Journal of Accounting and Financial Management E-ISSN 2504-8856 P-ISSN 2695-2211
Vol 10. No. 10 2024 www.iiardjournals.org

Nexus Between Board Characteristics and Firm Performance of Quoted Commercial banks in Nigeria

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DOI: 10.56201/jafm.v10.no10.2024.pg174.202

Abstract
The study empirically explored the nexus between board characteristics and firm performance in quoted Commercial banks in Nigeria. The population of the study made up of 23 listed banks in the Nigerian stock exchange in 2022. The study adopts judgemental sampling technique to select 10 quoted commercial banks as the sample study. Ex-post facto research design was implemented and secondary data were obtained from quoted commercial banks for the period of five years (2018-2022), making up 50 firm-year sample observations. The study adopts descriptive statistics for univariate analysis, bivariate for correlation analysis, while the hypotheses were tested using the multiple regression analysis based on Excel Analytical package 2018 and SPSS version 20. The findings are as follows: the first model shows that board diligence and board gender diversity are positively, statistically and significantly correlated with earning per share in commercial banks in Nigeria. The second model indicates that board diligence and board size are positively, statistically and significantly associated with share price in commercial banks in Nigeria. The third model showed that board gender diversity is statistically and significantly related with Net asset in commercial banks in Nigeria.The study therefore, concludes that there is a statistically significant relationship between board characteristics and firm performance in quoted commercial banks in Nigeria.

The study therefore enables an understanding on the nature of relationship existing between board characteristics and firm performance of quoted commercial banks in Nigeria. The study recommends among others, a cordial relationship among the board, shareholders as well as other stakeholders for high corporate performance. *Gender balance in the board structure is recommended for blending of gender expertise in the overall management task and to increase board's decision quality in commercial banks in Nigeria. Optimal and cost effective numbers of board meetings is recommended to increase firm performance in commercial banks in Nigeria. Also, commercial banks in Nigeria should constitute board members with multi-disciplinary and expertise backgrounds for result oriented decisions to increase firm performance and share price in the market. Besides, ideal board size should be instituted to reduce corporate cost on the board to attain profitability in commercial banks in Nigeria.*

Keywords: *Board characteristics, firm performance, board size, board diligence, board diversity, Earnings per share, share price, net asset*

INTRODUCTION

The overriding objective of every business organization has been that of making returns on the investment, to create shareholders' wealth. Firm performance of any sort is vital to corporate survival, creation of shareholders' wealth, continuous patronage by investors, attraction of potential investors and promotion of creditors' interest to give credit and stimulation of other stakeholders' interest in the firm. Achieving a progressively sustainable corporate performance is also fundamental to firm's survival and competitiveness, most especially in the current global and complex economic environment.
Firm performance has always been a regular accounting research, guided by many concerns and it is one of the major signals that are used to draw the attention of investors to a firm. Firm performance may be used to assess the effectiveness of the policies and activities of the management. Information on firm's performance is used to make rational economic decisions by the stakeholders through the help of faithfully presented financial reporting to which board of directors play a vital role (Magoma et al., 2024). Firm performance was also said to measure how well a company organizes its skills and resources to achieve financial objectives of an entity, it serves as a measure of the financial health of the company. It is the process of measuring the results of a firm's policies and operations in monetary terms. Apart from being used as a tool for measuring firm's overall financial health over a given period of time it can also be used to compare similar firms across the same industry or to compare industries or sectors in aggregation. This study investigated the following performance indicators; earning per share (EPS), share price (SP) and net assets (NA).

Corporate performance has always been challenging to attain, because it could undoubtedly be influenced by many factors, the commonest of which has been the quality/nature of board of directors - a corporate governance instrument of entities. Board of directors is the central mechanism for monitoring and supervising corporate managers. It is also the most outstanding governance system of the internal control process which must possess certain characteristics to be able to enable it to optimally realize their role. Governance is nothing else, than promoting adherence to or enforcement of corporate rules and regulations, to which the board serves as a machinery to achieving corporate objectives (Abu 2024). Board characteristics has been said to be every attribute and features of a firm's board that permits the successful and efficient pursuit, enforcement and full realization of the interest of the shareholders together with those of the other stakeholders in the entities. Board characteristics has also been said to refer to features that can be used to measure the effectiveness and efficiency of corporate boards that saddled with the overall management and control of the firm. Board characteristics could be quantitative or qualitative, the quantitative variables are important to this study and may include; board size, board independence, board shareholdings, board frequency of meetings (board diligence), board gender diversity, and board membership competence, board share ownership, while the qualitative (intangible) variables include quality decisions, production of positive values. All these have their varying degree of impacts on the performance of firms. Evidences in the literature had it that, board size, Board independence, board gender diversity, board diligence and board share ownership are positively correlated with firm performance of the money deposit banks in Nigeria (John, et al., 2024).

Magoma et al., (2024) confirmed that effective boards and sound corporate governance practices are essential ingredients for defining the rights and duties of the stakeholder of the business including shareholders, management, and board of the directors as well as achieving and maintaining public confidence and assurance in the financial sector in Nigeria and the world over. These, according to him are critical to determine the performance of the banking sector of any economy in the world. Evidences also maintained that poor boards of directors (corporate governance) could in turn lead to the bank fraudulent activities, dubious transactions that may have a negative impact on the performances of entities in particular and the economy as a whole.

Poor corporate governance has been blamed in the literature for the high rate of failure of money deposit banks as well as the financial crises of many entities in other sectors of the economy around the world, including in Nigeria (John, et al., 2024). The discovery of financial scandals in some of the world's famous corporations was reported to have dealt a devastating blow on the global financial market and greatly hindered the growth of developing economies. These scandals led to the collapse of many giant corporations in the world, such as Enron and World com in USA, Parmalat in Italy, HIH in Asia, Tel in Australia. In Nigeria also, corporate governance failures were experienced in organizations including but not limited to; Oceanic bank, Intercontinental bank, Spring bank, Afribank, Wema bank, Savannah bank, Finbank, Cadbury Nigeria Plc. Money deposit banking industry in Nigeria was noted to have been ruined by the problem of illiquidity leaving some banks to be financially distressed. According to CBN reported, poor corporate governance amongst other things was identified as one of the major causes of financial institutions' distress in the country. This has led to the loss of confidence in both public and private companies including banking industry in the country by business participants.

In order to regain corporate confidence, security and exchange commission (SEC) came up with the code of best practice of corporate governance aimed at safeguarding and protecting the corporate environment in Nigeria. Also, commercial banks were legally and statutorily required by regulators to set up a sound and adequate corporate governance regime, including the audit committees and the board, in order to curtail agency conflicts, enhance growth and competition, performance, profitability and overall company value. Evidences in the literature revealed that the code of corporate Governance for Post consolidation era of Banks in Nigeria issued by the central bank of Nigeria (CBN) in 2006 recommended, among other things that, board size should not be more than twenty and the number of non-executive directors should be more than that of executive directors with, at least, two non-executive board members as independent directors (who do not represent any particular shareholder interest and hold no special business interest in the bank. The Board should meet regularly – a minimum of four (4) times in a financial year was recommended (Olufemi and Uchenna, 2023).

Until recently, specific corporate governance codes have been issued by different regulators (such as security and exchange commission, the Central bank of Nigeria etc.) to address the governance challenges in their sectors. But recently, in order to consolidate the corporate governance requirements of various sectors and establish a codified corporate governance regime applicable to all entities in Nigerian corporations, the Financial Reporting Council of Nigeria (FRCN) was reported to formulate and release the Nigerian Code of Corporate Governance 2018 (the "Code"), which was unveiled by the Vice President of the Federal Republic of Nigeria, Prof. Yemi Osinbajo and the Honourable minister of trade and investment, Dr. Okechukwu Enelamah on 15th January 2019. The code was said to primarily, aimed at institutionalizing corporate governance best practices in Nigerian companies in order to increase the integrity of, and positively redefine public perception of the Nigerian business environment, thereby facilitating increased trade and investment in the country.

Nigeria money deposit banks in the financial sector provides a relevant background for the investigation of board characteristics and firm performance for considerable number of reasons; firstly, the Nigerian banking sector serves as the centrepiece of Nigerian economy as it provides the finances needed by the productive and other sectors of the economy. This it does by mobilizing funds from surplus to deficit ends - thereby, facilitating production, trade and capital formation that resulted in sustainable job creation and economic development. Secondly, the sector is said to currently account for about 32% of the entire market capitalisation on the Nigerian stock exchange (Ohiokha et al., 2023).

The theory underpinning this study is agency theory, which is noted to have been commonly used in the literature by researchers in corporate governance studies. Independent variable investigated is board characteristic having (board size, board gender diversity and board share ownership) as dimensions while the dependent the variable is firm performance measured by (share price, earning per share and net assets) as proxies. Board size consists of and describes the number of directors in the company. Board gender diversity is measured by the percentage of women on the board of directors. Share price is one of the measures of firm value used in this study. Share price has been defined as the amount it cost to buy one unit of an entity's stock. Earning- per- share is said to be the earning capacity of the company with respect to one share. Net Assets is difference between total assets and total liability. Net asset increases as a firm earns income and decreases with losses. Firm size may be defined in term of ether; total assets, total investments, net-worth of the firm, value added, total sales and others.

Essentially therefore, there is no firm that can effectively function without a board with active and excellent features. The board is said to function to protect the interest of the shareholders and guarantee that the company is profitable and continues to operate as a going concern. They care about everything related to the organization's governance and they also want to make sure that the needs of the shareholders and other stakeholders are addressed. One of the issues they deal with is ensuring high returns on investment as well as firm performance through monitoring and providing advice as necessary. Effective strategic management and excellent board features provide an environment where group creative thinking is optimized thereby, allowing for maximum input into decision making process of the firm that resulted in achievement of organizational goal.

Therefore, the main aim of this study is to investigate the nexus between board characteristics and firm performance of the commercial banks in Nigeria, the moderating role of firm size.

STATEMENT OF THE PROBLEM

One dominant characteristic of the Joint stock Company is that of separation of ownership from control. Shareholders represent the ownership while the management represents the control of corporations, which give rise to principal-agent relationship. By this relationship, Agency theory advocates in principle, the agents to represent and seek the interest of the principal (shareholders). But in practice, as agency hypothesis portrays, what is however, common is the case of the management pursuing their own interest thereby, resulting to conflict of interest between the shareholders and the management. Due to these divergent interests between shareholders and management, known as agency problem, there is possibility that the organization performance will be adversely affected. This conflict of interest among stakeholders makes corporate governance inevitable, of which, board composition and attributes are fundamental operational instruments. The said conflicting or contradictory interest has been characterised by management's deliberate refusal to obey company's rule and regulation, violation of control system by collusion, insider transactions and other unlawful transactions, distorted credit management in banks and cover-ups which led to the presentation of financial information that is not faithfully represented (information asymmetry). This scenario has been said to cause deterioration of shareholders assets and wealth. According to Acho et al., (2024) the aim of corporate governance is to unite the interests of firm stakeholders. This draws the attention of the shareholders and investors to institute corporate governance - a body that can faithfully represents their (stakeholders') interest and ensure adherence to the corporate rules and regulations while ensuring overall attainment of business objectives.
Regrettably however, despite the institution of the corporate governance regime by commercial banks and other entities in other sectors of the economy in Nigeria and around the world, cases of corporate failures attributable to poor corporate governance have been reported around the world. Commonest ones include but limited to international scandals in Enron, Xerox and World.com in USA; Parmalat in Italy, HIH in Asia, Tel in Australia. Others included, Tyco International, Global Crossing, Arthur Anderson, Marconi, NAMPAK and so on. In the recent past, financial institutions and other corporations in Nigeria were reported to have witnessed untold financial distress in which banks that were formally considered very healthy by investors were the most affected. These included; Oceanic bank, Intercontinental bank, Spring bank, Afribank, Spring bank Wema bank, Bank PHB, Savannah bank, Finbank and Cadbury. These bubbles have drawn the attention of the public and investors to see the board of directors as problem, rather than being a solution to the organization, constitute a major actor responsible for the failure of corporations, both in developed and developing nations. In fact, board of directors has been criticized for being responsible for the dwindling in shareholders' wealth.
The reasons for the corporate giants' collapse were reported to in the literature to include, ineffective board of directors, fraudulent activities, weak internal control, unreliable financial reporting, lack of vigilant oversight functions by the boards of directors, the board relinquishing control to the corporate managers - who pursue their own self-interest, the board being negligent in its accountability to stakeholders and lack of independent of the audit committee and inadequate disclosure, mention but a few (Abu (2024)**.**

As a corollary to the corporate governance failure, series of reforms have been made to corporate governance in order to consolidate the corporate governance so to ensure it best practice in Nigeria and all over the world. Before now, regulatory bodies such as security and exchange commission (SEC**)** and Central Bank of Nigeria (CBN) had put in place stringent measures for the regulation of banks in Nigeria. For instance, the code of corporate governance was issued by the Nigeria security SEC for corporations operating in Nigeria in 2003. Specifically, in 2006, a code of corporate governance for banks was issued by the CBN. These codes were expected to ensure best practices among corporate bodies in Nigeria. But presently, the Financial Reporting Council of Nigeria (FRCN) was saddled with the task of engaging the stakeholders in order to redevelop a national corporate governance code (the code) to be in consonance with the international best practice. The code was unveiled by the past vice President of the federal republic of Nigeria, Prof. Yemi Osinbajo and the Honourable Minister of Trade and Investment, Dr. Okechukwu Enelamah on 15th January 2019. The ‘’Code’’ is reported to primarily, aimed at institutionalizing corporate governance best practices in Nigerian companies in order to enhance the integrity of, and positively redefine public perception of the Nigerian business environment, thereby enabling increased trade and investment in Nigeria. In this new code of best practice, the Board of directors (the Board) are required to have a charter stipulating their responsibilities. In addition, diversity (including knowledge, skill, experience, age, culture and gender) are greatly emphasized and to be given important consideration in the composition of the Board (Nigerian code of corporate governance, 2018). The big question however, has been whether or not this new-born code of best practice in Nigeria can perform the expected miracle of preventing corporate failure permanently in Nigeria?

Over the years corporate governance research has attracted the attention of the researchers and scholars in various business areas in Nigeria and the world over. Many scholars have investigated various aspects of governance such as board characteristics and firm performance of quoted commercial banks in Nigeria in the past, and they came up with divided evidences. Example, Abdullahi (2023), Acho et al., (2024), and Magoma et al., (2024) and Awad et al., (2024) reported a positive relationship, which means board characteristics improves firm’s performance in quoted commercial banks Nigeria. While others like; Aernan et al., (2023), Olufemi and Uchenna (2023) and Yunusa et al., (2023), presented negative correlation between board characteristics and firm performance in quoted commercial banks Nigeria. This lack of consensus of evidences on the relationship between board characteristics and firm performance created the first gap which this study intends to fill. Also, the study will also fill a dimension gap because, limited to the literatures reviewed in this work, there are only few works that have studied share price as independent variable. Therefore, this study is a modest attempt to fill these gaps by investigating the nexus between board characteristics and firm performance of the commercial banks in Nigeria.

CONCEPTUAL FRAMEWORK

This sub-section of the study clarifies major specific concepts and definitions of terms used in this study “nexus between board characteristics and firm performance of quoted commercial banks in Nigeria” and the related topics.

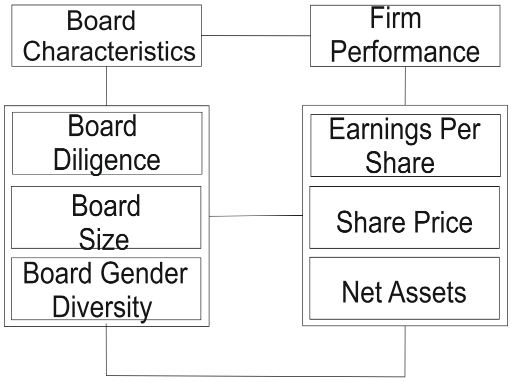

FIGURE 1: Conceptual framework on board characteristics and firm performance
Sources: Aerna et al., (2023)

BOARD CHARACTERISTICS

Board characteristics depict board's competence, independence, or integrity, right mix of skills and diversity to carry out their duties efficiently. These are the so-called features that play a noteworthy role in the study of the connection between the performance of the boards and that of the companies, respectively. Board characteristics convey and transcend every quality and aspect of a company's board that enables the effective and efficient pursuit or achievement of the interests of the numerous stakeholders. Both quantitative and intangible factors are used to gauge the board's success or efficiency. The quantitative factors include board size, board independence, board shareholdings, board meeting frequency, board gender diversity, and board membership competency. On the other side, the qualitative or intangible factors cover things like making good decisions and creating positive values.

BOARD DILIGENCE

The number of board meetings. Board meetings measure the board's diligence and the board's commitment to the organization. The board of directors' meetings is a suitable and effective platform to make decisions and discuss the operational problems of the entities; it is also a place where the actions of the managers are also discussed, and decisions are made to protect the rights of the shareholders. Board meeting frequency has a beneficial impact on business performance. The board of directors have their meetings to monitor the management's decisions and guide them to improve the firm's performance. In frequent board meetings are evident that the board takes its obligation seriously to defend the interests of the shareholders. Board's diligence data is gotten from corporate governance section of the audited account of the respected quoted commercial banks. Board diligence is equal to total number of board meetings held in a year. While a strand of the studies found evidences for positive relationship including Aerna, J. E., et al., (2023), presented negative relationship between board diligence and firm performance.

BOARD SIZE

Board size is the total number of directors, non-executive and executive, in the firm. This is the number of individuals that constitute the board of directors of a company. It is the total number of directors on the corporate board. Specifically, the revised code of corporate governance 2018 stipulated that corporate board size should be relative to the complexity and scale of companies' operations. The code further specified that the number of directors in company's board should not fall below five. However, the governance code did not specify the maximum number of directors a company should appoint for any specified period. Board's size data is gotten from corporate governance section of the audited account of the respected quoted commercial banks. Board's size is equal to sum of all directors, non-executives and executives members of the board.

BOARD GENDER DIVERSITY

Board gender diversity therefore specifically describes the number of women on the board. Boards are traditionally made up of only male persons. The inclusion of women in the board leads to gender diversity. It has generally been accepted that female board members are more independent because they are not part of what is called the ‘‘old boys’’ network. The implication is that the presence of women on the board could be perceived by shareholders that significant change is on the way, and making them more confident in the company's success, which results in increase in share price. Diversity in general has the capacity to improve firm value and performance as it provides new (feminine) insights and perspectives and provides for representation of different stakeholders for equity and fairness. Board gender's data is gotten from corporate governance section of the audited account of the respected quoted commercial banks. Board gender diversity is calculated as ratio of total women to board size.
The central bank of Nigeria required a minimum of 30% inclusion of female persons on the board of directors of money deposit banks in Nigeria. Also, the Nigerian corporate governance code 2018 advocated that public listed companies should consider gender diversity in appointing and filling the board vacancies; however, there were no dictates regarding the quotas or the actual percentage of inclusion in this new code.
The agency theory suggests that female directors can play a significant role in helping the entities reduce costs by generating new ideas and specific feminine viewpoints for the board of directors to make difficult decisions.

FIRM PERFORMANCE

Firm performance is a measure of a firm's ability to utilize assets in its core business and generate revenue. The term performance is used to measure a company's financial health over a period of time and also used to compare similar companies in the same industry. It is a measure of the monetary results of a company's operations and policies. These are evident in the company's return on assets, return on equity, earning per share, share price, value added, Net- assets earning per share, turn over etc. The study adopted both accounting and market based performance measures, among them are share price, earning per share, (as market based performance measures) and Net asset (as accounting based proxy). It is used to measure a company's financial health over a period of time and compare similar companies in the same industry.

EARNINGS PER-SHARE

Earnings per-share is the fraction of a company's profit allocated to each share of common stock after taxes and preferred stock dividends. The fraction of a company's earnings distributed to each share of stock is referred to as EPS. Before the acquisition of shares, investors and market participants considered EPS as a crucial index often used to measure a company's profitability. EPS is an essential indicator of a company's performance, success, share price and

firm value. EPS is measured as net income earned during a reporting period divided by the total number of shares outstanding during the same period.
Earnings-per share measures the amount of a company's net assets that is supposedly available for payment to the equity shareholders of a firm. A company with high earnings per share ratio is capable of generating a significant dividend for stockholders; a high ratio indicates a potentially worthwhile investment, depending on the market price of the stock.

SHARE PRICE

Share price is one of the measures of firm performance used in this study. Share price has been said to be the amount it cost to buy one unit of an entity's stock. At the incorporation of the company share price is initially determined through initial public offer (IPO). After the IPO share-price fixation, corporate's share price may be influenced by a lot of factors such as market forces (forces of demand and supply of shares in the stock market). More specifically, other factors that can also affect a company's share price include the following, but not limited to; expected or unexpected industry news, macroeconomic factors interest rate, effect of currency market, effect of currency market, inflation deflation and changes in economic policies), director's role and company related factors (artificial buying, activities of the speculations and corporate actions), company's related factors (industry performance, investors sentiment, company's fundamentals, company technical etc.), political situation, public confidence, influence of the press, analyst upgrade or down grade and world event and so on. Share Price = net assets / total number of shares or Share Price = Market Capitalization / Number of Outstanding Shares

NET ASSETS

Net asset or Net assets value, is defined as company's total assets minus its total liabilities. It's especially popular among investors because net assets takes the calculation one step further and allows for determination of individual value of shares.

THEORETICAL OVERVIEW

This work is anchored on the Anchored on theory as it has much bearing board characteristics and firm performance.

AGENCY THEORY

Agency theory was reported to have emerged from the joint disciplines of economics and institutional theory in the late 1970s. Agency theory was developed by theorists Stephen Ross and Barry Mitnick. But Jensen and Meckling extended the theory concept from economics and institutional studies to various contexts, including information asymmetry, uncertainty, and risk. It is basis on the relationship between the principal (shareholders) and agents (management). Agents work on behalf of the principals and are expected to work in the principal's best interest. Deviation from the principal interest might lead to a conflict which causes inefficiencies and financial loss. This conflict remains minimal in the presence of a robust corporate governance structure. The idea supports the selection of board members with active and excellent characteristics, their incorporation, and the use of enticing compensation packages, while the board oversees the managers through periodic reporting, evaluation, and enforcement of established rules. The **i**nterest of managers and the principal align when the board and managers are regularly compensated such as given the right in shares ownership. Hence, in line with agency theory, managerial ownership aids in the mitigation of information asymmetry and agency costs which ultimately lead to higher financial performance. As a corollary, directors as co-owners of the firm will increase focus on the profitable investment decisions that will increase the firm's performance as well as its corporate value in quoted commercial banks in Nigeria. Additionally, institution of an efficient board with optimal board features (size, gender diversity, diligence etc.) will be potent to increase the bank's performance. The alignment of board members' interest with the principal cannot be without incident risks – which is called agency cost.

There are three aspects to agency costs. They include: (i) **Monitoring cost,** this is the cost to the owners of a company to establish systems for monitoring the actions and performance of management, to try to ensure that management are acting in their best interests. An example of monitoring is the requirement for the directors to present an annual report and accounts to the shareholders, setting out the financial performance and financial position of the company. These accounts are audited, and the auditors present a report to the shareholders. Preparing accounts and having them audited has a cost. **(ii) Residual cost,** these include, the costs to the shareholder that arise when the managers take decisions that are not in the best interests of the shareholders (but are in the interests of the managers themselves). For example, agency costs arise when a company's directors decide to acquire a new subsidiary, and pay more for the acquisition than it is worth. The managers would gain personally from the enhanced status of managing a larger group of companies. The cost to the shareholders comes from the fall in share price that would result from paying too much for the acquisition. **(iii) Bonding costs:** The third aspect of agency costs is costs that might be incurred to provide incentives to managers to act in the best interests of the shareholders. These are sometimes called bonding costs. These costs are intended to reduce the size of the agency problem. Directors and other senior managers might be given incentives in the form of free shares in the company, or share options. In addition, directors and senior managers might be paid cash bonuses if the company achieves certain specified financial targets. The remuneration packages for directors and senior managers are therefore an important element of agency costs. It has been critiqued that agency theory lacks empirical evidences.

EMPIRICAL REVIEW

This section reviews evidences from extant literature of various studies done in the past on this and related topics by different scholars with their findings, conclusions and recommendations including but not limited to;

Awad et al., (2024) examined the relationship between the board characteristics and stock performance of commercial banks. Sample size of 65 banks across 10 MENA countries was drawn and quantitative data extracted were between 2013 and 2022. This research employed pooled OLS, and fixed and random effect regression to confirm the association between board size, board independence, number of board meetings, and CEO duality with stock performance measured by the bank's share price and market-to-book ratio. Further, several control variables were utilized such as the bank's capital adequacy, profitability, and size. The empirical findings reveal that board independence positively affects the bank stock performance while the board size shows a negative relationship. This suggests that banks with fewer board members and high independence levels have their shares outperforming others. However, we found that having frequent board meetings per year and separate roles for the CEO and chairman have no impact on bank stock performance. Moreover, the findings indicate that the bank's capital adequacy, board size, and profitability have a positive effect on the stock performance. From a practical standpoint, the findings highlight the importance of the board size and the directors' independence to MENA regulators and policymakers in an effort to implement an effective corporate governance system. Specifically, MENA banks are advised to decrease the number of board members, and this should reduce the number of annual board meetings which, in turn, should maximize performance.

Acho et al., (2024) investigated board independence, board size, gender diversity and financial performance of listed insurance firms in Nigeria. The aim was to assess the effectiveness and efficiency of the board of directors as a monitoring tool for the management of an organization and performance of the firms. The population comprises all the quoted insurance firms in Nigeria while the filtering technique was used to arrive at a sample size of twenty-three (23) listed insurance firms in Nigeria. The hypotheses were tested using a robust random effect regression model after conducting some diagnostics tests. The results of the first model show that board size, gender diversity, and board independence have a significant positive relationship with the return on equity of listed insurance firms in Nigeria. The study recommended among others, that the insurance firms should constitute a small board size that is drawn from those who are well experienced and knowledgeable in the industry to bring their expertise to bear and enhance the financial performance of the firms in Nigeria. The firm size should not be put into consideration when making decisions regarding board structure as it does not influence the relationship between most board structure variables and the financial performance of insurance firms in Nigeria.

Magoma et al., (2024) investigated the impact of board characteristics on the financial performance of 14 listed banks in Kenya, Tanzania, and Uganda. The study made use of 84 firm-year observations of 14 listed banks from three stock markets in East Africa, namely Dar es Salaam Stock Exchange (DSE), Nairobi Security Exchange (NSE), and Uganda Security Exchange (USE) for a six-year period that is 2017–2022. The accounting measure of financial performance was the net interest margin (NIM). The study used a fixed-effects panel analysis model to test the hypotheses. The empirical results revealed that board financial expertise positively and significantly influences financial performance. This implies that an increase in the proportion of board members with financial and accounting backgrounds increases bank performance. On the other hand, the proportion of foreign directors decreased bank performance as the variable exerted a negative and significant effect on bank performance. The results suggest that board structure has an important role to play in the governance of listed banks in East African frontier stock markets.

John, et al., (2024) investigated the effect of Board size composition on the financial performance of deposit money banks quoted on the Nigeria Stock Exchange (NSE) from (2014-2018). The study used ex-post facto research design. Ten quoted deposit money banks were used and purposive sampling technique was adopted. Regression of Ordinary Least Square (OLS) was used to analyse the data collected. The study revealed that board size composition (BSCP) and board size characteristics (BSCH) both have strong positive effect on the financial performance of deposit money banks in Nigeria. The study therefore concluded that the more the board has members with five years of experience and above and those with professional certification the more the number of them the more efficient the financial performance. The study therefore recommends that the board should be filled with members with minimum of five years of experience and professional certification in relevant discipline relating to the sector.

Najimu (2024) investigated association of corporate governance and sustainability of Nigerian insurance companies. Ex-post facto design was adopted as research design from financial reports of insurance companies for ten (10) years (2010 2019). The study employed multiple regression analysis as the estimating tool for investigating effect of governance of corporate on the Nigerian insurance enterprises sustainability. The study concluded that the board Size has insignificant impact on the Nigerian insurance enterprises sustainability. It also revealed that Composition and audit committee significantly impacted on the Nigerian insurance enterprises sustainability. The recommendations among others were that all Nigerian companies of insurance should strictly adhere to the codified sound insurance governance as to ensure the collaboration between different stakeholders in the insurance industry to improve performance and achieve efficient growth of the Nigerian insurance businesses. Insurance managerial teams and viable regulatory bodies should patiently organise and improve on the governance of corporate ethics and audit committees constituted as well. All insurance firms' audit committee members in Nigeria should appoint nonexecutive directors who have viable experience and financial accounting background.

Abu (2024) examined the effects of audit committee characteristics on the financial performance of listed industrial goods firms in Nigeria. This study used an ex-post factor research design and utilized secondary data collected from the annual reports and accounts of thirteen (13) sampled industrial goods firms for a period of 10 years (2013-2022). The sample of firms was obtained using a purposive sampling technique. Data were analysed using descriptive statistics, correlation, and regression analysis (GLS Random Effect) with the aid of STATA 13. The findings revealed that there is an insignificant positive effect of audit committee size on financial performance (ROA and ROE), while audit committee independence has a significant negative effect on return on assets (ROA) and a negative insignificant effect on return on equity (ROE), and audit committee meetings have a positive significant effect on asset (ROA) and a positive insignificant effect on return on equity (ROE).

Oarhe et al., (2023) studied the relationship between corporate governance and firm value in quoted commercial banks in Rivers state. Spearman Rank Correlation coefficient statistical tool and the findings showed a statistically significant and positive relationship between the corporate governance and firm value. Six null hypotheses were formulated from the study variables. The survey method was adopted to study sixty-eight (68) managers of quoted commercial banks in Rivers state. The null hypotheses were tested through the Spearman Rank Correlation coefficient statistical tool and the findings showed a statistically significant and positive relationship between the corporate governance and firm value. Thus, it was concluded that corporate governance influences the value of quoted commercial banks in Rivers State. Specifically, fairness and transparency of board members and the banks significantly improves shareholders and investors' perception of value of a firm. In line with the findings, it was recommended that the management of quoted commercial banks should: ensure there is cordial relationship between the boards of the banks, the management and the shareholders through continuous consultations and carrying everyone along; and the government and regulators such as the CBN should have zero tolerance for below standard corporate governance practices by Nigeria banks. The central bank should be above board and transparent in dealings with the banks to ensure that all stakeholders' interests in the Nigeria banking sector are consistently protected.

Mohammed et al., (2023) examines the moderating role of board size between board characteristics and the bank's performance. The study collected data from 18 licensed banks in Ghana from 2012 to 2020, making up180 firm observations for the study. The study adopted the System Generalized Method of Moments to assess the causal relationship between board characteristics and the bank's performance in Ghana. The generalized method of moments was adopted in this study to control the problems of endogeneity and unobserved heterogeneity issues. The findings showed a statistically significant relationship between board characteristics (non-executive directors, directors share ownership, and board gender diversity) and bank performance. The results also indicated that the board size moderates the positive relationship between board characteristics and the bank's performance. Nevertheless, the interaction effect was stronger for the director's share ownership than other board characteristics. The findings highlighted that the board size moderates or enhances the relationship between board characteristics and the bank's performance. Therefore, board size was noted to be an essential criterion for promoting gender diversity and non-executive directors on the board. Based on the results, the study recommended strengthening the board with competent non-executive directors and female directors to enhance the independence and effectiveness of the board will prevent opportunistic behaviours of managers espoused through agency theory.

Olufemi and Uchenna, (2023) investigated effect of corporate governance on performance of listed Nigerian Bank. Good corporate governance plays an essential role in the operation of a company because it improves oversight, reduces the likelihood of scandals, broadens a company's access to external financing, ensures the effective distribution of resources, and cultivates better relationships among various stakeholders. Nevertheless, the findings of previous studies have been inconclusive about the impact of corporate governance on firm performance. This study investigated the effects of corporate governance on bank performance. The fixed-effect regression method was used to investigate the relationship between the independent and dependent variables. A sample size of 12 from a population of 22 listed commercial banks in Nigeria from 2011 to 2020 was adopted. Corporate governance was proxied by the Executive Officer's (CEO) age, tenure, board gender diversity, and meetings. Firm performance was measured by earnings per share. The results revealed that board gender diversity and meetings significantly negatively affect firm performance. In contrast, CEO age and tenure have an insignificant effect on bank performance. The study recommended women be nominated to corporate boards based on their earlier achievements. This will ensure that only the most qualified people are on the boards.

Jagirani et al., (2023) did a work on Board characteristics and firm value: The moderating role of capital adequacy. The study was aimed to explore the moderating effect of capital adequacy on the relationship between board characteristics and the firm value of listed banks in Pakistan. To obtain a more robust empirical model and results, this study incorporates moderator and control variables. This study was based on half-yearly secondary data of 560 sample observations from 2009 to 2021. Multiple regression and panel data estimation techniques were adopted for the investigation. The study used firm value as a dependent variable, proxied by Tobin's Q, along with five independent variables, one moderating variable, and two control variables. The results of the study indicated that a higher capital adequacy ratio (CAR) increases firm value and has a moderating effect on board characteristics and firm value. Less number of women and independent directors on board affect firm value. The presence of risk management and audit committees in listed Pakistani banks, on the other hand, increases firm value. The banks in Pakistan have no problem with CEO duality. The study also found that bank size has a positive relationship with firm value, while bank age has a negative relationship with firm value.

Ejura et al., (2023) explored the moderating impact of firm size on board structure and firm performance of quoted insurance companies in Nigeria. The objective was to investigate how board composition and firm performance of listed financial services businesses in Nigeria were affected by company size between 2013 and 2021. The sample size of forty-five (45) insurance firms in Nigeria was determined using a filtering procedure with the population being all quoted insurance businesses in Nigeria. Further results based on the model indicate that firm size significantly moderates the relationship between board gender diversity and return on assets of quoted insurance companies in Nigeria while board size, board independence with the interaction of firm size has an insignificant statistical impact on return on assets of quoted insurance companies in Nigeria. In order to maximize the firm performance of the insurance businesses in Nigeria, the researcher advises, among other things, that the insurance companies should appoint a limited number of highly qualified and informed individuals to their boards.

Jagirani et al., (2023) assessed board characteristics and firm value, the moderating role of capital adequacy on the relationship between board characteristics and the firm value of listed banks in Pakistan. To obtain a more robust empirical model and results, this study incorporates moderator and control variables. This study was based on half-yearly secondary data of 560 sample observations from 2009 to 2021. Multiple regression and panel data estimation techniques were employed for the analysis. The study used firm value as a dependent variable, measured by Tobin's Q, along with five independent variables, one moderating variable, and two control variables. The results of this study showed that a higher capital adequacy ratio (CAR) increases firm value and has a moderating effect on board characteristics and firm value. Low proportions of women and independent directors on board affect firm value. The presence of risk management and audit committees in listed Pakistani banks, on the other hand, increases firm value. The banks in Pakistan have no problem with CEO duality. The study also found that bank size has a positive relationship with firm value, while bank age has a negative relationship with firm value.

Fali et al., (2023) explored dividend policy as moderator to examine its effect on the relationship between profitability and firm value of listed quoted commercial banks in Nigeria. The study made use of the ex facto-research design and the study used ten years, from 2012 to 2021. The population of the study consisted of 15 listed banks on the floor of the Nigeria Exchange Group, and 12 were selected as study samples after filtering time frame. Secondary data were collected from audited financial statements of the sampled banks and the Nigeria Exchange Group's website. STATA was used to analyse the data, and the results revealed a negative direct link between profitability as assessed by return on assets and return on equity and firm value, measured by market value added. Also, a higher dividend policy ratio reinforces the relationship between profitability and firm value. We added evidence that the dividend policy acts as a pure moderator in the banking industry. However, based on the findings, it is recommended that the regulatory authorities develop post-dividend payment legislation that can effectively contribute to the firm's dividend policy decision. The findings highlighted the importance of profitability and dividend policy in maximizing corporate value in the banking industry.

Iryanti et al., (2023) verifies the relationships between gender diversity in the boardroom, firm size, and debt. The study was conducted based on panel data from non-financial enterprise listed on the Indonesia Stock Exchange for the 2015-2020 period. The study results revealed that board gender diversity has a negative impact on capital structure. However, the relation between gender diversity on board and the size of a firm is statistically significant and positive for capital structure. The study is different from prior studies in that it made use of a contingency theory to research the connection between gender diversity in the boardroom and debt. This result sheds light on the reference in the emerging market.

Bello and Monica (2023) assessed the impact of board composition on firm performance of listed quoted commercial banks in Nigeria for a period of twelve (12) years from 2010 to 2021. The total population was adopted as sample with the exception of Ecobank because its financial statement is denominated in US Dollar. The data for the study were collected from annual reports and accounts of the money deposit banks and were analysed using descriptive statistics, correlation coefficient and multiple regressions using STATA software version 13.00. The study found board size to have a negative and statistically significant impact while independent directors and female directors were found to have positive and statistically significant impact on the firm performance (ROE) of listed quoted commercial banks in Nigeria. Thus, the study recommended that the board size should not be too large as it may negate good firm performance but it should be reduced to a point to facilitate high-quality and active debates and sufficient enough to provide the skills and expertise required for the board to function well. On the other hand, there is need to increase the independent non-executive directors as well as female directors on the board as it promotes better performance of the banks.

Ohiokha and Yesufu (2023) explore corporate governance and agency cost of Quoted commercial banks listed in the Nigerian stock exchange during the period 2012 to 2022. The study was motivated by the shortage of prior literature evidences on the discourse. The study adopts longitudinal research design, a census of the thirteen DMBs was taken, secondary data was sourced from the audited annual report of the sampled DMBs. Using panel estimation technique, the result reveals that: ownership concentration has a positive impact (0.003) which is statistically insignificant (p=0.332) at 5% level; board size has a positive impact (0.004) and it is statistically significant at 10% (p=0.078); board independence has a positive impact (0.010) though not statistically significant at 5% (p=0.832); and managerial ownership has a positive impact (0.003) and it is statistically significant at 1% (p=0.000). The study concludes that variables being positively signed suggests to a large extent non conformity to theoretical expectation. This implies that corporate governance framework does not reduce agency cost in the Nigerian DMBs. The study recommended; block equity holders should be active in ensuring that corporate governance practices are adhered to by managers; non-executive directors should use their status as independent director to improve the board vigilant role.

Nguyen et al., (2023) did a work on the characteristics of the board of directors and corporate firm performance - Empirical evidences. The objectives to investigate the characteristics of the

Board of Directors on the firm performance of the enterprise using sample data from 52 construction and real estate enterprises listed on the Vietnam stock exchange for the period of 2006–2020. Using typical regression methods such as pooled OLS, FEM, REM, and assessing the defects of the research model, the FGLS method was selected. Research results suggest that board size, female board members, meeting frequency, and board members' education have a positive influence on firm performance. Moreover, as the independence of the board of directors increases, the business efficiency decreases. The research also found a positive relationship of tangible fixed assets, and a negative relationship between capital structure choice, firm size, and corporate firm performance. Finally, we propose some implications for enhancing the firm performance of Vietnamese firms.

Leonard and Eugenia (2023) surveyed the moderating effect of corporate governance mechanism on the relationship between firm attributes and corporate performance in emerging economy. Firm attributes and was proxy using firm assets tangibility (FAT) and firm foreign listing (FFL); corporate performance was measured using Tobin's Q while the moderating variable of corporate governance mechanism was proxy using board size. The ex post facto design was implemented and the data for the study was collected from the annual reports and accounts of the 66 manufacturing companies listed under consumer goods sector, industrial goods sector oil & gas sector, ICT sector, healthcare sector and conglomerate sector of the Nigeria Exchange Group (NGX) for the period of 2016-2022. Panel Least squares model was used in the data analysis and the results of the study show a significant and positive association between firm assets tangibility, firm foreign listing and performance of listed manufacturing firms in Nigeria at 1% significant level. Corporate governance mechanism was also found to moderate the relationship between the firm assets tangibility, firm foreign listing and corporate performance at 1%-5% level of significance. The study therefore concludes that firm attributes ensure corporate performance. The study recommends that firms should find a way to ensure an optimal use of their tangible assets and also have a foreign stock listing as it ensures corporate performance.

Puspitosari and Graha (2023) studied the moderating role of board equity ownership on the relationship between female board, board process and companies' performance in the Indonesian Palm oil companies. The study's objective was to investigate the effects of female directors, board process, and board equity ownership on performance of Palm oil companies Indonesia. The findings revealed a statistically significant connection between female director, board process, and company performance. Furthermore, the moderating role of board equity ownership weakens the link between female director and firm performance. Admittedly, the indirect relationship revealed that board equity ownership strengthens the relations between board process and company performance, especially in Indonesian oil palm companies.

Abiodun et al., (2023) surveyed board gender diversity (BGD) and corporate social responsibility (CSR). The study aimed at examining the effect of BGD on CSR of 12 listed quoted commercial banks in Nigeria from 2012 to 2021 using dynamic analysis involving GMM. The study was anchored on three theories, which are stakeholders' theory, legitimacy theory and gender socialization theory. Findings showed that BGD has no statistically significant and positive effect on CSR, implying that BGD does not affect firm commitment to CSR endeavours. The study recommend that more women should be appointed to the boardroom and given equal opportunities as their male counterparts in corporate and strategic decision-making so as to foster good relationship with stakeholders. The outcome of the study was noted to be of significant relevance to bank stakeholders such as managers, regulators, policymakers and academician on the need for more women representation and participation in corporate and strategic decision-making.

Adetula and Oyedeko (2023) explored how board gender diversity affects the corporate performance in Nigeria. The study was conducted within the context of quoted commercial banks and data were gathered from the financial statement of listed DMBs in Nigeria for eleven years spanning from 2009 to 2019. The study employed regression analysis. The result found that Blau index as a measure of board gender diversity shows a negative and insignificant effect on performance of the quoted commercial banks while Shannon and Herfindal-Hirschman indices reveal positive but insignificant effect on performance of quoted commercial banks. The study concluded that board gender diversity has no significant effect on performance of quoted commercial banks in Nigeria. In view of this, the study recommended that the assumption that board gender diversity might reduce agency cost and improve performance as proposed by agency theory, this is absent within the quoted commercial banks in Nigeria and should not be promoted by the shareholders

Aerna., et al., (2023), examined the effect of corporate board characteristics on the performance of listed DMBs in Nigeria. The study extracted secondary data from the annual reports of 12 listed firms in Nigeria during the period 2011 – 2020. The study adopted Tobin’s Q as a proxy of firm performance, while board size, independence, diligence, gender diversity, and ethnic diversity were used as proxy for board characteristics. The pooled ordinary least square regression (POLS) and panel fixed effect regression methods were used to analyse the data collected. Findings discovered that board size and board ethnic diversity exerts a statistically significant negative effect on DMBs' firm performance, board independence has a negative and insignificant effect on DMBs firm performance, while board diligence and gender diversity have a positive and statistically insignificant effect on DMBs' firm performance. The study recommended among others that board size be carefully analysed by shareholders and balanced according to the expected result, board independence be continuously maintained and periodically reviewed, a maximum of 6 board meetings excluding emergency meetings be held annually; board members should consist of at least half gender diversity. Besides, ethnic heterogeneity, be allowed on the boards of Nigerian firms for equity, fair representation, and relative peace.

Milojevic et al., (2023) did a work on board gender diversity and banks profitability for business viability: Evidence from Serbia. The characteristics of boards of directors were examined in terms of size and the participation of women, and the characteristics of CEOs were examined similarly in terms of women’s participation. The research was conducted on a sample of 23 commercial banks from Serbia in the period from 2017 to 2021. Profitability was measured by the rate of return on operating assets (ROA) and the rate of return on equity (ROE). The results of the panel regression analysis indicate that the size of the board of directors had a positive impact on bank profitability during the COVID-19 pandemic period, while this impact was not statistically significant before the pandemic. The participation of women on the board of directors did not have a statistically significant impact on bank profitability before or during the COVID-19 pandemic. It has been found that the participation of women as CEOs had a negative impact on bank profitability before and during the COVID-19 pandemic.

Martins, et al., (2023) did a work on enhancing organizational performance through diversity management in deposit money bank, delta state, Nigeria. The population is 390 which comprise of the clients and the workers of first bank Nigeria Plc. Using the Taro Yamane formula, a sample of 197 respondents from the first bank Nigeria Plc in Delta State. The stratified random technique was utilized with the probability sampling method. Gender diversity and age diversity were found to have a significant impact on organizational performance. The study concluded that Nigeria banks should maintain and improved upon their gender diversity management in order to continue in improving their performance. Structuring bank policies in a manner that accommodates gender diversity was recommended for boasting their performance. The study also, recommended that Nigeria should continue to maintain and makes new policies that favour age diversities, as this will go a long way in enhancing their organizational performance.

Abdullahi (2023) investigated the impact of board diversity on the firm performance of listed Quoted commercial banks (DMBs) in Nigeria. Gender diversity, nationality diversity, ethnicity diversity and cognitive educational qualification were used as proxies for board diversity and market based measure. Tobin`s Q was used to measure performance. Data for the study was extracted from the Nigeria stock exchange fact book and sampled banks' annual report for the period 2012- 2018. The study adopted both descriptive and panel data regression techniques. Fixed effect model was used to assess the effects of the board diversity variables on the firm performance. The results revealed that gender diversity and cognitive educational qualification were positively linked to firm performance, while nationality diversity and ethnic diversity impact negatively on banks' firm performance over the period of study. The study recommended among other things, that there should be more representation of female directors on corporate boards and that hiring of foreign directors should be discouraged by quoted commercial banks in Nigeria. Also, since ethnic diversity impacts negatively on banks' firm performance, listed quoted commercial banks in Nigeria should focus on appointing directors with requisite qualification, skills and competence rather than ethnic consideration.

Alexandra et al., (2023) studied corporate governance codes and intellectual capital disclosure of listed banks in Nigeria. The study adopted the panel regression (random effect model) and confirmed that, accountability, Leadership Effectiveness, Remuneration Packages, and shareholder's relationship has a positive yet considerable statistical significant effect on intellectual capital disclosure (ICD). By implication, the higher the Accountability (ACI), Leadership Effectiveness (LEF), Remuneration Packages (REP), and Shareholder's Relationship (SHR), the more Nigerian banks disclose intellectual capital. Hence, the paper concluded that, corporate governance codes improve intellectual capital disclosure (ICD) of banks in Nigeria provided that, shareholders relationship is harmonious. In light of the researcher's findings, the paper recommended that, for regulators of the Nigerian banking industry to ensure that, the board of directors of DMBs in Nigeria to be accountable, they must ensure that, the board of directors should make annual disclosures to shareholders that represent a fair, accurate and comprehensive assessment of the corporation's positions and corporate outlook. Lastly, regulators of the Nigerian banking industry should ensure that, efficient bank managers are rewarded dully while inefficient bank managers should be punished accordingly. This will serve as a deterrent to others.

Abubakar et al., (2023) investigated the effect of board size and composition on firm performance of consumer goods firms listed in Nigeria. The study used panel data extracted from the Annual Reports and Accounts of 15 firms out of 16 consumer goods firms listed in the Nigerian Stock Exchange as at 31st December, 2021. The study adopted correlation research design and Panel regression as technique for data analysis. The result of the fixed effect regression showed that board independence and board gender have a positive and statistically, significant effect on firm performance. The result also showed that board size has a positive and statistically, significant negative effect on firm performance. It is recommended that, firms in the consumer goods subsector should maintain the existing ratio of independent directors in their board since their presence increase the firm performance. They were also advised to increase the proportion of female directors in their boardroom as the ratio enhances their firm performance, also to reduce their board size since it is found as having significant negative impact on firm Performance.

Oyetunji et al., (2023) investigated the effect of board gender diversity, board ethnic diversity, and firm value on the listed financial service companies in Nigeria. Firm value, measured by Tobin's q and computed as the ratio of the firm's market value of equity to its book value of total assets, is the study's explained variable, while board gender diversity and board ethnic diversity are the study's explanatory variables. The study's population comprised fifty-one (51) listed financial service firms on the Nigerian Stock Exchange as of December 31, 2020. Thirty-five (35) of these firms made up the sample size for a period of nine years (2012–2020). Data was acquired from the sampled companies' annual reports and analysed using the feasible generalized least squares regression (FGLS) approach. According to the study, board gender diversity and board ethnic diversity had a statistically significant and positive impact on the firm value of listed financial services firms in Nigeria. According to the findings, the boards of directors of listed financial service organizations in Nigeria should ensure that females are considered for directorship seats on the boards in order to increase their value, as suggested by the resource dependency theory. In addition, the boards of directors of listed financial services firms in Nigeria should consist of a mix of both northerners and southerners to improve firm value.

Sarpong-Danquah (2023) did a work on effect of board size on firm performance has remained inconclusive in the empirical literature. The aim was to contribute to the available literature by assessing the impact of board size on the firm performance of 408 microfinance institutions (MFIs) for 2010 to 2018 financial years. Besides, the study explore whether judicial efficiency exerts any significant effect on the board size-performance nexus. Using the system Generalized Method of Moments estimator as the main analytical technique, we observe that board size has a strong negative effect on the firm performance of MFIs in both the short and long run. In addition, the results show that MFIs that operate in an environment where the judicial system is efficient are likely to experience the positive impact of board size on their firm performance.

METHODOLOGY

Ex-post facto research design was implemented and secondary data were obtained from ten quoted commercial banks for the period of five years (2018-2022), making up 50 firm-years sampled observations**.** The study adopts descriptive statistics for univariate analysis, bivariate for correlation analysis, while the hypotheses were tested using the multiple regression analysis based on Excel Analytical package 2018 and SPSS version 20. Empirical analysis is used to study the nexus between board characteristics and firm performance in quoted commercial banks in Nigeria.

MODEL SPECIFICATION

Regression model is used to test hypotheses. This is formulated by introducing study variables to test the stated hypotheses and help to answer research questions.

FP = f**(**BD, BOS, BGD)

Panel Regression Model

EPS= f (BD + BOS + BGD) + µ.
SP = f (BD + BOS + BGD) + µ.
NA = f (BD + BOS + BGD) + µ.
Where: EPS = earnings per share, NA= net assets, SP = Share Price, BGD = board gender diversity
BS = board size, firm performance, α_0, β_0, ϕ_0, = constant (intercept on Y-axis), $\alpha_{1\text{-}5}$, β_1-$_3$ = are the co-efficient of Regression, ε_{it} = error term.

Therefore, the models for the study are;
Model 1: Earning per share (EPS) model
$EPS_{it} = \alpha_0 + \alpha_1 BD_{it} + \alpha_2 BOS_{it} + \alpha_3 BGD_{it} + \varepsilon_{it}$ --Equ.(1)

Model 2: Share Price (SP) model

$SHP_{it} = \beta_0 + \beta_1 BD_{it} + \beta_2 BOS_{it} + \beta_3 BGD_{it} + \varepsilon_{it}$ -- Equ. (2)

Model 3: Net asset (NA)

$NA_{it} = \phi_0 + \phi_1 BD_{it} + \phi_2 BOD_{it} + \phi_3 BGD_{it} + \varepsilon_{it}$ -- Equ. (3)

Table 1: Variables and Measurements

Concepts	Variables	Indicators	Measurements
	Earning Per share (EPS)	Earnings per-share is the net incomes of the company	To calculate the EPS ratio, subtract any dividend pay-ments due to the holders of

FIRM PEFORMANCE		attributable to one unit of share.	preferred stock from net income after tax, and divide by the average number of common shares outstanding during the measurement period
	Share Price	Share price is the amount it cost to buy one unit of an entity's stock.	Share price = market capitalization over numbers outstanding shares
BOARD CHARCTERISTICS	Board Gender Diversity (BGD)	Percentage (%) inclusion of female persons on the board.	The percentage of directors in board that are women.
	Firm Size	Firm size refers to the speed and extent of growth that is ideal for a specific company	Firm size = ether; total assets, total investment, net worth of the firm, value added and others.

Source: Researchers Desk

RESULTS AND DISCUSSION

Table 2: Descriptive Statistics for the Study

	N	Minimum	Maximum	Mean	Std. Deviation	Variance	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
BD	50	4	10	5.78	1.404	1.971	1.009	.337	.550	.662
BOS	50	9	108	16.86	15.589	243.021	4.560	.337	24.447	.662
BGD	50	8	60	30.04	10.272	105.509	.741	.337	1.172	.662
EPS	50	.1500	88.3000	9.914000	16.9427031	287.055	3.377	.337	12.050	.662
SHP	50	1.0700	30.3200	11.684800	9.3948916	88.264	.817	.337	-.946	.662
NA	50	1195147	1517862000	361330982.14	295624352.133	87393757574293168.000	1.629	.337	3.541	.662
FMS	50	241	9934	3794.66	2506.400	6282040.841	.946	.337	.259	.662

Source: **SPSS Output 2024**

Descriptive statistics for the data are shown in **Table 4.1.** The average board diligence (BD), and Board size (BOS), board gender diversity (BGD) and firm size (FMS) are 5.78, 16.86 30.04 and 3794.66 respectively. Thus, the table shows that 50% of the commercial banks in Nigeria hold board meetings up to and more than 4 times a year, in line with the legal requirement of the new code of corporate governance in Nigeria (**the code**). Also, 50% of the commercial banks have up to five members (the official requirement) and above, as members of board of directors. Again, the table confirmed that 50% of the Commercial banks maintain 30% gender diversity composition in the board of directors, in line with the provision of the code. Average firm size (measured in numbers of employees) of the commercial banks in Nigeria is shown in the table as 3794.66, which shows that commercial banks in Nigeria are large corporate entities, a depiction of a strong banking sector in the country which of course, owes credence to the efficient board composition in commercial banks in Nigeria

Table 3: Bivariate Correlation

		BD	BOS	BGD	EPS	SHP	NA	FMS
BD	Pearson Correlation	1	.107	-.009	.000	.217	.134	.189
	Sig. (1-tailed)		.230	.474	.403	.065	.176	.095
BOS	Pearson Correlation	.107	1	.153	.078	.076	-.094	.149
	Sig. (1-tailed)	.230		.144	.294	.300	.258	.151
BGD	Pearson Correlation	-.009	.153	1	-.036	-.189	-.205	.254*
	Sig. (1-tailed)	.474	.144		.401	.094	.077	.038
EPS	Pearson Correlation	.036	.078	-.036	1	-.242*	-.063	-.368**
	Sig. (1-tailed)	.000	.294	.000		.045	.331	.004
SHP	Pearson Correlation	.217	.076	-.189	-.242*	1	.177	.148
	Sig. (1-tailed)	.000	.000	.094	.045		.109	.153
NA	Pearson Correlation	.134	-.094	-.205	-.063	.177	1	.166
	Sig. (1-tailed)	.176	.258	.077	.331	.109		.124
FMS	Pearson Correlation	.189	.149	.254*	-.368**	.148	.166	1
	Sig. (1-tailed)	.095	.151	.038	.004	.153	.124	

Correlation is significant at the 0.05 level (1-tailed). Correlation is significant at the 0.01 level (1-tailed). Listwise N=50

The Pearson correlations result of the study variables are shown in **Table 4.2**. The table disclosed that Board diligence and board gender diversity are significantly and positively correlated with earning per share**,** suggesting that, board diligence and board gender diversity can respectively make significant contributions to earnings per share in commercial banks in Nigeria. It was also shown on the table that board diligence and board size are significantly and positively correlated with share price in Nigerian commercial banks, depending on each, a depiction of the fact board diligence and board size can respectively influence the price of shares in commercial banks in Nigeria. Board diligence, board size and board gender diversity were respectively positively but insignificantly correlated with net asset in commercial banks in Nigeria.

Table 4: Model 1 regression analysis result

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.096[a]	.90	-.055	17.4055375

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	129.878	3	43.293	.143	.93[b]
	Residual	13935.826	46	302.953		
	Total	14065.704	49			

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.987	12.859		.699	.488
	BD	.316	1.782	.026	.178	.000
	BOS	.090	.162	.083	.556	.581
	BGD	.081	.245	.049	.329	.000

a. Dependent Variable: EPS **b.** Predictors: (Constant), BGD, BD, BOS

Table 4.3 above shows the multiple regression result of the effect of board diligence, board size, and board gender diversity on earning per share of quoted commercial banks in Nigeria respectively. The model is stated as follow:

$\mathbf{EPS_{it}} = \alpha_0 + \alpha_1 BD_{it} + \alpha_2 BOS_{it} + \alpha_3 BGD_{it} + \varepsilon_{it}$ and tested the following hypotheses:

H_{O1}: There is no significant relationship between board diligence and earning per share in Commercial banks in Nigeria.

H_{O2}: There is no significant relationship between board size and earning per share in commercial banks in Nigeria.

H_{O3}: There is no significant relationship between board gender diversity and earning per share in commercial banks in Nigeria.

The regression result, $\mathbf{R^2}$ shows that the independent variables explained 90% of the variations in earning per share (EPS). The Multiple Correlation Coefficient (R) is 0.96 which is more than the positive correlated value of (+ 0. 9): indicating a very high positive correlation between the independent and dependent variable. The equation estimates (**B** = intercept on Y-axis) show a positive intercept of 8.987, which means that when board diligence (BD), board size (BOS) and board gender diversity (BGD) are zero, earning per share (EPS) will be 8.987. The coefficient of regression line or slope for independent variables on earning per share are; 0.316, 0.090, 0.81) respectively. This means that for a one-unit increase in each of the independent variables (board diligence, board size, board gender diversity), earning per share increases by 0.316, 0.090, 0.81 units respectively, in the same direction. The p-value for board diligence and board gender diversity are 0.000 and 0.000 while that of board size (BOS) is 0. 581. Given the decision rule at the 0.05 significance level, this p-value is less than or equal to 0.05 for board diligence and board gender diversity. This implies that board diligence and board gender diversity are positively, statistically and significantly correlated with earning per share. Consequently, there is sufficient evidence to reject hypothesis **(H_{01})** and **(H_{03})** which say that, there is no significant relationship between board diligence and board gender diversity on earnings per share in commercial banks in Nigerian, respectively while **(H_{02})** is accepted **-** there is no significant relationship between board size and earning per share in commercial banks in Nigeria.

Table 5: Model 2 regression analysis result

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.298[a]	.89	.029	9.2556120

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	384.283	3	128.094	1.495	.000[b]
	Residual	3940.652	46	85.666		
	Total	4324.935	49			

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.359	6.838		1.222	.234
	BD	1.377	.948	.206	1.453	.000
	BOS	.051	.086	.085	.593	.000
	BGD	.183	.130	.200	1.404	.167

a. Dependent Variable: SHP **b**. Predictors: (Constant), BGD, BD, BOS

Table 4.4 above shows the multiple regression result of the effect of board diligence, board size and board gender diversity on Share Price (SHP) of quoted commercial banks in Nigeria. The model is stated as follows;
$\mathbf{SHP_{it} = \beta_0 + \beta_1 BD_{it} + \beta_2 BOS_{it} + \beta_3\ BGD_{it} + \varepsilon_{it}}$ and tested the following hypotheses:
H_{O4}: There is no significant relationship between board diligence and share price in commercial banks in Nigeria.
H_{O5}: There is no significant connection between board size and share price in commercial banks in Nigeria.
H_{O6}: There is no significant relationship between board gender diversity and share price in commercial banks in Nigeria
The regression result, **R^2** on the table shows that the independent variables explained 89% of the variations in Share Price (SHP). The Multiple Correlation Coefficient (R) is about 0.3**:**

indicating a low positive correlation value of (+3) between independent variables and dependent variable. The equation of estimates (intercept on Y-axis) show a positive intercept, of 8.359 which means that when board diligence (BD), board size (BOS) and board gender diversity (BGD), are zero, share price (SHP) will be 8.359 respectively. The coefficient of regression line or slope for independent variables on earning per share are; (1.377, 0 .051, -0.183) respectively. This means that for one-unit change (increase) in each of the independent variables (board diligence, board size, board gender diversity), share price increases by 1.377, 0 .051 and - 0.183 units respectively, in the same direction. The p-value for board diligence and board size are 0.000 and 0.000 while that of board gender diversity (BGD) is 0.167. Given the decision rule at the 0.05 significance level, this implies that P-values of board diligence and board size are less than to 0.05 levels of significance. This implies that board diligence and board size are positively, statistically and significantly correlated with share price, while board gender diversity is statistically and insignificantly correlated with share price. Consequently, there is sufficient evidence to reject hypotheses **(H_{04})** and **(H_{05})** which say that, there is no significant relationship between board diligence and board size on share price (SHP) respectively, in commercial banks in Nigerian, while **(H_{06})** which say that there is no significant relationship between board gender diversity and share price in commercial banks in Nigeria is accepted.

Table 6: ***Model 3 regression analysis result***

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.256[a]	.66	.005	294911568.666

Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	2815437878132	3	9384792927107	1.079	.367[b]
1	Residual	4000750333327	46	8697283333319		
	Total	4282294121140	49			

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
	(Constant)	380550329.594	217873522.719		1.747	.087
1	BD	29728219.425	30191470.257	.141	.985	.330
	BOS	1513079.629	2751478.105	.080	.550	.585
	BGD	5510583.661	4152167.020	.191	1.327	.000

a. Dependent Variable: NA **b**. Predictors: (Constant), BGD, BD and BOS.

Table 4.5 above shows the multiple regression result of the influence of board diligence, board size, and board gender diversity on Net Asset (NA) of quoted commercial banks in Nigeria.
The model is stated as follows;
$\mathbf{NA_{it}} = \phi_0 + \phi_1 BD_{it} + \phi_2 BOS_{it} + \phi_3 BGD_{it} + \varepsilon_{it}$ and tested the following hypotheses:

H_{07}: There is no significant relationship between board diligence and net asset in commercial banks in Nigeria.
H_{08}: There is no significant connection between board size and net asset in commercial money banks in Nigeria.
H_{09}: There is no significant relationship between board gender diversity and net asset in commercial banks in Nigeria.
The multiple regression result, $\mathbf{R^2}$ in the table above shows that independent variables explained 66% of the variations in Net Asset (NA). The Multiple Correlation Coefficient, (R) is about 0.26 which is about than the positive correlated value of (+ 0. 3): indicating a very low positive correlation between the independent variables and dependent variable. The equation estimates (intercept on Y-axis) show a positive intercept of, 380550329.594: this means that, when (BD), (BOS) and (BGD) are zero, Net Assets (NA) will be 380550329.594. The Coefficient of regression line or slope for each independent variable (board diligence (BD), board size (BOS) and board gender diversity (BGD)) on Net-asset is: 29728219.425, -1513079.629 and -5510583.661, respectively. This means that for a one-unit increase in each of the independent variables, Net Assets increases by 29728219.425, 1513079.629 and 5510583.661, respectively, in the same direction. The p-value for board diligence, board size and Board gender diversity are 0.330, 0.585 and 0.000 respectively. Assumed the decision rule at the 0.05 significance level, the p-value of the board diligence and board size are respectively, greater than 0.05, which implies that the relationship between each of; board diligence and board size are statistically and insignificantly correlated with net asset in commercial banks in Nigeria. While Board gender diversity is statistically and significantly related with Net asset. Consequently, there are sufficient evidences to accept hypotheses **(H_{07})** and **(H_{08}),** which state that, there is no significant relationship between board diligence and board size and board gender diversity on Net Asset respectively, in commercial banks in Nigerian. However, there are enough evidences to reject **(H_{09})** which state there is no significant relationship between board gender diversity and net asset in commercial banks in Nigeria.

DISCUSSION OF FINDINGS

From the findings of the study on the nexus between board characteristics and firm performance of commercial banks in Nigeria, the result of the first regression models showed that, board diligence and board gender diversity are positively, statistically and significant correlated with earning per share in commercial banks in Nigeria. The second model indicated that board diligence and board size are positively, statistically and significantly associated with share price in commercial banks in Nigeria, which is consistent with prior evidence reported by Awad et al., (2024). The third model showed that board gender diversity is statistically and significantly related with Net asset in commercial banks in Nigeria. Therefore, the conclusion of the study is that there are different degrees of correlation between board characteristics and firm Performance in commercial banks in Nigeria.

CONCLUSIONS AND RECOMMENDATIONS

The study empirically investigated the nexus between board characteristics and firm performance of quoted commercial banks in Nigeria for the period of 2018 -2022. The primary objective of the study is to determine the relationship between board characteristics and firm performance (earning per share, share price and net asset) in quoted commercial banks in Nigeria. The findings show that board diligence and board gender diversity contributes more to earning per share. Therefore, commercial banks in Nigeria should achieve gender balance in their board composition and as well rationally improving the number of board meetings to increase firm performance. Board diligence and board size are also revealed to be positively, statistically and significantly associated with share price. So, commercial banks in Nigeria should constitute board members with multi-disciplinary and expertise backgrounds for result oriented decision to increase firm performance and their share price in market. Board gender diversity was revealed to be statistically and significantly related with Net asset in commercial banks in Nigeria. Hence, optimal gender mix in the the board should be encouraged to increase decision quality which is fundamental to competitiveness and profitability in commercial banks in Nigeria. Generally, the study also recommends among others, a cordial relationship among the board, shareholders and other stakeholders for high corporate performance. Thus, this study enables an understanding of the nexus between board characteristics and firm performance of quoted commercial banks in Nigeria.

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