

# When 'Me' Trumps 'We': Narcissistic Leaders and the Cultures They Create

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## When 'Me' Trumps 'We': Narcissistic Leaders and the Cultures They Create

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#### Abstract

Research has shown that a leader's personality can affect organizational culture. We focus on leader narcissism and examine how it affects two specific organizational culture dimensions - collaboration and integrity. In two field studies and three laboratory studies, our results reveal that people who are more narcissistic are less likely to demonstrate collaboration and integrity in their behavior, and when we examine leaders specifically, we find that those higher in narcissism prefer and lead organizational cultures that are less collaborative and place less emphasis on integrity. In our laboratory studies, we show that narcissists endorse policies and procedures that are associated with cultures with less collaboration and integrity, suggesting that narcissistic leaders' behavior is amplified through culture. We discuss the potentially enduring impact that narcissistic leaders have in engendering cultures lower in collaboration and integrity to enable future theory-building connecting leader personality to organizational culture.

Keywords: Narcissistic Leaders, Organizational Culture, Collaboration, Integrity and Ethics

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A long tradition of research has linked organizational culture to organizational outcomes (e.g., Bezrukova, Thatcher, Jehn & Spell, 2012; Hartnell, Ou, Kinicki, Choi & Karam, 2019; Kotter & Heskett, 1992; Sorensen, 2002). But how is an organization's culture developed? Schein (1985) suggested that culture is largely set by the leaders of the organization, claiming that "the only real thing of importance that leaders do is to create and manage the culture (p. 2)." Researchers have typically defined leadership as "a process of motivating people to work together collaboratively to accomplish great things" (Vroom & Jago, 2007: 18), suggesting that leaders exist at many organizational levels. A number of studies have illustrated how leaders' personality and values can shape their teams' and organizations' culture (e.g., Berson, Oreg & Dvir, 2008; Kim & Toh, 2019). For example, using the Five Factor Model of personality, researchers have found that leaders who are high on agreeableness are more likely to lead organizations with cultures that are more collaborative and clan-like (e.g., Berson et al., 2008; Giberson, Resick, Dickson, Mitchelson, Randall & Clark, 2009), while leaders who are more open are more likely to lead organizations with cultures characterized by flexibility and innovation (O'Reilly, Caldwell, Chatman & Doerr, 2014; Peterson, Smith, Matorana & Owens, 2003). Further, leaders both cultivate and sustain team norms (Hackman & Wageman, 2004; Taggar & Ellis, 2007), influence how teams address diversity (Homan et al, 2020), and even leaders without significant formal authority can be highly influential in affecting team and organizational culture (e.g., Anderson, Spataro & Flynn, 2008).

These findings document largely positive associations between leaders' personality and organizational culture. More recently, however, researchers have become increasingly interested in the dark side of leader personality and have focused specifically on narcissistic leaders and their potential negative influence on people and organizations (e.g., Braun, 2017; Grijalva,

Harms, Newman, Gaddis & Fraley, 2015; Palmer, Holmes & Perrewe, 2020; Volmer, Koch & Goeritz, 2016). For example, accounting studies have shown that leaders who are more narcissistic are more likely to manipulate earnings, have less effective internal accounting controls, and be found guilty of fraud (e.g., Buchholz, Lopatta & Maas, 2019; Capalbo, Frino, Ming, Mollica & Palumbo, 2018; Rijsenbilt & Commandeur, 2013). O'Reilly, Doerr and Chatman (2018) showed that firms with more narcissistic leaders were more likely to engage in protracted litigation that they were no more likely to win. In a study of how the financial crisis affected banks, Buyl, Boone and Wade (2017) showed that firms with narcissistic leaders were slower to recover after the financial crisis. And, Chatterjee and Pollock (2017) suggested that narcissistic leaders' need for social approval and domination made them difficult to work with and negatively influenced both corporate governance and how top management teams functioned.

The research in this domain connects narcissistic leaders to a set of negative outcomes but has not developed an integrated theory of why narcissistic leaders have such a broad ranging, and mostly negative, impact on the organizations they lead. We suggest that one reason why leader narcissism is related to this broad range of demonstrated problems is that narcissistic leaders play a significant role in creating organizational cultures, defined as enduring patterns of behavior and expectations among organizational members (e.g., Chatman & O'Reilly, 2016). We argue, further, that though research on narcissism has often examined its individual manifestations (e.g., Judge, LePine & Rich, 2006), and, when considering leaders, organizational outcomes (e.g., Chatterjee & Hambrick, 2007), it has not systematically examined how leaders' behavioral manifestations of narcissism influence the norms and cultures that teams and organizations adopt, which in turn have the potential to amplify narcissistic

leaders' behavioral propensities among organizational members. We focus on the role of narcissism on two fundamental dimensions of organizations, collaboration among members and integrity. We suggest that two orientations characteristic of narcissists – a reluctance to engage in collaboration and a propensity to skirt the rules, undermining integrity – infiltrate the cultures of narcissist-led organizations. We also examine, experimentally, how followers' decisions are affected when narcissistic leaders deemphasize collaboration and integrity in their behavior and organizational cultures.

Our goals in this paper are first, to demonstrate the basic relationship between narcissistic personalities and a propensity to engage in lower collaboration and integrity behaviors, and second, to examine narcissistic leaders to see how this link influences organizational culture and, ultimately, follower behavior. Based on a series of five studies, we demonstrate narcissists' behavioral tendencies that support cultures that are lower in collaboration and integrity (Studies 1 and 2) and how companies led by narcissistic leaders are, in fact, associated with cultures that are lower in collaboration and integrity (Study 3). We then consider the mechanisms underlying the relationship between leader narcissism and cultures of collaboration and integrity (Study 4) that, in turn, influence follower behavior (Study 5).

#### Narcissistic Leaders and Organizational Culture

Researchers have defined organizational culture as "the basic assumptions or beliefs that are shared by organizational members" (Schein, 1985: 9), and "a system of shared values (that defines what is important) and norms that define appropriate attitudes and behaviors (how to feel and behave)" (O'Reilly & Chatman, 1996: 160). From this perspective, culture can be thought of as a social control system that helps people understand and distinguish between behaviors that are expected and approved of, and those that are inappropriate and important to avoid. This social control system arises, in part, from organizational leaders' personality, preferences, and actions. Leaders shape the norms that define an organization's culture through their behavior, their communication, and the decisions they make about which actions are sanctioned, including decisions about what is measured and rewarded; what types of people are selected, recruited, and promoted; and what attitudes and behaviors are communicated and reinforced (e.g., Carroll & Harrison, 1998). By signaling to employees which norms and values are rewarded and punished, these actions help define the culture of the organization.

A leader's personality and values are key sources of these decisions. Researchers have defined personality as "an individual's characteristic patterns of thought, emotion, and behavior, together with the psychological mechanisms – hidden or not – behind those patterns that are consistent over time and across situations" (Funder, 2001:2). Because of a leader's power, vested in the formal and informal status hierarchies, a leader's personality, as manifested in his or her characteristic behaviors, can shape subordinates' perceptions of the appropriate ways of behaving, or the culture of the organization. Thus, a leader's personality acts as a key source of information about an organization's normative order.

In support of this perspective, researchers have demonstrated how a leader's personality can affect organizational culture. For example, Peterson and his colleagues (Peterson et al., 2003) showed how CEOs' personalities affected their senior teams' norms. CEOs who were more agreeable had more cohesive teams while those higher on conscientiousness had more flexible teams. Similarly, Giberson and his colleagues (Giberson et al., 2009) found that leaders who were higher on agreeableness and extraversion were more likely to lead organizations with more cohesive cultures, that is, cultures in which members agreed about what was and was not important. In a Study of 26 CEOs, Berson et al. (2008) found that CEOs who were characterized

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as more self-directed led more innovative cultures, while those who valued security led more bureaucratic cultures. And, lower level leaders who were more collaborative cultivated team norms focused on collaborative problem solving (Taggar & Ellis, 2007).

Much of the early research on leader narcissism has examined the so-called "bright side" or positive leader attributes (e.g., Galvin, Waldman & Balthazard, 2010). This research focused on circumstances in which narcissists' boldness, self-confidence, and decisiveness could be advantageous--for example, during periods of crisis or when firms are threatened by disruption (e.g., Mathieu & St. Jean, 2013; Paunomen et al., 2006). Several studies showed that narcissistic CEOs were more aggressive in expanding into global markets (Oesterle et al., 2016), investing in new technology (Gerstner et al., 2013), and making acquisitions (Chatterjee & Hambrick, 2007). Unfortunately, subsequent research found that firms headed by narcissistic leaders do not perform better and that these leaders are more likely to overpay for acquisitions, engage in financial misreporting, and overinvest in good times and underinvest in the bad (Atkas et al., 2016; Wales, Patel & Lumpkin, 2013), which can lead to increased returns when the market is going up, but large losses when the market turns down (Buyl et al., 2017). Based on the growing evidence of these negative outcomes, Braun (2017, p. 17) concluded that "There are few positive outcomes of leader narcissism...and many negative consequences."

In exploring this "dark side," scholars have focused on the potential problems arising from leaders high in narcissism. For instance, subordinates are significantly more likely to engage in counterproductive work behaviors, including absenteeism, withholding information, and even sabotage when their leader is more narcissistic (O'Boyle, Forsyth, Banks & McDaniel, 2012; Grijalva & Newman, 2015). Subordinates working for narcissistic leaders are less satisfied, more stressed, and less committed to their organizations (Hochwarter & Thompson, 2012). Although narcissists seek out and attain leadership positions, there is no evidence that their subjective views of their own superior level of competence are objectively accurate (e.g., Judge, LePine & Rich, 2006; Nevicka, Ten Velden, De Hoogh & Van Vianen, 2011). Chatterjee and Pollock (2017) noted that narcissistic leaders recruit and promote subordinates who flatter them rather than those who have real expertise. "Narcissistic CEOs reward those who reinforce their narcissism and punish those who do not (p. 713)." Though the attributes of narcissists have been well-documented, research has not explicitly examined how narcissists influence broader norms in teams and organizations. We explore how narcissists, through their actions, create cultures that reflect their predispositions.

A key question is, which aspects of organizational culture might narcissistic leaders be most likely to create? This question can be answered by considering the large body of research on narcissists' distinctive attributes (e.g., Brown, Budzek & Tamborski, 2010) and the foundational dimensions of organizational culture (e.g., Chatman et al., 2014) that are most implicated given those narcissistic attributes. Because we are interested in the organizational ramifications of narcissism, we focus on narcissists' social and interpersonal patterns of expression, their attributes pertaining to grandiosity, arrogance, and their self-serving, selfenhancing, and disagreeable behavior, rather than on their internal complexity, which is more clinically than organizationally relevant (Ronningstam, 2010).

We identify two cultural dimensions as relevant to narcissistic leadership. First, because narcissists are overconfident about their own judgment and knowledge, entitled, abusive, unwilling to take criticism, and interpersonally exploitative, the norms that they would prefer and cultivate would likely emphasize being more individualistic, less open and less collaborative (e.g., Campbell, Hoffman, Campbell & Marchisio, 2011; Maccoby, 2007; O'Reilly & Hall,

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2021). In a study of narcissistic leadership, Jones and his colleagues noted that narcissists maintain "a climate of fear, compliance, and subversion of individual thought and willpower" (Jones, Lasky, Russell-Gale & le Fevre, 2004: 227). Second, since narcissists have lower standards of integrity and are more willing to cross ethical boundaries in pursuit of what they believe is rightfully theirs (e.g., Grijalva & Newman, 2015; Trevino, den Nieuwenboer & Kish-Gephart, 2014), narcissistic leaders may create cultures that place a lower emphasis on integrity.

Before we discuss possible behavioral manifestations that underlie the relationship between narcissistic leaders and organizational culture, it is useful to point out why these two culture dimensions, collaboration and integrity, more so than others, are likely to be associated with narcissistic leaders. Most researchers now agree that culture can be characterized by norms, described in terms of roughly six dimensions including collaborative, customer-oriented, detailoriented, integrity, innovative, results-oriented, and transparent (Chatman & O'Reilly, 2016). Research has also shown that a leader's personality, using the Big Five personality characteristics – extraversion, agreeableness, conscientiousness, openness, and emotionality – is associated with organizational culture (e.g., Giberson, et al., 2009). For example, leaders who are more open tend to lead organizations that are more adaptive-innovative, those who are more conscientious tend to lead organizations that are more detail-oriented, and those who are agreeable, which can be associated with indecisiveness, tend to lead organizations that are less results-oriented (O'Reilly et al., 2014).

When considering narcissistic personalities and what past research has found, there is little evidence that narcissists lead organizations that are more financially successful than those led by non-narcissists (Braun, 2017; O'Reilly & Chatman, 2020). Further, there is also little evidence to suggest that narcissistic leaders are likely to develop more results-oriented or

customer-focused organizations. Although narcissists may have bold ideas themselves and are more insensitive to risk (Brunell & Buelow, 2017; Mathieu & St-Jean, 2013), people led by narcissists are less likely to take risks because they are concerned that their narcissistic boss will blame them for failure (e.g., Liu, Chian, Feht, Xu & Wang, 2017), leading to ambiguity about the relationship between narcissistic leaders and innovation. With regard to detail-oriented cultures, narcissists are grandiose and so less likely to focus on details themselves, but leaders might demand that such details may be addressed at lower levels of narcissist-led organizations (Chatterjee & Pollock, 2017). Since narcissistic leaders are self-interested, they are also likely to cultivate highly political organizations. This suggests that the link between narcissistic leaders and other culture dimensions beyond collaboration and integrity may not be directly implicated, or as directly relevant to narcissistic leaders in the way that integrity and collaboration are.

One final note is that we focus on cultures with lower collaboration and integrity rather than framing our discussion around being higher on dimensions representing the opposite of collaboration and integrity. We do this intentionally because, while organizations certainly demonstrate varying levels of collaboration and integrity in their cultures, being low on either (or both) ultimately undermines two basic elements needed for organizing. First, if organizations are unable to maintain a semblance of collaboration among members, they will bear the costs of coordinating without reaping the benefits (e.g., Sorensen, 2002). Second, if leaders influence members to engage in unethical practices by failing to prioritize integrity, those organizations will be more susceptible to legal consequences and threats to their very survival (e.g., O'Reilly et al., 2018). We turn next to a discussion of the behaviors and beliefs associated with narcissism that are likely to be linked to cultures lower in collaboration and integrity.

Narcissistic leaders and less collaborative cultures. Collaboration is central to organizing. In fact, the answer to the foundational question, "why organize?" has much to do with capabilities derived from bringing people together, collaboratively, to do something that no one person could do alone (e.g., Lawrence & Lorsch, 1967). Leaders can enhance or diminish collaboration within organizations by increasing the extent to which members view one another as part of a common in-group or as competitors for scarce resources (e.g., De Cremer & Van Knippenberg, 2002). Teams that emphasize collaboration are more likely to view organizational membership as a salient identity than are teams in which individualistic norms are emphasized (Chatman & Flynn, 2001). Further, leaders can instill or undermine collaborative norms through their actions. For example, a leader can choose to foster competition among subordinates or decide to reward achievements accomplished by individuals rather than teams. Conversely, leaders can celebrate team accomplishments to boost collaboration and pro-social behavior (e.g., Van Lange, 1999). By doing this, leaders can change reward structures to make individualism or competition among employees more appealing than collaboration. Collaborative orientations can also be enhanced by teaching people values, facts, and skills that will promote either cooperation or internal competition, such as whether reciprocity or sharing information is valued (e.g., Chatman, Greer, Sherman, & Doerr, 2019). Most importantly, leaders can frame and interpret success in terms of the collective or of individuals, and explicitly share credit for organizational outcomes (e.g., Owens, Wallace & Waldman, 2015).

In considering the evidence linking narcissism and lower collaboration, Grijalva and her colleagues (Grijalva, Maynes, Badura & Whiting, 2020) showed that NBA teams characterized by higher levels of narcissism were less coordinated and performed worse over time. In considering narcissistic leaders' propensity to favor individualism over collaboration, Maccoby

(2007) describes how narcissists' self-centered world-view and lack of trust in others leads them to be abusive toward subordinates and attempt to maintain high levels of control. For instance, he describes a CEO who explicitly did not want his vice presidents to work together as a team, because of his concern that if they did work together, they might plot against him (2007, p. 139). This is similar to research showing that leaders who seek dominance and feel threatened are more likely to create divisions among subordinates to protect their power by restricting communication and preventing bonding among subordinates (Case & Maner, 2014).

Further, given narcissists' propensity to take credit for successful outcomes and to blame others for their failures, they are likely to model and instill cultural norms focused on individual achievement rather than collective effort (Bauman, Tost & Ong, 2016; Stucke, 2003). From a subordinate's perspective, a narcissistic leader who takes credit for others' accomplishments and blames others for his or her own mistakes can create a highly politicized environment where subordinates try to curry favor and avoid angering the boss. Reflecting this, several studies have shown that the people who work for narcissistic leaders are more frustrated and less satisfied (Blair, Hoffman & Helland, 2008; Tepper, 2007). Other research has shown that narcissistic leaders frequently derogate others, seeing themselves as more competent, and are often punitive and vindictive (e.g., Brunell & Davis, 2016; Kausel, Culbertson, Leiva, Slaughter & Jackson, 2015). Because narcissistic leaders reward those who reinforce their narcissism and punish those who do not, employees are likely to focus on pleasing the boss, working individually, and avoiding mistakes rather than cooperating with each other and working as a team.

**Narcissistic leaders and cultures of lower integrity.** The second key cultural attribute that narcissists may influence is an organization's focus on integrity. For most organizations, establishing a reputation of integrity and honesty is vital to their very existence and survival

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(e.g., Agle, Nagarajan, Sonnenfeld & Srinivasan, 2006). Research has shown that narcissists are more likely to transgress ethical boundaries (e.g., Blair et al., 2008; Mumford, Connelly, Helton, Strange & Osburn, 2001). Because narcissists feel entitled and lack empathy, they believe that the rules do not apply to them; they do not feel guilty about manipulating others or violating rules (Campbell et al., 2011). Brown, Sautter, Littvay, Sautter and Bearnes (2010) showed that more narcissistic students made less ethical decisions than did those who were less narcissistic. O'Reilly and Doerr (2020) showed that narcissists were more likely to lie, cheat, and steal than were non-narcissists. Research on social dominance has shown that narcissists are more prejudiced and less interested in equality (Cichocka, Dhont & Makwana, 2017).

In considering narcissistic leaders specifically, a well-developed stream of research has explored the association of narcissism and counterproductive work behaviors (CWBs), which are defined as voluntary behaviors that violate significant organizational norms and threaten the well-being of the organization or its members (e.g., Bennett & Robinson, 2000). Two meta-analytic studies reviewing more than 250 independent samples have shown that narcissistic leaders are a key predictor of CWBs, even after controlling for Big 5 personality and other factors (Grijalva & Newman, 2015; O'Boyle et al., 2012). More recent studies in organizations have shown that narcissistic CEOs are more likely to engage in earnings manipulations and avoid paying taxes (Capalbo et al., 2018; Judd, Olsen & Stekelberg, 2015).

## Mechanisms for Creating Cultures Low in Collaboration and Integrity

Leaders serve as role models, signal generators, and resource allocators. Employees vigilantly attend to leaders' behavior, even to the more mundane aspects such as what leaders spend time on, the questions they ask or fail to ask, and what gets followed up on and celebrated (Pfeffer, 1981). Because leaders have power, these words and deeds provide employees with

evidence about what counts and what behaviors are likely to be rewarded or punished. They convey much more to employees about priorities than do printed vision statements and formal policies (e.g., Guiso, Sapienza & Zingales, 2015). To an important degree, leadership is a perceptual phenomenon, with followers observing their superiors and making inferences about their motives (Epitropaki & Martin, 2004). Recognizing this, Podolny, Khurana and Hill-Popper (2005) argued that leadership is explicitly about the words and actions that create meaning for employees. Employees could be reluctant to emulate leader behavior directly, however, if such behavior is not more widely supported within the organization. This is because employees may believe that leaders are exempted from sanctions for exhibiting questionable behavior, while they themselves are subject to sanctions for such behavior. Thus, leader behavior, particularly behavior that is broadly socially undesirable such as being uncooperative or dishonest, is much more likely to be emulated by employees if it is supported by patterns of behavior more broadly among members and embedded in an organization's culture. We suggest that leaders who endorse policies and practices that deemphasize collaboration and integrity will send a signal to employees and broaden the impact of their own behavior by institutionalizing it within the organization's culture (Palmer et al., 2020; Schaubroeck et al., 2012).

Leaders also largely determine the types of people who are selected and promoted within the organization (e.g., Schneider, Goldstein & Smith, 1995). A large literature has documented how socialization shapes the experience that new and existing members have, and influences their perceptions about the culture, their behaviors, and the norms that form and are reinforced (e.g., Ashforth & Saks, 1996; Chatman, 1991). Others have suggested that the rewards people are offered for their work and membership, formally and informally, create clarity about which behaviors to emphasize and what to avoid (e.g., Baron & Hannan, 2002; O'Reilly & Chatman,

1996). Finally, the people who are retained and promoted, and those who leave voluntarily or are terminated, affect how those who stay perceive the culture and the norms they adopt (Carroll & Harrison, 1998). Thus, a narcissistic leader can shape a culture by setting policies and practices that reflect their preferences and are consistent with their own behavior (e.g., emphasizing individual achievement over teamwork and failing to implement policies that ensure compliance with rules and regulations), and the types of people they select and promote (e.g., promoting based on loyalty rather than expertise).

## **Overview of the Studies**

We conducted a set of studies linking leader narcissism to a culture's emphasis on collaboration and integrity. First, we confirm that people higher in narcissism report that they engage less in behaviors that reflect collaboration and integrity than do people lower in narcissism (Study 1). We then examine whether leaders who are more narcissistic intend to create cultures that reflect less collaboration and lower integrity (Study 2). In Study 3, we examine field data showing that more narcissistic leaders lead organizations with cultures that are lower in collaboration and integrity. Having demonstrated the association between narcissistic leadership and cultures of collaboration and integrity, we then explore the mechanisms that might create these cultures. In Study 4 we explore how more narcissistic leaders select policies and practices that result in cultures that place less emphasis on collaboration and integrity. Finally, in Study 5, we offer preliminary evidence that employees are more likely to engage in less collaborative and lower integrity behavior when both their leader and especially their culture support these behaviors. This suggests that culture operates to increase employee compliance with narcissistic tendencies by institutionalizing narcissistic leaders' propensity to engage in less collaborative and lower integrity behaviors.

#### **STUDY 1**

## **Research Design**

An individual's personality shapes their behavior and, in turn, the organizational culture they might create as leaders. As such, it seems reasonable to expect that narcissistic leaders will be more likely to behave in ways that could result in cultures that are lower on collaboration and integrity. Therefore, we first explore the extent to which narcissism is linked to behaviors relevant to personal collaboration and integrity. To do this we collected data from a sample of college-educated adults and assessed the degree to which narcissism was associated with validated measures of leader collaboration (Chatman & Flynn, 2001) and integrity (Moorman, Darnold & Priesemuth, 2013).

#### **Subjects**

To examine the association between narcissism and engaging in behavior relevant to lower collaboration and integrity norms, we recruited 401 subjects from mTurk Prime and paid them \$1.00 for their participation. We screened subjects so that all who participated in the study resided in the U.S., spoke English as their first language, had at least a college degree, and were employed full-time. Subjects were also required to complete several attention-check questions throughout the scenario and were prevented from participating in the study more than once. One subject was dropped based on the attention check items (n=400). We also monitored the amount of time that subjects took to complete the scenario Study ( $\underline{x} = 9.16$  minutes, *s.d.* = 4.58 minutes). We counterbalanced the administration of the experimental treatment and the collection of demographic and personality data to ensure that no order effects occurred.

Fifty six percent of the subjects were male and 4.8% were between 18 and 24 years old, 35.8% were between 25 and 34 years old, 34.8% were between 35 and 44 years old, 13.0% were

between 45 and 54 years old, 9.3% were between 55-64 years old, and 2.5% were over 65 years old. Sixty-nine percent had a bachelor's degree, 25% had a master's and 6% had a PhD or other professional degree. Eighty-two percent were Caucasian, 8% were African-American, 9% were Asian-American, and 1% identified as "other." Ninety-four percent of the respondents were employed by an organization and 6% percent were self-employed. Subjects' average work experience was more than 15 years, and 86% had managerial responsibilities.

## **Independent Variable: Narcissism**

To ensure that we were capturing the full range of the construct of narcissism, we used three separate measures. First, we used Resick, Whitman, Weingarden and Hiller's (2009) measure that includes eight adjectives descriptive of narcissism (arrogant, assertive, boastful, conceited, egotistical, self-centered, show-off, and temperamental) that were derived from the California Personality Inventory measure of narcissism (Gough, 1956). In our survey, these eight items were randomly interspersed among a larger set of adjectives used to assess the Big Five personality attributes (Gosling, Rentfrow & Swann, 2003). Respondents were asked to indicate. on a seven-point scale (1=very inaccurate, 7=very accurate), how well each item described how they typically behaved. The eight items were averaged to form a scale (Cronbach's a = .86). Our second measure of narcissism was the NPI-16 (Ames, Rose, and Anderson, 2006), a validated, short-form version of the NPI-40 (Raskin & Terry, 1988). The third measure of narcissism was a recently developed single-item assessment of narcissism (SINS) (To what extent do you agree with the statement "I am a narcissist." 1=not very true of me, 7=very true of me). This scale has been validated across 11 samples, correlates well with other longer measures, and captures the more pathological aspects of narcissism (Konrath, Meier & Bushman, 2014). The three measures were significantly correlated with one another (Resick-SINS r = .63, p < .01; Resick-NPI-16 r =

.54, p < .001; NPI-16-SINS r = .46, p < .001). Consistent with prior research (Brown et al., 2010; Saulsman & Page, 2004), the narcissism measures were also positively correlated with extraversion (Resick r = .29, p < .001; NPI-16 r = .38, p < .001; SINS r = .11, p < .05) and were negatively correlated with agreeableness (Resick r = -.56, p < .001; NPI-16 r = -.26, p < .001; SINS r = -.42, p < .001).

#### **Dependent Variables**

**Collaboration behavior propensity.** We assessed participants' propensity to engage in collaborative behavior using five items from Chatman and Flynn's (2001) collaborative scale. Subjects indicated on a 7-point scale (1=disagree strongly, 7=agree strongly) how well a set of five statements described how they behaved. The five items were: (1) "It is important to maintain harmony in the team," (2) "There is little need for collaboration among team members" (reverse-scored), (3) "There should be a high level of cooperation among team members," (4) "People should be willing to sacrifice their self-interest for the benefit of the team," and (5) "There should be a high level of sharing among team members" (Cronbach's  $\alpha = 0.72$ ).

**Integrity behavior propensity.** We assessed participants' propensity to engage in behaviors pertaining to integrity using 14 statements drawn from Moorman et al.'s (2013) leadership integrity scale, that included items that assessed moral behavior (e.g., "I act to benefit the common good" and "I treat people with care and respect") and behavioral integrity (e.g., "If I say something I will do it" and "I practice what I preach") (Cronbach's  $\alpha = 0.95$ ), using a 7-point scale (1=disagree strongly, 7=agree strongly).

#### **Control Variables**

We controlled for respondents' sex, age, education, race, and work experience, each of which could influence their propensity to emphasize or de-emphasize collaboration or integrity in their behavior.

## Results

Table 1 reports the means, standard deviations, and correlations among the variables. Consistent with previous research, narcissism is higher among males than females (Grijalva et al., 2015). More narcissistic respondents also report lower levels of collaboration and integrity behavior. Table 2 reports the regression results showing the associations between narcissism and collaboration and integrity behaviors. Consistent with our expectations, the results show that, after controlling for demographics, all measures of narcissism were significantly and negatively associated with participants' descriptions of behaviors associated with collaboration (NPI,  $\beta = -.22$ , p < .001; Resick  $\beta = -.28$ , p < .001; SINS  $\beta = -.21$ , p < .001) and integrity (NPI,  $\beta = -.23$ , p < .001; Resick  $\beta = -.35$ , p < .001; SINS  $\beta = -.28$ , p < .001). We also conducted a separate analysis using the 86 percent of respondents who reported that they held a management position (n=342). We re-ran the equations in Table 2 and the pattern of findings for the smaller managerial sample was identical to those for the full sample, suggesting that narcissists in management roles engage in lower collaboration and lower integrity behaviors.

Insert Tables 1 and 2 about here

#### Discussion

As expected, more narcissistic individuals, including those with leadership experience, reported engaging in lower levels of collaboration and integrity behaviors, offering indirect evidence that, as leaders, they may also be less likely to engender a culture that reflects these cultural norms. Though this study can be criticized for potential common methods bias, since

respondents reported on their own narcissism and their own behaviors, it is also the case that the collaboration and integrity items are likely to elicit socially desirable responses -- with people reporting higher levels of these behaviors than they actually engage in to look good. The fact that we found an association between multiple measures of narcissism and systematically lower levels of collaboration and integrity behaviors is notable. In the next study, we address this common method issue. We also begin to examine the link between leader narcissism and culture by collecting others' assessments of focal individuals' levels of narcissism and relate it to the cultural emphasis focal individuals place on collaboration and integrity.

#### **STUDY 2**

## **Research Design and Sample**

Two hundred fifty-nine MBA students from a large west coast university participated in this study as part of their coursework for a 10-week elective course on leadership. Sixty-five percent of participants were male; 70.3% were U.S. citizens, 10.4% were East Indian, 6.2% were Asian, 5.8% were European, 3.1% were Middle Eastern, and 2.3% were Latin American; 50.6% were White, 39% were Asian, 7.7% were Hispanic, 1.9% were Black, and 0.8% were Native American. The course included a self-assessment and an evaluator assessment on which we based our analyses of the relationship between narcissism and organizational culture. Students were members of one of five classes that were held during fall or spring terms from 2012 to 2016 and taught by the same professor. Three of the classes comprised executive MBA students in a 19-month part-time program and two of the classes comprised a mix of full-time and part-time executive MBA students. In total, 125 (48%) of the students were enrolled in the full-time degree program, while 134 (52%) students were working full-time and enrolled in one of the part-time executive degree programs.

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Upon enrolling in the course, students were asked to provide the names of at least three evaluators (current or former co-workers) and were informed that participating in the evaluation process would be the basis for part of their grade in the course. Evaluators were assured that their responses were confidential, with only aggregated reports being provided to the focal student. The average number of raters for each focal participant in the sample was 5.92 (*s.d.*=3.45).

#### Variables

**Narcissism.** We used evaluator reports of each focal participant's level of narcissism as measured by Resick et al.'s (2009) eight-item inventory. We did this to avoid common method bias and because previous research has shown that evaluators are able to reliably assess others (Lievens, DeFruyt & Van Dam, 2001; Nuzum, Ready & Clark, 2019). Informants completed an online personality assessment of the focal student that asked them to: "Read each item and indicate how accurately (how well) you think it describes [name of focal MBA student]. This should reflect how [s]he generally or typically behaves or appears" on a scale of 1-7 (1=very inaccurate, 7=very accurate) (x = 2.77, *s.d.* = 0.78). The eight adjectives were dispersed among a larger set of adjectives used to assess the Big Five personality attributes (Gosling et al., 2003). We averaged the eight items to form an overall scale (Cronbach's a = .86). This measure of narcissism is correlated with similar measures of narcissism such as the NPI-16 (Ames et al., 2006) and the Honesty-Humility scale of the Ashton and Lee (2009) HEXACO personality inventory.

To determine the appropriateness of aggregating each focal student's set of evaluator narcissism ratings, we computed several metrics of inter-rater reliability and agreement. First, we calculated an  $r_{wg(j)}$  value for the ratings of each focal student, indicating how highly each focal student's evaluators agree on their perceptions of that student. We obtained values for all MBAs ( $\underline{x} = 0.71$ , *s.d.* =.16). All values exceeded the recommended minimum value of 0.70 (Klein et al., 2000). Second, we calculated an intra-class correlation metric [ICC(2)] to assess the reliability of the target (within-person) narcissism mean ratings. The ICC(2) value (0.81) exceeded the recommended minimum value of 0.70. To assess the distinctiveness of target narcissism ratings across MBA students, or between-group variance, we conducted a within-and-between (WABA) analysis. Results indicated significant between-group variance (59% of variation accounted for by between-group factors, 41% within-group; F = 7.32, p < .01) (Dansereau, Alutto & Yammarino, 1984).

**Organizational culture.** We asked focal participants to complete the Organizational Culture Profile (OCP - Chatman et al., 2014). Participants sorted 54 culture attributes into nine categories from most characteristic to least characteristic of the culture they have created for others. The OCP uses the Q-sort method to provide a quantitative assessment of an organization's culture and has been used in a variety of organizations to assess culture and person-culture fit (e.g., Judge & Cable, 1997). The OCP provides ratings on six orthogonal dimensions of an organization's culture: Adaptability, Integrity, Collaboration, Results-orientation, Customer-orientation, and Detail-orientation (Chatman et al., 2014). For this Study, we focus on Collaboration, which included the attributes team-oriented, cooperative, working in collaboration with others, and low levels of conflict, and Integrity, which included the attributes having integrity, high ethical standards, and being honest. The scale scores for collaboration were:  $\underline{x} = 6.03$  (*s.d.* = 0.86) and for integrity were:  $\underline{x} = 6.36$  (*s.d.* = 1.21). Both scales were reliable and distinctive (collaboration: Cronbach's  $\alpha = 0.74$ , WABA F = 8.32, p < .01; integrity: Cronbach's  $\alpha = 0.68$ , WABA F = 6.55, p < .05).

**Control variables.** We controlled for the class and MBA program (full-time, part-time) in which the focal participant was enrolled since students' typical age and level of work experience varies for each program, the number of evaluators that rated each focal participant, since the breadth of their cross evaluation panel could be related to ratings of narcissism, and participants' gender (0=male, 1=female), race (0=white, 1=non-white), and nationality (0=U.S., 1=non-U.S.), the latter of which was important to control since norms for collaboration and integrity vary across cultures.

#### Results

Table 3 reports the means, standard deviations, and correlations among the variables. Table 4 shows the results of regression equations examining the effects of our independent variable (evaluator-rated narcissism) and our control variables on the dependent variable (self-reported level of collaboration and integrity in the culture they created for others). The base equations (models 1 and 3) show that among the control variables, only the MBA program type influences culture, with part-time students being less likely to report creating collaborative cultures ( $\beta = -0.15$ , p < .05). None of the other control variables significantly affected how likely participants were to focus on collaborative or integrity-based cultures. We expected that people who are more narcissistic would intend to create organizational cultures that were less collaborative and place less value on integrity. Models 2 and 4 in Table 4 show that focal participants rated by their evaluators as more narcissistic were significantly more likely to report that they created less collaborative ( $\beta = -0.16$ , p < .05) and lower integrity cultures ( $\beta = -0.20$ , p < .01).

Insert Tables 3 and 4 about here

Discussion

While Study 1 showed that those higher in narcissism were less likely to describe their behavior as emphasizing collaboration and integrity, Study 2 showed that people who are rated by others as more narcissistic report creating organizational cultures that emphasize collaboration and integrity less than those who are less narcissistic. Study 2 was focused on determining if a link exists between levels of narcissism and the organizational culture a person creates. And while Study 2 augments the findings for Study 1 by removing common method bias as an alternative explanation for the link between narcissism and cultures lower in integrity and collaboration, both studies have limitations in terms of external validity, which would examine leaders of companies and the cultures they have created. Study 3 introduces evidence that bolsters the external validity of these results by examining the organizational cultures associated with more and less narcissistic CEOs of large publicly traded organizations.

## **STUDY 3**

#### **Research Design and Sample**

We used the Organizational Culture Profile (Chatman et al., 2014) to collect culture data from a set of large, publicly traded, high-technology firms headquartered in the U.S. (N = 56firms, N = 880 respondents). Firms invited to participate met the following criteria: They were publicly traded, U.S.-headquartered, had primary operations in the high-technology sector (hardware, software, internet services - SIC 35xx, 36xx, 38xx, 73xx; GIC Sector 45; S&P Economic Sector 940), and concurrently employed a minimum of 20 alumni from three focal west coast business schools. Alumni of these business schools provided culture assessments of their employing organizations using the OCP in 2009. We specified that informants' culture assessments were confidential and would not be identified to their employers, and that their organizations would not be identified by name. Eighty-nine percent of the 56 firms were

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included in the list of the *Fortune 1000*. Informants' average tenure with the focal firm was 7.19 years and 24 percent had worked at their firm for more than 12 years. Twenty-eight percent of the informants were women. All had earned a bachelor's degree or higher and seventy-four percent of informants had earned an MBA.

In 2010, we again contacted the informants and asked them to complete an online survey assessing their current CEO's personality. Of the original 880 respondents in the 2009 survey, 648 were contacted in 2010 and 250 employees from 32 companies completed the personality rating ( $\underline{x} = 7.81$  informants per company, *s.d.* = 4.97), a 39 percent response rate. The sample was 34% female and their average tenure with the focal firm was 7.22 years. All had earned a bachelor's degree or higher and 26% had worked at the company for more than 12 years. Given the relatively long tenure and their managerial positions, respondents were likely to have experience with their CEOs and thus to be qualified to make judgments of their personality. **Variables** 

**CEO narcissism.** To evaluate their CEO, informants completed the measure of narcissism that we used in Study 1 (Resick et al., 2009). We averaged the eight items to form an overall scale (Cronbach's a = .92). To determine the appropriateness of aggregating narcissism ratings for each CEO, we computed several metrics of inter-rater reliability and agreement. First, we calculated an  $r_{wg(j)}$  value for the ratings of each CEO. The  $r_{wg(j)}$  indicates how highly respondents within the CEO's firm agree on their perceptions of the CEO. We obtained values for all CEOs (x = 0.78, *s.d.* =.11). All values exceeded the recommended minimum value of 0.70 (Klein et al., 2000), indicating high within-firm (CEO) agreement. Second, we calculated an intra-class correlation metric [ICC(2)] to assess the reliability of the CEO (within firm) narcissism mean ratings. The ICC(2) value (0.92) exceeded the recommended minimum value of

0.70. To assess the distinctiveness of CEO narcissism ratings across firms, or between-group variance, we conducted a within-and-between (WABA) analysis. Results indicated significant between-group variance (65% of variation accounted for by between-group factors, 35% within-group; F = 9.03, p < .001) (Dansereau et al., 1984).

We assessed the convergent validity of the narcissism measure in three ways. First, we collected the CEO's letter to the shareholders for the fiscal year 2009 (number of letters = 25) and the transcripts of quarterly earnings calls for that year in which the CEO participated (average number of earnings calls per CEO = 2.38). Previous research has suggested that people who are more narcissistic use first-person singular pronouns more frequently (DeWall, Buffardi, Bonser & Campbell, 2011; Koch & Biemann, 2014). To test this, we used the Linguistic Inquiry and Word Count (LIWC) text analysis program (Pennebaker, Francis & Booth, 2001) and found that CEO narcissism was positively though modestly correlated with the CEO's use of first-person singular pronouns ("I") in fiscal year 2009 letters to shareholders (r = .27, p < .10), as well as with use of personal pronouns (r = .24, p < .10) in fiscal year 2009 earnings call transcripts.

Second, in a study of CEO narcissism and company financial reporting, Ham, Seybert, and Wang (2017) coded the size of the notarized signatures of CFOs and CEOs in SEC submissions. In a laboratory experiment using data from 63 undergraduates, they found a monotonic relationship between standardized signature size and ratings of narcissism using the NPI-40. They also provided standardized signature sizes for 513 CEOs, which included 24 of the 32 firms in the present Study. Using the signature size data that they provided, we found a significant positive correlation between standardized CEO signature size and our narcissism measure (r = .51, p < .01), providing further convergent validity for the narcissism measure.

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Third, prior research has shown that narcissistic individuals are also more extraverted and less agreeable (e.g., Brown et al., 2010). Using Big 5 personality ratings of the CEO collected from the same participants, we found that CEO narcissism was positively correlated with extraversion (r = .50, p < .01) and negatively with agreeableness (r = -.83, p < .001).

**Organizational culture.** As in Study 2, we assessed organizational culture by asking participants to complete the OCP (Chatman et al., 2014). We focused on collaboration and integrity in their organization's current culture given our research questions, which included the same items described in Study 2. Since the OCP offers a comprehensive set of dimensions beyond just collaboration and integrity, we also calculated associations between narcissism and other aspects of organizational culture in the results section.

**Control variables**. Although the sample firms were in the high-technology industry, we used SIC codes from Compustat to create two dummy variables, Software (variable "Software" = 1) or Mixed ("Mixed Products" = 1) if a company was involved in a mixture of hardware- and software-oriented production. We also controlled for firm size, using the log of the number of employees in fiscal year 2009, gathered from Compustat. A CEO's ability to influence the firm's culture may be affected by several factors. Those who have longer tenure and who hold the role of Board Chair are likely to have an enhanced ability to affect their organization's culture. Therefore, we controlled for CEO tenure as the number of full years that the CEO had consecutively occupied the CEO position in their firm, which we obtained from publicly available sources and validated using the start dates as reported in ExecuComp ( $\underline{x} = 7.81$  years, *s.d.* = 8.11). We verified whether the CEO was the Board Chair (39%) and/or founder (25%) from the company website.

## Results

Means, standard deviations and correlations are presented in Table 5. Narcissism is higher for CEOs of larger firms and is negatively correlated with collaboration (r = -.43 p < .05) and integrity (r = -.24 ns). Table 6 presents the regression results investigating the relationship of leader narcissism and organizational culture after controlling for industry segment (software/hardware), firm size, CEO tenure, and Board Chair. CEOs who were more narcissistic were likely to lead larger firms (r = .38, p < .05) and have longer tenure (r = .45, p < .05). Though not displayed in Table 6, we assessed the extent to which CEO narcissism was related to four other dimensions of organizational culture based on the OCP (Chatman et al., 2014) adaptability, results-oriented, customer-oriented, and detail-oriented. The CEOs' level of narcissism was not significantly associated with any of these four dimensions of culture. CEO narcissism was, however, modestly negatively associated with collaborative culture ( $\beta = -.30$ , p < ....10) as shown in Table 6, model 2, and significantly so if the CEO was also the founder of the company ( $\beta = -.34$ , p < .05 - model 3) or the Board Chair ( $\beta = -.53$ , p < .01 - model 4). Although the overall equation for Models 5-7, which test the association between CEO narcissism and a culture of integrity, are not significant, model 8 offers some support for the link between CEO narcissism and cultures that place a lower value on integrity ( $\beta = -.43$ , p < .10).

Insert Tables 5 and 6 about here

## Discussion

The results of Study 3 offer additional evidence of a link between narcissistic CEOs and organizational cultures that are less collaborative and emphasize lower levels of integrity. One strength of this study is that the organizational culture and CEO narcissism ratings were highly reliable, provided by multiple employees, and separated in time. A question raised in the study pertains to the finding that CEOs who had longer tenure also tended to lead organizations with

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cultures lower in collaboration and integrity. This relationship is hard to interpret because of the correlation between narcissism and tenure, suggesting that narcissistic leaders may continue as CEOs longer than their less narcissistic counterparts.

Although the results of Study 3 suggest a link between CEO narcissism and firm culture, they are limited in several ways. First, the firm sample is small, reducing the power of the test and limiting its generalizability. Second, the link between CEO narcissism and cultures lower in integrity is less robust than is the negative relationship between CEO narcissism and collaboration. Third, the study does not offer causal evidence that CEOs explicitly cultivated the culture that exists. Indeed, the Attraction-Selection-Attrition model (Schneider et al., 1995) suggests that organizations may recruit leaders that already fit the culture in place. As such, future research should attempt to examine organizations across generations of leaders and over time to determine if variation in leaders' narcissism leads to changes in the culture (e.g., becoming less collaborative and lower integrity). Further, with reference to the significant correlation between leader narcissism and leader tenure mentioned above, if there are qualities about the firm's narcissistic leaders join that make it simultaneously more likely that a narcissistic leader will be chosen, have longer tenure, and cultivate less collaborative and lower integrity cultures. Finally, the study does not identify the possible underlying mechanisms that would explain an association between narcissistic CEOs and less collaborative, and possibly lower integrity, cultures. Our two experimental studies attempt to address these issues.

#### **STUDY 4**

#### **Research Design and Participants**

One mechanism that narcissistic leaders might use to develop their organization's culture is to endorse policies and practices that diminish collaboration and integrity. To examine this possibility we asked subjects to complete a survey of "Organizational Policies and Practices" in which they indicated: (a) how important or unimportant they believed a set of organizational policies supporting collaboration and integrity were; (b) how willing they were to recommend promotion of two job candidates who were low in collaboration and integrity, respectively; and (c) how willing they would be as a manager to sanction a set of potential violations of collaboration and integrity norms (e.g., refusing to help a team member, violating company policy for personal gain). We counter-balanced the experimental materials so that respondents completed several personality measures, reported their demographic attributes, and completed the survey of organizational policies and practices containing our dependent variables in random order and found no significant differences in the subjects' responses based on the order in which they completed the study assessments.

One hundred and twenty-two subjects were recruited from Amazon's Mechanical Turk (mTurk) and paid \$2.00 for their participation. We screened subjects so that all who participated in the study were at least 18 years old, resided in the U.S., spoke English as their first language, had at least a high school degree, and were employed full-time. Subjects were also required to complete several attention-check questions throughout the scenario and were prevented from participating in the study more than once. We also monitored the amount of time that subjects took to complete the scenario study and removed subjects who took less than four minutes (based on pretesting) to complete the Study ( $\underline{x} = 7.29$  minutes, *s.d.* = 1.44 minutes). One hundred sixteen respondents met all criteria and were included in the experiment (response rate of 95 percent). Sixty-six percent were male and they averaged 36.4 years old. Seventy-nine percent were Caucasian, 9% were African-American, 9% were Asian-American, and 3% identified as "other." Ninety-six percent were employed by an organization and 4% were self-

employed. Subjects' average work experience was 9.45 years and 45% had managerial responsibilities.

## **Dependent Variables**

**Importance of collaboration and integrity policies.** Subjects indicated on a 9-point scale (1=not at all important, 9=very important) how important it is for an organization to have a set of eight policies. Three of the policies emphasized collaboration and five focused on integrity (see Appendix A1). The scales were reliable (collaboration: Cronbach's  $\alpha = 0.63$ ; integrity: Cronbach's  $\alpha = 0.77$ ).

Decision to promote low collaboration and low integrity candidates. Respondents read the biographical sketches of two employees being considered for promotion (see Appendix A2) and were asked how likely they would be to recommend promotion on a 9-point scale (1=not at all likely to promote, 9=very likely to promote). The scenarios described the candidates as highly qualified in terms of technical competencies and experience. The first scenario indicated that the candidate "Chris" was often aggressive and less of a team player (low collaboration). The second scenario indicated that the candidate "Alex" sometimes ignored the rules, made decisions that could be considered ethically ambiguous, and might not always be honest in his quest to deliver results (low integrity).

Willingness to sanction violations of company policies. Respondents evaluated 10 potential violations of company policies and indicated how willing they would be as a manager to raise the issue with others should they witness the violation, using a 9-point scale (1=not at all willing, 9=very willing). Three of the violations focused on collaboration and five on integrity (see Appendix A3). The scales were reliable (collaboration: Cronbach's  $\alpha = 0.92$ ; integrity: Cronbach's  $\alpha = 0.85$ ).

#### Independent Variable - Narcissism

We assessed narcissism using the NPI-16 (Ames et al., 2006). Consistent with previous research (e.g., Krizan & Herlache, 2018), narcissism was positively correlated with extraversion (r = 0.35, p < .001) and negatively associated with agreeableness (r = -0.30 p < .01).

#### **Control Variables**

We used the same control variables in Study 4 as those in Study 1, sex, age, education, race, and work experience.

## Results

Study 4 examines the relationship between leader narcissism and the likelihood that more narcissistic respondents would endorse policies and actions that result in cultures lower on collaboration and integrity than would those lower on narcissism. Means, standard deviations and correlations are shown in Table 7. In the regression results shown in Table 8, models 1 and 2 support the notion that subjects with higher levels of narcissism are significantly less likely to view as important organizational policies and practices that promote collaboration ( $\beta = -.20, p < .05$ ) and integrity ( $\beta = -.25, p < .01$ ). They also show, in models 5 and 6, that those who are more narcissistic are less willing to sanction those who violate norms of collaboration ( $\beta = -.23, p < .05$ ) and integrity ( $\beta = -.36, p < .001$ ). Model 4 in Table 8, shows that narcissists are more likely to promote a low integrity candidate ( $\beta = .19, p < .05$ ), though the overall equation is not significant (*F*=1.31, *n.s.*). In contrast to our expectations, more narcissistic candidates were less likely to promote a low collaboration candidate ( $\beta = -.20, p < .05$ ), however, this model (3) is only significant at the p<.10 level.

Insert Tables 7 and 8 about here

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To rule out the possibility that narcissists are more likely to promote candidates generally, we conducted an additional analysis with 121 new subjects, using the same filters and covariates described above for Study 4, and describing the two candidates as high (rather than low) in collaboration and integrity. We found no difference between subjects who were high versus low on self-reported narcissism and their propensity to promote a candidate high in collaboration ( $\beta = -.02$ , n.s.), or a candidate high in integrity ( $\beta = -.05$ , n.s.), suggesting that narcissists are no more or less likely than those lower in narcissism to promote candidates. **Discussion** 

Culture is shaped by leaders' actions, which are typically manifested in the policies they adopt and support, the types of people they select and promote, and their willingness to reward and punish those who either behave in accordance with cultural norms or violate them. The results of Study 4 show that people who are more narcissistic endorse policies and practices that are likely to produce cultures that are less collaborative and of lower integrity than are those who are less narcissistic. The results also suggest that more narcissistic respondents are less willing to sanction actions that undermine collaboration and integrity. And, narcissists were more likely to promote a candidate with lower integrity. One finding was less consistent with our general reasoning: narcissists were less likely to promote less collaborative candidates (or, said differently, were more likely to promote candidates higher in collaboration) than were those lower in narcissism, a finding that could indicate that narcissists may believe that less collaborative people are harder to influence and thus undesirable. Overall, these findings demonstrate a link between how narcissists act in ways that are likely to produce the cultures of low collaboration and integrity shown in Studies 1, 2, and 3. In Study 5, we explored how the cultures created by narcissistic leaders' affect their subordinates' decisions and actions.

#### **STUDY 5**

## **Research Design**

In Study 5, we sought to better understand the relationship between leader narcissism, cultural levels of integrity and collaboration, and employee behavior, and specifically to examine the combined impact of leader narcissism and culture. We consider the impact of culture, along with leader narcissism, on employee behavior and thus integrate the link established in Studies 1-3 between leader narcissism and cultural levels of collaboration and integrity with the association established in Study 4 between leader narcissism and employee behavior. Specifically, we designed an experimental scenario to test whether more narcissistic leaders in organizations whose cultures emphasize collaboration and integrity. Further, following from our argument that followers may be reluctant to simply emulate narcissistic leaders, we examined the relative potency of leader narcissism and cultures deemphasizing collaboration and integrity on follower compliance. As discussed above, we expected that culture would be a more potent force influencing follower decisions than would leader narcissism.

We randomly assigned subjects to one of four conditions. Subjects read a scenario in which we varied the level of the CEO's narcissism (low versus high) and the company's cultural emphasis on collaboration and integrity (low versus high – see Appendix B for a transcript of the scenario and list of the four conditions), and then completed a survey (the same one as in Study 4) of "Organizational Policies and Practices." Similar to Study 4 but from the perspective of a subordinate manager reporting to the CEO, the survey asked participants to indicate how important or unimportant a set of policies regarding collaboration and integrity were to recommend to the CEO, how willing they were to recommend to the CEO promotion of two job

 candidates who were good performers but were less collaborative or lower on integrity, respectively, and how willing they would be as a manager to sanction a set of potential violations (e.g., violating company policy for personal gain, refusing to help a team member). We counterbalanced the experimental materials so that respondents completed the same personality measures as in Study 4, the survey of organizational policies and practices, and questions about their demographic attributes in different orders. No order effects emerged.

We recruited 200 subjects from Amazon's mTurk, and paid them \$5.00 for participating. We screened subjects so that all who participated in the study were at least 18 years old, resided in the U.S., spoke English as their first language, had at least a high school degree, and were employed full-time. Subjects were also required to complete several attention-check questions throughout the scenario,<sup>1</sup> and were prevented from participating in the study more than once. No subjects took less than five minutes (based on pretesting) to complete the Study ( $\underline{x} = 19.32$ minutes, *s.d.* = 14.03 minutes).

Subjects were, on average, 36.4 years old, 54% were male, 75% were Caucasian, 10.5% were African-American, 11% were Asian-American, and 3.5% identified as "other." Ninety-five percent of subjects were employed by an organization and 5% were self-employed. Subjects' average work experience was 12 years, and 40% had managerial responsibilities.

## **Dependent Variables**

Willingness to recommend collaboration and integrity policies to the CEO. Subjects indicated on a 9-point scale (1=not at all likely, 9=very likely) how likely they would be to recommend a set of eight policies to the CEO of FastChip, the simulated organization. As in Study 4 (see Appendix A1), three items emphasized collaboration (scale  $\underline{x} = 3.90$ , *s.d.* = .84) and

<sup>&</sup>lt;sup>1</sup> All subjects met all our conditions, though five participants failed one of the three attention checks. The results did not change if we included or excluded these participants so we included them in the sample.

five focused on integrity (scale  $\underline{x} = 3.94$ , *s.d.* = .77). The two policy scales were reliable (collaboration: Cronbach's  $\alpha = 0.68$ ; integrity: Cronbach's  $\alpha = 0.81$ ).

**Decision to recommend promoting low-collaboration and low-integrity candidates.** Respondents read the same biographical sketches of two employees being considered for promotion as in Study 4 (see Appendix A2), then were asked how likely they would be to recommend promotion of the candidate to the CEO on a 9-point scale (1=not at all likely to promote, 9 =very likely to promote). Again, "Chris" was the low-collaboration candidate ( $\underline{x} = 6.73$ , *s.d.* = 1.87) and "Alex" was the low integrity candidate ( $\underline{x} = 5.55$ , *s.d.* = 2.34).

Willingness to raise issues to the CEO regarding sanctioning violations of company policies. We asked respondents to evaluate the same 10 potential violations of company policies as in Study 4 and indicate how willing they would be as a manager to raise the issue with the CEO should they witness the violation, using a 9-point scale (1=not at all willing, 9=very willing). As in Study 4 (see Appendix A3), five of the violations focused on collaboration (scale x = 5.82, *s.d.* = 2.17) and five on integrity (scale x = 6.12, *s.d.* = 2.00). The two scales were reliable (collaboration: Cronbach's  $\alpha = 0.92$ ; integrity: Cronbach's  $\alpha = 0.84$ ).

# Independent Variable: Leader Narcissism-Cultural Collaboration or Integrity Condition

Because all organizations have leaders and a culture, we created four conditions. Subjects were randomly assigned to one of the four conditions (Appendix B): (1) high leader narcissism/low collaboration and integrity culture (51 subjects), (2) low leader narcissism/high collaboration and integrity culture (49 subjects), (3) high leader narcissism/high collaboration and integrity culture (50 subjects), and (4) low leader narcissism/low collaboration and integrity culture (50 subjects). Our main interest was in comparing condition 2 and condition 1.

#### **Control Variables**

Since participants were randomly assigned to conditions, most attributes should not influence our results systematically. We, did, however, control for subjects' self-reported narcissism using the NPI-16 ( $\underline{x} = 4.30$ , *s.d.* = 3.81) and the Resick measure ( $\underline{x} = 2.69$ , *s.d.* = 1.10) to ensure that narcissism levels did not account for subjects' decisions. The correlation of the NPI-16 and the Resick measure of narcissism was r = .49 (p < .001), suggesting convergent validity. We also controlled for subjects' sex to account for possible differences in men's and women's reactions to cultures varying in collaboration and integrity. Though not included in our models, narcissism was also positively correlated with hierarchical position of the respondent (NPI-16: r = 0.30, p < .001; Resick: r = 0.20, p < .01), indicating that more narcissistic individuals occupied higher managerial positions.

#### **Manipulation Checks**

As part of Study 5, we asked participants to assess the CEO's level of narcissism using Resick et al.'s (2009) narcissism measure (Cronbach's  $\alpha$  =.96). As expected, participants randomly assigned to the high leader narcissism condition perceived the CEO in the scenario as significantly more narcissistic (x = 5.6, *s.d.* = 1.1) than did those in the low narcissism condition (x = 3.1, *s.d.* = 1.6; F = 154.9, *p* < .001). We also collected responses to two items that offer some assurance that participants viewed the culture conditions as different. Specifically, we asked participants, on a 5-point Likert scale, the extent to which they fit the culture and preferred the culture (Cronbach's  $\alpha$  ==.91). Participants in the high collaboration/high integrity culture condition viewed the culture described in the scenario as significantly more desirable and a higher fit for them (x = 3.6, *s.d.* = 1.1) than did those in the low collaboration/low integrity culture condition (x = 2.7, *s.d.* = 1.3; F = 27.8, *p* < .001).

# Results

Table 9 reports the means, standard deviations, and correlations among the Study 5 variables. Building on our findings from the previous studies in this paper, and as a step toward exploring culture as a key mechanism influencing followers, we expected, first, that followers would be more likely to conform to the cultural orientation toward lower collaboration and lower integrity in making their policy, promotion, and sanctioning recommendations when the leader was more narcissistic and the culture was less collaborative and lower integrity. Table 10 shows ANCOVA tests of whether followers make decisions and recommendations to the CEO that are lower in collaboration and integrity (condition 1) compared to when the CEO was lower in narcissism and the culture was higher in collaboration and integrity (condition 2). Second, we examined the relative influence of leader narcissism and cultural orientation. Table 11 shows the ANCOVA results of our tests comparing the influence of leader narcissism and cultural collaboration, respectively, on follower behavior across the six dependent variables.

**The** *combined* **impact of leader narcissism and cultural orientation on follower behavior.** Table 10 shows results of ANOVAs of follower decisions across the three dependent variables (policies, promotion, sanctions) when subjects, in the role of a subordinate, were asked to make recommendations either to a narcissistic CEO leading an organization whose culture was low in collaboration and integrity or to a CEO who was low on narcissism leading a culture that was high in collaboration and integrity, what we identify as "congruent" conditions.. For all three of the dependent variables across the two culture types, followers were more likely to recommend policies, promotions, and sanctions that were consistent with the leader's narcissism and cultural orientation. Specifically, with regard to the *policy* dependent variable, compared to subjects in Condition 2 (low leader narcissism, high collaborative/integrity culture - x = 4.11),

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subjects in Condition 1 (high leader narcissism, low collaboration/integrity culture condition -  $\underline{x}$ = 3.71) were significantly less likely to recommend policies that supported collaboration (F = 5.96, p < .05). Compared to subjects in Condition 2 ( $\underline{x}$  = 4.17), subjects in Condition 1 ( $\underline{x}$  = 3.78), were also significantly less likely to recommend policies that supported integrity (F = 5.84, p < .05).

Further, with regard to the *promotion* dependent variable, compared to subjects in Condition 2 (low leader narcissism, high collaborative/integrity culture -  $\underline{x} = 5.98$ ), subjects in Condition 1 (high leader narcissism, low collaboration/integrity culture condition -  $\underline{x} = 7.16$ ) were significantly more likely to recommend a candidate (Chris) that was less collaborative (F =10.52, p < .01). And compared to subjects in Condition 2 ( $\underline{x} = 4.39$ ), subjects in Condition 1 ( $\underline{x} =$ 5.67), were also significantly more likely to recommend a candidate (Alex) that displayed lower integrity (F = 6.64, p < .05).

And, with regard to the *sanctions* dependent variable, compared to subjects in Condition 2 (low leader narcissism, high collaborative/integrity culture -  $\underline{x} = 6.92$ ), subjects in Condition 1 (high leader narcissism, low collaboration/integrity culture condition -  $\underline{x} = 5.11$ ) were significantly less likely to support sanctions for lower collaboration (F = 19.01, p < .01). And compared to subjects in Condition 2 ( $\underline{x} = 7.07$ ), subjects in Condition 1 ( $\underline{x} = 5.57$ ), were also significantly less likely to recommend sanctions for lower integrity (F = 16.41, p < .01).

The *relative* impact of leader narcissism and cultural orientation on follower behavior. To explore the relative impact of leader narcissism and cultural orientation on follower behavior, we conducted ANCOVAs of follower decisions across the six dependent variables (policies, promotion, sanctions across the two types of cultures). Our design did not permit a perfect isolation of leader versus culture effects because both were always present at high or low levels in each condition, however, we grouped together the two conditions in which leaders were high on narcissism (condition 1: high narc/low collaboration-integrity culture, and condition 3: high narc/high collaboration-integrity culture) and compared this combined condition independent variable to a variable representing the two conditions in which leaders were low on narcissism (condition 2: low narc/high collaboration-integrity culture, and 4: low narc/low collaboration-integrity culture). Similarly, we created a variable in which cultural emphasis on collaboration or integrity was high by combining conditions 2 and 3 into an independent variable and comparing it to a variable representing the two low collaborationintegrity culture conditions (1 and 4).

Table 11 shows the results of these comparisons. Interestingly, only one of the six comparisons was modestly significant for the high versus low leader narcissism comparisons. Specifically, there was a modestly significant difference for integrity, with subjects working for a CEO who was high on narcissism ( $\underline{x} = 3.84$ ) being slightly less likely to recommend policies supporting integrity compared to subjects recommending policies to CEOs who were low on narcissism ( $\underline{x} = 4.04$ ; F = 2.82, p < .10).

In contrast, for the high versus low culture comparison, all six comparisons were significantly different. Specifically, with regard to the *policy* dependent variable, compared to subjects in the high collaboration culture ( $\underline{x} = 4.06$ ), subjects in the low collaboration culture ( $\underline{x} = 3.74$ ) were significantly less likely to recommend policies that supported collaboration (F = 8.02, p < .01). Compared to subjects in the high integrity culture ( $\underline{x} = 4.03$ ), subjects in the low integrity culture ( $\underline{x} = 3.85$ ), were modestly less likely to recommend policies that supported integrity (F = 3.64, p < .10).

Further, with regard to the **promotion** dependent variable, compared to subjects in the high collaboration culture ( $\underline{x} = 6.21$ ), subjects in the low collaboration culture ( $\underline{x} = 7.24$ ) were significantly more likely to recommend a candidate (Chris) that was less collaborative (F = 18.47, p < .01). Compared to subjects in the high integrity culture ( $\underline{x} = 5.18$ ), subjects in the low integrity culture ( $\underline{x} = 5.90$ ), were also significantly more likely to recommend a candidate (Alex) that displayed lower integrity (F = 5.23, p < .05).

And, with regard to the *sanctions* dependent variable, compared to subjects in the high collaboration culture ( $\underline{x} = 6.48$ ), subjects in the low collaboration culture ( $\underline{x} = 5.18$ ) were significantly less likely to support sanctions for lower collaboration (F = 20.91, p < .01). Compared to subjects in the high integrity culture ( $\underline{x} = 6.66$ ), subjects in the low integrity culture ( $\underline{x} = 5.58$ ), were also significantly less likely to recommend sanctions for lower integrity (F = 16.60, p < .01).

# Discussion

Study 5 addressed two questions. First, we examined the combined impact of leader narcissism and cultural orientation on employee decisions. We found that when a leader is high on narcissism and the culture is low on collaboration and integrity, employees are significantly more likely to make decisions that are lower in integrity and collaboration than when the leader is low on narcissism and the culture is high on collaboration and integrity. Since organizations invariably have both leaders and cultures, this study begins to substantiate their combined impact on how employees behave above and beyond the employee's own level of narcissism.

Second, we explored the possibility that leader narcissism and cultural orientation exert different levels of influence on employee behavior. Interestingly, shown in Table 11, it is the culture that appears to be driving employee behavior more than the direct effect of the leader's

narcissism. The F-tests in Table 11 show that the difference between cultures that do and do not emphasize collaboration and integrity significantly influences followers to make decisions that are consistent with the cultural orientation, with only the integrity culture on policies being moderately significant. It could be the case that once employees perceive leaders as more narcissistic, they assume that the culture will be less likely to support collaboration and integrity and behave accordingly.

Our results from Studies 1, 2, and 3 surface the relationship between leader narcissism and culture, while the results of Study 4 suggest that narcissistic leaders may also directly influence the decisions and preferences that subordinates express. Study 5 further contributes to these linkages by raising the possibility that the less collaborative and lower integrity cultures that narcissistic leaders create may be a potent and lasting source of influence on employee's decisions and behavior. Indeed, based on the comparative main effects shown in Table 11, leaders create a culture that may, in turn, exert an even more direct and forceful channel for affecting employee behavior. Future research should, therefore, explicitly test the possibility that cultures characterized by lower collaboration and integrity may mediate the relationship between leader narcissism and employee behavior, particularly over time.

Insert Tables 10 and 11 about here

### **GENERAL DISCUSSION**

The results of the five studies establish a clear linkage between leader narcissism and organizational cultures characterized by lower collaboration and integrity. These findings are consistent with research on the so-called dark side of leadership (Kaiser, LeBreton & Hogan, 2015; Khoo & Burch, 2008) and provide a framework for additional hypotheses and theory

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generation which can link leader narcissism to specific aspects of organizational culture and employee behavior. Our first study offers evidence that individuals who are more narcissistic report engaging in less collaborative and ethical behavior than do those who are less narcissistic. Study 2 shows that participants rated by others as more narcissistic report creating organizational cultures that are less collaborative and place less emphasis on integrity than do participants who are seen by others as less narcissistic. Study 3 offers additional support for this link in organizations, showing that CEOs who are rated by their employees as more narcissistic lead organizational cultures that are lower on collaboration and may emphasize integrity less than do CEOs who are less narcissistic. To explore the mechanisms linking leader narcissism and cultures of collaboration and integrity, Study 4 reveals that more narcissistic respondents are less likely to support policies and practices that promote collaboration and integrity and are less willing to sanction actions that undermine a culture of collaboration and integrity. Finally, to understand how culture is maintained and cascaded through an organization, Study 5 shows that when respondents are dealing with a more narcissistic leader in a culture characterized by lower collaboration and integrity, they are also less likely to collaborate and adhere to high standards of integrity, regardless of their own level of narcissism, and that they are particularly likely to follow the culture of their organization as a guide to their own decisions. Taken together, the results of these five studies offer evidence that can form the basis for future hypothesizing about the causal mechanisms and consequences of narcissistic leadership and organizational cultures.

Our research offers an initial framework for developing a theory of how leader personality, and narcissistic leaders in particular, can affect organizational culture. First, while previous research has suggested how organizational culture is developed (e.g., O'Reilly & Chatman, 1996; Schein, 1985) and how a leader's actions can cascade into the organization (e.g., Bauman et al., 2016; Schaubroeck et al., 2012), our results show that narcissistic leaders, by virtue of their personality, are likely to prefer and create cultures that specifically undermine collaboration and blur ethical boundaries. And, while previous studies have suggested a "bright side" to leader narcissism, our results suggest instead that narcissistic leaders can have a diffuse but persuasive "dark side" impact on their organizations through the cultures they create, which can put their organizations at risk (Van Scotter & De Dea Roglio, 2018). These effects can be driven by leaders at different organizational levels--department, division, business unit or for the entire organization.

In their review of the state of research on organizational culture, Chatman and O'Reilly (2016) note that, although there are a large number of studies of culture, their aggregate impact is undermined by a lack of consistency in the definition and measurement of the construct. They further observe that even though many researchers accept Schein's (1985) conception of culture as having three levels (underlying beliefs and assumptions, norms and values, and artifacts like language and symbols) that "this consensus has not been translated into a consistent theoretical framework (p. 218)" that explicates the underlying mechanisms of action. They suggest that the starting point for a comprehensive theory of culture could be a focus on how norms can act as a social control system and can affect observable attitudes and behaviors. The current study is a step in this direction, linking leader personality to normative order and showing how leaders can affect the culture of an organization and subsequent behavior of its members.

Although we explore a single leader personality trait (narcissism) and only two aspects of culture (collaboration and integrity), a more general theoretical framework would encompass a full spectrum of personality traits and cultural norms. It could elaborate on how norms affect the basis for individuals' underlying commitment (O'Reilly & Chatman, 1986) and could also show

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how these preconditions affect important organizational outcomes like financial performance, firm reputation, and innovation capacity. Based on the results of Study 5, it would also explore the relative contributions of personality, leader behavior, enabling mechanisms (e.g., formal policies and procedures), and cultural norms on the behavior of individuals. It could also pay attention to how the combination or interaction of these elements influence employee behavior and organizational outcomes.

# **Managerial Implications**

What are the implications of our findings for organizations with cultures that are low on collaboration? In principle, it is easy to theorize why organizations with more collaborative cultures might be better able to coordinate activities across the company (e.g., cross-selling, better technical coordination) and therefore perform better. Prior research supports the value of collaboration in promoting organizational effectiveness. For example, in a meta-analysis of 84 studies Hartnell and his colleagues (2011) found that in cultures that were more clan-like (that included an emphasis on collaboration), employees were more satisfied with their jobs, more committed to the organization, more focused on product quality, and viewed their organization as more effective. In another study, Hartnell, Kinicki, Lambert, Fugate, and Corner (2016) found that cultures that were more team-oriented performed better, while Grijalva and her colleagues (2020) found that teams with higher levels of narcissism had lower levels of collaboration and performed more poorly. Berson et al. (2008) reported that supportive cultures (which included an emphasis on relationships) were associated with higher employee job satisfaction and better sales growth. O'Reilly et al. (2014) found that financial analysts evaluated firms with more collaborative cultures more positively. Other research also suggests how a collaborative culture serves as a potential key to firm performance (e.g., Baron & Hannan, 2002).

The evidence for how a culture emphasizing integrity affects firm performance is even more persuasive (Simha & Cullen, 2012). Several studies have shown that more ethical leaders create more ethical cultures, and both leaders' actions and the cultures they create cascade into the organization, influencing subordinates' behavior and resulting in higher organizational citizenship behavior and lower deviance (e.g., Eisenbeiss, van Knippenberg & Fahrbach, 2015; Mayer, Kuenzi, Greenbaum, Bardes & Salvador, 2009; Trevino et al., 2014). Consistent with this, Guiso and his colleagues (2015) found that a firm's stated values about integrity and collaboration did not predict firm performance, but firms whose leaders were seen by employees as having higher integrity had higher market-to-book valuations. Recent studies in accounting and finance have shown that narcissistic leaders are more likely to manipulate earnings reporting (Capalbo et al., 2018; Ham et al., 2017), engage in tax avoidance (Olsen & Stekelberg, 2016), and put their firms at greater audit risk (Judd et al., 2015). Thus, it appears that narcissistic leaders not only create lower integrity cultures, but that such cultures negatively affect firm performance. Taken together, our studies suggest that managers who wish to avoid creating less collaborative and lower integrity cultures and sub-cultures within their organizations might be well-advised to develop practices that allow them to avoid hiring and promoting narcissistic leaders (O'Reilly & Chatman, 2020).

### **Study Limitations and Implications for Future Research**

Using multiple methods and samples, our studies provide a remarkably consistent picture of the effects of narcissism on organizational culture. The studies, individually and as a set, have some clear limitations, however. First, although Study 2 included 259 MBA students, more than half of whom were managers and employed full-time, we could only assess their own reports of the types of organizational culture they had created, not the cultures that those experiencing their Page 47 of 81

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cultures might report. It is possible that circumstances such as strong industry regulation or strong board governance might constrain narcissistic leaders from implementing their preferred cultures, weakening the effects of both high and low leader narcissism. Second, while the results of Study 3, examining high-tech CEOs, were largely consistent with the MBA sample, it was cross-sectional, precluding our ability to attribute the cultures in place to the actions of that CEO. Further, although the number of raters of the CEO's personality was reasonable (n=250), the number of firms was small (n=32), limiting the power of the findings. Additionally, we focused on firms in a narrow industry segment and although this focus allows us to control for industry variations, it may also limit the generalizability of our findings. Third, while the online samples consisted of working adults, the choices they made about policies, promotions, and sanctions were hypothetical and not actual behavior, so we cannot be sure that these choices would occur in an organizational context.

Further, our results were not completely consistent across the studies. One possible reason for this is that respondents' willingness to identify cultures as low on collaboration, and even more so, as low on integrity, may vary by the setting in which they participated. In particular, in our only study of actual organizations (Study 3), the relationship between leader narcissism and integrity was the weakest and least consistent, while it was the strongest in Studies 1 and 5, scenario studies. Two factors might account for this. First, it is likely that employees of a "real" organization feel more inhibited about depicting their organization as low on integrity, particularly given the negative consequences of such disclosures. Second, unlike teamwork that is salient to individuals on a frequent basis, integrity is a less frequent and less visible outcome to most organizational participants. As such, violations are less likely to be observed and commented upon.

Several avenues for future research and theory building seem promising. First, to reduce the reliance on small samples (either laboratory or field data) and enhance the power and validity of any tests, future research should strive to use longitudinal data with large samples, both of leader personality and organizational culture. From a theory-building perspective, the possibility that a CEO's narcissism lags his or her tenure as CEO, and that causality works both in the direction of culture causing certain CEOs to be selected as well as CEOs determining the culture, makes it critical to conduct research over time. Conventional measurement approaches make this difficult, especially for cross-organization culture comparisons and for the assessment of personality of senior leaders who have neither the time nor the inclination to fill out surveys. Fortunately, several emerging measurement approaches and data sets may allow this using data from existing sources like Glassdoor and Facebook (e.g., Sull, Sull & Chamberlain, 2019). For example, Malhotra and his colleagues (Malhotra, Reus, Zhu & Roelofsen, 2018) used language coding from transcripts (e.g., earnings calls and assessment data) to code personality data for CEOs across a large sample of firms. Popadak (2013) used data from Glassdoor and other online sources to assess and compare cultures across organizations and found that firms with lower collaboration and integrity also had less rigorous corporate governance regimes and reported lower profitability. These techniques, as well as other emerging approaches to assessing organizational culture (Chatman & Choi, 2020) permit researchers to gather large-sample data and conduct more definitive studies of CEO personality, organizational culture, and their impact on firm performance over time frames that allow for clearer inferences about causality.

# Conclusion

Our goal was to explore the relationship between narcissistic leaders and organizational culture. In a study of leadership and power, Macenczak and his colleagues concluded, "Since

those high in narcissism often seek high positions of power, this can be a dangerous combination if left unchecked" (Macenczak, Campbell, Henley & Campbell, 2016: 119). Our findings support this conclusion by showing that narcissistic leaders are significantly more likely to prefer and create cultures that undermine collaboration and integrity, attributes that are almost always beneficial for organizations. By focusing primarily on leader attributes, previous research has overlooked the potentially insidious impact of such leaders on the enduring patterns of behavior among employees, who are likely to make decisions that are consistent with the culture of the organization. In this way, narcissistic leaders may leave a residue on organizations through creating policies, hiring and promotion criteria, and sanctioning some, but not other, behaviors that create cultures lower in collaboration and integrity. These cultures may outlast a narcissistic leader's tenure and, as such, narcissistic leaders may leave a lasting, and negative, legacy on the organizations they lead.

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Variable	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1 Sex <sup>a</sup>																
2 Age <sup>b</sup>	-* .12															
3 Education <sup>c</sup>	- .03	.18														
4 Race <sup>d</sup>	- .12	-** .15	- .05													
5 Employment <sup>e</sup>	- .01	-** .14	.03	.06												
6 Experience <sup>f</sup>	- .07	.82	.11	-** .17	- 80.											
7 Agreeableness	-*** .21	.21	.04	- .01	- .02	.20										
8 Conscientiousness	- .04	.21	.05	.05	.03	.24	.38									
9 Extraversion	.04	.01	.03	.02	- .01	.03	.10	.02								
10 Neuroticism	- .15	-** .14	- .04	- .03	.00	-** .14	-*** .37	.40	-** .15							
11 Openness	.00	.10	.05	- .02	*۔ 12.	.07	.34	.19	.28	-*** .23						
12 Narcissism (NPI- 16)	.21	-** 17.	.05	.06	- .04	-*** .18	-*** .26	- .04	.38	-* .10	.10					
13 Narcissism (Resick)	.21	-*** .19	.03	.03	-* .11	-*** .18	-*** .56	-*** .37	.29***	.29	.01	.54				
14 Narcissism (SINS)	.17	-*** .22	- .01	.00	- .06	-*** .23	-*** .42	- <sup>***</sup> .28	.11	.16	- .05	.46	.63			
15 Collaboration	- .11	.22	.03	- .06	-* .10	.24	.34	.37	- .03	-** .17	.24	-*** .26	-*** .31	-*** .26		
16 Integrity	- .17	.25	.07	- .05	- .05	.27	.42	.42	- .06	-*** .19	.25	-*** .28	-*** .39	-*** .34	.67	
Mean	0.56	2.94	1.37	1.40	1.94	3.78	5.33	5.75	3.42	2.96	5.12	3.97	2.62	2.05	6.02	6.36

TABLE 1Study 1: Descriptive Statistics and Zero-Order Correlations

SD	0.50 1.1	3 0 60	0 99	024	1 5 5	1 25	1 2 3	1 68	1 52	1 2 3	3 80	1.08	1 34	077	0.72
<sup>202</sup> / <sub>***</sub> <i>p</i> < .001, ** <i>p</i>	< .01. * n < .05	0100	0177	0.21	1.00	1.20	1120	1100	1101	1120	0.00	1100	110 1	0177	
<sup>a</sup> 0=female, 1=ma															
<sup>b</sup> 1=18-24 years of		rs old. 3=	=35-44	vears o	old. $4 = 4$	45-54 v	vears o	1d.5=5	55-64 v	ears ol	d				
,6=65+ years old				<i>j</i> = == = =	, -		,	,			-				
° 0=Associate deg		's degree	2=Ma	ister's d	eoree	3=Doc	rtoral o	r nrofe	essional	l deore	P				
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5=Native Hawaii					or ma.	Sita Mai		-/151411	7 miler iv	call,					
<sup>e</sup> 0=Not employe					organi	zation									
<sup>f</sup> 0=Not employed															
• 0=Not employed	a, 1=Self-employ	′ea, ∠=En	npioyed	u by an	organi	zation									

	Lead	ler Collabora	tion	·	Leader Integ	grity
	1	2	3	4	5	6
	β (SE)	β (SE)	β (SE)	β (SE)	β (SE)	β (SE)
1 Sex	05	04	06	10 *	08 †	11 *
	(.08)	(.08)	(.08)	(.07)	(.07)	(.07)
2 Age	.03	.01	.02	.05	.02	.03
	(.06)	(.06)	(.06)	(.05)	(.05)	(.05)
3 Education	.02	.02	.01	.06	.06	.04
	(.06)	(.06)	(.06)	(.06)	(.06)	(.06)
4 Race	01	01	03	01	01	03
	(.04)	(.04)	(.04)	(.04)	(.03)	(.03)
5 Employmen	09	12	10 *	04	07	05
t	(.16)	(.15)	(.16)	(.14)	(.14)	(.14)
6 Experience	.16 *	.16 *	.16 †	.17 *	.17 *	.16 *
	(.04)	(.04)	(.04)	(.04)	(.04)	(.04)
7 Narcissism	22 ***			23 ***		
(NPI-16)	(.01)			(.01)		
8 Narcissism		28 ***			35 ***	
(Resick)		(.04)			(.03)	
9 Narcissism			21 ***			28 ***
(SINS)			(.03)			(.03)
F	7.54 ***	9.50 ***	7.18 ***	9.59 ***	14.64 ***	11.45 ***
d.f <i>.</i>	7,392	7,392	7,392	7,392	7,392	7,392
Adjusted R <sup>2</sup>	.10	.13	.10	.13	.19	.16

TABLE 2
Study 1 Regression: Links Between Self-Assessed Narcissism and Self-Reported
Collaboration and Integrity Behaviors

\*\*\* *p* < .001, \*\* *p* < .01, \* *p* < .05, † *p* < 0.10

Academy of Management Discoveries

Variable		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	2
1 Gender <sup>a</sup> 2 MBA Pro		 .03																			
<sup>3</sup> National		- .07	- .10																		
<sup>4</sup> Race <sup>d</sup>		.01	- .08	- <sub>**</sub> .19																	
5 Number Raters	of	.04	- .04	.12	.04																
6 Year of M Program		- .01	.40***	- .03	- .06	.25***															
<sup>7</sup> Agreeab			.10	- .02	- .07	.07	.03														
8 Conscier ness <sup>e</sup>	ntious-	.17**	.17**	- <sub>**</sub>	.14*	.14*	.26***	.24***													
9 Extraver	sion <sup>e</sup>	.10	- .02	- .03	- .04	- .02	.02	.09	- .12												
<sup>10</sup> Neurotic	cism <sup>e</sup>	.16*	- .15	.05	- .01	.15 <sup>*</sup>	- .16	- <sub>***</sub> .39	-	.15*											
<sup>11</sup> Opennes	S <sup>e</sup>	.02	.08	- .03	.01	.01	.10			.40***	- .15										
12 <sub>Narcissi</sub>	sm <sup>e</sup>	- .08	-, .14	.06	.04	- .15	-** .18	- <sub>***</sub> .53	- <sub>***</sub> .43	.33***	.49***	- .05									
<sup>13</sup> Collabor	ation <sup>f</sup>	.01	-, .16	- .05	.04	.02	- 80.	.05	- .03	- .06	.01	- .06	- .14								
14Custome Oriented		.05	.12	.07	- .13	- .07	.00	- .04	- .12	.03	.02	.00	.05	- .15							
15 Detail- Oriented	f	.00	.07	- .03	.03	.04	.06	- <sub>**</sub> .16	.15*	- .16	.11	- .03	.04	- .04	.01						
16 Innovati	f	- .02	- <sub>***</sub> .25		.03	.10	.05	.04	- .09	.11	.02	.14*	.08	- .11	.05	- <sub>**</sub> .21					
17 Integrity	<b>r</b> f	- .03	.13*	- .11	.05	- .04	.05	.03	.08	- 80.	- .03	- .05	- <sub>**</sub> .20	.12	- **	.01	- <sub>**</sub> .19				
18 People- Oriented		- .13	.01	.02	- .07	.09	- .18	.05	- .14	.08	.02	.01	- .03	.38***	- .16	- .31	- .13	.12			

19Results- Oriented <sup>f</sup> 20	.11	-** .17	.08	.06 -	.11	.01	.12	.14*	.10	.10	.00	.08	- <sub>***</sub> .24	.04	.14* .15*	.24 <sub>***</sub>	-** .17	-*** .31		
<sup>20</sup> Transparency <sup>f</sup>	.14	.04	.03	.03	.05	.09	.12	.07	.06	.08	.06	.10	.07	.05	.15*		.03	.00	.02	
Mean	0.35	0.52	0.30	0.61	5.92	2014. 08	5.23	5.84	4.76	2.58	5.43	2.77	6.03	5.28	5.46	5.59	6.36	5.79	5.66	4.77
SD		0.50		0.49	3.45	1.77	0.89	0.91	1.16	0.94	0.74	0.78	0.86	1.16	0.99	0.90	1.21	1.10	0.92	0.87
<i>SD</i> **** <i>p</i> < .001, ** <i>p</i> < <sup>a</sup> 0=male, 1=fema <sup>b</sup> 0=full-time, 1=p	< .01, * lle	<i>p</i> < .0		0.49 ° 0		1.77 1=non-	·U.S.		e Ci	ross ev	aluated	d	0.86 created			0.90	1.21	1.10	0.92	0.87

1 2 3 4 5 6 7 8	Study 2 Regression: L
9 10 11 12	
13 14 15 16 17	Gender (0=male, 1=female
18 19 20 21	MBA Program <i>(0=full-time, 1=pa</i>
22 23 24 25 26	Nationality (0=U.S., 1=non-U.S
27 28 29 30	Race (0=white, 1=non-
31 32 33 34	Number of Raters
35 36 37 38	Year of MBA Program
39 40 41 42 43	Cross-Evaluated Nar
44	F
45 46	d.f.
47 48	Adjusted R <sup>2</sup>
49 50	** <i>p</i> < 0.01, * <i>p</i> < 0.0
51 52	
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TABLE 4
Study 2 Regression: Linking Cross-Evaluated Narcissism to Organizational Culture (MBA Sample)

	Collaboratio	Collaboratio	Integrit	Integrit
	n	n	У	У
	1	2	3	4
	β (SE)	β (SE)	β (SE)	β (SE)
Gender	0.01	0.00	-0.04	-0.05
(0=male, 1=female)	(0.11)	(0.11)	(0.16)	(0.16)
MBA Program	-0.15 *	-0.17 *	0.13 †	0.11
(0=full-time, 1=part-time)	(0.12)	(0.12)	(0.17)	(0.17)
Nationality	-0.06	-0.05	-0.09	-0.08
(0=U.S., 1=non-U.S.)	(0.12)	(0.12)	(0.17)	(0.17)
Race	0.02	0.03	0.04	0.05
(0=white, 1=non-white)	(0.11)	(0.11)	(0.16)	(0.16)
Number of Raters	0.02	0.00	-0.02	-0.05
	(0.02)	(0.02)	(0.02)	(0.02)
Year of MBA Program	-0.02	-0.04	0.00	-0.02
U U	(0.04)	(0.04)	(0.05)	(0.05)
Cross-Evaluated Narcissism		-0.16 *		-0.20 **
		(0.07)		(0.10)
F	1.28	2.05 *	1.33	2.57 *
d.f.	6,251	7,250	6,251	7,250
Adjusted R <sup>2</sup>	0.01	0.03	0.01	0.04

# Academy of Management Discoveries

TABLE 5 Study 3: Descriptive Statistics and Zero-Order Correlations

Variable	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1 Firm Size <sup>a</sup>																		
2 Software <sup>b</sup>	.08																	
3 Mixed Products <sup>c</sup>	.15	-*** .75																
4 CEO Tenure <sup>d</sup>	.07	- .01	.11															
5 CEO Founder <sup>c</sup>	- .05	- .07	.15	.76														
6 CEO Board Chair <sup>c</sup>	.35	- .19	.17	- .02	- .02													
7 Agreeableness	-* .38	- .07	- .18	*۔ 39.	-* .38	.19												
8 Conscientiousness	30	.21	.20	.18	- .12	- .02	.42											
9 Extraversion	.24	.11	- .01	.35	.25	.08	- .17	-* .40										
10 Neuroticism	.32	- .02	.31	.52	.57		-*** .82		.50									
11 Openness	- .18	.08	- .11	.38	.48	.00	.07	.19	.19	.14								
12 CEO Narcissism	.38	.03	.04	.45	.31	- .23	-*** .83	***- .60	.50	.85	- .05							
13 Adaptability	- .01	- .13	.04	.18	.18	.14	- .01	.06	.09	.18	.66	.11						
14 Collaboration	- .06	.34	-*** .54	· -*·* .57	-*** .56	.04	.53	.24	- .23	***- .66	- .16	-* .43	- .11					
15 Customer-Oriented	.20	.07	.14	- .28	- .34	- .07	.13	.17	- .10	- .25	- .34	- .20	- .24	.32				
16 Detail-Oriented	- 80.	- .23	.29	.14	.24	- .15	-* .42	.24	- .12	.32	.11	.32	.02	-* .39	- .12			
17 Integrity	.05	.12	- .22	- .28	- .28	- 80.	.25	.19	- .10	- .32	- .20	- .24	- .27	.40	.21	- .24		

18 Results-Oriented	.33	- .28	.47 <sup>**</sup>	.19	- 80.	.26	-* .39	- .07	.03	.25	-* .39	.20	- .24	- .34	.05	.11	- .34	
Mean	9.75	0.44			0.25	0.39	4.21	5.84	4.92	3.06	5.05	3.67	0.07	-0.05	-0.11		0.20	
SD			0.49	8.11	0.44	0.50	1.25	0.63	1.31	1.13	0.94	1.14	0.67	0.69	0.53	0.48	0.50	0.44
*** p < .001, ** p < .01 <sup>a</sup> Natural log of the nu <sup>b</sup> 0=hardware, 1=soft <sup>c</sup> 0=no, 1=yes <sup>d</sup> Number of years	mber of	.05 Femplo	yees in	2009														
Number of years																		

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TABLE 6
Study 3: Regression Linking Cross-Evaluated Narcissism to Organizational
Culture (CEO Sample)

		Collat	oration			In	tegrity	
	1	2	3	4	5	6	7	8
	β (SE)	β (SE)	β (SE)	β (SE)	β (SE)	β (SE)	β (SE)	β (SE)
Firm Size (number of employees)	0.24 (0.08)	0.18 (0.08)	0.15 (0.08)	0.30 (0.10)	0.23 (0.08)	0.20 (0.08)	0.19 (0.08)	0.39 (0.09)
Software <i>(0=hardware,</i> 1 <i>=software)</i>	-0.19 (0.29)	-0.12 (0.26)	-0.13 (0.26)	-0.22 (0.31)	-0.15 (0.28)	-0.12 (0.28)	-0.12 (0.28)	-0.24 (0.29)
Mixed Products (0=no, 1=yes)	-0.69 ** (0.30)	-0.60 ** (0.27)	-0.59 ** (0.27)	-0.71 ** (0.31)	-0.35 (0.29)	-0.31 (0.30)	-0.30 (0.30)	-0.38 (0.29)
CEO Narcissism	-0.48 ** (0.09)	-0.30 † (0.09)	-0.34 * (0.08)	-0.53 ** (0.10)	-0.30 (0.09)	-0.22 (0.10)	-0.24 (0.09)	-0.43 (0.09)
CEO Tenure <i>(# of years)</i>		-0.38 * (0.01)				-0.17 (0.01)		
CEO Founder (0=no, 1=yes)			-0.37 ** (0.21)				-0.16 (0.23)	
CEO Board Chair <i>(0=no, 1=yes)</i>				-0.10 (0.24)				-0.30 (0.22)
F	6.83 **	8.27 **	8.46 **	5.21 **	1.10	1.00	1.00	1.24
d.f.	4,27	5,26	5,26	5,25	4,27	5,26	5,26	5,25
Adjusted R <sup>2</sup>	0.43	0.54	0.55	0.41	0.01	0.00	0.00	0.04

\*\* p < 0.01, \* p < 0.05, † p < 0.10 (two-tailed).

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
	Sex <sup>a</sup>																		
2	Age <sup>b</sup>	-																	
~	D -	.02																	
3	Race <sup>c</sup>	- .10	- .17																
4	Employment <sup>d</sup>		.17	-															
1	Linployment	.12	.05	.19 <sup>*</sup>															
5	Experience <sup>e</sup>	-		-	-														
	-	.07	.81***	.18	.03														
6	Agreeableness	-	.09	.01	.02	.12													
_	C	.01	10 5	101	102														
7	Conscientiousness	.04	.14	- .11	.12	.17	.37***												
8	Extraversion			.11				***											
U	Exclusion	.00	.16	.08	.04	.20*	.14	.37											
9	Neuroticism	-	-		-	-	-	-	-										
		.21 <sup>*</sup>	.10	.00	.10	.06	.39	.47	.29										
10	Openness	-	.07	-	-	.11	.28**	.36***	.35***	- <sub>***</sub> .37									
		.05	107	.04	.15		.20	100	100	.37									
11	Narcissism (NPI-	.19*	- .15	- .09	.04	- .10	- <sub>**</sub> .30	.14	.35***	- .14	.15								
12	16) Narcissism		.15	.09		.10	_	_			_								
12	(Resick)	.11	.12	.05	.00	.14	-*** .55	.23	.25**	.15	.04	.72***							
13	Collaboration	-			-				14	01		-							
	Policies	.25**	.11	.00	.10	.20*	.30**	.24**	.14	.01	.28**	.24	.21						
14	Integrity Policies	-*	.11	-	-	.23*	.42***	.30**	.07	-	.35***	-**	- ***	.53***					
		.24	.11	.01	.08	.23	.12	.50	.07	.08	.55	.29	.41	.55					
15	Low Collaboration	.01	.07	- .02	.17	.09	.26**	.14	.03	- .16	.16	- .18	- <sub>**</sub> .28	.11	.34***				
16	Promotion Low Integrity			.02						.10		.18	.28						
10	Promotion	.04	.16	.11	.03	- * .19	.09	.01	.30**	.03	.04	.18	.22*	.09	.17	.03			
17	Collaboration	-		~ -	-			-		-		-	-				_*		
	Issues	.19 <sup>*</sup>	.16	.05	.09	.23*	.17	.02	.01	.02	.07	.28**	.27**	.26**	.28**	.02	.19		
18	Integrity Issues	-	.25**	-	-	.35***	10*	.07	-	.01	.06	- <sub>***</sub> .39	- ***	.16	.35***	.23*	-*	.74***	
		.18	.40	.01	.08	.55	.19	.07	.06	.01	.00	39	37	.10	.55	.45	.23	./ 4	-

TABLE 7

Mean	0.66	2.36	1.52	1.96	3.00	5.50	5.72	3.91	2.59	5.60	5.06	2.88	7.01	7.18	7.53	5.49	6.44	6.62
SD	0.47	0.96	1.21	0.20	1.48	1.33	1.25	1.77	1.56	1.29	4.21	1.21	1.30	1.35	1.42	2.02	1.90	1.77

\*\*\* *p* < .001, \*\* *p* < .01, \* *p* < .05

<sup>a</sup> 0=male, 1=female

<sup>b</sup> 1=18-24 years old, 2=25-34 years old, 3=35-44 years old, 4=45-54 years old, 5=55-64 years old

,6=65+ years old

<sup>c</sup> 1=Caucasian, 2=African-American, 3=American Indian or Alaska Native, 4=Asian-American,

5=Native Hawaiian or Other Pacific Islander, 6=Other

<sup>d</sup> 1=0-4 years, 2=5-9 years, 3=10-14 years, 4=15-19 years, 5=20-24 years, 6=25+ years

<sup>e</sup> 0=not employed, 1=self-employed, 2=employed by an organization

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TABLE 8
Study 4: Regression Linking CEO Narcissism to Policy Recommendations, Promotion Recommendations, and
Willingness to Sanction

	Polic	ies	Promo	tions	Sanction	ns
	1	2	3	4	5	6
	Collaboration	Integrity	Collaboration	Integrity	Collaboration	Integrity
	β (SE)	β (SE)	β (SE)	β (SE)	β (SE)	β (SE)
Sex	-0.18 *	-0.16 †	0.04	-0.90	-0.12	-0.07
	(0.25)	(0.26)	(0.28)	(0.41)	(0.37)	(0.32)
Age	-0.17	-0.25 †	0.00	0.03	-0.14	-0.13
-	(0.21)	(0.21)	(0.23)	(0.34)	(0.30)	(0.26)
Education	-0.09	0.08	-0.20 *	0.00	0.09	-0.10
	(0.33)	(0.33)	(0.37)	(0.53)	(0.48)	(0.41)
Race	-0.02	-0.04	0.03	0.09	0.03	0.00
	(0.10)	(0.10)	(0.11)	(.16)	(0.15)	(0.13)
Employment	-0.09	-0.04	0.15	0.05	-0.04	-0.07
	(0.58)	(0.60)	(0.66)	(0.95)	(0.86)	(0.74)
Experience	0.31 *	0.39 *	0.09	-0.18	0.31 *	0.41 **
-	(0.13)	(0.14)	(0.15)	(0.22)	(0.20)	(0.17)
Narcissism	-0.20 *	-0.25 **	-0.20 *	0.19 *	-0.23 *	-0.36 **
(NPI-16)	(0.03)	(0.03)	(0.03)	(0.05)	(0.04)	(0.04)
F	2.76 *	3.39 **	1.90 †	1.31	2.79 *	5.73 *
d.f.	7,108	7,108	7,108	7,108	7,108	7,108
Adjusted R <sup>2</sup>	0.10	0.13	0.05	0.02	0.10	0.22

\*\*\* p < .001, \*\* p < 0.01, \* p < 0.05, † p < 0.10 (two-tailed).

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	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
l Sex <sup>a</sup>																			
2 Age <sup>b</sup>	- .01																		
3 Race <sup>c</sup>	.01	- .06																	
4 Employment <sup>d</sup>	.04	.05	- .03																
5 Experience <sup>e</sup>	- .04	.87***		.06															
6 Work Role <sup>f</sup>	.12	.14	.07	.35***	.18**														
7 Agreeableness	- .14	.23**	.05	- .02	.21**	.04													
3 Conscientiousness	- .03	.16*	.08	.18*	.19**	.04	.45***												
9 Extraversion	.06	.09	- .12	.14*	.07	.21**	.16*	.16											
10 Neuroticism	- .18	- .13	- .07	- .10	- .12	- <sub>*</sub> .14	- <sub>***</sub> .45	- .49	- .32										
11 Openness	.12	.03	- .08	.08	.07	.14	.26***	.20**	.39***	- <sub>***</sub> .33									
12 Narcissism (NPI- 16)	.19**	- * .17	.02	.07	- .11	.30***	- <sub>***</sub> .26	- .01	.33***	- .04	.13								
13 Narcissism (Resick)	.16**	- <sub>**</sub> .22	- .04	- .03	.18 <sup>*</sup>	.20**	-*** .49	- <sub>***</sub> .32	.14	.25***	- .03	.49***							
4 Collaboration Policies	- .04	- .02	- .08	- .09	- .01	.06	.04	.16*	.05	- .06	.09	- .03	- .05						
15 Integrity Policies	- .12	- 80.	- .15	- .01	- .11	.03	- .02	.10	- .03	- .02	- .02	- .07	.01	.70***					
16 Low Collaboration Promotion	.12	- .01	.05	- .06	.02	.09	- .10	- .10	.07	.00	- .01	.10	.07	- .07	- .06				
17 Low Integrity Promotion	.11	.01	- .02	.10	.09	.06	- .06	- .01	- .01	- .07	- .05	.03	.10	- .12	- .14	.35***			
8 Collaboration Issues	.01	.10	- .07	.01	.12	.03	.00	.14*	- .04	.01	.12	- .10	- .03	.31***	.32***	- .17	- .04		

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TABLE 10
Study 5: ANCOVA Linking Combined CEO Narcissism and Company Culture to Policy Recommendations, Promotion
<b>Recommendations, and Willingness to Sanction</b>

	Pol	icies		otions		ctions
	1	2	3	4	<u>5</u>	6
	High	High	Low	Low	High	High
	Collab.	Integrity	Collab. (Chris)	Integrity (Alex)	Collab.	Integrity
Condition:	<u>x</u> (SE)	<u>x</u> (SE)	<u>x</u> (SE)	<u>x</u> (SE)	<u>x</u> (SE)	<u>x</u> (SE)
C2: Low Leader Narcissism +	4.11	4.17	5.98	4.39	6.92	7.07
High Collaboration-Integrity Culture	(0.12)	(0.10)	(0.29)	(0.35)	(0.27)	(0.25)
C1: High Leader Narcissism +	3.71	3.78	7.16	5.67	5.11	5.57
Low Collaboration-Integrity Culture	(0.13)	(0.12)	(0.23)	(0.34)	(0.30)	(0.27)
F	5.96 *	5.84 *	10.52 **	6.64 *	19.01 **	16.41 *
d.f.	4,95	4,95	4,94	4,95	4,95	4,95
Adjusted R <sup>2</sup>	0.02	0.04	0.10	0.03	0.14	0.16
Partial eta-squared for corrected model	0.06	0.07	0.14	0.07	0.18	0.20

\*\* p < 0.01, \* p < 0.05, † p < 0.10 (two-tailed). Entries are variable means (+standard

errors).

Sex and self-rated narcissism were included as covariates but were never significant.

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Study 5: ANCOVA Relative Effects of Leader Narcissism and Organizational Culture on Policy Recommendations, Promotion Recommendations, and Willingness to Sanction

3	Poli	icies		otions		nctions
4 5	1	2	3	4	5	6
6	High	High	Low	Low	High	High
7	Collab.	Integrity	Collab.	Integrity	Collab.	Integrity
8			(Chris)	(Alex)		
9 10	<u>x</u> (SE)					
Low Leader Narcissism <sup>1</sup>	3.94	4.04	6.66	5.27	6.08	6.32
12	(0.09)	(0.07)	(0.20)	(0.24)	(0.22)	(0.21)
13						
14						
15 High Leader Narcissism <sup>2</sup>	3.86	3.84	6.80	5.81	5.58	5.91
16 17	(0.08)	(0.08)	(0.17)	(0.22)	(0.21)	(0.19)
8						
<sup>9</sup> Low Collaboration-Integrity Culture <sup>3</sup>	3.74	3.85	7.24	5.90	5.18	5.58
20	(0.09)	(0.08)	(0.17)	(0.22)	(0.22)	(0.20)
1	(0.09)	(0.00)	(0.17)	(0.22)	(0.22)	(0.20)
22						
High Collaboration-Integrity Culture <sup>4</sup>	4.06	4.03	6.21	5.18	6.48	6.66
25	(0.08)	(0.08)	(0.20)	(0.24)	(0.20)	(0.19)
96						
27 F (narcissism)	0.31	2.82 †	1.19	1.97	0.97	1.64
<sup>28</sup> F (culture)	8.02 **	3.64 †	18.47 **	5.23 *	20.91 **	16.60 **
<sub>29</sub> d.f. (narcissism)	3,195	3,195	3,194	3,195	3,195	3,195
<sup>31</sup> d.f. (culture)	3,195	3,195	3,194	3,195	3,195	3,195
<sup>32</sup> Adjusted R <sup>2</sup> (narcissism)	-0.01	0.02	0.00	0.02	0.00	0.01
34Adjusted R <sup>2</sup> (culture)	0.03	0.02	0.09	0.03	0.09	0.08
5						

2						
$\frac{3}{4}$ Partial eta-squared for corrected model (narcissism)	0.01	0.03	0.02	0.03	0.02	0.03
5 Partial eta-squared for corrected model (culture)	0.04	0.03	0.10	0.05	0.08	0.09

 $\frac{6}{7}$  \*\* p < 0.01, \* p < 0.05, † p < 0.10 (two-tailed). Entries are variable means (+standard errors). <sup>1</sup> Condition 2

 $\frac{7}{8}$  and Condition 4. <sup>2</sup> Condition 3 and Condition 1. <sup>3</sup> Condition 1 and Condition 4. <sup>4</sup> Condition 2 and Condition 3.

 $\frac{1}{9}$  Sex and self-rated narcissism were included as covariates but were never significant.

# APPENDIX A

# Organizational Policies and Practices Survey

A1. Policies<sup>2</sup>: "Different organizations take different approaches to implementing policies and practices. We are interested in your views about which policies and practices you believe are most useful for organizations. Below are a number of policies and practices. We are interested in how important or unimportant you think it is for an organization to have policies, systems, and procedures to promote each of the following. Please indicate how important you think each of these would be on the 9-point scale (1 = not at all important, 5 = neutral, 9 = very important)."

Item	Scale
1. Having a company ethics policy (+)	Integrity
<ul><li>2. Policies that discourage making fun of others at work</li><li>(+)</li></ul>	Collaboration
3. A strong conflict of interest policy (+)	Integrity
4. Having a system to report ethics violations (+)	Integrity
5. Explicit rewards and recognition for promoting teamwork (+)	Collaboration
6. Policies to ensure pay equity between men and women (+)	Integrity
7. Policies to promote a supportive work environment (+)	Collaboration
8. Having a Corporate Social Responsibility program (+)	Integrity

 $<sup>^2</sup>$  The three sections were presented in different orders to subjects to avoid order effects.

**A2. Promotion Recommendation:** "Below are brief descriptions of two employees who are being considered for promotion. The two employees have equal experience and professional qualifications. Please assess their promotion potential; that is, if they were working for <u>you</u> in this organization, how likely would you be to recommend that they be promoted? Please indicate on the 9-point scale (1 = not at all likely to promote, 5 = neutral, 9 = very likely to promote)."

**Chris**: One of Chris's former supervisors noted, "Chris is one of the best young managers I have ever been privileged to work with. His work ethic, attention to detail, and ability to think creatively about complex problems ensures that he can be trusted with any task imaginable." A peer evaluator wrote that "He is one of the most dedicated young professionals I have seen. He always delivers 100 percent effort." Other commenters singled out his competitiveness and persistence in delivering results. Chris himself echoed this saying that "I love to win and won't give up. For me, being the best at what I do is what drives me." Perhaps because of this drive to win, his 360 reviews also suggested that his aggressiveness sometimes made him less of a team player than others. His competitiveness also could result in conflict with othersalthough commenters were quick to note that he was always polite in his interactions.

**Alex**: A review of his previous performance evaluations shows that Alex has always been in the top 5 percent of his cohort in performance and potential. Previous bosses routinely praised him for his outstanding job performance and willingness to do whatever it takes to deliver for the client. One supervisor noted that "He has an incredible desire to perform at the highest level, constantly looks for ways to improve, and never quits." He finished by saving that he was sorry to lose Alex from his team and would be happy to have him work for him again. Others commented on his adaptability, initiative and ability to simplify complex problems into manageable tasks. His 360-feedback also observed that in his drive to succeed, Alex could also sometimes ignore the rules and make decisions that might be considered ethically ambiguous. One anonymous reviewer wondered whether Alex might not always be completely honest in order to always deliver outstanding results.

**A3. Sanctions:** Sometimes people in organizations make choices that violate organization or company policies and procedures. These choices may undermine or even harm the organization or others. There is always room for disagreement about how important these transgressions might be.

Below are a set of potential violations. If someone in your organization were to engage in these activities, how willing would <u>you</u> be as a manager to raise the issue if with others (formally or informally)? Please indicate on the 9-point scale (1 = not at all willing to raise the issue, 5 = neutral, 9 = very likely to raise the issue).

Item	Scale	
Act rudely toward a coworker	Collaboration	
Conduct personal business on company time	Integrity	
Publicly embarrass another coworker	Collaboration	
Show up late with no excuse	Integrity	
Discuss confidential company information with an unauthorized person.	Integrity	
Lose their temper with a coworker	Collaboration	
Bend the rules to make the numbers	Integrity	
Refuse to help a fellow team member	Collaboration	
Violate company policy for personal gain	Integrity	
Withhold information from a colleague for personal gain	Collaboration	

# APPENDIX B Study 5 Scenario and Conditions

# **B1. Study 5 Organizational Scenario:**

"Below we describe a specific organization, FastChip Inc., a medium-sized, publicly traded company that performs reasonably well relative to the industry. We provide information about the company and its CEO, R.L. Terrell. After reading about the organization and its CEO, we would like you to make several decisions as though you were a manager working in this organization.

- A. Narrative profile of CEO with high and low narcissism<sup>3</sup>: Business journalists have described R.L. Turrell as a charming *extrovert/introvert* with a strong sense of *self-confidence/self-esteem* who is often *aggressive/quiet* in pursuing his goals. He likes to be *the center of attention/unassuming* in public settings. Other observers have noted that he has been *risk taking/cautious* in his approach, leading some to label him as an *impulsive/deliberate* decision maker. On occasion, this has led him to *push the boundaries/be very careful* of ethical transgressions. Former coworkers have noted that he routinely *ignores/listens to* feedback from others. When his views are challenged, they note that he is typically *angry and vindictive/calm and collected* in response. Others, who wished to remain anonymous, also described how he often *takes credit/acknowledges* for others' accomplishments and is *manipulative/honest* when dealing with others.
- **B.** Narrative profile of organization with high and low integrity/collaboration: The CEO of FastChip, R.L. Terrell, is the driving force of FastChip Inc.'s corporate culture. He is proud of Fast Chip Inc.'s reputation in the industry as an *individualistic/collaborative* organization. At FastChip Inc., *individual effort and initiative/cooperation and teamwork* are highly valued and rewarded, and *competition/cooperation* among individuals and departments is considered to be the best road toward innovation and success. Employees are encouraged to take *short cuts/take the long road* and [/not] to push up against compliance and legal requirements. The company tends [/not] to push the limits ethically *but/and* has never been found to violate the law. Internal *competition/cooperation* is high as employees strive to perform, and members are *unlikely/likely* to share information with one another. Both employees and outsiders categorize FastChip Inc.as having a very *individualistic/collaborative* culture."

<sup>&</sup>lt;sup>3</sup> Note that leader and culture sections (as well as policy recommendations, promotion recommendations, and violation sanctions and narcissism surveys) were counter balanced to avoid order effects.

# **B2. Study 4 Conditions:**

Condition Number	Leader Narcissism	Culture Condition	Congruence		
1	High Narcissism	Low Cooperation and Integrity	Congruent		
2	Low Narcissism	High Cooperation and Integrity	Congruent		
3	High Narcissism	High Cooperation and Integrity	Incongruent		
4	Low Narcissism	Low Cooperation and Integrity	Incongruent		