



Review Article

Volume-03|Issue-062023

CEO PERSONALITY TRAITS AND EMPLOYEES' PERFORMANCE IN NIGERIAN SMALL AND MEDIUM ENTERPRISES

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Article History

Received: 29.10.2023

Accepted: 03.11.2023

Published: 21.11.2023

Citation

OSAZEVBARU, H. O., IYOMATERIE A. J., OHWOVORIOLE, O. (2023). CEO Personality Traits and Employees' Performance in Nigerian Small and Medium Enterprises. *Indiana Journal of Economics and Business Management*, 3(6),1-9.

Abstract: This study focused on Chief Executive Officer (CEO) personality traits and employees' performance in small and medium scale enterprises (SMEs) in Nigeria. A strand of economic growth literature has muted that SMEs in developing economies are unable to contribute significantly to economic growth and development compared to their counterparts in developed economies. This observed phenomenon has been attributed to personality traits of the owners (CEOs) that culminate into a leadership problem in handling human resources. Therefore, the basic empirical question addressed by this study is: Do CEO personality traits influence employees' performance? Accordingly, the objective of the study is to examine the influence of CEO conscientiousness, amicability, emotional stability, openness, and extraversion on employees' performance. The study employed descriptive survey and quantitative design. The population of the study is Delta and Edo State registered SMEs which is 3,931 from which Taro Yamane's sample size technique was used to determine the sample size of 373. Thereafter, proportionate sampling was used to distribute the instruments. The instrument used was transcript questionnaire where the responses from the various CEOs were grouped in accordance with the various factor variables having been validated and tested for reliability with Cronbach Alpha of 0.98. The collected data were subjected to statistical scrutiny using mean and standard deviation for respondents' response rate and regression analysis to test the hypotheses. The findings show that conscientiousness and amicability do not significantly affect employee's performance but emotional stability, openness, and extraversion do. Based on the finding it was recommended among others that CEOs avoid certain attitudes and implication, such as talkativeness, aversion to questioning, and negative sociality that lowers employee's performance.

Keywords: Conscientiousness, Amicability, Emotional stability, Openness, Extraversion

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INTRODUCTION

The Chief Executive Officer (CEO) is the primary decision maker and is ultimately in charge of the firm's strategic decision-making. As such, the CEO's personality traits have a considerable bearing on both the adoption of certain human resource management practices and the strategic decisions that are made (Mahmoudian *et al.* 2021; Stolowy & Paugam, 2018; Wowak *et al.* 2022). A sizeable number of studies have raised concern on how CEO personality traits affect employee's performance. CEOs play crucial role on how well their companies function (Stankov, 2018). If organizations are to choose and train the right people for high-level leadership positions, they must be aware of the traits a would-be successful CEOs carry when considering it in relation with employee performance (Wood & Vilkinas, 2007).

Studies have identified some traits that a CEO must possess that could be a boost to an organization. The recently used personality trait model was advocated by Rayan (2013) which is called the "Big Five Model" and has been seen as the best description of trait structure according to several studies (Stolowy & Paugam, 2018; Wood & Vilkinas, 2007). These traits are captured in five fundamental dimensions namely: conscientiousness,

amicability, emotional stability, openness, and extraversion. Overtime, studies have persisted in examining particular personality trait that causes individuals to become entrepreneurs alongside the individual's drive and preference that keep them on their chosen course. These studies frequently concentrate on high-growth environments or venture capital financed firms, where entrepreneurs face a high probability of their business failing, a very small probability of extremely positive outcomes, and a potentially low average return on the time and money invested in their businesses.

Besides the Rayan (2013) model, recent studies for instance, show that leaders' demographic and personal characteristics, such as age, education, financial knowledge, political ideologies, ability, mentality, and green behaviours, have an impact on their followers or employee's performance. This results in group actions that promote environmental performance, environmental reporting, and sustainable performance (Garca-Sánchez *et al.*, 2021; Gupta *et al.*, 2019; Horbach & Jacob, 2018; Kim *et al.*, 2018). In a generalized term, a CEO possesses the following traits: foresight for preparing the future, adaptability to changing conditions, dependability to uphold trust, teamwork for efficient decision-making, and decency to forge deep bonds with others. CEOs may

effectively lead their businesses and motivate their employees which turn out to produce high performance (Shahab *et al.*, 2020).

According to Osazevbaru and Amawhe (2021), employee's performance is described as an employee's ability to complete his or her mission in accordance with an organization's expectations. Measuring employee's performance is challenging, though it is possible. Examining measurable data such as sales or the number of problems resolved can be helpful in some situations. It does not, however, give a whole picture of an employee's productivity, and certain jobs do not have any measurable physical output. Fortunately, there are some pertinent criteria that apply to most employees' jobs (Saldanha *et al.*, 2013). Accordingly, the following are the measuring tools or metrics for employee's performance: work efficiency (measured by output over time), quality of work (utility performance review), teamwork, learning ability and adherence to timeline. Efficiency is a prime illustration. Keeping track of how long it takes employees to perform tasks on a weekly or monthly basis will reveal important trends and areas for improvement (Naseem & Ali, 2023).

CEO's personality traits in modern business operations have become crucial matter and many researchers are showing concern and want to know how these personality traits affect the organisational performance. There has been dearth of researches on the effect of CEOs personality traits on employee's performance especially in the informal sector of developing economies of sub-Saharan Africa. To a large extent, the existing literature has not yet explored how different personality trait combinations affect employee performance in the SMEs sector. The big five model of CEOs personality trait structure identified by Rayan (2013) will be used in this research but it will be related to employee's performance.

Arising from the above, the main objective of this study is to investigate CEO personality traits and employee's performance in SMEs in Nigeria. The specific objectives are to examine: (i) the relationship between CEO conscientiousness and employee's performance, (ii) the effect of CEO amicability on employee's performance, (iii) the effect of CEO emotional stability on employee performance, (iv) how CEO openness affects employee's performance, and (v) CEO extraversion and employee's performance.

REVIEW OF RELATED LITERATURE AND HYPOTHESES DEVELOPMENT

Conceptualization of CEO Personality Traits and Employee's Performance

Numerous studies have been done on the impact of the CEO personality traits and company's performance. Meanwhile some writers believe that the

organization performance is the sum total of the various performances or the sum total of the employees' performance. The CEO's position is viewed as important particularly in SMEs because he or she is a strategic decision maker who gathers, analyzes, and creates strategy and oversees its implementation throughout the company (Lefebvre *et al.*, 2016).

The impact of personality traits on employee's performance has attracted the attention of researchers. As several researchers have noted, a significant section of the literature on job happiness has made the assumption that job satisfaction depends on either dispositional (personality) or situational factors (Bergstrom & Farrington, 2022). It is worthy to note that CEO's personality traits are constant in that different personality attributes are required for various roles within an organization; it offers employees the ideal personality profile for usage during their whole career (Luthans, *et al.*, 2021). Finding the proper fit that will facilitate achieving the organization's objective and vision by putting the right people in the right jobs for successful performance is the key to success or gaining a competitive advantage. Sev (2019), identified the OCEAN acronym (openness, conscientiousness, extroversion, agreeableness and neuroticism) for the Big Five which are "super-traits" and are group of variables that describe shared characteristics among the "sub-traits" that have been found among CEOs.

Conscientiousness and Employees' Performance

The personality attribute of conscientiousness is being watchful or diligent. The idea of being conscientious is to want to perform something properly and to take your responsibilities towards others seriously. People that are conscientious are typically effective and well-organized, as opposed to loose-lipped and disorganized. Conscientiousness is widely seen as a crucial personality trait linking several socially and economically significant life outcomes (Saucier & Srivastava, 2015). Sev (2019) characterized conscientiousness attributes (competence, order, dutifulness, achievement, striving, self-disciplined, deliberation) as ranging from focused to flexible. Leaders, senior executives, and other high achievers benefit from focused characteristics. Employees with a high score have it. They display the following characteristics: dutifulness, achievement, oriented, and self-disciplined. Flexible personality attributes are beneficial to researchers, detectives, and management consultants. Against this backdrop, this study hypothesizes that: *CEO conscientiousness have no significant effect on employee's performance.*

Amicability and Employees' performance

Amicability is a personality attribute that is often defined as collaborative, pleasant, kind, and friendly. People with a high level of amicability are more trusting, affectionate, altruistic, and overall, exhibit more pro-social actions than others. According to Dilchert and

Ones (2008), amicability is also known as agreeableness. Characteristics of agreeableness include likeability, kindness, courteousness, and nurturance. Persons who score high on agreeableness are described as amicable, cooperative, popular, easy to live with, affectionate, sensitive, caring, altruistic, kind, tender-hearted, and soft-hearted. They are concerned in helping others and acting in a pro-social manner. Those who score low on this dimension are uncooperative, disagreeable, unfriendly, selfish, hostile, and egotistical. Facets of agreeableness have gotten little attention in the literature.

According to Nadkarni and Herrmann (2010), the altruistic tendencies of CEOs who are agreeable may foster passivity and compliance and shift focus away from the attainment of critical task goals. Agreeable CEOs with a non-confrontational attitude may be better suited for jobs that need status quo adherence but are unlikely to embrace radical process innovations or changes in organizational policy (Judge *et al.*, 2009). Although they are less likely to support radical process innovations or changes in organizational policy, agreeable CEOs may be better suited for roles that demand adherence to the status quo (Judge *et al.*, 2009). It is expected that more agreeable CEOs should be less well-suited to take advantage of increased volatility of employees because their desire to be the "good guy" would hinder their ability to make necessary and often harsh decisions when need be in a rocky boat. From the foregoing, the study hypothesizes that: *CEO amicability does not significantly influence employee's performance*

Emotional Stability and Employees' Performance

Emotional stability allows a person to understand the sentiments of other people and to regulate his or her own emotions in a variety of circumstances. This attribute has an impact on our ability to deal with stress, resist temptations, and adapt to change. People that score high on emotional stability are usually calm, composed, and resistant to stress. They are also often self-assured and do not become easily angered or dejected by defeats. Emotionally unstable CEOs' lack of adaptation makes them more resistant to change and limits their ability to develop effective answers to change and to employee's questions which directly or indirectly affect the performance of employees (Nadkarni & Herrmann, 2010). As a result of their incapacity to remain cool in turbulent waters, we anticipate that more neurotic CEOs will fail to capitalize on an increase in volatility. The hypothesis therefore is: *emotional stability has no significant impact on employee's performance*

Openness to Experience and Employees' Performance

Judge *et al.* (2009) define openness to experience as the inclination to be creative, nonconforming, unorthodox, and independent. According to Bono and Judge (2004), open individuals perform well on the intellectual stimulation and inspirational motivation components of transformational leadership because they have a vivid imagination, can challenge conventional wisdom on critical issues, and envision an appealing future for the organization. Individuals that are receptive to new experiences prefer to engage actively and flexibly with fresh situations (DeYoung & Rueter, 2010).

According to Das *et al.* (2012), CEO openness to change is critical for strategic adaptability in dynamic situations. As a result, it is anticipated that CEOs who are more open to new experiences would be better able to achieve strategic flexibility by capitalizing on increased volatility and seeing opportunities when others see only threats. Managers that are highly dependable avoid behaviours that depart greatly from previous experience (Nadkarni & Herrmann, 2010). They have a smaller field of view, which limits their capacity to respond to uncertain settings by exercising strategic options. Arising from the foregoing, the hypothetical proposition is: *CEO openness has no significant effect on employee's performance.*

Extraversion and Employees' Performance

Extraversion is the propensity to exhibit positive traits like vigour and fervor, as well as to be gregarious, aggressive, and energetic (Judge *et al.*, 2009). According to Graziano and Eisenberg (1997), extraversion is favourably correlated with employee performance and interpersonal skills. Extraverts are more likely than introverts to like receiving social attention from employees and participating in social activities (Ashton *et al.*, 2002). They are adept at handling issues requiring social connection and see social interactions as more pleasant (Tett & Burnett, 2003). According to Costa and McCrae (1992), many extraverts are high-energy thrill-seekers who thrive in competitive settings (Bentea & Anghelache, 2012). Extraverted CEOs that are gregarious tend to build large social networks both inside and outside of their companies (Nadkarni & Herrmann, 2010). As a result, we anticipate that more extroverted CEOs will be better able to benefit from increased volatility because of their larger social networks, which give them access to early information and give them a better chance to use their social skills in variable situations. From the foregoing, the study hypothesises

that: *CEO extraversion has no significant influence on employee's performance.*

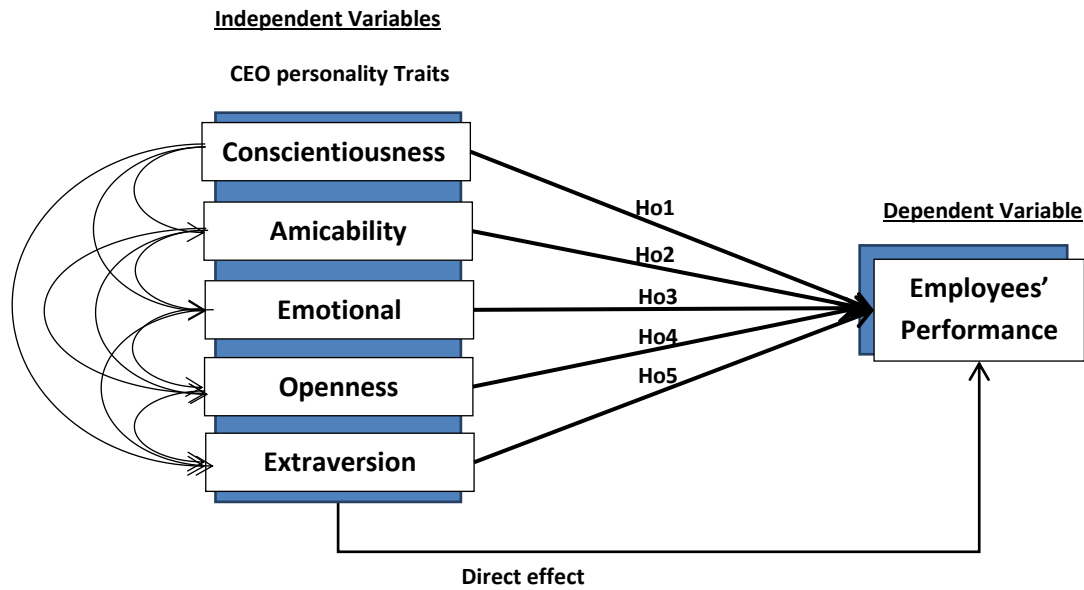


Fig. 1 Conceptual Model of CEO Personality Traits and Employees' Performance

The dependent variable which is the endogenous item in the construct is employee's performance while the independent variables or the exogenous items were measured by conscientiousness, amicability, emotional stability, openness to experience and extraversion. The straight lines are the relational or the effect perspectives on the endogenous item while the convex are the interrelatedness between the exogenous items. The choice of the model is based on the fact that the study would attract structural equation model for its interpretative representation.

Theoretical Framework

This paper adopted the upper echelons theory. According to the theory, members of top management teams who come from diverse backgrounds (such as those related to classes, jobs, culture, etc.) may exhibit a variety of traits, a strong sense of value, and unique cognitive abilities. All of these factors have a direct bearing on the strategy decisions they make as well as the performance of their companies. It is possible to scientifically explain the relationship between the top management team and business success by investigating and studying their demographic characteristics.

In accordance with the upper echelons theory (Hambrick & Mason, 1984), researchers have examined how personality traits such as conscientiousness (Li & Tang, 2010), amicability (Simsek *et al.*, 2010), openness (Chatterjee & Hambrick, 2011), emotional stability and extraversion (Mannor *et al.*, 2016) affect organizational decisions and results. These studies convincingly show that personality traits characteristics directly influence CEO decision-making, supporting the view that psychological characteristics will change attention,

selection, and interpretation of external evidence. But even though this collection of research has established an area in the management literature that views the characteristics of CEOs as a crucial antecedent of organizational outcomes, prior researches have only provided a few theoretical and empirical insights into personality traits with compensation, particularly equity compensation (Wowak & Hambrick, 2010). The five-factor model's predictive validity in the context of strategic management was first demonstrated by Nadkarni and Herrmann (2010), which explains how to explain CEO strategic decision making which will spur employee performance (see also Herrmann & Nadkarni, 2014). They illustrated the link between CEO personality and strategic adaptability, which in turn influences employee performance. This is similar to how CEO personality affects top management team dynamics. The five-factor approach may actually be able to account for individual variability in CEO perceptions, according to the findings of Malhotra *et al.* (2018).

Empirical Review

Zhou *et al.* (2023) carried out online open innovation platforms which give customers the chance to share their ideas and get involved in the innovation process. They however, also pose a major barrier for platform administrators, who must choose high-quality innovations from a vast array of material of varying quality. The researchers used a machine learning technique to automatically gather a genuine dataset of 2,276 inventions and 30,004 comprehensive comments from the Idea Exchange web platform. They then carried out empirical experiments to test the study hypothesis. The findings demonstrate a positive and direct relationship between extraversion, conscientiousness,

and openness to new experiences and the quality of their invention. Additionally, extraversion, neuroticism, conscientiousness, openness to experience, and the quality of an innovation were all mediated by a person's social network position.

Mammadov (2022) carried out a study by combining data from 267 independent samples from 228 different researches to examine the strength of the connections between the Big Five personality traits and academic achievement. Additionally, it looked at how well personality qualities that go beyond cognitive capacity might predict academic performance. 27.8% of the variation in academic achievement was explained by the interaction of cognitive capacity and personality factors. With a relative relevance of 64%, cognitive ability was the most significant predictor. Even after adjusting for cognitive ability, conscientiousness continued to be a reliable and powerful predictor of success, contributing 28% of the variance in academic performance. Education level was found to have a considerable moderating effect. At the elementary/middle school level compared to the following levels, the association between academic achievement and openness, extraversion, and agreeableness showed much bigger effect sizes. Despite having a low overall relative value, openness was revealed to be a significant predictor of student achievement in the first few years of school.

Sobaih and Elshaer (2022) carried out a study on the influence of a digital native's personality traits of CEO on their intention to pursue digital entrepreneurship. The study looked at the direct effects of the major five personality traits, that is, openness to experience, conscientiousness, extraversion, agreeableness, and neuroticism on intentions to start a digital business as well as the indirect effects through attitudes. In order to do this, senior students in computer science and information technology colleges at public institutions in the Kingdom of Saudi Arabia were given a pre-examined questionnaire. The results of structural equation modeling demonstrated that the big five personality traits have a direct, positive, and significant influence on personal attitude. However, the findings showed that the influence of the big five personal qualities on intention to engage in digital entrepreneurship was favorable but small (apart from agreeableness). Additionally, a moderating role for personal attitude in the relationship between personality traits and intention to engage in digital entrepreneurship among senior students in higher education was validated. The findings filled a research void regarding personal characteristics, their influence on attitudes, and ultimately, the intention to engage in digital entrepreneurship, particularly among digital natives. For

academics, decision-makers, and instructors at higher education institutions, a number of impacts were combined and explored.

RESEARCH METHODOLOGY

The study adopted the descriptive survey and quantitative design using transcript of Farrington (2016) for small business success for the CEOs of the registered indigenous SMEs in Delta and Edo States, South-South, Nigeria. The population of registered SMEs in Delta and Edo are 1,254 and 2677 respectively bringing the total population to 3931 (National Survey of Micro Small & Medium Enterprises, MSMEs, 2022). Since the population is a large one, the study applied the Taro Yamane's formula to select the sample units. Thus, the sample size obtained was 373.

The instrument for data collections was the CEOs transcript Farrington (2016) administered to the operators of the sampled SMEs. The responses to questions from the respondents were collated and weighed on Likert five-point scaling as follows: Strongly Agree (SA-5) Agree (A-4), Undecided (U-3), Disagree (D-2) and Strongly Disagree (SD- 1).

In order to eliminate ambiguities, unclear and irrelevant questions, the instrument was verified for face and content validity by relevant research experts. The reliability for the instrument was measured using the Cronbach Alpha where the outcome aggregate value is 0.984 and the rest of the variables are as shown in Table 1. All the Cronbach alpha values exceeded 0.70 which is an indication of instrument's reliability (Osazevbaru & Osanyande, 2022).

Variables	Cronbach Alpha Value
Employee Performance	0.991
Conscientiousness	0.978
Amicability	0.978
Emotional stability	0.977
Openness	0.979
Extraversion	0.980
Aggregate	0.984

Source: Authors' Computation (2023)

Model Specification and Method of Data Analysis

The model specified for the study is a multiple linear model that captures the joint effect of all CEO personality traits on the explained variable. The model is capture by equation 1

$$EP = \alpha_0 + \beta_1 CPT + \beta_2 APT + \beta_3 ESPT + \beta_4 OPT + \beta_5 ExPT + \epsilon \quad (1)$$

Where :

EP = Employee Performance
 CPT = Conscientiousness
 APT = Amicability
 ESPT = Emotional stability
 OPT = Openness
 ExPT = Extraversion
 α_0 = Constant terms
 $\beta_{1,2,3,4,5}$ = Coefficients of the variables
 ε = Error term

The study employed the confirmatory factor analysis (CFA) for the diagnostic test between the variables consistency and thereafter regression analysis with structural equation modelling was used for testing the statistical significance of the hypotheses formulated with the data from the respondents' transcripts. The test was done at the 0.05 level of significance.

ANALYSIS OF DATA AND DISCUSSION

This section is concerned with the presentation and analyses data and discussion of findings. Transcript responses were received from the CEOs of the registered sampled of 373 SMEs in Delta and Edo States, Nigeria which were analysed and presented in Table 2.

Table 2: Summary Descriptive Statistics

Variable	Aggregate Mean	Standard Deviation
EP	4.60	0.33
CPT	4.24	0.59
APT	4.09	0.63
ESPT	3.54	1.22
OPT	4.00	0.42
ExPT	3.70	1.11

Source: Authors' Computation (2023)

Table 2 shows the aggregate mean value for all the variables. Each variable had some statements or question items that cover the scope of that trait as derived from prior studies. Specifically, for employee performance (EP), the mean value is 4.60 and this is above the criterion mean of 3.0. Also, the standard deviation (0.33) is quite low indicating unanimity of opinion by the respondents on question items. Implicitly, the respondents are affirmative that employee's performance is affected by CEO personality traits. The factors exerting the effect will be highlighted in the hypotheses analyses result.

Similarly, the aggregate mean result for CEO personality traits (CPT, APT, ESPT, OPT, and ExPT) are all higher than the criterion mean of 3.0. Again, as the respective standard deviation values are not significantly high, hence the respondents agree that these traits do impact on employee's performance. The statistical

significance of each of these traits and the joint impact will be determined by the regression model.

Hypotheses Testing

Before implementing the formulated multiple linear model, it is important to perform a multicollinearity test to ascertain whether the explanatory variables are linearly dependent. For this purpose, we applied the variance inflation factor (VIF) test and the result is shown in Table 3.

Table 3: Variance Inflation Factor Analysis

Variable	VIF	1/VIF
CPT	4.29	0.041
APT	3.12	0.043
ESPT	5.67	0.021
OPT	8.86	0.053
ExPT	4.42	0.069
Mean VIF	5.27	

Source: Authors' Computation, 2023

Table 3 shows the result of the variance inflation factor (VIF) test. The VIF for the individual variable ranges from 3.12 - 8.86 while the mean VIF is 5.27. These results indicate that there is no multicollinearity problem as none of the values exceed the benchmark value of 10 (Osazevbaru, 2022). Therefore, the explanatory variables are not linearly related and confirm the model's suitability.

Table 4: Regression Results

Variable	Coef	t - value	Prob - value
CPT	-0.0786	-1.41	0.158
APT	-0.0147	-0.30	0.767
ESPT	0.4910	6.93	0.000 ***
OPT	0.6375	15.12	0.000 ***
ExPT	-0.5842	-13.63	0.000 ***
CONS	2.8716	40.29	0.000
No of obs	373		
F-value (5, 367) = 614.74, Prob> F = 0.0000			
R ² = 0.08933, Adj R ² = 0.8919			

*** indicates significance at 1%

Source: Authors' Computation (2023)

Table 4 shows the summary hypotheses analyses results for the CEOs personality traits and employee's performance in the selected SMEs. From the result, CPT, APT and ExPT have negative coefficients of -0.0786, -0.0147 and -0.5847 respectively. The other variables, ESPT and OPT, have positive coefficients of 0.4910 and 0.0638 respectively. Clearly, while conscientiousness, amicability, and extraversion have negative influence on employee's performance, emotional stability and openness have positive influence on employee's performance of sampled firms. However, the statistical significance of the coefficients needs to be ascertained. To do this, we need to check the t-statistics and its probability value. For CPT and APT, the

probability values are respectively 0.158 and 0.767. These values are greater than the 0.05 level of significance. Therefore, they are not statistically significant in explaining employee's performance.

On the other hand, the probability values of the t-statistics for ESPT, OPT, and ExPT are respectively 0.000. Since this value is less than the 0.05 level of significance, these estimates are statistically significant. Still from Table 3 the coefficient of determination, R², is 0.8933. This implies that approximately 89% of the variations in employee's performance are explained by these dimensions of CEO personality traits. The significance of all the parameter estimates taken together as measured by the F-statistics shows that the probability of the F-stat (614.74) is 0.000. This means that it is statistically significant, hence the personality traits used in the study jointly influence employee's performance. The result in Table 4 is substantiated by SEM result in Fig 1.

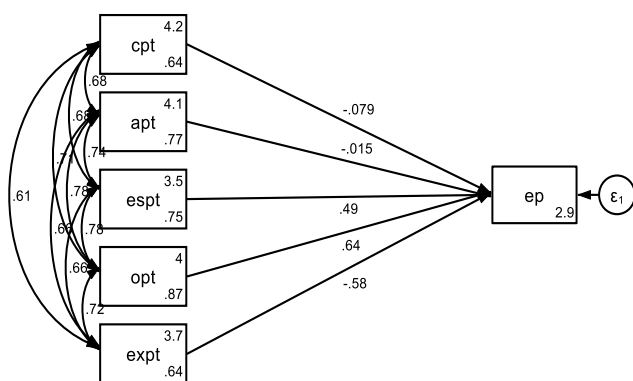


Fig1: Regression path construct for CEO personality traits and employee's performance.

The path construct for the regression analyses which show the various effects the factors (exogenous variables) had on the dependent (endogenous) variable.

Discussion of Findings

From the results in Table 4 and Fig 1, conscientiousness is not statistically significant in explaining employee's performance in SMEs sector in Delta and Edo States of Nigeria. Therefore, the hypothesis of no significant effect of conscientiousness on employee's performance is not rejected. This finding concurs with that of Zhou *et al.* (2023), who in their study did not find conscientiousness significant without social network as a mediating variable. Therefore, conscientiousness does not have direct significant effect on employee's performance. It needs the moderation or mediation of other variables to impact significantly on employee's performance.

Also, CEOs amicability trait did not reveal any statistically significant effect on employee's performance. Accordingly, the hypothesis of the study

was not rejected. This finding is not at variance with Mammadov (2022), who did not find amicability significant in his study of the big five factor of personality traits and academic performance. Amicability or agreeableness however, can significantly affect employee's performance where other variables persist.

On emotional stability trait, it was found to have both positive and statistically significant effect on the performance of SMEs employees. Therefore, the null hypothesis was rejected. Emotionally stable CEOs can drive through troubled waters and provide a source of encouragements to employees. This finding is not different from the submission of the Chatterjee & Hambrick (2011) when they study the emotional stability on organizational effectiveness. In this study employee's performance can be boosted where the emotion of the CEOs is stable with its employee to bring out the best.

Similarly, openness as a CEO personality trait has positive and statistically significant effect on employee's performance. Implicitly, employees respond to inclination towards creativity on the part of the CEO by improving on their expected outcomes. This result fits with the finding of Sobaih and Elshaer (2022) in their study of digital native in an organisation. There are organization where the CEO who is highly technocrat will decide not to disclose knowledge to his employees so as the employee will not take advantage to outrun them. Openness is necessary in some area where the CEO want the organization to excel.

Finally, the study found a significant link between extraversion and employee performance, thus rejecting the null hypothesis. This finding is in line with Malhotra *et al.* (2018) who reported that extraversion affects organizational decisions and results. Thus employee being a unit in the making of the organization could receive direct effect from the CEOs extraversion personality trait which may affect the employee performance and affect the organisational goal in general. Overall, from the R² or adjusted R² and F-statistics, there is high predictability of employee's performance using the five personality traits in SMEs in Nigeria especially among those of the region where the sample was drawn.

CONCLUSION AND RECOMMENDATIONS

This study investigated CEO personality traits and employee performance. Specifically, it examined CEO personality traits such as conscientiousness, amicability, emotional stability, openness, and extraversion and how much significance they exert on employee's performance. It was found that that conscientiousness and amicability were not significant whereas emotional stability, openness and extraversion were significant. In line with the submissions of other

studies, consciousness and amicability has indirect effect which must act on certain variable to affect employee's performance. Undoubtedly, an understanding of personality traits of CEOs is very important as they are the life wire of any organization. A potentially successful CEO should have the key knowledge of these personality traits and how to apply them to bring out employees' best and performance.

Arising from the findings of the study, the following recommendations are made: that CEO's sustain their emotional stability, CEOs treat all of their employees fairly as long as it touches on those who work for the company, and that CEOs avoid certain attitudes such talkativeness, aversion to questioning, and negative sociality that lowers employee's performance.

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