KASU Journal of Accounting Research and Practice (KAJARAP)

Volume 10, Number 2, December, 2025 ISSN: 2360-8889
https://journals.kasu.edu.ng/index.php/accounting

BOARD SIZE, GENDER DIVERSITY AND DIVIDEND PAYOUT OF CONSUMER AND INDUSTRIAL FIRMS IN NIGERIA: THE MODERATING ROLE OF BOARD OWNERSHIP

Maduka, Ifeoma Kate Nonyelum[1], Chechet, Luka Ishaya (PhD)[2], Agbi, Samuel Eniola (PhD)[3], Yahaya, Adabenege Onipe (PhD)[4]

[1]Department of Accountancy, College of Business and Management Studies, Federal Polytechnic, Kaduna.

[2,3,4]Department of Accounting, Faculty of Management Sciences, Nigeria Defence Academy, Kaduna

Corresponding Author(s)' email/mobile:ifeoma.maduka@gmail.com/+2348035293335[1], ishayachechet@gmail.com[2] samagbi@yahoo.com[3] yoadabenege@nda.edu.ng[4]

Abstract

Corporate firms are saddled with the obligation of achieving greater profitability and maximizing equity holders' return on investment; to protect investors interests and right through consistent dividend payout. This study therefore examined the moderating effect of board ownership on gender diversity, board size and dividend payout of industrial and consumer good firms in Nigeria. The research design adopted is ex-post facto and the adjusted population comprised of fourteen listed industrial and consumer firms in Nigeria. This study utilized census sampling and filtering technique by employing the 14 listed firms as sample size. The data covered a period of 17 years ranging from 2007 to 2023. This study used binary logistic regression technique to analyse the data using STATA 17.0. Findings reveals that both board size and gender diversity indicated a positive and significant effect on dividend payout. In addition, this study found that board ownership showed a strong and positive significant moderating effect on board size, gender diversity and dividend payout of listed consumers and industrial firms in Nigeria. Therefore, this study recommends that, Board of directors in line with CAMA 2020 and Nigerian Code of Corporate Governance 2018 should henceforth encourage firms to increase the number of female genders on the board of directors.

Keywords: board size, board ownership, dividend payout, gender diversity, Nigeria

1. Introduction

One significant objective of a business is to be profitable, and maximise equity holders' wealth through payment of dividend to investors. As a result, overtime dividend payout and decision has become a growing area of increasing concern to corporate investors and other stakeholders. Dividend payout is a vital element of corporate strategic decision for firm effectiveness, performance and efficiency.

Dividend refers to the portion of a company's profit after tax rightly distributed to equity holders as a reward to its investors (Chinedu & Okonkwo, 2020). Dividend payout therefore is very crucial to the survival of all businesses and consistent patronage by

investors of listed consumer and industrial firms (Bappah et al., 2022; Fayyaz et al., 2023). This is because investors are more inclined to consistent dividend paying firms in order to benefit from good return from their investments. As such, satisfying the interest of equity holders is a top priority decision for the board of directors of companies.

Despite this usefulness of dividend payout to investors, some growing concern is the non or inconsistent dividend payout by listed consumer and industrial firms in Nigeria. For instance, the latest publication of Nigerian Exchange stated that Lafarge Africa Plc is among the top 5 dividend paying companies in Nigeria as ranked for 2025 listed manufacturing firms in Nigeria (NGX, 2025). This agrees with the views of Abdulkadir (2015) who reported that 67% of the listed firms not distribute dividend to equity holders and more than 51% up to 2021 respectively.

Prior studies on dividend payout indicate the significance of corporate board characteristics as one of the determinants of payout of returns to investors (Ekpulu & Opudu, 2024). Other scholarly articles posit that effective dividend payout mitigates agency conflict and its effectiveness depends on the strength of board characteristics such as board size and board gender diversity. Several authors have established the nexus between board characteristics which includes board size, board nationality, board tenure, board composition amongst others and dividend payout and decisions (Alshabibi et al., 2021; Bada-Ruiz et al., 2022; Kalia, 2025).

For the purpose of this study, board characteristics is represented by board size and board gender diversity. This is justified based on the fact that they are measurable, objective proxies known for its maintaining effectiveness, access to resources and strategic decision dynamics for promoting dividend payout and investors returns. Invariably, enhancing dividend payout is vital to accomplishing the stewardship function built in the principal-agent association.

Board characteristics are the attributes of a board that influences its strategic decisions, ascertains its effectiveness and efficiency in oversight monitoring of executives and affairs of a company to ensure transparency, accountability, and accomplishment of board organizational goals and objectives. In Nigeria, other scholars also posit the link between board size, gender diversity and dividend payout (Ekpulu & Opudu, 2024; Eluyela et al., 2019; Kafola et al., 2019; Olurotimi & Idowu, 2025). Nevertheless, the results of these studies are contradicted with mixed findings. While Thompson and Manu results of findings indicated that both board size and female gender presence have a strong positive effect on the likelihood of dividend declaration and payout; Olurotimi and Idowu (2025), Ekpulu and Opudu (2024) reported negative and insignificant effect of board size and gender diversity on dividend payout of listed firms.

Nevertheless, very limited empirical studies have associated board gender diversity, board size with dividend payout of listed firms in Nigeria using the moderating effect of board ownership. It is based on this point including other factors which defines these variables as an element of board structure that this study discusses the role of female board gender and board size on dividend payout of listed consumer and industrial good firms in Nigeria.

Consequently, the objective of this study is to examine the moderating effect of board ownership on board size, gender diversity and dividend payout of listed consumer and industrial manufacturing firms in Nigeria. Other aspect of this study includes literature

review, methodology, data analysis and discussion of findings, conclusion and recommendation. The independent variables for this study include board gender diversity and board size and it is justified as these proxy variables play a veritable role in executing dividend payout and other strategic decisions.

To this backdrop, the following questions are considered:

(i) Does board size affect dividend payout of listed consumer and industrial firms in Nigeria?

(ii) Does board gender diversity influence dividend payout of listed consumer and industrial firms?

(iii) What is the effect of board ownership on dividend payout of listed Nigerian consumer and industrial firms?

(iv) Does the moderating effect of board ownership affect board size, gender diversity and dividend payout of listed Nigerian consumer and industrial firms?

In view of these questions, the following specific objectives of the study are to:

(i) Examine the effect of board size on dividend payout of Nigerian industrial and consumer good firms.

(ii) Assess the effect of board gender diversity on dividend payout of Nigerian industrial and consumer good firms.

(iii) Evaluate the effect of board ownership on dividend payout of Nigerian industrial and consumer good firms.

(iv) Identify the moderating effect of board ownership on board size, gender diversity and dividend payout of Nigerian consumer and industrial firms.

This study hypotheses are presented in null form as follows:

H_{01}: Board size has no significant effect on dividend payout of Nigerian industrial and consumer good firms.

H_{02}: Board gender diversity has no significant effect on dividend payout of Nigeria industrial and consumer good firms.

H_{03}: Board ownership has no significant effect on dividend payout of Nigeria industrial and consumer good firms.

H_{04}: There is no moderating significant effect of board ownership on board size, gender diversity and dividend payout of Nigeria industrial and consumer good firms.

This study covers a period of 17 years from 2007 to 2023. The period is justified as it covers the period of recovery from financial crises of businesses and financial downturn which emanated from the global crises, recession, inflation, Covid-19 pandemic, and poor performance of firms for several years in Nigeria as reported by some scholars (Awen et al., 2023; Ayodeji & Ogalla, 2024; Maduka et al., 2025). While investors return is at risk due to these various stated challenges, it makes this study very important in over time.

2. Literature Review

Conceptual Framework

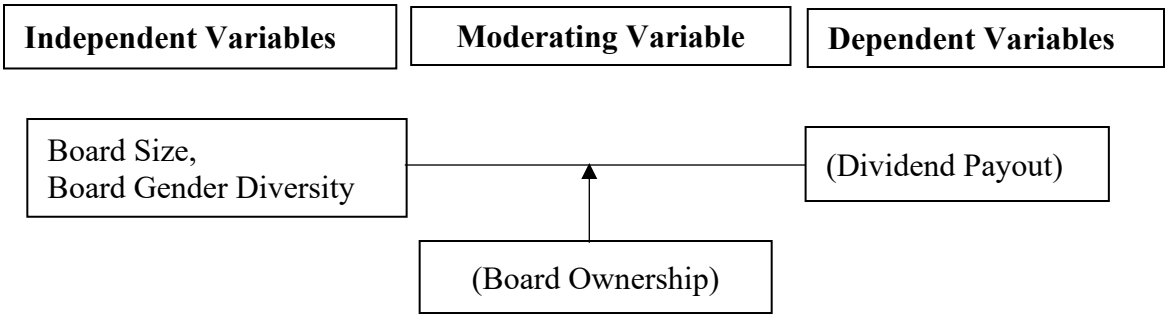


Figure I: The Conceptual Framework

Source: Authors Design, 2025

Globally and in Nigeria board ownership and board of directors' characteristics is very vital in strategic financial decisions. This is because the board of directors and its attributes determine the proportion of earnings to be given out to equity holders. This section considers the conceptual framework, theoretical and empirical review of the study.

Conceptually, this subsection discusses several essential ideas that are vital to this study on board size, board gender diversity and dividend payout of listed Nigerian industrial and consumer good firms. Dividend is a distribution of profit after tax (PAT) to equity holders of a firm while dividend payout refers to the proportion /percentage of earnings distributed to its investors from profit after tax. Ewuze (2020) noted that dividend represents the portion of company's net earnings or profit that board of directors and its characteristics agrees should be distributed to equity holders. This percentage is known as dividend payout as posit by (Ajibade & Aji, 2020).

The board of directors are elected representatives responsible for protection of equity holders' interest and saddled with the obligation of monitoring insight over the executives to ensure transparency, accountability and accomplishment of the broad firm objectives. These board of directors utilize several features known as board characteristics to ensure adequate returns to investors in form of dividends are actualized (Utsaha, et al., 2021).

Board characteristics can also be described as a corporate board trait and have been categorized severally as board tenure, board activity, board education, board nationality, board experience, board expertise amongst others. This study however is restricted to the independent variables of this work which are; board size and board gender diversity. In general board characteristics refers to the diversity in board roles of a firm with the responsibility of managing the business activities and affairs of an enterprise to achieve the expected success (Kaibi, 2022). This is the adopted definition for this study.

Board size is an essential key component of corporate board governance. Various researchers posit that larger boards exhibit a great wealth of experience, skill, knowledge and expertise imported, into the board for a wider perspective for protecting equity holders' interest in strategic decision making. This study employs board ownership as a moderator.

Board ownership explains the equity interest of directors both executive and non-executive in terms of managerial and outside ownership (Zatiock et al., 2024). While

certain studies believes that increased board ownership promotes dividend payout (Gimba et al., 2022). Others reported a negative association in contrast (Isuwafun et al., 2018).

Theoretically, agency and signaling theories underpin this study. Agency theory was established based on the scholarly works earlier done by Bearte and Means in the year 1932. The work was further expanded by Jensen and Meckling in the year 1986. Jensen (1986) posit that companies controlled by executives do give preference dividend payout and decisions by mitigating conflicts which do exist between managers and equity holders who are the owners of the business. This theory is built on the contractual principal agent relationship. Hence, agency theory strongly points out strong and vinite board governance which monitors the executive and ensure they enhance investors interest in form of consistent dividend payout (Sani & Musa, 2017).

Likewise, signaling theory originated from Mogham and Muler in 1961. This theory was further expanded by Ross (1977) and Miller and Kevin (1983) in Ebire et al. (2018). These scholars posit that dividend do have signaling effect on both investors or equity holders for potential future forecast, capital, shareholders wealth in forecasting the earnings of a company. This entail that firms willing to maximize equity holders' wealth must constantly increase dividend payout.

Empirically, the size of the board is an important factor to consider when determining dividend distribution/payout. The number of directors on a board, including executive and non-executive, is referred to as board size. Scholars have found, however, that the number of directors varies by nation and cultural variance (Olayiwola, 2018; Zabri, et al., 2016). According to the Financial Reporting Council, it is critical for a firm to have a suitable number of board members in order to conduct operational tasks of a corporation without difficulty (FRC, 2012).

Similarly, in accordance with the Nigerian Code of Corporate Governance 2018, the financial reporting council of Nigeria mandates the makeup of both executive and non-executive directors with size and gender diversity. According to the code, the board positions, as well as the names of directors and meeting attendees, must be mentioned. Larger boards are anticipated or perceived to be more efficient and successful at supervising and monitoring executive actions.

The total number of directors on the board is referred to as the board size. According to several sources, the typical board size should be 9 - 12 members, with other estimates ranging from 3 to 31 people. These researchers discovered a link between board size and dividend payout (Adnan, 2021; Ezechukwu & Amahalu, 2017; Kumara & Singh, 2013).

El-Marghi et al. 2017 also provided evidential support that dividend payout was positively associated with board size. This indicated that larger boards were more effective than smaller boards. Other studies that found a positive association between board size and dividend payout included; (Ahamad et al., 2019; Chen et al., 2017; Mardani & Imdrawati, 2018; Shahid et al., 2016) amongst others.

Thompson and Manu (2021) in another discourse investigated to ascertain the impact of board composition on the dividend policy of listed firms in United States of America. The study adopted secondary sources of data collection and applied dividend declaration as dummy variable. Data was analyzed using a fixed effect logistic regression. The study also employed fixed effect tobit regression to censor dividend yield at zero. The study revealed that board characteristics such as average, age, female presence and board size did have a strong positive significance effect on dividend policy of listed firms in

United States of America. This study however employed dividend yield as the proxy for dependent variable. The present study adopted dividend payout ratio as a proxy for dependent variable and board ownership as a moderator. Nevertheless, United States of America being an advanced nation might not apply their own result in a Nigeria business climate.

Saliya and Dogunkali (2022) assessed the impact of board effectiveness on dividend payout policies. The study utilized a sample of non-financial firms listed on the Borsu Instabul (BIST) from 2011 to 2019. The independent variables for the study were board size, board independence, board female directors' membership and frequency of board meeting. The dependent variable of the study was dividend payout ratio. The study analysed the data utilizing panel Tobit model regression. The findings of the study proved that board size revealed a positive and significant effect on dividend payout policy.

Apart from the differences resulting from geographical and environmental factors, the study didn't apply a moderator. The current study introduced board ownership as a moderator and financial leverage, firm size and profitability proxy by return on average equity as control variables. The researcher also identified the study was for a period of five years too short to make any valuable contribution. As a result, the current study filled the period gap by extending the period to seventeen (17) years.

Likewise, Fayyaz, et al. (2023) found out that board size significantly impacted on dividend policy of listed firms. Similarly, Garcia-meca et al. (2022) investigated to ascertain the association between female directors and payout policy using a sample of Spanish non-financial listed firms. The study employed the critical mass theory to underpin the study. The study found an inverted-u shaped interplay among the variables. Furthermore, the study findings indicated that for low levels of female represented on the board women directors did improve dividend payout in order to mitigate agency problem. The current study filled the gap by introducing board ownerships a moderator. Other studies that established a link include Farooque et al. (2021).

Furthermore, Amedi and Mustafa (2021) examined the influence of board characteristics on dividend policy for a sample of 132 Amman Jordan stock exchange-listed enterprises. The research lasted three years (from 2016 to 2018). To evaluate the data and analyze the outcomes, the study used logistic regression. The study discovered a positive and substantial link between board size and board qualities. Baig, et al. (2021) ascertained the impact of corporate governance on the profitability of non-financial enterprises in Pakistan utilizing the moderating role of board size in another study. The study discovered that board size moderates the influence of board independence and gender diversity on non-financial business profitability.

In addition, Topal & Dogan (2014) assessed the influence of board size on financial performance using profitability as a proxy. The study discovered a link between board size and financial performance. All of the aforementioned findings revealed that bigger boards pursued higher dividend payout in order to increase the value of publicly traded companies.

Similarly, Kalathunga (2017) discovered a negative substantial influence of board size on dividend distribution in Sri Lankan listed industrial enterprises. Furthermore, Khan (2021) conducted a study on the influence of board characteristics on organization dividend payout using evidence from Pakistan. The research lasted eight (8) years (2012 - 2019). However, no theory was chosen from the literature study. Board, board tenure, board

subcommittee tenure, board skills, board gender diversity, and board independence were the independent factors, while dividend payout ratio (DPR) was the dependent variable. The study used a quantitative research technique, with panel least squares (PLS) and a random effect model used to analyze the data. To develop study findings, the study also used interpretivism, philosophy using an inductive method, and multiple regression analysis.

According to the study, board size (BS) and board tenure (BT) had a positive and statistically significant impact on dividend pay-out ratio. The findings also revealed that board traits, board size, board tenure, board sub-committee tenure, and board skills development had a significant influence on the dividend pay-out ratio, whereas board gender diversity, board independence, and board skills were negatively significant, with board skills being the only one that was negatively but significantly related.

Further, Ilu (2021) also examined the moderating influence of financial performance on the link between board qualities and dividend policy of Nigerian listed non-financial enterprises. The research lasted four ten years (from 2008 to 2017). The population of the study was 39 listed businesses, and the sample was 29 firms. The study's technique was a correlation research design. The data demonstrated that board characteristics (BC) had a favourable but small influence on the dividend pay-out ratio (DPR). DPR was significantly influenced by board size (BS). Directors Ownership had a negative but minor influence on the dividend pay-out ratio of Nigerian listed non-financial enterprises. Board nationalities, on the other hand, had a favourable but little impact on the dividend pay-out ratio. Only board size, among other independent factors, had a positive and substantial influence on dividend payout (DPR) using financial performance as a moderating variable. The study discovered that the moderating influence of financial performance proxies, notably return on assets (ROA), on the link between board features and dividend policy resulted in an enhanced dividend pay-out ratio.

The current study addressed the methodology gap by employing board ownership as a moderator to strengthen the link between the independent and dependent variables. The current study used the binary logistic regression to bridge the methodological gap. The present research was conducted over a seventeen-year period (2007 – 2013).

Board Gender Diversity explains a system in which the members of the board are designated as male or female. Because of the different education, age, background, ethnicity, cultural, economic, social, ethical, political, and societal components of corporate board governance, the demographic diversity of directors on board has principally gathered growing and noticeable attention. According to experts such as Ujunwa (2012), board diversity leads to a better and more pro-active or virile board. As a result, this researcher believes it will lead to greater justice, better representation of stakeholders' interests, and better decision making.

Despite the fact that board diversity can be explained by a variety of factors, for the purposes of this study, board gender diversity will be the focus. In academic debate, however, the empirical data on the link that existed between female gender on the board and dividend distribution remained inconsistent. Researchers such as Isibor, et al. (2017) were unable to establish a relationship between female gender, dividend distribution, and profitability. Several scholars have suggested that gender diversity on boards has increased performance, creativity, and innovation (Galbreath, 2018). Another research by Post and

Bryon (2015) discovered that a board with a varied gender, particularly a high proportion of female members, has a substantial impact on dividend payout.

In addition, Ahmed et al. (2020) examined corporate governance, ownership structure, and dividend smoothing in developing countries utilizing the mediating function of family ownership and board diversity regarding emerging markets. The critical mass theory was used in the research. The survey included approximately 1000 Asian enterprises and spanned the years 2009 to 2018. Pooled, fixed effect, and random effect model regressions were used to analyze the data. Gender diversity was shown to be positively and substantially associated to business dividend smoothing behaviour in the study. The study also found that gender diversity played a substantial moderating influence between family ownership and a company's dividend smoothing behaviour.

Gender equality became the norm a few years ago over the world. Gender diversity is now seen as one of the most important criteria in improving ethics on a company's board of directors. As a result, female directorship must be regarded legally, morally, and socially significant for optimum governance practices. Scholars have extensively studied gender diversity over time. (Ahmed et al., 2020; Byoun et al., 2016; E-Marghi et al., 2017; Nelson & Huse, 2010; Ntim, 2015; Saharn et al., 2019).

It is therefore thought that many organizations have failed to meet expectations since corporate boards have been dominated by male directors. (Idris, et al., 2019; Khan et al., 2020; Zahid et al., 2019). Nguyen (2017) used research from Vietnam to evaluate the influence of female boards of directors on business performance and dividend payment policies. From 2010 to 2015, the study examined a data collection of 647 listed enterprises in Vietnam, using ROA, ROE, and Tobins Q as performance proxies. The findings indicated that the ratio of female directors had a beneficial influence on business performance and dividend distribution policies.

Kajola et al. (2019) examined the influence of board gender diversity on dividend policy in Nigerian publicly traded businesses. The study looked at how the presence of female directors on corporate boards affected dividend policy in Nigerian listed industrial and consumer goods industries. The research lasted seven years (from 2010 to 2016). The random effect generalized least squares (REGLS) model was utilized in the investigation. The study found a strong and favourable association between the presence of women on business boards of directors and dividend policy. Other investigations yielded conflicting results (Owolabi et al., 2021 & Malik, 2019).

Furthermore, Mustafa et al. (2020) used research from Asian Emerging Economies and examined board gender diversity, family ownership, and dividend announcement. The study's population included 38,000 businesses, banks, and insurance companies. The study included a sample of 2000 publicly traded firms, 500 from each of Pakistan, India, Malaysia, and China. The research lasted from 2010 to 2018. According to the research findings, dividend announcements have a negative and significant influence on women on boards and in family businesses.

Nwidobie (2020) evaluated the board diversity and corporate dividend policy of Nigerian non-financial enterprises in the short and long term. The study's independent variables were female board diversity and minority shareholding on corporate boards, whereas the dependent variable was dividend pay-out proxy by log of dividend per share. The study did not use any theory to conduct the research. The study relied on secondary

data collecting. The study's sample included nine publicly traded non-financial enterprises from 2010 to 2018. The study used a longitudinal survey design analysis and sampled nine (9) companies. For analysis, the study used a multivariate log - linear regression model with unit root co-integration. The study's findings revealed that increasing the proportion of males on the board had a positive effect on dividend per share of listed non-financial firms, with a coefficient of 10.854; while increasing the proportion of females on the board had a negative effect on dividend per share both in the short and long run. Minority shareholders, on the other hand, had a negative impact on dividend per share. This meant that stock holders should appoint more men to the board of directors. Furthermore, order (10) co-integration values exhibited both positive and negative effects on Dividend per Share (DPS).

In Nigeria also, Adamu, et al. (2019) sought to uncover answers to the question Do female director's matters in assessing dividend pay-out among Nigerian firms? The research was done utilizing the span of seven years 2009 to 2015. The research population comprised 105 non-financial enterprises with a sample of 89 firms employing filtering technique in determining the sample size. This study employed just agency theory to explain the research. The independent factors of the research were female directors and dividend to total assets. The dependent variable of the study was dividend choice propensity to pay. The control variables were, firm size, firm leverage, board size and asset growth. The study employed secondary data gathering approach. The study further employed correlation matrix, univariate analysis binary logit regression and OLS multiple regressions for analysis of the data. Research findings demonstrated that enterprises with female director were more likely to utilize the distribution of cash dividend in addressing agency conflict. The study indicated that female directors on the board did have considerable influence on firm's dividend pay-out.

Another study, conducted by Sanyaolu, et al. (2021), looked at gender diversity and dividend policy. This research lasted ten years (from 2010 to 2019). The study used a stratified sampling approach on a sample of 19 listed (NSE) firms. The study's independent variable was gender diversity, whereas the dependent variable was dividend policy. The study examined the association between gender diversity and dividend policy using an ex-post facto research approach and multiple regression analysis. The study's findings from regression analysis revealed that board gender diversity moderated board independence and had a substantial although indirect impact on dividend announcement. Furthermore, the study discovered that, when controlled by board independence, board gender diversity had no substantial positive influence on dividend per share.

The study found that female gender participation on boards, when controlled by board independence, dramatically reduced dividend distributions. The lack of an underpinning theory in this study may not be widely accepted, and the study's findings appeared complicated. Furthermore, instead of dividend per share, the current study used dividend payout (Dpo) as the dependent variable.

3. Methodology

This study adopted an expost-facto research design. The adjusted population after filtering from 34 listed industrial and consumer good firms on the Nigerian Exchange Group computed of fourteen listed firms using these stated criteria. The sample filters include: (i) Must be listed on NGX within the period 2007 to 2023 (ii) Not delisted within

the period (iii) Greater than 25% public ownership (iv) Must be in consistent operation 2007 to 2023 (v) There must be complete data availability from 2007 to 2023. Based on the sample size filters; this study utilized census sampling techniques of fourteen (14) listed consumer and industrial Nigerian firms for analysis of the data.

Table 1

Selected Sample Size of The Study: Consumer and Industrial Goods Sector

S/N	Listed Manufacturing Firms	Types	Year of Incorporation	Year of Listing
1	Champion® Breweries Plc.	Consumer	July 31, 1974	September 1, 1983
2	Dangote Sugar Plc.	Consumer	January 4, 2005	March 8, 2007
3	Guinness Nig. Plc.	Consumer	April 29, 1950	January 2 1965
4	Nasco Allied Industries	Consumer	April 30, 1973	October 20, 1992
5	Nestle Nig. Plc.	Consumer	Sept. 25, 1969	April 20, 1979
6	Nigeria Breweries Plc.	Consumer	Nov. 16, 1946	Sept. 5, 1973
7	Unilever Nig. Plc.	Consumer	Nov. 4, 1923	April 1, 1973
8	Union Diconsalt Plc.	Consumer	Nov. 12, 1991	Sept. 23, 1993
9	International Breweries Plc.	Consumer	Dec. 22, 1971	April 26, 1994
10	Beta Glass Plc.	Industrial Goods	June 2, 1974	July 21, 1986
11	Cap Plc.	Industrial Goods	Sept. 21, 1965	May 24, 1978
12	Cutix Plc.	Industrial Goods	Nov. 4, 1982	August 12, 1987
13	Lafarge Africa Plc.	Industrial Goods	Feb. 24, 1959	February 17, 1979
14	Premier Paints Plc.	Industrial Goods	Aug. 12, 1982	March 7, 1995

Source: NGX, 2023

The model specification as adopted from Bappah et al., 2022 is described as follows:

Model I: Direct Effects: $DPo_{it} = it + \beta_1 BS_{it} + \beta_2 BGD_{it} + \beta 3Bown_{it}\ e_{it}$….. Equation i.

Model II: Moderated Effects:

$DPo_{it} = _{it} + \beta_1 BS_{it} + \beta_2 BGD_{it} + \beta 3Bown_{it} + \beta_4 (BS_{it} mkBown_{it}) + \beta_5 (BGD_{it} Bown_{it})\ e_{it}$….. Equation ii.

4. Results and Discussion

This section presents, analyses and interpret, the outcome of the data generated firm the audited annual financial reports of selected listed industrial and consumer good firms in Nigeria.

Table 2

Descriptive Statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
DPO	238	.472521	.6317783	0	4.5
BS	238	9.369748	2.330736	5	16
BED	238	.2045378	.1418191	0	.67
BOWN	238	.592437	.4924167	0	1

Source: STAT 17 OUTPUT, 2025

Table 2 reveals the mean score of 47% for dividend payout ratio. This means that on the average listed consumer and industrial firms in Nigeria pays dividend of 0.47 kobo to their equity holders especially for large firms. The minimum DPO is 0 and maximum 4.50. This indicates that many listed consumer and industrial Nigerian firms such as Dicon paid nil or zero dividends over the years. The mean total score of 9 of board size indicates the average number of total mix of executive and non-executive directors with a minimum of 5 and maximum of 16.

Board female gender diversity with average of 0.20 reveals the mean score of 20% of the board are represented by females. Inherently, from the data collected certain firms indicates only one or nil female genders on the board. Results show a minimum of 0 and maximum of 0.67 proportionately. Board ownership reveals 59% of the share ownership averagely representing the mean score with minimum of 0 and maximum of 1.

For all the summary statistics, a moderate dispersion from the mean is indicated. Since the standard derivation are close to the mean. This shows significant variation but concentration around the mean.

Table 3

VIF Diagnostic Test-Multicollinearity Test

Variables	**VIF**	**Tolerance Value/VIF**
BgoBown	4.87	0.205345
BS Bown	3.12	0.320512
BGD	2.85	0.350877
BS	1.15	0.869565
Bown	1.08	0.925926
Mean VIF	2.61	

Source: STAT 17 OUTPUT, 2025

The table found absence of multicollinearity suggesting the independent variables are well fitted.

Table 4

Heteroskedasticity test

Source	$Ch1^2$	P-Value
Heteroskedasticity	8.45	0.1719

Source: STAT 17 OUTPUT, 2025

The modified wald test with p-value of 0.1719 greater than, 0.05 indicates no heteroskedasticity simplifying analysis of the data in line with best linear unbiased estimator among the predictor variables.

Table 5

Summary of Regression Results

Variables	**Model I: Direct Fixed Effect**			**Model II: Moderated Fixed Effect**				**Binary Logistic**			
Variable	Coeff	t-value	P-value	Variable	Coeff	t-value	p-value	Variable	Coef	Z-value	p-value
BS	.09561			BSBOWN	6.089	7.22	0.000	BSBOWN	.4891	5.172	0.000
BGD	.81234	6.493	0.000	BGDBOWN	.789	2.030	0.044	BGDBOWN	3.678	3.55	0.006
BOWN	.4567	6.57	0.000	BOWN	.489	7.14	0.000	BOWN	1.345		0.000
Adj R-Squared		0.59		AdjR^2	0.59	0.42					
R^2		0.60		R^2	0.61						
Probchi		0.0000			0.000	0.000					
F-		68.47			146.78	145.67					

Source: STAT 17 OUTPUT, 2025

Table 5 reveals (direct model) that the independent variables BS and BGD are both significant and positive with coefficients of 0.09561 and 0.081234 respectively. This implies that for every 0.01 proportion or 1% increase in the number of board size and female gender, dividend payout has significant improvement. Hence, in line with the hypotheses, null hypotheses is rejected while alternate is approved and supported. The findings of this work is in line with the studies of (Awen et al., 2023; Chen et al., 2017; Jinadu et al., 2025). In contrast with the works of (Ekpulu & Opudu, 2024).

This result was analysed based on direct fixed effect from hausman specification outcome as p-value is less than 0.05. GLS fixed effect regression of the dependent variable (dividend payout ratio) and the explanatory variables of the study (board size and board gender diversity) with the moderator (board ownership): reveals the explanatory power of the models while F-value is for the overall significance of the model. Results show that 59% of the total variation in DPO is influenced by board size and gender diversity.

The combined effect indicate that board ownership strengthens the effect of board size, gender diversity on DPO. While the remaining 41% depends on other factors not considered in this study. The logistic regression for both direct and moderated proved that both board size and gender diversity show a strong positive and significant effect on dividend payout. Furthermore, the result of findings indicates that board ownership moderates strongly the effect of board size, gender diversity on dividend payout.

Table 6

Hausman Specification Test

Hausman Test	Chi-Sq Prob	Decision
18.72	0.0009	Reject Null – Fixed Effect

Source: STAT 17 OUTPUT, 2025

5. Conclusion and Recommendations

This study concludes that payout of higher dividend to investors mitigates agency conflict in line with agency theory and signals performance effectiveness increasing equity holders' interest and confidence in agreement with signaling theory and information asymmetry. This study also concludes that board ownership strengthens the effect of board size, gender diversity on dividend payout as a result of adequate skills, experience, commitment to shareholders return amongst others.

Based on this conclusion, this study recommends the following:

(i) Regulatory authorities through Security and Exchange Commission, Nigerian Exchange amongst others to strengthen board governance strategies in Nigeria in order to promote enhanced dividend payout.

(ii) Board of directors in line with CAMA 2020 and Nigerian Code of Corporate Governance 2018 should henceforth encourage firms to increase the number of female genders on the board of directors.

(iii) Firms should increase board ownership and concentration as it aids directors who are also shareholders to pursue investors interest in terms of dividend payout.

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Appendix I

Variable, Definition and Measurement

Variable	Type/Nature of variable	Proxy(ies)	Measurement	*Sources*	*Apriori Expectation*
Dividend payout	Dependent variable	Dividend payout ratio (Dpo)	Dividend/total net income	*Mustapha et al. (2021); Nharo et al. (2021)*	+
Board size	Independent variables: Independent variable	BS	Total number of firm directors on the board	*Zahid et al. (2019); Ekwueme et al., (2021)*	+
Board gender diversity	Independent variable	BGD	Proportion of female directors to total number of members on the board	*Saleh et al., (2021)*	+
Board Ownership	Moderating variable	BOWN	Proportion of executive and non-executive directors shares total shareholding.	*Dandago Et Al. 2015; Sani & Musa 2017*	+

Source: Compiled by the Research, 2025