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The Influence of the Background and Characteristics of the Chief Executive Officer on Company Performance

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ABSTRACT

This study aims to analyze the influence of CEO background and characteristics on company performance. Purposive sampling is the method of sampling that is employed, using information gathered from 83 financial firms that were listed between 2020 and 2022 on the Indonesia Stock Exchange. According to data analysis using multiple regression, the background characteristics of the CEO including gender, tenure, education, and experience significantly improve the performance of the business. As for CEO characteristics, duality, citizenship, stock ownership, and turnover also significantly improve business performance. These results demonstrate that according to agency theory, CEO characteristics, and background are crucial in reducing agency conflicts and enhancing company performance. CEOs with sufficient educational background, experience, and tenure are typically more successful in reaching judgments that are in line with the objectives of shareholders. Characteristics such as duality, citizenship, and stock ownership by the CEO provide greater motivation to enhance company value, while strategic turnover can bring the necessary innovation and change.

ABSTRAK

Penelitian ini bertujuan untuk menilai dampak latar belakang dan kharakteristik CEO terhadap kinerja perusahaan. Teknik pengambilannya memakai sampling purposive dari 83 perusahaan keuangan di BEI dari tahun 2020 hingga 2022. Berdasarkan data yang dianalisis menggunakan regresi berganda, untuk latar belakang CEO yaitu jenis kelamin, masa jabatan, pendidikan, dan pengalaman memberikan efek positif yang signifikan terhadap kinerja bisnis. Sedangkan untuk karakteristik CEO yaitu dualitas, kewarganegaraan, kepemilikan saham, dan pergantian sangat mempengaruhi kinerja perusahaan. Hasil ini membuktikan bahwa sesuai teori agensi, karakteristik dan latar belakang CEO sangat penting dalam mengurangi konflik agensi dan meningkatkan kinerja perusahaan. CEO yang memiliki latar belakang pendidikan, pengalaman, dan masa jabatan yang cukup cenderung lebih efektif dalam mengambil keputusan yang sesuai dengan kepentingan pemegang saham. Karakteristik seperti dualitas, kewarganegaraan, dan kepemilikan saham oleh CEO memberikan lebih banyak motivasi untuk meningkatkan nilai perusahaan, sementara pergantian yang strategis dapat membawa inovasi dan perubahan yang diperlukan.

Keywords:
Company Performance, CEO Background, CEO Characteristics.

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1. INTRODUCTION

The rapid movement of global financial business increases companies' commitment to enhancing competitive advantage for long-term sustainability. Financial companies play a crucial role in advancing economic stability, financial markets, financial regulation, and global financial resilience. According to Sulistiono & Boediningsih, (2024), financial institutions act as providers of financial services to the public and adhere to financial regulations set by the government. Companies categorized under the financial sector according to the The IDX includes brokerage firms, banks, trust companies, insurance companies, and investment traders. All stakeholders anticipate that financial companies will perform well. The existence of PJOK Nomor 11/PJOK.03/, 2020 regarding credit relaxation for banks and financial institutions impacts the performance of these companies.

According to Simorangkir et al., (2023) the performance metrics used to measure company performance vary as they relate to company management policies. Generally, companies more frequently involve the comparison of net profit to sales or the comparison of net profit to equity. Company performance assessed through the comparison of net profit to assets provides an insight into the efficiency of company management in creating new assets (Sanny & Dewi, 2020). For efficient management with good financial performance, the role of top executives is essential. The competence and capabilities of top executives in running and managing the company significantly influence company performance. The highest executive position in a company is called the CEO, also known as the board of directors (Cristiana & Diniati, 2023).

The CEO and senior directors are considered the frontline employees of the company. The CEO coordinates, communicates, and ensures that each internal business department aligns with the organization's vision and mission (Hantono et al., 2023). Unlike a sales representative, a CEO is a crucial member of the team in risk assessment and decision-making (Nurjanah & Nur, 2023). A CEO is sensitive to the financial operations of the business, including personally ensuring the accuracy and completeness of the financial information published by the company (Prawestri et al., 2022). A CEO is also fully committed to the success of the company they lead, including developing strategic plans and important company policies (Mahardini & Bandi, 2023). As a top executive, a CEO maintains a straight line in business development and has a primary focus on systematically resolving the company's workforce issues (Siti et al., 2022). Some key factors that investors should be aware of to trust a CEO with increasing the company's revenue include the company's focus on training, staff, and business performance.

Previous research has revealed differing conclusions, such as studies by Altarawneh & Ishak (2020), Hidayat et al., (2022), and Sugeng Saputri, (2021), which support the position that a CEO with strong financial expertise, greater maturity, and female gender leads to high-quality financial information, which in turn improves company performance. Similarly, research by Muthmainnah et al., (2023), and Safa'ah & Pratama, (2023) found that gender, tenure, and education of the CEO affect the company's value. Research by Ghardallou, (2022), Kho & Supriyanto, (2022) and Anita & Cahyati, (2023) states that CEO tenure, education, and stock ownership positively impact company performance. However, research by Arisa & Siswantaya, (2022), Herlina & Mardianto, (2022) tates that CEO characteristics, tenure, female presence, turnover, and expertise do not significantly affect the company's work culture. Research from Tanjaya & Santoso, (2020) states that there is no benefit to CEO education concerning financial bankruptcy.

Research conducted in Indonesia still overlooks two aspects of CEOs: first, the CEO's background, including age, gender, tenure, education, and experience, which shapes the CEO's psychological profile. Second, CEO characteristics are closely related to company conditions, such as CEO duality, citizenship, stock ownership, special skills, and CEO turnover. Based on previous research that does not specifically focus on this topic or its relation to company performance, this study is crucial, particularly for businesses in the financial sector, to close the gaps in the body of knowledge. This study can make important contributions: First, it offers concrete proof of how the background of the CEO affects financial firms' performance. Second, it offers detailed information on the CEO characteristics required to motivate company performance in Indonesia. Third, according to an analysis of earlier studies, this is the first study to examine both perspectives of the CEO's capabilities as superior resources and their willingness to make crucial decisions in facing risks that could hinder company performance.

2. LITERATURE REVIEW AND HYPHOTESIS DEVELOPMENT

The Theory of the Upper Echelon by Hambrick & Mason, (1984), It maintains that senior management is vital to a company's capacity for strategic decision-making, is also used in this study. A company's strategic choices have an impact on its performance. The characteristics of top management and their actions have a significant impact on business conditions. The company's leadership has a major role in its success. A leader, such as a CEO, can be motivated by their own qualities, beliefs, and skills. Each company leader may make decisions and address company issues in different ways. The personal attributes of a CEO significantly affect the company's condition. The CEO's background and evolving characteristics are important factors that can influence the psychological aspects of company performance (Rozak et al., 2023).

A CEO with different expertise or background will make different decisions (Kurnianto & Pramana, 2023). As an agent, the CEO's age has the ability to influence the risk threshold set. Risk preferences, willingness to take risks, and drive to achieve business goals are compared with personal values.

HYPOTHESES DEVELOPMENT

CEO Age

Age is a factor that can either strengthen or weaken a CEO's adaptation to existing situations, ultimately impacting business growth. As CEO age, they may adopt various strategies to make the company more mature and committed. An older CEO might implement different strategies to enhance the company's maturity with a higher level of commitment; however, these strategies need to be carefully considered to minimize risks compared to those of a more experienced CEO (Krisnata, 2023). Research by Edi & Cristi, (2022), and Sejati & Muzaroh, (2024) suggests that the age of the CEO has a positive impact on the performance of the organization.

H_1: The age of the CEO has a beneficial effect on the company's performance

CEO Gender

Gender differences in characteristics lead to variations in moral development, moral sensitivity, and risk tolerance (Daryatno & Santioso, 2021). Gender differences in executive roles impact managerial behavior related to conservatism, risk management, and ethical behavior (Nurmayanti, 2020). Companies led by female CEOs are more efficient in asset oversight, thus improving ROA. Businesses with CEOs of different genders can achieve a better work-life balance. Research by Manuela et al., (2022), (Simamora et al., 2022), (Ahmad et al., 2022), and Romano et al., (2020)gender equality plays a central role in achieving social development, expanding economic growth and improving business performance. From this perspective, many studies claim that a more balanced presence of women on Board of Directors (BoD show that CEO gender has a significant impact on company performance.

H_2: CEO gender has a positive effect on company performance

CEO Tenure

Tenure describes the breadth of expertise and specialized abilities that a company's CEO possesses (Simamora et al., 2022). A CEO with a longer tenure is better prepared to assess business performance in relation to the development of the company's mission statement. Longer tenure may increase the likelihood of conflicts of interest between agents and employees, as agents might be less willing to disclose personal employee information. On the other hand, agents may be incentivized to make decisions and generate short-term gains without considering the company's long-term goals. Studies by Edi & Cristi, (2022) and Mubeen et al., (2020) show that the length of a CEO's tenure affects the performance of the company.

H_3: Company performance is positively impacted by the term of the CEO

CEO Education

Directors are crucial because they can influence the performance and attitude of the CEO when they start working as investor agents. Education and formal training in management, finance, or business strategy can provide CEOs with valuable insights for more accurate decision-making. The level of education should enable better assessment of investment opportunities and more precise decision-making in terms of capital acquisition (Gounopoulos et al., 2021)this study examines the role of chief executive officer (CEO. An important factor determining productivity improvement is the CEO's educational attainment. Furthermore, higher education can equip CEOs with better managerial skills, professional knowledge, cognitive abilities, and risk tolerance (Zhou et al., 2021). Research by Usboko & Ayu W, (2024), Simamora et al., (2022), and Wulandari et al., (2021) illustrates that businesses led by higher educated CEOs can improve business performance.

H_4: Company performance is positively impacted by CEO education

CEO Experience

Experience in relevant managerial positions helps CEOs understand organizational dynamics and make better decisions regarding daily operational changes. CEO knowledge evolves, ultimately enhancing their ability to strategize for the company (Pradnya et al., 2024)dengan menggunakan proksi keahlian direktur utama (CEO. A CEO's experience enables them to evaluate strategies for boosting employee productivity. As individuals become more skilled at analyzing economic issues, their knowledge of these issues becomes increasingly important, providing a strong foundation for decision-making when investing money (Safryani et al., 2020). Research by Natonis, (2019), Kristiawan, (2020), and Xin Li & Wang, (2023) indicates that CEO experience can positively improve company performance.

H_5: CEO experience has a positive effect on company performance

CEO Duality

Although they are different individuals, a CEO with a family connection to the board of commissioners is referred to as having CEO duality. The link between the board of directors and the board of commissioners in Indonesia's two-tier board structure is usually based on kinship or family, reflecting on the CEO's quality (Anita & Cahyati, 2023). When a CEO has power over people and situations, they feel stronger and experience a sense of power, which can motivate them (Andhika et al., 2024). However, Increased profit management techniques could result from having a board of directors and commissioners that are the same (Zulkarnaen et al., 2024). Research by Anggraeni & Dewi, (2023), Firdiansjah et al., (2020), Manuela et al., (2022), and Djanggu & Roida, (2024) indicates that company performance is influenced by CEO duality.

H_6: The CEO duality has a favorable effect on the company's performance

CEO Nationality

Directors from diverse cultural backgrounds can enhance company performance by sharing different knowledge, perspectives, and skills, which helps them make varied decisions (Umaroe & Hamidah, 2023). In order to raise market value and corporate performance, foreign CEOs can bring valuable ideas, knowledge, and skills. The investigation by Aprilia et al., (2020) and Ahmad et al., (2022) indicates that directors with foreign citizenship impact the performance of the Establishment.

H_7: The nationality of the CEO improves business performance

CEO Ownership

While management in companies tends to focus on long-term growth, shareholders usually seek to maximize profits in the short term. This difference can lead to suboptimal decisions, such as longterm investments in research and development to achieve long-term profit targets. Although leaders hold shares in the company, their performance is not affected (Karinda et al., 2022). Investigations by Wijaya et al., (2023) demonstrate how stock ownership affects the degree of monitoring and, in turn, CEO salary, which encourages CEOs to improve company performance.

H_8: CEO ownership has a negative effect on company performance

CEO Expertise

A CEO with expertise and a deep understanding of the industry where the business operates is generally better at making decisions regarding business strategy, product innovation, and market development. However, company performance may not be affected by the CEO's expertise if external factors such as market conditions, industry competition, or regulatory changes have a greater impact. Additionally, CEOs may prioritize their own interests over those of shareholders. According to Anggraeni & Dewi, (2023), CEOs who are experts are more likely to focus on their reputation than profit from earnings management. This is supported by research from (Ardiyanto & Marfiana, 2021).

H_9: The performance of the company is negatively impacted by the skill of the CEO

CEO Turnover

Replacing the CEO is one of the finest strategies to boost a failing company's performance (Ameila & Eriandani, 2021). CEO turnover can occur for various reasons, such as company strategy decisions, conflicts of interest between the CEO and shareholders, or poor company performance. When a CEO's tenure ends or they are dismissed, a replacement is appointed. According to Ameila & Eriandani, (2021), if a company's CEO pays more taxes than similar companies, the board is more likely to dismiss them. According to agency theory, CEOs should strive to meet the principal's or shareholders' desires by improving company performance and generating profits. Therefore, CEOs should do whatever is necessary to benefit shareholders.

H_{10}: The performance of the company is negatively impacted by CEO turnover

3. RESEARCH METHODS

Quantitative information gathered indirectly from study objects or individuals is used in this study. The information utilized is extracted from the 2020–2022 financial institutions listed on the IDX and their annual financial statements. The population of the study consists of 94 firms. 84 businesses were chosen for the sample through the use of purposive sampling methods (Sugiyono, 2019). Based on the criterion that the companies demonstrated good performance, the sample was selected, and the sample data includes all background information and CEO characteristics during the observation period. The dependent variable in this study measures company performance through return on assets.

The CEO's background is one of the study's independent factors. The CEO's age when they were appointed is used to calculate their age, which is then categorized into five categories: 1 young, 2 adults, and 3 mature. A dummy variable is used to measure the gender of the CEO; for female CEOs, the value is 1, and for male CEOs, it is 0. The amount of time the CEO has been with the organization is a measure of tenure, which is then categorized into three categories: 1 new, 2 intermediate, and 3 long. A dummy variable is used to quantify CEO education; a postgraduate degree is assigned a value of 1, and if not, a value of 0. To quantify CEO experience, a dummy variable is used, with relevant industry experience receiving a value of 1 and, if not disclosed, a value of 0. CEO characteristics include duality, which is measured using a dummy variable, with CEOs having a family relationship with the board of commissioners having a value of 1 and everything else being 0. The dummy variable used to quantify CEO nationality assigns a value of 0 to international CEOs and a value of 1 to domestic CEOs. CEO stock ownership is measured using a dummy variable, with CEOs owning shares receiving a value of 1 and, if not, a value of 0. CEO expertise is measured using a dummy variable, with CEOs having the same or relevant experience as the previous company receiving a value of 1, and 0 if not. CEO turnover is measured using a dummy variable; a value of 1 is assigned to CEO turnover, and if it is not, a value of 0.

Control variables in this study include the age of the company, which is measured by the age of the company since its establishment and then categorized into 1 young, 2 medium, 3 mature, and 4 old. Company size is measured using a dummy variable, with 1 for above-average assets and 0 for below-average assets. Company growth is assessed using a dummy variable (1 if experiencing growth, 0 if declining).

4. RESULTS AND DISCUSSION

Table 1 shows the results of the normality test. The data distribution utilized is normal, as indicated by the asymp sig value of 0.084, which is higher than 0.05.

Table 2 shows the results of the multicollinearity test: If the VIF is less than 10 and the tolerance of each variable is greater than 0.10, multicollinearity does not exist.

Table 1. The Results of the Normaly Test

		Unstandardized Residual
N		249
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	.49721313
Most Extreme Differences	Absolute	.080
	Positive	.080
	Negative	-.064
Kolmogorov-Smirnov Z		1.258
Asymp. Sig. (2-tailed)		.084

Source: Processed Data, 2024

Table 2. Multicollinearity Test Results

Variable	Collinearity Statistics	
	Tolerance	VIF
Age	.913	1.095
Gender	.877	1.140
Tenure	.877	1.140
Education	.924	1.083
Experience	.876	1.141
Duality	.911	1.098
Nationality	.916	1.091
Ownership	.888	1.126
Expertise	.922	1.084
Change	.952	1.050
Firm Age	.887	1.127
Firm Size	.863	1.158
Firm Growth	.975	1.025

Source: Processed Data, 2024

The heteroscedasticity test is shown in Figure 2. It is observed that the points do not form a pattern and have an even spread. The results indicate that the research data have the same variance, thus there is no heteroscedasticity in the data.

In Table 3, the autocorrelation test is displayed at 1.773 is the Durbin-Watson (DW) value.. The sample size is 249, the number of independent variables (k) is 10, the dU value is 1.812, and the value of 10–dU is 2.188 (10–1.812 = 2.188). Therefore, the DW test statistic of 1.773 is less than 1.812 and more than 2.188, indicating that there is no autocorrelation in the data.

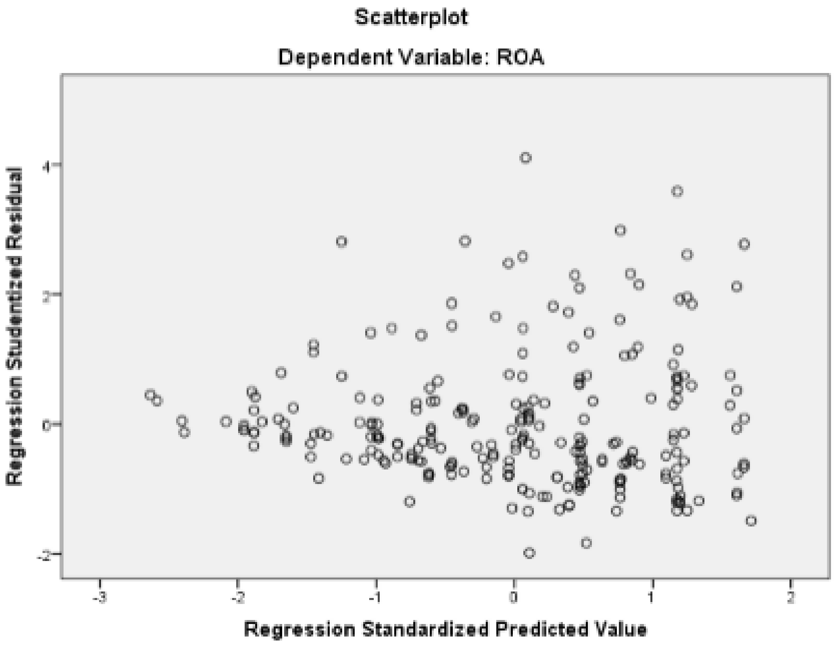

Figure 1
Results of the Heteroscedasticity Test
Source: Processed Data, 2024

Table 3. The Autocorrelation Test's Findings

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.998[a]	.996	.996	.510781	1.773

Source: Processed Data, 2024

Table 4. Findings from the F-Test

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.104	13	.085	68.388	.000[b]
	Residual	.292	235	.001		
	Total	1.396	248			

Source: Processed Data, 2024

Table 4 presents the results of the F-test, with an F.sig value of 0.000 < 0.05. As a result, the model employed in this research is considered reasonable and suitable for predicting company value.

Age of the CEO's Effect on Business Performance

The analysis in Table 5 reveals that company performance is not influenced by CEO age. This result indicates that whether the CEO is young, middle-aged, or elderly, it does not impact the improvement or decline in company performance. CEO age is not a factor that can enhance or diminish financial performance in business. In Indonesian companies, despite most CEOs being of a mature age, there is no positive perception of professionalism in determining better company performance. Company performance in Indonesia does not align with the age of the CEO; other factors contribute to enhancing CEO performance, which may emphasize survival at the expense of higher profits and faster growth. Indonesian companies are not constrained by the age of their CEOs in their activities. This finding is consistent with previous research by (Tonelli et al., 2019) and (Rahman & Chen, 2023).

The Impact of CEO Gender on the Performance of Business Companies

Gender influences business company performance, according to the gender variable's analysis. The CEO's gender impacts decision-making, with data showing a higher number of male CEOs compared to female CEOs. Thus, male CEOs play a key role in ensuring efficient investment decisions, and enhancing company profitability. This result aligns with the analysis in previous research by Manuela et al., (2022), Simamora et al., (2022), Ahmad et al., (2022), and Romano et al., (2020)gender equality plays a central role in achieving social development, expanding economic growth and improving business performance. From this perspective, many studies claim that a more balanced presence of women on Board of Directors (BoD The analysis of the third variable in Table 5 indicates that the CEO's tenure affects business companies.

Table 5. T-test Results

Variable	t	Sig.	Hypothesis Testing Conclusion
(Constant)	3.421	.001	
Age	-.047	.962	Not supported
Gender	4.696	.000	Supported
Tenure	7.464	.000	Supported
Education	6.214	.000	Supported
Experience	7.230	.000	Supported
Duality	-6.976	.000	Supported
Nationality	3.558	.000	Supported
Ownership	4.994	.000	Supported
Expertise	.588	.557	Not supported
Change	-4.255	.000	Supported
Firm Age	1.062	.289	Not supported
Firm Size	9.664	.000	Supported
Firm Growth	5.898	.000	Supported

Source: Processed Data, 2024

CEO Tenure's Effect on Business Performance

CEOs with longer tenures tend to be more effective in communicating company information and have stronger social networks with various financial sources. As the CEO's tenure increases, company CEOs with longer tenures tend to be more effective in communicating company information and have stronger social networks with various financial sources. As the CEO's tenure increases, the company's performance tends to improve. Long-serving CEOs have a better understanding of the appropriate processes for effective oversight, allowing them to provide better recommendations for company operations. These findings align with earlier studies by Edi & Cristi, (2022), Mubeen et al. (2020), Sugiharti, (2023) The analysis shows that the length of the CEO's tenure has an impact on company performance.

CEO Education's Effect on Business Performance

Table 5's study demonstrates that The performance of the organization is positively impacted by CEO education. CEOs with higher education levels, particularly those with postgraduate degrees, are are more equipped to participate in the company's R&D efforts. Higher education allows CEOs to take better initiatives regarding social impact and environmental norms. Therefore, Thus, it's critical to have regulations in place that support leaders with particular traits, such as CEOs who hold pertinent degrees. It is recommended that financial companies in Indonesia standardize CEO education to enhance company performance. The level of CEO education is a crucial factor in determining performance improvement capabilities. A knowledgeable CEO will use their expertise to boost revenues and improve the company's financial reports. With this knowledge, CEOs can use a variety of strategies to modify business earnings in order to reach predetermined goals. These results are consistent with previous studies Usboko & Ayu (2024), Simamora et al. (2022), and Wulandari et al. (2021) the analysis shows that company performance improves when the company is led by a CEO with higher education.

CEO Experience's Impact on Company Performance

The analysis of the fifth variable in Table 5 emphasizes that the experience of the board leader affects company performance. This experience provides the CEO with better knowledge of financial reporting, enabling them to use this information to identify opportunities for improved earnings management. Additionally, the CEO's personal motivation and the opportunity to earn larger bonuses can also drive maximal earnings management practices. This can reduce information irregularities between the company and stakeholders. Furthermore, the CEO's tenure reinforces their experience and accounting skills, enhancing their ability to detect and prevent unusual behavior. These results align with research indicating that experienced CEOs positively impact company performance, Anggraeni & Dewi, (2023), Firdiansjah et al. (2020), Manuela et al. (2022), Sugiharti et al. (2023), Djanggu & Roida, (2024), state that CEO duality has an impact on business performance.

CEO Duality's Effect on Business Performance

The analysis results in Table 5 show that CEO duality has a negative impact on company performance. There may be conflicts of interest if a CEO serves as both the chairman of the board and a family member of the board of commissioners. This may drive the CEO to make decisions that benefit themselves as the primary shareholder or to create a better impression of company performance in the eyes of the market or investors. Based on the research data, the number of companies with CEO duality is lower, which is associated with better Ability. This result is in line with studies conducted by Anggraeni & Dewi, (2023), Firdiansjah et al. (2020), Manuela et al. (2022), and Djanggu & Roida, (2024) which state that CEO duality has an impact on the performance of businesses.

The Impact of CEO Nationality on Company Performance

The examination of the seventh variable shows that the CEO's nationality negatively impacts the company's operations. The presence of executives with diverse cultural backgrounds can enhance company performance by bringing different perspectives, knowledge, and skills that provide alternative decision-making options. They not only have extensive experience in various business fields, sectors, or industries but also possess cross-national experience. This cross-national experience is crucial for developing company strategies, especially for expanding into global markets. Foreign CEOs also bring unique insights into the social, economic, and political environments of their home countries, which can serve as additional information and knowledge for crafting business strategies in the host country. Therefore, a smaller number of foreign CEOs can lead to better company performance. This finding is consistent with previous research conducted by Aprilia et al., (2020) and Ahmad et al., (2022), which indicates that executives of foreign nationality have a favorable and noteworthy effect on business performance.

CEO Ownership's Effect on Business Performance

Table 5's findings demonstrate that CEO equity ownership improves business performance. An organization's profitability can rise with high institutional ownership, but this depends on the extent of the ownership. If the ownership stake in the company is significant, it can help control management, ultimately leading to increased profitability and satisfying returns for investors. This is consistent with the study carried out by (Karinda et al., 2022) and (Wijaya et al., 2023).

CEO Expertise's Effect on Business Performance

The results in Table 5 indicate that board expertise does not affect company performance. Although a CEO may possess extensive knowledge in accounting or finance, they may not always make optimal financial decisions. The CEO's other strategic choices also have an impact on a company's financial performance. Thus, specialized knowledge has little effect on how well a business performs. These findings are comparable to those of the study by Edi & Cristi, (2022), Sumardi & Wati, (2022), Anggraeni & Dewi, (2023), and Tang & Shandy, (2021) the results in Table 5 indicate that CEO expertise does not affect Business Performance.

CEO Turnover Impact on the Performance of Businesses

The analysis of variable 10 shows that CEO turnover has a positive impact on company performance. CEO turnover can affect the company's profitability, as the new CEO may not yet have a sufficient understanding of the business operations of the establishment. This result is consistent with earlier studies by Edi & Cristi, (2022) and Prawestri et al., (2022) which discovered that the use of earnings management, which influences the enhancement of business performance, is unaffected by changes in the board of directors.

5. CONCLUSIONS AND SUGGESTIONS

The findings of this investigation show that gender, tenure, education, experience, duality, nationality, and CEO ownership affect company performance. However, the age and specific expertise of the CEO do not impact company performance. Improvement in CEO effectiveness through involvement in activities that enhance the company's welfare can be achieved through better company performance. Enhanced company performance is also achievable through accurate decision-making by the CEO. Precise decisions, effective internal management, and robust strategies can drive high company performance.

The added control variables show varied effects on company performance. Company age does not significantly positively impact performance, while company size and growth do influence performance. This suggests that as a company ages, it may drive improvements in performance. However, The substantial negative impact of firm size and expansion suggests that these factors may not always affect the performance of the company.

The study's time frame is restricted to three years, and future research could benefit from examining CEO profiles through additional measures such as psychology, strength, age, and specific expertise for more accurate results. Future studies could evaluate CEO profiles using different instruments and prolong the study time.

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