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IMPACT OF FIRM ATTRIBUTES ON FINANCIAL PERFORMANCE OF LISTED DEPOSIT MONEY BANKS IN NIGERIA

Rabiu Saminu Jibril[1], Aminu Mohammed Usman[2] & Abdulmalik Auwal Abdullahi[3]

[1]Kano State Polytechnic, Kano, Nigeria

rabiu.saminujibril@gmail.com

[2]Central Bank of Nigeria

mothmanu@gmail.com

[3]Kano State Polytechnic, Kano, Nigeria

Abstract

This study evaluates the effect of firm attribute on financial performance of listed deposit money banks. The study uses secondary data extracted from the annual reports and accounts of the sampled Money Deposit Banks in Nigeria, for the period of 11 years (2011-2021). The study use three techniques of data analysis, namely descriptive statistics, correlation and multiple regression using STATA Package Version 14.0. The findings of the study reveals that there is negative and significant relationship between firm age and returns on asset at 1 % level of significance. The study findings reveal negative and insignificant relationship between firm leverage and firm size with financial performance. The study recommends that the debt obtained from outsiders (creditors) by listed Money Deposit Banks should be managed more effectively in order to drive positive financial performance and Management of listed deposit money banks should increase their firm size through expansion as this will improve the financial performance.

Keywords: Firms Attributes, Financial Performance and Money Deposit Banks

1.1 Introduction

Financial institutions owe duty to fully disclose matters concerning strengths, weaknesses and prospects of their operations so as to aid in making investment decisions because information obtained from its financial reports use to predict future investment. Without the financial performance quality, there will be a problem of how to invest and evaluation of performance of bank in general. Therefore, financial performance quality relates to the accuracy with which reported financials of a bank reflects its operating performance and how useful they are in forecasting future cash flows (Jibril et al., 2015; Jibril et al. 2019; Sabo et al; Jibril et al. 2015). The ability to present a good and accurate figure for accrual is termed as financial performance quality. Tasios and Bekiaris (2012) equally viewed the use of financial performance quality in two general perspectives. The first is where the quality of financial performance is determined on the basis of the usefulness of the financial information to its users. Secondly, financial performance quality is focused on the notion of shareholder/investor protection.

The quality of financial performance is investigated as a measure of reducing information asymmetry in most of the experimental studies. Some of these studies show that financial performance quality influences the cost of capital (Samson Mboi et al., 2018), maturity period of

the debt and choosing deceleration of interest (Samson Mboi et al., 2018) and also the level of accumulated cash (Jibril et al., 2022; Muhammad et al., 2015; Jibril et al. 2019; Tran et al., 2017). There are different measurements for financial performance quality such as: accounting transparency (Samson Mboi et al., 2018), the informational value of profit (Biddle, 2009), qualitative characteristics of profit and accruals quality (Tran et al., 2017).

Therefore, financial performance is the process of communicating economic measurement, obligation and accounting information about the resources and performance of reporting entity to those having reasonable rights to such information so as to facilitate informed judgments and decision making. It deals with the presentation of financial and other relevant statements to show the extent to which the objectives of the investors have been achieved. Financial reports prepared by the directors of Deposit Money Banks showing how well they have been able to manage the resources entrusted to them by the owners (shareholders) of the business as cited in Amahalu (2020) affirmed that financial performance is one of the products of accounting system that provides the necessary information needed to take economic and investment decisions. This means that, any element(s) of ensuring the possibility of evaluating the past performance with the intention to effectively assess and predict the possible future profitability should be considered as a prerequisite for achieving a high volume of investment. Financial performance quality entails the standardization of preparation and presentation of both financial and non-financial information by the financial institution for effective planning and reliable decisions. Mbonu and Amahalu (2021) upheld that is a formal and comprehensive statement describing financial activities of a business organization such as the financial institutions.

Putri and Indriani (2020) upheld investment decisions or analysis has to do with an efficient allocation of capital. It involves decision to commit the firm's funds to the long-term assets. Such decisions are of considerable importance to the firm since they tend to determine its value size by influencing its growths, profitability and risk. On the other hand, Firm attribute play an important role in explaining the quality of earning as they affect firm's internal and external decisions and restrain managers from manipulating the accounting information (Omar Mahfoudh, 2013). Firm attribute is defined as a firm internal environment that is comprised of demographic and managerial variables which in turn comprise part of the firm's internal environment (Putri and Indriani, 2020).

It is important to understand the meaning of the term firm attribute before probing further on the discussion. Ologhodo et al. (2021) terms firm attribute as factors that are mostly under the control of management. The firm attribute includes firm size, liquidity, leverage, sales growth, and firm age. The value of firm attribute, notably those well espoused by the CAMEL framework (capital adequacy, asset quality, management efficiency, earnings and liquidity), greatly shapes the performance of banks. In 2007/8 crisis, most of the banks that collapsed were largely due to lack of adequate financial strength to absorb losses emanating from the economic crisis (Kolawole et al., 2021).

Firm attribute are those attributes such as firm size, leverage, liquidity, sales growth, capital, firm age, dividend, market share, off balance sheet activities, operating expenses, among others, that affect the operations of a firm (Ekwueme and Aniefor, 2019). There are mixed findings on how firms attribute affect performance and disclosure of companies (Jibril & Maikano, 2022; Muktar et al., 2016; TaofeekAremu & Adeniyi, 2020).

Hitherto, there has been different methodology, variables, theoretical framework and there is still no concrete conclusive empirical evidence in the literature about how firm attribute influences capital structure in Nigeria. For instance, Goddard et al. 2005) found a positive relationship

between firm attribute and financial performance. reported a negative relationship between firm attribute and financial performance. Jensen and Meckling (2019) documented a non-significant relationship between firm attribute and financial performance. In Nigeria, studies on the relationship between firm attribute and performance have been emphasized more on the general corporate businesses and specifically on the banking firms listed on the stock market. However, despite the importance of the manufacturing sector in risk palliations, value creation and the growth of Nigerian economy, it has been under-investigated and ignored in this context. Therefore, this study examined the effect of firm attribute on financial performance of listed deposit money banks in Nigeria.

2.1 Literature Review and hypotheses development

Firm attribute is conceptualized differently by various studies depending on the criteria used to define it. However, most studies seem to agree in the position that firm attribute are related with firm resources and organizational objectives. Firm resources and objectives can be analyzed using three criteria namely structure, market and capital related firm attribute (Chen et al 2019). Structural firm attribute includes, firm size, ownership and age. Moreover, Market related variables include industry type, environmental uncertainty and market environment while Capital-related variables consist of liquidity and capital intensity (Amoah et al., 2021). Most studies have focused into structural related criteria of firm attribute because it is more related with organizational performance than the rest. However, it is misleading to argue that market and capital related firm attribute do not influence firm performance rather to our view, choice of what dimension of firm attribute to cover is more of the focus and clarity purpose than the advocated reasons. Likewise, this study focuses into structural criteria of firm performance which includes firm age, size and ownership.

Firm attribute can be defined as the wide varieties of information disclosed in the financial statement of business entities that serve as the predictors of the firms' quality of accounting information and performance. Firm attribute can also be defined as the behavioral patterns of company's operation which can enable them to achieve their objectives throughout the period of their operations (Ali et al., 2022). Firm attribute refer to the various accounting information reported by firms in their financial statements for a particular accounting period which can send a message to various stakeholders of firms about their performance. Company's attribute vary from one business entity to another. The company's attribute can be determined based on the relevant information disclosed on its financial statements for a particular accounting period (Bagh et al., 2017).

2.2 Empirical studies related to the research work

2.2.1 Firm size and Financial Performance

The expected relationship between various firm attribute on financial performance is as follows: The study anticipates either positive or negative relationship of firm size on financial performance as hypothesized by different researcher. One school of thought argues that there is a positive relationship between firm size and firm performance (Ahmad et al., 2015; Ibrahim, 2014; Muktar et al., 2016; Salihi & Jibril, 2015). It argues that bigger firms have more competitive power and also have a bigger market share which positions them to profit more. Moreover, bigger firms can

seize a profitable opportunity that comes in their way since they have bigger capital resources than smaller sized firms. Another school of thought argues that due to organizational rigidity brought about by bigger firm size and a lot of unnecessary bureaucracies, profitable opportunities that may want urgent attention will easily pass the firm and thus making them less profitable in relative terms and thus negatively impact on firm performance (Jibril, Usman, et al., 2022; Jibril & Maikano, 2022; Qazi & Aspal, 2021).

As for leverage, the study hypothesizes the findings of Qazi and Aspal (2021) a negative relationship on financial performance to occur. The study hypothesizes the findings of (Eneh, 2019) that firm age and financial performance will exhibit a positive relationship where they found that number of years in 7 operation was significantly linked to business success. A positive relationship in the sense that mature firms have knowledge of the market and they have established contacts and by learning curve effect they have been able to lower their average total fixed costs per unit and also, they are positioned at the upper part of the life cycle curve having positive cash flows as well as profits. The study hypothesizes the same findings to occur in studies conducted by Qazi and Aspal (2021) that liquidity (current ratio) will have positive effect on financial performance because it mainly consists of operating assets that generate revenues and cash flows for the firm. The study hypothesizes the same findings to occur in a study conducted by Goddard et al. (2005) that board size will have a negative effect on firm performance and depending on the effectiveness of the serving board. If the board is effective, a larger board will have positive effect on performance and a small board will yield lower performance as findings by (Farajimakin, Abiodu S., 2020).

Adegboyegun and Igbekoyi (2022) conducted research on Moderating Effect of Firm attribute on the Relationship Between Capital Structure and Financial Performance of Medium-sized and Large Enterprises in Kenya. Covers six-year period (2011 to 2016). Multiple regressions were applied. The study drew on secondary data with a Population of Sample 30 edium-sized enterprises. Relationship Between Capital Structure and Financial Performance. Firm attribute, Firm size, capital structure as proxies. The study established significant positive moderating effect of enterprise attribute on the relationship between capital structures and financial. However, size and age reduced the explanatory powers of accounting for the variability in ROE while they increased explanatory powers for ROA

Irom et al., (2018), conducted research on the Effect of Firm Attributes on Return on Asset of Listed Manufacturing Companies in Nigeria. It covers a period of five years from 2012 to 2016. The Study Employs Regression Model for Data Analysis. The Pop ulation 41 manufacturing industry and secondary data was used.the dependent variable is return on asset and independent variable is firm attribute with a proxies of Firm size, operating expenses. The result of random effect regression provides evidence that all firm attributes apart from operating expenses and firm size had a negative and significant effect on return on asset.

Similarly Farouk et al., (2019) carried out a research on the Impact of attribute of Firm on Quality of Financial performance of Quoted Industrial Goods Companies in Nigeria. The study for the period of 2011-2018. Multiple regression technique was used as analysis tool. 11 Industrial good was used as sample and the study population covers 20 Industrial goods. Secondary data was used and Agency theory was used for study. Quality of financial performance as dependent variable and firm attribute as independent variable. Firm size, leverage, Firm age and Board meeting as a proxies. The findings of the study reveal that, Board meetings and profitability significantly but

positively influence the worth of financial performance of companies, however, liquidity, growth and ownership structure proxies have weak influence on the financial performance worth. Based on the aforementioned studies the study hypotheses that:

H_1: There is a positive relationship between firm size and financial performance of listed Deposit money banks in Nigeria

2.2.2 Firms' Leverage and Financial Performance

Onyekwelu et al. (2018) conducted a study on Equity Returns, Firm-Specific Characteristics and Sector Rotation: Evidence from Turkey. The study examines the firm-specific characteristics that effect on equity returns depending on sector rotation scheme throughout four financial cycle stages for an important emerging market, Turkey. For this purpose, using panel data for twenty-five nonfinancial equities selected from ISE-100 companies and twenty-six firm-specific characteristics in 2005Q1-2011Q1 it is analyzed empirically whether firm-specific factors that effect on equity returns differ among equity groups classified by sector rotation scheme throughout financial cycle stages. The firm-specific characteristics have been reduced in five factor indexes which labelled liquidity, profitability, efficiency, growth, and valuation using factor analysis.

Bİlen and Kalash (2020) did a study on firm leverage, agency costs, and firm performance in Turkey where the OLS method was adopted in analyzing the statistical data for the period 2008-2017 of 52 firms. Results of this paper indicated a negative effect of leverage on firm profitability. The current study will adopt a causal research design that focuses on analyzing a particular case to describe trends of the relationship amongst the study variables addressing the methodological gap identified in this study.

Adeniyi and Aderobaki (2021) examined what effects financial leverage had on Nigerian Conglomerates quoted firms' performance. This research was carried out for the period between 2005 and 2016 and adopted the ex-post factor together with longitudinal research designs. The researcher established a significantly positive association between levels of indebtedness with financial performance. The methodological gaps in this study which are expost factors together with longitudinal research designs will be addressed in the current study that will adopt a causal descriptive research design that establishes correlations amid fickle in the Kenyan banking sector.

A similar study conducted by Kibera and Muturi (2018) in determining the effects selected firm attributes had on NSE listed firms' financial performance. This researcher was carried out the period between 2011 and 2015 was used for the statistical analysis. Results from this paper indicated a significantly weak positive correlation of leverage on performance, however, these results cannot be applied in the banking industry since it operates in a completely autonomous environment from other sectors hence the reason for studying banks independently in this study.

In the same vein Farajimakin, Abiodu S., (2020) carried out a study on the Firm attribute and liquidity management among firms in west Africa. The study covers the period of ten years ranging from 2009 to 2018. The study adopted an ex-post facto design and used panel data Collected. Population comprises of all the listed industrial goods firms on the Nigerian Stock Exchange from 2009-2018 and 14 industrial goods firms as a sample. Liquidity management as dependent variable and firm attribute as independent variable with Firm size, leverage and Firm age as proxies. The study finds that firm attribute affects about 36 percent of the level of liquidity management. That

is, about 36% of the level of liquidity management among companies in Nigeria and Ghana can be attributable to their firm attribute.

Uzoka & Anichebe, (2020) carried out research on the Effect of Firm Attributes on Firm Performance: An Interaction Approach. It covers the period for ten years ranging from 2009 and 2018. The data were analyzed using ordinary least square regression. The Population of the study are 60 firms with a Sample: of 50 firms Industry. Manufacturing industry. Firm performance as dependent variable and firm attribute as independent variable. Asset tangibility, Corporate Attributes, Corporate Size, Corporate Leverage policy, Corporate Growth and Corporate Age as a proxies. The result indicates that though operating efficiency, assets tangibility and leverage policy have negative and significant effect on performance. Based on the ongoing studies, the study hypotheses that:

H_2: There is a positive relationship between firm leverage and financial performance of listed deposit money banks in Nigeria

2.2.3 Firm age and Financial Performance

Khalid and Hossain (2019) examined firm age effects on banking performance. This study made use of data of listed commercial banks obtained from the Dhaka stock market in Bangladesh for the period between 2010 and 2017. Results from this study indicated an insignificant non-influence on ROA, ROE as well as the bank's financial performance. However, for these results to be applicable in a developing country like Kenya, the study has to be carried out on Kenyan banks and establish the correlation between firm age and financial performance.

In the same vein Eneh (2019) conducted a research on impact of firm attribute on sustainability reporting of listed industrial goods firms in Nigeria. The study covers the period of 9 years ranging from 2009 to 2018. Correlational research design. Panel regression technique of data analysis was used. 21 firms quoted from sample of 11 firms, for a period of 9 years (2010-2018). Sustainability reporting of listed industrial goods firms as dependent variables and Firm attribute as independent variable. Firm size, Firm age and Board meeting as proxies. The findings indicate that firm size and firm financial performance have a significant statistical negative impact on the sustainability reporting, while leverage and growth have a significant positive impact on the sustainability reporting during the period under review.

A similar study by Yitayaw (2021) studied what influence firm attributes have on Kenyan SACCO's performance utilized data for the period between 2013 and 2015. This research adopted descriptive statistics to ascertain the nature of the association firm attribute has with financial performance in Kenyan Saccos. Findings from the paper revealed a significantly positive relationship between asset quality, capital adequacy, operational efficiency and liquidity, and the financial performance of Kenyan cooperative SACCO's. However, this researcher did not factor solvency, interest rate, and financial leverage as crucial firm attributes that influence financial performance which this paper intends to introduce and apply on NSE listed commercial banks in Kenya.

vein Farouk, M.A. et-al (2019) conducted research on the Impact of Attribute of Firm on Quality of Financial performance of Quoted Industrial Goods Companies in Nigeria. The study for the period of 2011-2018. Multiple regression technique was used as analysis tool. 20 firms used as a population and 6 firms as a sample. Secondary data was used. Financial performance quality as

dependent variable and financial performance quality as independent variable with Firm Structure and Board Structure as proxies. Firm size, leverage, firm age and women directors were established to have significant and negative effect on real earnings manipulation of quoted Industrial goods companies in Nigeria. These does imply that the variables improve the financial performance worth of companies.

In the same vein Kolawole et al., (2021) conducted a research on Firm attribute and financial performance quality of listed consumable goods companies in Nigeria. Data were sourced from annual financial reports of 13 selected consumable goods companies in Nigeria from 2014 to 2019. This study used panel least square regression analysis. The Population comprises of 21 consumables goods. Financial performance quality as dependent variable and firm attribute as independent variable. Board composition, Firm size, leverage, Institutional shareholding and Profitability as proxies. The results revealed that the institutional shareholding, board composition, and liquidity influenced financial performance quality positively and significantly.
Demirgünes (2016) also examined the influence liquidity had on the Turkish retail industry's financial performance. This research was conducted for some time from 1998 to 2015. This study made use of unit root test, co-integration test by making use of data analysis method which was ordinary least square. The findings of this study indicated a strongly significant influence of liquidity on the Turkish retail industry's financial performance. Therefore, the study hypotheses that:

H_3: There is a positive relationship between firm age and financial performance of listed deposit money banks in Nigeria.

2.3 Agency Cost Theory

The agency theory contends that when ownership and control in an organization is separate, the managers may act out of self-interest and are self-centered, thereby, giving less attention to shareholders' interests. The separation of ownership and control in an organization may result in managers pursuing different objectives other than that of the firm such as perquisites, choosing inputs or outputs that their own preferences, or otherwise failing to maximize firm value. In effect, the agency cost of outside ownership equal to the lost value from professional managers maximizing their own utility, rather than the value of the firm (Berger et al., 1997). Greater financial leverage may affect managers and reduce agency costs through the threat of liquidation, which causes personal losses to managers of salaries, reputation, perquisites and also through pressure to generate cash flow to pay interest expense. The agency cost hypothesis argues that highly leveraged firms can reduce the agency cost of outside equity and improves firm's performance which effectively increases firm value. Moynihan et al. (2021) observes that highly leveraged firms can mitigate conflicts between shareholders and managers concerning the choice of investment. It posits that the choice of capital structure helps in mitigating agency costs and thereby influences firm performance ((Berger et al., 1997)). Much as this theory affects leverage decisions that need to be taken to address agency conflict arising, it also helps in explaining the corporate governance role played by board of directors in monitoring the agents (managers) of the firm. The board of directors as governance mechanism helps in keeping on toes the managers who pursue self-interest at the expense of shareholder's wealth maximization objective ((Jensen & Meckling, 2019)). 19 The board of director will effectively provide an oversight authority to ensure that the interests of shareholders are not infringed by managers who are internal players in the firm they are serving. Hence the bigger the board sizes the effective the monitoring role it is having over the agents.

3.1 Research Methodology

3.2 Population of the Study

The study uses secondary data extracted from the annual reports and accounts of the sampled Money Deposit banks in Nigeria, for the period of the Study. The population of the study comprises of listed deposit money banks in Nigeria, as at 31st December, 2021. Table 3.2.1 presents the population of the study.

Table 3.1: Population of the study

S/N	Names of banks	Year of listing	Year of incorporation
1.	Access bank Nigeria of Nigeria	**1998**	**1989**
2.	Ecobank Nigeria Plc	**2006**	**1989**
3.	Fidelity Bank Plc	**2005**	**1988**
4.	First Bank of Nigeria Plc	**2004**	**1984**
5.	First City Monument Bank Plc	**1996**	**1982**
6.	Guaranty Trust Bank Plc	**1992**	**1990**
7.	Stanbic IBTC Bank Plc	**1992**	**1989**
8.	Sterling Bank Plc	**1998**	**1960**
9.	Union Bank of Nigeria Plc	**1971**	**1917**
10.	United Bank for Africa Plc	**1970**	**1948**
11	Unity Bank Plc	**2013**	**2006**
12.	Wema Bank Plc	**1990**	**1945**
13.	Zenith Bank Plc	**2004**	**1990**
14.	Jaiz Bank Plc	**2018**	**2003**
15.	Polaris Bank	2018	**2018**

Source: NSE Official Website, 2021

3.2 Sample Size and Sampling Techniques

Judgmental Sampling Technique was used through applying criteria, for a bank to be part of the sample, the bank must be quoted throughout the period of the study. The application of the criteria resulted to 13 banks as sample size of the study, as shown in table 3.2 below:

S/N	Names of banks	Year of listing	Year of incorporation
1.	Access Bank Nigeria of Nigeria	2000	1989
2.	First Bank Plc	1997	1984
3.	Fidelity Bank Plc	2015	1988
4.	First City Monument Bank Plc	2015	1982
5.	Guaranty Trust Bank Plc	2010	1990
6.	United Bank for Africa Plc	1996	1948
7.	Union Bank of Nigeria Plc	2014	1917
8.	Zenith Bank Plc	2007	1990
9.	Stanbic IBTC Bank Plc	1992	1989
10.	Sterling Bank Plc	1998	1960
11.	Unity Bank Plc	2013	2006
12.	Wema Bank Plc	1990	1945
13.	Polaris Bank	2018	2018

Source: Generated by the researcher, 2022.

3.4 Method of Data Collection

The sources data of collection is where the data was collected for the research. Also the secondary sources of data collection was used which include textbooks, journals, magazines and seminar papers.

Secondary sources: these are sources that provide materials an account of an event phenomenon. In fact, those include that provide data from already documented materials written by previous authors/researcher such as annual report textbooks, journals etc.

3.5 Variables of the study and their measurement

This study used three (3) dependent variables, one (1) Independent variables. The choice was made based on the variables used in other similar studies. Gill (2011), Tailab (2014), Ahmad (2014), Cyril (2016).

3.5.1 Dependent Variable

The dependent variables in this research is financial performance (Return on asset)

3.5.2 Independent Variable

Firm attribute proxied by firm size, firm leverage and Firm age

Table 3.2 Variables and their measurement criteria

Nature	Variable	Description	Terms of measurement
Firm size (FZ)	Independent	Firm attribute	Natural log of total assets
Firm leverage (FL)	Independent	Firm attribute	Total debt ratio (Total debt/Total Assets)
Firm age (FA)	Independent	Firm attribute	the number of customers divided by total sales
Return on Asset (ROA)	Dependent	Return on Asset	It is measured by net income to average total assets
Board size (BIND)	Control variable	Board size	Is the total number of directors on board
Board independence (BSIZE)	Control variable	Board independence	Is the number of independent/non-executive directors on board divided by the total number of directors

3.6 Model Specification

In order to examine the impact of firm attribute on financial performance of listed money deposit banks in Nigeria, linear regression model is built as follows:

$ROAit = \alpha + \beta_1 FZit + \beta_2 FLit + \beta_{3FA} t + eit$

Where: ROA = Return on assets

FZ = Firm size

FL = Firm leverage

FA = Firm age

α = Intercept

a1, a_2, b_3 = Coefficient of ROA, FZ, FL and CS.

e = Error term

3.7 Techniques of Data Analysis

The study uses three techniques of data analysis, namely descriptive statistics, correlation and multiple regression using STATA Package Version 14.0.

4.1 Data Presentation, Analysis and Interpretation

4.2 Descriptive Statistics

The descriptive statistics of the data set from the sampled listed deposit money banks in Nigeria in are presented in Table 4.1 where the mean standard deviation, minimum and maximum values of the data for the variables used in the study are described.

Table 4.1 Descriptive statistics

Variable		Mean	Std. Dev.	Min	Max	Observations	
ROA	overall	0.027227	0.051849	-0.1363	0.2829	N =	143
	between		0.038406	-0.011	0.139073	n =	13
	within		0.036294	-0.10774	0.198346	T =	11
FIRMLEV	overall	0.394455	1.30206	0	11.0561	N =	143
	between		0.567037	0.061455	2.085209	n =	13
	within		1.181724	-1.63525	9.365346	T =	11
FSIZE	overall	11.96675	1.135288	0	13.5345	N =	143
	between		0.501042	11.16466	12.70784	n =	13
	within		1.027383	0.802088	13.37719	T =	11
FAGE	overall	32.15385	21.19604	-1	76	N =	143
	between		21.73648	4	71	n =	13
	within		3.173393	27.15385	37.15385	T =	11
BSIZE	overall	14.05594	2.708298	8	20	N =	143
	between		1.999152	11.27273	18	n =	13
	within		1.902556	6.146853	19.05594	T =	11
BIND	overall	0.589322	0.140418	0.15	0.9231	N =	143
	between		0.096196	0.449191	0.796755	n =	13
	within		0.10543	0.202567	0.852567	T =	11

Source: STATA Output Result

From Table 4.1 above, the dependent variable is measured by Return on Asset (ROA). ROA measures the effectiveness of management in terms of use of net assets. The ROA has a minimum value of -0.1363 and a maximum of 0.38. Meanwhile the mean return is 0.027227. This shows that on average, the banks generated a return on capital employed of around 0.77%. The standard deviation of 0.051849 indicates that the average value varies for the years under review as the standard deviation is not much far from the mean.

On the other hand, the independent variables are the measures of Firm attribute include; the Firm leverage (FIRMLEV), the Firm size (FSIZE), the Firm age (FAGE). While the control variables are: Board size (BSIZE) and Board of Independence (BIND).

The mean value of the Firm leverage is 0.394455 with a standard deviation of 1.30206 and a minimum and maximum value of 0 and 11.0561 respectively. The average value is somehow low when the maximum value is considered but it is also far from the minimum value. The standard deviation of 1.30206 is far from the mean which shows that the average value varies for the years under review. The mean value of the Firm size is 11.96675 with a standard deviation of 1.135288 and a minimum and maximum value of 0 and 13.5345. The average value is somehow low when the maximum value is considered but it is also very far from the minimum value. The standard deviation of 1.135288 is very far from the mean which shows that the average value varies for the years under review. The mean value of the Firm's Age is 32.15385 with a standard deviation of 21.19604 and a minimum and maximum value of -1 and 76 respectively. The mean value shows that at least 100% of the members of the firm's age have higher ages, the standard deviation of 21.19604 is far from the mean which shows that the average value varies for the years under review.

The mean value of the Board size is 14.05594 with a standard deviation of 2.708298 and a minimum and maximum value of 8 and 20. The average value is somehow low when the maximum value is considered but it is also far from the minimum value. The standard deviation of 2.708298 is far from the mean which shows that the average value varies for the years under review. The mean value of the Board independence is 0.589322 with a standard deviation of 0.140418 and a minimum and maximum value of 0.15 and 0.9231. The average value is somehow low when the maximum value is considered but it is also far from the minimum value. The standard deviation of 0.140418 is far from the mean which shows that the average value varies for the years under review.

4.3 Correlation analysis

The correlation matrix is used to determine the association between the variables of the study, Table 4.2 presents correlation values between dependent and independent variables and the correlation among the independent variables themselves. These values are generated from Pearson Correlation Output. The Table contains correlation matrix showing the Pearson correlation coefficients between the dependent and independent variables.

Table 4.2 Correlation Matrix

	ROA	Firmlev	Fsize	Fage	Bsize	Bind
ROA	1.0000					
Firmlev	0.0277	1.0000				
Fsize	-0.0428	-0.0048	1.0000			
Fage	-0.3955	-0.0086	0.0980	1.0000		
Bsize	-0.1921	0.0186	0.1668	0.2296	1.0000	
Bind	0.1240	-0.0389	0.0979	0.1650	0.3162	1.0000

Source: STATA Output Result

Table 4.2 is the correlation matrix which shows the extent of the relationship between the explanatory variables and the dependent variable. The values of the correlation coefficient range from -1 to 1 which indicates the direction of the relationship (positive and negative), the absolute values of the correlation coefficient indicate the strength, with larger values indicating stronger relationships. The result reveals that three explanatory variables are negatively correlated with the

return on asset (ROA) (move in the opposite direction) (FSIZE, FAGE, BSIZE) while Firm leverage (FIRMLEV) and Board Independence (BIND) which is positively correlated with the return on asset (ROA) (move in same direction).

The figures reveal that the Firm leverage (FIRMLEV) is positively correlated with Return on Asset as it gives a correlation figure of 0.0277. This means that for every increase in Return on Asset bye one is explain by increase in Firm leverage (FIRMLEV) by 0.0277. Likewise there is negative correlation between Firm size and Firm Age with the Return on Asset of (-0.3955 0.0428) respectively. With regard to the control variable the study indicates negative and positive correlations between BIND and BISZA (-0.1921 and 0.1240) and ROA.

Table 4.3 VIF table

Variable	VIF	1/VIF
BSIZE	1.2	0.835517
BIND	1.16	0.86462
FAGE	1.07	0.931573
FSIZE	1.06	0.940971
FIRMLEV	1	0.998158
Mean VIF	1.1	

Source: STATA Output Result

The variance inflation factor (VIF) of the variables was explored in this model, table 4.3 shows the spectrum of variance ranges from 1.2 to 1.1 for all variables. Therefore, the VIF value of the model used is between 1.2 and 1.1 which is below 10 (Hair et al., 2012) indicate, multicollinearity is unlikely to affect the study of regression.

4.4 Regression analysis

To evaluate Firm attribute and financial performance, we examine the correlation between variables which does not take full account of relationship between each variable. However, regression is run to take account of such relationship between variables.

Table 4.4 Regression Results

SOURCE	SS	DF	MS		NUMBER OF OBS	143
					F(5, 137)	5.57
Model	0.06451	5	.012901971		Prob > F	0.0001
Residual	0.317237	137	.002315602		R-squared	0.169
					Adj R-squared	0.1387
TOTAL	0.381747	142	.002688362		Root MSE	0.04812
ROA	Coef.	Std. Err.	t	P>t	[95% Conf.	Interval]
FIRMLEV	0.001103	.0031043		0.723	-0.00504	0.007242
FSIZE	0.000308	.0036669		0.933	-0.00694	0.007559
FAGE	-0.0009	.0001974		0.000	-0.00129	-0.00051
BSIZE	-0.0019	.0016312		0.247	-0.00512	0.001329
BIND	0.011951	.030928		0.7	-0.04921	0.073109
_CONS	0.071661	.0487863		0.144	-0.02481	0.168132

Source: STATA Output Result

Table 4.4 reveal an R^2 value of 0.1690. The R^2, which represents the coefficient of multiple determination implies that 16.90% of the total variation in the dependent variable (return on asset) of listed Deposit money Banks in Nigeria is jointly explained by the explanatory variables (Firm size, Firm Leverage, Firm age, Board size and board independence). This Indicate that the model is fit to explain the relationship expressed in the study model and further suggests that the explanatory variable are property selected combined and used. The value of R^2 of 16.9% also shows that 83.1% of the variation in the dependent variable is explained by other factors not captured in the study model. The study found a negative and significant relationship between FAGE and financial performance at 1 percent level of confidence (P-value of 0.000). This implies that the older the firm is the less performance it has. In the contrary, the study indicates statistically positive and insignificant association between FIRMLEV, FSIZE of (P-value 0.723 and 0.933) and financial performance respectively. This reveals that FIRMLEV and FSIZE do not have significant influence on financial performance.

4.5 Test of Hypothesis

H	Hypothesis	Sign	Remark
H_{o1}	Firm Leverage (FIRMLEV) has no significant impact on financial performance of listed deposit money banks in Nigeria.	**Not significant**	**Supported**
H_{o2}	Firm Size (FSIZE) has no significant impact on financial performance of listed deposit money banks in Nigeria.	**Not Significant**	**Supported**
H_{o3}	Firm Age (FAGE) has no significant impact on financial performance of listed Deposit money banks in Nigeria.	**Significant**	**Not supported**

4.6 Summary of major Findings

Firstly, financial performance as measured by ROA is found to be statistically negative and significantly related with Firm leverage (FAGE) at 1 percent level of significance. The findings of this study are consistent with Rosemary (2017) in determining the effects selected firm attributes had on NSE listed firms' financial performance. Results from the paper indicated a significantly weak positive correlation of leverage on performance. This is in contrast to the findings of Yermack (2015) who finds an inverse relationship between firm leverage and firm value; in addition, financial ratios related to profitability and operating efficiency also appear to decline as firm leverage grows.

Also, an insignificant relationship between Firm leverage, Firm Size and Return on Asset (ROA). This confirms the findings of Chamo, (2020), the findings indicate that firm size have a significant impact on the sustainability reporting, while leverage and growth have a significant positive impact on the sustainability reporting during the period under review. Also the result is consistent with the findings of Mohamed and Onesmus (2015), Salihi and Jibril (2015) Result indicates an insignificant relationship between firm size and profitability, whereas firm size insignificantly position predicts profitability. In addition, the result shows that firm size has statically significant impact on firm market value.

5.1 Conclusions

From the result of the test of hypotheses, the following conclusions are drawn:

The findings on leverage and size indicate that the listed deposit money banks may utilizing their debt very effectively and efficiently or it could be that the level of debt in the organization is enough to drive financial performance and as such positive impact will be felt. Therefore, the null hypotheses are accepted. On the findings in relation to firm age, there is negative and significant relationship between firm age and return of asset at 1 percent level of significance which led to rejection of the null hypothesis. Therefore, it is concluded that old firms have impact on financial performance

5.2 Recommendations

Based on the findings and conclusions made from this study, the following recommendations are made:

i. This study recommends that banks should avoid excessive leverage as such poses risk of insolvency. The focus is to maintain an optimal capital structure which minimizes cost of capital and reduces risk of insolvency.
ii. Since leverage is one of the most representative indicators on how the debt level is to the equity, therefore it is recommended that the debt obtained from outsiders (creditors) by listed Deposit money banks should be managed more effectively in order to drive positive financial performance.
iii. Management of listed deposit money banks should increase their firm size through expansion as this will improve the financial performance.

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