



Some executives are seeking advice from corporate psychics. **No joke.**

WHEN THE OUTLOOK IS HAZY

BY VADIM LIBERMAN * ILLUSTRATION BY JAMES STEINBERG

Margaret Iuculano was running out of time. She needed to make a decision quickly: Should she re-sign the lease for the Tampa headquarters of her IT training firm, TechSherpas? Or should she purchase a new building? She struggled with the choice; she didn't know what to do.

But Victoria Lynn Weston knew. "This afternoon, you will meet with a man named Kevin from Wachovia," Iuculano recalls Weston telling her. "He'll approve a loan to buy a new property, and you'll end up purchasing it." Later that day, Iuculano received the financing. The bank was Wachovia. She eventually acquired the property. And yes, the representative's name was Kevin.

Most of us aren't sure what we're eating for dinner tonight, so how could Weston foretell Iuculano's financial future? Because she's a psychic specializing in business readings. And she's hardly the only one. More significantly, neither is Iuculano. Increasingly, executives are turning to psychics such as Weston for help making tough calls: "Will this merger succeed?," "Should I hire this job candidate?," and, "When will my company turn a profit again?"

Hold on a second: Aren't work colleagues, management consultants, and other experts supposed to be providing such help? Well, yes, but it's not as if *they* can see the future. . . .

Are you rolling your eyes yet? (See, one needn't be a psychic to have predicted that reaction.) You should be, not because you're skeptical—though you should be that too—but because others aren't skeptical enough. It'd be one thing if business leaders were hiring psychics simply to entertain at corporate functions. They already are, along with jugglers, magicians, and comedians. But CEOs aren't asking jugglers, magicians, and comedians to sit in on board meetings or for their opinions on how the latest SEC regulation will affect the company, so why are they asking psychics?

When an organization's direction hinges, even partly, on the flip of a tarot card, Jupiter's location tomorrow, or mere intuition, good fun warps into questionable management. So it's worth pondering: Why are *any* executives making paranormal the new normal?

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WHEN ALL ELSE FAILS

It's been said that in a rough economy, two professions will always thrive: prediction and prostitution. Victoria Woodhull worked at both at times in her life. (She was also the first female presidential candidate, in 1872; maybe she should have known she'd lose.) And Woodhull was one of the first prominent psychics to extend her predictions into the business world, counseling Cornelius Vanderbilt and other top bankers. Granted, even in the nineteenth century, society held a corporate psychic in only slightly more repute than a prostitute.

Still, at least we understand the nature of sex work. Not so psychic work. In fact, plenty of things about psychics remain unknown—for starters, just how many businesspeople actually solicit their services. Psychics interviewed for this article estimate that business readings account for 30 to 75 percent of their work. It's not so much that execs are quizzing psychics about their careers, promotions, or bonuses, though certainly, there's plenty of that. They want recommendations about more strategic corporate matters: mergers, investments, media campaigns, sales, personnel, expansions, products.

These are all conventional topics and questions—only the answers are coming from unconventional advisers. Putting aside for now any justification, there's at least an overriding logical explanation for why some executives look outside the box by turning to those who look inside a crystal ball (even if few psychics actually peer into crystal balls these days). Their assumed forecasting ability lures businesspeople disillusioned by their typical menagerie of management experts and analysts. Think about it: If the people on whom you normally depend for advice couldn't see this downturn coming, why believe that they can help you now? Furthermore, what does it say when you hire consultants—you know, the regular kind, with industry knowledge and expertise—who then end up hiring their own psychics to prepare reports for you? (It happens, psychics say.)

It says that in an uncertain economy, we're all desperate for new advice to compensate for the perceived shortcomings of the old or, at least, to supplement it. And when execs confuse "new" with "good," it's no surprise that many psychics claim a business-clientele boom as the economic rollercoaster hurtles along.

"When clients come to me, they are pretty open to the direction that I provide," explains Carla Baron, a Los Angeles-based "psychic, medium, and psychic profiler." "They are willing to listen because whatever they were doing before wasn't working. They're stuck." Danielle Daoust, a psychic in London, Ontario, even claims to have kept companies out of bankruptcy in recent times.

Who exactly are these clients that Baron and Daoust have helped? Neither psychic would name names, even of those who might verify the information anonymously. In fact, Weston, who works out of Atlanta, was the only psychic involved in this article willing to identify a few clients. While almost all these

psychics say they've consulted with Fortune 500 executives, unsurprisingly, few leaders wish to publicize their paranormal proclivities.

Perhaps they still recall Americans' widespread dismay at the revelation that Nancy Reagan had regularly consulted an astrologer in drawing up her husband's White House schedule. Or what happened when Joe Firmage, CEO of multibillion-dollar Internet consultancy USWeb, went public with his belief that many technological innovations originated with the 1947 "alien spaceship" crash in Roswell, N.M. First, Firmage was pressured to take the lesser role of chief strategist; then he resigned altogether. "Given the market exposure associated with his outside interests," explained Robert Shaw, his successor as CEO, "Joe suggested that we would all be better served if he didn't have an official role with the company."

Of course, aliens are not psychics, but the general view of both is similar: Weird. Creepy. Ridiculous. Irrational. The same goes for individuals who believe in them, at least to the extent that they base personal and business decisions on supernatural suppositions. "It's probably not in the best interests of CEOs and companies to admit to consulting with psychics," admits Barb Powell, a psychic in Saskatoon, Saskatchewan. "Shareholders would probably not approve of it, so it might be best to stay under the radar with this stuff."

Rarely does a company hire a psychic directly, though some say that corporations have occasionally retained them as in-house consultants or associates, as Luculano's TechSherpas did with Weston. Baron, too, says that organizations have employed her to examine holdings and stocks and predict trends.

More often, an executive will confer with a psychic privately. Regardless of who's paying—anywhere from \$100 an hour to \$10,000 a month—the result is the same: A psychic is influencing corporate decision-making. Should you extend your brand into another product category? "Eh, I'm just not feeling it," a psychic might reply. How about outsourcing production to China? "Um, the energy seems wonky." Now imagine delivering these same explanations to shareholders or directors—something might be wonky, but it won't be the energy.

"Most people don't feel comfortable talking about this," adds Margaret Luculano, Nonetheless, having sat on the boards of organizations such as the YMCA and Microsoft CPLS, she points out: "We always had someone in the room who's used a psychic."

THE OTHER ENERGY INDUSTRY

Prior to becoming a full-time psychic, Daoust spent twenty years managing and consulting at companies including Exxon, Imperial Oil, and McLeod Bishop Systems, a multimillion-dollar turnkey firm where she was marketing manager. Growing up, Daoust says, she was able to see and hear through floors and walls (many sensitive apartment-dwellers are cursed with at least one of those skills). But it wasn't until she began working in corporate management that she realized she could

also read the “energy flow” around people, thoughts, and companies.

At this point, you’re probably thinking numerous things—and Barb Powell might know what they are. She claims the ability to hear a person’s thought patterns. “It’s not a word-for-word thing, but more of an awareness,” she explains. “It’s exhausting!” She also says she’s been able to observe colors and auras around people, enabling her to help clients decide on whom to hire, fire, and do business with.

Then there’s Martha Woodworth, a Las Vegas-based psychic and astrologer who practices “astrocartography”—the plotting of “cosmic energy” onto a worldwide map, then reading astrological charts to identify an individual’s or a company’s strengths and weaknesses. As a result, Woodworth says, she can pinpoint the ideal site for a company to do business. For example, if you’re in the communications field, you want to locate your firm where Mercury, “the planet of thought,” crosses your chart. Want to reap huge profits? See where Jupiter aligns for you. Woodworth, incidentally, says she has scores of clients in Kansas City. Guess which city her Jupiter runs through.

Meanwhile, Baron’s alleged ability really is all in her head. When a client asks a question, she claims to “lock in on a vibrational rate. It literally starts opening up, and I start seeing glimpses of images in my head that I can view from different angles. A lot of the scenes are disconnected, and that’s when it takes a seasoned psychic to interpret the images and how they weave together.”

Executives tend to have sensitive B.S. meters and a good sense of when the person on the other side of the table is being disingenuous—in short, they’re the last people who should be taken in by con men. Or psychics. But as professional skeptics note, even the smartest people can be credulous, which can lead to disastrous outcomes.

In March, the SEC accused Sean David Morton of stealing more than \$6 million from investors. Morton, a psychic based in Hermosa Beach, Calif., claims to have developed “Spiritual Remote Viewing,” a supernatural GPS that he says helps him to foretell natural disasters, political events, and stock-market shifts. He likely never predicted that the SEC would charge him with fraud, investing only a portion of his clients’ money and keeping the rest for personal purposes. While such a crime is hardly unique, you have to scratch your head when thinking about the investors’ frame of mind. As George Canellos, the di-

rector of the SEC’s New York regional office, said in a statement, “Morton’s self-proclaimed psychic powers were nothing more than a scam to attract investors and steal their money.”

Now, this is very much an exceptional case: Not all psychics are necessarily conscious frauds. In fact, most psychics are nice, sincere, well-intentioned women—almost always women; Morton is unusual—whose friendliness alone convinces some clients. The problem is, they’ve deluded themselves into believing they have special abilities, say skeptics, who lay partial blame on the clients: When a psychic tells you that there is someone at your office whose name begins with “P” and you answer, “Peter!”, you’ve just confirmed for the psychic the authenticity of her powers. Then, too, psychics rarely hear back from unconvinced clients.

“There is also some pious fraud, where a psychic will fudge or fake things,” explains D.J. Grothe, a former “psychic entertainer” who is today president of the James Randi Educational Foundation, a nonprofit committed to debunking paranormal claims. “The thinking goes: ‘I know I have the ability, but it doesn’t work *all* the time. I want to help people, but I can’t help people unless they work with me, but they won’t work with me unless I can get them to believe me.’”

What most psychics would like you to believe is that they



have more than five senses. Their intuition, they say, gives them a heightened, deeper awareness of situations. Perhaps the best-known corporate intuitive these days is Laura Day. In a *Newsweek* profile, Day recounted the advice she gave to a Wall Street money manager who was unsure whether he should pull out of a multimillion-dollar energy deal. “My gut is that you’re not going to get your return,” she said. The money manager withdrew his investment, she says, and the deal plummeted.

But you too can predict such matters, psychics insist. “My intuition is only better than yours because I’ve exercised and trained it,” explains Jon Stetson, a Boston-based “sleight-of-mind” mentalist and comedian. “The problem is that most of

us deny our intuition. It's dying to be heard, so we need to exercise our intuitive muscles." That's advice that wouldn't be out of place in a book about executive decision-making—except that Weston recommends improving your intuition by . . . reading your own mind.

"BULLSHIT IS STILL BULLSHIT"

Critics call foul, naturally, on this kind of mystical self-help counsel, as well as on pseudoscientific language intended to professionalize psychics. To appear more palatable to corporate types, psychics may call themselves "intuitives" or "mentalists." Auras are "human energy fields"; readings become "consultations"; psychic powers mutate into "psychological intuitiveness." But, quips Benjamin Radford, managing editor of *Skeptical Inquirer*, a bimonthly magazine promoting science and reason: "Bullshit is still bullshit."

Especially when it's vague, a common factor in all psychic forecasts, allowing wiggle room and time for predictions to come even a little bit true. "Many times, it's a matter of patience," Carla Baron explains. "Timing is important, but sometimes things get delayed." Adds Weston: "Sometimes things will make immediate sense. Other times, it will take longer to see if something's accurate—perhaps six months to a year."

Yet when the window of time remains open for so long, twisting and fading memories may fly out while false recollections may sneak in. Never mind that we naturally tend to remember any apparent hits more than we do misses.

Skeptics also accuse psychics of often basing "insights" on obvious assumptions—telling a CEO that he's the kind of person who can really command a room—or on simple probability. "When a psychic says, 'I predict stocks will go up, then down, then plateau for a while,' he's probably right. But what time period is he talking about?" Radford asks. "If psychics can really do what they claim, why are they consulting instead of reading the future for themselves to make a killing in the stock market?"

The most convenient claims that psychics make are not ones that they can't prove, argue critics—they are assertions that can't even be tested. Suppose a psychic says that a job candidate has a bad aura, so you decide not to hire him. How could you possibly know what kind of worker he would have been? Likewise, what if the person with the good aura that you did employ turned out to be a great worker for ten years, only to start stealing later on? Did the employee's aura suddenly change color?

Even when psychics are wrong, they disclaim full responsibility: If you don't go into a reading with an open mind, whatever thoughts you have during the consultation can resonate too strongly with a psychic and distort the reading's accuracy, Weston says. For example, if you're too skeptical, the walls you've erected around yourself may block the psychic's mental-telepathy powers. On the flip side, if you crave something so



badly that you can actually visualize it, your mind may transmit a strong signal that may cause Weston to visualize it too. "Wishful thinking can skew a prediction," she says.

THE REASON FOR NO REASON

"People rarely pay attention to whether psychics are right or wrong," Radford complains. Instead, they simply . . . believe. "It's not that their brains turn off—they just don't apply the same standard of evidence as they would in other areas. I can show you well-controlled studies demonstrating that psychics can't do what they claim, but if one time, one psychic tells you something you don't think the psychic can know, those studies don't matter. Most people are not critical thinkers."

But businesspeople are not most people. They earn MBAs, plan budgets, run meetings, oversee projects, manage operations, head multibillion-dollar enterprises. *Sometimes they even work in Excel!* Analytical thinking isn't just part of their job—it *is* their job. With no spreadsheet detailing a psychic's tea leaves, what is there to evaluate?

Psychics may offer cold readings to convince clients, but vagueness and lack of adequate skepticism often leave executives with wide rather than squinted eyes. "It's not that people are ignorant—well, it *is* that they're ignorant," says Brian Dunning, host of "Skeptoid," a weekly podcast aimed at demystifying pseudoscience. "They don't know how to properly analyze psychics."

Most executives would—at least, should—never make a

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decision without methodically examining it from every angle. At the same time, Dunning suggests, “businesspeople are making decisions based on information no better than what you could get from a homeless person in the alley behind your building.” Why are some executives seemingly willing to brush aside the level and type of judgment they’d ordinarily apply to work when dealing with psychics?

Hard-nosed business culture aside, Western society makes plenty of room for the world of the irrational, from UFOs and homeopathy to angels and demons. “We are socialized into thinking that psychics have certain abilities, which leads to a lapse in rational thinking and logic,” explains Karen Stollznow, a paranormal investigator affiliated with the Amherst, N.Y.-based Center for Skeptical Inquiry. And people compartmentalize. For instance, Radford cites a family friend, a lawyer who thinks critically in the office and consults her horoscope at home.

Plus, “business leaders are just as prone as anyone else to cognitive biases, deceptions, and self-deceptions,” D.J. Grothe adds. “We would like to imagine that they are somehow immune to the kinds of bad decisions that an average Joe would make. If you’re a CEO in command of a Fortune 500 company, we would like to think you won’t foul up as easily as the average man on the street, but history shows that bad decisions come from the top down as much as they come from the average Joes.”

Even if psychics aren’t always right, neither is anyone else. So what’s wrong with using every possible resource to gain extra perspective? As Danielle Daoust points out, a psychic promises nothing more than a “second opinion.” It doesn’t make it an educated opinion, though. Aren’t you better off hiring a management consultant?

No, Weston says: A psychic offers intuitive insight that goes deeper than what a typical consultant provides. Still, she concedes that when a psychic lacks knowledge about an industry, she might disregard potentially important images that she “sees.” Coincidentally—suspiciously so, skeptics argue—many corporate psychics have also held more quotidian corporate jobs. “I wouldn’t hire a psychic to implement a big Microsoft project,” explains Iuculano, “but when you have someone like Weston who has a significant business background and a good sense of intuition, it’s definitely worth it.”

A psychic’s, a consultant’s, your intuition—it may all be irrelevant. “There are very few situations in which people can develop good intuition,” says Emory University psychology professor Scott Lilienfeld. Intuitive expertise grows only when you consistently receive unambiguous and immediate feedback. He cites as an example skiers, who get rapid response as they glide down a slope. With time, they get better and acquire intuitive hunches. But such conditions are absent in the vast majority of professions. In finance, for instance, it takes a while to figure out the merits of a decision. Even when you do know instantly, it’s not always clear what factors were at play. “If anything,” Lilienfeld adds, “psychics’ intuition would be worse than your own, since psychics have less experience working at a company or in an industry.”

When an executive makes decisions, he’s held accountable for the results. When a psychic gives advice that turns out bad, the usual reply is: “Oh well, it’s a psychic.”

Psychics rely on that permissive attitude, say skeptics. Indeed, some psychics go to great lengths to point out that in the end, they aren’t the ones actually making the important decisions. To put it bluntly, “I don’t want to answer clients’ questions for them,” Stetson says. “I want them to answer their questions for themselves.” Similarly, Woodworth’s “it’s not for me to tell you—it’s for you to find out” approach implies that psychics see their roles as therapists rather than seers.

In fact, whether they’re facing tough choices about playing this week’s Lotto or closing an underperforming division, people often seek the same thing from both therapists and psychics: validation and comfort. They want to be told they are making correct decisions. They want to feel good. Consequently, some psychics wind up saying the right things, even if they aren’t right—that is, they shun any negatives they allegedly see by focusing on the positive. “My goal is to boost people, like Tony Robbins and Brian Tracy do,” says Woodworth. “I’m not a doom-and-gloom psychic. I like to get people all excited.

“Articles about psychics often end by saying what nice people we are and how we make others feel better about their lives,” she continues. “So be it. What’s wrong with that?” ■