

Board Composition and Performance of Listed Deposit Money Banks in Nigeria

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Abstract : This study assessed the Impact of Board Composition on the Performance of Listed Deposit Money Banks in Nigeria. A sample of ten (10) deposit money banks formed the sample of this study. Board size, gender diversity, and board independence were used as the independent variables, and firm size as a control variable, while the bank performance was proxy with Tobin's Q (TQ) as the dependent variable. Secondary data was collected from secondary source through the annual report and account of the banks and was analyzed through the support of STATA 14 versions. Descriptive statistics, correlation matrix, and OLS multiple regression model were adopted for the study. Breusch and Pagan Lagrangian multiplier test for random effect was conducted. The findings of the study reveal that board size has positive and significant impact on Tobin's Q, gender diversity has positive and significant impact on Tobin's Q, while board independence had a negative and nonsignificant influence on the Tobin's Q. Similarly, firm size was found to have a negative and nonsignificant impact on Tobin's Q of the study banks. This study recommended that policy makers, stakeholders, and corporate managers of deposit money banks of Nigeria and related industries are encouraged to adopt board sizes and gender diversity that impact positively on bank performance.

Keywords : board composition, performance, deposit money banks, Nigeria

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