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About shared representations of Narcissism and their effects on the
enterprise: perception, productivity, satisfaction and leadership.

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ABSTRACT

The authors conducted an investigation on the level of narcissism present in executive branch managers of a large financing enterprise and the shared representation of the narcissism of these bosses of employees (Downs, 1997). They also studied its relationship with employee satisfaction and the perception of the regional branch managers (regional chiefs of executives) and managers of the enterprise human resources department on the level of success, productivity and promotion speed of the executive on the enterprise. Findings show that the shared representation of narcissism that employees

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have does not match the extreme cases identified by using the clinical scale of Millon and through an ad-hoc interview. Levels of employee satisfaction have a stronger correlation with the shared representation of narcissism (Downs, 1997) than with the extreme cases of the Millon scale, and the behavior recorded during the interview. The perception of regional branch managers is that the level of narcissism is positively related to promotion speed in the enterprise and executives' productivity, but also with a higher rotation of branch personnel. Directors of Human resources departments seem to have the ability to correct the subjective bias in their perception of the effect of the narcissism of executive branch managers.³

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1. Observable traits of narcissism in the behavior of executive branch managers

The effect of the branch manager narcissism in the enterprise has been a matter of study in recent investigations (Downs, 1997; Fischman & Ortiz, 2002; Soyer & Rovenpor, 1999; Wall & Lowental, 1998) and some controversial ones (Kopelman & Mullins, 1992; Maccoby, 2000, 2003; McFarlin & Sweeney, 2000; Penney & Spector, 2002; Rose,

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2002). Authors such as McFarlin and Sweeney (2000) stress the harmful effects of narcissistic leaders at work, and they teach how to attenuate them. Other authors like Wall and Lowental (1998) find it useful to train on antinarcissistic skills within vocational orientation. Besides, Michael Maccoby's work (2000, 2003) associate narcissistic traits to productivity and achievement motivation at work with what he calls "visionary leadership".

2. Narcissism and self-perception

Whereas authors like Kopelman and Mullins (1992) indicate that in general, there is a negative relation between narcissism, measured by non-projective tools, and work and general satisfaction, assessed with Self-reports, other authors like Soyer and Rovenpor (1999) find a positive relation between narcissism and personal satisfaction in the salesman role. In this regard, Paul Rose (2002) found different results to Kopelman and Mullins findings, relating overt narcissism to higher levels of Self-esteem and personal satisfaction, and covert narcissism to lower levels of both factors.

3. Narcissism and perception of constituents

3.1. Perception of employees and shared representations

Employees are usually the first persons who experience the manifestations of narcissistic traits of the enterprise executives (Downs, 1997; McFarlin & Sweeney, 2000). They are directly in contact with the decisions and actions of these executives. The present study stated a question never raised in the literature on this topic: Does the shared representation of employees coincide on what constitutes narcissism of their bosses with the extreme cases that clinical scales of narcissism identify? And if it is so, what is the effect of the narcissism of the same employees on their perception of their bosses' narcissism?

3.2. Perception of directors

Paradoxical effects of narcissism described on literature lead us to highlight the significant representation that directors (chiefs of executives) have about the productivity (Fromm & Maccoby, 1970) of these executive branch managers, and the relation that this perception has with the narcissism of these executives. The strong demand for success and results of enterprises could have led high-level executives to form a representation of narcissist bosses that it is not only benign but also definitely positive. What is the effect

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of this shared representation in the success and career path of the executives?, May it be a self fulfilled prophecy? (Maccoby, 2003).

3.3. Perception of directors of Human resources

Executives of Human resources usually have a specific training on issues about personality and social relations as well as on the effect of perceived bias on people traits and how to correct them when they provide some feedback and make evaluations of potential skills or performance. Therefore, it is to be expected that levels of narcissism assessed on executives do not present a significant relation with the perception of Human resources directors, either in relation to present productivity of the executive or to their potential for the future.

4. Effects of narcissism on the enterprise

4.1. Success in the promotion

One of the most acknowledged traits in the personality of the narcissistic executive is an excessive search for power and promotion. Signs of power become milestones in the career path of the narcissistic. Therefore, we would assume that the achievement of promotion in high levels of the organizational hierarchy is one of the fields the narcissistic executive directs his efforts to. In consequence, enterprises directed by narcissistic executives usually have inadequate promotion plans (McFarlin & Sweeney, 2000), which favor “games of power”, at which narcissistic bosses get well adapted (Baum, 1992; Ragins & McFarlin, 1990). Then, it was considered necessary to correlate extreme cases of narcissism of executives with the perception that managers (chief of executives) and directors of Human resources have about the relative speed at which executives have been promoted in an enterprise (faster or slower than other executives of the same level)

4.2. Indicators and productivity

One of the aspects of the shared representation of managers, which can bring more benefits to executives, has to do with indicators of productivity in their section or group of employees assigned (Maccoby, 2000). The pressure the executive displaces to his relation with the employees under his command can bring satisfactory outcomes, high contribution margins, and high sale levels and productivity in the short term. Therefore, the authors investigated the perception of the managers and directors of human resources departments of productivity, perceived success of the area the executive is in charge, and also the level of personnel rotation it presents.

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4.3. Effects on perceived leadership

The relation between narcissism and leadership has just started to be explored (Fischman & Ortiz, 2002; Popper, 2002). Micha Popper (2002) found that the level of narcissism people have is a variable that best predicts if a person will be a socialized charismatic leader or a personalized charismatic leader. From another perspective, it was considered interesting to know the relation between the level of narcissism and efficacy of the executive leadership (Fischman & Ortiz, 2002b). With this purpose, the authors evaluated the model of leadership of the five factors of Kouzes & Posner (1997a, 1997b). Given the intrinsic characteristics of narcissism on personal relations (Kohut, 1971, 1977, 2002; Teicher, 2002), the authors expected to find that variables more affected by the model of leadership were “Enable others to perform” and “provide support”, while “challenge what is established” and “inspire a shared vision” may well benefit from the levels of narcissism of the executives. Finally, “become a model” does not have a priori defined direction in the model.

As part of the study, the authors prepared a scale of perception of leadership competences, including supervision, guidance and information behaviors, and they used it as a measurement parallel to Kouzes & Posner’s scale.

4.4. Satisfaction

Initial studies on the effect of narcissism in the workplace addressed personal satisfaction (Kopelman & Mulins, 1992; Soyer & Ravenport, 1999). More recent studies have stressed the satisfaction of constituents. According to them, there is a mild negative correlation between the satisfaction of bosses and narcissistic executive’s employees, because there is not a clear pattern of satisfaction for the bosses or it tends to be slightly positive, whereas for employees the relation tends to be clearly negative. To assess the relation between narcissism and life satisfaction, the present investigation uses an ad-hoc scale, adapted from studies on charismatic leadership of the GLOBE project (Javidan & House, 2001), which the authors participated in between 2001 and 2002 (Fischman & Ortiz, 2002a).

4.5. Narcissism and motivation

From Kohut’ studies on (1970), it was clearly established a double aspect of narcissism: one associated to drives relating to external reality and the other associated to a grandiose self. On a previous study (Fischman & Ortiz, 2002b) the authors discussed the manifestations of these aspects of narcissism in the enterprise under three forms:

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aggressive narcissism, focused on lowering the others by being aggressive, the pseudo-affective narcissism, directed towards getting power through the manipulation of relations with other people, and libidinal narcissism, which consists on an exceeding interest in objects, hobbies and preferred collections.

Afterwards, the authors stated that there is a possibility that the kind of narcissism is related to the motivational style of the executives (Fischman & Ortiz, 2003), associating achievement motivation to libidinal narcissism, power to aggressive narcissism, and affiliation to pseudo affective narcissism. That possibility was also studied in the present study.

5. Methodology

The authors conducted an exploratory study in Lima, among 40 executive branch managers of a large financial corporation from Peru. 36 of them could be analyzed on constructs such as employee satisfaction, leadership of executives as well as clinical measurements of narcissism (Millon), motivation and leadership Self-perception. And 24 were evaluated in relation to the assessment of the representations of directors (regional chiefs of executives) and human resources department managers. A total of 155 employees were interview, and 36 chief executives were interview and surveyed.

Constructs of types of narcissism and trait motivation were assessed through a 30-minute ad-hoc interview with every executive, and were analyzed using judge criteria, which obtained a consensus higher than 0,95 (Scale A). Scale B included a translation of the instrument LPI (Kouzes & Posner, 1997b), an adaptation of the scale of narcissism of the Multiaxial Clinic Inventory MCMI-II (Millon, 1998) (aimed to identify extreme cases) and a scale of self-perception of leadership behavior. It was applied to executive branch managers immediately after the ad-hoc interview was conducted. Scale C included an adaptation of the instrument LPI of Kouzes and Posner, one scale of work satisfaction, one scale of perception of leadership behavior of the boss and an adaptation of the scale of perception of narcissism traits of Alan Downs (1997). It was applied to 155 employees of the assessed branch offices, sampled at random by quotas. Scale D included a questionnaire directed to regional managers (chiefs of executives) and directors of human resources of the organization, that includes questions on personnel rotation in the branch offices, personnel productivity, personal satisfaction, prognosis of future success of the branch office and the speed the executive branch manager had been promoted in the organization (above or below average in relation to other comparable executive branch managers). Investigators had access to answers on scale D about 24 branch managers. Non-parametric measures and contrasts about the data gathered with scales A, B, D and parametric contrasts for scale C.

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6. Results

Perception of employees and shared representations

- 1) There is not a significant difference between the number of extreme cases of narcissism of bosses and employees ($\eta = ,04$).
- 2) There is not a significant relation between the level of narcissism of the boss and the number of extreme cases of narcissism between employees of his branch office ($\eta = ,02$).
- 3) There is a significant difference between extreme cases identified with the adapted scale of Millon (scored by executives) and Downs' scale (scored by employees) ($\eta = ,02$).

Perception of directors

- 4) Regional branch managers tend to perceive a higher rotation in the offices with branch managers who have the highest levels of narcissism ($\eta = ,502$ sig ,1).
- 5) Regional branch managers have a light tendency to perceive employees who have bosses with the highest levels of narcissism, as more satisfied with the enterprise ($\eta = ,33$).
- 6) Regional managers tend to perceive higher productivity in branch offices with executives with the highest levels of narcissism ($\eta = ,387$).

Perception of Human resources directors

Human resources directors do not present any detectable tendency similar to those presented in results 4 – 6 ($\eta = -,023$ in result 4).

Success in promotion

- 7) In the opinion of their regional branch managers, executive branch managers who presented the highest scores of narcissism tend to present a higher promotion speed ($\eta = ,529$; sig ,01).

Effects in perceived leadership

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8) Kouzes & Posner variables perceived by employees are negatively associated to the narcissism they perceive in their executive branch managers (Downs, 1997), specially in the case of “Enable others to perform” ($\rho = -.523$ sig .01) y “become a model” ($\rho = -.5$ sig .01).

9) For employees, the perception of leadership behavior is negatively related to the perception of narcissism of the branch manager ($\rho = -.334$ sig .01).

10) Branch managers with the highest scores of narcissism (Millon) tend to give themselves higher scores in the scales of leadership from Kouzes & Posner’s model (LPI).

Satisfaction

11) Satisfaction of workers is negatively related to the narcissism they perceive in their branch managers ($\rho = -.54$ sig. .01).

12) Women systematically score lower than men in the perception of how their bosses perform in variables of the model of Kouzes & Posner.

Narcissism and motivation

13) Motivation for power positively correlates with libidinal narcissism ($\rho = .551$ sig .01) and negatively with pseudo affective narcissism ($\rho = -.3$). Achievement motivation positively correlates to libidinal narcissism ($\rho = .550$ sig. .01) and pseudo affective narcissism ($\rho = .423$ sig. .05).

14) Pseudo affective narcissism positively correlates with achievement motivation and negatively with motivation for power.

7. Conclusions

Employees, regional branch managers and directors of human resources from a group of branch offices of a large financing corporation, have a different representation of the effect of the executive’s narcissism in the workplace.

Regional branch managers (chiefs of the executives) perceive that executives, who show more narcissism, faster get promoted in the enterprise and have a slight tendency to manage more productive offices, but on the other hand they also perceive a higher index of personnel rotation in the offices with branch managers who present the highest scores on narcissism. It can be the result of a subjective bias that considers narcissism as something similar to visionary leadership (Maccoby, 2000, 2003).

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Directors of human resources of the enterprise do not perceive a clear association between the narcissism of the executive branch manager and the different variables measured (employee satisfaction, productivity, rotation, promotion in the enterprise). It can respond to a subject adjustment of the effects of narcissism to avoid bias elicited by the opinion they have of narcissist executives (McFarlin & Sweeney, 2000).

Indexes of narcissism in the executive branch managers perceived by employees (adapted by Downs, 1997) produced scores that did not have a relation with extreme evaluations obtained through self-reports in the scale of narcissism (adapted from Millon, 1998). Perceived narcissism by employees presented a negative correlation with the different variables of leadership of the model of Kouzes and Posner. Employee satisfaction also presented a negative correlation with their perception of narcissism of their boss. The representation shared by employees of what “narcissism” of the boss is, differs from what is clinically consider as such, but its effects are the same the theory predicts (McFarlin & Sweeney, 2000).

Women tend to be more critical than men in their perception of satisfaction with their bosses (Fischman & Ortiz, 2003). Such tendency is present in every variable of satisfaction and in those from Kouzes and Posner-s model.

Libidinal and pseudo affective types of narcissism were clearly discriminated (Kohut, 1971). Evidence on aggressive narcissism was lower during the applied interviews, which can have been produced by social desirability in the interview situation. It was found a positive correlation between motivation for power and libidinal narcissism and between achievement motivation and pseudo affective and libidinal narcissism. This finding can respond to particularities of the Peruvian culture in the workplace, where achievement motivation is a combination of typical traits from both kinds of narcissism.

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