Personality Traits and Leadership Effectiveness. A Mini Review

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Abstract

The analysis of the relationship between personality traits and leadership effectiveness has been a central area of investigation within organizational psychology for an extended period. This review aims to examine the impact of fundamental personality traits on leadership effectiveness. Based on empirical findings derived from the Five-Factor Model (FFM), it has been observed that specific personality traits, namely conscientiousness and emotional stability, exhibit consistent associations with effective leadership behaviors. Conscientious leaders exhibit traits such as organization, diligence, and responsibility, which in turn contribute to enhanced decision-making capabilities and the successful execution of projects. Emotional stability enables leaders to effectively manage and navigate the various stressors encountered in the workplace, demonstrating composure and a clear understanding of the situation. Openness to experience, a personality trait identified in the Five-Factor Model (FFM), has the potential to facilitate innovative thinking and adaptability, both of which are crucial for effectively navigating the dynamic challenges of the business environment.

Nevertheless, it is widely agreed upon that these characteristics hold significant value. Nonetheless, the ideal equilibrium of these traits differs depending on the specific circumstances, sectors, and societal norms. There is also evidence from research suggesting that situational factors and individual experiences may moderate the influence of personality.

In summary, personality traits are a fundamental framework for assessing leadership potential. However, it is essential to recognize that the expression and influence of these traits are complex and varied, thus necessitating a comprehensive approach to cultivating leadership skills. This systematic review aims to compile a comprehensive body of evidence spanning thirteen years, focusing on the impact of personality traits on leadership performance. The study examines various personality traits, including extroversion, approachability, receptivity to new experiences, neuroticism, conscientiousness, narcissism, honesty-humility, approach to risk, and tolerance of ambiguity. A significant positive correlation was observed between effectiveness and all traits mentioned above except neuroticism and, in certain instances, narcissism. The results of our study can serve as a basis for future investigations in this field.

Keywords: Personality Traits, Five-Factor Model, Leadership, Development, Leadership Effectiveness
1. Introduction

The concept of leadership is a multifaceted and intricate phenomenon subject to extensive analysis, dissection, and discourse from various perspectives. The intrinsic personality traits of leaders have received considerable attention as one of the numerous factors that influence leadership effectiveness. Ultimately, leadership encompasses more than mere strategic planning and decision-making; it is intricately linked to the individual's personal qualities, temperament, and innate inclinations. Examining personality traits, frequently based on established frameworks such as the Five-Factor Model (FFM), offers valuable perspectives on the potential influence of distinct characteristics on leadership behaviors and organizational outcomes. For example, does a more agreeable disposition contribute to enhanced team cohesion? Does an elevated level of neuroticism impede decision-making in high-pressure situations? These inquiries highlight the significance of comprehending personality's influence on leadership dynamics (Antonopoulou et al., 2021; Antonopoulou et al., 2022b). This review seeks to elucidate the complex interplay between personality traits and leadership effectiveness to identify the traits that consistently enhance leadership capabilities and those that may pose difficulties (Antonopoulou et al., 2021a; Antonopoulou et al., 2021b). Through an in-depth exploration of this relationship, our objective is to provide a theoretical comprehension of academia and practical perspectives for organizations that cultivate successful leadership internally.

2. Literature Review

The current state of literature concerning personality traits and their impact on leadership effectiveness indicates that leadership traits and behaviors are influential factors in determining leadership effectiveness. According to DeRue et al. (2011), there is a greater degree of variance in leadership effectiveness that leader behaviors can explain compared to leader traits. However, it is necessary to develop an integrative model that considers the mediating role of leader behaviors in the connection between leader traits and effectiveness (Antonopoulou et al., 2023; DeRue et al., 2011). Research findings indicate a correlation between specific personality traits, namely conscientiousness, openness to experience, and extraversion, and the emergence of leadership qualities in individuals, regardless of gender (Andrade, 2022; Treglown et al., 2020). Nevertheless, the influence of personality traits on the effectiveness of leaders may exhibit variability. For instance, Treglown et al. (2020) have observed that curiosity has yielded varied advantages for leaders. In contrast, conscientiousness and competitiveness may not serve as distinguishing factors in determining leader effectiveness. The influence of gender biases and stereotypes also extends to perceptions of leader effectiveness. According to Andrade (2022), empirical investigations have revealed that leader effectiveness is influenced by gender, wherein gendered personality traits and stereotypes play a significant role in shaping both leaders' perceptions and self-perceptions (Gkintoni et al., 2022b). According to Andrade (2022), women may perceive themselves as possessing lower levels of competence in leadership positions when leadership is closely linked with predominantly masculine attributes.

Moreover, it has been observed that the leader-member relationship and organizational citizenship behavior of followers can be impacted by the introverted and extroverted personality traits exhibited by leaders (Niranga & Dharmadasa, 2019). According to Niranga and Dharmadasa (2019), leader personality traits play a crucial role in elucidating a substantial proportion of the variability observed in leadership effectiveness. In summary, personality traits have a significant impact on the effectiveness of leadership, as certain traits are closely linked to both the emergence and effectiveness of leaders.
According to Bergner (2020), personality has been identified as a significant predictive factor for professional success, among other factors. The impact of personality traits on leadership effectiveness has been thoroughly examined in previous research (Do & Minbashian, 2020). Per Daft's (2011) definition, personality refers to a collection of intangible attributes and behaviors that underlie a consistent pattern of responses to stimuli, such as concepts, objects, or individuals within one's surroundings (Giannoulis et al., 2022a; Giannoulis et al., 2022b). Several theories have been proposed to explain her characteristics, including the five-factor model of personality and the dark triad.

The five-factor model is a widely utilized framework for assessing the prominent dimensions of personality. Extensive global research has contributed to its widespread adoption (Singh & Pathardikar, 2010). The assessment evaluates five distinct characteristics: neuroticism, extroversion, openness to new experiences, agreeableness, and conscientiousness. Neuroticism pertains to an individual’s inclination to undergo negative emotional experiences, whereas extraversion is associated with the propensity to engage in social interactions. An individual characterized by their inclination towards embracing novel experiences exhibits nonconformity, challenges established principles, and demonstrates a willingness to entertain fresh concepts. Compassion is a quality that endows an individual with the ability to understand and share the emotions of others, as well as a genuine desire to assist. It also encompasses the belief that others possess similar sentiments. Conscientiousness can be understood as a cognitive trait that manifests in an individual's ability to exhibit organization, consistency, reliability, and impulse control (Gkintoni et al., 2021b). The HEXACO personality assessment tool incorporates an additional trait known as honesty-humility, which encompasses the qualities of fairness, honesty, and humility (Dåderman et al., 2022). Simultaneously, the High Potential Trait Inventory (HPTI) incorporates the four primary dimensions of the "Big Five" personality traits, namely openness, conscientiousness, extraversion, agreeableness, and neuroticism, alongside two additional factors: tolerance of ambiguity, which pertains to the cognitive processing of novel experiences, and risk approach or courage, which refers to the capacity to confront or mitigate negative or aggressive emotions (Cuppello et al., 2023).

Extensive research has been conducted on the dimensions of narcissism within the framework of the dark triad and its impact on leadership. The presence of both cognitive and affective components characterizes narcissism. According to De Hoogh et al. (2013), it is characterized by an overwhelming fixation on the individual, an unquenchable desire for self-promotion, and a conviction in one's exceptionalism. The prevalent categorization of narcissism typically involves distinguishing between "grandiose" and "vulnerable" manifestations. Individuals displaying grandiose narcissism demonstrate a notable reduction in their capacity for empathy, an excessive preoccupation with their appearance and self-worth, and an elevated sense of self-love and self-esteem. In contrast, vulnerable narcissism is characterized by a proclivity towards heightened sensitivity and anxiety, coupled with diminished self-regard, depressive tendencies, anxious disposition, and a notable disregard for the well-being of others (Gkintoni & Ortiz, 2023; Gkintoni et al., 2022a). According to
Dåderman et al. (2022), there are notable distinctions between a vulnerable narcissist and a bigot regarding their tendencies to engage in bragging behavior. Although narcissism is often associated with negative connotations, its components are linked to constructive behaviors and elevated self-confidence, self-esteem, and social acceptance. Conversely, the adverse outcomes associated with this phenomenon include the manifestation of arrogance, self-centeredness, hostility, and a lack of concern for the potential harm caused in one's pursuit of personal progress (De Hoogh et al., 2013).

Effective leadership is crucial in the ever-changing and evolving modern work culture. As a concept, leadership encompasses the dynamic relationship between leaders and subordinates, wherein the leaders exert influence over the behavior and accomplishments of the latter (Karlsen & Langvik, 2021). According to Dåderman et al. (2022), effective leadership encompasses utilizing the leader's resources, attaining organizational objectives, and establishing effective communication and positive interpersonal connections with colleagues. Evaluating a leader's effectiveness in research is contingent upon several factors. Firstly, the leader's positive influence on the organization is crucial (Antonopoulou et al., 2022a; Halkiopoulos et al., 2023b; Do & Minbashian, 2020). Additionally, the leader's ability to influence subordinates to achieve their goals is another important criterion for evaluation (Do & Minbashian, 2020). Lastly, the leader's promotion within the organization also plays a role in assessing their effectiveness (Cuppello et al., 2023).

Numerous studies have examined the correlation between the attributes mentioned above and influential leaders' effectiveness (Gkintoni et al., 2017). Pendleton et al. (2021) posit that individuals exhibiting low neuroticism and high conscientiousness are characterized by behavioral traits contributing to their leadership efficacy. Asselmann et al. (2022) have posited that emergent leaders exhibit higher extroversion, receptiveness, emotional stability, and conscientiousness. These traits have been observed to change over time, with extroversion and conscientiousness decreasing while self-confidence increases (Antonopoulou et al., 2023). The concept of receptivity to experience is closely linked to effective leadership, as it is associated with the ability to think divergently, generate original ideas, and exhibit creativity (Sortwell et al., 2023; Tzachrista et al., 2023). This trait is commonly observed in individuals with elevated levels of receptivity to experience (Singh & Pathardikar, 2010). As mentioned above, the study indicates that the attribute of approachability can be regarded as a favorable trait in the context of leadership, primarily owing to the altruistic inclination leaders exhibit towards their subordinates. The research conducted by Chua and Iyengar (2011) further corroborates these findings, demonstrating that subordinates perceive incumbent leaders as more effective.

In contrast, Bergner's (2020) study revealed a limited association between agreeableness and leadership effectiveness, suggesting that traits such as moderation and sensitivity may not significantly contribute to a leader's success. However, the study found a noteworthy correlation between extroversion and successful leadership, conscientiousness, emotional stability, and receptivity to followers. The dimensions of extroversion, such as sociability and self-confidence, are commonly observed traits associated with leadership (Gkintoni et al., 2021c). Bendersky and Shah (2013) discovered a strong positive correlation between this variable and effectiveness. According to Guedes (2017), a positive correlation exists between narcissism and effectiveness when the leader employs self-report measurements to evaluate their narcissistic tendencies. However, when others utilize objective measurements to evaluate narcissism, a negative correlation with effectiveness is observed. In an ideal scenario, an effective leader would possess a discernible degree of narcissism, as this trait can yield positive outcomes within reasonable limits (Grijalva et al., 2015). According to Zettler and Hilbig (2010), a negative correlation exists between honesty-humility and counterproductive work behaviors.
The purpose of the current systematic review is to address certain gaps in the existing literature, as indicated by the aforementioned relationships. The objective will be accomplished through the presentation of pertinent studies, which will be juxtaposed in order to gain a deeper comprehension of the topic. Consequently, it is anticipated that the subsequent associations will be identified:

[RH1]: Hypothesis 1 posits a negative relationship between narcissism and neuroticism and the effectiveness of leadership.

[RH2]: Hypothesis 2 posits that there exists a positive relationship between the personality trait of honesty-humility and the effectiveness of leadership.

[RH3]: Hypothesis 3 posits that there exists a positive relationship between extraversion, agreeableness, receptivity to new experiences, and conscientiousness, and the effectiveness of leadership.

[RH4]: Hypothesis 4 posits a positive relationship between risk approach and tolerance of ambiguity, and effective leadership.

3. Methodology

Drawing upon prior systematic reviews, we conducted a comprehensive search for scholarly articles and books in psychology and business administration. To accomplish this, we utilized prominent databases such as PubMed, Research Gate, Elsevier, Scopus, Springer, Sage Journals, Taylor & Francis Online, and Science Direct, which offer a substantial repository of academic resources. The writing dates of our selected sources spanned from 2010 to 2023, and we subsequently published them in English. The searches were conducted using specific keywords, including personality, traits, leadership effectiveness, Big Five, and narcissism. The articles utilized in the systematic review excluded sources that did not establish a correlation between personality traits and effective leadership.

4. Results

The research study conducted by De Hoogh et al. (2013) yielded findings that indicate a significant positive association between narcissism and leadership effectiveness. However, it is essential to note that this relationship is influenced by gender. Specifically, women who exhibit narcissistic traits may be perceived as less effective in leadership roles due to prevailing gender stereotypes (Gkintoni et al., 2016; Gkintoni et al., 2023d). According to Blickle et al. (2023), effective leadership is associated with moderate levels of narcissism, a conclusion that aligns with the research conducted by Grijalva et al. (2015). Furthermore, Furtner et al. (2017) have documented in their study that a positive correlation exists between narcissism and effective leadership. Singh and Pathardikar (2010) conducted a study that revealed that extroversion is considered the most crucial trait within the five-factor model.

Conversely, receptivity to experience emerged as the most contentious trait among the five factors. Simultaneously, conscientiousness also plays a pivotal role. In a similar vein, Bergner (2020) discovered that the qualities of receptiveness, extraversion, and emotional stability have a positive impact on effectiveness.

Furthermore, Dáderman et al. (2022) discovered a comparatively modest correlation between assertiveness and efficacy in their research. The researchers postulated that the observed phenomenon could be attributed to the specific tasks employed for the measurements in this study. They posited that leaders with a greater scope of influence would exhibit superior performance on alternative individual
tasks that were not included in the study. In contrast, a study by Blake et al. (2022) revealed a positive correlation between assertiveness and leadership effectiveness. In a subsequent study, Dâderman et al. (2022) observed a positive association between conscientiousness and the effectiveness of leaders. Furthermore, it was discovered that there exists a moderate correlation between extroversion and receptivity to experience and the individual's performance. The researchers also incorporated the personality trait of honesty-humility into their study, finding a significant positive correlation with effectiveness.

According to the findings of Karlsen and Langvik (2021), leaders exhibited a notable absence of neuroticism. The study found that extraversion was a significant predictor of performance. Additionally, subjective measures of agreeableness were positively correlated with performance, as were conscientiousness and agreeableness. In contrast, it was observed that neuroticism did not yield a statistically significant impact on performance. However, conscientiousness and agreeableness demonstrated a positive correlation with performance outcomes.

Furthermore, a study conducted by Afshar et al. (2020) revealed a significant correlation between extroversion and leadership performance, with conscientiousness and agreeableness exhibiting a subsequent relationship. Blaire et al. (2018) reported comparable results, indicating that effective leadership is positively associated with extraversion, agreeableness, and emotional stability, while leadership performance is strongly predicted by conscientiousness. The authors clarified that while influential leaders were observed to possess elevated levels of assertiveness, additional factors must be considered to ascertain effective leadership. Simultaneously, a positive correlation was observed between narcissism and leadership effectiveness. The findings of this study align with those of Do and Minbashian (2020), who also observed a positive correlation between extraversion and, conscientiousness and effectiveness. The association mentioned above was similarly observed in the study conducted by Ghani et al. (2016), wherein the inclusion of receptivity to new experiences and agreeableness as variables yielded comparable findings. However, no significant correlation was identified between neuroticism and efficacy. Cuppello et al. (2023) conducted a study that expanded upon the five-factor model by incorporating the traits of risk approach and tolerance for ambiguity. Their findings revealed that individuals in leadership roles exhibit elevated levels of risk approach and tolerance for ambiguity. Furthermore, these traits were positively correlated with conscientiousness, adaptability, curiosity, and competitiveness.

Table 1. Research Studies

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<tr>
<th>Personality Traits</th>
<th>Study</th>
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<tr>
<td>Extroversion</td>
<td>Singh &amp; Pathardikar (2010)</td>
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<td>Bergner (2020)</td>
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<td>Do &amp; Minbashian (2020)</td>
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<td>Affability</td>
<td>Dâderman et al (2022)</td>
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Therefore, several conclusions can be drawn based on the findings mentioned above. Firstly, it is essential to acknowledge that when exhibited in moderate degrees, narcissism can serve as a beneficial attribute for a leader. Thus, the initial hypothesis still needs to be verified concerning this particular feature. Conversely, extroversion exerts a solely positive influence on the effectiveness of leaders.
assuming a significant role. The self-assurance exhibited by extroverted leaders plays a significant role in inspiring subordinates, thereby obviating the need for leaders to assert themselves to accomplish assigned tasks (Karlsen & Langvik, 2021). The impact of emotional stability is predominantly positive, although its significance may not be as pivotal as that of extroversion. Consequently, it is logical to assert that a leader's performance is enhanced by possessing low levels of neuroticism. This is because a leader who exhibits neurotic tendencies, such as worry, nervousness, and self-pity, is less likely to succeed than leaders who demonstrate emotional stability (Gkintoni et al., 2023a; Gkintoni et al., 2023c; Ghani et al., 2016). Therefore, our initial hypothesis regarding the relationship with neuroticism is substantiated. Existing research has indicated that the impact of approachability and receptivity on effectiveness is not universally consistent. Some studies have identified a moderate correlation between these variables, whereas others have observed a more substantial association. Simultaneously, previous research has demonstrated that conscientiousness is a notable attribute observed in leaders, as it fosters a sense of responsibility and motivates them to pursue their objectives driven by a strong sense of duty (O'Boyle et al., 2011). Thus, our third hypothesis regarding the relationship between extraversion, agreeableness, openness to new experiences, and conscientiousness has been confirmed.

Specific traits that are not included in the five-factor model are often omitted from surveys, yet they have been found to exhibit a positive correlation with leader performance. One of the foremost aspects pertains to handling risk, given that senior management assumes a key responsibility in evaluating precarious circumstances and undertaking potentially hazardous choices. Another notable characteristic is the ability to tolerate ambiguity, as organizations strive to comprehend intricate processes and elements that may be ambiguous (Cuppello et al., 2023; Halkiopoulos et al., 2021b). Therefore, our fourth hypothesis regarding the two features mentioned above has been confirmed. One additional attribute that exhibits a favorable correlation with efficiency is honesty-humility, which contributes to establishing genuine and cooperative connections, affirming our second hypothesis (Dåderman et al., 2022).

One potential constraint of this systematic review pertains to the quantity of studies included in the analysis. The comprehensiveness of the analysis could be enhanced by incorporating a more significant number of studies. An additional constraint pertains to the limited number of articles included in the study, which encompasses a wide range of characteristics derived from various personality models. Consequently, not all of these characteristics may have been thoroughly examined. Hence, it is recommended that forthcoming studies explore distinct personality models and their correlation with attaining effective leadership.

In conclusion, our hypotheses have been substantiated except the hypothesis about narcissism. This study highlights the considerable impact that specific characteristics, such as extraversion and conscientiousness, have on bolstering a leader's effectiveness. Hence, this systematic review aims to provide a comprehensive understanding of how the characteristics of a leader can influence their actions and decision-making processes.

References


