Uwuigbe, O.R (2010) Directors’ Equity Interest and Financial Performance of Banks in Nigeria. *The Nigerian Accounting Horizon, Vol. 3, no.1&2,pp. 137-146,* University of Jos

The relationship between equity ownership of directors and firm performance has then been the subject of important and ongoing debate in the corporate governance literature. This paper therefore, studied the relationship between the proportion of directors’ equity interest and financial performance of listed banks in Nigeria. The random effect model of the panel data regression analysis was used in analysing the relationship. The study observed that a positive and significant relationship exists between the measured variables. The study concludes that the more equity the directors own in a bank, the better their return on equity. It is therefore recommended that directors’ equity ownership should be encouraged so as to create better management monitoring on the part of the board and hence improved results.