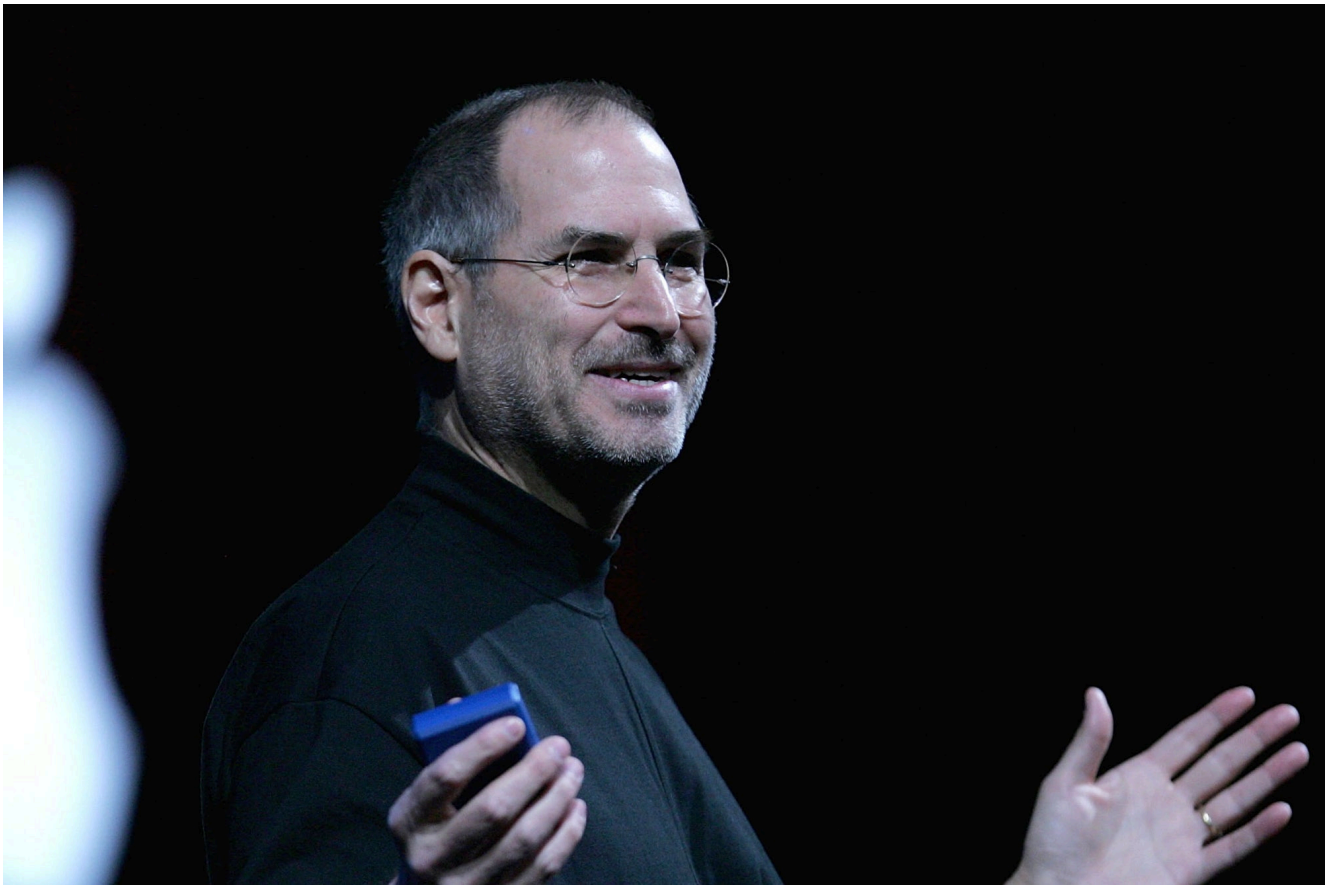
Are Entrepreneurs Narcissists?



September 24, 2020 6 min read

Opinions expressed by *Entrepreneur* contributors are their own.

The 21st century has ushered in a new era of work, one in which an increasing number of individuals are leaving, or refraining from entering entirely, the traditional workforce and opting instead to be self-employed. This trend in self-employment career paths has led to the development of incubator and accelerator programs designed to provide support for startups, shaped emerging industries such as the recent coworking space movement, and has prompted business schools to develop entire curriculums tailored to those interested in starting their own business.

What explains this increased interest in self-employment?

Perhaps it can be attributed to the fairly recent emergence of several highly successful entrepreneurs – such as Jeff Bezos, Susan Wojcicki, and Mark Zuckerberg – who have become iconized as the epitome of success. Or maybe it's due to changes in the preferences and values among recent generational cohorts, or technological shifts in the nature of work that make it easier than ever to pursue self-employment as a viable career path. Most likely, it's probably a little of each of these.

Related: How to Negotiate With a Narcissist

But there are other explanations for why individuals decide to start their own business. One recent area of study, for example, has focused on the role psychological disorders play in the decision to become self-employed. While several psychological disorders have been speculated over the years, one, in particular, that is often considered to be a potential contributor to the decision to become self-employed is Narcissistic Personality Disorder (NPD). According to the Diagnostic and Statistical Manual of Mental Disorders (DSM-IV), NPD constitutes "a pervasive pattern of grandiosity (in fantasy or behavior), need for admiration, and lack of empathy, beginning by early adulthood and present in a variety of contexts."

While research suggests that NPD may inhibit individuals' ability to function optimally at work, many of the qualities associated with it may, in fact, be conducive to self-employment contexts. After all, starting one's own business often takes considerable confidence, tolerance for risk, and an ability to articulate a compelling vision – qualities highly narcissistic individuals tend to have in spades. Interested in understanding the link between narcissism and self-employment, my colleagues and I conducted a study – recently published in the *Journal of Business Research* – that sought to shed some light on the subject. Here are a few main takeaways:

1. Narcissists are more likely to be self-employed than non-narcissists

Whether you're in a traditional employment setting, work in the gig economy, or have started your own business, how you ended up in your current situation was likely influenced to some extent by your perceived "fit" in the environment. That is, if you're like most people, you probably contemplated whether you possess the qualities or skills needed to thrive in a particular career path or employment context, and whether the context is capable of satisfying your particular needs and preferences. This is what's known in the organizational literature as Person-Environment fit, and it can help explain one of the primary findings of our study: narcissists are more likely to be self-employed than their non-narcissistic counterparts.

Related: How Narcissism Kills Employees Productivity

Narcissists are consumed by fantasies of grandiosity, and will often seek out situations that can provide them with attention and admiration from others. For narcissists, self-employment may be seen as a viable source of such "narcissistic supply", given its increasing allure as an admirable and individualized career path and portrayal in the media as providing the opportunity to "change the world". Not only are narcissists likely to find self-employment desirable but, given their high levels of self-confidence, delusional sense of superiority, and tendencies toward risk-taking, they are likely to believe they possess the skills and abilities needed to be successful in such contexts. This mix of attraction to and perceived aptitude for self-employment means that narcissistic individuals often find themselves eschewing traditional forms of employment and opting instead to be self-employed.

2. Narcissistic males are more likely to be self-employed than narcissistic females

While it might be somewhat obvious that narcissistic individuals are more likely to be self-employed than their non-narcissistic counterparts, what is less intuitive is the role gender plays in this relationship. Specifically, our results further show that narcissistic males are more likely to be self-employed than narcissistic females. What explains such gender differences?

Women tend to be considerably underrepresented in entrepreneurship and self-employment, with some estimates suggesting women's entrepreneurial activity is often half that of men. One explanation for such notable gender gaps in self-employment is that women often face social sanctions for successfully performing roles that are traditionally considered male-oriented. Interestingly, the negative social consequences that can plague female entrepreneurs seem to also explain important gender differences in the manifestation of narcissism. For example, research suggests that the agentic expressions of narcissism (e.g., displays of confidence and risk-taking behavior) are more likely to face social sanctions when performed by women than men.

Related: 3 Reasons Why We Fall for Conspiracy Theories

What does this mean for the results of our study? Well, it's possible that narcissistic females, anticipating such social sanctions, may be less likely than their male counterparts to perceive the same benefits of self-employment, and thus opt for a more traditional career path. So, while narcissistic males may see self-employment as their way to fame and fortune, narcissistic females may be less likely to view such career paths as a conducive context in which to acquire the

narcissistic supply they crave.

3. Narcissists who are self-employed are no more successful than narcissists who are traditionally employed

Nowadays, there’s no shortage of business gurus and self-proclaimed influencers willing to extol the benefits of self-confidence, optimism, and maybe even a bit of self-love, as essential qualities of entrepreneurial success. Yet, merely believing you have what it takes to be successfully self-employed, while perhaps necessary, is likely not a sufficient condition for being successful in the highly uncertain and dynamic realm of self-employment. For instance, the results of our study suggest that although narcissists might believe they have what it takes to be successful in self-employment contexts, they are actually no more successful (as measured by level of income) than narcissists who are employed in traditional work settings. To be fair, narcissists possess other qualities beyond blind optimism and overconfidence that might be inhibiting their ability to be successfully self-employed. For example, they are prone to overly risky behavior and escalation of commitment, qualities that may cause them to ignore negative information and persist longer in their ventures than is optimal. They are also highly exploitative and prone to aggression, qualities that often result in them being viewed more harshly and less trustworthy by others over time.

The point is, while we can readily think of many entrepreneurs with narcissistic tendencies who have been wildly successful (e.g., Steve Jobs, Martha Stewart, Elon Musk), these are likely the exception rather than the rule. Narcissists, especially those who suffer from its pathological expression,

simply possess too many negative qualities that can ultimately outweigh the positive.

https://www.entrepreneur.com/article/346102