EFFECT OF BOARD OWNERSHIP STRUCTURE ON PROFITABILITY OF LISTED NONFINANCIAL FIRMS IN NIGERIA

Dr. Abdulazeez Abubakar
Department of Accounting, Ahmadu Bello University, Zaria, Nigeria
+234 8032 8446 60, abdulazeezasadauki@gmail.com

&

Dr. Murtala Abdullahi
Department of Accounting, Kaduna State University, Kaduna, Nigeria
+234 8069179552, murtala.abdullahi@kasu.edu.ng

Abstract

Most of the studies on Board ownership and profitability of firms examine board ownership as single component without examining the extent to which their individual components affect profitability of firms. This paper examines the effect of board ownership structure on profitability of listed nonfinancial firms in Nigeria for the period 2010 - 2022. Secondary data is obtained from the annual reports and accounts of sixty five (65) firms out of 116 nonfinancial firms listed in the Nigerian Exchange Group (NGX) as at 31st December, 2022. Board ownership structure as an independent variable is proxies by overall board of directors' ownership, Chief Executive Director Ownership, Executive directors' ownership and Nonexecutive directors' ownership, while ROA is used as proxy for profitability which serves as the dependent variable of the study. The study adopts ex-post facto and correlation research design with multiple regressions as technique of data analysis. The result of the fixed effect regression reveals that overall board of directors' ownership; CED ownership and executive directors' ownership have positive significant effect on profitability, while nonexecutive directors' ownership also has positive but insignificant effect on profitability. It is recommended that the firms should encourage board ownership through share-based remuneration since it has significant effect on profitability.

Keywords: *CED Ownership, Executive Ownership, Non-Executive Ownership, Profitability, Agency Theory.*

1.1 Introduction

Firm's profitability is the ability of a firm to achieve its predetermined objectives from the use of its assets which is often measured in monetary term (Abubakar, *et al* 2024). These objectives could be in terms of productivity, growth, financial (profitability) and or market value (Dahiru, Dogarawa & Haruna, 2016). Board ownership is the proportion of ownership owned by executive and nonexecutive directors and other highest ranking officers in the management team of a firm including the chief executive officer (CEO) (Abubakar, *et al* 2024). It is one of the key structural corporate governance mechanisms that strengthens board effectiveness and improves governance practice in the firm (Okewale, Mustapha & Aina, 2020).

Studies on the relationship between board ownership and its effect on profitability has been a subject of theoretical and empirical debate in the literature of corporate finance (Jensen & Meckling, 1976: Fama, 1980;

Fama & Jensen, 1983; Jensen & Murphy, 1990; Shleifer & Vishny, 1997). The debate follows the suggestion offered by Berle and Means (1932), for the separation of ownership right from control right which result to a serious agency conflict due to differences of interests between the managers and owners of the firm (Bahadur & Baral, 2019).

Since the work of Berle and Means (1932), board ownership continue to receive contributions in diverse opinions regarding the directions and statistical significance of the relationship between board ownership and firm's profitability (Ogabo, Ogar & Nuipoko, 2021; Abubakar, *et al* 2023). Meanwhile, the findings document by studies on board ownership and profitability have appeared to be mixed and conflicting; both in terms of significance and in linear associations. As large number of studies supported a significant positive relationship, some studies find evidence of a significant negative relationship, while at the same time other studies have documented evidence of no significant relationship at all. As the puzzles continue, the clamor for more empirical contributions also continues.

The positive and statistical significant impact of managerial ownership on firm's profitability is said to have gain its support from agency theory which argues that managerial ownership increases board monitoring effectiveness and enhance firm financial performance due to incentive effect (Maina & Omagwa, 2020). According to agency theory, managers consider themselves as corporate owners (shareholders when they acquire a given fraction in the firm's ownership, which as a result, reduce the agency conflicts and makes managers to focus their attention toward achieving sound and sustainable profitability (Bukar, Abdulrasheed & Hamidu, 2020). They tend to monitor themselves and checkmate one another through timely evaluation of board decision quality and overall financial performance and consider such as primary goal since they know that any failure of such firm is impliedly their failure as that may not only lead to loss of job but of equity investment and thus bear the full consequences of their harmful actions.

As mentioned earlier, studies have tried to investigate the association between board ownership and profitability. However, most of these studies focus more attention on analysing how board ownership as single component impact on profitability without considering the extent to which individual components of its structure affects profitability of a firm. Therefore, owing to the dearth of studies that take into account the effect of board ownership components on firm profitability using dataset of listed nonfinancial firms in Nigeria has in this direction becomes imperatives in order to fill in the gaps identified in the literature.

The study considers the data of the nonfinancial sector, nonfinancial firms are those companies that does not engage in providing financial services, but rather they produce finished goods to the final consumer for daily consumption. They include manufacturing firms, oil and gas firms, consumer goods firms and the industrial goods firms. Nonfinancial firms are relevant due to its historic records of bulk contributions to Nigeria's economy on tax revenues, employment, GDP and country's foreign earnings. Despite the contribution of the sector to the Nigerian economy, the sector had faced series of sanctions of fines and delisting by regulatory agencies such as SEC and in incessant profitability dwindling, the problems which are linked directly to poor corporate governance practice and board performance (Nwosu *et al.* 2020). Accordingly, it is based on this premise that the study examines the effect of board ownership structure on profitability using listed nonfinancial firms in Nigeria as reference point. Also, it is hypothesized that components of board ownership structure has no significant effect on profitability of listed nonfinancial firms in Nigeria.

2.1 Review of Empirical Studies and Theoretical Framework

Managerial Ownership and Profitability

The Study reviews literatures on the relationship between board ownership and control. Queiri, Madbouly, Reyad and Dwaikat (2021), study the relationship between ownership structure and profitability of 14 listed firms for the period of 2009 to 2015 using multiple regression as tool of analysis. The result of the analysis reveals a negative significan relationship between ownership structure and profitability of the firms. Alkurdi, Hamad, Thneibat, and Elmarzouky (2021), examine the impact of ownership structure and profitability of list firms in Amman Stock Exchange Jordan for the period of 2012 to 2018. The study uses multiple regressions as tool of analysis and found negative significant relationship between ownership structure and profitability of the firms. Stryckova (2023) explores the influence of ownership structure and profitability of listed firms in Czech Republic using multiple regressions as tool of analysis and found evidence of negative significant relationship between ownership structure and profitability of the firms. Bazhair and Sulimany (2023) investigate the effect of ownership structure and profitability of 98 Saudi Arabian nonfinancial firms for the period of 2012 to 2021, using multiple regressions as tool of analysis. The result of the analysis shows negative insignificant relationship between ownership structure and profitability of the firms. Zhou, Saeed and Agyemang (2024), examine the relationship between ownership structure and profitability of the firms using 239 energy firms as sample size for the period of 2009 to 2022. The result of the multiple regressions analysis shows a negative significant relationship between ownership structure and profitability of the firms. Nguyen and Nguyen (2024), explore the impact of ownership structure and profitability 10, 696 SMEs in Colombia and found evidence of negative significant relationship between ownership structure and profitability of the firms. Nurhadimah and Paramita (2024) ,investigates the relationship between ownership structure and profitability of 25 firms listed Indonesian Stock Exchange for the period of 2017 to 2022 using multiple regression as tool of analysis. The result reveals an evidence of positive insignificant relationship between ownership structure and profitability of the firms.

Zakaria, Purhanudin and Palanimally (2014), study the impact of ownership structure on firm profitability using a sample of 56 listed Trading and Services firms in Malaysia over a period 2005-2010. Another study was conducted by Scholten (2014) on the effect of ownership structure on firm profitability of 80 quoted Dutch firms for the period 2011-2012. The study used secondary dataset and adopted panel regression model as technique of analysis of the data collected. The study reveals that insider ownership has significant positive effect on profitability.

In the same year, Arief, Kiswanto and Agung (2014) assess the effect of managerial shareholding on firm value using a sample of 54 listed nonfinancial firms in Indonesia for the period 2008-2011. Secondary data are collected and analysed using multiple regressions and the results showed that managerial ownership has significant positive effect on the profitability. However, the study does not cover much ownership structure variables. Similarly, Abubakar (2015) examines the effect of managerial ownership on profitability of four (4) quoted building materials firms in Nigeria for the 2004-2013. The study collects and analyses secondary data in multiple regression models and the results show that managerial ownership has significant positive effect on profitability. Also, Singapurwoko (2015) assesses the impact of ownership structure on profitability of 13 family owned firms quoted in Indonesia for the 2010-2014. The study adopted multiple regression models as technique of analysis of secondary data collected and the results revealed that managerial ownership has positive but insignificant impact on profitability.

The study by Asadi and Pahlevan (2016) evaluate the relationship between managerial ownership and profitability of 50 nonfinancial firms quoted in India for the period 2011-2015. The study uses secondary data and adopts panel regression model as technique of analysis and the results indicated that there is significant positive association between executive ownership and profitability. Gaušaitė and Vedeckis (2016) conducts a cross-sectional analysis on the relationship between managerial shareholding and profitability of 51,776 private firms in Lithuania, Latvia and Estonia for the period 2014. The findings indicate that managerial shareholding has significant positive relationship with profitability. Similarly, Balagobei and Velnampy (2017) investigated the relationship between ownership structure and profitability of 10 listed beverage food and tobacco companies in Sri Lanka for the period 2010-2015. The study uses secondary data with Pearson's correlation and multiple regressions as techniques of data analysis. The findings reveals that managerial has significant positive relationship with profitability of the sample firms.

Abbasi *et al.* (2017) examine the effect of ownership structure on profitability of 70 firms quoted in Egyptian for the period 2005-2010. The study adopts panel regression model and analyses the secondary data collected. The results indicate that managerial shareholding has significant positive influence on firm profitability. In the same year, Olufunmilayo (2017) examines the relationship between managerial ownership and profitability using a sample of 16 quoted consumer service firms in Nigeria for the period 2010-2015. The study uses secondary dataset and adopted multiple regression equations as tools of analysis and the results revealed positive but insignificant association between managerial shareholding and profitability. Also, Adeyeni (2018) examined the dynamic interactions among ownership structure, corporate governance, risk management and profitability using sample of 20 DMBs listed in Nigerian for the period 2005-2011. The study shows that managerial ownership has significant positive effect on bank profitability.

On the contrary, Hamza and Suman (2018) study the relationship between ownership structures and firm profitability using a sample of 50 manufacturing firms listed in India for the period 2011-2015. The study uses secondary dataset and adopted multiple linear regressions as tool of data analysis. The results show that managerial ownership has positive but insignificant relationship with profitability. In another study, Reem, Mohammed and Wajeeh (2015) analysed the relationship between ownership structure and profitability of 42 financial firms listed in Bahrain Bourse for the period 2007-2011. Secondary data are collected and multiple regressions was adopted as tool of data analysis and the results showed evidence of insignificant positive association between managerial ownership and profitability. Similarly, Gugong, Kumai and Bala (2015) assess the impact of ownership structure on profitability using sample of 21 listed DMBs in Nigeria for the period 2005-2014. The study finds that managerial shareholding has significant negative impact on profitability.

Abdul Rahman and Reja (2015) analyse the effect of managerial ownership on profitability of 14 listed Malaysian commercial banks for the period 2000-2011. The results from analysis show that managerial shareholding has significant negative effect on profitability. Similarly, Soufeljil *et al.* (2016) studied the effect of managerial ownership on profitability using a sample of 51 firms listed in Tunisia for the period 2008-2012. The study uses secondary data and panel regression and the results show that managerial ownership has a significant negative effect on profitability. Also, Chinyerugo and Uchechukwu (2016) examine the relationship between ownership structure and profitability of four (4) listed Information and Communications Technology (ICT) in Nigeria for the period 2013-2014. The study uses secondary dataset and multiple linear regression models and SPSS 20 as tool of analysis and the results showed evidence of significant negative association between managerial ownership and profitability.

However, Aymen (2014) studies the relationship between ownership structure and profitability using a sample of 19 banks listed in Tunisia for the period 2000-2010. The study adopts panel regression technique as tool of analysis of secondary data collected and the results revealed an evidence of no significant association between managerial ownership and profitability. Similarly, Ahmed and Hadi (2017) analyse the cross-sectional dataset of 252 quoted firms across Asia in 2014 on the relationship between managerial ownership and profitability. The study fnds evidence of significant negative association between managerial ownership and profitability both countries. Also, Adamu and Haruna (2020) examine the relationship between ownership structure and profitability of 40 listed nonfinancial firms in Nigeria for the period 2014-2018. The study adopts panel regression model as tool of analysis and found a significant negative relationship between managerial ownership and profitability. Overall, apart from the weaknesses relate to period gap, the literature reviewed above have testified that no study examines the extent to which individual components of board ownership affect profitability hence the need for a fresh study that will analyse whether there will be any change or otherwise on the magnitude of the effect and relationship among the components of board ownership studied.

Theoretical Framework

The study used agency theory to underpin the relationship among the variables of the study. Agency theory explains the important relationship that exists between the principal (employer) and the agent (employee). In most basic sense, the principal is someone who hired the agent's service and relies on him to execute specific functions and decisions that can result in positive fluctuating outcomes (Ross, 1973). According to this theory, agency problem in the firm can be resolve by making board members partial co-owners of the business by way of granting them the chance to acquiring a given fraction of shares from the firm's outstanding equity shares (Jensen & Meckling). This will enhance board monitoring effectiveness and firm profitability. Therefore, agency is adopted to underpin the relationship between all the independent variables and the dependent variable of the study.

Variables Definition and Measurement

3.1 Methodology and Model Specification

The study adopted both ex-post facto and correlation research design to measure the association between board ownership structure and profitability of listed nonfinancial firms in Nigeria. The study population comprises 116 quoted nonfinancial firms listed in the Nigerian Exchange Group (NGX) as at 31st December, 2022. The adjusted population of the study is 65 firms listed on the Nigerian Exchange Group. The study uses the adjusted population as its sample size, hence adopted census sampling approach by studying all the 65 firms. The study uses secondary data extracted from the annual reports of the firms. The study uses Fixed Effect (FE) multiple regression technique for data analysis which established relationship among the variables of the study.

Table 1: Variables Measurements and Definitions

Variable	Type	Variables Measurement and Source
ROA	Dependent	Earnings before interest and tax (EBIT) divided by total asset (Adamu & Haruna, 2020).
OBDS	Independent	The ratio of overall shares owned by all members of the board to sum total of firm issued shares (Adeyeni, 2018).
CEOS	Independent	The proportion of shares owned by the Chief Executive Director (CED) to sum total of firm issued shares (Abbasi *et al.* 2017).
EXDS	Independent	The proportion of shares owned by the Executive Directors to sum total of firm issued shares (Hamza & Suman, 2018).
NEDS	Independent	The proportion of shares owned by the Non-Executive Directors to sum total of firm issued shares (Thompson, 2016).

Sources: Compiled by the Author

Model Specification

The models used to empirically test the hypothesis formulated is as follows:

$ROA_{it} = \alpha + \beta_1 OBDO_{it} + \beta_2 CEDO_{it} + \beta_3 EXDO_{it} + \beta_4 NEDO_{it} + \varepsilon_{it}$……………………………………………….i

Where:

ROA Profitability of firm *i* at time *t*

OBDO Overall board of directors' ownership of firm *i* at time *t*

CEDO Chief executive director ownership of firm *i* at time *t*

EXDO Executive directors' ownership of firm *i* at time *t*

NEDO Non-Executive directors' ownership of firm *i* at time *t*

α, $\beta_{1-}\beta_4$ Parameters to be estimated

ε Error term

4.1 Results and Discussion

In this section, summary of descriptive statistics, correlation matrix and regression result is presented and discussed as follows;

Table 2: Descriptive Statistics

Variable	Min	Max	Mean	Std. Div.	N
ROA	-0.0147	0.0391	0.0252	0.4434	845
OBDO	0.0009	0.5703	0.0366	0.0193	845
CEDO	0.0001	0.1149	0.0574	0.0749	845
EXDO	0.0006	0.3700	0.0645	0.0181	845
NEDO	0.0002	0.0990	0.0496	0.0703	845

Source: Stata output

From Table 2, shows a mean value of 0.0252 and standard deviation of 0.4434 for ROA implying a wide level of dispersion of the data. ROA also has minimum value of -0.0147 and maximum value of 0.0391. The difference between the mean and standard deviation values as well as the negative minimum value of -0.0147 demonstrates that there are some abnormalities in the dataset within the study period. This abnormality could be due to loss (negative values) recorded by many firms across the sample which could possibly influence the positive figure (profit) reported for other years even though the loss was not consistent for the whole period of the study. Hence, a clear evidence for profitability dwindling in the Nigerian nonfinancial sector.

Overall board of directors' ownership shows minimum value of 0.09% and maximum value 57.03%. The variable also has mean value of 3.66% and a standard deviation of 1.93% indicating a low variation across the firms. However, as the mean value is greater than the value for standard deviation it means the data is relatively normal. CED ownership provides 0.01% as its minimum value and 11.49% as its maximum value respectively. Also, the average value for the variable stood as 5.74% and standard deviation value of 7.49% signifying high level of deviation. Executive directors' ownership shows a minimum value of 0.06% and a maximum value of 37.00%. The variable also shows a mean value of 6.45% and the standard deviation value of 1.81% indicating that the data for the variable deviate from the mean at a low level. Nonexecutive directors' ownership shows 0.02% as its minimum value and 9.90% as its maximum value respectively. Both the minimum and the maximum values for Nonexecutive directors' ownership exceeded the minimum acceptable ratio NED ownership recommended by the Financial Reporting Council of Nigeria Code of corporate governance 2018. Also, the mean value for the variable stood as 4.96% and standard deviation value of 7.03% signifying high level of deviation.

Correlation Matrix

Table 3: Correlation Matrix

Variables	ROA	OBDS	CEOS	EXDS	NEDS
ROA	1.0000				
OBDO	0.0429	1.0000			
CEDO	0.1106	0.3001	1.0000		
EXDO	0.0661	-0.2991	-0.1949	1.0000	
NEDO	0.0131	0.1339	-0.0281	0.0044	1.0000

Source: Stata output

From Table 3, the correlation between ROA and Overall board of directors' ownership, CED ownership, EXD ownership and NED ownership shows positive coefficients of 0.0429, 0.1106, 0.0661 and 0.0131 respectively. This implies that all the four explanatory variables are moving in the same direction with ROA. The independent variables appear not to be highly correlated among themselves. This is evidenced by the highest correlation coefficient value of 0.3001 between Overall board of directors' ownership and CED ownership. As none of the correlations coefficients among the independent variables themselves is equal to or above 0.8, it suggests the possible absence of harmful multi-Collinearity (Gujirati, 2004).

Regression Results and Discussion of Findings

Some robustness tests like multicolinearity and Hetroskedasticity tests are conducted in order to see their existence or otherwise. The multicolinearity test revealed a variance inflation factor and tolerance values of less than 10 and 1 respectively, meaning that the data used in the study does not have any multicolinearity problems. The Hetroskedasticity test revealed a Chi^2 value of 31.17 with a p-value of 0.000 which is significant at 1% level of significance. This means there is Hetroskedasticity problem associated with the data of the study. As a result of the existence of Hetroskedasticity problem associated with the data of the study, the study conducts fixed and random effect models tests and then hausman test is used to decide which model to be adopted for the study between fixed and random effect models. The result of hausman test reveals a Chi^2 statistics of 27.13 and is accompanied by a p-value of 0.000, which is statistically significant at 1% level of significance. The implication of this significant p-value is that the fixed effect model results are preferred to the random effect in the final model.

Table 4 presented the summary of the Fixed Effect (FE) Regression results as follows;

Table 4: Summary of Fixed Effect Regression Results

Variables	Coefficient	t - value	p – value
Intercept	0.1456	2.81	0.000***
OBDO	0.2155	2.78	0.000***
CEDO	0.1137	2.52	0.001**
EXDO	0.1491	2.67	0.000***
NEDO	0.0942	84	0.413
R^2 Within	0.3117		
F – Stat	12.84		
Prob. > F			0.000***
Hausman	27. 13		0.000***

*** Denotes significance at 1%, ** Denotes significance at 5% * Denotes significance at 10%..

Table 4 reveals that there is significant positive association between overall board of directors' ownership and profitability of listed firms in the Nigerian nonfinancial sector. This is observed from the computed beta value 0.2155 and p-value 0.000 which is statistically significant at 1% level of significance. This signifies that as overall board of directors' ownership increases the profitability of firms also increases. The likely reason of this result might be as a result of directors' interest in the ownership structure of the firm which might motivate the directors to manage the affairs of the firms in the based interest of the company. The result is consistent with Adeyeni (2018), but inconsistent with Soufeljil *et al.* (2016).

Chief Executive Director Ownership has a significant positive influence on profitability as the coefficient of the variable is 0.1137 and p-value 0.001 which is statistically significant at 1% level of significance. This indicates that increase in the ratio of CED shares cause increase on profitability. This result may be as a result of the CED's ability to manage the company in line with the company's mission and vision than his/her personal interest in which doing anything contrary may affect his/her investment in the firm. This result is consistent with Balagobei and Velnampy (2017) and is in contrast with the findings of Chinyerugo and Uchechukwu (2016).

Executive directors' ownership has significant positive influence on profitability as the coefficient of the variable is 0.1491 and p-value 0.000 which is statistically significant at 1% level of significance. This indicates that increase in the ratio of executive directors' ownership cause increase on profitability. This finding might be as a result of the executive director extra devotion in running the affairs of the company. This result is in line with Abbasi *et al* (2017). The study however contradicts Adamu and Haruna (2020).

The result further reveals that NEDs' ownership also has positive but insignificant effect on profitability. This can be observed from the beta value 0.0942 and p-value 0.413 which is statistically insignificant at all level of significance indicating that increase in nonexecutive directors' ownership does not have corresponding increase on profitability. This result may be as result of the existing objectivity and non-compromising attitudes of the non-executive directors in terms of playing his/her monitoring roles in the company's board of directors. The result is in line with Aymen (2014) however, contradicted the findings of Ahmed and Hadi (2017).

The F-statistic value 12.84 and p-value 0.000 signifies that the study model is well fitted. Also, the R^2Within of 31.17 explains that about 31.17% variations in the profitability of listed firms in the Nigerian nonfinancial sector is caused jointly by the independent variables studied, whereas the remaining 68.83% is caused by other variables outside this study model.

5.1 Conclusion and Recommendations

The study examines the effect of board ownership structure on profitability of listed nonfinancial firms in Nigeria. The result of the fixed effect regression reveals that overall board of directors' ownership; CED ownership and executive directors' ownership have positive significant effect on profitability, while nonexecutive directors' ownership also has positive but insignificant effect on financial performance. The study concludes that overall, board ownership has significant effect on profitability of nonfinancial firms in Nigeria. It is recommended that management of firms in the Nigerian nonfinancial sector should encourage board ownership through share-based remuneration since it is found having positive significant effect on firms' profitability. They are however recommended to maintain the minimum acceptable ratio of 0.0001 for NED as recommended by the Financial Reporting Council of Nigeria Code of corporate governance 2018 since increasing their ownership ratio doesn't caused any significant impact on profitability.

References

Abbasi, F. B., Asadipour, E. & Pourkiyani, M. (2017). Investigate the effect of ownership structure on the performance of companies listed on the Tehran Stock Exchange; *Scinzer Journal of Accounting and Management, 3(1), 26-32.*

Abdul Rahman, N. A. & Reja, A. F. M. (2015). Ownership structure and bank performance; *Journal of Economics, Business and Management, 3(5), 483-488.*

Abiodun, A. A. (2018). Examination of the dynamic interactions among ownership structure, corporate governance, risk management and performance of Nigerian banks; *African Research Review, International Multi-Disciplinary Journal, Ethiopia, 12(1), 12-22.*

Abubakar, Y. (2015). *Ownership structure and financial performance of quoted building materials firms in Nigeria;* An Unpublished M.Sc. Dissertation, Department of Accounting, Ahmadu Bello University Zaria, 1 – 86.

Adamu, A. & Haruna, J. (2020). Ownership structure and performance in Nigeria: A canonical correlation analysis; *Journal of Research in Emerging Market, 2(4), 21-32.*

Adeyeni, A. A. (2018). Examination of the dynamic interactions among ownership structure, corporate governance, risk management and performance of Nigerian banks; *Journal of African Review, 12(1), 25-39.*

Ahmed, N. & Hadi, O.A. (2017). Impact of ownership structure on firm performance in the Mena region: An empirical study; *Accounting and Finance Research, 6(3), 105 – 115.*

Al Mutairi, A. M. S. & Bakar, S. B. (2023). How does ownership structure affect performance? A systematic literature review; *Social Science Journal Res Militaris (resmilitaris.net), 13(2), 2862 – 2878.*

Alhassan, I. & Mamuda, A. U. (2020). Ownership structure and financial performance of Quoted firms in Nigeria; *International Journal of Accounting Research, 5 (4), 116 - 128.*

Al-Janadi, Y. (2021). Ownership structure and firm performance in the Middle East: A Meta-Analysis; *Journal of Risk and Financial Management, 14(577), 1 - 23.*

Alkurdi, A., Hamad, A., Thneibat, H. & Elmarzuky, M. (2021). Ownership structure's effect on financial performance: Empirical analysis of Jordanian listed firms; *Journal f Cogent Business & Management, 8(1), 44 -56.*

Alkurdi, A., Hamad, A., Thneibat, H., & Elmarzouky, M. (2021). Ownership structure's effect on financial performance: An empirical analysis of Jordanian listed firms. *Cogent Business & Management*, *8*(1), 1939930.

Allison, P. (2012). When can you safely ignore multicollinearity? *Statistical Horizons*. September, 2012. Available online @ http,//statisticalhorizons.com/multicollinearity

Andow, H. A. & David, B. M. (2016). Ownership structure and the financial performance of listed conglomerate firms in Nigeria; *The Business and Management Review, 7(3), 231 – 240.*

Aribaba, F. O., Asenuga, B. S. & Egbewole, I. K. (2022). Ownership structure and financial performance of quoted building material firms in Nigeria; *Fuoye Journal of Management, Innovation and Entrepreneurship, 1(1), 268–278.*

Arief, Y., Kiswanto, W. & Agung, Y. (2014). Linear and Non-linear approaches in testing managerial ownership on the firm value: Evidence from Indonesian Firms; *Journal of Business and Management, 16(9), 01-05.*

Asadi, A. & Pahlevan, M. (2016). The relationship between ownership structure and firms' performance in Tehran Stock Exchange; *Journal of Insurance and Financial Management, 1(2), 72-86.*

Aymen, M.M. (2014). Ownership structure on financial performance of banks in Tunisia; *Journal of Applied Science, 4(2), 1-11.*

Balagobei, S. & Velnampy, T. (2017). A Study on ownership structure and financial performance of listed beverage food and tobacco companies in Sri Lanka; *International Journal of Accounting and Financial Reporting, 7(2), 36 – 47.*

Barney, J. (1991). Firm resources and sustained competitive advantage; *Journal of Management, 17, 99-122.*

Bazhair, A. H., & Sulimany, H. G. H. (2023). Does Family Ownership Moderate the Relationship between Board Diversity and the Financial Performance of Saudi-Listed Firms. *International Journal of Financial Studies*, *11*(4), 118.

Berle, A. A. J. & Means, G. C. (1932). *The modern corporation and private property.* New York: MacMillan.

Bouras, M. & Gallali, M.I. (2017). Managerial ownership, board of directors, equity-based compensation and firm performance: a comparative study between France and the United States; *Mediterranean Journal of Social Sciences, 8(1), 78 – 95.*

Bukar, M., Abdulrasheed, A. & Hamidu, U. (2020). Effect of board size and ownership structure on Deposit Money Banks; *Open Journal System, 18(1), 16 – 26.*

Chen,Y., Zhang, X. & Liu, Z. (2017). Manager characteristics and the choice of firm "low leverage": evidence from China; *American Journal of Industrial and Business Management, 4, 573-584.*

Chinyerugo, U.E. & Uchechukwu, N.A. (2016). Effect of ownership structure on corporate performance of listed information communications technology firms in Nigeria; *ICAN Academic Conference Proceedings, 1023 – 1042.*

Dahiru, I., Dogarawa, A.B. & Haruna, M.A. (2016). Effect of capital structure on financial performance of listed manufacturing firms in Nigeria; *Nigerian Journal of Management Technology & Development, 7(2), 87 – 97.*

Dakhlallh, M.M., Norfadzilah, N.M., Rashid, N.M., Abdullah, W.A.W. & Dakhlallh, A.M. (2019). The mediating effect of the managerial ownership towards the influence of the board of directors on the firm performance among Jordanian public shareholders companies; *Journal of Environmental Treatment Techniques, 7(3), 760-767*

Eisenhardt, K.M. (1989). Agency Theory: An assessment and review; *Academy and Management Review 14(1), 57-74.*

Elvin, P. & Abdulhamid, N.N.B. (2016). Ownership structure, corporate governance and firm performance; *international journal of economics and financial issues, 6(3), 99-108.*

Fama, E. F. & Jensen. M. C. (1983). Separation of ownership and control; *Journal of Law and Economics 26 and Foundations of Organizational Strategy, Harvard University press.*

Fama, E.F. (1980). Agency problems and the theory of the firm; *Journal of Political Economy, 88(2), 288–307.*

Fauzi, F. & Locke, S. (2012). Board structure, ownership structure and firm performance: a study of New Zealand listed-firms; *Asian Academy of Management Journal of Accounting and Finance, 8(2), 43–67.*

Financial Reporting Council of Nigeria (2018). *The Nigerian code of corporate governance for all quoted companies, 1-55.*

Gaušaitė, G. & Vedeckis, A. (2016). *The Impact of managerial ownership on the enterprise performance in the Baltic States;* An Unpublished Bachelor Thesis, Stockholm school of Economics, Riga, 1 – 63.

Gugong, Kumai, B. & Bala, H. (2015). Equity formation and financial performance of listed deposit money banks in Nigeria; *European Journal of Accounting Auditing and Finance Research, 3(8), 25-39.*

Gujarati, D. N. (2004). *Basic econometric,* (4th Ed.). McGraw-Hill, USA.

Hamza, S.M. & Suman, S.A. (2018). The Impacts of ownership structure on firm performance; *International Journal of Accounting & Business Management, 4(2), 262 – 271.*

Hayes, A. F. & Matthes, J. (2009). Computational procedures for probing interactions in OLS and logistic regression: SPSS and SAS implementations. *Behavior Research Methods, 41:924-936.*

Iwasaki, I., Mizobata, S. & Muravyev, A.A. (2017). Ownership dynamics and firm performance in an emerging economy: A Meta-Analysis of the Russian Literature, *RRC Working Paper 65, 1 – 54.*

Jensen, M.C. & Meckling, W. H. (1976). Theory of the firm, managerial behavior, agency costs, and ownership structure; *Journal of Financial Economics 3, 305-360.*

Jensen, M.C. & Murphy, K.J., (1990). Performance pay and top-management incentives; *Journal of Political Economy 98, 225–264.*

Jensen, M.C. (1993). The modern industrial revolution, exit, and the failure of internal control systems; *The Journal of Finance 48 (3), 831-880.*

Kennedy, P. (2008). *A guide to Econometrics*, (6th Ed.). Blackwell Publishing, USA.

Kerim, A., James, S. O., Badara, M. S. & David, O. O. (2021). Ownership structure and financial performance on listed manufacturing firms in Nigeria; *Gusau Journal of Accounting and Finance, 2(3), 1 – 12.*

Kirimi, P. N., Kariuki, S. N. & Ocharo, K. N. (2022). Ownership structure and financial performance: Evidence from Kenyan commercial banks; *PLoSONE, 17(5), 1 – 20.*

Kluwer, R. & Částek, O. (2017). *The effect of ownership structure on corporate financial performance: A meta-analysis;* An Unpublished Masters of Business Management Thesis, Faculty of Economics and Administration, Masaryk University, 1 – 77.

Lawal, O.D., Agbib, E.S. & Mustapha, L.O. (2018). Effect of ownership structure on financial performance of listed insurance firms in Nigeria; *Journal of Accounting, Finance and Auditing Studies 4(3), 123-148.*

Morck, R., Shleifer, A. & Vishny, R. (1988). Management ownership and market valuation: an empirical analysis; *Journal of Financial Economics, 1(1), 293–315.*

Mudambi, R. & Nicosia, C. (1998). Ownership structure and firm performance: evidence from the UK financial services industry; *Applied Financial Economics Journal, 8(8), 175 – 180.*

National Bureau of Statistics (2021). *Nigerian Gross Domestic Products Report, (Full Year 2020 report), 1-152.*

Nguyen, A.T.T. (2017). The dynamic relationship between managerial ownership and firm's performance in Vietnam; *International Economic Research, 8(5), 23 – 40.*

Nguyen, Q. M., & Nguyen, C. V. (2024). State ownership, board characteristics and corporate financial performance in publicy listed firms in Vietnam. *Cogent Social Sciences*, *10*(1), 2301811.

Nurhadimah, S., & Paramita, V. S. P. (2024). The Influence of Good Corporate Governance, Firm Size, and Operating Capacity on Financial Distress (Study of Retail Trade Sub-Sector Companies Listed on The Indonesian Stock Exchange in 2017-2022). *Ilomata International Journal of Tax and Accounting*, *5*(1), 180-201.

Ogabo, B., Ogar, G. & Nuipoko, T. (2021). Ownership structure and firm performance: The role of managerial and institutional ownership – Evidence form UK; *African Journal of Industrial & Business Management, 11(1), 859 – 886.*

Okechuku, O., Aruwa, S.A.S & Amen, J.O. (2021). Effect of board characteristics and ownership concentration on financial reporting timelines of quoted oil and gas companies in Nigeria; *Journal of Policy and Development Studies, 13(1), 43 - 52.*

Okewale, J.A., Mustapha, O.A. & Aina, G.O. (2020). Ownership structure and financial performance of quoted foods and beverages firms in Nigeria; *Journal of Social Science, 6(2), 263-273.*

Olufunmilayo, F.O. (2017). *Ownership structure and financial performance of Nigerian food and beverage industry;* An Unpublished PhD Dissertation, School of Business Administration and Marketing Management Sciences, Babcock University Ilishan-Remo Ogun State Nigeria, 1 – 108

Panda, B. & Leepas, N.M. (2017). Agency theory: Review of theory and evidence on problems and perspectives; *Indian Journal of Corporate Governance, 10(1), 74-95.*

Pfeffer, J. & Salancik, G.R. (1978). *The external control of an organization: A resource dependence perspective;* New York, Haper & Row.

Pfeffer, J. (1972). Size and composition of corporate boards of directors: the organization and its environment; *administrative science quarterly, 17(2), 18-28.*

Queiri, A., Madbouly, A., Reyad, S., & Dwaikat, N. (2021). Corporate governance, ownership structure and firms' financial performance: insights from Muscat securities market (MSM30). *Journal of Financial*

Reporting and Accounting, *19*(4), 640-665.

Rashid, A., Ahmad, A., Khan, T. M., Rehman, Z. U., Rehman, K. & Hussain, F. (2021). The impact of ownership structure on the performance of non-financial firms: Evidence from Pakistan; *IlkogretimOnline -Elementary Education Online, 20(3), 2367-2375.*

Rasyid, R. & Linda, M. R. (2019). Ownership structure, capital structure and firm performance: A Case in Indonesia; *Advance Economics, Business and Management Research, 97(1), 766 – 776.*

Reem, K., Mohammed, H.A. & Wajeeh, E. (2015). The Relationship between ownership structure dimensions and corporate performance: *Evidence from Bahrain; Australasian Accounting, Business and Finance Journal, 9(4), 38-56.*

Ronen, J. & Balchandran, K. (1995). Agency theory: An approach to incentive problems in management accounting; *Review of accounting, 3(1), 127-151.*

Ross, S. (1973). The economic theory of agency: The principal's problem; *American Economic Review, 63(2), 134–139.*

Saidu, S.A. & Gidado, S. (2018). Managerial ownership and financial performance of listed manufacturing firms in Nigeria; *International Journal of Academic Research in Business and Social Science, 8(9), 1227-1243.*

Sarkar, J. & Sarkar, S. (2018). Bank ownership, board characteristics and performance: Evidence from commercial banks in India; *International Journal of Financial Studies, 8(1), 1 – 9.*

Scholten, M. (2014). Ownership structure and firm performance: Evidence from the Netherlands; *1stIBA Bachelor Thesis Conference, July 3th, 2014, Enschede, The Netherlands, 1 – 10.*

Securities and Exchange Commission (2017). *Report on corporate scandals in Nigeria.*

Securities and Exchange Commission (2020). *Report on corporate performance in Nigeria.*

Securities and Exchange Commission (2021). *Press release - An update on suspension of annual general meeting of Oando, Plc, ref, report on corporate scandals in Nigeria.*

Shleifer, A. & Vishny, R. W. (1997). A survey of corporate governance; *The Journal of Finance, 52(2), 737- 783.*

Singapurwoko, A. (2015). The impact of ownership structure on family firm performance: Evidence from the Indonesia Stock Exchange; *International Conference on Business, Marketing & Information System Management (BMISM'15) Nov. 25-26.*

Soufeljil M., Sghaier, A., Kheireddine, H. & Mighri, Z. (2016). Ownership Structure and Corporate Performance: The Case of Listed Tunisian Firms; *Journal Business and Financial Affairs, 5(4), 1 – 8.*

Stryckova, L. (2023). The Impact of Family Ownership on Capital Structure and Business Performance. *International Journal of Financial Studies*, *11*(4), 121.

Thai., A. (2017). Ownership and capital structure of Vietnamese listed firms; *International Journal of Business and Information, 12(3), 243 – 286.*

Thompson, S. (2016). *Board characteristics, ownership structure and firm value of listed petroleum firms in Nigeria;* An unpublished PhD Thesis, Ahmadu Bello University, Zaria – Nigeria. 1 – 143.

Wilson, R. (1968). On the theory of syndicates; *Econometrica, 36(1), 119-132.*

World Bank (2017). *World Economic Situation and Prospects report, 1 – 207.*

World Bank (2021). *Group flagship report on global economic prospect, 1-198.*

Younus, S., Rana, M. W. & Khan, U. A. (2021). Impact of ownership structure on firm performance: Moderating role of tax avoidance. Evidence from non-financial listed firms of Pakistan; *Journal of Multicultural Education, 7(8), 757 – 766.*

Zakaria, Z., Purhanudin, N. & Palanimally, Y.R. (2014). Ownership structure and firm performance: evidence from Malaysian trading and services sector; *European Journal of Business and Social Sciences, 3(2), 32-43.*

Zandi, G., Singh, J., Mohamad, S. & Ehsanullah, S. (2020). Ownership Structure and Firm Performance; *International Journal of Financial Research, 11(2), 293 – 300.*

Zhou, D., Saeed, U. F., & Agyemang, A. O. (2024). Assessing the Role of Sustainability Disclosure on Firms' Financial Performance: Evidence from the Energy Sector of Belt and Road Initiative Countries. *Sustainability*, *16*(2), 930.

Zubairu, S. (2017). *Audit committee characteristics, ownership structure and financial performance of listed petroleum firms in Nigeria;* An Unpublished M.Sc Thesis, Ahmadu Bello University, Zaria – Nigeria. 1 – 112.