THE IMPACT OF OWNERSHIP STRUCTURE ON THE DIVIDEND PAYOUT POLICY OF SELECTED QUOTED BANKS IN NIGERIA

By

Abubakar, Halimatu Sa'adiya

Department of Accounting

Nasarawa State University, Keffi, Nigeria

Email:*abubakarhalimatu@gmail.com*

Abstract

This study examines the relationship between ownership structure and dividend payout policy of selected listed banks in Nigeria. The objective of the study is to examine effect of managerial ownership and ownership concentration on dividend payout policy for the period of six (7) years from 2007 to 2013(post-corporate governance code for banks in Nigeria). Data were obtained from the annual reports of the sampled banks and analyzed using Ordinary Least Square regression (OLS). The regression results shows that there is no significant relationship between managerial ownership, ownership concentration and dividend payout policy post corporate governance code for banks in Nigeria. The study recommends that directors should increase their shareholding in order to reduce the use of dividend as a monitoring tool and lower agency problem; large shareholders should not be allowed to increase their shareholding as they will use their control right to encourage increased dividend payment at the expense of the growth, further investments and rights of the minority shareholders in the banks.

Key Words: Ownership Structure, Dividend Payout Policy and Agency Theory

Introduction

A major conflict of interest between managers of firms and their shareholders is stewardship. Stewards are agents employed by owners of funds to manage their (owners of capital) affairs called agency relationship. Owners of capital usually compel their agents to periodically account for the way and manner they have handled their wealth. It is at this point that conflict of interest arises between the managers and their shareholders. Shareholders prefer distributed profit in form of dividend which they believe it will serve as a monitoring tool on their managers while managers prefer to retain earnings for so many reasons e.g. further investment which they consider to be healthy for the growth of the firm (Arshad, Akram, Amjad and Usman, 2013). This agency relationship and conflict of interest between managers and their shareholders gives rise to the need for a study of the relationship between ownership structure and dividend payout policy.

The shareholding structure of a firm comprises of corporate or managerial shareholding, foreign shareholding, institutional shareholding, individual shareholding, etc with each category wanting to dominate the ownership structure of the company. This is because it is assumed that the category of shareholders with the highest shareholding will dominate the decision making of the firm e.g. dividend decisions such as payout policy. The ownership structure with insider shareholding as the highest ownership concentration is one of the tool used to reduce agency cost

between the interest of managers and their shareholders, but the effect on dividend policy brings about new conflict of interest by reducing dividends or maintaining payout at lower levels and using cash for their benefits (Ehsan, Tabassum, Akram and Nasir, 2013). This means where the majority of holders of shares of the company are individuals (owners of capital) then the support for dividend payment will be high, but where managerial shareholding is higher, then dividend payment decisions will be minimized. The question is does ownership structure influence dividend payout policy of firms?

However, banks in Nigeria have experienced financial crisis before the enactment of corporate governance code for banks in Nigeria in 2006. One of the crises faced by banks is this agency conflict between managers and shareholders and one of corporate governance variables is ownership structure. This study seeks to establish "What is the relationship between ownership structure and dividend payout policy of selected banks listed in Nigeria?"

The major objective of this study is to examine the effect of ownership structure on dividend payout policy of selected banks listed in Nigeria. The specific objectives are as follows:

- To determine the effect of managerial ownership on the dividend payout policy of selected banks listed in Nigeria.
- To ascertain the effect of ownership concentration on the dividend payout policy of selected banks listed in Nigeria.

The researcher has chosen these specific objectives because the information about ownership structure shown in the annual reports of the selected banks is mostly managerial ownership and individual ownership. Other categories of ownership are not reflected in the reports of the selected banks.

The hypotheses formulated for the study are as follows:

- **H_0:** There is no significant relationship between managerial ownership and dividend payout policy of selected banks listed in Nigeria.
- **H_0:** There is no significant relationship between ownership concentration and dividend payout policy of selected banks listed in Nigeria.

Dividend Payout Policy

Dividend payout policy is concerned with the payment of dividends now or the retention of earnings for capital gains i.e. the optimal dividend payout ratio that maximizes the combined value of dividends paid plus capital gains (Akinsurulere, 2011). Dividend payout ratio is the ratio of ordinary dividends to retained earnings i.e cash dividend per share divided by earnings per share.

Ownership Structure

Ownership structure is the shareholding structure of firms and institutions which comprises of managerial shareholding, institutional shareholding, foreign shareholding, individual shareholding, e.t.c. Managerial shareholding is the proportion of company's total shareholding that belongs to the managers, board of directors, executives and their spouses including their minor children (Ehsan e'tal 2013). Institutional Shareholding refers to the sum of percentage of

the banks, insurance companies, investment firms, pension funds and other large scale financial institutions out of total capital shares of the firm (Sharma and Wadhwa, 2013). Individual shareholding is the percentage of shares held by individuals or the general public to the total number of shares held by the company while foreign shareholding is the proportion of shares held by foreign corporations and subsidiaries of the company to the total number of shares.

Ownership Structure and Dividend Payout Policy

Afza and Mirza (2010) in the study of ownership structure and cash flows as determinants of corporate dividend policy in Pakistan used dividend payout and dividend intensity as measure for dividend policy. Managerial ownership, individual ownership, operating cash flow and cash flow sensitivity are variables of ownership structure measured by proportion of shares held by board of directors and executive officers, proportion of shares held by individual investors excluding managers' proportionate shares, level of cash flow from operating activities and annual change in cash holdings to total assets respectively. Control variables used are firm size, leverage and profitability measured by log of assets, total liabilities to total assets and earnings per share respectively. The study used OLS to relate the dependent and independent variables. Managerial and individual ownership, cash flow sensitivity, size and leverage are negatively related with cash dividend while operating cash-flow and profitability are positively related with cash dividend. Managerial ownership, individual ownership, operating cash flow and size are significantly related with dividend behaviour while leverage and cash flow sensitivity are insignificantly related with dividend payment.

Ahmad and Javid (2010) in the study of the ownership structure and dividend payout policy in Pakistan (Evidence from Karachi stock Exchange 100 Index) used changes in dividend to measure dividend payout policy. Ownership structure measures are changes in earnings, corporate holding, foreign holding, director holding and financial institution holding while control variables are earnings growth, debt to equity ratio and growth in sales. The study used Ordinary Least Square (OLS) regression to associate the variables and the Full adjustment model, Partial adjustment model, Earnings trend model and Modified Fama Babiak Model were used to carry out the regression. The results support potential association between ownership structure and dividend payouts, though the association differs across different shareholders, dividend depends on past dividends, negative relationships exist between dividends and earning trends, debt equity is negative and insignificant related with dividends, financial Institution investor, director's ownership is unrelated with dividend growth, corporate investor's ownership is positive and highly significant with dividend growth e.t.c.

Ali Shah, Ullah and Hasnain (2011) in the study of impact of ownership structure on dividendpolicy of firm (evidence from Pakistan). Ownership structure is measured by thepercentage of shares held by board of directors divided bytotal numbers of shares while dividend yield (dividend paid/net income available to the shareholders) is used to measure dividend policy. Control Variables are Firm Size, Return on Equity (ROE) andLeverage proxy by total number of directors present in the Board of directors, net profit/ shares holder equity and

debt/ equity respectively. Common Effect Model has been applied as a research tool and the results have shown a positive relationship between ownership structures and dividend policy.

Mehrani, Moradi and Eskandar (2011) in the study of ownership structure and dividend policy: evidence from Iran. Ownership structure is measured by institutional ownership, concentrated institutional ownership and managerial ownership. Dividend policy is measured by total amount of ordinary dividend while the control variables used are size, leverage, market to book value and free cash flow. The study used four models toanalyze the link between ownership structure anddividend policy: Lintner Models (1956) (the full adjustment modeland the partial adjustment model), the Waud model (1966) andFama and Babiak model (2001) (earnings trend model). Results shows institutional ownership is negatively associated with dividend payout, positive relationship exist between dividend payout and concentrated institutional ownership, there is insignificant relationship between managerial ownership and dividend payout while control variables (Size, LEV, MTBV and FCF) are insignificantly related with dividend payment.

Ullah, Fida and Khan (2012) in the study of the impact of ownership structure on dividend policy evidence from emerging markets KSE-100 index Pakistan. Ownership structure variables are financial institutional share ownership, managerial share ownership and foreign share ownership using their respective proportion of shareholding to the total share capital as proxy. Firm size, firm value, free cash flow, leverage and firm volatility are used as control variables. Dividend policy is measured by dividend payout ratio and multiple regression is used to analyze the relationship between the variables. Results of regression shows there is significant negative relationship between the dividend payout ratio and the managerial share ownership, there is significant positive relationship between dividend payout ratio and institutional share ownership, and there is significant positive relationship between dividend payout ratio and foreign share ownership. Firm volatility, firm size, leverage and free cash flows have negative significant relationship with the dividend, while the firm value has positive relationship with the dividend payouts.

Warrad, Abed, Khriasat and Al-Sheikh (2012) in the study of the effect of ownership structure on dividend payout policy: evidence from Jordanian context. Dividend policy is measured by the return on assets (earnings before interest and taxes over total assets) and Tobin's q [(Equity Market Value + Liabilities Book Value)/(Equity Book Value + Liabilities Book Value)]. Ownership variables are private, government, foreign and family ownership structure while size and debt ratio are added to regression model as control variables. A multiple OLS regression analysis is performed using SPSS version 17 to analyze the relationship between the variables.

The results consistently support that there is positive and significant relation between foreign ownership structure and the dividends payout policy through Tobin's Q. However, the results document significant relationship between foreign ownership structure, company size and debt ratio and dividends policy measured by return on assets (ROA).

Arshad , Akram, Amjad and Usman (2013) related ownership structure and dividend policy. Ownership structure measures are board size and CEO duality role while dividend measures are dividend decision and dividend payout of firms. Control variables are profitability (ROA and ROE), growth, leverage and firm size. The study used descriptive analysis and correlation

analysis to analyse the relationship between variables. The results support the potential association between ownership structure and dividend payout policy and dividend decision.

Ehsan, Tabassum, Akram and Nasir (2013) in the study of role of insider and individual ownership structure in dividend payout policy: evidence from Pakistan. Dividend policy is measured by dividend payout (cash dividend per share to earnings per share). Insider ownership is measured by the sum of proportion of shares held by managers, board of directors, executives and their spouses including their minor children to the total number of shares issued by the firm. Individual ownership is measured by the percentage of shares held by individuals and the general public to the total number of shares held by the firm. Control variables are profitability, leverage and firm size measured by return on equity, ratio of long term debt to total asset and log of total assets respectively. The tool of analysis used is ordinary least square regression and the findings from the study are there is negative and significant relationship between insider ownership, individual ownership and dividend payout policy, there is positive and significant relationship between profitability and dividend payout policy, leverage is negative and significantly related with dividend payout while firm size is negative and insignificantly related with dividend payout.

Sharma and Wadhwa (2013) in the study of ownership structures and dividend policy: a study of Bombay stock exchange. Dividend policy is measured by dividend paid to equity shareholders to profit after tax. Ownership structure is measured by promoters/foreign institutional shareholding and institutional shareholding. Cash flows, net profit ratio and debt equity ratio are represents control variables in this study. The multiple regression analysis is applied to test the relationship. The result indicates all the independent variables (promoter, foreign institutional shareholding and institutional shareholding) are positive and significantly related with dividend policy, cash flow and net profit ratio are positive and insignificantly related with the dividend policy while debt equity ratio is negative and insignificantly related with dividend policy.

Theoretical Framework

Agency Cost Theory

Agency theory refers to interest conflicts between the manager i.e agent and owner i.e employers (Mehrani, Moradi and Eskandar, 2011). Dividends serve as a mechanism for reducing agency costs, thereby offering a rationale for the distribution of cash resources to shareholders. According to the agency theory, the more dispersed the ownership structure, the more severe the agency problems and thus the need for monitoring managers also increase. Monitoring managers' behaviour is more difficult when the ownership structure is widely dispersed. This is costly for shareholders, and the problem of collective action inhibits it. A monitor-shareholder would incur the full costs of monitoring, but he would reap gains only in a proportion to his holdings. Because shares are widely held, no one shareholder can capture even a little of the gain. The monitoring activity would be more effective if there were some agent who monitored managers on shareholders' behalf (Chen & Dhiensiri, 2009). Agency theory suggests that one of the ways to reduce equity agency costs is for managers to increase their common stock-ownership in the firm to better align their interests with stockholders' interests (Raml, 2010). The higher the proportion of common stocks held by managers, the more likely the owner-managers

act in the interests of shareholders and/or optimize the firm's value. Hence, a higher level of insider ownership leads to a lower agency problem and thus reduces the role of dividends as a monitoring tool (lower dividend pay-outs) to control for agency costs.

Signaling Theory

Signaling theory refers to the idea that the agents send information to the principal in order to create credible relationship and so managers have more firsthand information about the firm than firm's investors do but they are always reluctant to provide transparent information to the shareholders (Ullah, Fida and Khan, 2012).Signaling theory posits that dividends can convey information about the current or future level of earnings. Dividends convey information and dividends act as a signal of the stability of the firm's future cash flows. An increase in dividend is a signal to investors that the company's management predicts better earnings in the future and that a decrease in dividend is a signal of poor earnings in the future (Al-Deehani, 2003). It follows that investors might be attracted by the signal conveyed about future profits rather than the high rates of dividend payout (Brealey & Myers, 2000). There is, however, a general agreement in the literature that signaling is a value-relevant determinant of dividend policy. Motives of signaling nature include actions to indicate future profits, actions to get external finance, actions to help prevent a takeover, and complying with and adopting a policy of a parent company that wants to signal certain information.

Transaction Cost Theory

Another determinant of dividend policy relates to transaction costs and residual theory of dividend. Firms that have low transaction costs of equity or debt issuance may be more inclined to distribute cash dividends than firms that have high transaction costs (Pandey, 2008). Furthermore, a firm will pay dividends when its internally generated funds are not completely used up for investment purposes, and when it experiences low growth where it usually does not need large investment requirements. Transaction costs involved with the issues of securities are related to firm size. Larger firms were observed to have smaller issuing costs because of economies of scale. This indicates that firm size plays a role in explaining the dividend-pay-out ratio of firms.

Dividend Stability Theory (Preference for Dividend)

Dividend Stability Theory indicates that firms prefer, and financial markets expect, a certaindegree of stability in dividend payments (Baker & Powell, 1999). The theory stipulates that dividends are relevant under conditions of uncertainty because dividends resolve uncertainty in the minds of investors and therefore, prefer dividend than capital gains. Investors are risk averters and therefore, prefer near dividend to future dividend. Future dividends are discounted at a high rate than near dividends. This implies that discount rate increases with uncertainty. As a result, a firm paying dividends earlier will command a higher value than a firm which follows a policy of retention.

Tax Differential (Low and High Payout Clientele)

The tax-preference theory posits that low dividend payout ratios lower the required rate of return and increase the market valuation of a firm's stocks (Elston, Hofler, & Lee, 2004). Because of the relative tax disadvantage of dividends compared to capital gains investors require a higher before-tax risk adjusted return on stocks with higher dividend yields. Another closely related theory is the clientele effects hypothesis which assumes that investors may be attracted to the types of stocks that match their consumption/savings preferences. That is, if dividend income is taxed at a higher rate than capital gains, investors (or clienteles) in high tax brackets may prefer non-dividend or low-dividend paying stocks, and vice versa.

This study adopted the *agency cost theory* because it is more appropriate in deciding the relationship between ownership structure measures and dividend payout policy. The theory suggests that directors should increase their shareholding in the company in order to reduce agency problem and lower the role of dividend as a monitoring tool. The theory also suggests possible outcomes from the relationship between shareholding of large shareholders and dividend payout policy. The agency conflicts between managers and their shareholders such as shareholders' preference for dividend, managers' preference for retention and large shareholders expropriation of minority shareholders is better explained by the agency cost theory.

Methodology

The research design to be adopted for this study is the descriptive research design. Dividend Payout Policy of banks is the dependent variable measured by dividend payout ratio while Ownership Structure is the independent variables measured by managerial shareholding and ownership concentration. Managerial shareholding and Ownership concentration is proxy by the proportion of director shareholding and proportion of the shareholding of largest shareholders respectively. The control variables are growth of the bank and bank size measured by leverage and log of total asset respectively. The period of study is 7 years ranging from year 2007 to 2013. A Purposeful Random Sample of 3 banks out of the 22 banks listed on the Nigerian Stock Exchange is selected for the study using their Capital Base (Paid-Up Capital) as at 2013. The variables for ownership structure and dividend payout policy of banks met the requirement for quantitative data. Based on this; hypothesis formulated will be tested using Multiple Regression.

Model Specification

Ownership Structure and Dividend Payout Policy of Banks

$DPR_i = \alpha + \beta_1 DRS_{is} + \beta_2 LSS_i + \beta_3 LEV_i + \beta_4 BS_i + \varepsilon_i$ .....equation (1)

Where $DPR_i$is the dividend payout ratio (dividend per share to earnings per share) for the sample period, DRS_irepresents the director shareholding, LSS_irepresents shareholding of largest shareholders, LEV_irepresents leverage (total liabilities to total assets), BS_i represents bank size (log of total assets),$\varepsilon_i$represents the error term,while $\alpha$and βrepresent the coefficient and slope of regression. The proxy for the dependent variable is as used by Afza and Mirza (2010); Ullah, Fida and Khan (2012) and Ehsan e'tal (2013) while independent variables and control variables are as used byAfza and Mirza (2010); Ahmad and Javid (2010); Ali Shah, Ullah and Hasnain (2011); Mehrani, Moradi and Eskandar (2011); Ullah, Fida and Khan (2012); Warrad e'tal

(2012); Arshad e'tal (2013) and Ehsan e'tal (2013) in their study. The tool of analysis used for this study are as used by Ullah, Fida and Khan (2012); Warrad e'tal (2012) and Sharma and Wadhwa and (2013) in their study.

Data for Regression

The data for regression was obtained from the annual reports of banks listed on the Nigerian Stock Exchange. The ratio scale was used to convert all figures obtained into percentages.

Table 1.

	Banks	2007	2008	2009	2010	2011	2012	2013
DPR	UBA Plc	0.00	0.33	0.17	0.00	0.00	0.54	0.71
	Access Bank	0.00	0.20	0.92	0.56	1.32	0.69	1.48
	Fidelity Bank	1.28	1.33	0.00	0.00	0.00	0.45	1.56
DRS	UBA Plc	0.07	0.07	0.07	0.06	0.06	0.01	0.01
	Access Bank	0.18	0.12	0.15	0.11	0.11	0.09	0.10
	Fidelity Bank	0.07	0.04	0/05	0.05	0.05	0.02	0.02
LSS	UBA Plc	0.78	0.66	0.80	0.82	0.83	0.82	0.83
	Access Bank	0.40	0.51	0.52	0.62	0.64	0.66	0.68
	Fidelity Bank	0.80	0.67	0.56	0.56	0.25	0.21	0.21
LEV	UBA Plc	0.85	0.88	0.87	0.87	0.90	0.89	0.88
	Access Bank	0.91	0.83	0.73	0.75	0.80	0.84	0.86
	Fidelity Bank	0.86	0.75	0.74	0.72	0.82	0.82	0.85
BS	UBA Plc	13.75	14.10	14.01	14.03	14.21	14.35	14.49
	Access Bank	19.05	19.80	19.74	19.65	20.22	20.44	20.64
	Fidelity Bank	19.52	20.57	20.01	20.12	20.45	20.97	21.10

Source: Annual Reports of Banks (NSE).

Results and Discussion of Findings

The regression result is shown in table 2 below and it explains the relationship between the variables of ownership structure and dividend payout policy of selected banks listed in Nigeria.

Regression Result

Table 2: Ownership Structure and Dividend Payout Policy of banks.

Banks	α	β_1	β_2	β_3	β_4	R^2	Sig.
UBA Plc	-5.09	-0.49	-0.41	-0.46	0.86	0.96	0.86
Access Bank	-24.17	1.99	1.89	-2.34	0.82	0.92	0.16
Fidelity Bank	-72.22	-0.20	2.67	0.86	2.33	0.95	0.10

Source: SPSS.

$\beta_1, \beta_2, \beta_3$ and β_4 are coefficients of director shareholding, shareholding of large shareholders, leverage and bank size respectively.

The results of the regression analysis from 2007 to 2013 for UBA Plc shows that dividend payout ratio (DPR) will increase by 0.86% for every 1% increase in bank size. DPR will also decrease by 0.49%, 0.41% and 0.46% for every 1% increase in director shareholding, the shareholding of large shareholders and leverage respectively. At tα=5%, the significant level 0.86(86%) of more than 0.05 is insignificant. There is no significant relationship between dividend payout ratio and director shareholding, large shareholders shareholding, leverage and bank size.

The results of regression analysis from 2007 to 2013 for Access bank shows that dividend payout ratio (DPR) will increase by 1.99%, 1.89% and 0.82% for every 1% increase in director shareholding, shareholding of large shareholders and bank size respectively. DPR will also decrease by 2.34% for every 1% increase in leverage. At tα=5%, the significant level 0.16(16%) of more than 0.05 is insignificant. There is no significant relationship between dividend payout ratio and director shareholding, large shareholders shareholding, leverage and bank size.

The results of regression analysis from 2007 to 2013 for Fidelity bank shows that dividend payout ratio (DPR) will increase by 2.67%, 0.86% and 2.33% for every 1% increase in shareholding of large shareholders, leverage and bank size respectively. DPR will also decrease by 0.20% for every 1% increase in director shareholding. At tα=5%, the significant level 0.10(10%) of more than 0.05 is insignificant. There is no significant relationship between dividend payout ratio and director shareholding, large shareholders shareholding, leverage and bank size.

Findings from the study shows there is no significant relationship betweendividend payout ratioanddirector shareholding, large shareholders shareholding, leverage and bank size in the sample of banks selected for the study and this is similar to the results of Mehrani, Moradi and Eskandar (2011).Findings also show the following:

- Dividend payout ratio will decrease as director shareholding increases, which is similar to the findings of Afza and Mirza (2010) and Ullah, Fida and Khan (2012).
- Dividend payout ratio will increase as shareholding of large shareholders increase and this is contrary to the result of Afza and Mirza (2010).
- Dividend payout ratio will decrease as leverage increases and this is similar to the result of Ehsan e'tal (2013).
- Dividend payout ratio will increase as bank size increase which is different from the findings of Afza and Mirza (2010) and Ullah, Fida and Khan (2012).

Conclusion and Recommendations

Following the findings of this study it can be concluded that there is no significant relationship between ownership structure (managerial ownership and ownership concentration) and dividend payout policy of selected banks listed on the Nigerian Stock Exchange. The study recommends that managers and directors should increase their shareholding in the banks as this will reduce dividend as a tool for monitoring the activities of managers and lower agency problem. Large

shareholders should not be allowed by the banks to increase their shareholding as this will encourage high dividend payment at the expense of the growth, further investments and rights of the minority shareholders in the banks. Banks should consider the effect of their leverage position and size before taking dividend payout decisions as findings indicates that increase in leverage position will decrease dividend payment and increase in bank size will increase dividend payout.

References

Afza T. and Mirza H.H. (2010).Ownership Structure and Cash Flows as Determinants of Corporate Dividend Policy in Pakistan, *International Business Research, 3(3), 210-221.*

Ahmad H. and Javid A. (2010).The Ownership Structure and Dividend PayoutPolicy in Pakistan (Evidence from Karachistock Exchange 100 Index), *International Business, Management, Economics and Research, 1(1), 56-69.*

Akinsurulere O. (2011). *Financial Management.* Lagos, Nigeria: Ceemol Nigeria Limited.

Al-Deehani, T.M. (2003).Determinants of Dividend Policy: The Case of Kuwait. *Journal of Economics and Administrative Sciences, 19(2), 59-76.*

Ali Shah S.Z., Ullah W. and Hasnain B. (2011).Impact of Ownership Structure on Dividend Policy of Firm, *International Conference on E-business, Management and Economics,3, 22-26.*

Arshad Z., Akram Y., Amjad M. and Usman M. (2013).Ownership structure and dividend policy, *Interdisciplinary Journal of Contemporary Research in Business, 5(3),378-401.*

Barker N. K, Powell G.E. (1999).How Corporate Mergers View Dividends Policy, *QuarterlyJournal of Business and Economics, 38, 17- 35.*

Brealay, R. and Myers, S. (2000). *Principles of Corporate Finance*, Mc Graw-Hill.

Chen, J. and Dhiensiri, N. (2006).Determinants of Dividend Policy: The Evidence from New Zealand, *International Research Journal of Finance and Economics, 34, 19-28.*

Ehsan S., Tabassum N., Akram Z. and Nasir R. (2013).Role of Insider and Individual Ownership Structure in Dividend Payout Policy: Evidence from Pakistan, *Middle-East Journal of Scientific Research 17(9), 1316-1326.*

Elston, J.A., Hofler, R., and Lee, J. (2004).Dividend Policy and Institutional Ownership: Empirical Evidence Using a Propensity Score Matching Estimation. *Max Plansck Institute of Research into Economic Systems.*

Mehrani S., Moradi M. and Eskandar H. (2011).Ownership structure and dividend policy: Evidence from Iran,*African Journal of Business Management, 5(17), 7516-7525.*

Pandey, I.M. (2008). *Financial Management.* Mumbai, VIKAS Publishing House PVT Ltd.

Ramli, N.M. (2010).Ownership Structure and Dividend Policy: Evidence from Malaysian Companies, *International Review of Business Research Papers, 6, 171-172.*

Sharma D.K and Wadhwa R. (2013).Ownership Structures and Dividend Policy: A Study of Bombay Stock Exchange-500, *Global Journal of Management and Business Studies, 3 (4), 429-434.*

Ullah H. Fida A. and Khan S. (2012).The Impact of Ownership Structure on Dividend Policy Evidence from Emerging Markets KSE-100 Index Pakistan, *International Journal of Business and Social Science, 3 (9), 298-307.*

Warrad L., Abed S., Khriasat O. and Al-Sheikh I. (2012).The Effect of Ownership Structure on Dividend Payout Policy: Evidence from Jordanian Context, *International Journal of Economics and Finance, 4 (2), 187-195*

Appendix

UBA PLC

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.978[a]	.956	.868	.10435	.956	10.888	4	2	.086	3.017

a. Predictors: (Constant). BS, LSS, LEV, DRS

b. Dependent Variable: DPR

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	-5.094	5.566		-.915	.457	-29.044	18.856
	DRS	-5.134	3.991	-.494	-1.286	.327	-22.306	12.038
	LSS	-1.941	.823	-.410	-2.360	.142	-5.481	1.599
	LEV	-8.258	5.158	-.461	-1.601	.251	-30.450	13.934
	BS	1.017	.584	.859	1.742	.224	-1.496	3.530

a. Dependent Variable: DPR

ACCESS BANK

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	

1	.958[a]	.917	.752	.27190	.917	5.555	4	2	.158	3.165

a. Predictors: (Constant), BS, LEV, LSS, DRS

b. Dependent Variable: DPR

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	-24.174	11.003		-2.197	.159	-71.516	23.168
	DRS	34.481	12.526	1.987	2.753	.111	-19.412	88.374
	LSS	10.111	3.063	1.887	3.301	.081	-3.067	23.289
	LEV	-2.038	2.204	-.234	-.925	.453	-11.523	7.446
	BS	.810	.518	.824	1.566	.258	-1.416	3.037

a. Dependent Variable: DPR

FIDELITY BANK

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.973[a]	.947	.841	.28205	.947	8.910	4	2	.103	2.884

a. Predictors: (Constant), BS, LEV, DRS, LSS

b. Dependent Variable: DPR

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound

1	(Constant)	-72.217	47.896		-1.508	.271	-278.296	133.862
	DRS	-1.298	60.588	-.020	-.021	.985	-261.987	259.391
	LSS	7.824	3.162	2.670	2.474	.132	-5.782	21.431
	LEV	10.723	4.463	.858	2.403	.138	-8.479	29.925
	BS	3.049	2.328	2.334	1.309	.321	-6.970	13.068

a. Dependent Variable: DPR