

# **Narcissism as a Mediator of the Relationship between Entrepreneurial Orientation and Firm Performance**

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## **Abstract**

This research aims to investigate factors influencing firm performance. Two interesting factors have been identified, namely entrepreneurial orientation and narcissism. To the best of the author's knowledge, this is the first research to investigate narcissism in the context of firm performance in Tunisia. This quantitative research involved 89 start-ups in Tunisia, each start-up was represented by either one junior or middle manager through non-probability sampling method. The data was analysed using SPSS AMOS. The results reveal that 1) entrepreneurial orientation has a positive effect on narcissism 2) entrepreneurial orientation has a positive effect on firm performance and 3) narcissism has a positive effect on performance and 4) narcissism partially mediates the relationship between entrepreneurial orientation and firm performance.

**Keywords:** Entrepreneurial Orientation, Narcissism, Firm Performance, Tunisia, Start-up

## **1. Introduction**

Entrepreneurial orientation is considered the central concept for assessing firms' aims toward entrepreneurship (Covin & Wales, 2012). It has occupied the focus and interest of several researchers. Furthermore, several research areas have extensively argued that a tremendous entrepreneurial orientation might provide positive and robust performance levels as a result (Lumpkin & Dess, 1996; Chatterjee & Hambrick, 2007). Therefore, the relationship between firm performance and entrepreneurial orientation has been suggested to be affected by several social factors; numerous theories and empirical investigations have affirmed that this relationship might depend on more than one direct link.

From some scholars' perspectives, leaders' personality traits, especially those of entrepreneurs, can play a prominent role in converting the entrepreneurial intention into substantial performance consequences. According to Covin and Selvin (1996), the demographic characteristics of chief executive officers influence the entrepreneurial orientation (EO) and firm performance relationship. It can also indirectly facilitate this relationship. For Hambrick & Mason (1984), the leaders' personality traits can be more relevant in guiding the entrepreneur's behavior than a simple demographic variable can offer for this relationship. They argued that focusing on simple demographic variables can prevent a deep analysis of the psychological characteristics that may impact the EO-firm performance tasks.

Precedent research studies analyzed the moderating impact of numerous external and environmental factors on this relationship (Zahra & Covin, 1995; Kreiser et al.,

2002). On the other hand, some others discussed the impact of the organizational factors (Covin & Selvin, 1988; Stam & Elfring, 2008) and the simple direct link of this relationship from another perspective (Yeniaras & Unver, 2016). They analyzed the simple direct link between these two relationships. Therefore, this research focused on the concept of entrepreneurial orientation and its relationship with narcissism and firm performance. In the clinical literature and referring to Sigmund Freud's investigations in 1914, narcissism refers firstly to a mental disorder. This concept seems particularly adjusted for the elaboration of the management debates. Thus, a strong stream of studies has used relatively consistent definitions of narcissism. These research works have developed several investigations in link with company performance and entrepreneurial orientation; for instance (Lumpkin & Dess, 1996; 2001; Chatterjee & Hambrick, 2007; 2011). Kets de Vries (2004) states that a significant level of narcissism is an advantage for all who aim to reach the top management positions in an organization. Some other authors, such as Gerard Ouimet (2014), contradict the above citation. The latter argue that a narcissistic CEO's charisma functions as a mask that encapsulates two characteristics, charm and attraction, to cover a disappointing psychological reality.

Several empirical studies support the theories discussing the narcissistic personality trait of CEOs' impact on organizational outcomes. In line with this idea, Chatterjee Hambrick (2007) affirmed that CEOs engage in behavior of power which helps monopolize their audience and keep it focused on their decisions. Narcissistic leaders might be very sensitive to negative feedback and judgments. In addition, Chatterjee & Hambrick (2006) argued that narcissistic leaders could concretize extreme performance consequences (big wins for their firms and losses) depending on the situational circumstances. There are several reasons to assume that entrepreneurs have narcissistic tendencies. To address this gap, this research examines the mediation role of the narcissistic personality trait of entrepreneurs on the relationship between entrepreneurial orientation and firm performance.

## **2. Literature review**

The traditional strategies of organizations do not contribute to an understanding between the objectives of the firm and the results obtained. The entrepreneurs' personality traits (values, beliefs, courage, self-esteem, grandiosity, empathy, risk-taker, innovator) have a significant role in the decision-making, which could seem untidy. It is necessary to make this relationship intelligible to construct a "Predictive theory" of the entrepreneurial orientation. It may be manifested in five dimensions (innovation, risk-taking, proactivity, autonomy, and aggressive competitiveness) to predict the mediating relationship between entrepreneurial orientation, narcissism, and firm performance. Thus, this study highlights a literature approach to the EO, performance, and narcissism relationships, then elaborates on the hypotheses linking these three concepts.

### **2.1. Entrepreneurial Orientation**

The concept of entrepreneurial orientation is very often used in the research works in the science of management and entrepreneurship; it appears as one of the rare examples of strict scientific concepts from which a faculty of solid determinants and knowledge was able to develop. It can be defined as the orientation of all firm levels (decisional, structural, strategic). It is constructed of five dimensions:

innovation, proactivity, autonomy, aggressive competitiveness, and risk-taking (Kusumawardhani et al., 2009). Basso et al. (2009) state that the ability to act independently, the willingness to be an innovator and risk-taker, and a predisposition to be aggressive toward competitors and proactive regarding market prospects are the essential aspects of entrepreneurial orientation.

## **2.2. Narcissism**

*Narcissism* is defined as the individual who excessively loves himself. The concept of narcissism emerged from Greek mythology and has interested social scientists for different generations. It is a central personality phenomenon (issue) in clinical and research work (Corry, 2008). According to the American Psychiatric Association (APA), narcissism is considered one of its diagnosed personality mental disorders. Referring to the APA's analysis, a mental disorder deviates from normal in a distinct culture (Hochwarter, 2012).

Several researchers argued that narcissists could provide high advantages within an organization through their research, for instance, Chatterjee and Hambrick (2007). They affirmed that narcissistic people assess themselves highly on various agentic dimensions, such as intelligence, innovation, capability, and leadership positions (and more highly than is objectively merited). However, narcissistic leaders are expected to promote solid strategic dynamism through the innovation of new rides and initiatives that they can gather and guide a group to an attentive audience. For Campbell et al. (2004), narcissists are considered confident in their capabilities and dominant in task finalities. Then, this narcissistic behavior had a positive relationship with self-esteem (Emmons, 1984) and self-enhancement (John & Robins, 1994). Self-esteem behaviors and narcissism might help with outstanding professional achievements (Raskin et al., 1991). It may influence all the teamwork choices by its direct effect on priority order because narcissistic personality traits drive team workers to occupy high positions characterized by power and attention (Kernberg, 1975).

Driven by the need to affirm their superiority, narcissistic entrepreneurs provide more attention and personal effort for the success of their start-up's tasks better than non-narcissistic entrepreneurs do (Engelen et al., 2016). For Gerstner et al. (2013), a narcissistic leader's self-admiration will boost the executive's beliefs that he can succeed with the CEO's guidance and deal with new technology tools. In contrast, a less narcissistic leader will convert his fair of taking risks toward new technologies which he considers dangerous. Therefore, the first hypothesis was formulated as follows:

**H1:** Entrepreneurial orientation has a positive effect on narcissism.

## **2.3. Firm Performance**

The performance notion has been the focus of several studies, analyses, and articles. Few are those who can agree on a unique definition of performance: it can mean several characteristics, from robustness to competitiveness, or profits, efficiency, or several other definitions (Lebas, 1995). However, without adapting a unique definition (Montes et al., 2003), the term "performance" is widely used, even to formulate unanimity. Thus, it is not a simple task to give the just meaning of the word "performance."

According to Machesnay (1991), the performance of the enterprise can be defined as the degree of achievement of the desired goal. Three are firm performance variables; firstly, the variable efficacy is the result obtained concerning the goal level sought. The second variable is efficiency, which is the result obtained compared to the means used. Finally, effectiveness is the level of satisfaction obtained concerning the result obtained.

The concept of performance cannot be defined in an absolute way; indeed, it is the ultimate objective of any firm, and its definition is based on its context. Performance is global and multidimensional; it can be economic, technological, or commercial. Indeed, EO affects a firm's performance where innovation and proactivity are two dimensions of EO that have a positive moderating role between market orientation and performance (Li et al., 2008).

Three EO dimensions (proactivity, risk-taking, and innovation) had a positive effect on the companies' performance (Keh et al., 2007). In addition, technological innovation, competitiveness, and proactivity were found to substantially impact a firm's performance (Lo, 2009). Such characteristics are associated with improved firm performance in today's business environments, where product and business model life cycles are shortened (Hamel, 2000). The entrepreneurial company should engage in product-market orientation, embark on some hazardous endeavors, and be the first to introduce "proactive" ideas to beat the market competitors (Basso et al. 2009). Therefore, the second hypothesis was formulated as follows:

**H2:** Entrepreneurial orientation has a positive effect on firm performance.

Leading a company is about understanding how employees and organizations can behave, creating control, powering the team workers' relationships, and establishing a common identity to achieve the company's performance and increase effectiveness. Leaders motivate the employees to go beyond selfish and egoistic motivations, and as a result, they get the best feedback. (Laitinen & Chong, 2006). Many researchers focusing on leadership and strategic management have produced much evidence that entrepreneurs and managers, in general, inject a big part of themselves, their experiences, beliefs, and preferences into their decisions, interactions, and behaviors as a leader within the firm. Consequently, the leader's personality has a positive or negative effect on the company and specifically on the working environment in the firm, which directly affects the company's results. Miller et al. (1982) used the psychometric investigation of leaders to test the specific dimensions of their personality; these researchers relied on exploring the content of biographies of CEOs to evaluate their personality.

A study by Miller (1983) proved that the leader's personality is involved in the organization's entrepreneurial dynamics. In the conceptual framework suggested by Lumpkin & Dess (1996), the characteristics of the entrepreneur are among the elements that can interact between the entrepreneurial orientation and the performance of a firm. According to Cherchem & Fayolle (2010), for the psycho-managerial dimension of the line approach, lots of studies have investigated the relationship between the entrepreneur's personality characteristics and organizations' factors such as entrepreneurial intention and firm performance (Miller & Droge, 1986; Miller & Toulouse, 1986). Basso (2006) proposed that people who have these psychological traits have an aspiring to act in an entrepreneurial way. Based on well-established literature, several concepts such as

self-enhancement, internal locus of control, or the need for achievement should be analyzed to detect how the CEO's personality traits can affect entrepreneurial dynamism within the company. Chatterjee & Hambrick, (2007) argued that the strategic decisions of narcissistic entrepreneurs could differ from those of other entrepreneurs. These decisions can offer several advantages for the process between entrepreneurial orientation and firm performance.

Furthermore, the management and psychological conclusions, narcissistic leaders have frequently had high positions in the last two decades. Thus, narcissism is relevant for management investigations (Campbell et al., 2009). On the other hand, narcissists have high self-esteem and self-admiration. Thus, Chatterjee and Hambrick (2011) showed that it could be related to how successful a CEO is, his need for achievement, and the ability of innovation and risk-taking, which are some of the EO dimensions. In line with previous research arguing that chief executive officers are of high locus of control, Miller and Toulouse (1986), highly experienced, dominant, and capable of risk-taking, can shape their behavior and actions with contextual and social indicators among their firms. Therefore, among the personality traits they can include, narcissism may be suggested to have a relevant role (Ames, 2006). Narcissistic personality traits can include several vital dimensions, such as the desire for attention, self-accomplishment, sense of power, and sense of grandiosity.

The narcissistic entrepreneur is often supposed to be very successful. In addition, there may be a certain sum of narcissism in each one of his team workers. However, the narcissism he has shown must be balanced with respect in his relations with his employees, although some psychologists consider that the excess of narcissism can be treated as a personality disorder. Moreover, Hambrick and Chatterjee (2007) argued that the more a leader tends to be narcissistic, the more dynamic the firm's strategies. Also, they confirm that a narcissistic entrepreneur leads the firm to present an extreme performance following the size and number of the incorporation and acquisition processes carried out by this leader. Other authors analyzed the suggestion of Hambrick and Mason (1984), showing that leaders affect strategic behavior and performance. Other researchers, such as Maccoby (2003), found that narcissism has advantages. They questioned the reason we go along with narcissistic chief executive officers; the answer is that they provide undue advantages for organizations. Indeed, narcissistic entrepreneurs can look for behaviors and decisions that have significant consequences for the people who interact directly with them and for all the firm's dimensions, which can directly affect the outcome and the firm's performance. Wallace & Baumeister (2002) suggest that personality research theory is one of the most valuable theories to better analyze the situational effects of narcissism. It affirms that narcissist leaders engage in high performance when it is an opportunity to show their superiority and grandiosity, especially when the audience can observe. Appreciate their tasks' results (Engelen et al., 2016).

**H3a:** Narcissism has a positive effect on firm performance

Recent studies have shown that chief executive officers may be represented in terms of their narcissistic level in ways that their grandiosity and superiority can frequently lead to extreme performance levels (Chatterjee & Hambrick, 2007). According to Kets de Vries & Miller (1985), narcissistic entrepreneurs enjoy being leaders, having dependence, dominating, and controlling every task. Based on the

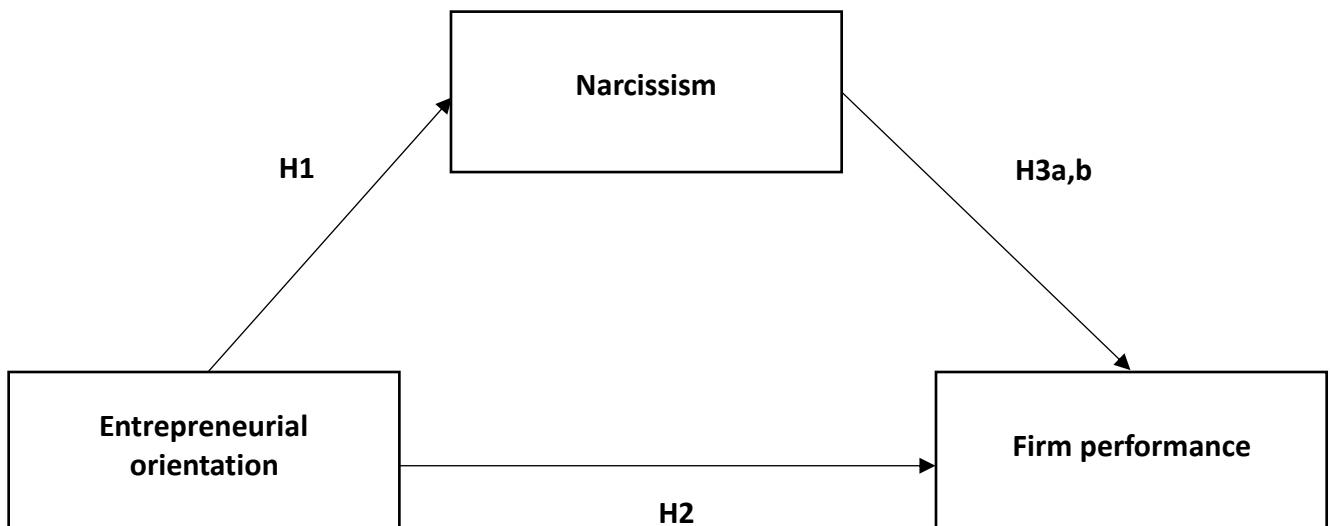
desire for power and sense of grandiosity, some dimensions of the narcissistic entrepreneur's personality may be expected to develop excellent EO-performance consequences, a good EO-performance consequences. Campbell et al. (2011) argued that narcissistic entrepreneurs are very open to adopting new technologies and initiatives within their organizations and encourage change and innovation accordingly. However, a narcissistic personality trait can show some contradictions. Narcissists are characterized by self-admiration. In contrast, they often need their self-esteem to be reinforced by their organizations' members; they cannot operate independently (Chatterjee & Hambrick, 2011).

In periods of severe environmental instability (economic, political, or technological) or any other form of difficulty, employees of any company need motivation from their boss, who should show ultimate confidence in his ability to manage the crisis. According to Rosenthal & Pittinsky (2006), the two situational factors of narcissists, arrogance and self-assurance, may be highly advantageous in times of crisis. Their self-assured character may reassure the organization's employees and persuade them of their ability to handle difficult situations. Moreover, in times of high-risk levels, a narcissistic CEO frequently assumes the role of provider of hope. This role is critical to the compelling motivation of those confronting danger in many ways (Ouimet, 2010). In contrast, characterized by many more negative than positive attributes, narcissistic leaders are generally defined as the executives of power for selfish ends. Instead of serving the firm, narcissistic leaders use all the resources available to attract the admiration of the employees as an opportunity to confirm their feelings of superiority and grandiosity (Maccoby, 2007). Thus, the third hypothesis was formulated as follow:

**H3b:** Narcissism mediates the relationship between entrepreneurial orientation and firm performance.

Based on the elaborated hypothesis, the conceptual framework of this research is developed as follows:

Figure 1. Conceptual Framework



### **3. Research Methodology**

The questionnaire survey of this research was addressed to leaders, entrepreneurs, and managers of several Tunisian start-ups engaged in different sectors. The questionnaire was delivered to more than 100 firms, and 89 answers were collected from enterprises in different regions of the Tunisian country. The different materials can explain this choice and the temporal limits underlying all research work. The start-ups presented in this sample are engaged in the technological (IT), industrial, commercial, and, finally, artisanal sectors. The IT start-ups represent the highest participation in this sample. These firms' locations are the nurseries of the Sousse, Mahdia, and Tunisia regions. The other firms are in the Sahel region and, more specifically, in the Akouda commercial zone and the Sidi Abdelhamid industrial zone in Sousse; they are parent companies and subsidiaries of national groups or unique and independent companies.

A survey was developed to obtain responses from the entrepreneurs of new ventures in selected firms about their opinions on different variables. One hundred fifty questionnaires were mailed and distributed. Of the 150 contacted firms, only 89 responded, and 61 disregarded the request. To contact the firms, we faced two alternatives: surveying them by email or conducting face-to-face interviews. We created a version of the survey on the internet and sent it to the targeted firms by email. We have addressed several companies in indifferent Tunisian governorates, but several did not answer. It was decided to complete the data collection by telephone, but this was also unsuccessful. Therefore, we opted for face-to-face contact with each firm's manager and collected the maximum amount of data in this way despite the unavailability of the targeted executives and the refusal of some others. The remaining 89 valid and complete questionnaires were used for the quantitative analysis.

Following previous research studies (Lumpkin & Dess, 1996; 2001; Miller, 1983), five dimensions of entrepreneurial orientation were measured (innovativeness, risk-taking, proactivity, autonomy, and aggressive competitiveness). Innovativeness is represented by the ability to encourage creativity by introducing new products to the market. The second variable is risk-taking, characterized by the ability to confront new initiatives such as getting involved in new markets with uncertain incomes. The third variable is proactivity, which refers to how companies react to market opportunities by taking initiatives in the marketplace. Then, competitive aggressiveness refers to how companies relate to competitive movements and market demands. Finally, autonomy is manifested in the independent action of an individual or a team worker trying to bring a new business concept or vision to life and carry it through to accomplishment; this measurement is presented in this table by Li et al. (2009).

We chose 15 items from the narcissistic personality inventory (40) (NPI-40), which were presented on a five-point Likert scale for the NPI items and a five-point Likert scale for the NPI measurement. All the items in this survey were adapted from published studies relevant to this study (Ames et al., 2006). The NPI-16 is a short measure of narcissism. Five-point Likert-style responses ranged in this manner 1 = 'not at all satisfied,' 2='not satisfied', 3='neutral', 4='satisfied', and 5 = 'highly satisfied,' showing the extent to which the entrepreneurs deal with the sentence.

For the firm performance measurement, according to Murphy et al. (1996), three dimensions were introduced (efficiency, growth, and profit), and a five-point Likert

scale was adapted for this assessment. Based on Li et al. 2009, measurement items included three items for each of the three dimensions.

#### 4. Result and Discussion

This study used the Statistical Package for Social Sciences (SPSS) AMOS to establish the linear regression to explain the relationship between entrepreneurial orientation, narcissism, and firm performance, as well as to find the parameter estimates which can be used to test statistical results. In this research, the various goodness of fit indices presents a good fit with (GFI=, 777, AGFI=, 577, NFI=, 930, CFI=, 944, RMR=, 055). The formulation of the results is presented in table 1 and table 2.

Table1. Statistical Result of Goodness of Fit Index, Adjusted Goodness of Fit Index, Comparative Fit Index and Root Mean Square Residual

Model	RMR	GFI	AGFI	PGFI
Default model	,055	,777	,577	,410
Saturated model	,000	1,000		
Independence model	1,617	,165	-,073	,129

Source: Author computation

Table2: Statistical Result of Normed Fit Index

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	,930	,898	,944	,917	,944
Saturated model	1,000		1,000		1,000
Independence model	,000	,000	,000	,000	,000

Source: Author computation

Firstly, this research examined the significance of the relationship between entrepreneurial orientation and narcissism. The results show that entrepreneurial orientation significantly and positively affects narcissism  $\beta_2=0,848$ ,  $P=0,000$ ,  $R^2=0,830$ . The analysis formulation is presented in **Table 3**.

Table 3: Result of the Linear Regression (Entrepreneurial Orientation-Narcissism)

Model	R	R-Square	Adjusted Square	R	Std.Erreur of the estimate
1	,911 <sup>a</sup>	,830	,828		,57252

a. Prédicteurs : (Constante), orientation

Source : Author computation



After testing the test relationship between the independent and mediating variables, the coefficient representing the relation between EO and narcissism is significant and positive  $\beta_1=0,822$ ,  $P=0.000$ ,  $R^2 = 0,743$ . Hence, the formulation of the analysis is presented in Table 4.

Table 4. Result of the Linear Regression (Entrepreneurial Orientation-Firm Performance)

Model	R	R-Square	Adjusted Square	R	Std.Erreur of the estimate
1	,862 <sup>a</sup>	,743	,740		,72926

a. Prédicteurs : (Constante), orientation

Source : Author Computation

As predicted, this third analysis shows a significantly positive relation between narcissism and firm performance  $\beta_3=0,393$ ,  $P=0.011$ ,  $R^2=0,751$ . The formulation of the analysis is presented in **Table 5**.

Table 5. Result of the Linear Regression (Firm Performance-Narcissism)

Model	R	R-Square	Adjusted Square	R-	Std-Erreur of estimate
1	,866 <sup>a</sup>	,751	,748		,71833

a. Prédicteurs : (Constante), orientation

Source : Author computation

To test the final condition, it needs to examine the change in the coefficient between the EO and performance. Check  $c' = 0$  or  $c' < c$ ; Check  $c - c' = a * b > 0$ ,

The result of this regression indicates that the coefficient value had substantial change after adding the narcissism variable is  $\beta_4=0,460$ ,  $P=0.001$ . The formulation of the analysis is presented in **Table 6**. The results of this regression prove the mediating role of the narcissism of the entrepreneurial orientation in a firm-performance relationship. The significant direct effect of entrepreneurial orientation on firm performance has been reduced after including narcissism for an indirect effect estimation in this relationship.

Referring to El Akremi (2003), if the mediation is partial, the effect ( $c'$ ) must be less than the initial effect ( $c$ ) obtained in the absence of the mediating variable:  $c - c' = a * b > 0$ . Partial mediation:  $c' \neq 0$  and  $c > c'$

Table 6. Beta Estimate and P-Value Explained by Three Principal Axes (Entrepreneurial Orientation, Performance and Narcissism).

			Estimate	S.E.	C.R.	P	Label
N	<---	O	,848	,069	12,266	,000	par_8
P	<---	O	,460	,143	3,225	,001	par_1
P	<---	N	,393	,154	2,548	,011	par_9

Source : Author computation

## 5. Discussion

The results of this research can prove the positive effect of entrepreneurial orientation on narcissism (H1). This finding aligns with Deutshman's (2005) finding, which argued that narcissistic leaders might be affected by the entrepreneurial orientation dimensions, and he considered narcissistic Chief executive officers as visionaries and innovators.

The results of this research can prove the positive effect of entrepreneurial orientation on firm performance (H2). This finding supports the conclusions of Lumpkin & Dess (2001), who postulate that entrepreneurial orientation is essential to enhance firm performance.

The results of this research can prove the significant positive effect of narcissism on firm performance. Referring to this result, we can affirm that the narcissistic personality trait is necessary for high firm performance consequences. This goes in line with previous research findings. For Campbell et al. (2009), top management positions occupied by narcissistic bosses engage significant performance levels. For Chatterjee & Hambrick (2007), narcissistic CEOs lead to the high success of their organizations.

The results of this research can prove the mediation effect of narcissism on the relationship between entrepreneurial orientation and firm performance (H3b). The nature of the mediation effect is partial. The introduction of a mediator variable (narcissism) in the model reduces the link (c) between the independent variable (entrepreneurial orientation) and the dependent variable (performance) without altogether canceling it. This finding is coherent with previous research findings, which affirm that the relationship between entrepreneurial orientation and firm performance may be mediated by other internal or external variables (Andreas et al., 2016).

This research has two theoretical contributions: First, while the narcissism variable was extensively investigated within the psychological literature, this research contributed to investigating narcissism from the management research perspective, which was recently transferred to management literature (Chatterjee & Hambrick., 2007) to show that narcissistic CEOs can influence a firm's strategic flexibility, size of achievement, and drive to extreme performance. The present study complements this theory by showing that CEO's narcissistic personality traits can positively mediate the relationship between performance and entrepreneurial orientation. Second, this present work also develops the research on entrepreneurial orientation and firm performance by including narcissism as a mediator of this relationship. In

contrast, numerous other types of research mainly focused on profitability, and market relation measures (Rauch et al., 2016) since several types of research affirmed that entrepreneurship and business creation aim to create profits (Hassan et al., 2020).

This research has two managerial contributions: First, the research concretizes the ordinary discretion that the chief executive officer's personality plays a prominent role in converting entrepreneurial orientation into firm performance. Second: this research affirms that narcissistic leaders' personality traits may positively affect the relationship between entrepreneurial orientation and firm performance.

There are several limitations to this research: First, this research is conducted on small and middle-scale service and commercial enterprises in Tunisia. Thus, these findings cannot be generalizable for all firm sizes in Tunisia. Therefore, it is recommended that future research be conducted on large-scale firms in different cities of Tunisia to provide the generalizability of the findings. Second: the questionnaire survey respondents were junior and middle managers of companies. Future research may target senior managers level as they might have different values.

## **6. Conclusions**

From the extant literature of upper echelon research, researchers in the management field have long focused on Chief Executive Officers' demography (age, industry, occupation, and functional background) to explain its influence on firm performance, as well as primarily drive a relevant focus to investigate the relationship between entrepreneurial orientation and firm performance. Therefore, the present research theoretically conceptualizes and empirically validates the mediating role of narcissism on the relationship between entrepreneurial orientation and firm performance. The assessment of this relationship proves that narcissism can affect this relationship positively. The results of this research show a positively significant relationship between narcissism and entrepreneurial orientation and a positively significant relationship between narcissism and firm performance. Based on this finding, the study suggests adding a narcissism variable to the personal qualities tests in the recruitment process of chief executive managers and top management positions.

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