



Research Paper

# Effect of Corporate Financial Policy on Financial Performance of Listed Information and Communications Technology Firms In Nigeria

OtohabruBabajiru Bravo

Faculty of Administration and Law, Distance Learning Center,  
Ahmadu Bello University Zaria, Nigeria

KabiruJinjiriRingim

Ahmadu Bello University, Business School, Zaria, Nigeria

Halima Shuaibu

Faculty of Administration and Law, Distance Learning Center,  
Ahmadu Bello University Zaria, Nigeria

## Abstract

Numerous empirical studies have been conducted in an effort to investigate corporate financial policy in relation to various organizations' financial performances. However, most of the studies concentrated on listed firms of various sectors of the economy other than the information and communication technology (ICT) sector. Therefore, the objective of this study is to examine the effect of corporate financial policy on the financial performance of the listed ICT firms in Nigeria. The study adopted correlation and ex-post facto research design. The population of this study consists of all listed ICT firms in Nigeria. The Census sampling technique was employed. Multiple regression model based on pooled ordinary least square (OLS) robust test was adopted in analyzing the panel data obtained from audited financial statements of the listed sampled ICT firms for the period of years (2012- 2021). The study reveals that both long-term debt financing ratio (LDF) and equity financing ratio (EQF) has a positive and significant influence on the return on assets of the listed ICT firms in Nigeria. On the other hand, short-term debt financing ratio (SDF) has a negative but significant effect on the performance of listed ICT companies in Nigeria. Therefore, it is recommended that the management of the listed ICT firms in Nigeria may wish to consider the findings of this study as an alternative financial management policy by way of increasing the long-term financing ratio, and equity financing ratio and decreasing the short term debt financing towards improving the financial performance of the firms as appropriate.

**Keywords:** Long term debt financing, short term debt financing and equity financing ratio

Received 13 May, 2022; Revised 25 May, 2022; Accepted 27 May, 2022 © The author(s) 2022.

Published with open access at [www.questjournals.org](http://www.questjournals.org)

## I. Introduction

The growth and success of any organization always lie in its effective management decisions. Thus, financial managers deemed it necessary to ensure that the best strategy is applied and maintained in an effort to ensure effective financial decisions in their various organizations. However, financial managers and other stakeholders considered profitability as essential indicator of performance measurement in an ordinary business operation. Meanwhile, Amponsah, Michael and Hughes (2013) expressed that a firm profitability could be seen as shareholders' value or 'wealth'. And, Fabian, James and Moshi (2014) opine that profitability provides valuable tool for the evaluation of past financial performance as well as current financial position of a firm. In the opinion of Ross, Westerfiel and Jaffe (2009) profitable firms stand to maximize more shareholders wealth compared to the loss-making firms.

Today, the selected magnitudes of equity and debt ratio in financing our business operations are considered as corporate financial policy. Also, in his study Koech (2013) considered the corporate financial policy of an organization as the proportion of the organization's long term and short term debt as well as equity

financing. Furthermore, Chechet (2014) emphasized that corporate financial policy involves funds generation internally; such as retained earnings; resulting from success or profit earned during the business activities, and external sources of funds derivable from issuance of equity, outright borrowing in form of loans to other individuals who may be eligible for dividends as soon as surplus is declared. While, Pandey, (1999) sees corporate financial policy as percentage of short term debt and equity finances of an organization. In the same vain, Inanga and Ajayi (1999) termed corporate financial policy as the composition of long-term finances of various sources as well as equity financing only. Therefore, this research relied on the opinions of (Koech, 2013;&Chechet, 2014) respectively.

The existing affiliation between an individual firm's corporate financial policy and an organization's financial performance can easily be traced through some financial theories and several literatures of finance. Raihan and Duasa (2014) assert that equity ratio; total assets as well as debt to total assets have positive impacts on performance of the Jordanian Islamic banks. Also, in a quoted manufacturing firms in Nigeria Oladele, Omotosho and Adeniji (2017) established that corporate financial policy has a significant influence on return on assets, earnings per share and sales growth except for return on equity.

The sudden increase of the innovations as a result of the wider demand for information and communication technology (ICT) among the industrialized and economically advanced part of the world has been gradually transforming our society into technology based. Okinawa (2000) opines that ICT has revolutionized the way people live, learn, work and interact. Similarly, the adoption and integration of the ICT into business processes is increasing at a fast rate (Kamau, 2015). According to the sector performance review by Africa (2012) it was reveals that the fully liberalized and highly competitive Nigerian ICT market have experience sectorial growth of 35%, as well as sector's annual contribution of 6.73% to the GDP. Also, Adebay, Sanni, and Ilori (1999) explained how businesses activities changed with the contribution of ICT over the years. Oyebisi, Ilori, Ogwu, and Adagunnodo (2000) argued that the new millennium ICT adoption and diffusion have contributed immensely for the prospect and survival of the organizations that choose to overhaul their operations with ICT. Similarly, Vanguard Newspaper (2019) revealed that ICT sector contributed 13.85 of the Nigeria's GDP in the second quarter of 2019.

Therefore, looking at the significance contribution so far made by the ICT firms in Nigerian economy, there is an urgent need for their growth and expansion to enable them keeps space in the current global ICT market. Thereby utilize the advantage of the new market environment and to ultimately increase their profitability. This study intends to investigate the effect of corporate financial policy maintained by ICT firms in relation to their financial performance in Nigeria between year (2012-2021).

Furthermore, it is certain that the determination of the best financial policy in an ordinary business operation has been considered as an unsolved issue in accounting and finance literatures. Thus, some of these empirical studies yield different or mixed results; not mutually exclusive and sometimes opposed the results and conclusion (Rajan & Zingales 1995). Therefore, an optimal returns or profit is expected to be achieved with best capital mixed. Hence, it becomes necessary for every organization to maintain its optimal capital mixed in other to maximize best return from its business operation.

However, to the best of the researcher's knowledge little or no study was conducted with respect to corporate financial policy in relation to the financial performance of ICT firms in Nigeria, despite the widely published successes recorded from the ICT sector in Nigeria as shown in the report of their annual performance review over the years. Therefore, this study seeks to examine effect of corporate financial policy on performance of the ICT firms in Nigeria between (2012-2021). The study will also be anchored by profitability measured by return on assets (ROA) as dependent variable, while long term debt financing (LDF), short term debt financing (SDF) and equity financing ratio (EQR). And firm sized (FSZ) is used as control variable. However, there would be need to conduct similar study in another sector of Nigerian economy with a different range of periods. Hence, this study intends to concentrate on effect of corporate financial policy on performance of listed ICT firms in Nigeria for the period between year (2012-2021). Also, with regards to the main objective of the study, the researcher is committed towards achieving the following specifically objectives:

- I. To examines the effect of long-term debt financing on profitability of the listed ICT firms in Nigeria.
- II. To ascertain the effect of short-term debt financing on profitability of the listed ICT firms in Nigeria.
- III. To investigate the effect of equity financing ratio on profitability of the listed ICT firms in Nigeria.

Considering the objectives of the study, the following hypotheses have been formulated in null forms:

Ho<sub>1</sub>: long term debt financing yield no significant effect on profitability of the listed ICT firms in Nigeria.

Ho<sub>2</sub>: short term debt financing makes no significant effect on profitability of the listed ICT firms in Nigeria.

Ho<sub>3</sub>: equity financing ratio has no significant impact on profitability of the listed ICT firms in Nigeria.

This study focused on the listed ICT firms in Nigeria considering; long term debt financing ratio, short term debt financing ratio, and equity financing ratio in relation to financial performance of listed ICT firms in Nigeria, for the period of ten years (2012-2021).

The study has an important role to play in filling gap. Hence, serve as basis for financial decision making to managers that may wish to applied same strategy towards identifying the appropriate corporate financial policy mix for effective maximization of profit in their various organizations. Hence, they will recognize the link between the organization's corporate financial policy and their returns (profitability). Furthermore, the study will serve as a basis for financial policy making. And it will also serve as a reference for further research.

This paper is structured in to five sections which comprise the following; introduction of the work, review of the related literatures, methodology, discussion of the result of the data as well as discussion of findings and policy implications of the study.

## **II. Literatures**

### **2.1 Long -Term Debt financing and Profitability**

Abdulla (2017) discovered that long term debt to total assets has significant relationship with financial performance, in his study on corporate financial policy and performance of some quoted companies in Saudi Arabia between year (2004 –2012), using multiple regression based on ordinary least square. Karadeniz, Kandir, Balcilar, and Onal, (2009); and Heydar, Elham, Vahid, and Mohsen (2012) found positive but insignificant relationship between long term debt financing with financial performance. According to Ajibola, Wisdom and Ol (2018) there is adverse and insignificant relationship between long term debt financing and performance of listed manufacturing firms in Nigeria. But, if a similar study is conducted in a different sector the result would have been different.

### **2.2 Short -Term Debt Financing and Profitability**

Uwalamwa and Uadiala (2012) discovered that short term debts financing is significantly and positively related to financial performance of the quoted manufacturing firms in Nigeria. Besides, Abor (2005) emphasized that Ghanaian listed firms relied more on short term debt financing with an average of 52% and is significantly and positively affecting the profitability of Ghanaian listed firms. On the other hand, Siddik, Kabiraj and Joghee (2016) revealed that short-term debt obligation on total assets yield negative impact to the performance of Bangladesh bank, during year (2005–2014), using multiple regression based on ordinary least square. And it was reported that. In addition, Olokoyo (2013) found significant but negatively relationship between short-term debts and performance among Nigerian quoted companies. Therefore, the mixed results from the reviewed literatures may be attributed to the firm's differences in terms of their financial and operational policies. Since, the studies were conducted from different sector of the economy. There is a need to conduct another similar study in Nigeria.

### **2.3 Equity Financing and Profitability**

Chechet and Olayiwola (2014) affirmed that equity financing influences profitability positively, using panel data generated from the annual financial report of the listed companies in Nigerian stock change (NSE). A further, study by Akeem and Kayode (2014) reported that equity financing has a negative relationship to firm performance. Whereas, in a similar study by Kumai, and Bala (2015) it was established that there is an inverse relationship between the return on assets and equity finance of the listed deposit money bank (DMB) and equity financing of the listed DBM's in Nigeria for the period of ten years (2006-2015), using annual reports and accounts of some selected listed DBM's in Nigeria. A multiple regression was used in the study. However, if a similar study is to be conducted in same environment under different range of periods the result would have been different.

Therefore, considering the existing gap from the reviewed literature, the researcher deemed it necessary to focus on corporate financial policy in relation to the performance of the ICT firms in Nigeria for the periods between year (2012-2021). Thereby, contribute to the accounting and finance literature. Also, the study is underpinned by Pecking order theory.

## **III. Methodology and Model Specification**

This study employed a correlational and ex-post facto research design. Since, the study intends to investigate the effect of corporate financial policy on performance of listed ICT firms in Nigeria. Data were sourced from the annual financial reports of the sampled firms between the periods of year (2012-2021). The population of the study comprises of Seven (7) listed ICT firms in Nigeria. namely: ChamsPlc, Courteville Business Solutions Plc, CWG Plc, E- Tranzact International Plc, Omatek Ventures Plc, and Tripple Gee and Company Plc, NCR (Nigeria) Plc. A census sampling technique is considered suitable for the study where the

entire population is considered. The study also employed multiple regressions model based on ordinary least square for the analysis of the data collected through STATA 13 Version.

### 3.1 Model Specifications

A multiple regression model has been employed which encapsulates the contribution of long term debt financing (LDF), short term debt financing (SDF), equity financing ratio (EQR), and firm sized (FSZ) measured as natural log of total assets.

$$ROA_{it} = \beta_0 + \beta_1LDF_{it} + \beta_2SDF_{it} + \beta_3DQR_{it} + \beta_4EQR + \beta_5FSZ + v_{it}$$

Where:

ROA = Return on assets

it= Panel data subscript

$\beta_0$  = Intercept

$\beta_1$ - $\beta_5$  = Coefficient of the explanatory variable

LDF= Long term debt ratio over the period

STD = Short term debt ratio over the period

EQR = Equity debt ratio over the period

FSZ = Firm size

$v$  = error term of the model

## IV. Results and Discussions

This section discusses result descriptive statistics, correlation result, summary of regression result, policy implications and recommendations based on the findings.

**Table 4.1**

Descriptive Statistics

Variable	Min	Max	Mean	Std. Dev.
ROA	-0.305	0.519	0.18228	0.16993
LDF	0.002	0.217	0.05563	0.04901
SDF	0.182	0.609	0.43568	0.10691
EQF	0.389	0.747	0.62804	0.06701
FSZ	14.85	19.35	17.5951	1.1301

**Source: STATA output**

Table 4.1 The table contains reports of descriptive statistic for the dependents and independents variables where the dependent variable is represented by profitability measured as Return on Assets (ROA), while, independent variables include Long Term Debt Financing (LDF), Short Term Debt Financing (STD), Equity Financing Ratio (EQR) represents independents variables and Firm Size (FSZ) is considered as control variable. The profitability index is measured by ROA which shows the mean value of 0.18228 that indicates that ROA is approximately 18%. Also, it implies that average return on assets of the listed ICT firms in Nigeria is 0.18228 and it ranges between the -0.305 and 0.519 which represent the least and maximum value of the ICT firms, during the period of 2012-2021. On the other hand, the long term debt financing (LDF) has a minimum value of 0.002 and maximum value of 0.217 with standard deviation of 0.4900 which is not far from the mean value of .0556. This signifies that the variation among the data is reasonable, which also rendered the data more reliable. Also, the short term debt financing (SDF) shows an average value of .435, which is used in financing the operation of the ICT firms in Nigeria with a minimum value of about 18% and maximum of 61% respectively. In addition, the ICT firms have maintained average value of 0.62804 in its equity financing ratio (EQF) during the years under review.

Table 4.2  
The Correlation Matrix Table

Variables	1	2	3	4	5
1. ROA	1				
2. LDF	0.2208	1			
3. SDF	-0.0457	-0.1422	1		
4. EQR	0.1889	-0.2423	0.7205	1	
5. FSZ	0.4368	0.0034	0.0891	0.2034	1

Source: STATA output

From Table 4.2 the correlation between LDF and ROA of the listed ICT firms in Nigeria is positive as indicated by the correlation coefficient of 0.2208. Also, EQF, and FSZ have positive correlation with ROA at a coefficient of 0.1889 and 0.4368 respectively. However, the SDF which has a negative correlation to ROA with coefficient value -0.0457. This implies that the all the correlations are weak as far as the listed ICT firms in Nigeria are concern.

Table 4.3 below  
Summary of Pooled Ordinary Least Square Robust Regression Result

Variable	VIF	Tolerance
EQR	2.27	0.440795
SDF	2.1	0.476157
LDF	1.07	0.935767
FSZ	1.05	0.948344
R2		0.32
F-Stat		7.27
F-Sig		0.0001
Hetest Chi 2		0.0382
Hausman Chi		0.3685
Breusch- Pagan		0.1086

Source: STATA output

From the Table 4.3 above, it is reveals that variance inflation factors consistently indicating numbers below or less than ten (10) which indicates a complete absence of multicollinearity within the explanatory variables. Therefore, these indicate the fitness and suitability of the model with one explained variable, three explanatory variables and one control variable respectively. In the same vain, the tolerance values were consistently greater than zero (0) but, less than one (1) as appropriate. These also, further proved that there is nonexistence of multicollinearity between the explanatory variables (Tobachmel&Fidell, 1996). This report also shows cumulative R2 of 0.32 which is the multiple coefficient of determination that gives the percentage of the entire variation in the ROA that is jointly explained by the independent variables; EQR SDF, LDF and FSZ respectively. This also implies that the model of the study has captured about 32% of total variation in profitability of the listed ICT firms in Nigeria, whereas the remaining 68% is been explained by other factors not captured in the model of the study. Also, the F-statistics is 7.27. This shows that the model of the study is fit and the explanatory variables are properly selected. This is also confirmed by one percent (0.0001) **F. Sig** value. While, the Hausman specification test for fixed and random effect result reveals Chi- square probability of 0.3685 which implies that the result was not significant. Thus, there is need to conduct further test to determine the appropriate model to be used. Finally, the Breusch and Pagan Lagrangian Multiplier (L.M) Test for Random Effects result reveals Chi- square probability of 0.1086 which implies that the result was not significant. But, with the present of heteroscedasticity the result proposes that the original OLS regression will not be suitable for interpreting the study. Thus, the pooled ordinary least square was to be selected as the best model. Accordingly, due the presence of heteroscedasticity, robust ordinary least square was run and the result was interpreted as the best fit model in the study as shown below.

Table 4.4 below  
Summary of Pooled Ordinary Least Square Robust Regression Result

Variable	Coefficient	t- values	P-Values
Constant	-1.31800	-3.73	0.000
LDF	0.94998	3.02	0.004
SDF	-0.558	-2.65	0.01
EQR	1.09302	2.77	0.007
FSZ	0.05707	2.95	0.004

Source: STATA output

#### **4.1 Long Term Debt Financing and Profitability**

From table 4.4 above, the long-term debt financing shows a beta value of 0.9499 with P- value of (0.004) at 1% level of significant. This signifies that the long-term debt financing is positively and significantly influencing profitability of the listed ICT firms in Nigeria. This revealed that for every one Naira (₦1) increase in long term debt financing there will be an increase on the profitability by 95%. This ultimately provides an evidence for not accepting null hypothesis of the study which expresses that long-term debt financing has no significant influence on the profitability of listed ICT companies in Nigeria. However, the result does not conform with the outcome of (Macharia, 2016). Thus, the result thereby supports the underpinning theory.

#### **4.2 Short Term Debt Financing and Profitability**

From the table 4.3 above, short term debt financing result displays a negative relationship with a P - value of 0.01 and is significant at 5% and a beta value of -0.558. This revealed that for every one Naira (₦1) increase in short term debt financing there will be a decrease on the profitability by 56%. This gives a suggestion for rejecting null hypothesis of the study. Hence, the result is in conformity with result of (Toraman & Kihc, 2013; Salim & Yadav, 2012) but, in contrast with the findings of (Kadir, 2017). However, the result is not totally in support of the pecking order theory.

#### **4.3 Equity Financing Ratio and Profitability**

From the table 4.3 above, equity financing ratio possess a P- value of 0.007 at 1% level of significant and a beta value of 1.093 which reveals that equity financing ratio is positive and significantly influencing profitability of the listed ICT firms in Nigeria. This further suggests that the null hypothesis of the study will be rejected. This result conformed with the study of (Chechet, 2014). Thereby contradict the result of (Akeem et al., 2014). Meanwhile, the result is not in agreement with pecking order theory considering the good impression of people towards the general performance of the ICT.

### **V. Conclusions and Recommendations**

This paper investigates the effect of corporate financial policy on performance of listed ICT firms in Nigeria. It was found that both long term debt financing ratio (LDF) and equity financing ratio (EQF) have positive and significant influence on return on assets of the listed ICT firms in Nigeria. On the other hand, short term debt financing ratio (SDF) has negative but significant effect on performance of listed ICT companies in Nigeria. Therefore, it is recommended that the management of the listed ICT firms in Nigeria may wish to consider the findings of this study as an alternative financial management policy by way of increasing the long term financing ratio, and equity financing ratio and decrease the short term debt financing towards improving the financial performance of the firms as appropriate.

### **Reference**

- [1]. Abdulla, Y. (2017). International Journal of Islamic and Middle Eastern Finance and Management Article information : Corporate financial policy in a tax-free economy : evidence from UAE. *International Journal of Islamic and Middle Eastern Finance and Management*, 10(1).
- [2]. Abor, J. (2005). The effect of corporate financial policy on profitability : an empirical analysis of listed firms in Ghana. *The Journal of Risk Finance*, 6(5), 438–445. <https://doi.org/10.1108/15265940510633505>
- [3]. Adebay, J. O. Sanni, S.A and Ilori, M. (1999). ' The impact of ICT on product Market Innovation. Else Science Ltd., 58–100.
- [4]. Africa, R. I. (2012). *Research ICT Africa*. Net. Abuja.
- [5]. Ajibola, A., Wisdom, O., & Ol, Q. (2018). Corporate financial policy and financial performance of listed manufacturing firms in Nigeria. *Journal of Research in International Business and Management*, 5(August), 81–89.
- [6]. Akeem, L. B., K, E. T., Kiyanjui, M. W., & Kayode, M. (2014). Effects of corporate financial policy on firm ' s performance : Empirical study of manufacturing companies in Nigeria. *Journal of Finance and Investment Analysis*, 3(4), 39–57.
- [7]. Amponsah, A., Michael, A., & Hughes, N. D. (2013). The effects of corporate financial policy on profitability of listed firms in Ghana. *European Journal of Business and Management*, 5(31), 215–230.
- [8]. Barton, S. L. N. C and S. S. (1989). An empirical test of stakeholder theory predictions of capital. *Financial Management*, 18(1), 36–44.
- [9]. Chechet, I. & O. (2014). Corporate financial policy and profitability of Nigeria quoted firms. The agency cost theory perspective. *American International Journal of Social Science*.
- [10]. Chechet, I. L. (2014). Corporate financial policy and profitability of Nigerian quoted firms: The agency cost theory perspective. *American International Journal of Social Science*, 3(1), 139–158.
- [11]. Fabian, E., James, K., & Moshi, J. (2014). Corporate financial policy and Firm Performance : Evidences from Commercial Banks in Tanzania, 5(14), 168–179.
- [12]. Heydar, M.S., Elham, G., Vahid, T.K., & Mohsen, A. K. (2012). Corporate financial policy and firm performance: Evidence from Tehran stock exchange., 225–228.
- [13]. Inanga, E., L., and Ajayi, C. A. (1999). *Accountancy Lagos: The CIBN Press limited*.
- [14]. Kadir, S. (2017). The impact of corporate financial policy on firm's performance: Empirical evidence from private manufacturing companies of Amhara regional states of Euthiopia. *Research Journal of Finance and Account*. 8(11), 1-34.
- [15]. Kajanathan, R. and P. N. (2013). Corporate financial policy and its impact on firm performance: A study on Sri Lankan listed manufacturing companies. *Merit Research Journal of Business and Management*, 1(12), 037–044.
- [16]. Kamau, M. J. (2015). Information communication technology and performance of commercial banks in Kenya. A research project

- submitted in partial fulfillment of the requirements for the award of the degree of masters of business administration school of business university of N.
- [17]. Karadeniz, E., Kandir, S.Y, Balcilar, M. & Onal, Y. . (2009). Determinants of corporate financial policy: Evidence from Turkish lodging companies. *International Journal of Contemporary Hospitality Management.*, 21(5), 594–609.
- [18]. Koech, K. S. (2013). The effect of corporate financial policy on profitability of financial firms listed at Nairobi stock exchange. Kenyatta university.
- [19]. Kumai, B. J., and Bala, H. (2015). Equity formation and financial performance of listed deposit money banks in Nigeria. *European Journal of Accounting, Auditing and Finance Research.*
- [20]. Lama Tarek Al-Kayed Sharifah Raihan Syed Mohd Zain Jarita Duasa. (2014). The relationship between corporate financial policy and performance of Islamic banks. *Journal of Islamic Accounting and Business Research*, 5(2), 158–181. <https://doi.org/10.1108/JIABR-04-2012-0024>
- [21]. Macharia, M. (2016). The relationship between corporate financial policy and profitability of construction and allied firms listed at the Nairobi securities exchange. A thesis presented in partial fulfillment of the requirements for the award of the degree of master of business.
- [22]. Meero, A. A. (2015). The relationship between corporate financial policy and performance in Gulf countries banks: A comparative study between Islamic banks and conventional banks. *International Journal of Economics and Finance*, 7(12), 1916–9728.
- [23]. Nwude, E. C., Itiri, O. I., Agbadua, O. B., U. N. S. (2016). The impact of debt structure on firm performance: Empirical evidence from Nigerian quoted firms. *Asian Economic and Financial Review*, 6(11), 647–660.
- [24]. Okinawa, C. (2000). “Global Information Society by the Office of International Information Programs”.
- [25]. Oladele A., S., Omotosho O., & Adeniji D., S. (2017). Effect of corporate financial policy on the performance of Nigerian listed manufacturing firms. *European Journal of Business and Management.*, 9(7).
- [26]. Olokoyo, O., F. (2013). Corporate financial policy and corporate performance of Nigerian quoted firms: a panel data approach. *African Development Review*, 25(3), 358–369.
- [27]. Onimisi N., A. (2010). Effect of corporate financial policy on the performance of quoted manufacturing firms in Nigeria.
- [28]. Oyebisi, T.O, Ilori, M.O, Ogwu, L.O and Adagunmodo, E. R. (2000). Study on the assimilation of information technology on selected banks and insurance firms in Nigeria., *Nigeria Financial Review*, 9(1), 57–69.
- [29]. Pandey. (1999). *Financial management* (10th ed.). New Delhi: VIKAS Publishing House PV.
- [30]. Rajan, R.G and Zingales, L. (1995). What do we know about corporate financial policy? Some evidence from International Data. *International Journal of Finance*, 50(50), 1421–1460.
- [31]. Ross, W. (2009). *Fundamental of corporate finance*. (9th, Ed.).
- [32]. Salim, M., & Yadav, R. (2012). Corporate financial policy and Firm Performance : Evidence from Malaysian Listed Companies. *Procedia - Social and Behavioral Sciences*, 65(ICIBSoS), 156–166. <https://doi.org/10.1016/j.sbspro.2012.11.105>
- [33]. Seid, K. (2017). The impact of corporate financial policy on firm performance : Empirical evidence from private manufacturing companies of amhara regional state of Ethiopia. *Research Journal of Finance and Accounting*, 8(11), 24–34.
- [34]. Shaba Y., Yaaba N., B. & A. I. (2016). Corporate financial policy and profitability of deposit money banks: empirical evidence from Nigeria. *European Journal of Business and Management.*, 8(23).
- [35]. Siddik, A., N., Kabiraj., S & Joghee., S. (2016). Impacts of corporate financial policy on performance of banks in a developing economy: evidence from Bangladesh. *International Journal of Financial Studies*.
- [36]. Titman, S. and W. R. (1988). The determinants of corporate financial policy choice. *Journal of Finance*, 43(1), 1–19.
- [37]. Toraman, C., Kihc, Y., R. S. . (2013). The effects of corporate financial policy decisions on firm profitability: evidence from Turkey. *International Conference on Economic and Social Studies*.
- [38]. U., Uwalamwa, and O., M, U. (2012). An empirical examination of the relationship between corporate financial policy and financial performance of firms in Nigeria. *European Economic*, 1(31).