

INDEPENDENT AND COMBINED EFFECTS OF OWNERSHIP STRUCTURE ON FINANCIAL PERFORMANCE IN NIGERIAN NON-FINANCIAL FIRMS

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Abstract

This study empirically investigated the relationship which exists between ownership structure and financial performance of quoted non-financial firms in Nigeria. The study is vital as it portrays the extent to which ownership structure relates to financial performance of nonfinancial firms in Nigeria. In order to determine the relationship between ownership structure and financial performance, ownership structure was measured using institutional ownership, concentrated ownership, foreign ownership and block ownership while firms' performance on the other hand was represented by return on equity (ROE). Four hypotheses were formulated to guide the investigation and the statistical test of parameter estimates was conducted using OLS regression model operated with STATA V.15. Ex Post Facto design was adopted and data for the study were obtained from the published annual financial reports of the entire consumer goods firms quoted on Nigerian Exchange Group (NGX) with data spanning from 2012-2021. The findings of the study generally indicate that institutional ownership, concentrated ownership, foreign ownership and block ownership have significant and positive influence on firms' performance measured by return on equity (ROE) at 1-5% significant level respectively. Thus, the study concludes that ownership structure ensures firms financial performance. The study however suggests the need for institutional ownership, concentrated ownership, foreign ownership and block ownership to be increased for better performance.

Keywords: Institutional Ownership; Concentrated Ownership; Foreign Ownership; Block Ownership; Return on Equity

1.0 Introduction

The financial performance of several companies has been basically connected to their ownership structure because it provides financing through owner's equity. Generally, business firms are saddled with the task of generating returns from market which determines its capacity to survive in the future (Bacha & Attia, 2016). This responsibility is essential since the capability of a firm to create returns in a competition depends on financial performance which is a device that measures how well firms use their resources in generating returns, thus make it an essential tool to many stakeholders in a firm. Financial performance thus, is critical to any firm's survival and constant patronage by prospective and existing investors, creditors, and other stakeholders in the world of

business. However, the nature of ownership structure a company adopts is determined by the vision of the firm (Ismail & Ali, 2020).

However, the type of ownership structure a firm adopts is engineered by the vision of the company. According to Jensen and Meckling (1976), ownership structure is defined by the distribution of equity with regards to votes and capital as well as the identity of the equity owners. Therefore, ownership structure of any company has been a serious factor for company's financial performance. The effect of institutional ownership, foreign ownership, block ownership and concentrated ownership on firm's financial performance has been issue the researcher in the existing literature with mixed results. This has been widely tackled in the developed climes and more recently in emerging economies, but was less discussed in Nigeria context.

Several studies on ownership structure and financial performance exist in the literature, but most of these studies were conducted in the developed countries. The developing/ emerging economies, particularly from the African continent have limited studies conducted so far. For the Nigerian business environment, we are aware of the works of Abosede and Kajola (2011); Ismail and Ali (2020); Adenikinju and Ayorinde (2001); Sanda, Mikailu and Garba (2005), Suleiman and Nasamu (2021), Okewale, Mustapha and Aina (2020), Daniel, Nuraddeen and Ahmed (2021), Yakubu, Danjuma and Adejoh (2019), Ohiani, Eniola and Lateef, (2018) etc.

Nevertheless, none of this study concentrated on Consumer Goods Sector of Nigerian Exchange Group (NGX) to the best of our knowledge. Hence, the need for the present study. Also, only the study of Suleiman and Nasamu (2021) and Daniel, Nuraddeen and Ahmed (2021), covered on foreign ownership and block ownership respectively. Thus, the present study covered foreign ownership, block ownership, ownership concentration, and institutional ownership in determination of its effect on firm performance with reference to firms quoted under consumer goods sector of Nigerian Exchange Group (NGX).

This study thus, examines the effect of ownership structure on financial performance of the quoted financial firms in Nigeria for the period of 2012 to 2021. This current study fills the gap in literature by developing a model fit on ownership structure ranging from foreign ownership, block ownership, ownership concentration to institutional ownership on financial performance of quoted financial firms in Nigeria and also expands the work to cover most recent years in addition to covering sufficient time frame of up to ten (10) years unlike most of the previous studies that covered five (5) years or less. Also, the study intends to enrich knowledge by contributing to existing literature through empirical evidence on the impact of ownership structure on performance in the non-financial sector of an emerging capital market.

To achieve this purpose, this hypothesis was formulated:

H₀₁: Institutional Ownership has no significant relationship with Financial Performance of quoted consumer goods firms in Nigeria.

H₀₂: Concentrated Ownership has no significant relationship with Financial Performance of quoted consumer goods firms in Nigeria.

H₀₃: Foreign Ownership has no significant relationship with Financial Performance of quoted consumer goods firms in Nigeria.

H₀₄: Block Ownership has no significant relationship with Financial Performance of quoted consumer goods firms in Nigeria.

2.0 Review of Related Literature 2.1 Conceptual Framework

2.1.1 Ownership Structure

According to Jensen and Meckling (1976), ownership structure is described by the distribution of equity with respect to votes, capital, and also by the equity owners' identity. This was referenced in their study on how the nature of agency costs relates with equity where they aimed at incorporating concepts into the beginnings of a theory of corporate ownership structure. In the recent years, there have been renewed interests on ownership structures due to the increased dynamics of corporate ownership portfolios. Ownership structure, as a mechanism in corporate governance to facilitate increased efficiency of a firm, has been believed to have affected firm performance.

The ownership structures of firms illustrate the structure and composition of the shareholders of that firm. It is widely believed by many economic analysts that the type of ownership can also affect corporate performance, control methods of managers as well as the impact of each type of ownership on financial reporting quality and hence, the audit quality (Daniel, Nuraddeen & Ahmed, 2021). Therefore, ownership structure in this study includes institutional, concentrated ownership, foreign ownership and block ownership.

2.1.1.1 Institutional Ownership

Institutional ownership refers to an ownership fraction or stake in a firm that is held by large financial organizations, pension funds or endowments. Institutions generally purchase large blocks of a firm's outstanding shares and can exert considerable influence upon its management. Therefore, institutional shareholders are usually professionals and they normally use their expertise in monitoring the management in ensuring that their interests align with those of the organization's interests. Institutional ownership is measured by natural logarithm of equity held by various institutions as investors in the firm.

2.1.1.2 Ownership Concentration

Ownership concentration refers to an ownership fraction or stake in a firm that is held by shareholders with the controlling interest or with large stake. Ownership concentration affords the shareholders the motivation and ability to monitor and control management decisions. Therefore, concentrated shareholders use their large stake in reducing conflicts between managers and the organization by being more proactive in monitoring and

protecting their investments. Ownership concentration is measured by natural logarithm of equity held by block holders as investors in the firm.

2.1.1.3 Foreign Ownership

Foreign control means one or more foreign persons having the authority or ability to establish or direct the general policies or day-to-day operations of the firm. Foreign control is presumed to exist where foreign persons own 25 percent or more of the outstanding voting securities unless one U.S. person controls an equal or larger percentage (Usman & Yero, 2012). Foreign investors can be effective monitors of managers in emerging markets, because foreign investors demand higher standards of corporate governance. If foreign investors assume a role of active monitors, firm performance is expected to increase as foreign ownership increases.

2.1.1.4 Block Ownership

A block-holder refers to an individual or organization which owns a substantial amount of a company's shares or debt. In terms of shareholding, these owners are often able to influence the company with the voting rights awarded with their holdings. A block-holder is an influential shareholder because of the significant block of the company's stock or bonds that they own. Generally, there is no specific number of shares that defines a block-holder.

2.1.3 Firms Performance

According to Okewale, Mustapha and Aina (2020), there is no universal definition of the concept of financial performance. Firm financial performance is used to describe the state of affairs of a firm. In analyzing a firm financial performance, emphasis should be made in formulating an adequate description of the concept of a firm's financial performance which uncovers the different dimensions upon which firm's financial performance should be evaluated. Eriki and Osagie (2017), sees financial performance as the measuring of results of a firm's policies and operations in monetary terms. These results are reflected in the firm's return on investment, return on assets, value added, etc. Financial performance is a subjective measure of how well a firm can use assets from its primary mode of business and generate revenues. This term is also used as a general measure of a firm's overall financial health over a given period of time, and can be used to compare similar firms across the same industry or to compare industries or sectors in aggregation (Omaliko & Okpala, 2020).

Malik and Okere (2020) viewed financial performance as a measure that evaluate the financial position of a company over a specified time period to know how efficiently is using its resources to generate income.

2.2 Theoretical Framework

The theoretical framework which gives the meaning of a word in terms of the theory on environmental and social sustainability established in this study is Agency Theory (AT). It assumes both knowledge and acceptance of this theory that this research work depends upon.

2.2.1 The Agency Theory

Agency cost theory, which has its root from the classical work of Berle & Means (1932), but modernized by Jensen and Meckling (1976), is the theoretical framework on which this study is based. The theory argues that managers as agents of the shareholders may have their interests conflicting with that of their principal. Since they (managers) are said to favour perks of office and power even at the expense of shareholders' interest, they are likely to pursue interests that may hurt their principals (the shareholders). Theoretically, the relationship between ownership and firm performance could be positive, negative or no statistical relationship, depending on the tradeoffs between the alignment and entrenchment effects. Hence, the theoretical foundation of the study is underpinned by Agency Theory.

2.3 Empirical Review

Ismail and Ali (2020) examined the effect of ownership structure on the financial performance of quoted financial firms in Nigeria. Data were collected from the financial statements of 38 financial firms quoted in the Nigerian Stock Exchange (NSE) for the periods of 2010 to 2019. The technique employed by the study was ex-post facto to examine the ownership structure effect on financial performance of financial firms quoted in NSE. The study used descriptive statistics, correlation, and multiple regression method through panel data method for model estimation. The data collected were subjected to pooled General Least Square, Random and Fixed Effects regression model in testing the hypotheses of the study. In this study, ownership structure is represented by institutional ownership, managerial ownership, and ownership concentration as independent variables. Firms' financial performance as the dependent variable was represented by book value per Share. This study found that ownership structure has positive significant effect on financial performance of the quoted financial firms except ownership concentration having negative effect. However, with regards to size and firms' growth, which constitute control variables of the study, mixed evidence of their effects was identified on financial performance. The study, recommends that in order to improve the financial performance, financial firms in Nigeria should enlarge managerial equity ownership of the firms. This can induce the executive managers to maximize their performance and provide more financial benefits to stakeholders.

Abosede and Kajola (2020) examined the relationship between firms' ownership structure and financial performance in Nigeria, using a sample of thirty listed companies between 2001 and 2008. Using pooled OLS as a method of estimation and after controlling for four firm-specific characteristics, our results show a negative and significant relationship between ownership structure (director shareholding) and firm financial performance (ROE). This is in support of Entrenchment hypothesis. Also, our study does not support a non-linear relationship between ownership structure and firm performance.

Ohiani, Eniola and Lateef (2018) examined the effect of ownership structure on financial performance of listed insurance firms in Nigeria. Data was collected from the annual reports of 28 insurance firms listed in the Nigerian Stock Exchange for the periods of 2011 to 2016. The ex-post facto was employed by the study to examine the effect of ownership structure on financial performance of listed insurance firms in Nigeria. In addition to the descriptive statistics and correlation, multiple regression technique through panel data methodology was applied for model estimation. Data were subjected to pooled General Least Square, Fixed Effects, and Random Effects regression model to test the hypotheses of the study. Ownership structure proxied by managerial ownership, institutional ownership, and ownership concentration were adopted as independent variables. Firm financial performance as the dependent variables was proxied by Book value per Share. This study found ownership structure having significant positive effect on financial performance of the listed insurance firms except concentrated ownership with negative effect. However, in respect of size and growth of the firms, which form the control variables of the study, there were mixed evidence of their effects on financial performance. The study recommends that in order to enhance the financial performance, insurance firms in Nigeria should increase management equity holding in the firms as this can stimulate the managers to maximize their efficiency and create more wealth for stakeholders.

Yakubu, Danjuma and Adejoh (2019) examined the impact of institutional ownership on financial performance of quoted building materials firms in Nigeria. The population of the study consists of six (6) firms quoted on the Nigerian stock exchange as at 31st December 2016 out of which four (4) firms were selected using two criteria which are company that made available their annual report of thirteen (13) years and company quoted on the Nigerian stock exchange before 2004. The study uses multiple regressions as a tool for analysis and secondary source of data analysis. The result of the study revealed that institutional ownership impacts positively significantly on financial performance of quoted building materials firms in Nigeria. The study concludes that institutional ownership affects financial performance of building materials firms in Nigeria and recommended that Security and exchange commission should encourage potential institutional investors in the building material industry to invest in long term investment.

Okewale, Mustapha and Aina (2020) examined the effect of the ownership structure and its dimensions (such as managerial ownership, employee ownership and private ownership) on the financial performance of eighteen food and beverage quoted firms on the Nigerian Stock Exchange (NSE) during the period 2010-2018. The study used secondary data on managerial ownership (MO), employee ownership (EO), private ownership (PO) and return on equity (ROE). These were sourced from the annual report and accounts of the firms used for the study. Data collected were analysed using pooled regression, fixed and random effect regression. The result showed that managerial ownership had an insignificant (positive) effect on return on equity ($t=1.63$; $P=0.329$; $P>0.05$).

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Employee ownership had significant positive effect on return on equity ($t=2.19$; $P=0.001$; $P<0.05$). Private ownership had significant effect on return on equity ($t=3.2$; $P=0.005$; $P<0.05$). Managerial ownership, employee ownership and private ownership had a significant combined effect on return on equity (Wald $\chi^2=32.91$; $R^2=0.682$; $P=0.000$). The study concluded that ownership structure had a significant effect on the financial performance of quoted food and beverage manufacturing firms in Nigeria.

Daniel, Nuraddeen and Ahmad (2021) assessed the impact of ownership structure on the financial performance of listed pharmaceutical firms in Nigeria from 2010 to 2019. The sample size of the population is seven (7) pharmaceutical firms listed on the Nigerian Stock Exchange as at 31st December, 2019. This study adopted generalized least square random effect multiple regression technique in analyzing the data. The independent variables used are institutional ownership, block shareholding and managerial ownership while financial performance was measure by ROA. It was established that institutional ownership was found to be positively and significantly impacted on ROA. Similarly, managerial ownership and firm size were also positively but not statistically significant. Finally, the study found that block shareholding has an insignificant negative impact on ROA. Thus, the study recommends that listed pharmaceutical firms should, therefore, increase the number of institutional ownerships to provide effective monitoring mechanism of managers' activities that will lead to improvement of the profitability in Nigerian listed pharmaceutical firms.

Suleiman and Nasamu (2021) on the same note examined the effect of ownership structure on the financial performance of listed oil and gas companies in Nigeria for the period of 2006-2019. Secondary data was extracted from the financial reports and accounts of the sample companies. Robust OLS as the best estimator of the regression model was used to analysed the data extracted. The findings revealed foreign ownership has a positive significant impact on the financial performance of oil and gas companies in Nigeria. Based on the findings, the study recommends that, foreigners should be allowed to take the majority of the ownership structure of listed oil and gas companies in the downstream sector of the petroleum industry in Nigeria, more so, management of these companies should formulate policies that would boost the number of shares allocated to foreigners since foreign ownership increases financial performance.

Alireza, Ali and Kazem (2011) examined the effect of ownership structure on firm performance of listed firms in Tehran Stock Exchange between the period of 2001 and 2006. Using regression analysis, the study found that ownership concentration doesn't have any significant effect on firm performance but the effects of two other variables are significant: institutional ownership has positive and significant effect on firm performance whereas concentrated institutional ownership is negative.

Ibrahim (2012) examined the effects of ownership structure on the financial performance of listed companies on the Nigerian Stock Exchange with the first finding showing a significant negative relationship between

institutional ownership and firm financial performance measured in term of ROA and BPS and of course the second finding showed a significant positive effect between insider ownership and firm performance with firm growth as control variable having negative effect.

Reem, Allam, and Wajeeh (2015) assessed the relationship between ownership structure dimensions and corporate performance of 42 out of 48 listed companies in Bahrain for the period 2007 and 2011. The first finding showed that ownership concentration has a negative relationship on company's performance measured by ROA and Tobin's Q. Second finding showed that institutional ownership has a positive relationship on company's performance. While the third finding showed that managerial ownership found a significance and positive relationship with company's performance.

3.0 Methodology

This study adopts *Ex-Post Facto Design*. Secondary data was used which already exists and cannot be manipulated or controlled. The population of the study consists of the entire 21 firms quoted under Consumer Goods Sector of Nigerian Exchange Group (NGX) as at 2022 business list covering from 2012-2021. The use of quoted Consumer Goods Sector Firms on Nigerian Exchange Group (NGX) could be justified based on the fact that there is no known study that had covered institutional ownership, foreign ownership, block ownership and concentrated ownership with reference to Consumer Goods Sector of NGX especially in the developed economies to the best of our knowledge. Out of 21 firms that formed our sample size, 2 firms have empty financial information within the period under study (*Golden Guinea Breweries Plc and Multi-Trex Integrated Foods Plc*) which was removed. On the other hand, BUA Foods Plc was dropped as it was listed on the floor of Nigerian Exchange Group (NGX) as at 5th January 2022. The selected firms range from Cadbury Nigeria Plc, Champion Breweries Plc, Dangote

Sugar Refinery Plc, DN Tyre & Rubber Plc, Flour Mills Nig Plc, Guinness Nigeria Plc, Honeywell Flour Plc, International Breweries Plc, Mnichols Plc, N Nigeria Flour Plc, Nascon Allied Industries Plc, Nestle Nigeria Plc, Nigerian Breweries Plc, Nigerian Enamelware Plc, P Z Cussons Nigeria Plc, Unilever Nigeria Plc, Union Dicon Salt Plc to Vita foam Nigeria Plc.

Based on this, a total of 18 firms formed our sample size with 180 observations. The data were obtained from the Annual Reports and Accounts of the sampled firms. OLS Model was employed and data were collected from the annual reports and accounts of the selected consumer good firms in Nigeria.

3.1 Operationalization and Measurement of Variables

3.1.1 Dependent and Independent Variable

The dependent variable used in the study cash flow performance and was proxy using operating cash flow performance, financing cash flow performance and investing cash flow performance. The Independent variable of ownership structure was captured using institutional ownership (INSO), concentrated ownership (CNSTO), foreign ownership (FO) and block ownership (BO) as shown on Table 1 below:

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Table 1: Measurement for Independent Variable

Variables	Measurement	A Priori Expectations
Independent		
Concentrated Ownership	% of shares held by major shareholders to total number of shares	Usman and Yero, (2012), Suleiman et al (2021)
Foreign Ownership	% of shares held by foreigners to total number of shares	Saifullahi, Mohammed, Hassan (2015), Suileman et al (2021)
Block Ownership	Is the ratio of shares held by certain shareholders from 5% and above	Chao (1998), Daniel et al (2021)
Institutional Ownership	Measured as total number of shares held by institutional investors/total number of shares.	Firth, Peter and Oliver (2006), Daniel et al (2021)
Dependent		
ROE	NPAT measured by owners' equity	Omaliko and Okpala (2020), Omaliko, Okeke and Obiora (2021), Omaliko, Nwadior and Nweze (2020).

Source: Empirical Survey (2022).

3.2 Model Specification and Justification

The study adapted and modified the model of Suileman and Nasamu (2021) in examining the relationship between ownership structure and financial performance of quoted firms in Nigeria as shown below;

Suileman and Nasamu (2021): $PERFit = \beta_0 + \beta_1MGO + \beta_2CNSTOWN + \beta_3FRNO + e$

The modified model for the study is shown as thus

$ROEit = \beta_0 + \beta_1INSO + \beta_2CNSTO + \beta_3FO + \beta_3BO + e$ Where:

ROE = Return on Equity

INSO = Institutional Ownership

CNSTO = Concentrated Ownership

FO = Foreign Ownership BO = Block Ownership

μ = error term

4.0: Data Analysis and Results

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Table 2: Descriptive Statistics

	INSO	CNSTO	FO	BO	ROE
Mean	3.234444	2.656111	2.075222	1.893222	1.742222
Std. Dev.	.6756187	.6666152	.5807926	.4414003	1.014584
Maximum	1.8	1.4	.8	.9	.5
Minimum	4.5	4.1	3.5	3.1	4.3
Observations	180	180	180	180	180

Source: Researcher's Computation (2022).

Table 2 helps to provide some insight into the nature of the selected listed consumer goods firms in Nigeria. Firstly, it was observed that on the average, in a 10-year period (2012-2021), the listed consumer goods firms in Nigeria were characterized by positive return on equity (ROE), value of 1.742222. This is an indication that the entire consumer goods firms in Nigeria have positive return on equity value with a standard deviation value of .1014584. The average institutional ownership (INSO) for the sampled firms was 3.234444 with a standard deviation value of .6756187. This means that firms with INSO values of 3.234444 and above have institutional ownership. There is also a high variation in maximum and minimum values of INSO which stood at 1.8 and 4.5 respectively. This wide variation in INSO values among the sampled firms justifies the need for this study as the researcher assumes that firms with higher INSO values are firms with higher performance than those firms with low INSO values. The average concentrated ownership (CNSTO) for the sampled firms was 2.656111 with a standard deviation value of .6666152. This means that firms with CNSTO values of 2.656111 and above have concentrated ownership. There is also a high variation in maximum and minimum values of CNSTO which stood at 1.4 and 4.1 respectively. This wide variation in CNSTO values among the sampled firms justifies the need for this study as the researcher assumes that firms with higher CNSTO values are firms with higher performance than those firms with low CNSTO values. The average foreign ownership (FO) for the sampled firms was 2.075222 with a standard deviation value of .5807926. This means that firms with FO values of 2.075222 and above have foreign ownership. There is also a high variation in maximum and minimum values of FO which stood at 0.8 and 3.5 respectively. This wide variation in FO values among the sampled firms justifies the need for this study as the researcher assumes that firms with higher FO values are firms with higher performance than those firms with low FO values.

The average block ownership (BO) for the sampled firms was 1.893222 with a standard deviation value of .4414003. This means that firms with BO values of 1.893222 and above have concentrated ownership. There is also a high variation in maximum and minimum values of BO which stood at 9 and 3.1 respectively. This wide

variation in BO values among the sampled firms justifies the need for this study as the researcher assumes that firms with higher BO values are firms with higher performance than those firms with low BO values.

4.1 Test of Hypothesis

Table 3: Result on the Relationship between Ownership Structure and Financial Performance of Consumer Goods Firms in Nigeria

Source SS df MS	Number of obs = 180				
-----+-----	F (4, 175) = 1.96				
Model 7.91869361 4 1.9796734	Prob > F = 0.0102				
Residual 176.340413 175 1.0076595	R-squared = 0.4300				
-----+-----	Adj R-squared = 0.3906				
Total 184.259107 179 1.0293804	Root MSE = 0.9643				
-----+-----					
	ROE	Coef.	Std. Err.	t	P> t
[95% Conf. Interval]					
-----+-----	-----+-----				
INSO .2570384		.1433611	1.79	0.000	.5399777 .0259009
CNSTO .2110293		.1612116	1.31	0.034	.1071399 .5291985
FO .0731583		.1932934	0.38	0.001	.4546437 .3083272
BO .3932784		.2229455	1.76	0.000	.0467296 .8332865
cons 1.420338		.4622446	3.07	0.002	.5080471 .3326280

Source: Result output from STATA 15.

4.2: Discussion of Findings

The result of the analysis of the study using OLS Model is expressed as follows:

H₀₁: Institutional Ownership has no significant relationship with Financial Performance of quoted firms' consumer goods in Nigeria.

In view of the above analysis as shown on table 3, the result shows that there is a significant and positive relationship between institutional ownership and financial performance of listed consumer goods firms in Nigeria. With a P-value of 0.000, the test is considered statistically significant at 1% level. This could be verified with the coefficient of correlation of 25.7% which indicates that institutional ownership ensures corporate performance (ROE) by 25.7%. Based on this, we rejected the null hypothesis and accepted alternate hypothesis which contends that institutional ownership has significant relationship with financial performance of quoted consumer goods firms in Nigeria. By implication, corporate organizations with institutional ownership have higher performance.

This agrees with the a priori expectations of Ismail and Ali (2020), Ohiani, Eniola and Lateef (2018), Daniel et al (2021) who found significant relationship between institutional ownership and corporate performance.

H₀₂: Concentrated Ownership has no significant relationship with Financial Performance of quoted consumer goods firms in Nigeria.

In view of the above analysis as shown on table 3, the result shows that there is a significant and positive relationship between concentrated ownership and financial performance of listed consumer goods firms in Nigeria. With a P-value of 0.034, the test is considered statistically significant at 5% level. This could be verified with the coefficient of correlation of 21.1% which indicates that concentrated ownership ensures financial performance (ROE) by 21.1%. Based on this, we rejected the null hypothesis and accepted alternate hypothesis which contends that concentrated ownership has significant relationship with financial performance of consumer goods firms in Nigeria. The implication of this is that corporate organizations with concentrated ownership have higher performance.

This is in tandem with the study of Abosede and Kajola (2020), who found significant and positive relationship between concentrated ownership and corporate performance. This dis-aligns with the findings of Ismail and Ali (2020), Ohiani, Eniola and Lateef (2018), Suleiman et al (2021) who found insignificant relationship between concentrated ownership and corporate performance.

H₀₃: Foreign Ownership has no significant relationship with Financial Performance of quoted consumer goods firms in Nigeria.

In view of the above analysis as shown on table 3, the result shows that there is a significant and positive relationship between foreign ownership and financial performance of listed consumer goods firms in Nigeria. With a P-value of 0.001, the test is considered statistically significant at 1% level. This could be verified with the coefficient of correlation of 7.3% which indicates that foreign ownership ensures financial performance (ROE) by 7.3%. Based on this, we rejected the null hypothesis and accepted alternate hypothesis which contends that foreign ownership has significant relationship with financial performance of quoted consumer goods firms in Nigeria. This agrees with the a priori expectations of Suleiman et al (2021) who found significant relationship between the variables.

H₀₄: Block Ownership has no significant relationship with Financial Performance of quoted consumer goods firms in Nigeria.

In view of the above analysis as shown on table 3, the result shows that there is a significant and positive relationship between block ownership and financial performance of listed consumer goods firms in Nigeria. With a P-value of 0.000, the test is considered statistically significant at 1% level. This could be verified with the coefficient of correlation of 39.3% which indicates that block ownership ensures financial performance (ROE) by

39.3%. Based on this, we rejected the null hypothesis and accepted alternate hypothesis which contends that block ownership has significant relationship with financial performance of quoted consumer goods firms in Nigeria. This disagrees with the a priori expectations of Daniel et al (2021) who found insignificant relationship between block ownership and financial performance.

5.1 Conclusion and Recommendation

The study having developed a model fit on ownership structure captured that ownership structure (INSO, CNSTO, FO & BO) has joint effect on firms' financial performance (ROE). Based on this, concludes that ownership structure ensures firms financial performance of listed firms in Nigeria. Thus, the study recommended that foreigners should be allowed to take the majority of the ownership structure of listed consumer goods companies in Nigeria. Similarly, the institutional ownership which has also been determined in this study showing positive effect on firm's financial performance was as a result of the fact that institutional investors are more powerful than other shareholders due to their expertise concerning capital markets, industries, and businesses management. Additionally, institutional shareholders have greater capacities in taking actions and can oversee managers more effectively and less expensive. Hence, the study recommends that, there is need to extensively increase institutional shareholding, concentrated shareholding and block shareholding of the quoted financial firms in Nigeria as not only way to increase the share of the firms but as a way of encouraging them in increasing their efficiency.

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