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The Ownership Structure And Firms Preformance: Evidence Form Nigeria

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ABSTRACT

Ownership structure is an integral part of corporate governance mechanisms capable of supporting a firm to be in good stead for optimum performance. Though, various studies have been carried out Nigeria but little has done in the area of foreign ownership concentration. In Nigeria, the ownership structure of firms is based on individual, institutions etc; as determine by the economic, political structure and policies of various government regimes. However, our finding shows significant over the ownership concentration and foreign ownership. Ownership concentration maintains negative significant with market performance while it shows positive significant with accounting performance. Also, the foreign ownership result shows positive statically significant with market performance and negative significant over accounting performance. Foreign ownership tends to facilitate knowledge spill over by demonstration, effects, thereby leading to backward and forward technological linkages with downstream and upstream firms. Though, little positive externalities had been generated by the presence of foreign investments on listed firms to account for the much expected positive spill over from foreign undertakings in Nigeria. We therefore recommend that the policy maker and regulator should redesign and restrategise the foreign ownership policy thrusts and critically evaluate the direction and form of foreign investments flows, taking cognizance of the nation's unique economic stature and objectives.

INTRODUCTION

The Ownership structure of a firm plays an important role in firm performance. It connotes the distribution of equity capital of a firm which determine the voting power, cash flow rights and proportion of capital holdings of shareholders. Similarly, the structure determines the incentive of the manager; and to a large extent economic efficiency of the firm, investment, financial decisions and the level managerial conflicts. Ownership structure has a strong influence on internal monitoring and its ability to control the effects of external threats (e.g.Denis *et al*, 1997; & Ali *et al*, 2015).

In the context of Nigeria, the ownership structure of listed firms takes the form of individuals, institutions among others, depending on the economic, political structure and policies of the various government regimes. However, various researches had been conducted, but little had been done about foreign ownership holdings of firms in Nigeria. Nonetheless, foreign ownership restrictions on quoted companies in Nigeria were later removed by the enactment of Nigerian Enterprise Promotion Decree (1989), and Investments and Securities Acts (2007) which now pave way for 100 percent foreign ownership of listed firms in Nigerian. Foreigners can now participate in the market as investors and operators.

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Similarly, the studies by Fazlzadeh *et al*, (2011) & Baysinger & Butler (1985) maintain that corporate ownership is the block of securities owned and managed by a corporation, founder's family, institutions like pension fund and other large shareholders among others. However, Kapopoulos & Lazaretou (2008) conclude that, a concentrated ownership structure maintains a positive relationship to higher firm profitability using a Greek dataset of 175 firms. However, Sanchez & Garcia (2007) using a meta-analysis technique with 33 studies found no significant relationship between firm performance and ownership structure. Though, Lee (2008) observes that firm financial performance improves as ownership concentration increase with a panel data analysis on dataset of South Korea in 2000 to 2008.

2 Review of Literature:

Literature related to the study shall be reviewed, thus literature suggests market and non-market mechanisms could be used to measure the performance of a firm.

2.1 The Enlighten Stakeholder's Theory:

Stakeholder theory as put forward by John &Senbet (1998) lay much emphasis on the role of non-market mechanism like the quest to set an optimal size of the board of directors due to its tendency of negative correlation with the firm's performance and entrenchment of specialized committees drawn from specialized areas of firm's operational units to help in charting ways for higher productivity and monitoring process. Though, Jensen (2001) agrees in view of the multiplicity of stakeholders, he however opines that the action of the managers might go in conflicts with these classes of stakeholders.

Suffice to say, they have multiple objective functions to optimize which he sees as a weakness in stakeholder theory. Since this is centrally to the assertion that single valued objective is required for rational behaviour of an organization. Thus, suggest a redefinition of stakeholder theory to what he calls "enlightened stakeholder theory" in line with single valued objective in conformity with axiom of rationality. This modifies theory thus offers two advantages, namely single value objective for the manager for long run value maximization and offer a simple criterion for managers in evaluating whether their actions are geared toward the protection of the interest of all the stakeholders, but with the seeming weakness of the presence of monopoly situation and externalities (Sanda *et al*, 2005).

2.2 The Resource Dependence Theory:

Resource dependence theory (RDT) is adopted to explain further the functions of the board of directors in relation to outside business environments. According to Pfeffer and salancik (1978) organization actions are geared in response to the interdependence and contingencies of external business environment, in a nutshell how firm's external resources affect its activities. The survival of an organization partly depends on how it can obtain, sustain and utilize the essential resources from its external environment. Hence, board membership competency is viewed in term of resource services. Therefore, the resource dependence theory holds that organizational behaviour portrays how it management its dependence on external resources for its survival and coattails the ensuing demands of the supplier of the resources.

Therefore, according to Hillman & Dalziel (2003) board of directors' functions are not only base on effective monitoring but on board capital.

Ho (2014) observes that the central principle of this mutual interdependency of firms implies that no firm on its own may survive without interacting with one and other or outside World. It implies that RDT is a network of interdependency between corporate bodies. In the context of RDT, the board functions in two folds, by creating the needed linkage between his organization and the outside world and provision personal human capital by virtue of their duties. With these specialist expertise, they are expected to formulate effective an strategic direction and administrative counselling, bridge the gap of information between the firm and other stakeholders, reduce transaction cost and procuring resources by networking between the organization and high net worth individuals and organizations.

2.3 Ownership Concentration and Listed Firm Performance:

Ownership concentration refers to block of shares of at least five percent common stocks belonging to a single shareholder (Torrel, 2011). Large block holders in quotes firms are usually mutual funds, investment banks, government, pension funds among others. It serves as an effective internal control for checking the excesses of the managers and directors (Ang *et al*, 2000). In similar view Driffield *et al*, (2007) posit that ownership concentration maintains a positive relationship with firm leverage. They have the expertise and motivation to monitor the management, and thus enable the firm to easily overcome turbulent business period. However, in our study, ownership concentration maintains negative and significant relation with market performance (Tobin's Q) with a 0.01% level, which implies that 1% increase market performance will lead -0.0311 decrease in ownership concentration. Whereas, it shows statically positive and significant relationship with accounting performance (ROA) with a 0.01 % level. Which shows the rise in 1%, accounting, performance will lead to 0.00161 increases in ownership concentration?

Moreover, block holders also exhibit propping behaviour when the company is in distress, facing the risk of bankruptcy from creditors and other related parties by injecting private funds into firm to enhance the value of the firms, and managers tend to maintain cordial relationship them thereby reducing conflict of interest and enhance efficient decision making (Hu & Zheng, 2015). In the context of this study, block holders are those that hold up to five (5) percent or more of firm equity shares (Walters *et al*, 2015). The NSE listing requirement for listed firms on the Main board is that they should offer at least 20 percent of their shares to the public (at least 300 shareholders) while those seeking enlistment on ASeM are required to offer their shares to at least 15 percent of its shares (51 shareholders) to the public.

Legally the shareholders own the firm but in a disperse ownership structure they seem to have a low sense of ownership leading to weakening incentive, ability to monitor and control the managements. They are known to invest in various firms in order to diversify risks and for future dividend flow intent or no enough knowledge to make a qualify decision about the firm (Torrel, 2011). On the other hand, block holders have a large stake in the firm with a correspondent incentive to monitor the management for an increase in firm performance (Lee, 2008).

However, whether single or several block shareholders there is no definite result on its impact on firm value (Holderness, 2003). Studies found no evidences of correlation between block holders and firm performance and they tend to use their control rights to create private benefits that result into expropriation of minority shareholders. Moreover, block shareholders may extract funds through tunnelling activities via transactions from a related company (Ciampi, 2015). In consonance with entrenchment theory, large shareholders may pursue their interest to the detriment of minority shareholders, managements and employees' interests (Hu & Zheng, 2015).

2.4 Foreign Ownership and Listed Firm Performance:

Foreign investors play a prominent role in emerging economy in the area of capital supply, management expertise, technology and competition (Min & Bowman, 2015). Chen *et al*, (2015) posit that foreign ownership is a reflection of foreign direct investment policy; therefore it has firm level importance. Foreign ownership of listed firm tends to facilitate knowledge spill over by demonstration, effects, thereby promoting backward and forward technological linkage with downstream and upstream firms (Wang *et al*,2012). This view aligns with an earlier study by Johanson & Vahlne, (2009) who posit that joint venture with foreign owners is a veritable tool for technological transfer from foreign owners in the country.

The involvement of foreign ownership facilitates the understanding of the international business practices, thereby, lead the local firm to quickly adapt to international standard and reduce learning cost. However, our finding shows positive and significant relationship with market performance with a 0.01% level, which shows that an increase of 1% in foreign ownership will lead to 0.0269 increases in firm performance. Also, it maintains negative and significance the accounting performance with a 5% level, this is to say one will not be able to use it to pursue accounting performance, as a 1% increase foreign ownership would lead 0.000748 to decrease firm performance.

Though, studies show uncertainty between emerging economies growth rate and the way by foreign direct investment (FDI) may foster firm performance and economic growth in developing economies, the firm should be mindful of the experience of hot money, which often result in capital flight (Greenaway *et al*, 2014). However, the structure of ownership systematically varies in line with value maximization and studies affirm that foreign owned listed firms are more productive than their domestic counterparts (Chen *et al*, 2014). In the context of listed firm performance, foreign ownership shows the relatively greater performance level, quality financial reporting standard and corporate risk taking due to their sound investment decisions.

However, in investigating the degree of foreign ownership and firm performances using a dataset from 21, 582 Chinese firms between 2000 and 2005, Greenaway *et al*, (2014) observe that joint venture relatively performs better than wholly owned domestic and foreign firms; with profitability and productivity initially rise marginally to a certain level and start to decline. Implying that a reasonable level of domestic ownership is necessary to ensure optimal firm performance. The global trends of financial liberalization had witnessed the influx of foreign investors in developing countries (Chen *et al*, 2014 and Pennathur & Shamila, 2014).

Moreover, the trends of changing of hostile attitudes toward foreign direct investment (FDI) by a government in the late 1970s and early 1980s in most part of the world as a result of the success stories of privatization of government owned companies, liberation and deregulation of markets exercises in China, Eastern and Central Europe led to a shift in attitude by many countries in favour of foreign ownership, especially in developing countries (Dunning, 1994). Similarly, the structural adjustment policy of the government of Nigeria in 1985, the IA, NEC among other Acts were repealed by the Nigerian Enterprise Promotion Decree (NEPAD) of 1989 and the subsequent Investment and Security Acts (ISA) 2007 giving foreigners unfetter and unlimited ownership rights and can now participate as an investor and operators and without any ceiling of percentage in any registered company in the Nigerian (Ajayi, 2014).

2.5 Control Variables:

The control variables are introduced to account for the endogeneity and other extraneous factors that may confound the results. Empirical literatures state the strength of listed firm performance may be moderated by various factors such as firm size and firm age, which tend to influence findings relating to firm strategic initiatives (Craig & Dibrell, 2006 and Gaur *et al*, 2015).

2.5.1 Firm Size and Listed Firm Performance:

Firm size is measured by book value of total assets, in order to account for economies of scale by taking the natural logarithm of the book value of total assets (Wahba, 2015). Beck *et al* (2005) argues that firm size has a strong association with firm's survival, profitability and productivity; though, depending on policy implementation like legal and financial policy effects. Large size firms tend to pay more attention to the observance of corporate governance due to intense public attention on them (Chang *et al*, 2012). However, our finding shows no significance with market performance, and maintains negative and significant (0.01%) with accounting performance (ROA). This implies the 1% change in firm size would lead to -0.00137 decrease in firm performance. Nonetheless, Raja & Kumar (2005) posit that firm size exhibit a positive relation with the performances of listed firm. Though, the strength of the relationship may be influenced by the ownership structure like ownership concentration, foreign ownership, and founding family. Firm size is also seen as an influential factor in the firm's value determination since large firms are likely to undertake profitable investment than small size firm (Black *et al*, 2002). Manufacturing firm's profitability maintains a positive relationship with firm size (Gedajlovic & Shapiro, 1998).

Chen (2014) observe that the complexity and size of firm enhance their ability to have a greater external contractual relationship that enable them to have wide scope of operations to effectively tackle uncertain environmental challenges. Though, there is no clear stand concerning management effectiveness and firm size, however in a competitive market, large firms are expected to attract efficient directors that will give a positive coefficient (Lee & Isa, 2015). In this study firm size will be proxy by the natural logarithm of the total assets of the firm (Chang *et al* 2012).

2.5.2 Firm age and Listed Firm Performance:

Firm age is associated with ample of experience, expertise and reduction in perceived risks, (Mahajan & Singh, 2013) since old firms are expected to have large market shares, high clientele patronage, customer loyalty, well established logistic channels, and business associates with various factors of production. Thus, older firms tend to be more profitable due to their well-established operational strategies in producing various goods/services to meet various customers' demands. Carroll (2003) observes that young firm is prone to failure because of diversion of their resources to establish internal routines, developing credible exchange relationship, and training of the employees.

Our findings show positively and significantly related to both market and accounting performance, which implies that firm age form a crucial factor to consider when foreign investor is investing in the firm. O' Conor & Byrne (2013) opine that young firms exhibit more transparency and accountability. However, it is worthy of note that the length of time between firm funding and the time class of firms experience the peak of mortality rate depend on resources dependent; firms with well-endowed funds will enjoy a low risk of failure and will be able to prolong the time when the peak rate occurred (Bruderl & Schussler, 1990). Though, mature firm tend to imbibe better corporate governance, discipline and independence.

Moreover, Ling *et al*, (2007) opine that firm leadership style changes over time and their impacts on firm become stronger when the company is small and relatively young because of the high managerial discretion imbued with the management at this stage. Board members' collectivism and novelty are strongly associated with young firm performance. However, in line with life organizational cycle theory, it is essential to note that the dynamic nature of various challenges firms had to undergo through in its life cycle and growth process may invalidate some of these seeming age specific characteristics (Simsek *et al*, 2005 & Mahajan & Singh, 2013).

Table 1: Variable, definition and measurement

Variable	Definition	Measurement
OWCN	Ownership concentration	Fraction of shareholders, holding five perfect of share or more of the firm (Walter *et al*. 2015)
FOWN	Foreign ownership	It is measured by the proportion share capital owned by foreign investors (Greenway *et al*, 2012)
FMSZ	Firm size	It is measured by the natural logarithm of total assets of the firm (Chang *et al*, 2012)
FMAG	Firm age	It is proxy by the logarithm of the number of years from the time of its incorporation (Raja & Kumur, 1912)
Tobin's q	Tobin's q	Tobin's Q is a measure of market performance of listed firm given by: $Q = \frac{BV(Assets) + MV(Equity) - BV(Equity}{BV(Assets)}$ Book value of total assets subtracts the book value of equity and adds the market value of equity and divide all by book value of assets. (Meoli *et al*,2013
ROA	Return on assets	Net profit as percentage of total assets (Sanda *et al* 2005)

Corporate value system and value guided managerial behaviours remain stable across firm life cycle and there is no common agreement on the number of stages firm may pass through in their process of growth and development. The nature of problems and the methods to handle them varies in accordance with the nature of the firm.

3 Methodology and Data presentation:

Data of 101 firms listed on the NSE excluding finance sector are examined and relied upon because these firms are mandated to make their information public in Nigeria. The data for the study (with the exception of GDP, which is obtained from CBN statistical bulletin) were collected from an independent data source known as Financial and Governance (FINGOV) Database, a data resource firm based in Nigeria.

This independent data source has been able to integrate, update and validate relevant data from the annual reports of companies. It should also be noted that information from companies' annual reports can be relied upon as they are audited by external auditors, majority of who are of international repute. The data for this study was sourced from sample covers the period of 2005-2014, and dynamic panel data system will use in analysis the data.

3.1 Mode Specification and Variable:

The study was in line with the previous studies carried out in Nigeria by Onakoya *et al* (2012) & Uwuigbe *et al* (2014) The nature of the under consideration, are data and analysis method, employing a dynamic panel data regression (DPD) analysis. Thus, it is expected to give the strength and direction of the relationship between the independent, control and dependent variables.

Firm Performance = F (corporate Governance mechanisms) (1)

However, introducing control variables to help control unobservable variables known as endogeneity and heterogeneity (Ling *et al* (2007) the equation becomes:

Firm performance = F (Corporate governance mechanisms and control variables) (2)

Therefore, $PERM = \alpha_0 + \alpha_1\chi_1 + \ldots\ldots\ldots \alpha_n\chi_n + \partial_n$, Where PERM = the firm performance (dependent variables), $\chi_1, \chi_2 \ldots\ldots\ldots\ldots \chi_n$ are the independent and control variables, $\alpha_0, \alpha_1 \ldots. \alpha_n$ are the coefficients to be determined and ∂_n the error term.

Thus:

$$\text{Tobin's Q} = \alpha_0 + \alpha_1 OWCN + \alpha_2 FOWN + \alpha_3 FMSZ + \alpha_4 FMAG + \partial_n \quad (3)$$
$$ROA = \alpha_0 + \alpha_1 OWCN + \alpha_2 FOWN + \alpha_3 FMSZ + \alpha_4 FMAG + \partial_n \quad (4)$$

3.2The Hypothesis:

It was observed that the influence of ownership structure as it affect listed firm performance have witnessed extensive research in developed economies but little research had been relatively carried out in developing countries like Nigeria. Therefore, in furtherance to add to the ongoing research and subject to the literature review, the following hypotheses shall be tested to shed light on the theme of this study.

H1: Ownership concentration has significant impact on Tobin's Q firm performance measure.
H2: Ownership concentration maintains significant and positive association with ROA.
H3: Foreign ownership has significant impact on Tobin's Q

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H4: Foreign ownership maintains a significant impact on ROA.
H5: Firm size impact significantly on Tobin's Q performance measure.
H6: Firm size impact significantly on ROA firm performance measure.
H7: Firm age maintains significantly related to the listed firm Tobin's Q performance measure.
H8: Firm age influence significantly on ROA firm performance measure.

3.3 Model Specification:

The above specifications present the dynamic panel model specification of linear relationship among variables of interest. The definitions of variables are shown below.

3.4 Deceptive Statistics:

Table 1 presents the descriptive analysis of the variables used in the study. It shows that the TOBIN's Q ranges from 0.45 to 9.42 with the mean and standard deviation of 1.90 and 1.33 respectively, while ROA ranges from -1.31 to 0.47 with an average of 0.07 and standard deviation of 0.41. The minimum OWCN is 7.19 members and maximum 98.33 members with an average Ownership concentration is 59.93 members with a standard deviation of 19.07 members approximately. Also, foreign ownership concentration ranges from 3.99 to 91 with a mean of 47.96 and standard deviation of 21.18 respectively. The firm size also ranges 11. 22 to 19.67 with a mean of 15.88 and standard deviation of 1.70.

Further, firm age has a minimum value of 6 and maximum of 91 with a mean value and standard deviation of 46.33 and 16.04 respectively.

Table 2: Descriptive analysis

(obs=453)

Variable	Mean	Std. Dev.	Min	Max
TOBINQ	1.895473	1.326527	.4539246	9.415247
ROA	.0698625	.1413033	-1.307446	.4674164
OWCN	59.92951	19.06618	7.19	98.33
FOWN	47.96132	21.18122	3.99	91
FMSZ	15.88117	1.696788	11.21873	19.67124
FMAG	46.33333	16.03789	6	91

3.5 Correlation Analysis:

The table below summarizes the results of preliminary correlation analyses, among the variables. However, in summary since all correlations were found to be less than 0.80 these are no issues of multicollinearity between the independent variables these exercises serves two important purposes. First is to determine whether there is a bivariate relationship between each pair of the dependent and independent variables. The second is to ensure that the correlations among the explanatory variables are not so high to the extent of posing multi-co linearity problems.

Table 2: Correlation analysis

	TOBINQ	ROA	OWCN	FOWN	FMSZ	FMAG
TOBINQ	1.0000					
ROA	0.2023	1.0000				
OWCN	0.0548	-0.0462	1.0000			
FOWN	0.1133	0.0905	0.5823	1.0000		
FMSZ	0.2497	0.2819	0.1500	0.2579	1.0000	
FMAG	0.1421	0.0730	-0.1048	0.2112	0.1405	1.0000

4.0 Regression Analysis:

The table3 below shows the results of the factors that determine Tobin Q and ROA uses the regression analysis in which two models are specified. The sign of robustness, R. Square 0.032459 for Tobin's Q and 0.056305 for ROA receptively. The ownership concentration is an instrument in the dynamic panel data model estimation.

4 1 Findings:

The result shows ownership concentration with negative significant with market performance (Tobin's q). It implies that if you increase ownership concentration 1% it will leads a decrease in a firm's performance by -0.0311, also it shows statistically positive and significant relation with accounting performance (ROA). It shows that when increase OWCN by 1%, it will lead to increase by 0.00161 in firm performance. Though, it is all significant the professional and regulator will maintain the enlargement of ownership concentration when pursuit market performance and increase the use of it when pursuing accounting performance. Hence, block holders tend to exhibit propping behaviour when the company is in distress, facing the risk of bankruptcy from creditors and other related parties by inject private funds into firm to enhance the value of the firms (HU & Zeng, 2015).

Furthermore, the result of foreign ownership shows significant and positive relation with market performance. It implies that when increase FOWN by 1%, it will lead to an increase in market performance by 0.0269. It can be strategically shown that, foreign ownership shows the relatively greater performance level, quality financial reporting standard and corporate risk taking. Also, foreign ownership shows significant, but a negative relationship with accounting performance. That is to say, a 1% increase in accounting performance will lead -0. 00078 decreases firm performance.

Firm size has no significant impact on market performance. However, it has negative significant with accounting performance. It shows that 1% raise in ROA will lead to decrease 0.026 in accounting performance. Firm age shows significant and positive relation with market and account performance contrary to view old or young performance. It glorying that in line with the organizational life cycle theory, the dynamic nature of various challenges firms had to undergo through in its life cycle and growth process may invalidate some of these seeming age specific characteristics (Mahajan & Singh, 2013). As increase 1% in market and accounting performance will lead to 0.00828 and 0.00137 respectively.

Table 3: Regression Analysis

	(1) TOBINQ	(2) ROA
L.TOBINQ	0.649***	
	(66.00)	
OWCN	-0.0311***	0.00161***
	(-14.93)	(5.96)
FOWN	0.0269***	-0.000748**
	(10.85)	(-2.91)
FMSZ	0.0173	-0.0426***
	(0.81)	(-24.56)
FMAG	0.00828***	0.00137***
	(3.48)	(3.82)
L.ROA		0.430***
		(72.01)
_CONS	0.597*	0.596***
	(2.41)	(23.91)
N	389	400

t statistics in parENTHESES
* p<0.05, ** p<0.01, *** p<0.001

R. Square	0.032457	0.056305
Adjusted R. Square	0.025993	0.050095

4.0 Discussion and Conclusion:

The discussion and conclusion of the research will be centred on the outcome of the findings.

4.1 Discussion:

The discussion of the research will be centred on the outcome of the findings:

Ownership concentration has a strong relationship with firm performance. They often have the expertise and motivation to monitor the management, especially firm that are going through a difficult business period. However, thereby the ownership concentration has a strong negative and significant association with Tobin's Q, confirm with predicted Hypothese H1. Also, it has a positive and significant relationship with ROA. Thus, confirming Hypothese H2. It's suggested that, it is an effective internal control capable of checking the excesses of managers and members of directors. It shows that, a firm that is engaged in market performance should reduced ownership concentration, while that which is driven by financial health is being increased. It implies that block holders exhibit propping behaviour when the company is in distress facing the risk of bankruptcy from creditors and other related parties by injecting private funds into the publicly listed firm.

Foreign ownership is perceived to play a prominent role in emerging economy in the areas of capital supply, management expertise, technology and competition that enhance capital market (Min & Bowman, 2015). Foreign ownership conforms to Hypothese H3 & H4, is a reflection of foreign direct investment policy; therefore it has firm and national level importance. However, in our finding FOWN, has statistically shown a positive and significant relationship with market performance. Though, It shows negative and significant relationship with accounting performance. Though, policy maker should under study the direction of foreign investments that much expected from foreign ownership in the form of knowledge and technological transfer could be achieved.

Firm size, though of control variables shows no significant relationship with market performance as oppose to Hyopthese H5. Nonetheless, firm size shows negative and significant relationship with accounting performance in agreement with Hypothese H6. Beck *et al* (2005) argue that firm size has a strong association with firm's survival, profitability and productivity; though, depending on policy implementation of like legal and financial policy effects, depending on their size.

Firm age is usually associated with ample of experience, expertise and reduction in perceived risks, Our finding, show the firm age has positive and significant relationship with market performance (Tobin's Q) at 0.01% as predicted in Hypothese H7. Though, with a significant and positive relationship with accounting performance (ROA) at the 0.01% level as equally predicted in Hypothese H8.

Though, a firm with old age tends to be more profitable due to their well-established operational strategies in producing various goods/services to meet various customers' demands. Moreover, O' Conor & Byrne (2013) opine that young firms exhibit more transparency and accountability. However, it is worthy of note that the length of time between firm funding and the time class of firms' experience the peak of mortality rate depend on resources dependent; firms with well-endowed funds will enjoy a low risk of failure and will be able to prolong the time when the peak rate occurred (Bruderl & Schussler, 1990). However, mature firm tend to imbibe better corporate governance, discipline and independence.

The outcome of this research shows significant implication to both theory and practice . It justifies the theoretical underpinnings i.e stakeholder and resource dependence theory. However, the study has a practical implication on ownership concentration, foreign ownership, firm size and form ag, and firm performance

Conclusion:

Ownership has been used strategically in anal of listed firm in Nigeria, despite the concerted efforts by the Nigerian government since the introduction of structural adjustment programme (SAP) in 1985, hoping that the knowledge brought by multinationals will bring spill over to domestic industries had not yielded the desired results. The study found out that ownership concentration was negatively and significantly with market performance, which imply that the use of it should, minimally, and positively significant with accounting performance, hence it could enhance accounting performance.

Foreign ownership of listed firms is expected to facilitate knowledge spill over in the country by demonstration, effects, thereby promoting forward and backward technological linkage with upstream and downstream firms. Our studies concerning the efficacy of foreign ownership and firm performance revealed that joint venture relatively performs better than wholly owned domestic and foreign firms. The result shows positive sign with market performance and negatively and signs with accounting performance. It implies that regulator, professional and policy can strategically use the market performance to achieve the desired objective. Though, a reasonable level of domestic ownership is necessary to ensure optimum performance.

Firm size has no significant level with market performance and maintains negative and significant relationships with accounting performance. Though, The study reveals the firm age has positively and significantly related to marketing and accounting performance. Suffice to say that, old firms have large market shares, high clientele patronage, customer loyalty, well established logistic channels, and business associates with various factors of production, On the hand young firms exhibit more transparency and accountability. Though, corporate value system and value guided managerial behaviours remain stable across firm life cycle and there is no common agreement on the number of stages firm may pass through in their process of growth and development. The nature of problems and the methods to handle them varies in accordance with the nature of the firm.

On the whole, the policy makers should re-strategies the foreign ownership policy thrust and critically evaluate the direction and form of foreign investments flow into the country. There is a need to re-evaluate their successes and failures in the light of the expected gains from foreign ownership and aggregate firm performances in particular and the economy in general. On the backdrop of the government economic objectives, and other alternatives to foreign ownership (FDI) of listed firms, policy makers should explore with the same vigour other areas that can equally contribute to listed firm performance and avoid over generalization of the positive consequences of foreign ownership and listed firm performances. Hence, the desire result is yet to achieve from foreign ownership.

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