Linking Employee Personality to Organizational Performance: A Quantitative Examination of the Big Five Model in Nepal's Insurance Sector

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Abstract. This study investigates the influence of employee personality traits; specifically, openness to experience, conscientiousness, agreeableness, and neuroticism, on organizational performance within Nepalese insurance companies. Drawing on the Big Five personality model, data were collected from 250 employees across five major insurance firms using convenience sampling. Regression analysis revealed that openness to experience ($\beta = 0.401$), conscientiousness ($\beta = 0.164$), and agreeableness ($\beta = 0.438$) significantly and positively predict organizational performance, while Neuroticism showed no significant relationship. These findings highlight the importance of integrating personality profiling into recruitment, performance management, and employee development strategies in the insurance sector. This study contributes novel empirical insights and actionable recommendations for human resource practices aimed at enhancing organizational outcomes. Future research could explore the role of extraversion and examine these relationships across other industries.

Keywords: Human resource, individual characteristics, organizational success, psychological aspect

1. Introduction

Employee personality traits have increasingly been recognized as key determinants of organizational performance across various industries. Grounded in the Five-Factor Model of personality, also known as the Big Five, research has consistently shown that traits such as openness to experience, conscientiousness, agreeableness, extraversion, and neuroticism influence workplace behaviors, job satisfaction, and overall organizational outcomes (Robbins & Judge, 2011; Udin & Ahyar, 2020). As an employee, the disposition in the workplace is essential to achieving the organization's goals, which are measured in terms of profit and successful performance (Dahal, 2022; Shrestha et al., 2023). Employees are a necessary aspect of an organization because they play a significant role in decision-making and determine the firm's survival (Bhattarai et al., 2020; Buchko et al., 2017; Ghimire et al., 2023). Employees play a fundamental role in shaping organizational dynamics, including conflict resolution, activity generation, and decision-making processes. Their unique characteristics substantially influence employees' level of participation within the organization. The various employee characteristics would affect how the duties were performed. Each employee's psychological capital is a factor that influences their behavior and may improve their performance at work (Pradhan et al., 2016; Shahi et al., 2022). Investment in employees' psychological capital enhances their capacity to navigate challenges and contribute to organizational effectiveness. The organizational citizenship behavior (OCB) of employees with higher levels of psychological positivity would be superior to those with lower levels of positivity. The employees' thoughts and actions would be utilized significantly by deciding to use the time. They would demonstrate their capacity for proactive behavior by, for example, making suggestions or exchanging original ideas to increase worker productivity (Karki et al., 2023; Tuzun et al., 2018).

The relationship between employee personality traits and organizational performance has been extensively studied in Western contexts, yet limited research exists in emerging economies. Nepal's insurance sector, which is experiencing rapid growth with unique cultural characteristics, presents an opportunity to examine these relationships in a non-Western context. Several variables, including personality, determine optimal organizational performance (Ward et al., 2017). The disposition of each employee has a significant impact on their behaviors and routines. Harris and Fleming (2017) suggest that personality differences influence how individuals respond to workplace circumstances. Additionally, Ashkanasy et al. (2017) found that workers with emotional stability are more likely to assist other employees in completing their tasks. Additionally, when employees are compensated for their efforts, they perform their duties more effectively (Harris & Fleming, 2017). Various academics have divergent perspectives on personality. The word personality is derived from the Latin term persona. Personality is a structured set of habits, traits, attitudes, and ideas that relate externally to roles and statuses and internally to motivation, goals, and various aspects of selfhood. According to Robbins and Judge (2011), personality refers to an individual's reactions and interactions with others.

Similarly, Luthans (2011) defined personality as a set of inner and outer measurable attributes, as well as interactions between people and situations, and how a person influences others while also perceiving and understanding themselves. According to Robert and Burgess, personality is the sum and organization of the characteristics that determine a person's role in a group. Personality is one factor that influences a person's quality and productivity, which in turn impacts effective job performance. Personality is the set of characteristics that define an individual's unique character.

Personality is the combination of characteristics that define an individual's distinct character. Personality refers to how an individual reacts, perceives, thinks, smells, has an attitude, or behaves in response to their environment. Personality can be defined as a dynamic set of characteristics that influence a person's cognition, motivation, and behavior in a variety of contexts. Personality has been identified as an important determinant of organizational performance. Organizational performance is defined as an organization's ability to fulfil its specified objectives while taking into account all other

personality, external, and internal aspects that influence performance. An organization's performance is the sum of its procedures and operations. Employee personality is critical to the organization's ability to carry out operations and activities effectively. The relationship between employee personality traits and organizational performance has been extensively studied in Western contexts, yet limited research exists in emerging economies. Nepal's insurance sector, experiencing rapid growth with unique cultural characteristics, presents an opportunity to examine these relationships in Nepal. Although evidence similar to the previously described exists in other countries, it is not present in Nepal, according to the most recent data. Therefore, this research focuses on the question, what the organizational performance of Nepalese insurance company employees? What is the disposition type of Nepalese insurance company employees? The primary purpose of this study is to investigate the effect of personality on organizational performance in Nepalese insurance firms.

The specific objectives of the study were:

- To identify the organizational performance of insurance company employees in Nepal.
- To determine the relationship between conscientiousness, neuroticism, agreeableness, and openness to experience with organizational performance.
- To examine the factors affecting personality on employee performance.

Improving organizational performance requires studying employee personalities. Understanding someone's nature helps reveal their psychology. How individuals differ and how that influences results might enhance organizational effectiveness. Modern organizations value performance. Nepalese insurance business employees' organizational performance and personality are essential to insurance firms, banks, policymakers, future researchers, and academicians. This study is significant to insurance companies since it focuses solely on them. Employees' personalities play a crucial role in helping the company succeed.

2. Literature Review

The English word "personality" comes from the Latin "persona." In ancient Greece and Rome, actors wore masks called "personas" that brought out the traits they played on stage. Later, this word came to mean both the person and their societal role (Luthans, 2011). According to Hofstede (2001), cultural dimensions such as collectivism, power distance, and uncertainty avoidance can influence the expression and impact of personality traits in the workplace. In Nepal, where hierarchical structures and group harmony are culturally valued, traits such as agreeableness and conscientiousness may have a particularly strong impact. Similarly, Barrick and Mount (1991) discovered that conscientiousness consistently predicts job performance across a variety of occupations, indicating its potential importance in service-oriented industries such as insurance. Extroversion, flexibility, self-control, neuroticism, and openness to experience are five distinct traits that often emerge from factor analysis and the measurement of psychological characteristics in many people. Research supporting the reliability and flexibility of the five-factor model suggests that its classification offers a foundational framework for understanding many, if not all, significant psychological traits (Cook, 2005). This means that when the effects of the environment are taken into account, personality shows traits common to the group and to all people, not just traits that are unique to the individual (Yelboga, 2006). Ellis (2008) stated that psychology is one of the subjects that most people think they know a great deal about.

The five most important characteristics of the five-factor personality model have been studied extensively. It has five dimensions: Neuroticism (or, on the other hand, mental stability), extraversion, openness to experience, conscientiousness, and agreeableness. Emotional stability is a person's ability to handle stress well; extraversion is being outgoing and friendly; exposure to experience is how open-minded a person is; conscientiousness is how well a person does tasks; and agreeableness is how cooperative and considerate a person is (Kyllonen et al., 2005). Researchers have examined how well the big five personality traits can predict an employee's behavior. In this regard, earlier studies

conducted on the hotel industry revealed that agreeableness was a predictor of job burnout in hotel workers (Kim et al., 2007), while extroversion was a predictor of emotional overtiredness (O'Neill & Xiao, 2010), and neuroticism was a predictor of emotional exhaustion in hotel employees (Kim et al., 2007). Openness to experience was linked to the desire to leave a job (Timmerman, 2006), whereas negative traits, such as mental stability, conscientiousness, and agreeableness, were related to the opposite (Zimmerman, 2008).

Darsana (2013) observed that a person's personality can often be inferred from their behavior in specific situations. Robbins and Judge (2011) stated that a person's personality is the sum of how they operate and interact with others. Temperament is a person's emotional response to spontaneous states or environmental events. A person's unique feelings are also a part of the complex behavior that makes up their personality (Han, 2020). Najari et al. (2011) stated that the Big Five model categorises a person's personality by examining traits such as conscientiousness, openness to experience, neuroticism, extroversion, and agreeableness, which differentiate individuals. Consciousness is all about the goals that interest a person. Individuals with high scores are more likely to listen and work towards achieving multiple goals. Because of this, they are very reliant, focused on goals, and protective. When people are mentally curious, creative, sensitive, and drawn to innovation and new experiences, they are more open to new experiences, seem more likely to engage with them, and appear happier with what they already know (Robbins & Judge, 2011). Furthermore, neuroticism involves a person's ability to worry and maintain stable, positive feelings, as evidenced by calmness, security, and passion (Robbins & Judge, 2011). The big five model is based on five critical psychological traits: Neuroticism, extraversion, openness to new experiences, agreeableness, and conscientiousness.

McGregor worked on the theory of what drives people in 1960. Theory X and Theory Y are about how people feel and act towards the world, but this theory is also about how people work. Theory X suggests that people tend to view those who are consistently negative in a negative light. People who believe in Theory Y have a different view from those who believe in Theory X, which says that most people are honest, innovative, and trustworthy. This study is the first of its kind in this group. Garg (2018) also said that organizational citizenship behavior may help explain the link between faith at work and organizational success. Udin and Ahyar's (2020) results showed a strong link between organizational citizenship behavior (OCB), job success, and the capital and personality traits of the big five.

Seibert et al. (2019) found that individuals with a proactive personality were associated with both objective indicators of career success, such as income and salary increases, and subjective measures, like career satisfaction. Based on the results of the data analysis, the study by Youshan and Hassan (2015) found that conscientiousness and agreeableness have a significant and positive effect on organizational success. So that workers always act in a good way and have a good personality, which will help the business be more productive and do better, conclusions were made, and suggestions were given on how to make sure people contribute positively to the workplace and the surroundings. Aduloju (2020) stated that a salesperson's openness to new experiences and emotional stability are the two most important factors that influence their job performance. The study also suggested that insurance executives look for creative, imaginative, and highly emotionally stable people when hiring. Janowski (2018) found a link between the strength of the chosen personality traits and the effectiveness of a life insurance agent's sales. Furthermore, the levels of personality traits serve as predictors of the success of life insurance companies, providing strong justification for the retail financial sector's human resource management systems to emphasize personality-based induction processes.

Doan et al. (2021) identified job satisfaction and organizational citizenship behavior as the most prominent outcomes influenced by employee personality within the hospitality industry. Harris and Fleming (2017) found that a person's tendency to be productive is often influenced by their level of care.

More importantly, the results showed that role ambiguity, job happiness, and self-rated service performance are all influenced by productivity propensity, and that incorporating this concept into personality studies significantly enhances the explanatory power of personality models. Cavaliere et al. (2021) found that employees' personalities play a crucial role in this effect. While employees' characters have a significant effect, how well employees do at work will also affect the organization's influence. Performance on the job ensures that the company operates efficiently and encompasses the skills and knowledge necessary to lead staff in various tasks.

Tarka et al. (2022) demonstrated that hedonistic shopping experiences, a core trait, help explain how cardinal traits, such as neuroticism, extraversion, openness to experience, conscientiousness, and agreeableness, affect compulsive buying, a surface trait. Alkholy (2023) found that conscientiousness directly affected self-efficacy, followed by agreeableness and extraversion. On the other hand, openness to experience and neuroticism did not significantly affect self-efficacy. Self-efficacy, in general, clearly affected how happy people were at work. The study's results also showed that self-efficacy was part of the link between psychological traits (such as being conscientious, agreeable, or outgoing) and job happiness. Lai (2019) found that psychological features, such as agreeableness, extroversion, conscientiousness, and openness, affect how people perceive their control over their actions when investing in stocks. Harb et al. (2023) found that students' self-efficacy and hopes about how things will turn out are significantly influenced by their openness to new experiences and their level of effort. However, Neuroticism and Agreeableness only affect how people expect things to turn out.

Students' plans to work in the business were strongly linked to their self-efficacy and hopes about how things would turn out. The results of Hebebci et al. (2023) showed that agreeableness and conscientiousness are linked to bad behavior online. Tian et al. (2023) suggested that personality and subjective well-being (SWB) are linked to participation in leisure activities among older adults. Nguyen et al. (2023) found that an entrepreneur's innovativeness is related to extraversion, conscientiousness, and openness to experience, but not to neuroticism. Sahrah et al. (2023) demonstrated that a person's desire to start a digital business is influenced by their openness to new experiences and their level of resilience. The study also revealed that service quality is a key factor influencing both the desire to start a digital business and its ability to remain in business. While the Big Five Personality Traits model includes extraversion as a key dimension, this study focuses on openness to experience, conscientiousness, agreeableness, and neuroticism due to their stronger theoretical relevance to task performance and interpersonal behaviors in service-oriented organizations like insurance firms. The literature has highlighted the importance of personality on organizational performance in different industries. The following theoretical framework describes the factors of personality on organizational performance.
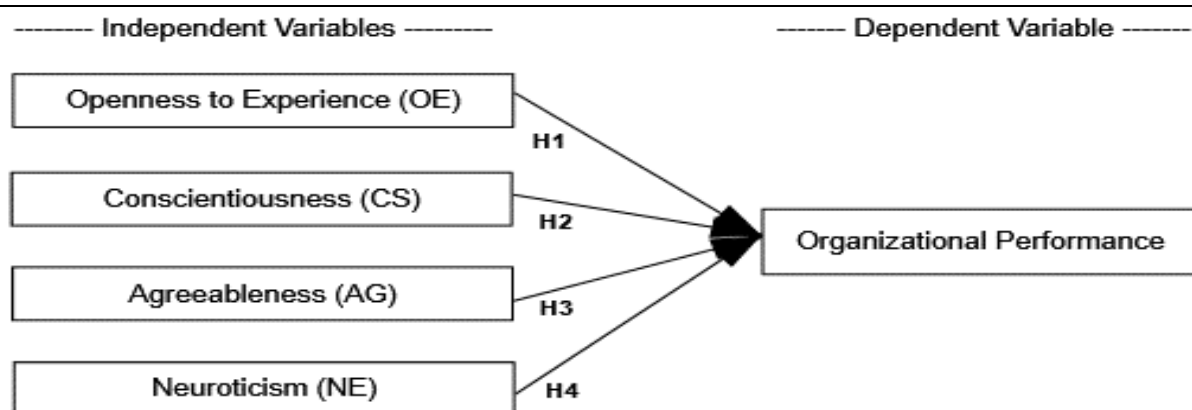

Fig. 1: Conceptual Framework

Based on the literature review and the conceptual framework, the study developed following

hypotheses:

H1: There is a positive relationship between openness to experience and organizational performance in Nepalese insurance companies.

H2: Conscientiousness is positively related to organizational performance in Nepalese insurance companies.

H3: There is a positive relationship between agreeableness and organizational performance in Nepalese insurance companies.

H4: Neuroticism is positively associated with organizational performance in Nepalese insurance companies.

3. Methodology

3.1. Research design

This is a quantitative research study, so a causal research design is necessary. The research descriptive methods. A descriptive study design aims to collect data methodically to describe a phenomenon, situation, or population. Instead of emphasizing the why, this section explicitly addresses the what, when, where, and how of the study problem. Causal design directs the association and influence of independent variables on the dependent.

3.2. Population and sample

The population for this study was the employees engaged in Nepalese insurance companies. Therefore, the insurance companies listed in Nepal Stock Exchange (NEPSE) were taken as the population of the study. Convenience sampling methods were used for the respondent's responses. The working representatives from five insurance companies operating in Nepal, such as Neco Insurance, Nepal Life Insurance, Asian life insurance, Shikhar Insurance, and Sagarmatha Insurance, served as the study's sample. For data analysis, the study used 250 responses from the working representatives of the sample companies. A convenience sampling method was employed to collect data. While this approach allowed for efficient data collection, it may limit the generalizability of findings. Future studies are recommended to adopt probability-based sampling techniques to enhance representativeness

3.3. Instrumentation

The working representatives of the sample companies served as the primary data sources for the study and provided the necessary information. A properly constructed questionnaire was administered as the primary data collection tool in this study and served as the primary source of information. From the works of earlier scholars, the independent variable construct was used for preliminary data collection. The construct for the dependent variable was a self-administered questionnaire developed after studying several scholarly articles on the factors impacting professional success, similar to the independent variable. A 5-point Likert scale was employed, as strongly disagree was valued at 1, disagree at 2, somewhat disagree at 3, slightly agree at 4, and strongly agree at 5. The questionnaire was divided into three main sections. In the first section, respondents' demographic information was contained. The second section contained the various independent variables and included 24 items. The final section contained eight items for the dependent variable, organizational performance.

3.4. Data analysis

The characteristics of the respondents' responses were analyzed using descriptive statistics. To examine

the type and strength of relationships between the dependent and independent variables, a correlation matrix was employed. Furthermore, regression analysis was conducted to quantify the effects and identify potential causal relationships between the independent and dependent variables.

The regression model for the study is:

Organizational Performance (Y)= $\beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + e$

X_1 = Openness to Experience (OE),

X_2 = Conscientiousness (CS),

X_3 = Agreeableness (AG),

X_4 = Neuroticism (NE),

e= error term.

3.5. Respondent's profile

This section outlines the demographic and professional characteristics of the respondents involved in the study on organizational performance and employee personality in Nepalese insurance companies. It includes information on the participants' gender, age, level of education, and years of work experience.

Table 1. Characteristics of Respondents

Dimensions	Frequency	Percentage
Gender		
Male	140	56.0
Female	110	44.0
Total	250	100
Age		
Below 25 yrs.	74	29.6
36-40 yrs.	90	36.0
41-50 yrs.	44	17.6
Above 51 yrs.	42	16.8
Total	250	100
Level of Education		
Upto Intermediate	8	3.2
Bachelors	106	42.4
Masters or above	136	54.4
Total	250	100
Years of Job Experience		
Below 5 yrs.	148	59.2
5 to 10 yrs.	51	20.4
Above 10 yrs.	51	20.4
Total	250	100

Table 1 reveals that the plurality of respondents was male, while their counterparts were female. To analyze prospective differences in organizational performance and employee personality based on gender-related factors, it is essential to comprehend the gender distribution of the sample. The age

distribution of the respondents reveals the various age categories represented in the study. The most significant age category, comprising 36.0 % of respondents, was between 36 and 40 years old. This indicates that the sample contains a substantial proportion of middle-aged individuals. In addition, 29.6% of the participants were under 25, indicating a significant proportion of young people. The remaining respondents fell into two age groups: those aged 41 to 50 (17.6 %) and those aged 51 and older (16.0 %). It is essential to consider the prospective impact of age on organizational performance and employee personality, as various age groups may exhibit distinct traits. The respondents' educational credentials indicate a relatively high level of educational attainment in the sample. Only a minor percentage (3.2 %) reached the intermediate level of education. The diversity of educational contexts can shed light on the relationship between education levels, organizational performance, and employee personality. The distribution of respondents by occupation suggests a diverse group of employees with varying levels of professional experience. It is essential to consider the influence of employment experience on organizational performance and employee personality, as it can affect how individuals perceive and contribute to their work environments.

3.6. Data screening

Cronbach's Alpha determines the dependability of the data, and a value of 0.70 or higher is considered satisfactory (Taber, 2017).

Table 2. Reliability Test

S. N.	Dimensions	Items (Nos.)	Cronbach's Alpha
1	Openness to Experience	6	0.696
2	Conscientiousness	6	0.773
3	Agreeableness	6	0.699
4	Neuroticism	6	0.786
5	Organizational Performance	8	0.772

Table 2 indicates that the study's measurements exhibit adequate internal consistency. While the openness to experience and agreeableness fall just below the recommended 0.70 threshold value, Cronbach's Alpha coefficients for all dimensions and the organizational performance measure indicate acceptable to good reliability (Taber, 2017). Variables were retained due to their theoretical importance and minimal deviation from the threshold. The result demonstrates that the items within each dimension and the aggregate organizational performance measure are valid and reliable measures of the investigated constructs.

4. Presentation and Analysis

This section summarizes the findings and conclusions. The findings shed light on the complicated relationship between employee personality and organizational success, offering important insights into the crucial elements driving the establishment and growth of insurance companies in Nepal.

Table 3. Skewness/Kurtosis z-Values

Variables	Statistical	Measure	Std. Error	Skewness/Kurtosis z-Values
OE	Skewness	-.685	.154	-4.45
	Kurtosis	-.899	.307	-2.93
CS	Skewness	-.726	.154	-4.71
	Kurtosis	-.442	.307	-1.44

AG	Skewness	-.714	.154	-4.64
	Kurtosis	-.960	.307	-3.13
NE	Skewness	-.410	.154	-2.66
	Kurtosis	-1.39	.307	-4.53
OP	Skewness	-.786	.154	-5.10
	Kurtosis	-1.00	.307	-3.26

The skewness and kurtosis values, along with their standard errors, for the dependent variable (Organizational Performance - OP) and independent variables (Openness to Experience - OE, Conscientiousness - CS, Agreeableness - AG, Neuroticism - NE) are shown in Table 3. These values play a crucial role in comprehending the structure and distribution of the data for the variables, which is essential for conducting statistical analysis and deriving meaningful conclusions. OE, CS, AG, NE, and OP have negative skewness values. This suggests that the distributions of these variables are marginally skewed to the left, with longer tails on the left. This asymmetry in the data distribution indicates that the left side of the distribution for these variables may tend to have lesser values or outliers. Turning to the kurtosis values, it can be seen that OE, CS, AG, NE, and OP deviate from a normal distribution to varying degrees. OE, CS, and AG have negative kurtosis values, which indicates platykurtic distributions. This suggests that, compared to a normal distribution, the peaks and ends of these variables are flattened and less prominent. In contrast, NE and OP also have negative kurtosis values, albeit with greater magnitudes. This indicates leptokurtic distributions, characterized by more pronounced peaks and longer tails than normal distributions.

The analysis yields significant insights into the connections between employee personality traits and organizational performance. Organizations may consider these findings when developing strategies to enhance performance while managing and addressing the potential negative impact of neuroticism.

Table 4. Result of Correlation Analysis

	Factors	OE	CS	AG	NE
	OE	1	-	-	-
	CS	.891**	1	-	-
Pearson Correlation	AG	.886**	.903**	1	-
	NE	.264**	.247**	.389**	1
	OP	.935**	.920**	.943**	-.320**

**. Correlation is significant at the 0.01 level (2-tailed).

Table 4 shows that greater degrees of openness to experience, conscientiousness, and agreeableness are related to better organizational performance. In contrast, a moderate negative association (-0.320**) is detected between OP and NE, showing that greater levels of neuroticism may be associated with worse organizational performance. These findings emphasize the importance of employee personality characteristics in determining organizational success and suggest that organizations should explore cultivating positive qualities while regulating neuroticism's possible negative consequences to improve overall performance.

Model Summary suggests that the regression model with Neuroticism, Conscientiousness, Openness to Experience, and Agreeableness as predictors has a firm fit and accounts for significant variance in Organizational Performance.

Table 5. Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.970	.940	.940	.16206	.940	967.952	4	245	.000

Table 5 shows the model summary for the regression analysis to investigate the association between the predictors (Neuroticism, Conscientiousness, Openness to Experience, and Agreeableness) and the dependent variable (Organizational Performance). The model explains a significant amount of variance in the dependent variable (R Square = 0.940), indicating a high level of predictability. After considering the number of predictors and sample size, the modified R Square value supports the model's robustness. The estimate's low standard error indicates a solid model fit. When the predictors are included, the R Square value increases significantly, according to the change statistics. A significant F Change value supports the model's overall importance. These data show that the regression model with the stated variables successfully explains and predicts Organizational Performance.

This section presents the coefficients for the regression model with the predictors.

Table 6. Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.017	.062		-.271	.787
	Openness to Experience	.401	.039	.389	10.242	.000
	Conscientiousness	.164	.038	.179	4.297	.000
	Agreeableness	.438	.044	.436	10.020	.000
	Neuroticism	.004	.016	.004	.249	.804

a. Dependent Variable: Organizational Performance

Table 6 shows that openness to experience, conscientiousness, and agreeableness all substantially impact organizational performance. An average gain of 0.401 units in organizational performance for every team rises in openness to experience. Similarly, a one-unit rise in conscientiousness and Agreeableness is related to moderate improvements in organizational performance of 0.164 and 0.438 units, respectively. However, the neuroticism coefficient is minimal (0.004) and statistically insignificant, implying that neuroticism has no meaningful influence on organizational performance. These findings emphasize the significance of personality qualities, including openness to experience, conscientiousness, and agreeableness, in predicting and improving organizational performance.

Standardized beta coefficients were interpreted using Cohen's (1988) guidelines: $\beta = 0.10$ (small), $\beta = 0.30$ (medium), $\beta = 0.50$ (large). Based on this, Openness to Experience ($\beta = 0.389$) and Agreeableness ($\beta = 0.436$) demonstrated large effects on organizational performance, while Conscientiousness ($\beta = 0.179$) showed a small-to-medium effect. The regression model explained 94% of the variance in organizational performance *($R^2 = 0.94$)*. While this indicates a strong predictive power, it also raises concerns about overfitting or multicollinearity. As shown in Table 7, the Variance Inflation Factor (VIF) values suggest moderate collinearity, but not severe enough to invalidate the model. Cross-validation or regularization techniques may be considered in future studies to enhance model robustness.

Table 7. Variance Inflation Factor

Tolerance	VIF	95.0% Confidence Interval for B	
		Lower Bound	Upper Bound
(Constant)		-.140	.106
.169	5.935	.324	.479
.140	7.121	.089	.239
.129	7.782	.352	.524
.785	1.274	-.027	.035

The collinearity statistics, presented in Table 7, suggest that there is no severe multicollinearity issue among the predictors in the regression model. The collinearity diagnostics revealed VIF values ranging from 1.274 (Neuroticism) to 7.782 (Agreeableness), all within the generally accepted threshold of 10, indicating no severe multicollinearity issues (O'Brien, 2007). However, the moderately high VIF values for conscientiousness (7.121) and agreeableness (7.782) suggest some degree of overlap between these variables. While the regression coefficients remain interpretable, future studies may benefit from employing techniques such as ridge regression or factor analysis to further mitigate potential multicollinearity concerns. The predictors make a reasonable contribution, and their coefficients are statistically significant, except for the constant term. However, it is always recommended to interpret the regression coefficients cautiously and consider additional diagnostic measures to ensure the model's reliability.

5. Discussion

The current study adds to the growing body of research on individual-level determinants of organizational performance, particularly in Nepal. It reinforces existing theories by validating the impact of openness to experience, conscientiousness, and agreeableness on insurance performance while also providing localized insights relevant to South Asian business environments. The findings confirm that employees with high levels of openness to experience, conscientiousness, and agreeableness contribute significantly to organizational success. These findings are consistent with previous empirical research (Ghimire et al., 2024; Seibert et al., 2019; Youshan & Hassan, 2015), which has shown that individuals who are open-minded, goal-oriented, cooperative, and accountable perform better in structured, team-based work environments, such as those found in the insurance industry.

However, unlike some previous findings (Nguyen et al., 2023), we found no significant relationship between neuroticism and organizational performance. This disparity could be attributed to a variety of factors, including differences in sample characteristics, measurement tools, and contextual variables like job role specificity and organizational culture. Study findings are consistent with Alkholy (2023) and Dahal (2021), indicating that emotional stability and stress tolerance may not directly translate into measurable performance outcomes in specific workplace settings. Harb et al. (2023), on the other hand, found a negative relationship between neuroticism and student performance, suggesting that the influence of neuroticism may vary depending on the occupational or demographic context. This study's key contribution is its contextualization within Nepalese organizational culture, which has been significantly underrepresented in global personality-performance research. Using Hofstede's (2001) cultural dimensions theory, we examine how cultural values such as collectivism, power distance, and uncertainty avoidance may influence the expression and impact of personality traits in Nepalese insurance companies.

In a collectivist society, where group harmony and interpersonal relationships are highly valued,

agreeableness emerges as an important characteristic for fostering teamwork and organizational citizenship behavior (OCB). Employees with high levels of agreeableness are more likely to support colleagues, follow social norms, and engage in prosocial behaviors which improve collaboration and customer service in the insurance sector. Similarly, conscientiousness, which reflects diligence, responsibility, and self-discipline, is consistent with traditional Nepalese work ethics, which value loyalty, perseverance, and respect for hierarchy. Conscientious employees are more likely to follow established procedures and meet performance expectations in organizations with a high power distance, which positively impacts organizational outcomes.

While openness to experience was also significantly related to performance, its impact may be limited in a culture that values uncertainty avoidance. In such settings, innovation and risk-taking—both associated with openness are frequently discouraged, potentially limiting the full expression of this trait in the workplace. Nonetheless, the observed positive relationship suggests that even in moderately rigid structures, openness can drive performance through creativity and problem solving. This study lends support to the broader argument that personality traits influence not only overall organizational success, but also specific workplace outcomes such as job satisfaction (Alkholy, 2023), turnover intention (Timmerman, 2006), and organizational commitment. By linking personality traits to these intermediate variables, we gain a more nuanced understanding of how individual differences affect performance at both the micro and macro levels.

Importantly, while our findings are consistent with much of the global literature, they also underscore the importance of considering local cultural dynamics when employing universal personality models, such as the FFM. As with neuroticism, the lack of a significant relationship may reflect cultural adaptations in which emotional resilience is less important than collective harmony and duty fulfillment. In practice, these findings suggest that Nepalese insurance companies and similar organizations in emerging markets could benefit from incorporating personality profiling into recruitment, performance appraisal, and leadership development initiatives. Specifically, selecting candidates with high levels of openness, conscientiousness, and agreeableness may improve team cohesion, productivity, and customer service. Furthermore, training initiatives aimed at instilling these characteristics in current employees could improve organizational outcomes.

Finally, the study acknowledges some limitations, including the use of convenience sampling and the lack of longitudinal data. Future research should use probability-based samples to investigate cross-cultural comparisons and mediating mechanisms like job satisfaction, leadership style, and organizational climate. Furthermore, qualitative research could provide more detailed insights into how personality is perceived and valued at various levels of Nepalese organizations. In conclusion, this study not only reaffirms the importance of personality traits in predicting organizational performance, but also emphasizes the importance of contextualizing such analyses in local cultural realities.

6. Conclusion

In conclusion the study showed an important and statistically significant relationship between organizational success and agreeableness, openness to experience, and conscientiousness. Employees with these characteristics are more likely to have a significant impact on the company's overall performance. On the other hand, neuroticism did not have a substantial influence on the performance of the organization. The significance of considering staff members' personality attributes for evaluating and managing organizational performance is brought into focus by these findings. Understanding the influence of these personality qualities in molding employee performance and devising ways to increase corporate results is beneficial for both employers and managers. It is essential to acknowledge that individual variances in personality traits may significantly impact employees' behaviors, motivation, and performance, which, in turn, can affect the organization's overall success. Additional studies and interventions focusing on developing and utilizing these personality qualities among employees might lead to enhanced organizational performance in the Nepalese insurance industry and possibly in other

sectors. This performance improvement could be attributed to the fact that these traits are more prevalent in the workforce.

7. Implications, Limitations, and Future Research

The findings suggest that organizations in the insurance sector should consider personality traits during recruitment and talent development initiatives. Specifically, candidates scoring high on openness to experience, conscientiousness, and agreeableness may be better suited for roles requiring innovation, responsibility, and teamwork. Incorporating personality assessments into HR practices can help identify individuals likely to contribute positively to organizational outcomes and training programs focusing on enhancing these traits among existing employees may further boost performance. For HR managers in the insurance sector, these findings suggest that incorporating personality assessments during recruitment could enhance workforce quality. Specifically, selecting candidates high in openness to experience, conscientiousness, and agreeableness may lead to improved customer service, teamwork, and innovation

Limitation of this study is the use of convenience sampling from only five insurance companies, which may affect the external validity of the findings. Furthermore, the exclusion of Extraversion from the Big Five model may limit the comprehensiveness of the conceptual framework. Future research should employ larger, more diverse samples and include all five personality dimensions to enhance generalizability. Longitudinal studies and qualitative approaches could further enrich understanding of how personality influences organizational outcomes in dynamic contexts.

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