

INSEAD

The Business School
for the World

Faculty & Research Working Paper

Cultural Myths and Leadership in Russia

Stanislav V. SHEKSHNIA
Sheila M. PUFFER
Daniel J. McCARTHY
2007/29/EFE

Cultural Myths and Leadership in Russia

By

Stanislav V. Shekshnia*

Sheila M. Puffer**

and

Daniel J. McCarthy***

Forthcoming as a chapter in E.H. Kessler and D.J. Wong-Mingji (Eds), *Cultural Mythology and Leadership*. Cheltenham, UK, and Northampton, MA: Edward Elgar.

Version of March 21, 2007

* Affiliate Professor of Entrepreneurship and Family Enterprise at INSEAD, Boulevard de Constance, 77300 Fontainebleau, France, 33-1-60724989, stanislav.shekshnia@insead.edu
Partner, Zest Leadership consultancy

** Professor of International Business, College of Business, Northeastern University, 319 Hayden Hall, Boston, MA 02115, 617-373-5249, s.puffer@neu.edu

*** McKim-D'Amore Distinguished Professor of Global Management and Innovation, College of Business, Northeastern University, 319 Hayden Hall, Boston, MA 02115, 617-373-4758, da.mccarthy@neu.edu

A working paper in the INSEAD Working Paper Series is intended as a means whereby a faculty researcher's thoughts and findings may be communicated to interested readers. The paper should be considered preliminary in nature and may require revision.

Printed at INSEAD, Fontainebleau, France. Kindly do not reproduce or circulate without permission.

CULTURAL MYTHS AND LEADERSHIP IN RUSSIA

RUSSIAN MYTHS AND MYTHOLOGY

Almost a quarter of a century ago, the first author of this chapter entered a Moscow food store to start his first real job as an assistant manager. His memories of that six-month stint had virtually disappeared except for one story told to him on his first day. Before relating it, a middle-aged worker said that it was a story every new manager would hear on the first day in the store. The anecdote was about a bright, young woman who became a general manager of a very prestigious store very early in her career. One morning, an older worker knocked on her office door and asked for a glass of vodka to cure his hangover. Outraged by such an inappropriate request, the manager sent him off. Two hours later, he was back with the same plea: "Give me a drink or I will die". The answer was quick: "If someone like you dies, the rest of us will be relieved." One hour later, she called for the man to unload a truck, and when he did not answer she went down to confront the worker. He was sitting still at a table and did not respond to her words. Angrily, the manager shook the worker's shoulder and immediately realized that he was dead. The next day, she resigned and never again worked in food stores, one of the most attractive occupations in a hungry Soviet Union. Even for a 19-year-old, the story's message was clear – workers and alcohol were things to be taken seriously. The incident illustrates the important role that alcohol plays in the workplace as a cultural tradition in Russian society and how those traditions and values become incorporated in the country's mythology. That early exposure to organizational mythology was the stimulus for the first author's interest in the subject, and led to his collecting and interpreting Russian organizational myths over the years.

Erich Fromm noted that in developed societies, the ruling minority creates its own mythology to try to convince the majority to accept its leadership, values, and objectives (Fromm, 1951). The mythology reflects the country's culture and is used to legitimize the leadership in the eyes of that majority. And this has also been the case in Russia. Its leaders have traditionally used stories, including supernatural events or characters, to explain to followers the nature of the universe and humanity. Russian leaders have traditionally used such stories, tales, songs, and jokes – mythology in a broad sense – as methods of influence and education. Current Russian business leaders have continued this tradition and created their own leadership folklore, which combines traditional themes with new ones reflecting business realities of the 21st century.

This chapter first covers traditional Protoslavic folklore and its relationship with Russia's leadership mythology. The chapter then considers state-sponsored myths of the 19th and 20th centuries and their influence on Russian leadership. These earlier sections provide the basis for the ensuing section on current Russian leadership myths, which incorporate aspects from the past as well as from the present business and political environments. The next section deals with corporate leadership myths that have developed during the first two decades of the country's transition to a market economy. The chapter concludes with implications for leaders, and those who aspire to leadership or engage in its development, of understanding Russia's centuries-long relationship of myths and leadership.

TRADITIONAL RUSSIAN FOLKLORE AND LEADERSHIP

Russian leadership mythology has its roots in Protoslavic myths, of which there is no written account (Golan,1992). However, scholars agree that the principle hero of

Proto-Slavic mythology is Perun (Golosovker, 1987; Klein, 2004). Perun is a heavenly god of thunder and lightning, fiery and dry, who rules the living world from his citadel high above, located on the top of the highest branch of the World Tree. Perun is a giver of rain for farmers, and the god of war and weapons (Rybakov, 1994). Perun looks like an old man, but is changing his appearance at different times. Perun should be feared, prayed for, cajoled with sacrifices and gifts, and obeyed (Ivanov and Toporov, 1974). The Perun myth depicts some important leadership attributes, which have survived through centuries of Russian leadership tradition. Of particular importance are high power distance (lives on top of a tree, made from a different material, should be obeyed), brutality and aggression (fighting with thunder and fire, destroying enemies), and ability to produce miracles (fire and rain).

Another part of the myth is that Perun dies every year when the sun reaches its highest point in the sky. Ancient Slavs celebrated the death of this feared god with dances, games, and meals, kicked effigies of Perun, and set them floating down rivers. Other gods then take the place of Perun, but only till December when he is welcomed back with new festivities (Klein, 2004). This aspect of the myth depicts another important part of the Russian national character – duality, which translates into followers' specific behavior towards leaders. The latter have divine status and command obedience and loyalty, but only to a point. When a stronger or more successful leader emerges, old loyalties are quickly forgotten and new ones are born. To maintain the loyalty of supporters, leaders must continue winning (producing new miracles), or keep competing leaders at bay (quickly destroy potential contenders).

Medieval Russian folklore continued the tradition of a god-like hero, but added a number of important attributes to the profile of an ideal leader (Sedov, 1982). One of the most popular Russian fairy tales recounts the story of Ilya Muromets (Afanasev,

1957). A farmer's son from Karacharovo village near Murom, Ilya Muromets was gravely ill and was near motionless until age 33. Cured by an old singer, Ilya acquired enormous strength, and his mythical life began. He went to the Russian capital, Kiev, to serve Prince Vladimir, the Red Sun. On his way he defeated, by dint of sheer force, various enemies including Solovey-Razboynik (the Nightingale Robber), a monster who lived in a forest and killed people with his whistle. Ilya became a favorite knight of the Prince by performing heroic deeds like defending Kiev from nomads and defeating other knights in bloody duels.

Other folk mythical heroes similar to Ilya include Mikula Selianinovich, a farmer who became a mighty warrior, and Ivan Tsarevich, the youngest son of the tsar-catching magical fire-bird, who defeated supernatural enemies (Afanasev, 1957).

Unlike in ProtoSlavic mythology, heroes during this period became human beings, but with links to supernatural forces. They all performed miracles with their hands, but with supernatural help. They all had special blessings from above, which other humans lacked. Russian folklore reinforces the idea of the supernatural in leaders, while adding a number of new attributes.

First, folk heroes are deeply rooted in the Russian land. Some of them are physically connected with the earth, which serves as their principle source of strength, and when uprooted, they lose their strength. Clearly, the earth symbolizes tradition, and successful leaders must respect tradition and act accordingly. Second, although heroes are extremely strong and effective, they are not at all sophisticated, and their principal attributes are sheer physical power, assistance from supernatural forces, will and determination, and occasionally personal cunning. They all become warriors at some point, who fight ferociously, always defeating and often humiliating their enemies. Showing mercy is not part of their character. Enemies are strangers, either foreigners

or some non-human creatures, who try to take advantage of others in unfortunate circumstances. These enemies are always inferior to the heroes (Putilov, 1971; Zelenin, 1991).

Folkloric heroes protect and defend weak and poor, as well as the motherland, which is also portrayed as weak and poor and surrounded by cowardly enemies. The mighty knights are the only hope of this motherland and its people. Most folkloric heroes have humble backgrounds, and become famous and powerful through some supernatural event. It is luck, and nothing else, that brings major breakthroughs.

Russian folklore not only creates a fairly consistent image of an effective leader, but also provides specific advice to followers seeking to benefit from the leader's protection and service. To do so, they must obey the leaders, and rely on them for thinking and setting the direction. They must also subordinate their personal egos and accept less-than-good treatment in exchange for protection from those who possess supernatural powers. Finally, they must not try to play by the leaders' rules, since such behavior could have very negative consequences: leaders have their own rules.

STATE-SPONSORED MYTHS AND LEADERSHIP MODELS

Since the beginning of the 19th century, the centralized Russian state took on a role of creating, adjusting, and communicating myths to promote particular ideas that supported the foundation of the monarch's absolute power, continuous territorial expansion to the west and east, the special role of the Russian state as the Third Rome, and protection of all Slavic people and Orthodox Christians. Some of the country's best talents, such as writers Alexander Pushkin and Vassily Zhukovski, painters Victor Vasnetsov and Nikolay Reirich, composers Peter Tchaikovsky and Nikolay Rimsky-Korsakov, unconsciously but enthusiastically participated in the creation of this new ethos, based to a large extent on traditional Russian folklore.

One of the most powerful and influential myths of that era was that of Oleg the Visionary, a 10th -century Russian king. Little is known about the real Oleg, who is believed to have been of Norwegian origin, and who ruled in Novgorod and later in Kiev, although some historians question his existence (Kliuchevskii, 1989). However, the mythical Oleg is credited with exceptional abilities and deeds. He possessed unusual foresight, intelligence, energy, and physical power. He was a skillful warrior, talented strategist, canny statesman, and great patriot. Oleg created the first Russian centralized state with Kiev as its capital, expanded Russian territory by conquering various neighboring tribes, and marched on Constantinople where he nailed his shield to the main gate as the symbol of Russia's power. The mythical king was brutal toward his enemies, fair with his subjects, and was considered to be religious, simple, and sentimental. Oleg died a mythical death when he visited the remains of his favorite horse and a snake hidden in the horse's skull bit him (Pushkin, 1950; Sedov, 1982).

Virtually all elements of 19th-century Russian society used the Oleg myth to educate their children and shape their leadership qualities. The myth reinforced such leadership attributes as having exceptional qualities, the ability to produce miracles, patriotism, hatred and brutality towards enemies or strangers, and the philosophy that ends always justify the means. It also glorified war as a major leadership arena (Likhachev, 1989; Vernadskii, 1996). The impact of the Oleg myth as well as other leadership myths was huge. Millions of young Russian men chose the military as a career even though the nobility was exempt from military service; they led troops into the Caucasian mountains, Central Asian steppes and deserts, and Manchuria. They did so in a decisive and authoritarian way, showed little mercy to enemies and died without questioning their superiors' orders. They believed in Russia's special destiny,

were ready to give their lives to this great cause and for personal glory, and did not let sacrificing the lives of their subordinates deter them from these goals. This leadership mentality dominated the 19th century and survived into the next, causing great Russian tragedies of World War I, the 1917 October Revolution and the ensuing civil war.

When the Bolsheviks took power in 1917, they dethroned all heroes of the old regime, both real and mythical. For example, Oleg the Visionary was declared an invention of tsarist propaganda (Black, 1962). However, the new regime soon began to create its own myths, including those about leaders (Pipes, 1954; Black, 1962). In the Soviet Union, with its uniform ideology, centralized state, and all-powerful brain-washing apparatus, State-sponsored mythology reached its peak. All methods of communication were employed – poetry, prose, visual arts, newspapers, and word of mouth. Like nowhere else, with the possible exception of Nazi Germany, the Soviet government used new technologies such as cinematography, photography, and later radio and television, to create and spread new myths (Golomshtok, 1994). The epoch of “romantic totalitarianism” produced many leadership myths, but the one about Stalin was by far the most influential. It is also the myth that has survived to the present, and combined many characteristics of traditional Russian myths with features that reflected realities of the 20th century. The mythical Stalin had very humble beginnings, coming from a poor family in a poor region on the outskirts of the empire, with bleak prospects. But in a near-supernatural course of events, he discovered right ideology – Marxism – became enlightened, and started on his path of liberating the world from the exploiters. The rest was straightforward. Using his exceptional intelligence, will and endurance, he produced a series of miracles such as procuring cash for the underground Bolshevik party, escaping from the tsarist police, defending encircled Tsaritsin (later named Stalingrad) against the massively superior White

Guard forces, eradicating bourgeois elements from the Communist party, industrializing Russia, winning wars, liberating Eastern Europe from capitalism, and other such “heroic” deeds (Ginzburg, 1990). His miracles were portrayed as changing the world, improving the lives of poor hard working people, and made the lives of the rich and selfish miserable (Geftter, 1989).

Although the myth about Stalin was originally orchestrated by Stalin himself and his entourage, as all myths do, it took on a life of its own and millions of people perpetuated and embellished it. In 1939, a Moscow exhibition commemorating Stalin’s 60th birthday, thousands of people submitted art work depicting the great leader. These included 5-meter- tall statues of the great chief made by factory workers, and school children’s pencil drawings depicting Stalin working late at night to protect sleeping children (German, 2000). Rank-and-file citizens projected their fantasies onto the mythical Stalin and assigned qualities to him that they felt were essential for their leader.

From that perspective, it is interesting to consider the image of the mythical Stalin so as to understand what the mid-20th-century Russian population perceived as their ideal leader. First, the mythical Stalin shares many characteristics of Russian folkloric heroes: an almost divine nature, the ability to perform miracles, patriotism, and care for the weak and poor (Geftter, 1989). Stalin is a father of Russian people: he provides guidance, sets the rules, and protects his children. Unlike mothers, he is not sentimental. Yet, his love is deep below the surface, but he can be severe with his children if they misbehave (Ginzburg, 1990). His right to lead is divine: one cannot choose a father, and therefore should not challenge him since children have a moral obligation to follow their parents. According to a popular song of 1939:

(We carry your name with us everywhere,

In days of struggle and times of trial,

And we follow you on any exploit,

You are our banner of victory, our Stalin!) (translation by the authors)

Stalin is seen as caring about the long-term interests of his children and thus may get them to suffer today to benefit in the future. He is an adult while everyone else is a child. He knows things children do not know, and will never know. He is cast from a different mold, yet still speaks the language of his children. He simplifies the world for his people, and thanks to him, they always know what is right and what is wrong (Ginzburg, 1990). As the father, the mythical Stalin sets the rules and alters them as the situation changes, and no rules are permanent except one – obedience to the leader. He has the supreme right to judge, and if he declares something black, it becomes black until he calls it white.

Stalin's "family" (the Russian people) is unique and blessed with a divine mission – to liberate workers of the world. Anything that helps to advance this cause is good. He fights enemies of working people, but can also have tactical alliances with them. Yet, when the war starts, the enemy is shown no mercy (Conquest, 1991; Gorlizki and Khlevniuk, 2004). Blessed with its great cause, Soviet Russia is surrounded with enemies, but Stalin is vigilant, and demands that everyone be vigilant and merciless to the foes. The mythical Stalin is a simple, and even ascetic, person, devoting his life to the service of people. He has no hobbies, no family life, and no weaknesses (Ginzburg, 1990; Brackman, 2001). In addition to traditional, although often hyperbolized leadership attributes, the mythical Stalin has some modernist features. First, he is a scholar and not only embraces, but produces knowledge, and advances philosophy, political economy, sociology, and even linguistics. He is a sage, not simply a ruthless warrior or lucky adventurer (Golomshtok, 1994). The mythical

Stalin is also a teacher, who takes time to explain things to his students, correct their mistakes, and encourage their achievements. Second, Stalin not only works hard at times like old Russian mythical heroes, but never stops working. He never sleeps, never parties, never takes a vacation. He is a man of work (Brackman, 2001). Third, there is a global dimension to his leadership: Stalin is the father of all working people, not only Russians. He is a savior of humankind, a leader of the universe (Gorlizki and Khlevniuk, 2004). His myth was spread through all existing means from scientific publications to songs of Kazakh *akyns* (folk poets), through art and political propaganda (Brackman, 2001). All of this had a tremendous impact on the country, as well as the leadership practices in all areas of Russian life, including the economy (Mawdsley, 2003). When the real Stalin died in 1953, the Russian population experienced a powerful shock in its history, which had known great wars, humiliating defeats, and natural disasters. People were lost because their father who was immortal had passed away (Gefter, 1989). Their great wish “Ты живи и здравствуй, наш Отец Родной!” (“You stay alive and healthy, our Father!”) did not materialize. Losing Stalin, they had lost everything – a family member, a leader, a protector, a role model. The second shock came when Khrushchev and his supporters tried to demystify Stalin at the 20th congress of the Communist Party in 1956 (Gorlizki and Khlevniuk, 2004). Even half a century, later Stalin’s myth was still alive in Russia (Gefter, 1989). Yet, the mythical Stalin had lost most of his modernist features, such as scholarly wisdom or global dimension, but had preserved the more traditional ones of a patriot, a street-smart, effective leader with an autocratic and ruthless style, and a skillful politician with situational approach to ethics.

Stalin’s leadership myth had a major impact on leadership practices in Russian enterprises of the 1950-1980s. The famous “red directors” (Granick, 1961)

internalized Stalin's school of leadership, and borrowed heavily from the mythical Stalin. They were focused on their enterprises, practiced centralized decision making and personal accountability for their followers, believed in science and scientific progress; were autocratic, and when needed, brutal and merciless to resistance. But at the same time, they felt responsibility toward their subordinates, which went well beyond factory walls. The father-children model worked well in these environments. Praise was scarce, criticism harsh, but protection was always there unless a child committed a moral crime against the father (Gorlizki and Khlevniuk, 2004).

Red directors had flexible ethical principles, except for their loyalty to their businesses. They worked very hard, knew every detail in their enterprises, and fought vigorously for the interests of their enterprises and expected the same from their workers. They demonstrated personal modesty, and carefully hid any excesses in their personal lives (Granick, 1961; Prokhorov, 2002). Variations of this leadership style helped create modern Soviet industry – giant metallurgical combines and aluminum smelters, petrochemical and auto plants, oil and gas pipelines, and large pulp and paper mills. Yet, that style turned out to be ineffective in the highly unstructured conditions of early market economy of the early 1990s, and most red directors lost out to a new breed of Russian entrepreneurs (Fey, Adaeva and Vikovskaya, 200; Prokhorov, 2002; Kets de Vries et al., 2004).

MALE-DOMINATED LEADERSHIP MYTHOLOGY

All heroes of leadership myths described above are male, which is a clear indication of the male-dominated Russian society throughout history. Undoubtedly, there have been prominent women, including leaders, during those centuries, but none to our knowledge have been elevated to mythological status. For instance, a well-known

mythological female in Russian folktales is Baba Yaga, a witch who lived deep in the forest. While having magical powers and mythical status, she was not viewed as a leader. And the famous 19th-century Russian empress, Catherine the Great, was certainly known as a powerful leader, but has not been incorporated into Russian mythology. And during the Soviet period, the first female cosmonaut, Valentina Tereshkova, was a state-sponsored scientific hero, and Ekaterina Furtseva was Khrushchev's highly visible minister of culture, but neither was elevated to mythological status as a leader. Both in Russian mythology and folklore, leadership has been strongly associated with male characteristics and attributes. Women aspiring to leadership positions in Russia had to, and still must, exhibit characteristics of decisiveness and authoritativeness typically associated with men (Prokhorov, 2002; Klein, 2004), while still displaying traditional feminine qualities such as nurturing and compassion (Puffer, 1994). Numerous women have achieved prominence and success as corporate founders and executives in the new market economy (Zolotov, 2007; Walker, 2007), but again, none has yet been regarded as a mythological leader, but with time and new circumstances some may rise to that level.

RUSSIAN LEADERSHIP MYTHS OF THE EARLY 21ST CENTURY

At the start of the 21st century, Russian society found itself in a deep moral crisis – the empire it had nurtured for five centuries collapsed. Its territory shrank to that of the 17th century; the ideology it believed in for seven decades had bankrupted the country and its people; the leaders it worshiped had been dethroned and discredited (Solnick, 1998). Society badly needed new meaning, new values, and new role models. Wild Russian capitalism (Kets de Vries, 2000) immediately produced its own answer in the form of greed, the unlimited power of money, the lack of moral limitations, and new

heroes in leather jackets – gangsters (Shevtsova, 1999). The Russian elite, initially paralyzed, eventually became dissatisfied with this version, and began its own search for values and heroes. In total accordance with tradition, the answer was found in leaders – the newly elected president, Vladimir Putin, and the legendary Peter the Great who ruled in the early 18th century. During the early 2000s, myths arose in the country about both leaders.

In 2003, St. Petersburg celebrated its 300th anniversary. The symbolic date became an opportunity to bring center stage a positive role model – the mythical Peter the Great. President Putin called Peter the Great, the city’s founder, a “great tsar,” “a great reformer,” and “a great Russian leader.” According to opinion polls, ordinary Russians agreed with their president. Peter has been consistently ranked first in various polls asking the question: “Who is the greatest Russian leader of all time?” (*Peter the Great: Pro and Contra*, 2001). Mythical Peter combines many attributes of Russian leadership tradition with some contemporary Russian ideas on what a good leader should be like. On the one hand, he was a great patriot and successful warrior who gained for Russia about one million square kilometers of new territories in the West and East, changing its geopolitical situation by making it part of Europe. Peter equipped Russia with two mandatory attributes of a European power – a regular army and navy – and in doing so made Russia a leading European power (Kliuchevskii, 1989).

Peter cleansed the State apparatus of conservative and lazy boyars – representatives of the old nobility, and replaced them with dynamic young people from different social strata. He strengthened centralized power and subjugated all State enemies (Platonov, 2001). Blessed with exceptional physical power and endurance, Peter led with an iron will and never regarded human cost as a limiting factor. Simple and

accessible, he provided direction to the masses and was admired by them (Massie, 1981).

He exhibited traditional leadership attributes like an imposing physical presence, being over two meters tall, working 18 hours a day, tearing apart iron horse shoes and coins with his bare hands, military and naval strategic savvy, and great vision. He seemed to perform miracles that no one else could, including leading the building of St. Petersburg. He showed patriotism, cared for the weak and poor, was decisive, dedicated, straightforward (simple), and led with an authoritarian style. Mythical Peter laid the foundations for Russian mining and manufacturing industries by establishing over 300 industrial mines, mills, and factories. He modernized all areas of the nation's life – education, industry, trade, and family life. He travelled abroad and learned from the rest of the world, and made others follow his example. His myth creates new attributes which reflect today's realities – the ability to produce economic results, conduct relations with foreign countries, and learn from them as well.

It is of little relevance what the real Peter was like as a leader and a human being. Modern Russian society is not interested in his complex, highly neurotic, narcissistic personality with a strong antisocial disposition, described by some as paranoid (Platonov, 2001; Kets de Vries and Shekshnia, 2006), nor in his true abilities. He possessed an average IQ, exceptional energy and tenacity, and an authentic leadership style that was highly opportunistic, authoritarian, brutal, and somewhat erratic (Richmond, 1996). Suspicious of all Russians and paranoid toward the old elite, Peter often acted out of fear, often lost his temper, and committed atrocities. Having an extremely low opinion of his compatriots' abilities, especially lower classes, Peter acted out his role by pushing rather than persuading, pulling his followers along with him, and was responsible for hundreds of thousands of deaths during his reign

(Brikner, 2002). Peter the Great has become a myth that current Russian leaders use to promote the type of leadership they believe is right for the country – patriotic and traditional at the core, but open to useful techniques and ideas from elsewhere, aggressive in pursuing agendas, and assertive and decisive.

Against the backdrop of the mythical Peter the Great, the early 2000s have witnessed another myth in the making, that of Vladimir Putin who has been cast as the greatest political leader of the new Russia. The Russian people knew very little about Putin when he was unexpectedly propelled to the presidency at the end of 1999. Even late in his second term, not much more has been revealed about his personality. Attentive observers might gain some insights into his leadership style by carefully watching him on TV, analyzing the few speeches he has made, reading the book, *First Person*, based on the interviews with him, and reflecting on his childhood and youth (Putin, 2000). Such analysis might reveal an insecure personality with a controlling disposition, and a nature that some have viewed as paranoid (Kets de Vries and Shekshnia, 2006). Such a combination often produces an effective mixture of leadership styles, conducive to monitoring internal operations and effective for scanning the external environment. However, in the long term, too much control and monitoring can become highly dysfunctional, creating a toxic environment that talented people will quickly try to escape from (Hogan, Johnson, and Briggs, 1997; Kets de Vries, 2000.) Leaders with this personality make-up are often rigid, excessively judgmental, uncomfortable with emotions, hypersensitive, quick to take offense, and unforgiving of insults, injuries, or slights (Shapiro, 1965; Jack, 2004; Politkovskaya, 2004; Kets de Vries and Shekshnia, 2006).

But that description is not the mythical Putin presented to the Russian people by his entourage. The state-controlled mass media, high government officials, functionaries

of his United Russia party, and loyal artists have carefully created an image of the President which fits their idea of effective leadership for Russia. Putin's portrait can be found in most officials' offices, and pop songs extol his discipline. Cafés, ice creams, and tomatoes are even named after him (Jack, 2004). He is the hero of a textbook for schoolchildren in which he is depicted as a man who flies fighter jets, refrains from smoking, and loves his family. His face is on T-shirts, carpets, and *matryoshkas*, the Russian nesting dolls. Millions of citizens, perhaps unconsciously, participate in this creative myth-making process by passing on the image to their children, relatives, and friends, often embellishing the legend. And they seem to admire the product of their work, with opinion polls consistently showing that the large majority of Russians trust their President, approve of his actions, and want him to remain in power (Baker and Glasser, 2006).

The mythical Putin shares many characteristics of other mythical Russian leaders. He is a committed patriot closely tied to the motherland, someone who is ready to fight for its interests and dignity. He is kind to the Russian people yet firm toward enemies, and many outsiders are perceived as enemies threatening the well-being of the Russian people – Georgians, Ukrainians, Americans, Chinese, and so on. The world is full danger, and only a vigilant leader can secure Russia's interests in such a world (Politkovskaya, 2004).

The mythical Putin is also capable of producing miracles: it is he who made the Russian economy grow rapidly during his presidency, increased pensions and salaries of government workers and the real incomes of other Russians, re-established Russia's status as a first-rate international power, and regained respect for the Russian army (Baker and Glasser, 2006). His style is pragmatic, results-oriented, straightforward, and effective. He does not waste time on intellectual discussions,

getting straight to the point. He appears to be always in control, keeps a cool head, and is very businesslike and direct. He speaks the language of everyday citizens and cares about their well-being. Mythical Putin is one of the people, but is the leader of the Russian nation, and is blessed with a “divine mission.” Like other mythical heroes, the mythical Putin does not make mistakes. If something does not work, it is the fault of cowardly enemies, incompetent aides, or unfortunate circumstances (Baker and Glasser, 2006). The leader is beyond criticism and does not need any improvement, because of his superhuman status (Politkovskaya, 2004).

But beyond traditional leadership attributes, mythical Putin has some modern features that make him more human, and therefore easier to relate to. He is a sports fanatic and lives a healthy lifestyle. He loves his family and protects its privacy, he loves pets, and maintains relationships with old friends. He dresses well and attends sporting events and pop concerts. In summary, a modern leader must have a human side, and even some minor weaknesses. Although the Putin leadership myth is still in the making, it has already had a huge impact on how Russian society functions (Jack, 2004; Baker and Glasser, 2006).

CORPORATE LEADERSHIP MYTHS

One segment of Russian society that was quick to create myths was the corporate sector, which was transitioning from the centralized Soviet system to that of a more market-oriented economy. Since the time private business became legal in 1987, each private company has seemed to create its own leadership myths to reinforce the power of current leaders, and to transmit expectations to aspiring ones. Many myths are colorful and intriguing. One of the first Russian companies to gain prominence in the West was cellular operator VimpelCom, which listed shares on the New York Stock Exchange in 1996. A myth was created in the company about its energetic founder

and CEO for over a decade, Dmitrii Zimin. The set of true and not-so-true stories, called in the company, the Zimin legends, form a core of corporate mythology and explain what makes a good leader in VimpelCom's environment.

One of the most popular stories is about Zimin sleeping in his office rather than going home after late meetings. It reinforces what Zimin always preached – total commitment to the company and hard work. Another story depicts Zimin as a liberal, enlightened leader, who has a habit of walking around his company, drinking tea and even cognac with rank-and-file employees, and discussing art, world problems, and science. It reinforces such leadership attributes as intelligence and accessibility, as well as uniqueness. Another typical anecdote about Zimin pictures him being told that the construction manager had stolen from the company, and responding: “They always steal in construction, and at least he is a proven modest thief.” The message is clear that it is even OK to steal sometimes, or commit other minor offenses, as long as you are modest and loyal to the boss.

Another well-known Russian company, which entered a joint venture with a Western global giant, also produced its own leadership mythology. The main hero is one of the founders, whose actions are quite remarkable. In one story, he threw a heavy ashtray at a consultant from a top-tier company, who was not clear in his presentation. Such managerial behavior is common enough to have been addressed in a North American study of toxic emotions at work (Frost, 2003). The consulting company withdrew its injured employee, but continued its work as if nothing extraordinary had happened. The interpretation of the story is as follows: Effective leaders are tough, decisive, abrasive, and even violent. They live by their own rules which are expected to be accepted by the rest of the world, including big international companies and managers. In another corporate myth, the “hero” arranged a release from prison of a

corporate lawyer. Here we see a leader who can perform “miracles,” does not let his people down, and plays by his own rules. In a third widely told story, the founder, with a handful of armed guards, held off two busloads of gunmen trying to take control of his company’s production facility, following a court decision in a corporate battle, and defended it until a favorable ruling was obtained. In this scenario, the moral of the story is that the leader can produce “miracles” by being courageous, firm, and at times, violent.

As can be seen from the examples above, corporate myths vary, and reflect different styles and values of organizational leaders. However, when considering a variety of Russian companies, some common themes emerge, many of which resonate with traditional Russian leadership myths, while others reflect specific realities of the contemporary Russian business environment. Many contemporary corporate leaders have innately understood the importance of incorporating myths into their repertoire of leadership techniques. The myths demonstrate fundamental elements of leadership characteristics from traditional mythology, but often refine or supplement them with attributes necessary in the contemporary business environment. We develop five major themes below.

MYTHOLOGY-BASED LEADERSHIP THEMES

Delivering Extraordinary Results

As an owner of a Russian consulting company put it: “They [employees] tell all kinds of stories about me. I decided to try to understand if there was any substance to them, and it turned out that they were about miracles. They sincerely believed that I can do things that nobody else could. So I took notice and from time to time, I produce something special, like an interview on the front page of *Kommersant* [the leading

Russian business daily], secure an exceptionally large contract, or even have a meeting with a US President. After one such event, I can do nothing for months and the employees still admire me and are ready to die for me.” As in the ancient myths, leaders are expected to produce things that other mortals are not capable of, and if one wants to be a legitimate leader, he/she should learn and practice this magic art.

Demonstrating Superior Ability

Related to the art of making miracles is a myth of Russian business leaders possessing some superior qualities or abilities. They should have characteristics that make them stand out from the crowd. This could be anything from exceptional calculating skills (“he multiplies 4-digit numbers in his head” – a myth about a CEO of a mining company) to an unparalleled attractiveness to women (“no woman can resist him” – a myth about a CEO of a metallurgical conglomerate). The leaders may never use such characteristics for business purposes, but the mere fact having them puts such leaders in a category of superhumans, thus giving them a “divine” right to lead others.

Exempt From the Rules

Being cast from a different mold, business leaders play by different rules. One of the popular myths in a retail company with a culture of strict discipline and long hours is that its founder-chairman works only four hours a day. He has explained: “I put in at least 80 hours a week, but I do not spend most of it in the office. If my employees think that I am a genius, who can do everything in a couple of hours a day, I am fine with that. If it makes them work harder, even better.” The rules for leaders, which they set themselves, do not apply to the rank-and-file, who have to play by different regulations. This feature extends into the area of ethics. Although the company may have a written or unwritten code of conduct which is mandatory for everybody, leaders are exempt from it and are free to act according to their own instincts.

Being a Caregiver to the Common People

Another theme in contemporary corporate leadership mythology resonates strongly with Russian tradition – the leader as a caretaker of his/her followers. A very popular myth at VimpelCom is that after the country's 1998 financial crisis, Zimin refused to draw a salary, but kept everyone else's compensation unchanged. A Russian leader may be rough, authoritarian, and even violent, but should not forget his fatherly role – to provide overall direction, explain the rules, and help and protect those in one's care in the face of great need or danger. This characteristic is a deeply rooted Russian cultural tradition, which in one form or another, is omnipresent in today's business life.

Acting assertively

“If you want to survive, you need to establish yourself here” is the first phrase a new manager hears at one of the most aggressive private equity firms in Russia. Then he/she hears a myth about the company's founder, who while negotiating the most important deal in the firm's history, announced to the opposing side that he would not move from their office until the deal was signed. After ten hours of negotiations, the exhausted hosts begged for mercy, but the entrepreneur was firm. The other side tried everything – proposed to re-start early the next morning, offered wine, brandy, and food, and even went to sleep in their chairs, but the entrepreneur was unyielding. After 18 hours of sitting firm, he got his deal.

In some corporate mythologies, such as VimpelCom's, the leaders combine assertiveness with flexibility, while in others like it is intensified by aggressiveness and even violence. Yet it is an important attribute of leadership myths in virtually every successful Russian company. Although major themes of corporate leadership mythology resonate with traditional Russian and State-sponsored leadership myths,

the corporate myth is not static, but does change. Such important attributes of mythical business leaders of the 1990s as ruthlessness and selfishness are no longer condoned. In the next decade we should expect a further evolution of Russian corporate leadership myths that reflect the challenges that Russian business leaders face at that time. The content of the changes will be largely affected by the direction that Russian society and the economy take over the next several years (McCarthy, Puffer, Vikhanski, and Naumov, 2005).

IMPLICATIONS FOR DEALING WITH RUSSIAN BUSINESS LEADERS

Those who would do business with Russian corporate leaders would do well to spend some time to learn about the foundations of mythical Russian leadership, and of course, contemporary corporate folklore, since current leaders often draw heavily on Russian mythology in their leadership styles. Some views that will be uncovered are that Russian leaders possess unique qualities and may even produce seeming miracles, and therefore, relish making major business deals and accomplishments to support this myth. To foster this image, they often present themselves as being larger than life, speaking in an eloquent fashion and presenting an imposing or authoritative figure. Yet, Russian leaders will also show a side that may surprise “outsiders” by filling a fatherly role and showing protection and support for their employees and others in their care. These leaders are viewed as having a mandate from others in their companies which provide them with substantial leverage and support in whatever actions they take, even though the actions may seem to be unusual, counterproductive, or even bizarre.

When dealing with Russian business leaders and understanding that they often enjoy mythological status within their own enterprises, it is important to realize that specific

people matter more than written rules and agreements. Members of their in-group are often given preferential treatment from others, including those doing business with these leaders. Recognizing this is important to understanding the dynamics, for instance, of a negotiating session and sensing the roles of various players in the executive's entourage. The reality, however, is that the senior executive always has the power, regardless of what others may say. Finally, the context discussed in this section, as well as that of the entire chapter, should make it clear to those dealing with Russian corporate leaders that these individuals expect and require special attention and treatment from others, including other senior executives with whom they conduct business. Such deference is not based sheerly on ego, but also on their mythological status within their organizations. This status requires that their image be recognized and respected, particularly in the presence of their employees or other business leaders. So although the behavior of Russian corporate leaders can sometimes be viewed as brash and high-handed, an understanding of their "mythological" status can serve as a guide for interpreting such behavior in a more culturally grounded context.

MYTHS AND RUSSIAN LEADERSHIP – A CENTURIES-LONG PARTNERSHIP

Myths create leaders, while leaders create new myths, which in turn create new leaders. For centuries, this cycle has proven to be a driving force in Russian history. It has contributed substantially to what has become an underpinning of the Russian leadership style. It has produced such salient attributes as divine (exceptional) qualities and therefore high distance between leaders and followers, as well as the ability to deliver miracles (extraordinary results) at any cost, having responsibility to God (superiors) and not to their followers.

Consciously or subconsciously, successful Russian leaders throughout the country's history have recognized myths as effective instruments for leading and reinforcing their influence. During the 19th and especially the 20th century, leadership mythology became institutionalized as a state-sponsored activity, which reached an unprecedented scale and had an enormous impact on Russian society. Yet individual leaders over the years have also created their own myths, skillfully using them to promote their personalities and agendas. Clearly, Russia has been extremely rich in the quantity, variety, and pervasiveness of leadership myths, which have taken the form of stories, anecdotes, jokes, movies, books, and the like. And in the current business environment, leaders of newly created private companies have continued this tradition, and a rich business leadership mythology has emerged over the past two decades.

Corporate leaders thus actively use myths to influence employee behavior, reinforce their authority, and select and develop future leaders. Additionally, the myths they create are intended to enhance their leadership image among numerous external constituencies like customers, suppliers, business partners, investors, government officials, and even the general public. Russian history has shown that myths can be a powerful instrument in enhancing a leader's image and power. However, when used indiscriminantly, corporate myths can be counterproductive and may perpetuate outmoded behaviors and attributes that are unsuited to the country's rapidly changing environment. To avoid such negative outcomes, business leaders and those responsible for leadership development must recognize the importance of leadership myths, but must use them carefully when reinforcing certain leadership attributes. Effectively managing corporate mythology thus has considerable potential to shape leadership and leadership development in Russia.

REFERENCES

- Afanasev, A.N. (1957), *Народные Русские Сказки. (Russian Folk Tales)*. Vols. 1-3. Moscow: Goslitizdat.
- Baker, P. and Glasser, S. (2006), *Kremlin Rising: Vladimir Putin's Russia and the End of Revolution*. New York: Scribner.
- Black, C.E. (1962), *Rewriting Russian History: Soviet Interpretation of Russia's Past*. New York: Vintage Books.
- Brackman, R. (2001), *The Secret File of Joseph Stalin*. New York: Routledge.
- Brikner, A. (2002), *История Петра Великого (History of Peter the Great)*. Moscow: ACT.
- Conquest, R. (1991), *The Great Terror. A Reassessment*. Oxford: Oxford University Press.
- Fey, C. F., Adaeva, M., and Vikovskaya, A. (2001), Developing a model of leadership styles: What works best in Russia. *International Business Review*, 10: 615-643..
- Fromm, E. (1951), *The Forgotten Language: An Introduction to the Understanding of Dreams, Fairy Tales and Myths*. New York: Rinehart.
- Frost, P.J. (2003), *Toxic Emotions at Work: How Compassionate Managers Handle Pain and Conflict*. Boston: Harvard Business School Press.
- Gefter, M. (1989), *От анти-Сталина к не-Сталину: непройденный путь. (From Anti-Stalin to Non-Stalin: The Path Not Taken)*. Moscow: Progress.
- German, M. Iu. (2000), *Модернизм. Искусство первой половины XX века (Modernism: Art of the First Half of the 20th Century)*. St. Petersburg: Azbuka-Klassika.
- Ginzburg, E.S. (1990), *Крутой Маршрут: Хроника Культа Личности (Steep Road: Chronicle of the Cult of Personality)*. Moscow: Sovetskii Pisatel.
- Golan, A. (1992), *Миф и символ (Myths and Symbols)*. Moscow, Russlit.
- Golomshtok, I.V. (1994), *Тоталитарное искусство (Totalitarian Art)*. Moscow: Galart.
- Golosovker, Ia. E. (1987), *Логика мифа (The Logic of Myths)*. Moscow: Nauka.
- Gorlizki, Y., and Khlevniuk, O. (2004), *Cold Peace*. Oxford: Oxford University Press.
- Granick, D. (1961), *The Red Executive*. New York: Doubleday Anchor.

- Hogan, R.T., Johnson, J., and Briggs, R. (Eds) (1997), *Handbook of Personality Psychology*. New York: Morgan Kaufmann.
- Ivanov, V.V., and Toporov, V.N. (1974), *Исследования в области славянских древностей (Research on Slavic Antiquity)*. Moscow: Nauka.
- Jack, A. (2004), *Inside Putin's Russia*. London: Granata Books.
- Kets de Vries, M.F.R. (2000), Journey into the "Wild East": Leadership style and organizational practices in Russia. *Organizational Dynamics*, 28 (4): 67-81.
- Kets de Vries, M.F.R. (2001), *The Leadership Mystique*. London: Pearson Education.
- Kets de Vries, M.F.R., and Shekshnia, S. (2006), Vladimir Putin, CEO of Russia Inc. *Harvard Business Review Russia*, 66-78. January-February.
- Kets de Vries, M.F.R., Shekshnia, S., Korotov, K., and Florent-Treacy, E. (2004), *The New Russian Business Leaders*. Cheltenham, UK, and Northampton, MA: Edward Elgar.
- Klein, L.S. (2004), *Воскрешение Перуна. (The Revival of Perun)*. St. Petersburg: Eurasia.
- Kliuchevskii, V.O. (1989), *Сочинения в 9 томах. (Works in 9 Volumes)*. Vol. 4, Russian History. Part IV. Moscow: Mysl.
- Likhachev, D.S. (1989), *Заметки и наблюдения: Из записных книжек разных лет (Notes and Observations: From Notebooks Over the Years)*. Leningrad: Sovetskii Pisatel.
- Massie, R.K. (1981), *Peter the Great: His Life and World*. New York: Knopf.
- Mawdsley, E. (2003), *Stalin's Years: Soviet Union in 1929-1953*. Manchester, UK: Manchester University Press.
- McCarthy, D.J., Puffer, S.M., Vikhanski, O.S., and Naumov, A.I. (2005), Russian managers in the New Europe: Need for a new management style. *Organizational Dynamics*, 34(3): 231-246.
- Петр Великий: Pro et Contra (Peter the Great: Pro et Contra)*. (2001), St. Petersburg: Russian Christian Humanitarian Institute.
- Pipes, R. (1954), *The Formation of the Soviet Union: Communism and Nationalism, 1917-1923*. Cambridge: Harvard University Press.
- Platonov, S. (2001), *Петр Великий: личность и свершения. (Peter the Great: Personality and Deeds)*. In Platonov *Под шапкой Мономаха. Under The Monomach's Hat*. Moscow: Progress-Traditsiia.
- Politkovskaya, A. (2004), *Putin's Russia*. London: Harvill Press.

- Prokhorov, A.P. (2002), Русская модель управления (A Russian model of management). Moscow: *Expert Magazine*.
- Puffer, S.M. (1994), Women managers in the former USSR: A case of “Too much equality?” In N.J. Adler and D.N. Izraeli (eds), *Competitive Frontiers: Women Managers in a Global Economy*. Cambridge, MA: Blackwell: 263-285.
- Pushkin, A.S. (1950), *Собрание Сочинений в 6 Томах (Collected Works in 6 Volumes)*. Moscow: Gosizdatelstvo Khudozhestvennoy Literatury
- Putilov, B.N. (1971), *Русский и Южнославянский Героический Эпос (Russian and Southern Slavic Heroic Epics)*. Moscow: Nauka.
- Putin, V.V. (2000), *First Person: An Astonishingly Frank Self-Portrait by Russia's President*. New York: Public Affairs.
- Richmond, Y. (1996), *From Nyet to Da: Understanding the Russians*. Yarmouth, ME: Intercultural Press.
- Rybakov, B.A. (1994), *Язычество древних славян (Paganism of the Ancient Slavs)*. Moscow: Nauka.
- Sedov, V.V. (1982), *Восточные славяне в 7-13 вв. (Eastern Slavs of the 7-13th Centuries)*. Moscow: Nauka.
- Shapiro, D. (1965), *Neurotic Styles*. New York: Basic Books.
- Shevtsova, L. (1999), *Yeltsin's Russia: Myths and Reality*. Washington, DC: Carnegie Endowment for International Peace.
- Solnick, S. (1998), *Stealing the State: Control and Collapse in Soviet Institutions*. Cambridge: Harvard University Press.
- Vernadskii, G.V. (1996), *История России. Древняя Русь. (History of Russia: Ancient Rus)*. Tver-Moscow: LEAN-Agraf.
- Walker, S. (2007), Still seeking equality: Feminism takes a different form in Russia than in the West. *Russia Profile*, 2(4), March: 22-23.
- Zelenin, D.K. (1991) *Восточнославянская этнография (Eastern Slavic Ethnography)*. Moscow: Nauka.
- Zolotov, A., Jr. (2007), The queen of chocolate. *Russia Profile*, 2(4), March: 30-32.

Europe Campus

Boulevard de Constance,
77305 Fontainebleau Cedex, France

Tel: +33 (0)1 6072 40 00

Fax: +33 (0)1 60 74 00/01

Asia Campus

1 Ayer Rajah Avenue, Singapore 138676

Tel: +65 67 99 53 88

Fax: +65 67 99 53 99

www.insead.edu

INSEAD

The Business School
for the World