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Obituary

Dr. Smrita Sinha

Dr. Smrita Sinha, Editor of Amity Business Review, departed from this mortal world and passed away on 14 September 2020. She had joined Amity Business School in 2007 and till her last breath, did not compromise with her duties. She has set standards, to be followed on not giving up on positivity, determination and faith in God, even though she was fighting and not keeping well!

Smrita was a warrior, who fought her battle with graceand smile. She was a naturalteacher and aloving mentor to her students. She was also an eloquent speaker and had conducted countless academic and non-academic events. She had an infectious laughter and was a person who radiated hope. Loved by her students and extremely popular among her faculty colleagues, she was also a mother to a girl child. We wish and pray for her daughter and her grieving family.

We fondly remember her as a compassionate, loving and a noble colleague, who left us too soon.

कर्मजं बुद्धियुक्ता हि फलं त्यक्त्वा मनीषिणः। जन्मबन्धविनिर्मुक्ताः पदं गच्छन्त्यनामयम्॥ २-५१ Gita

[The wise, possessed of knowledge, having abandoned the fruits of their actions and being freed from the fetters of birth, go to the place which is beyond all evil]

We pray to the almighty for her peaceful journey into the other world.

From the Desk of the Editor-in-Chief

"Faced with crisis, the man of character falls back on himself. He imposes his own stamp of action, takes responsibility for it, makes it his own."

Charles de Gaulle

Life is full of surprises where not everything can go as you want to. It is a fact which one should accept quickly to face the situations effectively. If you start to complain and deny taking changes or variations in your life, you can't handle the things gracefully. COVID-19 an infectious disease is now an epidemic and taken refuge in host bodies in 210 countries around the globe infecting 42.2 million populations, among which 1.14 million lost their life. The condition is still uncontrolled and with no proven cure for the virus. Undoubtedly COVID-19 has brought uncertainties and surprises in lives of all humans.

Putting our heart and soul in what we love to do is the driving force of many successful personalities, ventures business houses. Every small and big thing is an outcome of a well-developed and strategically executed plan. Having the power to make decisions is one of the reasons many business owners like running the show, rather than working for someone else. All that still doesn't give owners power over outside events. Natural disasters, pandemics, financial crises, and unforeseen circumstances—from the death of a partner to the collapse of a major client—do happen. The brightest minds can manage all small and big challenges, but what set them apart is how well they can predict and prepare for what that is not under our control. And here comes the need for creating a plan of action or as we call it having a plan B always because we know **Prevention Is Always Better Than Cure**.

Our journey towards success requires commitment to face number of unforeseen events and challenges on the way. They may disrupt previously existing plans or increase the amount of time, money or effort necessary to complete an otherwise straightforward task. These obstacles often lead one to a negative mind-set of being incapable. It's easy to get sucked down by thoughts like, "This is bad," or, "I can't believe this happened," but those are going to fuel panicked thinking and biased views on the situation. Instead, take deep breaths, focus only on the objective qualities of the situation, and try to distance yourself from the problem. We cannot avoid problems in life but can handle them accurately with proper planning and strategy.

Everything has a solution one needs to pay proper attention and make the right strategies which can take us out from problems or help to face them in the right way. The panic and stress will give nothing, but our productive thought or strategies can do a lot……

Plan, Do & Act is the mantra of success

Enjoy Reading

Sanjeev Bansal

Advertising as a Marketing Strategy for Private Schools Enrolment in Kwara State, Nigeria

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The increase of school enrolment is usually attributed to public becoming informed about the existence of such school which can be accelerated through advertising strategies. Advertising is therefore an imperative marketing tool used by private school owners to communicate their offerings. Advertising became crucial to school's survival in view of the ever-increasing number of new private schools and the vast erosion of school market shares by recently improving public schools in Kwara State. The primary objective of this study is to assess the effects of advertising as a marketing strategy for private schools' enrolment in Kwara State. The study used descriptive quantitative survey research design and adopted survey method to collect data on school advertising efforts and enrolment records from 200 private basic and post basic schools in Kwara State. Purposive sampling technique was used to select all private schools that have used at least one form of advertising or the other. Frequency Distribution Analysis (FDA), Correlation Analysis, and Pearson correlation statistics were used to analyse the hypotheses formulated.

The study's findings revealed that there is a significant relationship between advertisements and students' enrolment in Kwara State private secondary schools. Based on the analysis of the results, it indicated that the calculated r of 0.644 is greater than the critical r of 0.116 at 0.05 level of significance. It was also revealed that total enrolment for the schools grew by about 27% from 54,078 to 68,909 between 2015/2016 and 2017/2018 academic sessions. It was concluded that private schools in Kwara State needed to employ the various advertising mix if they want to boost their enrolment because of the positive impact they have on the school enrolment in the state. It is therefore recommended that private schools should step up their advertising activities by expanding the frontier of their advertising activities. The study further recommended that there is a need for school management to increase their advertising budget and above all establish a functional marketing unit in their schools to be manned by professional school marketing executives.

Keywords: *Advertising mix, School enrolment, Mobile advertising, marketing strategy, Online advertising*

INTRODUCTION

There has been a tremendous rise in private sector involvement in the Nigerian education sector, this was partly due to the liberalisation policy of government in the sector as well as the seeming poor returns on education investment in the public sector. Various arms of education have witnessed huge involvement of private investors; basic education, post basic and tertiary sectors have all experienced huge private participation. Over the last two decades private schools at all levels have suddenly become the toast of high and middle income households. Though low income households are not left out of the rush for private school enrolment for their wards.

The preponderance of schools by private individuals and organisations have its own effects; the state of the nation's economic condition over the last three years has forced many parents back to public schools, many parents had to pay through their nose for school fees and tuition as well as other charges that make the private schools become exclusive preserve of the rich. Thus, enrolments to these schools have dropped drastically. As if that is not enough, most public schools are responding very well to parent needs, and they have started posting good results both in internal and external examinations. The initial urge and drive to send students to these private schools are not as high as they were in the last two decades. The existing private schools are confronted with dwindling enrolment, high operation cost and stiff competition among schools. They have to struggle for patronage, old established ones have seen their market share eroded and new ones coming in are devising state of-the-art advertising and promotional tools to gain ground and push their frontier of influence beyond their immediate location.

Advertising informs the public about new products; it reminds them of existing products and persuades them to make purchase. School owners in Kwara State have resulted to employing advertising tools to push up their enrolment. The level of school enrolment depends on the schools' ability to attract new students and retain old ones. Attracting many students increase their numbers, while retention reduces dropout rate for the schools. Private schools have opportunity to inform the public about services offered to increase the number of their students. This can only be done by using appropriate channels. Schools need to adopt new approaches in marketing themselves to position them and also to have an opportunity for them to increase enrolment (Goosen, 2010). Schools that develop clear messages and effectively deliver them to their customers using appropriate communication strategies have competitive advantages in recruiting, retaining and building loyalty among their students and parents than those that do not. In recent times, large amount financial resources are committed to continually developing new products, rolling out advertisements, innovative and cutting-edge pricing, to create a better and customer-friendly brand (Aremu, Musa, Mustapha & Aremu, 2018). Advertising is a marketing tool for communicating ideas and information about goods and services to an identified group which employs paid space or time in the media, and other communication vehicles to delivery its offerings.

Effective marketing strategy through advertising provides solutions and alternatives to the problems encountered by most private schools in the marketing of their services. For efficient and effective marketing of their services, the management of private schools must define the target market, and design marketing mix components that meet their desires. It is pertinent to note that the strength of any advertising strategy depends on the strength of the competitive analysis on which it is based (Ishola, Aremu & Adedoyin, 2016).In order for schools to increase students' enrolment, they need to adopt appropriate channels of advertising. Advertisements capture the students' attention which is essential in influencing their decision to join a particular school. School advertisement creates awareness for their prospective students, and their parents, it is to persuade and remind them of the advantages they would get in the particular school than in other schools that offer same, or similar programmes.

In line with the above background of the study, the study examines the effects of advertising as a marketing strategy on students' enrolment in Kwara State private schools. Other specific objectives of the study are to: examine the nature, and advertising techniques adopted by private schools in Kwara State; examine the level of school enrolment in pre and post school advertising practices in Kwara State and evaluate the relationship between advertising marketing strategy variables and school enrolment in Kwara State, Nigeria.

LITERATURE REVIEW

Conceptual clarifications

Marketing is the process is the process of taking goods or service from the concept phase to the point where customers will want to purchase those goods. It is how a brand communicates to its audience in a way that is more personal beyond trying to sell a particular product or service. Essentially, marketing involves the four Ps; product, price, place and promotion strategy development that can sustain the audience engagement through regular communication. Marketing involves a long-term and ongoing communication between prospective and current customers in a way that inform and build firm relationship over time (Nukwana & Musa, 2018). Advertising, on the other hand, is a component of the marketing process. Advertising principally is embedded onto awareness creation with the goals of influencing consumers buying behaviours. An effective advertising plan begins with developing an understanding of where a particular product or service stands in the market. Advertising in school is one of the promotional activities aimed at creating awareness about the existence of the school, the services offered at persuading the students to join so that the school can gain competitive advantage over others.

If the school advertising is to become effective and meet its goals, it must according to Gordon (2017) have four clearly defined steps:

i. the definition of the schools business goals;

ii. identification of behavioural changes required to achieve stated goals;

iii the selection of relevant behavioural strategy that can make a consumer purchase the school product offerings; and

iv. development of creative ideas based on the selected behavioural strategies.

School marketing involves marketing communication strategies that are deliberately designed to attract and retain as well as maintain a long-lasting relationship with students and parents (Gathambi & Kathumi, 2014). Relationship marketing communication strategies build a long-lasting relationship between the school, parents and students by keeping clients happy and engaged even after their wards have been enrolled (Araujo, 2017). The relationship marketing strategies takes different dimensions such as a visit to schools, open day celebrations, community outreach programs, public performance, use of alumni network, continuous communication with the current and potential parents and students. Enrolling students is the most important need for your school. Without students your school cannot fulfil its mission. With more students, your school has the opportunity for greater impact in your community. With increased competition among schools, as well as the current economic impact, it is increasingly important for administrators to focus on their enrolment, and marketing strategies.

Schools operate in a competitive marketplace. In fact, every school has to compete within its sector; it does not matter if you are a private or public, primary or secondary or even faith based. School in recent times, compete with other schools for pupils, parents, effective teachers, adequate resources, financial support, sponsorship, and media space, and community approval. Your school not only need to excel at teaching, you also need marketing skills to survive in such a competitive environment (Atolagbe & Umaru, 2016).

However, students' enrolment in a given school depends on the strategies adopted. Enrolment is a process of initiating attendance to a school. The level of school enrolment depends on the schools' ability to attract new students and their retention. Attracting many students increase their numbers, while retention reduces dropout rate for the schools to have adequate numbers. Advertisements capture the students' attention which is essential in influencing their decision to join a particular school (Shadid & Imran, 2010). In a study carried out by Atolagbe, and Aremu, (2014) on private schools marketing practices in Ilorin metropolis, it revealed that almost 90% of the schools engaged in one form of marketing campaign or the other.

Schools need to adopt new approaches in marketing themselves to position them and also to have an opportunity for them to increase enrolment (Goosen, 2010). Schools that develop clear messages, and effectively deliver them to their customers using appropriate communication strategies have a competitive advantage in recruiting, retaining and building loyalty among their students and parents than those that do not. Private schools therefore advertise to create the awareness of their prospective customers (the students) and their parents of the academic courses they offer in the schools to persuade and remind them of the advantages they would get in the advertising schools than in other schools that offer same or similar programmes. Uchendu, Nwafor and Nwaneri (2015) asserts that the level of patronage acquired by private schools regarding student enrolment depends mainly on how well they carry out marketing of their institutions which generally entails strategic adoption of awareness creation that can help project the institution as the best, highlighting reasons why parents should choose the school for their wards.

In making school choice, Erin (2018) emphasise the adoption and promotion of school brand; a name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other competitors. You must think about the families you want to attract to the school. What do they value most? How does the positive attributes of your school align with their educational needs? By demonstrating how your school mission supports their educational goals, you are building blocks of trust and loyalty that translates to increase enrolment. The basic objective of advertising is to educate the customers regarding the utility of the product/service and to make take purchase decision, build primary demand for the product and encourage brand insistence through brand recognition and eventual increase in market share. School enrolment refers to the ability of schools to exert more systematic influence over the number and characteristics of new students, as well as influence the persistence of students to continue their enrolment from the time of their entrance to their graduation.

Enrolment is a process of initiating attendance to a school. It also means the total number of students properly registered, or attending classes at a particular school. Boosting school enrolment depends on the level of advertisement through the use of different media. Parents are always on the lookout for good schools that can provide best education to their children. To attract students, schools must create awareness about their institutions. To create proper awareness and perception of their schools, schools owners need good promotional strategies that can enhance the school's reputation. Boosting and sustaining enrolment, which involves attraction of new prospects and retaining old one tops the goals of school marketing intentions, 62% of the schools were interested in enlarging their market share of enrolment through a substantial marketing engagements that will attract new families, and encourage old parents to retain their students in the school (Atolagbe & Aremu, 2014).

Oluwaseyi (2017) discovered a non-linear relationship between advertising and school enrolment in a study that founds a not statistically significant difference between advertising, advertising budget and school enrolment in Osun State private secondary schools. However, Akinwumi (2018) found a significant effect of advertisement on student enrolment in Ogun State private secondary school. Based on the analysis of data from the study, calculated r- 0.448 > critical r- 0.116 at .05 level of significance, prompting the rejection of the research hypothesis which states that "there is no significant effect of advertisement on students' enrolment in Ogun State private schools"

This can only be done by using appropriate channels. Schools need to adopt new approaches in marketing themselves to position them and also to have an opportunity for them to increase enrolment (Goosen, 2010). Schools that develop clear messages and effectively deliver them to their customers using appropriate communication strategies have a competitive advantage in recruiting, retaining and building loyalty among their students and parents than those that do not. In order for schools to increase students' enrolment, they need to adopt appropriate channels of advertising. Advertisements capture the students' attention which is essential in influencing their decision to join a particular school. School advertisement creates awareness for their prospective students and their parents of the academic courses they offer in the schools. They persuade and remind them of the advantages they would get in the school than in other schools that offer same or similar programmes.

Marketing Strategies

A marketing strategy is a list of goals that are based on an understanding of whom the target user is, what is it that they should buy and where they normally go to seek those products and services. Gordon(2017) identified two broad categories of marketing strategies; Inbound Marketing that places marketing content in the front of consumers who are likely to develop their interest in the brand. The marketing content is aligned with consumers' interest using such methods as social media posts and different search engines for optimised contents.

Outbound Marketing finds potential customers who may be interested in a particular product or service using outreach methods such as post card or mass emails. Marketing strategies match products and services with customers' needs or wants, decide where and when to sell, distribute, promote products/ services/ ideas and set prices. The strategic approach depends on whether the organization is addressing existing customers or is trying to attract new customers and whether the product or service is new or already established. (Stoner, Freeman and Gilbert,1995).

Baker (1992), indicated that, marketing strategies are the means by which a marketing goal is to be achieved. It is usually characterized by a specific target market, and if a marketing goal is to be achieved, then marketing strategies are employed. Each institution has a marketing strategy, which is an overall plan for the attainment of institutional goals.

According to Baker (1992), a well formulated marketing strategy helps to marshal and allocate an organization's resources into a unique and viable posture based upon its relative internal competencies, shortcomings, and intelligent components. A marketing strategy in the view of Leist and Winter (2000) is the means by which marketing goals are to be achieved usually characterized by a specified target market and a marketing programme to reach it. One of the best strategies to communicate the school to several clients is the direct advertising campaign. Direct advertising communicates the product offers and explain how to get the offered product by utilizing such tools as email, mails, catalogues, radio, and television audience responses to reach targeted audiences (Omboi & Mutali, 2011).

Most private school parents today are young and social media friendly. Employment of social media marketing could be the antidote for falling enrolment. Most of the social media network accounts are straightforward to share and repost. The ease of sharing and communicating on social media network makes it a superior alternative marketing medium to the traditional methods. Kennedy (2014) argued that, when the social media is employed, and used consistently, it can strengthen value in the mind of the target audience. Consistent use of Facebook, Instagram, WhatsApp. Twitter, YouTube, Messengers and Blogs by the schools in the direction will improve enrolment.

Increasingly, schools are taking advantage of the internet and social media to create a wider reach in the market. The first step is to create a social media account, especially Facebook and Twitter, share special school events, stories and accomplishments with the school public. Encourage students, teachers, and parents to get involved on these platforms. Online and social media adverts must be well-designed to deliver promotional messages to specific audience in the most effective way (Schools Compass, 2018).

In highly competitive school markets, schools must be able to integrate customer, channel partner and company needs (Alese & Owoyemi, 2004). Balancing the different needs are not easy and costly missteps may occur quickly. In addition to customer, channel and school needs, a school has to watch the competition. So how can a school succeed and thrive in a competitive school marketing environment? There is no strategy that works for the school. Different schools need different strategies, depending on the marketing and the school goals they want to achieve; the competitiveness of the industry; and general industry and market trends (Steven, 2004).

Harrison (2002) stated that managers must draw up effective marketing strategies for various services offered by their organisation. Marketing strategy is the basic approach that the business unit will use to achieve its objectives. It is the determination of basic goals, objectives and the adoption of the courses of action as well as the allocation of necessary resources for achieving their goals and objectives.

Harrison (2002) concluded that in developing a marketing strategy, the marketer faces a great number of choices and options. To succeed therefore, school managers must base their strategy formulation in the following:

i. The character of the economy.

ii. The company's competitive size and position.

iii. The resources available must be identified

iv. The competitors marketing strategies.

v. The co-ordination of tactic into an integrated intensive whole.

Jagodowski (2017) was of the view that if the aim of school marketing plan is to increase admission, the marketing goals must then be to increase online user experience, increase the number of qualified leads, and generate a new expanded target audience. Jagodowski(2017) suggested that the marketing strategy to employ must include website redesign, increased email workflows, blog campaign and SEO campaign.

METHODOLOGY

The study adopted a descriptive research of survey type to collect all the required data. The study employed school enrolment and advertising checklist to gather data on school enrolment as well as information on school advertising strategies including the cost of each programme.

The checklist was administered to 200 private schools that have adopted one form of advertising technique or the other within the last two academic sessions. Schools were purposely selected on the basis of having done at least one form of advertising or the other in the last two academic sessions. The data gathered were analysed using rank order to determine the responses to the research question while Correlation analysis, and Pearson moment correlation statistics was used to determine the significant relationship between advertising techniques and school enrolment.

RESULTS AND DISCUSSION

Analysis of Results

Table 1: Ranking of advertising techniques adopted by private schools in Kwara State				
SN	Advertising technique	Number of school	Percentage	Rank Order
1.	Radio Advert	167	83.5	2nd
2.	Television Advert	102	51.0	4th
3.	Online Advert	84	42.0	5th
4.	Mobile display on school vehicles	195	97.5	1st
5.	Newspaper Advert	53	26.5	6th
6.	Flyers and leaflets	145	72.5	3rd

Source: Researchers' Computation, 2019

From Table 1 it was observed that most of the schools uses radio advert (83.5%), mobile bill board and displays on school vehicles(97.5 %), distribution and placement of school flyers (72.5 %) and average number use the television adverts (51.0%). It is also observed that online advertisement and newspaper advertisement have not been fully used by private schools in Kwara State.

Table 2: Advertising budget for the sample schools				
Year	Average budget above ₦25,000 per term	Amount (₦) million	Average budget below ₦25,000 per term	Amount (₦) million
2016/2017	120	**3,000,000**	80	**857,000**
2017/2018	158	**5,135,000**	42	**1,363,000**

Source: Researchers' Computation, 2019

In 2016/2017 session, 120 of the schools actually had minimum of 25000 Naira budget for advertising purposes per term while about40 percent of the schools (80) had budgets below that level. However, in 2017/2018 session the number of school with advertising budget above 25000 Naira increased from 120 to 158, such that budgets for advertising grew from ₦3 million for that category of school to ₦5.1million. This trend was also noticed for schools that spend below ₦25,000 on advertising per term in a session. Their total budget spending grew from ₦857,000 in 2016/2017 to ₦1,363,000 in 2017/2018 session.

Table 3: Distribution of enrolment before advertisement (2015/2016)			
S/NO.	School population	Number	Total enrolment
1	450 and above	30	1,3520
2	>300 < 450	40	1,2050
3	>250 < 300	80	20,380
4	>150 < 250	30	4,678
5	. < 150	20	3,450
TOTAL		200	54,078

Source: Researchers' Computation, 2019

Table 3 shows the categorisation of schools by enrolment levels before advertisement; out of 200 sampled schools only 30 had population above 450 students before advertisement. Schools with population above 300 students but below 450 enrolments stood at 40 while 80 of the 200 school have enrolment between 250 and lower than 300 enrolments before advertisement. About 50 of the schools had low enrolment below 250 before advertisement.

Table 4: Distribution of enrolment after advertisement in (2017/2018)			
S/NO.	School population	Number	Total enrolment
1	450 and above	45	23,085
2	>300 < 450	44	17,450
3	>250 < 300	83	22,825
4	>150 < 250	15	3,675
5	. < 150	13	1,874
6	TOTAL	200	68,909

Source: Researchers' Computation, 2019

The effects of advertising can be seen by the number of increase in enrolment in year 2017/ 2018 session. Total enrolment grew from 54078 to 68909 a whopping difference of 14,831 enrolments. Schools with enrolment above 450 grew to 45 from 30 a whole 50 percent increase while those with enrolment above 400 students increased from 40 to 44 likewise schools with enrolment above 300 increased from 80 to 83. Schools with lower enrolment before the year 2017/2018 session dropped drastically due to their advertising efforts. Schools with population less than 250 students dropped from 30 to 15, a 50 per cent reduction while those with less than 150 students dropped from 20 to 13 marking 35 percent drop in the number of schools within that low enrolment category.

Hypothesis 1: There is no significant relationship between advertisement and students' enrolment in Private Secondary Schools, Kwara State.

Table 5: Relationship between advertising and students' enrolment in Private Secondary Schools, Kwara State

Variable	N	Mean	SD	Df	Calc. r-value	Critical r-value	Decision
Advertisement	200	16.540	1.58				
				198	0.644*	0.116	Rejected
Student Enrolment	200	13.850	1.767				

Source: Researchers' Computation, 2019

Table 5 shows the relationship between advertisement and students' enrolment in Kwara State Private Secondary Schools. Based on the analysis of the results, it indicated that the calculated r of 0.644 is greater than the critical r of 0.116at 0.05 level of significance. Thus, the hypothesis is hereby rejected. The implication of this finding is that advertisement is an essential marketing weapon and strategy that influence the school enrolment in private schools. The individual will only patronize schools base on available information at their disposal which can be communicated through advertisement.

The finding of this study is in agreement with the study of Uchendu,et. al. (2015) that examined the extent of marketing strategies adoption by school administrators in Calabar Municipality. They discovered that a low adoption of marketing strategies by schools. However, the study founds a significant relationship between the social media/website, face to face talk with clients, media adverts and students enrolment in private secondary schools.

Hypothesis 2

H_o -Adoption of advertising techniques does not enhance and private schools enrolment in Kwara State

Table 6: Correlation Matrix showing relationship between advertising techniques and private schools enrolment.

Variables	School enrolment	Radio Advert	Television Advert	Online Advert	Mobile display on school vehicles	Newspaper Advert	Flyers and leaflets
School enrolment	1.0000						
Radio Advert	0.7966	1.0000					
Television Advert	0.8784	0.7320	1.0000				
Online Advert	0.6110	0.8011	0.8795	1.0000			
Mobile display on school vehicles	0.8411	0.7753	0.8466	0.6832	1.0000		
Newspaper Advert	0.4325	0.5520	0.3865	0.9749	0.8462	1.000	
Flyers and leaflets	0.9287	0.7487	0.8650	0.8221	0.9001	0.8420	1.000

Source: Researchers' Computation, 2019

Table 6 shows the correlation matrix which is an indication of how the advertising variables are related. It shows that advertising strategies of private schools in Kwara State, Nigeria which entails practices like Radio Advert (78%), Television Advert (88%), Online Advert (61%), Mobile display on school vehicles (84%), and Flyers and leaflets (93%) are correlated to school enrolment. However, Newspaper Advert (43%), less than 50% from advertising strategies variables listed in the study. Thus, the adoption of advertising strategies contributes positively to the school enrolment in Kwara State. The null hypothesis is rejected while the alternative hypothesis is accepted; hence adoption of advertising strategies enhances private school enrolment in the state.

DISCUSSION OF FINDINGS

The study findings concluded that there is a significant positive relationship between advertising and student enrolment. Most schools employed various forms of advertising backed up with monetary budgets to enhance their enrolment efforts. It was discovered that, advertising efforts by the schools yielded positive impact on enrolment. The study therefore concluded that the advertising efforts of private schools in Kwara State have a big influence on students' enrolment. The result of the correlation matrix further confirmed this position. From the six advertising variables used five of the six revealed that, at the moment they are highly correlated to the school enrolment.

The Pearson moment correlation statistic performed on the relationship between advertising efforts by the schools and enrolment showed a significant relationship between the two variables. This was informed by the calculated r-value (0.644) >than the critical r-value (0.116) at 0.05 level of significance which implied that the study rejected the null hypothesis. Thus, there is no significant relationship between advertisement and students' enrolment in Private Secondary Schools, Kwara State. From this finding, it can be concluded that private schools in Kwara State needed to employ more advertising techniques and promotional tools if they want to boost their enrolment. With enrolment upward movement to over 27.4% in two years, of advertising efforts, it can safely be concluded that, advertising has a significant impact on school enrolment in the State. This corroborates with Olodo, Aremu, Aremu, and Ajila (2015) that attractive packing of products appreciably influences users' buying option and instinct buying. It thus acts as a source of advertising to the consumers.

CONCLUSION AND RECOMMENDATIONS

The study has shown that it is not debatable that advertising is an integral part of our social and educational system. The ability of advertising to deliver messages to various audiences has given it an important role in the marketing programmes of the most schools. The school managers spend much on various advertising techniques such as Radio Advert, Television Advert, Online Advert, Mobile display on school vehicles, Flyers and leaflets and Newspaper Advert due to their belief of what advertising offers to the school enrolment in Kwara State of Nigeria.

The study concluded that advertising strategies and variables used in the study have great influence on the student enrolment in private schools in Kwara State. Different advertising techniques adopted by the schools have contributed meaningfully to their current enrolment of students. The study founds a significant influence of advertising on school enrolment and if the trend is to be sustained and enhanced, it is therefore recommending among others that:

i. Schools should increase their advertising budgets to cover all types and forms of advertising that will enhance the students' enrolments;

ii. Schools owners/management should establish a marketing unit/division which will be manned by professional school marketing officers who can design appropriate marketing strategy suitable for each school needs; and

iii. The private schools managers should sustain and further increase the current advertising techniques been practiced as it has proved to have contributed to increase in school enrolment.

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Evaluation of Accounting Information System (AIS) on The Performance of Construction Companies in Southwest, Nigeria

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This study appraised the effect of AIS on construction companies' performance in Southwest, Nigeria. Four hundred and twenty (420) questionnaire were administered on selected construction companies out of which three hundred and sixty nine (369) questionnaire were returned which were invariably analysed using MANOVA and ANOVA. Results showed AIS software through Sage, Multiview, Serries4000, Divvy, Account Mate and NETSUITESF have positive significant effects on the performance of construction companies (0.0173, 0.000, 0.000, 0.00440. 0.0149, and 0.0017 < 0.005 respectively). Conclusively, AIS had positive significant impacts on the efficiency and effectiveness of construction companies which invariably ignited and upsurged their performance favourably. The study advocated that adequate training on software should be provided for stakeholders assigned with the AIS responsibilities regularly so that their productivity and efficiency can be upsurged.

Keywords: *AIS; Construction Companies, Performance; Accounting Software; ANOVA; MANOVA*

JEL CLASSIFICATION: L790; L250; C32; O31

INTRODUCTION

The study of Accounting Information Systems (AIS) is concerned with the application of information technology (IT) to accounting systems. AIS are tools which are originated to aid in the management to control its operations towards the realization of its set objectives. Also, AIS is the interrelated components that combined to gather raw data and ordinary information which invariably convert such data to meaningful financial information for decision making.

AIS is germane to all organizations and each organization irrespective of non- profit or profit outfits needs to adopt and implement AIS for the purpose of attaining their predetermined objectives. The suitable AIS designed to aid business strategies and increase the turnover as well as the performance (Chenhall, 2003). Enlarged AIS investment are leveraged to attain a robust and dynamic corporate culture to challenge concurrent modifications in innovation and organizational environment. Whereas innovation is tandem with motivation which put in motion an upright circle that leads to improvement in firm performance and decrement in financial losses in terms of human and material resources, while making it possible for the organization to access the business growth windows as the opportunity comes their way.

AIS and organisation performance are compliment and mingled together because organisation employing AIS to achieve managerial objectives such as employment generation, human resources management, payment of salaries, employees clock in and out, forecasting, historical analysis and other pertinent objectives. Organizations chase numerous goals and desires, and such desires and goals can be accomplished through inadequate resources, competition, and divergence amid interest parties. The effectiveness of an organization like productivity enhancement, profits, growth, revenue, strength and cohesion can be evaluated through accounting software which is embedded in AIS. Company performance can be enhanced and superintended through effective usage of updated, automated, and current accounting software.

In spite of all the involvement of updated, automated, and current accounting software as a component of AIS, job processing are persistently slowing in implementation, nonperformance crisis exposed, financial fraud, manipulation, inferiors works, and business ineffectiveness arises in construction companies in Nigeria. In lieu of the above, this study examined the impacts of AIS on construction companies' performance in Southwest, Nigeria.

Research Hypotheses

HO_1: AIS has no significant influence on construction companies' Performance

HO_2: AIS has no significant connection with construction companies' performance

LITERATURE REVIEW

Concept of Accounting Information System and Organization Performance

AIS is referred to as the computer based system engaged by the organization to collect, analysis accounting data to generate meaningful information which are useful and pertinent to both the internal and external users of financial statement. AIS performs functions of data gathering, processing, categorizing, and reporting financial measures with the aim of providing relevant information for the purpose of score keeping, attention directing and decision-making (Chenhall, 2003). AIS records organization financial transactions and also syndicates the methodologies, accounting procedures and controls with Information and Technology to track transactions, generate internal and external data, trend analysis competences, and financial statements to enhance organizational performance. The following are the components of AIS:

a. Internal control: these are the check and balance put in place to control the activities of the stakeholders assigned with the responsibilities of key in the data inoder to prevent error and fraud in an organization, and to ensure the financial statement integrity.

b. Infrastructure: this is the infrastructures put in place for effective and efficient AIS. These are computers, scanners, printers, projectors, fan, generators, power supply and designated building. It is the consortium of variety of hardware needed for productive utilization of AIS.

c. Accounting Software: Software programs which are designed to perform stated functions in order to support organization operations in finance, marketing, human resources, manufacturing, forecasting. Accounting software is an integral part of AIS.

d. Established procedure: These are the predetermined or planned steps to be followed in order to ensure consistency when actions are performed by the stakeholders saddled with the tasks. The instructions must be given to officer assigned with processing of data on how it will be codded for consistency of similar transactions.

e. Data: This is the raw information on accounting transactions that has not being processed which are not meaningful to both the internal and external users. Non-monetary based information cannot be recorded or keyed into the system.

f. Stakeholders: This refers to as the person either employed or be an employer, who are saddled with the responsibilities to key in data, analyse and interpret the processed information.

Accounting Software

SAGE IntacctSoftware

Sage Intacct's applications (SAG) are appropriate for small and medium companies. It provides insight on both operational and financial responsibilities which includes automated critical processes abilities. It conveys to the users a light of core accounting implementation such as order management, accounts payable, general ledger, cash management, and accounts receivable. It further includes dashboards and built-in reporting, expense and time management, revenue management, multi-entity consolidations and project accounting. SAG can work with CRM, payroll or POS successfully other applications.

MultiviewSoftware (MULTV)

MultiviewSoftware (MULTV) is a solution to financial management which includes financial analytics, financial reporting, general ledger including budgeting, accounts payable, accounts receivable, inventory POs requisitions, fixed assets order entry and invoicing. Work Flow, Alerts includes dashboards, and Image in MULTV allow the end users to superintend and monitor processes in the company. For any organizations looking for a solution that conforms with their current operations, MULTV provides a suitable and appropriate financial solutions to the existing organization problems. With MULTV, companies acquires visibility over company information and data.

Series4000 Software (SERRS

Series4000 (SERRS) is a cloud-based solution to fixed asset accounting for small, medium and large organizations. It provides for education,

Fig.1 : Component of AIS. Source: Authors' Design

commercial tasks, healthcare, non-profit organizations and government. Primary hallmarks include asset accounting and management, asset auditing, cost control, flexible asset depreciation, forecasting and reporting. Other characteristics include project management, maintenance management, lease management, document management, finance and tax and compliance. Asset accounting hallmark allows the users to manage reliefs, disposals, revaluations, asset splits and cost adjustments perfectly and successfully. Other components include facilities management, automated maintenance management and lease accounting,

Divvy Software (DIVVY)

DIVV is a free cloud-based expense management and accounting solution for organizations. Key characteristics include managing subscriptions and payments, strategic budgets, virtual cards and computerized expense reports. DIVV categorizes and tracks all company expense as it occurs. Employees can demand privy to funds, and employees' access funds can be granted by budget owners through DIVV. Users can generate personalized budgets to see how the funds are expended. DIVV allows the users to manage budgets for the departments, individual events, or entire companies daily, quarterly, monthly and yearly basis. Recurring budgets can be renewed and set up automatically which embedded with creation of one-off budgets when needed.

AccountMate Software (ACMAT)

ACMAT is a solution hybrid accounting that provides for the SMEs activities which offers SMEs implements and functionalities that assist to accomplish their financial routines and procedure. ACMAT provides multiple components which can also be made to specific business' requests. Key hallmarks comprise core accounting which accounts payable, accounts receivable, payroll are processing, general ledger, contact management and inventory management It also offers components for business intelligence, business analysis, and customer management relationship (CMR). Its analysis authorizes access to account details regularly.

Netsuite Software (NETSUITESF)

NETSUITESF is a software designed for business organization which offers a function of customer management relationship (CMR) and organisation resource planning (ORP) functions. This is package designated for industries extensively. The NETSUITESF Financials device can integrate with a company's service processes, sales, and back-office.

NETSUITESF Financial task comprises payment management, financial accounting, billing management, financial reporting, applications, analytics, order, inventory management, and management of supply chain. NETSUITESF can also access financial information through mobile device or Web browser. The system can be automatically upgraded and appears with numerous customization options.

Theoretical Underpinning

Contingency Theory

Contingency theory advocates that AIS must be designed flexibly in a manner to deliberate organizational structure and environment challenges an organization (Ganyam and Ivungu, 2019). The rudiment framework for adopting AIS from a contingency perspective is AIS designated, created and designed to be employed for specific decision and pronouncements within a structure as advocated by Gordon and Miller (1976). Applying this to the subject, contingency theory advocates AIS are designated to increase performance, therefore, managers of companies must dedicate precise attention to AIS usage for organisation fortune, and to see that AIS has been tailored to suit the organisational predetermined objectives. The shortcoming of this theory according to Mitchell, Biglan, Oncken, and Fiedler (2017) is that flexibility is lacking which translated that natural leadership style is static. It does not pave ways for rotation of leadership which this theory does not permit.

Resource-based view Theory (RBT)

This theory was promulgated in 1991 by Barney. Barney (1991) explained that RBT is the channel of sustainable benefit originates from actualization of plan in a good attitude by developing powerful capabilities with resources. RBT suggests a channel of evaluating pertinent factors which can be structured to endow a business organizations with competitive advantages over other. According to RBT, not all the resources are equally importance, and not all the resources have the potential to be regarded as the channel of sustainable market share over competitive organizations. There are three levels in RBT; skills, competence and capability (Cragg, Caldeira and Ward, 2011). Skills are the technical intelligence, general management and managerial intelligence. Effective utilization of resources is competency while Capability is judicious management of available resources to achieve organization predetermined objectives. This study harnessed on this theory because it advocate effective utilization of available resources to pursue organization objectives. AIS is an integral part of available resources to achieve organization objectives like enhancement in productivity, profits increment and maximization, sustainable growth, turnover upsurge, cost reduction and eradication of fraud The shortcoming of RBT is inadequate substantial implementation, It only directs managers on how rare , valuable resources can be obtained and developed without displaying how it would be implemented.

EMPIRICAL REVIEW

Onaolapo and Adetayo (2012) examined AIS effect on construction firm's effectiveness in Ibadan metropolis. The study formulated and analysed hypothesis through descriptive and inferential statistical. The results divulged AIS has effect on construction firms effectiveness in Ibadan. However, this study is limited to Ibadan metropolis but not extended to Southwest, Nigeria.

Khaled and Abdulqawi (2015) gauged AIS effect on value chain in Bahrain business organizations. Results of T-test, standard deviation, and Arithmetic mean on data sampled on the employees in finance department in private organization, industrial companies, public shareholding showed that AIS had negative effect on value chain in Bahrain business organizations. This study was carried out in Bahrain not in Nigeria, therefore the outcomes cannot be adopted in Nigeria.

Daw and Susan (2015) observed AIS efficiency on organization performance. Finding, from qualitative method employed showed that AIS is germane on organization performance with reference to prompt decision making, financial report quality, internal controls, and prompt transaction accountability. The work is purely qualitative with no involvement of data collection, hence, the results of the discovery cannot be generalized to all organizations.

Harash (2017) determined AIS effects on the SMEs accounting performance in Iraq. The results of descriptive and inferential methods engaged displaying a positive connection between the AIS and Iraq SMEs accounting performance. This displays that SMEs accounting performance can be enriched and improved. This study was from Iraq not in Nigeria, therefore the findings are not useful in Nigeria.

Abdullah (2017) studied the effect of electronic AIS on Jordan universities financial performance. The results from survey research design and questionnaire which were analysed by engaging standard deviation, mean and t-test for hypotheses testing showed that electronic AIS had positive effects on Jordan private and public university financial performance.

Alnajjar (2017) examined AIS impact on organization and management performance. The results on survey research design employed for data collected from SMEs which were analysed using regression analysis revealed that AIS had enormous impact on management and organization performance of that organization. The study was purely conducted on SMEs related to the trading, services and manufacturing sectors, while the current study was on Construction Company.

Al-Dalaien and Khan (2018) inspected AIS impact on Jordan selected real estate corporations' financial performance of selected. 250 questionnaire were employed for data collection from real estate companies which were analysed through linear regression. Findings divulges that AIS recorded positive significant impact on Jordan real estate enterprises. Nevertheless, the study ignited in Jordan not Nigeria, hence, the result is less significant to Nigeria.

Trabulsi (2018) explored AIS impact on Saudi Arabia organizational performance. Data obviously composed through questionnaires from Saudi Arabia SMEs were analysed using Smart partial least squares for hypotheses testing. Findings divulges that AIS has a significant impact on organization performance largely which including decision making effectiveness, cost reduction, and quality improvement. This study generated from Saudi Arabia but not in Nigeria, therefore, the findings is insignificant to Nigeria.

Sabrie and Mukhongo (2018) examined AIS practices impact on Mogadishu-Somalia Businesses financial performance. ANOVA, Descriptive statistics, and OLS analysis were engaged for analysis. Findings exposed that AIS impacted Mogadishu-Somalia Businesses financial performance positively and significantly. This study was on SMEs not on construction companies. Besides, study generated from Mogadishu-Somalia not in Nigeria, hence, the results are insignificant to Nigeria.

Ironkwe and Nwaiwu (2018) empirically investigated AIS effect on Nigeria non-financial and financial companies. The results of 16 sampled companies which were garnered through questionnaires and the Nigerian stock exchange (NSE) from 2011 to 2014 were analysed employing multiple linear regression methods found that AIS divulged significant positive consequence on Nigeria non-financial measures and financial companies' indicators.

Ahmad and Al-Shbiel (2019) examined AIS usage on Jordan organization performance. This study employed regression method to analyse the 350 questionnaire garnered from Jordan SMEs which confirmed that relationship existed amid AIS and Jordan organization performance. According to the study, firms that have adopted AIS achieved better performance than firms that yet to adopt AIS in their operations. This study was done in Jordan which is distinct from Nigeria. However, the outcome and policy implication are not significant to Nigeria.

Extant literatures enlisted in the past studies approached organizational effectiveness from different viewpoints, and did not cover software perceptions (current software) for the construction industry. The current study made an attempt to explore the current and updated software effects on the performance of construction industry which considers this study unique and distinctive. This study is also unique in southwest, Nigeria because empirical proof on the connection between AIS and performance of construction companies in southwest, Nigeria is minute.

METHODOLOGY

Accounting departments and fields workers of twelve (12) randomly selected construction companies in Southwest, Nigeria were sampled employing four hundred and twenty (420) questionnaire which were administered on selected construction companies. Thirty five questionnaire were distributed and administered on both the Accounting departments and fields workers of selected construction companies but Three hundred and sixty nine (369) questionnaire were returned. Fields workers were involved because the effectiveness and efficiency of AIS were felt by them. The data collected were analyzed using MANOVA and ANOVA.

The model specification for the study objective was;

ORGPERF= a+B_1 SAG+B2MULTV+B3SERRS + B4DIVV+ B5 ACMAT + B6 NETSUITESF +U_t

Where;

ORGPERF	=	Organisational Performance
SAG	=	Sage
MULTV	=	Multiview
SERRS	=	Serries4000
DIVV	=	Divvy
ACMAT	=	AccountMate
NETSUITESF	=	Netsuite
U_t	=	Stochastic error term

RESULT AND DISCUSSION

Table 1: ANOVA on Analysis of effect of AIS on construction Company Performance

Source	Sum of Square	Df	Mean Square	F	Prob > F	Remark
MODEL	**450.669148**	**24**	**18.7778812**	**48.33**	**0.000**	**Accepted**
SAG	4.73389815	4	1.18347454	3.05	0.0173	
MULTV	11.9476115	4	2.98690288	7.69	0.0000	
SERRS	16.7334714	4	4.18336785	10.77	0.0000	
DIVV	3.65260619	4	.913151546	2.35	0.0440	
ACMAT	4.87134062	4	1.21783515	3.13	0.0149	
NETSUITESF	6.88151036	4	1.72037759	4.43	0.0017	
Residual	133.661476	344	.388550801			
TOTAL	584.330623	368	1.58785495			
R-squared = 0.7713	Adj R-squared = 0.7553	Root MSE = .623338				

Dependent variable: ORGPERF
Source: Authors' Computations (2020)

From Table 1, it can be deduced that AIS had significant impact on construction Performance. This is reflected in the results: f = 48.33, Prob > F =.0000 which is less than 0.005 significant value. SAGMULTV, SERRS, DIVV, ACMAT, and NETSUITESF with Prob > F .00173, 0.0000, 0.000, 0.0440, 0.0149 and 0.0017 respectively were found to be less that the alpha value (0.05). Therefore, the hypothesis which stated that accounting software had no significant impact on construction Performance is rejected. Therefore the alternative hypothesis is accepted that accounting information system had significant impact on construction Performance. R-squared and Adj R-squared of 0.7713 (77%) and 0.7553 (75%) respectively supported that the model incorporated in this study is fit.

Table 2: Effect of AIS on construction Company Performance by MANOVA

Source	Statistic		Df	F (df1,	df2)	F	Prob>F	Remark
Model	W	0.2146	24	24.0	344.0	52.46	0.0000 e	Significant
	P	0.7854		24.0	344.0	52.46	0.0000 e	Significant
	R	3.6602		24.0	344.0	52.46	0.0000 e	Significant
	L	3.6602		24.0	344.0	52.46	0.0000 e	Significant
Residual			344					
SAG	W	0.8922	4	4	344.0	10.39	0.0000 e	Significant
	P	0.1078		4	344.0	10.39	0.0000 e	Significant
	R	0.1209		4	344.0	10.39	0.0000 e	Significant
	L	0.1209		4	344.0	10.39	0.0000 e	Significant
Residual			344					
MULTV	W	0.8969	4	4	344.0	9.89	0.0000 e	Significant
	P	0.1031		4	344.0	9.89	0.0000 e	Significant
	R	0.1149		4	344.0	9.89	0.0000 e	Significant
	L	0.1149		4	344.0	9.89	0.0000 e	Significant
Residual			344					
SERRS	W	0.8678	4	4	344.0	13.10	0.0000 e	Significant
	P	0.1322		4	344.0	13.10	0.0000 e	Significant
	R	0.1523		4	344.0	13.10	0.0000 e	Significant
	L	0.1523		4	344.0	13.10	0.0000 e	Significant
Residual			344					
DIVV	W	0.9707	4	4	344.0	2.60	0.0362 e	Significant
	P	0.0293		4	344.0	2.60	0.0362 e	Significant
	R	0.0302		4	344.0	2.60	0.0362 e	Significant
	L	0.0302		4	344.0	2.60	0.0362 e	Significant
Residual			344					
ACMAT	W	0.9667	4	4	344.0	2.97	0.0197 e	Significant
	P	0.0333		4	344.0	2.97	0.0197 e	Significant
	R	0.0345		4	344.0	2.97	0.0197 e	Significant
	L	0.0345		4	344.0	2.97	0.0197 e	Significant
Residual			344					
NETSUITESF	W	0.9722	4	4	344.0	2.46	0.0454 e	Significant
	P	0.0278		4	344.0	2.46	0.0454 e	Significant
	R	0.0286		4	344.0	2.46	0.0454 e	Significant
	L	0.0286		4	344.0	2.46	0.0454 e	Significant
Residual			344					
TOTAL			**368**					

ORGPERF = Dependent variable

R is Roy's largest root, W is Wilks' lambda, P is Pillai's trace, and L = Lawley-Hotelling trace. e is exact, a is approximate, and u is upper bound on F

Source: Authors' Computations (2020)

To confirm the effect of AIS on Construction Company Performance by the end result of ANOVA stated above, MANOVA was also engaged. From table 3, according to Wilks' lambda (W) outcome, 1% rises in AIS surges construction company performance by 0.21%. Also, outcome of Pillai's trace indicator exposed that 1% rises in AIS surges construction company performance by 0.78%. In addition, result of Lawley-Hotelling trace indicator and Roy's largest root (R) indicator opened that 1% rises in AIS also surges construction company performance by 3.66%. Collectively, SAGMULTV, SERRS, DIVV, ACMAT, and NETSUITESF have positive significant effect on the performance of Construction Company as visible in Table 3. The entire statistic outcomes suggest the positive significant effect of AIS on construction company performance. This is also buttressed by F - probability which equal to 0.0000.

Table 3 shows the correlation connection amid AIS usage and Construction company performance. The result of the analysis showed that SAG has positive significant relationship with ORGPERF (0.5384*). Also, MULTV, SERRS, DIVV, ACMAT, and NETSUITESF have positive significant nexus amid performance of construction company with the significant value of 0.5587*, 0.7002*, 0.7055*, 0.5830* and 0.5620* respectively. This indicated that the existence of AIS upsurges construction company performance in terms of proper accountability and financial statement presentation. The results advocated the significant connection amid AIS and construction companies' performance which absolutely negated the null hypothesis.

CONCLUSION

This study appraised the effect of AIS on construction companies' performance in Southwest, Nigeria. Four hundred and twenty (420) questionnaire which were administered on selected construction companies out of which three hundred and sixty nine (369) questionnaire were returned which were analyzed using MANNOVA and ANOVA. Results showed AIS software such as Sage, Multiview, Serries4000, Divvy,AccountMate and NETSUITESF havepositive significant effects on the performance of construction companies (0.0173, 0.000, 0.000, 0.00440. 0.0149, and 0.0017 < 0.005 respectively). Also, a positive and strategically significant relationship exists between accounting software and performance of Construction Company as concurred by Onaolapo and Adetayo (2012), Ganyam and Ivungu, (2019). This postulates that as the level of accounting software usage increases, construction company effectiveness also increases.

Table 3: Relationship between AIS and Construction Companies' Performance

	ORGPERF	SAG	MULTV	SERRS	DIVV	ACMAT
ORGPERF	1.0000					
SAG	0.5384*	1.0000				
MULTV	0.5587*	0.6400*	1.0000			
SERRS	0.7002*	0.4702*	0.4821*	1.0000		
DIVV	0.7055*	0.4856*	0.3800*	0.5893*	1.0000	
ACMAT	0.5830*	0.3995*	0.4064*	0.4517*	0.5904*	1.0000
NETSUITESF	0.5620*	0.3050*	0.3609*	0.3794*	0.5120*	0.4609*

Source: Authors' Computations (2020)

Conclusively, AIS had positive significant impacts on the efficiency and effectiveness of construction companies which invariably ignited and upsurged their performance favourably. Also, positive and significant liaison subsists between AIS and Construction Company's effectiveness. It is now recommended that Construction Company should lay much emphasis on AIS usage because suitable accounting information is vital to effective decision making process. Also. Adequate training on software should be provided for stakeholders assigned with the AIS responsibilities regularly so that their productivity and efficiency can be upsurged.

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The Impact of Development Bank in Financing Small and Medium Enterprises (SMEs) in Nigeria

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It is known fact that Development banks play a very significant role in Nigeria economics environment. Majority of the capital project in the country today could not have materialized without development bank loan given to small and medium size enterprises. Many times, small and medium size enterprises had received necessary attention that provides employment opportunity for approximate number of people to develop economy. This study seeks to examine the impact of Development bank in financing small and medium enterprises in Nigeria. The primary source of data was used through the questionnaire distributed to some selected Bank of Industry staff and owners of SMEs in Ilorin metropolis to establish the objective of the study. The study adopted a survey research design of selected SMEs that have been in operation since the past five years (2015-2019). The population covers the owners of Small and Medium Size Enterprises and the members of staff of Bank of Industry (BOI) in Ilorin, Kwara State. Therefore, the total population size for this research study is one hundred and fifty (150). However, the study selected SMEs from those in the manufacturing sub-sector in real sector because of their dominant activities in the society. The study established that SMEs encounter problems in the procurement of loans from Bank and at the same time contributed significantly to the development of small and medium size enterprises through their loans and advances. The study suggests the following recommendations; a number of procedures can be adopted such as preferential discount rates or quotas favoring certain purposes, Bank of Industry and the government can also make use of the rural banking program for effective operation.

Keywords: *Small and medium enterprises, Financing, Metropolis, Loans and Development*

INTRODUCTION

It is known fact that Development banks play a very important role in any economics environment, Development bank ranging from Bank of Industry (BOI), to other financial institution assumes the role providers of fund into any economic environment through lending and funding of major capital project. In Nigeria situation, the bulk of the economic transactions like contract and capital project are finance by Development bank. Federal government has placed very important priority policy towards financing Small and Medium Enterprises in the achievement of self-reliance.

Small and Medium Enterprises (SMEs) have been recognized as driving force for economic growth and development in any nation. Empirical evidences have shown that they contribute to employment, poverty alleviation and increase productivity level in a nation development. In recognition of the role of SMEs in the economic growth process of Nigeria, government has taken taxing efforts to promote the growth of SMEs and also developing entrepreneurship. SMEs are of necessity to a nation's industrialization process and one principal way of promoting SMEs is by having easy access to finance.

Bank of industry through their intermediation role are meant to provide financial support to SMEs.

For SMEs to perform their role in the economy, they need adequate funds in terms of short and long term loans (Afolabi, 2013). It is important to know that financing strength is the main determinant of Small and Medium Enterprises growth in developing countries. The commercial banks and other development banks which are key players and participants in any financial systems of almost every economy, have the potential to pull financial resources together to meet the credit needs of SMEs. However, there is still a gigantic gap between supply capability of the banks and the demanding needs of SMEs.

Inadequate education on the part of SME owners and inadequate facilities in agricultural, purchasing and supply sector has been a big challenge to SME's (Adigwe, 2012). Onwuka (2015) saw the problem facing SMEs as inadequate funding on the part of the commercial banks and other financial institutions and poor management on the part of small business owners. On the other hand, government has failed to provide stable macro-economic environment and adequate physical infrastructural facilities that suit the operation of the SMEs.

Objectives of the Study

The main purpose of this study is to examine problems encountered by small and medium enterprises in procurement of loans from bank of industry reference to Kwara state, Ilorin metropolis.

Research Questions

i. To what extent can SMEs encounter problems in the procurement of loans from bank of industry?

ii. To what degree have bank of industry loans and advances contributed to small and medium enterprises development in Kwara State?

Research Hypothesis

Ho1: There is no significant relationship between SMEs not encountering problems and procurement of loans from bank of industry.

Ho2: There is no significant relationship between bank of industry loans/advances and to the development of small and medium enterprises in Kwara State.

LITERATURE REVIEW

Conceptual Framework

Small and Medium scale industry initiative orientation is one of the major Nigeria economy policy for economy growth and development to encourage self-reliance in the country. Though, the definition and meaning of Small and Medium size enterprises vary from country to country depend on economic scheme that is involved. SMEs is defined as any industry with a labour size of 11-100 workers or a total cost of not more than N50 million, including working capital and excluding cost of land (Adigwe, 2012). National Council of Industries refer SME as business enterprises whose total costs excluding land is not more than two hundred million naira (N200,000,000) only. Though, there were no consensus among policy makers and scholars concerning the point at which a business firm is deemed to be small or medium.

The United Nations Industrial Development Organization (UNIDO) also identified about fifty definitions of small scale business in seventy-five different countries based on the characteristics such as installed capacity utilization, output, employment, capital, type of country or other criteria, which have more relevance to the industrial policies of the specific country. Conversely, it has been suggested that the SMEs sub-sector may comprise about 87% of all firms operating in Nigeria, excluding informal-enterprises. Enterprises are informal businesses employing fewer workers including unpaid family labour (Tahir & Samaila, 2015). Small scale enterprises are those operating in a formal sector with five to twenty employees; and medium enterprises are those employing 21 to 50 employees (USAID, 2004).

The Nigerian concepts of SMEs are to some extent different but the Central Bank of Nigeria agrees with the Small and Medium Industries and Equity Investment Scheme (SMIEIS) in their definition of SME as any enterprise with a maximum asset base less than N200 million (equivalent of about $1.43 million) excluding land and working capital, and with the number of staff employed not less than 10 (otherwise will be a cottage or micro-enterprise) and not more than 300 (Sanusi, 2004). The Central Bank of Nigeria [CBN] defined SME as an enterprise with a maximum asset base of NGN 200 million, without land and working capital, also the number of employees is not less than 10 and not more than 300. Due to the flexible nature, SMEs are quite able to withstand economically diverse situations.

SMEs in Nigeria can be categorized into urban and rural enterprises, but in a more formal way they can be called organized and unorganized enterprises. The organized enterprises have paid employees with a registered office while the unorganized enterprises rely mostly on apprentices or family members and mostly low rate or no salary paid workers. Rural enterprises are made up artisans who work in open spaces operating in temporary wooden workshop or structures. Rural enterprises are made up of family groups, women that are engaged in food production from local farm crops and individual artisans. The major activities include leather work, local blacksmith, ceramic, clothing and tailoring, timber and winning, bricks and cement, food processing, wood furniture, beverages and bakeries, electronic assembly, agro processing, chemical based products and mechanics etc. The unorganized enterprises rely mostly on apprentices or family members and mostly low rate or no salary paid workers. (Source: www.cenbank.org accessed online 20-05-09).

Agbaje and Abiodun et al., (2015) postulated that the importance of development of entrepreneurs cannot be overemphasized, the role they play in economic development and how they are financed through both formal and informal sources. The development experience of many countries indicates that SMEs can meaningfully contribute to the attainment of many development objectives. These include output expansion, employment generation, even location of industries among regions of the countries, income redistribution, and promotion of indigenous entrepreneurship and technology as well as production of intermediate goods to strength inter and intra industrial leakage (Nnanna, 2000).

The Nigerian government policies accorded and gave priority to the country's small scale enterprises. This has been in recognition that they constitute the fountain head of vitality for the National economy, and consequently their problems have been viewed as those of the nation, by virtue of their number, diversity, penetration in all sectors of production and marketing contribution to employment and to the prosperity of the particular areas in which they operate, (Ogechukwu, et al, 2013).

Valentine, (2014) said the death of adequate source of finance has been a major problem that inhabited the emergency and growth of small and medium scale enterprises (SMEs) in Nigeria in the last couples of decade. Management Transparency and Accountability is another factors related factor which implies that the simple managerial structure of the average SMEs in Nigeria allowed the operators of such business to abuse managerial freedom and to be dubious in their managemer4 activities. Poor Government Structure prevents

SMEs to access funds easily from banks and other specialize financial institutions. Mazanai and Fatoki, (2012) argued that is only SME-s that know the real capital structure of their own business, the combination of the assets (current and fixed), the real strength of their investment and how to settle up the debt, therefore, this made them possesses superior private information.

Theoretical Framework

The theory of capital structure can generally be describes in terms of the static trade off theory by Modigliani and Miller (1958), Lifecycle approach, the pecking order theory (Myers & Majluf, 1984), managerial theory of investments (Gelinas, 1998), agency theory by Stiglitz and Weiss (1981).

The Static Trade off Theory

The M-M theory is based on the premise that the firm chooses how much it will be financed by debt from the capital structure of a firm, by balancing the cost of profits. According to this theory, the optimal level of the structure of capital is the one which equates the profit and costs from debt.

Pecking Order Theory

Pecking order theory stated that firm prefers internal sources of financing to external ones, and, regarding external sources, they prefer debt to capital (Donaldson, 1961). Firms' finances their investment requirements based on a hierarchic order. This can be achieved through existence of the asymmetry of information between managers (insiders) and investors (outsiders). As a result of this, managers have more information then investors (Myers and Majluf, 1984).

Agency Theory

Asymmetrical information, occur between managers and shareholders, on one hand, and the problem among shareholders, managers and creditors, on the other. The theory argued that only SMEs knows the real financial structure of their own, the real strength of their investment projects and the tendencies for settling up the debt, and, therefore, the firm possesses superior private information (Fatoki, and Asah, 2011).

The Lifecycle Approach

According to Weston and Brigham (1981) SMEs are perceived to be starting out by exploring only the owners' resources. Whether or not the firms could make it subsequently, the threat of insufficient capital would later surface, and then the tendency to resort to other sources of funds would emerge. The dynamic small firm prefers to choose between curtailing its growth to keep in line with its minimally generated funds and get an expensive stock market quotation.

Empirical Review

Many studies have been carried out on SMEs access to financing without controversy in the empirical literature. Though, there are divergent opinions with regard to SMEs growth and development. Gazmend et al., (2013) investigated the impact of firm and entrepreneurship characteristics in small and medium enterprises (SMEs) investment finance through debt (bank loan). A self-organized questionnaire was used to gather data for 150 SMEs in Kosovo. Econometric model of linear regression was conducted to identify factors which influence the investment growth financed by debt. The results revealed that there is mutual correlation among the firm's age, size, business plan, sector, number of owners, sources of financing and the investment growth financed from banks in Kosovo.

Basil, (2005) investigated the factors that influence the growth, performance and development of SMEs in Nigeria and other implication on policy through interview technique. The result shows that accessibility to finance and good management are central to SMEs growth and development. Agbaje and Abiodun, (2015) investigated the importance of finance in the development of small and medium enterprises (SMEs) in Nigeria using various policies adopted by the government to achieve the Small and Medium Enterprises Equity Investment Schemes. The study revealed that small and medium enterprises equity investment scheme (SMEEIS) if properly managed considering the volume of funds dedicated, could provide the necessary drive for growth in the economy.

Muogbo and John, (2018) investigated the contribution of the Bank of Industry towards SMEs industrial development. The study concluded that the power of BOI as the apex institution for the development and promoting of SMEs in Nigeria should be considered with vigor and extended, a well-conceived and coordinated scheme aiming at strengthening and improving the information system as well as counseling services for wider dissemination and greater effectiveness should also be pursued.

Marshall, (2014) assessed the effect of 2004 Banking reforms on loan financing of SMEs in Nigeria. A sample size of 500 was randomly chosen and chi-square test provided analysis on the survey data. The study indicated that there is no significant effect to 2004 banking reform on loan financing of SMEs in Nigeria and there are some constraints which restricted access to loans for SMEs in Nigeria. Muktar, (2012) examined the impact of banks loan to SMEs on manufacturing output in Nigeria for the period spanning 1992 to 2010. Error correction modeling technique was used to analyze data, the study produced that bank loans to the SME sector had significant impact on manufacturing output both in the long and short run.

Oputu, (2012) examined the impact of post-bank consolidation on the performance of SMEs in Nigeria, applying mean, standard deviation and coefficient of variation in its data analysis, the study revealed that SMEs do not have better access to finance through banks and SMEs do not have absolute rapport with the financial institutions due to their financial background in Nigeria.

Aderemi (2010) compared the performance of loans granted to SMEs by banks with that of micro-credit institutions in Nigerian. Analyzing through descriptive statistics, the study revealed that there was higher repayment rate for banks than micro-credit schemes.

METHODOLOGY

The information gathered for this study was collected from the primary sources. The primary source was mainly through the questionnaire distributed to some selected Bank of Industry staff and owners of SMEs in Ilorin metropolis because it harbours the highest agglomeration of SMEs activities in Kwara State. The study concentrates on the SMEs as that have been in operation since the past five years (2015-2019) in the study area. The study adopted a survey research design. The adoption and usage of survey is justified on the ground of its capacity for collecting large data. The research setting is a cross-sectional study design. The reason for its adoption stems from the benefit associated with cross-sectional study which is its cost effectiveness and time saving nature (Valentine, 2014).

The population covers the owners of Small and Medium Size Enterprises and the members of staff of Bank of Industry (BOI) in Ilorin, Kwara State. The study selected SMEs from those in the manufacturing sub-sector in real sector because they constitute the dominant activities of the people in the study area. The SMEs include organized enterprises made up of leather work, local blacksmith, ceramic, clothing and tailoring, bricks and cement, food processing, wood furniture, bakeries, electronic assembly, agro processing, chemical based products and mechanics. Furthermore, the study adopted purposive sampling technique to select the sample for the study. Bearing in mind that not all SMEs might have benefited from BOI's activities, the target purposively target SMEs who came in contact with and benefited from BOI in one way or the other.

The entire population size of owners of the SME's selected is 138 while the staff of the bank of industry is 12. Therefore, the total population size for this research study is one hundred and fifty (150). Out of one hundred and fifty (150) questionnaires that were issued out, only one hundred and nine (109) were found usable comprising of 97 SME owners and12 banks of industry staff. The data collected were analysed using descriptive statistics and inferential statistics of chi square. The hypothesis formulated was tested with the use of chi-square method which shows the magnitude of the discrepancy between the variables, expectation and observation. The test was carried out at 5% level of significance.

RESULT AND DISCUSSION

Table 1 is a bird eye's view of the demographic information of respondents. Hence, the first column discusses the gender analysis where male has 65 respondents amounting to 59.63% and female has 44 respondents with 40.37%. This, by implication, means that there are more male respondents in this study than the female counterpart. Also, the age column showed that 18.35% of the respondents fell within the age of 20-29 years, while 43.12% fell between 30-39 years,

Table 1: Summary of Demographic Characteristics of Respondents

S/N	Items	Frequency	Percentage (%)
1.	**Gender**		
	Male	65	59.63
	Female	44	40.37
	Total	**109**	**100.00**
2.	**Age**		
	20 - 29	20	18.35
	30 - 39	47	43.12
	40 - 49	32	29.36
	50 and above	10	9.17
	Total	**109**	**100.00**
3.	**Marital status**		
	Single	32	29.36
	Married	65	59.63
	Others	12	11.01
	Total	**109**	**100.00**
4.	**Academic Qualification**		
	NCE/ ND	20	18.35
	HND/BSc.	65	59.63
	Masters	10	9.17
	Others	14	12.84
	Total	**109**	**100.00**

Source: Researcher' Field Survey, 2019

29.36% of ages of 40-49 years while 9.17% for the ages of 50 years and above. The highest percentage of 43.12% was in active years of age. This also shows that majority of the respondents are within the working age. Additionally, the third column presented the marital status of the respondents which revealed that married people have 59.63% of the respondents; single has 29.36% while others have 11.01%. This implies that more than half of the respondents are married. The fourth column consisted of the academic qualification revealed a pool of literate and educated SMEs owners and bankers. 18.35% of the respondents have ND/NCE, 59.63% of the respondents also have B.SC /HND, 9.17% with MBA /M.SC while 12.84% of the total respondents have other certificates.

Ho1: There is no significant relationship between SMEs not encountering problems and procurement of loans from bank of industry.

DISCUSSION OF FINDINGS

From the chi-square test above, P-value (0.0000) is less than 0.05. Therefore, null hypothesis is rejected and accept the alternate hypothesis which states that the SMEs do encounter problems in the procurement of loans from bank of industry. Since the decision rule states that null hypothesis should be rejected if p-value is less than 0.05, otherwise do not reject. This implies that Small and Medium Enterprises faces borrowing challenges from the banks that hindering their performance for the economic growth and development.

Ho2: There is no significant relationship between Bank of industry loans/advances and not contributed to the development of small and medium enterprises in Kaduna State.

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Variables scale	872	100.0%	0	0.0%	872	100.0%

Source author compilation 2019

Chi-Square Tests

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	179.428[a]	28	.000
Likelihood Ratio	188.539	28	.000
Linear-by-Linear Association	.662	1	.416
N of Valid Cases	872		

a. 8 cells (20.0%) have expected count less than 5. The minimum expected count is 4.00.

Level of significance = 5%(0.05)

variable1 * scale1 Crosstabulation

Variables		Scale: no extent	very low extent	low extent	moderate extent	great extent	Total
whether SMEs encounter problems in accessing loan from bank of industry	Count	6	8	10	64	21	109
	Expected Count	4.0	13.1	23.4	40.6	27.9	109.0
whether bank of industry are indispensable sources of capital to SMEs	Count	4	9	17	31	48	109
	Expected Count	4.0	13.1	23.4	40.6	27.9	109.0
bottleneck in procurement process can hinder SMEs from getting loans from bank of industry	Count	7	14	40	30	18	109
	Expected Count	4.0	13.1	23.4	40.6	27.9	109.0
problem of documentation can also be a barrier for SMEs in procuring loans from bank of industry	Count	4	10	27	45	23	109
	Expected Count	4.0	13.1	23.4	40.6	27.9	109.0
uncooperative attitude of the staff of bank of industry can also hinder the procurement process	Count	1	19	30	34	25	109
	Expected Count	4.0	13.1	23.4	40.6	27.9	109.0
bureaucracratic process can also hinder the procurement process	Count	10	20	48	18	13	109
	Expected Count	4.0	13.1	23.4	40.6	27.9	109.0
inability defaulting SME in paying back loans collected hinders the procurement of fresh loan from bank of industry	Count	0	14	10	50	35	109
	Expected Count	4.0	13.1	23.4	40.6	27.9	109.0
the duration of the repayment of the loans can also hinder procurement process	Count	0	11	5	53	40	109
	Expected Count	4.0	13.1	23.4	40.6	27.9	109.0
Total	Count	32	105	187	325	223	872
	Expected Count	32.0	105.0	187.0	325.0	223.0	872.0

Case Processing Summary

	Cases: Valid N	Valid Percent	Missing N	Missing Percent	Total N	Total Percent
Variables * scale1	763	100.0%	0	0.0%	763	100.0%

Source author compilation 2019

variable1 * scale1 Crosstabulation

Variables		Scale					
		no extent	very low extent	low extent	moderate extent	great extent	Total
bank of industry loan and advances contribute positively to SMEs	Count	3	12	16	47	31	109
	Expected Count	3.3	16.4	27.6	37.0	24.7	109.0
bank of industry loan and advances benefit SME development in kaduna state	Count	7	14	23	37	28	109
	Expected Count	3.3	16.4	27.6	37.0	24.7	109.0
loan and advances granted by bank of industry significantly affect development of SMEs in kaduna state	Count	5	10	35	32	27	109
	Expected Count	3.3	16.4	27.6	37.0	24.7	109.0
loan and advance granted by bank of industry contribute to the expansion of SME business	Count	3	9	40	38	19	109
	Expected Count	3.3	16.4	27.6	37.0	24.7	109.0
loan and advances granted by bank of industry contribute to the profit margin of SME business	Count	0	9	25	42	33	109
	Expected Count	3.3	16.4	27.6	37.0	24.7	109.0
loan and advances granted by bank of industry is of no significant impact in the development of SME	Count	3	50	20	24	12	109
	Expected Count	3.3	16.4	27.6	37.0	24.7	109.0
bank of industry loan and advances meet up the expected business outlay of SMEs	Count	2	11	34	39	23	109
	Expected Count	3.3	16.4	27.6	37.0	24.7	109.0
Total	Count	23	115	193	259	173	763
	Expected Count	23.0	115.0	193.0	259.0	173.0	763.0

Chi-Square Tests

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	128.938[a]	24	.000
Likelihood Ratio	110.716	24	.000
Linear-by-Linear Association	8.597	1	.003
N of Valid Cases	763		

a. 7 cells (20.0%) have expected count less than 5. The minimum expected count is 3.29.

Level of significance = 5%(0.05)

DECISION

The decision rule states that the null hypothesis should be rejected if the p-value is less than 0.05. Do not reject. Since the p-value (0.00005) is less than 0.05, the null hypothesis was rejected and the alternative hypothesis was accepted which states that bank of industry have contributed to the development of Small and medium size enterprises through their loans and advances.

CONCLUSION AND RECOMMENDATIONS

The study revealed that SMEs encounter problems in the procurement of loans from Bank of Industry. The study also revealed that bank of industry has contributed significantly to the development of small and medium size enterprises through their loans and advances. Though, Bank of Industry has contributed significantly to the development of Small and Medium Size Enterprises through their loans and advances. Meaning that with this difficulty SMEs have significantly contributed to the development of Nigerian economy. The following recommendations are made in order to reduce the risk in small and medium enterprises (SMEs) lending, a number of procedures can be adopted such as preferential discount rates, multiple discount rates or quotas favoring certain purposes. The Bank of Industry themselves can ensure maximum risk of the loan losses by providing technical and managerial resources to various kinds of small enterprises customers. In order to make credit available to SMEs sector, the Bank of Industry and the government should make use of the rural banking program. The branches of each Bank of Industry in the rural community should be given free hand to take certain decisions concerning advancement of these loans and advances to rural small scale enterprises.

Central bank of Nigeria (CBN) should license more Micro finance banks to be able to extend more loans to Small and Medium Enterprises. We also recommend that SMEs should not base only in urban areas rural small enterprises should be encouraged by provision of more infrastructural facilities in rural areas. Uninterrupted power supply, good roads and transportation networks, rural development, efficient, effective and cheap communications etc. are the basis to competitive performance of enterprises, their provision will definitely reduce the funding needs of small enterprises as they would no longer require funds to provide electricity, water, telephone and other infrastructures on their own.

Appendix I

To what extent is SMEs encounter problems in the procurement of loans from Bank of Industry?

Variables	Great extent	Moderate extent	Low extent	Very low extent	No extent
Code	**5**	**4**	**3**	**2**	**1**
1. Whether or not SMEs encounter problems in accessing loan from Bank of Industry.	5	4	3	2	1
2. Whether or not Bank of Industry are indispensable sources of capital to SMEs.	5	4	3	2	1
3. Whether procurement process can hinder SME's from getting loans from Bank of Industry.	5	4	3	2	1
4. Whether problems of documentation can also be a barrier for SME in procuring loans from Bank of Industry.	5	4	3	2	1
5. Uncooperative attitude of the staff of Bank of Industry can also hinder the procurement process.	5	4	3	2	1
6. Bureaucratic process can also hinder the procurement of loan from Bank of Industry.	5	4	3	2	1
7. Defaulting of SMEs in paying back loans collected can also hinder the procurement of fresh loan from bank of industry.	5	4	3	2	1
8. Duration of the repayment of the loans can also hinder the procurement process.	5	4	3	2	1

Appendix II

To what degree have bank of industry loan and advances contributed to SME development in Kaduna state?

Variable	Great extent (5)	Moderate extent (4)	Low extent (3)	Very low extent (2)	No extent (1)	mean	s.e mean
1. Bank of industry loan advances contribute positively to SMEs development	31	47	16	12	3	4	1.119
2. Bank of industry loan and advances benefit SME development in kaduna state.	28	37	23	14	7	3	1.752
3. Loan and advances granted by bank of industry significantly affect development of SMEs in Kaduna state	27	32	35	10	5	4	1.349
4. Loan and advances granted by bank of industry contribute to the expansion of SME business	19	38	40	9	3	4	1.119
5. Loan and advance granted by bank of industry contribute to the expansion contribute to the profit margin of SME business	33	42	25	9	0	4	0.862
6. Loan and advance granted by bank of industry is of no significant impact in the development of SME	12	24	20	50	3	3	1.229
7. Bank of industry loan and advance meet up the expected business outlay of SMEs	23	39	34	11	2	4	0.761

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An Investigation into Citizenship Values of College of Education Students in South West, Nigeria

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The development of functional skills, desirable values and attitudes by students is one of the main aims of education. Development of such values and attitudes is aimed at making students good citizens of Nigeria. College of Education students are expected to imbibe these values and attitudes and ensure that their students also imbibe these values through their professional practices. However, studies have revealed that in spite of all the efforts made by the government to inculcate positive values and attitudes in students, citizenship values are not demonstrated by many Nigerian youths. This study, therefore, investigated the perceived citizenship values of College of Education (COE) students in South West, Nigeria. The research was a descriptive cross-sectional survey type. The sample comprised 1,448 students drawn from nine colleges of education in the three states in South West, Nigeria. Multistage sampling technique was used to select the respondents. A researcher-designed questionnaire, "Citizenship Values Scale (CVS)" was used for data collection. Descriptive statistics of Percentage and Mean were used to answer research questions one and two, t-test was used for the hypothesis. The results showed that the College of Education students' perception towards all the citizenship mean values was positive. Furthermore, patriotism (7.79) was the most preferred citizenship value among the students; in addition, the result revealed that male and female students were not significantly different in their perception of citizenship values. Thus, it was recommended that College of Education students should be encouraged to develop and display all the citizenship values especially in the area of honesty through example and practice of what had been learned and imbibed.

Keywords: *Citizenship Values, Honesty, Obedience, Patriotism, Transparency, Kindness*

INTRODUCTION

The citizenship value has become a worldwide marvel and it has gotten a lot of consideration in conversations around the Global Education First Initiative and the Sustainable Development Goals (SDGs) (Jennifer, 2018). Each general public has values that maintain its individuals and society on the loose. The examples of overcoming adversity of nations, mainland, huge companies, and noteworthy people make them thing in like manner – values. United Nations (2010) advocates that young people are viewed as both a significant human asset for improvement and key operators for social change, monetary advancement, and mechanical development. Consequently, the improvement of citizenship values among the youthful ones ought to be the significant worry for one and all. Mantsejoa and Julia (2018) is of conclusion that improvement of citizenship values among the young will empower the country to have productive members of society, shaped by powerful social and strict qualities that will empower them to their legitimate spot in the public eye and completely take an interest in financial and socio-political advancement of quiet country through individual and lucid gathering self-inspiration.

Nigeria as an average and edified society ought to anticipate that its citizens should develop certain attractive qualities and mentalities that will make them answerable residents who will have the option to contribute seriously to the general improvement of their nation. This is in concurrence with Federal Republic of Nigeria (2004) that Nigeria's way of thinking of instruction depends on the advancement of a person into a sound and compelling citizen; the full acknowledgment of the person into the network, and the arrangement of equivalent access to instructive open doors for all citizens of the nation at the primary, secondary and tertiary levels both inside and outside the conventional educational system. The affirmation above is based on the way that training ought to transmit those qualities, aptitudes, perspectives, and information to make the beneficiaries mindful and viable working individuals from the general public.

In spite of the efforts made by the government to instill the qualities and perspectives in students, its incongruity is that values have really moved in our general public. The consideration is coordinated towards riches obtaining, infringement of human rights, fretfulness, capturing and the ascent in ethnic and strict issues (Adebisi, 2018). What is more, there is high pace of debasement, deceptive nature, indiscipline, and lack of regard for both elders and the rule of law and apathy to obligation are a portion of the appearances of negative mentalities in the Nigerian culture (Iyamu & Obiunu, 2010). This means the Nigerian worth framework is broken. This view is bolstered by Ayorinde (2013) who attested that the emergency of qualities and perspectives influencing the youth can be followed to the general breakdown of values within the larger society. This may be the motivation behind why Nigerians in the diaspora have been bothered by the flood of xenophobic assaults over the globe.

A plenty examines did in the essential and optional schools uncovered that despite all the efforts made by the government to teach citizenship values in students, alluring qualities and perspectives are not shown by numerous Nigerian youth. This issue has continued throughout the years in the nation. These examinations were completed in primary and secondary schools while none has been done on this point to incorporate the colleges of education to best of researcher knowledge. Hence, the researcher's interest to fill the gap by exploring the "Perceived Citizenship Values of college of education students in South West Nigeria".

RESEARCH QUESTIONS

The germane questions agitate in the mind of the researchers are:

i. What is the perception and preference of the College of Education students for citizenship values?

ii. To what extent do the College of Education students prefer each of the citizenship values?

iii. What are the differences in the perceived citizenship values of male and female students of the College of Education?

Objectives of the Study

The main objectives of this study are to:

i. investigate students' perception and preference(s) for citizenship values

ii. to investigate College of education students' preference for citizenship values

iii. determine the differences in citizenship values of male and female students in colleges of education.

Research Hypothesis

The following hypothesis was formulated for the study:

H0: There is no significant difference in the citizenship values held by male and female students of College of Education.

CONCEPT OF CITIZENSHIP

The idea of citizenship can be followed back to Ancient Greece and in the city-conditions of Athens and Sparta during the fourth and fifth Centuries BC. Residents were characterized by their association in open obligations generally revolved around regular responsibilities to city obligation in overseeing and safeguarding the state (Heater, 2006; Faulks, 2004; Dwyer, 2004). Right now, the resident is 'comprised as political entertainer' (Lister, 2005) supported by the 'accommodation of individual enthusiasm to that of the benefit of everyone' (Lister, 2005). Citizenship has no "basic" or generally evident signifying' (Crick, 2005). It is the thing that logicians call a "basically challenged idea subject to various logically explicit translations. As indicated by Veera (2011), the idea of citizenship is a mind-boggling one: it does not have a conclusive explanation, yet it, in any case, is a significant class in the contemporary world. Veera (2011) contends that citizenship is an influential thought, and regularly the manner in which an individual is dealt with relies upon whether the person has the status of a resident. Citizenship incorporates assurance of an individual's privileges both at home and abroad. It involves lawful, political and social measurements: the legitimate status as a full citizen, the acknowledgment of that status by individual residents and going about as a citizen (Veera, 2011). Shafir (1998) considers citizenship to be a structure for political majority rule government and individual independence just as a scholarly and political custom that associates the advanced period with vestige (Veera, 2011).

As per Coffey (2005), citizenship of today is worries with 'participation', normally connected to a state. It is additionally a 'regulating perfect' Coffey (2005), a lot of practices that characterize an individual as an equipped citizen (Turner, 2008) and here there are qualifying, related rights, and duties. It contains a status: "presented on the individuals who are full individuals from a network. All who have the status are equivalent concerning the rights and obligations with which the status is invested" (Marshall, 1992). In accordance with this statement, Heater (2006) characterizes citizenship as far as 'progressivism (rights) and 'community republicanism (commitments)'. The liberal political point of view favours a legitimate model of citizenship that perceives and advances singular rights and ensures this in law (Sibel, Calik & Engin-Demir, 2017). While the liberal translation has had the most effect on the improvement of British Citizenship (Heater, 2006), it is the community republican conventions that have a long legacy. They are not just an issue of old-style study either: key political supporters of citizenship point to these customs as imperative to a cutting edge encircling of the connection between people, network, and state. At the core of its separation from liberal models is a pledge to the supremacy of the 'open intrigue' (Dwyer, 2004).

Citizenship esteems by their inclination allude to those social qualities particularly in the regions of human relations that can prompt social union, social amicability, and progress (Jennifer, 2018). Such characteristics as genuineness, discipline, honesty, straightforwardness, resilience and collaboration, regard for nobility of man and work, satisfaction, dependability, love, national awareness, energy and faithfulness to the express, and ability to take an interest in equitable procedures, compliance to the law, installment of expenses, rendering benevolent support of the state, etc structure the center of citizenship training (Saadi, 2015). Citizenship esteems as indicated by Torney-Purta (2002) are viewed as learning results of Citizenship Education. They are likewise every now and again utilized in cross-country examination of youngsters' impression of the significance of traditional and social-development citizenship in the field of youth municipal commitment.

Hypothetical Review

In talking about social qualities, there exists a test to troubling on relativism or absolutism. Right now, scholars having a place with the Indic and Confucian ways of thinking contend that qualities are relative and ought to never be treated as supreme or widespread. Then again, western researchers including those sharing the Abrahamic confidence, that is, Judaism, Christianity, and Islam, accept that specific social quality are ideas that have and ought to have general application. For example, human respect, right to life and incentive for human life are solid rights and qualities that individuals should appreciate and maintain while taking part in any type of relations inside the general public.

Right now, hypothesis will be received to offer significance to this examination. This hypothesis is the Greek logician, Aristotle (384 – 322 BC), who started the goodness morals approach. Macintyre (1981) has additionally advanced this hypothesis through his extremely fruitful commitments to the subject. In characterizing worth and morals, Aristotle didn't plan to distinguish the characteristics of good acts or standards, yet of good individuals. As Macintyre proposed, going about as a productive member of society is the condition of being great and doing admirably which makes a total human life inhabited its best; yet for Aristotle, the upright man needs to realize what he does is righteous; and a decent man needs to 'judge to make the best choice in the opportune spot at the perfect time in the correct manner' Macintyre (1981). This is one of the characteristics of a decent and powerful resident depicting the demonstration of being dependable and trained. Macintyre included that there is the need to feel what one is doing is acceptable and right; to have an enthusiastic just as the subjective valuation for values is a fundamental part of ethics.

In the last examination, the viability of a decent worth framework relies upon the idea of the individuals who utilize it. What is more, are individuals basically fortunate or unfortunate? Without sounding idealistic, if the worth establishment on which the Nigerian state is manufactured is to be recovered, at that point endeavors must be set up by the administration particularly, upheld by non-legislative on-screen characters like confidence associations, common society gatherings and other social specialists like the educational system, family, media and others, to build up a decent worth framework that will be instilled in each Nigerian youngster and resident. What this hypothesis recommends is that if the individual can be changed, his activities will change (Macintyre, 1981). In the event that his/her conduct can be displayed to fit acknowledged social qualities and excellences of good individuals and great social orders, at that point great and viable people can be raised.

PROCEDURE

Research Design: The examination was an enlightening cross-sectional review type. An expressive study is an orderly endeavor to portray the qualities of a given populace or zones of intrigue (Daramola, 2006). Hence, the distinct study would be appropriate for this investigation; it would empower the specialists to make helpful conclusions and judgment toward the finish of the examination with the guide of a poll.

Study Area: This examination work was completed among the students of the Colleges of Education in the six states (Lagos, Oyo, Ogun, Ondo, Osun, and Ekiti) of the South West. The decision of these states depends on the way that they have the most noteworthy number of the Colleges of Education in Nigeria, four Federal, eight states and nineteenth private Colleges of Education in the South-Western zone of Nigeria, (NCCE, 2019).

The number of inhabitants in the Study: The populace for this examination comprises of each of the 20, 789 understudies in the two and 300 degrees of the chose Colleges of Education. The decision of the degree of understudies is legitimized on the grounds that they have gone through that specific course (Citizenship Education).

Testing Method and Sample Size: The multi-arrange inspecting strategy was utilized right now select the examples since it includes numerous stages.

First Stage: From the six states, three states were chosen to utilize the purposive examining procedure. That is three expresses that have the government, state and private universities of training.

Second Stage: Out of the 20 universities of training in the three states, nine schools of instruction were chosen utilizing basic irregular examining strategy.

Third Stage: Out of around 20,789 NCE II and NCE III understudies in the nine universities of training, 1,448 understudies were chosen at 97.5% certainty level (Louis Cohen, Lawrence Manion and Keith Morrison 2007) while the proportionate examining system was utilized to choose understudies from each degree of instruction.

Fourth Stage: There were five schools (resources) in the universities of instruction chose; one school was picked utilizing a straightforward irregular examining procedure.

Fifth Stage: To pick the understudies from the staff to comprise the example, the balloting framework was utilized.

Instrumentation: The instrument utilized for this investigation is a survey labeled "Citizenship Values Scale (CVS). The instrument contains 35 explanations listing the citizenship esteems. The changed four focuses Likert scale was utilized: Strongly Agree (SA), Agree (A), Disagree (D), Strongly Disagree (SD) with numerical estimations of 4, 3, 2, 1 separately for positive proclamations. The scores were turned around for negative articulations.

Approval of Instrument: Validity means that the degree to which the instruments can be depended upon to do what it indicates to do precisely. An instrument is said to be dependable in the event that it tends to be trusted to over and over measure required attributes reliably and unequivocally (Jimoh, 1995). So as to guarantee the face and substance legitimacy of the instrument, the draft of the instrument was given to certain specialists in the field for analysis and master exhortation. The instrument was pre-tried among a comparative gathering of 200 understudies. The unwavering quality of the instrument was resolved through the proportions of inward consistency with the utilization of Cronbach's alpha co-effective insights and the outcome is above 0.5, it implies the instrument is dependable.

Technique for Data Analysis: The information gathered relating to understudies' citizenship esteems was broke down utilizing implies, standard deviation and t-test.

RESULTS AND DISCUSSION

Research Question One: What is the perception and preference of the College of Education students for citizenship values?

Table 1: The mean scores of perceived citizenship values.		
Section A: Perceived Honesty Scale	**Mean**	**Rank**
I will not take away my organization's property if I need it	2.36	2nd
I will not indicate the correct time I get to the office when I am late since no one is watching me.	2.21	5th
It is okay to give any reason to absent myself from work.	2.48	1st
In time of need I may not return a lost but found material	2.28	3rd
I may not tell the truth if doing so will put me in trouble.	2.21	5th
I may not inform the Bank if I am overpaid	2.25	4th
Grand Mean	**2.30**	
Section B: Perceived Responsibility Scale		
I will take responsibility publicly for my actions if I am in position of authority.	2.80	1st
I will accept responsibility at all times.	2.43	4th
I will always seek and accept responsibility even if it is not convenient.	2.63	2nd
I will take responsibility for mistakes or error of judgment committed by people under my leadership.	2.46	3rd
I feel reluctant when I am asked to accept responsibility.	2.42	5th
I may not discharge my duties and responsibilities efficiently and promptly in the face of extreme difficulty.	2.40	6th
Grand Mean	**2.52**	
Section C: Perceived Discipline Scale		
I will obey rules and regulations of my country because of sanctions.	2.54	1st
I don't have to exercise control over my actions or behavior in all circumstances.	2.37	3rd
I will obey court injunctions, orders and judgment that are not in my favour.	2.42	2nd
Grand Mean	**2.44**	
Section D:Perceived Respect for othersScale		
I don't have to respect other people's opinions or peculiarities when they are different from mine.	2.35	3rd
I will respect others even if they don't respect me.	2.82	1st
I consider others first in everything I do.	2.76	2nd
Grand Mean	**2.64**	
Section E: Perceived Contentment Scale		
I am always satisfied with whatever I have.	2.92	1st
I can satisfy my needs using any means.	2.44	3rd
I am not satisfied with using all means to achieve goals.	2.47	2nd
Grand Mean	**2.61**	
Section F: Perceived Transparency Scale		
I will make my account in public office(s) open for public criticism or accountability.	2.61	1st
I don't have to account for every money I spent at my place of work at all times.	2.37	2nd
Grand Mean	**2.49**	

Section G:Perceived Obedience Scale		
I try to follow rules anywhere I find myself.	2.90	1st
I try not to do anything that can attract public condemnations.	2.81	2nd
I follow rules especially when people are watching.	2.70	3rd
Grand Mean	**2.80**	
Section H:Perceived Kindness Scale		
I am not always ready to assist the less privileged.	2.24	2nd
I don't render assistance where I will not benefit from.	2.20	3rd
I will not assist someone who is hostile to me.	2.34	1st
Grand Mean	**2.25**	
Section I:Perceived Patriotism Scale		
I will declare I am a Nigerian anywhere I find myself no matter the circumstance.	2.91	1st
If possible, I will not buy locally made goods.	2.42	3rd
I prefer to identify with people from my own part of the country.	2.64	2nd
Grand Mean	**2.66**	
Section J: Perceived Justice/Fair play Scale		
I believe in relating with all manner of people on the same level.	2.71	1st
I don't believe everyone should have equal opportunities in life.	2.40	2nd
I can sometimes use force against others to get what I need in time of scarcity.	2.19	3rd
Grand Mean	**2.43**	

From Table 1, segment A shows the degree of estimation of trustworthiness held by the College of Education understudies. Most of the respondents concurred that it is alright to give any motivation to missing themselves from work with the most elevated mean estimation of 2.48 followed by "I will remove my association's property on the off chance that I need it" (m = 2.36). The least is "In the period of scarcity I may not restore a lost and discovered material" (2.21) and "I won't show the right time I find a good pace when I am late since nobody is watching me" (2.21). Nonetheless, the terrific mean score for apparent trustworthiness was seen at 2.30. Utilizing 2.0 as the normal benchmark, it tends to be reasoned that the College of Education understudies have a positive recognition towards trustworthiness, however, the observation was not on the high side. This suggests the predominant withdrawn exercises, for example, fear-mongering, misrepresentation, burglary hijacking, custom murdering, road battling and defilement in Nigeria will before long be a thing of the past in Nigeria. This examination is in opposition to the finding of Adebisi (2018) who affirmed that Nigerian young people are never again maintaining cultural qualities, for example, trustworthiness.

From Table 1 segment B shows the degree of estimation of duty held by the respondents. Most of the respondents concurred that they will assume liability freely for their activities on the off chance that they are in position of power with the most noteworthy mean estimation of 2.80 followed by "I will consistently look for and acknowledge duty regardless of whether it isn't advantageous" (2.63).

The least are: "I feel hesitant when I am approached to acknowledge duty" (2.42) and "I may not release my obligations and duties effectively and speedily even with outrageous trouble" (2.40). The stupendous mean score for "duty" is 2.52 which is over the normal. It can in this way be inferred that the respondents held positive incentives about obligation. This is in accordance with the United Nation (2010's) attestation that youngsters over the globe are the key operators for social change, reasonable monetary development, and improvement.

Table 1 area C uncovers the degree of estimation of control held by College of Education understudies. "I will obey rules and guidelines of my nation in view of approvals" got the most elevated score (2.54); It was trailed by "I will hesitantly obey court directives, requests and judgment that are not in support of me" (2.42) while "I don't need to practice power over my activities or conduct in all conditions" has the least score (2.37). The excellent mean score for discipline is 2.44 which means that the view of the respondents on discipline is certain.

Table 1 area D shows the level of estimation of regard for others held by College of Education understudies. "I will regard others regardless of whether they don't regard me" has the most noteworthy score (2.82). It was firmly trailed by "I consider others first in all that I do," (2.76) while "I don't need to regard other people groups' feelings or characteristics when they are not quite the same as mine" (2.35) has the least score. The excellent mean score for regard for others is 2.64 which means that the impression of the College of Education understudies on regard for others is certain.

Table 1 segment E shows the degree of estimation of satisfaction held by the College of Education understudies. "I am constantly happy with whatever I have" has the most noteworthy score (2.92); it was trailed by "I am not happy with utilizing all signifies" to accomplish objectives" (2.47) while "I can fulfill my needs utilizing any signifies" has the least score (2.44). The amazing mean score for satisfaction is 2.61 which means that the impression of the College of Education understudies on happiness is sure.

Table 1 segment F, G H, I and J shows the degree of estimation of transparency, submission, thoughtfulness, enthusiasm, and equity with great mean estimations of 2.49, 2.80, 2.25, 2.66, and 2.43 separately. This means the impression of College of Education understudies on transparency, compliance, benevolence, nationalism, and equity is sure.

Conclusion to be produced using this discovering is that citizenship instruction is a vehicle that build up the aptitudes, qualities and mentalities of understudies towards the goals of the interconnected difficulties confronting the nation today. This is in accordance with Hoskins (2006's) attestation that Citizenship instruction gives individuals the information and aptitudes to get, challenge and draw in with just society including legislative issues, the media, common society, the economy and the law. It causes them to create fearlessness and a feeling of organization, and effectively manage life changes and difficulties, for example, tormenting and separation.

In another examination, Koku (2017) declares that citizenship value is a panacea for financial and political shakiness in Nigeria, ranges from capturing; joblessness, militancy, the Boko Haram, Herdsmen and ranchers conflicts, ethnic strict clashes, discretionary and post-political race viciousness, and politically spurred killings.

Research Question 2: To what extent do the College of Education students prefer each of the citizenship values?

Table 2: College of Education Students' Preferences for citizenship values			
S/N	Item	Mean ($\bar{X}$)	Rank Order
1	Honesty	2.17	10th
2	Responsibility	4.54	8th
3	Discipline	3.54	9th
4	Respect for others	5.04	7th
5	Contentment	5.52	6th
6	Openness/Transparency	6.97	3rd
7	Obedience to law	6.26	4th
8	Kindness	5.59	5th
9	Patriotism	7.79	1st
10	Justice/Fairplay	7.46	2nd
	Grand mean ($\bar{X}$)	5.49	

Table 2 shows the mean scores for inclination/significance appended to every one of the ten segments of the citizenship esteems. From the Table 2, it tends to be gathered that School of Training understudies have the most noteworthy incentive for Nationalism ($\bar{X}$ = 7.79, Position = first) and it is firmly trailed by equity/fair play, ($\bar{X}$ = 7.76, Position = second) while Genuineness ($\bar{X}$= 2.17, Position = tenth) got minimal inclination from the understudies. The stupendous mean score of the inclination for generally speaking citizenship esteems by the understudies was 5.49 which is better than expected (5.00), it can in this manner be inferred that the School of Training understudies have a positive inclination for all the 10 citizenship values.

The ramifications of this discovering is that usage of citizenship training educational program in every single instructive level will help the nation to conquer its issue disorder and accomplish vision 2030 of Sustainable Development Goals (SDGs).

Testing of Hypothesis

Citizenship esteems have ten unique segments (honesty, responsibility, discipline, respect, contentment, openness, obedience, kindness, patriotism and justice). Trial of speculation was completed for every one of the ten parts just as the general citizenship esteems. All the tests were directed at 0.05 degree of significant.

Ho1: There is no significant difference in the perceived citizenship values of male and female students of the Colleges of Education in South West.

The demographic characteristics of the College of Education students are shown in table 3 while table 4 shows the result of hypothesis testing.

Table 3: Distribution of Gender of College of Education Students in South West, Nigeria		
Gender	Frequency	Percent
Female	700	43.3
Male	748	51.7
Total	1448	100.0

Table 3 shows that out of 1448 college of education students sampled, 700 (48.3%) were females and 748 (51.7%) were males respectively.

Table 4: T-test of Differences in the Perceived Citizenship Values of Male and Female Students of College of Education

Gender	Honesty	Responsibility	Discipline	Respect	Contentment	Openness	Obedience	Kindness	Patriotism	Justice	Citizenship values
Female (700)	56.97 ±18.76	63.85±11.69	61.46±17.23	66.80±14.13	65.23±15.25	62.43±18.16	71.42±20.58	54.75±22.77	66.23±14.62	61.06±15.66	63.03±7.81
Male (748)	57.58±19.14	62.34±12.58	60.73±17.46	65.57±14.53	65.02±16.04	61.71±18.08	68.81±21.43	57.54±23.41	66.58±14.89	60.81±16.01	62.69±8.33
T-test	t(1446)=0.809 p-value = 0.419	t(1446) = 2.357 p-value= 0.019	t(1446) = 0.806 p-value = 0.420	t(1446) = 1.622 P –value = 0.105	t(1446) = 0.267 p-value = 0.789	t(1446) = 0.749 p-value = 0.454	t(1446) = 2.362 p-value = 0.018	t(1446) = 2.298 p-value = 0.022	t(1446) = 0.391 p-value 0.696	t(1446) = 0.304 p-value = 0.761	t(1446) = 0.791 p-value = 0.429
Decision	Accept Ho	Reject Ho	Accept Ho	Accept Ho	Accept Ho	Accept Ho	Reject Ho	Reject Ho	Accept Ho	Accept Ho	Accept Ho

Table 4 gives the result of testing for a significant difference in male and female College of Education students' citizenship values. From the Table, female students have higher mean value in responsibility (63.85±11.69) compared with male students (62.34±12.58), t(1446) = 2.357, p-value = 0.019: the null hypothesis that states there is no significant difference in the perceived citizenship values of male and female students of College of Education was therefore rejected i.e. there was a significant difference. For obedience, female students have a higher mean (71.42±20.58) when compared with male students (68.81±21.43), t(1446) = 2.362, p-value = 0.018: the null hypothesis value was also rejected. On the other hand male students have significantly higher values for kindness (57.54± 23.42) compared with females students (54.75± 22.77), t(1446) = 2.298, p-value = 0.022: the null hypothesis was also rejected. The other seven components, as well as the overall citizenship values, were not significantly different between male and female students (p-values > 0.05). Therefore it can be concluded that there was no significant difference in the perceived citizenship values between male and female students. This implies that the gender (sex) of the students did not have a significant influence on how they perceived citizenship values.

CONCLUSION

In light of the discoveries of this examination, the accompanying ends can be drawn. The outcomes are anyway characteristic of the way that citizenship education is distinguished as a significant subject for encouraging citizenship values. Citizenship estimations of the College of Education students are fit for being impacted emphatically through citizenship training. In this manner, it was inferred that citizenship instruction has possibilities of improving the citizenship estimations of students for national advancement. Thusly, endeavors ought to be made to see that students are presented to fitting learning encounters and exercises that can assist them with creating and show all the citizenship values.

RECOMMENDATIONS

In light of the discoveries and finishes of this examination, the investigation suggested that the College of Education instructors should grasp the showing technique for "do and educate" (an excellent good example) in educating and learning process with the goal that these qualities will govern the lives of the students for eternity. This strategy will be made known to different partners in the instruction. School of training students ought to be urged to create and show all the citizenship values particularly in the zone of trustworthiness through model and practice of what had been realized and soaked up.

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Do Oil Price and Institutional Quality Matter for Dividend Policy in Nigeria?

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The study investigates the impact of oil price, institutional quality (proxied by corruption and legal environment) and firm-implicit elements on the dividend policy of listed Nigerian companies for a period of 2001-2016. System-GMM analysis was used in the estimation process and findings revealed that oil price, quality of institutions and firm-inherent drivers play significant roles in firms' dividend decisions. Oil price, institutional quality and firm-implicit variables exerted statistically significant influence on dividend per share. This study thus suggests, that prevailing institutional and macro-economic conditions should be considered when making dividend policy decisions and that the nation's high corruption index poses great threats to dividend behaviors of Nigerian corporate life.

Key Words: *Dividend per share, Corruption, Legal System, Generalized Moment method, Oil Price Volatility, Nigeria.*

INTRODUCTION

The issues surrounding dividend puzzle have been an on-going research problem with the revolutionary thesis of scholars like Modigliani and Miller (1958; 1961); Litner (1956; 1961); Gordon (1959) on the subject matter. These have, therefore, given rise to many controversial research issues and questions and the responses and reactions are still mixed and unrequited till date in the extant literature. Various factors driving dividend pay-out policy have been advanced but there has never been a common ground as to the actual drivers of dividend dynamics. For instance, studies revealed that performance exerts significant and upward influence on dividend policy (Batool & Javid, 2014; Aqel, 2016; Kajola et al., 2015; Nuhu, 2014). Others revealed a significant negative influence (Zhoa, 2014) while some also reported absence of significant impact between these two variables (Rafique, 2012) all of which depict relatively conflicting positions as to the effect of dividend policy on performance.

Divergences in empirical facts were also noticeable on the influence of size and dividend. While some studies reported a momentous association between size and dividend policy (Rafique, 2012; Komrattanapanya & Suntrauk, 2013; Kajola &

Desu, 2015; Batool & Javid, 2014), others reported a trivial relationship (Sanicki, 2009; Aqel, 2014; Fairchild et al., 2014). These empirical controversies may be as a result of the different periods in which the studies were carried out and besides, most of the scholarly works were done across countries with a considerable different business environment.

Despite the abounding extant studies on the drivers of corporate dividend decisions, it has been severally debated that there is absence of wide-ranging opinions on what factors actually influence dividend policy (Patra et al., 2012; Elyansiani et al., 2019). The reasons advanced for these divergent opinions have been ascribed to the attempts and inclinations by scholars and financial economists to develop a universal description on the factors driving pay-out policy in all markets regardless of the facts that dividend decisions are sensitive to various firms' characteristics, divergent corporate governance, legal and political environments (Baker et al., 2016).

Recently, another trend of empirical studies has emerged, which described and investigated macroeconomic and institutional quality factors as other major constraints to corporate dividend decisions in an organisation. It was argued that corporate organisations also operate within the macroeconomic milieus and institutional framework in which the companies have little or no control over. Hence, it is generally understood that a good insight into the dynamics of the macroeconomic forces also account for effective and sound corporate dividend decisions of the firm. Therefore, the roles of external forces such as macroeconomic and institutional quality are part of the challenging issues financial managers will need to contend with, when faced with the decision of choosing the appropriate dividend policy the firm should pursue.

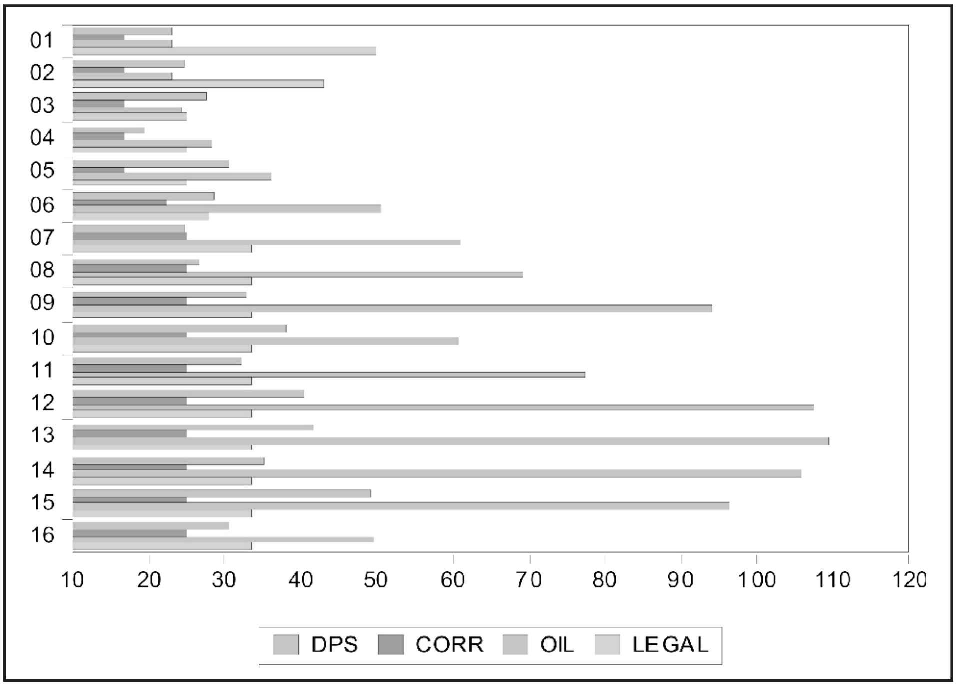
This work is therefore motivated by three significant factors. First, most studies on dividend decisions are carried out in developed markets, although, with some few attentions in emerging markets (Baker et al., 2017). This has therefore raised important and salient concerns as to the validity and relevance of the issues addressed, hypothetical and pragmatic conclusions deduced in the advanced economies to emerging markets like Nigeria given the differences in dividend decisions between the two distinct markets which may stem from such factors as political and social uncertainty, harsh economic conditions, bearish hold of the stock market, weaker corporate governance, poor laws and regulations, differences in ownership structures, and the intensity of information asymmetry (Aivazian et al. 2003; La Porta et al., 2000; Imran et al., 2013; Elyasian et al., 2019).

Secondly, most Nigerian studies only examined firms' implicit determinants of dividend policy (e.g. Kajola et al., 2015; Simon-Oke & Ologunwa, 2016; Turakpe & Legaaga, 2017; Uwuigbe, 2013), with little or no known attentions on the outcome of external influences on corporate dividend decisions in Nigeria. Moreover, the existing works (excluding Nigeria) have documented the impact of diverse macro variables such as GDP, consumer price index, unemployment and money supply. None of these studies identified the role of oil price volatility vis-à-vis corporate dividend decisions, apart from Abdulrahman (2018) who examined the role of oil price volatility in Gulf Cooperation Council market in Saudi Arabia. Hence, the argument of oil price volatility is not only green, it has not been well documented in the extant literature.

The motivation behind including oil price volatility as one of the external drivers in Nigerian market is born out of the fact that macroeconomic environment in Nigeria is driven and dominated by oil prices as it currently forms the major source of government revenue and foreign exchange earnings. At the moment, exports of crude oil are approximately 90% of foreign exchange reserves and 80% of the government revenue (Moses et al., 2015; Apanisile & Olayiwola, 2019). Additionally, institutional quality factors are also included so as to decipher their roles in swaying firms' dividend decision, as it is argued in the extant literature that institutional quality factors play significant roles in the financial behaviours and major corporate decisions of the firms (Rihab, 2012; Katagiri,2014).

Figure1 shows the trend of dividend per share, oil price, legal system and corruptions. The graph on figure 1 reveal that as oil price increases gradually from early 2001, dividend per share increased proportionately up till year 2003 and fell drastically in year 2003 which may be in response to the drastic fall in oil price as from 2002 to year 2003. Dividend per share began to rise as from 2004 correspondingly in relation to the rise in the oil price and then fell drastically as from 2015 to 2016 also with the drastic fall in oil prices.

Furthermore, an increase in dividend per share all over the period was observable as legal system wane from 2001 to 2016, while dividend per share increase proportionately with the increase in the corruption index throughout the study period as depicted in figure 1. These therefore imply that oil price volatility and legal system play crucial role in driving the dividend policy of quoted Nigerian firms.



Source: Authors' Design, 2019.

Figure 1: Trend of Corruption, Legal System, Oil Price and Dividend

Finally, unlike Farooq and Ahmed (2019), Alhassan, (2018), Aderemi (2014), Ifuero and Iyobosa (2016) among others, this study employed a system generalized method of moment estimator anticipated by Arellano and Bover (1995) and advanced by Blundell and Bond (1998) as a robustness technique because it deals with the issues of omitted variables, problem of endogeneity, simultaneity issues and problem of heteroscedasticity which is associated with econometric techniques such as Pooled OLS, Fixed effects and random effect models and if these issues and problems are not taken care of, may give a spurious results and also subsequently lead to distorted corporate and business policy .

Thus, the goal of this paper is to investigate the impact of macroeconomic and institutional factors in driving the firm's dividend policy in Nigeria with a considerable prominence on the volatility of oil prices as the main variable in the macro-economic milieu and institutional quality factors while firm-inherent features are taken as control variables. In achieving this set objective, the study uses 80 quoted firms (both financial and non-financial) on the Nigeria Stock Exchange between 2001 and 2016.

LITERATURE REVIEW

Theoretical issues

There have been close but unclear connections in the extant literature as to the main factors driving corporate dividend policy in an organization. Therefore, in an effort to provide a clear-cutexplanation on these issues, several theories have been proposed by different scholars, trying to explain and proffer a lasting panacea to the age long puzzlesurrounding dividend policy research. The positions of scholars on the driving force of dividend policy in an organization usually revolve round four major theories: dividend relevance theory, dividend irrelevance theory, signaling hypothesis and the agency theory. Dividend relevance theory could be traced to the work of Williams (1938) and supported by Graham and Dodd (1951), Godon (1959) and Walter (1963). The theory explains that frequent payment of dividend may serve as an excellent indicator to investors that a firm is doing well. This serves as a means of firms' appraisal based on performance. Dividend irrelevance theory of Miller and Modigliani (1961) pointed out that the value of the firm is solely determined by the investment pattern and risk, and also the decision to either distribute earnings as dividends or to plough back earnings for business growth and expansion has nothing to do with the value of the firms (Gitmen & Zutter, 2012; Lindema, 2016).This, therefore, implies that investors are indifferent as to whether they got dividends from the company now or the management decides to retain profits for capital gains.This theory has been criticized for its assumption of a perfect market.

Signaling hypothesis proposed by Bhattacharya (1979), John and Williams (1985) and Miller and Rock (1985) suggests that firms use dividend payouts to convey information to investors and other principal stakeholders about the future prospect of the company, considering the fact that management of the companies possess more information about the firms than investors and other stakeholders (Nuhu, 2014; Bodgen, 2010). The signaling theory has been analyzed by several scholars and it has been revealed that unequal access to vital information by managers and shareholders permits managers to use dividends as tools to convey information about the firms' potentials and performance to investors and other principal stakeholders (Hearly & Palepu, 1988; Muretefu & Ouma, 2012; Al-Kuwari, 2009). Agency theory, however, provides the foundation for considering the relationship existing among stakeholders in corporation, the separation of interest that may arise from such relationships and the possible corrective measures needed to combat this divergence of interest (Akinlo &Olayiwola, 2017). Agency cost thus arises due to the conflict of interest between shareholders and management (Kamal, Rana & Wojond, 2013). Thus, the theory suggested that increasing dividend payout is one of the ways of reducing agency cost and problems. Payment of higher dividends reduces the amount of funds available for perquisite and private company, thus (Easter brook, 1984; Rozeff, 1982), payment of dividend is also a way of monitoring and evaluating theperformance of managers in an organisation for the reporting year.

Empirical literature

Several empirical studies have emerged explaining why and what firms' specific factors drive dividend policy of the firm. Their major submission is that firms' characteristics such as size, leverage, retention ratio, profitability among others correlate with dividend pay-out ratio (Easter Book, 1984; Eriotis, 2005; Choi, et.al, 2005; Megginson, 2006; Lily et al., 2007; Malombe, 2008; Chan et al., 2009). In addition, Chai (2010) show that foreign ownership influences dividend decision of firms in Korean industry after using agency theory as a basis. The study of Mirza and Afza (2010) in Pakistani show that managerial ownership, cash flow sensitivity and institutional ownership significantly correlate with dividend paying behaviour of firms. Naimat (2011) also discovers that earnings and liquidity influence dividend decision. Faris Al- Shubiri (2011) analyses that growth opportunity affects dividend policy.

Using London and Paris stock market, Georgiana (2012) shows that dividend policy is affected when a firm has ownership structure with diverse backgrounds. He also discusses that macroeconomic, environment and institutional factors affect dividend policy. Nang (2012) reveals that sale growth and leverage affect firm dividend decision while El-Shaddy et al. (2012) show that managerial perception influences firms' dividend policy in Kuwait. Other studies that empirically show that firm characteristics and environmental factors influence firms' dividend pay-out policy include: Bremberger et al. (2013), Ebenezer (2013), Wanjiru (2013) , Al-Hassan et al. (2013), Nuhu (2014), Nuhu et al. (2014), Nabaraj (2014), Khoury and Maladjian (2014), Lashgari and Ahmadi (2014) Claudiu and Marilen (2014), Iturriaga and Martin (2015), Awad (2015), Nurul et al. (2016) Echchabi and Azouzi (2016), Santanu (2017), Nishant (2017).

The study of Abdulrahman (2018) empirically analyses how oil price affects firms' investment and dividend policy using 356 firms in Gulf Cooperation Council market for a period of 2005-2015. He discovers that oil price volatility has a negative impact on investment and decision on dividend pay-out. The recent study of Elyas et al. (2019) in Iran reveals that market to book ratio does not influence dividend pay-out of firms while business risk and firm performance correlate significantly on dividend decision likewise Justyna et al. (2019) provide almost the same submission. Farouq and Ahmed (2019) examine the sensitivity of dividend policy to macroeconomic policies (fiscal and monetary policy) and rational security policy in USA for a period of 1996-2016. Using OLS, they discover that these policies influence the dividend decisions of firms

In relation to Nigerian context, there are studies that examine how firms' specific factors affect dividend policy while neglecting the impact of institutional environment. In addition, no study has made an attempt to investigate the role of oil price in firms 'dividend decision making in Nigeria. For instance, the work of Uwuigbe (2013) evaluates the how dividend policy is being influenced by firms' specific factors for a period of

2006-2011. Using OLS estimation technique, he shows that financial performance, firms' size and board independence affect firm's decision. Adediran and Alade (2013) reveal that financial performance affect firm dividend decision while Ajide and Aderemi (2014) show that earnings management has positive effect on dividend policy Abiola (2014) documents that policy on dividend serves as a tool for growth and expansion of business in Nigeria.

There are studies that also look at stock price effect on dividend decision in Nigeria. These studies include Oyinlola and Ajeigbe (2014), Matthew, Innocent and Mike (2014), Ojeme et al. (2015), Benjamin (2015), Maude et al. (2015), Akanni and Sweneme (2016). Their regression results show that dividend policy is significantly influenced by market price and value. Sulaiman and Migiro (2015) reveals that stock price volatility significantly impacts dividend policy in Nigeria. Moreover, Ifuero and Iyobosa (2016) analyse that earnings of firm correlates with Nigerian firms' decision on dividend. Furthermore, the study of Ugwuegbe and Ezeaku (2016) shows that broad interest of ownership structure influences firm dividend policy. Omoreige and Eromosele (2016) show that pay-out policy impact on shareholders' wealth is significant after considering panel data of firms for a period of 2010-2014. It is worth of note that most of these studies have common problems of omitted variables, endogeneity and simultaneity which is traced out from the use of OLS and random effect leading to an upward biasedness.

In our study, we take care of problems of omitted variables, endogeneity and simultaneity. In addition, we examine the role of oil price, institutional and macroeconomic environment in firms' dividend policy in Nigeria. This is because the macro economic environment of a nation is usually driven by her fiscal and monetary policies (Gajurel, 2006). The fiscal environment for instance, determines the spending pattern of the government, while the monetary policy defines the rate of interest which will invariably sway the financial decisions of corporate organisation thereafter. It would be a scholarly contribution to consider these variables and provide their empirical effect on firm dividend decision in Nigeria.

METHODS

In order to achieve the main objective of this study, we employ a panel data of 80 financial and non-financial firms for a period of 2001-2016. Our sources of data on firms specific variables of listed firms in Nigerian stock exchange are drawn from individual annual financial statement, data on macroeconomic variables are sourced from World Bank Development database and Central Bank of Nigeria (CBN) statistical bulletin while data on corruption index and legal environment proxied by Law and order are sourced from International Country Risk Guide.

Model Specification and Estimation Techniques

The empirical model for the study is hereby specified:

$$Y_{it} = \varphi_{it} + \psi X_{it} + \beta Z_{it} + \in_{it} \quad (1)$$

Where X represents the vector of the independent variables and Z is the vector of the control variables, φ_{it} is the intercept and $\in_{it}$ is the white noise error term. Y_{it} represents the dependent variable which is the corporate dividend pay-out, and it is proxy by dividend per share.

Hence, specifying this model in explicit terms we have:

$$\text{In}(DIV_{it}) = \text{In}(\varphi_{it}) + \text{In}\beta_1(Oil_t) + \text{In}\ \beta_2(GDP_t) + \text{In}\ \beta_3(Cor_t) + \text{In}\ \beta_4(INF_t) + \text{In}\ \beta_5(Exc_t) + \text{In}\ \beta_6(Legal_t) + \text{In}\ \beta_7(k_{it}) + \text{In}\ \beta_8(Z_{it}) \quad (2)$$

Also, in order to bring in the control variables for this study, $In(Z_{it})$ will also be decomposed into three (3) components. Decomposing $In(Z_{it})$, we obtain:

$$In(Z_{it}) = In(Agc_{it}) + In(Lev_{it}) + In(Prof_{it}) \quad (3)$$

By substituting also equation (3) into equation (2) it then becomes:

$$In(DIV_{it}) = In(\varphi_{it}) + In\ \beta_1(Oil_{it}) + In\ \beta_2(GDP_t) + In\ \beta_3(Cor_t) + In\ \beta_4(INF_t) + In\ \beta_5(Exc_t) + In\ \beta_6(Legal_t) + In\ \beta_7(k_{it}) + In\ \beta_8(Agc_{it}) + In\ \beta_9(Lev_{it}) + In\ \beta_{10}(Prof_{it}) \quad (4)$$

Where (DIV_{it}) = Firm's corporate dividend; φ_{it} = Intercept; $\ln(DIV_{-1})_{it}$ = Lagged value of dividend; Oil_t = Oil Price; GDP_t = Gross Domestic Product; COR_t = Corruption Index; INF_t = Inflation Rate; EXC_t = Real Effective Exchange Rate; $Legal_t$ = Legal environment; k_t = Capital; Agc_{it} = Agency cost; Lev_{it} = Firm's Leverage; $Prof_{it}$= Profitability; $\in_{it}$ = Error Term.

a-priori Expectations: α, β_1, β_2, β_6, β_9, β_{10},> 0; β_3, β_4, β_5, β_7, β_8,<0.

On analytical techniques, we select the appropriate model between Random effect and Fixed Effect via Hausman test. In order to estimate dynamic relationship and to take care of potential

Problem of endogeneity we further estimate the model via System Generalised Method of Momment (GMM).

RESULTS AND DISCUSSIONS

Preliminary Tests

(a) Descriptive Statistics of data series of total sampled companies

In Table, we report the descriptive statistics of the data. The mean of leverage is relatively small throughout the study period as it stood at 0.624%. That of dividend stood at 1.04% also signifying that the instability in dividend per share is minimal throughout the period covered. The standard deviations are largely small, indicating that nonconformities of the actual data from the statistical values of mean are insignificant. Nevertheless, the value of the standard deviation of oil price was 24.49 showing volatility when likened with other variables.

(b) Correlation Analysis

The probable extent and the direction of association among the variables of study are presented in the Table 2. Table 2 presents the correlation matrix among variables of sample listed companies (both financial and non-financial)The table depicts the correlation coefficient and the directions of the connection amongst the variables of total sampled companies. Inflation and leverage show a negative association with dividend per share,

Table 1. Descriptive Statistics of Data Series of Total Sampled Quoted Companies

	CORR	DPS	EXC	GDP	GFCF	INF	LEGAL	LEV	LGE	OIL	ROA
Mean	22.86885	1.044003	97.87476	4.97E+13	6.62E+12	11.95891	31.90440	0.624832	19.77159	65.71682	8.195493
Median	25.00000	0.536643	99.25265	5.14E+13	7.96E+12	11.57798	33.33000	0.639926	19.00000	61.00000	5.560000
Maximum	25.00000	12.11687	127.4612	6.98E+13	1.06E+13	18.87365	43.06000	3.868300	53.00000	109.4500	99.16000
Minimum	16.67000	0.000000	72.77419	2.47E+13	2.14E+12	5.382224	25.00000	0.000000	0.000000	23.12000	-50.73000
Std. Dev.	3.495892	1.331486	17.62342	1.45E+13	2.96E+12	3.558555	4.179582	0.286768	12.73341	29.49867	10.63186
Observations	1204	1204	1204	1204	1204	1204	1204	1204	1204	1204	1204

Source: Author's Computation, 2019.

while other study variables reveal a positive association with dividend per share. Generally, the correlation coefficients are within the toleration rate for the purpose of regression analysis in this study.

(c) Unit Root Test

The unit root test became essential for this research because of the time series data involved. A major challenge associated with time series data is it nature of non-stationarity. If this is not taken into consideration in the estimation process, it may lead to bias and bogus regression results with grave adverse implications on both public and business policies. Hence, unit root tests are also carried out for the study variables for the total sampled companies, financial and non-financial companies respectively.

The two-panel unit root test methods employed therefore are Levine et al. and Im et al. Their results are presented in table 3 both with trends and without trend. Results as presented on table 3 reveal that all the variables are stationary at levels. However, the measure of performance (proxied by ROA) is stationary at first difference.

Therefore, this study rejects the null hypothesis of unit root.

Table 2 Correlation Matrix of Sampled Total Quoted Companies

	CORR	DPS	EXC	GDP	GFCF	INF	LEGAL	LEV	LGE	OIL	ROA
CORR	1.000000										
DPS	0.107136	1.000000									
	(0.0002) *	-----									
EXC	0.750423	0.128261	1.000000								
	(0.0000) *	(0.0000) *	-----								
GDP	0.812799	0.130057	0.948408	1.000000							
	(0.0000) *	(0.0000) *	(0.0000) *	-----							
GFCF	0.762553	0.128430	0.909574	0.952417	1.000000						
	(0.0000) *	(0.0000) *	(0.0000) *	(0.0000) *	-----						
INF	-0.568148	-0.069081	-0.455222	-0.433694	-0.463023	1.000000					
	(0.0000) *	(0.0165) ***	(0.0000) *	(0.0000) *	(0.0000) *	-----					
LEGAL	0.468625	0.051519	0.409690	0.346146	0.375486	-0.134724	1.000000				
	(0.0000) *	(0.0739) ***	(0.0000) *	(0.0000) *	(0.0000) *	(0.0000) *	-----				
LEV	0.032220	-0.040391	0.022795	0.044735	0.020496	-0.061355	-0.126340	1.000000			
	(0.2639)	(0.1613)	(0.4294)	(0.1208)	(0.4774)	(0.0333) **	(0.0000) *	-----			
LGE	0.248016	0.045042	0.309840	0.321791	0.312861	-0.131129	0.096392	0.031990	1.000000		
	(0.0000) *	(0.1183)	(0.0000) *	(0.0000) *	(0.0000) *	(0.0000) *	(0.0008) *	(0.2674)	-----		
OIL	0.733887	0.122619	0.610199	0.640920	0.616666	-0.517242	0.329857	0.034704	0.188885	1.000000	
	(0.0000) *	(0.0000) *	(0.0000) *	(0.0000) *	(0.0000) *	(0.0000) *	(0.0000) *	(0.2289)	(0.0000) *	-----	
ROA	-0.166762	0.016573	-0.157274	-0.182649	-0.158812	0.111838	0.030762	-0.091892	0.228592	-0.129592	1.000000
	(0.0000) *	(0.5656)	(0.0000) *	(0.0000) *	(0.0000) *	(0.0001) *	(0.2862)	(0.0014) *	(0.0000) *	(0.0000) *	-----

, ** and * means significance at 1%, 5% and 10% respectively.*

Source: Author's Computation, 2019.

Table 3 Unit Root Test of Total Sampled Companies

**1% level of significance.*

	Levine et, al.			Im et, al.		
Variables	**With Trend**	**Without trend**	**Level**	**With Trend**	**Without Trend**	**Levels**
Corr	-23.6106 (0.0000)*	-18.124 (0.0000)*	I(0)	-9.03299 (0.0000)*	-8.38977 (0.0000)*	I(0)
Dps	-11.1672 (0.0000)*	-13.401 (0.0000)*	I(0)	-10.5839 (0.0000)*	-14.7168 (0.0000)*	I(0)
Exc	-27.7657 (0.0000)*	-11.3832 (0.0000)*	I(0)	-6.74372 (0.0000)*	-5.1417 (0.0000)*	I(0)
GDP	-35.0289 (0.0000)*	-9.50923 (0.0000)*	I(0)	-23.0293 (0.0000)*	-14.5041 (0.0000)*	I(0)
GFCF	-20.2622 (0.0000)*	-23.3545 (0.0000)*	I(0)	-10.4697 (0.0000)*	-18.1108 (0.0000)*	I(0)
INF	-7.05662 (0.0000)*	-11.5685 (0.0000)*	I(0)	-6.35514 (0.0000)*	-12.2461 (0.0000)*	I(0)
LEGAL	-37.7295 (0.0000)*	-34.7797 (0.0000)*	I(0)	-5.3006 (0.0000)*	-6.80497 (0.0000)*	I(0)
LEV	-6.98952 (0.0000)*	-13.1306 (0.0000)*	I(0)	-12.0329 (0.0000)*	-17.9057 (0.0000)*	I(0)
LGE	-6.84782 (0.0000)*	-3.32122 (0.0000)*	I(0)	-7.1401 (0.0000)*	-1.91401 (0.0000)*	I(0)
OIL	-12.206 (0.0000)*	-7.76394 (0.0000)*	I(0)	-3.48068 (0.0000)*	- 2.96737 (0.0000)*	I(0)
ROA	-4.71727 (0.0000)*	-10.3728 (0.0000)*	I(1)	-5.83405 (0.0000)*	-13.9415 (0.0000)*	I(1)

Source: Author's Computation, 2019

Estimations and Discussion of Findings

The pooled OLS results as portrayed on Table 4, showed that corruption index, legal system and listing age negatively influence dividend per share. Corruption index, listing age, and the legal system are not significant at any conventional level. The exchange rate, volatility of oil price and return on asset exerted significant positive influence on dividend per share while exchanged rate and oil price are significant at 5% level respectively. The implications of all these were that as the perceived corruption index of the society increases, the Directors and management of Nigerian companies distribute lesser dividend to the shareholders. On the surface, it may imply that companies decided to plough back funds to ensure long term stability and expansion, but digging deep, it may mean that enough funds would be available for perquisites, private consumption and boardroom squabbles and may also escalate the agency problem as argued by Jensen and Meckling (1976). Also, listing age exerted a significantly negative influence on dividend per share, the implication of which is that matured companies on the stock exchange focused more on market dominance and financing investment opportunities through reserves and retained earnings other than constant distribution of dividend while newly listed companies concentrated more on dividend distribution as a way of creating good image about the company to investors and other market participants.

The impact of exchange rate on dividend per share was a positive one and also significant at 10% level of significance, this implies that as the exchange rate of the nation's currency increases, the companies' investors (especially the local investors) began to request for an increase in rate of return on their investment so as to advance their purchasing power. The effect of oil price and dividend per share is also direct and significant at 10% level. This suggests an advanced influx of funds due to increase in government revenue in the macro-economic environment which in turn positively influence the business performance as there would be a conducive environment for business to operate this then led to higher tendency of corporate organisations in Nigeria to distribute more funds as dividends to investors. While the influence of corporate performance (proxied by return on asset) on dividend per share was positive and significant at 1% which also implies that higher performance encouraged companies in Nigeria to distribute more dividends to shareholders. The results of Pooled OLS also revealed that GDP, GFCF and inflation rate had positive influence on dividend per share but not significant at all conventional levels. Moreover, the results of AR (-1) and AR (-2) show that there is no serial correlation in the estimation.

The results of REM also on table 4 revealed that corruption, legal system and leverage showed a negative impact on dividend per share. This result is consistent with that of pooled OLS, only that legal system is not significant at any conventional level.

Random effect results also showed that exchange rate, GDP, GFCF, inflation rate, listing age volatility of oil prices and return on assets wielded positive influence on dividend per share. However, GDP, exchange rate, GFCF, and inflation rate are also not significant at any conventional level. Listing age and oil price are significant at 10% level while return on asset is significant at 5% level.

This research work chose GMM as the robustness check due to its advantages of accounting for heteroscedasticity and eliminating any trace of serial correlation (Jerome et al., 2019). The outcomes of GMM revealed that all macro, institutional quality and firm-inherent variables have overwhelming impact on dividend per share at 1% level of significance. These findings supported the work of Wanjiru (2013) that macro-economic factors have weighty influence on firms' choices of dividend policy. Variables like previous year's dividend (0.0798) (proxy by lag of dividend per share in the dynamic model), GDP (5.114), GFCF (8.524), inflation (0.048), legal system (0.0063), volatility of oil prices (0.016) and return on asset (0.05) have direct and substantial effect on dividend per share of quoted companies in Nigeria.

This points toward the fact that the higher the influx of fund as a consequence of intensification in government revenue in the macro-economic environment, the greater the inclination of corporate firms in Nigeria to distribute cash dividends to shareholders. This is so because the business environments in which Nigerian companies operated appeared conducive and favorably affected the performance of the companies thereby encouraging companies' directors and managements to declare and distribute enough earnings as dividends. A similar cryptogram is applicable for the growth rate in the output of the country. As the level of output increased in the country, the propensity of corporate organisations to follow active dividend policy also increased. The inflation and oil price volatility results were consistent for all the three estimation techniques, only that the results of GMM were significant at 1% level while, oil price for pooled OLS and random effect were significant at 10% and that of inflation not significant at conventional levels.

GMM results showed that 1 unit increase in inflation will lead to a proportionate increase in dividend by 0.048 unit. Companies increases dividend payout as image creating potentials at the period the economic is not performing fairly well may be to send signal to the capital markets that the company is in total control of the business operations despite the economic shock. Also, results revealed that a unit increase in the legal system positively increases dividend payout by0.063 unit, implying that as the laws protecting consumers, investors and also the rule of law in the country becomes more effective, directors and management of companies are more likely to increase dividend payout, so as to reduce any form of agency conflict between managers and shareholders of Nigerian companies. Results also showed that a unit increase in return on asset significantly increase dividend payout by 0.05 unit indicating that increase in financial performance of the firm will encourage management of companies to distribute more dividends to shareholders.

Furthermore, GMM results showed that corruption (-0.084), exchange rate (-0.028), leverage (-0.528) and listing age (-0.292) have negative and significant effects on dividend per share of quoted Nigerian companies. This indicated that 1% increase in corruption index will diminish dividend payout by 0.084 unit. This clearly showed that the perceived corruption index is harmful to

Table 4Estimates of Panel Data for Total Sampled Companies (Dependent Variable:Dividend per Share)

Variables	Pooled OLS	Random Effects	GMM
Constant	0.565(1.261)	0.698(1.553)	-
DPS (-1)	-	-	0.0798***(48.946)
Corr	-0.065(1.024)	-0.0119**(-3.637)	-0.084***(-72.314)
EXC	0.029**(2.0979)	0.0112(0.2113)	-0.028***(67.511)
GDP	1.601(2.012)	6.2115(0.5867)	5.114***(58.567)
GFCF	2.481(0.468)	2.114(0.6533)	8.524***(35.768)
INF	0.0017(0.867)	0.0018(0.1667)	0.048***(72.674)
LEGAL	-0.0167(-0.661)	-0.0451(-0.5231)	0.063***(44.341)
LEV	-0.185(-1.201)	-0.2124*(-4.757)	-0.528***(-41.031)
LGE	-0.041(-0.361)	0.012*(2.138)	-0.292***(-58.118)
OIL	0.377**(2.036)	0.0343*(2.505)	0.016***(12.218)
ROA	0.508*(16.970)	0.0713**(2.169)	0.050***(185.489)
AR (-1)	-	-	0.507***(16.970)
AR (-2)	-	-	0.029(0.34)
R2	0.53	0.47	-
Adjusted R2	0.524	0.432	-
F-Statistics	14.708	15.935	-
Durbin Watson	2.103	1.59	-
Hausman Test	-	0.39	-
J-Statistics	-	-	60.539
No of Observation	1,002	1,204	1,065
Cross Sections Included	80	80	80

**1% level of significance.*
Source: Author's Computation, 2019

companies' image and performance as active and potential investors (most especially foreign investors) may be dissuaded to invest or continue with their investments. It also implied that in a more corrupt society, management of companies use firms' fund as freebie and private consumption and the amount usually distributed as dividend are very low.

A percentage increase in the exchange rate will also lessen the dividend payout by 0.028% and this is because high exchange rate greatly affect the operations of companies and it also hinder the ability of most companies to access raw materials because of the devaluation of the nation's currency. This may subsequently lead most companies (most especially those in the manufacturing industry) to engage in backward integration as alternative source of raw materials that are locally unavailable. This is also an expansion business policy for these companies. Leverage and the age of the company (proxied by listing age) also had negative influence on the dividend payout of the companies. The implication is that companies that are highly geared may be committed to payment of interest to bond holders and may also be prevented by a restrictive covenant issued to the companies by the bond holders to distribute dividend until the agreement in the bond are fully met.

CONCLUSION

This study sought to discuss in a consistent and comprehensible framework, recent theoretical and empirical developments in the analysis of the implicit and external drivers of dividend payout policy of selected quoted companies in Nigeria. The determinants of dividend policy of quoted Nigerian companies which have been subjects of numerous studies, based on different models, samples and types of data have all been discussed in the light of recent experience of a group of studies carried out in Nigeria and beyond (both developed and developing economies).

After thorough survey of the corporate financial literature and despite larger volume of empirical evidences focused on the firm specific determinants of dividend policy of quoted companies, a number of substantive issues have not yet been adequately addressed in the recent literatures. Hence, there are several shortcomings of previous empirical studies with regards to the drivers of firms' dividend dynamics of quoted firms in Nigeria which this study has resolved. For example, there are few research works exploring macro-economic and institutional determinants, using firm specific data as control variables. This gap in the existing literature is important; for without a theoretical basis to relate the afore-mentioned, the empirical findings on the subject matter will still be devoid of some intrinsic aspect which is crucial for business and public policy recommendations. In view of this, the study examined the intrinsic, macroeconomic and institutional drivers of dividend policy of quoted firms in Nigeria from year 2001 to 2016. Results of GMM carried out revealed that macroeconomic factors and institutional quality factors considered are fundamental in driving the dividend policy of quoted companies in Nigeria.

The application of dynamic GMM model in addressing the research problems has been quite instinctive, robust and very appropriate. All variables are significant at 1% level and the diagnostic results reveal that the estimated model is void of any serial correlation problem with valid instruments as shown by J-Statistics, which is over-identified as estimated parameters is less than instruments, while the instruments are also self-sufficient and non-dependent on the stochastic error.

This work therefore concluded that Macroeconomic variables such as Gross Domestic Products (GDP), capital, inflation, oil price volatility and institutional quality variables, that is, legal system, corruption and firm specific (profitability, leverage and listing age) are dominant factors that sway dividend decisions and dynamics in quoted Nigerian companies.

RECOMMENDATIONS

From the findings in this study, the following recommendations are made to ensure better dividend policy decisions in corporate organisations in Nigeria:

i. Results from this work, showed that macroeconomic and institutional variables have positive and significant impact on the dividend per share of the quoted Nigerian companies. Other variables like exchange rate and corruption have negative effects on dividend per share. The policy recommendation in this regard is that Management of corporate organisations in Nigeria should consider prevailing macroeconomic conditions when making choices regarding dividend policy of companies.

ii. Government being the key player in the macroeconomic environments, should endeavor to regulate the macroeconomic indicators through polices, so as to stimulate the economic performance, as these also will create the conducive environment for quoted companies in Nigeria to operate and function efficiently and optimally.

iii. The high corruption index poses threats to dividend policy and investment behaviour of corporate organisations in Nigeria. Therefore, government should also come up with stringent and practicable policies that will reduce the nation's corruption index to its barest minimum.

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Determinants of Export Performance of Selected Commodities in Tanzania: A Panel Regression Analysis

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This paper investigates the determinants of export performance in selected commodities i.e. cash crops in Tanzania using panel regression analysis. The study employed secondary data from several sources including FAO STAT, Ivan Kushnir's Research Center and World Economic Indicators database to examine five cash crops for the period of 1970 to 2012. The paper examines external and internal factors using random effect model. The empirical evidence suggests that export performance of selected cash crops are determined both by internal and external factors such as global prices, real exchange rates and production volume. Therefore, Tanzanian government, practitioners and other beneficiaries should earmark on those factors in order to improve export performance in agricultural products in Tanzania.

Keywords: *Export performance, export determinants, panel regression, commodity export, cash crops, Tanzania*

INTRODUCTION

Tanzanian exports in agricultural products primarily in cash crop have significantly grown in recent years contributing more to foreign currency and helping to manage current account of the government. The exports primarily include commodities like cloves, cotton lint, cashew nuts, pyrethrum, sisal, tea, coffee, and tobacco. Tanzania is agriculture based economy and agriculture sector employs more than three quarter of the labor force of the country (Bigsten and Danielsson, 1999). Agricultural sector in Tanzania is key sector in alleviating poverty in our country. This sector has significant contributions in economic growth, export share, employments and providing raw materials to other sectors like industries and service industries particularly food processing and hotels.

While mining industry started its own share in bringing the forex up, agricultural products dominate the export share and contributions to Gross Domestic Product (GDP). For instance, agricultural sector contributed about twenty six percent to the gross domestic product in Tanzania (URT, 2009). Moreover, agricultural sector contributes significant amount of foreign currencies in Tanzanian economy which is more than sixty percent. Agricultural sector has made remarkable contribution to gross domestic product between 1980 and1995 than the other sectors in Tanzania. Mackay et. al. (1997) pointed out that in 1981-83, real gross domestic product fell by one percent whereas agricultural gross domestic product rose by two percent. Real gross domestic product rose by 2.6 percent and agricultural gross domestic product increased by six percent in 1984-85. Additionally, the study asserted that in 1986 to 1992 agricultural GDP increased by 4.7 percent whereas real GDP rose by 4.2 percent. Agricultural sector contributions to gross domestic product rose from 45 percent in 1980 to 60 percent in 1990 due to favorable policies and climatic conditions (Mackay et al. 1997).

A critical analysis observes that a large portion of the agricultural contributions was coming from agricultural food stuffs rather than agricultural cash crops. Responding to unimpressive contribution of agricultural cash crops in gross domestic products, Tanzania liberalized the trade in 1986 to make the economy competitive in first phase and agricultural products in particular in 1993 in second phase (Bigsten & Danielsson, 1999; Rweyemamu, 2003). While trade liberalization has given competitive edge to few commodities, majority of the cash crops did not perform in export earnings contrary to the expectations (URT, 2010). Since introduction of trade liberalization, Tanzanian agricultural export performance has been a complex and challenging phenomenon as agricultural cash crops contributions to GDP is declining. Adam (2009) found that the agricultural cash crops contributions to gross domestic product decreased tremendously from 57 percent in 1997 to 50 percent in 2000 and 28 percent in 2010 (FAO report 2013). The contribution in 2007 the contribution went down up to 14.6 percent even though in 2008 the contributions slightly improved to 15.6 percent. Agricultural export performance trends have shown a drastic fall over time due to various reasons such as poor climatic conditions and inadequate agricultural inputs deterring the production capacity and ultimately affecting the export performance (Rweyemamu, 2003).

Following the drastic fall in agricultural export performance, there is need to critically examine the determinants of export performance in selected cash crops and analyze the reasons of the fall in the export performance. To remain effective in the research objective and policy suggestions, this paper selected only five agricultural cash crops for study. The study is a panel data research for the period of 1970 to 2012 with cash crops which have significant contribution and offer full length data. The research sample is representative for all cash crops since it contains both perennial and annual crops as well as is more than half of the exported agricultural cash crops. The selected agricultural cash crops are cotton lint, cashew nuts, cloves, tea and coffee. Literature review finds that it is important to examine the main determinants of export performance in selected cash crops to identify the factors of influence in export performance. The outcome is expected to further the researches and help policy making and practitioners to examine determinants to stimulate the export performance of the respective agricultural cash crops.

LITERATURE REVIEW

Primarily, most of the literatures have described the determinants as the factors which influence the export performance. Generally, determinants of export performance are classified into two main categories, internal and external determinants (Gbetnkom & Khan, 2002). Internal determinants are influenced by factors within the country including trade policies, credit on agricultural export, infrastructures, agricultural inputs, production capacity, domestic price, exchange rate, domestic consumptions and producer prices of the commodities (Abolagba et.al 2010; Mouna & Reza, 2001). Studies find that internal factors are vital components in improving the export performance of a country concern (Gbetnkom & Khan, 2002; Abolagba et .al 2010). Evidences also indicate that by improving internal factors such as production capacity, infrastructures and availability of the agricultural inputs helps increasing the export performance while other factors remains constant like weather conditions and domestic consumptions. Similarly, devaluation or depreciation of domestic currency has positive contributions to export performance since it makes the prices of exported commodities cheaper and increases the volume of commodity (Mackay et al. 1997, Abolagba et .al, 2010; Kingu, 2014). Gbetnkom and Khan (2002) stressed that good trade policy results in high export performance of a country and helps improving the supply chain mechanism within a country. .

External determinants are factors such as dynamics of trade partners, terms of trade and elasticity's of the exported agricultural crops, world income and world prices (Gbetnkom & Khan, 2002). Santos-Paulino, 2003 find that when the income of trade partners improves, it also increases the export performance of the commodities. Concurrently, if the world prices shoot up, it encourages more exports than when the prices are low or falling (Santos-Paulino, 2003; Pacheco-Lȯpez, 2004). Some empirical evidences show that export performance are influenced by internal factors (Mesike et .al, 2008; Kingu 2014) whereas few other studies observe that export performances are influenced by external factors (Kusi, 2002; Santos-Paulino, 2003), few studies also find that export performance is influenced by both internal and external determinants (Agasha, 2009, Anwar et .al, 2010; Allaro, 2010). These empirical evidences were produced by various research approaches such as co-integration technique, gravity modeling and panel technique. From these three techniques, co-integration technique is used most frequently in evaluating the determinants of export performance in agricultural products in developing countries (Mouna & Reza, 2001; Majeed & Ahmed, 2006). Mouna and Reza (2001); Majeed and Ahmed (2006); and Hatab et. .al. (2010) found that internal determinants are significant determinants of export performance in Tunisia, Algeria and Morocco, Pakistan and Egypt. Furthermore, Yeboah (2008); Mesike et .al (2008); Abolagba et .al (2010); and Kingu, (2014) conclude that internal determinants are significant factors in promoting export performance of agricultural products in West African countries particularly in Nigeria, Cote d'Ivoire, and Tanzania; and Kusi (2002) finds a positive correlation in external determinants and export performance in South Africa although it was focused on manufacturing products. Countable researches also find that the export performance is influenced by various factors in different countries which are not categorized in internal determinants or external determinants specifically. Agasha (2009); and Anwar et.al (2010) conclude that export performance in Uganda and Pakistan were determined by both internal and external determinants. Similarly, Folawewo and Olakojo (2010); and Allaro (2010) discovered that internal and external determinants were significant factors in influencing export performance in West African countries and Ethiopia respectively. Based on the literature review, this study includes the variables which are scientifically established and have evidence based influence in export performance of the country. Again, the choice is governed by looking at the similarity in geographical position and economic set up of the countries like Uganda and West African countries which has similar setting in terms of economic activities of Tanzania.

RESEARCH METHODOLOGY

Researches in determinants of export performance in agricultural products in developing countries employed the time series data. This study finds that it is imperative to have the pooled regression analysis so as to see if it will bring different results.

Advantages of using panel technique over time series analysis is that panel technique has the ability to control the individual heterogeneity and measure the effects that are simply not detectable in pure cross-section or pure time series data. Additionally, panel technique allows us to construct and test more complicated models than in time series (Pedroni 2004, Marno, 2004; Baltagi, 2005), and thepanel data technique as compared to time series data sets allows the identification of certain parameters or questions, without the need to make restrictive assumptions. It is also considered to be more informative as compared to time series data. Panel technique variables are less collinear than in time series as such panel technique has more degree of freedom and it is more efficient than time series data (Marno, 2004). It is also observed that despite the advantages shown by panel technique, this technique has no power to determine short run and long run relationship among variables as such, and time series remains good for that matter.

In this study, we employ the following modeling to determine the factors which influence the export performance in selected cash crops in Tanzania. All the variables are in natural logarithms. Thus the general model is given as follows:

$$X_{it} = \alpha_i + \beta_1 WP_{it} + \beta_2 Q_{it} + \beta_3 RER_{it} + \varepsilon_{it} \quad \text{...(1)}$$

i=1,…….. , N t=1,………,T.

Where i denote individual crop and t denotes the time index. Individual crops (i) are five cash crops whereas i the time index of forty three years (43). Equally important to note that αi is a scalar, β is (Kx1) of coefficients and the rest are dependent and independent variables. WP is the world price in thousands Tanzania shillings, Q is the production quantity in thousand tones and RER is the real exchange rates (TZS/USD). X is dependent variable, export values of the individual crop.

The paper estimated both fixed effect and random effect regression out of three approaches i.e. pooled regression, fixed effect and random effect and thereafter employs the Hausman test to identify which technique (model) is appropriate being fixed effect or random effect (Baltagi, 2005). The null hypothesis is formulated as follows

H_0: Random effect model is appropriate

H_1: Fixed effect model is appropriate

Decision rule: if p-value is statistically significant (less than 0.05 critical values), then the fixed effect model is implemented, which would mean that null hypothesis is rejected. And if the computed p-value is greater than 0.05 (5%), then null hypothesis will not be rejected

The fixed effect model formulated used is as follows:

$$X_{it} = \alpha_i + \beta_1 WP_{it} + \beta_2 Q_{it} + \beta_3 RER_{it} + \varepsilon_{it} \quad \text{..(2)}$$

It is assumed that all WP_{it}, Q_{it}, and RER_{it} are independent of all ε_{it}. α_i and ε_{it} are constant and error term respectively. ε_{it} is assumed as independently and identically distributed over individuals

Random effect model formulated is as follows:

$$X_{it} = \mu + \beta_1 WP_{it} + \beta_2 Q_{it} + \beta_3 RER_{it} + \alpha_i + \varepsilon_{it} \quad \text{.......................................(3)}$$

Similarly, it is assumed that εit is independently and identically distributed (IID) $(0,\delta^2_\varepsilon)$, αi is independently and identically distributed (IID) $(0, \delta^2_\alpha)$. As defined by Levin et al., 2002; and Pedroni 2004, the variables remain same as those defined in equation (1) in this model.

Panel unit root test

This study followed the similar footsteps as proposed by many studies regarding panel unit root testing. Currently there are number of literatures which exhibit an increasing integration of techniques and ideas from time series analysis like unit roots and co-integration test into the panel data modeling. Pioneers have asserted that cross sectional information are useful additional source of information that should be utilized for improving panel data modeling (Baltagi, 2005). For instance, it will be more fruitful to compare the individual information with other individuals than concentrated on single information over time (Levin et al., 2002; Pedroni 2004; Marno, 2004). Pooling data from different individuals helps to overcome the problem that sample sizes of time series are fairly small as such testing for long run properties could be not powerful. Therefore, this study finds it is crucial to investigate the time series properties of variables which are modeled into a panel data regression modeling. Unit root tests are performed on variables to determine if there are stationary (signifies that, variables have zero mean and constant variance). Unit root test in panel data is done in order to avoid two issues, spurious regression and meaningless regression in regressing two variables or which are of different order of integration, for instance I(0) on I(1) series and improves the modeling of panel data regression. Baltagi (2005) supported the panel based unit root tests and asserted that panel based unit root test is more powerful than unit root tests under individual time series. This study uses EViews for unit root test and this software has the power to compute all the panel unit root tests using Levin, Lin and Chu (2002); Breitung (2000); Im, Pesaran and Shin (2003); Fisher-type tests using ADF & PP tests (Maddala & Wu, 1999; Choi, 2001), and Hadri (2000). Panel unit root tests are based on the restrictions of the autoregressive process across cross section or series such as AR (1).

$$y_{it} = \rho_i y_{it-1} + x_{it}\delta_i + \varepsilon_{it}$$

Where $i=1,2,\ldots\ldots,N$ across section units, $t=1,2,3,\ldots\ldots\ldots.T_i$ denote the period (time). The x_{it} denote the independent variables in the panel data model, ρ_i represent the autoregressive coefficients, ε_{it} is an error term which is assumed to be mutually independent identical disturbance (IID). Decision rule states that if the $|\rho_i|<1$, y_i is said to be stationary whereas if the $|\rho_i|=1$ then yi contains a unit root as such non stationary (Gujarati, 2004). However, these tests have different assumptions. For instance, the Levin, Lin, and Chu (LLC), Breitung, and Hadri tests assume that $\rho_i=\rho$ for all individuals (i) whereas the Fisher-Augmented Dickey Fuller (ADF) and Fisher-Phillip Perron (PP) and Im, Pesaran, and Shin (IPS) tests assume that ρ_i varies freely across cross-sections (Levin et al., 2002; Pedroni 2004; Marno, 2004; Baltagi, 2005). The In this perspective this study employs EViews 7 utilizing the Levin, Lin, and Chu (LLC) test in testing for panel unit root. This test employs basic Augmented Dickey Fuller (ADF) specification as shown below:

$$\Delta y_{it} = \alpha y_{it-1} + \sum_{j=1}^{pi} \beta_{ij} \Delta y_{it-j} + x'_{it}\delta + \varepsilon_{it}$$

Assume a common $\alpha = \rho - 1$. Null and alternative hypotheses formulated as

$$H_0: \alpha = 0$$
$$H_1: \alpha < 0$$

Null hypothesis implies that there is a unit root and alternative hypothesis implies that there is no unit root.

Panel Co-integration Tests

Having established that variables are non stationary or stationary, this study performed a panel co-integration test. Co-integration refers to a linear combination amongst the non stationary series or variables. If the residuals of the non stationary series are stationary then variables are co integrated. This implies that variables that have long relationship as such are good for modeling (its results can be used in predicting future). Similarly, panel co-integration tests have various tests like Pedroni (1999); Pedroni (2004); Kao (1999) and a Fisher-type test using Johansen methodology (Maddala & Wu, 1999; Levin et al., 2002; Pedroni, 2004; Marno, 2004; Baltagi, 2005). The Pedroni and Kao tests are based on Engle-Granger (1987) two-step (residual-based test) for testing co-integration. On the other hand the Fisher test based on a combined Johansen test. For the triangulation purpose this study employs both Pedroni (Engle-Granger based test) and Fisher test that is a combined Johansen test for testing panel co-integration. This is done purposely so as to be able to determine number of co integrating equations under Johansen test since Pedroni (Engle-Granger residuals based test) provided only a single co integrating equation.

ESTIMATIONS OF PANEL REGRESSION MODELS

This study estimated panel unit root and panel co-integration test as pointed out in recent literatures (Baltagi, 2005). Morshed, (2010) insisted testing for panel unit root and co-integration similar to time series analysis so as to facilitate the modeling of the panel regressions analysis. This study performed the panel unit test using Levin, Lin and Chu (LLC) and in panel co-integration test the Pedroni residuals cointegration test and Johansen Fisher panel co-integration test (combined co-integration test) are employed.

Panel unit root test

Panel unit root test employed Levin, Lin and Chu based on common unit root process. The study examined the unit root at individual level and pool unit root test as described below so as to be able to ascertain the results of the individual variable against the pooled unit root if are the similar. Indeed the individual unit root test and pool unit root test provides the similar results as discussed below.

Levin, Lin & Chu (LLC) Unit root test

Levin, Lin and Chu (LLC) unit root test presented in table 4.1 below show that all variables at level are non stationary since the computed probabilities are greater than the critical p-value (0.05) as such failed to reject null of unit root thus variables are integrated of order one I (1). On the other hand, all variables at first difference are stationary since the computed probabilities are significant (less than critical p-value, 0.05) then null hypothesis is rejected i.e. variables have unit root as such variables are integrated of order zero I (0).

Table 4.1: Levin, Lin & Chu (LLC) unit root test results

	AT LEVEL			AT FIRST DIFFERENCE		
Variables	Statistic	Prob.	Order of integration	Statistic	Prob.	Order of integration
LNEXPORT	0.89630	0.8150	I(1)	-10.7708	0.0000	I(0)
LNWP	-1.14162	0.1268	I(1)	-15.3351	0.0000	I(0)
LNRER	0.51560	0.6969	I(1)	-23.6697	0.0000	I(0)
LNQ	-0.25976	0.3975	I(1)	-16.6931	0.0000	I(0)

Levin, Lin & Chu (LLC) pool unit root test summary

This study performed pool panel unit root test at level and at first difference in order to see if the results will be similar to individual level. Section 4.1.2.1 presents the results as shown below.

Pool unit root test at level

Having examined individual test and find that all variables are non stationary at level and stationary at first difference, also the pooled unit root results presented in table 4.2 provide similar results since the computed probability (0.3774) is greater than critical p-value (0.05) as such null hypothesis of unit root is not rejected. Thus pooled unit root result at level affirmed that all variables are non stationary as shown in table below.

Table 4.2 Pool unit root results at level in panel data

Method	Statistic	Prob.
Levin, Lin & Chu (LLC)	-0.31244	0.3774

Pool unit root test at first difference

Similarly at first difference the pooled unit root test results rejected the null hypothesis of unit root (non stationary) and accepted the alternative hypothesis of stationary since the computed probability (0.0000) is less than critical p-value (0.05). Therefore, results presented in table 4.3 below are similar result at first difference in table 4.1 above

Table 4.3 Pool unit root results at first difference in panel data

Method	Statistic	Prob.
Levin, Lin & Chu (LLC)	-11.8923	0.0000

Therefore the unit root test under Levin, Lin and Chu (LLC) both in individual test and pool unit root test have same results that all variables are non stationary at level and stationary at first difference as presented in table 4.1, 4.2 and 4.3 respectively. Thus conclusively all variables are non stationary at level and stationary at first difference in panel unit root test.

Panel Co-integration test

In panel co-integration test the Pedroni residuals co-integration test and Johansen Fisher panel co-integration test popularly known as combined co-integration test are utilized. All these tests suggest that variables have long run relationship as such variables are co integrated.

Pedroni residuals co-integration test

Pedroni residuals co-integration test have seven test statistics which are panel v-statistic, panel rho-statistic, panel PP –statistic, panel ADF-statistic, group rho-statistic, group PP-statistic and group ADF-statistic. All these test statistics provides the evidence about the co-integration amongst the variables. This study tested the following series LNEXPORT, LNWP, LNRER and LNQ as shown in table 4.4. Pedroni residuals co-integration test mostly based on 5 percent level of significance in testing for hypothesis. Decision criteria state that if the computed probability is less than critical p-value (0.05) or computed probability is significant then null of no co-integration rejected on every test statistic and vice versa is true (Baltagi, 2005; Morshed, 2010). Alternatively the computed t-statistic in absolute value compared against the Augmented Dickey-Fuller (ADF) critical values at 1percetn and 5 percent level of significance. If the computed tau statistic in absolute value exceeds ADF critical value, null hypothesis of no co-integration is rejected and vice versa are correct (Bhattarai, 2011).These empirical results from table 4.4 reveal that all computed probabilities values are less (significant) than the critical p –value (0.05), thus null hypothesis of no co-integration is rejected at 5 percent level of significance. Therefore this study concludes that variables are co integrated under Pedroni residual co-integration test.

Table 4.4 Pedroni residuals co-integration results

Series	Panel v-Statistic		Panel rho-Statistic		Panel PP-Statistic		Panel ADF-Statistic	
	Statistic	Prob.	Statistic	Prob.	Statistic	Prob.	Statistic	Prob.
LNEXPORT, LNWP, LNRER, LNQ	2.524323	0.0058	-6.273987	0.0000	-7.183219	0.0000	-3.457197	0.0003

Series	Group rho-Statistic		Group PP-Statistic		Group ADF-Statistic	
	Statistic	Prob.	Statistic	Prob.	Statistic	Prob.
LNEXPORT, LNWP,LNRER, LNQ	-5.689589	0.0000	-8.084565	0.0000	-3.781362	0.0001

Johansen Fisher panel co-integration test (Combined co-integration test)

Combined co-integration test utilizes the same decision criteria that if the computed probability is less than the critical p-value (0.05) we the null hypothesis is rejected and vice versa is true. The empirical findings reveal that all computed probabilities are less than the critical p-value (0.05) as such the null hypothesis of no co-integration is rejected at 5 percent level of significance. Thus all variables have long run relationship as such all variables are co integrated. The combined co-integration test under trace statistic indicates there are four co integrating equations and max-eigen statistic indicates that there are four co integrating equations.

Regression output

Thereafter the fixed effect regression and random effect regression was estimated in order to examine which model is appropriate. Equations used in fixed and random effect models are as stipulated in equations below.

Fixed effect model

$$X_{it} = \alpha_i + \beta_1 WP_{it} + \beta_2 Q_{it} + \beta_3 RER_{it} + \varepsilon_{it} \quad \text{..(4)}$$

Random effect model

$$X_{it} = \mu + \beta_1 WP_{it} + \beta_2 Q_{it} + \beta_3 RER_{it} + \alpha_i + \varepsilon_{it} \quad \text{.....................................(5)}$$

In order to get the proper model, this study performed the Hausman test as it stipulated in panel regression (Baltagi, 2005; Morshed, 2010 & Bhattarai, 2011). Fixed effect model results presented in table 4.6 and random effect model results presented in table 4.7 below.

Table 4.5 Johansen Fisher panel co-integration test results

Hypothesized No. of CE (s)	Fisher Stat. (from trace test)	Prob.**	Fisher Stat. (from max- eigen test)	Prob.**
None	109.8	0.0000	58.13	0.0000
At most 1	62.07	0.0000	31.37	0.0005
At most 2	42.47	0.0000	32.80	0.0003
At most 3	30.65	0.0007	30.65	0.0007

** Probabilities are computed using asymptotic Chi-square distribution*
***MacKinnon-Haug-Michelis (1999) p-values*

Fixed effect model

Table 4.6 Fixed effect model results				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.899524	0.697196	2.724518	0.0070
LNWP	0.659935	0.050430	13.08624	0.0000
LNRER	0.270261	0.046181	5.852181	0.0000
LNQ	1.043833	0.049130	21.24623	0.0000
Adjusted R-squared	0.924521			
Durbin-Watson stat	1.631097			

Random effect model

Table 4.7 Random effect results				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.939178	0.695982	2.786245	0.0058
LNWP	0.659387	0.050389	13.08584	0.0000
LNRER	0.270782	0.046150	5.867398	0.0000
LNQ	1.040327	0.048989	21.23595	0.0000
Adjusted R-squared	0.925505			
Durbin-Watson stat	1.619273			

Hausman test

The Hausman test helped to check which model between fixed effect and random effect model is suitable to accept in this study. The Hausman test hypothesis formulated as follows:

H_0: Random effect model is appropriate

H_1: Fixed effect model is appropriate

Decision rule is that, if the computed p-value is statistically significant, then the fixed effect model shall be used otherwise random effect model is appropriate. Put it in different way, if the computed p-value is less than critical p-value (0.05), then null hypothesis is rejected and accept alternative hypothesis. And if the computed p-value is greater than critical value (0.05), then do not reject null hypothesis. Therefore, from the Hausman test results the computed probability (0.6173) exceeded the critical p-value (0.05) as such failed to reject null hypothesis of random effect model is appropriate at 5 percent level of significance. Therefore the random effect model is utilized in this study as per Hausman test results presented in table 4.8 below.

Table 4.8 Hausman Test results			
Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	0.964775	2	0.6173

Random effect model results

After confirm that random effect model is appropriate, and then random effect model results are reported as required by Hausman test. The random effect model results have the expected signs which are positive signs and are statistically significant at 5 percent level of significance. World prices have positive (0.659387) and statistically significant at 5 percent level of significance. Real exchange rates have positive (0.270782) and statistically significant at 5 percent level of significance. This implies that real exchange rates are imperative variable in export performance in selected cash agri-products in Tanzania. Furthermore, production quantities have positive contribution in export performance since this study find positive sign and statistically significant at 5 percent level of significance. Production quantities have positive (1.040327). Therefore, in Tanzania both internal and external determinants have greater contributions in export performance similar to other developing countries like west African countries and Ethiopia respectively (Folawewo & Olakojo (2010) & Allaro (2010). Furthermore the adjusted R-squared obtained (0.925505) signifies that independent variables explaining export performance at 93 percent and the rest 7 percent can be determined by other variables which are not included in this study.

DISCUSSION OF FINDINGS

The random effect model results are consistent with theory, it shows that all variables have the expected signs which are positive signs and are statistically significant at 5 percent level of significance. World prices have positive (0.659387) and statistically significant at 5 percent level of significance. Other factors remain constant. This suggest that one percent increase in world price increases export performance of selected cash crops by 0.659387 percent as such world prices are important determinant of export performance in Tanzania. Similarly, real exchange rates have positive (0.270782) and statistically significant at 5 percent level of significance. Under the same conditions; depreciating domestic currency by one percent increases export performance by 0.270782 percent in selected cash crops. In this line, depreciating real exchange rates are imperative decision in improving the export performance in selected cash agri-products in Tanzania. Indeed, real exchange rates result is in line with other panel regression results. For instance, Majeed & Ahmad (2006) they examined determinants of exports in developing countries using panel regression analysis and find that real exchange rates had positive contributions and significant determinant of export performance in developing countries. In the same line Babatunde (2009) examined the determinants of export performance in sub Saharan African countries (SSA) using panel data regression analysis and he find that real exchange rates in SSA had mixed results. In some sub Saharan African countries' real exchange rates had negative sign and statistically insignificant whereas in other sub Saharan African countries real exchange rates had positive contributions and statistically significant. Thus panel evidence supported real exchange rates that were a significant determinant of export performances in some sub Saharan African countries. Moreover, production quantities have positive contribution in export performance and statistically significant at 5 percent level of significance. Production quantities have positive (1.040327). Under ceteris peribus conditions; this result suggests that one percent increase in production quantity increases the export performance of the selected cash agri-products by 1.040327 percent. In this perspective production quantities are significant determinants of export performance in Tanzania particularly in coffee industry, tea industry, cotton lint industry, cloves industry and cashew nuts industry respectively. These results are similar with previous observations found in East and Southeast Asia by Jongwanich (2007).

CONCLUSIONS AND RECOMMENDATIONS

Panel data results reveal that selected cash crops are mostly determined by internal and external factors because obtained results have positive signs and statistically significant at 5 percent level of significance. Thus world prices, real exchange rates and production quantities are main determinants of export performance of coffee, tea, cotton lint, cloves and cashew nuts under panel data analysis. This is quite possible since panel data technique is more powerful than time series analysis since it has power to pool data together. Therefore, panel data results minimized the problem of mixed results as reported in many time series analysis. However, panel data analysis has no power to estimate long run and short run coefficients as time series did. It is important to understand that no any technique or approach between panel data and time series claims to be free from any weakness. Furthermore, this study recommends that Tanzanian government, practitioners and other beneficiaries should not ignore these determinants of export performance if at all want to improve the export performance in agricultural products at large. In this line should improve the qualities and quantities of exported agricultural products from Tanzania. Further area of research, this study proposed to undertake the comparative analysis studies between time series and panel analysis in order to compliment the weakness of each other so as to get the overall picture regarding determinants of export performance in developing countries. In addition to that, other variables should be included in the study apart from these studied variables to see if they will provide the similar results or not.

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Corporate Life Cycle and Classification Shifting in Financial Statements: Evidence from Quoted Manufacturing Firms in Nigeria

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The study investigated the relationship between corporate life cycle and classification shifting in the financial statements of quoted conglomerates in Nigeria. Using ex-post facto research design, the population of the study was drawn from quoted manufacturing firms on the Nigerian Stock Exchange (NSE). The study was delimited to manufacturing companies using purposive sampling method. The study relied on secondary data; obtained from annual financial reports and accounts of the selected companies. The data were analyzed using descriptive and inferential statistics. The hypotheses were tested using multiple regression techniques. The Dickinson's (2011) approach was used to determine the life-cycle stage of a firm; while, the McVay (2006) model modified by Athanasakou, Strong, and Walker (2011) was used to calculate core earnings. The study finds a significant negative relationship between life cycle and unexpected core earnings; however, firm size was positive and significant. Thirdly, the cash flows had a non-significant negative relationship with unexpected core earnings. The study, therefore, recommends that capital market regulators should strengthen mechanisms aimed at monitoring the opportunistic behaviour of managers. Auditors should be wary of a firm's life-cycle as this may provide an incentive for managers to engage in real earnings management. Cash flow information should be used by investors to gauge the liquidity and working capital posture of their firms because of its less subjective appeal to accrual earnings management.

Keywords: *Audited financial statements, classification shifting, corporate life cycle,*

INTRODUCTION

Financial statements are the end product of the accounting process (Ilaboya, 2008). It provides information on the income and expenses of a company in the statement of comprehensive income and details of its assets and liabilities in the statement of financial position. Besides, other relevant information are contained in the statement of changes in equity and statement of cash flows for the firm in a fiscal year to which it relates (Iyoha & Faboyede, 2011; Amahalu, Abiahu & Obi, 2017). According to the International Accounting Standards Board (IASB, 2011), "financial reporting should provide information about an enterprise's financial performance during a period". And is communicated to users through financial statements which is an important corporate governance tool for management evaluation (Okike, Adegbite, Nakpodia, & Adegbite, 2015; Adesunloro, Udeh & Abiahu, 2019).

The preparation of financial statements is guided by standards. Previously, in Nigeria, the Statement of Accounting Standards (SASs) was the primary standard(s) in use before the adoption of 'International Financial Reporting Standards' (IFRS). IFRS includes standards, interpretations, and framework which are continuously evolving, and affects financial statements in four conceptual areas, namely; recognition, measurement, presentation and disclosure (Edogbanya & Kamardin, 2014).

The adoption of IFRS in Nigeria was premised on the recommendation of the Federal Executive Council (FEC) in 2010, which required publicly listed companies to adopt IFRS in 2012. This was followed by the enactment of the Financial Regulation Council of Nigeria Act in 2011 which led to the transformation of the Nigeria Accounting Standard Board (NASB) to the Financial Regulation Council (FRC) (Okafor, Ogbuehi, & Anene, 2017). IFRS provides an incentive to increase transparency and disclosure for firms; and, facilitate comparability of information across several countries (Almeida & Rodrigues, 2016; Horton, Serafeim, & Serafeim, 2013), overcome the weaknesses of SASs and improve financial reporting quality (Bagudo, Manaf, and Ishak, 2015).

However, Noh, Moon, and Parte (2017) documented evidence that managers use classification shifting in the year of transition, by shifting income and expenses to meet or beat earnings targets. Prior studies have shown that this is mostly employed by firms that cannot use accruals to manage earnings (Barua, Lin, & Sbaraglia, 2010; Fan, Barua, Cready, & Thomas, 2010; McVay, 2006). Classification shifting refers to the deliberate "misclassification of core expenses (such as the cost of goods sold and sales, general and administrative expenses) as non-core special items within the income statement to increase core earnings" (Haw, Ho, & Li, 2011; McVay, 2006). Classification shifting involves the movement of an account item from one grouping to another. Examples of shifting include the movement of liabilities from the current to the long-term sections on the statement of the financial position such as to manage the current ratio; the movement of costs on the income statement from operating costs to investment cost, etc. This practice is a form of earnings manipulation, which is present in both strong and weak investor protection countries (Behn, Gotti, Herrmann, & Kang, 2013).

This form of earnings manipulation within the income statement has received increasing attention in recent accounting literature. This follows from the very fact that such manipulations do not go through the accounting systems, and as such, do not affect the bottom-line earnings of the firm. This makes such entries very difficult to verify. Such forms of earnings manipulations are used to inflate reported core earnings, thereby distorting the investors. This is because less sophisticated investors pay greater attention to bottom-line earnings (Bhattacharya, Black, Christensen, & Mergenthaler, 2007; Elliott, 2006).

Corporate life-cycle is a highly complex and multi-dimensional concept, which corresponds to different stages that firms go through to deal with varying constraints and challenges (Drobetz, Halling, & Schröder, 2015).Life cycle theory provides "management with some parameters, guidelines, and diagnostic tools to assess the transition of the firm from one stage to the next" (Hasan, Hossain, & Habib, 2015). The understanding of corporate life cycle can help firms to utilize valuable resources in the most optimal way to outperform their competitors (Adizes, 1989), which has important implications for understanding the financial performance of firms (Dickinson, 2011; DeAngelo, DeAngelo, & Stulz, 2010). Against this backdrop, this study investigates the relationship between corporate life cycle and classification shifting in financial statements of Nigerian manufacturing firms.

There is limited evidence on whether classification shifting is also prevalent in developing countries

(Nagar & Sen, 2017). Globally, it has also received less attention (Barua, Lin, & Sbaraglia, 2010; Fan, Barua, Cready, & Thomas, 2010; McVay, 2006). In Nigeria, prior studies have extensively focused on accrual-based earnings management (Olabisi, Agbatogun, & Akinrinlola, 2017; Uadiale, 2012; Okoye, Odum, Abiahu & Odum, 2017); and examined issues such as the link between audit quality and accrual-based earnings management (Olabisi, Agbatogun, & Akinrinlola, 2017); while, Obigbemi (2016) and Adesunloro, B. R., Udeh, F. N., & Abiahu, M.C. (2019) and Osisioma, Egbunike & Adeaga (2015)examined corporate governance and accrual-based earnings management.

Extant literature has shown that when managers are constrained from accrual-based earnings manipulation, they may substitute other forms of manipulation with lower detection costs to achieve their aim (Fan, Barua, Cready & Thomas, 2010). According to Lee (2011), the driving motives for the use of classification shifting include (1) financial distress on the firm, (2) long-term credit rating near the investment/non-investment trade cutoff, (3) the existence of analyst cash flow forecasts, (4) higher leverage, (5) meeting a range of earnings benchmarks; and, (6) around seasoned equity offerings (SEOs).

Secondly, Malikov, Manson, and Coakley (2018) found evidence that firms engage in classification shifting in periods following mandatory IFRS adoption. Also, research has shown that earnings disclosure is weakly regulated under IFRS (Baik, Cho, Choi & Lee, 2016); with the increased use of non-recurring items to mislead investors (such as classifying some recurring expenses as non-recurring) (Zalata & Roberts, 2016). With the mandatory adoption of the International Financial Reporting Standards (IFRS) in Nigeria, all quoted companies publish their financial statements in line with the IFRS standards. However, studies are yet to examine the presence of classification shifting following the mandatory adoption of IFRS in Nigeria. The vast amount of studies mostly focus on accrual or real earnings management techniques.

Thirdly, another stream of research has identified a link between the corporate life cycle and classification shifting. For instance, Nagar and Sen (2017) found evidence of classification shifting by firms in the decline phase in India. However, the literature is scanty on the influence of corporate life cycle in developing countries, more specifically in Nigeria.

Based on the foregoing, the broad objective of this study is to investigate the relationship between corporate life cycle and classification shifting in the financial statements of manufacturing companies in Nigeria. To achieve this objective, the following hypotheses have been formulated to guide the study:

1. There is no significant relationship between life cycle and unexpected core earnings of quoted manufacturing companies in Nigeria;
2. There is no significant relationship between firm size and unexpected core earnings of manufacturing companies in Nigeria,
3. There is no significant relationship between cash flows and unexpected core earnings of quoted manufacturing companies in Nigeria.

The remainder of the paper is organized as follows: Section one introduces concepts and the formulated hypotheses for the study. Section two presents the conceptual and theoretical framework on which the work is based and the empirical reviews. Section three presents the research design and methodology. Section four is the data presentation and analysis while section five summarises the findings from the study, the conclusion and recommendations.

REVIEW OF RELATED LITERATURE

Conceptual Framework

Corporate Life Cycle

Corporate life cycle refers to the phases through which a company goes through its existence. Organizational theorists believe that the concept emanated from biological sciences, which propose that organizations go through several stages from birth to death (Lester, Parnell, & Carraher, 2003). There is no generally agreed-upon sequence for organizations to move between the various stages. For instance, new product innovation, expanding into new markets and structural changes can cause the company to move between the life cycle stages in a non-sequential manner (Costa, Macedo, Yokoyama, & Almeida, 2017). However, the main objective of a company is to remain at the Growth and Mature stage where the return and risk structure is optimized (Dickinson, 2011).

Companies go through identifiable life stages, though opinions vary on how many stages exist in a company's life cycle. In the literature, the generally accepted stages are startup, growth, maturity, decline, and death, although a company can renew or revive itself and not die. Gort and Klepper (1982) classified corporate life cycle into five stages, but companies do not necessarily need to go through each stage in that order:

i. The first stage, termed “Introduction” or “Birth”, corresponds to the stage where the company seeks opportunities to establish themselves in the market. At this stage firms typically suffer from negative net cash flows from operating activities. On the other hand, they are expected to make large investments to provide or renew the basis for its operating activities and to exploit existing growth opportunities, leading to negative investing cash flows.

ii. In the second stage, “Growth”, the firm maximizes profit margins by optimizing investment activities and increasing operational efficiency such that operating cash flows are expected to become positive. Similar to the preceding life-cycle stage, investment cash flows are still expected to be significantly negative, growth firms typically require further external financing to maintain high investment capacity (Drobetz, Halling, & Schröder, 2015).

iii. In the third stage, “Maturity”, competition among participants is more defined, and the number of new entrants in the market is close to zero. At the maturity stage, companies can generate resources internally by profit accumulation and rely less on external financing that increases leverage (Owen & Yawson, 2010).

iv. The fourth stage, “Shake-out” or “Turbulence”, is characterized by an adverse period of operations due to changes in the environment, and therefore, to the probable decline in sales and profitability. This stage usually precedes the decline stage, but firms may or may not move to the decline phase, as managers may seek to change their strategy to revitalize their organizations. Firms entering the shake-out stage exhibit declining or negative growth rates, leading to declining prices while operating inefficiencies attributable to larger firm size or distress related phenomena lead to an extended cost structure over the life-cycle.

v. In the last stage, “Decline”, the company has negative revenue growth, with decreased responsiveness to challenges. Increased costs of financial distress are expected to further depress corporate results so that most likely decline firms exhibit negative operating cash flows. In contrast, investment cash flows are expected to be positive. By definition decline firms lack appropriate investment opportunities but are likely to liquidate assets to support operations rather than expanding their capital budgets. Depending on the deficit (surplus) after investments, decline firms will have positive (negative) financing cash flows. The Decline stage may occur, after any other stage, for example, directly after the Introduction stage, if the firm fails to establish itself in the market (Dickinson, 2011).

Classification Shifting

Classification shifting refers to the deliberate misclassification of core expenses (the cost of goods sold and sales, general and administrative expenses) as noncore special items within the income statement to increase core earnings (Haw, Ho, & Li, 2011).It is perpetrated by "shifting expenses down from recurring items to non-recurring and exceptional items", thereby inflating the core earnings instead of bottom-line net income (Zalata & Roberts, 2016). Managers manipulate core earnings through the reclassification of core operating expenses to special items such as moving expenses down the income statement. According to Fan and Liu (2017)earnings components closer to sales receive higher valuation multiples, managers may be incentivized to misclassify persistent expenses (COGS and/or SGA) as transitory income-decreasing special items to inflate their firms' persistent profitability.

Such reclassification which might appear bland as net income remains unchanged will have a potential effect on core earnings (Abernathy, Beyer, & Rapley, 2014). Studies by Haw, Ho, and Li, (2011); Fan, Barua, Cready, and Thomas (2010); Athanasakou, Strong, and Walker (2009) provided evidence on expense misclassification by managers. Such reclassification is with the obvious intent of misleading investors; this is consistent with Bartov and Mohanram (2014) when they documented evidence that investors react to line items based on the placement.

Mostly permanent line items are placed closer to the top of the income statement, indicating a higher likelihood of persisting in the future. Conversely, transient items, that is, items less likely to continue in the future, are closer to the bottom of the income statement (Burgstahler, Jiambalvo, & Shevlin, 2002). The International Accounting Standards Board (IASB), (2011) depicts two ways to classify line items: the nature or function of expense methods. The first requires managers to allocate expenses based on their nature. The second requires managers to classify line items based on their functions. For instance, managers must judge whether to report depreciation as "costs of sales" or "Selling, General & Administrative Expense (SG&A)" on the income statement.however, the IASB notes that function based classification provides relevant information, but casts doubt on it because it allows managers discretion over the classification of line items.

Studies by Lipe (1986), Ramakrishnan and Thomas (1998) decomposed bottom-line earnings into 3 components: permanent, transitory and price-irrelevant components. According to Abernathy, Beyer, and Rapley (2014) classification shifting "misrepresents the persistence of line items within the income statement". This was further reiterated by Zalata and Roberts (2016) when they noted that the disclosure of earnings is weakly regulated under IFRS; with companies having considerable scope to report earnings before non-recurring or exceptional items.

Scholars have also identified classification shifting as a preferable method for earnings manipulation as it does not change GAAP net income thereby evading the scrutiny of auditors and regulators (Athanasakou, Strong, & Walker, 2009). Moreover, "it does not affect future earnings as there are no accruals which reverse in the next period or loss of future revenue from forgone opportunities" (McVay, 2006). The literature documents three forms of earnings manipulation: Accrual Earnings Management, Real Earnings Management, and Classification Shifting. Managers make trade-off decisions between the three forms of earnings manipulation; and, decide based on the relative costs or constraints of each strategy (Abernathy, Beyer, & Rapley, 2014; Zang, 2012).

1. Accruals earnings management occurs when managers, through the use of discretionary accruals,"borrow" earnings from future periods to increase current period earnings or conversely, push earnings from the current period to future periods to decrease the current period earnings (Abernathy, Beyer, & Rapley, 2014).

2. Real earnings management occurs when managers deviate from optimal business decisions with real activities to meet earnings targets (Abernathy, Beyer, & Rapley, 2014). Types of real earnings management activities include overproducing to lower cost of goods sold (COGS) (Roychowdhury, 2006), cutting discretionary expenses such as research and development (R&D) or cutting advertising expenditures (Cohen, Mashruwala, & Zach, 2010), sale of profitable assets, sales price reductions, derivative hedging, stock repurchases and securitizations (Dechow & Shakespeare, 2009).

However, it is noted that the manipulation of real activities by management is not a violation of Generally Accepted Accounting Principles (GAAP), rather a questionable business decision. Therefore, the cost of detection associated with real earnings management is lower than accruals earnings management (McVay, 2006).

Corporate Life Cycle and Classification Shifting

Firms moving through different stages of the life cycle perform differently, for instance at the startup phase firms may perform poorly or at the growth phase borrow more funds. Studies have investigated whether firms that are performing poorly engage in accounting tactics to improve their earnings and hence lower earnings quality. Specifically, weak performance provides incentives to engage in earnings management (McVay, 2006). Firms in the growth stage of their cycle typically finance that growth through debt, borrowing money to grow faster. The conflict that arises with this method is that the revenues of growth firms are typically unstable and unproven (Investopedia, 2018). McVay (2006) concludes that growth companies are more likely to use classification shifting to increase core earnings than other companies.

Theoretical Framework

The study is anchored on agency theory. The agency theory is relevant because it identifies the separation of ownership and control in modern enterprises (Egbunike & Abiahu, 2017; Amahalu, Abiahu, Nweze & Obi, 2017), which gives room for managers using insider information to engage in classification shifting.

Agency Theory

Agency theory was first formulated by Ross in the '70s (Ross, 1973); and, later associated with agency costs by Jensen and Meckling (1976). According to Jensen and Meckling (1976) agency relationship refers to "a contract under which one or more persons (the principal(s)) engage another person (the agent) to perform some service on their behalf which involves delegating some decision making authority to the agent". The agency theory helps to explain the relationship between agents (companies' management) and their principals (investors). Agency theory addresses two problems: problems that arise when there are differences among the goals of the agents and the principals. Since the principals do not have access to all available information at the time when their agents make decisions, they will not be unable to determine if the agent's actions are in the best interest of the firm. To reduce this conflict, principals and agents engage in contracting to achieve optimality, including the establishment of monitoring processes such as auditing (Egbunike & Abiahu, 2017; Abiahu, Udeh, & Ogbekhilu, 2018).

Empirical Review

Classification Shifting

Malikov, Manson, and Coakley (2018) examined classification shifting of revenues by managers using a sample of 1786 U.K. companies for the period of 1995 to 2014. Their result showed that firms engage in classification shifting of non-operating revenues to inflate operating revenues.

Anthonius and Murwaningsari (2018) examined managerial use of classification shifting from discontinued operations. using a sample of 63 Indonesian companies, they found out that discontinued operations had a positive effect on unexpected core earnings, with a negative effect on unexpected changes in core earnings.

In their study of Indian companies using data obtained from the Centre for Monitoring Indian Economy's (CMIE) Prowess database, Nagar and Sen (2017) examined the impact of life cycle on classification shifting. The study covered the period from 1996 to 2011, used a total of 1505 firms in their sample and the result showed that managers of firms in the decline stage of their life cycle were more prone to using classification shifting to disguise operating losses.

Also, Fan and Liu (2017) studied the misclassification of Cost of Goods Sold and Selling, General and Administrative Expenses in the financial statements. Using a sample of 319,518 firm-quarter observations from 1988 to 2012, the results showed that Cost of Goods Sold misclassification is associated with just beating the benchmark of gross margin.

Abernathy, Beyer, and Rapley (2014) in their study of managerial use of classification shifting when real or accruals based earnings management are constrained, discovered that companies engage in classification shifting when real earnings management is constrained, and as a substitute for both real earnings management and accrual earnings management.

Siu and Faff (2013) studied the use of classification shifting around seasoned equity offerings (SEOs). Using a sample of 896 U.S. companies with SEOs from 1990 to 2006, the study showed that management use classification shifting around SEOs. They also reported a significant positive association between income-decreasing special items and unexpected core earnings in the fourth fiscal quarter.

Haw, Ho, and Li (2011) in their study examined classification shifting and the monitoring role played by external and internal corporate governance mechanisms. Using a sample of 3,993 firm-year observations from eight East Asian economies from 2001 to 2004, the results showed that unexpected core earnings increase with the special items in the year of recognition and abnormally high core earnings are interrupted in the subsequent year.

Fan, Barua, Cready, and Thomas (2010) examined the use of classification shifting to manage earnings. The study made use of a sample of 132,292 firm-quarter observations obtained from Compustat Industrial Quarterly File and I/B/E/S Detail File from 1988 to 2007. The results showed that managers are more likely to engage in classification shifting in the fourth fiscal quarter than the interim quarters.

McVay (2006) examined classification shifting in the income statement using a sample of 76,901 firm-year observations for the period 1988 to 2003. The study disclosed that special items are positively associated with unexpected core earnings.

Earnings Management

Osisioma, Egbunike, and Adeaga (2015) examined the impact of corporate governance on banks' performance in Nigeria. Using data obtained from the 24 Deposit Money Banks (DMBs) in Nigeria from 2006 to 2013, the study indicated that there is no statistically significant difference between corporate governance practices among the DMBs based on the perceptions of the shareholders. However, it discovered a significant relationship between DMBs' performance and corporate governance among the deposit money banks.

Egbunike, Ezelibe, and Aroh (2015) explored the influence of corporate governance on earnings management practices of Nigerian quoted companies. The corporate governance variables were board size, board independence, and strength of the audit committee, while earnings management was measured using the Jones Model. They used secondary data from annual financial reports of the companies chosen using purposive sampling technique from 2011-2014. They used the regression technique to analyze the data. The study finds a significant coefficient for board size, non-significant coefficient for board independence, and a significant coefficient for audit committee strength.

Olayinka (2012) examined Earnings management and corporate governance in Nigeria. The study made use of questionnaire survey, the study finds that board dominated by outside directors brings a greater breadth of experience to the firm and are in a better position to monitor and control managers, thereby reducing earnings management. It was also observed that audit committee whose members possess a certain level of financial competencies would reduce the likelihood of earnings management.

Egbunike and Udeh, (2015) examined the Effect of Earnings Management on Earnings and Book-Value Per Share in Nigeria. The study was descriptive in nature and made use of ex-post-facto research design. The population of the study was drawn from companies quoted under the conglomerates' section of the Nigerian Stock Exchange (NSE) as shown in the Stock Exchange Factbook of 2013. Earnings Management was estimated using the Jones (1991) Model. The results show that for firms with high discretionary accruals, earnings management positively affects earnings per share; and, book value per share of the firms.

Atu, Atu, Enegbe, and Atu (2016) examined the determinants of earnings management in Nigerian quoted companies. Using a sample of 30 companies for 2007-2014 financial years, the study found the existence of a negative significant relationship between board size, audit firm type and earnings management. In addition, the study also discovered the existence of a non-significant relationship between firm size, ROA and earnings management.

Egbunike and Ikponmwosa (2018) examined the threat of Bankruptcy and Earnings Management in Nigerian Listed Banks from 2011 to 2015. Using Altman Z-score and Beneish M-score, the result reveals that bankruptcy threat has no significant impact on the likelihood of an upward earnings manipulation in Nigeria listed banks.

METHODOLOGY

Research Design

The study made use of ex post facto research design. This is premised on the fact that the researcher sought to make a systematic empirical inquiry, in which he/she has no observable/direct control of independent variables because their manifestations have already occurred or because they are inherently not manipulated.

Population of the Study

The population of the study comprised manufacturing firms listed on the Nigerian Stock Exchange (NSE) as of 1st January 2018. The firms listed on the NSE are classified under eleven sectors, the details are shown in the table below:

Table 1: Population of the study

Sector	No. of Firms
Agriculture	5
Consumer Goods	21
Conglomerates	6
Financial Services	57
Health Care	11
ICT	7
Industrial Goods	15
Natural Resources	4
Oil & Gas	12
Services	25

Source: Nigerian Stock Exchange Website (2018)

The sample of the study comprised all quoted six manufacturing conglomerates firms in Nigeria. The study used the purposive sampling method to select the six companies because of the availability of published financial statements by the companies over the period of study. The selected companies are shown in the table below:

Table 2: Selected firms included in the sample

1.	A.G. LEVENTIS NIGERIA PLC.
2.	CHELLARAMS PLC.
3.	JOHN HOLT PLC.
4.	S C O A NIG. PLC.
5.	TRANSNATIONAL CORPORATION OF NIGERIA PLC
6.	U A C N PLC.

Source: Nigerian Stock Exchange Website (2018)

The study relied on secondary data; the data was obtained from annual financial reports and accounts of the selected companies. The data were extracted from the Income Statement, Statement of Financial Position and Statement of Cashflows. The data were considered reliable because Part X1, Chapter One of the Companies and Allied Matters Decree 1990, require companies to keep and produce accounts which render a true and fair view of the state of affairs. Secondly, companies quoted on the Nigerian Stock Exchange are mandatorily required to conduct an independent external audit on published financial statements.

Methods of Data Analysis

The study employed multiple regression analysis to investigate the causal relationship between the variables.

Life Cycle Classification

Table 3 below presents the cash flow pattern-based classification scheme of life-cycle stages according to Dickinson (2011). Considered life-cycle stages (i.e. introduction, growth, maturity, shake-out, and decline) follow the corporate life-cycle definition introduced by Gort and Klepper (1982). The table provides the final classification as in Dickinson (2011). Positive/negative net cash flows are indicated by +/–.

Table 3: Life Cycle Classification

Cash Flow Composition of signals for Classifying Life Cycle Stages											
Operating (OCF)	-		+		+	+	-	+	-	-	
Investing (ICF)		-		-		-	+	-	+	+	+
Financing (FCF)	+		+		-	+	-	-	+	-	
Life Cycle:		**Birth**		**Growth**		**Maturity**		**Shake-out**		**Decline**	

Source: Dickinson (2011)

Unexpected Core Earnings

The study calculates core earnings based on the original McVay (2006) model as modified by Athanasakou, Strong, and Walker (2011):

$$CEt = \beta0 + \beta1CEt\text{-}1 + \beta2ATOt + \beta3WCAt\text{-}1 + \beta4WCAt + \beta5\Delta SALESt + \beta6NEG\_\Delta SALESt + \varepsilon t \quad \text{…….1}$$

Where CEt is core earnings (sales minus both COGS and Selling, General and Administrative (SGA) expenses) scaled by sales, ATOt is asset turnover ratio, WCA is working capital accruals (change in total current assets net of change in cash, minus change in current liabilities net of change in the current portion of long-term debt) scaled by total assets, ΔSALESt is the percentage change in sales and ΔNEG_SALESt is the percentage change in sales when the sales change is negative to allow for different slope coefficients for sales increases and decreases.

Next, unexpected core earnings (UnCEt) is determined for each firm-year by subtracting the predicted core earnings from the estimation of equation (1) from the actual core earnings reported.

$$UnCEt = ACEt - CEt \quad \text{……..……………………..…….2}$$

Table 4: Descriptive statistics of main variables

	UCE	LCC	LOG (AVERAGE_ASSET)	CFO	CFF	CFI
Mean	0.100663	3.333333	24.47503	8.71E+09	-1.98E+10	1.33E+09
Median	0.094559	3.000000	24.03506	2.39E+09	-1.01E+09	0.000000
Maximum	0.420078	4.000000	26.57617	6.88E+10	1.29E+10	5.73E+10
Minimum	-0.212388	3.000000	22.98600	-4.76E+09	-1.80E+11	-1.77E+10
Std. Dev.	0.147587	0.478091	1.186272	1.65E+10	4.75E+10	1.29E+10
Skewness	0.121895	0.707107	0.572578	2.550891	-2.638345	2.353241
Kurtosis	3.151108	1.500000	1.688722	8.987279	8.619859	11.37793
Jarque-Bera	0.123400	6.375000	4.546247	92.81355	89.13941	138.5109
Probability	0.940165	0.041275	0.102990	0.000000	0.000000	0.000000
Sum	3.623860	120.0000	881.1011	3.14E+11	-7.14E+11	4.80E+10
Sum Sq. Dev.	0.762362	8.000000	49.25346	9.48E+21	7.91E+22	5.81E+21
Observations	36	36	36	36	36	36

Source: E-Views 9

DATA ANALYSIS AND PRESENTATION

Descriptive Statistics

Table 4 reports the descriptive statistics for the main variables used in the analysis. The mean (median) of UCE is 0.10 (0.09); the mean (median) of LCC is 3.3 (3.0); the mean (median) of log of average assets 24.5 (24.0); the mean (median) of cash flow from operations 8.71 (2.39); the mean (median) of cash flow from financing is -1.98% (-1.01); and, the mean (median) of cash flow from investing is 1.33 (0.00). The descriptive is suggestive that most of the firms included in the sample were in the maturity stages of the life cycle.

Analysis of Research Question One: What is the relationship between life cycle and unexpected core earnings of quoted manufacturing companies?

The coefficient of LCC (Life Cycle Classification) is negative; thus, LCC has a negative relationship with unexpected core earnings.

Analysis of Research Question Two: What is the relationship between firm size and unexpected core earnings of quoted conglomerates?

The coefficient of LOG (AVERAGE_ASSET) (Firm Size) is positive; thus, Firm Size has a positive relationship with unexpected core earnings.

Analysis of Research Question Three: What is the relationship between cash flow and unexpected core earnings of quoted conglomerates?

The coefficients of Cash Flows (CFO, CFF, and CFI) were all negative; thus, Cash Flows have a negative relationship with unexpected core earnings.

Analysis of Unexpected Core Earnings

Table 5: Regression results for core earnings

Dependent Variable: CORE_EARNING

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.051388	0.029311	1.753198	0.0901
CORE_EARNING(-1)	0.715383	0.148439	4.819377	0.0000
ATOT	0.470121	0.677087	0.694329	0.4930
WCA	1.36E-12	1.04E-12	1.307382	0.2014
WCA(-1)	1.80E-13	1.07E-12	0.168481	0.8674
CHANGE_IN_REVENUE	-2.97E-12	4.37E-12	-0.679394	0.5023
NEG_SALES	-0.048472	0.046565	-1.040950	0.3065
		Model Summary		
R-squared	0.681492	Mean dependent var		0.100663
Adjusted R-squared	0.615594	S.D. dependent var		0.178779
S.E. of regression	0.110844	Akaike info criterion		-1.388722
Sum squared resid	0.356305	Schwarz criterion		-1.080816
Log likelihood	31.99700	Hannan-Quinn criter.		-1.281255
F-statistic	10.34158	Durbin-Watson stat		1.948854
Prob(F-statistic)	0.000004			

Source: E-Views 9

Analysis of Research Questions

Table 6: Regression results for unexpected core earnings

Dependent Variable: UCE				
Variable	**Coefficient**	**Std. Error**	**t-Statistic**	**Prob.**
LCC	-0.158925	0.033294	-4.773346	0.0000
LOG(AVERAGE_ASSET)	0.093914	0.013557	6.927574	0.0000
CFO	-2.12E-13	1.24E-12	-0.170078	0.8661
CFF	-3.59E-13	4.60E-13	-0.781187	0.4408
CFI	-6.38E-13	1.20E-12	-0.533145	0.5979
C	-1.672559	0.334751	-4.996421	0.0000
		Model Summary		
R-squared	0.711595	Mean dependent var		0.100663
Adjusted R-squared	0.663528	S.D. dependent var		0.147587
S.E. of regression	0.085609	Akaike info criterion		-1.927033
Sum squared resid	0.219869	Schwarz criterion		-1.663113
Log-likelihood	40.68659	Hannan-Quinn criter.		-1.834918
F-statistic	14.80411	Durbin-Watson stat		0.899928
Prob(F-statistic)	0.000000			

Source: E-Views 9

Test of Hypotheses

The model R squared value is .711 and adjusted R squared value .663; the adjusted R square shows the proportion of variance in the dependent variable explained by the independent variables. Therefore, the independent variables approximately explained 66% variation in the dependent variable. The results are shown in Table 5 above. The p-value of the F statistic (14.80) is also less than .05; which indicates that the model is statistically significant.

Test of Hypothesis One:

There is a significant relationship between life cycle and unexpected core earnings of quoted manufacturing companies.

The t statistic of our variable of LCC is -4.77 ($p<.05$); which confirms that LCC has a negative and statistically significant effect on unexpected core earnings. Thus, the alternate hypothesis is accepted and null rejected. Thus, there is a significant relationship between life cycle and unexpected core earnings of quoted manufacturing companies.

Test of Hypothesis Two:

There is a significant relationship between firm size and unexpected core earnings of quoted manufacturing companies.

The t statistic of our variable of LOG (AVERAGE_ASSET) is 6.93 ($p<.05$); which confirms that firm size has a positive and statistically significant effect on unexpected core earnings. Thus, the alternate hypothesis is accepted and null rejected. Thus, there is a significant relationship between firm size and unexpected core earnings of quoted manufacturing companies.

Test of Hypothesis Three:

There is a significant relationship between cash flows and unexpected core earnings of quoted manufacturing companies.

The t statistic of Cash Flow Indicators (CFO, CFF, and CF1) were -0.17; -0.78; and -0.53 respectively (p>.05); which confirms that cash flows have a negative non-statistically significant effect on unexpected core earnings. Thus, the null hypothesis is accepted and alternate rejected. Thus, there is no significant relationship between cash flows and unexpected core earnings of quoted manufacturing companies.

DISCUSSION OF FINDINGS

The study found evidence of classification shifting by the quoted manufacturing companies. Manufacturing companies are amongst the most diversified firms listed on the Nigerian Stock Exchange. The use of such may be to mitigate the reputation costs from other alternatives. This was substantiated in the study by Abernathy, Beyer, and Rapley (2014) in the U.S., when they found that companies engage in classification shifting when real earnings management is constrained, or as a substitute for accrual earnings management. Moreover, managers of such large firms may perpetrate classification shifting via discontinued operations (Anthonius &Murwaningsari, 2018) or the cost of goods sold and selling, general and administrative expenses by managers (Fan & Liu, 2017). The second hypothesis showed that there is a significant positive relationship between firm size and unexpected core earnings.

The first hypothesis showed a significant negative relationship between life cycle and unexpected core earnings. This is in line with the study by Nagar and Sen (2017) in India when they reported that managers of Indian firms in the decline stage of life cycle were more likely to use classification shifting to avoid reporting of operating losses.

The third hypothesis revealed that there is a non-significant negative relationship between cash flows and unexpected core earnings. The study by Malikov, Manson, and Coakley (2018) on a sample of U.K. firms showed that firms engage in classification shifting of non-operating revenues to inflate operating revenues.

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

Summary of Findings

The study makes the following empirical findings, which are briefly are summarized below as follows:

1. There is a significant negative relationship between life cycle and unexpected core earnings of quoted manufacturing companies;
2. There is a significant positive relationship between firm size and unexpected core earnings of quoted manufacturing companies;
3. There is a non-significant negative relationship between cash flows and unexpected core earnings of quoted manufacturing companies.

The study was undertaken to ascertain the relationship between corporate life cycle and classification shifting in the income statement of Nigerian manufacturing firms. The results showed evidence of classification shifting by the firms; however, the evidence was only substantiated for firms in the maturity and shake-out stages. Further, the analysis revealed that higher unexpected core earnings were observed in the maturity stage than the shake-out stage. The results also demonstrated that firm size had a positive influence on unexpected core earnings; while, cash flows had a non-significant negative effect on unexpected core earnings.

Therefore the study concludes by recommending that the following measures be put in place:

1. Capital market regulators should strengthen mechanisms aimed at monitoring the opportunistic behaviour of managers as well as the institution of more independent external monitoring of governance mechanisms. Investors should endeavour to follow more analytical monitoring of the operational performance of the firm; such as, through external analysts' forecast for sophisticated investors; and, trend analysis by less sophisticated investors because they provide an independent external assessment of the company.

2. Capital market regulators and auditors should adequately monitor large-sized firms; as the ostentatious display of favourably performance may be to mask classification shifting behaviour. Moreover, auditors should be wary of a firm's life-cycle as this may provide an incentive for managers to engage in real earnings management.

3. The cash flow information should be used by investors to gauge the liquidity and working capital posture of their firms because of its less subjective appeal to accrual earnings management.

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Qualitative Information Disclosure and Corporate Financial Performance: Evidence from Listed Manufacturing Firms in Nigeria

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This study investigated the effect of qualitative information disclosure on financial performance of listed manufacturing firms in Nigeria. A sample of thirty-nine listed manufacturing firms was used via a stratified random technique, spanning through 2015-2019. Descriptive and inferential statistics were employed to summarize the data and to draw inference on the population studied. The study employed the Ordinary Least Squares in testing the hypotheses stated. We found out that corporate governance disclosure and corporate social responsibility disclosure positively affects financial performance of listed manufacturing firms. While Risk disclosure was found to be insignificantly related to financial performance of listed manufacturing firms. The study concluded that qualitative information disclosure affects financial performance. Hence, we recommended that although corporate governance disclosure had the highest level of disclosure, we advise listed firms should disclose more qualitative information.

Keywords: *Corporate governance disclosure, Corporate Social Responsibility Disclosure, Board Risk Disclosure, Financial Performance..*

INTRODUCTION

Firm financial reporting in the form of financial statements are vital tools in the communication of essential information regarding firms. This information usually take the structure of financial and non-financial (Barako, 2007).The information made available by firms on the internet for several years now has been growing by the day and is becoming a thriving popular area of analysis amongst researchers, and of greater importance to the society as a whole. The importance of information in the corporate world today cannot be overemphasized as it is advantageous to the firm in several ways (Katmun, 2012). Firms are obligated to make certain disclosure of information to meet the requirement of the legal conditions in their country. Notwithstanding, firms disclose information voluntarily mainly in the line of qualitative information. The emphasis on the importance of disclosing qualitative information by the corporate world is a budding trend (Gallego-Álvarez & Quina-Custodio, 2016). Haji and Ghazali (2013), described qualitative information as the "voluntary disclosures in excess of statutory requirements, thus representing free choices on the part of company management to provide accounting and other information deemed relevant to the decision needs of users of their annual reports". Qualitative disclosure which is also referred to as non-financial disclosures consists of varied ranges of performance facets relating (among others) to human rights protection, labour practices, environmental management procedures as well as product responsibility (Santema & Van De Ritj, 2001).

One of the vital ways of communicating with shareholders regarding a firm progress is by making non-financial information available. In other words, non-financial information include "Corporate Social Responsibility (CSR), Intellectual Capital (IC), Risk Management (RM) and Corporate Governance (CG)" (Mohamad, Salleh, Ismail, & Chek, 2014).Performance is a veritable tool used to articulate the achievement of a specified task against its efficiency and effectiveness ahead of present identified standards (Herciu, 2017). However the case may be, in providing qualitative information there is a cost attached, it is crucial to analyse whether or not a consequential advantage exist in the appearance of good reports. Hence, the quest that drives this study is to provide empirical evidence on whether there is an affiliation between qualitative information and firm performance. In the context of firm performance using either accounting or market based perspectives, the role of qualitative information on firm performance is playing an increasingly important role. The information environment of the firm is crucial to investors, creditors and indeed all entities whose activities result in the outcome of a firm's bottom line. Investors want qualitative explanation from management to gauge their confidence in products, market trends, and financial and strategic plans.In other words, qualitative information makes different contributions to an assessment of performance.

Interestingly and on a general note, companies seem quite informed about the effects of certain qualitative information such as comprehensive risk, environmental liability assessment disclosures amongst others and appear to have applauded the voluntary stance that have followed such disclosures ironically. Though it may not be generally accepted, the view in certain quarters is that accounting regulators appear culpable in the undermining of qualitative disclosures (Goyal, 2013). In examining the role of the International Financial Responsibility Standard (IFRS) as regards the qualitative information, there is the absence of a specific standard dealing on non-financial disclosure. Although some direct and indirect comments on non-financial disclosures especially in the area of environmental accounting and financial instrument risk in the different accounting standard (Goyal, 2013), the supply of such information is far from the meeting the demands of stakeholders. This study addresses this gap by focusing on the review of extant literature to provide a more robust insight to the effect of non-financial disclosures on corporate performance. The rest of the paper will be structured in this manner: following the introduction in section 1 will be literature review on the dependent variable (corporate financial performance). The remainder of the paper is organized as follows: Section two focuses on the literature review and hypotheses development. Section three addresses the methodology with emphasis on theoretical framework and model specification. Section four presents data analysis, interpretation and discussion of findings. Section five concludes

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Corporate Financial Performance

According to Herciu, (2017) the term financial performance consists of several connotations, features and aspects under a subjective notion. "Firm financial performance is generally defined as a measure of the extent to which a firm uses its assets to run the business activities to earn revenues. "Firm financial performance can be defined and measured in terms of: profitability, growth, market value, total return on shareholder, economic value added, customer satisfaction, based on the stakeholders expectations" (Carroll, 2004). Corporate financial performance or firm financial performance can also be referred to as a subset of organisational effectiveness that covers operational and financial outcomes (Santos & Brito, 2012). It examines the overall financial health of a business over a given period of time and can be used to contrast the performance of identical firms in similar industries or between industries in general" (Marimuthu, Arokiasamy, & Ismail, 2009). Acoording to Mutiwa, Ahmed, and Muiruri-Ndirangu (2015) in measuring performance it is illustrated as either quantitative or qualitative. They are mechanism utilized by firms to keep track of progress in the direction of attaining predetermined objectives as well as promote the identification of the key pointers of organisational performance and ultimately customer satisfaction. Financial statement which is the outcome of accounting comprises of the statement of financial position (portrays assets, liabilities as well as equity), statement of comprehensive income (takes account of revenue, expenditure as well as profit for a specific period), statement of changes in equity (signifies changes in the wealth of owners) and the statement of cash flow (shows the sources and how cash is utilize in a specific period) forms the major source of data in verifying the financial performance of a firm. The financial performance of a firm is usually represented as financial ratios calculated by linking items in the financial statements. Moreover, these measures representing firm financial performance are generally categorized into accounting-based (accounting returns) measures and market-based (investor returns) (Griffin & Mahon 1997).

Qualitative Information Disclosures

Ahblom (2017) opined that in analyzing the use of accounting information by investors and other financial intermediaries, studying it from a behavioural perspective has shown that it involves differentiating accounting information from other information by categorizing them into "numerical" (or quantifiable) and "non-numerical" (or qualitative) information (Barker & Imam, 2008; Day, 1986; Gniewosz, 1990; Hellman, 2000; Imam, Barker, & Clubb, 2008).Robb, Single, and Zarzeski, (2001) defined qualitative disclosures as "information in the companies' reports which exclude financial statements and related footnotes". Non-financial information is everything that has to do with ref a firm's vision, mission as well as and its strategy. It is simply referred to as information that emphasizes narrative rather than numbers. Qualitative information involves capturing and interpreting the characteristics of something to reveal its larger meaning. (Commonwealth of Australia 2015)

Edelman (2015) defined qualitative information as "non-quantitative information that can help an analyst or investment professional develop a better understanding of a company's strategy, competitive position, products, business performance and future developments". Lindblom (1994) define non-financial disclosure as "a valuable legitimization instrument which can mitigate social concerns and with a mediating effect in convincing societal members (i.e. stakeholders) that the organisation is fulfilling their expectations".Qualitative information takes the form of unstructured data such as textual descriptions and disclosures and is known as soft information (Petersen 2004). Qualitative information may also be the obligatory or voluntary disclosure in the financial statement, that can be utilize in clarifying, sustaining as well as expanding financial or numerical data (Chou & Chang, 2018). Haji and Ghazali (2013), depicted the term "as voluntary disclosures in excess of statutory requirements, thus representing free choices on the part of company management to provide accounting and other information deemed relevant to the decision needs of users of their annual reports". Non-financial disclosures includes an assorted variety of performance facets relating to "human rights protection", "labour practices", "product responsibility efforts" as well as "environmental management measures" (Santema & Van De Ritj, 2001).

Corporate Governance Disclosures and Financial Performance

Corporate Governance therefore is the procedures and schemes by which a company is governed which ensure appropriate checks and balances as well as the manner companies and enterprises are managed efficiently (Mmadus & Akomolafe, 2014). The corporate governance mechanisms helps to ensure the effective utilization of firm resources as well as demand stewardship accountability. It is driven by the need to put into alignment individual, firm and society interest (Anandarajah, 2004). According to Uwuigbe, Olusanmi, and Iyoha (2015) corporate governance is seen as "a system or an arrangement that comprises of a wide range of practices (accounting standards, rules concerning financial disclosure, executive compensation, size and composition of corporate boards) and institutions that protect the interest of corporation's owners". The term in essence exists to serve as checks and balances among shareholders and management which facilitate the reduction of agency problem. In other words it is seen as a system basis on which companies are directed and managed for optimum level of performance, be it financial and non-financial.

Fundamental components of an effective governance structure include managerial ownership, size and composition of the board of directors, CEO and directors" compensation schemes, audit controls, and an external market for corporate control (Keasey, Thompson, & Wright, 1997). Corporate governance is a collection of internal and external controlling mechanisms that makes proper balance between stockholder's rights in one hand and the needs and authorities of board of directors on the other hand. Finally these mechanisms provide reasonable assurance for stockholder's and financial resources providers and stakeholders that their investment would be returned by reasonable profit and value creation mechanism would be obtained (Ganbary, 2007).

Paniagua, Rivelles, and Sapena (2018) examined if firm governance as well as the ownership structure of a firm has an impact on the financial performance of a firm. In other to attain the aim of the study, they analyze the correlation utilizing the fsQCA (fuzzy-set qualitative comparative analysis). They also enhanced their data analysis by utilizing multiple regression analysis by complementing the linear as well as the non-linear. Focusing on a timeframe ranging from 2013-2015, their panel data enclosed a sample of 1207 firms emanating from 59 nations across 19 sectors. In contributing to knowledge, the study offered the following insights; Firstly, the multi-dimensional approach in the statistical methods utilized provides a wider outlook in analyzing firm financial performance. Secondly, prompting the perceptive in relating firm governance as well as ownership structure to firm financial performance.

Khatab, Masood, Zaman, Saleem, and Saeed (2011) assessed the correlation amid firm governance and firm's performance. They utilized 20 companies quoted on the floor of the Karachi Stock Exchange. In other to ascertain the performance of firm governance Tobin Q was utilized, while proxies for firm performance were the "return on equity" (ROE) and "return on assets" (ROA). Focusing on a timeframe ranging from 2005 to 2009 they retrieved data from the financial statements of firms. For the analysis of data, multiple regression models were employed to ascertain the implication of corporate governance on firm profitability. Findings from their study showed that growth as well as leverage has an affirmative association with Tobin's Q, as a result confirming its significant impact in appraising firm performance. This signifies that companies portraying quality corporate governance mechanisms perform better in comparison to companies with lesser quality firm governance mechanisms.

Akbar, Poletti Hughes, El-Fatouri, and Shah (2016) examined in the UK, the link amid firm in compliance with governance and performance. They created a governance index to ascertain its effect on firm performance while putting into consideration the issue of reverse causaltity by making use of the robust methodology Generalized Method of Moments (GMM). Focusing on a timeframe ranging from 1999 to 2009, they utilized a sample 435 non-financial quoted public companies. Contrary to previous results, they found evidence to imply that conformity with the guidelines of firm governance does not determine the performance of firms in the UK. In conclusion, they opined that findings from preceding research revealed an affirmative effect of firm governance on the performance of the firm might be subjective as a result of failure to take into cognizance the likelihood for revere causality.

Ho_1: Corporate governance disclosure has no significant impact on financial performance

Corporate social Responsibility disclosures and Financial Performance

Corporate social responsibility (hereafter CSR) was introduced in the early 1980s and since then it has rapidly gained acceptance as the means of communicating and demonstrating a company's commitment to improving corporate environmental performance to its stakeholders (ACCA, 2004). All through the last two decades, the amount of information made available by firms has skyrocketed notably (Owen, 2006). KPMG (2013) accentuated that CSR exposure is at present undeniably a universal mainstream business practice, embarked upon by most companies. CSR disclosure by firms has been rising progressively both in magnitude as well as complexities for the past decades (Smith, 2003).

Numerous definitions for CSR subsist, in accordance to an online study (Dahlsrud, 2008), one of the most prominent was propounded in 2001 by the European Communities Commission. The commission describes the term as "the practice whereby companies integrate social and environmental concerns in their business operations and in their interaction with tier stakeholders on a voluntary basis". CSR is frequently viewed as responding to pressure from external stakeholders unfavorably impacted on by the practices of firms, otherwise seen as the practical effort by companies to obstruct or at any rate alleviate these pressures so as to promote the firm value and ultimately its reputation. This incorporation of social and environmental isse is essential towards sustainable development in the restoration and protection of the environment so as to preserve it for future generation.

In line with the prior definitions of CSR, it appears that by making CSR information available, companies tackle the pressure of stakeholder requirement of information by providing a platform of for channel of communication amid the company and its stakeholders. Gelb and Strawser (2001) opined that a superior and higher degree of reporting is itself an appearance of CSR behavior. In this respect, Bowen (2000) posited that firms embark on as well as report their CSR performance so as to amplify their societal visibility at the same time as advancing stakeholder rapport which eventually generates for the company its promotional opportunities. However, contemporary CSR practices especially for developing countries like Nigeria has wafted and advanced within a structure tilted in the direction of the fortitude of free-market individuality void of an effectual direction. More so, CSR disclosures are discretionary which is suggestive that corporations exert unimaginable control over the preparation and disclosure of social information.

Uwuigbe and Egbide (2012) investigated the connection linking corporate financial performance with the degree of CSR disclosures amongst some chosen companies in Nigeria. Financial statement for the year 2008 was utilized in collating sampled data for the 41 quoted companies. In other to carry out the analysis of data collated, the statistical measure utilized was the multiple regression technique. Their investigation showed that the association amid firm financial performance and the degree of CSR disclosure is positively significant for the sampled firms.

Odetayo, Adeyemi, and Sajuyigbe (2014) conducted an observation of CSR and firm profitability. In order to drive the study objective, data was collated from the financial statement of 6 banks listed in the Nigerian Stock Exchange for a timeframe of 10 years ranging from 2003 to 2012. The analysis of data was conducted with the simple regression analysis method utilizing STATA 11. Results from their analysis showed evidence that a significant correlation exists amid expenditure on CSR and bank profitability in Nigeria. The scholars concluded on the fact that banks in Nigeria are fully aware of the essentiality of CSR in sustainable development as it enhances performance of their obligatory services to the society at large. However, in comparison to the profit banks produce, a small amount was spent on CSR.

Marfo, Chen, Xuhua, Antwi, and Yiranbon (2015) analyzed the correlation amid CSR and firm's profitability in Ghana while utilizing a combination of data retrieved from 16 companies' audited financials for a timeframe ranging from 2005 to 2014. In other to ascertain the association amid firm profitability and CSR, they utilized lagged data retrieved from the Ghana Investment Promotion Centre (GIPC) also inclusive were 850 questionnaires after administering them to the general public to ascertain their level of CSR consciousness. The collated data was analysed by utilizing the Ordinary Least Square technique. Findings from the study showed evidence that the chosen sampled firms contribution to sustain CSR initiatives was beneath 10% of their profit on a yearly basis.

Ho_2: Corporate social responsibility disclosure has no significant impact on financial performance

Risk Disclosures and Financial Performance

In recent years, the concept of corporate risk disclosures has gained interest in financial reporting practice, regulation and international research. Linsley and Shrives (2006) delineate the disclosure of risk as informing the reader about "any opportunity or prospect, or of any hazard, danger, harm, threat or exposure, that has already impacted upon the company or may impact upon the company in the future or of the management of any such opportunity, prospect, hazard, harm, threat or exposure". Risk reporting allows outsiders to assess the risks of an entity's future economic performance (Linsley & Shrives, 2006). Corporate risk disclosures may be part of an organisational strategy in order to manage public expectations and to justify corporate risk management (Power, 2007; Gabillon & Gabillon, 2012). Miihkinen (2012) defines risk disclosure as "all information that firms provide in the risk reviews they present in their annual reports" (p. 442). Jorgensen and Kirschenheiter (2003) formalize "risk disclosure as disclosure of the firm specific variance of future cash flows". Dobler (2005) conceives risk reporting as probabilistic forecast disclosure.

Souabni (2011) opined that in disclosing risk in financial statements, it basically involves two foremost grouping; the financial risk as well as the non-financial risk. He further asserted on the easy quantification of financial risk in complementing annual reports as well as facilitating financial analysis while the quantification of non-financial risk is not easily possible. Cabedo and Tirado (2004) asserted that financial risks portrays specific significance in annual reports as well as having a direct impact on financial assets, liabilities, cashflows as well as firm profits, while non-financial risks have no direct impact on financial assets and liabilities but enclose an impact cash flow losses emanating in the future on a long term basis.

Moreover, Hassan (2009) defined corporate risk disclosure as "the financial statements incorporation of general, specific, and potential circumstances that may cause corporations assets and/or liabilities value to fluctuates, decreases or otherwise". Also, Hassan (2009) defined corporate risk disclosure as "the financial statements inclusion of information about managers' estimates, judgments, reliance on market-based accounting policies such as impairment, derivative hedging, financial instruments, and fair value as well as the disclosure of concentrated operations, non-financial information about corporations' plans, recruiting strategy, and other operational, economic, political and financial risks" , this definition communicate the good and bad information as well as reporting on business "uncertainties".

Adamu (2013) investigated the perceptive of stakeholders regarding the outlook fixated to firm disclosing environmental in Nigeria. In view of the fact that stakeholders are supporters of firms reporting information relating to risk in their financial statement, this study utilized the survey method as its technique. The intended respondents were shareholders, bankers, stock brokers as well as financial analyst. After administering 3000 questionnaires to several stakeholders that fall into the aforementioned categories, 230 questionnaires were effectively finished and retrieved. Findings from their analysis showed evidence that firm disclosing about their environment promotes firm transparency; aid efficient management of risk; assists financial analyst in making forecast regarding the earnings of firm with a more realistic precision; as well as curtail the issue of over/under valuing stock. For that reason, they concluded that the provision of information relating to risk by firms in their financial statement is imperative. The scholar however recommended that Nigerian quoted firms disclose information relating to risk so as to benefit from the aforementioned benefits.

Oyerogba, Solomon, Olaleye, and Adesina (2014) examined the impact of disclosing risk in the annual report on the performance of Nigeria quoted firms. Particularly they examined investigated the impact of disclosing operational risk, disclosing strategic risk as well as disclosing financial risks on the performance of Nigeria quoted firms. The scholars implemented a descriptive design which is said to be the technique of collating information via interviews and the administration of questionnaires which is also referred to as primary data retrieval technique. While focusing on a population of 258 quoted companies, results from their analysis revealed that there was an enhancement in the performance of quoted companies as a result of disclosing risk in their annual report. These gave the indication that disclosing operational risk, disclosing strategic risk as well as disclosing financial risks are acceptable in the explanation quoted firm performance.

Ashwag, Radziah, Zulkefly and Aisyah (2016) focused on Islamic banks in their study and this is because Islamic bank activities functions differently from normal banks, mostly in the adoption of profit/loss sharing contracts that possibly results in dissimilar profit and risk profile.

Taking cognizance of the Islamic standard of disclosing fully, signaling and stakeholder theories, they analyzed if there is a correlation amid profitability measures and risk disclosure level. The timeframe of the study was focused on 2006 to 2009 while utilizing a sample of Islamic banks domicile in Europe, Asia as well as the Middle East. After utilizing a panel data analysis, results from the study showed evidence of an affirmative connection amid the disclosure of risk and return on equity.

Lipunga (2014) examined the degree of the disclosure of risk in the financial statement of Malawian commercial banks and its impact on firm profitability. While utilizing an index for risk disclosure created on the basis of the Basel II framework requirement which is a guideline for firm governance in banks issued by IFRS 7 as well as the Reserve Bank of Malawi. Comprising of 34 items, the index was categorized into 6 groups that is; board of directors and management system involving risk management, credit risk, market risk, liquidity risk, capital management as well as operational and any other risks. Findings from the study showed evidence of towering degree in disclosing risk amid the banks of the sample utilized. Furthermore regression analysis suggested no significant relationship between profitability and the level of risk disclosure.

Ho_3: Risk Disclosure has no significant impact on financial performance

METHODOLOGY

Theoretical framework and Model Specification

Theoretical Framework

This study is hinged on the signaling theory. A signal can be described as "a movement, action or sound that is used to communicate instructions or information". It is capable of being action observed, structure observed, usually utilized to show the signaler concealed features. In the communication of signal, it is assumed to be favourable for the signaler. The signaling theory was propounded by Ross (1977) who suggested that if investors cannot efficiently distinguish amongst the performance of two companies on the one that performs better, then a firm needs to make available a „signal" to grab hold of the investor's interest so as to benefit from an affirmative firm reputation. This theory tackles issues of asymmetry in information distribution. This theory proposes that information asymmetry can be diminished by signaling to stakeholders from the party that holds the upper hand by their possession of extra information (Razek, 2014). This theory further argues that in circumstances of asymmetry in information distribution an individual attempts to transmit information regarding its features to another individual (Connelly, Certo, Ireland & Reutzel, 2010; Spence, 1973). Firms will likely be driven by the need to trim down asymmetry in information distribution by effectively providing reports on all their actions to promote legitimacy. Nevertheless, whether or not the receiver of such information recognizes such information as credible and dependable has a huge impact on the possible outcome of the overall signaling effort.

The signaling theory explicates the stance of managers in disclosing information on a voluntary basis outside the mandatory requirement of the law so as to transmit signal about their affairs in other to enhance their transparency and in other words be a magnet for prospective investment (Morris, 1987; Ross, 1977; Spencer, 1973). Based on this theory, managers disclose qualitative information in the financial reports to convey specific signals to current and potential users. Thus they can distinguish themselves from other managers (Elshandidy, Fraser, & Hussainey, 2013). Consequently, the signalling theory suffices as an adequate theoretical framework for this study.

Model Specification

Flowing from the theoretical framework and extant literature, we specified the model as;

$$FPF = f(CGD; CSRD; RD) \quad \text{......} \quad (1)$$

In econometric form:

$$FPF = \beta_0 + \beta_1 CGD_{it} + \beta_2 CSRD_{it} + \beta_4 RD_{it} + \varepsilon_{it} \quad \text{......} \quad (2)$$

Adding control variables to the study we have our model to be represented as;

$$FPF = \beta_0 + \beta_1 CGD_{it} + \beta_2 CSRD_{it} + \beta_3 RD_{it} + \beta_4 FSZE_{it} + \varepsilon_{it} \quad \text{......} \quad (3)$$

Where:

FPF= Financial Reporting Performance

β_0 = Constant;

CGD = Corporate Governance Disclosure;

CSRD = Corporate Social Responsibility Disclosure;

RD = Risk Disclosure;

FSZE = Firm Size;

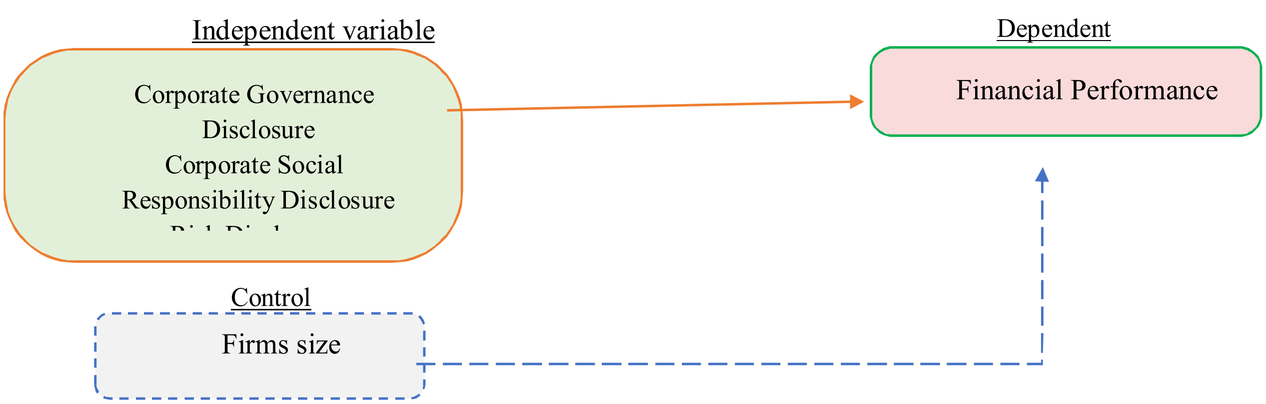
β_1, β_2 β_3 = Coefficient of explanatory variables

ε = Standard error

i = Cross sectional (Companies)

t= Time Series

A priori expectations in with extant literature to be β_1, β_2, β_3,> 0



Research Methods

Our study adopted a quantitative research design. The design examines nexus between variables, which are measured numerically and analyzed using a range of statistical and graphical techniques (Saunders, Lewis & Thornhill, 2016).The population consisted of all listed firms in Nigeria Stock Exchange (169 listed companies as of 31st May 2018) while the target population was forty-three (43) manufacturing firms listed on the Nigerian stock exchange. The manufacturing sector was studied due to its emerging positive impact on the Nigerian economy. The sample size was scientifically derived using the Yamane's (1967) sample size formula, which yielded thirty-nine (39) from the target populations. The stratified random sampling technique was employed in selecting companies under each sector of the manufacturing industry (Consumer goods, industrial goods, and conglomerates sector) via a lottery system, to ensure that all sampled listed manufacturing firms have equal chances of being selected. Secondary data was hand-picked from the annual reports (2015-2019) of the sampled listed manufacturing firms to have enough periods to validate our generalization.

Method of Data Analysis

The study employed both descriptive and inferential statistics. The descriptive statistics which include the means, Minimum, Maximum, Standard deviation was well presented in tables. The Ordinary least squares regression was employed to test our hypothesis after fulfilling the basic regression assumptions. The content analysis procedure was used to convert qualitative data to quantitative data for our explanatory variables, while our dependent and control variables were handpicked from the annual reports.

DATA ANALYSIS, INTERPRETATION AND DISCUSSION OF FINDINGS

The section present both the descriptive statistics, correlation matrix and the ordinary least squares regression result.

Table 2: Descriptive Statistics for Secondary data

	FPF	CGD	CSRD	RD	FSZE
Mean	0.152	0.852	0.205	0.378	7.011
Maximum	5.924	1.000	1.000	1.000	10.001
Minimum	-9.287	0.000	0.000	0.000	5.171
Std. Dev.	0.129	0.157	0.120	0.495	1.001

Source: Authors' computation, 2020

Table 2 above shows a descriptive statistic of variables used in the study. From the listed manufacturing firms investigated in the period under review, ROA, a proxy for financial performance (FPF) had a mean value of 0.152 with minimum and maximum values of -9.287 and 5.924 respectively, and the standard deviation of 0.129 which is close to the mean. The mean of board Corporate governance disclosure (CGD) stood at 0.852, this implies that an average of about 85% of items in the Nigeria corporate governance disclosure index were independent voluntarily disclosed by manufacturing firms. Also, we level of disclosure on corporate social responsibility (CSRD) stood at a 0.205, that is 20.5% rate of disclosure. Likewise, risk disclosure level which stood at 37.8%. Lastly, The control variables introduced firm size (FSZE) had a mean 7.011 (that is about N7Billion), having minimum and maximum values of 5.171 and 10.005 respectively with a standard deviation of 1.001 which is low, suggesting that firm size (FSZE) investigated do exhibit considerable clustering around the mean.

Table 3: Correlation Matrix

	FPF	CGD	CSRD	RD	FSZE
FPF	1.000				
CGD	0.436	1.000			
CSRD	0.120	0.554	1.000		
RD	-0.238	0.432	0.521	1.000	
FSZE	0.543	0.654	0..133	0.447	1.000

Source: Authors' computation, 2020

The results of the correlation analysis are presented in Table 3. The correlation coefficients are mixed. Some variables reported positive coefficients (Corporate governance disclusre and financial performance (0.436); Corporate social responsibility disclosure and financial performance (0.120) and Firm size and Fiancial Performance (0.543), while Risk disclosure had a negative relation with firm performance (0.543). The strength of the relationship between variables measured by the Pearson product moment correlation showed that the association between the variables is relatively small and were below the threshold of 0.80, suggesting the absence of the problem of multicollinearity in the predictor variables (Studenmund, 2000).

Table 3: Ordinary Least Squares

Dependent Variable: Financial Performace (ROA)
Method: Least Squares
Date: 10/04/20 Time:08:16
Sample: 2015 2010
Included observations:5

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-381936.1	2858361.	-0.133621	0.8975
CGD	0.237773	0.086159	2.759700	0.0058
CSRD	5.752242	1.855716	3.099743	0.0019
RD	-31.21723	58.79847	-0.530919	0.6119
FSZE	0.303319	0.348353	0.870724	0.3839

R-squared	0.844863	Mean dependent var	12355919
Adjusted R-squared	0.778376	S.D. dependent var	5208476.
S.E. of regression	2451994.	Akaike info criterion	32.53799
Sum squared resid	4.21E+13	Schwarz criterion	32.68268
Log likelihood	-174.9589	Hannan-Quinn criter.	32.44678
F-statistic	12.70713	Durbin-Watson stat	1.828170
Prob(F-statistic)	0.003210		

Source: Authors' computation, 2019

The result of the Ordinary Least Squares presented in Table 3. The Adjusted R-Squared stood at 0.778, this simply implies that about 78% of the systematic variation in the dependent variable was caused by our explanatory variables. The remaining 22% variation was caused by variables not included in the model, but were accounted for by the standard error of the regression. The F-statistics value of 12.70 was statistically significant at 5% - all slope coefficients except the constant are zero, this simply implies the significance of our models in the study. Being that as it may, we found out that there exist a significant positive relationship between Corporate governance disclosure and Financial Performance of listed manufacturing firms, t = 2.759, β_1 = 0.237, p = 0.0058. This implies that a unit increase in CGD will increase the financial performance by 0.237.This finding is in tandem with works of Paniagua et (2018) and Khatab et al (2011), however in dissonance with work of Akbar et al (2016) who found no significant relationship between corporate governance disclosure and firm performance.

Also, Corporate Social Responsibility disclosure was positive and statistically related to financial performance, t = 3.09, β_2 = 5.75, p = 0.0019. This implies that a unit increase in CSRD will increase financial performance by 5.75. Our result is consistent with the works of Uwuigbe and Egbide (2012), Odetayo et al (2014), and Marfo et al (2015). Contrary to the first two results, Risk disclosure was negatively related to financial performance of listed manufacturing firm in Nigeria, although not statistically significant t = -0.53, β_3 = -31.2, p = 0.611. This implies that a unit increase in RD will not reduce the financial performance of listed manufacturing firms -31.2. Our submission is in tandem with works of Lipunga (2014) but in contrast with work of Adamu (2013), Oyerogba et al (2014), and Ashawag et al (2016), they reported a positive and significant relationship between risk disclosure and financial performance. Firm size **(FSZE)** was statistically insignificant but positively related to financial financial performance, t = 0..87, β_4 = 0.30, p = 0.38 respectively. This suggests that the control variable do not affect financial performance.

SUMMARY, CONCLUSION AND RECOMMENDATION

The objective of this study was to investigate the effect of qualitative information disclosures on corporate financial performance. The Signaling theory was adopted in the study, culminating to model specification, where proxies were used to measure the explanatory variables (qualitative information disclosure - corporate governance disclosure, corporate social responsibility disclosure and risk disclosure) and the dependent variable (financial performance proxied by return on asset). The result of our analysis gave mixed evidence on the subject matter and deviates a little from our model expectations (a priori expectations). Based on the findings of the study, we concluded that qualitative information disclosures affect on corporate financial performance of listed manufacturing firms. This study further recommended that listed firm should disclose more qualitative information (Corporate governance disclosure, Corporate Social Responsibility Disclosure and Risk Disclosure).

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Combating the Spate of Sexual Violence at Workplaces in Armed Conflict Societies: Experiences of Female Workers in Juba Town, South Sudan

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All war torn societies are characterized by the displacement of people, torture and killing of civilians, sexual harassment and various gross forms of human rights violations. By nature war disturbs peace and tranquility in society and causes untold suffering of workers in various organizations. Sexual assault is one of the major crimes that are committed by armed forces and or para-military forces. The purpose of this study was however to investigate and establish strategies and ways of combating sexual harassment among workers in armed conflict societies. A qualitative research methodology was used to carry out the study. Data was collected using a 10 item unstructured interview guide which was developed by the researcher. The study was a follow up to a study the researcher carried out in Juba on the relationship between job satisfaction and financial growth and stability. Data was assembled from 30 participants drawn from the city of Masvingo who had an opportunity to work in South Sudan during the war. Data was analyzed using the thematic data analysis approach. The study found out that sexual assault was one of the rampant crimes that were committed by armed forces to employees and the generality of civilians in war torn societies. The major motive for committing the crime was to punish people who were not supporting their socio-political and economic ideologies. To combat sexual harassment at workplaces employers must provide adequate physical security to their workplaces and put in place prohibitive sanctions to perpetrators of sexual harassment at workplaces. The government should also craft laws and regulations that deter armed and non-armed people from committing sexual related crime.

INTRODUCTION

Sexual harassment has been a subject of much debate among gender activists and gender experts for the past two decades (Murphy et al 2017, Abdulbari 2016, Duvvury and Scriver 2014, Ali 2011, Erickson and Faria 2011, Caprioli 2005, Ding et al 2012, Hirani et al 2012). According to the Strategic Initiative for Women in the Horn of Africa (SIHA) report (2018) sexual violence is an ongoing problem and has become an issue of concern among humanitarian organizations. Sexual violence permeates the socio-economic and political landscapes and is often mirrored in organizations. As such several scholars and educationist have expended and are expending a great deal of energy to combat sexual harassment which is fast becoming cancerous in work places. Most workplaces throughout the world are grappling over developing strategies of managing sexual harassment at workplaces. Sexual harassment problems are even worse for workers in war torn countries, since in most armed conflict areas people commit various forms of crimes and escape the sanctions related to the committed crime (Nyanga et al 2018). Employees operating in war torn societies are prone to various forms of abuses by armed forces and their workmates and super-ordinates. Most women and children are defenseless and have no political power to stop armed forces from abusing them hence they grossly suffer from various forms of abuses. Studies (Pinaud 2016, Scott et al 2014, Scott et al 2013) established that most women in war torn countries are sexually abused by armed forces and other powerful people in society. Women are raped, killed and turned into sexual slaves in and outside the work environment. Furthermore studies (Solotoroff and Pande 2014, Nyanga et al 2018) established that sexual assault is one of the most prevalent war crimes committed by armed forces to all groups of people in society. Workers are raided at their workplaces and sexually abused by combatants and in some cases they can be abducted and turned into sexual slaves. Such a scenario disorients workers to the extent that they end up developing a negative attitude towards their work. Nyanga (2018) established that sexual harassment is one of the consequences of the war that adversely affect job satisfaction among domestic workers in armed conflict societies. Job satisfaction is one of the antecedents to organizational performance; hence any short of it imply that the organization's profitability, productivity and increase in the value of shares are bound to suffer.

According to the Siera Leone Sexual Offences Act Article 13(1), "Sexual harassment involves a person who repeatedly makes unwanted sexual advances, repeatedly follows, pursues, accosts another person or makes persistent unwelcome communication with another person." It includes watching, loitering outside or near a building where the harassed person resides, works, carries out business or studies. It also involves repeatedly making telephone calls to the harassed person. To add more on the definition of sexual harassment the Criminal Law of the Lagos State in Nigeria, Article 262 defines sexual harassment as "any unwelcome sexual advances, requests for sexual favours and other visual, verbal or physical conduct of sexual nature which when submitted to or rejected implicitly or explicitly affects a person's employment or educational opportunities." This implies that sexual harassment at workplace is one of the offences that are committed by employees knowingly or unknowingly. Sexual harassment bears some economic and social costs which directly or indirectly affect the life of an employee and his/her psychological disposition.

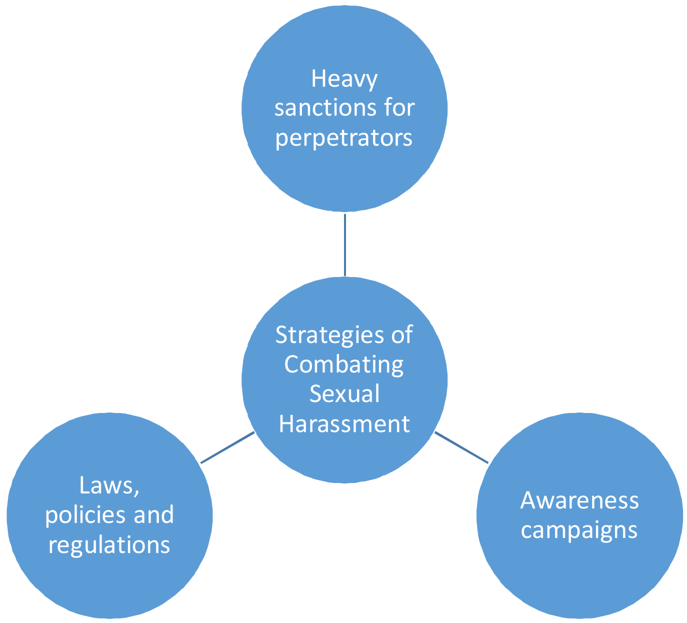
Nussbaum (2005) carried out a study on the violence women face and the security systems they have in society. It was observed that most women are exposed to various forms of violence and their physical and emotional security is compromised. It therefore implies that the security of women in armed conflict societies needs to be increased so that they are protected from various forms of sexual violence. Furthermore a study carried out by ActionAid in Bangladesh established that approximately 80% of garment employees in that country have either observed or directly or indirectly witnessed sexual assault or harassment in the workplace. Such appalling figures show that there is need for organizations to provide greater security to female workers throughout the garment industry in Bangladesh. Garment industry is one of largest and key industries in Bangladesh, hence there is need to ensure that workers are safe and appropriately satisfied. Satisfied workers perform far better than lowly satisfied workers (Nyanga et al 2012, Markovits et al 2013). Armed conflict breeds several devastating consequences to women and children, economy and development in general (Justino 2011, Kadir et al 2019, Melander 2015, Patel et al 2017, Petracco and Schweiger 2012, Plumper and Neumayer 2006).

Several reports from humanitarian organizations in South Sudan and other countries in armed conflict (Amnesty International 2017, Republic of South

Sudan Ministry of Gender, Child and Social Welfare 2012, United Nations Mission in the Republic of South Sudan 2014, Amnesty International 2017a, Amnesty International 2017b, Care International 2014, International Rescue Committee 2012) castigated political parties and other members of society for committing sexual violence related crimes against women and children. The abuse of women has been viewed by several scholars (Parmar 2014, Karmaliani et al 2012, Ibreck et al 2017, Abdulbari 2016) as a serious violation of people's rights which deserve heavy sanctions for all the perpertrators. All the stakeholders should make an effort to stop and discourage people from committing sexual related crimes against workers. While researchers are highly appreciated for carrying out several studies on violation of rights for women and children and sexual harassment, they however did very little if any studies on managing sexual harassment for workers in war torn countries. The aim of the study was to investigate the degree of sexual harassment in workplaces and suggest ways of combating sexual violence in armed conflict societies.

RESEARCH METHODOLOGY

The study employed a purely qualitative research methodology. The researcher opted to use the qualitative approach because he wanted to get the finer intricacies of the subject under investigation by probing further and getting clarifications from the respondents. It is a taboo in most communities in Africa for people to publicly discuss sexual related subjects; hence it was not easy for the researcher to get many respondents to complete questionnaires. It was also appropriate to employ qualitative research method because the subject under investigation involves a lot of issues some of which may not be easily captured using a questionnaire. The researcher used open ended interview data collection instrument to collect data from thirty (30) participants, ten (10) of whom participated in the study titled; 'Financial instability and growth: Does job satisfaction play a role?' which the researcher carried out and was published by Amity Journal of Management Research. The researcher opted to gather from the ten participants because during the interviews in the preceding study they continuously raised the



issue of sexual harassment as one of the antecedents that needed to be harnessed to propel financial growth and job satisfaction. All the thirty (30) participants were drawn from the city of Masvingo and had an opportunity of working for organizations in South Sudan during the height of the civil war. The participants have rich information on the consequences of the war on human rights, hence they were chosen to participate in the study. The interview guide comprised 10 item open ended questions where respondents were expected to verbally respond to the questions while the researcher recorded their responses. The collected data was put into themes and analysed using the thematic data analysis method.

RESULTS

The study revealed that workplace related sexual harassment was rampant in war torn countries. Various forms of sexual harassment related crimes were committed in and outside work premises. The crimes were committed by armed forces and or workmates who hold influential positions in organizations and society. One of the respondent remarked, “The main perpetrators of sexual assaults in war torn countries were armed forces and other influential people in society. Those people who wield more organizational, political and economic power physically and sexually abuse female workers.” Participant 7 said, “Workers would be raided and abducted by armed forces and get raped, beaten and in some instances killed.” The findings clearly show that most sexual work related crimes in armed conflict societies were committed by armed forces who raided and abducted workers.Some workers were sexually abused by their co-workers who wielded economic, social, political and organizational power, such as managers, chief executive officers and supervisors. Participant 22 said, “Managers and other people who hold influencial positions would sexually harass workers by making unwanted sexual advances such as sending messages to the harassed workers through the social media like whatsapp.” Some would make give workers offers for promotion or higher salaries on condition that they accede to their sexual demands. Consistent with the findings, the Sudanese NGOs Alternative Report (2006:8) indicated that the Sudanese laws and Covenants obligate the government to take stern action against all the people who violate other people’s rights. Despite the availability of laws and regulations that discourage people from violating other people’s fundamental rights, almost all the participants reported that the contravention of universal, constitutional, civil, political and human rights in Sudan has become the tradition and norm. Respondent 12 remarked, “Armed conflict exposes women and girl children to various forms of sexual violence, most of which significantly affects their social and psychological dispositions.” The findings are in sync with the Sudanese NGOs Alternative Report (2006) which reported that during the war women were abducted by armed people who would take them as sex slaves and in some instances as their wives without undertaking any marriage legal procedures. It was also reported that as soon as the abducted women became pregnant and later alone give birth they would be expelled. One of the respondents said, “During the war girl children (approximately 8-15 years old) and or workers would be abducted and coerced to herd the cattle of abductors and would be exposed to various forms of physical and sexual harassment”. The findings are in sync with Nyanga and Sibanda (2019) who observed that sexual harassment was one of the major consequences of armed conflict on domestic workers. A study by Nyanga (2018) also established that sexual harassment was a common feature in war torn countries. Workers and other women in society are sexually harassed in and outside work premises. Sexual harassment is therefore a cause for concern for workers in organizations operating in armed conflict societies.

The major motivation for armed forces to commit sexual related crimes at workplaces was two thronged; one being to punish people who were not supporting their socio-political and economic ideologies and secondly to satisfy their sexual desires. One of respondents said, "During the war the Dinka armed forces would sexually harass the Neur women as a way of punishing them or forcing them to accede to their demands. On the other hand the Neur forces would sexually harass the Dinka tribe women as a way of punishing them for supporting the Dinka armed forces." Armed forces would get into workplaces and physically and sexually assault women who did not belong to their political camp. The main reason for committing sexual violence related crimes was political in nature. Politics contributed significantly to the sexual assaults that were committed in and outside workplaces. Respondent 23 said, "The deep and ancient abhorrence between the Dinka and the Nuer tribes was also one of the major causes of the harassment of women at workplaces." The other reason for committing workplace related sexual crimes was for armed forces and fellow workers to fulfill their sexual desires. Employees who wield power to make decisions regarding promotion, salary increments and many other important decisions on employees use the quid pro quo approach to solicit for sexual favours from fellow workers. The Quid pro quo is the principle of exchanging something important for something the person being abused direly needs. Managers and supervisors exchange work related favours such as promotion, favourable performance appraisal scores, training and development opportunities for sexual favours with their employees. Employees in armed conflict societies are vulnerable to various forms of abuses which include among others sexual and physical assault.

The study established that one of the strategies of combating sexual harassment in armed conflict societies was putting in place heavy and prohibitive sanctions for perpetrators of sexual harassment in and outside workplaces. Organisations should develop work policies that impose heavy sanctions on workers who sexually harass other workers. For example a manager who sexually harasses his/her subordinates should be dismissed, reported to the law enforcement agents and also be made to pay heavy fines to compensate the socially, emotionally and mentally injured employee. Respondent 7 reiterated, "Organisations should put in place policies and rules that deter workers from promoting or participating in sexual harassment related activities at workplaces. The government should also put in place laws that scare both workers and non-workers from engaging in sexual harassment activities." It follows that legislation plays a major role in reducing sexual harassment at workplaces, for instance the Labour Act, 2017 (Act No. 64 of 2017) of the South Sudan Republic does not condone the harassment and discrimination of workers. However, while the law is good enough to prohibit people from engaging in work related sexual assaults, the surge in the cases of sexual harassment is worrisome. The most important thing is for the government to ensure that all the key stakeholders adhere to the provision of legislation that discourage the harassment of workers. The law enforcement agents should impose heavy sanctions on all the perpetrators of sexual harassment in and outside work premises.

The other strategy of combating the spate of sexual violence in workplaces in armed conflict societies is by organizing awareness campaigns aimed at equipping workers with information regarding sexual violence at workplaces. Employees need to be taught sexual harassment tactics used by perpetrators of sexual violence so that they keep safe from sexual assaults. Organisations with the help of the government and non-governmental organizations should organize awareness campaigns so as to fully equip workers with survival skills and procedures of reporting perpetrators. One of the respondents remarked, "Most employees who are sexually assaulted by their bosses fall prey to them because they are not fully empowered and equipped with the provisions of the law on how to punish perpetrators of sexual assaults. Most victims do not know the extent to which the law protects them from perpetrators of sexual violence." Participant 11 said, "The bulk of sexual assaults committed by people in positions of authority go unreported because some of the victims will not be aware that their sexual rights will have been violated. For example a manger can make a sexually suggestive remark on his/her subordinate, which an employee may have not viewed as an assault." Awareness campaigns and other training programs provide employees with adequate survival strategies. To reduce the rate of sexual assaults organizations should organize training programs and distribute printed material that is meant to empower people to deal with sexual assaults challenges at organizational and individual levels.

Employees in war torn countries need to have adequate physical and emotional security, which protects them from being sexually harassed by their workmates and also their super-ordinates. The work environment should provide workers with well furnished offices with sexually friendly office furniture such as tables that are not open in front. Such furniture does not expose female employees' sexual or sexual related body parts to their male counterparts. Respondent 28 said, "Most female workers who are raped at work places are because they expose their private body parts such as breasts to their male counterparts. Male employees develop a desire to have sex with them and make sexual advances, which when denied end up raping their female counterparts." Respondent 9 remarked, "Employees in war torn countries are raped because their workplaces are not adequately secured with dural walls and razor wires. The entrance points are also not guarded by armed security guards, which in turn make the workplace accessible by various groups of people. Some sexual assaults at workplaces are committed by strangers who will be armed." This implies that employers should provide adequate physical security to their workplaces so as to restrict strangers from getting into their work premises. At times employees are sexually assaulted by armed people who will just be trying to fullfil their sexual desires or trying to punish people who belong to their rivalry political party. The findings are consistent with Soccol (2018) who argued that sexual violence often takes place alongside the division between the Neur and Dinka ethnic groups. Victims are embattled because of alleged political inclination and allegiance. To combat sexual harassment non-governmental organizations should organize workshops where they reach out to armed forces or their leadership and discourage them from engaging in criminal activities such as theft and sexual assaults against civilians. Civil society should also assist government to put in place systems that deter armed and non-armed people from committing crimes of sexual nature.

CONCLUSION

The study concluded that sexual harassment was rampant in armed conflict societies. Employees irrespective of age and sex get sexually assaulted by armed forces or their workmates for various reasons. Men would sexually assault other men and women while women would also sexually assault other women and men. Sexual violence is one of the key antecedents that disturb the psychological wellbeing of employees and affect the performance and social disposition of workers. It is therefore critically essential for organizations and the government to put in place mechanisms that can arrest sexual violence activities at workplaces. Sexual harassment can be arrested if all the key stakeholders cooperate and work together to eradicate it. Organizations need to provide adequately secure physical infrastructure so that strangers do not willy-nilly get into the premises. All the people who get into organizational premises must be accounted for. Such a move deters criminals from entering the premises with the intention of engaging in criminal activities. The study also concluded that the government through law enforcement agents should put in place prohibitive sanctions on perpetrators of sexual assault activities. Putting in place heavy penalties discourage both workers and other members of the community from engaging in sexual criminal related activities in and outside work premises. Furthermore the study concluded that sexual harassment in workplaces in armed conflict societies can be significantly reduced by empowering employees through training and distribution of material that equip employees with information on sexual harassment.

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Book **Review**

Book Title: "Statistical for Psychology Using R"

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Statistics for Psychology Using R comprehensively covers standard statistical methods along with advanced topics such as multivariate techniques, factor analysis, and multiple regression widely used in the field of psychology and other social sciences. Its innovative structure and pedagogical approach coupled with numerous worked-out examples and self-assessment tests make it a user-friendly and easy-to-understand companion for students and scholars with limited background in statistics. The standout feature of this textbook is that it demonstrates the application of R—a free, flexible, and dynamically changing software for statistical computing and data analysis, which is becoming increasingly popular across social and behavioral sciences.

Crucial Features:

The standout feature of this textbook is that it demonstrates the application of R—a free, flexible, and dynamically changing software for statistical computing and data analysis, which is becoming increasingly popular across social and behavioral sciences. In this book, detailed discussion on statistical techniques namely correlation, regression, t-test and analysis of Variance (ANOVA), advance techniques power and effect size, bootstrapping etc. Extension discuss on multiple statistical procedures such as multiple variate analysis of variance (MONOVA), Multiple regression, logistic regression and psychometric using R-Programming. Exhaustive treatment of exploratory, factor analysis, confirmatory factor analysis and structural equation modelling have been done in this book.

Chapter 1. Probability: Basic Concepts and Random Variables: as understanding of probability is useful for application of stats in psychological attributes in terms of random variables. In this chapter the author elaborated the various crucial concepts pertaining to Probability namely sample space, events, random variables, discrete random variables, continuous random, continuous probability, conditional probability.

Chapter 2. Statistical-Inference: here focus of author is on the basic idea of inference, null hypothesis, point estimation, interval estimation, properties of estimation, method of estimation. In this chapter, the writer has explained the population parameter and sample statistics, though population parameter is unknown and statistics is known. In addition, the law of large numbers, CLT, Rao Blackwell theorem and Cremer Rao inequality are important underlying concepts.

Chapter 3. Description of Data: Statistics and Graphical Description: the Writer has delved on descriptive statistics, describing descriptive data, measuring of Central tendency, measures of variability, and exploring data through graphical representations of data. Here the author has introduced the role of R-programming and its important R-Programming libraries such as lattice, ggplot 2 and role of R-language packages.

Chapter 4. Normal Distribution: Theory, Application, and Testing: in this chapter focus has shifted to historical aspect of Normal Distribution, application of normal distribution, testing normality, tools to deal with non-normal data, multivariate Normal distribution and testing multivariate data as well as Outliers. The practice of R-Language examples for applications of statistical tools has been discussed for solving the numerical problems.

Chapter 5. Correlation and Association: in this chapter, the author has depicted Correlation and Association. Here, the writer has discussed various methods that are useful in testing, for instance, Pearson's Correlation, Special Correlations, Semi-partial, Multiple Correlation, testing difference between Correlation Coefficients, Spearman's rho, Kendal's tau , Goodman, Kruskal's Gamma, and Kendall's, coefficient of coordinate.

Chapter 6. Regression Analysis: this chapter has three main aspects associated with prediction, such as, firstly, simple linear regression, second, multiple linear regression, and third logistic regression. The R codes, were also provided. It is recommended that the readers may carry analysis as per their requirement using tools explained in the chapter.

Chapter 7. Comparing Means: t-Test: this chapter was aimed at understanding t-distribution, and t-test statistics. The author has described types of t-test, specific issues associated with t-test and R-codes for conducting statistical analysis. Further, discussed pair t-test and boot strapping.

Chapter. 8. Analysis of Variance: here in this chapter, the writer attempted to introduced ANOVA, and Its variation, MCP, and multivariate ANOVA. The author discussed independent sample of ANOVA, effect-size & power, factor analysis of variation: two way ANOVA, multivariate analysis of variance (MANOVA). The R codes supplied will be useful for analysing and playing with data and its interpretation.

Chapter 9. Non-parametric Methods: this chapter presented and showed a discussion on non-parametric procedures for ordinal and nominal data. There are various other alternative multivariate statistical tools discussed here, such as Chi-Square tests comparing two Proportions, comparing locations of independent samples, comparing depend samples etc. The R Codes provided are useful in analysing data.

Chapter 10. Factor Analysis and Structural Equation Modelling: in chapter 10 author elaborated exploratory factor analysis(EFA), Confirmatory factor analysis(CFA), AND Structural equation modelling (SEM). Here, R-Codes were also discussed to perform EFA, CFA and SEM. The full models were also discussed.

Chapter 11. Basic Psychometrics: this is the last chapter of the book which focussed on a brief introduction about two psychometric models. CTT is based on assumption about error and attempts to develop a test that has high reliability. In this chapter complete treatment is provided to deal with formal statistical procedures which were developed for deciding the suitable model test, and items. The R-Code were provided to perform the statistical testing.

Appendix A Introduction to R, here hands on R-Programming has been discussed to carry out statistical analysis.

Appendix B Basic Mathematics for Psychologists, various basic mathematical tools has been elaborated for the implementation in their subject area.

Appendix C Statistical Tables, provided the various statistical tables here.

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