High toxicity leadership
Borderline personality disorder and the dysfunctional organization

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Abstract

Purpose – This paper aims to assess highly toxic personality disorders in leaders, implications for organizations, and methods for assessment and intervention.

Design/methodology/approach – Action research was used, including a thick description case study narrative and application of the DSM IV-TR.

Findings – Personality disorders are a source of a highly toxic and dysfunctional organizational behavior; borderline personality disorder in a leader may serve as a systemic contaminant for an organization.

Research limitations/implications – A qualitative, case study approach may not lend itself to replication or quantification; usage of the DSM IV-TR requires clinical training in counseling psychology; the growing incidence of personality disorders in leadership warrants cognizance, ability to assess, the creation of early detection systems and methods of intervention.

Practical implications – Through the narrative of a case study researchers and practitioners can obtain a glimpse into the day-to-day operations and nuances of a highly toxic leader and how it impacts an organization; interventions and solutions are provided.

Originality/value – This paper calls attention to highly toxic leadership and organizational dysfunction by investigating borderline personality disorder as a prototype.

Keywords – Personality, Organizations, Leadership, Behaviour

Paper type – Research paper

Management scholars and practitioners have increasingly identified interrelationships between leadership and organizational dysfunction (e.g. see Frost, 2003; Kellerman, 2004; Levinson, 1972, 1976; Lowman, 2002; Lubit, 2004; Fox and Spector, 2005). Notably absent in the analysis of dysfunction is an explicit, systematic examination of high toxicity leadership and its impact upon organizational systems (e.g. see Goldman, 2005). In this paper I identify borderline personality disorder as a prototype of preexisting toxic behavior centered in an individual leader and permeating throughout an organization. At stake is the ability to assess and provide interventions for what I herein term "high toxicity" or extreme levels of dysfunctional leadership and organizational contamination as epitomized in personality disorders (e.g. see American Psychiatric Association, 2000; Maccoby, 2000, 2003). The farther reaches of dysfunctional and highly toxic behavior was captured in a statement by Kets de Vries when he explained that "some leaders go far beyond the abnormal ways of functioning... they go off the deep end" (Kets de Vries, 1995, p. 217). Through the presentation of a clinical case study utilizing the DSM IV-TR (American Psychiatric Association, 2000) as a tool for assessment, I provide a narrative of a dysfunctional leader and organization suffering from borderline personality disorder (see Appendix for BPD diagnostic criteria). The analysis and description is a product of my position...
Borderline personality disordered leadership

Dysfunctional background narrative

Favio Burnstein is a very strong personality at Sergio Mondo Fashion House in Miami Beach, Florida. As Senior Manager of the Creative Designs R&D Division, Burnstein has achieved legendary status. As some of the designers put it, “when Favio is good, he is very, very good, and when he is bad, he is wicked.” The “good” Favio has brought Sergio Mondo Fashion House (SMFH) from obscurity to international acclaim in a period of five years. When Favio first walked in the door he took on a new wave, punk, hip hop, MTV styled fashion house with a clientele in their late teens and early twenties. Favio brought a sleek international mentality and energy to SMFH, combining the best of high courtier from houses in Milan, Rome, Manhattan, London and Paris. Under the tutelage of Burnstein, SMFH graduated from the MTV genre into a sophisticated, high end, mature, worldclass universe of high fashion and international runways. Within a matter of a few years, Hollywood starlets, European royalty, and players around the globe wanted to step onto the red carpet in Favio’s Fashions. Favio Burnstein made such a splash, that his designs were more associated with “Favio” than with Sergio Mondo. But the CEO and CFO of Sergio Mondo Fashion House were tickled with the newly found status and success and were more concerned with keeping their celebrated leader happy than with questions surrounding who was upstaging whom. This was not about who took the bows and got the recognition. SMFH’s top brass lived and breathed success and they were enamored with Favio Burnstein. Favio was their ticket to be discussed in the same breath with Armani, Versace and the top international fashion houses.

Concerning his personal demeanor and physical presence at SMFH, Favio was “hard not to notice”. As stated by Joyce Ferber, one of the designers, “Favio was all business but seemed to wear his personality and private life on his sleeve.” Burnstein made it perfectly clear that he was a frequent gambler. Favio talked of his escapades at the dog track, with the ponies and in Las Vegas and Atlantic City. On some Monday mornings, Favio was on top of the world and other Mondays he was in the dog house. It all depended on how his impulsive and chronic gambling habit went that weekend. And he always bragged about his “speeding tickets” and the “scam of photo radar”.

There were some days that Favio shifted into his “soccer identity” and spoke of how he used to play goalie in “the old country” and he questioned “what in the world am I doing in this selfish fashion industry?” It was curious to hear a leader talk that seemed to openly debate what he had made of his life and whether he was in the right profession. There were days when Favio appeared very manly in his dress and manner and other days when he was in the words of Joyce Ferber, “south of a metrosexual.” As Morty, a colleague, put it, “there are days when Favio claims to be a man’s man and other days when he tries to convince everyone that he is bisexual or gay.” It wasn’t so much that anyone in the workplace really cared. It was just that Favio made a spectacle of himself. According to Morty, “Favio is so colorful and full of personality, but he also
seems so unsure of who he really is. Will the real Favio please stand!” In his relationships with staff and designers, one day Favio put subordinates on a pedestal. But according to Morty, “first you walk on water and you’re a saint and a week later Favio speaks to you in front of all your peers like you were a lower life form emerging from middle earth.” There were many times when Favio was the center of attention and kept all conversations going. Other times, he appeared lonely, very depressed, and he had been abandoned by his wife, his best friends, and “booted in the butt” by the company in Rome that “he put on the map”. Any talk about Favio has to recall that infamous “prime time” evening when Favio and everybody were frantically working on designs for a “through-the-roof” client from Paris. The stress level was surreal and Favio pulled an all nighter. The next morning, the workplace discovered that Favio had slit his wrists, turned suicidal and that 911 was called by Charlie Cement, the nighttime janitor. Favio survived that one, but suffice to say, Favio is a load! After that drama, Favio’s reputation became quite dark and legendary around Sergio Mondo.

As a leader, Favio was obviously flamboyant, dramatic, deeply troubled and enigmatic. He engulfed, lifted and confused his workforce. In the final analysis, Favio took his employees on a wild, steeplechase ride, through praise, hyper compassion and wild success, to depression, anger and despair. The workplace seemed to take on characteristics of Favio’s personality. Francesca, a former model turned fashion designer, in her late thirties, was initially put on a pedestal by Favio. She was beautiful and brilliantly creative. Favio raved incessantly about Francesca’s designs at SMFH meetings and wrote e-mails to the entire staff inviting them to emulate the “elegant and innovative, Ms. Francesca Jerry,” and follow suit. She was treated as if she was a princess, and a brilliant one at that. Favio clearly idealized Francesca and held her up as a role model. Although other designers might come up with an excellent innovation, it was always a question of “finally reaching Francesca standards”. Favio would say, “for us to break through the fashion industry’s roof and sail toward the sky and rain on the design world, we do as Favio and Francesca does.” But, when it was a bleak day and mood, Favio turned around and trashed his own designs and entire career and pulled Francesca down with him. The workplace was flabbergasted.

Ironically, it was Francesca who first spoke up with human resources by expressing her “deep concerns about Favio and what the hell is going on around here”. Francesca later filed an internal grievance against Favio Burnstein for “extreme cruelty and barbarism in the workplace” and for “harassment, sexism and discrimination that I wouldn’t wish on a dog or a pig”. The grievances filed with the human resources department were questionably handled, and according to the plaintiff, Francesca received little if any satisfaction. Ms. Francesca Jarry followed with a civil law suit alleging harassment, workplace discrimination and cruelty against Sergio Mondo Fashion House and Favio Burnstein.

At the point where Ms Jarry filed her law suit, the CEO, Calvin Rodriguez attempted to more directly engage HR and the Employee Assistant Program in conflict resolution and in a possible assessment or counseling of Mr Burnstein. Favio appeared to be stigmatized by any questioning of his sanity and made it perfectly clear to the CEO and HR that he did not want “to be seen in EAP or anywhere near the seventh floor or everyone would think that I went postal and I’m a lunatic”. Apparently, the EAP offices were located on the seventh floor and any time spent on this floor of the SMFH building earned you an instant reputation as “loco en la cabeza”. In response to their
inability to initiate any internal remedies and the escalating grievances and charges against Favio Burnstein, Sergio Mondo was not only concerned, they were very perplexed. Apparently, Ms Jarry’s experiences were not unique. It was reported by HR that Favio Burnstein had a “very erratic personality and way of dealing with employees”. It was stated that Favio alternated between praising employee accomplishments in a grandiose fashion and devaluing and outrageously humiliating and belittling these same designers on other occasions. To make the company crisis even more acute, Favio’s outbursts of adoring adulation and disgust and debunking were always conducted in public. Saving face for employees was not high on Favio Burnstein’s list of leadership skills. Another staff member reported that “Favio turned livid and totally crazy when I was exactly nine minutes late to a meeting due to the fact that they closed part of the highway that I drive on to get to work”. The employee stated that she attempted to tell her reason for being late to Favio but he “refused to hear me and ranted and raved and acted like I killed his father or something by coming late. He was screaming in front of everyone and he scared the holy ghost out of me. He scared everybody! You could hear his wild, screaming, ranting psycho voice 14 miles from here!”

In narrative interviews with employees, anecdotal evidence revealed that Favio was equally unpredictable in his socializing with subordinates. Some days Favio would spring for lunch, take two employees out and treat them like they were international movie stars. Three weeks later, the same employees were out at lunch with Favio and he sneered, treated them like inferiors and dogs, and snickered about the “fifth class designs” that they were turning out. Favio humiliated his employees in public. He was widely known for kicking his voice up several octaves and screaming obscenities at the top of his lungs. Francesca Jarry added that Favio got irate with her at a weekly designers’ meeting and cried out in public that she was a “third class human being who should go back to the third world”. Jarry stated that “Favio was so angry that he spit on the floor behind me. I was walking out of the room to get away from him and the whole humiliation”. The “third world” ranting was of particular concern to Francesca since she was originally from Quito, Ecuador, and felt that she “was being demeaned and diversity laws were being trampled on”. Overall, designers and staff interviewed reported that Favio’s personality was “beyond bizarre” and was “unpredictable and erratic in the most dramatic, unbelievable and scariest kind of way”.

**Initial assessment**

Sergio Mondo Fashion House is a smaller company with 711 employees. A total of 212 employees were under the leadership of Favio Burnstein’s “design division”. Over a period of approximately ten months, nine complaints and five formal grievances were filed with HR. Some of these employees were also in consultation with the employee assistance program. Of these, two were escalated into pending formal litigation. The majority of the allegations contained references to the type of behavior already referenced. HR and the Sergio Mondo CEO, Calvin Rodriguez, wanted to handle this problem “in the most discreet manner possible”. Rodriguez had been concerned all along about the Americans with Disability Act rights afforded Favio, and the fact that if he had any “official” mental or emotional problems that this was all protected as privileged information. Meanwhile, HR and the EAP attempted on numerous occasions to sit down with disgruntled employees and with Mr Burnstein to attempt to find
reasons and solutions for these workplace conflicts. The disturbances reached a crescendo when there were allegations from a top designer, Miles Berish, that “Favio purposefully gave me six assignments over two days so that I would fall on my face. When I questioned him, he told me, and I quote “you should forget about your personal life, Miles, if you want to be a designer under me. You are lucky I am even giving you three seconds of my time, you gnat”. Once again, Favio got so angry that he spit on the ground near Mr Berish and slammed his fist through a thin wood door, drilling a hole through the wood and fracturing a bone in his right hand. Another grievant alleged that “Favio complemented my work at our weekly meeting and later that same day called me vile names in an e-mail that he sent to about 90 people in our division that I work with everyday!” Still another grievance reported that Favio Burnstein “cursed me out in front of two of our biggest clients and accounts and he set me and our company up for failure. We lost the clients because he had an indignant tantrum! Am I dreaming or is this sucker sick?”

HR contacts the consultant/executive coach
The HR department contacted me after 13 months of complaints and faced with two potential legal cases. They invited me in for a series of three long talks that included the CEO, Calvin Rodriguez, and a representative of the EAP. They were extremely concerned with internal grievances, pending litigation and a massive, destructive trend in the design division. Clearly making the point that design was their “bread and butter,” CEP Rodriguez disclosed that Sergio Mondo had lost four “very substantial accounts” over the last six months. Over the past year and a half, “since Favio got weird,” they had a net loss of approximately 12 key clients. Their company was “going in the dumpers” and “all roads seemed to point back to Favio Burnstein”. They were convinced that there was no quick solution and they had tried to talk with Favio on numerous occasions and they came up “empty”. They were still struck by his track record and talents and dumbfounded by the downward spiral. Since the Favio problem emerged turnover had reached epidemic proportions. Turnover was always high in the design division but it had “gone through the roof” since Favio “turned psycho”.

In the process of conducting a limited organizational needs assessment, including semi-structured narrative interviews of chief officers and the director of HR, I found out that despite everything, Sergio Mondo did not necessarily want to fire Favio. I uncovered little if any client or organizational resistance from executive management and HR, and rather found an extraordinarily high level of support for a consultation. Clearly, the top brass had already conducted their own needs assessment but this turned out to be fairly consistent with my own assessment. CEO Rodriguez and the director of HR, Manny White, felt “strangely stuck with the loco genius” and wanted to see whether they could “salvage his brilliant and innovative side and get his personal garbage out of the picture”. They genuinely wanted to explore and get to the bottom of all the conflicts and see whether Burnstein could be salvaged. CEO Rodriguez made it crystal clear that “Favio is a remarkable yet trouble man. Whatever is going on, I want to save him and make him a fixture at Sergio Mondo. The good and brilliant Favio is absolutely, positively irreplaceable”. Rodriguez was very much swayed by “the first two golden years with Favio when Sergio netted in excess of 55 million dollars under his twisted leadership and brilliance”. I was struck by the “twisted leadership” reference.
The consultation may have been initiated by a series of internal organizational crises within the fashion division of Sergio Mondo, a condition that spread to HR and the grievance system, but our collective needs assessment pointed toward a single, primary source – Favio Burnstein. The next issue in the consultation strategy was how to make initial contact with Favio. Was this going to be “required” by the CEO and/or HR that Favio see me as a client? The decision was that HR would make a “strong recommendation” that Favio consider “talking with an outside expert”. Since I alternatively wear hats of psychotherapist, management consultant and executive coach, how would I identify myself to Sergio Mondo, Favio and other members of the organization? Would I risk stigmatizing Favio by referring to myself as a psychotherapist, and positioning him as “patient?” Or would it be more comforting to identify myself as “executive coach” or “management consultant” with Favio occupying the role of a “client?” We collectively decided on the “executive coach” hat. But HR had some reservations, however. In the event that my clinical psychology background pointed in the direction of a psychopathology, then this would have to be appropriately addressed and might entail a changing of hats. These concerns were due to the company’s preoccupation over the Americans with Disability Act. In the event that Favio did have “official mental or emotional problems” and “there was a psychological diagnosis” they recognized that the coaching might morph into a therapeutic consultation bound by privileged communication and the fact that Favio had significant “rights” as a mentally disabled worker who just happened to be functioning in a leadership role. HR and the CEO asked a number of questions concerning whether Favio would wind up being a “protected class of employee” if he was “mental”. I referred these very delicate issues to their company lawyers and stayed closely in the loop. I assured Rodriguez and HR that everything would remain completely confidential and that we would consider options once we got further down the road into the coaching situation. Inasmuch as I approached coaching with a strong thrust of trust and relationship building and therapeutic dialogue, I anticipated that any conversion into the psychotherapeutic realm would be fairly seamless.

Executive coaching consultations with Favio Burnstein

Mr Burnstein contacted me via e-mail and we set up a first appointment in my professional office, miles away from Sergio Mondo. Favio was candid and savvy. He knew something was really the matter. Favio felt “empty” and in rapid fashion disclosed some of his concerns in the workplace and in his private life. Favio was graphic about his substance abuse history, reckless driving record, sexual escapades with numerous “love partners” and what he himself labeled as a “somewhat reckless and unstable past history”. Burnstein had a pattern of very hot and cold workplace and personal relationships, fleetingly intense and then out the door. He idealized lovers and workers and alternatively shattered them in public, bringing them down in fits of anger. Favio’s world was very “black and white”. His real self or identity was very shaky and he gravitated toward extremes in his personality. You were either completely on his side or a mortal enemy and to be scorned and shunned. Favio felt very vulnerable in the workplace and in his personal life. He claimed that “everyone walks out the door on me. I can’t trust that anyone will stay”. He went on to disclose this pattern in his love and family life, and also at Sergio Mondo. Clearly, there was a pattern of turnover and instability throughout the fashion industry and particularly in
the design division of SMFH. He said it “made him feel insecure”. He confessed that “I
read in a paperback romance book about SAD, you know, separation anxiety disorder,
and I bet I have that”. Favio desperately wanted stability in his workplace and this was
connected to his “feelings of emptiness” and several incidents where he “slit his wrists”
because “it was all crap and I couldn’t stand the stress and I desperately wanted
everyone to salute Favio and tell him I will stay with you forever”. When he suspected
that there was going to be a revolving door at Sergio Mondo, he subconsciously
empowered himself to be abrasive and abusive and kick designers and staff out the
door before they would have a chance to abandon him. Favio wanted to beat his
subordinates to the punch.

Working with Favio’s psychological issues as cues and prompters I gradually made
the transition from coach to psychotherapist explaining to Favio that I “wore both
hats” and that the “therapy hat would allow me to do a better, more comprehensive
job”. Favio was a bit baffled but pretty much unconcerned. I explained that in the event
that it was necessary, I might come up with a psychological diagnosis at some point in
time. Favio was agreeable. I officially announced my identity as psychotherapist. I
believe that the business, workplace and leadership “persona” of initially dealing with
an executive coach allowed Favio to open up, take down his defenses and let the
personal issues gush out. At that later point, it was not difficult to transition to
therapist inasmuch as the territory had already been entered and it was for Favio only
a slight alteration in the semantics and identity of the professional he was disclosing to.

DSM IV-TR diagnosis: individual and organizational
Over the course of several months of sessions conducted two to three times per week, I
increasingly recognized that Favio Burnstein’s erratic and destructive style of
leadership, and deeply troubled intrapersonal and interpersonal behavior was centered
in a pre-existing (prior to Sergio Mondo) “borderline personality disorder”. This
disorder (DSM IV-TR 301.83) is characterized by:

[... ] a pervasive pattern of instability of interpersonal relationships, self-image, and affects,
and marked impulsivity that begins by early adulthood and is present in a variety of contexts
... (American Psychiatric Association, p. 706).

Favio had a longstanding pattern of undermining his achievements just when he was
about to reach his goal. His borderline personality disorder was prevalent when he first
dropped out of high school in the last month of his senior year and returned to obtain
his GED some five years later. Similarly, he dropped out of his Bachelor’s degree
program in college in the last semester of his senior year and returned later to obtain
that degree. This predictable pattern was repeated yet again in his MFA program
when he withdrew his senior year and returned some seven years later to complete the
degree. Ironically, after his first two years at Sergio Mondo, Favio was reaching his
goals and was very successful, exceeding all personal and company expectations in
innovation, design, expansion into an international client base, world markets and
profitability. But in typical, undermining, borderline personality disordered fashion,
Favio jumped ship and started to sabotage his efforts and the workings of his
designers and staff. His troubling and self-defeating interpersonal patterns of
destructive behavior, severe doubts regarding identity, self-worth and abandonment,
and lethal driving, gambling and promiscuity took over. The once again active
borderline personality disorder was boldly expressed throughout the Sergio Mondo workplace and Favio emanated dysfunctionality. In addition to his pre-existing borderline personality disorder, there were precipitating factors in the organizational environment that contributed to the reappearance of Favio’s older symptoms. The center of the “triggering” is the instability of the designer world and how this played into the many insecurities and abandonment issues faced by Burnstein. Clearly, Favio’s personality disorder made him a poor fit for a transient organizational culture. Favio was desperate for stability, for a workplace that was not in constant upheaval. Although Favio was a worldclass innovator in design and thrived on constant change in the clothing industry, a closer examination revealed that he always did favor the “classics that never go out of style”. In the interpersonal realm, Favio was extraordinarily vulnerable to turnover. In examining the interface between individual leader and organizational system it is fairly clear that in cases of leaders with pre-existing personality disorders, extremely stressful and disruptive forces in the daily workings of company life will necessarily fuel the pathology. The coach or consultant addresses the issues of “organizational fit” and “triggers” and attempts to negotiate more favorable conditions alongside treatment of the personality disorder. It is an example of blending individual differences research with a more systems dynamics approach (e.g. see Senge, 1990; Von Bertalanffy, 1950, 1968). In this case, Favio is extraordinarily valuable as a leader to his company and Sergio Mondo was amenable to become more of a “learning organization” in order to preserve their eccentric and troubled meal ticket.

The fact that Favio suffered from a long-term personality disorder in no way diminished the severity of the abusive and harassing behavior dished out by the leader. Many of Favio’s subordinates viewed themselves as targets of emotionally abusive behavior characterized by “hostile verbal and nonverbal behaviors (excluding physical contact)” (e.g. see Keashly and Harvey, 2005, p. 203). Some anecdotal reports of the effects of emotionally abusive behavior by Favio’s subordinates included: negative mood, anger and resentment (see Ashforth, 1997; Richman et al., 1999); anxiety (see Tepper, 2000); decreased psychological well-being and lowered self esteem (e.g. see Cortina et al., 2001); reduced organizational functioning and decreased job satisfaction (e.g. see Keashly and Jagatic, 2000); job tension and greater turnover; work withdrawal behaviors and greater intention to leave (see Harvey, 1996); increased absenteeism; decreased productivity (e.g. see Ashforth, 1997); and decreased organizational commitment (Duffy et al., 2002).

Through a high impact, incremental approach to executive coaching (see Schaffer, 2002) and rational-emotive psychotherapy (e.g. see Ellis, 1993), I increasingly understood some of Favio’s internal locus of control issues and how his disordered world is ordered. We were still left with decisions regarding individual and organizational interventions for both Favio and Sergio Mondo Fashion House. After diagnosing Favio with borderline personality disorder and referring him to his internist, medication was prescribed for his personality disorder and he began a drug treatment regiment conducted in concert with an agenda of talk therapy.

At Favio’s urging and as a result of extensive communication with Sergio Mondo’s HR department and CEO, Calvin Rodriguez, he wanted to “open up a dialogue about his borderline personality disorder” with key employees who had filed grievances against him. He said that he “wanted to be a man, not give excuses, but face the facts
and clear up the mess and move on to greater things”. There was a month long delay due to ADA, Title I issues handled by the attorneys. Finally, Favio “received clearance to communicate and open up”. In a series of meetings and group sessions, Favio, myself, and at times members of HR and the CEO, all participated in some key “psychological” and “management consulting” issues aimed at reinstating the “golden era of Favio’s first two years at Sergio Mondo”.

Improvement in the mental and emotional health of Favio Burnstein was anecdotally tied to an increase in overall Sergio Mondo motivation and profits, and a decrease in hostility, turnover and retaliation from his staff. I viewed the coaching and psychotherapy with Burnstein and employees as part of a broader systems consultation with Sergio Mondo. Assuming that Sergio Mondo Fashion House was a living organizational organism and an open system (e.g. see Von Bertalanffy, 1950), I perceived Favio as a pathological part and nexus of a systemic problem engulfing a significant number of employees. My continuing work with Favio led to more systems consultations with Sergio, in an effort to integrate both the part-problems and the organization’s processes (see Levinson, 1981, 1987, 1991, 2002). I worked on the assumption that the individual progress made with Favio Burnstein alleviated not only mental and emotional pain and anguish but gradually cleared the way for personal productivity in his position as a leader within his company. In essence, it is not too much of a stretch to hear the executive consultant or organizational psychotherapist reflect on the treatment and successes with an individual leader and state that “this increased productivity is potentially leverageable for the increased productivity of the entire organization” (Lowman, 2002, p. 153).

Interventions and postscript
In a series of “escalations” I moved from a more individually focused coaching and psychotherapy orientation to a more companywide, systemic consultation. Once Favio convincingly came out of the closet, loud and proud about his “disorder”, a series of team consultations followed. After several months of healing talks and group sessions, I attempted to strategically propose significant organizational change in the form of a plan to consider a “dual leadership” approach to the design division. As Favio felt progressively stronger and his symptoms went further into remission, I came up with a conflict resolution and systemic change strategy initially pitched to Rodriguez and then to HR. Francesca Jarry’s litigation was still pending with a court date rapidly approaching – but her persistence and drive was dissipating due to the progress being made with Favio and the entire division. Healing was underway. Francesca was at first reluctant to attend our management consultation sessions (later to be termed “conflict resolution meetings”), but finally did check in for a few breakthrough sessions. The ice was broken and she began a minimal dialogue with Favio. Influenced by the fact that Francesca had been in leadership positions in the past and that Favio was wounded but improving, my proposal was that Francesca would serve as a co-leader with Favio. I hoped to approach some conflict resolution first via our consultations and dialogues and secondly through our new therapeutically guided partnership in leadership. I drafted, with the assistance of HR and the attorneys, a plan for a six month trial period of dual leadership. Meanwhile, HR and the CEO further negotiated with Jarry’s attorney that if this co-leadership experiment was successful and Burnstein satisfied Jarry’s request for apologies, that the lawsuit be dropped. In addition, for a period of six
months, team consultations and conflict resolution meetings with the division would precede enroute to a longer term and deeper healing. During this period of time I was also engaging two counselors from the employee assistance program of Sergio Mondo, in a train-the-trainer agenda as a vital part of the consultation is long-term organizational follow-up, commitment and implementation. Following best practices of high impact consulting (Schaffer, 2002), I was engaged in an incremental, sub project of a larger systemic and organizational consultation. We were collaborating in the individual and group healing process and were all emerging out of dysfunctionality and into a more functional and learning organization (Senge, 1990).

The fatally flawed Favio showed strong signs of improvement. He realized that this company was in it for the long haul. Half of his healing was due to the fact that his CEO and his company were committed to him. He had never experienced a boss like CEO, Calvin Rodriguez. Instability was slowly replaced with hopes of a stabile career. He was surrounded by caring, compassionate individuals and it appeared to Favio that he had gotten to the root of his old problems that were destroying him and Sergio Mondo. Sergio Mondo was extremely pleased to have a newer, improved model of Favio on board, and one-by-one they were able to amiably resolve all but two of the grievances and successfully settled the two formal litigations (both resolved out of court). The dysfunctional behavior characterized by plunging motivation, productivity and profits, widespread instability, loss of key clients and a myriad of workplace conflicts was gradually subsiding and we were on an upswing. A fatally flawed Favio was reinvented as a merely flawed and “mildly toxic” Favio. He was brilliant and innovative and even learned how to share the stage and stress of leadership with Francesca. Curiously, the co-leadership strategy is still in operation, some seven years later.

Discussion and limitations
In the course of disclosing the Favio Burnstein case my agenda has been to “utilize extreme cases to develop rich theory” (Elsbach, 2005, p. 10). The extreme case of a borderline personality disorder (BPD) is an example of what the DSM IV-TR describes as “Cluster B Personality Disorders (American Psychiatric Association, 2000, pp. 701-717)”. As illustrated in the narratives of Favio Burnstein, characteristic behaviors of Cluster B leaders include: highly dramatic and emotional in the workplace; conflict and crisis prone in social and organizational life; their behavior repeatedly violates cultural norms and players in the organization; they suffer from pervasive, inflexible mental, emotional and interpersonal disturbances that are stable over time; and they experience repetitive patterns of distress or impairment in social and work life. Personality disorders affect as much as 10-15 percent of the adult population in the US at some point during their life. There are no reliable data available, however, for the prevalence of personality disorders among US leaders within organizations in part due to therapist-client confidentiality and the privileged communication status afforded individuals with psychological or psychiatric conditions as protected by the Americans with Disability Act (ADA). Lacking data, I am working on the assumption that personality disorders in leaders and organizations will roughly mirror the data generated in the general US adult population.
The BPD case study investigates a “preexisting” personality disorder thought to be at the eye of the high toxicity organizational storm. The DSM guided diagnosis of the BPD is not viewed as a mere by-product of a dysfunctional organizational culture but rather a primary result of a “pre-existing” individual pathology. This determination was in part based on reports of Favio Burnstein’s history of conflicts with other employers – all pointing toward a long-term pattern of BPD separate and apart from Sergio Mondo. As indicated in the case study, systems variables do interact with the BPD leader, at times triggering and aggravating seemingly dormant or remissive dysfunctional behaviors. The Sergio Mondo organization clearly triggered or activated dimensions of Burnstein’s BPD by bringing some separation anxiety issues to the forefront as a result of the Sergio Mondo turnover turnstile. Although another researcher may have focused more on the organizational system as a precipitator of dysfunction, in the Sergio Mondo case I found that the high toxicity disturbances were far more pronounced and centered in the leader than at the systems level of analysis. In essence, the nexus of dysfunction and highest toxicity was in my clinical judgment traceable to the BPD of Favio Burnstein.

Curiously, the systems dynamics of any personality disorder or high toxicity behavior is always in relation to and operant within a larger system. Individual toxicity ultimately cannot be separated from a family or organizational system. Accordingly, the BPD of Favio Burnstein at some point lends itself to a far more complex and all encompassing entertaining of a BPD diagnosis for the entire Sergio Mondo Fashion House. This was manifest in the response of subordinates and colleagues to Burnstein’s erratic behavior as a leader. In essence, the work force immediately surrounding Burnstein was necessarily engaged in dimensions of a borderline personality disordered system of interaction. The anecdotal reports of the effects of Favio’s allegedly emotionally abusive leadership led to a myriad of dysfunctional worker responses as exemplified in escalating leave taking behaviors (e.g. see Harvey, 1996), absenteeism, decreased productivity (e.g. see Ashforth, 1994, 1997); and decreased commitment to the organization (e.g. see Duffy et al., 2002).

Conclusion
As a researcher and consultant trained in both the management and psychology disciplines I have increasingly employed a growing number of interdisciplinary tools including a recent increased usage of the Diagnostic and Statistical Manual of Mental Disorders (American Psychiatric Association, 2000). Bringing the psychological and psychiatric standard for assessment into executive coaching and management consulting assignments I have been able to extend my repertoire into the further reaches of toxic leadership and organizational behavior. Particularly in cases characterized by a more “911” state of pathology or “high toxicity”, I have found the DSM particularly useful in sorting out the lighter or milder forms of toxicity from those cases red flagged by Kets de Vries and characterized by leaders who “go far beyond the abnormal ways of functioning…they go off the deep end” (Kets de Vries, 1995, p. 217). Favio Burnstein was going off the deep end as a leader – attempting to productively function, despite a borderline personality disorder. Without an ability to appropriately diagnose and treat the leader, the high toxicity inevitably encompasses and contaminates a growing number of players within the organizational system.
culminating in something roughly approximating a borderline personality disorder Organization.

In the event of an extreme level of leader toxicity as signified by Favio Burnstein’s BPD, this case suggests that the intervention of an outside third party may be necessary for recovery. Falling outside the expertise of most managers and human resource specialists, psychopathology is best delegated to psychological and psychiatric trained EAP therapists and external specialists. Left undetected, toxicity escalates and permeates organizations. As indicated by Goldman (2005), Lipman-Blumen (2005), and Frost (2003), the threat of highly toxic leadership requires advanced scouts or toxin detectors within the organization who are able to initially distinguish whether an individual may require further assessment by an outside third party. Clearly, high toxicity leadership presents a complex challenge for management to incorporate psychological and psychiatric expertise into an organization’s repertoire.

References
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Further reading


Appendix. Diagnostic criteria for 301.83 – Borderline personality disorder
A pervasive pattern of instability of interpersonal relationships, self-image, and affects, and marked impulsivity beginning by early adulthood and present in a variety of contexts, as indicated by five (or more) of the following:

(1) Frantic efforts to avoid real or imagined abandonment.
(2) A pattern of unstable and intense interpersonal relationships characterized by alternative between extremes of idealization and devaluation.
(3) Identity disturbance: markedly and persistently unstable self-image or sense of self.
(4) Impulsivity in at least two areas that are potentially self-damaging (e.g. spending, sex, substance abuse, reckless driving, binge eating).
(5) Recurrent suicidal behavior, gestures, or threats, or self-mutilating behavior.
(6) Affective instability due to a marked reactivity of mood (e.g. intense episodic dysphoria, irritability, or anxiety usually lasting a few hours and only rarely more than a few days).
(7) Chronic feelings of emptiness.
(8) Inappropriate, intense anger or difficulty controlling anger (e.g. frequent displays of temper, constant anger, recurrent physical fights).
(9) Transient, stress-related paranoid ideation or severe dissociative symptoms (American Psychiatric Association, 2000, p. 710).

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