Dividend Decisions and Market Value of Firms in Nigeria

[1]OTUYA Sunday, [2]OFEIMUN Godwin, [3]OGWU Kevwe Rita, & [4]EDIKE Sunday
[1,2]Department of Accounting and Finance,
Edwin Clark University, Kiagbodo, Delta State
[3]Department of Business Administration,
Faculty of Management Sciences,
Delta State University, Abraka.
[4]Department of Accounting,
Faculty of Management Sciences,
University of Benin, Benin City
Corresponding author: otuya.sunday@gmail.com

DOI: 10.56201/jafm.v9.no9.2023.pg168.178

Abstract

The study investigated the factors that could influence dividend decision and value of the firm. Anchored on signaling theory, the study adopted both cross-sectional and longitudinal research designs. The population of the study consisted of all listed manufacturing firms in Nigeria. The final sample size after filtering was 41 manufacturing firms giving a total of 451 year end observations. The study adopted three separate econometric models for capturing and testing for the relationship between dividend decisions and firm value. Findings of the study revealed that profitability has a significant positive effect on dividend payout while availability of investment opportunities was found to be positive but not significant. Leverage was also found to have a negative but not significant effect on dividend payout. Further, dividend payout, profitability, leverage, and investment opportunities were found to have significant positive effect on firm value. The study concludes that dividend decisions influence value of listed manufacturing firms in Nigeria and recommends amongst others that corporate managers should implement dividend policy that will enhance shareholders wealth maximization and take care of the investment opportunities of the firm.

KEYWORDS: *Dividend Policy, Firm Value, Financial Leverage, Investment Opportunities*

Introduction

Investors put their funds in firm's shares to earn some returns. The expected returns to investors come in form of future shares returns namely dividends and capital gains. Dividend is a portion of the company's profit that is paid to the shareholders for their investment risk in the firm. The firm's commitment to pay dividend is expected to enhance the wealth of its shareholders. The percentage of earnings to be distributed as dividends to shareholders is usually decided in the resolution ratified at the corporate board meeting, and is an essential element of dividend policy of a company (Chiedu & Okonkwo, 2020; Ngwoke, 2021).

Corporate managers constantly strive to find a balance between earnings that should be preserved for future business growth and those that should be paid out as dividends. The dilemma surrounding dividend policy has two sides. Dividend payments to shareholders are viewed as desirable on the one hand since they have an impact on the company's reputation in the market. The distribution of dividends encourages investors to keep their stakes in the business and generate respectable returns in the future (Chenchehene & Mensah, 2015; Triani & Tarmidi, 2019). However, profits must be held back for upcoming investments and business growth. Lower retained earnings, which could have an impact on the company's growth and possibly lower the market price per share, result from a bigger dividend payout. Instead of increasing the dividend payout ratio and relying on external borrowing to finance future needs, the firm would strive to utilise retained funds for future financing requirements at a reduced cost of capital. According to Akinleye and Ademiloye (2018) and Harjito and Martono (2013), if the gains are transferred to investors, the retained earnings will be lowered to that level, which will increase debt needed to finance investment opportunities.

Maximising shareholder wealth is one of a corporate enterprise's primary goals. When shareholder returns are maximised, wealth is also maximised (Otuya & Osiegbu, 2020). The market price of a company's common stock, which in turn depends on the company's investment, financing, and dividend decisions, serves as a representation of the wealth of its shareholders (Gordon, 1963). The best dividend strategy as argued by Miller and Rock (1985), is one that maximises the value of the company's shares, which increases shareholder wealth, ensures faster economic growth, and raises firm value. Determining the size of dividend is therefore crucial for any organisation.

Determinants of dividend policy as well as its effect on the value of the firm has remained a controversial issue in the extant literature. Pioneer studies such as (Gordon, 1962 and Walter, 1963) have provided empirical evidence to support the hypothesis that dividend policy affect shareholders wealth. The argument is that if companies fail to pay dividends then it increases the uncertainty in the eyes of investors. However, dividend irrelevance theorists like Miller and Modligiani (1963), also believed that dividend payment does not have effect on the share prices of firms because the value of the firm is dependent on its assets and revenue strength.

Our study is motivated by the lack of consensus in the extant literature. Further, the study make a clear departure from prior studies by introducing the aspects that influence dividend decisions which have been rarely considered in previous research in developing economies like Nigeria. Prior studies have placed emphasis on the relationship between dividend policies and market value of firms without recourse to factors that influence dividend decisions. This study extends knowledge by further investigating what factors determine the dividend decisions highlighting the role of profitability, debt financing, and investment opportunities.

The remaining parts of the paper are organized as follows: section two provides the review of related literature, theoretical framework, and hypothesis development. Section three gives details of the empirical method adopted for the study and include the design and data, model specification, and measurement of the variables. Section four presents the data analysis and discussion of findings while the last section concludes the study.

2. Literature Review and Hypotheses Development

Value of the Firm

Market value of the firm is a benchmark for a company's value that measures shareholder wealth. It is the value that shareholders have in the company and it can also be referred to as shareholders' equity. As the company's market value rises, the wealth of shareholders increases (Otuya et al., 2022). A major purpose of corporate financial management is to maximize the wealth of shareholders. Harmono (2014) highlighted factors that influence the value of the firm to include ownership structure, company size, company growth, debt financing policy (leverage), dividend decision, investment opportunities, asset value, and capital market conditions.

The process of maximizing the value of a company often creates conflicts of interest between managers (agents) and shareholders (owners), often referred to as the agency problem. Agency theorists such as Jensen and Meckling (1976) argued that principals and agents are normally driven by divergent interests. For instance, manager's interests that conflict with corporate objectives are seen to be inimical to the survival of the firm and by extension decrease the value of the company.

Dividend Policy

Arowoshegbe (2009) defines dividend as a payment made from a company's profits to shareholders after all fixed income earners' obligations have been satisfied. A company's dividend policy determines whether earnings at the conclusion of a financial period will be distributed to shareholders in the form of dividends or will be retained to raise capital in order to finance future investments. It is the proportion of distributed earnings to retained earnings. Determining the right distribution of income between profits as dividend payments to retained earnings in the company is thus a crucial component of dividend policy (Harjito & Martono, 2013). The financial manager must make decisions to guarantee that investors receive enticing dividends in return for their capital.

Dividend Payout and Firm Value

The issue of dividend decision constitutes an integral part of the firm's value maximization objectives, especially in today's economic conditions full of uncertainties. According to Maulana (2016), investors and potential investors often react to information of dividend decisions hence dividends payments influences valuation of the firm. Results on the relationship between dividend decision and firm value have produced mixed results. Studies such as Chiedu and Okonkwo (2020), Kapoor (2010). Ordu et al. (2014) and Ogolo (2012) support the dividend relevance theorists (Gordon, 1962 and Walter, 1963) stating that payment of dividends positively influences the market value of the firm. However, other studies such as Cahyono and Sulistyawati (2017), Pushpa and Kumar (2016), Shahid et al (2010), and Akinleye and Ademiloye (2018) found that firm value is not impacted by dividend policies. These studies argue that increasing dividend payout does not impact on investors' reaction and then firm value is not impacted also. Studies in this category support the theory proposed by Miller and Modligiani (1963) stating that dividend policy does not affect the firm value because dividend payout ratio is simply the details and does not affect the welfare of shareholders. Following from the foregoing, we hypothesize that dividend payout ratio positively influences the market value of firms.

Ho_1: Dividend payout ratio has a significant positive effect on value of the firm of listed manufacturing firms in Nigeria

Profitability, Dividend Payout and Firm Value

Profitability is one of the general methods used by investors to measure firm performance. In general, it can be argued that, the success and ultimate survival of a firm depends on how it is able to make profit and generate cash flows (Dechow, 2018). Profitability incorporates different measurements, or indicators, some of whom are used more frequently than others when assessing corporate financial performance. These include return on equity, return on assets, economic value added, gross profit margin and net profit margin (Otuya & Omoye, 2021; Ross et al., 2010).

Return on equity (ROE) is one ratio that is often of interest to investors. It relates earnings made by the company with the financing provided by shareholders, in the form of equity. It is obviously of interest for shareholders to assess the amount of net income that is returned as a percentage of the equity that they have provided. ROE is considered the measurement of how well the stockholders have fared during the measured time as it calculates the return on shareholders ownership, equity. ROE is therefore a common yet useful tool to measure how well the company is performing from the investors' point of view (Ross et al., 2010).

There have been conflicting results from a number of research on the connection between profitability and dividend choice. Studies by Simon-Oke and Ologunwa (2016), and Williams and Duro (2017) found that the size of earnings significantly influences dividend payout ratio. However, Narang (2018) also examined the connection between financial performance and dividend payout and found no significant effect of profitability on dividend payout ratio. In light of this, a positive influence of earnings on dividend decision is proposed as the second hypothesis.

Ho_2: Profitability has a significant positive effect on dividend payout ratio of listed manufacturing firms in Nigeria

The results of studies on the link between of profitability and firm value are also mixed. For instance, Putri and Rachmawati (2018) found that profitability had no influence on firm value. However, Gunawan et al, (2018) and Ratu et al. (2022) found that profitability had a positive and significant effect on firm value. In view of the foregoing, we frame our third hypothesis thus:

Ho_3: Profitability has a significant positive effect on firm value of listed manufacturing firms in Nigeria

Leverage, Dividend Payout and Firm Value

Debt capital is the capital that a business raises by taking out a loan. It is obtained in form of loans or debentures certificates of a company, typically carries a fixed rate of interest, and is normally repaid in the future. Financial leverage is argued to affect dividend policy. Taranto, (2002) contended that if a company has a high level of debt, it may have to pay more interest and principal to its creditors, which reduces the amount of cash available for dividends. Also, creditors may impose covenants that limit the company's ability to pay dividends, to ensure that they get their money back. Therefore, a high financial leverage may result in a low dividend policy. Rafika and Santoso (2018) found that firm value can be influenced by debt financing decisions. The higher

the debt to equity ratio means that less and less of their own capital as compared to debt. According to Al Najjar (2012), the higher debt causes the burden on companies to become significant because of the burden of debt costs that must be borne. The higher the debt will cause the company's priority to pay dividends will be smaller because the company's debt costs reduce the company's profits. Against the backdrop of the foregoing, we hypothesize thus:
Ho_4: leverage has a significant negative effect on dividend payout ratio of listed manufacturing firms in Nigeria

Leverage can have different effects on firm value depending on various factors, such as profitability, liquidity, firm size, and economic conditions. Some studies such as Putri and Rachmawat (2018), and Yuwono and Aurelia (2021) suggested that leverage can increase firm value by reducing the cost of capital and increasing the tax shield. Other studies argue that leverage can decrease firm value by increasing the risk of bankruptcy and financial distress (Aprilyani et al., 2021; Setyabud, 2021). Against this backdrop, we frame the fourth hypothesis thus:

Ho_5: leverage has no significant positive effect on firm value of listed manufacturing firms in Nigeria

Investment Opportunities, Dividend Payout and Firm Value

Investment decision is a long term capital budgeting decision regarding expectations for corporate profits results in the future. Investment opportunities are interpreted as a combination of asset-in-place and investment choices in the future with a positive net present value. The effect of investment opportunities on dividend decisions is an important topic in corporate finance. According to studies such as Marpaung and Hadianto (2009), and Fistyarini and Kusmuriyanto (2015) the dividend decision is affected by the availability and profitability of investment opportunities. If a company has high investment opportunities**,** it may prefer to retain more earnings and pay lower dividends to shareholders, as it can invest the earnings in profitable projects and increase the value of the firm. However, Moradi, et al. (2010) and Amah (2012) found a negative effect of investment opportunity on dividend policy. In view of the foregoing, a hypothesis of a significant influence of investment opportunities on dividend payout ratio is framed thus:
Ho_6: investment opportunity has a significant positive effect on dividend payout ratio of listed manufacturing firms in Nigeria

Myers (1977) introduced investment opportunities concerning achieving corporate goals, where the value of the company formed through the indicators of the stock market value is also strongly influenced by investment opportunities. Cahyono and Sulistyawati (2017) proved that firm value can be positively impacted from investment opportunities. Fidhayatin and Dewi (2012) also emphasized that value of the firm and dividend decision are the result of future investment choices and are expected to obtain higher returns. This leads to our seventh hypothesis thus:
Ho_7: investment opportunity has a significant positive effect on firm value of listed manufacturing firms in Nigeria

Against the backdrop of the review above, the conceptual model for the study is described as follows:

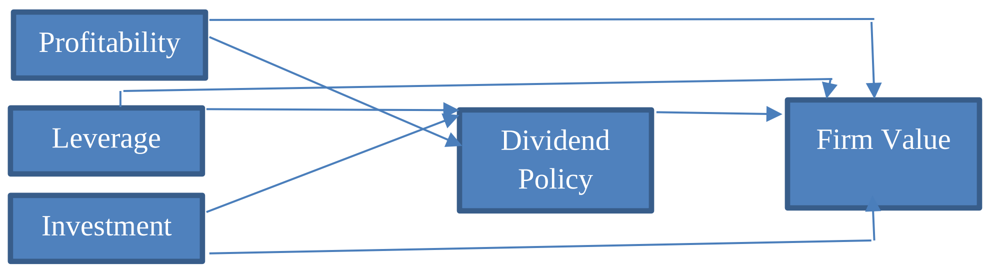

Figure 1: Conceptual Model for the Study

Theoretical Framework

The study is anchored on the signaling theory. The theory, developed by Fama and French (1969), posits that there is asymmetry of information between the company's management and the other parties with an interest in such information. It states that the company's management has a lot of secret knowledge on the firm's value, the present and future economic outlook compared to outsiders. The signaling hypothesis supports the idea that investors and analysts can see whether the company's management delivers positive information to mislead the market to gain more profits within a short period (Salih, 2010)

The theory is appropriate for this study because dividend decisions attract market attention and improve the firm's prospects. According to Inyiama and Okwo (2015) dividend payment sounds like good news to investors and may act as a signal of a company's financial health, and influence the stock price and the firm's returns.

3. Methodology

Design and Data

This study adopted both cross-sectional and longitudinal research designs. The population of the study consisted of 58 listed manufacturing companies on the Nigeria Exchange Group (NGX) as of 31 December 2022. To arrive at the final sample size, a filtering technique was adopted based on certain selection criteria. Eleven (11) newly listed firms after 2012; and six (6) suspended or inactive during the period were filtered out hence a total of 17 manufacturing companies were excluded from the sample. The exclusion of such firms was to allow for homogeneity of period scope which help the research obtain a balanced panel data. The final sample size after the filtering was 41 companies giving a total of 451 year end observations.

Model Specification

The study adopts three separate econometric models for capturing and testing for the relationship between dividend decisions and firm value. The focus of the first model is to examine to what

extent dividend decision affects market value of firms. The second model seeks to determine how profitability, leverage and investment opportunities influence dividend decisions. The third model examines how profitability, leverage and investment opportunities affect value of the firm.
The models are expressed as:

$$DIV_{it} = f\,(FMV) \quad \text{-------} \quad (i)$$
$$DIV_{it} = f\,(ROE, LEV, INV) \text{--------} (ii)$$
$$FMV_{it} = f\,(ROE, LEV, INV) \text{--------} (iii)$$

Thus, from linear equation (i, ii and iii), we obtain:

$$DIV_{it} = \beta_0 + \beta_1 FMV_{it} + e_t \quad \text{---------------------------------} \ iv$$

$$DIV_{it} = \beta_0 + \beta_1 ROE_{it} + \beta_2 LEV_{it} + \beta_3 INV_{it} + e_t \quad \text{---------------} \ v$$

$$FMV_{it} = \beta_0 + \beta_1 ROE_{it} + \beta_2 LEV_{it} + \beta_3 INV_{it} + e_t \quad \text{------------} \ vi$$

Where:
DIV = Dividend payout; FMV = Firm Value; ROE = Return on Equity; LEV = Leverage; INV= Investment Opportunities; i = firms; t = represent the time dimension β_0 = Intercept; β_1 - β_3, = Parameter to be estimated, and e = Stochastic or Disturbance term.

Measurement of Variables

Table 1: Operationalization of the Variables

SN	Variable	Acronym	Measurement	Source	A Priori Expectation
1	Dividend Payout	DIV	Dividend payout ratio derived as dividend per share scaled by earnings per share	Triani and Tarmidi (2019)	+
2	Firm Value	FMV	Market value of equity plus debt scaled by total assets	Sumani (2020) Otuya et al. (2022)	+
3	Profitability	ROE	Profit after tax scaled by total equity	Otuya and Omoye (2021)	+
	Leverage	LEV	Financial leverage measured by debt to total assets ratio	Triani and Tarmidi (2019)	+

5	Investment Opportunities	INV	Investment opportunity is proxied by the Market to Book Value of Assets. It is given as market capitalization scaled by asset book value	Sumani (2020)	+

Source: Researcher's Compilation, 2023.

4. Estimation Results and Discussion of Findings

The hypothesis testing results of the panel data estimation are reported in Table 2.

Table 2: Hypothesis Testing Results

Description	e	p	Decision
Ho_1: Dividend Payout and Firm Value ($DIV_{it} = \beta_0+\beta_1 FMV_{it}$)	0.213	0.000	Accepted
Ho_2: Profitability and Dividend Payout ($DIV_{it} = \beta_0+\beta_1 ROE_{it}$)	0.036	0.001	Accepted
Ho_3: Profitability and Firm Value ($FMV_{it} = \beta_0+\beta_1 ROE_{it}$)	0.193	0.000	Accepted
Ho_4: Leverage and Dividend Payout ($DIV_{it} = \beta_0+ \beta_2 LEV_{it}$)	-0.329	0.243	Rejected
$Ho_{5:}$ Leverage and Firm Value ($FMV_{it} = \beta_0+ \beta_2 LEV_{it}$)	0.081	0.002	Rejected
Ho_6: Investment Opport. and Dividend Payout ($DIV_{it} = \beta_0+ \beta_3 INV_{it}$)	0.211	0.065	Rejected
$Ho_{7:}$ Investment Opport. and Firm Value ($FMV_{it} = \beta_0+\beta_3 INV_{it}$)	0.084	0.001	Accepted

e = co-efficient; p = probability at 0.05 significant level

Results from the hypothesis testing and discussed thus:

First, the relationship between dividend payout and firm value is found to be positive and significant at 5% significant level ($\beta_1 FMV_{it} = 0.213$, $p=0.000$). The implication is that higher dividend increases the market value of the firm. The result meets our *a priori* expectation and is consistent with prior studies such as Chiedu and Okonkwo (2020), Kapoor (2010). Ordu et al. (2014) and Ogolo (2012). This finding does not however, agree with Cahyono and Sulistyawati (2017), Pushpa and Kumar (2016), and Akinleye and Ademiloye (2018) that reported no positive effect of dividend payout on firm value.

In addition, the coefficient of the variable profitability is observed to be positive and significant ($\beta_2 ROEit = 0.0036$, $P=0.001$). This indicates that the level of dividend payout is significantly influenced by return on equity. The result meets our *a priori* expectation and is consistent with previous studies such as Simon-Oke and Ologunwa (2016), and Williams and Duro (2017) who found that the size of earnings significantly influences dividend payout ratio. However, Narang (2018) show evidence that profitability does not influence dividend decision. As regards the impact of profitability on firm value, the regression result shows a positive effect and statistically significant at 5% ($\beta_3 ROE_{it} = 0.193$, $p=0.000$). The result gives enough evidence to accept the hypothesis that return on equity has a positive effect on firm value of listed manufacturing firms in Nigeria. This position meets our *a priori* expectation and agrees with studies such as Gunawan et al, (2018) and Ratu et al. (2022).

In addition, the coefficient of the variable leverage is observed to be negative but not significant ($\beta_2 LEV_{it}$ = *-0.*329*, P=0.243)*. This indicates that the dividend payout is not significantly influenced financial leverage. The negative coefficient and the probability value lend credence to reject the hypothesis of a significant negative effect of leverage on dividend payout. The result did not meet our *a priori* expectation. The study is in tandem with Al Najjar (2012). Further, the effect of leverage on firm value is observed to be positive and significant ($\beta_2 LEV_{it}$ = *-0.*081*, P=0.002).* The implication is that higher leverage increase the value of the firm. This, however did not meet our *a priori* expectation but is consistent with findings by (Aprilyani et al., 2021; Setyabud, 2021).

Moreover, the coefficient of the effect of investment opportunities on dividend payout is observed to be positive but not significant ($\beta_3 INV_{it}$ = *0.*211*, P=0.065).* This indicates that investment opportunity is not a major determinant of dividend payout. The result did not meet our *a priori* expectation. The study is however in conformity Marpaung and Hadianto (2009), and Fistyarini and Kusmuriyanto (2015). Further, the effect of investment opportunities on firm value is observed to be positive and significant ($\beta_3 INV_{it}$ = *0.*084*, P=0.001).* The implication is that higher investment opportunities increases the value of the firm. The result meets our *a priori* expectation and is consistent with findings by Cahyono and Sulistyawati (2017), and Fidhayatin and Dewi (2012).

Conclusion and Recommendations

The study examines the factors that could influence dividend decision and value of the firm. The factors investigated include profitability (earnings), financial leverage, and investment opportunities. Findings of the study revealed that profitability has a significant positive effect on dividend payout while availability of investment opportunities was found to be positive but not significant effec. Leverage was also found to have a negative but not significant effect on dividend payout. Further, dividend payout, profitability, financial leverage, and investment opportunities were found to have significant positive effect on firm value. The study concludes that dividend decisions influence value of listed manufacturing firms in Nigeria.

Arising from the findings, the study made the following recommendations:
First, corporate managers should implement dividend policy that will enhance shareholders wealth maximization and take care of the investment opportunities of the firm. Second, consider the level of debt financing that will maximize the value of the firm in investment and dividend decisions.

References

Adediran, S. A., & Alade, S. O. (2013). Dividend policy and corporate performance in Nigeria. *American Journal of Social and Management Sciences, 4*(2), 71–77

Agyei, S. K., & Marfo-Yiadom, E. (2011). Dividend policy and bank performance in Ghana. *International Journal of Economics and Finance, 3*(4), 202.

Akinleye, G. T. & Ademiloye, D.S. (2018). Dividend policy and performance of quoted manufacturing firms in Nigeria. *International Journal of Scientific and Engineering Research, 9,* 1768-1784

Arko, C. A., Abor, J., Adjasi, K. D. C., & Amidu, M. (2014). What influence dividend decisions of firms in Sub-Saharan African? *Journal of Accounting in Emerging Economics, 4*(1), 57–78

Azhagiah, R., & Priya, N. S. (2008). Effect of dividend policy on shareholders wealth. *International Research Journal of Finance and Economics, 20,* 189-187

Chiedu, C.O., & Okonkwo, N.I.J. (2020). Effect of dividend policy on shareholders wealth creation and firm performance of listed banks in Nigeria. *Journal of Accounting and Financial Management, 6*(3), 74-80

Dechow, P. (2018). Accounting earnings and cash flows as measures of firm performance. sciencedirect.com. Available at: https://www.sciencedirect.com/science/article/pii/0165410194900167

Fama, E.F. & French, K.R. (1969). Taxes, financing decision, and firm value. *The Journal of Finance, III*, 819- 843.

Gordon, M. J (1962) Optimum investing and financing policy. *Journal of Finance*, *18*(2), 264-272

Hadianto, B., & Sahabuddin, Z.A. (2016). The impact of debt policy, profitability, and liquidity on dividend policy of the manufacturing listed firms in Indonesia Stock Exchange. *Asian Journal of Management Sciences and Education, 5*(4), 27-41.

Ismawati, L. (2018). The influence of capital structure and dividens policy to firms value listed at Indonesian Stock Exchange. International Conference on Business, Economic, Social Science and Humanities (ICOBEST 2018).

Inyiama, E. C., Okwo, M. I. & Inyiama, O. I. (2015). Dividend payout policy determinants of selected listed brewery firms in Nigeria: A meta-analysis (2000–2013). *European Journal of Business, Economics and Accountancy, 3*(3), 101-118

Jensen, M.C. & Meckling, W.H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure, (4), 305-360

Maulana, M.R. (2016). Influence of investment decisions, decisions against financing and dividend policy on company value company Indonesian Stock Exchange Year 2011 to 2015. *Journal of Management and Business, 4* (2), 27-46

Miller, M.H. & Rock, K. (1985). Dividend policy under asymmetric information. *The Journal of Finance, 40*(4): 1031-1051.

Miller, M., & Modigliani, F. (1961) Dividend policy, growth, and the valuation of shares. *Journal of Business; 34*, 411-433

Modigliani, F. & Miller, M.H. (1963). Corporate income taxes and the cost of capital: a correction. *The American Economic Review, 53*(3): 433-443.

Myers, S.C. (1977). Determinants of corporate borrowing. *Journal of Financial Economics, 5*, 147-175.

Narang, M. (2018). Dividend policy and firms' performance: A study of listed firms on National Stock Exchange. *International Journal of Advanced Educational Research, 3*, 286-289.

Ngwoke, N.M. (2021). Effect of dividend policy on financial performance of manufacturing firms in Nigeria. *International Journal of Advanced Research in Management and Social Sciences*, *9*, 38-52

Ordu, M. M., Enekwe, C. I., & Anyanwaokoro, M. (2014). Effect of dividend payment on the market price of shares: a study of quoted firms in Nigeria. *IOSR Journal of Economic and Finance, 5*(4), 49-62.

Otuya, S., Akporien, F., & Acbibong, E. A. (2022). Corporate Sustainability Efficiency and Firm Value. A Study of Nigeria's Deposit Money Banks. *European Journal of Accounting, Auditing and Finance Research, 10*(6), 19-30

Otuya, S., & Omoye, A. S. (2021). Thin capitalisation, effective tax rate and performance of multinational companies in Nigeria. *Accounting and Taxation Review 5*(1), 45-59.

Otuya, S., & Osiegbu, P. (2020). Shareholders' Wealth and Enterprise Risk Management: A Study of Deposit Money Banks in Nigeria. *The Nigerian Accountant, 51*(8), 7-13

Priya, P. V., & Mohanasundari, M. (2016). Dividend policy and its impact on firm value: A review of theories and empirical evidence. *Journal of Management Sciences and Technology*, *3*(3), 59–69.

Putri, V. R., & Rachmawati, A. (2018). The effect of profitability, dividend policy, debt policy, and firm age on firm value in the non-bank financial industry. *Journal of Management and Economics*, *10*(1), 14. https://doi.org/10.35384/jime.v10i1.59

Rafika, M., & Santoso, B.H. (2018). Influence of investment decisions, decisions funding, and dividend policy against corporate values. *Journal of Management Studies & Research, 6* (11), 01-013

Simon-oke, O. & Olongunwa, O. P. (2016). Evaluation of the effect of dividend policy on the performance of corporate firms in Nigeria. *FUTA Journal of Management and Technology, (Maiden edition),* 11-120.

Sumani, A. (2020). Value of the firm: inflation and role of dividend decision mediation. Journal of Management and Business, 19(1), 60-62

Triani, N., & Tarmidi, D. (2019). Firm value: impact of investment decisions, funding decisions and dividend policies. *International Journal of Academic Research in Accounting, Finance and Management Sciences 9*(2),158-163.

Walter, J. E. (1963). Dividend policy: its influence on the value of enterprise. *The Journal of Finance*, *18*(2), 280-291,

Williams, H. T. & Duro, A. T. (2017). An empirical investigation of the impact of dividend policy on the performance of quoted companies in a developing economy. *Singaporean Journal of Business Economics and Management Studies, 5*, 11-24