

# How Managers' Traits Affect Perceived Ambiguity of Rules and Decision Making

Perceived ambiguity of rules can lead to managers making biased, self-serving decisions that violate ethical standards



Researchers investigate the relationship between managerial traits and perceptions of ambiguity in accounting standards



## Assessment of the influence of personal traits using psychometric scales

Managers with the following three traits perceive standards as more ambiguous:



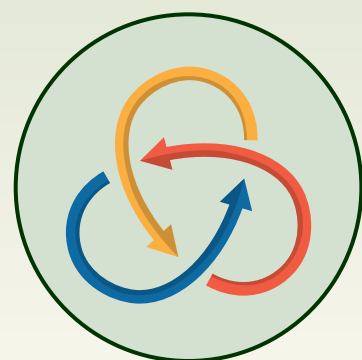
Narcissism



Impulsivity



Construal or abstract mindset



Impulsivity interacts with construal mindset and narcissism, affecting the perception of ambiguous rules



Perceived ambiguity is positively associated with accounting earnings management

**Narcissism, impulsivity, and construal mindset, independently and in combination, are significant contributors to perceived ambiguity**