

FOREIGN OWNERSHIP IDENTITY AND EARNINGS PER SHARE OF LISTED DEPOSIT MONEY BANKS IN NIGERIA

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ABSTRACT

This study investigated the effect of foreign ownership identity on earnings per share of listed deposit money banks in Nigeria. The study employed an ex-post facto research design. The population of the study was fourteen (14) listed deposit money banks in the Nigerian Exchange Group and ten (10) listed deposit money banks was used as sample size employing purposive sampling technique. The data used in the study was secondary data and it was sourced from annual reports and statement of accounts of the selected firms between 2016 and 2023. The study utilized descriptive statistics, unit root test, diagnostic tests, Hausman Test and Panel Least Square (PLS) regression technique with the help of E-view 10 while the Moderated Multiple Regression (MMR) techniques were used for the purpose of moderating variable analysis with the help of SPSS. The results revealed that the effect of foreign ownership identity on earnings per share of listed deposit money banks in Nigeria is positive. The study generally concluded that the effect of ownership identity on financial performance measures of the studied deposit money banks (DMBs) is positive and insignificant for the time frame investigated. The study recommends amongst other that the managerial investors should have a long-term investment horizon, which aligns with the goal of improving return on equity over time. This long-term perspective can help management focus on sustainable growth and value creation, rather than short-term gains

Keynote: Foreign Ownership Identity, Earning Per Share, Financial Performance

INTRODUCTION

The ownership identity plays an important role in addressing issues that arise when ownership and control are separated. Block owners can improve corporate governance by providing extra oversight of managers and reducing conflicts between managers and shareholders. Furthermore, they provide guidance, monitor performance, and advocate for changes that enhance efficiency, competitiveness, and shareholder value. Block owners can check management's decision-making and encourage long-term value creation (Hatrash, 2018). However, when block owners hold the majority or a significant controlling stake, minority shareholders may feel excluded and have little influence over company decisions. This lack of representation and voice can give rise to conflicts of interest, reduced shareholder protection, and weakened corporate governance, all of which can have a negative impact on the firm's performance (Eboiyehi & Iyiegbuniwe, 2018).

Ownership identity, often taken to refer to the structure of corporate share ownership, is defined by the distribution of equity with regard to votes and capital as well as the identity of the equity owners (Saseela & Thirunavukkarasu, 2017 and Suleiman & Abdullahi, 2022). In the case of publicly listed firms, Ownership structure is defined by Chadha and Seth (2024), as consisting of two distinctive features: First, ownership concentration meaning if a firm is owned by one or few large owners (concentrated) or by multiple smaller owners (dispersed/diffused), and ownership identity, referring to the type of owner such as individuals/families, institutions or other firms. Additionally, the terms ownership diffusion and ownership dispersion are used interchangeably and a firm with diffused ownership is defined as "one whose shares are owned by a large number of individuals none of whom is in a position to obtain direct or indirect benefits per share greater than those available to other shareholders and whose top managers do not receive either direct or indirect

benefits other than a market salary” with the limitation that any salary shall be considered a “market salary (Niluthpaul & Khaled, 2023). These ownership identities are of major importance in corporate governance because they determine the incentives of managers and thereby the economic efficiency of the corporations they manage (Aziz et al., 2023). The components of ownership structure therefore include management, family, government, foreign and institutions (Sahwan & Qamhawi, 2023). Kangai (2019) argued that institutional and managerial stakeholders hold a higher level of control over the firm’s policies compared to other types.

Several researchers have investigated the effect of ownership structures on firm financial performance. The research showed different results. Hayva and Herry (2024) indicated that foreign ownership has a significant effect on financial performance and ESG scores can significantly moderates the relationship between foreign ownership and financial performance. Meanwhile institutional ownership, ESG scores does not had a significant affect on financial performance, and ESG scores cannot moderates the relationship between institutional ownership and financial performance. Rilwan et al. (2024) study finding indicates that Audit Quality has a positive and significant effect on the relationship between Institutional Ownership and firm value. Furthermore, Audit Quality is found to have a positive and significant influence on the relationship between Foreign Ownership and firm value. However, the result reveals a negative yet significant impact of Audit Quality on the relationship between Concentrated Ownership and firm value across all sampled firms. Ullah et al (2019) researched cement companies in Pakistan and found that corporate governance that analyses board size and institutional ownership positively affects financial performance. Uyar et al (2021) research on healthcare sector companies shows that board size significantly negatively affects financial performance. Based on the result, small boards are more effective and efficient at monitoring and supervising managers than large boards. In contrast, Paniagua et al. (2018) found that board members and ownership structure do not affect financial performance. Other research done by Hidayah et al. (2021) showed that institutional ownership does not affect financial performance, and managerial ownership significantly negatively affects financial performance. The results of previous studies contradict each other. Abi et al (2024) results show that the board size, board meetings, and managerial ownership positively and significantly affect the company's financial performance in the COVID-19 period. Those studies were also done in different countries and focused on different industries. The inconclusive results of previous research regarding the impact of ownership identity on financial performance motivate this research to re-examine the effect of ownership identity on financial performance of listed deposit money banks in Nigeria.

Hypothesis

H_{0i}: The effect of foreign ownership identity on earnings per share of listed deposit money banks in Nigeria is not significant

Foreign ownership Identity

Foreign ownership (FOWN) is the quantity of shares foreign investors own about all claims in circulation (Garanina & Aray, 2021). The presence of foreign investors in a company's ownership structure can provide a diversity of insight and experience thanks to their participation in international markets. Companies with foreign owners are thus required to report more social and environmental information (Zaid et al., 2020). Because they have vast experience optimizing their assets, foreign investors will pay greater attention to improving the quality of financial reporting, including CSR disclosures. The efforts of foreign investors are in line with legitimacy theory, which is to reduce uncertainty in investing in companies in foreign countries, especially developing ones where the risks are pretty significant. Foreign investors will invest in companies that want to maintain credibility and legitimacy as social actors who are always responsible for the environment, especially the corporate environment (Garanina & Aray, 2021).

Foreign ownership describes a structure where 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 (Onuora, et al., 2022). Foreign control is presumed to exist where foreign persons own 25 percent or more of the outstanding voting securities (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. Foreign ownership is measured as a Percentage of firm equity held by foreign individuals and institutions.

Foreign ownership can be measured by the following indicators; The size of equity investments by the foreign investors (individual or institution), the country of the investors-these talks about the country concentration of the foreign investors. And finally, is the size of the investments by these foreign investors.

Foreign ownership is also determinant or tool of ownership structure that influences corporate governance in firms. Foreign ownership in banks for example, no doubt affects or influences strategic decision making. This is possible through the entry of foreign banks into an economy leading to greater efficiency, better capitalization and technical capacity which can also spread to other banking institutions (Claessens & Jansen, 2000). On the contrary, in case of a financial crisis, foreign ownership through entry of foreign banks in an emerging economy may transfer or trigger a financial crisis that may affect performance of the entire banking sector. Empirical evidence shows that introduction of foreign ownership is beneficial to the firms. For example, authors (Agyenim, et. al 2015) found that firms with foreign ownership appeared to have better asset quality and overall performance in China. In addition, banks with foreign ownership in Uganda and Botswana performed better compared with their local counterparts (Okeahalam, 2004). Foreign ownership comes with more experience and knowledge thereby supporting adoption of new corporate governance practices (Meng, et Al., 2017). Foreign ownership act as a Salient monitoring tool required to protect firm's profits and shareholders' wealth (Al-Jaifi, 2017). In contrast Liu, et. al (2018), argued that some foreign owners may behave passively in contrary to their monitoring roles for various reasons allowing managers to misrepresent information for their own interests, especially where foreign owners are directly affected by investment duration.

Earnings Per Share

Akgün and Karataş (2021) stated that earnings per share showed the income of the company earned in a particular time period against the number of the company's shares which are outstanding. Nzioki et al (2018) affirmed that earnings per share are conceptualized as the portion of a company's profit allocated to each share of common stock. Charitou et al. (2019) claimed that earnings per share are the fragment of a company's profit, given to each outstanding share of common stock. The information about earnings per share is provided as a measure of the interest attributable to each ordinary share a parent company in the performance of the company over the reporting period. Earnings per share is mathematically expressed as $\text{Earnings Per Share (EPS)} = \frac{\text{Net Profit}}{\text{Total Number of Shares Outstanding}}$. Akindele et al (2022) documented that earnings per share is a tool that market participants often use to measure the profitability of a company before buying their shares.

Earnings per share are very important because it is an income for investors and a benchmark for investors to invest in the company. Okphiabhele et al (2022) reported that earnings per share represents the amount of money earned per number of ordinary shares outstanding in a certain period; where if it gets higher it has the potential to increase the amount of dividends received by shareholders. The earnings per share are essential financial measure that indicates a company's profitability. Ibrahim and Abdul-Qadir (2022) expressed that earnings per share are generally considered to be an important factor in determining the stock value and the fixed value. "Earnings" means the amount receivable for a company's net income for any financial year. Indeed, the words "earnings" and "profits" have been used to direct practitioners and practitioners to the same point

and may be the basic and primary objectives of any business. The high value of earning per share (EPS) will increase investors' confidence to increase their investment which is needed by each company. High earning per share (EPS) is a measure of a company's ability to earn a profit, so it can be said that the higher the profit of a company, the higher the amount of earning per share (EPS) that will be distributed to investors who invest it.

Foreign Ownership Identity and Financial Performance

Numerous researchers empirically investigated the link between foreign ownership and financial Performance with conflicting findings such as positive, negative or no relationship. Suleiman and Nasamu (2021) 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 analyze the data extracted. The findings revealed foreign ownership has a positive significant impact on the financial performance of oil and gas companies in Nigeria. Kao et al, (2019) empirically assessed the effects of ownership structure and board of directors on firm value. Using a sample of Taiwanese listed firms from 1997 to 2015, the study used a panel estimation to exploit both the cross-section and time-series nature of the data. Furthermore, two stage least squares (2SLS) regression model was used as robustness test to mitigate the endogeneity issue. Findings show among others that foreign ownership is positively related to firm value. Nofal (2019) examined the effect of foreign ownership on firm performance using a panel data consisting of 6 non-financial firms listed in the Indonesia Stock Exchange. Five-year period data from 2014 to 2018 is considered. The result of the random effects model indicates that foreign ownership has a positive and significant effect on firm performance. Nnabuife et al. (2017) assessed the extent of relationship between ownership structure and financial performance of selected banks in Nigeria spanning from 2000 — 2015. The study seeks to resolve the matter between ownership structure and its influence on the financial performance of listed banks in Nigeria by taking foreign shareholding to proxy for ownership structure and return on equity (ROE) to proxy for financial performance. Correlational research design was adopted due to the fact that the study measures relationship between ownership structures and financial performance of listed banks in Nigeria. Findings indicated that there is a positive significant relationship between ROE and foreign shareholding. Balagobei and Velnampy (2017) conducted a study on Ownership Structure and Financial Performance of Listed Beverage Food and Tobacco Companies in Sri Lanka. The sample used consists of 10 listed beverage food and tobacco companies in Sri Lanka. In the study, data was collected from secondary sources and hypotheses were examined by using Pearson's correlation and regression analysis. The results showed that foreign ownership structure is positively correlated with financial performance of listed beverage food and tobacco companies.

Empirical Review

Rilwan et al. (2024) examined the moderating influence of audit quality on the relationship between ownership structure and firm value among listed industrial goods firms in Nigeria. Ownership Structure is represented by proxies such as managerial Ownership, Institutional Ownership, Foreign Ownership and Concentrated Ownership. Purposive sampling was employed to select 12 out of 13 listed industrial goods firms as of December 31, 2022. Secondary data were gathered from the annual reports of these firms spanning from 2013 to 2022. Hypotheses were tested using Moderating Regression Analysis conducted with STATA 13 software. The study finding indicates that Audit Quality has a positive and significant effect on the relationship between Institutional Ownership and firm value. Furthermore, Audit Quality is found to have a positive and significant influence on the relationship between Foreign Ownership and firm value. However, the result reveals a negative yet significant impact of Audit Quality on the relationship between Concentrated Ownership and firm value across all sampled firms. In conclusion, Audit Quality significantly influence the relationship between Institutional Ownership and firm value, positively impacts the

link between Foreign Ownership and firm value, but negatively affects the association between Concentrated Ownership firm value. Thus, shareholders are encouraged to invest in Audit Quality by prioritizing engagement with reputable audit firms and fostering a culture of compliance to enhance audit effectiveness. Additionally, management should promote ownership diversification to attract diverse ownership beyond managerial and concentrated structures, thereby increasing transparency and reducing the risk of managerial entrenchment.

Byuan et al. (2024) investigated the effect of ownership structure on capital structure of the selected insurance firms in Nigeria. The study uses secondary data which were extracted from fourteen (14) sampled insurance firms listed in the Nigerian Group Exchange (NGX) for the period 1992-2022. The study used Multiple Regression analysis of data and fixed effect result was accepted based on the Hausman specification test result. The results showed reveals that firm ownership concentration has a positive significant effect on the capital structure of insurance firms in Nigeria, managerial ownership has a negative significantly positive effect on the capital structure of insurance companies in Nigeria in Nigeria. Furthermore, the control variable, firm age, has a statistically significant negative effect on the capital structure of the sampled firms in Nigeria. Based on the findings and conclusion the study recommends among others that, the study recommended that they should be training for board members and executives on best practices in corporate governance and capital structure management. This can help firms navigate the challenges associated with ownership concentration and make informed financial decisions.

George et al. (2024) studied the moderating effect of ownership structure in the relationship between corporate governance and value of non-financial firms listed at the Nairobi securities exchange. A composite index was developed to evaluate corporate governance, considering board independence, size, diversity, and audit committee independence, while Tobin's Q was employed to estimate non-financial stock exchange firms' value. Additionally, ownership structure was defined by three main categories: government ownership, managerial ownership, and foreign ownership. The study utilized a descriptive longitudinal research method to analyze secondary data, employing statistical measures like mean, median, standard deviation, and skewness and conducting a correlation test. Moreover, diagnostic tests were utilized to assess normality, multicollinearity, heteroskedasticity, stationarity, and autocorrelation, determining a random effects model as the most suitable. Correlation was also conducted using Pearson's coefficient (r) to measure the strength and direction of the linear relationship. The empirical results exhibited that ownership structure moderated the relationship between corporate governance and firm value.

Research Design

This study adopted ex-post factor research design. This method is suitable for the study because it is not possible to directly manipulate or control any of the independent variables as the events have already taken place and therefore the research is being conducted after the fact. Hence, ex-post factor research design was adopted because it helps this study to explain the effect of the independent (explanatory) variable on the dependent variable.

Population of the Study

The accessible population is the population to which the researcher has access to during the investigation. The population of the study consisted of fourteen (14) deposit money banks listed on the floor of the Nigerian Exchange Group as at 31st December 2023

Table 1 Listed Deposit Money Banks in Nigeria.

S/N	Name of Banks
1	Access Holdings Plc
2	Eco Bank Transnational Incorporation
3	FBN Holdings Plc
4	FCMB Group Plc

5	Fidelity Bank Plc
6	Guaranty Holding Company
7	Jaiz Bank Plc
8	Stanbic IBTC Holdings Plc
9	Sterling Bank Plc
10	Union Bank Plc
11	United Bank for Africa
12	Unity Bank Plc
13	Wema Bank Plc
14	Zenith Bank Plc

Source: NGX, 2024

Sample Size and Sampling Technique

To ensure a representative subset of the population, a simple random sampling technique was employed. The study used ten (10) deposit money banks from the pool of fourteen (14) identified in the Nigeria Exchange Group on the basis of length of existence and data availability. This study utilized purposive (Judgmental) sampling technique.

Sources of Data

This study employed secondary sources of data collection. The data were obtained from the annual reports and accounts of the sample banks and Nigerian Exchange Group (NGX) Fact Book in order to achieve the objectives of the study. This is due to the fact that corporate annual reports of listed companies were readily available and easily accessible.

Description and Measurement of Study Variables

Table 2: Operationalization of study variables

S/no	Variables	Type	Measurement	A priori expectati on	Source / reference
1.	Return on Equity (ROE)	Dependent variable	Profit after tax/ total equity	Neutral	Eissa, et al (2018), Panigrah, et al (2014)
2.	Earnings per share EPS (EPS)	Dependent variable	Net Profit / Total Number of Shares	Neutral	Alkurdi, et al (2021); Onuora, Fabian, & Joshua, (2022).
3.	Managerial Ownership Identity (MOWN)	Independent variable	Number of shares held by CEOs, directors, and their immediate family members divided by the number of total outstanding shares	+	Abi et al (2024), Niluthpaul & Khaled (2023), Al-Sa'eed, (2018)
4.	Foreign Ownership identify (FOWN)	Independent variable	Number of shares owned by foreigners divided by the number of total outstanding shares	+	Meng, et al (2019), Jafari et al (2023), Akinleye & Adebusoye (2023)
5.	Firm Size (FS)	Moderating variable	Natural log of total assets	+	Khamis, et al. (2015), Niluthpaul & Khaled (2023),

Overall Source: Author compilation (2024)

Method of Data Analysis

This study adopted descriptive statistics, unit root test, diagnostic tests and Panel ARDL model technique with the help of E-view 12 while the Moderated Multiple Regression (MMR) techniques were used for the purpose of moderating variable analysis with the help of SPSS. First, Microsoft Excel was employed to interpolate the raw data extracted based on the variables adopted for this study and the formula to be apply in calculating the measurement. Secondly, the data analysis was executed in three distinct stages. Firstly, a univariate (or descriptive) analysis was executed, followed by bivariate analysis and lastly, multivariate analysis.

Results

H0₁ The effect of managerial ownership on return on equity of listed deposit money banks in Nigeria is not significant.

Decision Rule: Accept Ho if $P > 0.05$. Otherwise reject

Table 4.3 disclosed the coefficient and t-Statistics of the estimated marginal effect of managerial ownership (MOWN) on return on equity (ROE) of listed deposit money banks in Nigeria for both short run and long run. The coefficient and t-statistics of managerial ownership (MOWN) and return on equity (ROE) was 3.559159 and 1.023258, indicating that managerial ownership (MOWN) positively affects return on equity (ROE) of listed deposit money banks in Nigeria for both long run and short run. This positive effect is significant for long run but insignificant for the short run since the absolute value of P-value (0.0010) was less than 0.05 in the long run and (0.3127) was greater than 0.05. This simply indicated that the null hypothesis (**H₀₁**) is accepted and the alternate hypothesis (**H_{a1}**) was rejected when evaluating short run while the null hypothesis (**H₀₁**) is rejected and the alternate hypothesis (**H_{a1}**) was accepted when evaluating long run. Therefore, it was concluded that the effect of managerial ownership on return on equity of listed deposit money banks in Nigeria is positive and statistically insignificant in the short run while the effect of managerial ownership on return on equity of listed deposit money banks in Nigeria is positive and statistically significant in the long run.

H0₂ The effect of foreign ownership on return on equity of listed deposit money banks in Nigeria is not significant.

Decision Rule: Accept Ho if $P > 0.05$. Otherwise reject

Table 4.3 disclosed the coefficient and t-Statistics of the estimated marginal effect of foreign ownership (FOWN) on return on equity (ROE) of listed deposit money banks in Nigeria for both short run and long run. The coefficient and t-statistics of foreign ownership (FOWN) and return on equity (ROE) was -1.454479 and -1.217819, indicating that foreign ownership (FOWN) negatively affects return on equity (ROE) of listed deposit money banks in Nigeria for both long run and short run. This negative effect is insignificant for both long run and short run since the absolute value of P-value (0.1540) and (0.2308) was greater than 0.05. This simply indicated that the null hypothesis (**H₀₂**) is accepted and the alternate hypothesis (**H_{a2}**) was rejected for both long run and short run. Therefore, it was concluded that the effect of foreign ownership on return on equity of listed deposit money banks in Nigeria is negative and statistically insignificant for both long run and short run.

Table 1: ARDL Analysis of Model II (EPS)

Dependent Variable: D(EPS)

Method: ARDL

Date: 01/18/25 Time: 06:37

Sample: 2016 2023

Included observations: 80

Maximum dependent lags: 1 (Automatic selection)

Model selection method: Akaike info criterion (AIC)

Dynamic regressors (1 lag, automatic): MOWN FOWN

Fixed regressors: C

Number of models evaluated: 1
 Selected Model: ARDL(1, 1, 1)
 Note: final equation sample is larger than selection sample

Variable	Coefficient	Std. Error	t-Statistic	Prob.*
Long Run Equation				
MOWN	2.405689	0.425195	5.657853	0.0000
FOWN	23.37729	78.73227	0.296921	0.7681
Short Run Equation				
COINTEQ01	-0.470672	0.217453	-2.164475	0.0368
D(MOWN)	-2782.475	2798.160	-0.994395	0.3263
D(FOWN)	110963.6	120435.7	0.921351	0.3627
C	394.2917	413.5759	0.953372	0.3464
Mean dependent var	-549.8759	S.D. dependent var	4987.588	
S.E. of regression	2965.286	Akaike info criterion	8.717221	
Sum squared resid	3.34E+08	Schwarz criterion	9.967785	
Log likelihood	-306.6888	Hannan-Quinn criter.	9.218607	

*Note: p-values and any subsequent tests do not account for model selection.

Test of Hypotheses

Statement of Hypotheses

H₀₁ The effect of foreign ownership on earnings per share of listed deposit money banks in Nigeria is not significant.

Decision Rule: Accept H₀ if P > 0.05. Otherwise reject

Table 1 disclosed the coefficient and t-Statistics of the estimated marginal effect of foreign ownership (FOWN) on earnings per share (EPS) of listed deposit money banks in Nigeria for both short run and long run. The coefficient and t-statistics of foreign ownership (FOWN) and earnings per share (EPS) was 0.296921 and 0.921351, indicating that foreign ownership (FOWN) positively affects earnings per share (EPS) of listed deposit money banks in Nigeria for both long run and short run. This positive effect is insignificant for both long run and short run since the absolute value of P-value (0.7681) and (0.3627) was greater than 0.05. This simply indicated that the null hypothesis (**H₀₁**) is accepted and the alternate hypothesis (**H_{a1}**) was rejected for both long run and short run. Therefore, it was concluded that the effect of foreign ownership on earning per share of listed deposit money banks in Nigeria is positive and statistically insignificant for both long run and short run.

Effect of Foreign Ownership Identity on Earnings Per Share (EPS)

Table 1 disclosed the coefficient and t-Statistics of the estimated marginal effect of foreign ownership (FOWN) on earnings per share (EPS) of listed deposit money banks in Nigeria for both short run and long run. The coefficient and t-statistics of foreign ownership (FOWN) and earnings per share (EPS) was 0.296921 and 0.921351, indicating that foreign ownership (FOWN) positively affects earnings per share (EPS) of listed deposit money banks in Nigeria for both long run and short run. This positive effect is insignificant for both long run and short run since the absolute value of P-value (0.7681) and (0.3627) was greater than 0.05. This simply indicated that the null hypothesis (H₀₁) is accepted and the alternate hypothesis (H_{a1}) was rejected for both long run and short run. Therefore, it was concluded that the effect of foreign ownership on earning per share of listed

deposit money banks in Nigeria is positive and statistically insignificant for both long run and short run. The insignificant result agrees with the findings by Onuora, et al (2020), Alkurdi, et al (2021); Santosa and Santasyacitta (2021); Rehman, et al (2020); Wang et al. (2019) and Hamza and Suman (2018). This is inconsistent with findings by Ismail and Ali (2020) and Alhassan and Mamuda, (2020). Florackis et al. (2009) had argued that ownership concentration has good knowledge of the firm and have incentive and ability to monitor and control management decisions for enhanced corporate performance.

Effect of Foreign Ownership Identity on Earnings Per Share (EPS)

Table 1 disclosed the coefficient and t-Statistics of the estimated marginal effect of foreign ownership (FOWN) on earnings per share (EPS) of listed deposit money banks in Nigeria for both short run and long run. The coefficient and t-statistics of foreign ownership (FOWN) and earnings per share (EPS) was 0.296921 and 0.921351, indicating that foreign ownership (FOWN) positively affects earnings per share (EPS) of listed deposit money banks in Nigeria for both long run and short run. This positive effect is insignificant for both long run and short run since the absolute value of P-value (0.7681) and (0.3627) was greater than 0.05. This simply indicated that the null hypothesis (H_{04}) is accepted and the alternate hypothesis (H_{a4}) was rejected for both long run and short run. Therefore, it was concluded that the effect of foreign ownership on earning per share of listed deposit money banks in Nigeria is positive and statistically insignificant for both long run and short run. The insignificant result agrees with the findings by Onuora, et al (2020), Alkurdi, et al (2021); Santosa and Santasyacitta (2021); Rehman, et al (2020); Wang et al. (2019) and Hamza and Suman (2018). This is inconsistent with findings by Ismail and Ali (2020) and Alhassan and Mamuda, (2020). Florackis et al. (2009) had argued that ownership concentration has good knowledge of the firm and have incentive and ability to monitor and control management decisions for enhanced corporate performance.

CONCLUSIONS

This study investigated foreign ownership identity and earning per share of listed deposit money banks (DMBs) in Nigeria. Based on the data analysis, discussion of findings, the study generally concluded that the Foreign ownership identity positively affects earnings per share of the studied deposit money banks (DMBs) in Nigeria for both short run and long run.

1. Firm size insignificantly moderated the relationship between ownership identity and returns on equity of the studied deposit money banks (DMBs) in Nigeria.

RECOMMENDATIONS

Based on the findings of this research work, it is recommended that:

- 1) The study also recommends that firms should discourage foreign investors to invest in their firms as the higher levels of foreign ownership would lead to reduction in firm performance through profit repatriation.
- 2) Less attention should be placed on directors' ownership by firms as higher percentage of shareholdings can greatly recede the return on assets of the firm.
- 3) In order to improve the financial performance, firms in Nigeria should wider spread of share ownership of the firms to reduce the controlling influence of large shareholders in maximizing their performance to the detriment of other stakeholders.

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