

## AN EMPIRICAL INVESTIGATION OF DECISIONS AND FINANCIAL PERFORMANCE: A STUDY OF CONSUMER GOODS LISTED IN NIGERIA STOCK EXCHANGE

<sup>1</sup>\*ADOKE, R. H. & <sup>2</sup>ABDULAZIZ, M. A.

<sup>1,2</sup>Department of Business Administration  
Federal University, Gusau, Nigeria

Correspondence: \*ahadoke@yahoo.com

### *Abstract*

*Over the years, consumer goods in Nigeria has experienced mixed results in terms of financial performance despite their significance to the socio-economic growth and development in the country. The study investigates the Effects of Decisions and Financial Performance of 15 quoted Consumers Goods firms listed on the Nigerian Stock Exchange. Return on Assets proxied financial performance; Ratio of total currents to total current liabilities, proxied liquidity, Dividend payout ratio, proxied dividend, Ratio of total debts to total equity, proxied leverage decision, Ratio of total assets to total debt, proxied working capital decision, While Firm age serves as control variable which is defined as firms' incorporated period. The study uses ex-post facto research design and longitudinal panel which consists of time series and cross-sectional data. The data were analyzed using descriptive statistics and regression. The study revealed that all explanatory variables, except liquidity decision and working capital decision have positive significant effect on financial performance. Specifically, dividend decision employed, leverage and firm age have insignificant effect on financial performance. The study concludes that the explanatory variables affect Consumers firms' financial performance in Nigeria. Therefore, the study recommends that the management of Consumers Goods Companies in Nigeria should only use liquidity and working capital in their decision making as it enhances firms' financial performance and desist using leverage and dividend as part of their decision components. Finally, the management should not put firm age as one of their priority while brain storming in their decision making.*

**Keywords:** *Financial performance, liquidly, dividend, leverage, working capital and firm age.*

### **Introduction**

Financial performance is one of the most important areas of concern among investors, financial practitioners and stakeholders. Firm's financial performance is the first to be evaluated by investors before making investment decision anywhere around the globe. A good mechanism for achieving such

performance is connected to the ability of the financial manager to take the right decision. A financial manager is concerned about taken decision for the firm which include; investment decisions, working capital decision, liquidity decision, dividend decision and leverage decision respectively. Increasing number of researches on firm financial performance signifies the importance of this construct for the success of organizations. Firm financial performance reflects the capability of a firm to make investment decisions and sound financial planning (Ross, Westerfield, Jaffe, & Jordan, 2015; Bhullar, 2017).

In contemporary business world, the size of a company has been widely recognized as a vital mechanism and basis of sustaining competitive advantage. Bigger firms can manufacture items at much lower costs than smaller firms can. Dewi and Wirajaya (2013) maintained that the size of a company is vital to its market capitalization and large corporate entity tend to enjoy stable scale of operations. According to Jermias (2008), firm's size and growth are strongly connected to its performance and thus, businesses with large size tend to enjoy economies of scale. Firm financial performance reflects effectiveness and efficiency of management in utilizing company's resources and this in turn contributes to the country's economy at large (Phung & Mishra, 2016). As such, it is an indicator through which future investors would find the business attractive to invest in. Importantly, Studies investigating firm performance have traditionally made use of standard accounting definitions of profitability to determine firm performance. The key measures of performance are return on assets (ROA), which is net income to total assets; and return on equity (ROE), which is net income to total equity (Phung & Mishra, 2016). The return on total assets evaluates the aggregate effectiveness of management in generating profits with their available assets. In other words, this ratio tells us the earning power of shareholder book value investments, and is frequently used in comparing two or more firms in one industry (Siddik, Kabiraj, & Joghee, 2017).

According to Muchiri, Muturi and Ngumi, (2016), the difficulty upsetting businesses in Nigeria lies within the decision that will yield maximum results. Though, many organizations are confronted with limited resources at their disposal and this has led to think on which decision to take that will minimize their risk. Thus, some listed firms in Nigeria Stock Exchange (NSE) have been recording mixed results on their financial performance as a result of taken poor decision and that has affected their financial performance (Adepoju & Onaolapo, 2012; Abubakar, Sulaiman & Haruna, 2018). Over the last decades, this has led many listed firms across the different real sectors of Nigeria's economy to be delisted from the NSE. The reason behind such companies being delisted from the NSE was unclear and findings from past research seem to be divergent. In short, the decision that firms take will go a long way to determine whether they will survive in a competitive business

environment or not. Though, Ibhagui and Olokoyo (2018) examined the relationship among leverage decision, company size and firms' performance of listed pharmaceutical firm in Nigeria. Likewise, Mtani and masanja (2018) assessed the relationship that exists between working capital decisions on financial performance of supermarkets in Tanzania. In short, from the literature reviewed, there is a dearth study on the decisions and performance of consumer goods in Nigeria. It is against this background; this study attempts to investigate decisions and financial performance of consumer goods listed in Nigeria Stock Exchange. Three hypotheses were raised:

**Ho1** Liquidity decision does not significantly influence firms' financial performance of Consumer Goods in Nigeria

**Ho2** Dividend decision does not significantly influence firms' financial performance of Consumer Goods in Nigeria

**Ho3** Leverage decision does not significantly influence firms' financial performance of Consumer Goods in Nigeria

**Ho4** Working capital decision does not significantly influence firms' financial performance of Consumer Goods in Nigeria

## **Review of Literature**

This study examined the under listed concepts

### ***Financial Performance***

Financial performance is described as the ability of an industry to use its resources effectively and efficiently in such a way as to achieve its stated objectives (Dahmash, 2015). It is concerned with the sum of accomplishments of all business units and departments goals in an organization. It is also concerned about how firm use its limited resources to generate profit in a sustainable manner (Danaei & Abdi, 2015). Precisely, it is an indicator through which future investors would find the business attractive to invest in as a result of expectation on the return of their investment. Specifically, as literature demonstrated, financial performance (FP) can be measured via return on assets (ROA) and return on equity (ROE). ROA is mathematically expressed as: Profit after tax/total assets while ROE is expressed as Profit after tax/Number of Equity.

### ***Liquidity Decision***

Liquidity decision is one of the most important decision that manager must put into consideration in terms of amount to spent on long-term investment and current assets. That is, financial manager is expected to trade of between these components to avoid illiquid (Kurfi, 2003). Conceptually, it is more worthy to understand that, liquidity decision directly concerns firms' decision to acquire or dispose off assets and this requires commitment of funds on continuous basis (Ugwudioha, 2010). As such, if current assets are not

managed properly can lead firm to experience liquidity and solvency problem (Ugwudioha, 2010).

### ***Dividend Decision***

Dividend decision is one of the major issues that businesses must take cognizance of because it directly affects and impact what investors will get as a return on their investment (Akani & Yellowe, 2016). Dividend represents a distribution of earnings to the shareholders of a company that are usually declared at annual general meetings and paid to shareholders (Hafeez & Attiya, 2009). That is why, at times it becomes an issue as to which proportion to retain, plough back to the business and which to give the stakeholders.

### ***Leverage Decision***

This is a decision that centered on the use of fixed costs in an attempt increase profitability of the firm. Specifically, it is the degree to which a financial manager uses debt or external financing in its operation (Kurfi, 2003). In short, leverage decision is the extent to which firms employ debt in their capital structure. Therefore, leverage decision is a measure of how much firm uses debt to finance its assets which will attract performance in the long run (Pandey, 2010). In addition, Kurfi, (2003) asserted that leverage decision is the extent to which firms employ debt in their capital structure as the resource's organization use in running its affairs are not in abundant.

### ***Working Capital Decision***

This is a decision made by the financial manager which represent how much a firm invested in short-term assets. That is, cash, marketable securities, receivable and inventories which will leads to firms' financial performance. It is important to understand that short-term assets can be converted to liquid assets which the firms can use to run its operation effectively (Bui, 2017). It signifies a decision that involves the proper usage of current assets and current liabilities so as to judiciously use the scarce resources of the organization (Kurfi, 2003).

### **Theoretical Framework**

Corporate finance theory underpinned this study.

**Corporate Finance Theory:** The application of corporate finance theory to comprehend the impact of decisions on financial performance (FP) in organizations is considerably increasing. Corporate finance theory has been reported to have originated from the work of Meggins on (1997). A number of studies have applied the theory to explain the association between financial decisions and FP (Bodie, Kane & Marcus, 2011; Krantz & Zhnag, 2013; Rehman & Takumi, 2012). The theory is connected to the study variables. That is, independent variables; liquidity decision, leverage decision, dividend decision and working capital decision and the dependent variable; financial performance). The theory states that if all the variables are put into consideration will have a bearing influence on the financial performance of an organization. The corporate finance theory further states that management of working capital, leverage, dividend decision if all put into consideration will influence the financial performance and thereby leading to the availability of liquidity (Rehman & Takumi, 2012). Therefore, this has call for the use of this theory to underpin the study.

### **Empirical evidence**

In a study of 15 listed firms in Ghana for a period of 10 years (2008-2017), Mohammed and Yusheng (2019) report positive significant effect of current assets and current liabilities that make up liquidity decision with the firms' return on assets (ROA). However, the same study indicated insignificant relationship with the firms' return on assets (ROE) and return on capital employed (ROCE). In the same vein, Osadune and Ibenta (2018) examined some selected firms in Nigeria for the period of 14 years (2001–2014). Findings from the study revealed that all the liquidity measures current assets and current liabilities as liquidity decision independent variable has positive and significant relationship with the financial performance measure (Return on assets). In contrast, Yeo (2016) studied the factors affecting solvency and liquidity decisions on corporate performance of 130 shipping companies for the period of 5 years (2009- 2013). The study revealed that assets liquidity evaluated by the ratio of current assets to current liability was found to have negative relationship on financial performance while firm's age and firm size were found to have positive significant effect on performance.

In a study in Nigeria, Agilebu (2019) investigated the relationship between dividend decision and economic value added of 15 Nigeria manufacturing firms on Nigeria Stock Exchange during (10 years) 2008-2017. The findings of the study indicated that dividend per share, dividend payout ratio and retention ratio have positive significant relationship with economic value added while dividend yield have negative effect on economic value added. However, Akani and Yellowe (2016) investigated dividend decision policy on

the profitability of selected quoted manufacturing firms for the period 1981 to 2014. In their study, returns on investment and net profit margin were the proxies for profitability, while dividend payout ratio, retention ratio (RR), dividend yield (DY) and EPS were proxies for dividend policy. The findings revealed that all the proxies for profitability are positively related to dividend decision except dividend yield. In all fairness to the dividend decision, Ubaka (2017) examined the effect of corporate dividend policy decision on the firm performance of 3 conglomerate firms listed on Nigeria stock exchange during the period of 5 years (2012-2016). Among all the variables of the study, the regression result demonstrated firm size, dividend payout, profit after tax and firm age are not significant in determining performance of the firms while corporate governance is significant in determining performance.

Ibhagui and Olokoyo (2018) examined the relationship among leverage decision, company size and firms' performance of 101 listed pharmaceutical firm in Nigeria during the period of 5(2003-2007).The study found that the regression analysis employed for data the analysis demonstrated that only leverage decision made by the financial manager has a negative effect on performance. Thus, variable of company size measured by number of directors have a positive significant on firm performance. In another study, Umar, Tanveer, Aslam and Sajid (2012) investigated leverage decision and firm performance relationship of 100 companies: empirical evidence from Pakistan for the period 2006 and 2009. The finding revealed that short-term debt ratio, long-term debt ratio and total debt ratio were negatively and significantly related return on assets, earning per share and net profit margin of the firm.

Bui (2017) reported positive significant effect of working capital decision on financial performance after conducting a study of 69 companies listed on Vietnam Stock Exchange during the period of 3 years (2014-2016). The study found that decision of working capital has significant effect on the dependent variables of return on assets, return on equity and return on sales. In order to increase the probable linkage between the working capital decisions and financial performance, Jama, Muturi and Samantha (2018) investigated 53 companies listed on the Somali Stock Exchange (SEI) for the period of 212-2016. Thus, after using linear regression, it was reported that working capital decision of the company has positive significant effect on Return on Assets while Return on Equity has insignificant. Contrarily to the result above, Mtani and Masanja (2018) assessed the relationship that exists between working capital decisions of the management on financial performance of 10 supermarkets in Arusha city, of Tanzania. The correlation and regression analysis of the study revealed that weak impact in financial performance when working capital components changed. Research conducted by Ibrahim (2017) documented that age is positively connected with the firm performance in

Nigerian Manufacturing Industry but Lu, Tsai and Yen (2010) have found insignificant factor associated with firm performance in Taiwan.

**Research Methods**

The design of this study is quantitative in nature and adopt Ex-post-facto research design. The data were analyzed using descriptive statistics, correlation and multiple regressions. The study used secondary data on the selected companies for a period of 10 years (2010-2019). The explanatory variables are firms’ liquidly decision, dividend decision, leverage decision and working capital decision while financial performance is the dependent variable. Firms’ age serves as a control variable. The latest version STATA of 15.0 was used for the analyses.

**Regression Model Specification**

$$FP = F (LIQ, DIV, LEV, WC, Age)$$

$$FP = \alpha + \beta_0 + \beta (LIQ) + \beta (DIV) + \beta (LEV) + \beta (WC) + \beta (Age) + e \dots\dots\dots 1$$

Where:

FP= Financial performance ratio for the firms in the industry

$\alpha$  = an intercepts

$\beta$  = Coefficient of the model-variable

FP= Financial Performance

LIQ=Liquidity

DIV=Dividend

LEV=Leverage

WC=Working capital

FA=Firm age

e= error term

**Table 1. Variables and Measurements**

Variable/Dimensions	Measurement	Source
Financial performance	(PAT) Profit after tax divided by Total assets	Agilebu(2019);Mohammed and Yusheng (2019)
Liquidity decision	current assets and current liabilities	Mohammed and Yusheng (2019); Osadune and Ibenta (2018)
Dividend decision	Dividend paid Net income	Agilebu(2019); Ubaka (2017)
Leverage decision	Debt/Shareholders’ fund	Ibhagui and Olokoyo (2018); Umar, Tanveer, Aslam and Sajid (2012)
Working capital decision	short-term assets to total assets	Jama,Muturi and Samantha (2018); Mtani and masanja (2018)
Firms size	Log of total assets	Ibrahim (2017); Lu, Tsai and Yen (2010)

*Source: Authors' compilation (2021).*

## Results

To validate the data, the test of Heteroskedasticity is calculated as  $\text{Prob} > \chi^2 = 0.9140$  which indicates absence of the Heteroskedasticity thereby the estimates are efficient and unbiased (meaning the data is normally distributed). The Hausman Specification test is conducted. The Hausman rule states that to select the most efficient result between Random Effect (RE) and Fixed Effect (FE) of GLS regression is determined by the coefficient of probability ( $\text{Prob} > \chi^2$ ) i.e. less than 0.1. A significant probability suggests that Fixed effect model should be analyzed while an insignificant probability suggests that Random effect model should be analyzed to determine the findings of the study. This study based its analyses on Fixed effect model since the Hausman specification test is significant ( $\text{Prob} > \chi^2 = 0.0014$ ).

**Table 2: Descriptive Statistics**

.summarize ROA LIQ LEV WC DIV AGE

Variable	obs	Mean	Std. Dev.	Min	Max
ROA	150	-.92134	.6321803	-3.303466	1.611665
LIQ	150	-.0996068	.5630549	-2.238397	1.447596
LEV	150	-70.78974	886.199	-1.851.96	47.92299
WC	150	.1655341	.4970951	-2.780946	1.602878
DIV	150	.890561	.2888668	0	1.030412
AGE	150	47.36	22.32622	4	96

The data characteristics presented in Table 2 show that there are 150 observations. Financial performance (FP) of the industry, a measure that combines return on assets with total assets of the firm shows  $-.92134$ . This means that the return on the assets of investors is less than the value of their investment implying that their investment is undervalued since average FP is less than 1 (Copeland, Weston & Shastri, 2005). The maximum and minimum financial performances for the period under study are 1.6116 and  $-3.3034$  respectively. This shows that Consumers firms listed on the Nigerian Stock Exchange had narrow variation in financial performance relative to return on assets.

The liquidity decision of the firm as revealed by the descriptive statistics indicated that the average is  $-.0996$  with maximum of 1.4475 and minimum of  $-2.2383$ . This implies that the decision made by Consumers firms listed on the Nigerian Stock Exchange does not translate to the financial performance. Also, it will have a negative consequence not only on the return on investment of the investors but also will affect the continuation of such organizations.



The descriptive report shows that leverage has the average of -70.7897 with the range of minimum and maximum value of -10851.96 and 47.9229 respectively. The positive decisions reported by the leverage 47.9229 means that in every decision made by the firms, there is every tendency or likely hood that, it will yield a better return to both the investors and the organization. The working capital of the industry, however, shows that the firms have reported the average mean of .1655 with the range of minimum and maximum value of -2.7809 and 1.6025 for the period under study. The positive decisions taken on the working capital of the firm has reflected on .1655 means that in every decision taken by the firm ₦1.6025 will be gain from that investment. At most -2.7809 kobo can be made as loss.

The dividend decision average is .8905 with the minimum of zero and maximum of 1.6025. This implies that in every decision made by the firm regarding dividend will stand to gain at least #1.0304 on the average of .8905. The data analysis also shows that the minimum age of Nigerian consumer goods firm is 4years and the oldest firm is having age of 96 years. This indicates that the firms are able to gain considerable stay in the business. As reported by Yuanita, Budiyanto and Slamet (2016) younger business entities demonstrate more vibrant but are somewhat unstable in their growth trajectories compare to older companies. However, Driffield, Mahambre and Pal (2007) reported that older businesses are less open to innovative technology as well as demonstrate littler flexibility.

**Table 4: Regression Models (OLS)**

Variables	POOLED OLS	Fixed Effect	Random Effect
LIQ	0.71 (0.481)*	2.72 (0.007) ***	1.96 (0.052) **
LEV	-5.81 (0.000) ***	-1.15 (0.252) *	-1.15 (0.249) *
WC	-2.29 (0.023) **	521 (0.000) ***	-4.43 (0.000) ***
DIV	-1.69 (0.094)**	-2.37 (0.019) **	-2.33 (0.020) **
AGE	-2.85 (0.005) ***	-3.60 (0.000) ***	-2.33 (0.020) **
-CONS	-0.78 (0.436)*	3.10 (0.002) ***	0.13 (0.893) *
F-Statistics	12.94 (0.000)	(0.0000)	(0.0000)
R-Squared	31.01	R <sup>2</sup> = 0.261 (within)	R <sup>2</sup> = 0.203 (within)
Adjusted R <sup>2</sup>	28.61	R <sup>2</sup> =0.347(between)	R <sup>2</sup> =0.532(between)
		R <sup>2</sup> =0.180 (overall)	R <sup>2</sup> =0.304 (overall)
*Significant at 10%, ** Significant at 5%, ***Significant at 1% levels respectively			

**Table 5: Hausman Test for Fixed Effect and Random Effect**

hausmanfe re

	Coefficients			Sqrt (diag(V_b-V_B)) S.E
	(b) fe	(B) re	(b-B) Difference	
ROA	.478066	.2973146	.1807514	.1040927
LIQ	-.0000534	-.0000553	1.89e-06	8.93e-06
LEV	-.7514299	-.6143406	-.1370893	.0615658
WC	-.638222	-.5758297	-.0623923	.1377201
DIV	-.0466142	-.0066521	-.0399622	.0133092

b = consistent under H<sub>0</sub> and H<sub>a</sub>; obtained from xtreg  
 B = inconsistent under H<sub>a</sub>, efficient under H<sub>0</sub>; obtained from xtreg

Test: H0: difference in coefficients not systematic

$$\begin{aligned} \text{Chi2}(4) &= (b-B)' [(V_b-V_B)^{-1}] (b-B) \\ &= 17.75 \\ \text{Prob}>\text{chi2} &= 0.0014 \end{aligned}$$

From the Table 5 above, the Hausman test of both random and fixed effect, the probability chi2 which is less than 0.05, show that the best model for estimating the main effect on firm’s financial performance is the fixed effect model. The circumstance for the selection of either effect is that, if the prob>chi2 is less than 0.05 or equal to 0.05 or greater than 0.05 as the case may be. Hence, this study selects the fixed effect model because the prob>chi2 is 0.0014.

From Table 4 present the regression results of OLS and Fixed effect which were adjudged the best for the analyses. The coefficient of determination (R<sup>2</sup>) indicates that 31.01% of the variation in Return on assets can be explained by the variation on the explanatory variables in the model while other factors not captured in the model constitute 68.99%. The Fixed effect result is more efficient and it has produced 34.70% which means only 65.30% changes of firm financial performance is explained by other variables. The model is statistically significant at 1% level.

The results show that liquidity decision as one of the explanatory variables has a weak relationship but significant at 27.2% with return on asset (ROA). The weak significant effect of liquidly on firm ROA indicates that the decision which are taken by the firms have less returns of 27.2 % and is significant at 0.01. Furthermore, from the above table 4, leverage has a negative insignificant effect on firm performance (ROA), which has the coefficient of -1.15 and with p-value of 0.252. The finding is in agreement with the corporate finance theory and risk and return trade off theory which this study is anchored on. With respect to working capital decision measured as the ratio of

total assets to total debt has a positive effect on (ROA) at 52.1% with p-value of 0.000. The result shows that working capital is effective and more viable to the firms. The study is consistent with Bui (2017), Jama, Muturi and Samantha (2018) but, inconsistent with Mtani and Masanja (2018). Consequently, dividend decision variable is not significant predictor on firm performance as the coefficient is -2.37 with p-value at 0.019. Likewise, it can be observed that age of the firm is not significant in predicting the decision of the firm as the coefficient is -3.60 with p-value of 0.000 which is significant at 1% level.

### Table 6 Heteroskedasticity

```
. hettest
Breusch-Pagan / Cook-Weisberg test for heteroskedasticity
      H0: Constant variance
      Variables: fitted values of ROA

      Chi2(1)          =          0.01
      Prob > chi2      =          0.9140
```

The result of Table 6 above has shown that the residual of the study is homoscedasticity (constant variance) as the p-value is above 0.5 level, which is  $\text{prob} > \chi^2 = 0.9140$ . Importantly, the rule is that any data that ranges between 0.5, 0.6 and above indicate that the data is good and fit for the model. As such, this study has made the requirement of data fitness at  $\text{prob} > \chi^2 = 0.9140$ .

### Conclusion and Recommendations

The aim of the study is to evaluate the effects of financial decisions and financial performance of Consumer goods in Nigeria. In view of the findings, this study concludes that the independent variables have both positive and negative effects on the firms' financial performance of Consumer companies in Nigeria. Therefore, recommends that the management of Consumer firms in Nigeria should only focus on working capital decision and liquidity decision as both have translated better results in the decision made by the organization. Finally, the management should maintain or enhance the level of total assets and the volume of shareholders' equity of the firms in order to enhance the return on assets and performance.

### *References*

- Abubakar, A., Sulaiman, I., & Haruna, U. (2018). Effect of firms' characteristics on financial performance of listed insurance companies in Nigeria, *African Journal of History and Archaeology*, 3(1), 1-9.
- Adepoju, O.I. and Onalapo A.A (2012): The effect of financial decisions on the profit margin of selected commercial banks in Lagos, Nigeria. Paper presented at the 3rd ICBE Conference, Cape Town South Africa.
- Afzal, A. & Rohman, A. (2012). Effect of investment decision, financing decision, and dividend decision on corporate value. *Diponegoro. Journal of Accountancy*, 1(2).
- Agilebu, O. M. (2019). Dividend decision and economic value added of quoted Nigeria manufacturing firms. *American Economic & Social Review*, 5 (2), 45-59.
- Akani, H.W., Yellowe, S. (2016), Dividend policy and the profitability of selected quoted manufacturing firms in Nigeria. *Journal of Finance and Accounting*, 4(4), 212-224.
- Bhullar, P. S. (2017). Empirical Analysis of operating efficiency and firm value: A study of fast moving consumer goods and pharmaceutical sector in India. *International Journal of Economics and Financial Issues*, 7(3), 671–675. Retrieved from <https://www.econjournals.com/index.php/ijefi/article/view/4400>.
- Bui, H. (2017). Managing working capital in relation to the business performance of pharmaceutical companies listed on the stock market of Vietnam. PhD Thesis. Foreign Trade University.
- Copeland, T., Weston F., & Shastri, K. (2005). Financial theory and corporate policy. (4th ed.). Boston: Addison Wesley Publishers.
- Dahmash, F. N. (2015). Size effect on company profitability: Evidence from Jordan. *International Journal of Business Management*, 10(2), 58-72.
- Danaei, A. and Abdi, H. (2015). The relationship between firm size and profitability indicators of sustainable capital structure of listed companies in Tehran stock exchange, *Indian Journal of Fundamental and Applied Life Sciences*, 5(S1), pp. 5029-5041.
- Driffield, N., Mahambre, V., & Pal, S. (2007). How does ownership structure affect capital structure and firm value? Recent evidence from East Asia. *Cedi Discussion Paper Series, Working Paper No. 07-04*. 1-43. <http://dx.doi.org/10.1111/j.1468.0351.2007.00291.x>.

- Hafeez, A. & Attiya, Y.J. (2009) “The determinants of dividend policy in Pakistan”, *International Research Journal of Finance Economics*, Vol. 25; 148-171.
- Jamaa, M. A. (2018). Effect of working capital management practices on financial performance of retail firms in grove, Puntland state o Somalia. *Research journal of finance and accounting*, 9(2) ISSN 2222-1697.
- Koutmos, D., Bozos, K., Dionysiou, D., & Lambertides, N. (2018). The timing of new corporate debt issues and the risk-return trade-off. *Review of quantitative finance and accounting*, 50(4), 943-978. <https://doi.org/10.1007/s11156-017-0651-z>.
- Kurfi, A.K. (2003). *Principles of financial management*, (1<sup>st</sup>ed) Benchmark publishers ltd., AKcc business complex, Kano- Nigeria.
- Mohammed, M., &Yusheng, K. (2019). The effect of liquidity and capital structure on the financial performance of firms listed on the Ghana Alternative market (GAX). *International Journal of Research in Economics and Social Sciences*, 8(2), 74–92.
- Mtani, P. &. (2018, 2(7)). The impact of working capital management on financial performance of supermarkets in Arusha city-Tanzania. *International Journal of Research and Innovation in Social Science*, ISSN 2454-6186.
- Muchiri, M.J., Muturi, W., M., & Ngumi, P. M.(2016). Relationship between financial structure and financial performance of firms listed at East African Securities Exchanges. *Journal of Emerging Issues in Economics, Finance and Banking*, 5(1), 23-34.
- Osadune, R., & Ibenta, S. (2018). Evaluation of the financial performance of deposit money banks in Nigeria (2001-2014). *IIARD International Journal of Banking and Finance Research*, 4(2), 23–50.
- Pandey, I.M. (2010). *Financial management* (10th ed.). New delhi, India: Vikas publishing house PVT ltd.
- Phung, D. N., & Mishra, A. V. (2016). Ownership structure and firm performance: Evidence from Vietnamese listed firms. *Australian Economic Papers*, 55(1), 63–98.
- Rajkumar, P., & Hanitha, V. (2015). The impact of credit risk management on financial performance: A study of state commercial banks in Sri Lanka. *Proceedings of International Conference on Contemporary Management (ICCM- 2015)*, 206- 212.
- Ross, S. A., Westerfield, R. W., Jaffe, J. F., & Jordan, B. D. (2015). *Corporate finance: Core principles and applications* (Fourth Edi). New York: McGraw-hill education.
- Siddik, M., Kabiraj, S., &Joghee, S. (2017). Impacts of capital structure on performance of banks in a developing economy: Evidence from Bangladesh. *International Journal of Financial Studies*, 5(2), 13.

- Swain, A. K. P. C. (2008). A text book of research methodology. Indian: Kalyani Publishers.
- Ubaka, I. E. (2017). Corporate dividend policy and firm performance: Nigeria evidence from quoted conglomerate firms. *2017 National Conference of School of Management Studies, Ilaro, Ogun State*, 1-19.
- Ugwudioha M. O. (2010). Principles of financial management, (1<sup>st</sup>ed). M.O. Publishers ltd, Kaduna State- Nigeria.
- Umar, M., Tanveer, Z., Aslam, S., and Sajid., M. (2012). Impact of capital structure on firm performance: Evidence from Pakistan. *Research Journal of Finance and Accounting*, 3(9), 34-45.
- Vintilă, G. Nenu, E. A. & Gherghina, S. C. (2014). Empirical research towards the factors influencing corporate financial performance on the Bucharest Stock Exchange, *Scientific Annals of the "Alexandru Ioan Cuza" University of Iași Economic Sciences*, 61 (2), 219-233.
- Yeo, H. (2016). Solvency and liquidity in shipping companies. *The Asian Journal of Shipping and Logistics*, 32(4), 235-241. doi:<https://doi.org/10.1016/j.ajsl.2016.12.007>.
- Yuanita, M., Budiyanto, & Slamet, R. (2016). Influence of capital structure, size and growth on profitability and corporate value, *International Journal of business and finance management research*, 4, 80-101.