ISSN: 2361-7144
Volume 6, Issue 1
June to November 2019
arcnjournals@gmail.com

International Journal of Business School Annals

Special Edition

International Journal of Business School Annals

Special Edition

ISSN: 2361-7144 | Volume 6, Issue 1 | June – November, 2019

www.ansrd.org

International Journal of Business School Annals

Special Edition

ISSN: 2361-7144 | Volume 6, Issue 1 | June – November, 2019

www.ansrd.org

Published by: International Academic Journal for Global Research (iajgr), 995 E Memorial Boulevard Lakeland Florida, U.S.A. in Collaboration with African Network for Scientific Research and Development (ANSRD), 104, Garki Central Area, Abuja, Nigeria

Journal. Any problem relating to the articles (i.e. plagiarism, grammatical errors, lexicon errors, spelling mistakes, publishing articles in more than one journal, etc.) is the sole responsibility of the authors and the Journal bears no responsibility for that. The use of general descriptive names, trade names, trademarks, and so forth in this publication, even if not specifically identified, does not imply that these names are not protected by the relevant laws and regulations.

While the advice and information in this Journal are believed to be true and accurate on the date of it going to the press, neither the authors, the editors, nor the publisher can accept any legal responsibility for any errors or omissions that may be made. The publisher makes no warranty, express or implied, with respect to the material contained herein.

ARC Journals values

Our values at ARC Journals are clear – these are: quality control, regular and timely issues, fast publication and reciprocity with stakeholders - ARC Journals seeks to publish a balanced mix of high quality theoretical or empirical research articles, case studies, book reviews, tutorials, editorials as well as pedagogical and curricular issues surrounding different domains of Agriculture, Engineering, Management, Pharmacy, Applied Science, Mathematics, etc.

Journal Mission

Our mission is to make available scientific breakthroughs and innovations by researchers that will aid the sustainable development of organizations and countries, by providing open access publications online without financial, legal and technical barriers. All ARC Journals articles will be freely distributed and available from multiple websites.

Submissions

Manuscripts adhering to author's guideline should be submitted for double-blind peer-review process to the Editorial Board. Manuscripts should be submitted electronically to:

- papers@accexgate.com
- Uploaded via our website: http://arcnjournals.org/index.php/submit-manuscript

Editorial Board

s/n	Contents	Pages

International Journal of Business School Annals

Special Edition

ISSN: 2361-7144 | Volume 6, Issue 1 | June – November, 2019

www.ansrd.org

International Journal of Business School Annals

Special Edition

ISSN: 2361-7144 | Volume 6, Issue 1 | June – November, 2019

www.ansrd.org

Published by: International Academic Journal for Global Research (iajgr), 995 E Memorial Boulevard Lakeland Florida, U.S.A. in Collaboration with African Network for Scientific Research and Development (ANSRD), 104, Garki Central Area, Abuja, Nigeria

Journal. Any problem relating to the articles (i.e. plagiarism, grammatical errors, lexicon errors, spelling mistakes, publishing articles in more than one journal, etc.) is the sole responsibility of the authors and the Journal bears no responsibility for that. The use of general descriptive names, trade names, trademarks, and so forth in this publication, even if not specifically identified, does not imply that these names are not protected by the relevant laws and regulations.

While the advice and information in this Journal are believed to be true and accurate on the date of it going to the press, neither the authors, the editors, nor the publisher can accept any legal responsibility for any errors or omissions that may be made. The publisher makes no warranty, express or implied, with respect to the material contained herein.

ARC Journals values

Our values at ARC Journals are clear – these are: quality control, regular and timely issues, fast publication and reciprocity with stakeholders - ARC Journals seeks to publish a balanced mix of high quality theoretical or empirical research articles, case studies, book reviews, tutorials, editorials as well as pedagogical and curricular issues surrounding different domains of Agriculture, Engineering, Management, Pharmacy, Applied Science, Mathematics, etc.

Journal Mission

Our mission is to make available scientific breakthroughs and innovations by researchers that will aid the sustainable development of organizations and countries, by providing open access publications online without financial, legal and technical barriers. All ARC Journals articles will be freely distributed and available from multiple websites.

Submissions

Manuscripts adhering to author's guideline should be submitted for double-blind peer-review process to the Editorial Board. Manuscripts should be submitted electronically to:

- papers@accexgate.com
- Uploaded via our website: http://arcnjournals.org/index.php/submit-manuscript

Editorial Board

s/n	Contents	Pages

International Journal of Business School Annals, 6(1):1-12
ISSN: 2361-7144. June, 2019

Foreign Direct Investment and Manufacturing Output in Nigeria: Empirical Evidence from VECM Model

Agbarakwe, Wilson Chimezie
Eastern Palm University, Ogboko, Ideato South LGA, Orlu, Imo State | Email: wilsonagbarakwe@yahoo.com

Abstract: *This research is set out to examine the relationship that exists between foreign direct investment and manufacturing output for the period 1980 to 2018. The selected macroeconomic variables are Foreign Direct Investment (FDI), Interest Rate (INT) and Export (EXPT). The study is an attempt to evaluate how these key macroeconomic variables explain manufacturing output in Nigeria. The scientific method adopted for this investigation is multiple regression analysis using vector error correction model to estimate both the short run and long run relationship between the regressor and the regressand. The result obtained indicate that Foreign Direct Investment has a positive but poor effect and contribution on the manufacturing sector output growth. The granger causality test established a bidirectional causality running from manufacturing output to foreign direct investment in Nigeria. Based on the findings, the researcher made the following recommendations. The government should provide enabling macroeconomic environment which should be characterized by stability and credibility of economic policies for the engineering of foreign direct investment inflows to augment domestic production; this will bring desirable positive changes in manufacturing sectors in Nigeria.*

Keywords*: Foreign Direct Investment, Manufacturing Output, Interest Rate, Export, Vector Error Correction Model*

INTRODUCTION

The essence of foreign investment into an economy has generated interest among development experts on its desirability or otherwise. While some stress that though economic activities of a nation is a stimulator of growth and development, they believe that opening an economy to sudden inflow and outflow can destabilize sound economies and compel them to adopt fiscal policy measure capable of creating problems in the operations of their security market. Yet, others believe that foreign investment inflows has help emerging economies to benefit from research and development from advanced economies which had assisted their industrialization efforts as well has boost output of the manufacturing sector, as the gains from the development in the real sector has also encouraged the inflow of foreign investment.

Foreign direct investments consist of external resources, including technology, managerial and marketing expertise and capital. The inflow of these resources enables the recipient economy to expand her productive base and by implication grow domestic economy. At the current level of Gross Domestic Product, the success of government‘s policies of stimulating the productive base of the economy depends largely on her ability to control adequate amount of foreign direct investments comprising of managerial, capital and technological resources to boost the existing production capabilities. The Nigerian government had in the past endeavored to provide foreign investors with a healthy climate as well as generous tax incentives, but the result had not been sufficiently encouraging. Nigeria still requires foreign assistance in the form of managerial, entrepreneurial and technical skills that often accompany foreign direct investments.

In recent times, foreign direct investment has emerged as the most important source of external resource inflows to developing countries and now plays an extraordinary role in globalization. Foreign direct investment inflow is expected to increase the output of the manufacturing sector, transfer technology, as well as increase managerial and marketing skills to domestic industries in order to enhance their productivity and economic growth to wider economy of the host nation (Chenery & Strout 1966). Evidence abound that fastest growing third world nations or newly industrialized countries accounted for the hosting of 90 percent of the world's foreign direct investment (Todaro, 1997). As a result of these benefit, attracting foreign direct investment is at the top of the policy agenda for both developing and developed countries of the world.

Contrary to common perception, foreign direct investment in Africa is no longer concentrated in the primary sector. In most countries, services and manufacturing are key sectors for foreign direct investment. For example, Nigeria is the second largest recipient of foreign direct investment among low income countries. Traditionally, foreign direct investment has been concentrated in the extractive industries, but there has been a recent diversification into the manufacturing sector, which had 47 percent foreign direct investment stock in 1992 (Odi, 1997).

The manufacturing firm plays a catalytic role in the modern economy and has many dynamic benefit that are crucial for the economic transformation of any nation. In an advanced economy, the manufacturing sector is leading in import substitution and export expansion, creating foreign exchange earnings, raising employment and per capita income, which widens the scope of consumption in a dynamic pattern. Furthermore, it promotes the growth of investment at a faster rate than any other sector of the economy, as well as wider and more efficient linkages among different sector (Ogwuma, 1995).

Statement of the Problem

It is believed that the manufacturing sector in Nigeria has benefited less from the increased volume of foreign direct investment inflow just as the sector's contribution to GDP has not been significant. One of the main objectives of Structural Adjustment Programme was to reduce the high dependence of the economy on crude petroleum, as a major foreign exchange earner by promoting non-oil export particularly manufactured goods. In the 1990's, Nigeria embarked on policies and structural reforms leading to increased openness, lowered barrier to trade, liberalized its domestic financial markets and removed restrictions on capital movements, including the open war against corruption with the sole aim of attracting foreign direct investment inflow.

In effect, the Oversea Development Initiative, (Odi,1997) noted that by the end of 1990s, Nigeria was the second largest recipient of Foreign Direct Investment among low income countries. However, despite the increase in foreign direct investment inflow, the output of the manufacturing sector has declined steadily, meaning that Nigeria is yet to fully tap its potentials from this sector. The persistent decline of the manufacturing sectors contributions to Gross Domestic Product fell steadily and could not play any leading role in exports expansion programme and employment generation to the army of unemployed youths in Nigeria.

According to Makwembere (2014), despite the widely publicized theory linking FDI to economic growth, it is on record that FDI inflows have not really translated to growth in developing nations. With the substantial rise in FDI into Nigeria in years past, little or no impact has been seen on job creation, technology transfer and economic growth.

Against this background, the relationship between foreign direct investment and manufacturing output represents one of the most widely discussed issues among macroeconomists. Different scholars have carried out empirical studies into the impact of foreign direct investment on the performance of manufacturing output. However, their submissions have been conflicting, for example, Orji, Anthony & Okafor (2015), Adejumo (2013), Osisanwo (2013) hold the view that foreign direct investment is negatively related to manufacturing output. In other hand, some researchers believe that foreign direct investments are positively related with manufacturing output (see Anowor Ukweni & Ezekwen 2013, Patience, 2011). It is therefore a core research issue and this is the pivot of this study.

Research Questions

This study is aimed at finding answers to the following research questions

1. To what extent has foreign direct investment impacted on manufacturing output in Nigeria?
2. Does interest rate predict manufacturing output in Nigeria?
3. Does export explain manufacturing output in Nigeria?
4. Is there any significant causal relationship between foreign direct investment and manufacturing output in Nigeria?

Objectives of the Study

The broad objective of the study is to determine the relationship between fiscal deficit and macroeconomic performance in Nigeria. Specifically, the study will:-

1. Evaluate to what extent has foreign direct investment impacted on manufacturing output in Nigeria
2. Determine if interest rate predict manufacturing output in Nigeria.
3. Examine to what extent export explain manufacturing output in Nigeria
4. Establish the existence or not of any significant causal relationship between foreign direct investment and manufacturing output in Nigeria.

Research Hypotheses

For the proper analysis of this research work, the following hypotheses have been posited

1. **Ho_1:** There is no impact between foreign direct investment and manufacturing output in Nigeria.
2. **Ho_2:** Interest rate does not predict manufacturing output in Nigeria
3. **Ho_3:** Export does not explain manufacturing output in Nigeria
4. **Ho_4:** Causality does not significantly run from foreign direct investment to manufacturing output in Nigeria.

EMPIRICAL LITERATURE

Ebekozien, Ugochukwu and Okoye (2015), employed simple percentages, regression analysis, Duncan Multiple Range Test and Granger Test to analyse the effect of inflow trends of Foreign Direct Investment in the Nigerian construction industry with data sourced from the central bank of Nigeria and the National Bureau of Statistics served, and revealed that there is poor flow (or an insignificant flow) of FDI into construction sector when compared to other sectors of the economy.

Orji, Anthony-Orji, Nchege, & Okafor (2015), employed the classical linear regression model and with relevant data sourced from Central Bank of Nigeria (CBN) statistical bulletins, they examined the impact of FDI on the Nigeria manufacturing sector over the period of 1970 to 2010, which revealed that FDI impacted negatively on the manufacturing sector. Based on the results, they suggested that the unhealthy relationship can be reversed if the country receives increased FDI inflows into critical sectors that support the necessary inputs and raw materials needed by the local industries.

Okoli and Agu (2015), employed the OLS and VECM techniques to assess the impact of foreign direct investment flow on the performance of the manufacturing firms in Nigeria spanning for a period of 40 years, with data sourced from World Bank and CBN bulletins, which revealed that FDI inflows had a positive impact only in the long-run. The results obtained suggest the need for government actions to be geared towards strategically maintaining and sustaining policies that will help encourage FDI inflows to promote an efficient and enabling macroeconomic environment on which manufacturing firms can thrive.

Anowor, Ukweni, Ibiam, & Ezekwem (2013, employed the OLS estimation technique to analyze the contributions of foreign direct investment to the growth of manufacturing sector in Nigeria using annual time series data from 1970 to 2011, with data sourced from Central Bank of Nigeria (CBN) Statistical Bulletins of 2012, which revealed that FDI was related and statistically significant to manufacturing sector output growth among other variables such as the exchange rate, degree of trade openness and domestic investment.

Adejumo (2013), used the autoregressive lag distribution technique to determine the relationship between FDI and manufacturing value added in Nigeria between the period 1970 and 2009 with data sourced from various issues of Central Bank of Nigeria (CBN) statistical bulletins and National Bureau of Statistics (NBS), which was revealed that in the long run, foreign direct investments have had a negative effect on the manufacturing sub-sector in Nigeria.

Osisanwo (2013), employed the ordinary least square (OLS) method to analyse the impact of foreign direct investment on manufacturing output growth in Nigeria between a decade after independence (1970) and 2011 with data sourced from the CBN bulletins, which revealed that the first lag of real manufacturing output level (MANt-1) and inflation (INF) are significant factors influencing the growth rate of Nigerian manufacturing industry, while manufacturing output is insignificantly and inelastic of foreign direct investment in Nigeria.

Sola, Obamuyi, Adekunjo, & Ogunleye (2013), employed the panel data analysis to examine the manufacturing performance for sustainable economic development in Nigeria from 1980 to 2008 with various data obtained from National Bureau of Statistics (NBS), which recorded a positive relationship between manufacturing and capacity utilization; a negative relationship between manufacturing and investment rate, exchange rate, and export. The study suggests that the provision of incentives for firms to become more export oriented.

Taiga (2012), used the ordinary least square (OLS) method to ascertain the relationship between manufacturing and economic growth in Nigeria from 1990 to 2010, with relevant data sourced from various issues of National Bureau of Statistics and Central Bank of Nigeria (CBN) Statistical Bulletins, which revealed that the manufacturing sector output contributed positively to real gross domestic product growth. He suggested that there should be a reduction in interest rate to encourage more investment in the economy which will boost the economy growth of Nigeria.

Patience (2011), examines the impact of foreign direct investment on manufacturing output growth of West Africa. The study is conducted across the Economic community of West African States (ECOWAS) which is the most popular regional economic community in Africa. Data was collected from banks annual reviews. It was found that foreign direct investment contributes to manufacturing output growth in West Africa.

Chandran and Krishnan (2008), used the Autoregressive Distributed Lag (ARDL) approach to examine the short and long run dynamics of foreign direct investment (FDI) over the manufacturing growth in Malaysia for the period of 1970 – 2003 with data sourced from World Bank development indicators. The study revealed that FDI elasticity in the short and long run were found to be statistically significant. The study also revealed that strategies are to be developed to enhance the competitiveness of Malaysian manufacturing sectors in the world of intense competition for FDI.

Ayanwale (2007), employed the OLS technique to investigate the empirical relationship between non-extractive FDI and economic growth in Nigeria spanning from 1975 to 2006 with relevant data sourced from National Bureau of Statistics and Central Bank of Nigeria statistical bulletins, which revealed that FDI has a positive link with economic growth. However, he cautioned that the overall effect of FDI on economic growth may not be significant.

Li and Liu (2005), use the panel data of 84 countries to investigate the influence of FDI and economic growth spanning from 1990 to 2004 with relevant data sourced from World Bank's World Development Indicators, which revealed a significant relationship between FDI and economic growth. Additionally, a stronger relationship was extracted when FDI is interacted with human capital. The same conclusion emerged in the study of Kiong & Jomo (2005) who examined the influences of FDI on

Malaysian economy. However, while positive effects of FDI on growth were found, the study cautioned that the net effect of FDI could be limited when FDI affects the domestic saving rate negatively.

Model Specification

The VECM model adopted for the study is specified below:

$$MO_t = \beta_0 + \beta_1 FDI_t + \beta_2 INT_t + \beta_3 EXPT_t + \varepsilon_{1t}$$

Where;

MO_t = Value of Manufacturing output
FDI_t = Foreign direct investment at time t
INT_t = Interest rate at time t
$EXPT_t$ = Export at time t
$\beta_0 - \beta_3$ refers to the parameters to be estimated
ε_t = omitted variable

A priori expectation: ($\beta_{1\ \&}\ \beta_3 > 0$) ($\beta_{1\ <}\ 0$)

Table 1: RESULT OF THE ADF UNIT ROOTS FOR STATIONARITY

	LEVELS			**1st DIFFERENCE**			
VARIABLES	**ADF Statistic**	**1% Critical**	**5% Critical Value**	**ADF Statistic Value**	**1% Critical Value**	**5% Critical Value**	**REMARKS**
MO	-3.260503	-4.273552	-3.551153	-4.656039	-3.699871	-2.976213	1(1)
FDI	-2.587968	-4.273552	-3.551153	-7.435113	-4.243642	-3.544377	1(1)
INT	-1.971426	-4.273552	-3.551153	-5.478730	-4.243642	-3.544116	1(1)
EXPT	-2.685411	-4.273552	-3.551153	-4.479362	-4.243642	-3.544116	1(1)

Source: Author's compilation using E-View 9.5 computer software

As shown on table 1 above, the unit root tests result indicated that all the series namely; manufacturing output, foreign direct investment, interest rate and export contained unit root and are stationary only after first differencing, at 1% and 5% significant levels. This follows the decision rule which states that when the value of the computed ADF test statistics exceeds its critical value, the null hypothesis is rejected and the alternative accepted.

The stationarities of all the series in the same order was thus a motivation to run for co-integration tests. This is aimed at finding the presence or absent of any long run relationship among the series. This corroborates with the submission by Woodridge (2002) and Grene (1997) that when more than one variable is not stationary at levels, there is every need to run a co-integration test in order to verify if the series have any long run equilibrium relationship.

In view of the above therefore, since the variables are stationary at difference orders, there was the need for a test for co- integration test using the Johansen (1991) co- integration technique. The result is presented in table 2 as shown below:

TABLE 2: JOHANSEN COINTEGRATION TEST

Date: 02/20/19 Time: 12:39
Sample (adjusted): 1982 2018
Included observations: 37 after adjustments
Trend assumption: Linear deterministic trend
Series: MO FDI INT EXPT
Lags interval (in first differences): 1 to 1

Unrestricted Cointegration Rank Test (Trace)

Hypothesized No. of CE(s)	Eigenvalue	Trace Statistic	0.05 Critical Value	Prob.**
None*	0.439132	49.32836	47.85613	0.0484
At most 1*	0.375439	32.93237	29.79707	0.0327
At most 2*	0.059151	17.51624	15.49471	0.0245
At most 3	0.007009	0.260263	3.841466	0.6099

Trace test indicates 2 cointegration at the 0.05 level
* denotes rejection of the hypothesis at the 0.05 level
**MacKinnon-Haug-Michelis (1999) p-values

Unrestricted Cointegration Rank Test (Maximum Eigenvalue)

Hypothesized No. of CE(s)	Eigenvalue	Max-Eigen Statistic	0.05 Critical Value	Prob.**
None*	0.439132	29.39599	27.58434	0.0530
At most 1	0.375439	17.41613	21.13162	0.1533
At most 2	0.059151	2.255977	14.26460	0.9836
At most 3	0.007009	0.260263	3.841466	0.6099

Max-eigenvalue test indicates 1 cointegration at the 0.05 level
* denotes rejection of the hypothesis at the 0.05 level
**MacKinnon-Haug-Michelis (1999) p-values

Unrestricted Cointegrating Coefficients (normalized by b'*S11*b=I):

Source: Author's computations using Eviews 9.5 computer software

In table 2 above, the outcome of the cointegration test employed using both the trace and max-eigen test statistics indicates the presence of a long-run relationship among the four variables at 5% level of significance, thereby leading to the rejection of the null hypothesis of no cointegration. From the result it is therefore evident that foreign direct investment (FDI), manufacturing output, interest rate and export are cointegrated.

TABLE 3: VECTOR ERROR CORRECTION MODEL ANALYSIS

Vector Error Correction Estimates
Date: 02/20/19 Time: 11:53
Sample (adjusted): 1983 2018
Included observations: 36 after adjustments
Standard errors in ( ) & t-statistics in [ ]

Cointegrating Eq:	CointEq1			
MO(-1)	1.000000			
FDI(-1)	0.025961			
	(0.01199)			
	[2.16522]			
INT(-1)	-2.156346			
	(0.42086)			
	[-5.12362]			
EXPT(-1)	0.745146			
	(0.26308)			
	[2.83238]			
C	12.72726			
Error Correction:	D(MO)	D(FDI)	D(INT)	D(EXPT)
CointEq1	-0.036919	0.071104	0.299299	0.189967
	(0.01512)	(0.39750)	(0.08289)	(0.13025)
	[-2.44173]	[0.17888]	[3.61074]	[1.45848]
D(MO(-1))	-0.047333	-0.073565	-0.135178	-0.060860
	(0.20610)	(0.54572)	(0.11380)	(0.17882)
	[-0.22966]	[-0.13480]	[-1.18787]	[-0.34035]
D(MO(-2))	-0.324100	-0.805433	-0.202205	-0.274842
	(0.20384)	(0.53974)	(0.11255)	(0.17686)
	[-1.58998]	[-1.49226]	[-1.79656]	[-1.55405]
D(FDI(-1))	0.144432	0.260574	-0.087696	-0.062616
	(0.08131)	(0.21531)	(0.04490)	(0.07055)
	[1.77625]	[1.21024]	[-1.95323]	[-0.88756]
D(FDI(-2))	-0.117024	0.284926	0.063471	0.063155
	(0.12679)	(0.33572)	(0.07001)	(0.11000)
	[-0.92299]	[0.84871]	[0.90664]	[0.57411]
D(INT(-1))	-0.351300	1.040978	0.410602	-0.222476
	(0.32980)	(0.87326)	(0.18210)	(0.28614)
	[-1.06521]	[1.19206]	[2.25482]	[-0.77751]
D(INT(-2))	-0.101278	-0.019025	-8.51E-05	0.123348

	(0.32854)	(0.86994)	(0.18141)	(0.28505)
	[-0.30827]	[-0.02187]	[-0.00047]	[0.43272]
D(EXPT(-1))	0.203413	-0.011652	0.116531	-0.540599
	(0.22709)	(0.60132)	(0.12539)	(0.19703)
	[0.89572]	[-0.01938]	[0.92933]	[-2.74372]
D(EXPT(-2))	0.018302	0.394827	-0.111214	-0.177081
	(0.23574)	(0.62422)	(0.13017)	(0.20454)
	[0.07763]	[0.63251]	[-0.85438]	[-0.86576]
C	0.081107	5.594445	0.440224	2.347208
	(1.82605)	(4.83517)	(1.00827)	(1.58433)
	[0.04442]	[1.15703]	[0.43661]	[1.48152]
R-squared	0.733899	0.237431	0.418526	0.366948
Adj. R-squared	0.683326	-0.026535	0.217246	0.147814
Sum sq. resids	2080.451	14586.55	634.2855	1566.102
S.E. equation	8.945241	23.68589	4.939190	7.761102
F-statistic	4.448125	0.899476	2.079326	1.674541
Log likelihood	-124.1046	-159.1598	-102.7234	-118.9927
Akaike AIC	7.450254	9.397769	6.262413	7.166259
Schwarz SC	7.890120	9.837635	6.702279	7.606125
Mean dependent	0.869444	10.04907	-0.237390	1.296471
S.D. dependent	9.446582	23.37775	5.582685	8.407296
Determinant resid covariance (dof adj.)		32174613		
Determinant resid covariance		8753802.		
Log likelihood		-492.0571		
Akaike information criterion		29.78095		
Schwarz criterion		31.71636		

Source: Author's computations using Eviews 9.5 computer software

As shown in the upper region of the vector error correction model (VECM) above as well as the normalized cointegrating coefficients for two cointegrating equations given by the long run relationship as shown below:

Normalized cointegrating coefficients (standard error in parentheses)

MO	FDI	INT	EXPT
1.000000	0.025961	-2.156346	0.745146
	(0.01199)	(0.42086)	(0.26308)

The coefficient of foreign direct investment has a positive but poor effect and contribution on manufacturing output. In terms of the expected signs, the relationship between foreign direct investment and manufacturing output is positive. In other words, there is a long run positive link among foreign direct investment, export and manufacturing output in Nigeria within the period under study. The result also depicted a negative long run relationship between interest rate and manufacturing output as can be observed in the upper region of the vector error correction model above.

The VECM estimate result also depicts that the coefficient of determination with an R^2 of 0.733899 implies that 73.38% of the total variation in manufacturing output (MO) is explained by the independent variables. While the adjusted R^2 of 0.683326 or 68.33% suggested that the independent variable was robust in explaining the variation in manufacturing output (MO), thereby indicating a good fit. Likewise, the F-Statistics of 4.448125 indicates that the model is significant at 1% level and is a good fit. The implication is that the estimates and inferences drawn are reliable.

Granger Causality Test

TABLE 4

Pairwise Granger Causality Tests
Date: 02/20/19 Time: 15:34
Sample: 1980 2018
Lags: 2

Null Hypothesis:	Obs	F-Statistic	Prob.
FDI does not Granger Cause MO	37	3.53832	0.0448
MO does not Granger Cause FDI		4.89397	0.0140
INT does not Granger Cause MO	37	4.43470	0.0312
MO does not Granger Cause INT		3.84066	0.0420
EXPT does not Granger Cause MO	37	0.35597	0.7032
MO does not Granger Cause EXPT		1.85405	0.1730
INT does not Granger Cause FDI	37	0.04031	0.9605
FDI does not Granger Cause INT		1.06001	0.3583
EXPT does not Granger Cause FDI	37	3.37046	0.0470
FDI does not Granger Cause EXPT		1.11322	0.3409
EXPT does not Granger Cause INT	37	1.73676	0.1923
INT does not Granger Cause EXPT		0.41135	0.6662

Source: Author's computations using Eviews 9.5 computer software

Table 4 above, depicts the result of the relationship among the variables. The result suggests that Foreign Direct Investment (FDI) and interest rate causes manufacturing output (MO), hence the null hypothesis that FDI and INT does not granger causes MO cannot be rejected. The result also indicates that a bidirectional causality runs FDI to MO, INT to MO.

DISCUSSION OF FINDINGS

The analyses shows that the variables has unit root at level but became stationary at first differencing. The outcome of the Johansen co- integration test using both trace and max-eigen test statistics reveals the presence of long-run relationship among the variables at 0.05 level of significance, which support the rejection of null and acceptance of alternate hypothesis that there is co-integration. Following the results, it is therefore evident that foreign direct investment and manufacturing sector output are cointegrated. The causality test shows that manufacturing output granger causes foreign direct investment in Nigeria and is not consistent with findings of Osisanwo (2013) where FDI and Manufacturing sector growth has inverse relationship and FDI cannot explain the variations in the changes of the manufacturing sector growth.

CONCLUSION

The study examined the effect of Foreign Direct Investment (FDI) on the manufacturing sector output growth in Nigeria from 1980 to 2018. In achieving the objectives of the study, vector error correction model (VECM) estimation technique and Johansen co-integration test were employed for the nature of the effects and long-run relationship of the variables. The results of the analysis showed that FDI had a positive but poor effect and contribution on the manufacturing sector output growth. And it also showed there was a presence of long-run relationship between the variables in the model. The causality test shows that foreign direct investment granger causes manufacturing output in Nigeria.

Therefore, on the basis of findings of this study, it was revealed that Nigeria is yet to fully reap the benefits of FDI, as its effects on manufacturing output growth at the moment is very little.

RECOMMENDATION

The study recommends that Nigerian government should encourage the inflow of foreign direct investment into manufacturing sector since it facilitates output. Furthermore, policies and programs that would facilitate infrastructural development, political and economic stability are key in supporting the appeal of these investment locations.

The government should also provide enabling macroeconomic environment which should be characterized by stability and credibility of economic policies for the engineering of foreign direct investment inflows to augment domestic production; this will bring desirable positive changes in manufacturing sectors in Nigeria.

The security level in the country should be tightened in order to encourage foreign investors' confidence, as instability anywhere in the country will scare away prospective investors. Policies should be enacted and strengthened by government to limit the repatriation of profits by foreign firms and ensure reinvestment of profit in the Nigerian economy.

REFERENCES

Anowor, O. F., Ukweni, N. O., Ibiam, F. O. & Ezekwem, O. S. (2013). Foreign direct investment and manufacturing sector growth in Nigeria. *International Journal of Academic Scientific and Technical Research,* 5, 41 – 54.

Ayanwale, A. B. (2007). FDI and economic growth: evidence from Nigeria. *AERC Research Paper 165, African Economic Research Consortium*, Nairobi.

Chandran, V. G. R. & Krishnan, G. (2008). Foreign direct investment and economic growth: the Malaysian experience. *International Business Research,* 1(3), 32 - 38.

Chenery, H.B & Stout, A (1966). Foreign assistance and economic development. *American Economic Review. 55, PP. 679 – 733.*

Ebekozien, A., Ugochukwu, S. C. & Okoye, P. U. (2015). An analysis of the trends of foreign direct investment inflows in the Nigerian construction sector. *American International Journal of Contemporary Research*, 5(1), 53 – 69.

Kiong, W. H. & Jomo, K. S. (2005). Before the storm: the impact of foreign capital inflows on the Malaysia economy, 1966-1996. *Journal of the Asia Pacific Economy*, 10, 56-69.

Li, X. & Liu, X. (2005). Foreign direct investment and economic growth: an increasingly endogenous relationship. *World Development*, 33, 393-407.

Makwembere, S. (2014). The impact of sector foreign direct investment on economic growth in developing countries. An Unpublished M.Sc. Thesis

ODI (1977). Foreign direct investment flows to low income countries: A review of the evidence. *Briefing Paper, Oversea Development Institute, 1997(3).*

Ogwuma, P.A (1995). *Revitalizing the manufacturing sector in Nigeria*. Enugu Oxford University Press

Okoli, T. T. & Agu, O. C. (2005). Foreign direct investment flow and manufacturing sector performance in Nigeria. *International Journal of Economics, Commerce and Management*, 3(7), 412 – 428.

Orji, A., Anthony-Orji, O. I., Nchege, J. E. & Okafor, J. (2015). Manufacturing output and foreign direct investment in Nigeria: A new evidence. *International Journal of Academic Research in Economics and Management Sciences*, 4(3), 16 – 28.

Osisanwo, G. (2013). The macroeconomic effect of financial development on economic growth in Nigeria: A Long-Run Analysis, 1970-2011. *Journal of African Macroeconomic Review*, *4* (1) 227-245.

Patience, G. (2011). Impact of foreign direct investment on manufacturing output growth of West Africa. *Africa Journal of Management and business*, *6* (21) 67-77.

Sola, O., Obamuyi, T. M., Adekunjo, F. O. & Ogunleye, E. O. (2013). Manufacturing performance in Nigeria: implication for sustainable development. *Asian Economic and Financial Review*, 3(9), 1195 – 1213.

Taiga, U. U. (2012). Manufacturing and economic growth in Nigeria – 1990 to 2010. *Unpublished Project, Department of Social Sciences, College of Peace and Social Sciences,* Salem University Lokoja, Kogi State.

Todaro, M.P (1997). *Economic development*. Reading Mass: Addison- Wesley

International Journal of Business School Annals, 6(1):13-19
ISSN: 2361-7144. November, 2019

ansrdpapers@gmail.com

Developing Indigenous Technology for Sustainability in the Manufacturing Sector of Nigeria

Zion Alaso Diboye-Suku[1] and Benedict Chima Onuoha (Ph.D)[2]
[1]Doctoral Student, Department of Management, University of Port Harcourt, Rivers State, Nigeria | Email: zionalaso@gmail.com
[2]Professor of Management, Department Management, University of Port Harcourt, Rivers State, Nigeria | Email: chimaonuoha2005@yahoo.com

Abstract: *Many developed countries have succeeded to attain economic growth and transformation through the exploitation of local know-how and resources within their domains. This process has seen the conversion of local challenges to opportunities necessitating the stated economic growth and transformation by means of indigenous technology. This paper explored the concept of indigenous technology, identifying the potential areas where the development of indigenous technologies is needful, as well as, the relevant strategies required for developing indigenous technology in Nigeria. The paper concludes that indigenous technology is solving Nigeria's problem in a Nigerian way. Therefore, the development of indigenous technology can solve Nigeria's economic over dependence on crude oil, with potency for economic diversification resulting to economic growth and transformation. Furthermore, the paper recommends an increased promotion of R&D efforts across board. Finally, priority should be given to the funding of local innovative ideas and inventions.*

Keywords: *Technology, Indigenous Technology, Sustainability.*

Introduction

Technology is a fundamental resource deployed to actualize economic growth and industrial expansion in today's globalised world (Pacey, 2001). The application of technology has led to an upsurge in revenue generation, enhanced productivity and has a vital place in the overall wellbeing of man. Misa (2003) Pointed out that for a country to cope with the current spate of international competition, she would be required to pinpoint her rich and further develop them through scientific means.

The Asian Tigers, including India and China have succeeded to attain economic transformation through the exploitation of indigenous technology and resources in their domains. Thereby, converting local challenges to opportunities for these transformations in the process (Misa, 2003). More so, the indigenously developed creations of these nations have resulted in market disruption around the glob, and correspondingly brought more wealth and immense national pride to them (Gakuru, 2006).

Okpoko & Ibeanu (1999) proffered that indigenous technologies should be the foundation for technological development. To strengthen this position, Akinwale (2016) attributed the existing competitive space between nations and business organizations to a gap in knowledge. The manufacturing sector of any nation is considered to be the driving force of the nation's economy, wherein, Nigeria is not exempted. This status is hinged on the notion that the sector provides employment opportunities, creates wealth and contributes in no little way to increase the standard of going (Szirmai, 2012).

Regardless of the abundant human and natural resources in Nigeria, the nation's manufacturing sector has consistently being recording abysmal performances over the years (Omoke, 2010). Worse still, the sector relies mainly on foreign technology to function. These technologies cost billions of dollars to acquire. In spite of the large costs, the technologies have failed to fully solve the nations industrial challenges because the development of the technologies were not intended to solve peculiar local challenges of the manufacturing sector. As such, the sector is frequently faced with issues of maintenance (Omoke, 2010). Therefore, the thrust of this research was to explore the development of indigenous technology, identifying the potential increase where indigenous technologies are required as well as the relevant strategies for developing indigenous technology.

The Concept of Indigenous Technology

Foundationally, the word technology was derived from the Greek word techne, which translates in English as belonging to the arts, crafts or skill (Vandeleur, 2010). There has not being any generally accepted definition of technology, rather, scholars has viewed the concept from different perspectives. For the purpose of this research the researcher have adopted to define technology, as the application of resources and know-how to increase the outputs of the factors of production in order to stimulate economic growth and satisfy human dynamic needs (Akinwale, 2012; Manabete & Umar, 2014).

Lawson (2008) broke the concept of technology into indigenous and foreign technology. He further described indigenous technology as one developed internally within a particular geographical space, while the foreign technology is considered to be imported or transferred into a particular geographical space. Fusing the two above concepts, indigenous technology can be defined as developed unique capabilities, originating or belonging to the inhabitants of a particular geographical locality.

Indigenous Technology in Nigeria

In the course of the pre-colonial era, indigenous households in Nigeria through their interactions with the environment deployed local technologies to solve basic problems with in their localities. This they did through small scale local production systems and manufacturing industries (Okpoko & Ibeanu, 1999). Salihu (1991) revealed that from iron smelting was carried out in Tarugala, a town in North Central Nigeria as early as 400BC. Indigenous technological breakthroughs were manifest in virtually every part of the country and contributed immensely to make life meaningful and worthwhile to live. Adesina (2004); Okafor (1984); Aremu (2004); Anozie (1981) through their works gave insight into some indigenous feats in Nigeria.

Remarkably, among them were the practice of black smiting, predominant in Oyo (a state in South Western Nigeria) and Kano (a state in North-Western Nigeria) from which farming implements, household utensils and weapons of warfare were produced. There was aluminum casting in Saki (a community in South-Western Nigeria) which produced aluminum pots for cooking. Beads were locally produced in the North Central part of the country while the Northern part of the Nigeria boasted of leather products and beauty applications such as skin friendly dyes. On the other hand, the South-Eastern part of the country locally produced spears, arrows etc for hunting. They also extracted palm oil from palm fruits. These technologies were all deployed informally through oral instructions and apprentices (Aremu, 2004). However, at the advent of the colonial masters into Nigeria their subsequent introduction of superior products, these indigenous products could no longer suffice due to the imperfections in their production processes and poor product finishing. The technologies essentially failed to upgrade nor converge with modern scientific technologies (Aremu, 2004).

Potential Areas For Developing Indigenous Technology

Palm Oil

Palm Oil is the most abundantly produced vegetable in Nigeria. Nigeria was the leading exporter of Palm Oil in the world before it was over taken in 1934 by Indonesia, who are currently the worlds leading exporters (Teoh, 2002). The Resource has multiple advantageous uses in edible and non-edible industrial applications. Palm Oil is used in the manufacturing of food products, at the same time, it serves as biodiesel and fuel to be burned in power stations to produce electricity (Edum, 2002). Technological innovations associated with the resources has led to the substitution of normal oil for Palm Oil in a bid to reduce green house gas emissions (Tan & Nehdi, 2012). This development has anticipated an increased demand of the resources to satisfy the new biofuel market. Indonesia has commenced the construction of multiple biodiesel plants in response to the trend. (Mba et al, 2018). Speaking on the prospects of Palm Oil, the Governor of the Central Bank of Nigeria, Godwin Emefiele, declared that Edo State (a State in Nigeria) alone can generate 200,000 jobs from the (activation and processing of palm oil (Shobiye, 2019).

He went further to say that in 2017, Nigeria earned $23 Billion from its major export product, crude oil. Whereas, Indonesia earned close to $22 Billion from palm oil in the same year. From the foregoing, it is clear that palm oil could be a major foreign exchange earner for the country as well as create the much needed employment opportunities for Nigerians if new efficient technologies and improved methods are adopted for the resources.

Petroleum

With every aspect of human activities directly connected to the use of petroleum or its sub products, petroleum is the main source of energy in the world. For instance the world's entire transportation system is defendant on petroleum for sustenance (Bankole & Ogunkoya, 1978). With an abundant reserve and a production capacity of 2.5 million barrels per day, Nigeria stands as Africa's highest producer of crude oil and the sixth highest producer of the product in the world. (Eneh, 2011). Amazingly, the exploration and production of petroleum are all done by expatriates. Virtually all the petroleum produced in the country is exported to other countries with refined products re-imported into the country due to Nigerian's inability to refine petroleum. Whereas, a large number of buy-products from petroleum are also re-imported into the country.

Iron Ore

Iron Ore are basically rocks, out of which metallic iron can be extracted. Iron ore is the element, besides its use in different forms across many sectors, it is in the production of steel, which is the worlds most used metal (Aremu, 2004). Though Nigeria boasts of an abundant reserve of the mineral in 2018 alone, it imported $729.92m worth of steel products (Sherifat, 2019). Steel in itself is used in the production of pipes, cars, ships, engines, roofs, nails, nuts, bolts, tools machinery, food cars, paints, inks and cosmetics, (Okoro) all of which are imported items.

Iron ore and steel holds immense employment and revenue potentials for Nigeria and begs for the exploration of indigenous technology. This deficiency, accounts for over 75% of Nigeria's foreign exchange outflows, considering its heavy dependence on imported petroleum products.

Lime Stone

Nigeria is endowed with enormous deposit of limestone. Limestone is a mineral resource considered to be an extremely valuable raw material used in several industries where chemical properties are relevant (Concrete Society, 1987). Particularly, the construction and manufacturing industries are essentially the principal Consumers of the Mineral. For instance, limestone is the major raw material utilized in the production of cement, which is further used in making mortar, bricklaying or concrete blocks (ASTM, 2015).

Lee (1998) suggested that innovation in the use of limestone in the production of cement could lead to the design of cements that could have greater qualities than plastics and metals. Indigenous technologies are required in the extraction of limestone, and their subsequent uses in industrial spheres of the nation.

Strategies for Developing Indigenous Technology

Funding

Lewis (1997) opined that in the absence of proper funding, the best of dreams will fade away while innovations will be dead on arrival. Maizels (1963) expressed that technology cannot be developed in the absence of finance. This situation is attributed to the fact that innovation ideas generated requires to be implemented, whereas, the implementation of innovation ideas requires finance.

To further enthrone the significance of funding, Maizels (1963) proffered that finance is what greases innovation ideas and tends it to reality. On the backdrop of the above, for the development of indigenous technology to take root in Nigeria, there must exist an appropriate structure of funding support to innovations.

Research and Development

Research and development entails creative activities carried out in an orderly manner aimed at enhancing the skills, competences and experiences of individuals and the society at large (OECD, 2010). Research and development efforts inspires the development of new products and inessentials properties whilst coming up with ways to improve existing products and processes (CBN, 2017).

The shift from agrarian economy to industrial economy in the 19th and 20th century was catalyzed by research and development. The world leading nations and other emerging economics have relied on research and development to turnaround their economics (Siyanbola, 2011). Notably, South Korea, through intense research and developmental activities transformed its industrial sphere within a space of 30 years, compared with the same industrial transformational results achieved by Western Countries within a period of 100 years (Kim, 2011).

The economic prosperity of nations is an indication of the level of priority and expenditure devoted to research and development. For instance, USA, as the largest sponsor of research and development spent and 495 Billion in 2018 on research and development while Nigeria spent only $1,374.8 Million (CBN, 2019). It can be deduced from the stated statistics that Nigeria pays very little attention to R & D due to its dependence on crude oil. Apparently, concentrated efforts on R&D would increase Nigeria's development and by extension, drive the manufacturing sector into a prosperous future.

Conclusion

It can be inferred that technology encompasses every aspect of human life, as it proffers new and better ways for getting things done. Indigenous technology entails solving Nigeria's problems in a Nigeria way. This stands is attributable to the fact that it is most suitable when solutions come from indigenously developed answers and resources.

In the development of indigenous technology lies the answer to one of Nigeria's greatest challenge; the diversification of her economy away from the concentration on crude oil, the nation's mono economic export. The nation's indigenous technologies offer great opportunities for local economic transformation. And to a large extent, potentials to enhance its global competitiveness. All of these can only materialize when indigenous technologies are developed and standardized through the path of science, technology and innovation.

From the foregoing, the researchers hereby proffer the following recommendations;

1. As is the global best practice, there should be a robust collaboration between the government and the private sector on the increased promotion of R&D efforts in Nigeria to bring about economic growth and transformation.
2. Proactive measures should be taken to prioritize the adequate funding of the newly established National Research and Innovation Fund, so as to enable the conversion of innovative ideas and innovation to indigenous technology.
3. Science, technology and innovation hubs should be established nationwide to specifically intensify research and development efforts towards the extraction and processing of Petroleum, Palm Oil, Iron Ore and Limestone. So as to chart a cause for the development of indigenous technology supposedly to support the industrialization efforts of Nigeria.
4. The Federal Government of Nigeria should provide an enabling environment for the development of indigenous technology through the provision of infrastructures and the enactment of laws that will protect intellectual properties.

References

Adesina, B. (2004). A Socio-Economic Appraisal of Blacksmithing Industry in Ogbomoso. *Nigerian Traditional Crafts for Self-Reliance*. (ed.) L.D. Wale. Jos: Mazlink Nigeria Limited. 44-58

Ali, A. (1998) *Strategic issues and trends in science education in Africa.* Owerri: Cape Publishers international Limited.

American Society for Testing and Materials (1976) Standard specification for Limestone Building Stone, ASTM C568-89.

American Society for Testing and Materials (1987) Standard Test Method for Potential Alkali Reactivity of Cement Aggregate Combinations (Mortar Bar Method), ASTM C227-81.

Anozie, F.N. (1979). Early Iron Technology in Igboland: Lejja and Umundu. West African Journal of Archaeology*. 9, 119-134.*

Aremu, D. A. (2004) "Nigerian Traditional Crafts for Self-Reliance: An Examination of the Technological Significance of Aluminum Potter Production in Ibadan, Nigeria" In Nigerian Traditional Crafts for Self-Reliance*. (ed.) L.D. Wale. Jos: Mazlink Nigeria Limited, 81- 82.*

Bankole, T. O. and L. Ogunkoya. (1978). Introductory Organic Chemistry. Daystar Press, Ibadan.

Central Bank of Nigeria Statistical Bulletin (2010).

Concrete Society (1987) Alkali-silica Reactions: Minimizing the Risk of Damage. Guidance notes and model specification clauses. Concrete Soc. Tech. Rep. 30.

Edem, D. (2002). Palm oil: Biochemical, physiological, nutritional, hematological and toxicological aspects: A review. Plant Foods for Human Nutrition, 57(3–4), 319, 341.

Eneh, O.C. (2011). Effects of water and sanitation crisis on infants and under five children in Africa. J. Environ. Sci. Technol, 4:103-11

Gakuru, C.C. (2006). Remodelling traditional and indigenous knowledge. Retrieved from http://knowledge.cta.int/en/content/view/full/3006.

Lewis, W.A. (1997). Reflections on the Structure of Nigerian Manufacturing Industry in O. Teriba and M.O. Kayode (eds.). Industrial Development in Nigeria: Patterns, Problems and Prospects. Ibadan University Press, 337.

Maizels A. G. (1963). Industrial Development in Nigeria: The Place of International Help, 6-8.

Manabete, S.S. (2005). Technology education for sustainable development. Nigerian Journal of Science, Technology and Environmental Education, 1(1), 143-152.

Manabete, S.S. & Umar, B. (2014). Technology for Sustainable Development in West Africa. Journal of Education and Practice, (5), 54-62.

Mba, O., Adewale, P., Dumont, M.-J., & Ngadi, M. (2014). Application of near-infrared spectroscopy to characterize binary blends of palm and canola oils. Industrial Crops and Products, 61, 472–478.

Mbagwu, T.C. (1978). Traditional Industry in a Geography of Nigeria Development. *Oguntoyinbo, J.O. (ed.) Heinemann Education Books.*

Misa, T.J. (2003). The impelling tangle of modernity and technology. In T.J. Misa, P. Brey & A. Feenberg (Eds.). Modernity and technology. Cambridge: MIT Press.

Mudd, G. M. (2010). The Environmental Sustainability of Mining in Australia: Key Mega-Trends and Looming Constraints. *Resources Policy, 2010, 35(2), 98-115.*

OECD. (2001). Science, Technology and Industry Outlook - Drivers of Growth: Information Technology, Innovation and Entrepreneurship.

Okafor, E. E. (1984). *A Study of Ion Working in Orba- Nsukka.* Unpublished M.Sc Project. Department of Archaeology and Anthropology, University of Ibadan, Ibadan.

Okpoko, A. I. & Ibeanu, A.M. (1999). Early Metal-Working in Nigeria. In *Africa's Indigenous Technology. West African Journal of Archaeology* (ed.) A.I. Okpoko. 34-43

Okpoko, P. U., Okonkwo, E.E. & Diminyi C. (2008). *Understanding Tourism*. Nsukka: University of Nigeria Press Ltd. 68-69.

Salihu (1999). Technological education for national development. A paper presented at the 3 rd convocation lecture at the College of Education (Tech) Bichi, Kano, 2-4.

Sherifat, L. (2019, November 1). Rehabilitation of NIOMCO will save Nigeria over & 700m annually. Vanguard Newspaper. Retrieved from http://www.vanguardngr.com

Shobiye, H. (2019, November 2). Edo can generate 200,000 jobs from Palm Oil. Vanguard Newspaper. Retrieved from http://www.vanguardngr.com

Siyanbola, W. (2011). Progress Report On Nigeria's National Science, Technology And Innovation Policy. A paper Presented at: The Experts' meeting on Science, Technology and Innovation Policy Review, May 10th.

Tan, C.P. & Nehdi, I. A. (2012). The physicochemical properties of palm oil and its components. In O.-M. Lai, C.-P. Tan, & C. C. Akoh (Eds.), Palm oil: Production, processing, characterization and uses (pp. 377–390). Urbana, Illinois, USA: AOCS Press.

Vandeleur, S. (2010). Indigenous technology and culture in the technology curriculum- Starting the conversation: A case study. Unpublished Doctoral thesis, Rhodes University.

International Journal of Business School Annals, *6(1):20-53*
ISSN: 2361-7144. November, 2019

ansrdpapers@gmail.com

Determinants of Capital Structure in Listed Insurance Companies in Nigeria

Mohammed Hamidu[1], Babagana Abba[2] Usman Mohammed Aklehyel[3], Abba Ashigar[1] and Isa Abba Isa[1]

[1]Department of Accounting college of Business and Management studies Konduga, Borno State, Nigeria.
[2]Department of Accounting Federal University Dutse , Jigawa State, Nigeria.
[3]Department of Business Management of Business and Management studies Konduga, Borno State, Nigeria.

Abstract: *This study investigates the determinants of capital structure in listed insurance companies in Nigeria for the period of twelve years, from 2006-2017. Ex-post facto research design was adopted for this study. The population of the study is made up of the 28 insurance companies listed on the floor of the Nigerian Stock Exchange (NSE). Since the population is not too large, this study utilized census sampling technique to take all the population for the purpose of this study. The data used in this study were secondary data derived from annual reports of insurance companies that are listed on the NSE. The study used panel regression with respect to the use of Hausman specification test to determine the use of fixed or random effect model. The random effect regression result revealed that that firm size has insignificant positive effect on capital structure (CST) of listed insurance companies in Nigeria. The study showed a significant positive effect between age and CST of listed insurance companies in Nigeria, based on the regression result, asset tangibility has insignificant negative effect on CST, the regression result shows that risk has insignificant positive effect on CST, while the study found that insurance growth has significant positive effect on CST of listed insurance companies in Nigeria. The study concludes that size, age, tangibility of asset, insurance risk and growth are determinants of CST of listed insurance companies in Nigeria. The study recommends that insurance companies should have a high consideration for the value of total asset when determining their capital mix. Also, insurance companies that have been incorporated for long should consider external financing likewise, insurance companies should not give fixed asset priority when considering their capital structure mix. Debt providers should seek for high return in order to hold the risk related to the bankruptcy and financial distress. Lastly, debt holders should require such return to hold the risk of agency conflicts with shareholders and management.*

Keywords*: Capital Structure, Firm Size, Firm Age, Firm Growth, Firm Risk, Asset Tangibility, Debt/Equity Ratio.*

Introduction

The capital structure of an insurance company is vital for its success, not solely in its importance for competitive advantage, but in its relevance to an insurance company survival, too much debt may contribute to the failure of an insurance company, while too little may result in an uncompetitive state compared with other firms in the insurance industry. Therefore it is vital for an insurance company to obtain the correct capital structure in order to meet the needs of its stakeholders (Adesola, 2009).

Capital structure is a way a company finances its overall operations using diverse sources of funds. It is also a mix of debt and equity. The level of risk in a company can be best measured by its capital structure. The nature of insurance business is to protect their clients as the need arises via minimization of losses. Therefore, as it is established that capital structure plays a cogent role in performance of a firm, it is necessary to dig deep into the factors that actually determines the mixture of diverse sources of finance in an insurance company, but for the purpose of this study, insurance business will be the pivot of study. One of the many objectives of financial managers is to maximize the wealth of shareholders. Shareholders' wealth maximization depends on some issues like managing lower cost of capital and reducing the agency costs of debt and equity. All these issues are determined and managed by reaching at a point of optimal capital structure. As a result, financial managers strive to ensure the optimal mix of debt and equity in the firm's capital structure (Chang, 1999).

Capital structure is expedient for decision making of business firms, and facilitates maximization of return on investment, as well as boosts the efficiency of financing and dividend decisions. Financing decision facilitates the survival and growth of a business enterprise, which calls for the need to channel efforts of businesses towards realizing efficient financing decision, which will protect the shareholders' interest. This implies effective planning and financial management through combination of an optimum capital structure by managers so as to maximize the shareholders' wealth. An insurance company can finance its investment decision by debt, equity or both. Such capital gearing could have implications for the shareholders earnings and risk, which could eventually affect the cost of capital and the market value of the firm (Jensen, 1986).

A firm could increase or decrease its capital structure by either issuing more debt to buy back stock or issuing stock to pay debt. The objective of managing capital structure is to mix the financial sources used by the firm in a way that will maximize the shareholders' wealth and minimize the firm's cost of capital. This proper mix of funds sources is called optimal capital structure (Kajola, 2008).

Few research have been carried out on the perspective of developing economies. This makes it uneasy to say whether conclusions from theoretical and empirical research carried out on developed economies are also applicable for developing economies too or whether a different set of determinants work in deciding capital structure in developing economies like Nigeria (Olatundun, 2002).

The few studies on developing countries have divergent views on determinants of capital structure of listed insurance companies in Nigeria. Despite the dearth of research related to determinants of capital structure of listed insurance companies in Nigeria, most of the studies have provided contradictory findings; Shehu (2011) concludes that like other developing economies, the area of research for capital structure is still unexplored in Nigeria. More so, some of these works mainly focused on banking, petroleum, and manufacturing industries. Capital structure is very important in insurance business because there must be proper combination of all the funds accruing to the company so as to avoid excessive debt in the company. Thus, this study will examine the firm-level factors determining the capital structure in the context of Nigerian insurance companies. Morri and Beretta (2008) reported that several studies have been conducted on the determinants of corporate capital structure over the years. However, most of these studies were conducted in the advanced market economies such as USA and the UK, only limited studies have been carried out in emerging economies (Huang & Song, 2002). Moreover, the results of these prior studies have been inconclusive, controversial and open to further investigation (Morri & Beretta, 2008). In Nigeria, limited studies have been carried out on determinants of capital structure of listed insurance companies, studies like (Shehu, 2012; Ogbulu & Emeni, 2012; Adaramola & Olarewaju, 2015). Therefore this study sets out to bridge this gap in knowledge by examining the effect of firm characteristics on capital structure of listed insurance companies in Nigeria. The study of Shehu (2012) and Ogbulu and Emeni (2012) failed to measure firm risk as one of the firm characteristics variable while the study of Adaramola and Olarewaju (2015) also ignored firm age as an attribute of insurance companies in Nigeria. This present study examined effects of firm size, growth, age, asset tangibility and risk on capital structure of listed insurance companies in Nigeria, thereby filling the identified gap in literature.

Quite a few studies had been done on insurance business, most especially their capital structure from various dimensions. This includes, Naveed, Zulfqar and Ishfaq (2010) in Pakistan; Naser and Krassimir (2011) in Bahrain; Velnampy and Niresh (2012) in Srilanka; Sharif, Naeem and Khan (2012) in Pakistan; Mehari and Aemiro (2013) in Ethiopia; Bayeh (2013) in Ethiopia; Kingsley (2013) in Ghana; Mohamed and Mahmoud (2013) in Egypt; Al bulena, Skender, Vlora and Edona (2014) in Kosovo; Omar and Mohammed (2016) in Jordan. Thus, this study stands different by examining the capital structure of listed insurance companies on the NSE focusing on only the firm specific variables as determinants of capital structure listed insurance companies. Prior studies reported mixed results in their studies, which could be due to adoption of different methodologies, especially in the description of their variables and choice of time frame. Sequel to mixed results from previous Nigerian studies on determinants of capital structure and the paucity of such studies conducted so far, there existed a knowledge gap, hence the need for this study. The firm-specific factors that determine the capital structure of twenty five (25) insurance companies listed on the stock exchange in Nigeria is undertaken.

The broad objective of this study is to examine the determinants of capital structure in listed insurance companies in Nigeria. Other specific objectives are to examine the effect of firm size, firm growth, firm asset tangibility, insurance risk and firm age on capital structure of listed insurance companies in Nigeria. This study covered the year of 2006 to 2017. This study covered twelve years.

The rest of this paper is organised as follows. Section 2 reviews the literature and present theoretical framework. Section 3 discusses the research methodology. Section 4 discusses the results. Finally, conclusions are drowned in Section 5.

Literature Review

Determinants of Capital structure

Capital structure of insurance companies is determined by various internal and external factors. The macro variables of the economy of a country like tax policy of government, inflation rate, capital market condition, are the major external factors that affect the capital structure of a firm. The characteristics of an individual firm, which are termed here as micro factors (internal), also affect the capital structure of enterprises.

Capital structures differ between countries, industries and firms within a given industry. This supports Baral (2004) argument that differences in capital structures between industries may be due to attributes specific to the firm. The focus of capital structure studies to date has been to identify determinants that can explain the financing behaviour and choices of firms. As a result of these theoretical and empirical studies, several determinants have emerged to better explain capital structures. According to Harris and Raviv (1991), and Brigham and Daves (2004), the consensus is that firm' levels of leverage increase with fixed assets and firm size. Similarly, levels of leverage decrease due to volatility, advertising expenditure, the probability of bankruptcy, profitability and the uniqueness of the product (Rajan & Zingales, 1995). The predominant firm characteristics from prior research (Booth, Aivazian, Demirgüc-Kunt, & Maksimovic, 2001; Vasiliou, Eriotis & Daskalakis, 2005; Baral, 2004; Chen & Hammes, 2004) that are included in this study are asset tangibility, business risk, age, growth and size. These firm characteristics are identified as important factors in both developed countries and developing countries.

Firm Size

Size is also an important determinant of firm's capital structure. This study will measure size of insurance companies by the natural logarithm of their total asset. The larger firms tend to have lower variances of earning that enables them to tolerate high debt ratio due to their capacity to diversify. Smaller firms tend towards a lower debt ratio due to their costly asymmetric information from lenders. Therefore, a positive relationship is expected between size and capital structure of the selected firms under this study. Size has been viewed as a determinant of a firm's capital structure. Larger firms are more diversified and hence have lower variance of earnings, making them able to tolerate high debt ratios (Castanias, 1983; Titman & Wessels, 1988; Wald, 1999). Smaller firms, on the other hand, may find it relatively more costly to resolve information asymmetries with lenders, thus, may present lower debt ratios (Castanias, 1983). Lenders to larger firms are more likely to get repaid than lenders to smaller firms, reducing the agency costs associated with debt. Therefore, larger firms will have higher debts. Another explanation for smaller firms having lower debt ratios is where the relative bankruptcy costs are contrary to function of the firm size (Titman & Wessels, 1988). It is generally believed that there are economies of scale in bankruptcy costs: larger firms face lower unit costs of bankruptcy than smaller firms, as shown in Prasad (2001). Castanias (1983) also states that if the fixed portion of default costs tends to be large, then marginal default cost per dollar of debt may be lower and increase more slowly for larger firms. Facts about larger firms may be taken as evidence that these firms are less risky (Kim & Sorensen, 1986), Cosh and Hughes (1994) add that if operational risk is inversely related to firm size, this should rather prompt smaller firms to use relatively less debt. Empirical evidence on the relationship between size and capital structure supports a positive relationship. A positive relationship is therefore expected between size and leverage of the firms in Nigeria.

Firm Growth

Pecking order theory postulates that, growing firms usually search out for external funds to maintain their growth because as they are expanding, there is tendency for them to exhaust all their internally generated funds. Firms, whose larger proportion of their market value is accounted for by growth opportunity, will surely be involved in huge debt as a means of financing. Therefore, growth is expected to positively relate to firms' leverage. Growth is likely to place a greater demand on internally generated funds and push the firm into borrowing (Hall et al., 2004). According to Marsh (1982), firms with high growth will capture relatively higher debt ratios. In the case of small firms with more concentrated ownership, it is expected that high growth firms will require more external financing and should display higher leverage. Heshmati (2001) and Aryeetey *et al*. (1994) maintain that growing firms appear more likely to use external finance, although it is difficult to determine whether finance induces growth or the opposite (or both).

Asset Tangibility

The tangibility of a firms' asset also plays a germane role in determining its capital structure and in this study, a positive relationship is expected between tangibility and capital structure. According to Harris and Raviv (1991), the tangibility of a firm's assets results from the firm's liquidation value. Therefore, firms that invest heavily in tangible assets tend to have higher leverage since they will borrow at lower interest rates if their debt is secured with such assets as commensurate collateral.

A firm with large amount of fixed asset can borrow at relatively lower rate of interest if it provides the security of these assets to creditors. Since it has the incentive of getting debt at lower interest rate, a firm with higher percentage of fixed asset is expected to borrow more as compared to a firm whose cost of borrowing is higher because of having less fixed assets (Shah & Khan, 2007). Degree to which the firm's assets are tangible should result in the firm having greater liquidation value (Titman & Wessels, 1988; Harris & Raviv, 1991).

Risk

The risk level of a firm can never be overlooked in examining the determinants of its capital structure. In this study, the risk of insurance firms will be measured by the proportion of claims paid from the net premium earned per time. Following Abor and Biekpe (2005), a positive relationship is expected to lie between risk level and leverage of insurance companies.

Both agency and bankruptcy cost theories suggest the negative relation between the capital structure and business risk. The bankruptcy cost theory contends that the less stable earnings of the enterprises, the greater is the chance of business failure and the greater will be the weight of bankruptcy costs on enterprise financing decisions. Similarly, as the probability of bankruptcy increases, the agency problems related to debt become more aggravating. Thus, this theory suggests that as business risk increases, the debt level in capital structure of the enterprises should decrease (Taggart, 1985). Studies carried out in western countries during 1980s show the contradictory evidence in this regard (Martin et al, 1988). According to Chen and Strange (2005), there is consensus in financial literature that business risk is among the primary determinants of a firm's capital structure. Theoretical and empirical research, however, cannot reach consensus on whether leverage is an increasing or decreasing function of business risk.

Age

Age is a significant determinant of capital structure of a firm. The age of the firm connotes a standard measure of reputation in capital structure models (Shehu, 2011). As a firm grows longer in business, it establishes itself as an ongoing business and therefore increases its capacity to take on more debt; hence age is positively related to debt. To address issues of creditworthiness, age of the firm is a standard measure of reputation in capital structure models. As a firm continues longer in business, it establishes itself as an ongoing business concern and therefore increases its capacity to take on more debt; hence age is positively related to debt. Before granting a loan, banks tend to evaluate the creditworthiness of entrepreneurs as these are generally believed to pin high hopes on very risky projects promising high profitability rates. In particular, when it comes to highly indebted companies, they are essentially gambling with their creditors' money. If the investment is profitable, shareholders will collect a significant share of the earnings, but if the project fails, then the creditors have to bear the consequences (Myers, 1977). To overcome problems associated with the evaluation of creditworthiness, Diamond (1984) suggested the use of firm reputation.

Concept of Capital Structure

Capital structure is generally considered as the mixture of debt and equity that makes up the firms total capital it uses for its business. Gajurel (2005) described it as the different sources of funds that make up a firm's capital. According to Abor (2008), capital structure is the particular blend of equity and debt and equity a firm uses to finance its operations. However, it does not make sense to consider the capital structure of a firm or any business without taking into consideration the firm's or business's peculiar economic situation or environment. It is held by financial analysts and researchers that the firms which are exposed to high operational risk or hazards tend to have a low level of debt in its capital structure and vice versa. Capital Structure is a mix of debt and equity capital maintained by a firm. Capital structure is also referred as financial structure of a firm. The capital structure of a firm is very important since it related to the ability of the firm to meet the needs of its stakeholders.

A firm chooses the debt/equity mix, or a combination of different sources of finance in different forms that will best maximize the value of the firm (Gajurel, 2005). The debt and equity combination that maximizes the value of the firm is the firm's optimal capital structure (Ross et al, 2008), and choosing a firm's capital structure remains a vital strategic choice that corporate managers have to make (Gatsi & Akoto, 2010). At the optimal capital structure the incremental tax benefit obtains from debt is the same as the incremental costs of financial distress (Patricks, 1998).

Debt Equity Ratio

Debt equity ratio is similar to the debt ratio and relates the amount of a firm's debt financing to the amount of equity financing. Actually, this measure of leverage ratio is not actually a new measure; it is simply the debt ratio in a different format. Debt equity ratio is the quantitative measures of the proportion of the total debt to residual owners' equity (Nwude, 2003). Thus, it is an indicator of company's financial structure and whether the company is more reliant on borrowing (debt) or shareholders capital (equity) to fund assets and activities. Many empirical studies in different jurisdictions have employed this measure of financial structure in their various studies (Zeitun & Tian, 2007; Majumdar & Chhibber, 1999; Azhagaiah & Gavoury, 2011) among others.

Empirical Review

Insurance Size and Capital Structure

Naveed, Zulfqar and Ishfaq (2010) studied the life insurance sector of Pakistan and the result of OLS regression model indicates that size, profitability, risk, liquidity and age are important determinants of capital structure of life insurance companies. In the same manner, Akinlo (2011) examined the determinants of capital of 66 firms listed on the NSE during the period 1999-2007 using panel data. The results showed that there is a negative relationship between leverage and growth opportunities, leverage and tangibility, but positively related to liquidity as well as size. It also shows that size and leverage are positively related. In the same way, Sheik and Wang (2011) explored the factors that affect capital structure of manufacturing firms in Pakistani firms. The results revealed that there is a negative relationship between debt ratio and profitability, liquidity, earnings volatility, and tangibility; while firm size has a positive relationship with debt ratio. There was no significant relationship identified between the dependent variable of debt ratio and the independent variables of non-debt tax shields and growth opportunities.

Afza and Hussain (2011) examined the industry specific attributes of firms in Automobile, Engineering and Cable and Electrical goods sectors of Pakistan by using pooled data regression model on 37 firms for the period from 2003 to 2007 to identify the determinants of capital structure across selected manufacturing sector of Pakistan. The study found that profitability, taxes and liquidity are highly significant factor in determining the capital structure of sample firms. The study revealed that taxes and size have positive relationship whereas profitability, non-debt tax shield, liquidity and cost of debt have negative association with capital structure. In the study of Naser and Krassimir (2011), the critical firm- specific factors that managers should consider when setting their capital structure were analysed. Each explanatory variable along with the dependent variable is measured separately for a sample of insurance companies operating in Bahrain for the period of 2005-2009. A strong relationship was established between tangibility of assets, profitability, firm size, revenue growth, liquidity and debt ratio which is the observed capital structure, although not all variables are statistically significant.

Zabri (2012) surveyed the determinants of capital structure among small and medium scale enterprises in Malaysia. Profitability, size, tangibility of assets, growth of firm, age of firm, non-debt tax shield and liquidity were considered in the analysis. The results of the study revealed in overall that three out of seven selected firm's characteristics such as liquidity, tangibility of assets and non-debts tax shield were found to have statistically significant relationship with firm's capital structure. Furthermore, all the three variables of liquidity, tangibility of assets and non-debts tax shield were also found to have ability in explaining variations in the firm's capital structure. By extension, Sharif, Naeem and Khan (2012) investigated factors that determine capital structure of insurance companies in Pakistan. The outcomes of study affirm that, profitability, age and earnings volatility has indirect relationship with leverage and was significant. Liquidity also maintain inverse relationship with debt ratio but insignificant. Alternatively, size and growth opportunities have direct relationship with leverage but only size is significant. In addition, Shehu (2012) investigated the determinants of capital structure in Nigerian listed insurance firms using data obtained from annual report of the sampled firms for the period of 2001-2010. It used five explanatory variables to measure their effects on debt ratio. The determinants of capital structure is examined with five variables, namely age, growth rate, tangibility, profitability, and size of the 15 Nigerian listed insurance firms on December 31, 2010. The result revealed that all the explanatory variables have statistically and significantly influenced the explained variable. The results approve the prediction of pecking order theory in the case of profitability and trade-off theory in case of tangibility variables.

Chandrasekharan (2012) investigated the potential determinants of capital structure among listed Nigerian firms, it examines the impact of firms' tangibility, size, growth, profitability and age on the leverage of the sampled firms. Secondary data from the annual reports of the sampled firms have been analysed using panel multiple regression. The result revealed that size, age, growth, profitability and tangibility are strong determinants of leverage in the Nigerian firms. Ogbolu and Emeni (2012) ascertained the determinants of capital structure in an emerging economy like Nigeria. It was found that size has a positive and significant impact on capital structure while age has a negative and significant influence. Tangibility, growth of a firm and profitability, on the other hand, do not have any significant impact on the capital structure of firms in Nigeria. Also, Bayeh (2013) employed panel regression model in the study of firm level factors on capital structure in Ethiopian insurance companies. The results revealed that growth, profitability and age of the firm have significant influence on Ethiopian insurance companies' capital structure while, liquidity and business risk were also significant for long term debt and total debt ratio respectively. Further, Oladele and Adebayo (2013) examined the determinants of capital structure in Nigeria using the descriptive research design. The results of the regression analysis revealed that leverage has a negative relationship with firm size and tax on one hand and a positive relationship with tangibility of assets, profitability and growth on the other hand. However, only with tangibility of assets and firm size that significant relationship is established.

Oppong-Boakye, Appiah and Afolabi (2013) explored the determinants of capital structure among 33 listed and non-listed companies during the period 2003-2007 in Ghana. Six factors of profitability, assets' tangibility, size of firm, business risk, growth and tax were examined. The results revealed that leverage has a positive relationship with profitability, assets tangibility, size, business risk on one hand; but a negative relationship was observed with growth and tax on the other hand.

Kingsley (2013) employed panel regression model in examining the capital structure of insurance companies in Ghana. Firm size, profitability and growth were the statistically significant factors Negative relationship between profitability and leverage also indicates that profitable insurance companies prefer internal sources of finance to external sources. As well as the study of Mohamed and Mahmoud (2013) examined the impact of corporate characteristics on capital structure of Egyptian insurance companies from 2006 to 2011. The study demonstrates that firm size, tangibility of assets, profitability and firm age factors are positively related to the total leverage. On the other hand, growth opportunities, liquidity and non-debt tax shield appear to be the significant factors that adversely influence the total leverage and capital structure. In effect, Chechet, Garba and Odudu (2013) assessed the determinants of capital structure in Nigerian Chemical and Paints companies listed in Nigeria, OLS was employed, the study revealed that for the Nigerian chemical and paints sector, tangibility and profitability have significant impact on leverage, while size, growth and age have insignificant impact on the dependent variable. It also showed that the coefficient of the two significant explanatory variables, which are tangibility and profitably are negative. All in all, three out of five of the explanatory variables have significant on the dependent variable whereas the remaining two, which include profitability and tangibility are not significant.

Albulena, Skender, Vlora and Edona (2014) analyzed the determinants of capital structure among insurance companies in Kosovo, based on a data retrieved from 11 insurance companies during the years 2009-2012. Debt ratio was taken as a dependent variable whereas company size, growth, life, noncurrent assets and liquidity ratio were taken as independent variables. The result of the regression model shows that these variables are in direct relationship with the debt ratio. n like manner, Sritharan (2014) employed a pooled ordinary least square regression to analyze the determinants of the capital structure of 28 quoted banks, finance and insurance companies in Colombo Stock Exchange for the period of 2008-2012 and further evidence of the capital structure theories. The results reflect the real nature of the Sri Lankan corporate environment. Statistical results showed that tangibility, profitability, growth, and liquidity are negatively related to the debt ratio, while size has a positive nexus. Non-debt tax shield is not significantly related to the debt ratio. Moreover, Olakunle and Jones (2014) examined the impact of size on the capital structure choice of listed Nigeria firms in influencing their corporate financing strategy and performance analysis. The research work examines the applicability of western capital structure theories on listed firms on the NSE. The research study analysed 47 listed firms on the NSE over the period 1997 – 2007 using the OLS regression analysis of natural log of sales, against leverage total debt to total asset and short-term debt to total asset with the objective of size effect on leverage on observed firms. Results showed that listed firms on the NSE have positive Beta value of 0.055 between total debt and size and 0.048 between short-term debt and size. The observed positive correlation between leverage of Nigerian firms in relation to size, however, is not statistically significant. This implies that size of the firm can be said to have a positive influence on the leverage ratio of listed Nigeria firms.

Onaolapo, Kajola and Nwidobie (2015) examined the determinants of corporate capital structure of thirty-five firms listed on the NSE between 2006 and 2012. Results revealed that the three leverage ratios total leverage ratio, long-term leverage ratio and short-term leverage ratio are negatively and significantly related with profitability. Firm size and asset tangibility are however, positively and significantly related with leverage proxies. Adaramola and Olarewaju (2015) examined the determinant of capital structure of quoted composite insurance companies in Nigeria using descriptive research designed. The results revealed that tangibility, growth and liquidity had a negative impact on the leverage while risk, return on asset and size have a positive influenced on leverage; it was discovered from this study that all the variables identified are statistically significant except ROA and growth; the model was reliable and appropriate for determining capital structure of composite insurance companies.

Yusuf, Mustapha and Garba (2015) examined the determinant of capital structure decision of listed food/beverages and tobacco firms in Nigerian capital market. The study reveals that tangibility, firm growth, profitability has a significant positive effect on determinant of capital structure decision of listed food/beverages and Tobacco firms in Nigeria. The findings further revealed that, firm size is positively correlated and significant. Ahmad (2015) examined the determinants of capital structure of a firm. Capital structure is encapsulated by total liabilities to total assets. The results of the cross-sectional OLS regression show that growth opportunity, firms' age, liquidity, profitability, size, tangibility, and industry type have statistically significant relationship with firm's leverage. Dividends policy and ownership structure of the firm, however, were found to have negative but statistically insignificant relationships with capital structure. Findings of the study reveal that firm's age, growth opportunities, liquidity, profitability, firm's size, tangibility, and type of industry are determinants of capital structure of firms listed in Kuwaiti stock exchange. Dividends policy and ownership structure, however, are revealed to be non-determinants of capital structure. Martina (2015) investigated the relationship between tangible assets and the capital structure of Croatian small and medium-sized enterprises. The results of this research indicate that tangible assets are differently correlated with short-term and long-term leverage. The relationship between tangible assets and short-term leverage is negative and statistically significant in all observed years. The relationship between tangible assets and long-term leverage is positive in all observed years and statistically significant. The results showed that small and medium-sized companies use their collateral to attract long-term debt. Ahmed (2016) investigated empirical evidence on capital structure determinants in Nigeria. The relationship between the short-term and long-term debt and four explanatory variables were observed. The findings of this study confirm that profitability, growth, firm size and tangibility are explanatory variables of capital structure.

Theoretical Framework

Three key theories shape discussions on capital structure by scholars globally. The Static Trade-off Theory, the Agency Theory, and the Pecking Order Theory.

Static Trade-Off Theory: Static Trade-off theory (STT) presumes that a firm sets up a debt target ratio and gradually moves towards it. This target would be set as a trade-off between the costs and the benefits of debt, that is, bankruptcy costs against tax benefits. Evidences in favour of the STT and optimal capital structure can be seen from the work of authors such as Schwartz and Aronson (1967) who documented evidence of strong industry effects in debt ratios, which they interpreted as evidence of optimal ratios. The STT (also known as tax-based theory) suggests that optimal capital structure could be achieved at a point where the net tax advantage of debt financing balances leverage related costs such as bankruptcy cost. The STT states that more debt will be employed by profitable firms since they may likely have high tax burden and low bankruptcy risk (Ooi, 1999). Um (2001) posits that a high level of profit gives rise to a higher debt capacity and accompanying tax shield. He argued further that firms with high level of tangible assets will be able to provide collateral for debts. If the company defaults on its obligations on debts, the assets will be seized but the company may be in a situation to avoid bankruptcy.

Companies with high level of tangible assets are less likely to default and will be able to secure more debts which may result in a positive relationship between tangibility and capital structure. Most of the empirical studies conducted in developed countries found a positive relationship between tangibility and capital structure. Antoniou et al. (2002) argued that size is a good explanatory variable for a firm's capital structure. The static trade off theory of capital structure predicts that firms will choose their mix of debt and equity financing to balance the cost and benefits of debt. It should however be realized that a company cannot continuously minimize its overall cost of capital by employing debt.

Agency Theory: Jensen and Meckling (1976) suggest that, for an optimal debt level in capital structure by minimizing the agency costs arising from the divergent interest of managers with shareholders and debt holders. They suggest that either ownership of the managers in the firm should be increased in order to align the interest of managers with that of the owners or use of debt should be motivated to control managers' tendency for excessive extra consumptions. Jensen (1986) presents agency problem associated with free-cash flow. Debt agency cost arises as a result of conflict of interests between debt providers and shareholders on one hand and, shareholders and managers on the other hand (Jensen & Meckling, 1976). The use of short-term sources of debt may reduce the agency problems. Titman and Wessels (1988) argued that agency related costs between shareholders and debt holders are likely to be higher for firms in growing industries, hence, a negative relationship is expected between growth and capital structure.

Jensen and Meckling (1976) assert that the use of secured debt might mitigate agency cost of debt. Um (2001) asserts that if a firm's level of tangible asset is low, the management may choose a high level of debt to mitigate equity agency costs. Therefore, a negative relationship between tangibility and capital structure is consistent with an equity cost explanation.

Pecking Order Theory: The Pecking Order Theory (POT) propounded by Myers (1984) and Myers and Majluf (1984) admit that firms follow a hierarchy of financial decisions when establishing its capital structure. Initially, firms prefer internal financing and if this is not sufficient they then go for external financing. The sequence of external financing will be the issuing of debt and convertible debt, before opting for issuing equity shares. The POT holds that firms that are more lucrative are naturally less indebted since they can finance their new capital projects without the need to issue debt or equity. The reluctance in issuing new equity apart from the transactional cost involved, according to Myers and Majluf (1984) is due to asymmetric information between the management and the new shareholders.

The foremost prediction of the model is that firms will not have a target optimal capital structure, but will instead follow a pecking order of incremental financing choices that places internally generated funds at the top of the order, followed by debt issues, and finally only when the firm reached its "debt capacity" new equity financing. It has been found in practice that firms prefer internal financing. If the internal funds are not sufficient to meet the investment outlays, firms go for external finance, issuing the safest security first. They start with debt, then possible hybrid securities such as convertible debentures, then perhaps equity as a last resort. There are other theories, such as Modigliani and miller's and also those based on agency theory. This study therefore adopts the POT in line with other similar studies, to add to demonstrate the numbers that explain the need for further application of the theory to the Nigeria's context.

Methodology

This study adopts ex-post facto and causal research design. This study made use of ex-post facto and causal research design. The population of this study is be made up of 28 insurance companies listed on the floor of the Nigerian Stock Exchange from year 2006 to 2017. This period is considered important due to the fact that the industry witnessed capitalization during this period. As at 2017, 28 insurance Companies were listed on the exchange. In this study statistical sampling is not used due to the small size of the population, all the population elements are census.

The data that are used for this study is secondary in nature. This study utilized panel ordinary least squares model to examine the effect of the independent variables on the dependent variable of capital structure of listed insurance companies in Nigeria, Panel regression techniques are used to analyze this study because the study involves the combination of time series and cross sectional data. Hausman specification test was utilized to test whether the fixed or random effect model is appropriate. Thus, the technique is consistent with the research design employed in the study and the objective of this study.

Model Specifications

$$CST_{it} = \beta_0 + \beta_1 FSZ_{it} + \beta_2 AGE_{it} + \beta_3 TAN_{it} + \beta_4 RSK_{it} + \beta_5 GRT_{it} + e_{it}$$

Where;

CST = Capital Structure

FSZ = Firm Size

TAN= Asset Tangibility

GRT = Firm Growth

AGE = Firm Age

RSK = Business Risk

e = error term

β_0 = Intercept of the regression line

β_1-β_5 = Coefficient of the independent variables

Variable	Measurements
Capital Structure	Debt/equity
Firm Size	Log of total asset
Asset Tangibility	Fixed asset/ total asset
Firm Growth	Percentage change in revenue
Firm Age	number of years in which the firm was incorporated.
Business Risk	Claims paid/net premium earned

Data Analysis and Results

Descriptive Statistics of Variables

Table 1: Descriptive Statistics

Statistics	CST	FSZ	AGE	TAN	RSK	GRT
Mean	0.338	6.956	1.482	0.341	0.516	0.34
Max	0.703	9.871	1.778	0.899	2.661	9.065

Min	0.013	5.022	0.069	0.004	0.019	0.002
Sd	0.157	0.767	0.247	0.231	0.433	0.605
Skewness	0.243	0.638	-2.696	0.679	1.642	9.488
Kurtosis	2.342	5.548	15.79	2.744	6.141	130.851
JB	9.367	113.77	2697.51	26.776	289.237	233884.8
Prob	0.009	0.000	0.000	0.000	0.000	0.000
Observation	336	336	336	336	336	336

Source: Eview Output, 2018

Table above presents the descriptive statistics of all the variables used in an attempt to examine the determinants of insurance companies' capital structure.

The table shows the average value of capital structure (CST) to be 0.338. The minimum value of capital structure (CST) is 0.013 with maximum value of 0.703 and standard deviation of 0.157. The standard deviation value of 0.157 is less than the mean value of 0.338, it means that the data are not widely dispersed from the mean value as the mean value of the variable is more than the standard deviation value. The skewness value of CST is 0.243 which is close to 0 and is positively skewed which is considered to be symmetrical above its mean and the distribution has long right tail. Similarly, kurtosis measures how fat the tails of the distribution are. The kurtosis statistics obtained for a maximum value of 3 for kurtosis is expected to guarantee the normal distribution (Blundell & Bond, 2000). The kurtosis value of CST is 2.342 which is below 3, it shows that the variable is normally distributed in nature and which indicated the extent of flatness (platy- kurtic) of the distribution of the data series relative to normal.

Also, the table reveals that the average value of firm size (FSZ) is 6.956, the maximum value of 9.871, minimum value of 5.022, standard deviation value of 0.767. The standard deviation of the FSZ is less than the average value, it indicates that the data are not widely dispersed from the mean. The skewness value of the variable is 0.638 which is close to zero and positive, it means that the distribution of the variables is symmetric and has long right tail. The Kurtosis values of FSZ is 5.548 which is above 3, it indicates that the distribution series for the variable was peaked relative to the normal because the statistics were greater than 3.0. Being peaked implied very few observations within the region where the median resided.

The descriptive statistics reveals that Age (AGE) mean value is 1.482, maximum value is 1.778, minimum value of 0.069 and standard deviation of 0.247. The standard deviation of 0.247 is less than the mean value of 1.482, it shows that the data are not widely dispersed from the mean. The skewness value of the variable is -2.696, the variable is negatively skewed (-2.696) which implied that the data sets have long left-tails and hence, the AGE level tend towards less than the median values (i.e. median > mean). The Kurtosis values of AGE is 15.79 which is far above 3, it indicates that the shape is leptokurtic in nature.

The descriptive statistics exhibits the mean value of TAN to be 0.341, maximum value of 0.899, the minimum value of 0.004, and standard deviation value of 0.231, the standard deviation value of is less than the mean value of which indicates that the data are not widely dispersed from the mean. The skewness value of the variable is 0.679 which is close to zero, it means that the distribution of the variables is symmetric in nature. The Kurtosis values of the variable is 2.744 which is close to 3, it indicates that the data is normally distributed in nature.

The table also indicates that the average value of RSK to be 0.516, the minimum value of RSK is 0.019 with maximum value of 2.661 and standard deviation of 0.433. The standard deviation value is less than the mean value, it means that the data are not widely dispersed from the mean value. The skewness value of RSK is 1.642 which is above 0 and is considered to be non-symmetric. Similarly, a maximum value of 3 for kurtosis is expected to guarantee the normal distribution (Blundell & Bond, 2000). The kurtosis value of RSK is 6.141 which is above 3, it shows that the variable shape is leptokurtic in nature.

Likewise, GRT mean value is 0.34, maximum value is 9.065, minimum value of 0.002 and standard deviation of 0.605. The standard deviation is more than the mean value of 0.34, it shows that the data are widely dispersed from the mean. The skewness value of the variable is 9.488 which is above zero, it means that the distribution of the variables is non-symmetric in nature. The Kurtosis values of RSK is 130.851 which is far above 3, it indicates that the shape is leptokurtic in nature. This study uses the Jarque-Bera test for normality, the results of the test indicate that are the data are not normally distributed because their P-value is less than 0.05. However, the Guasian theorem (1929) and Shao (2003) suggest that normality of data does not in any way affect the inferential statistics estimate to the BLUE.

Correlation Matrix

Table 2

VARIABLES	FSZ	AGE	TAN	RSK	GRT
FSZ	1				
AGE	0.034239414	1			
TAN	-0.25246583	-0.11936615	1		
RSK	-0.08704494	-0.07708007	0.098884156	1	
GRT	0.038962083	0.006159857	-0.18648601	-0.05478050	1

Source: Eview Output, 2018

The table above shows the correlation values between the independent variables. The correlation matrix is used to determine the correlation between independent variables of the study. It is observed that the variables correlate fairly well (between -0.25 and 0.09). There is no correlation coefficient greater than 0.8, hence there is no problem of multicollinearity of data (Neter, Kutner, Nachtsheim & Wasserman, 1996; Cassey et. al., 1999; Wallace & Naser, 2005).

Variance Inflation Factor

Table 3

Variable	VIF	1/VIF

C	NA	0.010113
FSZ	1.072666	0.000130
AGE	1.019271	0.001185
TAN	1.124476	0.001499
RSK	1.020068	0.000386
GRT	1.037964	0.000202

Source: Eview Output, 2018

The tolerance values and the variance inflation factor are two good measures of assessing multicolinearity between the independent variables in a study. The result shows that variance inflation factor were consistently smaller than ten (10) indicating complete absence of multicolinearity (Neter et ‘al; 1996; Cassey et ‘al., 1999). This shows the suitability of the study model been fit with the six independent variables. Also, the tolerance values were consistently smaller than 1.00, therefore extend the fact that there is complete absence of multicolinearity between the independent variables (Tobachmel & Fidell, 1996).

Fixed Effect Model Regression Results

Table 4

Variable	Coefficient	Standard Error	t-statistics	Prob
C	0.017717	0.109694	0.161509	0.8718
FSZ	0.008206	0.014413	0.569392	0.5695
AGE	0.167991	0.051432	3.266296	0.0012
TAN	-0.005054	0.062072	-0.081419	0.9352
RSK	0.017379	0.014575	1.192418	0.2340
GRT	0.021255	0.010817	1.964914	0.0503
R^2	0.36			
Adj. R^2	0.24			
F-Statistics	4.3247			
Prob(F-Statistics)	0.0007			

Hausman Chi-Sq. Stat.	5.74			
Hausman Prob. Value	0.33			
Heteroskedasticity F-Statistics	5.009144			
Heteroskedasticity Observed R-square	0.0831			
Br-Godfrey LM Stat	8.356766			
Br-Godfrey LM Ob. R	0.0945			

Source: Eview Output, 2018

Dependent variable: Capital Structure (CST)

The F-Statistic of 4.3247 and its corresponding P-value of 0.0007 indicates that the model is fit and the independent variables are properly selected, combined and used. The Coefficient of Determination (R^2) of 0.36 indicates that about 36% of variation in CST can be explained by FSZ, AGE, TAN, RSK and GRT or the ability of the regression line to predict CST is about 36%. The remaining 64% are attributed to other independent variables that are not captured in the regression. The study therefore, accepts alternate Hypothesis which states that, FSZ, AGE, TAN, RSK and GRT are deterrminants of CST and they have significant effect on capital structure of listed insurance companies in Nigeria. The Breusch Pegan-Godfrey Test of Heteroskedasticity indicates that the probability chi-square value of 0.0831 indicates that the data are homokesdasticity. Thus, the p-value of 0.0831 which is greater than 0.05 makes the study to accept the null hypothesis that the residuals are not heteroskeadasticity but homokesdasticity and is desirable. The Breush--Godfrey serial correlation LM test for serial correlation was performed on the residuals and the results showed observed R-squared of 0.3161, which is in excess of 0.05, which lead us to reject the presence of serial correlation in the residual. The Hausman Specification Test indicates that Random Effect Model is most appropriate to Fixed Effect Model given the Chi-Square value of 5.746465 and its corresponding P-value of 0.3317 which is greater than the critical value of 0.5.

Discussion of Findings

In the regression result, FSZ has insignificant positive effect on CST of listed insurance companies in Nigeria. This indicates that FSZ does not influence CST. The coefficient of FSZ is positive which may be as a result of the fact that large firms are visible and this finding agrees with the Pecking order theory of Myer and Majluf (1984) who argued that there is less asymmetrical information about the larger firms (Kester, 1986) and as such they are viewed as less risky by lenders, which then enable them to go for loans more frequent than smaller firms. The finding is in tandem with the findings in the previous works of Akinlo (2011); Sheik and Wang (2011); Afza and Hussain (2011); Sharif, Naeem and Khan (2012); Appiah and Afolabi (2013); Oppong-Boakye; Albulena, Skender, Vlora and Edona (2014); Olakunle and Jones (2014); Sritharan (2014); Ahmad (2015); Onaolapo, Kajola and Nwidobie (2015); Adaramola and Olarewaju (2015); Yusuf, Mustapha and Garba (2015); Ahmed (2016), but contradicts the study Chen (2004); Tariq and Hijazi (2006); Naser and Krassimir (2011); Ogbolu and Emeni (2012); Zabri (2012); Shehu (2012); Chandrasekharan (2012); Oladele and Adebayo (2013); Aremu, Ekpo, Mustapha and Adedoyin (2013).

In the case of Age and capital structure, a significant positive effect was found. This indicates that debt will increase when there is an increase in insurance companies' age. This means that increase in age will increase gearing. This implies that as an insurance company advances in age, the insurance company's need for external financing will tend to increase. Also, reputation mean the good name a firm has built up over the years; the name is recognized by the market, which has observed the firm's ability to meet its obligations in a timely manner. This finding is consistent with the findings in previous studies such as Naveed, Zulfqar and Ishfaq (2010); Bayeh (2013); Shehu (2012); Mohamed and Mahmoud (2013); Ahmad (2015). Also, the finding is contrary to the study of Zabri (2012); Ogbolu and Emeni (2012); Sharif, Naeem and Khan (2012); Chechet, Garba and Odudu (2013).

Based on the regression result, TAN and CST, TAN has insignificant negative effect on CST. The effect of tangibility on capital structure according to both trade off theory and pecking order theory suggests a positive relationship between tangibility and capital structure but the result of this finding indicates a negative insignificant relationship between tangibility of assets and CST of listed insurance companies in Nigeria. This means that a firm that has the incentive of getting debt at a lower interest rate as a result of possessing higher percentage of fixed asset is expected not to borrow more as compared to a firm whose cost of borrowing is high because of having less fixed assets. It is assumed, from the theoretical point of view, that tangible assets can be used as collateral. Therefore higher tangibility lowers the risk of a creditor and increases the value of the assets in the case of bankruptcy. This is in line with the findings of Sheik and Wang (2011); Akinlo (2011); Ogbolu and Emeni (2012); Sritharan (2014); Adaramola and Olarewaju (2015); who found a negative insignificant relationship listed insurance companies. On the other hand, another study conducted by Mishra (2011); Naser and Krassimir (2011); Chandrasekharan (2012); Zabri (2012); Shehu (2012); Oppong-Boakye, Appiah and Afolabi (2013); Aremu, Ekpo, Mustapha and Adedoyin (2013); Oladele and Adebayo (2013); Mohamed and Mahmoud (2013); Chechet, Garba and Odudu (2013); Albulena, Skender, Vlora and Edona (2014); Onaolapo, Kajola and Nwidobie (2015); Martina (2015); Ahmad (2015); Yusuf, Mustapha and Garba (2015); Ahmed (2016) found positive relationship between tangibility and capital structure for listed insurance companies in Nigeria.

The regression result of insurance risk and capital structure shows that RSK has insignificant positive effect on CST. RSK does not have a significant effect on CST. It indicates that RSK does not influence capital structure of listed insurance companies in Nigeria. The reason for such relationship in the listed insurance companies in Nigeria is due the theoretical prediction of the agency theory; the required rate return from investors should be suitable to their risk in the firm. Shareholders will require high return in order to hold the risk related to the bankruptcy and financial distress since the debt holders have the priority in the case of bankruptcy. Also, the debt holders will require such return to hold the risk of agency conflicts with shareholders and management. The findings is in line with the studies of Oppong-Boakye, Appiah and Afolabi (2013); Bayeh (2013); Adaramola and Olarewaju (2015). This finding contradicts the study of Naveed, Zulfqar and Ishfaq (2010).

The study found that GRT has significant positive effect on CST of listed insurance companies in Nigeria. This means that GRT influences CST of listed insurance companies in Nigeria positively. According to the pecking order theory hypothesis, a firm will first use internally generated funds which may not be sufficient for a growing firm. And next options for the growing firms is to use debt financing which implies that a growing firm will have a high leverage (Drobetz & Fix, 2003). On the other hand, agency costs for growing firms are expected to be higher as these firms have more flexibility with regard to future investments. The reason is that bondholders fear that such firms may go for risky projects in future as they have more choice of selecting between risky and safe investment opportunities. Deeming their investments at risk in future, bondholders will impose higher costs of lending to growing firms. Growing firms, thus, facing higher cost of debt will use less debt and more equity. The study is in harmony with the studies of Sharif, Naeem and Khan (2012); Oladele and Adebayo (2013); Kingsley (2013); Bayeh (2013); Sritharan (2014); Ahmad (2015); Yusuf, Mustapha and Garba (2015); Ahmed (2016). This finding contradicts the study of Akinlo (2011); Ogbolu and Emeni (2012); Oppong-Boakye, Appiah and Afolabi (2013); Mohamed and Mahmoud (2013); Chechet, Garba and Odudu (2013); Adaramola and Olarewaju (2015).

Conclusions and Recommendations

The matter of determinants of capital structure has become an essential matter in the literature of finance. Attempt has been made in this study to examine the effects of five determinants such as firm size, age, growth, business risk and asset tangibility on capital structure of listed insurance companies in Nigeria. Based on the result that FSZ has insignificant positive effect on CST of listed insurance companies in Nigeria, the study concludes that firm size is not a significant factor that determines the capital structure of listed insurance companies in Nigeria, although there is an insignificant positive relationship. It shows that large firms tend to go for loans more frequent than smaller firms. In line with significant positive effect of AGE on CST of listed insurance companies in Nigeria, the study concludes that age is a significant determinant of capital structure in listed insurance companies in Nigeria. The positive coefficient of age implies that as an insurance company advances in age, the insurance company's need for external financing will tend to increase. Also, reputation mean the good name a firm has built up over the years; the name is recognized by the market, which has observed the firm's ability to meet its obligations in a timely manner.

In the case of insignificant but negative effect of asset tangibility (TAN) on capital structure of listed insurance companies in Nigeria, the study concludes that an insurance company has the incentive of getting debt at a lower interest rate as a result of possessing higher percentage of fixed asset is expected not to borrow more as compared to a firm whose cost of borrowing is high because of having less fixed assets. The regression result of insurance risk and capital structure shows that RSK has insignificant positive effect on CST. RSK does not have a significant effect on CST. Based on the insignificant positive relationship between insurance risk (RSK) and capital structure of listed insurance companies in Nigeria as it has been reported in the regression, the study concludes that required rate of return from investors is suitable to their risk in the insurance companies listed on the NSE. According to the result that insurance growth (GRT) has significant positive effect on CST of listed insurance companies in Nigeria. This means that GRT influences CST of listed insurance companies in Nigeria positively. The study concludes that a growing insurance company will have a high leverage.

The study offers the following recommendations based on the findings of the study;

- Based on the research results, the insurance companies should have a high consideration for the value of total asset when determining their capital mix because the size of company is an important factor that has a positive effect on leverage.
- Insurance companies that have been incorporated for long should consider external financing since they are household name in the insurance industry and they have gained name which is recognized by the market.
- Insurance companies should not give fixed asset priority when considering their capital structure mix as it has no influence on capital structure.
- Debt providers of listed insurance companies should seek for high return in order to hold the risk related to the bankruptcy and financial distress since they have the

priority in the case of bankruptcy. Also, the debt holders should require such return to hold the risk of agency conflicts with shareholders and management.

- Bondholders of listed insurance companies should impose higher costs of lending to growing firms. Growing insurance companies that are facing higher cost of debt should use less debt and more equity.

References

Adaramola, A. O., & Olarewaju, O. M. (2015). "*Determinants of capital structure in Nigerian quoted composite insurance companie"s*. Global Journal of Management and Business Research, Volume 15, Issue 10.

Adesola W. A. (2009). "*Testing static trade off theory against pecking order models of capital structure in Nigerian quoted firms"*. Global Journal of Social Sciences, Vol 8, No. 1, 61-76

Akhtar, S. and Oliver, B. (2009). "*Determinants of capital structure for Japanese multinational and domestic corporations"*. International Review of Finance, 9, 1-

Albulena, S., Skender, A., Vlora, B., & Edona, P. (2014). " *The factors that determine the capital structure among insurance companies in Kosovo: Empirical Analysis".* Academic Journal of Interdisciplinary Studies. 3(2). 43-50.

Al-Sakran, S. (2001). " *Leverage determinants in the absence of corporate tax system: The case of non-financial publicly traded corporation in Saudi Arabia*." Managerial Finance 27, 58-86.

Bayeh, A. K. (2013). "*Impact of firm level factors on capital structure: Evidence from Ethiopian Insurance companies*". Global Journal of Management and Business Research Finance. 13(4). 23-30.

Chang, E. (1999)" *Capital structure: Convergent and pecking order Evidence"*. Review of Financial Economics 1 (1), 35-49.

Chaplinsky, S., & Niehaus, G. (2003). *Do inside ownership and leverage share common determinants?* Quarterly Journal of Business and Economics, 32(4):51–65.

Chen J. J. (2003). "*Determinants of capital structure of Chinese-listed companies"*. Journal of Business Research 57 (2004) 1341– 1351

Ezeoha A. E., & Francis, O. O. (2010). "*Local corporate ownership and capital structure decisions in Nigeria: a developing country perspective*". Corporate Governance, Vol. 10 Iss: 3, pp.249 – 260

Grossman, S., & Hart, O. (1982). "*Corporate financial structure and managerial incentives*", In McCall, J. (ed.), The economics of information and uncertainty: University of Chicago Press.s

Hall, G., Hutchinson, P., & Michaelas, N. (2004). "*Determinants of the Capital Structures of European SMEs*", Journal of Business Finance & Accounting 31,711-728.

Harris, M., & Raviv, A. (1990). " *Capital structure and the informational role of debt"*. Journal of Finance Vol. 45, pp.321-349.

Inyiama, O.I., & Ubesie, M.C. (2017). "*Effect of Listing Age on Corporate Financial Leverage of Oil and Gas Firms in Nigeria.".*International Journal of Economics, Finance and Management Sciences. Vol. 5, No. 2, 2017, pp. 92-97.

Jalivand, A., & Harris, R. (1984). : "*An econometric study*". Journal of Finance 39(1), 127-145.

Jensen, M. (1986). "*Agency costs of free cash flow, corporate finance and takeovers*". American Economic Review, Vol. 76 no.2, pp.323-329.

Jensen, M., & Meckling, W. (1976). "*Theory of the firm: Managerial behaviour, agency costs and ownership structure"*. Journal of Financial Economics, 3(4):305–360.

Kajola, M. (2008). "*Corporate governance and firm performance: The case of Nigeria listed firm"*. European Journal of Economics, Finance and Administrative Sciences. ISSN 1450-2887.

Kim, J., Krishna, R., & Suresh, S. (1998). *"Does default risk in coupons affect the valuation of corporate bonds? A contingent claims model"*. Financial management 22, 117-131.

Kraus, A. & R. Litzenberger. (1973). "*A state preference model of optimal financial leverage"*, The Journal of Finance, Vol. 28, pp.911-921

Meckling, W. H. (1976). "Values and the choice of the model of the individual in the socials sciences". Schweizerische Zeitschrift fur Volkswirtschaft

Mehari, D., & Aemiro, T. (2013). "*Firm specific factors that determines insurance companies. performance in Ethiopia"*. European Scientific Journal. 9(10). 245-255.

Mishra, C.S., & McConaughy, D.L. (1999). "*Founding family control and capital structure: The risk of loss of control and the aversion to debt".* Entrepreneurial Theory and Practice, 23:53–64.

Modigliani, F., & Miller, M. (1958). "*The cost of capital, corporation finance, and the theory of investment"*. American Economic Review, 48, 261-297.

Modigliani, F., & Miller, M. (1963). Corporate income taxes and cost of capital: A correction. *American Economic Review,* 53, 433-443.

Myers, S. C. (2001). "*Capital structure*". Journal of Economic Perspectives, 15(2):81–102.

Myers, S. C., & Majluf, N.S. (1984). "*Corporate financing and investment decisions when firms have information that investors do not have"*. Journal of Financial Economics, 13, 187-222.

Naser, N., & Krassimir, P. (2011). "*Capital structure of insurance companies in Bahrain"*. International Journal of Business and Management. 6(11). 138- 145.

Naveed, A., Zulfquar, A., & Ishfaq, A. (2010). "*Determinants of capital structure: A case of Life Insurance Sector of Pakistan*". European Journal of Economics, Finance and Administrative Sciences. 10(24). 7-12.

Odedokun, M.O. (1995). "*Dividend policy, investment spending and financing decisions: Evidence from Nigeria quoted non-financial firms*. Nigeria Journal of Economics and Social Studies. 37, (3), pp. 185-201.

Ogbulu, O.M., & Emeni, F.K. (2012). "*Determinants of corporate capital structure in Nigeria".* International Journal of Economics and Management Sciences, 1(10). 81-96.

Olatundun, O. (2002). "*Mortgage processing in FMBN".* FMBN Journal Lagos, (3), p. 26-34.

Ooi, J. (1999). "*The determinant of capital structure: Evidence on UK property companies*". Journal of Property Investment and Finance, 17(5): 464–80.

Pandey, I. M. (2001). "*Capital structure and the firm characteristics*": Evidence from an emerging market. Working paper, University of Delhi, Delhi.

Pandey, I.M., & Parera, K.L.W. (1997)." *Determinants of effective working capital management - A discriminant analysis approach".* IIMA Working Paper # 1349. Research and Publication Department Indian Institute of Management Ahmedabad India.

Petersen, M. A., & Rajan, R. G. (1994). "*The benefits of lending relationships: Evidence from small business data"*. Journal of Finance, 49, 1, 3-37.

Pettit, R., & Singer, R. (1985). " *Small business finance: A research agenda*". Financial Management, autumn, 47-60.

Pinches, G. E., & Mingo, K. A. (1973). "*A multivariate analysis of industrial bond ratings*". Journal of Finance, 28(1),1–8.

Prasad, S., Green, C., & Murinde, V. (2001). "*Corporate financial structures in developing economies: Evidence from a comparative analysis of Thai and Malay corporations*". Working Paper Series, Paper No 35. Finance and Development Research Programme, University of Manchester, Manchester.

Rao, N. V., Mohamed Al-Yahyaee, K. H., & Syed, L. A. M. (2007). "*Capital structure and financial performance: Evidence from Oman"*. Indian Journal of Economics and Business, 6(1):1–14.

Ross, S.A. (1977). "*The Determination of financial structure: The incentive signalling approach"*, Bell Journal of Economics pp. 23-40.

Rozeff, M. S. (1982). Growth, beta and agency costs as determinants of dividend payout ratios. *Journal of Financial Research,* 5, 249-259.

Salawu, R.O. (2007). "*An empirical Analysis of the capital structure of selected quoted companies in Nigeria"*. International Journal of Applied Economics and Finance 1 (1). 16-28.

Shah, A. & Hijazi, T. (2004). "*The determinants of capital structure of stock exchange listed non-financial firms in Pakistan".* The Pakistan Development Review, 43(4):605–618.

Shehu, U. H. (2011). "*Determinants of capital structure in the Nigerian listed insurance firms",* International Journal of China – USA Business Review, 10(12): 81-98.

Smith, C.W., & Warner, J. B. (1979). "*On financial contracting: An analysis of bond covenants"*. Journal of Financial Economics, 7.

Stiglitz, J. (1972). "*Some aspects of the pure theory of corporate finance: Bankruptcies and takeovers".* Bell Journal of Economics and Management Science, 3, 458-482.

Storey, D.J. (1994). "*The role of legal status in influencing bank financing and new firm growth".* Applied Economics 26, 129-136.

Stultz, R. (1990). "*Managerial discretion and optimal financing policies"*, Journal of Financial Economics, Vol. 26, pp. 3-27

Titman, S. (1984). "*The effect of capital structure on the firm's liquidation decision"*. Journal of Financial Economics, Vol. 13, pp. 137-151

Um, T.(2001). "*Determination of Capital Structure and Prediction of Bankruptcy in Korea, unpublished PhD thesis"*. Cornell University.

Van Horne, J. C. & J. D. McDonald. (1971). *"Dividend policy and new equity financing.*" Journal of Finance 26, 507–519

Velnampy, T., & J.A Niresh (2012). "*The relationship between capital structure and profitability"*. Global Journal of Management and Business Research. 12(13). 67-74*.*

Wedig, G., Sloan, F.A., Assan, M. & Morrisey, M.A. (1988). "*Capital structure, ownership, and capital payment policy: The case of hospitals"*. The Journal of Finance, 43: 21–40.

Zhang, Y. (2006). "*Effects of the Agency Cost of Debt and Managerial Risk Aversion on Capital Structure: What can We Learn from All-Equity Firms?*" Working Paper.

Zietlow, J., Hankin, J., & Seidner, A. (2007). "*Financial management for non-profit organizations: Policies and practices"*. Hoboken, NJ: Wileys

Appendix A: Data Presentation

INSURANCE COMPANY	YEAR	ID	CST	FSZ	AGE	TAN	RISK	GRT
AFRICAN ALLIANCE INSURANCE COMPANY PLC	2006	1	0.2296	7.813	1.672	0.025	0.3264	0.3138
	2007	1	0.3143	7.612	1.681	0.022	0.2873	0.2252
	2008	1	0.3723	7.534	1.69	0.025	0.3756	2.8344

	2009	1	0.3265	7.634	1.698	0.026	0.5769	0.4275
	2010	1	0.4528	7.532	1.707	0.026	0.5198	0.484
	2011	1	0.5623	7.534	1.716	0.037	0.327	1.8428
	2012	1	0.5793	8.245	1.724	0.039	0.247	0.6744
	2013	1	0.5218	8.163	1.732	0.028	0.2483	0.875
	2014	1	0.4893	8.221	1.74	0.047	0.4254	0.725
	2015	1	0.5462	8.137	1.748	0.035	0.3732	0.645
	2016	1	0.5137	8.712	1.756	0.037	0.1259	0.1223
	2017	1	0.4971	8.612	1.763	0.043	0.2905	0.304
AIICO INSURANCE COMPANY PLC	2006	2	0.4286	6.843	1.568	0.036	0.2668	0.992
	2007	2	0.4728	6.712	1.579	0.045	0.3878	0.268
	2008	2	0.4025	6.876	1.591	0.039	0.3974	0.582
	2009	2	0.4261	6.712	1.602	0.038	0.2736	0.843
	2010	2	0.4286	6.378	1.613	0.041	0.4508	0.911
	2011	2	0.5456	7.634	1.623	0.039	0.5276	0.252
	2012	2	0.5038	7.223	1.633	0.041	0.5282	0.149
	2013	2	0.3479	7.341	1.643	0.042	0.5252	0.311
	2014	2	0.3817	7.325	1.653	0.064	0.401	0.493
	2015	2	0.4231	7.965	1.663	0.048	0.6104	0.733
	2016	2	0.3591	7.889	1.672	0.035	0.4224	0.119
	2017	2	0.3819	7.173	1.681	0.037	0.2343	0.219
CONSOLIDATED HALLMARK INSURANCE PLC	2006	3	0.3192	8.421	1.204	0.043	0.1789	0.231
	2007	3	0.4113	8.378	1.23	0.036	0.318	0.219
	2008	3	0.3012	8.345	1.256	0.045	0.5708	0.35
	2009	3	0.4092	8.456	1.279	0.039	0.1693	0.548
	2010	3	0.4842	9.264	1.301	0.038	0.7354	0.834
	2011	3	0.4231	9.432	1.322	0.041	0.1985	0.866

	2012	3	0.4213	9.321	1.342	0.067	0.6805	1.141
	2013	3	0.5723	9.432	1.362	0.103	0.2393	0.548
	2014	3	0.4972	9.871	1.38	0.092	0.1077	0.133
	2015	3	0.5243	9.847	1.398	0.061	0.2096	0.303
	2016	3	0.4587	9.869	1.415	0.082	0.5745	0.127
	2017	3	0.2921	9.843	1.431	0.058	0.2415	0.134
CONTINENTAL RESINSURANCE PLC	2006	4	0.2993	6.445	1.342	0.109	0.5292	1.028
	2007	4	0.2937	6.345	1.362	0.169	0.2482	0.419
	2008	4	0.1723	6.253	1.38	0.106	0.6119	1.44
	2009	4	0.1193	6.241	1.398	0.116	0.0493	1.546
	2010	4	0.1825	7.134	1.415	0.114	0.6155	1.573
	2011	4	0.1341	7.431	1.431	0.108	0.4216	0.675
	2012	4	0.2175	7.563	1.447	0.161	0.8061	0.419
	2013	4	0.1533	7.321	1.462	0.171	0.224	0.039
	2014	4	0.1142	7.423	1.477	0.191	0.1601	0.244
	2015	4	0.2062	7.521	1.491	0.117	0.0836	0.651
	2016	4	0.1172	7.472	1.505	0.149	0.356	0.105
	2017	4	0.1499	7.604	1.519	0.155	0.111	1.663
CORNERSTONE INSURANCE COMPANY PLC	2006	5	0.1809	6.456	1.204	0.207	0.4167	0.536
	2007	5	0.2901	6.356	1.23	0.217	0.1071	0.244
	2008	5	0.2321	6.432	1.256	0.153	0.1235	0.139
	2009	5	0.1428	7.267	1.279	0.159	0.1364	0.377
	2010	5	0.1715	7.456	1.301	0.161	0.9949	0.937
	2011	5	0.1631	7.343	1.322	0.148	0.8933	0.182
	2012	5	0.1175	7.236	1.342	0.113	0.4824	0.961
	2013	5	0.2773	7.242	1.362	0.149	0.2114	0.24
	2014	5	0.2381	7.253	1.38	0.217	0.4764	0.2438

	2015	5	0.3023	7.264	1.398	0.171	0.1523	0.7404
	2016	5	0.2903	7.322	1.415	0.166	0.3411	0.857
	2017	5	0.2562	7.331	1.431	0.169	0.1888	0.691
CUSTODIAN AND ALLIED INSURANCE COMPANY PLC	2006	6	0.2763	6.345	1.204	0.275	0.6258	0.5757
	2007	6	0.2846	6.452	1.23	0.203	0.1154	0.325
	2008	6	0.3214	6.468	1.256	0.327	0.5473	0.744
	2009	6	0.3745	6.765	1.279	0.226	0.1971	0.327
	2010	6	0.4857	7.011	1.301	0.247	0.1672	0.2266
	2011	6	0.4166	7.087	1.322	0.245	0.2729	0.393
	2012	6	0.4254	7.124	1.342	0.341	0.1175	0.3427
	2013	6	0.3515	7.203	1.362	0.203	0.2195	0.489
	2014	6	0.3174	7.204	1.38	0.327	0.1672	1.403
	2015	6	0.2374	7.224	1.398	0.304	0.2729	0.489
	2016	6	0.3114	7.831	1.415	0.334	0.1804	0.4853
	2017	6	0.2541	7.83	1.431	0.357	0.3484	1.8122
EQUITY ASSURANCE COMPANY PLC	2006	7	0.2705	7.073	1.362	0.275	0.0445	0.7088
	2007	7	0.2592	6.978	1.38	0.256	0.1482	0.6292
	2008	7	0.3263	7	1.398	0.297	0.7528	0.577
	2009	7	0.2484	6.911	1.415	0.356	0.0331	0.507
	2010	7	0.2557	7.456	1.431	0.347	0.1485	0.776
	2011	7	0.2031	7.013	1.447	0.256	2.6619	0.177
	2012	7	0.3846	7.045	1.462	0.263	0.3828	0.276
	2013	7	0.3627	7.113	1.477	0.225	0.8451	0.3203
	2014	7	0.3743	7.045	1.491	0.222	0.1291	0.376
	2015	7	0.2346	7.145	1.505	0.225	0.3146	0.24
	2016	7	0.3636	7.434	1.519	0.226	0.125	0.276
	2017	7	0.4873	7.564	1.531	0.237	0.371	0.1809

GOLDLINK INSURANCE COMPANY PLC	2006	8	0.5217	5.032	1.146	0.507	1.4857	0.24
	2007	8	0.2934	5.125	1.176	0.776	0.5395	0.449
	2008	8	0.3123	5.241	1.204	0.629	0.1057	0.961
	2009	8	0.2046	5.342	1.23	0.744	0.9742	0.021
	2010	8	0.2702	6.346	1.255	0.626	0.5898	0.52
	2011	8	0.1247	6.452	1.279	0.665	0.9626	0.0209
	2012	8	0.1177	6.523	1.301	0.893	0.6899	1.16
	2013	8	0.2885	6.579	1.322	0.691	0.4288	1.17
	2014	8	0.3281	6.547	1.342	0.511	0.2694	0.171
	2015	8	0.2591	6.417	1.362	0.377	0.3684	1.34
	2016	8	0.2484	6.332	1.38	0.312	0.2386	0.058
	2017	8	0.3854	6.267	1.398	0.368	0.2587	0.024
GREAT NIGERIAN INSURANCE COMPANY PLC	2006	9	0.2374	5.345	1.672	0.082	0.1684	0.744
	2007	9	0.2031	5.987	1.681	0.043	0.2386	0.138
	2008	9	0.3273	5.992	1.69	0.109	0.2587	0.416
	2009	9	0.2842	6.143	1.698	0.198	0.1196	1.323
	2010	9	0.2969	6.264	1.707	0.169	0.6964	0.96
	2011	9	0.1821	6.445	1.716	0.127	0.981	0.744
	2012	9	0.2446	6.586	1.724	0.376	0.9277	0.604
	2013	9	0.3333	6.689	1.732	0.347	0.117	1.411
	2014	9	0.4242	6.994	1.74	0.342	0.9432	0.861
	2015	9	0.3821	7.102	1.748	0.325	0.7789	0.621
	2016	9	0.4632	6.887	1.756	0.441	0.6244	0.271
	2017	9	0.3829	6.695	1.763	0.419	0.6491	0.172
GUINEA INSURANCE COMPANY PLC	2006	10	0.3952	6.102	1.69	0.004	0.5486	1.811
	2007	10	0.2561	6.123	1.699	0.082	0.4121	0.127

	2008	10	0.2762	6.2	1.708	0.008	0.2988	0.138
	2009	10	0.3586	6.342	1.716	0.032	0.7646	0.127
	2010	10	0.3743	6.321	1.724	0.087	0.4287	0.133
	2011	10	0.2346	6.229	1.732	0.086	0.4547	0.118
	2012	10	0.3572	6.351	1.74	0.065	0.7099	0.447
	2013	10	0.3827	6.456	1.748	0.074	0.232	0.337
	2014	10	0.5342	6.614	1.756	0.022	0.1736	0.199
	2015	10	0.4432	6.6	1.763	0.031	0.296	0.1241
	2016	10	0.3593	6.6	1.77	0.055	0.2462	0.893
	2017	10	0.3858	6.598	1.778	0.078	0.4097	0.691
INTERNATIONAL ENERGY INSURANCE COMPANY PLC	2006	11	0.3334	5.453	1.579	0.456	0.5589	0.031
	2007	11	0.3222	5.345	1.591	0.472	0.6834	0.092
	2008	11	0.4682	5.267	1.602	0.512	0.2573	0.108
	2009	11	0.3107	5.123	1.613	0.389	0.2666	0.076
	2010	11	0.3675	5.022	1.623	0.476	0.2368	0.03
	2011	11	0.4218	6.134	1.633	0.519	0.6823	0.06
	2012	11	0.3319	6.352	1.643	0.428	0.3325	0.028
	2013	11	0.3456	6.456	1.653	0.589	0.5637	0.002
	2014	11	0.4563	6.624	1.663	0.574	0.6812	0.084
	2015	11	0.4286	6.874	1.672	0.414	0.1071	0.275
	2016	11	0.3787	6.946	1.681	0.434	0.4925	0.256
	2017	11	0.432	6.884	1.69	0.488	0.2035	0.217
INVESTMENT AND ALLIED ASSURANCE	2006	12	0.4141	5.322	1.447	0.876	0.8848	0.28
	2007	12	0.3951	5.342	1.462	0.768	0.2645	0.103
	2008	12	0.3804	5.199	1.477	0.621	0.3462	0.539
	2009	12	0.1749	5.122	1.491	0.606	0.6626	0.32
	2010	12	0.1943	5.344	1.505	0.598	0.1655	0.239

	2011	12	0.2017	5.455	1.519	0.576	0.5917	0.219
	2012	12	0.2073	5.881	1.531	0.511	0.1829	0.225
	2013	12	0.2065	6.234	1.544	0.498	0.2132	0.166
	2014	12	0.1634	6.345	1.556	0.567	0.2389	0.231
	2015	12	0.1429	6.432	1.568	0.654	0.3383	0.676
	2016	12	0.1445	6.678	1.579	0.667	0.6802	0.297
	2017	12	0.2468	6.887	1.591	0.671	0.2328	0.307
LASACO ASSURANCE PLC	2006	13	0.1833	6.021	1.447	0.453	0.7493	0.149
	2007	13	0.1766	6.645	1.462	0.441	0.1588	0.114
	2008	13	0.1752	6.658	1.477	0.476	0.7002	0.077
	2009	13	0.1589	6.526	1.491	0.429	0.205	0.226
	2010	13	0.1625	6.138	1.505	0.436	0.3475	0.216
	2011	13	0.1598	7.077	1.519	0.493	0.7029	0.198
	2012	13	0.2103	7.072	1.531	0.477	0.3726	0.268
	2013	13	0.3112	7.073	1.544	0.411	0.9519	0.371
	2014	13	0.2022	7.444	1.556	0.423	0.1268	0.421
	2015	13	0.2218	7.324	1.568	0.417	0.8719	0.498
	2016	13	0.1598	7.286	1.579	0.457	0.1663	0.218
	2017	13	0.1833	7.269	1.591	0.475	0.2228	0.23
LINKAGE ASSURANCE PLC	2006	14	0.1752	6.675	1.204	0.711	0.7869	0.006
	2007	14	0.1974	6.897	1.23	0.757	0.6701	0.078
	2008	14	0.1846	6.887	1.256	0.878	0.2752	0.048
	2009	14	0.2218	7.001	1.279	0.884	0.2898	0.16
	2010	14	0.2955	7.009	1.301	0.801	0.3091	0.077
	2011	14	0.1743	7.012	1.322	0.831	0.1211	0.028
	2012	14	0.1262	7.087	1.342	0.866	0.1244	0.108
	2013	14	0.5272	7.123	1.362	0.857	0.7511	0.022
	2014	14	0.5619	7.243	1.38	0.741	0.3592	0.058

	2015	14	0.5493	7.311	1.398	0.737	0.7819	0.019
	2016	14	0.5931	7.308	1.415	0.661	0.6641	0.057
	2017	14	0.5931	7.367	1.431	0.637	0.621	0.082
MANSARD INSURANCE PLC	2006	15	0.5272	6.063	1.255	0.458	0.4725	0.04
	2007	15	0.5459	6.456	1.279	0.589	0.4484	0.095
	2008	15	0.5868	6.894	1.301	0.521	0.7812	0.012
	2009	15	0.1754	6.975	1.322	0.535	0.6316	0.065
	2010	15	0.1281	7.083	1.342	0.536	0.197	0.059
	2011	15	0.1401	7.368	1.362	0.533	0.1485	0.057
	2012	15	0.1088	7.884	1.38	0.561	0.6619	0.044
	2013	15	0.2119	7.946	1.398	0.563	0.3878	0.247
	2014	15	0.2175	7.624	1.415	0.589	0.3385	0.334
	2015	15	0.2008	7.706	1.431	0.612	0.27	0.247
	2016	15	0.1451	7.74	1.447	0.711	0.2296	0.071
	2017	15	0.1353	7.823	1.462	0.689	0.3521	0.095
MUTUAL BENEFITS ASSURANCE PLC	2006	16	0.1408	6.789	1.078	0.234	0.1084	0.041
	2007	16	0.3604	6.866	1.114	0.211	0.662	0.039
	2008	16	0.3562	7.759	1.146	0.333	0.2831	0.037
	2009	16	0.4911	7.966	1.176	0.314	0.3481	0.056
	2010	16	0.5424	7.658	1.204	0.322	0.2618	0.051
	2011	16	0.4545	7.018	1.23	0.381	0.7181	0.04
	2012	16	0.3339	7.009	1.255	0.298	0.6256	0.012
	2013	16	0.5999	7.011	1.279	0.333	0.1022	0.059
	2014	16	0.4027	7.219	1.301	0.289	0.8337	0.04
	2015	16	0.4911	7.272	1.322	0.371	0.2311	0.034
	2016	16	0.4341	7.712	1.342	0.228	0.9216	0.008
	2017	16	0.2131	7.761	1.362	0.237	0.2731	0.073
NEM INSURANCE COMPANY	2006	17	0.2522	7.128	1.568	0.812	0.1972	0.037

NIGERIA PLC								
	2007	17	0.1238	7.298	1.579	0.821	0.7923	0.064
	2008	17	0.2214	7.221	1.591	0.846	0.6322	0.031
	2009	17	0.2614	7.261	1.602	0.813	0.556	0.028
	2010	17	0.2214	7.138	1.613	0.834	0.1822	0.037
	2011	17	0.1385	7.184	1.623	0.824	0.1054	0.005
	2012	17	0.2817	7.261	1.633	0.812	0.852	0.015
	2013	17	0.1258	7.302	1.643	0.811	0.9901	0.007
	2014	17	0.2778	7.441	1.653	0.899	0.9332	0.027
	2015	17	0.3428	7.095	1.663	0.855	0.7123	0.062
	2016	17	0.3203	7.291	1.672	0.806	0.9981	0.48
	2017	17	0.3654	7.246	1.681	0.843	0.1584	0.144
NIGER INSURANCE COMPANY PLC	2006	18	0.3637	7	1.653	0.384	0.0946	0.347
	2007	18	0.2826	7.324	1.663	0.368	0.423	0.153
	2008	18	0.3612	7.786	1.672	0.345	0.2122	0.106
	2009	18	0.2317	7.082	1.681	0.355	0.1912	0.263
	2010	18	0.2653	7.011	1.69	0.468	0.3508	0.142
	2011	18	0.1477	7.023	1.699	0.438	1.6621	0.159
	2012	18	0.2475	7.241	1.708	0.307	0.1319	0.16
	2013	18	0.1109	7.343	1.716	0.305	0.1681	0.81
	2014	18	0.1626	7.31	1.724	0.323	0.7039	0.111
	2015	18	0.1243	7.34	1.732	0.312	0.5134	0.159
	2016	18	0.1132	7.322	1.74	0.298	1.3021	0.172
	2017	18	0.2109	7.352	1.748	0.279	0.3529	0.108
OASIS INSURANCE PLC	2006	19	0.1609	6.012	1.531	0.189	1.6963	0.156
	2007	19	0.1178	6.063	1.544	0.127	0.1096	0.148
	2008	19	0.1264	6.142	1.556	0.189	0.0709	0.141
	2009	19	0.1653	6	1.568	0.132	0.4432	0.117

	2010	19	0.2187	6.128	1.579	0.131	0.3138	0.39
	2011	19	0.3604	6.018	1.591	0.138	1.708	0.368
	2012	19	0.3987	6.127	1.602	0.136	0.3704	0.78
	2013	19	0.3572	6.184	1.613	0.134	0.8703	0.312
	2014	19	0.3987	6.744	1.623	0.148	0.773	0.377
	2015	19	0.4396	6.567	1.633	0.158	0.6629	0.412
	2016	19	0.4911	6.5	1.643	0.127	0.5437	0.387
	2017	19	0.4396	6.514	1.653	0.167	1.1716	0.318
PRESTIGE ASSURANCE COMPANY PLC	2006	20	0.3183	6.564	1.568	0.398	0.5158	0.023
	2007	20	0.3604	6.536	1.579	0.332	0.2341	0.011
	2008	20	0.3685	6.526	1.591	0.439	1.5992	0.028
	2009	20	0.5879	6.338	1.602	0.428	0.5514	0.035
	2010	20	0.6307	6.645	1.613	0.518	0.1729	0.078
	2011	20	0.5999	6.642	1.623	0.478	0.8796	0.016
	2012	20	0.5424	6.385	1.633	0.534	0.7914	0.048
	2013	20	0.5871	6.011	1.643	0.455	0.3165	0.019
	2014	20	0.5017	6.034	1.653	0.355	0.1735	0.179
	2015	20	0.5462	6.986	1.663	0.468	1.7421	0.225
	2016	20	0.6464	7.016	1.672	0.438	0.5398	0.149
	2017	20	0.6739	7.075	1.681	0.307	0.4142	0.356
REGENCY ALLIANCE INSURANCE COMPANY PLC	2006	21	0.5272	6.007	1.146	0.305	0.5818	0.087
	2007	21	0.0667	6.087	1.176	0.323	0.1748	0.052
	2008	21	0.0397	6.187	1.204	0.312	1.7435	0.003
	2009	21	0.0417	6.278	1.23	0.355	0.339	0.034
	2010	21	0.0158	6.359	1.255	0.468	0.749	0.047
	2011	21	0.0212	6.436	1.279	0.438	0.1268	0.168
	2012	21	0.0249	6.654	1.301	0.307	0.3439	0.145

	2013	21	0.0133	6.832	1.322	0.305	0.6232	0.169
	2014	21	0.0189	6.855	1.342	0.323	0.1789	0.218
	2015	21	0.0265	6.889	1.362	0.319	1.8916	0.332
	2016	21	0.0138	6.928	1.38	0.301	0.545	0.649
	2017	21	0.4882	6.966	1.398	0.312	1.4003	0.485
SOVEREIGN TRUST INSURANCE PLC	2006	22	0.4118	6.267	1.431	0.419	0.1079	0.356
	2007	22	0.5661	6.268	1.447	0.409	0.2341	0.414
	2008	22	0.5972	6.432	1.462	0.309	0.6935	0.416
	2009	22	0.6541	6.512	1.477	0.341	0.6694	0.155
	2010	22	0.5598	6.542	1.491	0.381	0.7323	0.16
	2011	22	0.5272	6.489	1.505	0.468	0.7708	0.119
	2012	22	0.5198	6.581	1.519	0.438	1.8225	0.067
	2013	22	0.5341	6.678	1.531	0.307	0.9916	0.083
	2014	22	0.4871	6.789	1.544	0.305	0.8215	0.004
	2015	22	0.6531	6.812	1.556	0.323	0.7174	0.127
	2016	22	0.6525	6.988	1.568	0.312	0.6546	0.165
	2017	22	0.5343	6.978	1.579	0.298	1.128	0.113
STACO INSURANCE PLC	2006	23	0.6734	7.834	1.204	0.279	0.9842	0.099
	2007	23	0.6401	7.078	1.23	0.189	1.8639	0.021
	2008	23	0.5587	7.837	1.256	0.127	0.9856	0.029
	2009	23	0.6683	7.897	1.279	0.189	0.7601	0.082
	2010	23	0.6809	7.345	1.301	0.132	0.616	0.055
	2011	23	0.5025	7.089	1.322	0.131	0.5835	0.022
	2012	23	0.5972	7.542	1.342	0.138	1.122	0.058
	2013	23	0.3483	7.048	1.362	0.136	0.1531	0.106
	2014	23	0.3478	7.021	1.38	0.134	0.1383	0.203
	2015	23	0.3365	7.006	1.398	0.148	0.0863	0.109
	2016	23	0.4213	7.039	1.415	0.158	0.1216	0.333

	2017	23	0.3505	7.032	1.431	0.127	0.5089	0.142
STANDARD ALLIANCE INSURANCE PLC	2006	24	0.3875	7.056	1.415	0.289	0.2479	0.116
	2007	24	0.3062	7.458	1.431	0.236	1.0596	0.125
	2008	24	0.4217	7.857	1.447	0.233	0.1268	0.115
	2009	24	0.3715	7.578	1.462	0.247	1.3141	0.117
	2010	24	0.4576	7.765	1.477	0.319	0.3883	0.127
	2011	24	0.2243	7.978	1.491	0.291	0.1265	0.162
	2012	24	0.3868	7.089	1.505	0.323	0.3125	0.48
	2013	24	0.3509	7.988	1.519	0.312	0.1847	0.144
	2014	24	0.2576	7.938	1.531	0.298	1.3179	0.347
	2015	24	0.3534	7.602	1.544	0.279	0.1028	0.153
	2016	24	0.3154	7.114	1.556	0.189	0.1912	0.304
	2017	24	0.3932	7.12	1.568	0.127	0.0708	0.992
UNIC INSURANCE PLC	2006	25	0.3703	6.741	1.623	0.189	0.0794	0.268
	2007	25	0.3941	6.526	1.633	0.132	0.4939	0.582
	2008	25	0.3217	6.866	1.643	0.131	0.3669	0.843
	2009	25	0.2071	6.743	1.653	0.138	1.4837	0.911
	2010	25	0.2154	6.658	1.663	0.136	0.0896	0.252
	2011	25	0.3012	6.642	1.672	0.134	1.3217	0.149
	2012	25	0.2103	6.866	1.681	0.148	0.7597	0.116
	2013	25	0.2205	6.271	1.69	0.158	0.0841	0.245
	2014	25	0.2113	6.336	1.699	0.127	0.6316	0.333
	2015	25	0.2334	6.336	1.708	0.167	0.1744	0.34
	2016	25	0.3269	6.846	1.716	0.398	1.793	0.106
	2017	25	0.1499	6.854	1.724	0.332	0.1185	0.263
UNITY KAPITAL ASSURANCE PLC	2006	26	0.1173	6.034	0.069	0.439	1.6417	0.142
	2007	26	0.2773	6.079	0.077	0.428	0.3437	0.116

	2008	26	0.2668	6.234	0.085	0.518	0.0894	0.005
	2009	26	0.1569	6.457	0.091	0.478	0.6054	0.015
	2010	26	0.1867	6.578	0.101	0.534	1.9546	0.007
	2011	26	0.1499	7	1.041	0.455	0.1371	0.027
	2012	26	0.2127	7.007	1.079	0.355	1.0039	0.0346
	2013	26	0.6959	7.001	1.114	0.468	0.7372	9.0653
	2014	26	0.7033	7.031	1.146	0.438	0.3454	0.0563
	2015	26	0.6447	7.055	1.176	0.307	0.646	0.042
	2016	26	0.5022	7.058	1.204	0.305	0.4974	0.0875
	2017	25	0.4311	7.094	1.23	0.323	1.5225	0.129
UNIVERSAL INSURANCE COMPANY PLC	2006	27	0.4832	6.896	1.663	0.876	0.088	0.028
	2007	27	0.5541	6.456	1.643	0.812	2.1365	0.015
	2008	27	0.6253	6.678	1.653	0.811	0.0985	0.007
	2009	27	0.5555	7.021	1.663	0.899	0.0697	0.027
	2010	27	0.6666	7.011	1.672	0.855	0.6726	0.003
	2011	27	0.6253	7.009	1.681	0.806	0.1223	0.011
	2012	27	0.6231	7.011	1.69	0.843	1.9218	0.036
	2013	27	0.5004	7.023	1.699	0.384	0.0486	0.116
	2014	27	0.6305	7.035	1.708	0.368	1.3024	0.245
	2015	27	0.4444	7.039	1.716	0.345	0.0658	0.333
	2016	27	0.6347	7.131	1.724	0.355	0.0191	0.34
	2017	27	0.4926	7.134	1.732	0.468	0.7018	0.106
WAPIC INSURANCE PLC	2006	28	0.3531	7.036	1.69	0.438	0.3283	0.263
	2007	28	0.2376	7.024	1.699	0.307	1.0434	0.142
	2008	28	0.2416	7.011	1.708	0.305	0.4317	0.116
	2009	28	0.3348	7.341	1.716	0.323	1.3239	0.005
	2010	28	0.4058	7.153	1.724	0.319	0.0586	0.015
	2011	28	0.3012	7.038	1.732	0.301	0.0346	0.007

	2012	28	0.4994	7.375	1.74	0.312	0.7496	0.027
	2013	28	0.3273	7.037	1.748	0.419	0.0592	0.062
	2014	28	0.2977	7.107	1.756	0.409	1.3428	0.48
	2015	28	0.2417	7.413	1.763	0.309	0.0443	0.144
	2016	28	0.2101	7.165	1.77	0.341	1.3296	0.347
	2017	28	0.3107	7.053	1.778	0.381	0.0441	0.153

International Journal of Business School Annals, *6(1):54-61*
ISSN: 2361-7144. December, 2019

Compromise Conflict Management Style and its Impact on Organizational Health of Federal Agencies in Rivers State, Nigeria

[1]Bamson, Dickson and [2]Zeb-Obipi Isaac (Ph.D)
[1]Doctoral student, Department of Management, Rivers State University, Nkpolu, Oroworukwo, Port Harcourt, Nigeria | Email: dicksonbamson@yahoo.com
[2]Department of Management, Rivers State University, Nkpolu, Oroworukwo, Port Harcourt, Rivers Stgate, Nigeria | Email: zeb-obipi.isaac@ust.edu.ng

Abstract: *This study examined the use of compromise conflict management style and its impact on organizational health of some selected Federal Agencies in Rivers, namely Niger Delta Development Commission, Niger Delta Basin Authority, Ministry of Niger Delta and National Emergency Management Authority. The research design used to carry out the study was the cross sectional survey. The sample size of 201employees was determined using the Krejcie and Morgan table. Also, the sampling technique used was the simple random sampling technique. Questionnaires were constructed to measure all the indicators of the conflict management style, and organizational health and these were administered to the respondents in order to extract data for analysis. Multiple regression statistics was used to test the hypotheses. The findings revealed that there is a positive and significant association between compromise conflict management style and cohesiveness; also it was revealed from the findings that there is a positive and significant association between compromise conflict management style and problem solving. It is then concluded that because the employees of these Federal agencies exhibited the attributes of compromise conflict management style, the health of the organization was strengthened. Sequel to the above findings and conclusion, recommendations were made that there should be an encouragement of the use of compromise conflict management style by the top level management as a policy to manage conflicting parties so that the organizational health is strengthened to achieve organizational objectives. Also, Employees should be encouraged to make sacrifices when and where necessary as this is an indicator of compromise and this will help in settling conflicting situations real quickly before it gets out of hand and begins to affect their problem solving abilities as a team and generally affect the health of the organization.*

Keywords*: Conflict, Management, Styles, Organizations, Health****.***

INTRODUCTION

Conflicts in organizations have destabilizing consequence on the overall performance of the organization. It leads to under performance since valuable time, human and material resources are used in managing and controlling conflicts rather than to improve output and productivity. Conflicts also lead to interpersonal misunderstanding among staff in an organization which makes accomplishment of organizational set goals difficult. Attaining organizational goals is possible if efforts are always made to trim down the overall level of conflict within the organization. Consequently, it is very important that efforts should be made towards finding ways of managing conflicts among staff so as to achieve organizational objectives. The problem of poor conflict management styles in organizations with particular emphasis on Federal agencies is the focus of this study. Federal agencies are establishments or organizations owned or partly controlled by the Federal Government of Nigeria. Examples of such agencies in Rivers state include; the Niger Delta Development Commission (NDDC), Niger Delta Basin Authority, Ministry of Niger Delta Affairs. All these agencies are created through an act of legislation with their corresponding mandate geared towards the functionality of the establishment. These Federal agencies are responsible for delivering various types of Government services. Each of these agencies is headed by personnel who could be a chairman or a director. Like other privately owned co-operations or establishment, Federal agencies have had their own fair share of challenges. These agencies like other establishments that have their own organizational structure may not be different from other organizations in terms of administrative formation and other operational performance. As it is well noted, these formations comprise of staff working at different levels and capacity due to difference in background and other demographic characteristics, sometime there must be differentiated character of contemporary work-organizations. These differentiated characters of contemporary work-organizations are some of the causes of conflict within an organization.

Similarly, Obasi (2005) observed that there are intra-management conflicts which occur between and among groups of workers within the organization as well as between individuals. Ahemefula (2014) also confirmed that conflicts are integral parts of the origin of every organization, especially a situation where men and women that constitute the staff of these organizations have different cultural, religious, status, lifestyle and political background. In another development, Longe (2015) pointed out that workplace conflict is thus endemic despite the best of management practices in organizations. He further opined that this manifest in various forms as an intrinsic and unavoidable feature of employment relationship. It is by nature an ever present process and more often to occur in hierarchical organizations where people with different views, opinion and background interact. It is against this background we examine the impact of compromise conflict management style on organizational health using a survey of Federal agencies in Rivers State. The study examined compromise conflict management style and organizational health in Federal Interventionists agencies in Rivers State Nigeria as against other studies that have considered other co-operate and public organizations

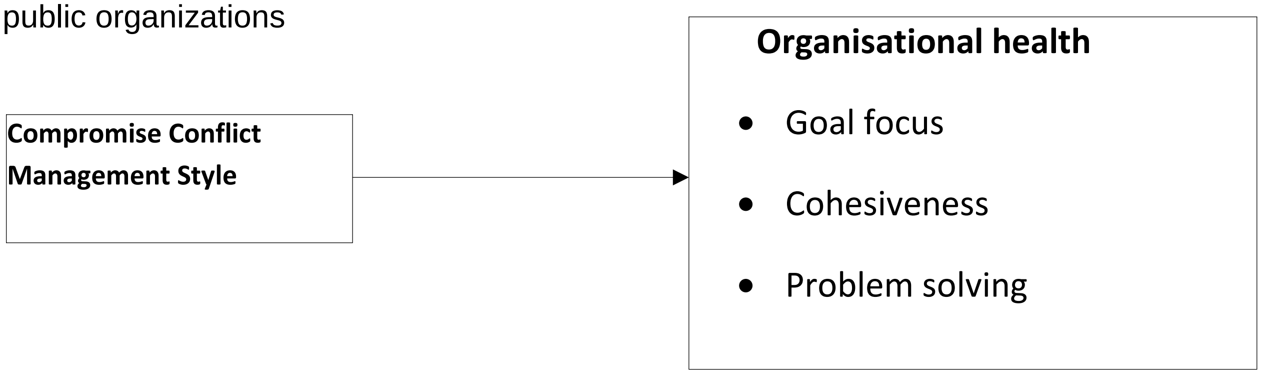

Figure 1: Conceptual framework of compromise conflict resolution style and organizational health.
Source: Researchers (2019)

Objectives of the Study

The main objective of this study was to examine the effect of compromise conflict management style on organizational health of selected Federal Agencies in Rivers State, Nigeria. The objectives were:

10. To examine the association between compromise conflict management style and goal focus in Federal agencies in Rivers State.
11. Critically analyze the association between compromise conflict management style and cohesiveness in Federal agencies in Rivers State.
12. To study the association between compromise conflict management style and problem solving in Federal agencies in Rivers State

Research Questions

(i) To what extent does compromise conflict management style associate with goal focus in Federal agencies in Rivers State?

(ii) What is the level of association between compromise conflict management style and cohesiveness in Federal agencies in Rivers State?

(iii) How does compromise conflict management style associate with problem solving in Federal agencies in Rivers State?

Hypotheses

The following research hypotheses were stated to be tested at the 0.05 level of significance.

Ho_1: Compromise style is not associated with goal focus in Federal Agencies in Rivers State.

Ho_2: Compromise style is not associated with cohesiveness in Federal Agencies in Rivers State.

Ho_3: Compromise style is not associated with Problems solving in Federal Agencies in Rivers State.

LITERATURE REVIEW

Compromise Style

According to Lim and Rashad (2012), this is a clear case of give-and-take situation in which both parties involved in the conflict willingly wish to give up something after negotiation in order to reach an agreement. Yuan, (2010) observed that this compromising style will create I-win and I-lose section to create compromise. Lussier, (2010); Reich, Wagner-Westbrook, and Kressel (2007) and Friedman, *et al,* (2000) also on the issue of compromising style agree that those engaged in conflict usually change their own opinion either because they found sufficient reasons to do so or simply to avoid continued confrontation. According to Lim and Rashad (2012), one benefit of this style is that conflicts are resolved in short time while the relationships are still maintained. One of the disadvantage of this style is that compromising styles often starts and it consequences will result in (Suboptimum decisions) to another. Lim and Rashad (2012) observed that when management in an organization overuse this style, it may cause some form of greed on the part of the users.

Organizational Health

The concept of organizational health could be likened to a metaphor which assesses overall performance of an organization and offers new approaches by putting the employee health and welfare in the forefront of the organization. In the context of this study, the literature on organization health can be suggested to have developed with three different approaches focused on enterprise performance, on employee health, and on both enterprise performance and employee heath.

Goal Focus

McKinsey (1999) in his organizational health index (OHI) posits that goal focus is the ability of persons, groups, or organizations to have clarity, acceptance, support, and advocacy of organizational wide goals and objectives. In the present study we distinguish accordingly between two kinds of goal focus. If the relevant goal is for each individual participant to perform as well as possible, goal interdependence will be negative, constituting an individual goal focus. If in contrast the relevant goal is that the group as a whole performs as well as possible, goal interdependence will be positive, constituting a group goal focus. With a group goal focus, each participant is accountable not only for her or his individual success, but also for the performance of the other participants as well.

Cohesiveness

Group cohesiveness has consistently remained one of the most interesting and most elusive constructs in the study of small group behavior, stimulating active research interests in social psychology, group dynamics, organizational behavior, and sport psychology. Festinger, Schachter and Back (1950) described group cohesiveness as "the resultant forces which are acting on the members to stay in a group," and most subsequent research on group cohesiveness has tended to accept this description. Mudrak (1989) describes a cohesive group as one which “sticks together, one which its members are “bonded” to one another and the group as a whole, he further posits that cohesiveness would probably be accompanied by feelings of “commitment”, “harmony” and “solidarity” on the part of the group members.

Problem Solving

This has to do with an organization’s ability to perceive problems and to solve them with negligible energy. Problems get solved, stay solved and the problem solving procedures are strengthened.

Relationship between compromise style and the health of organizations

Very few people go looking for conflict, more often than not conflict results because of miscommunication between people with regards to their needs, ideas, beliefs, goals, or values (Salami, 2009). According to Oparanma, Hamilton and Ohaka (2009) conflicts in organizations are disastrous and lead to economic loss not just to the organization but also the society. Healthy organizations manage disruptive outside forces while keeping true to their missions and values. Hoy and Miskel (2008) identified healthy schools as schools that cope successfully with their environments and use their resources to accomplish their goals. Chandan (2005) agrees with Hoy and Miskel that healthy schools successfully adapt to their environments, achieve their goals, and share common values.

it takes zero conflict environment to be focused on the goal of the organization as we have seen the importance of goal interdependence in a team based work which organizations are frequently turning to in order to achieve their goals and since in teams, goal interdependence cannot be over emphasized in that individuals depend on others to achieve the collective goal, conflict should be properly managed in these teams hence the use of different conflict management strategies. For example, when group members disagree about whose responsibility it is to complete a specific duty, they are experiencing process conflict and at that point the focus should be on the goal of the organization and if they are goal focused, they will make compromising decisions to achieve the goal of the company hence the need for a conflict resolution strategy to achieve the goal focus of the team.

METHODOLOGY

The study adopted cross sectional survey design. The method was considered appropriate because the data were collected directly from the target population of 420 officers who make up the top, middle and lower management of the Federal agencies in view as the study is a macro study with the unit of analysis at the organizational level. The sample size for the study is made up of 201 staff determined using the Krejcie and Morgan (1970) table. In testing the reliability of the instruments, the researcher adopted the test-retest method using Pearson Product Moment Correlation (PPMC) analysis which yields a reliability co-efficient which will be considered as an acceptable reliability co-efficient for the study. The data was analyzed using mean and standard deviation for the research questions while spearman rank order correlation coefficient was used in analyzing the research Hypotheses. This was tested at the 0.05 level of significance in order to arrive at an appropriate decision.

DATA ANALYSIS AND RESULTS

Bivariate Analysis

The secondary data analysis was carried out using the spearman rank order correlation tool. In testing the hypotheses for this study, the following decision rules were maintained in rejecting or accepting the study alternate hypotheses and they include: all the correlation coefficients r values that indicate the level of significance (* or **) as calculated using SPSS, * mean (0.01) and (**)mean (0.05), and the hypotheses will be accepted or rejected on the basis of this condition. When no significance is indicated in the coefficient (r) values, we reject alternate hypothesis. However, the study confident interval was set at the 0.05 (one tailed) level of significance of the test of statistical significance of the data used in the study.

Table 1 contains the detailed results of correlation matrix obtained for compromise and organizational health. Also, displayed in the table is the statistical test of significance (p - value), which makes the study able to answer the research question and generalize its findings related to the study population.

Table 1: Correlation Matrix for the Association between Compromise and Organizational Health

			Compromise	Goal Focus	Cohesiveness	Problem Solving
Spearman's rho	Compromise	Correlation Coefficient	1.000	.900**	.976**	.870**

	Sig. (2-tailed)	.	.000	.000	.000
	N	191	191	191	191
Goal Focus	Correlation Coefficient	.900**	1.000	.971**	.975**
	Sig. (2-tailed)	.000	.	.000	.000
	N	191	191	191	191
Cohesiveness	Correlation Coefficient	.976**	.971**	1.000	.941**
	Sig. (2-tailed)	.000	.000	.	.000
	N	191	191	191	191
Problem Solving	Correlation Coefficient	.870**	.975**	.941**	1.000
	Sig. (2-tailed)	.000	.000	.000	.
	N	191	191	191	191

**. Correlation is significant at the 0.01 level (1-tailed).
*. Correlation is significant at the 0.05 level (1-tailed).

Source*: Research Data*

The results in table 1 indicate that there is a significant and positive association between compromise conflict management style and goal focus, compromise and cohesiveness, compromise and problem solving. Compromise conflict management style is significantly and positively correlated to goal focus ($r = 0.900$, $p = 0.000 < 0.01$). Also, compromise is significantly and positively correlate to cohesiveness ($r = 0.976$, $p = 0.000 <0.01$); and Compromise is also significantly and positively associated to problem solving ($r = 0.87$, $p = 0.00< 0.01$). The association between compromise conflict management style and the measures of organizational health are found to be positively significant at the level of 0.01 significance. Sequel to the above results, the hypotheses test indicates the existence of a significant and positive association between compromise and Organizational Health.

Discussion of Findings

Under this section, the findings are discussed.

We found from the study that there exists positive and significant association between compromise and goal focus. This simply mean that employees of Federal agencies in Rivers State exhibit the behavior of giving up some of their demands after much disagreement with other members of staff in order to reach an agreement on how to remain goal focused in achieving the agencies target. This result obtained corroborated Lim and Rashad (2012) findings when they opined that compromising styles was a clear case of give and take situation and so at the end of the dispute both parties in conflict usually give up something in order to remain goal focused in achieving the organization’s set target.

Similarly, compromise conflict resolution style is positively and significantly associated with cohesiveness. This simply suggests that the attitude of compromise on the part of employees causes them to form a united team work which in way enhances maximum productivity in the organization. This result was synonymous to Lim and Rashad (2012) findings on conflict management in corporate organizations. No wonder, Mudrack (1989) suggested that cohesiveness alongside with compromise makes groups in an organization to stick together such that members are bounded" to one another to achieve the organizational goal. These are in agreement with the view that there is positive and significant association between compromise and problem solving. This simply means that employees act of giving up some of their demands after disagreement with each other in order to reach an agreement to solve problems in Federal interventionist agencies in, Rivers State enhances the organizational health. Also, the act of looking for ways of dealing with the problems within these Federal agencies by employees are some of the reasons why they compromise their decision on some certain issues that occur in the organization.

Conclusion

Sequel to the facts, the results of this study have established empirical relationship between compromise conflict resolution style and organizational health, the theoretical implication has also been reported; such theoretical implications have further educated on the real values of compromise conflict resolution style as predictor of several organizational health indexes. Therefore, management practitioners, managers, consultants, Researchers, and students alike need to understand the place of compromise conflict resolution style in the survival and success of every establishment.
Therefore, managers and leaders of all the Federal agencies under investigation need to henceforth identify the appropriate conflict resolution strategies to apply and go beyond their in-role at work once there is conflict situation. Management practitioners in Federal agencies in Rivers State and those of other interventionist agencies now have substantial evidence on why there is the need to apply the compromise conflict resolution style in conflict situation within their organizations.

Recommendations

1. There should be an encouragement of the use of compromise conflict management style by the top level management as a policy to manage conflicting parties so that the organizational health is strengthened to achieve organizational objectives.
2. Employees should be encouraged to make sacrifices when and where necessary as this is an indicator of compromise and this will help in settling conflicting situations real quickly before it gets out of hand and begins to affect their problem solving abilities as a team and generally affect the health of the organization

References

Chandan, W. (2005). *Managing people at work*. New Delhi: Vikas Publishing Co.

Festinger, L., Schachter, S., & Back, K. (1950). Social pressures in informal groups. Stanford, CA: University Press.

Hoy, W. K., & Miskel, C. G. (2008). *Educational administration: Theory, research, and practice (8th ed.).* New York, NY: McGraw-Hill.

Human Resource Depts (2018), Federal Government Agency in Rivers State

Hussein, F.F.A., Yahya, A.G.H., & Hassan, V.S.A. (2017). The relationship between conflict in management styles and organizational commitment: A case of Sama's University. *American Journal of Science and Technology*. 4(4): 49-66.

Krejcie, R.V., & Morgan, D. W. (1970). Determining sample size for research activities. *Educational and Psychological Measurement*, 30, 607-610.

Lim, J.H., & Rashad, Y. (2012). The difference of conflict management styles and conflict resolution in workplace. *Business & Entrepreneurship Journal*, 1(1), 141-155

Lussier, R.N. (2010). *Human relations in organizations: Applications and skill building*. Singapore: McGraw Hill.

McKinsey, M. (1999). *Organizational health index*. Oxford: Oxford University Press

Montoya-Weiss, M. M., & Song, M, A. P. (2001). Getting it together: Temporal coordination and conflict management in global virtual teams. *Academy of Management Journal,* 44, 1251- 1262.

Obasi, C. (2005). What to do about organizational conflict management in Nigeria. *Journal of Management,* 4(4), 18 – 23.

Oparanma, A. O,Hamilton, D.I. & Ohaka, J (2009). Managerial strategies to conflict management of not-for-profit organizations in Nigeria: A study. *Journal of Education Administration and Policy Studies,* 28(2), 81-98.

Osad O., & Osas, V. (2013). Harmoniums industrial relations as panacea for ailing enterprises in Nigeria. *Journal of Asian Scientific Research* 3(3) 229-246.

Runde, C.E., & Flanagan, T.A. (2008). *Becoming a conflict competent leader*. San-Francisco; Jossy-Bass.

Uchendu, C., Anijaobi, F., & Odigwe, F. (2013). Conflict management and organizational performance in secondary schools in Cross Rivers State. *Nigerian Research Journal in Organizational Psychology and Educational Studies*, 2(2), 67-71.

Uju, O. (2010). Conflict management in banking organization: A study of United Bank of Africa (UBA) and First Bank. A thesis submitted to the Department of Management, Faculty of Business Administration, University of Nigeria Enugu.

Wali, G.L (2002). *Educational research: A functional approach.* PortHarcourt, Harey Publications.

Wodi, W.S. (2005). *Fundamentals of Educational Research and Statistics*. Port Harcourt, NOVA Publishers.

International Journal of Business School Annals, *6(1):62-73*
ISSN: 2361-7144. November, 2019

ansrdpapers@gmail.com

Reward Management and Employee Performance among Selected Financial Institutions in Ibadan Metropolis

[1]**Adebayo Isaac ADIO,** [2]**Kayode Omololu AFOLABI and** [2]**Omotayo Olusegun AKANO**

[1]Department of Entrepreneurial Studies, College of Management Sciences, Michael Okpara University of Agriculture, Umudike, Abia State, Nigeria
[2]PolyConsult Unit, the Polytechnic Ibadan, Oyo State, Nigeria

Abstract: *This study seeks to examine the relationship between rewards and employee performance as well as to identify the relationship between extrinsic and intrinsic rewards. The study explored factors determining extrinsic and intrinsic rewards and their impact on employee performance and actions to influence the employee with selected banking firms in Ibadan, Nigeria. For an effective consideration, a more systematic and structured approach to acknowledge employee's efforts were used among the staff of selected banks in Nigeria who was the sample respondents. Descriptive statistics based frequency tables were used in the study to provide information on demographic variables. The results are investigated in terms of descriptive statistics followed by inferential statistics on the variables. A total of 200 questionnaires were distributed to employees of the selected financial institutions and a total of 180 employees completed the questionnaire properly. The result indicates that there was a statistical significant relationship between all of the independent variables with dependent variables. The intrinsic reward has a positive correlation with the performances. The study recommends among other thing that the financial organizations should get to know their employees well so that they can employ the right motivational strategy.*

Keywords*:* Rewards, Motivation, Intrinsic/Extrinsic, Employee Performance, Financial Institutions

INTRODUCTION

Rewards is one of the important elements to motivate employees for contributing their best effort to generate innovation ideas that lead to better business functionality and further improvise company performance both financial and non-financially. According to Dewhurst (2010), there are other means to reward employees that do not just focus on financial compensation. Some of these include the praised that employees are able to acquire from their managers, the opportunity to take on important projects or tasks, and even leadership attention. Much research on leader power have found that supervisor reward power would be positively associated with employee task performance, productivity, satisfaction, turnover, and organizational citizenship behaviors(Simon,1976; Martin & Hunt, 1980; Jahangir, 2006).

Employee will give their maximum when they have a feeling or trust that their efforts will be rewarded by the management. There are many factors that affect employee performance like working conditions, worker and employer relationship, training and development opportunities, job security, and company's overall policies and procedures for rewarding employees, etc. Among all those factors which affect employee performance, motivation that comes with rewards is of utmost importance. Motivation is an accumulation of different processes which influence and direct our behavior to achieve some specific goal (Baron, 1983).Rewards can be extrinsic or intrinsic, extrinsic rewards are tangible rewards and these rewards are external to the job or task performed by the employee. External rewards can be in terms of salary/ pay, incentives, bonuses, promotions, job security, etc. Intrinsic rewards are intangible rewards or psychological rewards like appreciation, meeting the new challenges, positive and caring attitude from employer, and job rotation after attaining the goal. According to Luthans (2000), there are two basic types of rewards, financial and non-financial and both can be utilized positively to enhance performance behaviors of employees. Financial rewards means pay-for-performance such as performance bonus, job promotion, commission, tips, gratuities and gifts etc. Non financial rewards are non monetary/non cash and it is a social recognition such as acknowledgement, certificate, and genuine appreciation etc. The non financial rewards is also called materials award (Neckermann and Kosfeld, 2008).

Desired performance can only be achieved efficiently and effectively, if employee gets a sense of mutual gain of organization as well as of himself, with the attainment of that defined target or goal. An organization must carefully set the rewards system to evaluate performance at all levels employee' and them rewarding them whether visible pay for performance of invisible satisfaction. The concept of performance management has given a rewards system which contains; needs and goals alignment between organization and employees, rewarding employee both extrinsically and intrinsically. The system also suggests where training and development is needed by the employee in order to complete the defined goals. This training or development need assessment of employee gives them an intrinsic motivation. Frey (1997) argues that once pay exceeds a subsistence level, intrinsic factors are stronger motivators, and staff motivation requires intrinsic rewards such as satisfaction at doing a good job and a sense of doing something worthwhile.

There is mix finding in the literature to determine which type of reward is more effective to increase employees' performance. According to Perry et al (2006) financial rewards is not the most motivating factor and financial results have a de-motivating effect among employee (Srivastava, 2001). Several studies have found that among employee surveyed, money was not the most important motivator, and in some instances managers have found money to have a demotivating or negative effect on employees (University of Texas, undated). On the other hand, it is also indicated that non monetary types of rewards can be very meaningful to employees and very motivating for performance improvement. According to him, creative use of personalized non -monetary rewards reinforces positive behaviors and improves employee retention and performance. These types of recognition can be inexpensive to give, but priceless to receive. In this work we will found out the rewards systems that become more imperative to employee performance. The objective of this study is to find out the relationship between rewards and employees performance in a selected financial institutions' in Ibadan, Oyo State Nigeria. More specific objectives are to find out:

i. The effect of intrinsic rewards on employee's performance.
ii. The effect of extrinsic rewards on employee's performance
iii. The relationship between extrinsic and intrinsic rewards.

LITERATURE REVIEW

Reward Management

In the globalization age, the workplace realities of previous organizations no longer exist. It is necessary to revise carefully. It is also important for the organizations to meet and introduce new motivational tools of employees since the change has been observed on the (Roberts, 2003).

Beer et al, (1984) strongly asserts in their research of changing work environment the reality that organizations today have totally changed, therefore it is more important for the top management to carry out new methodologies of developing strong and durable relationship between the organization and employees for meeting the organizational goals and fulfilling the continually changing needs of both parties. Most of the organizations have gained the immense progress by fully complying with their business strategy through a well balanced reward and recognition programs for employee.

Deeprose (1994) argued that the motivation of employees and their productivity can be enhanced through providing them effective recognition which ultimately results in improved performance of organizations. The entire success of an organization is based on how an organization keeps its employees motivated and in what way they evaluate the performance of employees for job compensation.

According to Babakus et al. (2003), the perceptions that employees have with regards to their reward climate influences their attitude towards their employees. In addition, the commitment of managers towards their organization is also shown by how the manager rewards his/her employees. Goulder (1960) mentions the norm of reciprocity, which focuses on the ability of organization to accommodate the needs of their employees, and reward them for their effort. In exchange for the rewards provided to them, employees should reciprocate by increasing their commitment towards their organization and their work. Many studies in the creativity literature have shown that the firm's perform creatively (Eisenberger, 1992; Eisenberger, Armeli and Pretz, 1998; Eisenberger and Rhoades, 2001).

Rewards Based System

The effectiveness of skilled employees is likely to be limited if they are not motivated to perform. One of the means that organizations can use to enhance employee motivation and performance is to provide performance- related compensation (Delaney and Huselid, 1996). A reward and compensation system is based on the expectancy theory, which suggests that employees are more likely to be motivated to perform when they perceive that there is a strong link between their performance and the reward they receive(Fey and Bjorkman, 2001; Guest, 2002; Mendonca, 2002). In other words, the compensation system (e.g. profit sharing) contributes to performance by linking the interest of employees to those of the team and the organization, thereby enhancing effort and performance(kalleberg and Moody,1994; Huselid, 1995; Kling, 1995). According to Nelson & Spitzer (2002) although cash rewards are welcomed by employees, managers should never use this as a tool to motivate their employees to improve their performance levels. Should this happen, there is a change that the essence of the reward would be forgotten. In a study conducted by (Bewen, 2000), the researcher warns that managers should be aware of 'nonrewards'. Such rewards should be utilized to its full.

Every organization's reward system should focus on these major areas; compensation, benefits, recognition and appreciation (Sarvadi, 2010). Benefits such as car loans, medical covers, club membership, ample office space, parking slots and company cars are ways of rewarding and employees do note the types of benefit that their organization offers.

Recognition and appreciation are another integral component of a winning strategic reward system. Recognition is to acknowledge someone before their peers for desired behaviour or even for accomplishments achieved, actions taken or having a positive attitude. Appreciation on the other hand center on showing gratitude to an employee for his or her action. Such rewards help employees to gauge their performance and know whether they are doing good or bad (Sarvadi, 2010).

Cash bonus is another form of reward that organizations use to reward employees for exemplary performance that is if they have performed higher or exceed their set targets, this hence makes them eligible (Finkle, 2011). The amount of cash is determined by how high the employee has over exceeded the set targets or they can also be based on ranks or job groups. Nowadays, companies are rewarding performance bonuses to junior employees to increase output, unlike the past where they used to be a privilege of top executives. Performance bonuses are now on the rise in many organizations because managers want to link performance to reward (Block & Lagasse, 1997).

Companies use cash bonuses to reward their employees' performance during the year under appraisal. But there is also the unspoken expectation that these bonuses will be a factor in motivating employees' performance next year as well. Employees who receive a large bonus will likely want to get it next year too. On the other hand, employees who receive a miserly bonus and it reflects how the company assessed their performance, might consider improving next year (Finkle, 2011).

Designing Effective Reward Policies

The task of developing a strategic rewards framework for organizations is usually challenging but necessary to survive in the competitive and changing market place. The process however cannot be copied from the organizations but needs to be designed, developed and grown within the unique environment of the organization (Wilson, 2003). A well designed incentive program rewards measurable changes in behaviour that contribute to clearly defined goals. The challenge in developing such a program lies in determining what rewards are effective agents of change, what behaviours can be changed and the cost and benefits of eliciting change (Hartman et al, 1994).

Employees should be aware of the relationship between how they perform and the rewards they get. Organizations should apply performance management programs which assist in planning employee performance, monitor performance by effecting proper measuring tools Rewards should be used as a way of strengthening good behaviour among employees as well as productivity. Hence reward systems should focus on reinforcing positive behaviour. Employees could be rewarded for working overtime, taking initiative, team work, reliability, exceptional attendance, outstanding customer feedback, meeting deadlines or timeliness, productivity etc. Employers and managers should then design or come up with a system to measure or quantify all these aspects so that rewards are then given accordingly.

A good reward system that focuses on rewarding employees and their teams will serve as a driving force for employees to have higher performance hence end up accomplishing the organizational goals and objectives.

An effective reward program may have three components: immediate, short-term and long term. This means immediate recognition of a good performance, short- term rewards for performance could be offered monthly or quarterly and long- term rewards are given for showing loyalty over the years (Schoeffler, 2005). Immediate rewards are given to employees repetitively so that they can be aware of their outstanding performance. Immediate rewards include being praised by an immediate supervisor or it could be a tangible reward. Short term rewards are made either monthly or quarterly basis depending on performance. Examples of such rewards include cash benefits or special gifts for exceptional performance.

Employee Performance

Measuring performance is of great importance to an incentive plan because it communicates the importance of established organizational goals. "What gets measured and rewarded gets attention" (Bohlander et al, 2001).

In discipline of human resource management, different writers suggest the following indicators for measuring employee performance and they include: quality that can be measured by percentage of work output that must be redone or is rejected; Customer satisfaction that can be measured by the number of royal customers and customer feedback. Also, timeliness, measured in terms of how fast work is performed by the employee when given a certain task; absenteeism/tardiness observed when employees absent themselves from work; and achievement of objectives measured when an employee has surpassed his/her set targets, he/she is then considered to have performed well to achieve objectives (Hakala, 2008; Armstrong, 2006).

The management of individual performance within organizations has traditionally centered on assessing performance and allocating reward, with effective performance seen as the result of the interaction between individual ability and motivation. It is increasingly being recognized that planning and an enabling environment have a critical effect on individual performance, with performance goals and standards, appropriate resources, guidance and support from the managers all being central (Torrington, Hall & Stephen, 2008).

Human resource policies and practices indeed do affect organizational as well as individual performance. Job satisfaction for example, has for a long time been seen as key to affecting business performance as well as commitment. In addition researchers have also identified motivation as the mediating mechanism and some identify trust and morale. In spite of more recent attention to commitment, motivation is still considered to be an important influence to performance (Torrington et al, 2008).

The Dimensions of Nigeria Financial Institutions

Soyibo (2006) explains that financial institutions are business organizations that act as mobilizers and depositors of saving, and as purveyors of credit or finance. They also provide various financial services to the community. The activities of different financial institutions may be either specialized or they may overlap; quite often they overlap. They are classified on such basis as their primary activity or the degree of their specialization with relation to savers or borrowers with whom they customarily deal with or the manner of their creation.

Kropp and Jesus (2009) give the list of financial institutions to include:

i formal financial institutions(banking and non-banking institutions);

ii private voluntary self-help promotion institutions;

iii government self-help promotion institutions (SHPIs);

iv self-help groups (SHGs) with primary financial functions (financial self-help groups)

v self-help groups (SHGs) with secondary financial functions (trade associations with saving and credit activities);

vi individual financial brokers (money lenders)

Based on the extent of control by the government and of related financial laws, financial institutions have been broadly classified into formal and informal. The formal also consists of of the semi-formal financial institution. Financial institutions are classified as formal when they fall under the control of the government and of related financial laws. The government government uses the central banks as an instrument of control. Institutions that are regulated regulated but which fall outside the formal oversight of the central bank are classified as semi-formal financial institutions. This sector is mostly occupied by non-governmental (NGOs) organization. The informal financial institutions are those organizations that fall outside the control of the government and of related financial laws

Relationship between Rewards and Performance

Rewards can be used to improve performance by setting targets in relation to the work given e.g. surpassing some sales targets. When the employee surpasses their target, he or she can be given an additional amount to their salary; this will make them strive to achieve more (Maund, 2001). Research has proven that when human being are appreciated and praised they tend to improve their performance. This is another way an organization can apply as a reward so as to improve performance. Praise could be shown in the organization newsletter or in meetings. When managers take time to meet and recognize employees who have performed well, it plays a big role in enhancing employees' performance (Torrington & Hall, 2006).

Organizations should reward employees more often. This greatly improves performance compared to having the rewards maybe only once a year. This is because frequent rewards are easily linked to the performance. (Thomson & Rampton, 2003). Another way through which organizations can use reward systems to increase output is by personalizing the reward. When rewards tend to be so general, employees do not value them. Organizations can use rewards to improve employee performance by incorporating appraisal or promotion for employees who have a good record of performance. Managers should be on the lookout for employees who perform well.

Theoretical Frameworks

Rewards have been shown to motivate performance when certain conditions exist (Blinder, 1990). Individuals are best motivated when they believe that the behaviour will lead to certain outcomes that are attractive and that performance at a desired level is possible. Motivation therefore best explains element of reward and the effect it has on performance. This study will be based on the *Vroom's Expectancy Theory.*

Vroom suggested that individuals will choose behaviours they believe will result in the achievement of specific outcomes they value. In deciding how much effort to put into work behaviour, individual are likely to consider three things; valence, instrumentality and expectancy. All these factors are often referred to as 'VIE' and they are considered to influence motivation in a combined manner. Managers should therefore attempt to ensure their employees that increased effort will lead to higher performance which will hence lead to valued rewards (Ryan & Pointon, 2005). The relevance of this theory to the study is that KPLC has put up rewards (cash bonuses) that are supposed to be attractive so as to achieve a desired outcome which is employee performance. Thus employees have to exert effort in their work that will lead to a certain level of performance that is desirable by management, which will then result to a reward.

METHODOLOGY

This research adopts a "*survey method*" and design. This is so because survey research focuses on the people, the vital facts of people and their beliefs, opinion, attitudes, motivation and behaviour. Survey Method was chosen because of its relevance in combining the use of important research tools such as questionnaire and personal interview which are veritable instruments that can be utilized to elicit necessary information from the respondents. The population of this work consists of the staff of the selected financial institutions in Ibadan, Oyo State, Nigeria. The populations of this staff are 180. Because of the smaller size of the population, sample size is not developed. Also, the non-probability *convenience* sampling was used as the sampling technique for this study. Data for this study were collected mainly from primary source. Data were gathered from the primary source through questionnaire that was self-administered. The sample respondents consist of the staff. . The only instrument used in collecting the necessary primary data for this study was questionnaire.

DATA ANALYSIS AND FINDINGS

Data from the proposed research was coded, processed and analyzed using computer based statistical package for social sciences (SPSS). Chi-Square was used to establish the relationship between two variables both of which are categorical in nature. Specifically, it sought to establish degree to which cash bonuses influence employee performance. Contingency table was used to analyze and record the relationship between two or more variables which are categorical. Descriptive statistics in form of frequencies, percentages and mean, were used to present data.

Question 1: *The effect of intrinsic rewards on employee performance*

Table 6.5: Descriptive statistics: Overall mean for rewards and employee work performance

Variables	Mean	Standard Deviation
Employee's Performance	2.2320	127.83857
Basic Pay	5.1840	229.76140
Performance bonus	7.1240	330.77984
Career Advancement	7.4580	393.25208
Recognition	3.0300	143.65584
Learning opportunity	6.0700	331.09817
Challenging Work	4.1740	193.30753

The above shows that the means for the means for the basic pay, performance bonus career advancement, recognition, learning opportunity and challenging work ranged from a low 3.03 to a high of 7.46. Results of the descriptive statistics in terms of arithmetic mean and standard deviation show that reward of the employee in the sample are relatively good. The mean values for the entire variable are relatively high. Above mean values of independent variable and dependent variables show that employees recognition, challenging work and basic pay compared to other variables. Mean value for employee performance is 2.23 which shows that employees of the staff in the ministry of commerce and trade are overall performer.

Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					F Change	Sig. F Change
1	.702[a]	.492	-.015	128.80188	.970	.254
2	.994[b]	.987	.983	72.02799	236.116	.000

Predictors:(Constant), Intrinsic rewards, Extrinsic rewards b *Predictors: (constant),Intrinsic Rewards.*

The table above shows that there is a relationship between dependent variable and independent variable. Hence the regression shows that intrinsic rewards affects employee performance in the selected firms.

Question 2: Can Extrinsic Rewards affect employee Performance.

ANOVA Test

Model	Sum of Squares	Mean Square	F	Sig.
Regression	32190.951	16095.476	.970	
Residual	33179.849	16589.924		.254[a]
Total	65370.800			
Regression	1224976.706	1224976.706	236.116	

Residual	15564.094	5188.031		.000[a]
Total	1240540.800			

From ANOVA test it shows that the table Sig. value 0.05 is greater than the calculated Sig. Value 0.000. So, it rejected the null hypothesis at 5% level of significance and also 1% level of significance. It means there was a significant correlation between dependent variable and independent variables. Therefore, employees' performance depends on rewards as well as in different staff in the firms.

Question 3: Extrinsic and Intrinsic Rewards and Employees Performance

Dimension Correlations between rewards and employees' performances

	Employees' p	Extrinsic rewards	Intrinsic rewards
Employees' p	1	.549(.169)	.496(.197)
Extrinsic rewards	.549(.169)	1	.994**(.000)
Intrinsic rewards	.496(.197)	.994**(.000)	1

***. Correlation is significant at the 0.01 level (2-tailed).*

Table shows all the correlations between the variables examined in the study. The correlation coefficient was shown a strong relationship, r = 0.549 between the correlation coefficient was shown a strong relationship, r = 0.49 performance. Meanwhile intrinsic rewards also showed a strong relationship r = 0.994 toward extrinsic rewards with the significant level less than 0.01.

T-test of employees' intrinsic performance and extrinsic rewards

Model	**Standardized Coefficients**	**t**	**Sig.**
	Beta		
Basic Pay	.642	1.452	.121
Performance bonus	.478	.941	.208
Career Advancement	.491	.977	.200
Recognition	.374	.698	.267
Learning opportunity	.427	.819	.236
Challenging Work	.671	1.566	.107

Dependent Variable: Employee performance

The above shows that there is a relationship between extrinsic and intrinsic rewards with the employees' performances.

Findings

The key findings from the analyzed data are represented below:

Summary of Hypothesis Results

	Hypothesis	Result
H1:	There is a direct Relationship Between Intrinsic reward and performance.	Supported
H2:	There is a direct relationship between extrinsic and Performance.	Supported
H3:	There is a significant difference between intrinsic reward and extrinsic rewards on employee performance.	Strongly Supported

Nowadays human resource has been considered to be the most effective resource of an organization to remain competitive in the business world. Acquiring the right workforce and then retaining that force is one of the challenges to the organization. The result from this study examined and determined the relationship between rewards and employees' and also determined performance the relationship between intrinsic and extrinsic rewards. Based on a result from Pearson Correlation Analysis, it showed that there was a positive relationship between rewards and employees' performance also showed highly positive and significance in the relationship between intrinsic and extrinsic rewards.

The results of correlation matrix have supported the hypothesis that there exist a positive relationship among extrinsic rewards, intrinsic rewards and employee performance supported the hypothesis between extrinsic rewards and intrinsic rewards. There are two factors included in the extrinsic rewards such as basic pay and performance bonus. Basic pay is a highly significant factor which affects employee performance than performance bonus. Both are positive significant factors which affect employees' There performance are four factors included in the intrinsic rewards such as recognition, learning opportunity, challenging work, career advancement. Among all of the four factors challenging work is a highly insignificant factor which affects employees' performance

CONCLUSIONS AND RECOMMENDATIONS

Based on result of the study, it is showed that only extrinsic or intrinsic rewards are not sufficient to motivate employee to perform work highly. If financial organizations keep both types of rewards for the employees then it will increase their employees' performance because both intrinsic and extrinsic rewards both have different relevance. Rewards have been known to have a positive effect on employee performance. However no reward system is perfect, this is because motivation is personal and what motivates one employee could be different from what motivates the next. Therefore, the organization should get to know their employees well so that they can employ the right motivational strategy. Herzberg's motivator-hygiene theory says that if higher level needs were met like a sense of achievement, opportunities for personal growth and having responsibility were met, individuals would be motivated. The organization should hence change the intrinsic nature and content of jobs by enriching them so as to enhance employees' sovereignty, opportunities for them to have additional responsibilities, gain recognition and develop their skills so that employees can achieve peak performance.

REFERENCES

Baer, M., Oldham, G. R., and Cummings, A. (2003) 'Rewarding Creativity: When does it Really Matter?. *The Leadership Quarterly*. 14, 569-586.

Baron, R.A. (1983*) Behavior in organizations*, New Yourk: Allyn & Bacon, Inc.

Bowen, B.B,(2000) *Recognizing and rewarding employees*, US: McGraw-Hill.

Deeprose, D. (1994) *How to recognize and reward employees*. Newyour: AMACOM.

Eisenberger, R. (1992) 'Learned industriousness'. *Psychological Review*, 99(2), 248-267.

Eisenberger,R., and Cameron, O. (1996). Detrimental Effects of Reward' *American Psychologist*, 51(1), 1153-1166.

Eisenberger, R., Armeli, S., and Pretz, J. (1998) 'Can the Promise of Reward Increase Creativity?'*Journal of Personality and Social Psychology*, 74, 704-714.

Elsenberger, R. and Rhoades, L. (2001) 'Incremental Effects Reward on Creativity', *Journal of Personality and Social Psychology,* 81(4), 728-741.

Fairbank, J.F., and Williams, S.D. (2001) 'Motivating Creativity and Enhancing Innovation through Employee Suggestion System Technology', *Creativity and Innovation Management,* 10(2), 68-74.

Goodwin, C., and Gremler, D.D. (1996) 'Friendship over the counter: how social aspects of service encounters influence consumer service loyalty'. In; Brown, S.B., Bowen, D., Swartz, T. (Eds.), *Advances in Services Marketing and Management*,, pp.247-282.

Hafiza N. S., Shah S. S., Jamsheed H., and Zaman , K. (2011) 'Relationship Between rewards -and Emplo Profit Organizations of Pakistan'. *Business Intelligence Journal,* 4(2), 17-22

Lawler, E.E. and Cohen, G. (1992) Designing Pay Systems for Teams', *ACAJ Journal,* 1(1), 6-19.

Luthans, K. (2000) 'Recognition: A Powerful, but often Overlooked, Leadership Tool to Improve Employee Performance', *The Journal of Leadership Studies*, 7(1), 32-39.

McCormick, U. and Tifflin, J. (1979) *Industrial Psychology*, New York; George, Allen and Urwin.

Milkovich, G.T., and Newman, J.M. (2002) *Compensation* (7^{th} ed.). NY: McGraw-Hill, New York, NY.

Neckermann, S. and Kosfeld, M(2008*) Working for Nothing? The Effect of Non-Material Awards on Employee Performance,* Goethe-University Frankfurt, Germany.

Nelson,B. and Spitzer, D.R., (2000) *The 1001 rewards &recognition field book: the complete guide*, 1st Edition, US: Workman Publishing Company.

Perry, J.L., Mesch, D.,and Paarlberg, L. (2006) ‘Motivating Employees in a New Governance Era: the Performance Paradigm Revisited, *Public Administration Review*. 66, 505-514.

Reynolds, K.E., and Beatt, S.E., (1999) ‘Customer benefits and company consequences of customer- salesperson relationships in retailing’, *Journal of Retailing*, 75, 11-32.

Shore, L.M., and Shore, (1995). Perceived organizational. In R. Cropanzano & K.M. kacmar (Eds.), Organizational politics, justice, and support: Managing social climate at work. Westport, CT: Quorum Press.

Srivastava, A., Locke, E.A. and Bartol, K.M. (2001) ‘Money and Subjective Well-Being it’s Not the Money’ *Journal of personality and Social Psychology*. 80, 959-917

International Journal of Business School Annals, 6(1):74-94
ISSN: 2361-7144. November, 2019

ansrdpapers@gmail.com

Niger Delta Women in Colonial Nigeria: Reflections on Their Economic and Political Roles

Dr. Beatrice E. Awortu
Department of History and Diplomatic Studies, Ignatius Ajuru University of Education
Rumuolumeni Port Harcourt

Abstract: *The paper examined the changing roles, operations and the functional relevance or otherwise of the Niger Delta women in the period of colonialism when Nigeria was under the political tutelage of the foreign power, Britain, against the independent precolonial period. The paper discussed several aspects of state policy and practice in colonial Niger Delta. As regards methodology, the paper used primary and secondary sources of data. The dynamic nature of gender studies also informed the adoption of interdisciplinary approach using knowledge from related disciplines in the Humanities and Social Sciences to complement the available historical sources. The paper viewed colonial Niger Delta as an integral component of the colonial Nigerian state with reference to the fact that we are not discussing women in the broader colonial Nigerian-State though they may share similar experiences. The paper argued that studies on gender inequality and discrimination as well as women roles and contributions have not addressed the issue of colonial state policy in the Niger Delta or problematized the state in relation to the specifics of women, there is the need to document the role Niger Delta women played during the colonial era towards the economic, political and socio-cultural development of the region. The paper revealed that Niger Delta women made positive contributions to the overall development of the region despite unfavourable colonial policies. The paper submitted that women should be given more economic, political and socio-cultural roles to enable them contribute their quota to the development of their communities in particular and the Niger Delta region at large. The paper, therefore, recommended that negative cultural practices, government policies and societal perception against women should be eliminated for greater and efficient women participation in developmental issues.*

Introduction

By 1906 Niger Delta colonial state had been established through treaties and amendable decrees. Two elements of the colonial project will be considered as examples of policies, which promoted changes that affected women. The first is the economic policy; the second element is the instructional arrangements for the administration of the area; specifically, the adoption of indirect rule and the establishment of a bureaucracy. However, at this juncture, it is important to do a definition of what colonialism is all about for a future comprehension of the dynamics of what we shall be talking about in this work.

The subject of colonialism and its operations have been discussed widely and elaborately by several scholars. In the context of this study we shall see colonialism as a style of government which assumes the rights of the group to impose its rule over another. This invariably leads to a situation of dominance, dependency and systematically subordinates those governed by it to the imported culture in social, economic and political life. The issue of colonial contracts has been thoroughly examined in diverse climes and major theoretical formulations and positions with respect to impacts suggested and analysed. The major suggestions and analyses can be summed up into major considerations of broad representations. From these considerations, we present that the first school of thought holds that the impact of the contact between the west and the developing countries had produced essentially beneficial results, because it has transmitted "values" and techniques for "modernization" to backward and isolated societies, which would otherwise have had difficulty finding access to them.

An opposing view from another school of thought, obviously dominated by scholars from the dependencies (the former colonies) generally called the dependency scholars who tend to argue that the impact of the contact is essentially exploitative. Therefore continued contact can only increase servitude, and real growth and development in the developing countries which lies in the breaking of such colonial ties. Expectantly, there is the third school of thought with a middle-course contention that the impact of the contract of the relationship is deeply ambivalent. They present the mid-point argument that colonialism contains in-built features of exploitation and subjection; it also contains other features capable of utilizing certain positive achievements of the developed world for development of the less developed countries (Eke, 1983).

Therefore, the necessity for the examination of the nature of the socio-economic and political relations, which characterized the colonial system to usher in a good understanding of the dialectics, dynamics and impacts of colonialism on the women of the Niger Delta. There is little doubt that in the process of acculturation, women in the Niger Delta societies have adopted old ways to the new ways without abandoning the former. These include the introduction of Western colonial system of education, introduction of foreign religion (Christianity) and the introduction of a monetary system of economy. In doing a summation, it is not difficult, therefore, for a historical analyst of colonial tribulations to observe the grand process of foreign cultural diffusion, dependency, subordination, marginalisation and disarticulation (Tamuno, 2000).

Women In The Colonial Economy

It is plausible to offer that prior to the period when the Niger Delta came under direct colonial rule of Britain, centuries of trade and missionary contacts had been established along the coastal areas of the Niger Delta. In the different components of the Niger Delta, following the institution of colonial rule native administrations were set up for indigenous rulers, the Chiefs, under the overall supervision of the colonial state to operationalise indirect rule. These institutions were to perform such functions as the maintenance of law and order and law—making, for the regulation of many aspects of life in the areas under their jurisdiction. In addition to these executive and legislative powers, they were also responsible for the adjudication of disputes through the native courts which were supervised by the central colonial government through a hierarchy of courts. Native treasuries were also set up to take care of the financial aspects of native administration. The colonial state sought to, both control the chiefs and protect their ability to exercise authority over their subjects (Awe, 1984).

According to Dike (1956), for chiefs, the economic developments presented new opportunities for accumulation and also challenges to their hegemony. Their passage from independent traditional rulers to dependent colonial officials was not smooth. Apart from being undermined by their subjection to the colonial order, the rapid alienation of land, excessive demands for communal labour and imposition of taxes under their auspices further eroded their traditional authority. New influential groups, with the creation of the warrant chiefs' institution, soon challenged their primacy.

As the discussion below shows, there were gender differentials in the implications and outcomes (effects) of these processes and developments, which had implications on gender relations and situations of various categories of men and women. The history of the Niger Delta under colonial rule has been well documented comparatively and therefore presented a whole lot of available materials for reinterpretation. In addition, the site of the famous palm oil production and trade, was crucial to the colonial enterprise and fortunes of the colonial Nigerian state as a whole. Colonial economic policies were centered mainly on agricultural exports and trade. The construction of seaports and railways created new jobs. Persons who had access to the colonial education were able to take advantage of the job opportunities in the bureaucracy and construction companies (Irukwu, 1994).

Under colonial rule, education was largely managed by the missionaries although the colonial administrators ensured that mission schools produced the kind of recipients that were useful to them. The introduction of colonial education was seen by Britain as essential to the prosecution of their "civilizing" mission. Female education was perceived to be very necessary to enhance their role as mother and housewives. This, however, seemed to have met with some reactions as the colonial market of employment was directed at the educated male. Keeping women out of the bureaucracy was explicit colonial policy. Most of the few women who had access to colonial education were trained in home —making, thus disabling them from engaging in clerical and administrative works. Women were not among the labour recruited by chiefs. The colonial state right from the beginning had a direct relationship with the men through labour regimes, while women largely remained under the jurisdiction of the chiefs (Mba, 1982).

Nevertheless, concerted efforts were made by the colonial government to address the imbalanced inherent in the educational policy. Thus, to encourage female education, there was the reduction of school fees, low pass marks for girls, granting scholarships and establishing schools for girls alone. The beneficiaries did not only return home to teach others but also serve as teachers, nurses, midwives, prison wardresses, secretaries, dispensers to mention but a few.

Faseke (2001:p. 39) brilliantly adds:

> It is thus clear that while colonialism certainly eroded some areas of women activities such as reducing their industrial capability, eroding their economic

> power, it definitely had the benefit of educating the girl-child, albeit reluctantly, and giving women the challenge to want to excel like the males. Colonialism showed that women had potentials which when harnessed could be of great benefit to the women themselves and the communities they live. Colonialism stimulated new line of activities and engagements among women. One of such activities was western education which though had been introduced by the Christian missionaries since the sixteenth century was complemented and nurtured by colonialism.

The colonial period witnessed the massive importation of alien and transported ideologies and values that did havoc and great disservice to the social, economic and political relations in the Niger Delta. Such as the conception of woman as housewife, this was imported from Victorian England. The assumption of domestic subservience as the appropriate status of woman automatically subverted and undermined African realities to the detriment of the women folk. Women have always laboured in all areas of production and commerce prior to the imposition of colonial rule. Under colonial rule and occupation, women were denied formal employment and their productive work in agriculture, trade and industry was at first over — looked, and then marginalized and devalued (Ijere, 1991). This heralded the process of marginalisation of the womenfolk economically and their simultaneous exclusion from political and public life which they continue to suffer till today.

Ejitiwu (1991) opined that the Niger Delta, like many other societies, has a long history of colonial rule which imposes laws and social structures particularly harmful to women, among these are inheritance laws, legislation on land ownership and transfer, and social restrictions on women, which seriously limit their activities and aspirations. These patterns occurred extensively and functioned to alter the place of women as well as reducing their power. Inheritance laws and communal rights to land which once allowed access by women have been replaced by title-deed systems which, by law or customs, restrict land ownership to individual men. Colonialism brought with it an ideology of chastity and dependence which has dominated women's lives. In the Niger Delta communities where market organization of women traders once allowed women political and economic power, and where sister/brother inheritance and kin co-operation patterns allowed women an alternative to dependence on a husband, European patriarchy came and undermined both.

These same colonial developments also fostered the growth of industrial centres, which drew men away from rural communities, removing their labour from the subsistence economy. The increasing migration of men to the cities, to mines, and to export agriculture, or to work abroad has caused the number of female to headed households to rise dramatically virtually transferring the entire responsibility for feeding, clothing and housing children to the women. This is closely related to what is called the feminisation of agricultural labour force.

Bryson (1981:. 38) affirms that "wide movement into new roles, which involved absence from the village helped to ensure that women would continue to dominate food production both to guarantee food supply and to protect family rights in accordance with inheritance and land tenure". As a matter of fact, the influx of men and husbands into urban centers weakened the traditional sexual division of labour. Most Niger Delta women took over the cultivation of yams which was the men's exclusive preserve (Julius, 2012). There is no doubt that the women's journey into the production of yams helped to prevent food scarcity in the region. In rare occasions when rural women do participate in the wage labour economy, they face discrimination and low wage rates. Where women remain in subsistence agriculture, their central position is ignored, even by development professionals (Ejitiwu & Gabriel, 2003).

Historical studies on the Niger Delta communities have shown that both men and women were involved in harvesting, processing and transportation of palm-oil to the coast for export. By the 1870s, organized production of agricultural produce, particularly palm-oil in the Niger Delta had begun. Largely because of palm-oil production, changes in land relations gathered pace. There was increasing commoditisation of land, especially agricultural land, which was also subjected to several tenancy agreements. The problems of high rents on agricultural land proved to be intractable. Colonial state officials would send warning circulars to chiefs and fixed land rents to no avail. The resulting indebtedness of scores of peasant cultivators was particularly significant in this context because, owing to their status, female labour and reproductive capacities became popular as pawns for the settlement of debts (Okorobia, 1999).

In the oil palm production areas, farmlands came to replace persons in the settlement of debts and were pledged for long periods. Thus, for the peasantry, palm oil production was a new source of income, and also a growing source of stratification. Class differences emerged based on creditor/debtor relations and new labour arrangements. A complicated network of farm owners, tenants and various grades of labourers came to characterize oil palm production.

There were also striking gender divisions in the oil palm and colonial economy, and this affected kinship. For the conjugal family, for example, these developments were to have important consequences because oil palm cultivation and production required more labour than subsistence production. The conjugal family, therefore, was an important source of labour. The labour of wives and children which customary law accorded a man on marriage was put to use in the production of oil palm for market. The practice of polygamy ensured an important source for labour production (Anabraba, 1984).

Women in the Niger Delta communities that were in oil palm production were not allowed to own farms because wives did not have reciprocal rights to their husband's labour, and had fewer resources. Therefore, women had difficulty in recruiting both paid and unpaid labour. In addition, customary rules about land inheritance and marital resident patterns worked against women, both as wives and as lineage members. Also, the colonial state's policy of directing agricultural training and extension services at male producers ensured male dominance in palm oil production.

These developments in the palm oil sector affected lineage and conjugal relations. It produced penetrating tensions between women's dual roles: as lineage members who were required to provide labour for their husbands without necessarily gaining any resources. However, even lineage membership was not gender neutral in its implications for access to resources. For example, in many Niger Delta communities there was dichotomy between women's and men's property. Deceased persons were ordinarily succeeded by persons of the same gender. Therefore, self-acquired property of significant value passed through males, even in matrilineal communities.

These developments, in part, particularly during the great depressions of the 1930s, caused an increased in female migrations to the urban areas for trading and other service sector work resulting in male anxiety about the resulting disruption, especially the loss of female labour. Accusations about the connection between migrant women, prostitution, witchcraft and venereal diseases, which had become prevalent, were rife. The chiefs responded with by-laws to restrict the movement of women, to combat prostitution and restabilise marriage. This legislative drive, aimed at reducing the movement of the women folk caused profound diminution to their status.

With the imposition of colonialism, there were a whole lot of significant changes in women experiences. To Mazrui, (1991) colonialism and westernization have solved some problems and created others. The question is, what is the differential degree of the solution-oriented colonialism is it problematic? The argument is that the colonial order discouraged homosexuality but encouraged homoraciality, which is enforced racial endogamy, love-making within the same racial group. There is no doubt colonialism affected women position and their contribution to society.

In certain respects, it alleviated the conditions of women by removing some of the obnoxious social customs and practices, such as widowhood rites, to which women were subjected. For women in the Niger Delta who were exposed to the influences of colonialism and the female heads of houses grew richer. A few took advantage of the limited educational opportunities to join the emerging educated elites. But for other women, colonialism meant the loss of livelihood as the colonial administration came with the introduction of mechanized means of palm oil production (Alagoa, 1971).

The colonial alienation of the women from the fundamental benefits of its educational policy had a far-reaching impact on the women population. They were gradually marginalized and subordinated. The resultant effect is that the incorporation of the Nigerian economy into the world capitalist system through the apparatus of colonialism included the upsetting of the traditional complementarity role of the womenfolk. In this way, it caused the separation of the men's field from the women's field: the men's field was rapidly mechanized, monetised, and linked to the capitalist sector while the women's field continued to be farmed with hoe, its produce kept for the feeding of the domestic group (Awe, 1984).

However, it is important to note that since the women began to take the traditional responsibility of the men (by taking care of the welfare of the family), they had started to play a major role in the development of the entire society and contributing in no small measure to develop the human resource factor upon which the development of the society depends. Again, without the subordinate- supportive complementary roles of the women in the rural economy of the Niger Delta communities, the "Substantive" and "Principal" of the men in the urban capitalist oriented economy of the colonial centers would have been desperately affected and served. The implication is that without the supportive role of the women, the Niger Delta communities would have been worse and degenerated more than experienced during the long period of colonial nightmare.

Also, on a general note, the colonial capitalist economy would not have been smooth without the supportive mechanism of the rural subsistence economy dominated by the women. Evidence from the field showed that women increasingly made more production and marketing decisions and contributed more physical labour as far as the rural/urban, subsistence/capitalist economic relations are concerned. In furtherance thereof, Jaja (1986) argued that due to the young age of the men in the urban centers, it was not possible to raise enough income to feed themselves and their families in the urban industrial work situations. Yet they were permanently withdrawn from the rural settings and unable to contribute to agricultural and related economic activities. Wives, very young and very old relatives were left to do most of the work of feeding themselves and supplementing the food needs of the urban components of the rural families with no group support necessary for them to operate efficiently. With time, this trend escalated, precipitating economic and social disparities between men and women, between rural and urban components of family units, between rural and urban centers in general.

The productivity gap, worsened by growing gap in education, scientific knowledge and skills essential for increase scientific production, has been linked to greater demands for male labour and time in urban-based capitalist economy. Consequently, there was a growing marginalisation of women's roles as urban wives tend to lose their economically productive roles, and subsequently became confined to the home front for the maintenance of the home and got glued to child-rearing roles. This unpalatable trend resulted in a situation where the emerging upper and middle class women in the urban centers ultimately became increasing dependent on male wage earners for food and households supplies (Gerald, 1982).

In the rural as in the urban areas, land and other resources for production increasingly became monetised to the extent that individual ownership became correspondingly encouraged at the detriment of usufructuary rights (the right of using the property of another person and drawn the profits therefrom without wasting the substances). In the light of this colonial practice, the consequence was a great jeopardy to the women. Increasingly, the position of women, particularly of the landless, single women (unmarried, widowed, divorced) category became jeopardized and more insecure as access to this vital means of production became more difficult and in some cases inaccessible. Coupled with the initial colonial skewing of educational opportunities against women in favour of men, the concomitant growth of economic gap between the two genders was supported by gap in skills acquisition, knowledge and culture that were essential and important for surviving in and coping with the capacity changing economies (Orugbani, 1991).

Colonial and "development" policies further aggravated and exacerbated the already impoverished situation and condition of women. So much of it, the introduction of various credit inputs, scientific information, knowledge, experience and know-how increased the productivity of the men and caused severe havoc to the productivity of the women counterpart in the capitalist linked and integrated economy (Nwosu, 1996). This further created the dichotomy between male wage labour and female domestic labour roles, which has continued into the post-independent neo-colonial Niger Delta. This dichotomy was perfected through many channels but the most prominent one was the extension services and credit inputs aimed at increasing productivity and facilitate production and exchange. Since women dominated the rural economy and this continued use of traditional methods in the cultivation process in the rural non-capitalist sector of the economy and thus got much less out of their efforts, the gap in labour productivity between the sexes continued to deepen (Mba, 1982). The best that was available to many women out of the elaborate extension services were new recipes for preparing meals and dishes and other domestic chores. Thus only a small fraction of their many and conflicting roles managed to be positively affected by colonialism.

However, in situation where the man's (husband's) income was insufficient to maintain the family; or purchasing power eroded by inflation; or where the man (husband) was not existent; or non-productive either because of handicap, old age, divorce, death; or where the woman is unmarried and therefore no man to depend on, woman automatically became the sole managers and providers to the extent that the impact of the family nutrition, survival and well-being on economic enfranchisement of women became obvious. Colonialism and its introduction of the capitalist (monetized) economy introduced sexual dualism in farm labour such that women were increasingly looked upon as sole cultivators of food crops as well as the unpaid family labaour, while men became increasingly identified with cash crop farming and production, or identified with wage employment.

Women's contribution to the family's budget became crystal clear and great with their participation in long distance trade. In the pre-colonial era, women never served as "brokers" in the economy and enterprise of long distance trade and staple trade. This was not because they lacked "entrepreneurial dynamism" but mainly due to their lack of access to credit, control over transport systems and effective labour (Hargreaves, 1987; Wariboko, 2007). With the imposition of *Fax Britannica*, the construction and maintenance of good roads, relaxation of traditional restriction on women, outlaw of the tradition of seizing women and maintenance of peace, Niger Delta women had the opportunity to venture into long distance trade. The policy of *Fax Britannica* actually ensured the safety of travelers, free movement of people and goods across frontiers as

Niger Delta communities were taught the lesson of reporting their grievances to government. Sorgwe (1989: 132) has this to say:

> The fear of being punished by the colonial authority helped to reduce intercommunity feuds. Incidents of violent intercommunity clashes were reduced during the colonial period. Communities learned to complain to the colonial authorities for redress instead of waging wars against their neighbours who offended them.

Julius (2012,: 431) gives the graphic illustration of the Esan women thus:

> Many women were attracted to trade. The colonial situation provided the needed conducive atmosphere for Esan women to venture into long distance trade. Indeed, from the 1920s, market trade become one of the major employment opportunities open to women in sub-urban towns such as Ekpoma, Ewu, Igueben, Irrua, Ubaija and Uromi. Their trading activities were important in providing the rising working class with necessities and new commercial goods, which became popular in the colonial era.

As we have noted somewhere else in our study, the male dominated rural-urban migratory movement drastically affected and changed the household formulation in the Niger Delta. Consequently, women metamorphosed to add to their roles and became family and household major producers of material needs and the primary reproducers of labour as in socializing, teaching of basic skills and often paying of school fees (Sandy, 1981). One can imagine the effect of this on the general trend towards development.

Also, the impact of colonialism on the roles and contributions of Niger Delta women was very grave and disastrous. Their contributions to the Niger Delta economy, as noted by Jaja (2003:230), was disrupted as colonial demand for palm oil (cash crop production) resulted in the neglect and near abandonment of fishing and other resourceful economic activities that were thriving in the Niger Delta and which were dominated by the womenfolk (Okorobia, 1999). Some of the women even went to seek for employment in the Bulk Oil Plant (BOP) industries established along the coast when their former prospective industries established along the coast was disrupted. Other women became kernel crackers and yet some others attempted to produce palm oil locally. The arts and craft practised by the Niger Delta women during the precolonial era were neglected by the colonial officials which affected the industry (Nzenwunwa, 1980). The effect was that people sought alternatives in the acquisition of the “cheaper” and “better” goods from Europe. This wholesome attitude contributed immensely to the underdevelopment of the indigenous sector of the economy as they refused to introduced extension services and loans to encourage it (Alagoa, 1972).

The colonial economy, which has its underpinning logic in the twin objectives in the production of new materials to service industries in Great Britain and the sourcing of markets for finished goods, emphasized and promoted the production of cash crops and therefore necessitated the active involvement of women in the production of palm oil and kernels. They also contributed immensely to transport the palm oil and kernels to the ports which evacuation as they helped in paddling the canoes from the creeks linking the hinterlands (the source of goods) and the ports (points of evacuation). Sorgwe (2003) asserted that the women were very useful in the colonial economy and constituted the main labour force that provided the food-crops for constituted the main labour force that provided the food-crops for the entire society while the men concentrated on the production of palm produce for business.

Women essentially bore the burden of the oil palm processing also. To stimulate and promote the production of raw materials needed for the metropole, using the indigenous technology pocked out the nuts and squeezed the oil from the pericarp with their hands. The same process was applied to the manufacturing of oil palm. Yet, they were neglected and excluded from gaining access to loan, and development while the men greatly benefitted. Citing Denzor (1988), Abasialtai (1991, : 574-573) lucidly informs:

> In the new cash economy women suffered more than men from being denied access to mechanisms of capital accumulation, loans, and exclusion from development projects. Thus, while women's labour accumulated for a majority of subsistence crop production and for the distribution of produce and commodities, most were not able to enter into the new business created by colonial rule or take advantage of opportunities offered by cash crop production. By and large, men controlled cash crop farming, while women were relegated to the much less remunerative subsistence farming.

What is more, the British liberation policy of importation of Bristish liberalization policy of importation of British manufacture also depreciated and affected the women' source of livelihood. In Niger Delta, cottage industries such as salt and pottery productions were the pleasure of women. The industries were areas of potentially profitable and viable human endeavor. Almost all seaside in Niger Delta communities were involved in the salt making while those notable for pottery indigenous industries were Ogu and Ogoloma in Okrika, Ke and Ilelema in the Kalabari area; Kono-Boue, Buan, Luubara and Kwakwa of Ogoni area; Omukwu and finally Egbede as well as in Ikwerre land. The colonial situation with all its paraphernalia forced Niger Delta women to de-emphasize these local industries and moved rapidly to embrace the new order. Infact, the formal western style of education provided viable economic opportunities more than the traditional salt and ceramics making. Added to this was the massive importation of the European technologically advanced goods such as ceramic, plates, spoons, metal pots, iron and plastic buckets and so, made the locally produced less attractive.

Faseke (2001, :38) shed illuminating light on this score:

> Colonialism de-industrialized the women. Salt production and weaving gradually declined because traditional industries had difficulty in competing with the mass outputs of the western industrialized economy. Salt production was only able to survive in areas where it could cater for local preferences. Local textiles survived where they catered for special markets … Pottery declined as local pots and calabashes became superseded by imported enamel ware. Soap making declined as Nigerians bought the soap made from Nigerians' exported palm oil (Oil Palm).

On his own part, Derefaka (2002, :229) states:

> The reason for the decline of this important industry is the introduction of western education, culture and alternative, cheaper and more durable receptacles and utensils from the period of European contact … With the emphasis on western education for girls and the availability of paid employment and easier economic ventures, daughters became relevant, if not unwilling to learn the trade from their mothers and so the manufacture of ceramic products has virtually cease in most communities …, which were famous for ceramics production in the past.

Women In The Colonial Political History Of The Niger Delta

The reference here to the role of women in the political history concerns the political activities of the women folk during the colonial period of Nigerian history. In this case, it is limited to the Niger Delta women and their experiences. During the colonial period, much of the political experiences of the Niger Delta women were that of expulsion and consequent resistance and opposition to the nature of and character of the colonial administration. Colonialism constituted a whole strand of thinking and way of life which can be broken down into a number of systems to include administrative, economic, educational, legal and religious. Of a major consideration is the fact that none of these systems operated independently with one another but collectively to affect the roles of Niger Delta women.

Understandably, the British colonial administrators in Nigeria were the products of the Victorian society wherein the women were separated from the men, excluded from public life and given a reserved place at home and to function and see to the successful management of the home front away from public participation in the day to day running of the society. Indeed, it was construed that it was the women's duty to preserve the home and man's duty to insulate the women from the pressures of life. Therein lies the conception that a man should protect the woman. Women were considered unsuitable for the rigors of public life; hence they were not allowed to vote, to contest elections, to sit in parliament, or to be employed in the civil service.

Colonialism was an agent of change and an instrument of coercion. It came with a bang, enforcing rules that warranted the abandonment of the old traditional roles and encouraged the observation of new rules, adaptation and adoption of the newly imposed rules and ways of life. The introduction of the warrant chiefs system of indirect rule in the Southern Provinces, that covered the Niger Delta, also came with peculiarly new dynamics to which the people of the area, particularly the women, had to adjust to. Under warrant chief system, the traditional title societies and age grades lost their mystique as well as their executive and judicial responsibilities, which were absorbed by the warrant chiefs and the native courts.

Afigbo (1991) viewed that contrary to the pre-colonial times when women enjoyed same rights and participated in the political administration of their areas, the colonial period was different. The warrant chiefs were chosen arbitrarily without the guide of any traditional criteria, and worse of all, no woman was appointed a warrant chief. Similarly, no woman ever served as a staff or member of the native courts, or made a court clerk, interpreter, court messenger, police or army recruit. These positions were limited to the men who had some level of education or some wealth and those who were able to make themselves conspicuous.

Understandably, women were not only excluded from participation in the colonial administration but also from time to time, the courts interfered with their traditional judicial responsibilities and roles. In many cases, the traditional methods and customary practices involved in exercising disciplinary measures by women against offenders were replaced with colonial rules and laws and thereby weakening the traditional requirements that constitute the achievements that ensure the cohesion of the society. Under the warrant chief system, a warrant chief tended to bear the features of the Lord Manor and execute colonial policies and programmes without consultation with the men of the village, let alone their women counterparts (Afigbo, 1991).

Colonialism yielded the negative impact on the women. There was the demonstration of the fact that colonial patriarchal ideologies combined with indigenous patriarchal ideologies to reinforce women's subordination, exploitation and oppression. The few elite women were progressively marginalised as they lost their political power and control over trading and manufacturing activities. However, even in the face of the intimidating impacts of colonialism, some women took advantage of the expanding petty commodity markets (Ali, 1991), or sought to retain their autonomy by migrating to the rapidly growing colonial towns and cities where they often engaged in trading activities, beer brewing, domestic service and sometimes prostitution.

The area that women featured prominently and which, also, has attracted by far the most attention is that of women resistance to colonial rule and their involvements in the national liberation struggles as well as participation in nationalist movements. The most popular of the series of women's resistance to colonial rule was the Niger Delta Women War of 1929. However; there were many other instances of such resistance movements originating from the women all over the Niger Delta. They include, among others, women involvement in the Akassa War of 1895, the Epie Women Demonstration of 1958, the Udekama Women's War of 1925 (Gabriel, 2003). Field investigations have shown that besides these numerous instances of women resistance to colonial rule, which have been documented, there were cases of women's involvements in labour movements and struggles.

The field investigations conducted on the Akassa War revealed that there was the feminine or women factor in the Akassa War of 1895. It was discovered that some women got themselves involved in burning down the trading post of the Royal Niger Company. On its part, it has been the Niger Delta Women War of 1929 came as a result of the resolve of the Eastern Niger Delta women to protest the obnoxious colonial government had excluded them from the "benefits" of the colonial rule. He also recorded that there was a similar anti-tax riot in Ekeremor in 1928 which caused the destruction of their Native Court building and went further to question the logic and legitimacy of alien rule in their land (Okorobia, 1999).

The aftermath of the Niger Delta Women War became far-reaching and attracted the attention of the Colonial Office in London who were taken aback by the behaviour of the women. Regarding the numerous effects of the war, one of the most fundamental changes was the sudden decision of the colonial government to conduct a study of the culture of specific ethnic groups before embarking on the administration of such groups. This marked the beginning of the series of colonial intelligence reports on the various ethnic groups and tribes in Niger Delta, Nigeria.

Another instance where the women of the Niger Delta Region protested the policies of the colonial administration was the February 1958 Epie women protest against the administration's withdrawal of free education policy earlier embarked upon, which tend to afford the people, particularly the women, an opportunity to acquire the much needed education. It was on record that the introduction of the policy of free education revolutionized the educational sector and prompted a phenomenal increase in the enrolment of pupils. It is significant also to note that parents preference of males' education was also affected as the introduction of free education warranted the enrolment of about sixteen girls into Epie Primary School. However, after a brief period the government decided to do a modification of the free education policy in the Eastern Region while the government of the Western Region, which introduced the free education policy earlier, still continued. Therefore, Eastern Regional Government's intended Modification Scheme came as a rude shock to the people and was interpreted as an obstacle to the positive aspirations and plans for their children (Sorgwe, 2003).

Historical record bears testimonies that the introduction of the free education policy necessitated a spontaneous increase enrolment of the number of pupils from a total of sixty-three in 1956 to a hundred and seventeen in 1958. But the withdrawal of free education caused a sharp fall in the enrolment of pupils. The consequence was that there were only about forty-six pupils who enrolled at the beginning of the school year in 1958. The headmaster of the school while commenting on this sharp fall in the enrolment of pupils, as quoted in Sasime (2003) noted that “the cause of this appalling fewness is the re-introduction of enrolment and school fees. One can, therefore, appreciate how the people’s euphoria generated by the free primary education programme was turned to frustration and bitterness”. This succinctly shows how the people felt the impact of the withdrawal of the free primary education programme of the Eastern Regional Government. The paradox of the whole situation is that rather than the men taking up arms and confront the situation it was the women who decided to do it. Therefore, faced with this uncanny situation, a rude challenge and frustration, the women took up arms and confronted this unwarranted challenge. In the process and with a radical determination decided to register their protest by marching to the Primary School and ordered the headmaster to close down the school immediately, which he obeyed.

Subscribing to the above, Sorgwe (2003) opined that after the symbolic closure of the primary school at Edepie, the women protesters decided to return to their respective homes on the agreement that they would reassemble at Edepie the next day for a continuous crusade against obnoxious colonial policies. With profound determination to launch a full scale opposition to colonial policies, the women reassembled again the next day at Edepie though without the lgbogene women, which constituted the cradle of the crusade. Unperturbed and with determined vigour and undaunted, the women protesters traveled to all the nook and crannies of Epieland and were enthusiastically joined by the women of each village they visited. On reaching Biogbolo, the character of the protest became dramatic and they started destroying every physical instrument, representations and agencies of the colonial government. Such infrastructures as school buildings, Native Courts, official quarters of colonial officers and agents were damaged. The women became more militant thereafter. All schools and all institutions that were associated with government became targets for vandalisation, an approach which they calculated that would attract government attention more dramatically to their cause for possible positive solutions.

However, as the demonstrating women marched on in the process and sought to cross the bridge to get to the primary school at Yenegoa-Ede, they were surprisingly met with staunch opposition from the men of the area who were bent on protecting their school from destruction. Sasime (2003) noted that in order to frustrate the attempt the demonstrators from crossing over to Yenagoa-Ede, the men in their hundreds hurled all sorts of missiles at the protesting women. Thus the women could no longer move and later retired to their various homes with the conviction that they had successfully and effectively conveyed their unalloyed disenchantment with retrogressive policies of the government. They had demonstrated a social consciousness that might have baffled the government when they stole the thunder and rage from the men who rather chose to protect the government.

Furthermore, in attestation of the fact that the women of Niger Delta demonstrated their functional relevance and played a prominent role in redirecting colonial administration, Gabriel rightly noted that Nigerian history is replete with examples of women's resentment of social, political and economic adjustments of the colonial system. Often times, their reactions led them into varying degrees and kinds of ant-colonial activity. While analyzing the Udekama Women's War of 1925, Gabriel (2003) demonstrated how nursing mothers of Udekama engaged colonial officials in a fight against what they considered as the colonial violation of tradition of the people. It was a fight between colonial prison warders and nursing mothers of Udekama.

It is traditional that after child birth women were confined in the house for at least three months to recuperate and in the early hours of each new day would gather at a particular designated place before proceeding to bathe in the river. On one fateful morning while the nursing mothers were going for their routine bathe, they met prisoners (supervised by warders) cutting the Okaka tree (a big tree of religious and economic significance) without the consent of the Chiefs and elders, branches of which were pinned at shrines for identification "possibly for subsequent destruction". Consequently, the nursing mothers retreated home, gathered the men, reported and pleaded with them not to attack the prisoners and warders for fear of being arrested and imprisoned. Meanwhile the women (only nursing mothers) mobilized themselves, laid siege for the prisoners and warders and attacked them. In the usual colonial tradition, when they were to be foreclosed the initial intention to arrest and imprison the women who were later cautioned to desist from the acts that would breach the peace of the community. What is deductively apparent here is that even when the women of Niger Delta were officially and directly excluded from active participation in politics and administration of the area, the outcomes of their activities tend to affect and bear heavily on the colonial policies of their times.

It is, therefore, important to note that the new colonial policies had severe influences on the sex role definition among the people as the colonial administrators introduced policies of the Victorian background, which had detrimental effects on the role of women. It is understandable that much of these policies contrasted with the pre-colonial traditional concept of the place and role of women. The colonial government did not recognize or appreciate the important contributions of the women and their sense of independence in certain matters and failed to give due recognition to the women's traditional important participation in the public affairs of the society. Different writers have at different times attested to the fact that in traditional Niger Delta societies, political powers were diffused and feminine agents participated fully (Alagoa, 1971).

Furthermore, Uchendu (1993) clearly noted that women lost most politically under colonial administration as the dual political system, which involved both men and women in politics were vehemently abandoned and substituted by the single-sex political system, which left women out of public affairs completely. When the women discovered it was a loss of their natural right, which must be fought for, it was profoundly resented as demonstrated in the various protests embarked upon by Niger Delta women. These protests have been given several interpretations While Afigbo sees the protests as an anti-colonial movement aimed at the destruction of the warrant- chief system and ultimately colonial rule, Coleman (1986) sees it as traditional nationalism, which was important in the development of nationalist movement (Afigbo, 1991). It can therefore be collectively argued that the most important contribution of Niger Delta women to the development of the society was in their constant protest against colonial policies, which were unfavourable to their well-being.

Moreso, the various women protests against obnoxious colonial ordinances and policies can be assessed as a means of political participation for women since they were not represented in government and had no other effective means of political nationalism. Of a significant note in these series of agitation movements was the organizing abilities of the women in handling public and delicate matters. The capacity to plan and conspiratorially execute effectively, taking the government by storm, emphasized the leadership role of women, their unity of purpose whenever necessary, their dexterity, determination and the power of women’s collective action. These protests did a lot to discomfiture the colonial government and make it more sensitive, not only to the problem of women, but also to the general issue of well-being. Thus, by their agitation, women contributed greatly to the nationalist movements, and the eventual rise of the Niger Delta society and the Nigerian nation at large.

However, Niger Delta, women’s role in the political development of colonial Nigeria was not confined to participation in adhoc political agitation or what Afigbo (1991) called “nativistic agitation” but also participated in the formation of modern pressure group and political parties, though few in number. They helped to bring women’s and welfare matters in an organized manner to the enlightened public. They thus sensitized the enlightened public about the problems of women, suggested solutions and agitated for their implementation.

Conclusion

It is a well-known fact that women are versatile in the area of economic development of any society. Therefore, it is common place to observe that though palm oil production dominated the colonial economy, women also engaged in many other aspects of economic endeavours to give sustenance to the subsistence economy and economic stabilsation in the family. However, it is clear from our analysis above that though colonialism affected the most of traditional economy and particularly put paid to craft production, which was dominated by the women, the colonial economy was not hijacked by the men but was also a collective venture as women also featured visibly in all ramifications in the development of the colonial economy.

The hypothesis for this paper is that historical interruption and analysis of any kind may be generated by the attempt to resolve the dialectic between colonialism as an albatross to the status of women and their capabilities to play their roles in the development of societies. As a framework for analysis, we are compelled to contend that colonialism, as an albatross became the core engine in the domination of patriarchy to the Niger Delta. It follows therefore, that women in much of the Niger Delta lack support for fundamental functions of human life. They became more vulnerable to physical violence and sexual abuse. They were much less literate and still less provided with professional and technical education and therefore face greater and severe obstacles when they attempt to get employment. Similarly, they faced obstacles which often times impeded their effective participation in political life. Consequently, they lost their property rights, the rights of association, mobility, religious liberty, and lack opportunities to play and for the cultivation of their imaginative and cognitive faculties. All these unequal social and political circumstances originating from colonialism collectively gave women the background of unequal human capabilities.

Therefore, there is the compulsion to sum all these up by saying that colonialism did not treat women as ends in their own right (persons with dignity that deserves respect from law and institution). Instead, colonialism treated women as mere instruments of the ends of others — reproducers, caregivers, sexual outlets, agents of a family's general prosperity. Gender inequality is strongly correlated with poverty. When poverty combines with gender inequality, the result is acute failure of central human capabilities. There is a sense in which we can argue that there is a process of "feminisation" of poverty. Colonialism and the treatment of women as supporters of the ends of others, rather than as ends in their own rights, as a principle constituted a particularly critical force in the future of women lives and thus affected fundamentally the overall development of human society. However, there is a note of caution. In the face of these political, social, economic, administrative, and legal experiences, the women put up strong contention and challenged such colonial policies they considered obnoxious and in that contributed radically and fundamentally to a redirection of colonial administration as well as the overall development of their various societies.

References

Abarn I. (1983), Women and Community Development in CR8" Nigerian Chronicle, 2:9:1982.

Adebiyi B. (1971). "I'm Still Rehabilitating, says Ex-Woman MP Mrs. Ekpo" Daily Times, 10:7:1971, 12-13

Adeleke, H. E. (1994) Significance and Relevance of Gender Studies to History.

Adenyinka O. (1999)., "Problems and Constrains Facing Nigerian Women Industrialists: A Review" *Journal Of The Institute Of African Studies,* U. Special Issue, No. 4.

Aderinwale, A. (1997) (ed), Empowering Women for the 21st Century: The Challenges of Politics, Business, Development and Leadership, Ota; A & F, Publishers.

Aderinwale, A. (2001) (ed), *African Women's Forum: Women and Conflict Management in Africa*, Ota: A & F Publishers.

Afigbo, A. E, (1991) "Women in Nigerian History" In Martin 0. Ijere (ed) *Women In Nigerian Economy*. Enugu: Acena Publishers, 22-53

Agawal, B. (1986) *Cold Heart and barren Slopes: the Wood-fuel Crisis in the Third World*. New Delhi: Allied Publishers and Institute of Economic Growth.
Agowike, A, (1992) "Growth of Nigerian Womanhood: 31 years after" Daily Times. 17:02.
Akande, J, (1995) "Beijing Declaration and Platform for Action" Women, Law & Development Centre.
Alagoa, E. J (1992) "Queen Kambasa of Bonny" in Bolanle Awe's *Nigerian Women in Historical Perspective*. Lagos: HEB
Alagoa, E. J. (1964) *The Brave City-State: A History of Nembe-Brass in the Niger Delta*. Ibadan: University Press.
Alagoa, E. J. (1971) "The Niger Delta States and their Neighbours, 1600 — 1800" In J. F. Ade Ajayi and M. Crowder (eds); *History of West Africa* vol. 1. London: Longman.
Alagoa, E. J. (1972) *A History of the Niger Delta*. Ibadan: University Press.
Alagoa, E. J. (1984) "Towards a History of African Historiography" a paper presented at the 30" Annual Congress of the Historical Society of Nigeria, University of Nigeria Nsukka, March 26th - 29th.
Alagoa, E. J. and Tamuno, T N. (1980) *Eminent Nigerians of the Rivers State*. Ibadan: H. E. B.
Alele-Williams, G. (1988) "Towards Greater Understanding of Women in Management" *The Reporter*. Dec. 22.
Ali, A. M. (1991) "The Black Woman and the Problem of Gender: trails, triumph and Challenges" *The Guardian Lectures Series*.
Amangala, G. I. (1945) *A Short History of the Ijaw with Appendix*. Port Harcourt: Onyoma pub.
Appah, E. W. (1968) *Administrative Divisions of Rivers State*. Port Harcourt: Ernest Pub.
Awe, B (1992) (ed) *Nigerian Women in Historical Perspective*. Lagos: Sankore Publishers and Bookcraft Ltd.
Awe, B (2002) "Dr. Nina Mba 24th April 1944 — 14th Jan. 2002" A Publication of the African Gender Institute Issue I.
Awe, B (2002) "Writing Women into History": International Perspectives. London.
Awe, B, (1984) "Nigerian Women and Development in Retrospect" in J. L. Parpart (ed) *Women and Development in Africa*, New York: Larham, University Press of America.
Awoniyi, T. A. (1974) "Place of Women in Post-military Nigeria" *Daily Sketch*, 21:5.
Awortu, B.E & Michael, T.B. (2019). Politics in Pre-Colonial Niger Delta Reflections on the role and contribution of women. KIV Journal of Humanities 4 (4) 19-29.
Awortu, B.E. (2018). Analysing the role. Of women in early Niger Delta economy. *International Journal of Novel Research in Humanities and social sciences 5 (1).*
Ayres, R. (1995) (ed), *Development Studies: An Introduction Through Selected Readings*. Kent: Greenwich University Press.
Babangida, M, (1992) "Democracy and the imperatives of Women Participation in Politics" in J. A. A. Ayoada, Elone J. Nwabuzor and Adesina Sambo (ed) *Women and Politics in Nigeria*. 38-47.

Bakan, D. (1966) *the Duality of Human Existence: Isolation and Communion in Western Man*. Boston. Rudledge Pub.

Boserup, E. (1970) Women's Role in Economic Development. New York: Oxford Pub.

Bryson, J.O. (1981). Women and agriculture in Sub-Saharan Africa: Implication for development. An exploratory study in Niki Nelson (Ed.) *African Women in the Development Process*. England: Francan.

Coleman, S.C. (1986). *Nigrria: Background to nationalism.* Benin City: Boburg Wistrom.f

Dankelman, I. and J. Davidson, (1988) *Women and Environment in the Third World*. London: Alliance for the Future.

Derefaka, A.A. (2002). Indigenous technology in E.J. Alagoa & A.A. Derefaka (Eds.) *The Land and People of Rivers State: Eastern Niger Delta*. Port Harcourt: Onyoma Research Publications.

Dike, K. O. (1956) *Trade and Politics in the Niger Delta: 1830-1885*. Oxford: Claredon Press.

Djebah, O, (1998) "Izon Women, Monarch Speak on the Niger Delta Crisis" *The Guardian*. 16/11/1998, page 5.

Dolphyne, F. A. (1991) *The Emancipation of Women: An African Perspective*. Accra: Unity Press.

Dominic, L and Kelechi, O, (1999) "Politics and the Nigerian Woman" *The Punch*, 1:09.

Ejiogu, M, (1997) "Women in Transition" *The Vanguard*, 15:5.

Ejituwu, N. C. (1991) A History of Obolo (Andoni) in Niger Delta. Oron: Marson Publishing Co.

Ejituwu, N. C. (1998) (ed) *The Multi-Disciplinary Approach to African History: Essays in Honour of Ebiegberi Joe Alagoa*. Port Harcourt: University of Port Harcourt Press.

Ejituwu, N. C. and A. O. I. Gabriel, (2003) (Eds), *Women in Nigerian History: The Rivers and Bayelsa States Experience*. Port Harcourt: Onyoma Research.

Eyo, B. E, (1986) "Women in Constitutional and Political Development", a paper presented at the 1986 Media Women Seminar, MSS .Calabar, 27 — 28, Nov. Pg. 1-4.

Faseke, M. (2001). The Nigerian Woman, Her economic and socio-political status in time perspective. Ibadan: Agare Publications.

Gabriel, A. O. I. (1994) Matriliny and the status of Women in Degema Land" A paper presented at the 38th Congress of the Historical Association of Nigeria held at the A. B. U. Zaria, Kaduna State. 29th June.

Gabriel, A. O. I. (1994). "The Changing Role of Women in Rivers State: 1967-1993" A paper presented at the workshop of Women in Nigerian History: The Rivers State experience, organised by the Historical Society of Nigeria, Rivers State Branch at the University of Port Harcourt. 27th — 29th April, 1994.

Garba, P. K., Bola, A and Ifeoma, I.A (2001) (eds), *Women and Economic Reforms in Nigeria*. Ibadan: WORDOC.

Gerald, N. G. (1982) "Women in History" Interpretations of American History, vol. 11 Canada, Macmillan Press, 79.

Gogo, S (1975) "Madam Erinwo Wojowhor of lbaa" In Tamuno T. N, and Alagoa E. J. (eds). *Eminent Nigerians of the Rivers State*. Lagos: Heinemann Educational Books, Nig. Ltd.

Hargreaves, S.M. (1987). The Political economy of nineteenth century Bonny: A study of power, authority, legitimacy and ideology in Delta trading community from 1790-1914. A Ph.D thesis, University of Birmingham.

Horton R. (1975) "Ekinebo: A Forgotten Myth" *In Odum,.*

Houston, P. (1985) *Third World Women Speak out, Asian Women's Action and Research*. New York: Network Davao City.

Ijere, M. O. (1991) (ed), *Women in Nigerian Economy*. Enugu: Acena Publishers.

Ikpeme, B, (2003) "Are Nigerian Women Really in Politics?" *Women Public Life*, Vol. 5 Nos. 7 — 9.

Imam, A., Mama, A., and Sow, F., (1991) (eds), *Engendering African Social Sciences.* Dakar: CODESRIA.

Jaja S. O. (1986) "Women and the Rise of Nigerian Nationalism" a paper presented at the 1986 Media Women Seminar, MSS. Calabar, 27-28, Nov. Pg. 8-9.

James, N. O, (1998) Historiography" in the Teaching of History" In N.C. Ejituwu (ed), *The Multi-Disciplinary Approach to African History*. Port Harcourt: University of Port Harcourt Press.

Jones G. I, (1963) *The Trading States of the Oil Rivers*. Cambridge: University press.

Julius, O.U. (2012). Colonialism and the Liberation of Women in Esanland, Edo State, Nigeria in J. Mangut & T. Wuam (Eds.) *Colonialism and the Transition to Modernity in Africa*. Ibadan: Sam-Adex Printers.

Juschka, D. M. (2001) (ed). *Feminism in the study of Religion: A reader Continuum*. New York: Cambridge University press.

Karoye, S. and N. C. Anyadike, (2004) (eds), *Women in the Academy: Festschrift for Professor Hellen Chukwuma*. Port Harcourt: Pearl Publishers.

Kauffman, L. (1989). *Gender and Theory: Dialogues on Feminist Criticism*. Oxford Blackwell.

Kinsley, M, (1999) *West African Studies*. London: University Press.

Kolawole, M. M. (1998) "*Gender Perceptions and Developments in Nigeria*". Lagos: Arrabon Academic Publishers.

Ladipo, P, (1981) "Developing Women's Cooperatives: An Experiment in Rural Nigeria" *African Women In The Development Process.* Nici Nelson (ed) Port Harcourt: Frank Cass & Co. Ltd.

Lee, R. B. and Devere, I (1977). *Kalahari Hunter Gathered*. Cambridge: Harvard University Press.

Lee, R. B. and Devere, I. (1968). *Man the Hunter*. Chicago: Aldine.

Leith-Rose, S. (1939) *African Women*. London: University Press.

Leonard, A. G. (1906) *The Lower Niger and its Tribes*. London: University Press.

Lfeorna, I and Bola, U, "Bolanle Awe: Portrait of an Academic and Activist" WORDOC: U..

lrukwu, E. E., (1994) *Footprints — The Evolution of Nigerian Women*. Lagos: Talkback Publishers.

lsichei, E, (1983) *A History of Nigeria*. London: Essex.

Mana, A, (1996) “Concepts and Methods for Gender and Women’s Studies in Nigeria” Report of a workshop held at Kongo Conference Hotel, Zaria. Nov, 3.

Margaret, E: (1996) *A Political Biography by Women in Nigeria (Win)*.

Mba, N. E. (1982) *Nigerian Women Mobilized: Women’s Political Activity in Southern Nigeria, 1900-1965*. Berkeley: University of California.

Menka E, (2004) “*Its No Way To Reward Women In Politics African Woman*, February, Issue 18.

Nwabuzor E. J. (1992) “Profile of Women in Nigerian Politics during the Transition” In J. A. A. Ayoada, Elone J. Nwabuzor and Adesina Sambo (ed) *Women and Politics in Nigeria*. Lagos: Pearl Pub.

Nwosu, A, (1996) “Gender Equality” A paper presented at the International Federation of Women Lawyer (FIDA) Enugu State Branch, Annual Conference.

Nzenwunwa N. (1980) the Niger Delta Prehistoric Economy and Culture. Cambridge: Monographs in African Archaeology 1, BAR International Series.

Odejide, A. (1996) (ed), *Women and the Media in Nigeria*, WORDOC, Institute of African Studies, Ibadan.

Odom. I. (1982) “Nigerian Women and Politics in the 80s” *Nigerian Chronicle* 25:8.

Okoye, C. U. and Ijere, M. O. (1991) “Role of Better Life Programme in National Development, In Martin 0. Ijere (ed) *Women In Nigerian Economy*. Enugu: Acena Publishers pp.175— 183.

Oputa, C, (1989) “Women and Children as Dis-empowered Groups” Federal Ministry of Justice Law Review.

Orugbani, A. (1985) “Sacrificial Lambs or Heroines: Rivers Women’s Place in the Events of 1929”, (Proceedings of a National Symposium to mark the 60th Anniversary of the Women’s Uprisings in South-Eastern Nigeria, edited by P. Chike Dike. (N. G.A. Lagos), Pg. 117—129.

Orugbani, A. (1991) “Women in Development: The Task Ahead” in S.O. Jaja, B. E. Ndem and Kate (eds.) *Women in Development: Cross River Experience*. Calabar: Mosaic pub. , Pg. 111—123.

Pepple, A, (1992) “Women in the Nigerian Legislature” In J. A. A. Ayoada, Elone J. Nwabuzor and Adesina Sambo (eds) *Women and Politics in Nigeria*. Lagos: New world pub.

Plumwood, V. (1992). “Feminism and Eco-feminism: Beyond the Dualistic Assumption of Women, Men and Nature”, *The Ecologist*, Vol. 22, No. 1.

Sandy, P. R. (1981). *Female Power and Male Dominance: On the Origins of Sexual Inequality*. Cambridge: University Press.

Sorgwe, C.M. (1989). The impact of colonial rule in E.J. Alagoa & T.N. Tamuno (Eds.) *Land and People of Nigeria: Rivers State*. Port Harcourt: Rivers Side Communications.

SPDC Briefing Notes, “Promoting Women Development in the Niger Delta” *Shell Women Journal*. Nov. 2002.

Tamuno, T. (2000) *The Niger Delta Question*. Port Harcourt: Riverside Communications.

Uchendu, P. K. (1993) *The Role of Nigerian Women in Politics: Past and present*. Enugu: Fourth Dimension.

Unyo J, (1997).“Women in Politics” *The Guardian*, 3:30:, page 35

Wariboko, N. (2007). *Pattern of Institutions in the Niger Delta: Economic and Ethological Interpretations of History and Culture.* Port Harcourt: Onyoma Research Publications.