Firm-Level Determinants, Ownership Structure and Dividend Policy of Listed Non-Financial Firms in Nigeria

Wakil Gana Kafiya[1] and Alhaji Ali Tijjani[2*]

[1]Department of Accountancy
Mai Idris Alooma Polytechnic Geidam, Yobe State, Nigeria
[2] Department of Accountancy
Yobe State University Damaturu, Nigeria
[*]Corresponding author: abusadeeq1980@gmail.com

Abstract
Researchers and policy makers in both developed and developing economies have acknowledged the vital roles play by corporate dividend policy in enhancing shareholders wealth. Although there is a growing number of studies on corporate dividend policy, the present study is strategically designed to observe the moderating effects of industry munificence on the relationship between firm level determinants and ownership structure on dividend policy of listed non-financial firms in Nigeria. The study employed a quantitative research approach and utilised data from 62 non-financial listed firms on the Nigerian Stock Exchange for the period between 2008 and 2017. The data collected were analysed through the aid of static and dynamic model which is Pooled Ordinary Least Squares. Remarkably, firm level determinants and ownership structure significantly influence dividend policy. In general, these findings provide an alternative framework for investors and stock market participants to improve their investment decisions. On the other hand, it will equally enhance board members understanding on which firm level determinants and ownership structure variables are more influential in developing and implementing firms' dividend policy, since effective and efficient dividend policy maximises shareholders' wealth.

Keywords: *Firm level determinants, Ownership structure, Dividend policy, Non-financial firms*

1.0 Introduction

Literature on corporate finance assumes that the main objective of financial management is to maximize shareholder wealth. Therefore, managers must always understand how their decisions affect the value of the shares of their firms, as share prices are important determinants of shareholder wealth. (Bishop, Harvey, Robert, and Garry, 2000; Van Horne and Wachowicz, 2005). Dividend policy is one of the major categories of corporate financial decision facing managers and can influence the assets of investors by dividend policy decisions (DeAngelo, DeAngelo, and Skinner, 2009; Glen, Miller, and Griffin, 1995). More specifically, the dividend policy decisions of managers in determining the size and pattern of cash distributions to shareholders affect common share prices, and hence the wealth of the shareholders.

Accordingly, in corporate finance literature, dividend policy has attracted a lot of attention from financial economists. Questions such as why firms pay dividends, why investors care, and how much dividend policy can affect the market value of firms have been the subject of long-standing arguments (Baker and Powell, 2000). In fact, financial academics have dealt with different theories, such as the tax preference, signalling and agency cost theories, in order to explain why companies should pay or not to pay dividends. Some researchers (Edwin and Martin, 1970; Lintner, 1956; Miller and Modigliani, 1961; Rozeff, 1982) developed and empirically tested a large number of models to explain the behaviour of dividends.

Dividend theory first came into focus through the initial study of Lintner (1956) who posit three crucial issues that lead to a standard model of dividend payout ratio. Firstly, firms have long term target dividend payout ratios, secondly, managers focus more on dividend changes than on absolute levels and thirdly, dividends changes follow shifts in long-run sustainable levels of earnings rather than short-run changes in earnings. Over the years, the Lintner's model, has become the gold standard of dividend theory, and has been developed and supported by a relatively large number of studies (Ahmed and Javid, 2009; Baker and Powell, 2000; Brav, Graham, Harvey, and Michaely, 2005; Dhanani, 2005; Fama and Harvey, 1968; Garrett and Priestley, 2012; Magret, Sibanda, and Oseko, 2017). The implications of this model are that dividend policy may vary significantly across different industries and firms (Tao, 2012).

Dividend policy has received considerable attention from researchers, academics and other stakeholders over the past decades. Since the publication of the seminal work of (Miller and Modigliani, 1961) it has been one of the most discussed topics in corporate finance. Miller and Modigliani (1961) argued that, by altering their dividend policy, financial managers are unable to change the value of companies in perfect markets. In addition, in the real world, there are no perfect markets, it is expected that corporate value will influence dividend policy. Researchers, therefore, proposed different theories about the dividend policy outcome and the factors influencing firms' dividend policy. Therefore, studying the dynamic behaviour of dividend policy of listed non-financial firms based on financial, economic and industry perspective is important in Nigeria.

1.1 Research Question

The following research questions guided the study in the collection and interpretation of data, looking at the issues raised in the problem statement.

(a) Is there any significant relationship between firm-level determinants and dividend policy of listed non-financial firms in Nigerian?
(b) Is there any significant relationship between ownership structure and dividend policy of listed non-financial firms in Nigerian?
(c) Is there any significant relationship between firm-level determinants and ownership structure on the dividend policy of listed non-financial firms in Nigerian?

1.2 Research Objectives

The aim of this study is to examine firm-level determinants, ownership structure and dividend policy of listed non-financial firms in Nigeria. The specific objectives of the study are to:

(a) Examine the influence of firm-level determinants on dividend policy of listed non-financial firms in Nigerian.
(b) Examine the influence of ownership structure on dividend policy of listed non-financial firms in Nigerian.
(c) Examine the influence of firm-level determinants and ownership structure on the dividend policy of listed non-financial firms in Nigeria.

II Literature Review

Introduction

Since the publication of Gordon (1959) and Lintner (1956), there has been an ongoing concern on dividend policy, which is one of the most controversial issues in corporate finance. In this vein, Black (1976) was unable to find conclusive evidence on dividend policy and termed it as dividend puzzle. A seminal paper of Miller and Modigliani (1961) proposed the irrelevance theory of dividend policy; while, Brav et al. (2005) and Lintner (1956) viewed dividend policy as relevant. Most of the researchers attempted to resolve the dividend puzzle with one or two dimensions. These contributed to the puzzle of dividends instead of solving one of the most controversial issues in corporate finance. The researcher attempted to resolve with multi-dimensional aspect and theories of dividend policy.

According to Lease et al (2000), dividend policy refers to the approach adopted by the management in making dividend payout decisions. This suggests the form of dividend payout periodically to shareholders. Although, researchers developed different models and theories to explain dividend puzzle. Allen et al. (2000), affirmed that several theories were formulated in the literature to explain their pervasive presence. This shows dividend remains one of the hardest puzzles in corporate finance. This chapter includes the financial theories relevant to the research topic as well as the results from previous empirical research. The thought is to give the reader a basic understanding of the theories underlying the research topic of this study. Secondly, it emphasizes on firm level determinants, ownership structure, industry munificence factors that affect effective dividend policy in both developed and developing economies. The theories as well as the empirical research will later serve as a foundation to the hypothesis development of the study and as well as the framework. The third section discusses the moderating effect of industry munificence on the relationship between firm level determinants, ownership structure and dividend policy. The final section discusses the significance of the dynamic dividend policy of firms and the speed of adjustment.

1.3 Dividend Policy Theories

Dividend refers to a cash payment made by a firm to its shareholders, as a return on their investment. It is distributed from after-tax profit. Furthermore, dividend normally comes in two forms. These are: Regular cash dividends, which are paid out of the firms' cash and are paid a few times in a year depending on the policy of the firms. This type of dividend payment will reduce the cash and retained earnings of the firms if a dividend is made from the retained earnings. However, if a dividend is paid out of capital, the retained earnings will not be reduced; it will only reduce the paid-up capital of the firms, thereby affecting the value of the firm; Stock dividend on the other hand is a form of dividend payment which is paid in the form of stock of shares. This type of dividend payment does not involve cash. It only increases the quantity of outstanding shares and decrease the value of the shares (AbdulRahman, 2015; Khan, 2015).

Thus, there are two separations on theories of dividend policy which is a dividend irrelevance theory by Miller and Modigliani (1961) and dividend relevance theory by Lintner (1956) and Gordon (1959).

1.3.1 Dividend Irrelevance Theory

This school of thought believes that dividend strategy does not in any way affect the company's market value. Whether the firm kept all profits or paid as a dividend, the company's market value remains the same. The school of thought was founded by Miller and Modigliani (1961).

Miller and Modigliani (1961) argued that share value is a function of the level of corporate earnings, reflecting the investment policy of a company, rather than a function of the percentage of the earnings of a company paid out as dividends. They further argued that the only decisions that determine its market value are investment decisions, which are responsible for the future profitability of a company. Miller and Modigliani (1961) then stated that the share value was independent of a company's level of dividend.

Miller and Modigliani (1961) noted that investors are rational, in the sense that they always make the choice that maximizes their wealth, are indifferent as to receiving capital gains or dividend on their investment or holdings. However, in maximizing shareholders' equity, the firm maximizes its market value by adopting an optimal investment policy. An optimal investment policy requires a company to invest in all projects with a positive net present value (NPV) and hence maximizes the NPV of the company. In a perfect capital market, capital rationing is eliminated and as it is no longer such a constraint to investment policy. A company with inadequate internal funds can seek to finance from capital markets, enabling it to undertake all its desirable projects.

Miller and Modigliani (1961) argument rests on many assumptions; The first assumption is that capital markets are perfect. The researchers assumed that no taxes exist and that the securities have no issue costs. Miller and Modigliani (M&M) provide the most comprehensive argument for the irrelevance of dividends. M&M asserts that, under perfect capital market conditions (no taxes, no transaction costs, symmetric information among all investors) and assumption that future profits are known with certainty, the dividend policy of a company should have no impact on its cost of capital, the market value of the firm and thus, on the wealth of shareholders. The researchers argue that the firm's value is

ascertained exclusively by the earning power of the corporate's assets or its investment policy, and that the way in which the earnings stream is divided between retained earnings and dividends, does not affect its value. The M&M theorem states that the firm's value is determined by investment decisions and the basic earnings capacity even if a firm pays dividends or not. M&M's also documented, "… in each firm's investment policy, the dividend policy it decides to pursue will affect neither the current stock price nor the entire returns to shareholders" (Miller and Modigliani, 1961).

1.3.1.1 Empirical Support to M&M Theory of Irrelevancy

It was a M&M dividend theory that laid the foundation of successive research on dividend policy. In this strain, Ball et al., (1979) conducted an empirical test of M&M's dividend irrelevance theorem proven difficult to conduct and design. Meanwhile, Fischer and Myron (1974) examined the association between stock return and dividend yield to identify the impact of dividend policy on share prices. Many researchers provided evidence in support of M&M (Adefila et al., 2000; Khan, 2015; Masum, 2014).

In contrast, researchers also provided evidence that dividend affects stock prices of the firms. Some of the researchers reported management views and reported that dividend is positively related with stock prices of the firms (Al-Gharaibeh et al., 2013; Baker and Powell, 2000; Masum, 2014). Some of the authors reported a significant association between dividend policy and firms value for the last two decades, which makes it more controversial (Casey and Dickens, 2000; Das and Samanta, 2013; Elangkumaran and Jenitta, 2012). If the researcher accepts dividend policy as relevant, it may impact the other decisions of the firm like investment and financing decisions.

From the point of view of Miller and Modigliani, there is nothing like optimal dividend policy if a firm operates under a perfect capital market. Therefore, a firm can afford to give or not to give any portion of its earnings as dividend (Oliver et al., 2016; Pandey, 2005).

Pandey (2005) highlighted three situations regarding the payment of dividends of a firm operating in a perfect capital market. Firstly, the company has enough cash for dividend payments. When the firm pays dividends, the shareholders get cash as a dividend along with a proportionate reduction in their claims against the firm. There is no gain or loss in the transaction, because it is just a transfer of wealth from one hand to another hand of the shareholders. Therefore, the firms' value remains unchanged. This is supported by Sijol and Basit (2016), where they looked at the impact of dividend policy on shareholder's wealth and found that with an efficient conceptual background on two dissimilar variables to measure the impact of shareholders' wealth on dividend policy. Secondly, the firm finances the dividends through the issue of new shares, two transactions occurred. The current shareholders sacrifice part of their claim in the form of new shares to the new shareholders, in exchange for cash received as dividends. There is no gain or loss in this situation. Hence, the value of the firm remains the same at the end of the transaction. The third situation is the firm does not pay a dividend and the shareholders needs cash. A shareholder can create a "homemade" dividend by selling part of his/her share at the market price in the capital market to obtain cash. This reduces the number of shares owned by a shareholder, while the value of the firm is unaffected.

1.3.2 Dividend Relevance Theory

Lintner's (1956) and Gordon's (1959) research established that due to uncertainty, dividends were preferred to capital gains. This is often referred to as the "Bird in the Hand" argument meaning an investor will now prefer to receive a certain dividend payment instead of leaving the same sum in an investment whose future value is uncertain. Current dividend represents a more reliable return than future capital gains. When investors prefer dividends for capital gains, dividend policy has an important role to play in deciding a company's market value. Companies that pay out low dividends may experience a decline in their share value as investors exchange their shares with those of another company with a more lavish dividend policy. It is shown that the concepts of dividend policy have divergent significance between management and investors which emerge from opposing interests.

There are several other opinions that have been advanced in support of dividend relevancy theory. These are now examined in detail.

1.3.2.1 Dividends Signaling Theory

Based on the information content of dividends or signaling theory, companies, in spite of the distortion of investment decisions on capital gains, may declare dividends to signal their future prospects (Amidu, 2007). Thus, the perception inspiring this argument is built on the information asymmetry between managers (insiders) and outside investors, where managers have private information about the firms' current and future prospects that is not available to outsiders (Okafor et al., 2016).

This study is underpinned by adopting the signaling theory. Thus, it incorporates some of the features that are highlighted in the literature and it provides information to both actual and prospective investors about the value of a firm as well as explain the model of the study in which the ability of firm to payment of dividends will have to depend on the firm-level determinant and ownership structure of a firm which is moderated by industry munificence. The signaling theory as stated above can be used to explain the behavior of investors toward payment of dividend as it is used by investors to determine the level of firms' value in a given financial period.

Owing to the information asymmetry between shareholders (principal) and managers (agents), shareholders perceived dividend decisions as a mode of signaling new information about the company and its prospects. The market usually finds a rise in dividend to represent good news, which means that the company has better prospects. Correspondingly, a reduction in the dividend is seen as bad news, suggesting the company's gloomy future. Whereas, this impression could be reversed by full information.

1.3.2.2 Agency Theory of Dividend

Agency theory is claimed to have roots in the early work of the father of economists. Smith (1776) published his famous book, An Inquiry into the Nature and Causes of the Wealth Nations, where he argued that agents may not treat owners' funds with the same degree of care as their own money. Researchers often link the development of agency theory to Berle (1932) where the study argues that in a non-centralized system, share owners will not be able to control executive management to follow share owners' interests, to the contrary,

they pursue their own personal gains. Jensen and Meckling (1976) combines elements from the theories of agency, property rights and finance to build up a theory of the ownership structure.

In contrast, Jensen and Meckling (1976) suggested that, the probability of cash flow is invariant to the structure of ownership. Firm value is a function of agency costs, being constant in firm size and external financing (Ramakrishnan, 2012). Similarly, the study adopted an agency theory, since the research is based on ownership structure and dividend policy of firms. Agency theory is categorized into two aspects; principal-agents and positivist. Principal-agent are concerned with the general theory of the principal-agent relationship, a theory that can be applied to lawyer-client, landlord-tenant, employer-employee and other agency relationships. Characteristics of formal theories, the principal-agent stream involves the careful specification of assumption, which are followed by logical deduction and mathematical proof. The focus is in determining which form of the contract is the optimal one (Eisenhardt, 1989; Fama and Jensen, 1983). On the other hand, the positivist literature, is generally non-mathematical and more empirical in its orientation. Positivist researchers have focused more on identifying situations in which the principal and the agent are likely to have conflicting goals and then describing governance mechanisms that limit the agent's self-serving behavior. Positivist researchers have focused more exclusively on intra-organizational principal-agent relationships, especially shareholder-manager relationships (Björn and Christofer, 2016; Easterbrook, 1984; Eisenhardt, 1989; Fama and Jensen, 1983; He and Kyaw, 2018; Lang and Litzenberger, 1989).

1.3.2.3 The Clientele Effect

Empirical evidence reveals that many investors show a preference towards dividend payments, (Thanatawee, 2009). Thus, some institutional investors, such as mutual funds, exchange-traded funds, trusts and foundations, or even banks, will only invest in companies that pay a dividend, (Baker and Wurgler, 2004). Furthermore, they normally require a lower dividend yield or require that the dividend yield be at the top level of the relevant stock universe. Therefore, all of these deliberations suggest that there exists a clientele effect and that market contributors can be classified into those who prefer to accept a return in terms of dividends and those wishing capital gains returns (Michelle et al., 2012).

Despite the existence of clientele effect, it is not to say that dividend policy might affects equity values, but only that some investors care more about dividends than others. In a situation where dividend market is in equilibrium, firms might not be able to touch their own value of share by changing their dividend policy. Accordingly, the dividend policy alteration would simply bring a shift in clientele, thereby, promoting stability of its dividend.

1.3.2.4 Bird in the Hand Argument

Gordon (1963) and Lintner (1967) assumed when there are perfectly capital market conditions, investors prefer a dollar of dividend to a dollar in potential capital gains from reinvestment as they believe dividends are less risky than capital gain. The viewpoint is "the typical dollar of reinvestment has less economic value to the shareholder than a dollar paid in dividends" (Michelle et al., 2012).

Therefore, this dispute is known as the 'bird in the hand' argument, a reference to the proverb "a bird in the hand is worth two in the

bush". Accordingly, by assuming the amount of capital gains is riskier than the same amount of dividend, the researchers hold that firms that are paying dividend will have a lower cost of equity capital, resulting in a higher share price, (Michelle et al., 2012).

s.

1.3.2.5 Transaction Cost Theory

Companies may incur costs of dividend distribution while creditors may incur costs of receiving and reinvesting such payments. In addition, both companies and investors may incur costs when the company must raise external finance to meet investment needs due to the payment of dividends. In fact, the transaction costs of having to rely on external financing are the dividend costs in Bhattacharya's (1979) model. However, in contrast, dividend may be argued to be beneficial as it saves the transaction costs associated with selling stocks for consumption purposes. Either way, if additional transaction costs are involved with the payment or non-payment of dividends, the dividend policy should have an effect on earnings expectations and thus share price and firm value.

1.3.3 The Concept of Dividend Policy

A company's third major decision is its dividend policy after deciding to invest in assets and promulgate the best financing mix (Van Horne, 1998). Dividend policy focuses on earnings appropriation between shareholders and the company. This determines the amount of earnings to be distributed and the amount to be retained in the company. Retained earnings are a significant internal source of the company's growth financing (Pandey, 2005).

Dividend policy is a decision that offers a response to the question; which proportion of total earnings in the company should be maintained and what proportion should be distributed to shareholders? If the dividends payout is high, there will be poor retained earnings. Determining the appropriate dividend payout ratio, which could be considered the optimal balance of shareholders' conflicting desires, is important to the company's survival.

Dividends are mostly paid in cash. Earnings distribution uses the company's available cash. A company that plans to pay dividends and needs funds to finance its investment opportunities will need to use financing sources such as new issue of shares or debt capital. Rozeff (1982) argues the impact of dividend policy by arguing that "the allocation of cash dividends leads to a reduction in the internal funds available to finance profitable investment opportunities and, ultimately, either limits growth or requires the company to find other costly sources of funding". Hence, companies should maintain their earnings as part of a long-term financing decision.

1.3.4 Proxies of Dividend Policy

Dividend policy, therefore, is the time pattern of dividend payout. In particular, should the firm pay out a large percentage of its earnings now or a small (or even zero) percentage? Similarly, dividend policy is considered in various textbook to be one of the main corporate finance decisions, together with investment and financing decisions, firms have to make. This controversy stems from the fact that dividends are not only the cash distributed to shareholders, but they are likely to have strong impact on the financing and investments decisions, the agency conflicts between managers, shareholders and debtholders, the information asymmetries between firms and the financial markets, and on the after-tax returns firms generate to their shareholders (Tao,

2012). The following are the proxies of dividend policy used in the study.

1.3.4.1 Dividend payout ratio

Dividend payout ratio calculated as the ratio of total dividends paid to shareholders to the firm's net earnings (profit). The DPR is the amount of dividend paid to shareholders in relation to the total amount of net income the company generates. This variable test the impact of the firm's characteristics when making a financial decision and highlights the relationship between net income and dividend payments to shareholders. The dividend payout ratio is estimated as follows:

$$PY_t = \frac{DIV_t}{NI_t}$$

Where PY_t is the payout ratio at the end of $Year_t$, DIV_t represents the total dividends (both cash and stock dividends) paid to shareholders, and NI_t is the firm's net income at timet. This variable helps determine the amount the amount of dividend, whether cash or stock dividends or both, paid to shareholders according to the firm's net income. since loss-making firms are executed from the sample, the variable checks the impact of dividend payments made by profitable firms. The payout ratio is sensitive to profitability. DPR shows how much of a company's net earnings are paid out as dividends. Ling et al 2008, defines dividend payout as distributions of retained earnings to the investor's "shareholders" based on their proportionate ownership. DPR indicates the percentage of each amount earned that is distributed to the owners in form of cash. Dividend payout may serve as a device protecting investors against management and large shareholders' expropriation.

1.3.4.2 Dividend per share

It is defined as the total amounts declare as dividend divided by the total shares outstanding. DPS is the sum of declared dividends issued by a company for every ordinary share outstanding. The figure is calculated by dividing the total dividends paid out by a business, including interim dividends, over a period of time by the number of outstanding ordinary shares issued.

DPS is an important metric to investors because the amount a firm pays out in dividends directly translates to income for the shareholder, and the DPS is the most straightforward figure an investor can be used to calculate his or her dividend payments from owning shares of a stock over time. Meanwhile, a growing DPS overtime can also be a sign that a company's management believes that its earnings growth can be sustained. DPS calculate the portion of the company's earnings that is paid out to each preferred shareholder. Increasing DPS is a great way for a company to signal strong performance to its shareholders. For this reason, many companies that pay a dividend focus on adding to the DPS.

1.3.5 Dividend Payment

The primary objective of an investor is a consistent flow of income in the form of dividend which has growth potentials. Therefore, it is believed that once a company is paying dividend consistently, it will have the confidence of investors as well as maintain its liquidity position. Scholars argue as to whether a dividend is relevant or irrelevant in terms of the investors' choice. One of the motives behind the use of this valuation model is to identify over and underpriced shares.

Gitman (2012), asserts that the stock price of companies is being determined by investors based on the company's performance and dividend payments. Like investing in anything, investors only pay for what they can receive in return in the future. When investing in stocks, investors expect to receive future dividends plus the proceeds when they sell their shares. The stock price at the time of sale can also be valued based on dividends that the new stockholder will receive from the selling point forward. So essentially, dividends are the one determinant for the stock price. However, some factors must be put in place when considering dividend as a major issue. According to Gitman (2012), they include:

1.3.5.1 Rate of Return

When using dividend payouts as a determinant for the stock price, investors consider both the amount of dividend payouts and the risk, or uncertainty, associated with receiving a specific amount of dividend payouts. Any risk that investors take because of uncertainties in future dividend payouts may be compensated for by requiring a comparable rate of return. Therefore, when the potential risk to be taken goes higher based on the expected dividend payout to be received, the higher will be the required rate of return by investors and the lower the stock price that investors are willing to pay for.

1.3.5.2 Stock Price

In theory, investors use dividend payouts to determine the stock price by applying the discounted dividend model for stock pricing. The model considers both the amount of future dividend payouts and investors' required rate of return. It thus assumes that stock value is the present value of the future cash flow of dividend payouts discounted at the rate of required investment return. Accordingly, the rate of return as the discount rate is directly based on the amount and the riskiness of the dividend payouts, the stock pricing model effectively confirms dividend payouts as the determinant for stock value (Suwanna, 2012).

1.3.5.3 Bonus shares and stock split

Bonus share is also referred to as a stock dividend. This involves payment of dividend to existing shareholders in the form of shares. Accordingly, this is one of the important parts of the dividend policy decision of a company to use bonus shares as well as stock splits. However, a stock split is a method usually applied to depress the market value of shares by increasing the number of shares that each stockholder will receive. Bonus shares may be allotted to satisfy the existing shareholders in a situation where the corporation wanted to maintain the liquidity position.

Companies can choose whether they should pay dividends, the amount and the period of the payment need to be observed. Shareholders have no say in the payment of dividends. Nevertheless, companies are not prone to change their dividend policies very often, since cutting out dividends or decreasing the amount of dividend, particularly cash dividends, is generally a sign that the company is in difficulty. Board of directors will only increase dividends if they are sure that the company is performing well enough that it can handle the step-up.

1.4 Research Framework

The theoretical framework is the foundation on which the entire research project is based. It is logically developed, described and elaborated network of associations among the variables deemed relevant to the problem situation and identified through such processes as interview, observations and literature survey (Sekaran, 2003). A detailed research framework is developed from literature review which is presented in Figure 2.1 showing dependent variables and independent variables. The framework shows that the dependent variables has been divided into dividend per share and dividend payout ratio has been used in determining the dividend policy, whereas, the independent variables are firm size, leverage, firms' performance, shareholders' wealth, institutional ownership, managerial ownership and foreign ownership.

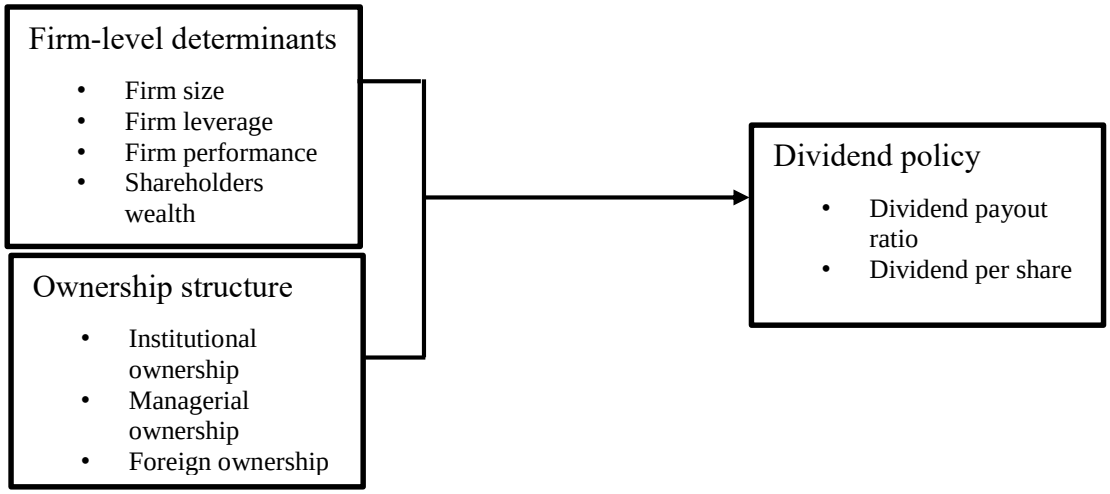

Figure 0.1 Research Framework

Research Methodology

Introduction

In this study, the research methodology is grounded in the prominent concepts mostly employed to overcome the problem of the study in a scientific and organized way. Mouton and Mariais (1996), acknowledged that a "research process in all of its broadness and complexity, the numerous techniques and methods that are incorporated, the rationale that validates the use of such techniques and methods. The limitations of using each method, the significance of propositions and assumptions techniques and methods, the impact of methodological preference on the data analysis type, subsequent discussions on results and so on". This explanation provides the ground to understand the course of action of the procedure of data collection, design of the study and data analysis.

Research Design

The study employed a quantitative research approach based on the above discussion and the review of the literature. The quantitative research approach supports the interpretation of data in numbers with concrete reasons. It is learned that numerical fact and figures are more pronounced and easily interpreted. Numerical data can be described, explained and concluded in logical sequence. Ex-post facto research designs were adopted by the study. Documentary data was collected from the company's annual reports and accounts and the factbook of the Nigerian stock exchange. Thus, research accuracy, reveals that the narrowness, succinctness and objectivity strengthened the research design and statistics analysis. According to different researchers, Bryman (2006) and Sweetman et al. (2010), selecting quantitative methods explain the research problems more precisely and accurately by using quantitative data. Thus, quantitative methods are much recommended. The justification of using quantitative method is that the quantitative findings are likely to be generalized to a whole population or a sub-population because it involves larger sample which is randomly selected (Carr, 1994). Besides sampling, data analysis is less time consuming as it uses the statistical software (Connolly, 2007). It is also based on positivist paradigm of measuring variables (Rahman, 2016).

1.5 Research Process

The interest in this study emerged from a strong inquisitiveness concerning the relationship between firms' level determinants and ownership structure on dividend policy of listed non-financial firms in Nigeria. Entailing the need to achieve the initial objectives of this research, laying out the research process is necessary. The purpose is to illustrate the activities taken throughout the research and provides a flow of direction that a researcher needs to follow in various stages to complete the whole research process (Creswell, 2009; Dewi, 2014).

1.6 Research Population, Sample and Data Collection

In order to examine the impact of firm level determinants and ownership structure on dividend policy in Nigeria, data from the major listed non-financial firms in NSE were collected. There are 112 non-financial firms listed on NSE as at 31st December 2017 (http://www.nse.com.ng/issuers/listed-securities) and the data collected was confined to the period of 2008-2017. Data collection for analysis starts in 2008 due to the availability on published annual reports by the listed firms. Some firms, however, were set up after 2008, some of them were dropped from the stock exchange and some have incomplete data; therefore, the target population of this study contains only 62 non-financial firms selected from nine major sectors (agriculture, conglomerates, construction, consumer goods, health care, industrial goods, natural resources, services and oil and gas). Furthermore, only non-financial firms listed on NSE have been used in the study due to the differing asset structure and revenue generating pattern of financial firms. The following are the list of selected non-financial sectors as presented Table 3.1.

Table 0.1 List of Selected Non-Financial Firms

Sector	Number of companies

Agriculture	4
Conglomerates	6
Construction	3
Consumer goods	16
Health care	4
Industrial goods	10
Natural resources	3
services	8
Oil and gas	8
Total	**62**

Table 3.1 shows the numbers of listed non-financial firms in Nigeria according to sectors. This study relies mainly on secondary data, retrieved from company's annual reports. Sampling is fundamental to all statistical methodology of behavioural and social sciences research. Bad sampling vitiates the data at the source and no amount of subsequent statistical findings will improve its quality. In fact, sampling is the part of the strategy of research and has by now acquired the status of technical job, (Singh, 2006). Prior to drawing the sample, an effort was made to determine an adequate sample size for the study, bearing in mind: the nature of the population, the type of sampling design, and the degree of precision desired. In view of this, Asika (2006) asserts that a sample that is either too large or too small may lead to getting results that lack validity. The whole of the population is adopted as the sample of the study in view of the fact that the companies are few in numbers and that selecting the entire population would eliminate sampling error or sampling fluctuations, reduces the level of significance, as well as, enhance the level of confidence.

1.7 Measurements of Dividend Policy

Dividend policy is equally important for managers and investors, as managers must decide about the amount and timing of dividends and the investors must plan their return on investment portfolio. Dividends are not only a source of income for investors but also a signal of company performance. Dividend policy is important for corporate finance managers of the companies to distribute profits or to make investments in the business (Iqbal, Ahmed, and Shafi, 2014). So, selecting a suitable dividend policy for a company becomes one of the most important decisions for the management and investors. The following are the measurements of dividend policy:

a. Dividend payout ratio (DPR): this is the number of dividends paid to stockholders relative to the amount of total net income of a company. DPR is calculated by dividing the annual dividend per share by earnings per share (EPS). Annual DPS is simply the amount the company distributes as dividends that year. EPS is that part of the firms profit that is allocated to each share. The amount that is not paid out as dividends to stockholders is held by the company as retained earnings for growth. There are several studies that use the DPR as a dependent variable when looking at the impact of dividend policy.

b. Dividend per share (DPS): is the amount of the dividend that shareholders will receive for each share they own in a company. It is determined by dividing the annual dividend by total number of shares outstanding, or it is also being determined by multiplying EPS and DPR. If a company follows a consistent payout ratio (i.e. The company is known to pay a consistent percentage of its earnings as dividends), a rough estimate of the dividend paid per share can be calculated through the income statement.

Therefore, based on the literature review the study used dividend payout ratio and dividend per share as proxies of dividend policy.

1.8 Regression Test

The present study adopts standard diagnostic measures to detect problems arising from: (i) multicollinearity between the explanatory variables, (ii) inconstant variability of the residuals (Heteroscedasticity) (iii) autocorrelations of the residuals and (iv) Cook's distance (outlier test).

1.8.1 Descriptive statistics

Descriptive statistics are brief descriptive coefficients summarizing a given set of data that can either represent a sample or the entire population. Descriptive statistics are divided into central tendency and measure of dispersion. The central tendency measurement (statistical average) indicates the point where items tend to cluster. Such a measure is considered as the most representative figure for the entire mass of data. The central tendency measurement includes the mean, medium, and mode. Mean also known as arithmetic average, is the most common measure of central tendency and may be defined as the value which we get by dividing the total values of various given items in a series by the total number of items. Mean is the simplest measurement of central tendency and is widely used measures. Median is the value of the middle item of series when it is arranged in ascending or descending order of magnitude. Median is a positional average and is used only in the context of qualitative phenomena. Mode is the commonly or frequently occurring value in a series. The mode in a distribution is that item around which there is maximum concentration.

1.9 Model Specification and Estimation

This research incorporates the econometric techniques employing the panel data that include the attributes of both cross sectional and time series data. According to the studies of Frees (2004) and Baltagi (2013), panel data estimations distinguish the models from cross section and time series estimations because it employs the double subscript nature of the variables. This study estimates static models namely pooled ordinary least squares (OLS) in line with the research objectives.

Furthermore, this study employed the descriptive statistics to describe and summarize the behavior of firm level variables and ownership structure variables. This statistical tool investigated the number of observations, their minimum value, maximum value, mean value and standard deviations based on an overall sample of listed non-financial firms in Nigeria.

1.10 Techniques of Data Analysis

This study employed multiple regressions technique for analysis based on the application of static and dynamic panel data for all listed non-financial firms using Stata software version 14.0. Stata software is selected for this study because it is one of the most commonly used software in panel data study. The panel data methodology is employed because panel data is more informative and more efficient, with a higher degree of freedom and lesser collinearity, consistent with prior compliance literature (Hsiao, 2014b).

1.11 Panel Data Technique

For empirical analysis, there are three types of data that may be available: time series, cross sectional and panel (Gujarati, 2004). As previously mentioned, the data set of this study comprises of listed non-financial firms on NSE of 10 consecutive years from 2008 to 2017. This indicates that the data set in this research have both time series and cross-sectional dimensions. Greene (2008), emphasized that panel data methodology is the best available option to capture the time specific and cross section specific impacts. In most panel data sets, a basic issue is how to measure the error term in the regression model. Pooled ordinary least square (OLS) regression was used in this study.

1.11.1 Pooled Ordinary Least Squares (OLS) Analysis

One of the techniques in this study is pooled ordinary least squares. Generally, it is employed for the estimations of the regression models. This technique curtails the errors among the actual observed points and estimated points on the line (Carter, William, and Guay, 2010). It assumes that the intercept and co-efficient are constant. In statistics or econometrics, OLS model is known as constant co-efficient model. The rationale to use this model is that it excludes both the time effects and individual effects. This estimation further considers that firms are homogeneous relative to the dividend policy decisions, the influence of time and cross-sectional effect is insignificant with dividend policy. The OLS technique considers that firms have constant intercept values and the coefficient's slope is indifferent across firms for independent variables, (Baltagi, 2013).

Consistent with the previous studies, to investigate the relationship between firm level variables, ownership structure variables and dividend policy, the following estimated equation of static model is applied and modified for the balanced panel:

The p-value < 0.05, reject H_0

IV. Discussion of Findings

The statistical analysis of the relationship between the variables under research has expose a sound connection between the variables. F statistics is significant (F= 3.36, p-value < 0.0009), indicating that firm level determinants could be considered to be influencing dividend payout ratio under pooled OLS. The R square value under Pooled OLS is 0.0251 which indicates that the variables in the model explained only 2.51% of the variation in dividend payout ratio. According to Gujarati and Porter (2009), the objective in regression analysis is not to obtain a high R square per se but rather to obtain dependable estimates of the

true population regression coefficients and draw statistical inferences about them. The researcher should be more concerned about the logical or theoretical relevance of the explanatory variables to the dependent variable and their statistical significance; if the R square is low it does not mean the model is necessarily poor (Gujarati and Porter, 2009). The coefficient values of all the variables whereby. Firm size (coefficient = 0.0645374, p-value = 0.034) and return on equity (coefficients = 0.0006995, p-value = 0.061) are positively related to dividend payout ratio under pooled OLS. On the other hand, earnings per share (coefficients = -0.0191107, p-value = 0.0000) is negatively related to dividend payout ratio under OLS. Therefore, the variables of firm size and return on equity are positively significant, showing that increase in firm size and return on equity will cause an increase in dividend payout ratio. In contrast, earnings per share is negatively significantly related to dividend payout ratio. This shows that decrease in earnings per share will cause an increase in dividend payout ratio.

In addition, the F-statistics was highly insignificant (F = 0.5715, p-value > 0.67), indicating that ownership structure variables does not influenced dividend payout ratio under pooled OLS. The R-square value 0.0021 which indicates that the variables in the model explained only 0.21% of the variation in the dividend payout ratio. As a conclusion, ownership structure variables did not have any significant effect on dividend payout ratio, this is concurrent with the study of Mirzaei (2012).

Moreover, the F-statistics was highly significant (F = 6.96, p-value < 0.001), indicating that ownership structure variables could be influencing dividend per share under pooled OLS. The R-square value 0.0110 which indicates that the variables in the model explained only 1.1% of the variation in the dividend per share under Pooled OLS. The result is supported by the study of (Al-Nawaiseh, 2013; Fama and Harvey, 1968; Firth et al., 2016; Hsu and Koh, 2005; Ullah et al., 2012). According to Gujarati and Porter (2009), the objective in regression analysis is not to obtain a high R square per se but rather to obtain dependable estimates of the true population regression coefficients and draw statistical inferences about them. The researcher should be more concerned about the logical or theoretical relevance of the explanatory variables to the dependent variable and their statistical significance; if the R square is low it does not mean the model is necessarily poor (Gujarati and Porter, 2009).

In addition, the coefficient values of the variable, whereby, institutional ownership (coefficient = 0.0136356, p-value = 0.000) is positively related to dividend per share under pooled OLS. As a conclusion, the variable institutional ownership is positively significant, showing that an increase in institutional ownership lead to an increase in the dividend per share. This is concurrent with the study of (Hsu and Koh, 2005; Hsu, 2013).

Furthermore, the F-statistics was highly significant (F = 3.05, p-value < 0.0009), indicating that firm level determinants and ownership structure variables could be influencing dividend payout ratio under pooled OLS. The R-square value 0.0282 which indicates that the variables in the model explained only 2.82% of the variation in the dividend payout ratio under Pooled OLS.

In addition, the coefficient values of all the variables whereby, firm size (coefficient = 0.0661985, p-value = 0.031) and ROE (coefficients = 0.0007129, p-value = 0.055) are positively related to dividend payout ratio under pooled OLS. On the other hand, earnings per share (coefficients = -0.0202479, p-value = 0.000) is negatively related to dividend payout ratio based on Pooled OLS computation.

As a conclusion, the variable firm size and ROE are positively significant, showing that an increase in firm size and return on equity will cause an increase in dividend payout ratio based on pooled OLS, the results is supported by the studies of (Ahmad and Wardani, 2014; Al-Najjar and Kilincarslan, 2016; Ramachandran and Packkirisamy, 2010). In contrast, EPS is negatively significant, indicating that a reduction in EPS will lead to an increase in dividend payout ratio based on pooled OLS (Azhagaiah and Sabari, 2008; Farrukh et al., 2017; Kumaresan, 2014).

Consequently, the F-statistics was highly significant (F = 5.72, p-value < 0.0000), indicating that firm level determinants and ownership structure variables could be influencing dividend per share under pooled OLS. The R-square value of 0.0497 indicating that the variables in the model explained only 4.97% of the variation in the dividend per share under Pooled OLS.

In addition, the coefficient values of all the variables whereby, firm size (coefficient = 0.7561276, p-value = 0.000), tobin q (coefficients = 2.159005, p-value = 0.008) and IOWN (coefficients = 0.0164483, p-value = 0.000) are positively related to dividend per share under pooled OLS. On the other hand, DTAR (coefficients = -0.0202145, p-value = 0.010) and earnings per share (coefficients = -0.0425436, p-value = 0.005) are negatively related to dividend per share based on Pooled OLS computation.

As a conclusion, the variable firm size, tobin q and IOWN are positively significant, showing that increase in firm size, tobin q and IOWN will lead to an increase in dividend per share based on pooled OLS (Masum, 2014; Pandey et al., 2017; Warrad et al., 2012). In contrast, DTAR and EPS are negatively significant, indicating that a decrease in DTAR and EPS will lead to an increase in dividend per share (Okoro et al., 2018; Tahere and Batool, 2015).

1.12 Conclusion

Based on the summary of major findings of the study, the following conclusions are drawn:

The findings have established that payment of dividend by listed non-financial firms in Nigeria positively influence by firm level determinants and ownership structure variables. Stable and high dividend payment enhance the shareholders wealth. The increase in dividend has a signalling effect and reduces information asymmetry.

The study has provided both empirical and statistical evidence on the usefulness of firm level determinants and ownership structure variables in explaining and predicting the dividend payment of the firms.

Conclusions arrived at in this study is in support of arguments that dividend policy is relevant and confirmed the work of Lintner (1956) and Gordon (1962). It rejected the position of Miller sand Modigliani (1961) as their assumptions do not fit to the Nigerian environment. The evidences in this study are consistent with the work of (Ahmed and Murtaza, 2015; Al-Gharaibeh, Ziad, and Khaled, 2013; Al-Malkawi, 2007; Al-Najjar and Kilincarslan, 2016; Azhagaiah and Sabari, 2008; Baker and Powell, 2012; Dandago, Farouk, and Muhibudeen, 2015; Jensen, 1986; Jensen and Meckling, 1976; Musa, 2009, 2005; Okoro, Ezeabasili, and Alajekwu, 2018; Patrick, Theophilus, and Mirian, 2017; Tahere

and Batool, 2015; Tahir and Mushtaq, 2016; Uwuigbe, 2013).

REFERENCES

Abdulkadir, R. I., Adiana, N. A. H., & Woei-chyuan, W. (2016). Dividend Payment Behaviour and its Determinants: The Nigerian Evidence. *African Development Review*, *28*(1), 53–63.

Abdulrahman, N. B. (2015). *The Impacts of Dividend Policy on Corporate Performance of Malaysia Construction Sector*. *MSc Dissertation*. Universiti Teknologi Malaysia, Johor, Malaysia.

Adefila, J. J., Oladipo, J. A., & Adoeti, J. O. (2000). The Effect of Dividend Policy on the Market Price of Shares in Nigeria: Case Study of Fifteen Quoted Companies. *Journal of Accounting and Finance*, *2*(4), 1–10.

Ahmad, G. N., & Wardani, V. K. (2014). The Effect of Fundamental Factor To Dividend Policy: Evidence in Indonesia Stock Exchange. *International Journal of Business and Commerce*, *4*(02), 14–25.

Ahmed, H., & Javid, A. (2009). Dynamics and Determinants of Dividend Policy in Pakistan: Evidence from Karachi Stock Exchange Non-Financial Listed Firms. *Journal of Independent Studies and Research*, *7*(1), 1–30.

Akani, H. W., & Sweneme, Y. (2016). Dividend Policy and the Profitability of Selected Quoted Manufacturing Firms in Nigeria: An Empirical Analysis. *Journal of Finance and Accounting*, *4*(4), 212–224.

Al-Gharaibeh, M., Ziad, Z., & Khaled, A. (2013). The Effect of Ownership Structure on Dividends Policy in Jordanian Companies. *Interdisciplinary Journal of Contemporary Research in Business*, *4*(9), 769–796.

Al-Najjar, B., & Kilincarslan, E. (2016). The effect of ownership structure on dividend policy: Evidence from Turkey. *Corporate Governance: The International Journal of Business in Society*, *16*(1), 135–161.

AL-Najjar, D. (2015). The Effect of Institutional Ownership on Firm Performance: Evidence from Jordanian Listed Firms. *International Journal of Economics and Finance*, *7*(12),

Al-Nawaiseh, M. (2013). Dividend Policy and Ownership Structure: An Applied Study on Industrial Companies in Amman Stock Exchange. *Journal of Management Research*, *5*(2), 83–106.

Amidu, M. (2007). How does dividend policy affect performance of the firm on Ghana stock exchange. *Invesment Management and Financial Inovation*, *4*(2), 103–112.

Baker, H. K., & Powell, G. E. (2000). Determinants of Corporate Dividend Policy: A Survey of NYSE Firms. *Financial Practice & Education*, *10*(1), 29–41.

Baker, H. K., & Powell, G. E. (2012). Dividend policy in Indonesia: Survey evidence from executives. *Journal of Asia Business Studies*, *6*(1), 79–92.

Ball, R., Brown, P., Finn, F. J., & Officer, R. R. (1979). Dividends and the Value of the Firm: Evidence from the Australian Equity Market. *Australian Journal of Management*, *4*(1), 13–26.

Batool, Z., & Javid, A. Y. (2014). *Dividend Policy and Role of Corporate Governance in Manufacturing Sector of Pakistan* (No. 109). *PIDE Working Papers*. Pakistan.

Black, F. (1976). The Dividend Puzzle. *The Journal of Portfolio Management*, *9*, 793–837.

Bryman, A. (2006). Integrating quantitative

and qualitative research: How is it done? *Qualitative Research*, *6*(1), 97–113.

Carr, L. (1994). The strengths and weaknesses of quantitative and qualitative research: What method for nursing. *Journal of Advanced Nursing*, *20*, 716–721.

Carter, H. R., William, E. G., & Guay, C. L. (2010). *Principles of Econometrics* (4th Editio). New York: John Wiley & Sons, Inc.

Connolly, P. (2007). *Quantitative Data Analysis in Education: A critical introduction using SPSS* (1st Editio). New York: Routledge.

Creswell, J. W. (2009). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches* (3rd Editio). Thousand Oaks: SAGE Publications, Inc.

Dandago, K. I., Farouk, M. A., & Muhibudeen, L. (2015). Corporate Shareholding Structure and Dividend Payout Ratio of Listed Chemical and Paints Companies in Nigeria. *Applied Finance and Accounting*, *1*(2), 47–54.

DeAngelo, H., DeAngelo, L., & Skinner, D. J. (2009). Corporate Payout Policy. *Foundations and Trends in Finance*, *3*(2–3), 95–287.

Dewi, F. A. (2014). *The Moderated Mediation Effect of the Internal Audit Function and Corporate Governance on Intellectual Capital and Corporate Performance*. *Ph.D. Thesis*. Universiti Technology Malaysia, Johor, Malaysia.

Easterbrook, F. H. (1984). Two Agency-Cost Explanations of Dividends. *The American Economic Review*, *74*(4), 650–659.

Eisenhardt, K. M. (1989). Agency Theory: An Assessment and Review. *The Academy of Management Review*, *14*(1), 57–74.

Fama, E. F., & Jensen, M. C. (1983). Separation of Ownership and Control. *Journal of Law and Economics*, *26*(2), 301–325.

Farooq, R. (2017). A conceptual model of frugal innovation: Is environmental munificence a missing link? *International Journal of Innovation Science*, *9*(4), 320–334.

Fischer, B., & Myron, S. (1974). The effects of dividend yield and dividend policy on common stock prices and returns. *Journal of Financial Economics*, *1*(1), 1–22.

Frees, E. W. (2004). *Longitudinal and Panel Data: Analysis and Applications in the Social Sciences*. *Cambridge University Press* (1st Editio). New York: Cambridge University Press.

Gordon, M. J. J. (1959). Dividends, Earnings, and Stock Prices. *The Review of Economics and Statistics*, *41*(2), 99–105.

Greene, W. H. (2008). The Econometric Approach to Efficiency Analysis. In *The Measurement of Productive Efficiency and productivity Growth* (1st Editio, pp. 92–250). New York: Oxford University Press Inc.

Hsu, G. C., & Koh, P. (2005). Does the Presence of Institutional Investors Influence Accruals Management? Evidence from Australia. *Corporate Governance*, *13*(6), 809–823.

Hsu, H.-E. (2013). The moderating effects of leverage and ownership structure on firm performance. *South East Asia Journal of Contemporary Business, Economics and Law*, *2*(1), 73–76.

Iqbal, A., Ahmed, F., & Shafi, A. R. (2014). The Effect of Dividend Bubble on Share Price: Evidence from KSE-30 Index. *Research Journal of Finance and Accounting*, *5*(13), 83–88.

Iqbal, Z., Waseem, M. A., & Asad, M. (2014). Impact of Dividend Policy on Shareholders' Wealth: A Study of Selected Manufacturing Industries of Pakistan. *International Journal of Innovation and Applied Studies*, *6*(2), 210–215.

Jensen, M. C., & Meckling, W. H. (1976).

Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial Economics*, *3*(4), 305–360.

Koh, P. S. (2003). On the association between institutional ownership and aggressive corporate earnings management in Australia. *The British Accounting Review*, *35*(2), 105–128.

Lintner, J. (1967). Corporation Finance: Risk and Investment. *Financial Aspects*, *1*, 215–267.

Magret, O., Sibanda, M., & Oseko, S. (2017). Dynamics of Lintner's Model in the Dividend Payment Process of Nigerian Banks. *Journal of Economics and Business*, *67*(3), 79–94.

Masum, A. A. (2014). Dividend Policy and Its Impact on Stock Price: A Study on Commercial Banks Listed in Dhaka Stock Exchange. *Global Disclosure of Economics and Business*, *3*(1), 9–20.

Miller, M. H., & Modigliani, F. (1961). Dividend Policy, Growth, and the Valuation of Shares. *The Journal of Business*, *34*(4), 411–433.

obal Economy and Development. Washington, D.C.

Okoro, C. O., Ezeabasili, V., & Alajekwu, U. B. (2018). Analysis of the Determinants of Dividend Payout. *Economic Series*, (1), 141–166.

Pandey, I. M. (2003). Corporate Dividend Policy And Behaviour: The Malaysian Evidence. *Asian Academy of Management Journal*, *8*(1), 17–32.

Rahman, M. S. (2016). The Advantages and Disadvantages of Using Qualitative and Quantitative Approaches and Methods in Language "Testing and Assessment" Research: A Literature Review. *Journal of Education and Learning*, *6*(1), 102.

Tahir, M., & Mushtaq, M. (2016). Determinants of Dividend Payout: Evidence from listed Oil and Gas Companies of Pakistan. *Journal of Asian Finance, Economics and Business*, *3*(4), 25–37.

Tao, M. (2012). *Corporate Dividend Decisions*. *Ph.D. Thesis*. City University London, London, United Kingdom.

Thafani, A. R. F., & Abdullah, M. A. M. (2014). Impact of Dividend Payout on Corporate Profitability: Evidence from Colombo Stock Exchange. *Advances in Economics and Business Management*, *1*(1), 27–33.

Ullah, H., Fida, A., & Khan, S. (2012). The impact of ownership structure on dividend policy evidence from emerging markets KSE-100 index Pakistan. *International Journal of Business and Social Science*, *3*(9), 298–307.