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

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Abstract

Researchers have become increasingly interested in how narcissistic leaders influence people and organizations. Research in this domain had generated equivocal results, however, with some studies showing that narcissistic leaders positively influence their firms because people are drawn to their grandiose visions, self-confidence, and bold actions, and other studies painting a more negative picture, showing that narcissists’ low integrity, lack of empathy, and individualistic orientation can lead them to put the organizations they lead at risk. We attempt to clarify these conflicting findings by suggesting that narcissistic leaders, through their signature attributes, create organizational cultures that can have a long term influence on firm value. In two field studies and two scenario studies, we show that more narcissistic managers: (a) prefer cultures that are lower on integrity and collaboration; (b) lead organizations with cultures that place less emphasis on integrity and collaboration; (c) endorse policies and procedures that are associated with cultures with lower integrity and less collaboration; and (d) have followers who are less likely to make decisions that support integrity and collaboration. We discuss the potentially lasting impact of narcissistic leaders on the cultures they cultivate.

Key words: Narcissistic Leaders, Organizational Culture, Collaboration, Integrity and Ethics
Over the past decade, researchers have become increasingly interested in narcissistic leaders and their impact on people and organizations (e.g., Chatterjee & Hambrick, 2007; Chatterjee & Pollock, 2017; Grijalva et al., 2015; Hambrick, 2007). Part of this interest has stemmed from the well-documented finding that those who are more narcissistic disproportionately aspire to become, and emerge as leaders in organizations (Brunell et al., 2008; Spurk, Keller, & Hirschi, 2016). Research has examined the impact narcissistic leaders have on organizational outcomes such as strategy and performance. The results of these studies have been mixed, however. Some research has found that narcissistic leaders positively influence their organizations’ performance (e.g., Chatterjee & Hambrick, 2007; 2011; Patel & Cooper, 2014; Reina, Zhang & Peterson, 2014; Zhu & Chen, 2015). In a study of biotech companies, for example, Gerstner Koenig, Anders and Hambrick (2013) found that firms with more narcissistic CEOs were more likely to respond to new technologies and adapt to disruptive change. In contrast, other studies find that narcissistic leaders may put their organizations at risk and reduce their value. For example, narcissistic CEOs are more likely to manipulate earnings, have less effective internal accounting controls, and be found guilty of fraud (e.g., Buchholz, Lopatta, & Maas, 2014; Frino, Ming, Mollica, Palumbo, 2015; Ham, Lang, Seybert, & Wang; 2015; Rijsenbilt & Commandeur, 2013). More recently, in a study of the effects of the financial crisis on banks, Buyl, Boone, and Wade (2017) showed that although the effects of narcissistic CEOs was positive before the shock, these firms were slower to recover after the crisis. Thus, it is unclear whether narcissistic leaders exert a positive or negative influence on the organizations they lead because the evidence linking these leaders to organizational outcomes remains mixed (e.g., Wales, Patel & Lumpkin, 2013).
Underlying these equivocal results is a lack of clarity about how narcissistic leaders might affect organizational performance. Researchers have generally focused on documenting the direct association between CEO narcissism and firm level outcomes (e.g., Chatterjee & Hambrick, 2007; O’Reilly, Doerr, Caldwell & Chatman, 2014) rather than examining the intervening factors that might be associated with leader narcissism and organizational outcomes. Chatterjee and Pollock (2017), for example, suggest that narcissistic leaders’ need for social approval and domination can make them difficult to work with and may affect both corporate governance and how top management teams function. They suggest that future research needs to more carefully consider the relationship between CEO personality characteristics and firm level outcomes and to explore how and under what circumstances CEO narcissism might lead to positive or negative group performance.

We suggest that one way in which leaders may affect organizational outcomes is through the cultures that they create—that is, through promoting and modeling enduring patterns of behaviors and expectations among organizational members (Chatman & O’Reilly, 2016). Our goal is to understand the cultural impact both from the standpoint of the narcissists’ preferences and the effect their behavior can have on their organizations and employees’ enduring behaviors. Research that examines a narcissist’s behavior absent an organizational context may miss how a narcissistic leader can exert a sustained impact on the culture and ultimately on organizational performance (e.g., Boyce, Nieminen, Gillespie, Ryan & Denison, 2015; Wallace & Baumeister, 2002). Thus, it is possible that what has been deemed as the “positive” impact of narcissistic leaders arose because researchers looked at shorter term or less organization-wide findings, while negative findings imply that these leaders have a systemic and enduring negative impact on the organizations they lead because they affect how members behave and what they value.
For example, narcissists may make successful strategic choices and embark on bold innovation because of their grandiosity, sense of entitlement, and overconfidence (e.g., Gerstner et al., 2013, Patel & Cooper, 2013), but this might also include taking excessive risks and failing to adhere to ethical standards because they believe the rules do not apply to them (Brunell & Buelow, 2017). Such tendencies can overshadow a narcissistic leaders’ positive achievements by creating a culture that jeopardizes the organization’s ability to survive (e.g., Buyl et al., 2017). Considering the impact that narcissistic leaders have on the cultures of the companies they lead is critical because it can clarify the equivocal findings that exist about the benefits and detriments of narcissistic leaders.

We develop a theory of how narcissistic leaders influence their organizational cultures both in terms of the substance of the culture and the organizational processes they use as levers to affect employees’ decisions and behaviors. We identify two distinctive culture dimensions that emerge from the narcissistic personality. First, we argue that, because of their defining attributes of self-perceived exceptionalism, feelings of entitlement, and not being subject to the same rules as others, narcissistic leaders may promote and model lower levels of integrity in their organization’s cultures. Second, we suggest that narcissistic leaders’ need to be the center of attention and social interaction (Nevicka, De Hoogh, Van Vianen, Beersma & McIlwain, 2011a) and the threat they experience when others form coalitions (Horton & Sedikides, 2009) may lead members of their organizations to be less likely to collaborate with one another. To test our hypotheses, we conducted a set of field and laboratory studies examining how narcissistic leaders influence others’ behavior through organizational culture.

**Narcissistic Leaders and Organizational Culture**
Researchers have typically 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 control system that helps people understand and distinguish between behaviors that are expected and approved of, and those that are inappropriate and are important to avoid within their organization. This social control system arises, in part, from organizational leaders’ preferences and actions. As a pioneering scholar of organizational culture, Ed Schein stated that, “the only thing of real importance that leaders do is to create and manage the culture” (1985: 2). Leaders shape the norms that define an organization’s culture both through 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. By signaling to employees which norms and values are rewarded and punished, these actions help define the culture of the organization (Chatman & O’Reilly, 2016).

A leader’s personality, or “characteristic patterns of thought, emotion, and behavior…that are consistent over time and across situations” (Funder, 2001: 2) is a key source of these decisions. Because of a leader’s power, which is vested in the formal, and often informal, status hierarchies, a leader’s personality as manifested in his or her characteristic behaviors and preferences may shape subordinates’ perceptions of the appropriate ways of behaving, or the culture of the organization. Similar to personality, values are enduring subjective judgments about what is seen as important that reflect basic dispositions (Parks & Guay, 2009). Thus, a
CEO’s personality and values can act as an important source of information about an organization’s normative order.

In support of this perspective, researchers have demonstrated how a CEO’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 CEOs who were higher on agreeableness and extroversion were more likely to lead more cohesive cultures. In a study of 26 CEOs, Berson, Oreg, & Dvir (2008) found that CEOs who were characterized as more self-directed had more innovative cultures, while those who valued security had more bureaucratic cultures. Finally, O’Reilly and colleagues (O’Reilly et al., 2014) reported that CEOs who were higher on conscientiousness had more innovative cultures while those who were lower on agreeableness (i.e., more confrontational) had cultures that were more results-oriented. This research suggests that a CEO’s personality is associated with the organizational culture they cultivate.

Given the disproportionate representation of narcissistic leaders in organizational settings (e.g., Maccoby, 2007; O’Reilly et al., 2014), it is important to understand the impact such leaders have on their organization’s cultures. Two perspectives are relevant to understanding how narcissistic leaders affect the specific dimensions of their organizations’ cultures. First, because leaders serve as role models for employees (Podolny, Khurana, & Hill-Popper, 2004), we consider how they model the behavioral patterns that become the basis of the cultures of the organizations they lead. Second, we consider how narcissistic leaders directly influence their employees’ choices and behaviors (Schein, 1985).
Research has already shown that leaders’ personalities affect many aspects of an organization’s culture, but we suggest that two distinctive and consequential cultural attributes derive specifically from the narcissistic personality. First, one of the defining attributes of narcissists is that they believe themselves to be exceptional and that the rules apply to others but not to them (e.g., Grijalva & Newman, 2015; Trevino, den Nieuwenboer, & Kish-Gephart, 2014). As a result, they are more willing to cross ethical boundaries in pursuit of what they believe is rightfully theirs, and, as we predict below, create cultures that place a lower emphasis on integrity and ethical behavior. Second, because the narcissist’s personality profile is characterized by over-confidence, an unwillingness to take criticism, and behavior toward others that can be abusive and interpersonally exploitative (e.g., Campbell et al., 2011; Maccoby, 2007), the norms that they model and promote are likely to emphasize being more individualistic, less open and more confrontational.

**Narcissistic Leadership and Cultures of Integrity.** In considering narcissists’ most distinctive and organizationally salient attributes research has shown that they feel entitled, lack empathy, believe that the rules do not apply to them, and do not feel guilty about manipulating others or violating rules (Campbell, et al., 2011). Because narcissists signal to others that honesty and ethical behavior are not important, narcissistic leaders may develop organizational cultures that have lower integrity and are more likely to transgress ethical boundaries (e.g., Blair, Hoffman, & Helland, 2008; Kayes, Stirling & Nielsen, 2007; Mumford, et al., 2001); that is, if subordinates see their leader behaving unethically, they may see these violations as less important and begin behaving in a similar fashion. Reflecting on these tendencies, 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, et al., 2016: 119).
A well-developed stream of research has explored the association of narcissism and counter-productive 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). These include actions such as theft, poor attendance, abusive behavior, taking credit for others’ work, sharing an organization’s confidential information, or withholding effort. Two meta-analytic studies reviewing more than 250 independent samples have shown that narcissistic leadership is a key predictor of CWBs, even after controlling for Big 5 personality and other factors (Grijalva & Newman, 2015; O’Boyle et al., 2012). For example, in four studies Braun and her colleagues (Braun et al., 2015) reported that subordinates led by narcissists were more likely to experience malicious envy of their leader and, as a result, engage in CWBs. In a similar vein, Brown and his colleagues (Brown et al., 2010) showed that more narcissistic students made less ethical decisions than did those who were less narcissistic. Note that these CWBs are theorized as violations of cultural norms, or negative reactions to the organization.

We hypothesize that narcissistic leaders, through their own less ethical behavior, create norms that make it acceptable and normative for employees to act with less integrity. More recent studies in organizations have shown, for example, that narcissistic CEOs were more likely to engage in earnings manipulations, avoid paying taxes, and be involved in litigation (Frino et al., 2015; Judd, Olsen, & Steckelberg, 2015). Therefore, we predict that:

**Hypothesis 1A:** Narcissistic leaders will prefer cultures that emphasize less integrity than will leaders who are less narcissistic.

**Hypothesis 1B:** Narcissistic leaders will develop cultures that emphasize less integrity than will leaders who are less narcissistic.
**Narcissistic Leadership and Collaborative Culture.** 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 such as approval from the boss. 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 et al., 1998). Further, leaders can instill or undermine collaborative norms through their own 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 determined by teaching people values, facts, and skills that will promote either cooperation or internal competition, such as whether reciprocity or sharing information is valued. 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., Pfeffer, 1981).

In considering narcissistic leaders’ propensity to de-emphasize 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 total control. For instance, he describes a CEO who explicitly did not want his vice presidents to work together as a team, claiming that if they did they might plot against him (2007: 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, sequestering, and
preventing bonding among subordinates (Case & Maner, 2014). In a case study of narcissistic leadership, Jones and his colleagues noted that they maintain “a climate of fear, compliance, and subversion of individual thought and willpower” (Jones et al., 2004).

Research has also shown that subordinates reporting to narcissistic leaders experience higher levels of conflict (Campbell et al., 2011), sexual aggression (e.g., Blinkhorn, Lyons, & Almond, 2015; Zeigler-Hill et al., 2016), lower levels of morale, and higher levels of stress (e.g., Grijalva & Newman, 2015; O’Boyle et al., 2012). These employees are also less willing to engage in pro-social behavior (Liu, Chian, Feht, Xu & Wang, 2017). Other studies have shown that narcissists are more likely to derogate others (e.g., Park & Colvin, 2014) and take credit for others’ accomplishments (Campbell et al., 2000; Horton & Sedikides, 2009). Because of this, narcissistic leaders can inhibit information flow among group members (Nevicka et al., 2011a).

Given narcissists’ propensity to take credit for successful outcomes and blame others for failures, they are likely to instill cultural norms focused on individual achievement. 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 et al., 2008; Tepper, 2007). Other research has shown that narcissistic leaders frequently derogate others, seeing themselves as far more competent, and are often punitive and vindictive (e.g., Brunell & Davis, 2016; Kausel et al., 2015). Chatterjee and Pollock (2017) note that “Narcissistic CEOs reward those who reinforce their narcissism and punish those who do not (p. 713).” Under such conditions, 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. Based on this evidence, we propose that:

**Hypothesis 2A:** Narcissistic leaders will prefer less collaborative cultures than will leaders who are less narcissistic.

**Hypothesis 2B:** Narcissistic leaders will develop less collaborative cultures than will leaders who are less narcissistic.

**Mechanisms for Creating Cultures Low in Integrity and Collaboration**

A key part of our theory of how narcissistic leaders influence their organizations’ cultures pertains to the means by which narcissistic leaders create cultures characterized by lower integrity and collaboration. We suggest that there are two sources of these cultural norms: (1) the behaviors that leaders themselves engage in and (2) the behaviors they elicit in their followers. We discuss each below.

**Narcissistic Leader Behaviors that Cultivate Cultures Lower in Integrity and Collaboration.** Research suggests that cultures are formed based on a variety of organizational policies and practices (e.g., Chatman & O’Reilly, 2016; Schaubroeck et al., 2012; Schein, 1985). The attributes that an organization bases employee selection on shape the culture of the organization as people are recruited and selected (e.g., Schneider, Goldstein, & Smith, 1995). A large literature has documented how socialization approaches shape the experience new and existing members have, and influence their perceptions of 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 which 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 affects how those who stay perceive the culture and the norms they adopt (Carroll & Harrison, 1998).

Although not all practices in an organization are specifically conceived of by its leader, a leader, more than any single individual member, has the power to impose her vision and preferences by selecting specific policies and practices, thereby shaping the culture (e.g., Schein, 1985). Therefore, we predict that narcissistic leaders influence their cultures through the policies and practices they prefer in terms of whom to hire and promote, and which behaviors to sanction— or more formally:

**Hypothesis 3:** Narcissistic leaders are (a) less likely to endorse policies that create cultures high in integrity and collaboration, (b) less likely to promote people who demonstrate behaviors associated with cultures emphasizing integrity and collaboration, and (c) less willing to sanction violations of integrity and collaboration, than are leaders lower in narcissism.

**Narcissistic Leaders Actions Influence Employee Behaviors through Culture.**

Research shows that leaders serve both as role models and signal generators. 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). These words and deeds provide employees with evidence about 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, 2013). 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, & Hill-Popper (2005) argued that leadership is explicitly about those
words and actions that create meaning for employees. Thus, a leader’s behavior is likely to be emulated or reciprocated by members. As such, leaders who endorse policies and practices that deemphasize collaboration and integrity will elicit behaviors among employees that are also lower in collaboration and integrity – or more formally:

**Hypothesis 4:** Narcissistic leaders whose organizational cultures emphasize integrity and collaboration less will elicit employee behaviors that are lower in integrity and collaboration than will those leaders who are less narcissistic and whose organizational cultures emphasize integrity and collaboration more.

**Overview of the Studies**

We conducted four studies to explore how leader narcissism might influence an organizational culture’s emphasis on integrity and collaboration. Using MBA students and employee ratings of CEOs, the first two studies test Hypotheses 1 and 2. In study 1, we collected data from 257 MBA students and assessed whether those who were more narcissistic preferred organizational cultures that emphasized integrity (H1A) and collaboration (H2A) less when compared to those who were less narcissistic. In study 2, we used employees’ ratings of their CEO’s narcissism to demonstrate the external validity of this link, finding that narcissistic leaders were less likely to have organizational cultures that emphasized integrity (H1B) and collaboration (H2B). The third and fourth studies, testing Hypotheses 3 and 4, were simulations aimed at understanding the underlying mechanisms. In study 3, we found that more narcissistic subjects were less likely to endorse policies that would create cultures high in integrity and collaboration (H3a); more likely to promote people who are less representative of cultures of integrity and collaboration (H3b); and less willing to sanction violations of integrity and
collaboration (H3c). Finally, in study 4, we designed an experimental scenario to show that narcissistic leaders elicit less integrity and collaboration among followers (H4).

STUDY 1

Research Design and Sample

Two hundred fifty-seven MBA students from a large west coast university participated in this study as part of their course work 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- and cross-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, 124 (48%) of the students were enrolled in the full-time degree program, while 133 (52%) students were working full-time and enrolled in the part-time executive degree program.

Upon enrolling in the course, students were asked to provide the names of at least three cross evaluators (current or former co-workers), told that cross evaluator reports could only be provided to them if they had a minimum of three raters, and informed that participating in the cross evaluation process would be the basis for part of their grade in the course (e.g., they had to write papers interpreting their cross evaluation results in light of their own leadership aspirations). They were then asked to send a scripted email inviting cross evaluators to complete
their assessment within a certain time frame. Students and cross evaluators were then sent a link to the online survey containing a variety of measures, and given two weeks to complete the survey. Cross evaluators were assured that their responses would be kept completely confidential, with only aggregated reports being provided to the focal student. The average number of raters for each focal participant in the sample was 5.44 (s.d. = 3.27). Participants also evaluated themselves on the measures.

Variables

**Narcissism.** We used cross evaluator reports of each focal participant’s level of narcissism using Resick et al.’s (2009) eight-item inventory to avoid common method bias and because previous research has shown that evaluators are able to make these assessments reliably (Lievens, DeFruyt, & Van Dam, 2001). Informants completed an online personality assessment of the 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: arrogant, assertive, boastful, conceited, egotistical, self-centered, show-off, and temperamental, and were dispersed among a larger set of adjectives used to assess the Big Five personality attributes (Gosling, Rentfrow, & Swann, 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, Rose, & Anderson, 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 cross 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 cross evaluators agree on their perceptions of that student. We obtained values for all MBAs ($\bar{x} = 0.71$, $s.d. = .16$) that 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; $F = 7.32$, $p < 0.01$) (Dansereau, Alutto, & Yammarino, 1984).

**Organizational Culture.** We asked informants to complete the revised version of 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 intended to create 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; Sarros et al., 2005). 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: $\bar{x} = 6.04$ ($s.d. = 0.87$) and for integrity were: $\bar{x} = 6.39$ ($s.d. =
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 which of the five classes the focal participant was enrolled in, the MBA program in which the participant was enrolled (full-time or part-time), the number of cross evaluators that rated each focal participant, and participants’ gender (0=male, 1=female), race (0=white, 1=non-white), and nationality (0=U.S., 1=non U.S.).

**Results**

Table 1 shows the results of regression equations examining the effects of our independent variable (cross evaluator rated narcissism) and our control variables on the dependent variable (self-reported level of collaboration and integrity in intended culture). The base equations (models 1 and 3) show that among the control variables, only the MBA program type influences culture such that full-time students are less likely to intend to create collaborative cultures ($\beta = -0.16, p<.05$). None of the other control variables significantly predict preferences for collaborative or integrity-based cultures. H1A and H2A predicted that people who are more narcissistic would intend to create organizational cultures that were less collaborative and place less value on integrity. Model 2 in Table 1 shows as predicted that focal participants rated by their cross evaluators as more narcissistic were significantly more likely to report that they intend to create less collaborative s ($\beta = -0.16, p<.01$) and lower integrity cultures ($\beta = -0.19, p<.01$).

**Discussion of Study 1**

We designed study 1 to test our hypotheses that people who are more narcissistic intend to create cultures that emphasize collaboration and integrity less than are those who are less narcissistic, confirming Hypotheses 1A and 2A using a large sample with observers’ ratings of

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1 Since all hypotheses are directional, we use one-tailed tests of significance for studies 1-4.
the focal subject’s narcissism. Study 2 tests the external validity of these results by examining
the cultures created by more and less narcissistic CEOs of large publicly traded organizations.

STUDY 2

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 = 56
firms, 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. For the culture assessment we received a total of
880 responses from informants in 56 firms. Eighty-nine percent of the 56 firms were included in
the list of the Fortune 1000, representing the largest American firms, and collectively they
generated 75% of the total revenue from high-technology Fortune 1000 firms in 2009.
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 (\(\bar{x} = 7.81\) informants per company, \(s.d. = 4.97\)). 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 percent 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 same online measure of narcissism as used in study 1 (Resick et al., 2009). We averaged the eight items to form an overall scale (Cronbach’s \(\alpha = .92\)). 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 (\(\bar{x} = 0.78, s.d. =.11\)) that 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 \(\text{ICC}(2)\) to assess the reliability of the CEO (within firm) narcissism mean ratings. The \(\text{ICC}(2)\) 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; \(F = 9.03, p <0.001\)) (Dansereau, Alutto, & Yammarino, 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 et al., 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 ($r = .27, p < 0.10$), as well as with use of personal pronouns ($r = .24, p <0.10$) in fiscal year 2009 earnings call transcripts.

Second, in a study of CEO narcissism and company financial reporting, Ham, Seybert, & 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 ($r = .55, p < .01$), providing further convergent validity for the narcissism measure.

Third, prior research has shown that narcissistic individuals are also more extroverted and less agreeable (e.g., Brown, Budzek, & Tamborski, 2010; Saulsman & Page, 2004). Using Big 5 personality ratings of the CEO collected from the same participants, we found that CEO narcissism was positively correlated with extroversion ($r = .50, p < 0.01$) and negatively with agreeableness ($r = -.83, p < 0.001$).

**Organizational Culture.** As in study 1, we assessed organizational culture by asking participants to complete the OCP (Chatman et al., 2014). For purposes of this study, we focused
on Collaboration and Integrity in the current culture (rather than in the culture they desired), which included the same items described in study 1.

**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 Chairman of the Board 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 ($x$ = 7.81 years, $s.d.$ = 8.14). We verified whether the CEO was the Chairman (39%) from the company website.

**Results**

Table 2 presents the regression results investigating the relationship of narcissism and organizational culture after controlling for industry segment (software/hardware), firm size, CEO tenure, and role as chairman. CEOs who were more narcissistic were likely to lead larger firms ($r$ = .38, $p<.05$) and have longer tenure ($r$ = .45, $p<.01$). Confirming Hypothesis 2B, the results in Model 2 in Table 2 shows that CEO narcissism is significantly and negatively associated with collaborative cultures. Although the overall equation for Models 3 and 4 are not significant, Model 4 offers some support for Hypothesis 1B, proposing that more narcissistic CEOs also lead organizations with cultures that place a lower value on integrity.
Discussion of Study 2

The results of study 2 confirm that more narcissistic CEOs lead organizational cultures that are less collaborative and of lower integrity than are those firms headed by CEOs who are less narcissistic. 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. These results suggest a link between CEO narcissism and firm culture, but 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. Finally, the study does not identify the underlying mechanisms that would lead narcissistic CEOs to create less collaborative and possibly less ethical cultures. The following two experimental studies attempt to address these issues.

STUDY 3

Research Design

In Hypothesis 3, we proposed that narcissistic leaders would be more likely to endorse policies and practices that would create cultures lower in collaboration and integrity than would leaders who are low in narcissism. To test this 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 high and 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., violating company policy for personal gain, refusing to help a team member). 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.

Subjects

One hundred and twenty-two subjects were recruited from Amazon’s Mechanical Turk (mTurk) and paid $2.00 for their participation. We screened subjects so that all who participated in the study were at least 18 years old, resided in the U.S., spoke English as their first language, had at least a high school degree, and were employed full-time. Subjects were also required to complete several attention-check questions throughout the scenario, and were prevented from participating in the study more than once. We also monitored the amount of time that subjects took to complete the scenario study and removed subjects who took less than four minutes (based on pretesting) to complete the study ($x = 7.29$ minutes, $s.d. = 1.44$ minutes).

One hundred twelve ($N = 112$) respondents met all criteria and were included in the experiment. Sixty-six percent were male and they averaged 36.4 years old. Seventy-nine percent were Caucasian, nine percent were African-American, nine percent were Asian-American, and three percent identified as “other.” Ninety-six percent of the respondents were employed by an organization and four percent 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 (“Not at all important” to “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 $\alpha = 0.66$; integrity: Cronbach’s $\alpha = 0.76$).

**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” to 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” to 9 = “Very willing”). Five of the violations focused on collaboration and five on integrity (see Appendix A3.). Each dimension showed acceptable scale reliability (collaboration: Cronbach’s $\alpha = 0.85$; integrity: Cronbach’s $\alpha = 0.91$).

**Independent Variable - Narcissism**

We assessed narcissism using both Resick et al.’s (2009) measure to ensure comparability with the first two studies, and also the NPI-16 (Ames, Rose, and Anderson, 2006), which is more appropriate for measuring self-rated narcissism in study 3. The correlation of the NPI-16 and the Resick et al. (2009) measure of narcissism was $r = .72$ ($p < .01$), suggesting convergent validity. Consistent with previous research (e.g., Krizan & Herlache, 2017), both
measures of narcissism were positively correlated with extroversion (NPI-16: $r = 0.35, p<.001$; Resick: $r = 0.25, p<.01$) and negatively associated with agreeableness (NPI-16: $r = -0.30, p<.001$; Resick: $r = -0.55, p<.001$). Narcissism was also positively correlated with hierarchical position of the respondent (NPI-16: $r = 0.24, p<.01$; Resick: $r = 0.27, p<.01$), indicating that more narcissistic individuals occupied higher managerial positions.

**Analysis and Results**

Study 3 tests hypothesis 3, that people who are more narcissistic will be more likely to endorse policies and actions that result in cultures lower on collaboration and integrity than will those lower on narcissism. Consistent with Hypothesis 3a, the regression results shown in Table 3 confirm that subjects with higher levels of narcissism are significantly less likely to view organizational policies and practices that promote collaboration ($\beta = -0.06, p<.05$) and integrity ($\beta = -0.08, p<.01$) as important. The regressions in Table 3 offer modest support for Hypothesis 3b. These results suggest that narcissists are willing to promote people with lower integrity ($\beta = .09 p<.05$). Unexpectedly, and contrary to the hypothesis, increased narcissism is negatively associated with subjects’ willingness to promote a candidate who is seen as less of a team player ($\beta = -.07 p<.05$).

To rule out the possibility that narcissists are more likely to promote candidates generally, we conducted an additional analysis with 121 additional subjects, using the same filters and covariates described above for study 3, and describing the two candidates as high (rather than low) in collaboration and intensity. 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 generally.

Finally, the regression results in Table 3 support Hypothesis 3c, that individuals who are higher on narcissism will be less likely to sanction collaboration or integrity cultural violations. Increased levels of narcissism are negatively associated with subjects’ willingness to sanction collaboration violations ($\beta = -.10, p<.05$) and integrity violations ($\beta = -.15, p<.01$).

Discussion of Study 3

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 (Carroll & Harrison, 1998). The results of this study 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 those who are less narcissistic. The results also show that more narcissistic respondents are less willing to sanction actions that can undermine collaboration and integrity. They are also more likely to promote people with lower ethical standards even though they are no more likely to promote people than are less narcissistic people. The exception to our predicted findings was that narcissists were less likely to promote less collaborative candidates 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 help explain how narcissists make decisions and act in ways that are likely to produce the cultures of low collaboration and integrity shown in Studies 1 and 2. In study 4, we examine how narcissistic leaders’ decisions and behaviors affects their subordinates’ decisions and actions (H4).
STUDY 4

Research Design

Study 4 tests Hypothesis 4, that leaders who are more narcissistic and who lead organizations whose cultures emphasize collaboration and integrity less will elicit behaviors among members that are also lower in collaboration and integrity. We randomly assigned subjects to one of four conditions. Subjects read a scenario in which we varied the level of CEOs 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 3) of “Organizational Policies and Practices.” Similar to study 3 but from the perspective of a manager reporting to the CEO, the survey asked participants to indicate: (a) how important or unimportant a set of policies regarding collaboration and integrity were to recommend to the CEO; (b) 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 (c) how willing they would be to sanction a set of potential violations of integrity or collaboration (e.g., violating company policy for personal gain, refusing to help a team member). We counter-balanced the experimental materials so that respondents completed the same personality measures as in study 3, the survey of organizational policies and practices, and questions about their demographic attributes in different orders and no order effects emerged.

We recruited two hundred subjects from Amazon’s Mechanical Turk (mTurk), and paid them $5.00 for participating. We filtered subjects so that all who participated in the study were at least 18 years old, resided in the U.S., spoke English as their first language, had at least a high school degree, and were employed full-time. Subjects were also required to complete several
attention-check questions throughout the scenario\textsuperscript{,} and were prevented from participating in the study more than once (enforced by checking unique mTurk IDs with each successive condition). No subjects took less than five minutes (based on pretesting) to complete the study ($\overline{x} = 19.32$ minutes, $s.d. = 14.03$ minutes).

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

**Dependent Variables**

**Willingness to recommend collaboration and integrity policies to the CEO.** Subjects indicated on a 9-point scale (from “Not at all likely” to “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 3 (see Appendix A1), three items emphasized collaboration (scale $\overline{x} = 3.90$, $s.d. = .84$) and five focused on integrity (scale $\overline{x} = 3.94$, $s.d. = .77$). 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 to CEO.** Respondents read the same biographical sketches of two employees being considered for promotion, as in study 3 (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

\textsuperscript{2} 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.
promote” to 9 = “Very likely to promote”). Again, “Chris” was the low collaboration candidate ($x = 6.73, s.d. = 1.87$) and “Alex” was the low integrity candidate ($x = 5.55, s.d. = 2.34$).

**Willingness to raise issue to CEO regarding violations of company policies.** We asked respondents to evaluate the same 10 potential violations of company policies as in study 3 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” to 9 = “Very willing”). As in study 3 (see Appendix A3), five of the violations focused on collaboration ($x = 5.82, s.d. = 2.17$) and five on integrity ($x = 6.12, s.d. = 2.00$). The two scales were reliable (collaboration: Cronbach’s $\alpha = 0.92$; integrity: Cronbach’s $\alpha = 0.84$).

**Independent Variables.**

Subjects were randomly assigned to one of four conditions (50 subjects per condition, Appendix B): (1) high leader narcissism/low collaboration and integrity culture, (2) low leader narcissism/high collaboration and integrity culture, (3) high leader narcissism/high collaboration and integrity culture, and (4) low leader narcissism/low collaboration and integrity culture.

**Control Variables.** We controlled for subjects’ self-reported narcissism using the NPI-16 ($x = 4.30, s.d. = 3.81$) and the Resick measure ($x = 2.69, s.d. = 1.10$) to ensure that narcissism levels did not account for subjects’ decisions. The correlation of the NPI-16 and the Resick measure of narcissism was $r = .50 (p < .01)$, suggesting convergent validity. Narcissism was also positively correlated with hierarchical position of the respondent (NPI-16: $r = 0.30, p < .01$; Resick: $r = 0.20, p < .01$), indicating that more narcissistic individuals occupied higher managerial positions. We also controlled for subject’s sex to account for possible differences in men’s and women’s reactions to cultures varying in collaboration and integrity.

**Analysis and Results**
We used ANOVA to test Hypothesis 4, that subjects in the role of subordinates would make decisions and recommendations to the CEO that were lower in collaboration and integrity when the CEO was more narcissistic and when the culture was less collaborative and lower on integrity. Analyses of all six dependent variables supported Hypothesis 4. Compared to subjects in Condition 2 (low leader narcissism, high collaborative/integrity culture - $x = 4.11$), subjects in Condition 1 (high leader narcissism, low collaboration/integrity culture condition - $x = 3.71$) were significantly less likely to recommend policies that supported collaboration ($F = 5.03, p<.05$). Subjects in Condition 2 ($x = 4.17$), compared to subjects in Condition 1 ($x = 3.78$), were also significantly less likely to recommend policies that supported integrity ($F = 5.59, p<.05$). Similarly, subjects in Condition 2 ($x = 5.98$) were less likely to recommend promoting “Chris” (low collaboration candidate) than were subjects in Condition 1 ($x = 7.15, F = 10.43, p<.01$), as well as “Alex” (low integrity candidate) (Condition 2: $x = 4.29$, Condition 1: $x = 5.65, F = 6.79, p<.01$). Finally, subjects in Condition 2 were more likely to sanction violations of collaboration ($x = 6.93$) and integrity ($x = 7.08$) than were those in Condition 1 (collaboration $x = 5.30, F = 19.46, p<.01$; integrity $x = 5.55, F = 16.74, p<.01$). Therefore, Hypothesis 3 is supported.

**Additional Analyses**

**The relative influence of leader narcissism and organizational culture.** Study 4 included conditions in which leader narcissism was incongruent with culture (Condition 3 and Condition 4 in Appendix B), so we were able to glean further insight into the relative importance of leader narcissism and culture on employee behavior by comparing these with the congruent conditions (1 and 2) tested above.

Given our arguments above, a narcissistic leader is less likely to cultivate a collaborative, high integrity culture, while a leader low in narcissism is less likely to cultivate a culture low in
collaboration and integrity. These combinations likely occur only when a leader is brought in to change a culture or is new to the organization. This incongruence is harder to test in the field because of the lower probability of such incompatibility, yet important because it provides insight into whether culture has a more robust impact than a leader’s personality on employee behavior. As such, we hypothesized that when leaders and cultures were incongruent, employees would make decisions and recommendations to the CEO that were more consistent with the culture rather than the leader’s orientation. This is a way of testing Schein’s (1985) proposition that leaders exercise their influence on employees through organizational culture.

We ran ANOVAs comparing the impact of each of the four conditions (two congruent – Conditions 1 and 2, and two incongruent – Conditions 3 and 4) on the same six dependent variables used to test Hypothesis 3. Simple contrasts showed that in each case of incongruence (Conditions 3 and 4), subjects were significantly more likely to adhere to the cultural emphasis rather than the leader’s narcissism per se (see Figure 1, A-F). Simple contrasts showed that the difference between the two incongruent conditions (Condition 3 and Condition 4) was significant for four of the six dependent variables. Specifically, subjects were less likely to recommend collaborative policies in Condition 4 than 3 (p<.05, Figure 1A); more likely to promote a low collaboration candidate in Condition 4 than 3 (p<.01, Figure 1C), and less likely to sanction collaboration and integrity violations in Condition 4 than 3 (collaboration: p<.05, Figure 1E; integrity: p<.05, Figure 1F). Further, the culture was especially potent in influencing subjects’ decisions when leader narcissism was low – all six of the dependent variables show a significant difference, with culture-based alignment, when comparing Condition 3 (low leader narcissism, high collaboration/integrity culture) to Condition 4 (low leader narcissism, low collaboration/integrity culture), suggesting that the leader’s low level of narcissism in Condition
4 is not effective in preventing people from making decisions consistent with the lower collaboration and lower integrity emphasized in the culture.

Though exploratory, these findings imply that if narcissistic leaders are more likely to create cultures low in collaboration and integrity, the focus of the culture can, in turn, have a significant impact on members’ behavior. It also implies that future research might explore the extent to which narcissistic leaders’ cultural impact can extend beyond his or her tenure with the organization, a potentially disturbing enduring effect.

**Narcissists’ perceived fit with leader narcissism-culture combinations.** Our second additional analysis involved examining whether subjects who themselves were more narcissistic preferred different leader/culture conditions compared to less narcissistic subjects. This analysis augments findings from study 1 by examining a person’s subjective fit with the simulated company, and, because of random assignment, avoids selection biases. We created a scale from subjects’ responses, on 5-point Likert-type scales, to two items, “How much would you like to work for FastChip Inc.?” (\(x = 3.18, s.d. = 1.33\)) and “How good a fit do you think you would be at FastChip Inc.?” (\(x = 3.06, s.d. = 1.30\)), representing the dependent variable, subjects’ perceived fit (\(x = 3.12, s.d. = 1.26; \alpha = .91\)). We used subject’s self-rated narcissism (the NPI-16) and the condition to which they were assigned to predict their perceived fit. We expected that subjects who were more narcissistic and in the high leader narcissism, low collaboration/integrity culture condition would perceive their fit as higher than would those who were lower in narcissism. Conversely, we expected that more narcissistic subjects assigned to the low leader narcissism, high collaboration/integrity culture condition would perceive themselves as fitting less well than would less narcissistic subjects.
Regression analyses, including sex as a control variable ($\beta = .01$, n.s.), showed a main effect for condition, with subjects preferring Condition 2 (low leader narcissism, high collaborative/integrity culture) significantly more than Condition 1 (high leader narcissism, low collaborative/integrity culture, ($\beta = .60, p<.01$). There was no main effect for subjects’ self-rated narcissism. We then entered the interaction of narcissism and condition and found a significant negative coefficient ($\beta = -.17, p<.01$). Figure 2 displays the form of the interaction. For subjects who were lower on self-rated narcissism, the slope of the line is steeper, indicating that they strongly prefer Condition 2 (low leader narcissism, high collaboration/integrity culture) to Condition 1 (high leader narcissism, low collaboration/integrity culture). In contrast, for subjects who rated themselves as more narcissistic, the slope of the line is flatter, indicating that they are more indifferent between the two cultures. More narcissistic subjects also prefer Condition 1 significantly more than do those who are less narcissistic. Given the social desirability of the lower narcissistic leader and more collaborative and high integrity culture shown by the main effect in this analysis, the results for narcissists is striking and consistent with Hypothesis 1: narcissists prefer less collaborative and lower-integrity cultures.

**Discussion of Study 4**

Study 4 examined the impact of narcissistic leaders and the cultures they create on the people they lead. We found evidence that followers are affected in their decisions by their CEO’s narcissistic attributes and the cultural emphasis on collaboration and intensity. In our additional analyses, we found that culture had an even more pronounced effect than did the leader’s level of narcissism, especially when leader narcissism was low, a point to which we return in the general discussion. We also corroborated our findings in study 1, testing Hypothesis 1, by showing that subjects who were higher in self-reported narcissism preferred CEOs who were more narcissistic.
and cultures that were less collaborative and lower integrity, significantly more than did less narcissistic subjects. More narcissistic subjects also expressed greater fit with more narcissistic leaders and less collaborative and lower integrity cultures.

**General Discussion**

Research on narcissistic leaders has highlighted a paradox: Because of their grandiosity, self-confidence, and need for admiration, narcissists disproportionately seek out and obtain leadership positions (e.g., Maccoby, 2007). Campbell underscores this, noting: “Leadership positions are a natural venue for narcissists’ needs for self-enhancement and superiority” (Campbell et al., 2011: 273). These attributes, and narcissists’ propensity for risk taking, makes it likely that they will be seen as bold, visionary leaders (Goel & Thakor, 2008; Wille et al., 2013). Because of their sense of entitlement, over-estimation of their own abilities, and their need to feel that they are better than others, however, narcissists are also more likely to feel unfairly treated and believe they do not get the credit they deserve. Reflecting this frustration, they are likely to create environments that diminish teamwork and collaboration, and are even hostile and abusive (Grijalva & Newman, 2015; Nevicka et al., 2011b). Because they feel entitled, narcissists are more willing to violate ethical boundaries to pursue their own needs and success (Hannah et al., 2013). Thus, narcissistic leaders are likely to create cultures that are less ethical than are those created by leaders who are less narcissistic. Prior research has been unable to resolve this paradox in part because it has not examined the broader context – the culture – which leaders create for organizational members.

The results of the four studies we conducted establish a link between leader narcissism and cultures characterized by lower collaboration and integrity and are, as such, consistent with this negative portrayal. Study 1 showed that individuals rated by others as more narcissistic
intended to create organizational cultures that were less collaborative and placed less emphasis on integrity than did subjects who were seen by others as less narcissistic. Study 2 confirmed these findings in organizations, showing that CEOs who were rated by their employees as more narcissistic led organizational cultures that were lower on collaboration and appeared to point in the direction of placing less emphasis on integrity than did CEOs who were less narcissistic. To explore how leader narcissism might affect cultures of collaboration and integrity, study 3 revealed that more narcissistic respondents were less likely to support policies and practices that could promote collaboration and integrity and were less willing to sanction actions that could undermine a culture of collaboration and integrity. Finally, to get more directly at how culture is maintained and cascaded through an organization, study 4 showed that when respondents were dealing with a more narcissistic leader in a culture characterized by lower collaboration and integrity, and regardless of their own level of narcissism, they were less likely to collaborate and adhere to high standards of integrity. In our additional analysis, we also showed that independent of the effects of a narcissistic leader, respondents’ decisions were affected by the organization’s culture. The results of these four studies paint a clear picture: narcissistic leaders are more likely to create organizational cultures that are lower in collaboration and integrity than are leaders who are less narcissistic, and these cultures can have cascading effects on employees’ behaviors.

Previous research has identified how organizational culture is developed (e.g., O’Reilly & Chatman, 1996; Schein, 1985). Leaders’ communications, actions, and decisions about systems, processes, and rewards signal what norms and behaviors are appropriate or inappropriate. While earlier studies have shown that a CEO’s personality can affect a firm’s culture (e.g., Berson et al., 2008), and that a leader’s actions can cascade into the organization (e.g., Bauman, Tost, & Ong, 2016; Schaubroeck et al., 2012), our results show how narcissistic
leaders, by virtue of their personality, are likely to make decisions that undermine collaboration and blur ethical boundaries, creating cultures that undervalue both collaboration and integrity.

What are the implications for firms that have 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, more responsive to customers, better technical coordination) and therefore perform better. For example, Hartnell and his colleagues found in a meta-analysis of 84 studies that clan-like cultures (that included an emphasis on collaboration) had employees who were more satisfied with their jobs, more committed to the organization, more focused on product quality, and viewed their organization as more effective (Hartnell, Ou, & Kinicki, 2011). In another study, Hartnell and his colleagues found that cultures that were more team-oriented performed better (Hartnell et al., 2016). Berson, Oreg, & Dvir (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; Boyce, et al., 2015; Ouchi, 1980).

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., Mayer et al., 2009; Trevino et al., 2013). Consistent with this, Guiso, Sapienza, and Zingales (2013) 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 (Frino et al., 2015; Ham, Seybert, & Wang, 2017), engage in tax avoidance (Olsen & Steckelberg, 2015), and put their firms at greater audit risk (Judd, Olsen, & Steckelberg, 2015). Thus, it appears that narcissistic leaders not only create lower integrity cultures, but that such cultures negatively affect firm performance.

This study contributes to our understanding of narcissistic leadership and the linkages between a leader’s personality and organizational culture. Consistent with previous research on organizational culture as a social control system (e.g., O’Reilly & Chatman, 1996), we show how the leader’s personality can shape decisions about policies, procedures, and promotions. These, in turn, may affect other individuals’ choices and behaviors that can cascade into the organization, further perpetuating the positive or negative effects of the leader’s personality. Taken together, the results of the four studies presented here suggest that when a leader is narcissistic, the overall effect is to create a culture that undervalues collaboration and integrity.

Study Limitations and Future Research

Using multiple methods and samples, our studies provide a remarkably consistent picture of the effects of narcissism on organizational culture. However, the studies have some clear limitations. First, although the initial study of 257 MBA students included more than half that were managers and employed full-time, we could only assess their preferences for the types of organizational culture they preferred, not the actual cultures they might create. 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 the field study of CEOs were largely consistent with the MBA sample, the sample was cross-sectional and we cannot unambiguously attribute the cultures created to the actions of the 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 two mTurk 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 2), the relationship between leader narcissism and integrity was the weakest and least consistent, while it was the strongest in study 4, a hypothetical experiment. 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, we found that the most consistent results arose in study 4, when subjects were not the leader but were reporting to a leader in the context of an existing culture. This finding harkens back to research on obedience to authority (e.g., Milgram 1963) and social norms as social control (O’Reilly, 1989) in which people are willing to adhere to a norm, in this case of low integrity, even if their personal standards are higher. As a window into their orientation in making their promotion
recommendations, we asked subjects to provide a short explanation for their decision to support (or not) the candidates in study 4. Many explanations revealed a focus on promoting based on fit rather than challenging the low integrity norms. For example, one subject facing a narcissistic leader and a culture low in integrity recommended promoting Alex and said, “He has traits that remind me of the CEO himself. He could fit in well.” Another said, “Alex is driven and individualistic like the boss.” Subjects in the low leader narcissism and high collaboration and integrity culture commented on fit too, but made the opposite decision: “Alex doesn't seem ethical enough for the CEO to approve of him,” and “[I didn’t recommend promotion] since this company places a strong emphasis on being moral and never doing anything that can violate the law.” While not definitive, such comments suggest that once a narcissistic leader creates a low integrity culture, people are likely to justify less ethical decisions based on aligning their actions with the culture rather than questioning whether it is the right decision.

Several avenues for future research 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. 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., Kosinski et al., 2014). For example, Gow et al. (2016) used language coding from transcripts (e.g., earnings calls and assessment data) to code Big Five personality data for CEOs across a large sample of firms. Popadak (2015) 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 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.

A particularly interesting direction for future research, implied by our findings in Figure 1 in which subjects’ decisions were more aligned with the less collaborative and lower integrity culture rather than leader who was low in narcissism, would be to examine whether CEOs with various personality characteristics such as high narcissism leave a more lasting, and potentially negative, impact on an organization even after they depart. In addition, to advance understanding of incongruent leader-culture situations, researchers could examine whether leader-culture alignment on functional personality attributes such as openness increases organizational effectiveness, but culture alignment on dysfunctional personality attributes such as narcissism or neuroticism decreases organizational performance over time.

Similarly, future research might focus on the impact of extreme forms of narcissism on organizational culture. There is evidence that the association between narcissism and performance may be curvilinear (e.g., Grijalva et al., 2015) such that moderate levels of narcissism may be productive. It seems likely that it is at the extremes that the effects of narcissism may be pernicious (Lee, 2017). In most circumstances, the behavior of narcissists may be irritating, but not necessarily dangerous. As Jeffrey Kluger notes, “A little narcissism can be a good thing in many jobs; a lot of narcissism is a bad thing in almost all jobs” (2014: 158). Other personality attributes, even those viewed as functional, may have a curvilinear relationship with organizational culture such that, for example, CEOs who are either extremely disagreeable
or agreeable may create cultures fraught with internal conflict, or CEOs who are extremely high or low in openness might create cultures characterized by an inability to take calculated risks.

Our goal was to explore the relationship between narcissistic leaders and organizational culture as a possible mediating mechanism between narcissism and firm level outcomes. Our findings suggest 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 lasting, and negative, legacy on the organizations they lead.
References


Frino, A., Ming Y.L., Mollica, V. & Palumbo, R. 2015. CEO narcissism and earnings management. SSRN Paper #2539555.


Ham, Charles, Lang, Mark, Seybert, Nicholas & Wang, Sean 2015. CFO narcissism and financial reporting quality. SSRN Paper #2581157.


Patel, P.C. & Cooper, D. 2014. The harder they fall, the faster they rise: Approach and avoidance focus in narcissistic CEOs. Strategic Management Journal, 35: 1528-1540.


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<th>2 B (SE)</th>
<th>3 B (SE)</th>
<th>4 B (SE)</th>
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<td>-0.01</td>
<td>-0.04</td>
<td>-0.05</td>
</tr>
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<td>(0=male, 1=female)</td>
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<td>(0.11)</td>
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<td>-0.17 **</td>
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<td>0.12</td>
</tr>
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<td>(0=full-time, 1=part-time)</td>
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<td>(0.12)</td>
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<td>(0.16)</td>
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<td>Nationality</td>
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<td>(0=U.S., 1=non-U.S.)</td>
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<tr>
<td>Race</td>
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<td>0.04</td>
<td>0.05</td>
</tr>
<tr>
<td>(0=white, 1=non-white)</td>
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<td>(0.15)</td>
<td>(0.17)</td>
<td>(0.15)</td>
</tr>
<tr>
<td>Number of Raters</td>
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<td>0.09</td>
</tr>
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<td>(0.24)</td>
<td>(0.33)</td>
<td>(0.33)</td>
</tr>
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<td>Year of MBA Program</td>
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<td>-0.02</td>
<td>-0.05</td>
</tr>
<tr>
<td></td>
<td>(0.03)</td>
<td>(0.03)</td>
<td>(0.05)</td>
<td>(0.05)</td>
</tr>
<tr>
<td>Cross-Evaluated Narcissism</td>
<td>--</td>
<td>-0.16 **</td>
<td>--</td>
<td>-0.19 **</td>
</tr>
<tr>
<td></td>
<td>(0.07)</td>
<td></td>
<td>(0.10)</td>
<td></td>
</tr>
<tr>
<td>(F)</td>
<td>1.78</td>
<td>2.84 **</td>
<td>1.78</td>
<td>3.94 **</td>
</tr>
<tr>
<td>(d.f.)</td>
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<td>7,250</td>
<td>6,251</td>
<td>7,250</td>
</tr>
<tr>
<td>Adjusted (R^2)</td>
<td>0.02</td>
<td>0.05</td>
<td>0.02</td>
<td>0.05</td>
</tr>
</tbody>
</table>

\(\dagger p<0.10, \ast p<0.05, \ast\ast p<0.01\) (one-tailed). Correlation table available from authors.
Table 2. Study 2 Regression Predicting Culture from Cross-Evaluated Narcissism (CEO Sample)

<table>
<thead>
<tr>
<th></th>
<th>Collaboration</th>
<th>Integrity</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
</tr>
</tbody>
</table>
|                  | B (SE)             | B (SE)           | B (SE)| B (SE) | B (SE)| B (SE)| B (SE)| B (SE)
| Firm Size        | 0.03 (0.09)        | 0.04 (0.07)      | 0.01 (0.08) | 0.02 (0.11) | 0.04 (0.08) | 0.05 (0.08) | 0.04 (0.08) | 0.02 (0.09) |
| Software (0=hardware, 1=software) | -0.24 (0.34) | -0.13 (0.28) | -0.15 (0.28) | -0.31 (0.44) | -0.14 (0.29) | -0.10 (0.28) | -0.11 (0.29) | 0.09 (0.37) |
| Mixed Products (0=no, 1=yes) | -0.94 ** (0.35) | -0.78 ** (0.29) | -0.77 ** (0.30) | -1.06 * (0.45) | -0.34 (0.30) | -0.28 (0.29) | -0.27 (0.30) | -0.08 (0.38) |
| CEO Narcissism   | -0.29 ** (0.09) | -0.18 † (0.09) | -0.21 * (0.08) | -0.32 ** (0.10) | -0.13 (0.09) | -0.10 (0.09) | -0.11 (0.09) | -0.20 † (0.09) |
| CEO Tenure ( # of years) | -- (0.01) | -0.05 * (0.01) | -- | -- | -- | -0.02 | -- | -- |
| CEO Founder (0=no, 1=yes) | -- (0.21) | -- | -0.76 ** (0.21) | -- | -- | -- | -0.27 | -- |
| CEO Chairman (0=no, 1=yes) | -- (0.35) | -- | -- | -0.16 (0.35) | -- | -- | -- | -0.07 (0.21) |
| F                | 6.83 **            | 8.27 **          | 8.46 ** | 5.13 ** | 1.10 | 1.00 | 1.00 | 1.15 |
| d.f.             | 4.27               | 5.26             | 5.26 | 5.26 | 4.27 | 5.26 | 5.26 | 5.26 |
| Adjusted R²      | 0.43               | 0.54             | 0.54 | 0.41 | 0.01 | 0.00 | 0.00 | 0.03 |

† p<0.10, * p<0.05, ** p<0.01 (one-tailed). Correlation table available from authors.
Table 3. Study 3 Regression Predicting Policy Recommendations, Promotion, Recommendations, and Willingness to Sanction from Cross-Evaluated Narcissism (Lab Sample)

<table>
<thead>
<tr>
<th></th>
<th>Policies</th>
<th></th>
<th>Promotions</th>
<th></th>
<th>Sanctions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Collaboration</td>
<td>Integrity</td>
<td>Collaboration</td>
<td>Integrity</td>
<td>Collaboration</td>
<td>Integrity</td>
</tr>
<tr>
<td></td>
<td>B (SE)</td>
<td>B (SE)</td>
<td>B (SE)</td>
<td>B (SE)</td>
<td>B (SE)</td>
<td>B (SE)</td>
</tr>
<tr>
<td>Sex (0=male, 1=female)</td>
<td>-0.68 **</td>
<td>-0.67 **</td>
<td>0.04</td>
<td>-0.20</td>
<td>-0.76 **</td>
<td>-0.64 *</td>
</tr>
<tr>
<td></td>
<td>(0.25)</td>
<td>(0.26)</td>
<td>(0.28)</td>
<td>(0.40)</td>
<td>(0.36)</td>
<td>(0.33)</td>
</tr>
<tr>
<td>Age</td>
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<td>0.17</td>
<td>0.13</td>
<td>-0.34</td>
<td>0.28</td>
<td>0.47 **</td>
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<td></td>
<td>(0.12)</td>
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<td>(0.20)</td>
<td>(0.18)</td>
<td>(0.17)</td>
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<td>Education</td>
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<td>-0.82 *</td>
<td>-0.01</td>
<td>0.56</td>
<td>-0.39</td>
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<td></td>
<td>(0.33)</td>
<td>(0.34)</td>
<td>(0.37)</td>
<td>(0.52)</td>
<td>(0.48)</td>
<td>(0.44)</td>
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<tr>
<td>Narcissism</td>
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<td>-0.08 **</td>
<td>-0.07 **</td>
<td>0.09 *</td>
<td>-0.10 **</td>
<td>-0.15 **</td>
</tr>
<tr>
<td></td>
<td>(0.03)</td>
<td>(0.03)</td>
<td>(0.03)</td>
<td>(0.05)</td>
<td>(0.04)</td>
<td>(0.04)</td>
</tr>
<tr>
<td>$F$</td>
<td>3.56 **</td>
<td>6.62 **</td>
<td>2.61 *</td>
<td>1.69</td>
<td>3.77 **</td>
<td>7.42 **</td>
</tr>
<tr>
<td>$d.f.$</td>
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<td>4,110</td>
<td>4,110</td>
<td>4,110</td>
<td>4,110</td>
<td>4,110</td>
</tr>
<tr>
<td>Adjusted $R^2$</td>
<td>0.08</td>
<td>0.10</td>
<td>0.05</td>
<td>0.02</td>
<td>0.09</td>
<td>0.18</td>
</tr>
</tbody>
</table>

† $p<0.10$, * $p<0.05$, ** $p<0.01$ (one-tailed). Correlation table available from authors.
Table 4. Study 4 ANOVA Predicting Policy Recommendations, Promotion, Recommendations, and Willingness to Sanction from CEO’s Narcissism and Company’s Culture (Lab Sample)

<table>
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<th>Condition:</th>
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<th></th>
<th>Promotions</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>Sanctions</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>High Collab.</td>
<td>High Integrity</td>
<td></td>
<td></td>
<td>Low Collab. (Chris)</td>
<td>Low Integrity (Alex)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>High Collab.</td>
<td>High Integrity</td>
<td></td>
</tr>
<tr>
<td>C2: Low Leader Narcissism + High Collaboration-Integrity Culture</td>
<td>x (SE)</td>
<td>x (SE)</td>
<td>x (SE)</td>
<td>x (SE)</td>
<td>x (SE)</td>
<td>x (SE)</td>
<td>x (SE)</td>
<td>x (SE)</td>
<td>x (SE)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.11 *</td>
<td>4.17</td>
<td>5.98</td>
<td>4.39</td>
<td>6.93</td>
<td>7.08</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.13)</td>
<td>(0.12)</td>
<td>(0.26)</td>
<td>(0.35)</td>
<td>(0.29)</td>
<td>(0.26)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C1: High Leader Narcissism + Low Collaboration-Integrity Culture</td>
<td>3.71</td>
<td>3.78</td>
<td>7.16</td>
<td>5.67</td>
<td>5.11</td>
<td>5.57</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.12)</td>
<td>(0.11)</td>
<td>(0.26)</td>
<td>(0.34)</td>
<td>(0.29)</td>
<td>(0.26)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| F | 5.03 ** | 5.59 ** | 10.43 ** | 6.79 ** | 19.46 ** | 16.75 ** | | | | | | | |
| d.f. | 4.96 | 4.96 | 4.96 | 4.96 | 4.96 | 4.96 | | | | | | | |
| Adjusted R² | 0.03 | 0.03 | 0.11 | 0.04 | 0.15 | 0.14 | | | | | | | |
| Partial eta-squared for corrected model | 0.11 | 0.06 | 0.14 | 0.07 | 0.17 | 0.17 | | | | | | | |

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

Sex and self-rated narcissism were included as covariates, but were never significant. Correlation table available from authors.
Figure 1: Study 4 Additional Analyses Comparing Leader-Culture Congruence and Incongruence
Figure 2: Predicting Subjects’ Perceived Fit from Narcissism and Condition
Appendix A
Organizational Policies and Practices Survey

1. **Policies**: “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).”

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

2. **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 you 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 others—although 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 saying 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

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3 The three sections were presented in different orders to subjects to avoid order effects.
completely honest in order to always deliver outstanding results.

3. **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 **you** 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).

<table>
<thead>
<tr>
<th>Item</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Act rudely toward a coworker</td>
<td>Collaboration</td>
</tr>
<tr>
<td>2. Conduct personal business on company time</td>
<td>Integrity</td>
</tr>
<tr>
<td>3. Publicly embarrass another coworker</td>
<td>Collaboration</td>
</tr>
<tr>
<td>4. Show up late with no excuse</td>
<td>Integrity</td>
</tr>
<tr>
<td>5. Discuss confidential company information with an unauthorized person.</td>
<td>Integrity</td>
</tr>
<tr>
<td>Lose their temper with a coworker</td>
<td>Collaboration</td>
</tr>
<tr>
<td>Bend the rules to make the numbers</td>
<td>Integrity</td>
</tr>
<tr>
<td>Refuse to help a fellow team member</td>
<td>Collaboration</td>
</tr>
<tr>
<td>Violate company policy for personal gain</td>
<td>Integrity</td>
</tr>
<tr>
<td>Withhold information from a colleague for personal gain</td>
<td>Collaboration</td>
</tr>
</tbody>
</table>
Appendix B: Study 4 Scenario and Conditions

1. Study 4 Organizational Scenario:

“Below we describe a specific organization, FastChip Inc., a medium-sized, publically 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: 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.”

2. Study 4 Conditions:

<table>
<thead>
<tr>
<th>Condition Number</th>
<th>Leader Narcissism</th>
<th>Culture Condition</th>
<th>Congruence</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>High Narcissism</td>
<td>Low Cooperation and Integrity</td>
<td>Congruent</td>
</tr>
<tr>
<td>2</td>
<td>Low Narcissism</td>
<td>High Cooperation and Integrity</td>
<td>Congruent</td>
</tr>
<tr>
<td>3</td>
<td>High Narcissism</td>
<td>High Cooperation and Integrity</td>
<td>Incongruent</td>
</tr>
<tr>
<td>4</td>
<td>Low Narcissism</td>
<td>Low Cooperation and Integrity</td>
<td>Incongruent</td>
</tr>
</tbody>
</table>

\[4\] 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.