

THE EFFECT OF RISK MANAGEMENT COMMITTEE ON THE FINANCIAL PERFORMANCE OF LISTED DEPOSIT MONEY BANKS IN NIGERIA

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Abstract

This study examined the effect of risk management committee on the financial performance of listed Deposit Money Banks (DMBs) in Nigeria. Financial performance which is the dependent variable was proxied by return on assets (ROA), while enterprise risk management as the independent variable was proxied by risk management committee independence, risk committee size, ISO 27001 framework and COSO framework. Data were collected from secondary source. The data were extracted from the audited annual reports of the 14 listed DMBs on the Nigerian Exchange (NGX) for the period of 2016-2022. The study employed the Generalized Least Square (GLS) regression technique in analyzing the study data. The findings revealed that ISO 27001 framework and COSO framework have a positive and significant effect on the financial performance of listed DMBs in Nigeria. Hence, it was concluded that ISO 27001 framework and COSO framework are among the major determinants of financial performance of listed DMBs in Nigeria. It was recommended that the managements of the listed DMBs in Nigeria should increase the use of ISO 27001 and COSO framework to assist them in mitigating risk and increasing the financial performance of the banks.

Keywords: Deposit money banks, enterprise risk management, financial performance, Nigeria.

1.0 Introduction

Financial performance has been an issue of concern to many businesses and stakeholders in different parts of the world. The collapse of many organizations in recent times, most especially financial institutions has called on the attention of various stakeholders in the financial sector to re-examine the issue of corporate financial performance in the financial institutions (Karim, 2024). Recently, the global banking system has been in turmoil following the collapse of banks in advanced countries in Europe and America. The collapse of these banks such as Silicon Valley Bank, First Republic Bank, etc., have created fears in the minds of creditors and other stakeholders about the condition of the global financial institutions (Thompson, 2023).

Also, in Nigeria the financial institutions in the country have faced several challenges that have led to the collapse of many banks. For example, the failure of Skye Bank Plc, Diamond Bank Plc, and Heritage Bank, among others. These crises were as a result of a huge problem of risks exposed in the course of carrying out their primary function of financial intermediation

(Ogbebor *et al.*, 2020). According to Jarrett (2016), the main purpose of a business entity is to generate returns to its shareholders in the form of wealth creation or maximization. Where this entity is exposed to adverse enterprise risk it may result to poor financial performance of such an entity, hence affecting the long-term objective of the entity.

Analysts and investors use financial performance to compare similar companies across the same industry, or to aggregate industries or sectors. Financial achievement calls for concrete consequences in the strategies and practices of a company. Those results are reflected in the company's return on investment, asset benefit, value-added, etc. A comparative measure of how easily a company can maximize and deliver revenue from its primary business type inventory. Financial performance is the degree to which an organization's financial stability is measured throughout some time. Zemzem and Kacem (2014), opine that there exists a relationship between the risk variables and financial performance. Thus, risk management's primary responsibility is to monitor management's participation in riskier activities that may have affected the firm's objectives and to inform management when such activities reach an unacceptable risk level that may impede the firm's financial performance.

Furthermore, the solvency and liquidity stress test conducted by the Central Bank of Nigeria (CBN) in 2022 to determine and analyze the banking institutions weaknesses and risks to assess the financial soundness and fitness of the financial institutions shows a poor financial performance with the decline of the bank's capital adequacy ratio, increase in non-performing loans among other performance indicators (CBN, 2022). As a result of this, it is argued that the DMBs in Nigeria might be declaring profit, but their long-term strength and opportunities which depend largely on their ability to maximize shareholder's wealth with a poor level of financial performance and this may threaten their going concern goal. For an entity to avoid the threat of going concern, management must utilize companies' asset profitability to achieve corporate objectives.

Many control mechanisms have been put in place in corporate organizations to reduce agency problems and associated costs to safeguard the shareholder's wealth and improve the company's financial performance. One of such mechanism is the corporate governance mechanism to monitor the companies' management system, risk control and financial compliance in the preparation and presentation of financial reports (Adepoju, 2020). This study concentrated on the enterprise risk committee of a firm to examine how it influences the financial performance of the listed DMBs in Nigeria.

From the review conducted on previous research in this field, it was discovered that many literatures have considered board characteristics on the financial performance of listed DMBs. For example, Yahaya and Yakubu (2022) examined how board size, independence, board gender and board meetings impacted financial performance in Nigeria; Aldhamari et al. (2020) assessed the effect of board size, independence, board gender, and board meetings on financial performance. Odubuasi et al. (2022) evaluated board size, independence, and diversity on the financial performance of DMBs. Except of Chukwujekwu, et al. (2020) who examined the impact of risk management committee attributes on the financial performance of Nigerian banks, none of these studies examined the relationship between the International Organization for Standardization (ISO) 27001 Framework, Committee of Sponsoring Organization (COSO) Framework and financial performance of listed DMBs in Nigeria. In line with this, the study

examined the effect of risk committee independence, size, ISO framework, and COCO framework on the financial performance of listed DMBs in Nigeria.

2.0 Literature Review

This section of the study, covers the conceptual review, empirical review and theoretical review of the study.

Financial Performance

According to Abdullahi *et al.* (2023) the concept of "performance" has two levels, including efficiency and effectiveness. Effectiveness is the degree to which objectives are attained, whereas efficiency is the ratio between input and output. According to management's motivation theory, performance is defined as the volume of work a staff completes. Fali *et al.* (2020), posited that financial performance is a subjective measure of how well a company can harness assets from its primary business mode and generate revenue. Often, the term is used as a general indicator of the overall financial performance of a company over a given timeframe. Analysts and investors use financial performance to compare similar companies across the same industry, or to aggregate industries or sectors (Nworie & Ofoje 2022). Financial achievement calls for concrete consequences in the strategies and practices of a company. Those results are reflected in the company's return on investment, asset benefit, value-added, etc. Financial performance is one of the most important variables in management research and arguably the most important indicator of any organization.

Performance is the strategic outcome that a business employs to accomplish its goals. Any corporate management or business owner's top priority is efficiency. The level of an organization's ability to accomplish its set goals, including a measure of overall competitiveness, is the level of performance. A company's performance can provide corporate management with information about the financial and non-financial conditions at the time of evaluation. (Abdullahi *et al.*, 2023). According to Igwe *et al.* (2017) Performance is a matrix for how effectively a management team generates income using all available resources. Because it can be used to forecast the company's future earnings, investors are interested in a company's success. Some of the many metrics used by academics to evaluate performance include the Return on Assets (ROA), Price Earnings Ratio (PER), and Return on Equity (ROE) (Haddad *et al.*, 2021; Ugwu *et al.*, 2020). In this study, the main criterion for assessing financial performance was ROA.

Risk Management Committee

Risk management committee refers to subcommittee of the board of directors that whose function is to identify potential risks in advance, analyze them and take precautionary steps to curb the risk. When an entity makes an investment decision, it exposes itself to several financial risks. The quantum of such risks depends on the nature of the investment (Karim, 2024). When it comes to the corporation's risk tolerance, the process for managing and enforcing that risk, and the governance architecture that supports those activities, the committee provides support to the board of directors as it fulfills its regulatory obligations (Karim, 2024).

Risk Committee Independence

Independent directors are referred to as external non-executive directors. They are referred to as independent directors because they have no personal or professional connections to the corporation (Oyedokun, 2019). To put it another way, an individual who serves as an independent director on the risk management committee is not personally connected to the company's executives. Since they have no close connection with the company, independent directors tend to act objectively so as to align the management interest with those of the shareholders. Many individuals think that the risk management committee's independence from management and governance is demonstrated by the participation of a substantial number of non-executive board members (Lamidi *et al.*, 2022). Many studies have studied the relationship between financial performance and the independence of risk management committees. While some of these research (Abubakar *et al.*, 2018; Fali *et al.*, 2020) found no relationship between risk management committee independence and financial performance, others (Aldhamari *et al.*, 2020; Malik *et al.*, 2019) found significant relationship between risk management committee independence and financial performance. The study states its second hypothesis as follows:

H₀₁: Risk management committee independence has no significant effect on the financial performance of listed deposit money banks in Nigeria.

Risk Committee Size

The total number of members of a risk management committee is referred to as the committee's size. The success of a committee is frequently dependent on its size, or resources (Omotoye *et al.*, 2021). A larger risk management committee with more diverse knowledge, by agency theory, may be able to better monitor management behavior about risk management and ensure that investments are in line with strategic goals, assisting in the prevention of financial crises by reducing risk and adverse selection that could negatively affect performance (Elamer & Benyazid, 2018). Numerous studies have been conducted on the relationship between risk management committee size and financial performance. Some of these studies (Alduneibat, 2023; Elamer & Benyazid, 2018; Omotoye, *et al.*, 2021) found a significant relationship between risk management committee size and financial performance, whereas others (Chukwujekwu, *et al.*, 2020; Fali, *et al.*, 2020) found no relationship between risk management committee size and financial performance of firms. Based on this, the study formulated its first hypothesis as thus:

H₀₂: Risk management committee size has no significant effect on the financial performance of listed deposit money banks in Nigeria.

International Organization for Standardization (ISO) 27001 Framework

International Standardization for Organization (ISO), is the world's best-known standard for information security management systems (ISMS). It defines the requirements an ISMS must meet. The ISO 27001 standard provides companies of any size and from all sectors of activity with guidance for establishing, improving, maintaining and continually improving an information security management system. ISO framework provides a framework and process for managing risk. It can be used by any organization regardless of its size, activity or sector (International Standardization for Organization [ISO], 2022). ISO helps organizations increase the likelihood of achieving objectives, improve the identification of opportunities and threats and effectively allocate and use resources for risk treatment. Several studies have been conducted on the relationship between ISO and financial performance. Some of these studies

(Bokhari & Manzoor 2022; Chakroun *et al.* 2020; Jiang, 2020) found a significant relationship between risk management committee size and financial performance, whereas Hazudin *et al.* (2015) found no relationship between ISO and financial performance of firms. Based on this, the study formulated its first hypothesis as thus:

H₀₃: International organization for standardization framework has no significant effect on the financial performance of listed deposit money banks in Nigeria.

Committee of Sponsoring Organization (COSO) Framework

Committee of Sponsoring Organizations (COSO) refers to a voluntary organization offering guidance on monitoring internal controls, the report indicates that this component is the foundation for all other components of internal control, providing both discipline and structure to the organization (Kinyua *et al.*, 2015). The COSO framework identifies five main elements of a control system against which the review should take place. These include Control environment, Risk assessment, control activities, information and communication and monitoring. Internal control systems operate at different levels of effectiveness. Determining whether a particular internal control system is effective is a judgment resulting from an assessment of whether the five components Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring are present and functioning (Kinyua *et al.*, 2015). Researchers have examined the effect of COSO on financial performance. Some of these studies include (Akinleye & Kolawole, 2020; Jia & Bradbury, 2020) found a significant relationship between risk management committee size and financial performance, whereas Iswajuni *et al.* (2018) found no relationship between ISO and the financial performance of firms. Based on this, the study formulated its first hypothesis as thus:

H₀₄: The committee of sponsoring organization framework has no significant effect on financial performance of listed deposit money banks in Nigeria.

Theoretical Review

The research on risk management committees and business performance has been supported by a variety of theories. However, the agency theory served as the foundation for this investigation.

Agency Theory

Agency theory originated from the seminal work of Stephen Ross and Barry Mitnick in 1973, further developed and popularized by Michael, Jensen and William, Meckling in 1976. Agency Theory delves into the intricate relationship between principals, typically represented by shareholders and agents, such as managers or executives entrusted with making decisions on behalf of the principals (Tonye & Pabraebiwei, 2022). The theory posits that agents are expected to act in the best interests of the principals, reflecting the delegation of decision-making authority from the principal to the agent. Central to Agency Theory is the recognition of potential conflicts arising from information asymmetry among stakeholders, including management, debt holders, and shareholders (Agbaje *et al.*, 2024). This disparity in information may lead to agency problems, where agents may prioritize their interests over those of the principals (Akinleye & Kolawole, 2020). The theory underscores the critical role of effective oversight mechanisms, such as the risk management committee, in governance

structures to mitigate agency issues and align incentives toward achieving organizational objectives.

3.0 Methodology

The study adopted the correlational research design in conducting the investigation. Secondary data was collected from the audited annual reports of the 14 listed DMBs used in the study from 2016-2022, the study used the census population approach as all the 14 listed DMBs were used in the study. Generalized Least Square regression analysis was employed in the data analysis and the testing of the hypotheses of the study.

Variable Measurement

The variables used in this study and their measurements are presented in Table 3.1 as thus:

Table 1
Variable Measurement

Variable	Acronym	Measurement	Sources
Financial Performance	FP	Financial performance was measured as the proportion of profit before tax and total assets of the banks	Oyedokun, (2019); Abubakar, et al., (2023)
Risk Management Committee Independence	RCI	Measured as the proportion of independent members to total number of the committee members.	Husaini & Saiful (2017); Ugwu et al. (2021).
Risk Management Committee Size	RCS	Measured as the total number of directors on the risk management committee.	Rashid et al. (2012); Kakanda et al. (2017)
ISO 27001 Framework	ISO	Binary form by taking the value of 1 when a firm uses the ISO 27001 framework and 0 if otherwise.	Wu et al. (2021); Podrecca et al. (2022)
COSO Framework	COSO	Binary form by taking the value of 1 when a firm uses the COSO framework and 0 if otherwise	Elessa (2016); González et al. (2020)

Source: Authors' Compilation from the Literatures Reviewed (2024).

Model Specification

The model specification of the study is presented below as follows:

$FP = f(\text{Enterprise risk committee}).$

$FP_{it} = \beta_0 + \beta_1 RCI_{it} + \beta_2 RCS_{it} + \beta_3 ISO_{it} + \beta_4 COSO_{it} + \epsilon_{it}$

Where:

FP = Financial Performance

RCI = Risk Committee Independence

RCS = Risk Committee Size

ISO = International Standardization for Organization

COSO = Committee of Sponsoring Organization

β_0 = Constant
 $\beta_1 - \beta_4$ = coefficient of the variables of interest
 it = panel indicator.

4.0 Results Presentation and Discussion

The findings from the data that were extracted and analyzed are covered in this section of the study. The section starts with descriptive statistics followed by correlation matrix, variance inflation factor (VIF), and regression result.

Descriptive Statistics

The independent and dependent variables that were employed in the study are explained by the descriptive statistics. Starting with the mean standard deviation, minimum and maximum.

Table 2
Descriptive Statistics

Variable	Obs	Mean	Std.Dev	Min	Max
FP	98	0.016	0.018	-0.091	0.070
RCI	98	0.242	0.146	0.000	0.600
RCS	98	6.469	1.884	3.000	11.00
ISO	98	0.367	0.485	0.000	1.000
COSO	98	0.214	0.412	0.000	1.000

Source: Author's Computation from STATA Output, (2024)

From Table 2 financial performance which is proxied by return on assets (ROA) has a mean value of 0.016 and a standard deviation of 0.018. This means that on average the performance of the listed DMBs in Nigeria stood at 1.60% with a deviation of 1.80% which signifies a moderate deviation from the mean value of ROA. The minimum and maximum value stood at -0.091 and 0.070 respectively which shows that the minimum return on assets of the listed DMBs in Nigeria within the period of the study stood at -0.91% and a maximum return of 0.70%.

Furthermore, Table 2 shows that risk committee independence has a mean value of 0.242 with a standard deviation of 0.146. This suggest that on average 2.42% members of the risk management committee are independence directors, with a variation of 1.46% which means that there is a low variation from the mean value of RCI of the DMBs within the period of the study. Also, the minimum and maximum values of RCI stood at 0.000 and 0.60 respectively which shows that some of the banks have no independent directors on their risk committee while the highest number of independent risk committee on the banks was 60%.

Similarly, Table 2 shows that risk committee size has a mean value of 6.469 with a standard deviation of 1.884. This suggest that on average there are 6 directors on the risk committee of the listed DMBs in Nigeria within the period of the study. With a variation of 1.884 which means that there is a low variation from the mean value of RCS of the DMBs within the period of the study. Also, the minimum and maximum values of RCS stood at 3 and 11 respectively which shows that some of the banks have 3 directors on their risk committee while the highest number of risk committee of the listed DMBs stood at 11 members.

Also, Table 2 shows that ISO has a mean value of 0.367 and a standard deviation of 0.485. This means that on average, the listed DMBs in Nigeria applied 36.70% of ISO 27001 framework to risk management during the period of the study. The result also indicates that there is a high dispersion from the mean value of ISO 27001 framework reported within the period of the study. The minimum and maximum values of ISO 27001 stood at 0 and 1 respectively.

Finally, Table 2 shows that COSO framework has a mean value of 0.214 and a standard deviation of 0.412. This means that on average, the listed DMBs in Nigeria applied 21.40% of COSO framework to risk management during the period of the study. The result also indicates that there is a high dispersion from the mean value of COSO framework reported within the period of the study. The minimum and maximum values of COSO stood at 0 and 1 respectively.

Correlation Matrix

The relationship between the independent variables and the dependent variables, as well as the relationship between the independent variables themselves, is explained by the correlation matrix.

Table 3
Correlation Matrix

Variable	FP	RCI	RCS	ISO	COSO
FP	1.000				
RCI	0.203	1.000			
RCS	0.005	0.010	1.000		
ISO	0.146	0.075	0.250	1.000	
COSO	0.364	0.237	0.022	0.039	1.000

Source: Author's Computation from STATA Output, (2024).

According to the correlation table, all the independent variables (RCI, RCS, ISO, and COSO) are positively correlated with performance (FP), which means they all move in the same direction with financial performance. Furthermore, the correlation matrix indicates that none of the study's variables are multi-collinear because all of their coefficients are below the threshold of 80% (Gujarati, 2004). VIF was also carried out to detect the presence of multi-collinearity among the variables.

Multi-collinearity

Multi-collinearity was used to dictate the presence of multi-collinearity among the independent variables of the study.

Table 4:
Variance Inflation Factor and Tolerance Value

Variable	VIF	1/VIF
RCI	1.23	0.816
RCS	1.12	0.896
ISO	1.02	0.982
COSO	1.19	0.841
Mean	1.14	

Source: Author's Computation from STATA Output, (2024)

From Table 4, the tolerance and VIF were used as an advance measure to confirm the possible presence of multi-collinearity among the independent variables of the study, it was shown there is no multi-collinearity with the tolerance value and VIF concurrently below 1 and 10 respectively which signifies no presence of multi-collinearity among the variables (Gujarati, 2004).

Diagnostic Tests

To select the suitable model for the study, several diagnostic tests were conducted which include the multi-collinearity test using the VIF to find out if there is multi-collinearity among the variables, Hausman specification test to choose between fixed effect and random effect model which was not significant, hence the study further carried out Lagrange Multiplier test to choose between random effect and Ordinary Least Square (OLS) which favored the random effect model. Considering the fact the number of firms is more than the number of times the study made use of the Generalized Least Square (GLS) Model for the analysis.

Presentation of Result

The summary of the GLS robust regression result is presented in the Table below as follows:

Table 5:
Summary of OLS Robust Results

FP	Coef	St.Err	t-value	p-value
RCI	0.005	0.010	0.50	0.619
RCS	0.000	0.001	0.13	0.898
ISO27001	0.010	0.004	2.93	0.003
COSO	0.013	0.004	2.97	0.003
Cons	0.016	0.008	2.14	0.033
Prob> Chi ²	0.001			
No Obs	98			
Panel	Homoscedastic			
Autocorrelation	no			
	Autocorrelation			
Wald Chi ²⁽⁴⁾	19.83			

Source: Author's Computation from STATA Outputs, (2024)

From Table 5, the Wald Chi² is 19.83 and its associated p-value is 0.001 which by implication is statistically significant at 1%. This p-value less than 0.05 is small enough and it confirmed the fitness of the model for the study. Also, it was revealed from Table 4.7 that the heteroskedasticity problem in the panel random model and the autocorrelation were corrected with the GLS estimate.

$$\text{FP} = 0.016 + 0.005\text{RCI} + 0.000\text{RCS} + 0.010\text{ISO} + 0.013\text{COSO}$$

The regression result shows that risk committee independence has a coefficient of 0.005, a t-value of 0.50 and a p-value of 0.619 which is not significant. This shows that risk management committee meetings do not affect the financial performance of listed DMBs in Nigeria. Hence, the study fails to reject the first hypothesis which stated that risk committee independence has no significant effect on the financial performance of listed DMBs in Nigeria. The result supports the findings of Abubakar, et al. (2018) Elamer and Benyazid (2018); Fali, et al. (2020), who found no relationship between risk committee independence and financial performance. However, it contradicts the findings of Aldhamari, et al., (2020); Yahaya and Yakubu (2022), who found a significant relationship between risk committee independence and financial performance.

Similarly, the regression reveals that risk committee size has a coefficient of 0.000, a t-value of 0.13 and a p-value of 0.898 which is positive but statistically not significant. This suggests that risk committee size does not affect the financial performance of listed DMBs in Nigeria. Therefore, the study fails to reject the second hypothesis which states that risk committee size has no significant effect on the financial performance of listed DMBs in Nigeria. The findings of the study contradict the findings of Kakanda, et al., (2017); Efenyumi, and Okoye (2022), who found a significant relationship between risk committee size and financial performance, while the result confirms the findings of Ugwu et al. (2021); Yahaya and Yakubu (2022), who found no relationship between risk committee size and financial performance.

Also, the regression result shows that the ISO framework has a coefficient of 0.010, a t-value of 2.93 and a p-value of 0.003 which is statistically significant at 1%. By implication this signifies that there is sufficient evidence beyond reasonable doubt that the ISO framework has a positive relationship with the financial performance of listed DMBs in Nigeria. This further means that if DMBs increase the use of the ISO framework in managing risk by 1% it will lead to a corresponding increase in the level of financial performance of listed DMBs in Nigeria by 1% every other thing being equal. In line with this result, the study rejected the third hypothesis which stated that ISO has no significant effect on the financial performance of listed DMBs in Nigeria. The result of the study confirms the findings of Bokhari and Manzoor (2022) who found a significant association between ISO and financial performance, while it is contrary to the studies of Hazudin, et al., (2015) who found no relationship between ISO and financial performance.

Finally, Table 5 shows that the COSO framework has a coefficient of 0.013, a t-value of 2.97 and a p-value of 0.003 which is statistically significant at 1%. By implication this signifies that there is sufficient evidence beyond reasonable doubt that the COSO framework has a positive relationship with the financial performance of listed DMBs in Nigeria. This further means that if DMBs increase the use of the COSO framework in managing risk by 1% it will lead to a corresponding increase in the level of financial performance of listed DMBs in Nigeria by 1.30% holding every other thing constant. Therefore, the study rejected the fourth hypothesis which stated that COSO has no significant effect on the financial performance of listed DMBs in Nigeria. The result supports the works of Akinleye and Kolawole (2022); Hamour, et al., (2021), who established significant relationship between the COSO framework and financial performance. However, it contradicts the findings of Iswajuni *et al.* (2018), who found no relationship between COSO and financial performance.

5.0 Conclusions and Recommendations

In line with the finding, the study concluded that risk committee independence and risk committee size are not major determinants of the financial performance of the listed DMBs in Nigeria. However, ISO and COSO have significance effect on the financial performance of listed DMBs in Nigeria. This means that these variables are the major determinants of financial performance within the period of the study with p-values of 0.003 and 0.003 respectively. Because ISO helps organizations increase the likelihood of achieving objectives, improve the identification of opportunities and threats and effectively allocate and use resources for risk treatment. Furthermore, The COSO framework identifies five main elements of a control system. These include Control environment, Risk assessment, control activities, information and communication and monitoring. Management could use these to determine whether a particular internal control system is effective is a judgment resulting from an assessment of whether the five components improve the financial performance of the banks.

Therefore, the study recommended that the management of the listed DMBs in Nigeria increase the application of ISO framework to help in the identification of opportunities and threats in order to enhance the financial performance of the banks. Furthermore, the study recommended that the management increase the use of COSO framework in order to promote the financial performance of the listed DMBs in Nigeria. These recommendations were as a result of the positive and significant effect of these variables on the financial performance of the listed DMBs in Nigeria within the period of the study.

The study has theoretical implication as it fills the gap in literature by examining the effect of risk management committee on the financial performance of listed DMBs in Nigeria. Also, the study provides information on the effect of management committee on the financial performance which will provide a guide for future researchers in this area. Furthermore, the study has practical implication as the result of the study will assist management to implement policies that will ensure the promotion of the financial performance of listed DMBs in Nigeria.

The study was limited to only the listed DMBs in Nigeria, as such the results of the study cannot be generalized to other sectors most especially the manufacturing sector. Also, the study was limited to just four variables: risk management committee size, risk management independence, ISO and COSO framework as the only determinants of the financial performance of listed DMBs in Nigeria. Finally, future researchers should replicate this study to the entire listed manufacturing firms in Nigeria to ensure more generalizability of the findings of the study.

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