

## Narcissistic CEOs appoint other narcissists to the management board, study finds

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Birds of a feather flock together, as the popular saying goes. It seems that this also applies to narcissistic managers, as a research team led by Professor Lorenz Graf-Vlachy from TU Dortmund University has



discovered. Narcissistic CEOs are inclined to appoint other narcissists to the management board.

For the analysis, the researchers from TU Dortmund University and FAU in Erlangen/Nuremberg examined thousands of LinkedIn profiles of U.S. top managers. The study was recently published in the *Journal of Management*.

Narcissism manifests itself in different forms in leadership situations—from <u>self-confidence</u> and charisma to destructive self-focus and lack of consideration for others. While this character trait in individual CEOs is already the subject of research, very little is known so far about its impact on the wider composition of senior management.

This was the starting point for the study conducted by Professor Graf-Vlachy's team, which analyzed LinkedIn profiles of top managers. "Narcissists want to show a broader audience that they are superior. Earlier studies have found that this is also reflected in corporate press releases or letters to shareholders, among other things," says Professor Graf-Vlachy.

Elements that are indicative of narcissism include, for example, the size of an executive's picture in the <u>annual report</u> or the frequency with which a manager's name appears in a company's press releases.

In their study, the authors used the same approach to analyze individuals' digital presence on social media. "We have demonstrated that we can reliably measure the narcissism of managers on the basis of their LinkedIn profiles by analyzing the number of pictures of the manager, the length of the text in the 'About' section, and the skills, certificates, and career steps listed," says Professor Graf-Vlachy.

In total, the team analyzed 11,705 LinkedIn profiles of top managers of



U.S. companies. The study reveals an astonishing tendency: CEOs with a higher degree of narcissism appoint members to their management board who mirror their own character traits—in other words, who also display a narcissistic streak. An increase in the narcissism of a CEO by one standard deviation leads to an 18% higher level of narcissism in each newly appointed executive.

This also has an impact on the dynamics and stability of the team, as management boards with more narcissistic managers have a significantly higher turnover rate, which can mean sizeable costs for a company. "Narcissists want to dominate each other, which leads to conflicts on the board, and these in turn lead to more fluctuation in the executive team," says Professor Graf-Vlachy.

"The results of the study show that it is important for CEOs and supervisory boards to understand the dynamics in their executive teams better and to review the <u>selection process</u> for managers," the researchers conclude. "This can be achieved if the personality traits of managers are also viewed in a balanced way."

**More information:** Sebastian Junge et al, Narcissism at the CEO–TMT Interface: Measuring Executive Narcissism and Testing Its Effects on TMT Composition, *Journal of Management* (2024). DOI: 10.1177/01492063241226904

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