Narcissism in high-level leaders, whether they be world leaders, organisational leaders, or public figures, has been common throughout history. Leaders viewed as destructive or productive – Pol Pot, Adolf Hitler, Mao Tse-tung, Alexander the Great, King Henry VIII, Napoleon Bonaparte, Winston Churchill, Steve Jobs, Jeff Skilling—have been suggested to have narcissistic personalities. We’re often attracted to grandiose, big personalities, and they do bring positive attributes to the table. But should we put our faith in highly narcissistic leaders?
Follow the Narcissistic Leader (or not?)

Narcissists love to be loved. They have a strong preoccupation with themselves and thrive on status, success, and admiration. Impression management? They’re experts at it. While this may sound unappealing, narcissists do possess many characteristics that people tend to look up to - authority, confidence, dominancy, decisiveness, and high self-esteem – all of which can make for an effective leader.

The charisma, grand visions, willingness to take risks, and self-confidence that narcissists bring is alluring. And that’s especially true during a crisis or in uncertain times, times when people need and seek out strong leaders who can decisively solve big problems. So it’s no surprise that narcissists tend to emerge as leaders because they seem so “leader-like.” They seem strong and in control, and they seem to have all the answers. It’s easy to be seduced into following a narcissistic leader. But should we?

The Performance Quagmire of Narcissistic Leaders

Narcissists initially come across as appealing, strong, and confident. Traits that make us want to follow them and view them as effective. But underneath that, narcissists are self-centered, authoritarian, and don’t have much empathy for others. Because narcissists feel they are truly special and more entitled to good things than others, they tend to be both overconfident and interpersonally exploitative. As a result, the initial attraction fades away over time and people begin to see them as arrogant, harsh and cold. People begin to feel exploited and become disenchanted.

The real question, then, is whether they are still effective leaders. To answer that, we need to look at their objective performance. One recent study did just that and showed that while highly narcissistic leaders were seen to be more effective by their groups, their objective performance in terms of decision quality was actually much worse than leaders low on narcissism. The problem was that the self-centeredness and authoritarianism of the more narcissistic leaders inhibited the communication and free sharing of ideas in their groups, processes that are crucial to good decision-making and performance in teams. The upshot is that even when narcissistic leaders seem effective in the eyes of those around them in the organisation, they still may be objectively underperforming.

Narcissism can Spillover in Teams

Narcissists strongly endorse boasting and self-promoting behaviors and they react negatively to modesty in others. They are often prone to recruit and select people like them - other narcissists - and then model and reinforce team members' narcissistic and arrogant behavior. The result can be a team culture that reflects an overconfident, arrogant, and boasting behavioral style. Unless that boasting can be backed up with objectively strong performance, it can spell danger for team and organisational effectiveness.

This problem may get worse in the future. Research among different generations of college students shows that narcissism levels have steadily risen over the past few decades. And that means more narcissists are joining the workforce.
A Little Narcissism goes a Long Way

Not all aspects of narcissism are bad. The self-confidence and decisiveness of narcissists can be positive — it helps them be seen as leaders and enables them to deal with some of the burdens inherent in the leadership role. It’s when narcissism becomes more excessive and exploitative and teeters into the overconfidence that it is very problematic for organisations in the long run.

Safeguarding against Excessive Narcissism

Given their initial appeal, leader-like qualities, and the nature of the electoral processes, it is probably hard to avoid narcissists being elected into political roles. However, in organisations, we have opportunities to create safeguards that can keep the negative impact of excessive narcissism in check. Adopting selection systems that test and weed out those that are too high on narcissism is one option. A second way to contain narcissistic leaders is to ensure that when leaders propose changes, they “walk the talk” — they need to be held accountable for implementing their boasts and ideas. Adopting evidence-based performance management systems which include measurable outcomes (rather than only opinions about effectiveness) can also be an effective way to help curb the negative impact of narcissism in the workplace.

WE ARE DELIGHTED TO WELCOME PROF DEANNE DEN HARTOG, WHO JOINED CWEX IN FEBRUARY ON A FRACTIONAL APPOINTMENT!

Deanne is Research Director and Head of the Leadership and Management Section at the University of Amsterdam Business School.

Prof Deanne N. Den Hartog has expertise in leadership, trust, human resource management, and proactive and innovative employee behavior.

EVIDENCE-BASED PERFORMANCE MANAGEMENT CAN CURB THE NEGATIVE IMPACT OF NARCISSISM
HOT OFF THE PRESSES

CENTRE FOR WORKPLACE EXCELLENCE

HRM PRACTICES LEADERSHIP AND EFFECTIVENESS PEOPLE

RISING TO THE TOP

Work-Life Practices Lag for Women in Management

Around the world, women continue to be dramatically underrepresented in higher-level management positions. Many organisations struggle to find solutions to this problem. Kateryna Kalysh, Prof Carol Kulik, and Dr Sanjee Perera set out to discover if the adoption of work-life practices is one of the answers. Because work-life practices are designed to help employees manage conflicting demands arising from their work and family responsibilities, they should help speed the advancement of women into management. Do they? Yes, but it takes time.

From reports submitted to the Workplace Gender Equality Agency between 2002 and 2014, the researchers examined work-life practices offered by 675 Australian organisations and the proportion of women in management over time. The practices were leave arrangements, flexible work schedules, direct provision of services (e.g., childcare, eldercare) and virtual office facilities. Work-life practices (especially leave arrangements and direct provision of services) do have a positive influence on the proportion of women in management but it takes eight years to see the benefit! In addition, the benefits are more likely in organisations where women constitute at least 43% of the workforce.

There is long-term value of work-life practices, especially when an organisation’s workforce includes a relatively high proportion of women. When women are well-represented in the workforce, gender stereotypes are less salient and work-life practices are more likely to have their intended positive consequences. Organisations should continue to offer work-life practices, but they need to be patient – work-life practices are not a “quick fix” for the dearth of women in management roles.

IT PAYS TO ATTEND TO THE WAGE GAP

Pay and Women’s Representation in Corporate Leadership

Governments and organisations around the world have been taking measures to address both the gender pay gap and the representation of women in corporate leadership positions. It might be tempting to think that the wage gap at the executive level would be reduced when there are more women in executive positions in the organisation. Unfortunately, that thinking would be wrong.

Dr Yoshio Yanadori, Dr Jill Gould and Prof Carol Kulik analysed executive pay data in Australia Securities Exchange 500 firms from 2011 to 2014. Women executives earn 81% percent of the total pay earned by men. A large part of that difference is explained by positions held - female executives are particularly underrepresented in highly-paid executive positions (e.g., CEO, Managing Director). Even after accounting for this fact, the gender pay gap remains at 15%, similar to the overall gender pay gap in the labour market. Their findings lead to a startling conclusion – improving women’s representation in executive positions means having a greater number of underpaid women executives. Achieving the goal of gender equity at the executive level requires more than increasing representation – it requires careful monitoring of the gender composition at top levels and constant attention to pay differences.

Dr Yoshio Yanadori has expertise in compensation, strategic human resource management and international human resource management.


LEADING NETWORKS
How Managers Become Leaders: Social Networks Matter

Organisations appoint people to managerial roles. Yet, all too often, these newly appointed managers struggle to be viewed as leaders by their subordinates. This is especially the case for female and ethnic minorities. While managerial roles come with formal authority, unfortunately, those who predominately rely on the power they hold to reward and punish subordinates are more likely to be seen only as managers. Why? Employees need opportunities to see their manager as supportive and competent before deeming them a leader.

Can relying on the power of social networks turn managers into leaders? According to recent research by Dr Chia-Yen (Chad) Chiu and his colleagues, the answer is yes. Across two studies conducted in the US and India, managers who fostered a greater number of positive ties with their subordinates through offering friendship or giving advice were more likely to be viewed as competent and high quality leaders. Just as important is that managers should minimize negative network ties that result from avoiding subordinates or hindering efforts — then manager risks becoming excluded. Positive networks give managers opportunities to offer information and support to their subordinates, which in turn provides them with a stronger social base of power. What is so nice about the power of positive social networks is that it rises above the effects of gender, race, and personality so it enables more managers to be viewed as leaders.

A TRICKLE OF TRUST GOES A LONG WAY
Trust in Leaders Trickles Up to the Top

Trust in top leaders is at an all-time low. And low levels of employee trust in leaders poses risks for organisations. It contributes to turnover and performance problems and lowers effectiveness. That’s not good for organisations or employees. We generally think of the effects of leadership as trickling down from the top to lower-level supervisors with top leaders serving as role models of behaviours and attitudes for leaders below them. But can the reverse also be true? Can lower level leaders have a trickle up effect on views of top leaders?

Prof Cheri Ostroff and her colleague sought to answer these questions by proposing a trickle-up model of trust in leaders. Studying more than 300 employees from 120 teams in the US over three time periods after a new direct supervisor was appointed, they found employees who trust the top leader does not necessarily lead to a trickle-down effect of trusting their direct supervisor. But the reverse happens - subordinates who trust their direct supervisor, transfer their feeling of trust to top leaders in the organisation. This is especially true for employees who have a cultural value of vertical collectivism (those who value group cohesion and comply with authority, even if it means sacrificing their own personal goals.) And the result of this trickle-up trust process from direct supervisors to top leaders is better employee performance.


Dr Chad Chiu’s research expertise includes team leadership, social networks, and social influence.

Prof Ostroff has expertise in organisational culture and climate, human resource management, leadership, and organisational change.
We are delighted that Professor Ingrid Fulmer has joined CWE on a fractional appointment as a research professor! Ingrid is an Associate Professor of Human Resource Management in the School of Management and Labor Relations at Rutgers University. Her expertise lies in the areas of human resource management, organisational behaviour, and business ethics. Ingrid is currently serving in the officer/leadership track of the HR Division of the Academy of Management (2015-2020). She is a former associate editor of Academy of Management Review and of the International Journal of Human Resource Management. In her former life, she worked as a Certified Public Accountant and consultant.

In Australia, employees have a legal right to request flexible work arrangements (FWA) in certain circumstances, such as parental or carer responsibilities, experiencing domestic violence. But this is often insufficient to keep employees engaged, motivated, and highly productive. With shifting employee preferences and global mobility, organisations in Australia and around the world are increasingly offering a range of FWA to provide options about when, where and how much employees work.

Ingrid Fulmer and her colleague set out to better understand how FWA influence workers’ attitudes using national data from about 18,000 workers and 1800 companies in the UK. Their findings reflect the complexities of designing effective FWA. First, comparative effects matter - when employees believe they have more FWA available to themselves compared to other workers, they are more satisfied and committed to their organisation. Second, different types of FWA have different effects. For example, having flexible scheduling available helps more with job satisfaction than flexible location, while both flexible scheduling and location can increase commitment more so than flexible hours. A third conclusion is that using available FWA does not necessarily further improve job attitudes. Indeed, employees who use flexible scheduling tend to have lower satisfaction and commitment than those who have it available but don’t use it. Even so, FWA are a good thing – despite (sometimes) less positive attitudes when using FWA, employees are still more satisfied and committed than those who do not have FWA available at all.

FLEX WITH FLEXIBLE WORK ARRANGEMENTS

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A WARM WELCOME TO INGRID FULMER

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As an employee, manager, or employer, we all have had experience with formal employment contracts. But what about the invisible ones? Psychological contracts represent the unwritten mutual expectations between employees and employers and can be even more influential in how employees behave. In today’s competitive global economy, understanding the nature of these psychological contracts is increasingly important for effectiveness.

Based on her latest research, world-renowned international researcher Prof Jacqueline Coyle-Shapiro will discuss the difference between formal contracts and informal psychological contracts. Join us to learn the answers to these important questions in the changing world of work: How are psychological contracts formed? Why are they so important? How do they influence employees’ satisfaction, well-being, and effectiveness? What happens when psychological contracts are breached?

Jackie is a Professor of Organisational Behaviour at the London School of Economics. She is a member of CWeX, as well as the Innovation Co-Creation Lab and the Radical Innovation, Team Processes and Leadership Project. For more than 20 years, Jackie has presented and conducted research around the world on justice in organisations, psychological contracts, citizenship behaviour, and organisational change.

Allan Scott Auditorium, North Terrace, UniSA City West Campus

Tuesday 20 June 2017 5:30pm for a 6pm start (finishing approx. 7pm)

Register now