

Confidence, over-confidence and hubris in the banking sector: The identification of key behaviours, critical incidents and tipping points

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It seems likely that hubris on the part of many leaders contributed to the recent banking crisis and associated 'Great Recession.' But there is little understanding of how confidence shades into over-confidence, which may impair judgment, and how over-confidence graduates to hubris.

Hubris encourages excessive risk taking and a disregard for critical feedback – mind-sets associated with organizational failure. But we need to know more about what kinds of behaviours suggest a leader is falling victim to hubris. A greater awareness of these behaviours will alert colleagues, regulators, shareholders and employees to problems ahead. It will help them to intervene before disaster strikes rather than afterwards.

This project will explore those behaviours that are most associated with hubris among leaders in the banking sector. A range of individuals working in the sector will be interviewed. They will be asked to identify critical situations where they have felt that hubris was beginning to emerge, what happened next, and what could have been done to stop such behaviours at an earlier stage.

The findings will be of wide interest. They will assist organizations and individuals to avoid the pitfalls that currently bring so many of them to grief.