Chapter 5
Exploring Signs of Hubris in CEO Language

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ABSTRACT
This chapter focuses on the potential for DICTION to identify inaptly hubristic language of Chief Executive Officers. CEO hubris is examined as a syndrome possessing identifiable symptoms that have possible links to CEO language and DICTION measures. The authors make some exploratory predictions regarding the nature of these links and assess them using the text of speeches of the former long-serving CEO of British Petroleum, John Browne. In a quest for validation, they then apply the results of that assessment to some oral and written examples of the discourse of News Corporation’s CEO, Rupert Murdoch. The results, although mixed, show some promise regarding the usefulness of DICTION in identifying hubristic CEO-speak. One interesting finding is that DICTION’s calculated variable, Variety, is associated strongly and consistently with the language use of Browne and Murdoch, evidencing a high Type Token Ratio. The authors attribute this result to Browne and Murdoch possibly experiencing low anxiety as they strived to manage impressions of themselves by inducing the outside world to “know” what they were seemingly utterly convinced about — their own superiority. The chapter concludes by suggesting some refinements and extensions of the study.

INTRODUCTION
Not every risk gets measured: there is one that never gets dealt with at all. It’s the biggest risk of the lot – that the chief executive gets so high on power that he or she loses the plot. Nowhere on a risk register have I seen “hubristic CEO” as a specific danger to the business, which is a bit of an oversight when you consider this is the common denominator in every corporate catastrophe you’ve ever heard of. (Kellaway, 2012, n.p.)

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For many years, we have studied the language of top corporate leaders – what we have termed their CEO-speak (Amernic & Craig, 2006). Our main focus has been the language of CEO accountability, particularly as it relates to financial reporting, auditing risk, and tone at the top (see, for example, Amernic & Craig, 2000, 2004, 2010; Amernic, Craig & Tourish, 2010; Craig & Amernic, 2011; Craig, Mortensen & Iyer, 2013). This interest has been stimulated mainly by our recognition of the broad social power of CEOs. In this vein, Jaques (2002, p. 9) has drawn attention to “The extraordinary power possessed by today’s CEOs [which he claims] comes from the impact they have on the outlook, the well-being, and the lives of the people they lead, and over whom they hold sway.” The consequent importance of continuously monitoring CEO language is further emphasized in Vignone’s (2012, p. 35) claim that “words sculpt reality.”

The leadership of influential organizations in public and private spheres has been a focus of strong interest across several disciplines for many years (Barnard, 1938). Over the past two decades, the study of leadership has become more nuanced in examining important psycho-social features such as leaders’ apparent narcissistic dysfunction (Amernic & Craig, 2010; Kets de Vries, 1994; Lubit, 2002; MacCoby, 2003). Directly or indirectly, much of this interest is related to what is termed “leader [or CEO] hubris.” Indeed, Ladd (2012, p. 105), writing in the American Behavioral Scientist on the BP Deepwater Horizon explosion and oil spill in the Gulf of Mexico, makes the strong claim that we are in “an era of corporate hubris.” In similar vein, Bollaert and Petit (2010, p. 362) assert that “[i]n corporate finance and strategic management, the idea of executive hubris has come to dominate perceptions of the psychology of top managers.”

The purpose of this chapter is to explore the potential for DICTION to identify the hubristic language of serving (and future) CEOs. We respond to the important call to provide “more clues, or alerting information… to identify Hubris Syndrome while [hubristic leaders are] in office” (Owen, 2011a, p. 11; see also Hiller and Hambrick, 2005, p. 314). The key question we address is: What clues does DICTION analysis provide to identify hubristic language? In exploring this question, we are mindful of two limitations. First, we do not purport to diagnose the CEO-as-person as being hubristic. Our focus is on the language signs presented by a CEO. Second, as we contend later, computer-assisted text analysis, although useful, is not a substitute for “close reading” of CEO text (Amernic et al., 2010). Rather, it is an important complement.

Our interest centres on the words used by those CEOs who are regarded to be hubristic. Do their words (in CEO speeches and CEO letters to stockholders in corporate annual reports) contain characteristic signs of hubristic language in DICTION output? Such an interest is consistent with our contention that the idea of “words-as-leadership” merits close attention. This is particularly so if the language and words deployed by a powerful CEO seem inaptly hubristic; and if the language used (at least partly) constitutes leadership by fashioning vocabularies of organizational discourse (Loewenstein, Ocasio, & Jones, 2012). Thus, we see an important potential role for DICTION (and other computer-assisted text analysis software) in identifying instances of CEO-speak that require more intensive close reading analysis.

The empirical part of this chapter explores samples of language attributed to Lord John Browne of Madingley, who served as Group Chief Executive [CEO] of British Petroleum (now BP) from June 10, 1995 to May 1, 2007. Browne is alleged to have been hubristic, especially during the latter part of his tenure. We develop a tentative template of DICTION-related predictions derived from our examination of Browne’s speeches as CEO. We then apply this template to the discourse of Rupert Murdoch, the founder, Chairman and CEO of News Corporation, the world’s second-largest media conglomerate. Murdoch, and the