

The Impact of Narcissistic Leadership on Employees Across Cultures: A Comparative Analysis of Japan and the United States

Yueda Chen

*College of Art, Beijing Union University, Beijing, China
cyd2005@icloud.com*

Abstract. Narcissism, a personality construct that has received substantial academic attention, is typically characterized by arrogance, egocentrism, diminished empathy, and a fragile self-concept. Paradoxically, however, this personality profile is frequently observed among highly effective or prominent leaders. This study aims to investigate whether cultural contexts influence the factors contributing to the success of leaders with narcissistic personality traits. Specifically, the research employs individualistic culture (the United States) and collectivistic culture (Japan) as independent variables, with employee performance serving as the dependent variable. Through a comparison, the study finds that narcissistic leadership tends to have a more positive impact on employees in individualistic cultures. In contrast, in collectivist cultures, narcissistic leadership often results in negative outcomes. The study concludes that cultural differences play a significant role in determining the effectiveness of narcissistic leadership, and multinational companies should carefully consider these differences when designing leadership strategies in diverse cultural environments. This research offers valuable insights into the role of narcissistic leadership in cross-cultural management and provides recommendations for organisations seeking to optimise leadership styles across diverse cultural settings.

Keywords: Narcissistic, Leadership, Team, Cultural differences

1. Introduction

The influence of leadership styles on employee performance has long been a key area of focus in organizational research. Among the various leadership styles, narcissistic leadership has become a topic of growing interest. Narcissistic individuals are typically characterized by an inflated sense of self-importance, a need for admiration, and an overestimation of their own abilities [1]. Leaders who are often narcissistic tend to be charismatic but at the same time very self-centered. This leadership style can have a positive or negative impact on organizational outcomes. While some studies have noted that narcissistic leaders improve decision-making and inspire workers because of their confidence, the unique charisma of such leaders attracts more members to a team. This leadership style has an equal potential of increasing conflict as much as it inspires workers [2,3]. However, much of the existing research on narcissistic leadership has focused on Western cultures, particularly

in the United States. This has resulted in a significant gap in research on narcissistic leadership in non-Western collectivist cultures, such as Japan. This study aims to fill this gap and summarize the structural model of 'narcissistic leadership – employee psychology' across different cultures. Based on recent research and employing multivariate analysis methods, this study integrates existing research on narcissistic leadership and cultural studies in both the United States and Japan, focusing on the impact of narcissistic leadership on employee performance in these countries. It will explore cultural differences and compare how employees in two culturally distinct countries (the United States and Japan) respond to narcissistic leadership and whether these responses affect their work differently.

The conclusion of this study contributes to the literature on narcissistic leadership in non-Western cultures, providing valuable insights for multinational companies operating in diverse cultural contexts and clarifying the mechanisms of narcissistic leadership across cultures.

2. Narcissistic leadership: definition and characteristics

Firstly, it is crucial to understand the definition of "narcissism." The concept of narcissism originates from an ancient Greek myth about a young man named Narcissus, who, captivated by his own reflection in a pool of water, became so infatuated with his appearance that he ultimately drowned and was transformed into a daffodil. This myth has since become a symbol of narcissism. The term "narcissism" was first introduced by British psychologist Havelock Ellis in 1898, used to describe a form of "pathological self-love" or a sexual perversion characterized by self-directed desire. Later, in 1911, Sigmund Freud systematized this concept, viewing narcissism as a stage in personality development, and further laid the theoretical foundation for the narcissistic personality [4]. He viewed narcissism as an essential component of human psychological development, distinguishing between primary narcissism and secondary narcissism. Primary narcissism refers to the unique self-focus that individuals exhibit during infancy. In contrast, secondary narcissism refers to an excessive focus on oneself during psychological development, often at the expense of relationships with others [5].

In the field of leadership studies, narcissism is regarded as a personality trait characterized by self-centeredness, a desire for admiration, and a lack of empathy. These traits influence leadership behavior toward subordinates and team performance within an organization. Narcissistic leadership is defined as a self-centered leader who possesses internal superiority and demonstrates high reliance on external validation. Control seeking, requiring admiration, and displaying little or no empathy characterize the narcissistic leader [3], which can have complex and multifaceted effects on teams.

3. Narcissistic leadership's mechanisms of impact on employee performance

Based on Rosenthal & Pittinsky's theory of narcissistic leadership, which defines the core characteristics of narcissistic leaders as self-centeredness, a need for admiration, and a lack of empathy, this study further explores how these traits specifically influence employee performance [2]. Narcissistic leadership primarily impacts employee performance through four key mechanisms: control, the need for admiration, a lack of empathy, and high-pressure management. These factors not only affect employee motivation but may also have negative consequences on employees' long-term development and team cooperation.

First, narcissistic leaders often exhibit a strong need for control, driven by their desire to maintain superiority and enhance their self-image. This leads them to interfere with employees' daily tasks,

demanding strict adherence to the leader's methods and standards. Such excessive interference significantly limits employees' autonomy and creativity, making them feel a lack of control over their work. Over time, this can lead to decreased interest and creativity, as well as emotional exhaustion, reduced job satisfaction, and increased turnover, ultimately harming the organization's long-term performance [2,3,6].

Second, narcissistic leaders typically have a strong need for admiration and external validation. This need drives them to seek praise and attention constantly. This over-reliance on external recognition can lead to employee fatigue and even trigger jealousy and competition within the team, weakening team cohesion and negatively impacting long-term work performance and cooperation [2].

Third, narcissistic leaders are often characterized by a lack of empathy, which leads them to prioritize their own needs over those of their employees. Leaders of such kind are mainly self-centered and therefore do not care for the mental or emotional health of their subordinates. In fact, a lack of sensitivity toward the feelings and needs of employees makes them appear to be developing trust-based relationships through consideration; eventually, this dynamic results in emotional burnout accompanied by anxiety and depression that lowers employee performance as well as wellness [7].

High expectations and stringent demands by narcissistic leaders naturally create a high-pressure work environment. It is important to note that such pressure may only result in a temporary boost in performance, as prolonged exposure can lead to adverse psychological consequences. In the end, it harms the mental health of employees and therefore affects their long-term performance and cooperation within a team, or even leads to employee turnover [1,3]. It is not difficult to see that narcissism, as one of the dark triad traits, can have negative effects on a team and workers when exhibited by leaders. However, in reality, narcissistic leaders are not entirely detrimental; while they may harm the team, they can also make valuable contributions. In business settings, numerous studies have shown that many well-known leaders possess narcissistic traits, as Choi & Phan point out. Leaders with narcissistic traits, such as Elon Musk, tend to have a decision-making style that can stimulate team motivation, especially in individualistic cultures [7]. However, the generalizability of this case still requires more empirical data across different organizational contexts. This study will synthesize existing literature to integrate the potential advantages of narcissistic leadership. Narcissistic leaders are very self-confident. Decision making is associated with characteristics of firmness and determination, enabling the making of quick decisions in a situation construed as either complex or ambiguous [1]. Highly assured decision-makers are likely to take bolder risks that allow for the implementation of aggressive strategies and innovations. This happens to be an important aspect within highly competitive market environments. This decisiveness may enhance the organizations' ability to respond to challenges, allowing it to adapt to market changes quickly. Secondly, the charisma and confidence of narcissistic leaders often inspire employees, especially in the short term. When employees see the leader's high regard and confidence in their abilities, they are usually motivated to put forth greater effort and become more engaged in their work, which can help improve work efficiency and performance [1]. Last but not least, narcissistic leaders are mostly attractive people who can easily convince top talented employees to work with them. Their charisma and high ambitions turn on passion in others toward hard work and success; hence such visionary and ambitious leaders will attract top-class employees, increasing the capabilities of the team, creating innovations within the team [8].

4. Cultural differences lead to variations in the effectiveness of narcissistic leadership

This study has outlined the advantages and disadvantages of narcissistic leadership in the previous section. In fact, by selecting different cultural contexts, it is possible to fully harness the strengths of narcissistic leadership while minimizing its negative impacts; however, this approach could also exacerbate its shortcomings. Cultural differences play a crucial role in shaping leadership styles, employee behaviors, and team performance. Different cultural values determine employees' expectations of leadership styles, which in turn affect the effectiveness of narcissistic leadership in various cultures.

This paper will adopt Hofstede's Cultural Dimensions Theory as the core framework for analyzing the cultural differences between the United States and Japan, with a focus on the Individualism-Collectivism dimension. According to Hofstede, individualistic cultures, such as those in the United States, emphasise personal achievement and autonomy, while collectivist cultures, like those in Japan, prioritise group harmony and collective well-being [9]. This cultural dimension provides a critical theoretical foundation for understanding the varying effects of narcissistic leadership in different cultural contexts. The performance of narcissistic leaders may therefore differ across these cultures, and the reasons for these differences can be attributed to the contrasting cultural values. In the following sections, this paper will introduce employees' preferences for leadership styles in these distinct cultural contexts.

4.1. Japan's leadership style

Japan can serve as a representative of collectivist cultures in this study, as collectivist values significantly influence the expectations of leadership among Japanese employees. Japanese employees tend to prefer leaders who demonstrate humility, prioritise the team's well-being, and foster cooperation. Narcissistic leaders are simply self-centered at the core, and their individual achievements run against the grain of Japan's collectivist cultural values. A culture in which a leader is perceived to be focused so heavily on personal performance and the need for external admiration would scant attention to teamwork and collective interest [10]. Therefore, in collectivist countries like Japan, the advantages of narcissistic leadership are not as prominent and may even backfire. As a result, employees in Japan are more inclined to favor leaders who engage in friendly collaboration with them.

4.2. United States' leadership style

The United States can serve as a representative of individualistic cultures in this study, as individualism significantly influences the expectations of leadership among American employees. In the United States, leaders are often viewed as cultural heroes [11]. Due to the more individualistic nature of American culture, employees tend to focus on personal achievements and self-expression. In individualistic cultures, employees expect leaders to demonstrate decisiveness, independence, and strong personal convictions, which allows narcissistic leaders to leverage their strengths [11] better. Indeed, based on this, narcissistic leaders appear to thrive and maximize their strengths more effectively in the United States. The individualistic culture aligns well with the characteristics of narcissistic leadership, including decisiveness, independence, and a desire for admiration and recognition.

4.3. Comparing the impact of narcissistic leadership: a cross-cultural perspective

Research indicates that narcissistic leadership is like a double-edged sword. While it has both strengths and weaknesses, its impact can vary depending on the social and cultural context. This variation can either amplify certain advantages or exacerbate specific shortcomings. Therefore, understanding cultural differences is crucial to fully harnessing the benefits of narcissistic leadership. As outlined in the previous sections, the review suggests that narcissistic leadership is more effective in the United States (an individualistic culture) compared to Japan (a collectivist culture). Numerous studies have demonstrated that prominent leaders in the United States, such as Elon Musk, Bill Gates, and Steve Jobs, exhibit pronounced narcissistic personality traits while simultaneously being widely recognized as highly effective leaders. In contrast, research on narcissistic leadership in Japan remains relatively scarce, with few well-documented cases of such leaders.

5. Conclusion

This paper examines the influence of narcissistic leadership on employee performance across various cultural contexts, with a specific focus on the United States and Japan. The primary objective of this study is to understand how cultural differences affect the leadership effectiveness of narcissistic leaders and the responses of employees in individualistic and collectivist cultures. The paper concludes that cultural differences have a significant impact on the efficacy of narcissistic leadership and employee job performance.

In individualistic cultures, such as those in the United States, employees tend to place a greater emphasis on personal achievement, autonomy, and self-expression. As a result, narcissistic leaders are more likely to succeed in the U.S. due to their confidence, decisive decision-making, and focus on personal achievement, all of which align closely with the core values of American culture. This leadership style can motivate employees, enhancing work drive and performance in the short term. However, in collectivist cultures such as Japan, employees are more concerned with working as a team and maintaining harmony by placing the interests of the group over those of any individual. Leaders are expected to be humble and show concern for the team with an apparent focus on collective well-being. The behavior expressed by narcissistic leaders-self-centered actions accompanied by a display or craving for external adulation-is totally at odds with such expectations and may result in employee dissatisfaction manifested through difficulty in collaboration that will eventually lead to long-term performance decline. Results also indicate that decision-making, In contrast, in collectivist cultures, these advantages can become disadvantages, requiring leaders to make appropriate adjustments.

Although this paper offers valuable insights into narcissistic leadership across different cultural contexts, it also has certain limitations. First, the study primarily focuses on the United States and Japan, resulting in a relatively small sample size and limiting the generalizability of the findings. Future research could expand its scope to include more countries with diverse cultural backgrounds, thereby providing a more comprehensive exploration of the performance and impact of narcissistic leadership on a global scale. Additionally, this paper primarily relies on a literature review and theoretical analysis, rather than empirical data through surveys, interviews, or case studies, to further validate the practical effects of narcissistic leadership in different cultural settings.

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