

BETWEEN THE LINES

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As Good as Ghosn: Nissan's Ex-CEO Drives Home His Innocence, but Can't Park It

Introduction

On May 14, 2019, new charges were filed against Carlos Ghosn—former CEO and Chairman of Renault and Nissan, and former head of The Alliance—this time for receiving \$20 million from a Saudi Arabian businessman. In response, we thought we'd apply our proprietary Tactical Behavioral Assessment® (TBA™) methodology to analyze his behaviorally interesting video message released on April 9 and provide insight into the completeness, transparency and confidence in his statements around the controversy.

This most recent change adds a new twist to a long string of allegations. Mr. Ghosn was arrested in November 2018 for underreporting his income. Many other charges of financial wrongdoing have been piled on over the past few months and his Japanese incarceration and recent release on bail have remained high-profile international news. Mr. Ghosn has consistently maintained his innocence, and he has argued that the multiple arrests are an effort to force him to confess to crimes he did not commit. Additionally, some wonder whether Mr. Ghosn was ousted because he planned to drive deeper integration of Nissan and Renault through The Alliance, a partnership formed in 1999 when Renault rescued Nissan from bankruptcy.

Innocence, in a Sense

To begin the video, Mr. Ghosn makes a blanket statement emphasizing his repeated message that he is “innocent” of all the charges that have been brought against him, and that he is innocent of the accusations that have come with the charges. First, from a technical perspective, he is “innocent” of the charges because he has yet to be found guilty in a court of law. From a behavioral perspective, while this appears to be a straight-forward denial, it is not because Mr. Ghosn does not take the opportunity to say specifically he did not do the things he is charged with doing. His choice to use this overly specific reference to the legal term “innocent” rather than attempt to set the record straight reflects a strategy to avoid disclosing details, which suggests he is aware of evidence that could emerge showing he was guilty. More significantly, when Mr. Ghosn talks about the accusations surrounding the charges, still claiming to be innocent, he characterizes them as “biased, taken out of context” and “twisted.” Again, Mr. Ghosn does not say he did not do the things he is accused of doing. However, his choice of words does not actually refute the accusations. He literally says that his actions are being misinterpreted, which inadvertently reveals that Mr. Ghosn did do the things he is accused of, but that he views them in a different light. This provides behavioral evidence that at least some of the accusations have merit.

They Love Me, They Love Me Not...

Mr. Ghosn's second message, “I love Japan and I love Nissan,” is an attempt to garner favor with the public, state officials and Nissan workers. He attempts to convince listeners that since he has lived in Japan and led Nissan for 20 years and that under his leadership Nissan has contributed to the Japanese economy, he must therefore have the Company's and Japan's best interests at heart. Further, he attempts to create a halo effect by saying, “My love for Japan and my love for Nissan is untainted today after all the ordeal I've been through. I want you to know that, I want you to be convinced of that.” However, it is notable that this statement, when taken literally, also reveals the true intent behind it – to convince rather than show his devotion. Finally, he makes a subtle plea when he says that he is “sure” that even “after all these months” people will view the situation with “more fairness and more objectivity.” Altogether, the behavioral indicators in this segment of Mr. Ghosn's presentation are meant to shape public opinion of him as a person and predispose listeners to view him and his case favorably. It is also behaviorally significant that Mr. Ghosn makes this emotional appeal on the heels of proclaiming his innocence. This tactic, in lieu of refuting the charges and accusations, provides further evidence that Mr. Ghosn is culpable.

Attack is the Best Form of Defense?

While Mr. Ghosn opens his video with a concerted effort to canonize himself, the second half of his video is designed to demonize his accusers, a strategy designed to bias listeners in his favor. In making his third point, that “this is a conspiracy,” Mr. Ghosn exhibits a behavior that BIA calls an “attack.” This is a significant behavior used when an accused person resorts to attacking their accusers rather than focusing on setting the record straight on their own account. With the backdrop of potential consolidation causing his ouster, Mr. Ghosn attempts to discredit his former colleagues by characterizing them as fearful, backstabbing conspirators who “played a very dirty game.” He implies that Nissan does not deserve to remain fully independent, saying “autonomy must be based on performance. Nobody get[s] autonomy for the sake of autonomy.” He blames Nissan’s poor performance on his former fellow executives, saying, “This is where we had the problem with the actual management of the Company.” Mr. Ghosn singles out “a few executives who obviously for their own interest and for their own selfish fears are creating a lot of value destruction.” He goes as far as to say he finds the Company’s lack of vision “sickening.” These statements work together to both convince listeners that his opponents’ motives are suspect and, as a result, they have harmed the Company.

Mr. Ghosn goes on to disparage his former colleagues’ “consensual” approach to management. He also attempts to convince listeners that his approach is “not dictatorship,” but the type of “leadership” that is “exercised in many companies.” He implies that people who feel differently “don’t know what leadership is about” and that “this is very sad,” to give the impression that Nissan and The Alliance will suffer as a result. These behaviors are aggressive attempts to cast his opponents as unfit to lead Nissan. Under the circumstances, it may seem understandable that Mr. Ghosn would make these types of statements because he is rightly angry. However, he does not provide specifics to set the record straight on his own motives or leadership. From a behavioral perspective, his statements reflect a strategy focused on biasing listeners to disbelieve his accusers and bolstering their perceptions of him.

Most telling, while Mr. Ghosn insists that he “has been the fiercest defender of the autonomy of Nissan and I made it very clear no matter what other steps in the future this would be true,” he never denies that he had hopes for tighter consolidation of the two companies. Despite his claim that he would defend Nissan’s independence, Mr. Ghosn’s ultimate failure to deny that he favored more consolidation of Nissan and Renault suggests that he, in fact, did aspire to consolidate them further under his control.

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Finally, Mr. Ghosn wraps up his video with the statements that “my big hope, my biggest wish is to have a fair trial,” but that his lawyers “do not share with me a lot of serenity about the fairness of the trial.” While meant to garner public sympathy and support, this also indicates that Mr. Ghosn does not have confidence in the strength of his case, and that he believes he will likely be found guilty of the charges against him. Ultimately, Mr. Ghosn fails to specifically deny the financial wrongdoing accusations against him, he resorts to attacking Nissan management rather than defending himself with relevant facts and information, and in the end he does not deny he had plans to create a closer relationship between Nissan and Renault. Taken altogether, Mr. Ghosn’s evasiveness throughout the video provides strong behavioral evidence that he likely did do the things he is accused of, that he did have undisclosed plans to further consolidate Nissan, Renault and The Alliance, and that he lacks conviction that he will be vindicated.

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