

**DETERMINANTS OF DIVIDEND POLICY IN SELECTED QUOTED
NIGERIAN MANUFACTURING COMPANIES**

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NIGERIAN MANUFACTURING COMPANIES**

BY

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**A DISSERTATION SUBMITTED TO THE SCHOOL OF
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FINANCE, COLLEGE OF MANAGEMENT AND SOCIAL SCIENCES,
COVENANT UNIVERSITY.**

JULY 2022

ACCEPTANCE

This is to attest that this dissertation is accepted in partial fulfillment of the requirements for the award of the degree of Master of Science (Finance) in the Department of Banking and Finance College of Management and Social Sciences, Covenant University, Ota, Nigeria.

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DECLARATION

I, EZEH, UGOCHI LUCY (20PAG02129) declares that this research was carried out by me under the supervision of Prof. Ochei A. Ikpefan of the Department of Banking and Finance, College of Management and Social Sciences, Covenant University, Ota, Nigeria. I attest that the dissertation has not been presented either wholly or partially for the award of any degree elsewhere. All sources of data and scholarly information used in this dissertation are duly acknowledged.

EZEH, UGOCHI LUCY

Signature and Date

CERTIFICATION

We certify that this dissertation titled “Determinants of Dividend Policy in Selected Quoted Nigerian Manufacturing Companies” is an original research work carried out by EZEH, UGOCHI LUCY (20PAG02129) in the Department of Banking and Finance, College of Management and Social Sciences, Covenant University, Ota, Ogun State, Nigeria under the supervision of Prof. Ochei A. Ikpefan. We have examined and found this work acceptable as part of requirements for the award of Master of Science in Finance.

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DEDICATION

This dissertation is dedicated to God Almighty, who in his infinite mercies granted me the grace, wisdom, knowledge and understanding to complete this research project, and to my ever supportive family for their abundance of love and prayers.

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LIST OF ABBREVIATIONS

DPR	Dividend Payout Ratio
DPS	Dividend per Share (DPS)
EBIT	Earnings before Interest and Tax
EAT	Earnings after Tax
EPS	Earnings per Share
FEM	Fixed Effect Model
GDP	Gross Domestic Product
LIQ	Liquidity
P/E Ratio	Price-To-Earnings Ratio
REM	Random Effect Model
ROE	Return on Equity
SEC	Securities and Exchange Commission
TAS	Total Assets
VIF	Variance Inflation Test

ABSTRACT

This research study examined the major determiners of dividend policies of manufacturing organizations in Nigeria. One main objective of this research was discovering how determinants like earnings, liquidity, economic state, plus total assets of the organizations significantly impact all dividend payout ratios of quoted manufacturing organizations in Nigeria. Twenty listed manufacturing organizations were chosen using a simple random sampling method and secondary data was gathered utilizing their financial statement from 2011 till 2020. The fixed effect plus the random effect regression analysis were utilized to estimate all gathered data while other post estimation techniques like the Hausman estimation was used to select between the two estimations that was a best fit for the study. The Hausman estimation selected the fixed effect regression. Therefore, findings from the fixed effect regression showed that earnings and state of the economy were positively significant in impacting dividend payout ratio. Total asset was negatively significant while liquidity was not significant in impacting dividend payout ratio. The research hence recommended, amongst others, that Nigerian manufacturing organizations must build and manage their total assets effectively and efficiently as this would determine and influence their dividend policy decisions.

Keywords: Dividend Policy; Dividend Payout Ratio; Earnings; Liquidity, Manufacturing companies