# International Journal of Advanced Engineering and Management Research

Vol. 2 Issue 6, 2017



http://ijaemr.com/

# IMPACT OF PERSONALITY TRAITS ON EMPLOYEE PERFORMANCE

ISSN: 2456-3676

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IN A MODERATING AFFECT OF ORGANIZATIONAL CULTURE.

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#### **ABSTRACT**

The present study investigated the impact of personality traits on employee performance in a moderating affect of organizational culture. Personality traits taken were Introversion and Extroversion. Sample size of the study was 100 employees from different government institutions of Islamabad, Pakistan. Data was gathered through survey. It was hypothesized that personality traits are positively related to employees' performance, furthermore organizational culture shows moderating impact between personality traits and performance. The results indicated that there is a significant impact of personality traits on employees' performance and have varying value depending upon the culture of the organization.

**Key Words**: Personality Traits (Introversion, Extraversion), Employee performance, Organizational Culture

## 1. Introduction

Can personality traits (introversion and extroversion) explain why some people show better work performance while others don't? The concept has huge influential value in management theory. In fact personality traits explain the expected behavior of the workforce at work place. As narrated by Penney David & Witt (2011) that personality is an important determinant of individual behavior at workplace. Whereas another valuable notion is that, personality factors may influence individuals' likelihood to perform environment friendly behaviors (Pettus & Giles, 1987). Therefore the present study tries to explore the concept in Pakistani culture organizations by demonstrating the relationship of selected personality traits e.g. introversion and extraversion with employee performance in the moderating impact of organizational culture. Talking about employees' performance, it is obvious that performance is the key factor of showing effectiveness and efficiency of an organization. Managers at different setups struggle to increase employees' performance for productivity. The present study will also provide the

evidence in relation mentioned above and it will enrich the existing literature in a way to assist practitioners, researchers, and human resource management to take some measures to cope with human resource as to enhance their personality so as to achieve targeted performance level. Research of Wiseman & Bogner (2003) has shown that Eysenck's personality factors of Psychoticism (egocentrism, non-conformity, impulsiveness, hostility) and Neuroticism (anxiety, depression, inferiority, unhappiness) are related to environmental values. Current research will also show whether employees' performance relationship with introversion and extraversion is affected with organizational culture. As researches have shown strong relationships between individual differences (e.g. personality characteristics) and burnout" (Goddard et al, 2004; Allen and Mellor, 2002; De Vries and Van Heck, 2002) etc. In many researches Big Five model of personality has been discussed, however in this research focus is based on two very common traits introversion and extraversion. Thus this study will not only help the managers of an organizations to understand the reforms needed to tackle the workforce performance on the basis of personality traits in connection with culture to increase the productivity of an organization but will also give answer to the following questions.

- Does introversion and extraversion personality traits impact employee performance?
- Introvert or extrovert employees perform better?
- Does a relationship b/w introversion, extraversion and employee performance is moderated by organizational culture?

#### 2. Literature Review

#### 2.1 Introversion and Extraversion

Extroverts are those who exhibit characteristics of sociability, assertiveness, talkative, and high activity etc, in addition, extroverts are cheerful, energetic, and optimistic whereas in contrast, Introvert individuals are characteristically be described as reserved, independent, and quiet (Costa & McCrae, 1991).

Thus to find out the impact and relation of introversion (a personality trait) on employee performance, we have

**H1:** Introversion will have a positive impact on employee performance

Extraversion is particularly relevant to exhaustion in jobs where interpersonal interaction is required (De Vries, & Van Heck, 2003)

Thus to find out the impact and relation of extraversion (a personality trait) on employee performance, we have

**H2:** Extraversion will have a positive impact on employee performance

### 2.2 Organizational Culture

In literature, organizational culture is defined in many different ways. For example according to Alvesson (2002) organizational culture is defined as "Culture is a frame of reference of beliefs, expressive symbols and values, by means of which individuals define their environment, express their feelings and make judgments"

It is clear that organizational culture has versatile influence on employees performance and other work place attitudes e.g. commitment, involvement etc. According to Peters and Waterman (1982) and Deal and Kennedy (1982) organizational culture and commitment are strongly correlated. But question is whether organizational culture is correlated with personality trait and performance in a way of moderating variable? We have:

**H3:** Organizational culture will moderate the relationship of personality traits and employee performance

#### 2.3 Performance

In literature the term performance has been defined in a number of ways e.g. Rafik & Shuib (2005) defined it as the degree to which an employee participates for the achievement of organizational goals. Performance is a unique and valuable phenomenon on which every organization is working to enhance. Present study has also a motive to enhance performance. Now the question arises what is the relationship b/w personality traits and performance, for the relation of personality traits and performance we have many theories and here in this study, it is sufficient to just refer to those theories instead of providing details e.g.

- 1. Trait Theories
- 2. Behavioral, Cognitive Theories
- 3. Psychoanalytic Theories
- 4. Humanistic Theories
- 5. Biological Theories

Although all of the above theories are critical but trait theory in relation with present study is a key theory.

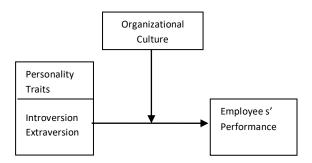
## 2.4 Relationship between Personality traits & performance

The relationship between personality traits and employees' performance is obvious. Taking the notion of Denissen et al, 2011; Gerber et al, 2011 that employees have different traits that affect behaviors at work. Personality is an effective tool that predicts job performance (Schulman, 2011). Consequently the relationship between personality and performance is moderated by other

many factors/ dimensions e.g. organizational culture, family, pay and most importantly job itself. Few jobs generate a fit between extraversion and performance whereas few jobs generate a fit between introversion and performance depending upon the nature and requirement of the job and environment. As narrated by Barrick and Mount (1991). We can say extraversion found to be related to job performance in those occupations where interaction with others is a significant role of the job. So that we can easily say introversion is found to be related to performance in those occupations where interaction with others is not necessarily a significant role of the job

#### 3. Theoretical Framework

Model of the study:



# 4. Methodology

Population of the study was 100 (63 males and 37 females) from service oriented, public sector organizations of Islamabad, Pakistan. Organizations selected were having both weak and strong culture.

Different organizations were selected where the nature of work is related with introvert and extrovert employees. Questionnaire survey was conducted in 2017. Two scales were used. 1<sup>st</sup> scale was used to find out introvert/extrovert employees. The introvert/extrovert questionnaire from "The introvert advantage: How to thrive in an extrovert world" Marti Olsen Laney, was used to find out the introvert or extrovert people. Through this 50 introvert and 50 introvert employees were identified. 2<sup>nd</sup> scale of staff performance evaluation questionnaire by University of the FRASER VALEEY employee services was used to assess the performance. Organizations selected were of different in their culture. Some are with weak and some are with strong culture. Alpha reliability analysis was also done to know the reliability of the scales. Employees were given enough time to fill questionnaires so that they can easily and accurately respond whereas response rate was satisfactory.

**Table1:** Demographics

Description	Entity	Frequency
Personality	Introvert	50
	Extrovert	50
Gender	Male	63
361,001	Female	37
Qualification	Bachelors	29
	Master	40
	M. Phil	28
	PhD	3
Marital Status	Married	33
	Unmarried	67

# 5. Results

**Reliability Analysis** was done to find out the reliability of the questionnaires used. And Cronbach's alpha was near the desired value.

Table: 2 Reliability Analysis

Variables	No of	Items	Alpha
	Items	Deleted	
Introversion	**	Nil	0.65
Extraversion	**	Nil	0.69
Performance	**	Nil	0.502

Table 3 Mean, Standard Deviation

Variables	n	Mean	SD
Introversion	50	38.780	6.252
Extraversion	50	36.913	8.103
Performance	Nil	7.051	4.590

In the present study mean and standard deviation for introversion and extraversion were calculated to find out the difference between the two with respect to performance. Whereas for introversion (Mean 38.786, SD 6.252) and for extraversion (Mean 36.913, SD 8.103) which indicates in the present study that introvert people show or exhibit high level of performance than extrovert.

**Regression Analysis** 

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Variables	β	ΔR
Personality Traits		0.17
Introversion	0.24	
Extraversion	0.21	

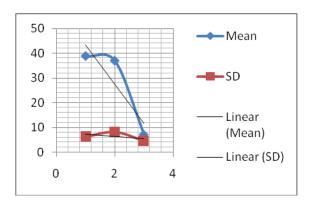
**Note:** β: Standardized beta weight

P<.05 Introversion P<.04 Extroversion

Introversion is significantly related with employees' performance ( $\beta$  0.24, P<.05) Extroversion is significantly related with employees' performance ( $\beta$  0.21, P<.04)

Therefore H1 and H2 are accepted

**Graph: 1 (Linear Mean & SD taken from Table 3)** 



(One look assessment) Graph is developed to asses and evaluate the linear mean and linear standard deviations of the two variables (introversion and extraversion) having n=50 each

## **Path Analysis**

Many fit indices are provided to evaluate the fit of model and figure 1 indicates a good fit to data and parsimonious representation of data.

Figure 1

Aodel	Χ	CFI	IFI	RMR	RMSEA	ΔΧ
Introversion — Employee Performance	586.71*	.93	.93	.079	.073	534.04*
Extraversion → Employee Performance	543.68*	.87	.87	.077	.071	498.06*
Introversion → Culture → Employee Performance	498.76*	.95	.95	.100	.121	399.08*
Extraversion Culture Employee Performance	494.54*	.89	.89	.091	.109	381.07*

Note: N=100, CFI = comparative fit index; IFI = incremental fit index; RMR = root mean square residual; RMSEA = root-mean-square error of approximation.

Hence H3 is accepted

**Table: 4** Key Findings

Hypothesis	Results
H1	Accepted
H2	Accepted
Н3	Accepted

#### 6. Discussions and conclusion

Relationship between personality traits (introversion and extroversion) and employee performance in a moderating impact of organizational culture was examined in this research. Results have shown that both introversion and extraversion traits of personality are significantly related with employees' performance and have varying values in the interruption of organizational culture. However introvert employees are found to be more efficient in their performance. This finding is just because of the nature of organizations selected in this study. This is a Job's orientation that is related with personality traits. Sometimes jobs' demand is different, mostly the desk jobs need focusing on once work which is commonly exhibited by introvert employees. So we can say in some jobs extrovert employees can do better while in some places introvert employees can do better. As in the case of the present study, mostly the nature of jobs was not demanding the traits of extrovert employees therefore introvert employees showed more performance in combination with organizational culture. Government organizations are mainly focused on normal routine work and are not related to extraversion job requirements e.g. sales, customer increase and relationship etc. If selling organizations were selected than the results may be fallen into extroversion side. However the main motive of the present study was not to compare the introversion/extroversion but to find their relation with employees' performance and is found favourable. Both introversion and extroversion traits are positively related with employees' performance.

Organizational culture is a main moderator of personality traits and employee performance. Cultural dimensions e.g. strong or weak cultures do impact personality traits and employees' performance. It is true that personality traits are deeply embedded with once work place behavior. Organizational culture influences the concept of conformity. Few organizational cultures open doors to adjust with while few give tough time even to competent employees. Organizational culture is a main platform that fosters different employees to come up with positive sign and vice versa.

There are other many factors which affect the relationship of personality traits and employee's performance and are needed to be explored such as gender, education, health and social status etc of employees.

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