

# The Cascading Effects of CEO Dark Triad Personality on Subordinate Behavior and Firm Performance: A Multilevel Theoretical Model

Group & Organization Management  
2020, Vol. 45(2) 143–180  
© The Author(s) 2020  
Article reuse guidelines:  
sagepub.com/journals-permissions  
DOI: 10.1177/1059601120905728  
journals.sagepub.com/home/gom



Joshua C. Palmer<sup>1</sup> , R. Michael Holmes Jr.<sup>1</sup>,  
and Pamela L. Perrewé<sup>1</sup>

## Abstract

Chief executive officer (CEO) personality has emerged as a key predictor of firm performance. A burgeoning literature rooted in psychology has shown that leaders with the dark triad personality traits (i.e., narcissism, Machiavellianism, and psychopathy) can have harmful effects on organizations. However, scholars have not fully illuminated the “black box” of processes that explain *how* and *why* CEO dark personality matters. Specifically, we know little about the microfoundations of CEOs’ influence: *how* and *why* do the effects of CEO dark personality cascade down to affect employees and outcomes throughout the different levels of the firm. Therefore, we explore how CEOs’ personalities shape their relationships with other top management team (TMT) members and how these relationships affect other employees in the organization. Specifically, drawing on upper echelons theory and social exchange theory, we provide a multilevel theoretical model examining how distinct CEO dark triad traits shape CEO–TMT

---

<sup>1</sup>Florida State University, Tallahassee, USA

## Corresponding Author:

Joshua C. Palmer, Department of Management, College of Business, Florida State University,  
821 Academic Way, P.O. Box 3061110, Tallahassee, FL 32306-1110, USA.  
Email: jcp12@my.fsu.edu

exchange quality, TMT destructive leadership, TMT behavioral integration, subordinates' counterproductive work behaviors, and ultimately firm performance. Implications for theory, future research, and practice also are discussed.

### **Keywords**

narcissism, psychopathy, Machiavellianism, CEO, social exchange theory

Over the past four decades, research in upper echelons theory (UET; Hambrick, 2007; Hambrick & Mason, 1984) has provided great insights into the effects of chief executive officer (CEO) characteristics such as personality on firm-level outcomes such as strategic decision-making (e.g., Chatterjee & Hambrick, 2011; Petrenko et al., 2016) and firm performance (e.g., Chatterjee & Hambrick, 2007; O'Reilly et al., 2014). Research in the tradition of UET proposes that executives' values, personalities, and experiences affect their decision-making, firm-level strategy, and, ultimately, firm performance. Both primary studies (e.g., Chatterjee & Hambrick, 2007) and meta-analyses (e.g., Wang et al., 2016) have corroborated the link between CEOs' personality and firm performance.

Although we know that CEO personality can have profound effects on macro outcomes such as firm performance, we know relatively little about the microfoundations of mediating processes that explain these effects. Specifically, in light of the importance of CEOs and their position at the apex of organizations, it is important to understand *how* and *why* CEO personality cascades down, permeates organizations, and affects firm outcomes by influencing others within the organization (Smith et al., 2018). Knowledge of these micromechanisms is important because it can help illuminate how leaders' perceptions and behaviors affect their management of subordinates, their subordinates' perceptions and behaviors, and, ultimately, firm performance. Indeed, understanding these processes is critical to develop a more thorough understanding of CEOs and their influence (Barney & Felin, 2013).

Relatedly, the literature on social exchange theory (SET) sheds light on individuals' behavior in social relationships. Viewing social relationships as a series of transactions and obligations, this literature suggests that individuals respond to positive and negative treatment via reciprocation. Individuals who receive poor treatment from others, for example, often reciprocate and respond negatively (e.g., display aggression) toward those who treated them poorly (Grijalva et al. 2019). Applications of such perspectives to upper echelons research frequently have examined interactions between CEOs (Westphal et al., 2012) and other individuals outside the firm (Westphal &

Deephouse, 2011). Within firms, however, power differentials often prevent subordinates from reciprocating negative behaviors back to superiors. Instead, they may mistreat their own subordinates or their peers as a form of displaced aggression (Hoobler & Brass, 2006). Examining how SET applies in the executive context—where subordinates have few opportunities to reciprocate against superiors, yet can displace aggression onto peers (e.g., in well-defined teams, such as top management teams [TMTs]) and subordinates—can enrich SET research by delineating understudied yet important ways that individuals respond to treatment received from superiors.

In response, we propose a multilevel theoretical model about *how* and *why* CEO personality traits affect TMT members, their relationships with one another and their subordinates, and, ultimately, firm performance. The model blends insights from two of the core theoretical perspectives in management that are complementary yet rarely integrated: (a) UET, which explains how executives' individual characteristics shape both their relationships with one another and firm outcomes (Hambrick & Mason, 1984), and (b) SET, which explains how individuals interact with one another in social settings (Cropanzano & Mitchell, 2005). In this way, our article integrates diverse areas of scholarship and lies at the intersection of the macro (e.g., TMTs and firm performance) and micro (e.g., personality and social exchange) subdisciplines of the management literature.

Specifically, we examine how CEOs' "dark triad" (DT) personality traits (Paulhus & Williams, 2002) affect firm performance by influencing social relationships and other outcomes at lower levels of the organizations. The DT personality traits include three conceptually distinct yet interrelated constructs: narcissism, Machiavellianism, and psychopathy. Narcissism includes entitlement, attention-seeking, grandiosity, and perceived superiority over others (Paulhus & Williams, 2002). Machiavellianism includes the use of manipulative and deceitful behavior to undermine others (Greenbaum et al., 2017). Psychopathy includes impulsivity and a lack of affect toward others, which often produces a lack of empathy and the potential for aggressiveness (Jones & Paulhus, 2010).

We chose the DT traits because research suggests that they may be higher among executives and other top leaders and, also, may influence decision-making processes and other workplace behaviors in important ways (Babiak & Hare, 2006; Chatterjee & Hambrick, 2007; Landay et al., 2019; Lewin & Stephens, 1994; see Table 1 for a summary of the executive DT literature). The CEO and TMT contexts are interesting areas to study these phenomena for four additional reasons as well. First, the actions of upper echelons managers are larger in scope and scale, so they have the potential to affect more people than the actions of lower-level employees. For example, Quigley and

**Table 1.** Table Summarizing Other Research Examining the Dark Triad Traits in Executives.

Authors	Year	Journal	Trait	Empirical	Summary
Buyl et al.	2019	<i>JOM</i>	Narcissism	Yes	CEO narcissism positively affected the riskiness of banks' policies prior to the banking industry collapse in 2008. However, board monitoring weakened this effect. Banks headed by narcissist CEOs prior to the collapse had a slower post-collapse recovery.
Gupta et al.	2019	<i>ASQ</i>	Narcissism	Yes	CEO narcissism strengthened the relationship between CEO liberalism and corporate social responsibility.
Ingersoll et al.	2019	<i>JBE</i>	Narcissism	Yes	Found female CEOs were less likely to be narcissistic than male CEOs. Narcissistic female CEOs engage in fewer risks and fewer questionable behaviors than narcissistic male CEOs.
Marquez-Illscas et al.	2019	<i>JBE</i>	Narcissism	Yes	Narcissistic CEOs reported more positive earnings announcements, but the stock market appeared to account for the self-enhancing tendencies of narcissistic CEOs (i.e., they are aware that narcissistic CEOs may use their positive language to manipulate the perceptions of others). CEO age weakened the relationship between
Gupta and Misangyi	2018	<i>SMJ</i>	Narcissism	Yes	Firms were less likely to imitate the strategic actions of peer firms when the peer firm had a narcissistic CEO (they may have attributed the success to factors related to the CEO rather than the strategic actions).
LeBreton et al.	2018	<i>AROPOB</i>	All three	No	Broadly reviewed the impact of the dark triad traits at work. Devoted two paragraphs to prior research examining CEO narcissism and highlights both the bright and dark sides of CEO narcissism. They do not discuss CEO Machiavellianism or CEO psychopathy (but they do discuss psychopathic leaders).

(continued)

**Table 1. (continued)**

Authors	Year	Journal	Trait	Empirical	Summary
Lovelace et al.	2018	AMR	Narcissism	No	Argued CEO narcissism strengthens the relationship between CEO celebrity and sociocultural factors, which impact the CEOs' behavior and firm performance
O'Reilly et al.	2018	LQ	Narcissism	Yes	Firms led by narcissistic CEOs are more likely to be involved in litigation and their lawsuits take more time to resolve. They follow this up with a lab experiment that shows narcissists are less sensitive to objective assessments of risk regarding whether they should settle a lawsuit and are more likely to ignore expert advice.
Raval	2018	JBE	Narcissism	No	Argued CEO narcissism is a personality trait that may lead to moral temptation and facilitate engagement in fraud.
Smith et al.	2018	JOM	All three	No	Broadly reviewed the personality at work literature. They devoted 12 paragraphs to CEO personality in strategic management and entrepreneurial contexts. They argued that there are upsides to some dark traits and downsides to some bright traits.
Tang et al.	2018	SMJ	Narcissism	Yes	CEO narcissism is positively related to corporate social responsibility, but this relationship is moderated such that it is stronger when board-interlocked peer firms invest less in corporate social performance.
Van Scotter and Roglio	2018	JBE	Narcissism	Yes	Found that CEO narcissism is positively related to CEO ethical misconduct and sexual misconduct, but not fraud and risk misconduct.

(continued)

**Table 1. (continued)**

Authors	Year	Journal	Trait	Empirical	Summary
Anglin et al.	2018	<i>JBV</i>	Narcissism	Yes	Found an inverted U-shaped relationship between narcissistic rhetoric in crowdfunding campaigns and crowdfunding performance. This inverted U-shaped relationship is moderated by sexual orientation and minority status.
Ahsan	2017	<i>AMR</i>	Narcissism	No	Argued narcissistic entrepreneurs are drawn to entering businesses at early stages because of their desire for attention and need for achievement.
Boddy	2017	<i>JBE</i>	Psychopathy	No	A longitudinal case study that argued CEO psychopathy impacted organizational behaviors such as bullying, work withdrawal, turnover, and hurt organizational outcomes such as revenue, commitment, creativity, and innovativeness.
Chatterjee and Pollock	2017	<i>AMR</i>	Narcissism	No	Argued CEO narcissism impacts conflicting CEO needs (i.e., the need for acclaim and the need to dominate decision-making), which impact the CEOs' strategies and behaviors.
Congleton	2014	<i>JBE</i>	All three	No	A business education paper that discusses the impact of the dark triad traits in business and the role of ethics education in the prevention of corporate scandal.
Navis and Ozbek	2017	<i>AMR</i>	Narcissism	No	Discusses the importance of differentiating CEO narcissism and CEO overconfidence.
Zhang et al.	2017	<i>LQ</i>	Narcissism	Yes	CEO narcissism and humility can both coexist. Firms with CEOs who are high in both narcissism and humility had higher levels of firm innovation.
Engelen et al.	2016	<i>JOM</i>	Narcissism	Yes	CEO narcissism weakened the positive relationship between entrepreneurial orientation and firm performance.

(continued)

**Table 1. (continued)**

Authors	Year	Journal	Trait	Empirical	Summary
Navis and Ozbek	2016	AMR	Narcissism	No	Argued narcissistic executives and entrepreneurs are attracted to new venture opportunities because they can receive more acclaim if they succeed. However, they suggested that narcissism hinders the firms' ability to learn in novel contexts and can lead to poor performance.
Oesterle et al.	2016	IBR	Narcissism	Yes	Firms with narcissistic CEOs tended to engage in more internationalization.
Petrenko et al.	2016	SMJ	Narcissism	Yes	Narcissistic CEOs engaged in more corporate social performance but experienced a diminished impact of corporate social performance on firm performance.
Zhu and Chen	2015a	ASQ	Narcissism	Yes	Narcissistic CEOs were more heavily influenced by their own experience implementing corporate strategies than by the experience of fellow directors. Narcissistic CEOs were also more likely to select strategies that are the opposite of what fellow directors have done in the past.
Zhu and Chen	2015b	SMJ	Narcissism	Yes	Narcissistic CEOs favor adding directors who are also narcissistic or have experience working with other narcissistic CEOs because these directors will be more receptive to risk-taking.
Galvin et al.	2015	AMR	Narcissism	No	Argued that narcissistic organizational identification can cause top executives to subsume their organizational identity within their individual identity. Thus, the CEO may start to identify others as extensions of themselves and mold the organization based on the CEOs' personal characteristics.

(continued)

**Table 1. (continued)**

Authors	Year	Journal	Trait	Empirical	Summary
O'Reilly et al.	2014	LQ	Narcissism	Yes	Narcissistic CEOs tended to have more direct compensation, shareholdings, and larger pay discrepancies between themselves and other TMT members.
Boddy	2014	JBE	Psychopathy	Yes	CEO psychopathy impacts workplace conflict, bullying, affective well-being, and CWB.
Patel and Cooper	2014	SMJ	Narcissism	Yes	Narcissistic CEOs experienced larger losses during economic crises, but they also experienced better recovery post-economic crises.
Reina et al.	2014	LQ	Narcissism	Yes	CEO grandiose narcissism was positively related to TMT behavioral integration, but only when the CEO was high in organizational identification. TMT behavioral integration mediated the relationship between CEO grandiose narcissism and firm performance.
Americ and Craig	2013	JBE	All three	No	Analyzed Rupert Murdoch's 2010 CEO Letter and suggested the language in these letters can be used to infer information about the CEO's ethics, behavior, and leadership.
Gerstner et al.	2013	ASQ	Narcissism	Yes	Narcissistic CEOs may be better able to help firms overcome inertia by facilitating the adoption of technological discontinuities. This is especially true when the narcissistic CEO's firm has a captive audience interested in this domain.
Rijsenbilt and Commandeur	2013	JBE	Narcissism	Yes	Narcissistic CEOs were more likely to engage in financial fraud.
Wales et al.	2013	JMS	Narcissism	Yes	Firm entrepreneurial orientation mediated the relationship between CEO narcissism and firm performance variance.

(continued)

**Table 1. (continued)**

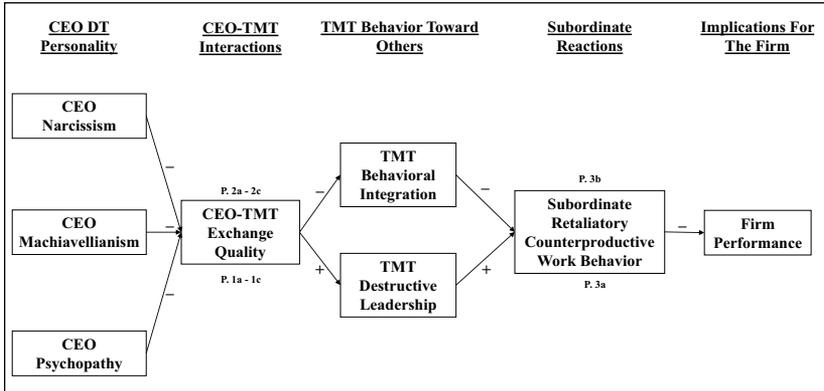
Authors	Year	Journal	Trait	Empirical	Summary
O'Boyle et al.	2012	<i>JAP</i>	All three	Yes	Conducted a meta-analysis examining the impact of employee narcissism, Machiavellianism, and psychopathy on work performance and CWB. Examines the moderating role of culture and authority on these relationships. Only two of their studies report sampling executives and they only devote two sentences of their write-up to the executive context. CEO narcissism is negatively related to CEO servant leadership behaviors. CEO servant leadership behaviors positively influence firm performance.
Peterson et al.	2012	<i>PP</i>	Narcissism	Yes	Examined computerized content analysis as a passive way to measure CEO narcissism.
Spangler et al.	2012	<i>LQ</i>	Narcissism	Yes	Narcissistic CEOs are less responsive to recent objective performance indicators and are more likely to be influenced by social praise than non-narcissists.
Chatterjee and Hambrick	2011	<i>ASQ</i>	Narcissism	Yes	Narcissistic CEOs tended to find ways to manipulate financial accounting numbers and use information that portrays themselves in a more favorable light.
Amerinc and Craig	2010	<i>JBE</i>	Narcissism	Yes	Narcissistic CEOs were more likely to engage in financial misreporting. This was especially true when CEOs have higher shareholder expectations, incentives to misreport, and subordinate silence, and there are weak penalties for financial misreporting.
Resick et al.	2009	<i>JAP</i>	Narcissism	Yes	Narcissistic CEOs used less transformational leadership and less contingent reward leadership than non-narcissistic CEOs.

(continued)

**Table 1. (continued)**

Authors	Year	Journal	Trait	Empirical	Summary
Chatterjee and Hambrick	2007	ASQ	Narcissism	Yes	Narcissistic CEOs engaged in more strategic dynamism, more and larger acquisitions, and more extreme performance (both good and bad). However, narcissistic CEOs are not necessarily more or less effective than other non-narcissistic CEOs.
Lewin and Stephen	1994	OS	Machiavellianism	No	Suggested CEO Machiavellianism affects organizational design features (e.g., centralized control, monitoring, and hierarchical structures), which will affect the experience of others in the organization.

Note. In the summary column CEO = chief executive officer; CWB = counterproductive work behavior; TMT = top management team. In the journal column AROPOB = Annual Review of Organizational Psychology and Organizational Behavior; AMR = Academy of Management Review; ASQ = Administrative Science Quarterly; IBR = International Business Review; JAP = Journal of Applied Psychology; JBE = Journal of Business Ethics; JBV = Journal of Business Venturing; JMS = Journal of Management Studies; JOM = Journal of Management; LQ = The Leadership Quarterly; OS = Organization Studies; PP = Personnel Psychology; SMJ = Strategic Management Journal.



**Figure 1.** An explanatory model of the theoretical relationships between CEO dark triad personality and firm performance.

Note. CEO = chief executive officer; DT = dark triad; TMT = top management team.

Hambrick (2015) report that CEOs alone explain up to 20% of the variance in firm performance. Second, upper echelons managers may have greater pay and public visibility, which means that they represent a higher opportunity cost to the organization. Poor leadership at this level, in other words, is more costly to the firm and its shareholders.

Third, upper echelons managers have a greater ability to mobilize resources, which may provide them with greater decision latitude. Personality research suggests that personalities are more likely to shape behaviors in situations where there are fewer constraints placed on individuals and when they are in situations that facilitate the expression of their personalities (Tett & Burnett, 2003). Fourth, because upper echelons managers confront significant uncertainty and face significant demands on their information processing, their personal characteristics (e.g., personality) are especially likely to shape their perceptions, decisions, and interactions with others (Hiller & Hambrick, 2005). Therefore, DT traits are especially likely to influence CEOs’ treatment of their subordinates, considering their immense authority and the significant pressure of their jobs (e.g., Hambrick et al., 2005).

Therefore, as shown in Figure 1, we extend prior work by shedding light on the cascading effects through which CEO DT personality impacts CEO–TMT exchange quality and, in turn, TMT members’ behaviors toward others. Specifically, we explain the adverse effects of CEO DT personality on two indicators of TMTs’ behavior—TMT destructive leadership (i.e., aggressive behaviors perpetrated on subordinates; Mackey et al., 2019) and TMT behavioral integration (i.e., TMT members’ collaborative engagement

with one another; Carmeli, 2008; Simsek et al., 2005)—through the mediator of CEO–TMT exchange quality. We chose these two TMT behaviors because they capture TMT members’ treatment of their subordinates (i.e., TMT destructive leadership) and one another (i.e., TMT behavioral integration), which are the two primary groups within organizations against which TMT members can retaliate if they are mistreated by CEOs (because they cannot readily retaliate against the CEO due to power differentials). We argue that the TMT destructive leadership and TMT behavioral integration, in turn, permeate the organization and ultimately hurt firm performance by fostering subordinate counterproductive work behaviors (CWBs; intentional behaviors by employees to harm firms or their stakeholders) that undermine firm performance.

Thus, we introduce a theoretical model that provides a new perspective on CEOs’ broader impacts on other employees and on the organization. Our model extends prior work by providing insights into the downstream, cascading consequences of CEO DT personality on the social exchange relations with TMT members, those TMT members’ relationships with subordinates and one another, those subordinates’ behaviors, and ultimately the firm itself. First, we contribute to the DT research in UET using SET to explain the cascading effects of CEO personality on employees across multiple levels of the firm. Second, we extend SET into the executive context to discuss how CEO DT personality indirectly influences TMT member behaviors toward their peers and subordinates. In doing so, we contribute to similar work (e.g., Walumbwa et al., 2011), which addressed the call for more research examining how SET operates in the executive context (Song et al., 2009). Our theorizing highlights the important role of power differentials in social exchange relationships, particularly regarding displaced aggression and its negative consequences.

Third, we advance theory on the microfoundations through which executives affect firm performance by positing mediator variables to explain how CEOs’ DT personality shapes relationships and behaviors throughout their firms. Although firm performance is the ultimate dependent variable in UET (Hambrick & Mason, 1984) and “is one of the most important constructs in management research” (Richard et al., 2009, p. 1), few studies have considered how CEOs and TMT members affect firm performance through their effects on lower-level employees’ attitudes and behaviors (see Colbert et al., 2014, for one exception). In this regard, our model helps explain why and how dark traits (e.g., the DT) and poor interpersonal interactions (e.g., destructive leadership) may have strong and harmful impacts on firms and their employees and, thus, are worthy of more research attention.

## Theoretical Foundations and Proposition Development

### *The Importance of Dark Traits*

There is a growing interest in top executives' dark personality traits (Busenbark et al., 2016; LeBreton et al., 2018; Smith et al., 2018). Most of the research in this area has focused on firm-level outcomes, such as firm strategy and firm performance (Chatterjee & Hambrick, 2007; Patel & Cooper, 2014), leaving us with an incomplete understanding of how top dark personality traits cascade down through organizations to impact subordinates. By comparison, we have a much stronger understanding of how bright personality traits—such as humility, agreeableness, and openness—cascade down throughout the organization. This latter research suggests, for example, that bright personality traits create many beneficial outcomes for not only TMT members (e.g., greater empowerment and collaboration), but also for others at lower levels of the organization (e.g., greater middle manager affective commitment and lower-middle manager turnover) (Ou et al., 2014, 2017; R. S. Peterson et al., 2003). Likewise, Colbert et al. (2014) found that CEO conscientiousness directly impacts organizational performance, and CEO emotional stability and openness indirectly impact organizational performance and organizational commitment through the mediator of CEO transformational leadership. We argue that the comparative lack of attention to the cascading effects of top executives' dark personality traits and their impacts on subordinates is an important omission in the literature that requires more research attention.

In particular, the negative effects of dark personality traits on social relations, subordinates' attitudes and behaviors, and organizational outcomes might be more significant over time than are the positive effects of bright personality traits. Individuals approach most social relations expecting friendly and positive interactions instead of unfriendly and negative ones (Blau, 1964). These social norms promote effective social functioning and cooperation (Cropanzano & Mitchell, 2005). In organizational settings, where positive social relations and collaboration are expected and required, the social norms for positive treatment might be even stronger. Because positive treatment is expected, it might have less influence on followers' behavior than does negative treatment, which is more likely to be unexpected. Because it deviates more from expectations and social norms, negative treatment tends to spark perceptions of injustice and create negative affect (Rupp & Cropanzano, 2002). These harmful consequences might also be especially strong in organizations because it is more difficult for individuals to exit

unfriendly relationships when they must interact with certain people as part of their jobs. These possibilities are also consistent with other well-documented phenomena, such as the tendency for negative information to carry more weight in decision-making (Sen & Bhattacharya, 2001), the tendency for news media to report more negative news stories because they gather more attention (Trussler & Soroka, 2014), and loss aversion whereby individuals are more motivated by the possibility of avoiding losses than by the possibility of earning gains (Holmes et al., 2011; Kahneman & Tversky, 1979).

As a result, we argue that CEO DT personality traits are likely to have negative effects on their subordinates over time and, because they are at the apex of their organizations, it is critical to understand how these effects cascade down to affect other employees and influence organizational outcomes. Despite some benefits of dark traits, which we discuss below, they tend to have adverse effects on supervisor–subordinate relations, especially in the long term. For example, there is evidence that narcissists become less popular, and are viewed as less effective leaders, over time (Leckelt et al., 2015; Nevicka et al., 2018). The potential for those with dark traits to violate social norms and treat their subordinates poorly, in turn, has been linked to subordinates' stress, depression, and other negative attitudes and experiences (Balshem, 1988; Hambrick et al., 2005; Repetti, 1993). Thus, given the potential overrepresentation of dark traits among executives (Babiak & Hare, 2006; Chatterjee & Hambrick, 2007; Landay et al., 2019), it seems critical to understand how they cascade down to influence subordinates and outcomes throughout organizations.

### *The DT*

Personality refers to individual differences in patterns of thinking, feeling, and behaving, which are relatively stable across situations and over time (Pervin, 1990). DT research has attracted scholars, including upper echelons scholars (e.g., Chatterjee & Hambrick, 2007, 2011), interested in the role of “dark side” personality traits in organizational contexts (LeBreton et al., 2018). Jones and Figueredo (2013) reported that the DT constructs—narcissism, Machiavellianism, and psychopathy—share a “core of darkness,” specifically callous affect and a propensity to manipulate others. Likewise, O’Boyle et al. (2012) found that the employee DT traits impact important employee behaviors, such as job performance and engagement in CWBs. Drawing on this body of research, we focus our theoretical model on the dysfunctional<sup>1</sup> effects of each of the DT traits in CEOs.

Despite their common “core of darkness,” Paulhus and Williams (2002) argued that narcissism, Machiavellianism, and psychopathy are distinct traits that warrant separate theorizing and measurement. In support, O’Boyle et al.’s (2012) meta-analysis found only moderate correlations between the DT traits. Specifically, the correlation coefficients (corrected for measurement error) were .30 for narcissism and Machiavellianism, .51 for narcissism and psychopathy, and .59 for Machiavellianism and psychopathy, which led the authors to conclude that the DT traits are “three distinct constructs” (O’Boyle et al., 2012, p. 572). Moreover, narcissism, Machiavellianism, and psychopathy can have distinct and differential relationships with other traits (Paulhus & Williams, 2002) and workplace outcomes (Palmer et al., 2017). In sum, these traits should be viewed as three related yet distinct constructs that are moderately correlated. Thus, we move forward by drawing on SET and UET to examine narcissism, Machiavellianism, and psychopathy as three traits that affect CEO–TMT exchange quality and, in turn, TMT members’ and subordinates’ behavior. We draw from the separate literatures of each specific trait to make our theoretical arguments about each of the DT traits.

### *The Impact of CEO DT Personality on TMT Behavior Toward Others*

To date, UET research examining the impact of CEO DT traits has mostly focused on narcissism (see Table 1) and, for the most part, has ignored the other two DT traits. This omission is striking because top executives need political savvy to rise to the top of organizations (de Wit et al., 2012), and Machiavellianism and psychopathy are likely to impact such political savvy by affecting how top executives influence and relate to others (Cohen, 2018). Moreover, the limited upper echelons work that has examined how CEOs shape their interactions with TMT members has focused mostly on TMT members’ attitudes (R. S. Peterson et al., 2003), compensation, turnover (Chatterjee & Hambrick, 2007), and support of the CEO (Hambrick & Lovelace, 2018). Although this work lays a theoretical foundation for how CEOs affect TMT members, it does not examine how CEO–TMT member interactions permeate throughout organizations to affect a broader set of subordinate outcomes and, ultimately, firm performance.

Therefore, we integrate SET to explain how CEO DT personality can adversely impact TMT members’ behavior toward others through the mediator of CEO–TMT exchange. We suggest that TMT members’ repeated interactions with narcissistic, Machiavellian, and psychopathic CEOs will result in a violation of common social norms and rules, which will negatively affect

the quality of the CEO–TMT exchange. This reduced CEO–TMT exchange quality, in turn, helps explain the negative cascading effects of CEO DT personality on TMT members' behaviors toward others (i.e., subordinates and other members of the TMT).

### *The Mediating Impact of CEO–TMT Exchange Quality on the CEO DT Personality–TMT Destructive Leadership Relationship*

SET describes the exchanges that occur between parties (e.g., CEOs and TMT members), how relationships develop over time, and the benefits and costs of such relationships (Blau, 1964; Cropanzano & Mitchell, 2005). In the following section, we focus on CEOs' relationships with their TMT member subordinates and, in turn, how these relationships can shape the experiences and behaviors of subordinates further down in the organization.

Two central aspects of SET include the interdependent nature of social exchange relationships and reliance on reciprocity norms (Cropanzano & Mitchell, 2005). For a social exchange relationship to occur, there must be reciprocal exchanges in which the parties respond to each other. Generally, the actions in these exchanges can be positive or negative. According to SET, employees tend to return the positive or negative treatment they receive with similar treatment. However, reciprocating negative behaviors is more difficult when relationships involve power differentials, as when negative social exchange relationships occur between CEOs and TMT members. When TMT members perceive inequities or negative behaviors directed at them from their CEO, they may not reciprocate due to their fear of potential repercussions (e.g., termination). Given the power differential between CEOs and TMT members, it is unlikely that TMT members will direct their aggression at CEOs in retaliation.

Instead, they are more likely to retaliate toward subordinates, often through destructive leadership. Destructive leadership takes many forms (Mackey et al., 2019), including abusive supervision (Tepper, 2000), incivility (Andersson & Pearson, 1999), undermining (Duffy et al., 2002), and aggression (Mitchell & Ambrose, 2007). Although being conceptually and operationally distinct in many ways, these constructs are related in that they capture forms of hostility perpetrated on subordinates by supervisors. Consistent with Mackey et al. (2019), we use the term destructive leadership to capture all forms of such negative leadership behaviors.

As mentioned previously, each DT trait is associated with several unique behavioral patterns that impact their social exchange relationships. Herein, we argue that all three DT traits may hurt CEO–TMT exchange quality, but each does so in different ways and for different reasons.

Narcissists tend to make good first impressions as they appear confident, humorous, and are well put together (Vazire et al., 2008). Thus, in the short term, narcissistic CEOs can be seen as charming, competent, and charismatic. However, over time, narcissistic CEOs display entitlement, hubris, and overconfidence (Chatterjee & Hambrick, 2011). Narcissistic CEOs also act boldly (Chatterjee & Hambrick, 2007; Oesterle et al., 2016), are less responsive to objective performance cues (Chatterjee & Hambrick, 2011), and need public acclaim to reinforce and validate their heightened self-image (Chatterjee & Pollock, 2017). Research also suggests that narcissists display self-serving tendencies that harm relationships with others over time (Back et al., 2010).

We argue that narcissistic CEOs' engagement in self-aggrandizing behaviors, and their need for praise from others (Raval, 2018), damage social exchange relationships over time as TMT members recognize the self-centered nature of narcissistic CEOs and experience negative consequences. TMT members likely come to understand and experience narcissistic CEOs' perceived superiority, which can hinder collaboration and TMT members' opportunities for personal development. In support, reflecting their lack of concern for others, research suggests that narcissistic executives reward good performance less consistently (Resick et al., 2009) and display less servant leadership (S. J. Peterson et al., 2012). Thus, although TMT members may initially be drawn to narcissistic CEOs, the initial appeal of these CEOs tapers off over time as TMT members see and experience their self-focus and arrogance (Harms et al., 2017). As a result, CEO–TMT exchange quality is likely to decline over time. Unable to retaliate against CEOs, given their position at the apex of their organizations, TMT members experiencing poor exchange quality may become more likely to display aggression toward subordinates in the form of destructive leadership.

**Proposition 1a:** CEO–TMT member exchange mediates the relationship between CEO narcissism and TMT destructive leadership toward their subordinates over time, such that CEO narcissism leads to lower levels of CEO–TMT exchange (although the effect might be positive in the short run), which leads to higher levels of TMT destructive leadership toward their subordinates.

Machiavellianism may also have some short-term benefits for organizations. For example, in the short term, Machiavellian CEOs may be more likely to engage in prosocial behaviors (even unethical behaviors) to curry favor (Castille et al., 2018). Thus, in the short term, Machiavellian CEOs may be perceived as committed team players who care for their organizations. However, we argue that the tendency for Machiavellian CEOs to view the

workplace as a political arena (Cohen, 2018) and to share information selectively with members of their ingroup (Kiazad et al., 2010) harms overall CEO–TMT exchange quality over time.

Machiavellian individuals are prone to manipulate others (Austin et al., 2007; Greenbaum et al., 2017) and, thus, might be more likely to pit TMT members against one another, possibly causing derision rather than harmonic relationships with TMT members. Similarly, Machiavellians rarely trust others (Dahling et al., 2009), and they prefer more authoritarian leadership (Kiazad et al., 2010) and centralized decision-making (Lewin & Stephens, 1994), which allow them to dominate and control others (McHoskey, 1999). This constant gamesmanship, skepticism toward others, and need for control, in turn, leads to micromanagement and can damage CEO–TMT exchange quality over time, perhaps leading TMT members to engage in more destructive leadership of their subordinates as a result.

**Proposition 1b:** CEO–TMT member exchange mediates the relationship between CEO Machiavellianism and TMT destructive leadership toward their subordinates over time, such that CEO Machiavellianism leads to lower levels of CEO–TMT exchange (although the effect might be positive in the short run), which leads to higher levels of TMT destructive leadership toward their subordinates.

Finally, even psychopaths may present some short-term benefits to their organizations. For example, psychopathic individuals are highly motivated by goals and are especially sensitive to rewards (Broerman et al., 2014). At least in the short term, they may be decisive leaders who strive for achievement to maximize resources. However, over time, psychopathic CEOs display certain attitudes and behaviors that inhibit CEO–TMT exchange quality.

Specifically, psychopathic individuals are impulsive, callous, lack empathy, and exhibit aggressive behaviors (Jones & Paulhus, 2010), such as bullying (Boddy, 2011), interpersonal conflict (Boddy, 2014), and abusive supervision (Mathieu & Babiak, 2016). In addition, although they typically show few emotions, they do engage in brief, intense bouts of anger toward others (Spain et al., 2016). Thus, over time, CEO psychopathy also can lower CEO–TMT exchange quality because TMT members probably will have more difficulties forming close bonds with CEOs who lack empathy and who are aggressive and volatile. Those TMT members experiencing such poor exchange quality become more likely, in turn, to engage in less relational and more destructive leadership of their subordinates as a result.

**Proposition 1c:** CEO–TMT member exchange mediates the relationship between CEO psychopathy and TMT destructive leadership toward their subordinates over time, such that CEO psychopathy leads to lower levels of CEO–TMT exchange (although the effect might be positive in the short run), which leads to higher levels of TMT destructive leadership toward their subordinates.

As these initial propositions suggest, there may be some short-term benefits to CEO narcissism, Machiavellianism, or psychopathy, but these benefits subside as TMT members spend more time with the CEOs and learn about their undesirable tendencies. Therefore, CEOs with DT traits likely develop lower-quality exchange relationships with TMT members over time, which tends to have negative consequences for TMT members' leadership of their subordinates as well. We now argue that these CEO–TMT member exchange relationships also have important consequences for the TMT members' relationships with one another.

### *The Mediating Impact of CEO–TMT Exchange Quality on the CEO DT Personality–TMT Behavioral Integration Relationship*

The upper echelons literature suggests that different TMTs have different norms and routines that shape the way the members interact with one another (Knight et al., 1999). Consistent with this idea, Hambrick (1994) conceptualized TMT behavioral integration as a meta-construct that captures several key aspects of TMT members' interactions with one another. More specifically, TMT behavioral integration reflects the quality of team members' relationships, as evidenced by harmonious decision-making, communication, and collaboration processes (Simsek et al., 2005). Higher TMT behavioral integration, in turn, is associated with less interpersonal conflict, greater cooperation and unity, more engagement and commitment, and richer information sharing among TMT members (Carmeli & Schaubroeck, 2006).

We previously outlined the different mechanisms through which each of the CEO DT personality traits negatively impacts CEO–TMT exchange quality and, thus, TMT members' interactions with subordinates. We now argue that this poor CEO–TMT exchange quality also harms TMT members' ability to communicate, collaborate, and engage in harmonious team behaviors with one another, thereby reducing TMT behavioral integration.

TMT members have more difficulty achieving high levels of behavioral integration when they experience poor exchange quality with CEOs due to the negative behavioral consequences of CEO narcissism, Machiavellianism,

or psychopathy (e.g., O’Boyle et al., 2012) that emerge over time. When individuals experience negative social exchanges from their supervisor, they perceive greater injustice, trust less (Park et al., 2019), and monitor their behavior less carefully (Muraven et al., 2008). Partly as a result, they also engage in behaviors that are likely to reduce the quality and consistency of their relationships with other team members, including lower engagement in work (Bakker & Demerouti, 2007), poor decision-making (Reina et al., 2017), and more frequent and unpredictable emotional outbursts (Bazerman, 2002). These negative behaviors might produce greater divisiveness among TMT members, perhaps limiting cooperation and collaboration (Ndofor et al., 2015). Likewise, the upper echelons literature suggests that negative CEO–TMT exchange quality is a stressor that hinders TMT information acquisition, cognitive processing, and problem-solving (Hambrick et al., 2005), all of which reduce TMT members’ abilities to engage in the rich information sharing and collaboration characteristic of behaviorally integrated teams. Together, these arguments suggest that poor CEO–TMT exchange quality, which is a consequence of CEO DT traits, also hinders TMT behavioral integration. As a result, we suggest the following:

**Proposition 2a:** CEO–TMT member exchange mediates the relationship between CEO narcissism and TMT behavioral integration over time, such that CEO narcissism leads to lower levels of CEO–TMT exchange (although the effect might be positive in the short run), which leads to lower levels of TMT behavioral integration.

**Proposition 2b:** CEO–TMT member exchange mediates the relationship between CEO Machiavellianism and TMT behavioral integration over time, such that CEO Machiavellianism leads to lower levels of CEO–TMT exchange (although the effect might be positive in the short run), which leads to lower levels of TMT behavioral integration.

**Proposition 2c:** CEO–TMT member exchange mediates the relationship between CEO psychopathy and TMT behavioral integration over time, such that CEO psychopathy leads to lower levels of CEO–TMT exchange (although the effect might be positive in the short run), which leads to lower levels of TMT behavioral integration.

### *The Downstream Consequences of CEO DT Personality and TMT Behaviors on Subordinates and Firm Performance*

Thus far, we have argued that CEO DT personality has adverse effects on TMT destructive leadership (capturing TMT members’ behavior toward others) and TMT behavioral integration (capturing TMT members’ behaviors

toward one another) via lower CEO–TMT exchange quality. We now explain how these TMT behaviors cascade down through the firm to negatively impact firm performance.

In particular, CWBs are among the most important and heavily studied consequences of supervisor behavior that are also likely to impact firm performance. Examples of CWBs include theft, sabotage, destruction of property, verbal abuse, lying, destructive gossip, and slander, withholding effort or information, consuming firm resources, and refusing to cooperate (Hunter & Penney, 2014; Kim et al., 2015; Park et al., 2019; Penney & Spector, 2005). We expect that both indicators of TMT member behavior (i.e., TMT destructive leadership and TMT behavioral integration) affect subordinate CWBs, albeit through different mechanisms.

First, destructive leadership is an important psychosocial job stressor that can facilitate deviant and antisocial behaviors in subordinates, including CWBs (Andersson & Pearson, 1999). As argued above, SET suggests that individuals tend to reciprocate the negative behavior they receive. For instance, Spector and Fox (2002) argued that job stressors produce negative emotions (e.g., anger, anxiety, and depression), which in turn fuel CWBs. However, given the power differential between TMTs and their subordinates, subordinates who experience destructive leadership are more likely to engage in CWBs toward their coworkers and other stakeholders, rather than risk retaliation against their TMT supervisors. Indeed, research suggests that when employees are the victims of destructive leadership, they are more likely to displace their aggression toward more vulnerable coworkers (Mitchell & Ambrose, 2007) or the organization and its investors by stealing from the firm (Hunter & Penney, 2014) or withholding effort (Park et al., 2019). Supervisors' destructive leadership, in other words, trickles down to lower-level employees' behaviors toward others (e.g., Mawritz et al., 2012). In this way, the dysfunctional behaviors of upper echelons members cascade down to produce dysfunctional behaviors among lower-level employees. Consistent with this view, the upper echelons literature suggests that TMT members "serve a linchpin function, conveying the pressures they experience" down to others in the firm (Hambrick et al., 2005, p. 482).

TMT behavioral integration also fosters subordinate CWBs but in different ways. According to the upper echelons literature, TMT members affect lower-level employees' values and behaviors by signaling what is acceptable in the firm, rewarding desirable behavior, and disciplining poor behavior (Pryor et al., 2019). When TMT behavioral integration is low, TMT members are less likely to share information with one another, value one another's opinions and ideas, and seek agreement and consensus. This potential for fragmentation and infighting on the team can, in turn, create cultures of

incivility, disunity, and hostility within firms (Ou et al., 2017) and solidify these behaviors as a viable means to resolve conflict within the firm. Lower TMT behavioral integration also reduces integration and cooperation among firms' subunits, especially if TMT members are responsible for different subunits. Poor intra-TMT collaboration and information sharing processes, for example, fuel fractionalization, which reduces TMT members' propensity to buy into, commit to, and support strategic initiatives and to encourage their subordinates to do likewise (Li & Hambrick, 2005; Ndofor et al., 2015). Potentially disheartened by infighting among TMT members, lower-level subordinates might have lower commitment and motivation to cooperate with another as a result (Ou et al., 2017). Moreover, as these arguments suggest, poor information sharing is an additional byproduct of poor TMT behavioral integration, which can reduce the effectiveness of monitoring systems and allow CWBs at lower levels to go undetected and unpunished.

Therefore, both TMT destructive leadership and TMT behavioral integration can foster subordinate CWBs. And, importantly, these CWBs can hurt firm performance in at least two ways. First, they are costly to organizations (Berry et al., 2012). CWBs create at least two kinds of costs for firms. CWBs create direct costs in the form of higher expenses, such as the time and financial outlay required to replace lost or damaged assets. They also create indirect costs in the form of processes and systems enacted to prevent harmful actions from occurring. Theft of property, for example, creates not only direct costs related to pilfering but also indirect costs related to greater spending on inventory management and control. In support, research suggests that CWBs reduce profits by creating costs and reducing efficiency (Detert et al., 2007). Second, CWBs can damage revenues. For example, Hunter and Penney (2014) found that employees may take out their frustrations by speaking rudely to customers, ignoring them, or lying to them. Such behaviors may, in turn, reduce customer loyalty, facilitate bad reviews that deter future customers, and create the need for recompense to make amends. In support, there is evidence that CWBs reduce customer satisfaction in the restaurant industry (Detert et al., 2007). Lower customer satisfaction, in turn, is likely to reduce revenues in the form of repeat customers and via negative word-of-mouth.

We previously argued that CEO DT personality traits affect TMT members' destructive leadership behaviors and TMT behavioral integration through the mediator of CEO-TMT exchange quality. We now extend these arguments to suggest that both TMT destructive leadership and TMT behavioral integration impact firm performance through the mediator of subordinate retaliatory CWBs, which ultimately can produce additional costs, lower revenues, and lower firm performance. Specifically, TMT members' destructive leadership behaviors will cause subordinates to engage in CWBs to get

revenge for their mistreatment. Furthermore, a lack of TMT behavioral integration generates interpersonal conflicts, mistrust, destructive politics, poor supervision, and negative attitudes (Spector & Fox, 2002), also resulting in more subordinate CWBs that cut into the organization's bottom line and hurt firm performance (Berry et al., 2012). In this way, CEOs' DT traits cascade downward in the organization to create negative outcomes at lower levels of the organization.

**Proposition 3a:** Subordinate retaliatory CWBs mediate the relationship between TMT destructive leadership and firm performance, such that TMT destructive leadership leads to higher levels of subordinate retaliatory CWBs, which leads to lower levels of firm performance.

**Proposition 3b:** Subordinate retaliatory CWBs mediate the relationship between TMT behavioral integration and firm performance, such that poor TMT behavioral integration leads to higher levels of subordinate retaliatory CWBs, which leads to lower levels of firm performance.

## Discussion

The DT personality traits of narcissism, Machiavellianism, and psychopathy affect organizational functioning and interactions among employees in important ways (LeBreton et al., 2018; O'Boyle et al., 2012). Although previous research, including some upper echelons studies, has examined relationships between CEO dark personality and firm outcomes (e.g., Chatterjee & Hambrick, 2007, 2011; Chatterjee & Pollock, 2017; Oesterle et al., 2016), studies have rarely delved deeply into *how* and *why* these relationships exist. Likewise, few upper echelons studies have considered how executives impact lower-level employees.

Prior organizational performance reviews (e.g., Richard et al., 2009) identified the need to bridge micro–macro gaps to uncover the linkages between human resource practices and firm performance. A recent multidomain review of personality in the workplace, for example, implored researchers to consider group or team-level variables that affect and explain the role of CEO dark personality on important outcomes, such as firm performance (Smith et al., 2018). We address this need by providing a theoretical model that extends UET and integrates SET to explain *how* and *why* CEO DT traits affect firm outcomes by shaping the attitudes, perceptions, and behaviors of not only TMT members, but also their subordinates.

More specifically, we theorized that there is a cascading impact of CEO narcissism, Machiavellianism, and psychopathy on TMT members' behaviors toward others—specifically TMT destructive leadership and TMT

behavioral integration—through the mediating mechanism of CEO–TMT exchange quality. Although we argue that each DT trait negatively affects exchange quality, the reasons differ for each trait. For example, narcissistic CEOs are more likely to negatively affect exchange quality with their TMT members over time because of their self-focus and their self-aggrandizing behaviors. Machiavellian CEOs tend to engage in manipulative, authoritarian, controlling, and overtly political behaviors, which, over time, negatively affect the exchange quality with their TMT members. Finally, psychopathic CEOs tend to lack empathy for others and engage in callous and abusive behaviors, which also negatively affect the exchange quality with their TMT members over time.

From this base, we also theorized about the important role of power differentials and identified subordinates' retaliatory CWBs as a key mediator through which TMT destructive leadership and TMT behavioral integration affect firm performance. Thus, our model spans both the microlevel (individuals and their interactions) and the macro-level (TMT dynamics and firm performance) of organizations. Whereas most upper echelons research has focused on how CEOs and other TMT members shape strategic decision-making and its effects, we complement and extend this research by showing how executives also shape firm performance through their effects on others in the organization. For instance, TMT members have an important supervisory function that rarely receives attention in the literature, and they also signal and model the behaviors that others in the firm emulate. Thus, although their effects on strategic decision-making clearly are important, they also have other effects that deserve more research attention.

### *Contributions to Theory and Research*

Although the upper echelons literature has contributed much to our knowledge that CEOs' personalities affect firms, this literature also must account for the microfoundations that explain these effects (Barney & Felin, 2013; Wang et al., 2016). Firms comprise people, who ultimately are the strategic resources that allow organizations to innovate and remain competitive in an increasingly dynamic and global market. At the same time, focusing solely on the impact of microlevel relationships, such as the effects of individual differences on individual performance or interpersonal conflict, does not fully explain the impact of TMTs and employees on organizations. Employees work in a larger organizational context, for example, in which they interact with superiors, subordinates, and peers. Their interactions with some of these coworkers, in turn, may have implications for how they interact with others (Walumbwa et al., 2011). Thus, we argue that management research benefits

from incorporating both micro and macro insights into theory building about the effects of CEOs, TMT members, and others on organizational outcomes. In this regard, both microlevel (e.g., personality and workplace aggression) and macro-level (e.g., TMT dynamics) variables have extensive literatures that have largely been developed in isolation and need integration. Thus, we hope that this article highlights some synergies between micro and macro variables and their joint impact on workplace outcomes.

This article contributes to the SET literature by explaining *how* and *why* CEO characteristics affect firm performance and interpersonal interactions across three levels of an organization (i.e., CEOs, TMT members, and subordinates). We built on the work of other researchers (e.g., Hambrick & Lovelace, 2018; Ou et al., 2014) who examined the impact that those in power can have on the attitudes and perceptions of their subordinates. Extending this work, we used SET and displaced aggression to explain why employees sometimes engage in behaviors that are harmful toward other employees or toward the firm when they experience supervisor-induced stress. Thus, we believe that there is utility to integrating UET research with SET.

We contribute to the broader personality research by theorizing that dark personality traits such as the DT may be more impactful than bright personality traits because they represent a greater psychological burden to the partner engaging in a social exchange relationship. The self-serving, manipulative, and callous nature of DT individuals may be taxing to those with whom they interact over time, and these negative traits may be weighed more strongly than bright traits due to their exploitive nature. Relatedly, loss aversion research has found that negative stimuli, such as the threat of loss in investment decisions, maybe weighed 1.5 to 2.5 more strongly than gains (Kahneman, 2011). This unbalanced weighting of positive versus negative stimuli may also have important implications for the personality literature. Given that people who display dark traits tend to exploit others, these traits may be weighed more heavily when individuals form holistic impressions of others.

Finally, we advanced research in the upper echelons perspective by developing theory to explain the impact of CEO psychopathy and Machiavellianism. To date, much of the upper echelons research on personality has focused on CEO narcissism (e.g., Chatterjee & Hambrick, 2007; Oesterle et al., 2016; Petrenko et al., 2016). Of course, focusing mostly on narcissism can result in the neglect of other personality traits that might have similarly important effects on employees and firm performance. There is evidence, for example, that psychopathy might be more common among executives than among the general population (Babiak & Hare, 2006; Landay et al., 2019). Likewise,

Machiavellianism might help individuals navigate the political climate in organizations, perhaps improving their chances of becoming executives. Thus, in the aggregate, executives might score disproportionately high on the DT traits. In this regard, we explained how CEO psychopathy and Machiavellianism might affect members of their TMT and, in turn, lower-level subordinates. We believe that both psychopathy and Machiavellianism provide new and fruitful areas for future research on executives.

### *Directions for Future Research*

This article provides many opportunities for micro and macro researchers. First, the theoretical model provides a roadmap for researchers to test intervening linkages between CEO DT personality traits and firm performance. Understanding the mechanisms through which personality affects firm performance is important because it can help illuminate how leaders see the world around them and how their perceptions and behaviors affect others in the organization. Second, although DT traits are associated with mostly negative outcomes, there may be unexpected benefits to these dark traits that were not addressed here (Petrenko et al., 2016; Smith et al., 2018). Future research may want to continue to look at the positive outcomes (e.g., narcissistic CEOs might engage in more corporate social responsibility; Petrenko et al., 2016), especially in the short term, and the underlying motives behind these behaviors.

Third, the external environment may affect the CEO–TMT social exchange relationships in other ways that are worthy of study. For example, perhaps, the pressures associated with external environmental hostility (i.e., adverse external circumstances such as unpredictable change [Antoncic & Hisrich, 2001], fierce rivalry [Miller & Friesen, 1982], low customer loyalty [Ketchen et al., 2004], and severe resource constraints [Elbanna & Child, 2007]) shape the intervening paths between CEO personality and firm performance by creating additional stress and by exacerbating the negative effects of CEO personality on social exchange relationships. Likewise, these factors may strengthen the link between subordinate CWBs and firm performance, as there is less margin for error in hostile environments.

Fourth, formal TMT attributes such as structural interdependence (i.e., frequency and intensity of links, interactions, and ties that exist among the roles and responsibilities of the TMT members; Hambrick et al., 2015) may be an important moderator that affects their social exchange interactions. TMT structural interdependence differs from behavioral integration in that the former refers to formal operational and organizational processes that determine how each TMT member's jobs, duties, and assignments affect

those of the other members; the latter reflects the social and informal aspects of TMT members' interpersonal relationships and collaborations. Because TMTs low in structural interdependence operate more independently from one another (e.g., interact less), they might be less affected by situations of low TMT behavioral integration even where there are poor relations among TMT members.

Fifth, we have argued that temporal effects may play a critical role in dark personality research. Consistent with Smith et al. (2018), we argued that there might be some short-term benefits to each of the DT traits, but, over time, these benefits probably will wear thin as others see the exploitive and harmful nature of DT individuals. This viewpoint is consistent with prior empirical research on narcissistic leaders (Leckelt et al., 2015; Nevicka et al., 2018). Future research should attempt to unpack these temporal effects to see how long it takes for these short-term benefits to subside, how long it takes for the drawbacks to emerge, and what internal (e.g., other traits that the individuals exhibit) and external (e.g., frequency and interactions of interactions) circumstances moderate these effects.

Finally, future research should examine how to measure DT personality in upper echelons contexts. UET researchers usually have taken one of two approaches: (a) secondary proxy measures or (b) survey data. Future research should compare these methods to see where they converge and diverge to ensure they are measuring the same constructs (e.g., Harrison et al., 2019). For example, some studies using proxy measures have relied on indicators such as the size of a CEO's picture in a company's annual report or CEO compensation relative to the second highest paid employee to assess CEO narcissism. A strength of this approach is that it allows researchers to collect data using readily available information. It may also reduce some social desirability concerns. However, a weakness of this approach is that we know little about the construct validity of these passive measures, specifically how they relate to the psychological constructs they purport to measure. Picture size and relative pay, for example, could reflect many factors (e.g., CEO prestige or celebrity) other than CEO personality.

By contrast, a strength of surveying executives is that questionnaires can address these construct validity issues by allowing researchers to use well-validated psychometric scales. However, executive surveys have weaknesses as well. First, in many cases, it is not feasible to administer long-form surveys to executives due to the value of their time. Second, survey data are susceptible to socially desirable responding and nonresponse bias. More recently, researchers have used psychology graduate students to watch videos of CEOs and rate their personality traits on validated scales (see Hill et al., 2019, for a discussion of these techniques). This approach is promising in that it may

allow researchers to assess the psychometric properties of their measurements. Still, it may introduce experimenter-expectancy effects if researchers allow their opinions of executives to influence the videos they select. Thus, future research should attempt to integrate multiple methods to balance out the strengths and weaknesses of each approach and ensure that these methods are measuring the same constructs.

## Conclusion

The upper echelons literature has shown that CEO personality affects firm performance, but we have only begun to understand the intervening mechanisms that explain *how* and *why* this effect exists. By integrating and expanding UET and SET, we provided a theoretical model to explain how CEO DT traits affect firm performance through social exchange mechanisms. As research on dark personality traits continues to develop, we hope that our theoretical model will stimulate further inquiries testing the multilevel effects of dark personality in organizations.

## Authors' Note

An earlier version of this paper was presented at the 79th Annual Meeting of the Academy of Management, Boston, MA.

## Acknowledgment

The authors would like to thank Bruce T. Lamont for providing constructive feedback on an early version of this manuscript.

## Declaration of Conflicting Interests

The author(s) declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

## Funding

The author(s) received no financial support for the research, authorship, and/or publication of this article.

## ORCID iD

Joshua C. Palmer  <https://orcid.org/0000-0002-8080-6711>

## Note

1. We also acknowledge that the DT traits sometimes have short-term benefits (e.g., narcissistic CEOs appear charming and competent initially) that dissipate over

time (e.g., Leckelt et al., 2015; Nevicka et al., 2018). Likewise, there is also the potential for some long-term benefits of the DT traits depending upon the situation (Smith et al., 2018).

## References

- Ahsan, M. (2017). The right people at the right time—The place does not matter. *Academy of Management Review*, *42*(1), 145–148. <https://doi.org/10.5465/amr.2015.0276>
- Andersson, L. M., & Pearson, C. M. (1999). Tit for tat? The spiraling effect of incivility in the workplace. *Academy of Management Review*, *24*(3), 452–471. <https://doi.org/10.2307/259136>
- Anglin, A. H., Wolfe, M. T., Short, J. C., McKenny, A. F., & Pidduck, R. J. (2018). Narcissistic rhetoric and crowdfunding performance: A social role theory perspective. *Journal of Business Venturing*, *33*(6), 780–812. <https://doi.org/10.1016/j.jbusvent.2018.04.004>
- Antoncic, B., & Hisrich, R. D. (2001). Intrapreneurship: Construct refinement and cross-cultural validation. *Journal of Business Venturing*, *16*(5), 495–527. [https://doi.org/10.1016/S0883-9026\(99\)00054-3](https://doi.org/10.1016/S0883-9026(99)00054-3)
- Amernic, J. H., & Craig, R. J. (2010). Accounting as a facilitator of extreme narcissism. *Journal of Business Ethics*, *96*(1), 79–93. <https://doi.org/10.1007/s10551-010-0450-0>
- Amernic, J., & Craig, R. (2013). Leadership discourse, culture, and corporate ethics: CEO-speak at news corporation. *Journal of Business Ethics*, *118*(2), 379–394. <https://doi.org/10.1007/s10551-012-1506-0>
- Austin, E. J., Farrelly, D., Black, C., & Moore, H. (2007). Emotional intelligence, Machiavellianism and emotional manipulation: Does EI have a dark side? *Personality and Individual Differences*, *43*, 179–189. <https://doi.org/10.1016/j.paid.2006.11.019>
- Babiak, P., & Hare, R. D. (2006). *Snakes in suits: When psychopaths go to work*. Regan Books.
- Back, M. D., Schmukle, S. C., & Egloff, B. (2010). Why are narcissists so charming at first sight? Decoding the narcissism-popularity link at zero acquaintance. *Journal of Personality and Social Psychology*, *98*(1), 132–145. <https://doi.org/10.1037/a0016338>
- Bakker, A. B., & Demerouti, E. (2007). The job demands-resources model: State of the art. *Journal of Managerial Psychology*, *22*(3), 309–328. <https://doi.org/10.1108/02683940710733115>
- Balshem, M. (1988). The clerical worker's boss: An agent of job stress. *Human Organization*, *47*(4), 361–367.
- Barney, J., & Felin, T. (2013). What are microfoundations? *Academy of Management Perspectives*, *27*(2), 138–155. <https://doi.org/10.5465/amp.2012.0107>
- Bazerman, M. H. (2002). *Judgment in managerial decision making*. Wiley.
- Berry, C. M., Carpenter, N. C., & Barratt, C. L. (2012). Do other-reports of counter-productive work behavior provide an incremental contribution over self-reports?

- A meta-analytic comparison. *Journal of Applied Psychology*, 97(3), 613–636. <https://doi.org/10.1037/a0026739>
- Blau, P. M. (1964). *Exchange and power in social life*. Wiley.
- Boddy, C. R. (2011). Corporate psychopaths, bullying and unfair supervision in the workplace. *Journal of Business Ethics*, 100(3), 367–379. <https://doi.org/10.1007/s1055101006895>
- Boddy, C. R. (2014). Corporate psychopaths, conflict, employee affective well-being and counterproductive work behaviour. *Journal of Business Ethics*, 121(1), 107–121. <https://doi.org/10.1007/s10551-013-1688-0>
- Boddy, C. R. (2017). Psychopathic leadership a case study of a corporate psychopath CEO. *Journal of Business Ethics*, 145(1), 141–156. <https://doi.org/10.1007/s10551-015-2908-6>
- Broerman, R. L., Ross, S. R., & Corr, P. J. (2014). Throwing more light on the dark side of psychopathy: An extension of previous findings for the revised Reinforcement Sensitivity Theory. *Personality and Individual Differences*, 68, 165–169. <https://doi.org/10.1016/j.paid.2014.04.024>
- Busenbark, J. R., Krause, R., Boivie, S., & Graffin, S. D. (2016). Toward a configurational perspective on the CEO: A review and synthesis of the management literature. *Journal of Management*, 42(1), 234–268. <https://doi.org/10.1177/0149206315618448>
- Buyl, T., Boone, C., & Wade, J. B. (2019). CEO narcissism, risk-taking, and resilience: An empirical analysis in US commercial banks. *Journal of Management*, 45(4), 1372–1400. <https://doi.org/10.1177/0149206317699521>
- Carmeli, A. (2008). Top management team behavioral integration and the performance of service organizations. *Group & Organization Management*, 33(6), 712–735. <https://doi.org/10.1177/1059601108325696>
- Carmeli, A., & Schaubroeck, J. (2006). Top management team behavioral integration, decision quality, and organizational decline. *The Leadership Quarterly*, 17(5), 441–453. <https://doi.org/10.1016/j.leaqua.2006.06.001>
- Castille, C. M., Buckner, J. E., & Thoroughgood, C. N. (2018). Prosocial citizens without a moral compass? Examining the relationship between Machiavellianism and unethical pro-organizational behavior. *Journal of Business Ethics*, 149(4), 919–930. <https://doi.org/10.1007/s10551-016-3079-9>
- Chatterjee, A., & Hambrick, D. C. (2007). It's all about me: Narcissistic chief executive officers and their effects on company strategy and performance. *Administrative Science Quarterly*, 52(3), 351–386. <https://doi.org/10.2189/asqu.52.3.351>
- Chatterjee, A., & Hambrick, D. C. (2011). Executive personality, capability cues, and risk taking: How narcissistic CEOs react to their successes and stumbles. *Administrative Science Quarterly*, 56(2), 202–237. <https://doi.org/10.1177/0001839211427534>
- Chatterjee, A., & Pollock, T. G. (2017). Master of puppets: How narcissistic CEOs construct their professional worlds. *Academy of Management Review*, 42(4), 703–725. <https://doi.org/10.5465/amr.2015.0224>
- Chen, S. (2010). The role of ethical leadership versus institutional constraints: A simulation study of financial misreporting by CEOs. *Journal of Business Ethics*, 93(1), 33–52. <https://doi.org/10.1007/s10551-010-0625-8>

- Cohen, A. (2018). *Counterproductive work behaviors*. Routledge.
- Colbert, A. E., Barrick, M. R., & Bradley, B. H. (2014). Personality and leadership composition in top management teams: Implications for organizational effectiveness. *Personnel Psychology, 67*, 351–387. <https://doi.org/10.1111/peps.12036>
- Congleton, A. (2014). Beyond business ethics: An agenda for the trustworthy teachers and practitioners of business. *Journal of Business Ethics, 119*(2), 151–172. <https://doi.org/10.1007/s10551-012-1591-0>
- Cropanzano, R., & Mitchell, M. S. (2005). Social exchange theory: An interdisciplinary review. *Journal of Management, 31*(6), 874–900. <https://doi.org/10.1177/0149206305279602>
- Dahling, J. J., Whitaker, B. G., & Levy, P. E. (2009). The development and validation of a new Machiavellianism scale. *Journal of Management, 35*(2), 219–257. <https://doi.org/10.1177/0149206308318618>
- Detert, J. R., Trevino, L. K., Burris, E. R., & Andiappan, M. (2007). Managerial modes of influence and counterproductivity in organizations: A longitudinal business-unit-level investigation. *Journal of Applied Psychology, 92*(4), 993–1005. <https://doi.org/10.1037/0021-9010.92.4.993>
- de Wit, F. R., Greer, L. L., & Jehn, K. A. (2012). The paradox of intragroup conflict: A meta-analysis. *Journal of Applied Psychology, 97*(2), 360–390. <https://doi.org/10.1037/a0024844>
- Duffy, M. K., Ganster, D. C., & Pagon, M. (2002). Social undermining in the workplace. *Academy of Management Journal, 45*(2), 331–351. <https://doi.org/10.5465/3069350>
- Elbanna, S., & Child, J. (2007). Influences on strategic decision effectiveness: Development and test of an integrative model. *Strategic Management Journal, 28*(4), 431–543. <https://doi.org/10.1002/smj.597>
- Engelen, A., Neumann, C., & Schmidt, S. (2016). Should entrepreneurially oriented firms have narcissistic CEOs? *Journal of Management, 42*(3), 698–721. <https://doi.org/10.1177/0149206313495413>
- Galvin, B. M., Lange, D., & Ashforth, B. E. (2015). Narcissistic organizational identification: Seeing oneself as central to the organization's identity. *Academy of Management Review, 40*(2), 163–181. <https://doi.org/10.5465/amr.2013.0103>
- Gerstner, W. C., König, A., Enders, A., & Hambrick, D. C. (2013). CEO narcissism, audience engagement, and organizational adoption of technological discontinuities. *Administrative Science Quarterly, 58*(2), 257–291. <https://doi.org/10.1177/0001839213488773>
- Greenbaum, R. L., Hill, A., Mawritz, M. B., & Quade, M. J. (2017). Employee Machiavellianism to unethical behavior: The role of abusive supervision as a trait activator. *Journal of Management, 43*(2), 585–609. <https://doi.org/10.1177/0149206314535434>
- Grijalva, E., Maynes, T. D., Badura, K. L., & Whiting, S. W. (2019). Examining the “I” in team: A longitudinal investigation of the influence of team narcissism composition on team outcomes in the NBA. *Academy of Management Journal, 1*–57. Advance online publication. <https://doi.org/10.5465/amj.2017.0218>

- Gupta, A., & Misangyi, V. F. (2018). Follow the leader (or not): The influence of peer CEOs' characteristics on interorganizational imitation. *Strategic Management Journal*, 39(5), 1437–1472. <https://doi.org/10.1002/smj.2765>
- Gupta, A., Nadkarni, S., & Mariam, M. (2019). Dispositional sources of managerial discretion: CEO ideology, CEO personality, and firm strategies. *Administrative Science Quarterly*, 64(4), 855–893. <https://doi.org/10.1177/0001839218793128>
- Hambrick, D. C. (1994). Top management groups: A conceptual integration and reconsideration of the “team” label. In B. M. Staw & L. L. Cummings (Eds.), *Research in organizational behavior* (pp. 171–214), JAI Press.
- Hambrick, D. C. (2007). Upper echelons theory: An update. *Academy of Management Review*, 32(2), 334–343. <https://doi.org/10.2307/20159303>
- Hambrick, D. C., Finkelstein, S., & Mooney, A. C. (2005). Executive job demands: New insights for explaining strategic decisions and leader behaviors. *Academy of Management Review*, 30(3), 472–491. <https://doi.org/10.5465/amr.2005.17293355>
- Hambrick, D. C., Humphrey, S. E., & Gupta, A. (2015). Structural interdependence within top management teams: A key moderator of upper echelons predictions. *Strategic Management Journal*, 36(3), 449–461. <https://doi.org/10.1002/smj.2230>
- Hambrick, D. C., & Lovelace, J. (2018). The role of executive symbolism in advancing new strategic themes in organizations: A social influence perspective. *Academy of Management Review*, 43(1), 110–131. <https://doi.org/10.5465/amr.2015.0190>
- Hambrick, D. C., & Mason, P. A. (1984). Upper echelons: The organization as a reflection of its top managers. *Academy of Management Review*, 9(2), 193–206. <https://doi.org/10.2307/258434>
- Harms, P. D., Credé, M., Tynan, M., Leon, M., & Jeung, W. (2017). Leadership and stress: A meta-analytic review. *The Leadership Quarterly*, 28(1), 178–194. <https://doi.org/10.1016/j.leaqua.2016.10.006>
- Harrison, J. S., Thurgood, G. R., Boivie, S., & Pfarrer, M. D. (2019). Measuring CEO personality: Developing, validating, and testing a linguistic tool. *Strategic Management Journal*, 40(8), 1316–1330. <https://doi.org/10.1002/smj.3023>
- Hill, A. D., Petrenko, O., Ridge, J. W., & Aime, F. (2019). Videometric measurement of individual characteristics in difficult to access subject pools: Demonstrating with CEOs. In D. Ketchen & D. Bergh (Eds.), *Research methodology in strategy and management* (pp. 39–61). Emerald Group Publishing.
- Hiller, N. J., & Hambrick, D. C. (2005). Conceptualizing executive hubris: The role of (hyper-) core self-evaluations in strategic decision-making. *Strategic Management Journal*, 26(4), 297–319. <https://doi.org/10.1002/smj.455>
- Holmes, R. M., Jr., Bromiley, P., Devers, C. E., Holcomb, T. R., & McGuire, J. B. (2011). Management theory applications of prospect theory: Accomplishments, challenges, and opportunities. *Journal of Management*, 37(4), 1069–1107. <https://doi.org/10.1177/0149206310394863>
- Hoobler, J. M., & Brass, D. J. (2006). Abusive supervision and family undermining as displaced aggression. *Journal of Applied Psychology*, 91(5), 1125–1133. <https://doi.org/10.1037/0021-9010.91.5.1125>

- Hunter, E. M., & Penney, L. M. (2014). The waiter spit in my soup! Antecedents of customer-directed counterproductive work behavior. *Human Performance*, 27(3), 262–281. <https://doi.org/10.1080/08959285.2014.913595>
- Ingersoll, A. R., Glass, C., Cook, A., & Olsen, K. J. (2019). Power, status and expectations: How narcissism manifests among women CEOs. *Journal of Business Ethics*, 158(4), 893–907. <https://doi.org/10.1007/s10551-017-3730-0>
- Jones, D. N., & Figueredo, A. J. (2013). The core of darkness: Uncovering the heart of the dark triad. *European Journal of Personality*, 27(6), 521–531. <https://doi.org/10.1002/per.1893>
- Jones, D. N., & Paulhus, D. L. (2010). Different provocations trigger aggression in narcissists and psychopaths. *Social Psychological and Personality Science*, 1(1), 12–18. <https://doi.org/10.1177/1948550609347591>
- Kahneman, D. (2011). *Thinking, fast and slow*. Macmillan.
- Kahneman, D., & Tversky, A. (1979). Prospect theory: An analysis of decision under risk. *Econometrica*, 47(1), 263–292. <https://doi.org/10.2307/1914185>
- Ketchen, D. J., Snow, C. C., & Street, V. L. (2004). Improving firm performance by matching strategic decision-making processes to competitive dynamics. *Academy of Management Executive*, 18(4), 29–43. <https://doi.org/10.5465/ame.2004.15268671>
- Kiazad, K., Restubog, S. L. D., Zagenczyk, T. J., Kiewitz, C., & Tang, R. L. (2010). In pursuit of power: The role of authoritarian leadership in the relationship between supervisors' Machiavellianism and subordinates' perceptions of abusive supervisory behavior. *Journal of Research in Personality*, 44(4), 512–519. <https://doi.org/10.1016/j.jrp.2010.06.004>
- Kim, S. L., Kim, M., & Yun, S. (2015). Knowledge sharing, abusive supervision, and support: A social exchange perspective. *Group & Organization Management*, 40(5), 599–624. <https://doi.org/10.1177/1059601115577514>
- Knight, D., Pearce, C. L., Smith, K. G., Olian, J. D., Sims, H. P., Smith, K. A., & Flood, P. (1999). Top management team diversity, group process, and strategic consensus. *Strategic Management Journal*, 20(5), 445–465. [https://doi.org/10.1002/\(SICI\)1097-0266\(199905\)20:53.O.CO;2-V](https://doi.org/10.1002/(SICI)1097-0266(199905)20:53.O.CO;2-V)
- Landay, K., Harms, P. D., & Credé, M. (2019). Shall we serve the dark lords? A meta-analytic review of psychopathy and leadership. *Journal of Applied Psychology*, 104(1), 183–196. <https://doi.org/10.1037/apl0000357>
- LeBreton, J. M., Shiverdecker, L. K., & Grimaldi, E. M. (2018). The dark triad and workplace behavior. *Annual Review of Organizational Psychology and Organizational Behavior*, 5, 387–414. <https://doi.org/10.1146/annurev-orgpsych-032117-104451>
- Leckelt, M., Küfner, A. C., Nestler, S., & Back, M. D. (2015). Behavioral processes underlying the decline of narcissists' popularity over time. *Journal of Personality and Social Psychology*, 109(5), 856–871. <https://doi.org/10.1037/pspp0000057>
- Lewin, A. Y., & Stephens, C. U. (1994). CEO attitudes as determinants of organization design: An integrated model. *Organization Studies*, 15(2), 183–212. <https://doi.org/10.1177/017084069401500202>

- Li, J., & Hambrick, D. C. (2005). Factional groups: A new vantage on demographic faultlines, conflict, and disintegration in work teams. *Academy of Management Journal*, 48(5), 794–813. <https://doi.org/10.5465/amj.2005.18803923>
- Lovelace, J. B., Bundy, J., Hambrick, D. C., & Pollock, T. G. (2018). The shackles of CEO celebrity: Sociocognitive and behavioral role constraints on “star” leaders. *Academy of Management Review*, 43(3), 419–444. <https://doi.org/10.5465/amr.2016.0064>
- Mackey, J. D., McAllister, C. P., Maher, L. P., & Wang, G. (2019). Leaders and followers behaving badly: A meta-analytic examination of curvilinear relationships between destructive leadership and followers’ workplace behaviors. *Personnel Psychology*, 71(1), 3–47. <https://doi.org/10.1111/peps.12286>
- Marquez-Illescas, G., Zebedee, A. A., & Zhou, L. (2019). Hear me write: Does CEO narcissism affect disclosure? *Journal of Business Ethics*, 159(2), 401–417. <https://doi.org/10.1007/s10551-018-3796-3>
- Mathieu, C., & Babiak, P. (2016). The rise of the dark knight: Corporate psychopathy, leadership, and abusive supervision. *Personality and Individual Differences*, 101, 498. <https://doi.org/10.1016/j.paid.2016.05.224>
- Mawritz, M. B., Mayer, D. M., Hoobler, J. M., Wayne, S. J., & Marinova, S. V. (2012). A trickle-down model of abusive supervision. *Personnel Psychology*, 65(2), 325–357. <https://doi.org/10.1111/j.1744-6570.2012.01246.x>
- McHoskey, J. W. (1999). Machiavellianism, intrinsic versus extrinsic goals, and social interest: A self-determination theory analysis. *Motivation and Emotion*, 23(4), 267–283. <https://doi.org/10.1023/A:1021338809469>
- Miller, D., & Friesen, P. H. (1982). Innovation in conservative and entrepreneurial firms: Two models of strategic momentum. *Strategic Management Journal*, 3(1), 1–25. <https://doi.org/10.1002/smj.4250030102>
- Mitchell, M. S., & Ambrose, M. L. (2007). Abusive supervision and workplace deviance and the moderating effects of negative reciprocity beliefs. *Journal of Applied Psychology*, 92(4), 1159–1168. <https://doi.org/10.1037/0021-9010.92.4.1159>
- Muraven, M., Gagné, M., & Rosman, H. (2008). Helpful self-control: Autonomy support, vitality, and depletion. *Journal of Experimental Social Psychology*, 44(3), 573–585. <https://doi.org/10.1016/j.jesp.2007.10.008>
- Navis, C., & Ozbek, O. V. (2016). The right people in the wrong places: The paradox of entrepreneurial entry and successful opportunity realization. *Academy of Management Review*, 41(1), 109–129. doi: <https://doi.org/10.5465/amr.2013.0175>
- Navis, C., & Ozbek, O. V. (2017). Why context matters: Overconfidence, narcissism, and the role of objective uncertainty in entrepreneurship. *Academy of Management Review*, 42(1), 148–153. <https://doi.org/10.5465/amr.2016.0208>
- Ndofor, J. A., Sirmon, D. G., & He, X. (2015). Utilizing the firm’s resources: How TMT heterogeneity and resulting faultlines affect TMT tasks. *Strategic Management Journal*, 36(11), 1656–1674. <https://doi.org/10.1002/smj.2304>
- Neuvicka, B., Van Vianen, A. E., De Hoogh, A. H., & Voorn, B. (2018). Narcissistic leaders: An asset or a liability? Leader visibility, follower responses, and group-level absenteeism. *Journal of Applied Psychology*, 103(7), 703–723. <https://doi.org/10.1037/apl0000298>

- O'Boyle, E. H., Jr., Forsyth, D. R., Banks, G. C., & McDaniel, M. A. (2012). A meta-analysis of the dark triad and work behavior: A social exchange perspective. *Journal of Applied Psychology, 97*(3), 557–579. <https://doi.org/10.1037/a0025679>
- Oesterle, M. J., Elosge, C., & Elosge, L. (2016). Me, myself and I: The role of CEO narcissism in internationalization decisions. *International Business Review, 25*(5), 1114–1123. <https://doi.org/10.1016/j.ibusrev.2016.02.001>
- O'Reilly, C. A., III, Caldwell, D. F., Chatman, J. A., & Doerr, B. (2014). The promise and problems of organizational culture: CEO personality, culture, and firm performance. *Group & Organization Management, 39*(6), 595–625. <https://doi.org/10.1177/1059601114550713>
- O'Reilly III, C. A., Doerr, B., & Chatman, J. A. (2018). “See You in Court”: How CEO narcissism increases firms' vulnerability to lawsuits. *The Leadership Quarterly, 29*(3), 365–378. <https://doi.org/10.1016/j.leaqua.2017.08.001>
- Ou, A. Y., Seo, J., Choi, D., & Hom, P. W. (2017). When can humble top executives retain middle managers? The moderating role of top management team faultlines. *Academy of Management Journal, 60*(5), 1915–1931. <https://doi.org/10.5465/amj.2015.1072>
- Ou, A. Y., Tsui, A. S., Kinicki, A. J., Waldman, D. A., Xiao, Z., & Song, L. J. (2014). Humble chief executive officers' connections to top management team integration and middle managers' responses. *Administrative Science Quarterly, 59*(1), 34–72. <https://doi.org/10.1177/0001839213520131>
- Palmer, J. C., Komaraju, M., Carter, M. Z., & Karau, S. J. (2017). Angel on one shoulder: Can perceived organizational support moderate the relationship between the dark triad traits and counterproductive work behavior? *Personality and Individual Differences, 110*, 31–37. <https://doi.org/10.1016/j.paid.2017.01.018>
- Park, H., Hoobler, J. M., Wu, J., Liden, R. C., Hu, J., & Wilson, M. S. (2019). Abusive supervision and employee deviance: A multifoci justice perspective. *Journal of Business Ethics, 158*, 1113–1131. <https://doi.org/10.1007/s10551-017-3749-2>
- Patel, P. C., & Cooper, D. (2014). The harder they fall, the faster they rise: Approach and avoidance focus in narcissistic CEOs. *Strategic Management Journal, 35*(10), 1528–1540. <https://doi.org/10.1002/smj.2162>
- Paulhus, D. L., & Williams, K. M. (2002). The dark triad of personality: Narcissism, Machiavellianism, and psychopathy. *Journal of Research in Personality, 36*(6), 556–563. [https://doi.org/10.1016/S0092-6566\(02\)00505-6](https://doi.org/10.1016/S0092-6566(02)00505-6)
- Penney, L. M., & Spector, P. E. (2005). Job stress, incivility, and counterproductive work behavior (CWB): The moderating role of negative affectivity. *Journal of Organizational Behavior, 26*(7), 777–796. <https://doi.org/10.1002/job.336>
- Pervin, L. A. (1990). *Handbook of personality: Theory and research*. Guilford Press.
- Peterson, R. S., Smith, D. B., Martorana, P. V., & Owens, P. D. (2003). The impact of chief executive officer personality on top management team dynamics: One mechanism by which leadership affects organizational performance. *Journal of Applied Psychology, 88*(5), 795–808. <https://doi.org/10.1037/0021-9010.88.5.795>
- Peterson, S. J., Galvin, B. M., & Lange, D. (2012). CEO servant leadership: Exploring executive characteristics and firm performance. *Personnel Psychology, 65*(3), 565–596. <https://doi.org/10.1111/j.1744-6570.2012.01253.x>

- Petrenko, O. V., Aime, F., Ridge, J., & Hill, A. (2016). Corporate social responsibility or CEO narcissism? CSR motivations and organizational performance. *Strategic Management Journal*, 37(2), 262–279. <https://doi.org/10.1002/smj.2348>
- Pryor, C., Holmes, R. M., Jr., Webb, J. W., & Liguori, E. W. (2019). Top executive goal orientations' effects on environmental scanning and performance: Differences between founders and non-founders. *Journal of Management*, 45(5), 1958–1986. <https://doi.org/10.1177/0149206317737354>
- Quigley, T. J., & Hambrick, D. C. (2015). Has the “CEO effect” increased in recent decades? A new explanation for the great rise in America’s attention to corporate leaders. *Strategic Management Journal*, 36(6), 821–830. <https://doi.org/10.1002/smj.2258>
- Raval, V. (2018). A disposition-based fraud model: Theoretical integration and research agenda. *Journal of Business Ethics*, 150(3), 741–763. <https://doi.org/10.1007/s10551-016-3199-2>
- Reina, C. S., Peterson, S. J., & Zhang, Z. (2017). Adverse effects of CEO family-to-work conflict on firm performance. *Organization Science*, 28(2), 228–243. <https://doi.org/10.1287/orsc.2017.1114>
- Reina, C. S., Zhang, Z., & Peterson, S. J. (2014). CEO grandiose narcissism and firm performance: The role of organizational identification. *The Leadership Quarterly*, 25(5), 958–971. <https://doi.org/10.1016/j.leaqua.2014.06.004>
- Repetti, R. L. (1993). Short-term effects of occupational stressors on daily mood and health complaints. *Health Psychology*, 12(2), 125–131. <https://doi.org/10.1037/0278-6133.12.2.125>
- Resick, C. J., Whitman, D. S., Weingarden, S. M., & Hiller, N. J. (2009). The bright-side and the dark-side of CEO personality: Examining core self-evaluations, narcissism, transformational leadership, and strategic influence. *Journal of Applied Psychology*, 94(6), 1365–1381. <https://doi.org/10.1037/a0016238>
- Richard, P. J., Devinney, T. M., Yip, G. S., & Johnson, G. (2009). Measuring organizational performance: Towards methodological best practice. *Journal of Management*, 35(3), 718–804. <https://doi.org/10.1177/0149206308330560>
- Rijsenbilt, A., & Commandeur, H. (2013). Narcissus enters the courtroom: CEO narcissism and fraud. *Journal of Business Ethics*, 117(2), 413–429. <https://doi.org/10.1007/s10551-012-1528-7>
- Rupp, D. E., & Cropanzano, R. (2002). The mediating effects of social exchange relationships in predicting workplace outcomes from multifoci organizational justice. *Organizational Behavior and Human Decision Processes*, 89(1), 925–946. [https://doi.org/10.1016/S0749-5978\(02\)00036-5](https://doi.org/10.1016/S0749-5978(02)00036-5)
- Sen, S., & Bhattacharya, C. B. (2001). Does doing good always lead to doing better? Consumer reactions to corporate social responsibility. *Journal of Marketing Research*, 38(2), 225–243. <https://doi.org/10.1509/jmkr.38.2.225.18838>
- Simsek, Z., Veiga, J. F., Lubatkin, M. H., & Dino, R. N. (2005). Modeling the multi-level determinants of top management team behavioral integration. *Academy of Management Journal*, 48(1), 69–84. <https://doi.org/10.5465/AMJ.2005.15993139>
- Smith, M. B., Hill, A. D., Wallace, J. C., Recendes, T., & Judge, T. A. (2018). Upsides to dark and downsides to bright personality: A multidomain review and

- future research agenda. *Journal of Management*, 44(1), 191–217. <https://doi.org/10.1177/0149206317733511>
- Song, L. J., Tsui, A. S., & Law, K. S. (2009). Unpacking employee responses to organizational exchange mechanisms: The role of social and economic exchange perceptions. *Journal of Management*, 35(1), 56–93. <https://doi.org/10.1177/0149206308321544>
- Spain, S. M., Harms, P. D., & Wood, D. (2016). Stress, well-being, and the dark side of leadership. In W. A. Gentry, C. Clerkin, P. L. Perrewé, J. R. B. Halbesleben, & C. C. Rosen (Eds.), *The role of leadership in occupational stress (Vol. 14, pp. 33–59)*. Emerald Group Publishing.
- Spangler, W. D., Gupta, A., Kim, D. H., & Nazarian, S. (2012). Developing and validating historiometric measures of leader individual differences by computerized content analysis of documents. *The Leadership Quarterly*, 23(6), 1152–1172. <https://doi.org/10.1016/j.leaqua.2012.11.002>
- Spector, P. E., & Fox, S. (2002). An emotion-centered model of voluntary work behavior: Some parallels between counterproductive work behavior and organizational citizenship behavior. *Human Resource Management Review*, 12(2), 269–292. [https://doi.org/10.1016/S1053-4822\(02\)00049-9](https://doi.org/10.1016/S1053-4822(02)00049-9)
- Tang, Y., Mack, D. Z., & Chen, G. (2018). The differential effects of CEO narcissism and hubris on corporate social responsibility. *Strategic Management Journal*, 39(5), 1370–1387. <https://doi.org/10.1002/smj.2761>
- Tepper, B. J. (2000). Consequences of abusive supervision. *Academy of Management Journal*, 43(2), 178–190. <https://doi.org/10.5465/1556375>
- Tett, R. P., & Burnett, D. D. (2003). A personality trait-based interactionist model of job performance. *Journal of Applied Psychology*, 88(3), 500–518. <https://doi.org/10.1037/0021-9010.88.3.500>
- Trussler, M., & Soroka, S. (2014). Consumer demand for cynical and negative news frames. *The International Journal of Press/Politics*, 19(3), 360–379. <https://doi.org/10.1177/1940161214524832>
- Van Scotter, J. R., & Roglio, K. D. D. (2018). CEO bright and dark personality: Effects on ethical misconduct. *Journal of Business Ethics*, 1–25. Advance online publication. <https://doi.org/10.1007/s10551-018-4061-5>
- Vazire, S., Naumann, L. P., Rentfrow, P. J., & Gosling, S. D. (2008). Portrait of a narcissist: Manifestations of narcissism in physical appearance. *Journal of Research in Personality*, 42(6), 1439–1447. <https://doi.org/10.1016/j.jrp.2008.06.007>
- Wales, W. J., Patel, P. C., & Lumpkin, G. T. (2013). In pursuit of greatness: CEO narcissism, entrepreneurial orientation, and firm performance variance. *Journal of Management Studies*, 50(6), 1041–1069. doi: <https://doi.org/10.1111/joms.12034>
- Walumbwa, F. O., Cropanzano, R., & Goldman, B. M. (2011). How leader–member exchange influences effective work behaviors: Social exchange and internal–external efficacy perspectives. *Personnel Psychology*, 64(3), 739–770. <https://doi.org/10.1111/j.1744-6570.2011.01224.x>
- Wang, G., Holmes, R. M., Jr., Oh, I. S., & Zhu, W. (2016). Do CEOs matter to firm strategic actions and firm performance? A meta-analytic investigation based

- on upper echelons theory. *Personnel Psychology*, 69(4), 775–862. <https://doi.org/10.1111/peps.12140>
- Westphal, J. D., & Deephouse, D. L. (2011). Avoiding bad press: Interpersonal influence in relations between CEOs and journalists and the consequences for press reporting about firms and their leadership. *Organization Science*, 22(4), 1061–1086. <https://doi.org/10.1287/orsc.1100.0563>
- Westphal, J. D., Park, S. H., McDonald, M. L., & Hayward, M. L. (2012). Helping other CEOs avoid bad press: Social exchange and impression management support among CEOs in communications with journalists. *Administrative Science Quarterly*, 57(2), 217–268. <https://doi.org/10.1177/0001839212453267>
- Zhang, H., Ou, A. Y., Tsui, A. S., & Wang, H. (2017). CEO humility, narcissism and firm innovation: A paradox perspective on CEO traits. *The Leadership Quarterly*, 28(5), 585–604. <https://doi.org/10.1016/j.leaqua.2017.01.003>
- Zhu, D. H., & Chen, G. (2015a). CEO narcissism and the impact of prior board experience on corporate strategy. *Administrative Science Quarterly*, 60(1), 31–65. doi: <https://doi.org/10.1177/0001839214554989>
- Zhu, D. H., & Chen, G. (2015b). Narcissism, director selection, and risk-taking spending. *Strategic Management Journal*, 36(13), 2075–2098. <https://doi.org/10.1002/smj.2322>

Associate Editor: Lucy L. Gilson

Submitted Date: June 17, 2019

Revised Submission Date: January 2, 2020

Acceptance Date: January 18, 2020

## Author Biographies

**Joshua C. Palmer** is a PhD candidate in Organizational Behavior and Human Resources at Florida State University. Joshua received his B.A. in Psychology from Florida Gulf Coast University and his M.A. in Applied Psychology from Southern Illinois University. His research interests include dark personality in the workplace, leadership, counterproductive work behaviors, stress, and politics.

**R. Michael Holmes Jr.** is the Jim Moran associate professor of Strategic Management in the College of Business at Florida State University. He also has an appointment at the University of Johannesburg. Michael received his PhD from the Mays Business School at Texas A&M University. His research interests include the emergence and implications of institutions and the microfoundations of entrepreneurship and management.

**Pamela L. Perrewé** is the Robert O. Lawton Distinguished professor and Haywood and Betty Taylor Eminent scholar of Business Administration at Florida State University. She received her Bachelor's degree in Psychology from Purdue University and her Master's and PhD degrees in Management from the University of Nebraska. Dr. Perrewé has focused her research interests in the areas of job stress, coping, organizational politics, personality, emotion, and social influence.