

Hubris or *hybris*? The case of challenge in the Apple boardroom

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Abstract: The management literature makes frequent reference to the hubris of chief executive officers. Research in the field describes their arrogance, grandiosity, narcissism over-confidence, and even “excessive over-confidence”, with warnings that pride goes before the fall. The ancient myth of Icarus and his attempt to fly to the sun appears in many such accounts. But that’s not what Plato and Aristotle had in mind when they wrote about *hybris*. This paper examines the signs of hubris – in the modern interpretation – against the evidence of *hybris* in the interaction between Steve Jobs and John Sculley at Apple Computer Inc. in the 1980s. It draws conclusions with salutatory lessons for executives, as well as for those who research their actions.

Introduction

In the literature of leadership, hubris has a growing and generally bad reputation (see Figure 1). Much of it has to do with the actions of chief executive officers, often in connection with strategic decisions like mergers and acquisitions, where hubris impedes level-headed judgement: for example, leading to overpayment in takeovers (Hayward & Hambrick, 1997; Roll, 1986). The effects of hubris may be moderated by structural constraints on managerial discretion (Li & Tang, 2010). It is often associated and even equated with excessive pride, over-confidence and narcissism.

Within the literature an undercurrent appears, however, a “bright side” to hubris, in particular with respect to entrepreneurial actions (Zeitoun, Nordberg, & Homberg, 2019). In start-up businesses a bit of hubris may be necessary to overcome the hurdles of launching any new business (Sundermeier, Gersch, & Freiling, 2020) or in undertaking a major overseas

expansion (Picone, Pisano, & Dagnino, 2021). Of course, many such efforts fail, perhaps because of CEO hubris. But those that succeed have limited downsides and unlimited upsides. At the level of an investment portfolio, a little hubris may, therefore, may be a good thing.

Much of it builds on the identification of a hubris syndrome by the British neurologist and politician David Owen,¹ who in papers of his own and with various colleagues has articulated a 14-point diagnostic scale (Owen & Davidson, 2009), half of which are also elements of Narcissistic Personality Disorder (APA, 2013). Owen’s work is largely based on evidence from the actions of major political figures in the 20th century (Claxton, Owen, & Sadler-Smith, 2015; Owen, 2006). While not formally recognised as a psychiatric condition, Owen’s syndrome hypothesis is nonetheless widely cited.

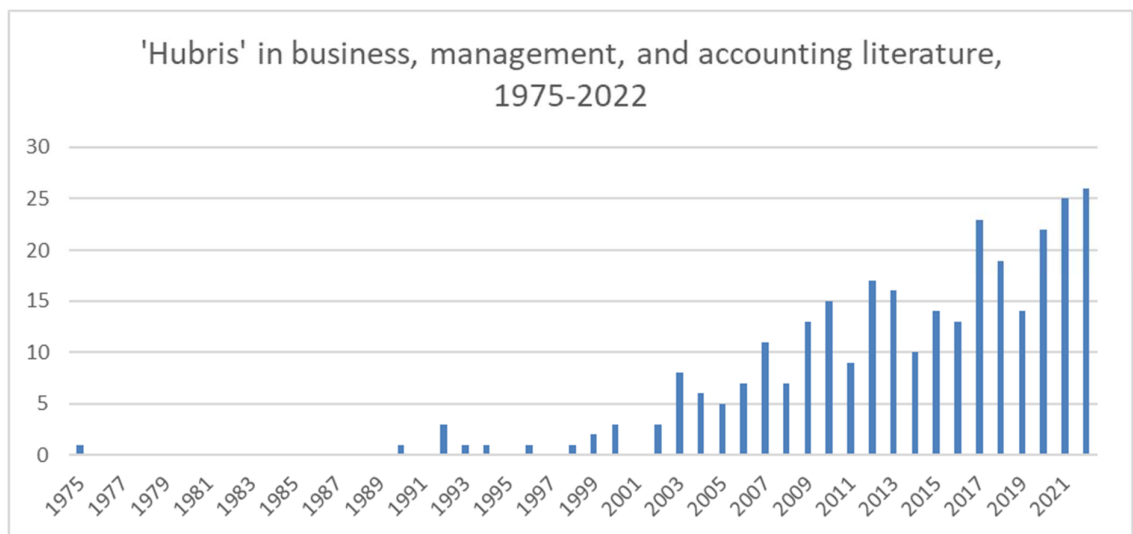


Figure 1 – Occurrences of 'hubris' in titles, abstracts, and keywords in academic studies in business, management, and accounting (Source: Scopus)

But what is hubris? What do scholars mean by it? How would we know it if we saw it? Many of these studies invoke the myth of Icarus, a young man determined to fly to the sun. He builds wings from feathers attached to a frame with wax, and then flies from a cliff. As he rises towards the sun, the wax melts, the feathers fly off in all directions, and he crashes to his death in the sea. Never mind what we now know about physics.

But is this what Aristotle was thinking about when he warned – in an alternative transliteration of the same Greek word – against *hybris*? The “bright side” view treats entrepreneurial hubris almost as a virtue, whereas ancient texts record *hybris* always in a negative light, as an offence against another person (Cairns, 1996; Fisher, 1976).

Desmond (2005, p. 43) describes how in the *Symposium* (e.g., at 215b7, 219c5, 222a7-8), Plato records Alcibiades’s accusation of *hybris* against Socrates for showing disdain, scorn and arrogance towards others. Cairns (2020, pp. 147-148) argues, “Aristotle regards the motivation that is necessary for *hybris* not merely as a wish to bring about a certain state of affairs or to affect a patient in a particular way, but also as the desire to please oneself by demonstrating one’s own superiority. A victim is certainly required; but so are a subjective disposition, a view of oneself, and a motive that is ultimately

self-referential.” *Hybris* thus involves two linked intentions: doing harm to another person while giving oneself pleasure through self-praise by doing so.

Let’s examine, then, a particularly fraught case in management folklore from a quarter of a century ago. It involves executives at an important company then and a massively more important one now. Apple Computer Inc. (now Apple Inc.), and its founder, CEO, ex-CEO, CEO again and now late CEO, Steve Jobs, exuded pride, overconfidence, and narcissism.

Oxford English Dictionary:

Hubris: Presumption, originally towards the gods; pride, excessive self-confidence.

1884 *Daily News* 28 Oct. (Ware) Boys of good family, who have always been toadied, and never been checked, who are full of health and high spirits, develop what Academic slang knows as *hubris*, a kind of high-flown insolence.

1923 J. M. MURRY *Pencilings* 272 So confident indeed did I become that I began to join in the scholarly chuckle at the vainglorious and foolhardy man—was ever a purer case of *hubris*?

1924 G. B. SHAW *St. Joan* v. 60 You have stained yourself with the sin of pride. The old Greek tragedy is rising among us. It is the chastisement of *hubris*.

1950 A. HUXLEY *Themes & Variations* 259 The Greeks knew very well that *hubris* against the essentially divine order of Nature would be followed by its appropriate nemesis.

Encyclopedia Britannica:

hubris, Greek hybris, in ancient Athens, the intentional use of violence to humiliate or degrade. The word's connotation changed over time, and hubris came to be defined as overweening

Figure 2 - Definitions of *hybris* and *hubris*

We'll examine competing accounts of Jobs's decision to recruit a new CEO, John Sculley, to lead the company while Jobs stepped back to focus on product development. Sculley ousted Jobs, only to be ousted himself a few years later, and the company soon wobbled to the edge before the board re-recruited its founder to lead it from the wilderness to become – after Jobs's death to cancer, the company constantly vying to be the most valuable company in the world.

The case of Apple

This section of the paper will examine the accounts of Jobs-Sculley through the record of Sculley's autobiography, published at the height of his power (Sculley & Byrne, 1987) and the authorised but no-holds-barred biography of Jobs, published soon after his death (Isaacson, 2011). These two accounts are remarkably candid about the relationship between the two men and give pointers to the understanding of both hubris and *hybris* in management.

Conclusions

As I was preparing this talk, one diversion led to another. Taking a break to complete a household chore, I listened to philosophy podcast "Partially Examined Lives". Two segments of roughly 45 minutes each explored the writings of the ancient Chinese ethicist Mengzi, known in the west by the Latinised name Mencius. It included a discussion of the degree to which different cultural traditions address a different way of thinking about the same universal human problem, or a different problem that another culture may have ignored. With the chore completed, I returned to my desk and wondered: If hubris is not *hybris*, could it be something else, something that the Hebrew tradition – at least in its street-slang version of philosophy – calls *chutzpah*?

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This argument suggests that both the practice and study of leadership might benefit from greater attention to behaviour associated with the ancient understanding of *hybris*. What we see in the convulsions in the boardroom at Apple during the 1980s and early 1990s is executives denigrating each other as a way of elevating themselves. The exception was Steve Jobs, who had the sense to recognise his own limitations and sought ways to compensate for them by seeking complementary skills from John Sculley. That Sculley then used his notionally senior position in the hierarchy to oust Jobs was an act of *hybris*, a vice in Aristotle's ethics that operates on levels relationships, and not hubris, in the modern sense, which is a trait of an individual without reference to others. In that sense, *hybris* is more vicious than hubris. We might condone hubris, even encourage it in situations where value focuses on entrepreneurial energy and innovation. By contrast, acts of *hybris* are to be condemned. Might *hybris* be detected earlier in the career of a budding executive, and nipped in the bud? Scholars and practitioners alike might do well to look for evidence of how ancient understandings of *hybris* might prevent it from creeping up to the boardroom, while allowing the bright side of modern hubris to maintain some role there in fostering innovation.

¹ Lord Owen served British governments in a variety of capacities. As a Labour Party Foreign Secretary in the late 1970s, he negotiated the Lancaster House agreement that saw the birth of Zimbabwe. He was later involved in attempt to defuse ethnic tension during the breakup of Yugoslavia. He sits in the British House of Lords as a crossbench peer.

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