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Modeling CEO Characteristics and Listed Deposit Money Banks Performance in Nigeria: A Moderating Role of Organisation Culture

BY

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Abstract

The moderating role of organisation culture on the effect of CEO Characteristics on banks' performance has been a subject of interest in Nigeria. The thrust of this study was to establish the moderating effect of organisation culture on the relationship between CEO Characteristics and organisational performance of listed deposit money banks in Nigeria. The study was guided by Upper Echelons and Resource Dependence Theories. Survey research design was used. The target population comprised of 504 full-time top-management employees of the listed tier-one banks in Nigeria. Stratified and proportionate sampling techniques were used to obtain sample size of 442 employees. The study employed questionnaire as a tool for data collection. In order to test the reliability of the instrument, Cronbach alpha test was used. The study used hierarchical multiple linear regression analysis to test the hypothesis at 5% significance level. Findings indicate that organisation culture has a negative and statistically significant moderating effect on the relationship between CEO Characteristics and organisational performance of the listed deposit money banks in Nigeria ($\beta = -0.029$, $p < 0.05$). The study, therefore, recommended that management of Deposit Money Banks in Nigeria should adopt CEO Characteristics strategy to enhance people capabilities and organisational performance through improved organisation culture. Furthermore, CEOs should control how banks create their strategies and give meaning and direction to their employees' work.

Keywords: *CEOs characteristics, Organisation culture, Organisational performance, Banks, Nigeria*

1. INTRODUCTION

In the corporate world, Chief Executive Officers (CEOs) are held in high esteem because of their reputed capacity to give flagging enterprises a new lease on life. Benjamin and Dabor (2019) argue that a CEO's capacity to adapt their strategic vision and organizational orientation to the ever-shifting business landscape is crucial to their company's success and popularity. CEOs' judgments and actions are affected by their unique understandings of the strategic issues they encounter, which are in turn influenced by their upbringing, values, worldview, professional and personal experiences, and demographic characteristics. It's important to note that CEOs play a crucial role in organizations, and this is especially true in the banking sector, where they play an instrumental role in luring capital, boosting customer trust, and boosting the sector's overall performance. Given that banks are primarily concerned with financial intermediation and thereby assisting consumers with their financial needs, this is of paramount importance.

Over the past two decades, stakeholders attributed the financial crises that occurred in the Nigerian banking leading to the collapse of some banks, to factors such as lack of transparency, accountability, and prolonged CEO tenures. According to Osinfowokan et al. (2022), the collapse of financial institutions in Nigeria can be attributed to the global economic meltdown, which was exacerbated by poorly executed subprime lending by members of the top management team, including CEOs. As a result, there has been a notable increase in corporate mergers and acquisitions within the Nigerian banking industry, leading to concerns and criticism from stakeholders regarding perceived financial mismanagement by bank executives, particularly CEOs. The banking sector has faced various operational and financial challenges, resulting in the merging, consolidation, or

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acquisition of several banks. For instance, Skye Bank of Nigeria was recently taken over by Polaris Bank under the initiative of the Central Bank of Nigeria (CBN) (Adewole et al., 2019; Osinfowokan et al., 2022). These actions are largely seen as a response to poor operational and financial management by top executives of these organisations.

Several studies have been carried out in regards to CEO Characteristics (CEO education, tenure, gender, age, compensation), organisation culture, and organizational performance. This is observable from studies by Akhamiokhor et al. (2019) in Organizational culture, government regulations, and corporate competitiveness of merged deposit money banks in Nigeria. Mouta and Meneses (2021) investigated the impact of CEO Characteristics on organisation culture and on the silo effect while Gomes et al. (2018) examines the competitive strategic performance consistency in service organizations. Nevertheless, not much has been done to establish the effect of CEO Characteristics, organisation culture, and organisational performance in Southwest Nigeria. The gap was highlighted by Gomes et al. (2018). WhileKashmiri et al. (2016) suggested that the gap be filled in other countries, Akhamiokhor et al. (2019) opined that the gap be filled in Nigeria. The need for future studies to focus on CEO psychology and organisation culture was made by Mouta and Meneses (2021). This study will fill this gap.

Banks and other organisations in Nigeria operate cultures that are not consistent and have no pattern and protection for the future. As a result of the manipulative notoriety associated with the culture of some organisations, people have continued to wonder if anything works in Nigeria organisation and society (Omonigbo, 2021). A cultural system is not supposed to be manipulated for selfish interests. An organisation culture should define appropriate behaviours and should motivate employees and proffer solutions where there is problem. Corporate culture governs the way organisation process information and values and the way organisation do their business (Omonigbo, 2021). The massive failure in the banking sector, which brought about distresses, is traceable to lack of strong culture (Chukwu &Egbunike, 2017). The culture of credit analysis and trust were destroyed. Banks can only grow where there is strong culture, which reinforces the pillars of its perpetual existence. Pulling down of cultural pedestal upon which banks stand – for self-aggrandizement by executives, directors, and employees – have resulted in collapse of many banks (Chukwu &Egbunike, 2017). Omonigbo (2021) remarked that, among other things, there are challenges of human resource management in Nigeria which include workplace diversity, the incursion of religious and ethnic groups, and the changing mix, demand, and values of the workforce. If the organization culture in a firm within an industry is not well accepted by the employees, there will be low job satisfaction and commitment. This seems not only to be the case in Nigeria, it also appears that not much work has been done to unravel the relationship between organisation culture and performance that may arise. Since culture appears to have a profound impact on corporate performance, it could be an antithesis to the poor performance problem of the banking industry (Omonigbo, 2021). There appears to be few Nigerian research of the moderating effect of organisation culture in the relationship between CEO Characteristics and performance in the Nigerian banking industry. Hence, this study attempts to determine how organisation culture moderates the effect of CEO Characteristics and organisational performance of listed deposit money banks in Nigeria.

2. LITERATURE REVIEW

2.1. CEO Characteristics

CEO Characteristics comes to bear with the trusted and accompanied high responsibility of managing the banks on behalf of the stakeholders and are obligatory to assure that the bank performance harmonizes the banks' long-term goals. (Gupta &Mahakud, 2020). CEO Characteristics have a significant effect on the earnings management (Bouaziz et al., 2020). Furthermore, CEO Characteristics give power to the CEOs, and arguably even the obligation, to make the strategic choices and set the strategic direction of the firm (Warren et al., 2020). Also, it is captivating in finding 'a good fit' between the characteristics of the company and an individual who will occupy the CEO position (Gupta &Mahakud, 2020). CEO Characteristics are personal behaviours through which they are responsible for corporate performance and they exercise authority over the corporate decisions (Chou & Chan, 2018).

CEO Characteristics affect firm outcomes, determines strategic firm decisions, including major market entry and exit, innovations, and resource allocations (Brower & Nath, 2018; Kashmiri & Mahajan 2017; Nath & Bharadwaj, 2020). CEO Characteristics represent the internal factors (personality, demographics, experience) and external factors (compensation) of a CEO and they vary in the extent of the controllability by the board (You et al., 2020). CEO Characteristics show the importance of the personality of managers in avoiding reporting errors in the accounting and thus preserve the interests of the shareholders (Bouaziz et al., 2020). The importance of CEOs in the business grows over time, so studies on the impact of CEO Characteristics on businesses policies such as investment, debt, and cash holding have increased (Gupta& Metzger, 2014; Gupta et al., 2018; Mun et al., 2020). CEO Characteristics, measured by sub-variables – CEO education, CEO tenure, CEO gender, CEO age, and CEO compensation – form the fulcrum of this study. Therefore, CEO Characteristics can be defined as the personal attributes of top management executives that enable them to take decisions, as it fits their worldview, for the performance and sustainability of the organisation.

2.2. Organisational Performance

Organisational performance is the result that has been achieved by an individual or some people in a firm in relation to the authority and duty in reaching the goal legally, not necessarily driven by legislations and regulations, and in compliance with the moral and ethical standards (Bouaziz et al., 2020). Organisational performance is the purpose of the capability of an organisation to manage and gain the resources

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at unique procedures to successfully come up with a competitive advantage (Ekienabor et al., 2018). Organisational performance is the accomplishment of tasks measured against predetermined or recognized standards of precision, cost, completeness, and speed. It is the satisfaction of an obligation in a way that discharges the performer from the liabilities laid down under the contract (Hansen &Mowen, 2005).

Furthermore, Golubeva (2021) posited that a firm's performance appears to be a multidimensional concept, meaning that it is composed of different theoretical and empirical components that may (or may not) be related to one another. This point is well-recognised in corporate governance (Fernandez-Temprano& Tejerina-Gaite, 2020); in management accounting (Melnyk et al., 2014), and in finance (Henri, 2004). Nonetheless, in a more recent view of organisational performance, Taouab and Issor (2019) consider successful firms as a key representative ingredient for developing nations. Many economists consider them as similar to an engine in determining the economic, social, and political development of developing nations. Therefore, to survive in a competitive business environment, every firm should operate in conditions of performance. Organisational performance is characterised by three definite areas of firm outcomes: (i) Shareholder return (total shareholder return and economic value added); (ii) Product and market performance (share, sales, market); and (iii) Financial performance (profit, return on assets and return on investment) (Ekienabor et al., 2018). Organisational performance entails the actual output or outcomes of a firm as quantified against its projected outputs (or objectives and goals) (Zor et al., 2019). Hence, organisation performance is the capability of an organization to manage and gain the resources available to it by employing unique procedures to successfully come up with a sustainable competitive advantage.

2.3. Organisation Culture

Organisation culture is a result of people's behaviours, as people outline the way an organisation looks, feels, and behaves (Mouta& Meneses, 2021). It influences the processes, outcomes, and direction of individuals and organisations to enhance their significance and relevancy (Hafit et al., 2015). Organisation culture constitutes a set of beliefs/values; and social anthropology have seen it as a framework for understanding behaviours, team orientation, innovativeness, and quality of service (Akhamiokhor et al., 2019). Organisation culture is the composition of a firm's internal environment and personality which is defined by its core values and business principles, deep-rooted behaviours, work-related practices, and styles of operation (Kansal, 2011). Organisation culture assist leadership in goal setting, expected behaviours, correction, and rewards which motivate committed workers to a common set of core values, belief, and assumptions (Chilla et al., 2014; Akhamiokhor et al., 2019).

Jaques (1951) was quick to present the term "culture" in a hierarchical setting. He distributed a report of "a contextual analysis of improvements in the public activity of one modern local area between April 1948 and November 1950." The "case" was an openly held British organisation, connected mainly in the production, dealing, and overhauling of metal courses. The reviewers were worried about the portrayal, examination, and improvement of the corporate-gathering ways of behaving. Arising from this perspective, Roscoe et al. (2019) held that when workers are enabled (representative strengthening) to go with their own choices, they are given the independence to distinguish and immediately correct hurtful exercises in an organisation's activity. For instance, representatives can be given the opportunity to recognize processes that are consuming extremely unrefined substances and proactively configure reuse projects to reduce general utilization rates (Simpson & Samson, 2010). Thus, organisation culture is defined as the shared values, beliefs, and expectations among the stakeholders of a firm.

CEO Characteristics not only impact organisational performance but some CEO Characteristics might be expected to have an influence on organisation culture (Mouta& Meneses, 2021). Organisations with strong corporate culture are more successful than those with weak corporate culture (Akhamiokhor et al., 2019; Stacho &Stachová, 2013). Therefore, a positive organisation culture enhances a firm's competitive advantage and firm performance (Klein, 2011); it provides firms with space to exploit innovation (Yilmaz &Ergan, 2008); it unleashes the creativity of employees and it motivates employees (Kansal, 2011).

2.4. Empirical Review of Literature

Recent research has seen a proliferation of studies on CEO attributes, organisation culture, and organisational performance. These studies have been carried out in a variety of contexts. Research conducted by Akhamiokhor et al. (2019) entitled "Organizational Culture, government restrictions and corporate competitiveness of merging deposit money banks in Nigeria" revealed that organizational culture significantly affected the corporate competitiveness of the surveyed banks. Gomes et al. (2018) explore the competitive strategy performance consistency in service organisations; while Mouta and Meneses (2021) investigated the effects of CEO traits on organisational culture and on the silo effect.

However, the association between business strategies and sustainable competitive advantage of banks in Port Harcourt is not significantly influenced by organization culture. Organisation culture, governmental laws, and the corporate competitiveness of merging deposit money institutions in Nigeria were investigated by Akhamiokhor et al. (2019). The findings showed that organisation culture had a substantial impact on the level of corporate competitiveness exhibited by the banks that were assessed. The impact of CEO traits on organisational culture and on the silo, effect was the subject of a study that was carried out by Mouta and Meneses (2019). The findings showed that CEO psychological characteristics, specifically conscientiousness, extraversion, and openness to experience, have an impact on organisation culture, silo mentality, sharing, and rewards. On the other hand, CEO observable characteristics, specifically age and management tenure, only influence the organisation's ability to create and

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develop informal networks; which are reflected in the way employees relate to each other in order to accomplish their work, regardless of any departmental or firm boundaries.

In addition, Gomes et al. (2018) conducted an investigation of the influence of exploring competitive strategy performance consistency in service businesses. According to the findings of this research project, it would appear that several of the service companies that were investigated are making steady progress toward the open system style of strategy, competitive tactics, and performance measurement. However, it seemed as though the majority of the service organisations that were investigated were in a condition of strategic confusion. This was due to the fact that they lacked consistency among competitive methods, performance metrics, and desired strategic orientations.

H_0: The effect of CEO Characteristics on the organisational performance is not significantly moderated by organisation culture.

2.5. Theoretical Framework

Since a company's bottom line depends on its ability to turn a profit, this research relied on the upper echelons and resource dependence theories. The upper echelon theory suggests that one's unique talents matter. According to the upper echelon's idea, executives' unique life experiences shape how they interpret strategic decision-making situations, which in turn affects their strategic choices and overall performance. Upper echelons theory predicts that when decision-making situations are complex and ambiguous, as they often are in financial institutions, individual differences among executives will be most pronounced. Managerial characteristics including level of education and years in the industry can be seen and have an effect on a bank's success (Carpenter & Sanders, 2004; Hambrick & Mason, 1984; Holger et al., 2009). According to several studies (Buyl et al., 2011; Li & Tang, 2010; Louis et al., 2010; Ng & Sears, 2012; Troy et al., 2011; Wang et al., 2011), a CEO's demographic profile is associated with better firm performance when working in tandem with the top management teams. It has been found that a CEO's level of education and experience can be used as a proxy for the company's success in making strategic decisions (Hambrick & Mason, 1984; Ng & Sears, 2012; Waldman et al., 2004; Wang et al., 2011). Wahidahwati (2018) did research to learn more about how management team traits affect the success of deposit money banks and found that qualities at the top (the board) have a significant effect.

The resource dependence theory states that financial institutions that lack necessary resources to achieve their business goals must form alliances with other financial institutions to acquire these resources (Pfeffer &Salancit, 1978; Singh et al., 2011). Pfeffer and Salancit (1978) and Singh et al. (2011) argue that the social-legal apparatus defines and limits the interaction between an organisation and its environment. Inter-organizational ties can be explained by the presence of power and dependence. The more well-off a bank is, the better its chances of winning (Malatesta & Smith, 2014). Stakeholders and CEOs have more influence over banks if they withhold a more crucial resource. Organisations fail to achieve their missions, deliver public benefit, or respond to shifting conditions because they fail to conduct frequent resource assessments (Frączkiewicz-Wronka& Szymaniec, 2012). Therefore, the bank can obtain a competitive advantage by securing environment resources that are accessible but owned by stakeholders (Frączkiewicz-Wronka, &Szymaniec, 2012) if it can effectively express its own resources.

3. METHODOLOGY

This section discusses the methodology used in conducting this study. This research adopts a quantitative approach because this study aims to investigate the moderating effect of organisational culture on the relationship between CEO Characteristics and organisational performance of listed tier-one deposit money banks in Nigeria. This study adopted a survey research design consistent with related studies of Cortes-Mejia et al. (2021), Mouta and Meneses (2021), and Phuong (2020). The population of the study consists 504 full-time top-management employees of the listed tier-one banks in Nigeria. These banks include Access Bank Plc, First Bank of Nigeria Limited (FBN Holdings Plc), Guaranty Trust Bank Plc (Guaranty Trust Holding Company Plc), United Bank for Africa Plc, and Zenith Bank Plc. These banks are fondly regarded to as FUGAZ, an acronym of their names. They are also popularly referred to as Domestic-Systemically Important Banks (D-SIBs) by the Central Bank of Nigeria (CBN), 2014; Yusuf & Tijani, 2019). Furthermore, these banks are among six domestic systemically-important banks (D-SIBs), having N25.19trillion or 62.5% of the total assets of the banking industry, 65.9% (N15.87trillion) of total industry deposits and 64.3% (N9.60 trillion) of aggregate industry credits. The sampling unit for this study comprised full-time top management employees in the categories of Assistant General Manager, Deputy General Manager, General Manager, and Executive Directors working in tier-one banks in Nigeria. The top management staff of these banks were selected as the sampling unit for the study because of their wealth of knowledge and experience which assisted them to provide the quality of information needed to enhance the originality of this study. The selection of the categories of staff as sampling units was specifically considered because of their involvement in the management of the banks and their designation as the top management team by the Central Bank of Nigeria (CBN, 2014).

In accordance with Israel (2018)and Zikmund (2000), the initial sample size of 340 was calculated using Krejcie and Morgan's (1970) table of sample size determination. A 30% attrition rate was added to arrive at 442 samples. Applying the sample size as determined by Krejcie and Morgan's (1970) table, a proportional stratified sampling technique was then used to determine the number of top management employees sampled from among the top-tier institutions by applying the sample size. A simple random sampling technique was thereafter adopted to select the respondents so that every staff across the four cadres (Assistant General Managers, Deputy General Managers, General Managers, and Executive

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Directors) had an equal chance of being selected from each of the deposit money banks.

An adapted and structured questionnaire was used to gather information from respondents. The questionnaire followed the 6-point Likert-type scale. The options as indicated in the research instrument range from Very High, High, Moderately High, Moderately Low, Low, to Very Low with scale ratings from 6 to 1 respectively. The instrument Cronbach's Alpha reliability coefficients for the constructs are CEO characteristics (0.878), Organisational performance (0.879), and Organisation culture (0.902) The hypothesis was tested by hierarchical multiple linear regression using Statistical Package for Social Sciences (SPSS) version 27.0. The following is the regression equation of this study:

OPEi = *f*(CEOCHi*OCUi)

OPEi = $\acute{\omega}_0$ + $\acute{\omega}_1$CEOCHi + ώzOCUi + ώizCEOCHi*OCUi + ε_i……..................... (equation 3.1)

Where: OPEi = Organisational performance; CEOCHi = CEO Characteristics; OCUi = Organisation Culture; CEOCHi*OCUi= Interaction between CEO Characteristics and Organisation Culture; β_0 = Constant term; $\acute{\omega}_1$ = the coefficient of variables for measuring the change in Y that is the function of the change in X; ώiz = the coefficient of moderating variables in the equations; and ε_i = the stochastic function that accounts for the errors that may arise in the equation.

4. RESULTS AND DISCUSSION

The study collected data on full-time top management employees in the categories of Assistant General Manager, Deputy General Manager, General Manager, and Executive Directors working in tier-one banks in Nigeria. The researchers distributed a total of 442 copies of the questionnaire to the respondents, out of which 381 copies were rightly filled and returned to the researcher. Therefore, the response rate of the participants to the questionnaire administered was 86.2%. The analysis was conducted by using the hierarchical multiple regression analysis at a 5% level of significance. The analysis involved entering variables in steps. In the first step, organisational performance was regressed on CEO Characteristics. In the second step, the moderating variable, organisation culture, was entered in the model. In the third step, the interaction term was added to the model. The regression outputs were checked to determine if there was a significant change in *R* squared which could be attributed to the interaction effect of CEO Characteristics and organisation culture. The results of the analysis were presented in Table 1.

Table1: Summary of Hierarchical Regression Analysis for effect of Effect of CEO Characteristics on the Organisational Performance as moderated by Organisation Culture

(a) Model Summary

					Change Statistics				
Model	*R*	*R* Square	Adjusted *R* Square	Std. Error of the Estimate	*R* Square Change	*F* Change	*df*1	*df*2	Sig. *F* Change
1	.939[a]	.882	.882	1.58311	.882	2833.752	1	379	.000
2	.955[b]	.911	.911	1.37497	.029	124.431	1	378	.000
3	.955[c]	.913	.912	1.36466	.002	6.735	1	377	.010

a. Predictors: (Constant), CEO Characteristics

b. Predictors: (Constant), CEO Characteristics, Organisation Culture

c. Predictors: (Constant), CEO Characteristics, Organisation Culture, CEOCH_CC*OCt_CC

d. Dependent Variable: Organisational Performance

(b) ANOVA

Model		Sum of Squares	*df*	Mean Square	*F*	Sig.
1	Regression	7102.095	1	7102.095	2833.752	.000[b]
	Residual	949.869	379	2.506		
	Total	8051.965	380			
2	Regression	7337.338	2	3668.669	1940.534	.000[c]
	Residual	714.626	378	1.891		
	Total	8051.965	380			
3	Regression	7349.881	3	2449.960	1315.562	.000[d]
	Residual	702.084	377	1.862		
	Total	8051.965	380			

a. Dependent Variable: Organisational Performance

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b. Predictors: (Constant), CEO Characteristics
c. Predictors: (Constant), CEO Characteristics, Organisation Culture
d. Predictors: (Constant), CEO Characteristics, Organisation Culture, CEOCH*OCU

(c) Coefficients[a]

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	T	Sig.
1	(Constant)	-1.842	.339		-5.432	.000
	CEO Characteristics	2.357	.044	.939	53.233	.000
2	(Constant)	-.915	.306		-2.989	.003
	CEO Characteristics	1.511	.085	.602	17.748	.000
	Organisation Culture	.332	.030	.378	11.155	.000
3	(Constant)	-.193	.412		-.468	.640
	CEO Characteristics	1.478	.085	.589	17.306	.000
	Organisation Culture	.317	.030	.362	10.566	.000
	CEOCH*OCU	-.029	.011	-.049	-2.595	.010

a. Dependent Variable: Organisational Performance
Source: Field Survey Data

In step one, CEO Characteristics dimensions was regressed on organisational performance of listed deposit money banks. The findings in Table 4.1(a) show the result of hierarchical regression analysis for Model 1 when only CEO Characteristics and organisational performance of listed deposit money banks in Nigeria. The equation model (R = 0.939, R^2= 0.882, Adjusted R^2 = 0.882, p = 0.000<0.05, $R^2\Delta$ = 0.882) indicated that CEO Characteristics accounts for 88.2% of the variability in organisational performance of listed deposit money banks. Furthermore, table 4.1a shows beta coefficient, β, as 2.357, p < 0.05 when CEO Characteristics dimensions is in the model. These results indicated that for every unit increase in CEO Characteristics, organisational performance of listed deposit money banks increased by 2.357. The overall model was also significant (F (1,379)= 2833.752, p< 0.05) as evident from Table 4.1(b).

The introduction of the moderator (organisation culture) in Model 2 significantly improved the effect of CEO Characteristics on organisational performance of listed deposit money banks in Nigeria (R= 0.955, R^2 = 0.911, Adjusted R^2 = 0.911, p =0.000<0.05, $R^2\Delta$ = 0.029). This means that CEO Characteristics and organisation culture explained about 91.1% of the variation in organisational performance of listed deposit money banks as against the 91.1% changes that occurs when only CEO Characteristics dimensions was regressed against organisational performance. The F value is statistically significant (F (2, 378)=1940.534, p < 0.05) and it shows that the influence of the independent variable and the moderator were significant in the model as seen from Table 4.1b. In addition, Table 4.1(c) shows the beta coefficients of CEO Characteristics (β = 1.511, p < 0.05) and organisation culture (β = 0.332, p < 0.05); that is for every unit increase in CEO Characteristics and organisation culture, organisational performance of the listed deposit money banks increases by 1.511 and increases by 0.322 respectively.

Model 3 of the hierarchical regression analysis showed how the moderating effect of organisation culture affected the relationship between CEO Characteristics and organisational performance of listed deposit money banks in Nigeria. The results in Table 4.1a (Model 3) provides values of co-efficient of multiple correlation, R = 0.955 and a co-efficient of determination, R^2 = 0.913 when CEO Characteristics and organisational performance was moderated by organisation culture. This shows an improvement as against a R value of 0.955 and an R^2 of 0.912. The co-efficient of multiple correlations (0.912) revealed that a very strong relationship exists between the independent variable, the moderating variable, and the dependent variable. Furthermore, the co-efficient of determination indicates that about 91.2% variance in organisational performance is jointly explained by the CEO Characteristics, organisation culture, and the interaction term (CEO Characteristics*organisational culture), while other factors not studied in this research work contributes the remaining 8.8%.

Model 3 also further showed the changes that occurred when the interaction term was introduced. All CEO Characteristics, organisation culture, and the interaction term were entered in the regression model. The results under change statistics reveal that the R^2 change increased by 0.002 from 0.911 to 0.912 ($R^2\Delta$ = 0.002) when the interaction variable (CEO Characteristics* organisational culture) was added. The change was statistically significant at p =0.000 (p-value<0.05). The results show statistically significant relationship between CEO Characteristics, organisation culture, and the interaction term (F (3,377) = 1315.562, p< 0.05). Table 4.1(b) reveals the F statistics changed from 1940.534to 1315.562 ($F\Delta$ = 6.735) showing an increase when interaction term was added. The F ratio shows that the regression of CEO Characteristics and organisation culture on organisational performance of the listed deposit money banks is statistically significant.

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The results in Model 1 Table 1(a) (for step one) showed statistically significant regression coefficients for CEO Characteristics (β=2.357, p < 0.05) indicating that there is a linear dependence between CEO Characteristics and organisational performance of listed deposit money banks. In Model 2, CEO Characteristics and organisational culture was statistically significant [CEO Characteristics (β = 1.511, p < 0.05) and organisation culture (β = 0.332, p < 0.05)]. In Model 3, CEO Characteristics, organisation culture, and the interaction effect were still statistically significant ([CEO Characteristics (β = 1.478, p < 0.05); organisation culture (β = 0.317, p < 0.05, interaction term (β = -0.029, p < 0.05)].

When interaction term was introduced, the beta coefficient, β, was -0.029 meaning that for every unit change in interaction term, organisational performance of the listed deposit money banks decreases by 0.029. Furthermore, it is statistically significant. The results suggest that organisation culture has a negative and statistically significant moderating effect on the relationship between CEO Characteristics and organisational performance of the listed deposit money banks in Nigeria. The confirmed regression equation from the results is stated as follows:

OPEi = -.193 + 1.478CEOCHi + 0.317OCUi - 0.029(CEOCHi*OCUi) ----------Eqn. 4.1

Where:OPE = Organisational performance; CEOCH = CEO Characteristics; OCU = Organisation culture; CEOCH*OCU = The interaction of CEO Characteristics and organisation culture

The results indicated that organisation culture has a negative significant effect on the relationship between CEO Characteristics and organisational performance of the listed deposit money banks in Nigeria. Based on these findings, the null hypothesis which states that the effect of CEO Characteristics on the organisational performance is not significantly moderated by organisation culture was rejected.

DISCUSSION OF FINDINGS

The hypothesis of the study states that the effect of CEO Characteristics on the organisational performance is not significantly moderated by organisation culture. After carrying out the test of the stated hypothesis, the null hypothesis was rejected and it is concluded that indeed, the effect of CEO Characteristics on the organisational performance of listed deposit money banks in Nigeria is significantly moderated by organisation culture. Specifically, the relationship between CEO Characteristics and organisational performance is influenced by the presence of organisation culture with a negative coefficient (-0.029). The negative coefficient suggests that the moderating effect of organisational culture on the relationship is negative. This result goes to show that if the organisation culture is not aligned with the favorable CEO Characteristics, it can diminish the positive impact of CEO Characteristics on performance. Management should ensure that there is a harmonious alignment between CEO Characteristics and the organization culture to maximize performance. This result corroborates the findings of Akhamiokhor et al. (2019) who examined Organizational culture, governmental laws, and the corporate competitiveness of merging deposit money institutions in Nigeria and found that organisational culture had a substantial impact on the level of corporate competitiveness exhibited by the banks that were assessed. Similarly, the findings aligned with that of Mouta and Meneses (2019) who studied the impact of CEO traits on organisation culture and on the silo in which the results showed that CEO psychological characteristics, specifically conscientiousness, extraversion, and openness to experience, have an impact on organisation culture, silo mentality, sharing, and rewards; while CEO observable characteristics, specifically age and management tenure, only influence the organization's ability to create and develop informal networks. In addition, Gomes et al. (2018) conducted an investigation of the influence of exploring competitive strategy performance consistency in service businesses. According to the findings of this research project, it would appear that several of the service companies that were investigated are making steady progress toward the open system style of strategy, competitive tactics, and performance measurement. The study of Kashmiri, et al. (2016), also reported similar findings of a much lower level of mergers and acquisitions activity is linked to greater levels of social standing. In particular, having a high ascribed status is associated with a 30% lower number of mergers and acquisitions activity in comparison to CEOs with marginal status.

5. CONCLUSION AND RECOMMENDATIONS

The study looked at effect of CEO Characteristics on organisational performance of listed tier-one deposit money banks in Nigeria and the role plays by organisation culture in determining the relationship between CEO characteristics on organisational performance of listed tier-one deposit money banks in Nigeria. The Chief Executive Officer (CEO) holds a pivotal role in corporate governance, wielding significant decision-making power within the organization. With their substantial authority and influence, CEOs play a crucial part in shaping strategic choices and driving corporate decision-making processes. The Upper Echelons Theory emphasizes the importance of top executives in firm performance, suggesting that their characteristics can impact performance through strategic decision-making. As strategic choices involve complex considerations and require cognitive skills, reflection, and personal values, CEO attributes become crucial determinants of organisational performance. A growing body of research supports this theory, demonstrating empirical associations between CEO-specific traits and corporate outcomes. Additionally, a supportive organisation culture acts as a motivational tool, enabling CEOs to operate effectively and leading to improved productivity. Recognizing and understanding an organisation's cultural traits provides a foundation for enhancing operational efficiency and overall performance. Unfortunately, organisation culture in majority of deposit money banks often gets overlooked during strategic decision-makings by the CEO, with attention instead directed towards activities that may have minimal or no positive

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impact on performance. The study, therefore, concludes that organisation culture plays a negative significant role in influencing the relationship between CEO Characteristics and organizational performance of listed tier-one deposit money banks in Nigeria. Based on the findings from this study, the researchers recommended that management of Deposit Money Banks in Nigeria should adopt CEO Characteristics strategy to enhance people capabilities and organisational performance through improved organisation culture. Furthermore, CEOs should control how banks create their strategies and give meaning and direction to their employees' work. This will in turn leads improvement in the banks' performance.

6. SUGGESTION FOR FURTHER STUDY

The scope of this study was limited to listed tier-one deposit money banks in Nigeria, which resulted in a limited sample size from the population. To address this limitation, future research could benefit from a larger sample encompassing a broader range of banks and employing a more targeted instrument to validate respondents' perceptions regarding managerial characteristics, organizational performance, and organization culture. Additionally, to enhance the robustness of the findings, it is recommended that this study be replicated in other sectors, such as automotive, healthcare, or manufacturing.

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