

To understand the antecedents to the selection of CEOs with higher levels of narcissism as well as their impact on the CEO succession process I conduct a literature review and two empirical studies. In the first study I present a framework that describes how and when boards select CEOs with higher levels of narcissism. The model predicts when firm performance is low, environmental dynamism is high, and when environmental munificence is high the board is more likely to select a CEO with higher levels of narcissism. I further predict that environmental conditions (i.e., dynamism and munificence) have a moderating effect on the relationship between firm performance and the level of narcissism of the newly selected CEO. I find no statistically significant evidence that a board will select a CEO with higher levels of narcissism based solely on firm performance, or environmental conditions, or a combination of the two.

In the second empirical study I propose that CEOs with higher levels of narcissism are less involved in the CEO succession process, encourage a more competitive CEO succession process, have fewer than average ready now successors while having more than average numbers of successors who are not ready-now, and when the CEO is more narcissistic the board will be less involved in the CEO succession process. I find evidence that CEOs with higher levels of narcissism have a lower level of involvement in the CEO succession process and that boards are less involved in the CEO succession process when the CEO has higher levels of narcissism. However, I find no statistically significant evidence that CEOs with higher levels of narcissism are related to a more competitive CEO succession processes or the number of successors regardless of their readiness.