



When Employees' Self-Love becomes Enmity for Employer: Role of Narcissism in Talent Derailment

The difference between God and Larry Ellison: God doesn't think he's Larry Ellison.
~ M. Wilson

The growing interest in talent derailment is not only due to conceptual/theoretical consideration reasons but also developed followed in the wake of public scandals that were due to talent derailment during this century (Spain et al., 2014). One out of two managers fails in their managerial role (Gentry and Chappelow, 2009), with the rate of executive derailment reaching as high as 75 percent (Hogan and Kaiser, 2005). It is estimated that failures by top executives cost the US economy as much as \$13.8 billion per year (Stoddard and Wyckoff, 2008). An examination of narcissist personality as an antecedent of talent derailment calls for an investigation because personality defects are a key issue in understanding managers' derailment (Hogan and Kaiser, 2005). Derailment includes an employee plateauing prematurely in his or her career or being demoted or fired (McCall and Lombardo, 1983).

Talent Derailment

The author argues that narcissism is positively associated with talent derailment and the relationship between narcissism and talent derailment is moderated by high-performance work systems (HPWSs). HPWSs are defined "as an integrated system of HR practices that are internally consistent (alignment among HR practices) and externally consistent (alignment with organizational strategy)" (Evans and Davis, 2005, p. 759). HPWSs, therefore, comprise a bundle of integrated HR practices. HPWSs are favourable for the organisation due to its ability, skills, and motivation-enhancing orientation (Wallace et al., 2013). Despite a moderate amount of work in the area of talent derailment, researchers suggest that additional research is needed to understand the role of narcissism in talent derailment (Spain et al., 2014). Research reveals that employees who derail show signs of problems with interpersonal relationships, difficulty leading a team, difficulty changing or adapting, failure to meet business objectives, or too narrow a functional orientation (see Lombardo, McCauley, McDonald-Mann, and Leslie, 1999). Derailing managers display self-defeating behaviours, weaknesses that cannot be offset by strengths in other areas (McCartney and Campbell 2006). Derailing managers who fail to meet critical business objectives and deliver results, particularly in highly dynamic organisational environments, are likely to experience setbacks in their career and ultimately derail. Research reveals that derailment could be due to several factors including new roles and responsibilities (Lombardo and

Eichinger, 2005), interpersonal relationship issues with co-workers (Kovach, 1986), among others.

Narcissism and High-Performance Work Systems

The narcissistic personality is characterised by grandiosity, a sense of entitlement, and a lack of empathy (Smith and Lilienfeld, 2013). An inflated view of self, fantasies of control, success, and admiration, and a desire to have this self-love reinforced by others are hallmarks of narcissist personality. Personality influences the contract elements that employees perceive as the most relevant and the contract type they maintain with an organisation over the long-term (Raja et al., 2004). Narcissists tend to perceive themselves as victims, read negative intent during interpersonal interactions (Wu and Lebreton, 2011) and thus, have a heightened sensitivity to negative interactions. Therefore, it is likely that narcissistic employees will derail. Narcissists also engage in a deviant behaviour because of their tendency toward self-enhancement. Narcissistic relationships are based on levels of empathy and emotional intimacy. Therefore, the narcissist will likely fail at building a meaningful inter-personal relationship. Narcissism is also likely to affect their ability to develop and lead teams. Narcissist strategies for maintaining inflated self-views and a sense of grandiosity in the form of seeking out opportunities for attention and admiration, bragging, stealing credit from others (Campbell et al., 2011) restricts the individual's adaptability. Narcissists reported very high self-esteem when they succeeded in inflating their self-views. This is associated with the optimism bias phenomenon, i.e., they start strongly believing that positive events are more likely to happen (Flyvbjerg et al., 2009). This is likely to lead to failure to meet business objectives. Campbell et al. (2011) argued that narcissistic leaders may succeed in the short-term, but over time, they "destroy the systems that they and others depend on to survive and thrive" (p. 280).

The author proposes that organisations can control the situations that are likely to activate behaviour causing talent derailment. The situation provides cues for the expression of behaviour (Tett and Burnett, 2003). Situations triggering the latent potential of the personality occur because of social, and task demands that stems from constituents, such as peers, subordinates, clients, and supervisors (Tett and Burnett, 2003). Supervisors have the power and authority to influence employees

in desirable and undesirable ways (Brown, Trevino, and Harrison, 2005). Therefore, we argue that narcissism is influenced by the job demands posed by the organisation through HPWSs. HPWSs indicate what behaviours are acceptable, expected, and therefore required for survival and progression. HPWSs based upon autonomy and accountability. Accountability mechanisms can range from formal, e.g., performance evaluation systems, reward systems, personnel manuals, financial reporting procedures and laws and regulations, to informal (e.g., feeling of loyalty to an organisation) (Kaiser and Hogan, 2011). Employees in a HPWSs environment are required to provide justification for their decisions and behaviour and thus control self-interest behaviour. In such an environment, the narcissist will be more careful about their unrestraint and self-centred behaviour. In summary, the author argues that narcissist behaviour leads to talent derailment. The effect of narcissist behaviour on organizations will reduce if employees work in HPWSs environment.

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