delve a little more deeply into the complex world of **whole person leadership**. Although it is based on my personal experience in a religious order, I think you'll the ideas relate to any business or organization.

For a business to run smoothly it's essential that the Chief Executive Officer and his or her team be able to operate like a well oiled machine, cognizant of each other's goals, patterns, strengths, weaknesses, and able to work together to achieve success. An important key is to be able to **identify bad leaders early on**, and prevent them from reaching positions of power. Sometimes it's best to simply refuse to work for a dysfunctional leader.

My career started in an order known as "The Legion of Christ." It was founded in 1941 by a Mexican priest, Fr. Marcial Maciel (1920-2008). The organization quickly grew to have some 700 priests and 2,500 seminarians operating universities and schools in more than 20 countries from the US to Brazil to Chile and Spain. In the U.S., it operates 21 prep schools, a start-up university in Sacramento and the U.S.'s only three seminaries for teenage boys. The order's lay movement, known as Regnum Christi, has more than 70,000 followers around the world.

Dysfunctional leaders

Every successful business needs effective leaders to utilize the skills of staff in order to achieve the aims of the business. This isn't just a matter for larger businesses - even a business that employs only one or two people still needs the abilities of a good leader.

Most leaders produce both desirable and undesirable outcomes. However, dysfunctional leaders tend to have a selfish orientation. They focus on their needs and wants as opposed to the needs of their constituents and the larger social organization.

During the past five or so years and, especially as a result of the global recession and financial meltdowns, the media has focused our attention on several acclaimed leaders whose dysfunctional leadership has caused disastrous consequences, far beyond what we might typically be produced by simple "inept leadership."

Leadership scholar, Jean Lipman-Blumen, defines toxic leaders as those whose "destructive behaviors and dysfunctional personal characteristics generate serious and enduring poisonous effects...on those they lead." When a selfish individual attracts vulnerable followers, and environmental factors combine to create destructive leadership the result can be described as a "**toxic triangle**." Psychologists Robert and Joyce Hogan who have studied toxic triangles, estimate that at least <u>50% of executives fail, and that 60-75% of U.S. managers are incompetent</u>.

Toxic leaders work toward their own selfish ends and usually leave followers "worse off than they found us." Lipman-Blumen mentions Enron executives, Andrew Fastow and Jeffrey Skilling as examples of toxic business leaders, as well as leaders of cults, such as the Jim Jones. I submit that my CEO presented many of the traits of toxic leadership, leaving his followers "worse off than he found them" in many aspects of their lives.

Until a decade before his death in 2008, aged 87, my boss was a highly respected, internationally acclaimed, charismatic leader. I admired his vision, his commitment, and his drive. Of course, I didn't pay too much heed to the "minor flaws" I might have noticed in his personality had I taken the time to look. After all, I thought, "none of us is perfect and my boss is a respected leader." Little did I suspect the power of the" dark side" of his personality, the side I became aware of only after many years of loyal service. Indeed I don't think very many of his supporters and admirers chose to examine his flaws until he was in his late eighties. By then I had long since left his organization and he had become infamous in Catholic circles.

As I wrote my memoir "**Driving Straight on Crooked Lines**," I finally became certain that the leader I followed for twenty years, the CEO, with whom I collaborated very closely, was far more dysfunctional than I, our stakeholders, and the general public, ever imagined. In the wake of an intensive global investigation of the worldwide holdings of the organization, the Vatican took control of the troubled order in 2010. The investigation revealed the conduct of the founder and first CEO had consequences in the life and the structure of the organization that are "so serious as to require a journey of profound restructuring."

It turned out that the organization which had come to regarded around the world as wildly successful, efficient, and disciplined in an unusually short period of time, had very serious flaws. These toxic flaws are now attributed, mostly, to the dysfunctional leadership of the founder.

Is there such a phenomenon as "destructive leadership?" If so, what is it? What are the causes and contributing factors? What are the outcomes? How can we identify the traits in the leaders we choose? How can we mitigate its effects?

Destructive Leadership

Destructive leadership compromises the quality of life for an organization's constituents. It undermines the achievement of corporate goals. Despite apparent successes, a lot of people can be hurt and a lot of damage can be done. I will suggest, for the sake of a "case-study" that my CEO's leadership was "destructive" and not merely "deficient," and I will offer an explanation for why I think he may have behaved the way he did and how he managed to deceive so many good people. In essence, in this case-study, a perfect storm, also known as a "toxic triangle," came together to magnify the dysfunctional elements of a flawed leader. My objective is to see what lessons in leadership can be learned from my experiences and how these toxic triangles come to pass in organizations.

The Toxic Triangle

The concept of the toxic triangle, described by Art Padilla, Robert Hogan and Robert Kaiser in their 2007 white paper "*The Toxic Triangle: Destructive Leaders, Susceptible Followers and Conducive Environments.*" (Padilla, A., Hogan, R. & Kaiser, R.B., 2007) helped me begin to make some sense of my experience. They describe the factors that contribute to the initial "success" of a destructive leader.

According to the authors, negative organizational outcomes are the product of:

1. **Dysfunctional leader behaviors.**
2. **Susceptible followers.**
3. **The contributing environment in which they interact.**

The first point of the "triangle" resonated with my experience in management consulting. Like so many others, I first approached the notion of leadership in positive, constructive terms.

As I gained experience coaching leaders, I became aware of the importance of the hidden, "dark" side of personality that reveals itself in times of frustration and stress. A leader who is aware of the power of the "dark side" and who has identified the specific traits, based on personality type, which are likely to emerge has a decided advantage. So have companies who are cognizant of the "dark side" (which all of us have) in their succession planning. When the dark side of a leader's personality is ignored or left unchecked the long-term implications can be frightening. Witness the unprecedented corruption, scandals and bankruptcies in the recent past. Just as functional leaders can create wealth and success for a company, dysfunctional, destructive leaders can be extremely harmful.

1. - Dysfunctional Leader Behaviors.
   ## The first component of the "Toxic Triangle"

Charisma:

Studying the "dark side of charisma" is a relatively new phenomenon, pioneered in part by Robert Hogan who began researching in the 1980s. I borrow heavily from his understanding of the traits of destructive leaders. Most leaders tend to be charismatic individuals.

Typically, charismatic people:
- Self-promote, building support for themselves rather than pro-social causes
- Work long hours, having superior energy, stamina and persistence
- Some show remarkable achievement at an early age

Charismatic Leaders:
1. Have really good social skills
2. Tend to be bullies who use intimidation to get what they want
3. Use seduction and betrayal to charm people in to giving them what they want
4. Over-controlling and micromanage
5. Self-absorbed
6. Can deny people their basic humanity

Until a decade before his death in 2008, aged 87, my CEO was a highly respected, internationally acclaimed, charismatic leader. I admired his vision, his commitment, and his drive. In hindsight, it seems to me my CEO possessed many of the traits enumerated above. For instance, he founded his organization, against all odds, when he was barely twenty one years old. Thanks to his powers of persuasion, charm and resolute drive he successfully recruited talented followers. He did micromanage them, eventually controlling their every action, to a point that many would say denied their basic humanity. He made it quite clear, explicitly and implicitly, that those who were not for him were against him.

By the time he was thirty, his organization was solidly established in three countries on two continents. By then, in large part due to brilliant self-promotion, he counted on the enthusiastic support of the Vatican, financial backers, regulatory bodies, and some of the most important dignitaries of the Catholic Church.

Maciel, by most definitions, was certainly a "charismatic" leader. However, his bullying traits, his self absorption and his controlling techniques came to dominate the more likeable aspects of his personality. After I left his organization, he was dogged in his later years by allegations that he sexually molested young men studying to be priests, had affairs with women and was a drug addict. He evaded sanction thanks in large part to the privileged status granted him by the late Pope John Paul II. Only in 2006 did John Paul's successor, Benedict XVI, discipline Maciel by ordering him to stop functioning as a priest in public; by then, Maciel was 85. Think of the Pope as the "Chairman of the Board" for the sake of this business-case.

Narcissism:

Narcissism is closely linked to charisma and the personalized use of power. It is correlated with destructive leadership. Narcissists share some of the following traits:

- Dominance
- Grandiosity
- Arrogance
- Entitlement
- Selfish pursuit of pleasure.

My CEO was a world traveler, much of his travel apparently more related to his own pleasure than the pursuit of his organizational goals. During my time with him, he rarely showed vulnerability, and I don't think he fully recognized the shortcomings of his personality. Therefore he didn't deal well with his dark side.

He showed signs of an exaggerated sense of self-worth, he was quite convinced of his uniqueness, and he sought the admiration of those around him. Every request he made had to be taken care of immediately. Dealing with such a self-absorbed individual was tiring and emotionally draining. The narcissist doesn't really care about you, so you have to put your personal needs on hold.

I suspected my boss's excessive self-belief might have led him close to some psychopathic form of narcissism, where he couldn't live without constant admiration. A leader, who has derailed, believing in his own 'infallibility' can lead his followers over a cliff, even when they've received warnings from others. My boss never tolerated challenges to his leadership. He acted as if he were irreplaceable. The individuals whom he groomed to be directors and managers weren't usually the most personable or talented individuals. He picked them based on their piety and unquestioning acceptance of his authority. He surrounded himself with people who thought he was unparalleled. He used his most talented followers for start-up operations, administration, marketing, and public relations.

Robert Hogan and his associates mention other contributing factors to destructive leadership. These include parental discord, low socioeconomic status, paternal criminality, maternal psychiatric disorder, and child abuse - common themes for exploitive adults.

Childhood hardships, in the makeup of the destructive leader can also lead to an "ideology of hate." This may be the case of those whose self-hatred is turned outwards.

Why did I, and my peers, trust and remain loyal to a destructive leader for so many years?

2. - Susceptible Followers
The Second component of the Toxic Triangle

The experience of crisis in the relationship with their leader often turns the worldview of followers upside down, especially when hidden facets of their leader's personality are revealed. The realization of deception by the leader is extremely painful.

Hogan and his fellow researchers point out followers have been studied less often than leaders, yet their role in the leadership process is obviously pivotal. "Susceptible" followers usually consent to, or feel unable to resist a destructive leader.

Individuals whose beliefs are consistent with those of a destructive leader are likely to commit to his or her cause.

1. They need safety, security, group membership, and predictability in an uncertain world
2. Some followers actually benefit from destructive activities and thus contribute to the toxic vision of the leader
3. Needs for social order, cohesion, identity, and the coordination of collective activity can be found at the group level
4. There is also a natural tendency for people to obey authority figures, imitate higher-status individuals, and conform to group norms.

Followers can be divided into two groups: **conformers** and **colluders**.
Both types are motivated by self-interest, but their concerns are different:

1. **Conformers,** may be individuals who may have unmet basic needs, negative self-evaluations, and psychological immaturity comply out of fear. They try to minimize the consequences of not going along.
2. **Colluders,** who may be ambitious, selfish and share the leader's world views, actively participate in the leader's agenda; they seek personal gain.

Other factors may support the emergence of "susceptible followers."

The "needs" of the followers

The basic needs of followers must be met before their higher aspirations can be engaged. As I look back on many of the first "followers" attracted to the leader of my order, I have no doubt that many of them came from poor, rural backgrounds. Our leader addressed their needs by offering education, training, a sense of community, and the satisfaction of belonging to an elite group.

Poor self-esteem

People form basic conclusions about themselves concerning their sense of satisfaction with their lives, their jobs, their motivations and their productivity.

Those with low self-esteem often wish to become more "desirable," which prompts them to identify with charismatic leaders. Indeed, low self-esteem serves to distinguish followers from leaders.

A second conclusion we form about ourselves relates to our sense of self-worth in terms of our ability to perform well. The image we form of our worth influences the decisions we make about what activities to undertake and how much effort to spend on them.

The third concept we create about ourselves relates to whether we come to believe that we are masters of our own fate or that outcomes are determined by external factors. The latter belief is not conducive to considering oneself as a leader. Individuals who feel that external factors control their destiny (a belief greatly influenced by the culture in which we are raised,) are easier to manipulate. They can be attracted to others who seem powerful and willing to care for them. For instance, I suspect that the notion that God might be calling one to be a priest, or to join a religious order, is related is a cultural manifestation of an "external factor" which can control one's destiny.

Immaturity

Persons lacking a firm sense of self may be more inclined to identify with cultural heroes and to internalize the values of the "hero." A person who is psychologically mature is less likely to be attracted to a destructive leader. Conversely, psychologically immature individuals may be more likely to unquestioningly accept "authority."

Ambition

When a leader, or an organization, offers opportunities for personal gain – profit, education, prestige – ambitious colluders are easy enough to recruit. This dynamic is a function of our need to acquire and serves to attract us to a leader and an organization. The most ambitious followers will sometimes seek to get ahead without regard to the human cost.

Goal Alignment

The closer the leader is to the follower's self-concept, the stronger the bond and the greater the motivation to follow. Hence, when we find a leader with a vision and a worldview congruent with our own, we are more likely to follow. The more closely we pattern our behavior to that of the leader, the more we boost our own sense of worth and the more we bond emotionally. "Transformational" leaders align the goals of the leader and the followers.

Values

Followers who share a leader's worldview and values will be more inclined to follow him or her. A destructive leader who is greedy and selfish will tend to attract greedy and selfish followers. These followers will engage in destructive behavior, especially if they feel that it is encouraged or sanctioned by the leader.

3. – Contributing Environment
The third component of the "Toxic Triangle"

During times of instability and change, "followers" are more likely to accept an assertive leader. When a group feels threatened and a leader emerges, the individual followers may not notice the characteristics of the leader which otherwise might be a cause for concern or alarm. Those who become aware of the negative traits may choose to minimize or ignore them because they believe in the leader's vision

For instance when a group of people feels mistreated or threatened, they seek to find an assertive leader who can help remedy the wrong or mitigate the threat. The greater the threat the more easily followers overlook the leader's faults. A leader usually "emerges" to solve a problem. We thus have political, military, labor, religious, and social leaders.

Depending on the magnitude of the perceived "problem" that needs to be solved, a leader can enhance his or her power by advocating radical change to resolve the threat, right a wrong, or restore order. The perception of threat is all that is needed. Objective threats (like impending bankruptcy) are not necessary. Politicians of all stripes manage perceived threat (weapons of mass destruction, cost of healthcare, budget deficits, and etc.) Corporate leaders often frame the company's "competition" as the "enemy" in order to strengthen their power and motivate followers.

Within an organization closed to external scrutiny the dysfunctional traits of a leader's personalities are easier to hide. For instance in a cult, a shrewd leader has more opportunities to exploit unsuspecting followers.

In unstable situations, we are more likely to grant more authority to the leader because we know that instability demands decisive action. "Decisive action" sometimes means unilateral decision making. History shows just how hard it can be to revoke authority when the leader becomes a dictator.

Was there a "conducive environment" which enabled my former CEO to emerge as an international leader, gain the support of outstanding business people, Church hierarchies, and politicians?

A. - The Conducive environment: The Mexican Revolution and the Cristero War

The Mexican Revolution in 1910 had a huge impact on the Catholic Church in Mexico. It affected Catholic how Catholics perceived themselves and how they were perceived. One of the consequences was the so-called "Cristero War" a conflict between the revolutionary Mexican state and Catholics during the 1920s. It was in the aftermath of this revolt that Maciel founded his Legion. Over the years the Mexican governments have positioned the events as the Mexican Revolution as defending itself against a reactionary clergy in cahoots with prerevolutionary elites, both of which were trying to block progress and justice and were willing to invoke foreign intervention.

By 1940, the Catholic Church in Mexico had no legal corporate standing. It had been stripped of its real estate and had no schools, monasteries or convents. Clergy were forbidden to wear clerical garb. They were not allowed to celebrate public religious ceremonies. They could not hold a passport, nor had they the right to vote. Foreign priests were not allowed to enter the country. The Church had no access to defend itself in the courts of law. These prohibitions presented a constant threat although some of them were ignored by both Church and State. Virulent anticlericalism that has seldom been surpassed in any country was one of the most important results of the Revolution.

Fr. Maciel was born in 1920, ten years after the Revolution. When he was six years old the Cristero war started and continued until he was nine in 1929. The uprising, against the Mexican Government, was sparked by the on-going persecution of the Mexican Catholics who formed the majority of the population.

The rebels called themselves "Cristeros" because they felt they were fighting for Christ. Jesús Degollado Guizar was perhaps their most brilliant general. He was an itinerant salesman of pharmaceutical products before the rebellion and he was Fr. Maciel's great uncle. The two other top generals were simple priests. The army numbered 50,000 when it seemed on the brink of victory.

Other than at the very beginning, the Cristeros were not supported by the Mexican Bishops. There were 38 Mexican Bishops at the time of the Cristero War. Seven of them supported it. Most of the country's bishops were in exile in the U.S. at the time. The Holy See which had spoken out against the regime in Mexico City did not support them although it seems the Vatican never condemned their war. Fr. Maciel, was related to four bishops: Luis Guízar Barragán, Antonio Guízar y Valencia, José González Arias, and

Rafael Guízar Valencia. Bishop Guizar is now a canonized saint of the Catholic Church. The Cristeros believed they were a Christian nation, the "Kingdom of Christ," for which they were shedding their blood.

In 1927 a deal, fatal to the Cristeros, was reached between Church and State. Insofar as the bishops and Holy See went the route they did, instead of supporting the Cristeros, it could be said the peasant-warriors were betrayed by the very men for whom they fought. The documents embodying the "arrangements" between Church and State were signed in Mexico City on June 21, 1929. As for the Cristeros, Gen. Jesus Degollado sent a last-minute, desperate telegram to the Pope: "In grief we approach Your Holiness humbly imploring words to guide us in our present situation and not to forget your faithful sons." The telegram was never answered. The bishops agreed to the resumption of public worship. The government declared, (only verbally), that the Constitution of 1917, the supreme law of the land, would stand, but its anti-Catholic provisions would no longer be enforced. The story is further complicated by the interactions with the US Government of the time, the US Bishops, the Knights of Columbus, Protestantism, and Freemasonry.

B. - Conducive environment: The impact of culture

For the past many years authors on cross-cultural communication, such as Geert Hofstede, Edmund Hall, and Fons Trompenaars have illustrated how cultural differences affect our behavior. Their work has provided us with the intellectual framework, the specific terms and the dimensions of culture to open our eyes to the differences in behavior, communication, and management style which are influenced by culture.

In my work as a management consultant with multicultural teams, I often start by helping team members examine the values, beliefs and assumptions of their own native culture before they try to analyze a different culture.

It is important to learn how **geography, history and religion** impact our **values, beliefs and assumptions** which, in turn, shape the **characteristic behavior of a group**. Participants build a model to understand the dimensions of their own culture using the framework of values, beliefs, and assumptions. When this is done they move on to examine the points of convergence and divergence with the other cultures represented in the team. The point is to learn to recognize and respect the differences. Only then can the team begin to "reconcile the dilemmas" – as advocated by Trompenaars – which can arise from the clash of cultural differences.

Cultures are neither good nor bad. Just different. When we try to categorize cultures we look at the extremes and tend to overlook the areas in which they share the same traits.

The following four points refer to specific characteristics of Mexican culture which some readers will see as "exaggerated." In a sense they are, because they offer points of differentiation with other cultures. In no way am I suggesting that my CEO's Mexican culture <u>caused</u> his dysfunctional behavior. However some traits of his national culture contributed, in my estimation, to the sort of organization he created. His culture served as one of many contributing factors.

The Dutch researcher Hofstede designed a framework of cultural differences using four "Cultural Dimensions."

1. **Uncertainty avoidance**:
   This indicates the extent to which a society feels threatened by ambiguous situations. It ultimately refers to man's search for Truth. In uncertainty avoidance cultures, people tend to minimize the possibility of novel, unknown, or surprising situations by strict laws and rules, safety and security measures. On the philosophical and religious level there is a belief about truth: 'there can only be one Truth and we have it'.

   > **Mexico's** highest Hofstede dimension is Uncertainty Avoidance (82). This score suggests the ultimate goal is to control everything in order to eliminate or avoid the unexpected. As a result, on a deep cultural level, Mexicans do not readily accept change and, as a society, they are adverse to risk taking.

2. **Individualism and its opposite collectivism**:
   This dimension indicates the degree to which individuals are integrated into groups. Some cultures foster loose ties: everyone is expected to look after themselves and their immediate family.

   Collectivist cultures tend to integrate people into strong, cohesive in-groups. For instance, often the extended families (with uncles, aunts and grandparents) continue protecting family members in exchange for unquestioning loyalty. Such cultures prefer strong leaders to bring people together, in part to absolve the members of working out conflicts directly and to provide solidarity and group identity.

   > **Mexico** is a collectivist culture. This is manifest in a close long-term commitment to the member 'group', be that a family, extended family, or extended relationships. Loyalty is paramount, and is more important than most other societal rules and regulations.

The society fosters strong relationships where everyone takes responsibility for fellow members of their group.

3. **Power distance**:
This refers to the difference in authority, status, and privilege between individuals. Followers in high Power Distance cultures, especially those with low educational levels and big differences in wealth distribution, are more tolerant of the power imbalances that are associated with tyranny and despotism.

> **Mexico** ranks higher than other Latin neighbors in Power Distance (a rank of 81, compared to an average of 70.) This means that the population is more inclined to accept a high level of inequality of power and wealth within the society.

4. **Masculinity:**
Masculinity and its opposite, Femininity, refer to the distribution of roles between male and female values. The women in "feminine" countries have the same modest, caring values as the men. In the "masculine" countries women are somewhat assertive and competitive, but not as much as the men. Hence these countries show a gap between men's values and women's values.

> **Mexico** has the second highest Masculinity ranking in Latin America. This suggests the Mexican culture experiences a higher degree of gender differentiation of roles. A significant portion of the society and power structure is dominated by men. This situation allows a female population to become more assertive and competitive, although not at the level of the male population.

In cultures that are high on the **avoidance of uncertainty**, more **collectivist** (as opposed to individualism), and tending towards **high power distance**, a "dark leader" might be able to leverage these particular factors which of themselves are neither good nor bad.

The Hofstede Model of Cultural Dimensions is useful for classifying the differences between the cultures of different groups. However, it is important to remember that these "Dimensions" are generalizations. The average score attributed to a country does not relate to individuals of that country. Therefore, not all individuals or even regions within a country fit into the model. As always, there are exceptions to the rule. I use the model to suggest the possible impact of Mexican culture, as defined by Hofstede, to shed some light on the early leadership style of Fr. Maciel. Maciel was born and raised in the Mexican State of Michoacán, in the center west of the Mexican Republic. Remember though, Hofstede's cultural dimensions are not a "law set in stone."

C. - Conducive environment: Clericalism and the Absence of checks and balances

Organizations need "checks and balances"

Strong organizations (and nations) tend to have strong institutions and strong countervailing centers of power. Before the American constitution was written, traditional governments stood on three foundations: the monarchy, the aristocracy, and the established church. The framers of the US constitution could see that many governments, based on the aforementioned pillars, were capable of oppressing the many for the sake of an elite few.

Societies are capable of self-government but most of them need some mechanism of checks and balances to save the members from the ravages of greed and ambition. Machiavelli showed us how a clever "prince" with unrestrained ambition could manipulate power for his own ends. The American constitution is designed to provide an intricate system of "checks and balances," with different parts of the government serving to check other parts in order to sustain a balance between opposing tendencies.

Governments or organizations without such a system of dynamic balance can make it easy for individuals or parties to usurp power. That's why large corporations require an independent board to provide oversight – a system of checks and balances.

Leaders need "checks and balances"

Leaders need a measure of discretion to do their jobs. But, unchecked discretion allows destructive leaders to abuse their power. Because young, high-growth, rapidly transforming, and smaller organizations tend to have limited mechanisms for governance, a dysfunctional leader can wreak havoc in such an organization.

The less supervision there is the easier it is for the "dark side" of a leader to emerge. For instance, various researchers suggest these conditions characterized Enron at the height of its popularity on Wall Street. In my opinion, the Vatican which regulates organizations of religious and priests within the Catholic Church did not have a transparent system of checks and balances to effectively supervise and manage the emergence of new orders and their founders. During the clerical confusion which reigned in Mexico following the Revolution and the Cristero War (with many Mexican Bishops in exile in the US,) Fr. Maciel was able to play "both ends against the middle."

The CEO needs "checks and balances"

The Founder was ordained a priest by one of his uncles. It is not at all clear that he studied the curriculum of studies required for ordination as a Catholic priest. He had already been expelled from a reputable seminary but that didn't deter him or his patrons.

Most, if not all, his early activities took place under the radar of the institutional Church. From his early twenties on he basically was able to do as he pleased. He took his first followers from Mexico to Spain to Rome and by so doing avoided supervision by the "hierarchy." He was an effective and charismatic fund-raiser and in a remarkably short period of time he had established his major seminary in Rome. Soon thereafter he won the support and affection of Popes, Cardinals and influential business people who, because of his obvious "success" and apparent Church "approval," never stopped to do a background check on his "credentials."

A culture of apathy seems to have held sway at the Vatican where all power is essentially centralized in the person of the Holy Father. Fr. Maciel was able to thrive in this system of centralized governance once he had been accepted by the inner circle of powerful Cardinals. No doubt they shared his vision, his zeal for the Church, and were impressed by the amazing success of his foundation. Such an ethos, without the support of structures based the CEO to concentrate his power, create total dependence amongst his followers, suppress dissidence and suppress any opposition to his methods. (Legionaries made a solemn promise never to criticize a superior - and to inform the superior general (CEO) if they heard any criticism.)

To my mind, the absence of checks and balances to control the management of a religious order within the Church and the clericalism (old boy network) dominant at the Vatican and amongst the hierarchy are contributing factors to the "**conducive environment**" which forms the third leg of the **toxic triangle** that came together for my first CEO. For instance, why did the Vatican approve these "solemn promises" which were not in accord with the spirit of Church law? If the "authorities" did not know about the private promises, why did they not? By the time I left the organization in 1982, the Legion was well established in Mexico, Spain, Ireland, Italy, and in three dioceses in the United States. How come no one in "authority" (local Bishops, pastors etc.) seemed to be aware of some of the more obvious organizational dysfunction in the group?

My guess is that lots of those in authority noticed features that gave cause for concern - but they did little or nothing about it. Why? I suspect it was because of the absence of an *effective* system of checks and balances combined with a lack of communication between different jurisdictions.

Conclusion

One of the lessons I've taken from my experience of a dysfunctional leader and a somewhat toxic organization is to constantly question my perceptions and attitudes when I have decisions to make about which path to follow in my life, whether in my relationships, with my family or at work.

Am I choosing what is good for me in the long-term or am I falling under the beguiling spell of a message that is appealing to my emotional needs and my anxieties? Charismatic leaders are "heroes of management." It is easy to be swept away by their positive influence without paying much attention to their "dark side" and the potential harm it can do to followers and to the organization. Because of their extreme confidence and their ability to manage perceptions, charismatic leaders can easily foster corruption in their organizations. My first CEO was a master at manipulating the personality and will power of his closest collaborators.

When a leader does not allow for self-doubt and does not seek external validation of goals and methods, it is easy for him to become arrogant and to corrupt his conscience. Somewhere along the way, my first CEO lost his distinct moral sense of right and wrong. He acquired the ability to lie with great ease and to present an external façade, which allowed him to deceive his collaborators and his religious superiors. His ability to motivate followers, in the name of service to the Church, gave him opportunities to succumb to corruption while his impression management skills let him deceive and hide his improper behavior.

When I need to rethink the ideas that drive me and when I consider solutions for my clients, I recall the lessons I learned from my first CEO. Success in life is not the result of following someone else's advice. I ponder that I am always free to decide, and that the small choices and decisions I make today will decide what happens to me in the future.

"Driving Straight on Crooked Lines: How an Irishman found his heart and nearly lost his mind," by Jack Keogh

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