

Distinguishing Narcissism from Self-Confidence

In developing succession plans, HR leaders should view CEO narcissism as either a positive or negative trait, experts say. While self-confidence and tenacity may help lead a company forward, problems may result when an individual is not self-reflective or open to feedback.

By Lin Grensing-Pophal

Contrary to some other studies, a new study finds that self-centered CEOs who "crave acclaim and applause" are more likely to keep their companies at the forefront of technological innovation.

Their desire for attention fuels their willingness to make daring decisions that their less-confident counterparts might shy away from, suggests the study's authors, who are professors at IMD, a top-ranked business school in Switzerland, Pennsylvania State University and Erlangen-Nuremberg University in Germany. (See more on the [study findings](#) here.)

Steve Jobs' reputation certainly seems to support these conclusions. Known for both his brilliance and arrogance, there is likely to be little disagreement that Jobs was one of the most innovative leaders of our time.

Narcissism is a disorder of self-esteem, says Larry Gard, president of Hamilton-Chase Consulting in Chicago.

"People with this condition have great difficulty feeling okay about themselves unless others continually supply them with positive regard. It's as if their self-esteem holding tank has a gaping hole and it must be filled from the outside 24/7," he says.

To boost their self-esteem, narcissists will constantly seek affirmation from others, he says. "They turn the conversation to themselves not because they believe they know more than you, but because they want you to view them as special. More than being the center of attention, narcissists want to be the center of admiration."

But, he adds, feedback can be a touchy thing for narcissists. "On the one hand, they crave positive reviews, but they can be devastated by feedback that's less than stellar."

It is that dichotomy between confidence and insecurity that can create problems for narcissists -- and the companies they work for, as excessive confidence does not always lead to leadership success.

"While narcissists often do have personality components of confidence and comfort with risk-taking that's required for good leadership, narcissism does not necessarily always come bundled with uncommon competence and the guts to have a vision and go for it," says Joni Carley, owner of Leaderful Edge Consulting & Coaching in the Philadelphia area and a co-author of *Stepping Stones to Success*.

And, she adds: "Narcissism always comes with collateral damage."

The Downside of Narcissism

"It's impossible," Carley says, "to count how many employees, processes and ideas were shut down in the face of the narcissist's addiction to attention."

"By itself, narcissism may be either helpful or unhelpful," agrees Dr. Srin Pillay, an assistant clinical professor of psychiatry at Harvard Medical School and the author of *Your Brain and Business: The Neuroscience of Great Leaders*.

While some narcissists may promote innovation, they may also be blind to real risks that should be considered, says Pillay, who also is CEO of NeuroBusiness Group, a global executive coaching company based in Cambridge, Mass.

On the other hand, he says, "there is nothing wrong with feeling good about one's self or feeling confident as long as one remains open to feedback."

The short answer to whether narcissism is good or bad is "both," says Nathan Hiller. It depends on the outcome.

Hiller, an assistant professor of management and international business at Florida International University in Miami, has researched executive narcissism extensively. But, even when the results are good, he notes "it's a fine line away from turning negative.

"The kinds of leadership implications of high versus really high narcissism are different," he says. "This often has a real, tangible effect on leadership, succession and a variety of other corporate outcomes."

Still, the business world is full of examples of leaders who might be described as narcissistic -- and many have achieved

great things for their organizations, their employees and society as a whole.

For organizations involved in leadership succession planning, narcissistic tendencies among candidates isn't necessarily a bad thing. But, as with many HR-related decisions, whether or not narcissism is good or bad really depends on the organization, its culture and the expectations of the person who will fill the leadership role.

Beyond Narcissism

When it comes to succession planning, narcissism is really not the issue says Dr. Mark Goulston, chairman and co-founder of Xtraordinary Outcomes in Santa Monica, Calif. "It's boldness, self-confidence and judgment that are most important."

Ben Dattner, author of *The Blame Game*, agrees -- and he cautions non-clinicians against attempting to "diagnose" leadership candidates.

Instead of attempting to use clinical characterizations, HR professionals should focus on performance-related criteria and look for indications of situations in which CEO or senior leader candidates have responded appropriately, or inappropriately, says Dattner, an organizational psychologist in New York whose doctoral dissertation analyzed the relationship between narcissism and fairness in the workplace.

Interestingly, research by Claudio Feser, a director of the Switzerland office of McKinsey & Co., who leads the McKinsey CEO Network that focuses on CEO training and coaching, suggests that confidence is just part of the equation that leads to success.

Feser, author of *Serial Innovators*, says there are some common traits among individuals who are repeatedly successful.

The first -- self-confidence and resilience -- may certainly be related to narcissism and reflected in certain narcissistic traits.

"Self-efficacy" is the term that psychologists tend to use here, he says. "These are people that are not put off by disappointment. They are not put off by something that doesn't work. They take that as a learning experience and they make it work."

But, while tenacity and self-confidence are important, Feser says, individuals also need to be self-reflective. They need "a high level of acceptance of feedback."

This may be a key element to explore when seeking successors or recruiting new leaders, he says -- and the ability to make adjustments based on input from others may be a significant factor separating a "clinical narcissist" from a self-confident leader.

Succession-Planning Considerations

Jay Hawreluk, a management consultant and president of the JH Group in the Detroit area, says succession planning requires companies to determine "what stage the company is currently operating at and what kind of leader will best suit the organization for the times ahead."

"This needs to be done with impartiality and neutrality from the board or an outside source," he says.

In evaluating candidates, Feser suggests asking questions to help determine not only resilience and self-confidence, but how they deal with criticism and disagreement.

At McKinsey, he says, "we will ask about a situation in which they have failed and ask them how they dealt with it, but we will also challenge them and see how they deal with challenge. We will criticize them and see how they deal with criticism."

Dattner says recruiters should also be attuned to how these individuals assign credit or blame to others. "Are they willing to share credit? Willing to take blame?"

On one hand, says Dattner, you will be looking for someone who is not overly self-effacing or modest. On the other hand, you will want a leader who is willing to take his or her fair share of credit -- and blame.

Importantly, says Hawreluk, "the leader that got the organization to its current level may not be the leader needed to move the company into the future."

"The high dominance, risk-taking characteristics of CEOs that help to build and develop a company," he says, "may not be the same traits that the organization needs while defining the CEO successor."

December 14, 2011

Copyright 2011© LRP Publications