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**CHIEF EXECUTIVE OFFICER (CEO) CHARACTERISTICS AND
COMPANY PERFORMANCE OF MALAYSIAN LISTED
COMPANIES**

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Abstract:

The main objective this research is to examine the relationship between Chief Executive Officer (CEO) characteristics and company performance specifically based on Return on Asset (ROA). Using a sample of 241 Malaysian listed companies examined from 2013 to 2015 in various industry listed on Bursa Malaysia. Regression analysis produce significant results for CEO's education and experience effect ROA. Economic study is important to know in potential economic growth of develop conceptual models of behavior to predict responses to changes in policy and market conditions. CEO experience in this research prove consistent that longer CEO that stay for a company for a long time may not care about their job and this may lead to poor performance of the company. The result also shows all control variables such as company size, company age and company leverage have significant relationship with the ROA. This study can be expanded using other CEOs characteristics and other performance measure such as Economic Value Added (EVA), Return on Equity (ROE) and Excess in Value.

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Introduction

A CEO's characteristics can create problems in a company when their leadership style or personal traits lead to poor decision-making, conflicts, or a lack of alignment with the company's goals. For example, if a CEO is overly authoritarian and resistant to feedback, it can stifle innovation and collaboration. Alternatively, a CEO who is overly risk-averse might hinder the company's ability to adapt to changing market conditions. Inconsistencies in values or ethical lapses by a CEO can also damage the company's reputation and culture, potentially leading to legal and financial consequences. Ultimately, a CEO's characteristics play a pivotal role in shaping the company's direction, and any mismatches with the company's needs can result in significant challenges.

Nevertheless, CEO characteristics can be a key of successful of a running an organization. CEO is the leader of the company. The CEO must determine company performance to ensure the target of a company must be achieved. There are some characteristics that has been suggested that will cause a company performance such as CEO gender, experience and education background that will influence their performance and decision-making. CEO characteristics is an important variable to determine how the company can work well whether for internal or external performance.

One of the characteristics is about gender of CEO. In management, decision making is an important skill for a leader. For man, they are open to overconfident when it comes to performing and decision-making tasks compared to woman leader. Woman leader tends to have better communication skills (Schubert et al., 2006). From that, it has been showing women will perform better in problem solving and decision making. In addition, from the research has been done said woman's is more productive in a leadership style compared to man's that is more competitive. According to Brennan and McCafferty (1997), women CEO is more understanding on consumer behavior and customer needs. Other evidence from these characteristics is about risk-taker. Men willing to do an extreme risk than women. Women tend to avoid losses and are less willing to take extreme risks (Schubert et al., 2006).

Other than that, CEO experience must be measured to determine the qualification of a leader. Experience can be measure based on the leader tenure to manage company. The tenure of CEO in the same company is used to examine the experience of CEO. They must have an ability of knowledge to monitor and give valuable resources that can improve company's position and financial (Baysinger and Hoskisson, 1990). Miller and Shamsie (2001) stated the