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Why We Keep Hiring Narcissistic CEOs

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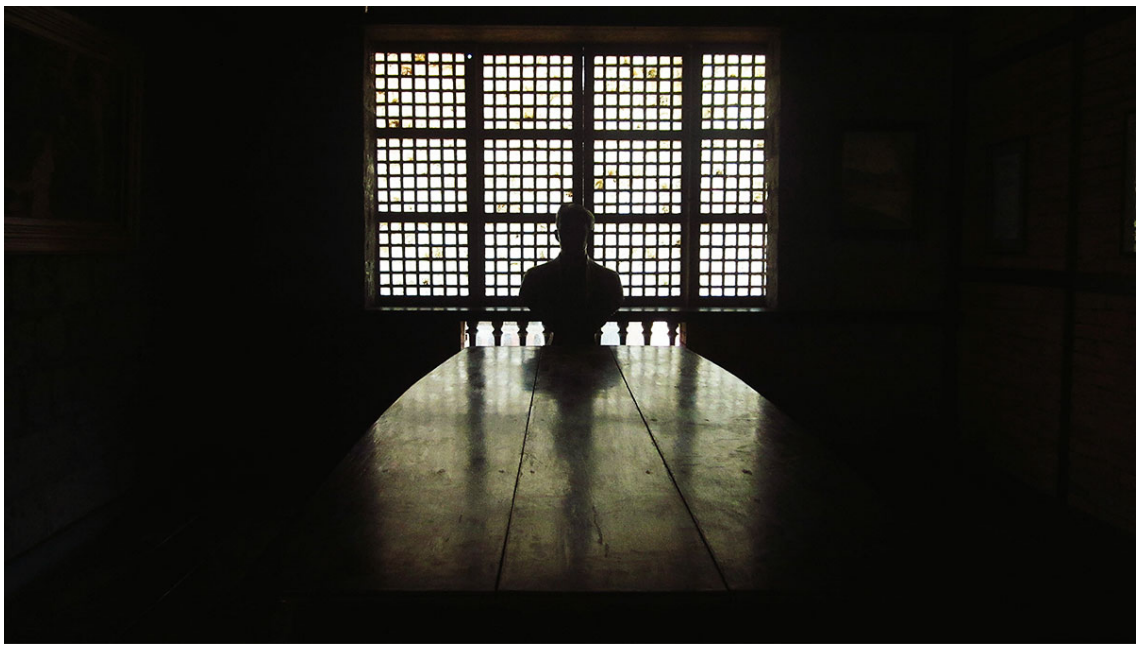

When discussing the future of leadership, most conversations focus on bright-side traits. For example, a common topic concerns the particular qualities that leaders *ought* to possess in order to be effective and how these may change based on the evolution of work, organizations, and society. Although such discussions are important, they tell only half of the story. The other half is understanding what leaders should *not* do, which begs the question of how the dark side of leadership will evolve (or devolve) in the future.

Consider the case of narcissistic CEOs. On the one hand, there are few bigger clichés than the idea that the best leaders in the world are self-aware and humble — but unlike most clichés, this one is backed up by data. On the other hand, most of us have had plenty of experience with CEOs who are self-important megalomaniacs. This gap between what the leadership textbooks prescribe and what reality actually looks like is disconcerting. In a world that spends a growing amount of money and time selecting and developing leaders, in particular for senior roles, the quality of leaders should improve with time. Moreover, since less narcissistic leaders can be expected to outperform their more narcissistic peers, one would expect the evolution of leadership to result not only in smarter, better-managed organizations but also in organizational cultures that are increasingly humble and self-critical. After all, CEOs' personalities play a big role in shaping the culture of their firms.

Yet reality looks rather different. In fact, narcissism levels have been rising for decades, which means that our world is increasingly self-centered, overconfident, and deluded. Furthermore, these increases appear to be exacerbated among leaders, since those in charge of judging leadership potential often mistake confidence for competence. By the same token, our cultural role models have switched from talented celebrities to talentless self-adulators whose only ability, and it's an admirable one, is the capacity to translate self-promotion into mass media attention. This rise of celebrity culture has coincided with the rise of the CEO as superbrand, and few traits are more advantageous for turning one's career into a celebrity-style reality TV show than narcissism.

Note that the connection between narcissism and leadership is nothing new. Both Schopenhauer and Freud pointed out long ago that there is a natural tension between people's selfish and prosocial drives; humans often resemble hedgehogs in the winter, in that when they get cold, they need to get close to each other to warm up, but if they get too close, things become a bit prickly. We cannot make it alone, but we care too much about ourselves to genuinely care about others. This tension between our desire to *get along* with others and our desire to *get ahead* of them represents the fundamental conundrum of human affairs. The main role of leaders is to manage this tension in their teams. Through their authority, vision, and higher sense of purpose, leaders provide a meaningful mission to the group that momentarily erodes individuals' selfish instincts so they can focus on the collective well-being. In other words, effective leaders suppress people's narcissism, often by subordinating it to their own. When followers are drawn to transformational and charismatic leaders, they are essentially loving themselves *through* those leaders, much like our love for a romantic partner is an indirect form of self-love.

Unfortunately, our admiration for charismatic leaders comes at a price: perpetuating the proliferation of narcissistic leaders. And while the existence of incredibly successful CEOs, such as Steve Jobs and Jeff Bezos (and Rockefeller, Ford, and Disney before them), may suggest that narcissism is a beneficial leadership quality, most overconfident, entitled, and egotistical CEOs are not just ineffective but also destructive — even when they manage to attain a great deal of success. For example, narcissistic CEOs overpay when they acquire firms, costing their shareholders dearly. Their firms tend to perform in a volatile and unpredictable fashion, going from big wins to even bigger losses. They are often involved in counterproductive work behaviors, such as fraud. They are also more likely to abuse power and manipulate their followers, particularly those who are naïve and submissive.

The big question, then, is whether the criteria we use to evaluate and select leaders will evolve. If so much evidence has accumulated about the detrimental effects of narcissism and other dark-side personality traits, why do we keep selecting for precisely those traits instead of excluding candidates who possess them? Perhaps it is true that our unconscious views of leadership are rooted in archaic prehistorical archetypes, which would explain the almost universal preference for strong (and despotic) masculine risk takers over and above vulnerable, self-critical, and feminine leaders. (It should be noted that even in women, narcissism is perceived as a leadership attribute.) Yet culture can tame evolution, and many of the critical challenges that leaders face today are quite different from those faced by cavemen.

If we are serious about evidence-based talent management and able to apply what we preach, then narcissistic leaders ought to be a species facing extinction.

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