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Abstract

Past research studies have established that corporate organizations are associated with certain characteristics which may have positive or negative impact on their performance. It is on this note that this research work aims to investigate impact of firm characteristics on performance of listed fast consumer movable goods companies in Nigeria from 2008 to 2019. Leverage, liquidity, operating expenses, growth rate, firm size and firm age are the variables used to capture firm characteristics. Return on shareholders' funds used to capture performance of sampled companies. Secondary data collected from financial statements of sampled firms were used, while multiple regression analysis was engaged to analyze the data. Study's results demonstrated that growth rate, firm size and firm age have positive and substantial influence, while liquidity had favorable but negligible influence on return on shareholders' funds. Furthermore, leverage and operating expenses have negative impact on return on shareholders' funds. The study recommends that sampled firms need to maintain the existing or further increase their liquidity, growth rate, firm size and firm age in order to sustain or increase their current return on shareholders' funds.

Keywords: Fast Consumer Movable Goods Companies, Firm Characteristics, Fixed Effect Model, Nigeria, Return on Shareholders' Funds.

1. INTRODUCTION

Firm characteristics are firm's specific variables that can be control by the management of business organizations. These characteristics are different from one firm to another. These are the attributes of firm such as liquidity, leverage, firm size, operating expenses, firm age, growth, market share, dividend payment among others that can have favourable or adverse effect on firm's operation. This study considered six firm characteristics; leverage, liquidity, operating expenses, growth rate, firm size and firm age. Performance reflects how business entity utilized firm's resource to generates profit and maximize the shareholders' wealth. Many variables can be used to measure performance; among them are: profit margin, return on capital employed, return on equity among others. Return on shareholders' funds used by this study to measure firm's performance. This will show amount of net profit received by shareholders as a gain from their investment in company.

Many past research works have examine influence of firm characteristics on performance (Hsu, 2013; Kartiningsih and Daryanto, 2020; Olowokure, et. al., 2016; Shehu and Ahmad, 2013 and Syed, 2013) amidst others. Most of these studies focused on few firm characteristics (Jeffery & Andrew, 2013 and Onyekwelu, et. al., 2017). Many past studies used return on assets and profit margin to measure performance (Dogan & Topala, 2014; Efuntade & Akinola,2020, Waweru & Riro, 2015) to our best of knowledge non of these past research studies use return on shareholders' funds to measure firm performance. Moreover, few existing studies focused on firms in Nigeria (Abdullahi, 2016; Amahalu and Ezechukwu, 2017 and Efuntade and Akinola, 2020) were not taken into consideration impact of operating expenses on company's performance although other independent variables like leverage, liquidity and company's size were captured. Past empirical studies also showed mixed results, some studies finding positive and significant impact of firm characteristics on performance (Fosu, 2013; Hunjra, et. al., 2014; and Mesut, 2013). Some study revealed positive but insignificant impact between the two variables (Erasmus, 2013; Solakoglu, 2016 and Syed, 2013). Due to absence of agreement from previous research works, this research work wants to contribute to existing studies by investigates influence of company's characteristics (using multiple variables) on financial performance (measure by return on shareholders' funds) of fast consumer movable goods firms quoted on Nigeria stock exchange from 2008 to 2019.

Consequently, this research study objective is to investigate impact of firm's characteristics on return on shareholders' funds of quoted fast consumer movable goods companies in Nigeria. This research work will be beneficial to the management and shareholders of fast consumer movable goods firms in Nigeria to know influence of firm characteristics on return on shareholders' funds. Following this introductory section the remaining of this study structured as follows: section two contains conceptual clarification, theoretical framework and review of related literature, while third section outlines research technique. Section four

provides the study's findings and discussion. Section five concludes the study and recommendations were suggested.

2. LITERATURE REVIEW

2.1. Conceptual Clarifications

Firm characteristics can be referred to as the attributes that determine firm performance and success of business organisation. Firms can be differentiate from one another based on their different characteristics. Abdullahi (2016) posted that firm's characteristics are diverse financial data reported in financial statement of a firm for a period of time, usually a year, that show a signal to different stakeholders about the financial success of company. Firm distinctives are unequal variables specific to individual firm that may raise perception in the mind of the stakeholders that use financial statements. These characteristics vary from one firm to another. In the literature various firm characteristics are identified by past authors (Dogan & Topala, 2014; Erasmus, 2013; Kartiningish & Daryanto, 2020 and Waweru & Riro, 2015). The firm characteristics considered by this study are: leverage, liquidity, operating expenses, growth rate, firm's size and firm's age.

Leverage which is proportion of total debt to total assets of the firm. It shows how firm use it debt-equity to finance its assets. Most of the time firm's management use high leverage to improve the firm performance. Previous studies (Amahalu and Ezechukwu, 2017; Efuntade and Akinola, 2020; Fosu, 2013 and Solakoglu, 2016) results showed a strong impact of leverage on firm's performance and explained that increases in leverage, increase firm's shareholders' value, as a result of increase in profitability and increase in market value per share. Different methods are used in the literature to measure leverage; in this research work total debt to total assets was used. Liquidity is another firm's characteristics considered by this study, which can be defined as firm's ability to settle firm's current obligations as at when due. It represents amount of current assets than can be comfortably change to cash for daily activities of the firm. Firm needs a very sound liquidity to gain confidence of trade creditors and provider of short-term capital. Standard current ratio of 2:1 is recommended for healthy firm, this ratio will indicates whether or not the firm is protected against danger of insolvency. This variable measured in this study by dividing current assets by current liabilities.

Operating expenses are expenditure which firm incurred in the course of normal activities. These are costs associated with operating activities of a firm. These expenses can be traced to production of goods and services. There is a strong link between operating expenses and firm's financial success,

Adeyemi, A. Z., Oke, A. A. & Adenle, O. E.

FIRM CHARACTERISTICS AND RETURN ON SHAREHOLDERS' FUNDS: EVIDENCE FROM LISTED FAST CONSUMER MOVABLE GOODS COMPANIES IN NIGERIA

since increase in operating expenses will reduce firm's profitability and vice versa. Operating expenses measured in this study by dividing total operating expenses by total assets. Growth rate can be described as increase in value of a firm. It can be increase in size, number or value of a firm. It is different in value of a firm in particular year compare with previous year. Higher growth rate means expansion, enlargement and development which will lead to higher turnover, more profit and increase in shareholders' return inform of higher dividend payment. Growth rate measured by this study as total assets of current year less total assets of previous year, divided by total assets of current year.

Firm's size can be defined as a scale that can be used to classified firms into big or small firm. Many variables can be employed to measure firm size among them are: total sales, total assets, number of branches or offices and number of workers. It is expected that firm with bigger size will perform better than firm with small size; this will have impact on the profitability and return to shareholders. Firm size measured by this study as natural logarithm of firm's total assets. Firm's age can be described as length of life of a firm since it incorporation till existing period. Company's age is anticipated to has impinge on the company financial success. The older the firm the more experience such firm would has, the higher the performance. The older the firm the more economies of scale it will enjoy. This will result to increase in units produced with low cost per unit, increase in turnover, higher profit and more return to shareholders. Firm age measured by this study as number of year since firm incorporation.

Return on shareholders' funds is one of measurement used by the past studies to measure performance of firms. Others variables used to measure performance include return on assets, return on sales, tobin-q among others. Return on shareholders' funds is an important measurement of financial achievement of a company, which will indicates how company achieved its financial success and maximized shareholders' wealth. It measures the efficiency of firm in generating profit from each unit of shareholders' funds. It focuses on value creation from management of firm to the shareholders. Furthermore, it shows the ability of firm's management to create value for the shareholders, since firm is able to generate more returns that exceed the cost of capital. The return on shareholders' funds calculated in this study as earnings after interest and tax divided by total shareholders' equity. Fast consumer movable goods companies in Nigeria consist of companies that produce foods, drinks, detergents and beauty products. This sector of Nigeria economy produce high level products consume by teeming population and their products available nationwide. As at 31st December, 2020, twenty-seven fast consumer movable goods companies were listed on Nigeria stock exchange.

2.2. Theoretical Framework

Different theories have been linked with firm characteristics and performances among them are: agency theory, signaling theory, growth theory, organisational theory, stakeholders' theory and stewardship

Adeyemi, A. Z., Oke, A. A. & Adenle, O. E.

FIRM CHARACTERISTICS AND RETURN ON SHAREHOLDERS' FUNDS: EVIDENCE FROM LISTED FAST CONSUMER MOVABLE GOODS COMPANIES IN NIGERIA

theory. Stewardship theory repertitious to be highly suitable theory for this research work. Stewardship theory propounded by Donaldson and Davis (1991) founded on assumption that interest of management of company will be in aligned with shareholders' interest; therefore managers whose behaviour are in line with the goals of shareholders should manage the firms. Hence, managers are expected to take decisions that would maximize performance of the firm and maximise shareholders' wealth. The theory explained that managers should manage firm's assets effectively and perform his roles as individual who want progress of the firm. The theory maintains that there should be no conflict of interest between management of firm and owners, and firm characteristics mechanisms should make effective coordination between the managers and shareholders possible.

Other supporters of this theory (Dalto and Canella, 2003; Lane, et. al., 1998 and Van-Slyke, 2006) believed that stewardship relationship should be based on the trust and honesty developed between managers and shareholders. They opined that there is gain in cooperation than individual behaviour and performance of management of firm would maximizing shareholders' wealth, and at the same time meet managers personal needs. They place high value on organization's goals than other parties involved in managing the affairs of the company. They explained that managers should protect and maximise the shareholders' wealth through organization performance, on the other hand, owners of the company should put in place suitable mechanisms and power that would facilitate autonomy of managers to take necessary decisions that would help them to achieve organization's objectives.

2.3. Review of Related Literature

Relationship between firm characteristics and performance has been investigated by many past research studies using different variables in both developed and emerging countries. Kartiningsih and Daryanto (2020) examined influence of firm's distinguish feature on financial success of food and beverages firms in Indonesia. The study used sample of twelve listed companies in food and beverage sub-sector in the country stock excgange. The authors used correlation matrix and multiple linear regression to analyse data collected from the sampled firms. Study's results revealed that firm's age, firm's size and leverage have strong and important impact on performance.

Another research work by Efuntade and Akinola (2020) studied impact of firm's specific feature on profitability of listed manufacturing firms in Nigeria for the period of fourteen years, 2005 to 2018. The authors employed descriptive statistics and panel data regression to analyse data collected. The study panel data regression results revealed that firm's age, firm's size and growth have vigorous and fundamental influence on return on assets. Liquidity and leverage have negative but minor influence on return on assets.

Kwaltommai, et. al. (2019) utilised generalised method moment to undersaw effect of firm's characteristics on performance of manufacturing companies in Nigeria. Authors used data of 5 sampled companies from 2007 to 2016. Return on equity used to capture performance while firm's size, firm's age and leverage employed to capture firm's characteristics. Data analysis done using multiply regression model. Study's results indicated that firm's size has a favorable and substantial effect on return on equity. Leverage and firm's age have strong but negligible effect on return on equity.

Furthermore, the work of Nyamiobo, et. al. (2018) investigated influence of firm's features on financial accomplishment of quoted companies in Kenya. The study sample size comprised 172 financial and non financial firms. The authors employed leverage, liquidity, company size, company age and corporate social responsibility as variables of firm characteristics, while return on assets used measure performance. Multiple linear regression model employed to analyse data collected. Results of multiple linear regression model indicated that company's age, company's size, leverage and liquidity have strong and considerable impact on financial performance of sampled firms.

Onyekwelu, et. al. (2017) conducted study on influence of firms' features on financial performance of oil and gas firms in Nigeria. The authors used sample size of three listed oil and gas firms in Nigeria stock exchange from 2007 to 2016. The study employed sales growth and leverage to capture firm features, while return on assets used to capture financial performance. Data collected were analyse using multiple regression model. Study's results indicated that sales growth and leverage have negative but insignificant influence on return on assets of sampled firms.

Another study carried out by Amahalu and Ezechukwu (2017) undersought effect of firms' characteristics on profitability of quoted Deposit Money Banks (DMBs) in Nigeria. Authors used sample of eight listed DMBs in Nigeria stock exchange from 2010 to 2015. Bank's size, bank's age and leverage were used to capture firm characteristics, while ROE and ROCE employed to measure profitability. Pearson correlation coefficient and ordinary lease square methods were employed to analyse data collected. Study's results showed that bank's size and bank's age have positive and significant effect on ROE and ROCE. Leverage has strong but negligible effect on ROE and negative and significant effect on ROCE.

Solakoglu (2016) investigated role of company's characteristics on profitability in Turkey. Author employed sample of twenty-five quoted companies in Borsa stock exchange from 2010 to 2014. Firm's size, sales growth and leverage used to capture company's characteristics, while ROE used to capture firm's profitability. Correlation matrix and panel regression model were employed to analyse data. Study's results indicated that firm's size and leverage have favourable and important influence on ROE. Sales growth has vigorous but minor influence on ROE.

Adeyemi, A. Z., Oke, A. A. & Adenle, O. E.

FIRM CHARACTERISTICS AND RETURN ON SHAREHOLDERS' FUNDS: EVIDENCE FROM LISTED FAST CONSUMER MOVABLE GOODS COMPANIES IN NIGERIA

Abdullah (2016) evaluated firm governance mechanisms and financial performance of quoted building materials companies in Nigeria. Sample of seven qouted companies was used from 2005 to 2014. Leverage, firm's size, liquidity, operating expenses and managerial shareholdings were used to capture firm governance mechanisms, while ROA used to capture financial performance. Generalised least square multiple regression employed to analyse data collected. Results of the study established that firm's size and leverage have negative and considerable impact on ROA. Liquidity, operating expenses and managerial shareholdings have positive but insignificant impact on ROA of building materials firms in Nigeria.

Hunjira, et. al. (2014) analyzed the impact of microeconomic variables on firms' performance. The study used simple of twenty-six cement companies quoted in Karachi stock exchange, from 2002 to 2012. Authors used leverage, firm's age, firm's size and growth to measure microeconomic variables, while ROA and ROE were employed to measure firms' performance. Data collected were analysed using fixed effect regression model. Fixed effect regression model results showed that firm's size, firm's age and growth have positive effect on ROA. Growth and firm's size have strong impact, while leverage has adverse effect on ROE of sample cement companies in Pakistan.

3. METHODOLOGY

3.1. Sample Size and Data

This research work adopts correlational research design which is appropriate to investigate the relationship among the variables employed in this study. Population of this study comprises all the 27 fast consumer movable goods firms quoted on Nigeria stock exchange as at 31st December, 2020. Sixteen firms out of twenty-seven firms are selected as sample size for the study based on availability of adequate financial records. The sampled firms are: Cadbury Nigeria Plc., Champion Brewery Plc., Dangote Flour Mills Plc., Dangote Sugar Refinery Plc., DnMyre and Rubber Plc., Flour Mill Nigeria Plc, Guinness Nigeria Plc., International Breweries Plc., Nestle Nigeria Plc., Nigerian Brewery Plc., Nigerian Enamel Ware Plc., Northern Nigeria Flour Mill Plc., P.Z. Cussons Nigeria Plc., Unilever Nigeria Plc., Union Dicon Salt Plc., and Vitafoam Nigeria Plc. Secondary data obtained from financial statements of sixteen sampled companies from 2008 to 2019 were used.

In line with past research studies (Abdullahi 2016; Kartiningsih & Daryanto, 2020; Mesut, 2013; Shehu & Ahmad, 2013 and Waweru & Riro, 2015) return on shareholders' funds used by this study to capture firm performance and measured by firm's total earnings after interest and tax divided by total shareholders' equity. Firm characteristics, the explanatory variables captured by leverage, liquidity,

Adeyemi, A. Z., Oke, A. A. & Adenle, O. E.

**FIRM CHARACTERISTICS AND RETURN ON SHAREHOLDERS' FUNDS: EVIDENCE FROM LISTED FAST
CONSUMER MOVABLE GOODS COMPANIES IN NIGERIA**

operating expenses, growth rate, firm's size and firm's age. Descriptive statistics, correlation matrix and multiple regression were used to analysis data.

TABLE 1. DESCRIPTION OF VARIABLES

Variables	Acronym	Measurement and Source
(a) Dependent Variable: Return On Shareholders' Funds.	ROSF	Earnings After Interest and Tax divided by Total Shareholders' Equity. (Syed, 2013: Kwaltommai, et. al., 2019).
(b) Independent Variables: (i) Leverage.	LEVG	Total Debt divided by Total Assets (Shehu and Ahmad, 2013; Olowokure, et. al., 2016)
(ii) Liquidity.	LQDT	Current assets divided by Current Liabilities. (Mesut, 2013; Waweru and Riro, 2015).
(iii) Operating Expenses.	OPES	Total Operating Expenses divided by Total Assets. (Abdullahi, 2016; Irom, et. al., 2018)
(iv) Growth Rate.	GWRT	(Total Assets in Current Year minus Total Assets in Previous Year) divided Total Assets in Current Year. (Hunjra, et. al., 2014; Onyekwelu, et. al., 2017).
(v) Firm's Size.	FMSZ	
(vi) Firm's Age	FMAG	Natural Logarithm of Firm's Total Assets. (Dogan and Topala, 2014; Kwaltommai, et. al., 2019).

Adeyemi, A. Z., Oke, A. A. & Adenle, O. E.

FIRM CHARACTERISTICS AND RETURN ON SHAREHOLDERS' FUNDS: EVIDENCE FROM LISTED FAST CONSUMER MOVABLE GOODS COMPANIES IN NIGERIA

		Number of Years since Firm Incorporation. (Efuntade and Akinola, 2020; Kartiningsih and Daryanto, 2020).

Source: Authors' Computation 2021

3.2. Model Specification

This study employed multiple regression model expressed as:

ROSF=f(LEVG,LQDT,OPES,GWRT,FMSZ, FMAG)...................................(i)

Model stated in econometric form as:

$ROSF_{it}= \beta_0 + \beta_1 LEVG_{it} + \beta_2 LQVT_{it} + \beta_3 OPES_{it} + \beta_4 GWRT_{it} + \beta_5 FMSZ_{it} +$

$\beta_6 FMAG_{it} + \varepsilon_{it}$..(ii)

Where: ROSF = Return on Shareholders' Funds.

LEVG = Leverage.

LQDT = Liquidity.

OPES = Operating Expenses.

GWRT= Growth Rate.

FMSZ = Firm Size.

FMAG = Firm Age.

β_0 = Intercept.

β_1-β_6 = Coefficient of Each Independent Variable.

i = Number of Sampled Firms.

t = Number of Years Covered by the Study.

ε_t = Error Term.

4. RESULTS AND DISCUSSION

4.1. Descriptive Statistics

TABLE 2. DESCRIPTIVE STATISTICS RESULTS

Variables	ROSF	LEVG	LQDT	OPES	GWRT	FMSZ	FMAG
Mean	0.065	0.531	1.163	0.133	0.036	9.746	32.613
Minimum	-0.033	0.240	0.152	0.098	-0.206	7.381	12
Maximum	0.405	0.746	2.023	0.421	0.195	13.453	74
Standard Deviation	0.198	0.176	1.244	0.119	0.086	6.869	18.274

Adeyemi, A. Z., Oke, A. A. & Adenle, O. E.

FIRM CHARACTERISTICS AND RETURN ON SHAREHOLDERS' FUNDS: EVIDENCE FROM LISTED FAST
CONSUMER MOVABLE GOODS COMPANIES IN NIGERIA

| Skewness | -1.071 | 1.348 | 1.629 | 1.503 | -0.682 | -0.891 | 1.340 |
| Observation(N) | 192 | 192 | 192 | 192 | 192 | 192 | 192 |

Source: Authors' Computation 2021

As depicted in Table 2, Return on Shareholders' Funds (ROSF) has a mean value 0.065, lowest and highest figures of -0.033 and 0.405 respectively. Mean worth showed that average return on shareholders' funds is more than 6% in listed fast consumer movable goods firms in Nigeria for the time covered by research work. Leverage ranged from smallest value of 0.240 to highest value of 0.746, with average figure of 0.531. This implied that sampled firms financed their total assets by more than 53% of total debt and sampled firms used more debt than shareholders' funds in their capital structure. The mean value of liquidity is 1.163, lowest worth is 0.152 and highest worth is 2.023. Mean value showed that sampled firms used low current assets to financed current liabilities. Operating expenses smallest and highest figures are 0.098 and 0.421 respectively, with average value of 0.133. This implied that in average sampled firms committed more than 13% of their total assets to produce their products. Growth rate minimum value is -0.206 and maximum value 0.195, with mean value of 0.036. This showed that sampled firms grow at more than 3% for the period covered by the study. The firm's size ranged from minimum value of 7.381 to maximum value is 13.453, with mean value of 9.746. Firm's age minimum value is 12 years and maximum value is 74 years, with mean value of 32 years.

The standard deviation values of 1.244, 0.086, 0.119 and 6.869, compare with mean value of 1.163, 0.036, 0.1333 and 9.746 of liquidity, growth rate, operating expenses and firm size respectively showed that there are moderate variation between these variables and their mean values. Standard deviation values of return on shareholders' funds, leverage and firm size of 0.198, 0.176 and 18.274 respectively compare with mean values of 0.065, 0.531 and 32.613 respectively implied that there are significant variation between these variables and their mean values. Amongst the explanatory variables firm age had the highest standard deviation of 18.274. This implied that the variable has lowest contribution to the explained variable (return on shareholders' funds). Also growth rate has the lowest standard deviation of 0.086. This showed that growth rate had highest contribution to return on shareholders' funds. The skewness values of all variables close to 0 and 1, this indicated that variables are normally distributed. Also, skewness figures showed that leverage, liquidity, operating expenses and firm's age are positively skewed. Return on shareholders' funds, growth rate and firm's size are negatively skewed.

4.2. Correlation Analysis

Adeyemi, A. Z., Oke, A. A. & Adenle, O. E.

FIRM CHARACTERISTICS AND RETURN ON SHAREHOLDERS' FUNDS: EVIDENCE FROM LISTED FAST CONSUMER MOVABLE GOODS COMPANIES IN NIGERIA

TABLE 3. CORRELATION MATRIX RESULTS

Variables	ROSF	LEVG	LQDT	OPES	GWRT	FMSZ	FMAG
ROSF	1						
LEVG	-0.281 (0.026)	1					
LQDT	0.365 (0.000)	-0.317 (0.011)	1				
OPES	-0.143 (0.283)	0.296 (0.037)	-0.105 (0.108)	1			
GWRT	0.106 (0.104)	0.101 (0.080)	-0.069 (0.103)	0.083 (0.141)	1		
FMSZ	0.381 (0.000)	0.085 (0.134)	0.236 (0.087)	-0.352 (0.000)	0.108 (0.116)	1	
FMAG	0.317 (0.036)	0.406 (0.018)	0.191 (0.123)	-0.106 (0.044)	0.167 (0.131)	0.037 (0.219)	1

Source: Authors' Computation 2021

Table 3 results revealed the relationship among the variables employed for this study. The liquidity and firm's size have positive and strong relationship with Return on Shareholders' Funds (ROSF) with β-values of 0.365 and 0.381 respectively at 1% significant level. Firm's age also has positive correlation with ROSF with β-value of 0.317 at 5% level of significance. The positive correlation of growth rate with ROSF is positive but insignificant, with β-value of 0.106 and p-value of 0.104. In contrast, leverage is negatively correlated with ROSF and the adverse relationship between the two variables is significant at 5%. Operating expenses negative relationship with return on shareholders' funds is not statistically significant. The relationship among the explanatory variables indicated that leverage is positively related with growth rate, operating expenses, firm's size and firm's age. Liquidity is positively correlated with growth rate, firm's size and firm's age. The liquidity is negatively related with leverage, and operating expenses is unfavorably related with firm's size and firm's age.

4.3. Robustness Test Results

TABLE 4. RESULTS OF MULTICOLLINEARITY

Independent Variable	Variance Inflation Factor Value	Tolerance Value
LEVG	1.86	0.715

Adeyemi, A. Z., Oke, A. A. & Adenle, O. E.

FIRM CHARACTERISTICS AND RETURN ON SHAREHOLDERS' FUNDS: EVIDENCE FROM LISTED FAST CONSUMER MOVABLE GOODS COMPANIES IN NIGERIA

LQDT	2.14	0.849
OPES	2.31	0.792
GWRT	1.93	0.696
FMSZ	1.37	0.881
FMAG	1.65	0.617

Source: Authors' Computation 2021

Multicollinearity test was conducted to investigate existence of multicollinearity among the variables. The results of variance inflation factor and tolerance values which have values less than 5 and 1 respectively in Table 4 showed the absence of multicollinearity. This is also buttress by the results of correlation analysis in Table 3, which showed low correlation coefficient values and insignificant connection among the explanatory variables.

4.4. Regression Analysis

This research work used both fixed and random effect models to analyse data collected. Hausman test employed to determine better model between fixed and random models. The Hausman test results showed that fixed effect model is better than random effect model, since calculated chi-square is 5.398 and p-value is 0.016, which is less than 0.05, therefore, results of fixed effect model interpreted.

TABLE 5. REGRESSION ANALYSIS RESULTS

Adeyemi, A. Z., Oke, A. A. & Adenle, O. E.

FIRM CHARACTERISTICS AND RETURN ON SHAREHOLDERS' FUNDS: EVIDENCE FROM LISTED FAST CONSUMER MOVABLE GOODS COMPANIES IN NIGERIA

Model	Fixed Effect Model Dependent Variable: ROSF			Random Effect Model Dependent Variable: ROSF		
Independent Variables:	Coefficient	t-value	p-value	Co-efficient	t-value	p-value
Constant	2.439	5.401	0.026	2.641	5.641	0.030
LEVG	-1.068	3.815	0.038	-1.201	3.950	0.046
LQDT	0.982	1.604	0.124	1.069	1.684	0.130
OPES	-1.251	4.012	0.095	-0.962	3.878	0.113
GWRT	2.874	5.690	0.010	3.136	5.804	0.013
FMSZ	4.536	6.274	0.000	4.610	6.389	0.000
FMAG	3.510	4.943	0.015	3.684	5.016	0.017
R-Square	0.698			0.624		
Adjusted R-Square	0.671			0.587		
F-Statistic	8.159			6.993		
Prob. (F-Statistic)	0.0001			0.0003		
Durbin Watson Stat	1.896			1.712		
Hausman Test Results:	Chi-square = 5.398			p-value = 0.016		

Source: Authors' Computation 2021

Table 5 presents summary of fixed and random effect models. Hence, only results of fixed effect model are interpreted. The table showed that leverage has an adverse and substantial influence on Return on Shareholders' Funds (ROSF) with β-value of -1.068 and p-value of 0.038, that significant at 5%. This implied that 1% increase in leverage decreases ROSF by more than 1.06%. This result corroborated research works of Nousheem and Arshad (2013) and Jeffrey and Andrew (2013) that reported that leverage has negative and substantial effect on ROE. Nevertheless, it is contradicts study of Irom et. al. (2018) who reported that leverage has positive and substantial influence on ROE. Liquidity has a positive but insignificant effect on ROSF, since it β-value is 0.982 with p-value of 0.124. It implied that 1% increase in liquidity, increases ROSF by more than 0.98%. This is in agreement with research works of Abdullahi (2016) that established that liquidity has strong but minor effect on ROSF. The result contradicts findings of Mesut (2013) who reported that liquidity has undesirable and fundamental influence on ROSF.

The Operating expenses has negative and minor impact on the ROSF, since β-value is -1.251 and p-value is 0.095. This indicated that 1% increase in operating expenses decreases return on shareholders' funds by more than 1.25%. This supports the findings of Fosu (2013) and Mokhtar et. al.

(2014) that showed result of negative and minor effect of operating expenses on ROSF. Growth rate has vigorous and significant influence on ROSF, with β-value of 2.874 and p-value of 0.0103. It implied that 1% increase in growth rate, increases return on shareholders' funds by more than 2.87%. This is in agreement with research worhs of Erasmus (2013) and Waweru and Riro (2015) who reported that growth rate has favourable and important influence on ROSF.

Furthermore, result inTable 5 also exhibits evidence of positive and substantial influence of firm's size on ROSF. The β-value of firm's size is 4.536 with p-value of 0.000. This showed that 1% increase in firm's size, increases return on shareholders' funds by more than 4.53%. This agrees with the studies of Hunjra, et. al. (2014) and Kwaltommai, et. al. (2019) who found favourable and essential influence of firm's size on ROSF. Firm's age β-value of 3.510 with p-value of 0.015, indicated that firm's age has positive and substantial influence on ROSF. Also, β-value of 3.510 showed that 1% increase in firm's age, increases return on shareholders' funds by 3.51%. This finding supported outcomes of Dogan and Topala (2014), Olowokure, et. al. (2016) and Onyekwelu, et. al. (2017).

In addition, Table 4 indicated that R-square (the coefficient of determination) with value of 0.698 implied that independent variables considered in this study explained more than 69% variations in dependent variable (return on shareholders' funds). The remaining less than 31% can be traced to other variables not captured by this study. Durbin-Watson statistics value of 1.896, which is close to 2, indicated that autocorrelation problem did not exist. The F-statistics value of 8.159, with p-value of 0.0001, showed that predictor variables are jointly significant in explaining sampled firms' return on shareholders' funds.

5. CONCLUSION AND RECOMMENDATIONS

This research work explored impact of firm characteristics on return on shareholders' funds of quoted fast consumer movable goods companies Nigeria. Data obtained from financial statements of sampled sixteen firms were used. Results of fixed regression model showed that growth rate, firm's size and firm's age have strong and substantial influence, while liquidity has strong but negligible influence on return on shareholders' funds. Leverage and operating expenses have adverse effect on return on shareholders' funds. Overall results showed that collectively all the firm characteristic variables considered by this study had positive and significant impact on return on shareholders' funds of sampled listed companies.

Based on findings, this research work that sampled listed fast consumer movable goods companies need to maintain the existing or further increase their liquidity, growth, firm size and firm age, since these variables of firm characteristics have positive impact on return on shareholders' funds,

Furthermore, management of sampled companies need to reduce their leverage and operating expenses since these variables have negative impact on shareholders' return.

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