
Chief Executive Officers' Attributes and Financial Performance in Nigerian Oil and Gas Sector

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Abstract

The broad objective of the study was to investigate the relationship between chief executive officers' attributes (CEO) and financial performance in Nigeria. The study employed the ex post facto research design of a data set of eight (8) years from 2015 to 2022. The secondary data used were sourced from the data base of the Nigerian Exchange Group (NGX) for oil & firms as well as the corporate annual reports of corporations under review for the respective years. The Auto Regressive Conditional Heteroscedasticity (ARCH) of the Ordinary Least Squares (OLS) regression technique was used to obtain the relationship between the regressors and the regress and. The ARCH was preferred based on the nature of the data as it involves volatility in time series so as to forecast future volatility. The findings showed positive and significant relationship between CEO Political Connection, CEO Educational Qualification, Sales Growth and Financial Performance; negative and significant relationship between CEO Tenure and Financial Performance thus suggests that these variables are good predictors of financial performance in Nigeria. The study found negative but insignificant relationship between CEO Age and Financial Performance while positive but insignificant relationship was found between CEO Gender Diversity, Firm Size and Financial Performance, therefore implying that CEO Age, CEO Gender Diversity and Firm Size are not good predictors of financial performance in Nigeria. Against the backdrop, the study recommends that further empirical studies should be conducted using other sectors of the economy especially the consumer goods sector considering the high level of inflation in the country.

Keywords: CEO, ARCH, Firm, Gender Diversity and Performance

1. Introduction

Different entity or organization have different motive for operation. However, the primary purpose of a profit oriented entity is profit maximization (Ilaboya & Obasi, 2018). The degree to which this purpose can be achieved is contingent on the corporate strategy made by the top management (board of directors [BODs]). The corporate strategy is achieved by the chief executive officer (CEO) who is saddled with the routine operations of the company. The CEO is responsible to the BODs or corporate stakeholders and is saddled with the responsibility of profit maximization as well as corporate value optimization which may comprise share price, market share, revenues (Yusuf & Yahaya, 2023). Corporate stakeholders' view of the future outcome and achievement of the strategic objective is premised on the attributes of the CEO which comprise age, tenure, gender diversity, political connection, educational qualification, overconfidence, business expertise, nationality, ethnicity to mention but a few (Ahmad et al., 2022). Yusuf and Yahaya (2023) argued that these attributes of the CEO play major roles in the achievement

and formulation of corporate objective, designing and making key corporate decisions, and managing corporate operations.

Financial performance is a subjective measure of how a firm effectively and efficiently utilises its assets to generate resources (Nnamani, Onyekwelu & Ugwu, 2017). The financial performance of an organization is classified in subsets of profitability performance (return on assets (ROA), return on equity (ROE), return on investment (ROI), economic value added (EVA), net income /revenue and earnings before interest, tax, depreciation and amortization margin (EBTIDA), market value performance (earnings per share (EPS), change in stock price, dividend yield, stock price volatility, market value added (MVA) and Tobin Q) while growth dimension of performance consists of market share growth, asset growth, net revenue growth, net income growth and many employees growths (Santos & Brito, 2012).

Erstwhile studies such as Adekunle and Aghedo (2014), Aggarwal (2013), Goel (2018), Hakimah et al. (2019), Paniagua et al. (2018) explored the nexus between corporate governance and financial performance; Abu et al. (2016), Assenga et al. (2018), Di Biase and Onorato (2021), Ghosh and Ansari (2018), Hamad et al. (2021), and Uyar et al. (2020) examined the nexus between board of directors and financial performance; Berezinets et al. (2017), Green and Homroy (2018), Mihail et al. (2021), and Singhanian et al. (2022) studied the relationship between board committees and financial performance; Acero et al. (2017), Balagobei and Thirunavukkarasu (2017), Cui et al. (2019), and Kirimi et al. (2022) investigated the relationship between ownership structure and financial performance; while few studies Ahmad et al. (2022), Ahmed (2021), Callan and Thomas (2014), Chandren et al. (2021), Ding et al. (2014), Jalbert et al. (2013), Weng and Chen (2017), and Yusuf and Yahaya (2023) examined the link between CEO attributes and financial performance. This study takes a different perspective from prior studies by focusing on the oil and gas sector thus eliminating the paucity of indigenous studies in this area. It is against this backdrop of the failure of prior studies to examine the oil and gas sector in Nigeria; hence this study is set out to investigate the relationship between Chief Executive Officers' attributes (CEO) and financial performance in Nigeria. The specific objective were; to examine the impact of CEO Political Connection on financial performance in Nigeria; to examine the impact of CEO Age on financial performance in Nigeria; to examine the impact of CEO Tenure on financial performance in Nigeria; to examine the impact of CEO Educational Qualification on financial performance in Nigeria; to examine the impact of CEO Gender Diversity on financial performance in Nigeria.

The remaining part of the study is divided into sections: Section 2 presents literature review and hypotheses formulation; Section 3 describes the methodology; Section 4 presents the theoretical framework and model specification; Section 5 describes data presentation, interpretation and discussion of findings while Section 6 presents the conclusion and recommendations.

2. Literature Review and Hypotheses Formulation

Harjeet and Yu (n.d.) investigated the relationship between CEO age and firm performance among one thousand three hundred and ninety (1,390) industrial firms in the US for a period of fifteen (15) years from 1992 to 2006. The data collected were analysed using the Ordinary Least Squares (OLS) regression technique and found a positive and significant relationship between CEO age and financial performance in the US. Mukherjee and Sen (2022) studied the impact of CEO attributes on corporate reputation, financial performance, and corporate sustainable growth among one hundred and thirty-eight (138) out of two hundred (200) listed firms in India for a period of eight (8) years from 2010 to 2017. The data sourced were analysed using the panel least squares regression technique

and found a negative and significant relationship between CEO age and financial performance in India. Adil and Muhammad (2019) explore the nexus between CEO age and financial performance among twenty (20) listed cement companies in Pakistan for a period of ten (10) years from 2009 to 2018. The data assembled were analysed using the panel regression technique and found a positive and significant relationship between CEO age and financial performance in Pakistan.

Chandren et al. (2021) examined the relationship between chairman and CEO effectiveness and operating performance among eighty-nine (89) listed non-financial firms in Malaysia for a period of three (3) years from 2017 to 2019. The data collected were analysed using the OLS and found a positive and significant relationship between CEO age and financial performance in Malaysia. Li and Singal (2017) explored the nexus between CEOs attributes and corporate financial performance among publicly listed hospitality corporations in North American and document a positive and significant relationship between CEO age and financial performance. Bandiera et al. (2020) examined the effect of CEO behavior on firm performance and found a positive and significant relationship between CEO age and financial performance. Premised on the above findings, the first hypothesis of the study is stated thus:

H₀₁: CEO age has no significant relationship with financial performance.

Rehman et al. (2021) explored the relationship between CEO attributes and financial performance among two hundred (200) listed firms in Pakistan for a period of ten (10) years from 2010 to 2019. The data assembled were analysed using the robust Panel regression technique and found a negative and significant relationship between CEO tenure and financial performance in Pakistan. Ahmad et al. (2022) studied the relationship between CEO characteristics and firm performance fifty (50) food and beverage firms comprising sixteen (16) Indonesian firms, nineteen (19) Malaysian firms and fifteen (15) Singapore firms for a period of six (6) years from 2013 to 2018. The data gathered was analysed using the the fixed effect model (FEM) with clustered standard errors of panel regression technique. The finding revealed no significant relationship between CEO tenure and firm performance. Yusuf and Yahaya (2023) examined the nexus between CEO attributes and financial performance of one hundred and twelve (112) listed firms in Nigeria for a period of ten years. The data sourced were analysed using the Panel regression technique and found a positive and significant relationship between CEO tenure and financial performance.

Chandren et al. (2021) examined the relationship between chairman and CEO effectiveness and operating performance among eighty-nine (89) listed non-financial firms in Malaysia for a period of three (3) years from 2017 to 2019. The data collected were analysed using the OLS and found a negative and significant relationship between CEO tenure and financial performance in Malaysia. Afrifa and Tauringana (2015) studied the relationship between corporate governance and performance among listed small and medium enterprises in the UK. CEO tenure was taken as a control variable and found a positive and significant relationship between CEO tenure and firm performance. Koufopoulos et al. (2008) examined the nexus between top management team and corporate performance among listed companies in Greece and showed a positive and significant relationship between chairman tenure and firm performance. Consequent upon these submissions, the second hypothesis is stated as follows:

H₀₂: CEO tenure has no significant relationship with financial performance.

Shao and Liu (2014) investigated the relationship between CEO gender and firm performance among one hundred and eighty-three (183) CEOs in seventy-one (71) listed companies in the US for a period of twenty-two (22) years from 1992 to 2013. The data collected were analysed using the regression technique and found no significant

relationship between CEO gender diversity and financial performance in the US. Prasetyo and Wicaksono (2019) studied the relationship between gender diversity, financial expertise, CEO duality and firm performance among one hundred and forty-eight (148) listed companies in Indonesia for a period of three (3) years from 2018 to 2020. The data collected were analysed using the panel regression technique and found no significant relationship between CEO gender diversity and financial performance in Indonesia. Matic and Bognæs (2019) investigated the nexus between gender diversity among top executives and firm financial performance among ninety-three (93) listed firms in Norway for a period of seven (7) years from 2010 to 2016. The data sourced were analysed using the multiple regression technique and found no significant relationship between CEO gender diversity and financial performance in Norway.

Adams and Ferreira (2009) investigated the effect of women on the boardroom and corporate performance and found a negative and significant association between female executives and corporate performance. Lunkes et al. (2019) studied the relationship between CEOs characteristics and organizational performance and found no significant connection between CEO gender and the financial performance of companies in Brazil. Vintilă et al. (2015) studied the nexus between corporate board and CEO characteristics and firm performance among listed companies in Bucharest Stock Exchange companies and found no significant connection between CEO gender and the financial performance of companies. Following these arguments, the third hypothesis is stated as follows:

H₀₃: CEO gender diversity has no significant relationship with financial performance.

Najaf and Najaf (2021) explored the relationship between political ties and corporate performance. Fifty-eight (58) manuscripts were sourced from the Scopus website on the effectiveness and performance of politically linked companies. The study found a positive and significant relationship between CEO political connection and financial performance. This theoretical finding supports the political theory, agency theory; stakeholder theory, resource dependency theory and stewardship theory which substantiate that political influence sways corporate performance. Wu et al. (2018) investigated the nexus between politically connected CEOs, firm performance, and CEO pay in China for a period of eight (8) years from 2005 to 2012. The data gathered were analysed using the multiple regression technique and found a positive and significant relationship between CEO political connection and financial performance in China. Ding et al. (2014) studied the influence of executive political connections on firm performance in China for a period of three (3) years from 2004 to 2006. The data assembled were analysed using the regression technique and found a positive and significant relationship between CEO political connection and financial performance in state owned enterprises in China.

Following these debates, the fourth hypothesis is stated as follows:

H₀₄: There is no significant relationship between CEO political connection and financial performance.

Lindorff and Prior-Jonson (2013) examined the relationship between CEO business education and firm financial performance among listed companies in Australia. The data gathered were analysed using the regression technique and found no significant relationship between CEO educational qualification and financial performance in Australia. Ying and Mei (2014) investigated the relationship between CEO education and firm performance among one hundred and twenty-three (123) listed companies in Hong Kong for a period of eleven (11) years from 2003 to 2013. The data gathered were analysed using the multiple regression technique and found a negative and significant relationship between CEO educational qualification and financial performance in Hong Kong. Zaidi et al. (2021) explored the relationship between CEO financial education and bank performance among one hundred and fifty-two (152) banks in Tunisia for a period of three

(3) years from 2017 to 2019. The data gathered were analysed using the regression technique and found a positive and significant relationship between CEO educational qualification and financial performance in Tunisia. Resulting from these arguments, the fifth hypothesis is stated thus:

H₀₅: There is no significant relationship between CEO educational qualification and financial performance.

3. Methodology and Method of Data Analysis

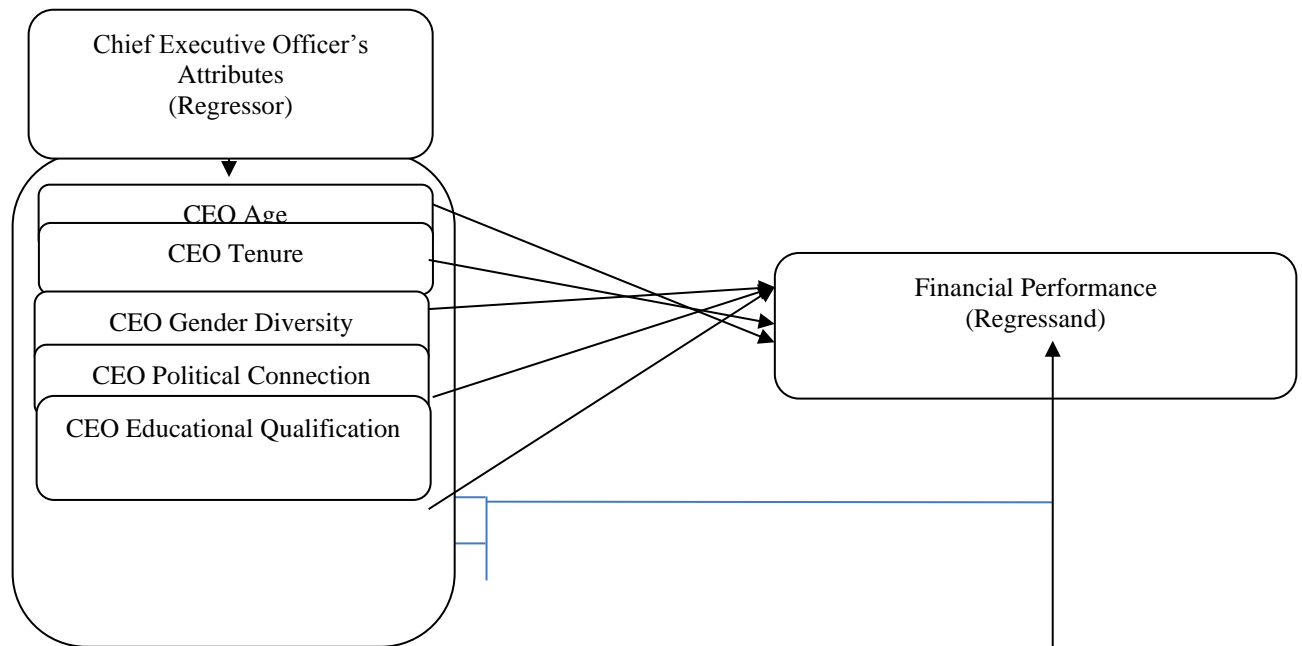
The ex post factor research design was employed to explore the relationship between chief executive officer's attributes and financial performance in Nigeria for a period of eight (8) years from 2015 to 2022. This is appropriate in this study because it enables us investigate the association among the observed independent variables (age, tenure, gender diversity, political connection, and educational qualification,) and the dependent variable (financial performance). The total population of the study comprised all the one hundred and fifty-six (156) quoted companies on the Nigerian Exchange Group (NGX) as at 31st December, 2022. However, the scope of the study was limited to the oil and gas sector which involves nine (9) quoted companies. The choice of this sector was made because most prior indigenous studies focused on other sectors without due consideration to the oil and gas sector.

The Auto Regressive Conditional Heteroscedasticity (ARCH) of the Ordinary Least Squares (OLS) regression technique was used to obtain the relationship between the regressors and the regressand in Nigeria. The ARCH was preferred based on the nature of the data as it involves volatility in time series so as to forecast future volatility. This was conducted with the aid of the E-views software and Excel package. In the ARCH regression model estimation, some statistics were generated among which are the t-statistics, coefficient of determination (R-Squared), and adjusted R-Squared. These represent the goodness-of-fit measures. Inference drawn from regression analysis particularly about the relevance, suitability, desirability, and policy implications of the results was based on the mentioned statistics. However, it was very important to determine whether the model was efficient in forecasting financial performance in Nigeria. To this end, the stability and forecast performance analyses was carried out.

4. Theoretical Framework and Model Specification

The theory on which this study is anchored is the upper echelon theory (UET) which is credited to Hambrick and Mason (1984). The UET suggests that the attributes of the chief executive officers in terms of age, tenure, gender diversity, political connection, educational qualification, business expertise, overconfidence, national diversity, and ethnic diversity can reveal strategic decisions (Zaidi et al., 2021). The central philosophy of UET flows from bounded rationality theory which states that the informed judgment and decision made by the CEOs is not wholly contingent on rational aim as this cannot capture all appropriate information about the subject (Ilaboya & Obasi, 2018). Accordingly, people mostly depend on their expressive and behavioural features in decision-making (Hambrick & Mason, 1984), which suggests that the study of managerial decision-making must reflect the problems in determining and evaluating the mental attributes of the chief executives. In relation to UET, erstwhile studies have shown how diverse CEO attributes such as age (Lee et al., 2018), gender (Kassinis et al., 2016), political belief system (Chen, 2015), and educational qualification (Manner, 2010) can influence the corporate financial performance. Generally, the UET is based on distinctive attribute of CEOs which includes age, tenure, gender diversity, political connection, and educational qualification, to succinctly explain the degree of influence of these attributes on firm value as well as corporate financial performance. Flowing from the UET, the

schematic presentation of the relationship between CEO attributes and financial performance is given as follows:



Source: Researcher's Presentation (2023)

Model Specification

Ahmed (2021) examined the effect of CEO characteristics on financial performance of listed insurance companies in Nigeria using the following model:

$$ROA_{it} = \beta_0 + \beta_1 CGEN_{it} + \beta_2 CEDUL_{it} + \beta_3 COWN_{it} + \beta_4 FSIZE_{it} + \beta_5 LEV_{it} + \beta_6 FAGE_{it} + \varepsilon_{it} \dots \dots \dots (1)$$

Where: ROA = Return on assets; CGEN = CEO gender; CEDUL = CEO educational level; COWN = CEO share ownership; FSIZE = Firm size; LEV = Leverage; FAGE = Firm age; β_0 = Fixed intercept; β_1 - β_6 = Coefficient of the explanatory variables; ε = Error term; i = Firm; t = Time.

Following the schematic presentation which flows from the UET on which this study is anchored, this study adapts the model by Ahmed (2021) and improves on the model by adding CEO age, CEO tenure, and CEO political connection to suit the study. Therefore, the functional model specification for this study is stated as follows:

$$\text{Financial Performance} = f(\text{CEO Attributes}) \dots \dots \dots (2)$$

$$\text{Financial Performance} = f(\text{AGE, TEN, GEND, POLC, EDQ}) \dots \dots \dots (3)$$

Flowing from the functional model, the econometric model is specified thus:

$$ROA_{it} = \beta_0 + \beta_1 AGE_{it} + \beta_2 TEN_{it} + \beta_3 GEND_{it} + \beta_4 POLC_{it} + \beta_5 EDQ_{it} + \beta_6 FSIZE_{it} + \beta_7 SG_{it} + \varepsilon_{it} \dots \dots \dots (4)$$

Where: ROA= Return on Asset; AGE = CEO Age; TEN = CEO Tenure; GEND = CEO Gender Diversity; POLC = CEO Political Connection; EDQ = CEO Educational Qualification; FSIZE = Firm Size; SG = Sales Growth; ε = The Stochastic Error Term; i = Company; t = Period Covered; β_0 = Intercept; $\beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6, \beta_7$ = Parameter Estimates; Aprior expectations are $\beta_1 > 0, \beta_2 < 0, \beta_3 > 0, \beta_4 > 0, \beta_5 > 0, \beta_6 > 0$ and $\beta_7 > 0$ which suggest that the independent variables, except for $\beta_2 < 0$, are expected to have progressive and significant relationship with ROA (i.e good predictors of financial performance) specifically to be consistent with existing theory (upper echelon theory) on which this study is anchored.

Operationalisation of Variables

S/N	Variables	Codes	Measurements	Sources	Apriori Sign
Dependent					
1	Financial Performance	ROA	Measured as $\frac{\text{Profit After Tax}}{\text{Capital Employed}}$	Ahmed (2021)	
Independent					
2	CEO Age	AGE	Measured as the number of years from CEO's birth year to the sample year	Ofe (2012)	+
3	CEO Tenure	TEN	Measured as the number of years the CEO served in such capacity.	Ofe (2012)	-
4	CEO Gender Diversity	GEND	Measured as a dichotomous variable in which one (1) was assigned if the CEO is a female or zero (0) if otherwise	Ahmed (2021)	+
5	CEO Political Connection	POLC	Measured as a dichotomous variable that takes 1 if a CEO once occupied a political office/an ex-police officer/an ex-military officer or 0 if otherwise.	Wu et al. (2018)	+
6	CEO Educational Qualification	EDQ	Measured as a dichotomous variable that takes 1 if the CEO has certification in Accounting or Finance or 0 if otherwise.	Ahmed (2021)	+
Control					
7	Firm Size	FSIZE	Measured as the natural logarithm of total assets	Ahmed (2021)	+
8	Sales Growth	SG	Measured as the difference between current sales and previous sales divided by previous sales i.e $\frac{\text{Current Sales} - \text{Previous Sales}}{\text{Previous Sales}}$	Adegbola et al. (2021)	+

Source: Researcher's Compilation (2023)

5. Data Presentation, Interpretation and Discussion Of Findings

Descriptive analysis helps in describing the features and statistical features of any dataset. In this study, emphasis is placed on the values of the mean, minimum, maximum, and standard deviations, as these are the statistics commonly used by most researchers.

Descriptive Statistics

	ROA	AGE	TEN	GEND	POLC	EDQ	FSIZE	SG
Mean	-0.575850	55.65278	6.402778	0.027778	0.222222	0.138889	7.740305	0.059772
Median	0.079411	57.00000	5.500000	0.000000	0.000000	0.000000	7.800847	0.027948
Maximum	17.66079	69.00000	17.00000	1.000000	1.000000	1.000000	9.257307	2.588027
Minimum	-64.17402	1.000000	1.000000	0.000000	0.000000	0.000000	5.822610	-0.999285
Std. Dev.	7.917473	8.400469	4.716348	0.165489	0.418657	0.348257	1.016930	0.573037
Skewness	-7.173275	-3.748204	0.546723	5.747049	1.336306	2.088370	-0.415086	1.455172
Kurtosis	59.86797	26.02048	2.099643	34.02857	2.785714	5.361290	2.248687	7.732061
Jarque-Bera	10319.37	1758.415	6.018800	3284.660	21.56633	69.06256	3.760975	92.58749
Probability	0.000000	0.000000	0.049321	0.000000	0.000021	0.000000	0.152516	0.000000
Sum	-41.46121	4007.000	461.0000	2.000000	16.00000	10.00000	557.3020	4.303584
Sum Sq. Dev.	4450.733	5010.319	1579.319	1.944444	12.44444	8.611111	73.42434	23.31439
Observations	72	72	72	72	72	72	72	72

Source: Researcher's Extract (2023)

Financial performance, measured as return on assets (ROA), has a mean and standard deviation (SD) of -0.575850 and 7.917473 respectively as shown in the Table above. The SD value is higher than the mean value indicating that financial performance needed scholarly investigation in Nigeria. The maximum and minimum values are 17.66079 and -64.17402. The mean and maximum values of CEO age are 55.65278 and 69.00000 thus suggesting that the oldest CEO is 69 years while the youngest CEO is approximately 66 years. The mean and maximum values of CEO tenure are 6.402778 and 17.00000 thus signifying that the longest tenure of the CEO is 17 years while the least is 6 years. The mean and maximum values of CEO gender diversity are 0.027778 and 1.000000 therefore implying that there is gender diversity of CEO in the periods under investigation. The mean and maximum values of CEO political connection are 0.222222 and 1.000000 thus signifying that at least, 22% of the CEOs have political affiliations and influences in the periods under examination. The mean and maximum values of CEO educational qualification are 0.138889 and 1.000000 thus signifying that at least, approximately 14% of the CEOs have educational qualification in Accounting or Finance in the periods under examination. Firm size (FSIZE) was captured as the logarithm of total assets. Its mean and maximum values are 7.740305 and 9.257307 thus suggesting that, on the average, over ₦7.770305 billion was invested in assets by each company under investigation in the period under examination. Sales growth (SG) was captured as the difference between current sales and previous sales divided by previous sales. Its mean and maximum values are 0.059772 and 2.588027 thus suggesting that, on the average, over ₦0.059772 million was earned as a result of growth in sales by each company under investigation in the period under examination.

5.1 Correlation Analysis

The correlation analysis is a tool to determine the level of correlation between variables as well as a prima facie test for multicollinearity. The closer the correlation coefficient (r) is to 1, the stronger the relationship between the variables.

Correlation Matrix

Correlation t-Statistic Probability	ROA	AGE	TEN	GEND	POLC	EDQ	FSIZE	SG
ROA	1.000000 ----- -----							
AGE	-0.186050 -1.584266 0.1176	1.000000 ----- -----						
TEN	-0.250837 -2.167968 0.0336	0.249581 2.156390 0.0345	1.000000 ----- -----					
GEND	0.010816 0.090502 0.9281	-0.185461 -1.579072 0.1188	-0.176945 -1.504167 0.1370	1.000000 ----- -----				
POLC	0.020600 0.172385 0.8636	0.022249 0.186193 0.8528	0.581743 5.983979 0.0000	-0.090351 -0.759033 0.4504	1.000000 ----- -----			
EDQ	0.037480 0.313801 0.7546	0.007088 0.059302 0.9529	-0.077413 -0.649637 0.5181	-0.067884 -0.569275 0.5710	-0.214669 -1.838924 0.0702	1.000000 ----- -----		
FSIZE	0.210927 1.805355 0.0753	-0.496849 -4.790000 0.0000	-0.230716 -1.983829 0.0512	-0.008405 -0.070323 0.9441	-0.105041 -0.883722 0.3799	0.003548 0.029682 0.9764	1.000000 ----- -----	
SG	-0.044885	-0.067217	0.108848	-0.081854	0.197048	0.087455	-0.010992	1.000000

-0.375911	-0.563657	0.916134	-0.687149	1.681592	0.734518	-0.091971	-----
0.7081	0.5748	0.3627	0.4943	0.0971	0.4651	0.9270	-----

Source: Researcher’s Extract (2023)

From the Table above, the degree of relationship between the regressand (ROA) and the regressors can be readily observed. The relationship between ROA and all the regressors namely AGE, TEN, GEND, POLC, EDQ is low as revealed by the respective correlation coefficients ($r = -0.186050$; $r = -0.250837$; $r = 0.010816$; $r = 0.020600$; and $r = 0.037480$). In relation to the control variables, the relationship between ROA and FSIZE is high as revealed by the respective correlation coefficient ($r = 0.210927$). The relationship between ROA and SG is low as revealed by the respective correlation coefficient ($r = -0.044885$). In addition, a cursory glance reveals the absence of multicollinearity as the largest correlation coefficient among the regressors is 0.581743 between POLC and TEN while the least correlation coefficient of -0.496849 is between FSIZE and AGE.

Regression Output

Variable	Coefficient	Std. Error	z-Statistic	Prob.
C	-0.118044	1.692630	-0.069740	0.9444
AGE	-0.007070	0.016779	-0.421371	0.6735
TEN	-0.323811	0.026556	-12.19352	0.0000
GEND	0.206308	0.405003	0.509398	0.6105
POLC	2.987946	0.316907	9.428477	0.0000
EDQ	0.924759	0.198664	4.654891	0.0000
FSIZE	0.123586	0.106084	1.164985	0.2440
SG	0.522888	0.055604	9.403753	0.0000

Variance Equation

C	0.000192	0.032073	0.005988	0.9952
RESID(-1)^2	10.57830	2.755637	3.838787	0.0001
GARCH(-1)	0.000497	0.001375	0.361328	0.7179

R-squared	0.810259	Mean dependent var	-0.575850
Adjusted R-squared	0.760338	S.D. dependent var	7.917473
S.E. of regression	7.997581	Akaike info criterion	4.673278
Sum squared resid	4093.523	Schwarz criterion	5.021102
Log likelihood	157.2380	Hannan-Quinn criter.	4.811748
Durbin-Watson stat	1.939552		

Source: Researcher’s Extract (2023)

As shown in the Table above, the R-squared is 0.810259 while the adjusted R-square is -0.760338 which reveals that the regressors both explain the systemic variation in the regressand to the tune of seventy-six percent (76%). This suggests that the regressors are good predictors of financial performance. The Durbin-Watson statistic is 1.939552 which revealed absence of auto-correlation in the model. Flowing the regression output, the coefficients (p-values) of the observed variables are -0.007070 (0.6735), -0.323811 (0.0000), 0.206308 (0.6105), 2.987946 (0.0000), 0.924759 (0.0000), 0.123586 (0.2440), and 0.522888 (0.0000) representing AGE, TEN, GEND, POLC, EDQ, FSIZE, and SG respectively. These values show that there is a negative but insignificant relationship

between CEO age and financial performance. This is inconsistent with the apriori expectation $\beta_1 > 0$ earlier stated, which suggests that CEO age and financial performance have insignificant inverse relationship. Thus, as CEO age increases, there is decrease in financial performance but this has no significant influence on corporate activities. This finding is inconsistent with the findings of Adil and Muhammad (2019), Chandren et al. (2021), Harjeet and Yu (n.d.) but aligns with the finding of Bandiera et al. (2020) and Li and Singal (2017). Second, there is a negative and significant relationship between CEO tenure and financial performance. This implies that as tenure of the CEO increases, there is corresponding and significant decrease in financial performance. This is consistent with the apriori expectation $\beta_2 < 0$ earlier indicated, which suggests that CEO tenure and financial performance have significant inverse relationship. This finding aligns with the findings of Chandren et al. (2021) and Rehman et al. (2021) but does not align with the finding of Ahmad et al. (2022), Yusuf and Yahaya (2023).

Third, there is a positive but insignificant relationship between CEO gender and financial performance. This suggests that as gender diversity of the CEO increases, there is no significant and corresponding impact on financial performance. This is consistent with the apriori expectation $\beta_3 > 0$ earlier specified, which suggests that CEO gender diversity and financial performance have direct and insignificant relationship. This finding does not align with the finding of Matic and Bognæs (2019), Prasetyo and Wicaksono (2019), and Shao and Liu (2014). Fourth, there is a positive and significant relationship between CEO political connection and financial performance. This suggests that as CEOs become more politically connected; there corresponding and significant improvement in the corporate financial performance. This is consistent with the apriori expectation $\beta_4 > 0$ earlier identified, which indicates that CEO political connection and financial performance have direct and significant relationship. It is a difficult undertaking to adjudicate between the gains and costs of corporate political connections. Admittedly, corporate political connections directly influence firm performance due to the tax exemptions, employment of state resources and power, and special access to leverage and acquired market share that politically connected companies enjoy. In practice, the relationship between companies and the political class is considered a core wise corporate idea. This finding aligns with the findings of Ding et al. (2014), Najaf and Najaf (2021) and Wu et al. (2018)

Fifth, there is a positive and significant relationship between CEO educational qualification and financial performance. This suggests that CEOs educational qualification in Accounting and Finance directly corresponds to, and significantly improves the corporate financial performance. This is consistent with the apriori expectation $\beta_5 > 0$ earlier indicated, which implies that CEO educational qualification and financial performance have direct and significant relationship. This finding does not align with the findings of Lindorff and Prior-Jonson (2013) but aligns with the findings of Ying and Mei (2014) and Zaidi et al. (2021). Sixth, there is a positive but insignificant relationship between firm size and financial performance. This suggests that as companies increase in size, there is no corresponding and significant improvement in the corporate financial performance. This is inconsistent with the apriori expectation $\beta_6 > 0$ earlier indicated, which implies that firm size and financial performance have direct but significant relationship. Last, there is a positive and significant relationship between sales growth and financial performance. This suggests that as sales increases, there is corresponding and significant improvement in the corporate financial performance. Similarly, it implies that politically linked companies have greater influence on firm performance as they tend to maintain high market share. In the same vein, corporate sales level will quickly increase as a result of corporate political affiliations.

6. Conclusion and Recommendations

The broad objective of the study was to investigate the relationship between chief executive officers' attributes and financial performance in Nigerian oil & gas sector. After the empirical investigation, the study found positive and significant relationship between POLC, EDQ, and SG and ROA; negative and significant relationship between TEN and ROA thus suggests that these variables are good predictors of financial performance in Nigerian oil & gas sector. The study found negative but insignificant relationship between AGE and ROA while the study also found positive but insignificant relationship between GEND, FSIZE and financial performance in Nigerian oil & gas sector, therefore implying that AGE, GEND and FSIZE are not good predictors of financial performance in Nigerian oil & gas sector. The study recommends that further empirical studies should be conducted using other sectors of the economy especially the consumer goods sector considering the high level of inflation in the country.

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