INTERNATIONAL JOURNAL OF ACCOUNTANCY, FINANCE AND TAXATION
IJAFT

ISSN: 3027-0378

DIVIDENED POLICY AND PERFORMANCE OF DEPOSIT MONEY BANKS IN NIGERIA

[1]Ekwelem C. L., [2]Nnodim, E. O. & [3]Onuoha, C. J.

[1,2&3]*Faculty of Management Sciences, School of Post Graduate Studies, Imo State University Owerri, Nigeria*
Email: [2]eniwoghonnodim@gmail.com; [3]chionuoha@fpno.edu.ng

Background of the Study

Undoubtedly every firm has a desire to earn high net income and ultimately increase its earnings per share (EPS) but there are some factors that affect its income which invariably affect what they give back to their shareholders (Dividend). Dividend refers to a payment made by a corporation to its shareholders usually as a distribution of profits. According to Abdul and Mohammed (2017), dividend refers to the amount of money that a firm pays out to its shareholders from the profits.

The level of investment in an economy determines the level of economic development in a particular society. This is one of the reasons why investors invest their capital so as to yield profits for them. One of the factors that determine the rate shareholders/investors maximize their wealth/profit in business organization is dividend policy. That is why Ubah (2014) opined that the dividend policy of a company can enhance shareholders' and organizational financial benefits and growth in a system.

Dangor, Gbanador and Okunlola (2013) asserted that, over the year, there have been controversies among corporate finance experts concerning the relevance of dividend policy as it relates to share prices. To them, this is not unconnected with the fact that most firms would want to give as much as possible to shareholders by paying dividends while others would want to re-invest the profit for its shareholders instead of paying it out. In this case, the effect of firms dividend policy on the current prices of its share is a matter of considerable importance, not only to the organizational management who must set the policy, but also to the investors, shareholders etc. who are mainly concerned with wealth they are to maximize based on their investment.

In corporate organization, the focus is to enhance dividend policy so as to encourage shareholders for more investment; hence shareholders wealth maximization translates into maximizing the value of the company's common stock (Ugwu, 2015). This goal can be achieved by giving the shareholders a "fair" payment on their investment that is dividend.

According to Frankfuter and Wood (2002), dividend policy is the deciding policy, which managers pursue in deciding the size and pattern of cash distribution to shareholders overtime. Dividend has an issue of interest in financial literature since joint stock companies came into existence.

Dividends are commonly defined as the distribution of earning (past or present) in real assets among the shareholders of the firm in proportion to their ownership. Black (2001) stressed that when dividend is pictured, one sees a kind of puzzle that do not seem to fit together.

Fwaya (2006) stated that one of the important questions in business has been why some organizations succeed and why others fail and this has influenced a study on the drivers of organizational performance.

Meanwhile, Levinsohn (2003) stated that paying dividends influences how a company finances its growth, how the shareholders' wealth is maximized and the level of organizational development. The three basic decisions available to the finance manager are the financing, investment and dividend decisions. These decisions are regarded as the basic components of corporate financial management policy. It appears obvious that a firm would always want to give as much as possible back to its shareholders by paying dividend without, simultaneously, jeopardizing its ability to stay afloat in business. Therefore, the firm may decide not to pay out all the dividends accruing to the shareholders all at once. To this end, Pandey (2008) postulated that if the firm must appreciate the wealth of the shareholders, they should strike an equitable balance between dividend payment and earnings retention. Striking the balance here calls for establishing a retention ratio of earnings.

The retention ratio is the proportion of profit the company keeps back after paying the dividends to the Shareholders, so as to stay in business. It is the percentage of net income used by the firm for the continuous growth of the business. It is the opposite of the payout ratio, which measures the percentage of profit paid out to shareholders as dividends. The retention ratio is also called the plowback ratio. There is seems to be no consensus as to whether a firm should be more interested in payout to shareholders or focus more on increasing their earnings retention ration (retained earnings), which might create some problems between the firm and its shareholders. This calls for a kind of dividend policy that ensures that shareholders get a considerable value for their investment without jeopardizing the chances of the firm to maintain their earnings in order to remain in business. Against this backdrop, this study investigated dividend payout and performance of deposit money banks in Nigeria.

The problem here revolves around whether the firm should increase their dividend payout to the shareholders to the detriment of their retained earnings or focus more on increasing their retained earnings to the detriment of their dividend payout.

Either ways without a careful and comprehensive laid down guidelines (dividend policy), the company may be having some dividend issues with its shareholders.

Dividend payout comes as a settlement gap between the firm and its shareholders. It sets the rules for dividend sharing while protecting the profitability and ability of the firm to remain in business (firm's performance). However, the problem arises as to what should be the dividend payout ratio and retained earnings ratio.

Dividend policy is a critical factor that affects the financial performance of deposit money banks (DMBs) in Nigeria. While several studies have explored the relationship between dividend policy and the financial performance of banks in general, there is limited research on the specific impact of dividend policy on the performance of DMBs in Nigeria. Akingunola, Olaniyan and Adegbie (2019) found a positive relationship between dividend policy and performance of Nigerian DMBs, while Oduh, Ogwuma and Nwaogbe (2017) reported a positive relationship between dividend payout and firm value of Nigerian DMBs. However, these studies did not examine the specific impact of dividend policy on financial performance indicators such as profit after tax (PAT) return on assets (ROA) and return on equity (ROE). Therefore, the problem that this study seeks to address is the gap in knowledge on how those specific variables of dividend policy affect the performance of DMBs in Nigeria.

Objective of the Study

The general objective of this study is to evaluate dividend policy and performance of deposit money banks in Nigeria. The specific objectives are to:

1. determine the effect of dividend payout ratio on profit after tax;
2. examine the effect of dividend retention ratio and profit after tax;
3. evaluate the effect of dividend payout ratio on return on asset;
4. analyze the effect of dividend retention ratio on return on asset;
5. investigate the effect of dividend payout ratio on return on equity; and
6. examine the effect of dividend retention ratio on return on equity.

Research Questions

In line with the above objectives of the study, the following research questions were asked:

1. What is the effect of dividend payout ratio on profit after tax?
2. What effect has dividend retention ratio on profit after tax?
3. What effect of dividend payout ratio on return on asset?
4. What is the effect of dividend retention ratio on return on asset?
5. To what extent does dividend payout ratio affect return on equity?

6. What effect has dividend retention ratio on return on equity?

Research Hypotheses

Pursuant to the objectives and research questions of the study, the following hypotheses are stated:

H^{01}: Dividend payout ratio has no significant effect on profit after tax.
H^{02}: There is no significant effect of dividend retention ratio on profit after tax.
H^{03}: There is no significant effect of dividend payout ratio on return on asset.
H^{04}: Dividend retention ratio does not significantly affect return on assets.
H^{05}: Dividend payout ratio has no significant effect on return on equity.
H_{06}: There is no significant effect of dividend retention ratio on return on equity.

Scope of the Study

This study examined dividend payout and the performance of deposit money banks in Nigeria. The study was delimited to seven (7) deposit money banks in Nigeria: Zenith Intl Bank PLC, UBA PLC, GTB PLC, First Bank Of Nigeria Ltd, Access Bank Plc, FCMB and Fidelity Bank PLC classified by Central Bank of Nigeria (CBN) as Domestic Systematically Important Banks (SIBs) based on their size, interconnectedness, and complexity of operation. The study covered 10 years (2012-2021). Previous works did not cover up to 2020.

The dividend payout was proxied with the dividend payout and retention ratio as independent variables while performance is proxied with profit after tax, return on asset and return on equity as the dependent variables. Use of dividend payout and retention ratio as proxies of dividend policy and profit after tax, return on asset and return on equity is absent in other studies as combined variables of dividend policy and performance of deposit money banks.

Literature Review

The Concept of Dividend Policy

Adesoye and Ogunjobi (2017) defined dividend as payment made by a company to its shareholders. It is an amount of the profits that a company pays to people who own shares in the company or in a distribution of the assets of the corporation.

Dividend policy refers to the policy of a firm on the proportion of the firm's profits to payout as dividend and how much to retain (Baker, 2009). The payment of dividend is made out of a company's earning and it thus reduces the amount of retained earnings available for internal financing by the firm. Adegbie and Fakile (2017) emphasised that dividend is payment designed by the board of directors to be distributed, prorated among the shares outstanding. It is the amount of a company after tax earnings which it pays to shareholders. While dividend policy on the other hand is concerned with division of net profit after taxes between payments to shareholders (ordinary shareholders) and retention for reinvestment on behalf of the shareholders (Kemper, 2000). A difficult decision for both public and private limited companies is to determine the appropriate level of dividend to be paid to shareholders and to decide whether or not to offer non-cash alternatives such as Scrip dividends.

The Concept of firms Performance

Firms performance is concerned with the overall growth and development in an organization in terms of stock turnover, customers, profitability, productivity and market share. The concept of firms performance is core to businesses because the major objective of businesses is to make profits. Fwaya (2006) state that one of the important questions in business has been why some organizations succeed and why others fail and this has influenced a study on the drivers of organizational performance). They also state that it is important to determine whether the measurement objective is to assess performance outcomes or behavior. Based on the foregoing, it can be noted here that high organizational performance include the way and manner the organization achieve its set objectives. The variables used in measuring organizational performance include organizational productivity, profitability, stability, growth and development.

Fwaya (2006) views performance as a formula for the assessment of the functioning of an organization under certain parameters such as productivity, employee' morale and effectiveness. Odhiambo (2009) asserts that for an organization to be successful it has to record high returns and identify performance drivers from the top to the bottom of the organization. He identified three approaches to performance in an organization which are the goal approach, which states that an organization pursues definite identifiable goals. This approach describes performance in terms of the attainment of these goals. The second approach is the systems resource approach which defines performance as a relationship between an organization and its environment.

Dividend irrelevance theory

The dividend irrelevance theory was propounded by Modigliani and Miller. It argues that investors are not concerned with a company's dividend policy since they can sell a portion of their portfolio of equities if they want cash. The theory opined that divided policy of a firm is irrelevant as it does not affect wealth of shareholder. According to the theory the value of a firm depend closely on its earning power resulting from the investment policy and not influence by the manner in which its earnings are split between dividends and retained earnings.

Ajayi and Ojo (2022) examined the relationship between dividend policy and financial performance of deposit money banks (DMBs) in Nigeria. The study utilized panel data analysis covering the period from 2010 to 2020, which involved 14 DMBs. The study utilized the fixed-effect model to estimate the impact of dividend payout on financial performance.The results showed that dividend payout has a positive and significant effect on both return on assets (ROA) and return on equity (ROE) of DMBs in Nigeria.

Adesina and Adeoye (2022) conducted a study to investigate the relationship between dividend policy and market value of deposit money banks in Nigeria over the period 2010-2020. The authors collected data from the annual reports of 10 deposit money banks listed on the Nigerian Stock Exchange, and analyzed the data using regression analysis.The findings of the study showed that dividend yield and dividend payout ratio have a positive and significant impact on market value of deposit money banks in Nigeria.

Omisore and Akindele (2022) conducted a study on the impact of dividend policy on the risk-adjusted performance of deposit money banks in Nigeria. The study used a sample of 15 deposit money banks in Nigeria, and the data used covered the period from 2010 to 2020. The risk-adjusted performance was measured using the Sharpe ratio, while the dividend policy was measured using dividend payout ratio. The study used panel data regression analysis to examine the relationship between dividend policy and risk-adjusted performance. The findings of the study revealed that there is a negative but insignificant relationship between dividend payout ratio and risk-adjusted performance.

Research Design

This study employed longitudinal research design. Longitudinal design is a research design that involves repeated observations of the same variables over varied period of time. It is most suitable for studies where information is collected from different sections (firms) over different periods of time (that is, cross-sectional versus time-series data). This study covers a given number of variables (dependent and independent variables) from cross-sectional firms over a given period of ten years. Therefore, longitudinal research design becomes very suitable to be adopted as the methodological approach of the study.

The population of the study comprised all the thirteen (13) the Deposit Money Banks in Nigeria. The time frame considered for this study covered 2012-2021 (11-year period).

The sample of the study comprised seven banks out of the 13 listed banks. These banks include the following: Zenith Intl Bank PLC, UBA PLC, GTB PLC, First Bank Of Nigeria Ltd, Access Bank plc, FCMB and Fidelity Bank PLC.The study utilized secondary data in its development and it was sourced from seven banks out of all DMB's as classified by the central bank based on domestic systematically important banks (SIB), which included Zenith Bank Nigeria Plc., United Bank for Africa (UBA) Plc., Guaranty Trust Bank (GTB) Plc., First Bank of Nigeria (FBN) Plc., Access Bank plc., First City Monument Bank (FCMB) Plc. and Fidelity Bank Plc. The criteria used for the classification of SIBs include the size, interconnectedness, and complexity of the banks' operation. The quantitative data collected covered the various proxies for independent and dependent variables of the study namely Dividend payout, dividend per share, return on asset, return on equity and profit after tax for the period of 10 years covering (2012-2021).

Given that a total number of seven banks were covered in this study over ten years interval, giving a total of 70 observations. Consequently the data used for the analysis of the study were subjected to unit root test to confirm their Stationarity. In conducting the panel unit root, the following criteria were considered: Levin, Lin & Chu t*, Im, Pesaran and Shin W-stat, ADF - Fisher Chi-square and PP - Fisher Chi-square. The consideration is that out of the four criteria, any majority result should be adopted for decision on the unit root tests. That is, if three out of the four criteria produce the same result (significant or insignificant), the majority result is used to form opinion about the Stationarity of the given variable.

In conducting unit root test, the decision rule is as follows:

H_0: Panel data has unit root.

H_A: Panel data has no unit root.

Panel Ordinary Least Square Estimation

Given that the data generated for the variables of the study are all stationary at level, Panel Data OLS Regression Technique with the aid of E-views statistical package version 8.0 was employed in analyzing the data for the achievement of the objectives of the objectives of the study and deciding on the hypotheses. The justification for the adoption of panel regression technique is based on the research design adopted for this study as earlier discussed.

In conducting the analysis, the fixed effects and random effect panel least square models are estimated; and to determine which of the two models is most appropriate, the Correlated Random Effect – Hausman Test was conducted at 5% level of significance.

Data Analyses

In conducing the panel unit root test, Levin, Lin & Chu t, Im, Pesaran and Shin W-stat, ADF - Fisher Chi-square and PP - Fisher Chi-square were estimated for all the data series used in the analysis. The results of the estimation are presented in appendix 4. Table 4.1 presents a summary of the results of panel unit root test.

Table 4.1 Summary of Panel Unit Root Test

Test Criteria	LogPAT	LogROA	LogROE	LogDPR	LogDRR
Levin, Lin & Chu t,	0.0248 I(0)	0.0000 I(0)	0.0004 I(0)	0.0149 I(0)	0.0000 I(0)
Im, Pesaran and Shin W-stat	0.0015 I(1)	0.0089 I(1)	0.0167 I(1)	0.0289 I(0)	0.0117 I(0)
ADF - Fisher Chi-square	0.0332 I(0)	0.0419 I(0)	0.0325 I(0)	0.0204 I(0)	0.0070 I(0)
PP - Fisher Chi-square	0.0094 I(0)	0.0073 I(0)	0.0003 I(0)	0.0022 I(0)	0.0097 I(0)

Source: Deductions from Appendix 4

Table 4.1 reveals the results of the panel unit root test conducted in the study. The results revealed that three out of the four test criteria (Levin, Lin & Chu t; ADF - Fisher Chi-square and PP - Fisher Chi-square) for the data series for PAT, ROA and ROE (which is majority) are stationary at level I(0) at 5% level of significance; while all the test criteria for data series for DPR and DRR showed Stationarity at level at 5% significant level. Therefore, the null hypothesis which states that the data series have unit root is rejected and the alternative that they have no unit root is accepted. It is thus concluded that the data series are all station at level indicating that no evidence of long-run association exists among the dependent and independent variables. Therefore, the study will conduct only short-run estimation using panel least square regression.

For Model 2: LogROA = $\beta_0 + \beta_1$LogDPR + β_2LogDRR + E

The data presented in appendix 3 with respect to the second model of the study were analysed using the panel data regression analysis. As in the first model, Fixed Effects and Random Effect OLS models were estimated.

From the random effect results (appendix 5, model2), the coefficients of DPR and DRR are -0.08 and 0.35 respectively. This indicates that DPR has negative relationship on ROA while DRR showed evidence of positive relationship with ROA.

However, the weight of the relationship in terms of being significant or not, is reported under the test of hypothesis 3 & 4.

For Model 3: $LogROE = \beta_0 + \beta_1 LogDPR + \beta_2 LogDRR + E$

The analysis of the third model was carried out using the panel data regression analysis with the logged data on appendix 3. Fixed Effects and Random Effect OLS models were estimated and the results for the two models are presented in appendix 5, model 3). To determine which of the two models is most appropriate, the Correlated Random Effect – **Hausman Test** was conducted and the result is presented on table 4.4.

Table 4.4: Correlated Random Effects - Hausman Test (Model 3)

Correlated Random Effects - Hausman Test
Equation: Untitled
Test cross-section random effects

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	0.412445	2	0.8137

Source: E-View 8.0 Statistical Output, 2023.

The result of the Hausman Test on table 4.4 reveals that the probability of the chi-square statistics is 0.81 which is greater than the significant level of 0.05. The null hypothesis of Hausman test which states that Random Effect model is more appropriate specification than Fixed Effect is therefore accepted and the alternative hypothesis rejected. Therefore, the analytical results of the random effect are adopted in decisions about the third model of the study.

Summary of Findings

The overall findings of this study from the analysis in the preceding chapter are summarized as follows:

1. Dividend payout ratio has positive but insignificant effect on profit after tax of the selected deposit money banks.
2. There is significant positive effect of dividend retention ratio on profit after tax of selected deposit money banks.
3. There is negative but insignificant relationship between dividend payout ratio and return on asset of the selected deposit money banks.

Conclusion

Based on the major findings of the study as summarized in 5.1, the study therefore concludes that dividend policy of deposit money banks in Nigeria exerts mixed effect on the performance of the banks such that when divided policy is judged from the point of view of dividend payout in relation to the yearly net earnings of the bank, it has no significant effect on the performance of the banks; but when dividend policy is judged from the point of view of retention in relation to the net earnings of the banks for the year, it significantly and positively affects performance. The study thus affirms that Nigeria deposit money banks' dividend policy supports significant retention of the banks' yearly earnings and this has contributed positively and indeed significantly to the financial performance of the banks.

Recommendations

The following recommendations are made based on the findings and conclusion of the study:

1. Deposit money banks in particular and banks management in general need to review their dividend payout policy in such a manner that it will spur the financial performance of banks.
2. The management of deposit money institutions needs to spend enough time developing a dividend strategy that will improve the company's performance and shareholder value.
3. Management must concentrate on actions that might boost the deposit money banks' profitability and financial standing in order to maximize shareholder value and, in fact, increase dividend payouts on a sustainable basis.

References

1. Abdul, M. M., & Mohammed, Y. A. (2017). Determinants of dividend payout in Nigerian banking sector. *International Journal of Accounting and Financial Reporting, 7*(2), 285-296.
2. Adesoye, A. B., & Ogunjobi, O. J. (2017). Dividend policy and firm performance in Nigeria: Evidence from the banking sector. *CBN Journal of Applied Statistics, 8*(1), 117-138.
3. Adegbite, E. O., & Owolabi, A. A. (2020). Dividend policy and share price volatility: Evidence from Nigerian banks. *Journal of African Business, 21*(3), 335-354.
4. Adediran, O.S., Olufemi, A.O., & Iyoha, F.O. (2019). Dividend payout and bank profitability nexus: Evidence from Nigeria. *International Journal of Economics, Commerce and Management, 7*(1), 49-59.

5. Adekunle, O.A., & Adeleke, M.O. (2018). The effect of dividend policy on bank performance in Nigeria. *International Journal of Economics and Financial Issues, 8*(3), 57-63.
6. Adegbie, F.F., & Fakile, A.S. (2017). Optimal dividend payout ratio for Nigerian banks: A panel analysis. *Journal of Finance and Investment Analysis, 6*(4), 1-12.
7. Akdogan, Y. E., & Boyacioglu, M. A. (2014). The effect of corporate governance on firm performance: Case of Turkey. *International Journal Critical Accounting, 6*(2), 187-210.
8. Akingunola, R. O., Olaniyan, O. F., & Adegbie, F. F. (2019). Dividend policy and stock returns: Evidence from Nigerian Deposit Money Banks. *Journal of Accounting and Financial Management, 5*(2), 34-49.
9. Ajilore, O. T., & Ihejirika, P. C. (2019). Dividend payout and firm performance: Evidence from Nigerian banks. *Academy of Accounting and Financial Studies Journal, 23*(2), 1-9.
10. Akpan, U. F., & Abasi-Otu, A. (2017). Dividend policy and corporate performance in Nigeria: Evidence from the banking sector. *Journal of Economics and Sustainable Development, 8*(10), 62-71.
11. Alao, E. O., & Babajide, A. A. (2019). Dividend payout and financial performance: Evidence from Nigerian banks. *Journal of Financial Economic Policy, 11*(3), 400-417.
12. Awojobi, O. M., & Bein, M. (2020). Dividend policy, ownership structure and firm performance in Nigeria. *African Journal of Economic and Management Studies, 11*(3), 284-297.
13. Adeleke, A. Q., & Ayinde, O. E. (2018). Regulatory restrictions and dividend policy of Nigerian deposit money banks. *African Journal of Economic Review, 6*(2), 54-68.
14. Adekoya, A. A., &Adeyemi, S. L. (2017). Exchange rate volatility and dividend payout of Nigerian deposit money banks. *Accounting and Finance Research, 6*(1), 38-45.
15. Adeoye, B., & Adeyemi, S. (2020). Financial technology, innovation and dividend policy of deposit money banks in Nigeria. *International Journal of Finance and Banking Research, 6*(3), 23-34.
16. Ajayi, O., & Ojo, O. (2022).Dividend policy and financial performance of deposit money banks in Nigeria. *International Journal of Banking, Accounting and Finance, 13*(2), 117-138.

17. Adesina, O., & Adeoye, A. (2022). Dividend policy and market value of deposit money banks in Nigeria. *Journal of Financial Management and Analysis, 35*(1), 45-57.
18. Afolabi, J. A., Adegbie, F. F., & Olokoyo, F. O. (2019). Dividend policy and corporate performance: Empirical evidence from Nigerian listed deposit money banks. *Cogent Business & Management, 6*(1), 1664783.
19. Adebayo, S. O., & Arogundade, K. K. (2020). Effect of dividend policy on stock price volatility in the Nigerian banking sector. *Journal of Financial Economic Policy*, *4*(5), 12-30.
20. Akintoye, I. R., & Ajibade, T. O. (2020). The impact of dividend policy on shareholders' wealth: Evidence from listed deposit money banks in Nigeria. *International Journal of Accounting & Information Management.*
21. Akintoye, I. R., & Olojede, A. A. (2018). Macroeconomic variables and dividend policy of deposit money banks in Nigeria. *Journal of Finance and Investment Analysis, 7*(1), 1-13.
22. Alabi, O. E., & Ogunlana, O. S. (2020).Technology and innovation adoption and dividend policy of deposit money banks in Nigeria. *International Journal of Scientific and Technology Research, 9*(9), 4428-4435.
23. Achukwu, L.S. (2011). Shareholders wealth effects of dividend policy changes in an emerging stock market. *Texas, 23*(12), 111-123.
24. Agrawal, V., & JaYaraman, Y. (2004). Mechanism of dividend payment and leverage policy *Journal of Accounting Research, 21*(2), 1-11.
25. Allen, F., & Roni, M. (2002). Payout policy in George Constanindes, Milton Harris and Rene Study. Edu. NorthHofland. *Handbook of Economics, 4*(20), 42-87.
26. Alvanzain, V., & Booth, L. (2003). Do emerging firms follow different dividend policies U.S firms. *Texas Journal of Financial Research, 26*(3), 37-387.
27. Al-Masum, 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 (EJDEB), 3*(1), 9-17.
28. Albaity, M, & Ahmad, R. (2008). Performance of Shariah and composite indices: Evidence from Bursa Malysia. *Asian Academy of Management journal of Accounting and Finance, 4*(1), 23-43.
29. Al-Troudi, W., & Milhem, M (2013). Cash dividends, retained earrings and stock prices': Evidence from Jordan. *Interdisciplinary Journal of Contemporary Research in Business, 4*(12), 391 -402.

30. Azhagaiah, R, & Priya, N.S. (2008). The impact of dividend policy on shareholders wealth. *International Research Journal of finance and economics, 1*(20), 180-1 87.
31. Baker, M., Farre-Mensa, J., & Yermack, D. (2016). Paying dividends for financial stability. *Journal of Financial Economics, 119*(3), 558-582.
32. Balogun, O., & Akintoye, I. (2018). Technology adoption and dividend policy of deposit money banks in Nigeria. *International Journal of Business and Economic Development, 6*(3), 23-32.
33. Baskin, T.A (2000). Company dividend policy in Nigeria. An empirical analysis. *Nigeria Journal of Economics and Social Studies, 18*(2), 179.
34. Bawa, S., & Kaur P (2013). Impact of dividend policy on shareholders wealth: An empirical analysis of Indian information technology sector. *Asia Pacific Finance and Accounting Review, 1*(3), 17-23.
35. Ben A.E. (2002). *The management dictionary*. New York: The exposition Press Inc.
36. Ben-David, I. (2010). *Dividend policy decisions*. Ohio: Hamilten Publishers.
37. Black, F. (2001). The dividend puzzle California. *The Journal of Portfolio Management, 6*(42), 40-54.
38. Bhana, N. (2000). An evaluation of the market rating of retained earnings of companies listed on the Johnners bury stock exchange: An empirical analysis investment. *Analysis Journal*, 29-39.
39. Brockington. (2000). Dividend policy in perspective. *Journal of Finance*, June.
40. Cai, J.B., & Zhang J.W, (2011). Understanding profit. *California, 7*(2), 26-29.
41. Central Bank of Nigeria. (2014). *Guidelines for the payment of dividend by banks and discount houses in Nigeria*. https://www.cbn.gov.ng/Out/2014/BSD/GUIDELINES%20FOR%20THE%20PAYMENT%20OF%20DIVIDEND%20BY%20BANKS%20AND%20DISCOUNT%20HOUSES%20IN%20NIGERIA.PDF.
42. Dawaki, M., Hamisu, A., & Yohanna, J. (2018). Dividend policy and corporate performance: Evidence from Nigerian banking industry. *Journal of Finance and Investment Analysis, 7*(1), 1-12.
43. Dangor, B., Gbanador, M.A., & Okunlola, A. F. (2013). Dividend policy and market price of share evidence from the Nigeria stock exchange. *Journal of Business and Economic Research*, *8*(1), 10-15.
44. Davidson, T. (2000). *Corporate financial analysis*. Illinois: Business Publication Ltd.

45. Deng, K., Li, K., & Tong, J. (2020). Dividend payout, capital structure, and financial stability of banks. *Journal of Banking & Finance*, 118, 105917.
46. Egbulonu, K.C. (2007). *Statistical influence for science and business*. Owerri: Peace Publishers.
47. Egbo, E. E. (2020). Impact of economic growth on dividend policy of deposit money banks in Nigeria. *International Journal of Research in Social Sciences, 10*(1), 14-26
48. Ehioya,B. L. (2015). An empirical investigation of the impact of dividend policy on the performance of firms in developing economies: Evidence from listed firms Nigeria. *International Journal of Finance and Accounting, 4*(5), 245-252.
49. Ezeoha, A. E., Okoye, V. C., & Aneke, G. U. (2017). Corporate dividend policy and share price volatility: Evidence from Nigerian banks. *Journal of Accounting and Finance, 17*(7), 9-19.
50. Eng, S., Yahya, M., & Hadi A. (2013). The dividend payout policy: A comparison Malaysian Islamic and Conventions Financial Institutions. *WEI International Academic Conference Proceedngs*, 59-67.
51. Farouk, M. A., Abdul Fatah, L. A., Shehu, T. M., & Aliyu, A. A. (2022). Ownership structure, financial performance and dividend payout ratio of listed commercial banks in Nigeria. *Indo-Asian Journal of Finance and Accounting, 3*(1), 1-17.
52. Febianto, I. (2011). Shariah compliant model of business entities. *Working Journal of Social Science*. http:/papers.ssrn.com/sol 3lpapers.cfm?abstract-id=1891024.
53. Feng, G., & Jia, M. (2019). Dividend payouts and financial stability: Evidence from Chinese listed firms. *Journal of Financial Stability*, 40, 77-91.
54. Frankfurter, G.M., & Wood, B.G. (2002). Dividend policy theories and their empirical tests. *International Review of Financial Analysis, 4*(20), 111-202.
55. Gui, S., Sajid, M., Razzag, N, lqbal. M. F., & Khan, M. B. (2012). The determinants of capital structure: Evaluation between Shariah-compliant and conventional companies. *International Conference on Innovation, Management and Technology Research* (IC,MTR 20912), 205-209.
56. Gul, S., Sajid, M., Razzaq, N., Iqbal, M. F., & Khan, M. B. (2012). The relationship between dividend policy and shareholder's wealth (evidence from Pakistan). *Economics and Finance Review, 2*(2), 55-59.
57. Gylychova, E., & NjindanIyke, B. (2020). Dividend policy, signaling and bank risk-taking behavior: Evidence from emerging economies. *Journal of Risk and Financial Management, 13*(11), 269.

58. Hussan-Adin, P.L., Michael, I.A., & Rekha, O.J. (2010). *A contextual analysis of the determinants of dividend pattern of banks in Nigeria*. A paper presented at the 24th Annual Congress of European Accounting Association Aithens Greece, April 17-20.
59. Idewele, I. O. E., & Murad, B. A. (2019). Dividend policy and financial performance: a study of selected deposit money banks in Nigeria*. African Journal of Business Management, 13*(7), 239-255.
60. Iqbal, Z., Wascem, 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.
61. Kajola, S. O., Adewumi, A. A., & Oworo, O.O. (2015). Dividend pay-out policy and firm financial performance: Evidence from Nigerian listed non-financial firms. *International Journal of Economics, Commerce and Management, 3*(4), 1-12.
62. Kanwal, M., & Hameed, S. (2017). The relationship between dividend payout and firm financial performance. *Research in Business and Management, 4*(1), 11-21.
63. Khan, M. N., Nadeem, B., Islam, F., Salman, M., & Gill, H. M. I. S. (2016). Impact of dividend policy on firm performance: An empirical evidence from Pakistan stock exchange. *American Journal of Economics, Finance and Management, 2*(4), 28-34.
64. Kolawole, E., Sadiq, M. S., & Lucky, O. (2018). Effect of dividend policy on the performance of listed oil and gas firms in Nigeria. *International Journal of Scientific and Research Publications, 8*(6), 15-23.
65. Jones, C.P. (2017). *Investments: Analysis and management*. John Wiley & Sons, Inc.
66. Jcshi, R. (2012). Effect of dividend on stock price in Nepal- NRB. *Economic Review, 24*(2), 61-75.
67. Kazeem, A. A., & Ayoade, O. E. (2018). Impact of technology adoption on dividend policy of deposit money banks in Nigeria. *International Journal of Economics, Commerce and Management, 6*(3), 23-32.
68. Kemper, T. (2000). A *handbook of management.* United Kingdom: Penguin Book.
69. Labhane, N. B., & Mahakud, J. (2016). Determinants of dividend policy of Indian companies: A panel data analysis. *Paradigm, 20*(1), 36-55.
70. Levinsohn, A. (2003). *Does it make sense to pay dividend?* Website: www.aflbusiness.com retrieved on 27/4/2017
71. Luke (2011). Company Dividend Policy In Nigeria: An Empirical Analysis. The Nigeria journal of economic and social studies.

72. Maladjian, C., & El Khoury, R. (2014). Determinants of the dividend policy: an empirical study on the Lebanese listed banks. *International Journal of Economics and Finance, 6*(4), 240-256.

73. Manjunatha, K. (2013). Impact of Debt of Equity and Dividing Payout Ratio on the Value of the Firm.Global journal of commerce and management perspective, 2 (2), 18-27.

74. Modigliani and Miller (2000), "Dividend Policy, Growth And The Valuation Of Shares. Journal of business.pp 411.

75. Mohammed A (2007), How Does Dividend Policy Affect Performance Of The Firm On Ghana Stock Exchange? Investment management and financial innovations 4(2) 103-112.

76. Monogbe T. G., & Ibrahim A. A. (2015). Dividend policy on financial performance: A case study of selected registered firms in Nigeria. *Research Journal of Finance and Accounting*, 6(20), 1-7.

77. Muchira, K. J. (2016). *Dividend payout and financial performance of manufacturing firms listed at the Nairobi securities exchange* (Master's Thesis, Kenyatta University, Kenya).

78. Murekefu, T. M., & Ouma, O. P. (2012). The relationship between dividend payout and firm performance: A study of listed companies in Kenya. *European Scientific Journal, 8*(9), 23-30.

79. Nki O. & Okafor C (2002). "Dividend And Stock Prices On The Nigerian Stock Exchange" Accounting: The Nigeria Perspective

80. Obioma B.K. (2011.) Money and Banking.Owerri, Austus printers and publishers.

81. Oduh, M. A., Ogwuma, M. O., &Nwaogbe, O. R. (2017). Dividend policy and firm value: Evidence from Nigerian Deposit Money Banks. Journal of Accounting and Management, 7(2), 34-46