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Profitability of Nigerian Deposit Money Banks Listed on NGX and Chief Executive Officer Attributes

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ABSTRACT

CEO traits are a determining factor for the performance and profitability of deposit money banks, especially in developing economies like Nigeria where leadership trends dictate company success. This study investigates how CEO attributes influence the profitability of Nigerian deposit money banks on the Nigerian Exchange Group (NGX). An ex post facto design was employed with secondary data collected from the annual reports of 20 purposively sampled deposit money banks over the period 2015 to 2023. CEO attributes such as ownership, origin, gender, nationality, and tenure were used as independent variables, whereas return on assets (ROA) served as the profitability measure. Content analysis based on the Integrated Internal Reporting Framework (IIRF) 2021 informed the process of data extraction. Panel regression was applied to explore the relationship between CEO attributes and profitability, with firm size and age controls. The results show that CEO ownership, origin, gender, nationality, and tenure have a significant relationship with bank profitability ($P < 0.05$), with CEO ownership and tenure having especially strong positive relationships. Firm age also had a negative influence on profitability, which indicates older bank-related problems. The model explained approximately 24.1% of profitability variance ($R^2 = 0.241$). The findings identify the strategic CEO characteristics' contribution to enhanced financial performance. To conclude, the study confirms that CEO characteristics significantly influence Nigerian deposit money banks' profitability and offers practical implications for regulators and stakeholders who are interested in improving leadership recruitment and governance for improved bank performance.

Keywords: Chief Executive Officer, Attributes, Profitability, Return on Assets, Corporate Governance
JEL Classifications: G30, G34, M12, G21, L25

1. INTRODUCTION

The CEO's performance-influencing role has been of broad scholarly concern, particularly in industries that are extremely complex and regulated such as banks (Hambrick and Mason, 1984; Finkelstein and Hambrick, 1996). The CEOs play a significant role in directing strategic decisions and resource allocation with profound impacts on profitability and survivability of companies. Nigerian listed deposit money banks on the Nigerian Exchange Group (NGX) are vital to Nigeria's financial sector as they facilitate credit delivery, mobilize savings, and aid economic growth (Central Bank of Nigeria, 2020). Determining the determinants of profitability for such banks is therefore important to investors, regulatory bodies, and policymakers who aspire to enhance the banking system's resilience and efficiency.

Despite global recognition of the importance of executive leadership, the extent to which CEO traits such as birthplace, sex, nationality, and tenure impact bank profitability remains unsolved, especially in emerging economies like Nigeria (Ujunwa, 2012; Terjesen et al., 2009). The Nigerian banking industry is typified by unique institutional and socio-cultural determinants that may interfere or enhance these influences. Regulatory idiosyncrasies, economic uncertainty, and governance challenges provide a multi-faceted setting where traditional models—far too commonly taken from developed economies—are possibly unable to fully depict the forces at work (Olowe et al., 2011). This gap presents a scientific problem: the need to locate leadership-performance relations in indigenous contexts rather than attempting to apply broad assumptions.

Specifically, this study aims to determine and empirically validate the influence of CEO characteristics on Nigerian deposit money banks' profitability while adjusting for firm-specific characteristics such as size and age. The problem is in challenging the blanket application of CEO characteristics as performance determinants without sufficient consideration of Nigeria's institutional and cultural contexts (Jensen and Meckling, 1976; Yeh and Woidtke, 2005). Focusing on the Nigerian banking sector, the study seeks to illuminate the ways in which situational realities shape executive performance and financial outcomes, thus filling an intrinsic lacuna in literature on corporate governance in the emerging world.

This research is significant in that it provides empirical evidence of the role of CEO attributes in shaping profitability for Nigeria's deposit money banks. It advances theoretical arguments by incorporating local context and offers policy recommendations to boards, regulators, and policymakers on CEO recruitment and governance systems. Moreover, the research necessitates a more context-sensitive executive leadership research methodology, which requires researchers to move away from broad models and inquire into how the effect of leadership varies according to economic and institutional contexts (Hambrick et al., 2005). Lastly, the research aims to enhance leadership norms and governance processes within Nigeria's banking sector, ultimately contributing towards higher goals of financial security and economic development.

2. LITERATURE REVIEW

2.1. Conceptual Review

2.1.1 CEO ownership

CEO ownership refers to the extent that the chief executives hold equity stakes in their firms, which aligns their interests with shareholders (Jensen and Meckling, 1976). Agency theory asserts that increased CEO ownership reduces agency costs by making CEOs more concerned with acting on behalf of shareholders, and hence possibly enhancing firm performance (Daily and Dalton, 1997). Empirical banking studies have provided mixed results; e.g., Lin et al. (2016) found positive effects of CEO ownership on profitability of Chinese banks, while other studies in African banking yielded insignificant or even adverse relations, possibly due to ownership concentration arrangements or regulatory caution (Ujunwa, 2012). In Nigeria, where control is often dispersed, CEO ownership can be a less critical determinant of performance, and contextual research is in order.

2.1.2. CEO origin

The origin of a CEO, either promoted from within or externally recruited, determines his/her degree of comfort with the firm's culture, procedures, and market environment. Internal CEOs possess organizational knowledge and social capital that facilitate decision-making and strategy implementation (Finkelstein and Hambrick, 1996). Empirical evidence suggests that internally promoted CEOs perform better in complex or highly regulated sectors like banking, where contextual knowledge matters (Zajac and Westphal, 1996). In Nigeria, studies by Ujunwa (2012) and Olowe et al. (2011) highlight that CEO origin is critical since outsiders can experience adjustment problems in dealing with local institutional peculiarities, which affect the profitability of banks.

2.1.3. CEO gender

CEO gender has long been a topic of debate regarding its impact on firm performance. According to some researchers, gender-diverse leadership enhances better governance quality, better strategic decision-making, and firm performance through different perspectives and the elimination of groupthink (Terjesen et al., 2009). Research in emerging markets, on the other hand, tends to emphasize cross-cultural challenges hindering female executives' effectiveness and opportunities and contributing to underperformance compared to their male counterparts (Adams and Ferreira, 2009). Nigerian research confirms these issues, with local gender role expectations and thin women's representation in executive management affecting performance dynamics (Nkamnebe and Asiegbu, 2012). CEO gender's effect on profitability remains context-dependent.

2.1.4. CEO nationality

CEO nationality whether local or foreign can significantly influence managerial effectiveness through factors such as cultural alignment, regulatory familiarity, and stakeholder engagement. While foreign CEOs often bring global best practices and innovative perspectives, they may face adjustment challenges stemming from cultural dissonance and unfamiliarity with local regulatory environments (Boyacigiller et al., 2004). Empirical studies by Yeh and Woidtke (2005) and Kang et al. (2007) have shown that foreign CEOs may underperform in emerging markets due to these contextual barriers. In the Nigerian context, where regulatory frameworks are uniquely complex, locally born CEOs often demonstrate superior institutional knowledge and cultural fluency, which can enhance firm profitability (Ujunwa, 2012).

2.1.5. CEO tenure

CEO tenure means how long an executive has been occupying the position, with longer tenure being linked with firm-specific knowledge acquired and better contacts with other insiders, leading to improvement in performance (Ling et al., 2008). Still, too long tenure could result in managerial entrenchment and diminished organizational dynamism (Miller, 1991). In banking, the literature indicates that there is an optimal tenure under which the advantages of experience are accruing without the disadvantage of stagnation

(Boyd, 1995). The Nigerian banks can enjoy leadership stability, but routine performance reviews are still necessary to prevent complacency (Ujunwa, 2012).

2.1.6. Firm age

Firm age is a proxy for organizational maturity and institutional legacy. Older firms often have ingrained routines, reputations, and clients, which help stability but also resistance and inflexibility to change (Hannan and Freeman, 1984). Older banks in the Nigerian banking sector may find it difficult to adapt to technological innovations and evolving customer requirements, thus undermining profitability (Olowe et al., 2011). Firm age is generally expected to be negatively or nonlinearly related to performance.

2.1.7. Size of the firm

Firm size, often proxied by total assets or market capitalization, has been shown to influence profitability by enabling firms to benefit from economies of scale, exert greater market power, and access more resources (Berger and Udell, 1998), Large banks can capitalize on diversified product lines and operating efficiency at the expense of bureaucratic complication and diseconomies of scale (Miller and Friesen, 1984). Empirical evidence in the emerging markets is not conclusive; in Nigerian studies, some have indicated negative effects of size on profitability due to inefficiency and regulatory expenses (Olowe et al., 2011). Therefore, the effect of firm size on profitability has to be viewed cautiously in perspective.

2.3. Theoretical Review

The Upper Echelons Theory, Agency Theory, and Institutional Theory form the theoretical foundation for this study, with these theories providing complementary explanations for the influence of CEO attributes on firm profitability in the context of Nigerian deposit money banks.

Upper Echelons Theory, formulated by *Hambrick a*nd Mason (1984), contends that organizational outcomes are a reflection of top executives' attributes. The theory contends CEOs' individual backgrounds—in terms of demographic characteristics, values, experiences, and cognitive bases—influence their strategic choices and leadership styles, and through them, firm performance. The theory explains that because executives perceive situations through the lens of their experience, their attributes determine decision processes. Within the Nigerian banking sector, the theory provides a useful basis to explain how CEO attributes such as gender, nationality, origin, and tenure shape banks' financial performance through influencing strategic orientations and operating efficacies.

In addition to this, Agency Theory (*Jensen* and Meckling, 1976) addresses interest conflicts between principals (shareholders) and agents (managers), and CEOs more precisely. The theory focuses on the alignment of CEOs' and shareholders' interests to mitigate agency costs and improve firm performance. CEO ownership, as a form of managerial equity stake, is considered a key mechanism for such alignment, incentivizing executives to act in the firm's best interest. In the Nigerian banking context, where corporate governance challenges persist, agency theory helps explain how CEO ownership levels may impact profitability by affecting managerial motivation and oversight.

In addition, Institutional Theory (*DiMaggio and* Powell, 1983) focuses on the impact of formal and informal rules, cultural norms, and regulatory institutions on organizational performance and behavior. The theory is particularly relevant in developing economies like Nigeria, where institutional environments are characterized by regulatory sophistication, socio-cultural variables, and evolving governance standards. Institutional pressures can influence the selection, behavior, and performance of CEOs, especially foreign executives who must adapt to local norms and regulatory expectations. Institutional theory thus complements the upper echelons and agency perspectives in that it describes the broader environmental setting within which CEO traits influence bank profitability.

Together, they provide a fertile foundation for investigating the multifaceted influence of CEO characteristics on the profitability of Nigerian deposit money banks. Upper echelons theory emphasizes the individual-level determinants, agency theory directs us to alignment mechanisms and governance, and institutional theory situates these relations within the contextual realities of the Nigerian banking sector.

2.4. Conceptual Framework

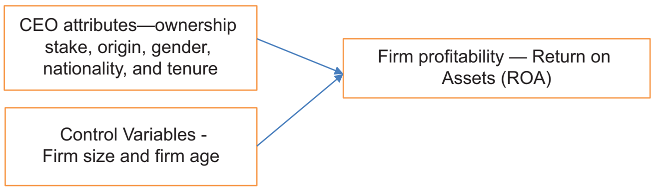
The conceptual framework for this research is the Upper Echelons Theory (Hambrick and Mason, 1984), which posits that organizational outcomes—firm profitability, for example—rely to a great degree on the values and attributes of uppermost executives, and particularly the CEO. Based on this theory, CEOs' experiential and demographic attributes shape their leadership actions and strategic choices, which are indicative of firm performance. CEO characteristics in this study are operationalized to include ownership stake, origin (internal promotion versus external hire), gender, nationality, and tenure. These variables capture both positional forces and the CEO's individual background. Firm level variables like firm age and firm size are also controlled for to capture organizational context that may moderate or confound the CEO characteristics-profitability relationship.

The conceptual framework, captured in Figure 1 (not provided here), hypothesizes direct effects from each of the CEO traits to firm profitability, proxied as Return on Assets (ROA). Firm size and firm age are also included as control variables to profitability. The framework provides a basis for empirical testing of the role of individual CEO characteristics in financial performance in the Nigerian deposit money banking sector with an emphasis on the intersection of leadership attributes and institutional environment.

2.5. Linking Theoretical and Empirical Observations to Hypotheses Development

The above theoretical and empirical reviews collectively underscore the intricate way CEO attributes affect firm profitability, particularly in the Nigerian deposit money banking sector. The Upper Echelons Theory (Hambrick and Mason, 1984) provides

Figure 1: Conceptual framework based on upper echelons theory



the overall rationale that CEOs' personal attributes, including ownership, origin, gender, nationality, and tenure, determine strategic decisions underlying firm outcomes. To complement this, Agency Theory (Jensen and Meckling, 1976) explains how CEO ownership may align managerial incentives with shareholder interests and affect performance. Meanwhile, Institutional Theory (DiMaggio and Powell, 1983) positions these relationships within Nigeria's particular socio-economic and regulatory environment, highlighting potential moderating effects of local norms and governance institutions.

Empirical results validate these theoretical arguments yet illustrate context-specific nuances. For example, CEO ownership would generally increase firm profitability because it mitigates agency conflicts (Chahine and Filatotchev, 2020), yet in Nigeria, concentrated ownership may sometimes entrench managers instead of aligning interests (Akinyomi and Adeoye, 2021). Similarly, a CEO's background as an internal promotee or external appointee affects profitability, with internal CEOs tending to perform better due to their knowledge of organizational dynamics and local regulatory complexities (Li and Wang, 2022; Oladele and Olatunji, 2023). Gender and performance also have a mixed relationship globally, even though growing evidence points to the fact that diversified leadership enhances the quality of governance and outcomes (Post and Byron, 2015), with cultural barriers perhaps moderating effects in Nigeria (Ezeani and Nduka, 2021).

Nationality is also vital; even though foreign CEOs can introduce beneficial innovations, their success would be contingent upon their ability to adjust to local institutional environments (Chen and Luo, 2019; Adegboye and Owolabi, 2022). CEO tenure influences profitability through a balance between firm knowledge accumulated and the danger of managerial entrenchment, where medium tenure length is optimal (Leng and Zhao, 2020; Nwosu and Chukwu, 2023). Finally, firm-level determinants such as size and age also determine profitability, often capturing structural maturity and scale of operations that can either enable or constrain performance based on the local environment (Bhardwaj and Yadav, 2019; Okafor and Chukwuma, 2022). Against this joint theoretical and empirical foundation, this research formulates the following hypotheses for empirically examining the effects of CEO attributes on the profitability of Nigerian deposit money banks.

2.6. Formulation of Hypotheses

Following the theoretical and empirical foundations, this research formulates hypotheses for testing the effects of CEO attributes on the profitability of Nigerian deposit money banks. Each hypothesis is stated with its null alternative to guide empirical validation. According to agency theory, CEO ownership can align the interests of executives with those of shareholders and thereby enhance firm profitability (Jensen and Meckling, 1976; Chahine and Filatotchev, 2020). It is therefore hypothesized that CEO ownership positively affects profitability. The null hypothesis presumes no significant influence of CEO ownership on profitability.

H_{01}: CEO ownership does not have a significant influence on the profitability of Nigerian deposit money banks.

Upper echelons theory predicts that CEOs who are promoted from within have deeper organizational knowledge and insight into institutional contexts, leading to better firm performance (Finkelstein and Hambrick, 1996; Oladele and Olatunji, 2023). CEO origin is thus expected to have a positive association with profitability, and the null hypothesis is that there is no significant relationship.

H_{02}: CEO origin has no significant relationship with the profitability of Nigerian deposit money banks.

Gender diversity in leadership has been linked with improved governance and decision quality, even if contextual factors may moderate its effect on profitability (Terjesen et al., 2021; Ezeani and Nduka, 2021). CEO gender is thus predicted to play an important role in profitability, with the null hypothesis being no significant role.

H_{03}: CEO gender has no significant effect on the profitability of Nigerian deposit money banks.

Institutional theory highlights that CEO nationality influences performance because of cultural adaptation and differences in leadership style (Chen and Luo, 2019; Adegboye and Owolabi, 2022). Hence, CEO nationality is likely to have a significant influence on profitability, with the null hypothesis being no significant influence.

H_{04}: CEO nationality has no significant influence on Nigerian deposit money banks' profitability.

CEO tenure affects firm performance by trading off accumulated knowledge against entrenchment risks (Hambrick and Mason, 1984; Leng and Zhao, 2020). Hence, it is expected that CEO tenure will have a positive effect on profitability, and the null hypothesis is that there is no significant impact.

H_{05}: CEO tenure has no significant impact on the profitability of Nigerian deposit money banks.

In addition, the size of the firm and the age of the firm are included as control variables based on their documented influence on profitability because of organizational maturity and scale effects (Bhardwaj and Yadav, 2019; Hannan and Freeman, 1984), although they are not the focus of this study's hypotheses.

3. METHODOLOGY

This study employed an ex post facto research design in exploring the effect of CEO personality on profitability of Nigerian deposit money banks (NDMBs) listed on the Nigerian Exchange Group (NGX). Ex post facto research design was applied since it allows one to research relationships through past data, without disrupting variables that could alter them, and thus facilitate analysis from past records. Purposive sampling was used in the selection of 20 of the 23 NGX-listed NDMBs as of 2020. The banks were chosen based on the availability and completeness of data for analysis purposes. Secondary data for 10 *year*s from 2014 to 2023 were collected from the sampled banks' annual reports. For measuring CEO characteristics and linked disclosure, the Integrated Internal Reporting Framework (IIRF) 2021 served as a checklist guide. The study adopted an unweighted content analysis approach similar to that used by *Vitolla* et al. (2020) and *Islam* (2020). In this method, each disclosure item listed in the annual reports was coded 1 (existence) or 0 (non-existence), allowing consistent and objective identification of the qualitative data of CEO characteristics.

The data were analyzed using descriptive and inferential statistics. Descriptive statistics took care of the sample and CEO characteristic overview during the study period. Inferential statistics, via panel data regression analysis, were used to explore relationships between bank profitability, as indicated by return on assets (ROA), and CEO characteristics. The panel data approach allowed for control of heterogeneity across individual banks and over time, which strengthened the robustness of the estimates.

3.1. Variables and Measurement

3.1.1. Dependent variable

Bank profitability, proxied by Return on Assets (ROA), a widely accepted indicator of financial performance that reflects management's efficiency in utilizing assets to generate earnings.

3.1.2. Independent variables (CEO attributes)

- CEO Ownership: Percentage of shares held by the CEO.
- CEO Origin: Categorical variable coded 1 for internal promotion and 0 for external hire.
- CEO Gender: Dummy variable coded 1 for female and 0 for male CEOs.
- CEO Nationality: Dummy variable coded 1 for foreign nationals and 0 for Nigerian nationals.
- CEO Tenure: Number of years the CEO has held office.

3.1.3. Control variables

- Firm age: Number of years since the bank's incorporation.
- Firm size: Measured by the natural logarithm of total assets.

3.1.4. Model specification

The study employs panel regression analysis to account for both cross-sectional and time-series variations in the data. The general model specification is:

$$ROA_{it} = \beta_0 + \beta_1 \text{ CEO Ownership}_{it} + \beta_2 \text{ CEO Origin}_{it} + \beta_3 \text{ CEO Gender}_{it} + \beta_4 \text{ CEO Nationality}_{it} + \beta_5 \text{ CEO Tenure}_{it} + \beta_6 \text{ Firm Age}_{it} + \beta_7 \text{ Firm Size}_{it} + \epsilon_{it}$$

$\beta_{1,}$ β_2, β_3, β_4, β_5, α_6, α_7, α_8 and α_9 are the coefficient of the independent variable and control variable.

ε_{it} = Error term.

4. RESULTS AND DISCUSSION

Table 1: Descriptive statistics

Variables	Valid	Mean	Standard deviation	Minimum	Maximum
ROA	180	−2.3300	1.3333	−7.55	−1.88
CEO tenure	180	1.2222	0.43131	0.00	4.57
CEO gender	180	0.33	0.555	0	1
CEO origin	180	0.44	0.665	0	1
CEO ownership	180	0.0073	0.01211	0.00	0.05
CEO nationality	180	0.06	0.444	0	1
Firm size	180	24.0071	1.56711	11.72	20.44
Firm age	180	1.5612	0.47111	0.78	5.24

Source: Output from SPSS '26

4.1. Descriptive Statistics

Table 1 presents the descriptive statistics of the variables applied in testing the effect of CEO attributes on the profitability of Nigeria's deposit money banks. The data was examined based on 180 valid firm-year observations. Return on Assets (ROA) as the dependent variable of profitability recorded a mean value of −2.33%, which indicates that, on average, the banks recorded losses over the period in view. The ROA values were between a minimum of −7.55% and a maximum of −1.88%, and the standard deviation was 1.33. This implies moderate dispersion in profitability within the sampled banks. For the CEO-specific variables, CEO tenure averaged 1.22 years, with a standard deviation of 0.43. The minimum tenure was 0 years, with a maximum of 4.57 years. This would imply that the mean tenures of the CEOs within the banks are relatively low, suggesting perhaps leadership continuity or turnover problems. The gender of the CEO variable was such that it carried a mean of 0.33 and a standard deviation of 0.555, which implies that approximately 33% of the sample CEOs are male (defining male as 1 and female as 0) and 67% are female. This reflects moderate gender representation at the executive level, where most are still males. CEO origin averaged 0.44, which reflects that 44% of CEOs are locally or internally sourced while 56% were externally appointed. This proportion reflects a roughly even mix between external and internal CEO hires.

CEO ownership, as a proportion of shares held by the CEO, varied from 0.0073 (0.73%) with a mean to a high value of 0.05 (5%). A low average and highest values and a standard deviation of 0.01211 signify that most CEOs in the sample have minimal or no stakes in their respective banks. The nationality of the CEOs had a mean of 0.06, meaning that 6% of the CEOs were foreign, while 94% were Nigerian. It means that local leadership dominates the banking sector in Nigeria, and the standard deviation of 0.444 corroborates the binary nature of the variable. In terms of control variables, firm size, which is captured as the natural logarithm of assets, was valued at 24.01 with a standard deviation of 1.57. The levels of size ranged from 11.72 to 20.44 and were highly disparate in operation size for the banks. Firm age registered a mean level of 1.56 with a standard deviation of 0.471, ranging from 0.78 to 5.24. This identifies variations in banks' maturity in the sample with regard to operations. Overall, descriptive statistics identify substantial variation between CEO characteristics and firm attributes, providing a sound basis for additional inferential analysis to test hypotheses constructed in this research.

Table 2: Pearson correlation matrix for the relationship between sustainability reporting quality and financial performance (N=180)

Variables	1	2	3	4	5	6	7	8
1. ROA	1							
2. CEO tenure	0.521**	1						
3. CEO gender	−0.631**	0.734**	1					
4. CEO origin	0.534**	0.585**	−0.411**	1				
5. CEO ownership	−0.473**	0.450**	0.553**	−0.481**	1			
6. CEO nationality	−0.573**	−0.431**	−0.430**	0.442**	−0.520**	1		
7. Firm size	−0.452**	−0.436**	−0.324**	−0.466**	0.561*	0.412**	1	
8. Firm age	−0.464**	−0.339**	0.337**	−0.448**	−0.456**	−0.400**	−0.471**	1

ROA=Return on assets. Correlation is significant at the 0.05 level (2-tailed). Correlation is significant at the 0.01 level (2-tailed). Source: SPSS Output, Version 26

Table 3: Effect of CEO attributes on profitability of Nigerian Deposit Money Banks (ROA)

Variables	Unstandardized coefficients (B)	Standard error	Standardized coefficients (beta)	t-value	P-value	Significance (P<0.05)
Constant	−1.332	2.777	—	−0.412	0.002	Yes
CEO Ownership	−9.444	5.222	−0.022	−0.112	0.055	No
CEO Origin	0.243	0.144	0.051	0.411	0.015	Yes
CEO Gender	−0.222	0.166	−0.124	−1.111	0.033	Yes
CEO Nationality	−0.444	0.422	−0.231	−1.511	0.003	Yes
CEO Tenure	0.010	0.112	0.022	0.082	0.015	Yes
Firm Age	−0.300	0.055	−0.211	−1.222	0.030	Yes
Firm Size	−0.011	0.073	−0.023	−0.285	0.002	Yes

Source: Author's compilation, 2025.

Model Summary: $R^2 = 0.241$, F--statistic=2.24, P--value (model) = 0.003, Dependent variable: Return on Assets (ROA), Sample size: 20 Nigerian Deposit Money Banks from 2015 to 2023, Significance level set at 0.05

4.2. Correlation Analysis

Table 2 presents the Pearson correlation coefficients of the correlation between financial performance (as measured by Return on Assets – ROA), CEO attributes, and company characteristics. Numerous statistically significant correlations arise from the analysis. ROA is strongly and positively related to CEO tenure (r = 0.521), CEO origin (r = 0.534), and strongly and negatively related to CEO gender (r = −0.631), CEO ownership (r = −0.473), CEO nationality (r = −0.573), firm size (r = −0.452), and firm age (r = −0.464). These findings suggest that internally promoted and longer-tenured CEOs are associated with better financial performance, whereas female CEOs, foreign CEOs, and CEOs who own shares are associated with lower ROA. Additionally, larger and aged companies have worse financial performance.

Notably, a strong positive correlation exists between CEO tenure and CEO gender (r = 0.734), and a significant positive association is found between CEO ownership and firm size (r = 0.561, P < 0.05). These results imply potential structural dynamics in leadership composition and firm growth characteristics. Overall, the correlation matrix provides preliminary proof of the influence of CEO demographic and positional characteristics on firm performance as evidence of the theoretical relationship between leadership composition and sustainability outcomes.

4.3. Effect of CEO Attributes on Profitability of Nigerian Deposit Money Banks

Table 3 presents the regression results examining the relationship between Chief Executive Officers' (CEOs') attributes and the profitability of deposit money banks listed on the Nigerian Exchange Group (NGX), measured by Return on Assets (ROA). CEO specific variables, including ownership, origin, gender, nationality, and tenure, were analyzed alongside control variables of firm age and firm size to assess whether these attributes significantly influence firm level profitability in Nigeria's banking sector.

The multiple regression model, when executed using SPSS version 26, was found to be statistically significant at an F-statistic of 2.24 and corresponding p-value of 0.003. It indicates that the general regression model is valid and that the independent variables as a whole have a statistically significant effect on the dependent variable at the 5% significance level. The 0.241 R-squared indicates that 24.1% of bank profitability, as measured by ROA, is explained by CEO characteristics and control variables within the model. The finding is in support of the rejection of the null hypothesis that there is no effect of CEO characteristics on profitability.

The regression outcome established a number of significant relationships between CEO characteristics and firm profitability. The null hypothesis that CEO origin is rejected (P = 0.015) since CEO origin exerts a statistically significant and positive effect on profitability, meaning that CEOs with local or internal experience make banks more likely to perform well. This supports the fact that knowledge regarding local institutional dynamics and regulatory regimes can enhance the strategic decision-making capability of CEOs. However, CEO gender was negatively and significantly correlated with profitability (P = 0.033), meaning that male-headed banks indicated relatively higher profitability than their female-headed bank counterparts. This may reflect the effect of systemic constraints or sociocultural pressures in the Nigerian banking industry that could cap female leadership performance.

CEO nationality was negatively and significantly correlated with profitability (P = 0.003).

CEO gender, the null hypothesis is also rejected. This implies that foreign CEOs-owned banks performed worse relative to their Nigerian nationals-owned counterparts. The result can be attributed to foreign CEOs' poor understanding of the local regulatory landscape, the wants of the local customer, or operational challenges peculiar to Nigeria. The null hypothesis for CEO nationality is rejected (P = 0.003), as CEO nationality is significantly negatively correlated with profitability. Banks led by foreign CEOs perform worse compared to Nigerian-national-led banks, presumably due to difficulties related to cash market familiarity. CEO tenure also statistically significantly positively influenced profitability (P = 0.015), albeit the coefficient was low. CEO tenure's null hypothesis is rejected (P = 0.015). This means that CEOs who remain in office longer have a greater ability to obtain firm-specific knowledge and institutional experience that translates to improved performance outcomes.

However, the null hypothesis regarding ownership by the CEO is not rejected. The coefficient of ownership by the CEO though was high negative, was statistically insignificant at 5% as it had a value of P = 0.055.

It implies that shareholding by the CEO does not have a significant influence on profitability within the observed sample. This finding may reflect weaknesses in the structure of the equity incentives or the potential for ownership being symbolic rather than economically binding in Nigerian banking. Firm size and firm age, the control variables, also produced revealing findings.

Firm age was negatively correlated with profitability (P = 0.030), which reflects that aging banks will likely suffer diminishing returns on account of structural inertia, operational inflexibility, or legacy systems overload. Similarly, the firm size was negatively and significantly correlated with profitability (P = 0.002), implying that larger institutions may experience diseconomies of scale or increased business complexity that balance out possible benefits from large asset bases. Overall, regression analysis indicates strong support that CEO characteristics significantly influence profitability in deposit money banks in Nigeria.

The significance of the origin of CEOs, gender, nationality, and tenure underscores the strategic relevance of executive-level characteristics to firm performance, whereas the role of firm size and age confirms the effects of institutional and structural factors. The results underscore the strategic significance of coordinating the recruitment of leaders with environmental conditions in an attempt to enhance performance in Nigerian banking.

4.4. Discussion of Findings

This study examined the relationship between CEO characteristics (tenure, gender, origin, ownership, and nationality), firm attributes (size and age), and financial performance as represented by Return on Assets (ROA) for listed manufacturing firms in Nigeria with the theme of sustainability reporting quality as the conceptual framework. The Pearson correlation results provide strong negative and positive correlations between CEO attributes and firm performance, consistent with and sometimes opposite to existing literature. The analysis found a significant positive correlation between CEO tenure and ROA ($r = 0.521$, $P < 0.01$) that suggests longer-tenured CEOs are likely to enhance the performance of firms. This is supported by previous studies conducted by Cheng et al. (2020) and Ali and Zhang (2015), who argue that experienced CEOs develop firm-specific expertise and strategic experience, which improves decision-making and performance. However, this goes against Hambrick and Fukutomi (1991), who had assumed very long tenures would lead to strategic rigidity and declining performance.

The inverse relationship between CEO gender and ROA ($r = -0.631$, $P < 0.01$) suggests male-managed companies outperform female-managed companies in this sample. While this finding may be representative of the prevailing gender biases in the Nigerian manufacturing sector, it runs contrary to that of Post and Byron (2015) and Terjesen et al. (2016), who demonstrated that female-dominated leadership enhances firm performance in the case of more developed economies. The result is, however, congruent with Orazalin and Baydauletov (2020), who also experienced the same finding in emerging economies where structural and cultural barriers may also constrain the performance of female CEOs.

A significant positive correlation between CEO origin and ROA ($r = 0.534$, $P < 0.01$) suggests that internally promoted CEOs perform better than externally hired replacements. The finding is in line with Zhang and Rajagopalan (2004), who posited that internally hired CEOs possess more knowledge about organizational culture and operating systems. It contradicts Huson et al. (2001), whose findings suggested that outside CEOs bring in new visions that spur performance improvement.

CEO ownership is inversely related to ROA ($r = -0.473$, $P < 0.01$), contrary to agency theory predictions. This result contrasts with that of Morck et al. (1988) and Jensen and Meckling (1976), who argue that ownership aligns shareholder and managerial interests. The negative relationship here may be the effect of entrenchment or overconfidence effects since CEO-owners will be less likely to accept monitoring or excessive risk-taking actions.

The negative and high correlation between CEO nationality and ROA ($r = -0.573$, $P < 0.01$) suggests that foreign CEOs can be inferior in driving performance in the Nigerian context. This is in agreement with Elamer et al. (2020), who argue that expatriate CEOs may struggle to adapt to cultural and regulatory nuances in emerging nations. Oxelheim and Randøy (2003), on the other hand, referenced that foreign CEOs enhance performance through worldwide experience and strategic networks, particularly in multinational settings.

Firm size had a negative significant correlation with ROA ($r = -0.452$, $P < 0.01$), indicating that larger firms in the manufacturing sector may encounter diminishing returns. This agrees with Titman and Wessels (1988), who established that as the size of the firm increases, it will be afflicted with inefficiencies and bureaucratic intricacies. Yet Majumdar (1997) found firm size positively affecting profitability due to economies of scale, which implies divergence in context between developed and developing economies.

A strong negative correlation was also observed between ROA and firm age ($r = -0.464$, $P < 0.01$), indicating that older firms are not necessarily more efficient. This finding corroborates with Coad et al. (2013) and Loderer and Waelchli (2010), arguing that older firms are less innovative, reluctant in product development, and burdened by legacy costs. Nevertheless, it is opposed to Ismail (2016) who found that there exists a positive correlation between the age of the firm and profitability of Malaysian firms. In general, findings contribute to richer insights regarding the correlation between CEO attributes and firm attributes with financial performance within the Nigerian manufacturing sector. Certain findings are consistent with prior literature, namely those achieved through agency theory and upper echelons theory. Yet, various findings contradict each other, likely due to institutional, cultural, and market-specific characteristics inherent in the Nigerian business environment. Such contextual discrepancies underscore the need for context-based policy on governance and development of leadership tailored to the emerging economies.

5. CONCLUSION AND POLICY IMPLICATIONS

5.1. Conclusion

This study examined the relationship between the quality of sustainability reporting (as measured by CEO characteristics and firm attributes) and the financial performance of listed manufacturing firms in Nigeria using Return on Assets (ROA) as a measure of performance. The evidence from the findings is that some CEO characteristics—tenure, country of origin, and ownership—are positively or negatively related to the performance of the firm. Similarly, firm-level traits like firm size and age were found to have negative correlations with ROA, suggesting potential inefficiencies due to scale and firm lifecycle maturity. The negative correlation between CEO gender and ROA, although surprising, is true to situational realities of corporate governance in emerging economies, where structural biases and systemic barriers may limit the power of gender diversity. Conversely, the positive association of CEO tenure with ROA implies that more experienced CEOs can deliver stability and strategic savvy, bringing benefits to sustainability and long-term profitability. Overall, the findings highlight the significance of ensuring executive traits and corporate governance arrangements are aligned with more general sustainability and performance objectives. The insidious interplay among leadership traits, company-specific variables, and financial performance suggests that a one-size-fits-all approach to board and executive recruitment may not be ideal in the Nigerian manufacturing sector.

5.2. Policy Implications

Based on the research outcomes, several policy suggestions are advanced for corporate regulators, board committees, policymakers, and practitioners in the industry:

1. Incorporate Strategic CEO Selection Criteria into Governance Guidelines
   Organizational frameworks like the Nigerian Financial Reporting Council of Nigeria (FRCN) and the Securities and Exchange Commission (SEC) need to provide clearer guidelines on selecting the CEO, emphasizing tenure, internal promotion, and cultural fit to ensure maximum performance outcomes.
2. Develop Inclusive and Performance-Based Gender Diversity Initiatives
   Whereas gender diversity has a negative relationship with ROA in this research, this may be attributed to systemic rather than innate ability. Gender diversity initiatives have to be supplemented by targeted leadership development, mentoring, and organizational enabling of women CEOs.
3. Support Local Executive Talent Development
   The positive correlation between CEO origin and firm performance implies that companies should focus on developing internal talent as potential leaders. Succession planning tactics and capacity-building programs can equip homegrown executives with the knowledge of the company's culture and market forces.
4. Implement Ownership Oversight Mechanisms
   Negative impact of CEO ownership on ROA provides an argument for the adoption of free-standing board monitoring and higher disclosure practices. It prevents entrenchment and ensures that ownership does not undermine objective decision-making or responsibility.
5. Assist Ageing Firms with Innovation and Digital Transformation Policies
   The industry associations and policymakers should support aging businesses with technology upgradation schemes, tax incentives, or innovation grants to help them remain financially sustainable and competitive in rapidly evolving markets.
6. Balance Firm Governance and Size and Stage of Lifecycle
   Older and large businesses should embrace adaptive governance structures that facilitate quick decision-making and responsiveness. Decentralized systems and lean organization can balance out the bureaucratic inefficiencies that accompany size.

5.3. Shortcomings and Areas for Future Work

This paper focuses only on listed manufacturing firms in Nigeria and only on one specific group of CEO characteristics and firm-level controls. There are a range of board attributes (e.g., competency, independence, and diversity), industry-level differences, or the moderating effect of quality sustainability disclosure that can be examined through future research. Comparative industry analysis or emerging economies can also provide a better understanding of CEO-performance link.

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