INVESTMENT DECISIONS AND PERFORMANCE OF QUOTED MANUFACTURING FIRMS IN NIGERIA

Dr. Chinwe Gloria Odum[1]
cg.odum@unizik.edu.ng
Accountancy Department,
Nnamdi Azikiwe University, Awka

&

Dr. Patricia Chinyere Oranefo[2]
Pc.oranefo@unizik.edu.ng
Accountancy Department,
Nnamdi Azikiwe University, Awka

ABSTRACT

The study examined how investment decisions affect the performance of manufacturing firms quoted on the Nigerian Stock Exchange (NSE). The study used Corporate Tax, Interest Rate and Expected Return on Investment as the proxies of Investment Decisions, while Market Value was used as the index for Firm Performance. The study adopted an ex-post facto research design. The target population of the study was 20 manufacturing firms that were listed under the consumer goods sector of the NSE as at 31st December, 2020. The study employed the non-probability technique in obtaining the sample size. For the purpose of this study, only consumer goods manufacturing firms that had complete financial data from 2011-2020 and were consistently listed during those periods were included in the sample size. Descriptive statistics such as mean, standard deviation, minimum and maximum value was used in data analysis. Hypotheses of the study were tested using Ordinary Least Square multiple regression analysis at 5% level of significance. The findings of the study revealed that Corporate Tax has a significant effect on Market Value, Interest Rate has no significant effect on Market Value and Expected Return on Investment has no significant effect on the Market Value of Quoted Manufacturing Firms in Nigeria. Based on the findings, the study recommended that managers of consumer goods firms should meticulously evaluate investment proposals in terms of expected return and risk.

Key words: Investment Decisions, Corporate Tax, Interest Rate, Market Value.

1. INTRODUCTION

A range of a firm's strategy is linked to investment, which is a sacrifice made for the sake of future returns, with the common goal of increasing the investor's wealth through time (Ebiekwa & Igbanibo 2020). Capital budgeting is basically deciding how to invest available cash in long-term assets with a high rate of return on investment, which is basically investment decision. A firm's investment decisions can be studied more effectively if cash management is maintained. Investment considerations for the long-term asset include expansion, acquisition, modernization, and replacement. To sell a division or company is an investment decision, as well. A company's long-term expenditures and benefits are impacted by a variety of factors such as changes to distribution techniques, advertising campaigns, and research and development programs, among others. Long-term investments nearly always require a large amount of cash in current assets like inventories and receivables. This is important to keep in mind investments in both fixed and current assets are, thus, interchangeable terms. The procurement of new products and the introduction of a new form of manufacturing activity necessitate the expansion of a new business. In order to expand, a corporation may choose to make acquisitions of other businesses. Wealth augmentation can only be achieved through investment decision making, which begins with the identification of an investment-related issue or opportunity and ends with the approval of an investment project (Boonstra, 2003). This approach comprises looking into the future and considering a wide range of factors in order to meet specific objectives (Chandra, 2008). An investment plan's decision-making process is influenced by a variety of factors. Savings or borrowing can be used to fund investments, depending on the interest rate. This means that interest rates have a big influence on investment. Borrowing at high interest rates results in a large opportunity cost for investment since the interest payment is missed. Capital's marginal efficiency dictates that an investment must yield a higher return than the interest rate paid on it in order to be considered profitable. It is necessary that an investment project's return rate be at least 5 percent when interest rates are at the current 5 percent level. There will be fewer profitable investments as interest rates rise. A well-known fact is that corporation taxes can distort investment strategies by reducing new investments' net after-tax profits.

When it comes to a business firm's performance, the concept of an organization is based on the idea that an organization is a voluntary alliance of productive assets including human, physical and financial resources, all working together toward a common objective (Alchian & Demsetz, 1972; Barney, 1995; Carton, 2004). Performance is defined as the ability to create value. The vast majority of companies are always on the lookout for new ways to improve their results. The winning card is held by those who seek to establish, achieve, and maintain high levels of performance. Understanding and monitoring performance in an ever-changing environment is essential. As a result, business leaders and academics have always been interested in evaluating how well companies function. Return on asset and return on equity were used to evaluate business success in an investigation of the impact of investment decisions on firm's performance by Adekunle (2009) as a proxy for capital structure. The study's findings revealed that a company's financial success is adversely affected by its debt ratio. The study did not examine other investment possibilities, such as the effect of internal cash flow available. No known empirical research has been done in Nigeria, to the best of the researchers' knowledge, to examine the impact of investment decisions on the performance of quoted manufacturing firms from 2011 to 2020 using evidence from their audited annual report. Its aim is thus to fill in the gaps in our understanding of how investment decisions affect company performance by examining how the expected return on investment, corporate tax, and interest rate are proxies for investment decisions.

Objectives of the study

The broad objective of this study is to gain a deeper understanding of how investment decisions affect the performance of quoted manufacturing firms.

The specific objectives are to:

1. Determine the effect of corporate tax on the market value of quoted firms
2. Examine the effect of interest rate on the market value of quoted firms
3. Establish the effect of the expected return on investment on the market value of quoted firms

Research questions

1. How does corporate tax affect the market value of quoted firms?
2. To what extent does interest rate affect the market value of quoted firms?

3. To what extent does expected return on investment affect the market value of quoted firms?

Research hypotheses

This study is guided by the following hypotheses:

1. Ho : Corporate tax has no significant effect on the market value of quoted manufacturing firms in Nigeria.

2. Ho : Interest rate has no significant effect on the market value of quoted manufacturing firms in Nigeria.

3. Ho : The expected return on investment has no significant effect on the market value of quoted manufacturing firms in Nigeria.

2. REVIEW OF RELATED LITERATURE

Conceptual review

Investment decisions

Any business activity or decision that involves the commitment of resources with the purpose of maximizing the value of the resources committed within a given period is referred to as an investment. Strategic decisions and a capital spending strategy are part of investment activity. These include, among other things: funding, product creation, research and development, and risk management measures (Chikwendu, 2021). Investment choice is essentially capital budgeting in which the corporation decides how to invest its available funds in efficient long-term assets with a high rate of return on investment. The impact of investment decisions is measured using the discounted cash flow method, which is defined as the net present value of cash flows minus the firm's beginning cash flow (Ondari & Muturi, 2018).

Corporate tax, estimated investment returns, and interest rate are the variables considered in investment decisions. The following are some of the studies that have been conducted utilizing these variables by other researchers: Jacob, Michealy, and Muler (2017) argue that taxes has a negative impact on a firm's investment policy by examining the impact of taxation on corporate investment decisions. The relationship between dividend policy and return on investment of selected Nigerian listed manufacturing firms was investigated by James and Iwedi (2020). In Nigeria, Olaniyan, Adegboyo, Owoniya, and Babajide (2020) looked at the impact of interest rates and economic growth on a firm's investment decision. The study discovered that interest rates and investment decisions are weakly associated, implying that there is no substantial

evidence to demonstrate that interest rates and investment decisions have an empirical relationship.

Corporate tax

To a greater extent, taxes influence investment decisions in an economy (Edame & Okoi, 2014). As such, it is imperative that decision makers, especially in the business world, must be able to manage any complexity in the existing tax system. This is because the complexities of taxes in business have the tendency of endangering investment decisions at every point in time, if such complexities are not strategically managed (Ibanichuka, Akani & Ikebujo, 2016). Leveraging on the dynamics of an effective tax rate is one of the ways the complexities in taxation can be managed without negatively impacting on investment decisions (Dagogo & Daibi, 2015). Effective tax rate is often used by policy makers to ensure that the effect of tax complexities on investment decisions is drastically reduced. It has been observed that long term planning on taxation is always very difficult in many developing countries, due to the fact in most of them, reviews of tax laws are not clearly written and are also subject to review on a frequent basis (Pogge & Mehta, 2016). According to Olaleye, Riro and Memba (2016), taxation has been used on several occasions to stimulate saving and/or income redistribution in many countries of the world. Depending on the nature of tax, taxation may have either a negative or positive effect on an individual and an organization at large. With a high marginal rate of tax, in excess of 50%, tax will be a hindrance to work; while a low marginal rate of tax will be an incentive to work (Olaleye, Riro & Memba, 2016).

Expected return on investment

The expected return on an investment is the profit (or loss) that an investor expects from a particular investment, as defined by the expected rates of return (The Business Professor, 2021). Investors can calculate the expected rate of return by multiplying the investment's potential outcomes by the chance of those possibilities occurring. When it comes to an investment portfolio, the expected return is calculated by matching the investment weights to the expected returns. Typically, a projected return is calculated by taking the weighted average of recent investment results. This demonstrates that, depending on the circumstances that develop over the investment period, the expected return computed for the investment may not be achievable. The projected return is computed not just for single investments but also for investment portfolios. In

this situation, the expected return is the projected rate of return on the portfolio's investments (The Business Professor, 2021).

The projected rate of return has a big disadvantage in that it is not wise to make investment decisions solely based on expected returns. This is because the predicted rate of return is only based on past data and so cannot be guaranteed. An investment's predicted return is not an adequate criteria for determining whether it will make money or lose money (The Business Professor, 2021).

Interest rate

The interest rate is the amount charged by a lender to a borrower for the use of borrowed funds, represented as a percentage of the principal (Olaniyan, Adegboyo, Owoniyan & Alaketu, 2020). It's usually expressed as a percentage of the amount borrowed (principal) for a year or whatever time period the lender and borrower agreed on when the loan was taken out. The interest rate is the percentage of the principal that is paid as a fee over a period of time. It's more accurately described as lease payments for borrowers' utilization of credit and lenders' return to get rid of liquidity over time (Olaniyan, et al., 2020).

Firm performance

Depending on the goals and expectations of the users of the information supplied, performance has been viewed from a variety of angles (Owolabi, 2018; Owolabi, Adegbie & Ogan, 2020). Mohamud (2018) defined performance as a measure of a company's position over a particular time period in order to determine how efficiently it uses its resources. It reveals the organization's ability to stay in business in order to achieve the objectives of diverse stakeholders. One facet of a company's performance is efficiency measurement. Efficiency can be measured in terms of maximization of output, cost minimization, or profit maximization. In general, performance is used as a general measure of a company's overall health throughout time, and it can be used to compare similar companies in the same industry or to compare industries or sectors in aggregate. (2020, Olaoye, Soetan, and Olusola) The generation of value is regarded to be the essence of performance.

Market value

The market value of an asset, or the value that the investment community places on a certain equity or firm, is the price that it would fetch in the marketplace. The market capitalization of a publicly listed firm is derived by multiplying the number of outstanding shares by the current

share price, and is known as market value. However, evaluating the value of illiquid assets such as real estate and enterprises, which may demand the involvement of real estate appraisers and company valuation experts, respectively, is the most difficult part of calculating market value (Investopedia 2020).

Theoretical framework

Neoclassical theory of investment

D.W. Jorgenson created the neoclassical theory in 1963. The neoclassical investment theory is founded on the idea that enterprises will pursue profit maximization (Samuel, 1996) and that management will attempt to maximize the firm's current net worth. As a result, an investment project should only be done if it increases the value of the stock (Tobin, 1969 as quoted by Yoshikawa, 1980). According to Danielson and Scott (2006), corporations will make a series of investment decisions that maximize shareholder wealth. As a result, the rule is to invest in those initiatives with a positive net present value while rejecting those with a negative net present value. The neoclassical model of optimum capital accumulation can be obtained by maximizing the firm's current value, the integral of discounted profits, or simply maximizing profit at each point in time (Jorgenson, 1967; Eklund, 2013). According to Danielson and Scott (2006), there are two assumptions in the theory of investment decisions: first, the primary purpose of a firm's shareholder is to maximize firm value; and second, a firm has access to ideal financial markets, allowing it to finance all value-enhancing initiatives.

Businesses can utilize a variety of investment factors when making investment decisions. There are two types of cash flow criterion: discounted cash flow criteria and non-discounted cash flow criteria (Pandey, 1976). Net Present Value (NPV), Internal Rate of Return (IRR), Modified Internal Rate of Return (MIRR), and Profitability Index are the methods used in the discounted cash flow criteria. The following are the non-discounted cash flow methods: Pay Back (PB) and Accounting Rate of Return (ARR) (ARR). This research is based on the Neoclassical Theory of Investment since it concerns investments in initiatives that will raise the firm's worth.

Investment decisions and performance of firms

The performance of the firm and the company's growth are inextricably linked. Firm performance (profitability) is widely regarded as a crucial indicator for a company's long-term viability and success (Fareed, Ali, Shhzad, Nazir & Ullah, 2016). Many of the reasons that contribute to business failure may be addressed utilizing strategies and investment decisions that

drive growth and the attainment of organizational objectives, therefore the importance of investment decisions on firm success cannot be overstated (Machuki 2014). The best investment decisions will result in optimal performance, sending a favorable signal to investors and increasing the stock price and value of the company.

Empirical review

Njogo and Aderogba (2021) used the Pool Ordinary Least Square Method on secondary data to examine the effect of investment decisions on the performance of 20 selected firms listed on the Nigerian Stock Exchange. Return on Asset (ROA) was the dependent variable for the independent variables Leverage, Liquidity, and Investment Decisions. Financial leverage has a favorable impact on Return on Asset, but investment decision and liquidity have a negative impact on Return on Asset. Furthermore, there is a high and positive association between liquidity and investment decision (R=.0960), and also between financial leverage and liquidity (R=.0144), but a negative correlation between financial leverage and investment decision (R=-.012).

When it comes to some Nigerian quoted manufacturing enterprises, James & Iwedi (2020) looked at the link between dividend policy and return on investment. The Stock Exchange Fact Book and financial statements of the mentioned manufacturing companies were used to gather multidimensional data. The E-view software application was used to perform ordinary Least Squares regression analyses. The study's findings demonstrated that the return on investment is positively and insignificantly related to the dividend payout ratio, the retention ratio, and the dividend yield.

Researchers Sitompul and Nasution (2020) did a study to examine the impact of parameters such as net profit, dividends and debt, as well as cash flow and net working capital, on the investment decisions of manufacturing enterprises. From 2017 to 2019, the Indonesia Stock Exchange listed 35 manufacturing companies. Using a purposive sampling strategy, 24 companies were included in the study. In SPSS, multiple linear regression tests were used to analyze the data. The study's findings show that the investment decisions of manufacturing enterprises are influenced simultaneously by variable net income, dividends, debt, cash flow, and net working capital. Only a small portion of investment decisions are influenced positively by dividends and debt; the rest are influenced positively but not significantly by variable net income, cash flow and net working capital;

Capital structure at the firm level was analyzed by Hundal et al. (2020) to see if it had an impact on investment and performance. There were 146 samples obtained in Finland, Sweden, Denmark, and Norway from the Nasdaq OmXNordic Stock Exchange. Analysis methods employed included the multivariate ordinary least square approach and factor analysis. Investment and firm performance are affected by the financing of firms, according to the findings. Intangible investments are unfavorably affected by the business of directors and the size of the board, whereas the education of directors is positively affected.

Nofal (2020) studied the effects of each company's marketing and R&D investments on market share and asset returns. To conduct panel analysis with generalizing estimation equations, a sample of 10,197 publicly traded firms in both America and the United Kingdom was taken over the course of 18 years. Pooled Ordinary Least Square models were utilized in statistical tests. The findings showed that both R&D and marketing investments had a favorable impact on the bottom line of the company.

Investing decisions made by public sugar companies in western Kenya were examined by Ondari and Munturi (2018). The research was conducted using a survey method. A total of 2,284 people from the six sugar firms were included in the research. The study used descriptive and inferential statistics to determine the appropriate sample size. Using frequencies, mean, mode, median, and standard deviation, descriptive statistics were used. Using regression analysis and ANOVA, we were able to determine the correlations between the variables under study financial performance of sugar enterprises improved by 4.466 magnitude strength when investment in production was taken into account, according to the study. Financial assets are regarded as having minimal effect on sugar company financial performance by respondents at 2.928 mean weights, but distribution chain investment has a moderate effect on the financial success of sugar companies.

3.METHODOLOGY

The ex-post facto research design was used to examine the impact of an investment choice on market value in this study. All consumer products manufacturing companies listed on the Nigerian Stock Exchange between 2011 and 2020 are included in the study. 20 manufacturing companies are listed on the Nigerian Stock Exchange's daily stock list as of December 31, 2020, within the NSE's consumer products category. In Appendix I of this report, you will see the study's sample size. Non-probability sampling is used to determine the study's sample size. Samples are drawn from the population using this method. Only consumer goods manufacturing

companies that have comprehensive financial data from 2011 to 2020 and have been consistently listed over that time period are included in the sample size for this study. Appendix II of this report lists the thirteen (13) companies that were finally sampled. Stata Version 14 will be used to code the secondary data that will be obtained for the project. Because they are simple to understand, the study's descriptive analysis will make use of arithmetic mean, maximum value, minimum value, and standard deviation. Multiple regression analysis is used to examine the study hypotheses, with a 5% threshold of significance. In other words, if the p-value is greater than 0.05, the null hypothesis is accepted and the alternate hypothesis is rejected, and the opposite is true.

Model specification

Market value (proxy is market price per share) is the dependent variable while the explanatory variable was investment decision (proxies are corporate tax, interest rate, and return on investment). The above variables of the study were utilized in developing an econometric model for the linear regression analysis. The model is stated thus:

MPS = f (COT, INR, ROI)………….……..…… (i)

Where,

$$MPS = \text{Market Price Per Share}$$

$$COT = \text{Corporate Tax}$$

$$INR = \text{Interest Rate}$$

$$ROI = \text{Return on Investment}$$

To estimate the hypotheses of the study, the model is simply transformed as equation below:

$$MPS_{it} = a_0 + b_1COT_{it} + b_2INR_{it} + b_3ROI_{it} + \mu_{it}. \quad …………….. \quad (ii)$$

Where;

a_0	=	constant
b_1	=	coefficient of the independent variable
μ	=	Disturbance
i	=	Firm of interest
t	=	Period of interest

Table 1: Description of operational variables

Name of Variables	Type of Variable	Description and Measurement
1. MPS	Dependent	Market Price Per Share in naira
2. COT	Independent	Corporate income tax expense in naira
3. INR	Independent	Lending rate set by CBN
4. ROI	Independent	$\dfrac{\textit{Earnings after interest and tax}}{\textit{Total Investment in Assets}}$

Source: Researchers' Concept, 2021

4. DATA PRESENTATION AND ANALYSIS

Table 2: Descriptive statistics of the data

Variable		Obs	Mean	Std. Dev.	Min	Max
COT		130	3355818	5516845	-2652269	25440711
INR		130	7.65	3.004238	4.52	13.6
ROI		130	-.0050648	.3806294	-3.012121	.2649347
MPS		130	114.6597	309.0519	.86	1555.99

Source: Output of researcher's computation using stata version 14, 2021

Table 2 above gives the descriptive statistics of the variables in this study. The number of firm-year observations is 130 because 13 firms were studied over a 10 year accounting period. Corporate taxation (COT) has a mean of 3355818 with a standard deviation of 5516845. There is a very wide dispersion in the corporate tax expense of the firms under study since the standard deviation is very high. Additionally, the difference between the highest value of COT (25440711) and the lowest value of COT (-2652269) is equally wide. The average of interest rate (INR) is 7.65, with a standard deviation of 3.00. INR has the minimum value of 4.52 and a maximum value of 13.6. It can be inferred that the data on INR are approximately normally distributed. Return on investment averaged -.0050648 with a standard deviation of .3806294. The mean value of -0.005 implies that investment in assets of the selected firms yielded a loss return of approximately 1%. However, this loss return is not homogenous because the standard deviation is greater than the mean. However, the data on ROI ranged from -3.012121 to .2649347. Finally, market price per share has a mean of 114.6597 with a standard deviation of 309.0519. This shows that the stock prices of the selected firms are highly different. This was

confirmed by the gap between the lowest market price per share of 0.86 and the highest market price per share of 1555.99.

Test of hypotheses

Table 3: Result of regression analysis

Source	SS	df	MS			
				Number of obs	=	130
				F(3, 126)	=	17.10
Model	3565112	3	1188370.67	Prob > F	=	0.0000
Residual	8756071.83	126	69492.6335	R-squared	=	0.2893
				Adj R-squared	=	0.2724
Total	12321183.8	129	95513.0529	Root MSE	=	263.61

MPS	Coef.	Std. Err.	t	P>|t|	Beta
COT	.0000294	4.33e-06	6.80	0.000	.5254903
INR	3.115271	7.778969	0.40	0.689	.030283
ROI	41.31559	62.78437	0.66	0.512	.0508844
_cons	-7.750773	66.72394	-0.12	0.908	.

Source: Processed data using stata 14 (2021)

Interpretation of regression result

The R^2 of 0.2893 shows that the model is relatively fit as because approximately 28.93% of the variations in market price per share is explained by corporate taxation, interest rate and return on investment. The F-statistic value of 17.10 and a probability value of 0.0000 reveal that the entire model is statistically significant, and can be relied upon for decision-making. The model that significantly predicts MPS using COT, INR and ROI is thus expressed:

$$MPS_{it} = -7.7598 + 0.5255 \times COT_{it} + 0.0303 \times INR_{it} + 0.0509 \times ROI_{it}$$

Hypothesis one

Ho: Corporate tax has no significant effect on the market value of quoted manufacturing firms in Nigeria.

Hi: Corporate tax has significant effect on the market value of quoted manufacturing firms in Nigeria.

The result of the regression analysis in Table 3 shows that the coefficient of COT is positive (b_1 = 0.5255) and significant (p-value = 0.000). Therefore, an increase in COT by 1 unit will

correspondingly increase MPS by 0.5255. The *p*-value of COT is 0.000, which is lower than the critical value of 0.05. This led to the rejection of the null hypothesis in favour of the alternate hypothesis. Thus, corporate tax has a significant effect on the market value of quoted manufacturing firms in Nigeria (t-value 6.80, $b_1 = 0.5255$, p-value = 0.000).

Hypothesis two

Ho: Interest rate has no significant effect on the market value of quoted manufacturing firms in Nigeria.

Hi: Interest rate has significant effect on the market value of quoted manufacturing firms in Nigeria.

The result of the regression analysis in Table 3 shows that the coefficient of INR is positive ($b_2 = 0.0303$) and insignificant (p-value =0.689). Therefore, an increase in INR by 1 unit will correspondingly increase MPS by 0.0303. The *p*-value of INR is 0.689, which is greater than the critical value of 0.05. This led to the rejection of the alternate hypothesis in favour of the null hypothesis. Thus, interest rate has no significant effect on the market value of quoted manufacturing firms in Nigeria (t-value 0.40, $b_2 = 0.0303$, p-value = 0.689).

Hypothesis three

Ho: The expected return on investment has no significant effect on the market value of quoted manufacturing firms in Nigeria.

Hi: The expected return on investment has significant effect on the market value of quoted manufacturing firms in Nigeria.

The result of the regression analysis in Table 3 shows that the coefficient of ROI is positive ($b_3 = 0.0509$) and insignificant (p-value =0.512). Therefore, an increase in ROI by 1 unit will correspondingly increase MPS by 0.0509. The *p*-value of ROI is 0.512, which is greater than the critical value of 0.05. This led to the rejection of the alternate hypothesis in favour of the null hypothesis. Thus, expected return on investment has no significant effect on the market value of quoted manufacturing firms in Nigeria (t-value 0.66, $b_3 = 0.0509$, p-value = 0.512).

Summary of findings

The findings of this study are summarized as follows:

1. Corporate tax has a significant effect on the market value of quoted manufacturing firms in Nigeria (t-value 6.80, $b_1 = 0.5255$, p-value = 0.000).

2. Interest rate has no significant effect on the market value of quoted manufacturing firms in Nigeria (t-value 0.40, $b_2 = 0.0303$, p-value = 0.689).

3. Expected return on investment has no significant effect on the market value of quoted manufacturing firms in Nigeria (t-value 0.66, $b_3 = 0.0509$, p-value = 0.512).

Conclusion

Investors are generally risk averse and risk is an important consideration in the decision making process. Every firm has strategies to achieve, which might be developing a new product, exploring a new market, or beginning a new line of business. It involves decisions to commit the firm's funds to long term assets. Thus investment decisions are of considerable importance to the firm since they tend to determine its value by influencing profitability and risk. The present study analyzed how corporate taxation, interest rate and expected rate of return on investment influence the market value of consumer goods firms in Nigeria. The result of the analysis revealed that investment decision positively affects the market value of the firms under study.

Recommendations

In line with the findings of this study, the researcher recommended the following:

1. Managers of consumer goods firms should meticulously evaluate investment proposals in terms of expected return and risk.

2. Investors should carefully assess the expected returns of investment, as well as the probability of return which will give an insight into the underlying risks of the investment.

3. Listed consumer goods manufacturing firms should influence their market value by identifying and investing in projects that have positive net present value.

REFERENCES

Adekunle, A .O. (2009). Testing the Weak form Market Efficiency and the day of the week effects on Some Africa Countries. *Cape* Town: 6th African Financial.

Alchian, A., & Demsetz, H. (1972). Production, Information Costs, and Economic Organization. American Economic Review, 62, 777-795.

Akhtaruddin, M., Hossain, M., & Yao, L. (2009). Corporate governance and voluntary disclosure in corporate annual reports of Malaysian listed firms. *Journal of Applied Management Accounting Research,* (Winter): 1-20.

Auerbach, A. J. (2006). "Who Bears the Corporate Tax? A Review of What We Know". *Tax Policy and the Economy*. **20**: 1–40. doi:10.1086/tpe.20.20061903. ISSN 0892-8649.

Barney, J. (1995). Looking inside for competitive advantage. *Academy of Management Executive, 9(6),* 49 - 61.

Boonstra, A. (2003). Structure and analysis of IS decision making process. *European Journal of Information System, 12(12),* 195-209.

Chikwendu, A. F. (2021). Investment policy and net book of quoted manufacturing firms: Dynamic panel data evidence from Nigeria. *Journal of Economics, Finance and Management Studies, 4(8),* 1320-1335..

Dagogo, D. W. & Daibi, W. (2015). Re-investment allowance, investment tax credit, and the reality of corporate cash flow in Nigeria. *IOSR Journal of Economics and Finance, 6(2),* 51-55.

Danielson, M. G. & Scott, J. A. (2006). The capital budgeting decisions of small businesses. *National Federation of Independent Business,* 3-18.

Ebiekwa, F., Igbanibo, D.S.(2020). Financial constraints on investment decision making by firms in Nigeria. *International Journal of Business Law and Research, 8(2),* 27-39.

Edame, G. E. & Okoi, W. W. (2014). The impact of taxation on investment and economic development in Nigeria. *Academic Journal of Interdisciplinary Studies, 3(4),* 208-209.

Efni, Y. (2011). Pengrauh keputunsan pendanaan, keputusan investasi, dan kebijakan dividen : Pengaruhnya terhadap nilai perusahaan (studi pada sector property dan real estate di bursa efek. *Jurnal Aplikasi Manajemen, 10(1),* 128-141.

Eklund, J. (2013). Theories of investment: *A theoretical review with empirical applications. Working paper. Swedish Entrepreneurship Forum.*

Fareed, Z. Ali, Z., Shahzad, F., Nazir, M. & Ullah, A. (2016). Determinants of profitability: Evidence from power and energy sector. *Studia Universitaitis Babe-Bolyai Oeconomica, 6(13),* 59-78.

Hundal, S., Sarbassova, E. & Staroshvetckii, N. (2020). The impact of capital structure and board of directors characteristics on investment decisions and performance of Nordic firms. *In A. Kostyuk, M. J. C. Guedes, & D. Govorun (Eds.), Corporate Governance: Examining Key Challenges and Perspectives,* 66-71. *Sumy Ukraine; Virtus Press*.

Ibanichuka, E. L., Akani, F. N. & Ikebujo, O. S. (2016). A time series analysis of effect of tax revenue on economic development of Nigeria. *International Journal of Innovative Finance and Economics Research, 4(3),*16-23.

James, E. D. & Iwedi, M. (2020). Dividend policy and return on investment on quoted manufacturing firms in Nigeria. *International Journal on Business and Law research, 8(2),* 47-57.

Jorgenson, D. (1963). Capital Theory and Investment Behavior. *American Economic Review, 53,* 247-259.

Machuki, C. (2014). Effect of investment decision on the performance of firms listed on the Nairobi Securities Exchange. *Unpublished Thesis.*

Markowitz, H. (1952). Portfolio selection. *The Journal of Finance, 7(1),* 77-91.

Mohamud, H. A. (2018). The impact of corporate social responsibility practice on financial performance of banking industry: Case study: East African commercial banks. *Journal of Economics, Management and Trade, 2(12),* 1-7.

Njogo, O. B. & Aderogba, A. (2021). The effect of investment decisions on firm performance of selected firms listed on the Nigeria Stock Exchange. *Journal of Management Sciences, 1(1),* 8-227.

Nofal, B. (2020). The impact of marketing and R&D investments on the financial performance of firms. 6-48.

Olaleye, M. O. Riro, G. K. & Memba, F. S. (2016). Effect of reduced company income tax incentives on foreign direct investment in listed Nigerian manufacturing companies. *European Journal of Business, Economics and Accountancy, 4(1),* 39-54.

Olaniyan, N. O., Adegboyo, O. S., Owoniyan, B. O., & Alaketu, A. A. (2020). Interest rate and economic growth as determinants of firm's investment decision in Nigeria: A cointegration approach. *Journal of Business Administration and Business Economics, 3(39),* 214-224.

Olaoye, F. A., Soetan, A. T. & Olusola, C. N. (2020). Capital Structure and financial performance of quoted manufacturing companies in Nigeria. *The Journal of Social Sciences Research, 6(10),* 874-880.

Ondari, S. M. & Munturi, W. (2018). Effects of investment decisions on the financial performance of public sugar firms in western Kenya. *International Journal of Social Sciences and Information Technology, 4(5),*197-208.

Owolabi, S.A. (2018). Corporate Governance: A Pathological Exposition of Nigerian Firms. *Iiishan-Remo, Babcock University Press.*

Owolabi, S. A., Adegbie, F. F. & Ogan, T. P. (2020). Investment in corporate social responsibility and performance of quoted manufacturing firms in Nigeria. *African Journal of Accounting and Financial Research, 3(1)* 12-24.

Pandey, I. (1976). Essentials of financial management (10th Ed.). New-Delhi: Vikas Publishing House PVT.

Pogge, T. & Mehta, K. (2016). Global tax fairness. *Oxford University Press.*

Rakhimsyah, L. A. & Dan Gunawan, B. (2011). Pengaruh keputusan investasi, keputusan pendanaan, kebijakan deviden dan tingkat suku bunga terhadap nilai perusahaan. *Jurnal investasi, 7(1),* 31-45.

Samuel, C. (1996). "The Investment Decision: A re-examination of competing theories using panel data".*The World Bank Policy Research Working Paper, 1656. Washngton DC: World Bank.*

Sitompul, S. & Nasution, S. K. (2020). Analysis net profit, dividend, debt, cash flow, and capital net working that influence investment decisions on Manufacturing Companies. *Internatinal Journal of Research and Review, 7(3),* 56-63.

The Business Professor. (2021). https://thebusinessprofessor.com/en_US/investments-trading-financial=markets/expected-return-definition

The Investopedia. (2020). https://www.investopedia.com/terms/m/marketvalue.asp

Tobin, J. (1969). A general equilibrium approach to monetary theory. *Journal of Money, Credit and Banking, 1,* 15-29.

Yoshikawa, H. (1980). On the "Q" Theory of Investment. *The American Economic Review, 70(4),* 739-743.