FOREIGN LISTING, INSTITUTIONAL SHAREHOLDING AND DISCLOSURE PRACTICE OF LISTED DEPOSIT MONEY BANKS IN NIGERIA

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Abstract

The repeated collapse of financial institutions has led to a perpetual lack of public confidence in the quality of information disclosed by the management of listed Deposit Money Banks (DMB's). This study investigates empirically the factors that influence the disclosure practices of Listed Deposit Money Banks in Nigeria. The specific objectives of the study are to: Assess whether foreign listing determines the disclosure practices of listed DMB's in Nigeria; and examine the extent to which institutional shareholding influence disclosure practices of listed DMB's in Nigeria using the Ex-post facto research design. Secondary data was employed as the method of data collection to extract information from the annual reports of the twelve listed deposit money banks for eleven years (2007-2017). This information was statistically analyzed using the Generalized Linear Regression. The result shows that foreign listing significantly determine disclosure practice (z=5.508, p<0.01); institutional shareholding also significantly influence disclosure practice of listed Deposit Money Banks in Nigeria (z=3.233, p<0,01). The study concluded that foreign listing and institutional shareholding has significant positive influence on the disclosure practice of listed Deposit Money Banks in Nigeria. The study therefore recommends that government should mandate listed banks to dispose more shares to institutional investors than private individuals as well as put in place stringent policies and incentives to ensure that locally listed banks are also traded on international markets.

Key Words: Foreign listing, Institutional shareholding, Disclosure Practice, Money Deposit Bank, Financial Sector

Introduction

Globally, the high rate of corporate failures and continued lack of public confidence in financial reporting practice is no doubt a product of poor corporate disclosure practices. Despite the importance of corporate disclosure to the growing number of investors, the quantum of information disclosed by corporate organization has not been impressive and this has aggravated many failures experienced in the corporate world both in the developed and developing economies such as China Forestry, Enron and WorldCom (Bozec & Bozec, 2007). These corporate failures can therefore be attributed to poor accountability, corporate governance, disclosure and transparency practices (Branco & Rodrigues, 2008, Chen & Roberts, 2010). Not surprisingly, there has been increasing interest in the issue of corporate governance, accountability, disclosure and transparency in recent years.

Surprisingly, monitoring agents such as audit committee, Board of Directors, external auditors, etc. seem not to be effectively functional in ensuring an efficient and effective Corporate Disclosure Practice. This is evident in some directive given by external regulatory bodies such as the Nigeria Code of Corporate Governance reviewed in 2016, Securities and Exchange Commission Act of 2011, and Financial Reporting Council of Nigeria directive of 2012 for all banks to comply with International Financial Reporting Standard (IFRS) disclosure standards, which is expected to compel the management to disclose relevant publicly needed information.

As international capital markets become more integrated, firms signal very deceptive information to foreign market regulators to enable them attract foreign funds. This deception is further aided by the wide distance between foreign market regulators and the operational location of the business. Thereby, Management seem to only disclose their positive performance to enable them get enlisted on foreign markets. The implication of this is that foreign investors are deceived to invest in Businesses that lacks good corporate disclosure practices. Similarly, the low involvement of institutional investors in the affairs of the company seems to have become a major source of business failure in Nigeria (Uwalomwa, Francis, Uwuigbe & Ataiwrehe, 2016). This low involvement stems from the fact that the institutional investors lack controlling influence to mount pressure on the management to disclose sensitive information.

The implication of the above problems led to the failures experienced in the corporate environment of the country particularly in the financial sector. Evidences relate to the collapse of Intercontinental Bank, Oceanic Bank, Bank PHB, Afribank, Skye Bank etc. Aside from subjecting individual investors to pecuniary loss, it also affects the economy of the country. This growing menace has often been attributed to accountability problem, corporate governance malpractice, financial reporting and corporate disclosure problem (Branco & Rodrigues, 2008; Chen & Roberts, 2010; Ntim & Sooroboyan 2013). The prominent amongst these problems however is the financial reporting and corporate disclosure issue given the role played by financial information in assisting users to make decision.

The main objective of this study is to identify the relevant firm characteristics that influence corporate disclosure practices of listed DMB's in Nigeria. To achieve this, the following specific objectives were spelt out to:

a. Determine the extent of influence foreign listing has on corporate disclosure practices of listed DMBs in Nigeria.
b. Examine the extent to which institutional investors influence corporate disclosure practices of listed DMBs in Nigeria.

The following hypotheses have been formulated to serve as basis for this research work:

Ho^1 Foreign listing has no significant influence on corporate disclosure practices of listed DMBs in Nigeria.

Ho^2 Institutional investor has no significant influence on corporate disclosure practices of listed DMBs in Nigeria.

Conceptual Review

Disclosure Practice

Clark (2016) opines that disclosure practice can be viewed from three overlapping clusters: disclosure as a vehicle, as a decision and as a type and form of information. Disclosures as a vehicle are means adopted by the management to make public their information. These include financial reports or earnings' forecast which must respect specific rules and formats. The decision to disclose address sharing or withholding information based on materiality. While focus on the types of disclosure could be mandatory and voluntary. This description supports the view of Soludo (2004) describing full disclosure requirements as the mandatory, financial, operational and management information which financial institutions are required to disclose, in the rendition of their periodic returns to the regulatory authorities and public.

Kumar, Wilder & Stocks, (2008) emphasized that voluntary disclosure is the act of disclosing information beyond the mandatory content in the financial statements. Huang (2008) developed an encouraged set of disclosure item to capture indicators not included in the mandatory core set but which however may provide additional important information to facilitate investors' and regulators' monitoring of banks. This checklist of encouraged set of disclosure items is divided into three to include credit risk disclosure, market risk disclosure and market discipline disclosure.

Carbedo & Tirado (2014) describe credit risk as the possibility that the payment of contractual obligations may not be fulfilled by the counterparty. The encouraged set of disclosure item captures the qualitative and quantitative nature of credit risk exposure, collateral and credit quality information disclosures needed to assist internal risk management processes and stakeholders' demands for information. However, Market risk according to the Basel Committee (2010) is described as the risk that the value of an investment will decrease due to movement in market factors, such as changes in interest rates, foreign exchange rates and commodity prices. Disclosure on market discipline on the other hand represents a detailed disclosure of risk information, risk profile, risk assessment processes, capital adequacy, and more bank disclosures (Nahar & Jubb 2016).

Foreign Listing and Institutional Shareholding

Attempts have been made by several scholars to conceptualize foreign listing in recent times. Amongst these scholars are Fang, **Maffett & Zhang** (2015) who describe foreign listing as a powerful market force in affecting the global convergence of financial reporting practices; implying that, foreign listing occurs when a firm lists its equity shares on one or more foreign stock exchange in addition to its domestic exchange. Foreign listing is basically one of the most important methods for firms to access foreign capital market to finance the business (Ammer, Holland, Smith & Warnock 2012). Similarly, El-Diftar, Jones, Ragheb & Soliman (2017) viewed institutional investors to be a long series of owners such as banks, investment companies, mutual funds, insurance companies, governmental agencies, incorporated and holding companies. Uwuigbe, Erin, Uwuigbe, Igbinoba & Jafaru (2017) further stress that these institutional investors have high professional experiences and are powerful. Their influence if implemented could restrain managers that engage in manipulative earnings management practices and forestall discipline in management by producing quality financial information to shareholders.

Theoretical Framework

Agency Theory

The theoretical basis for this study is the agency theory. This theory was first propounded by Mitnick in 1973 and studies the agency relationship and issues that arise particularly between the principal and the agent. Jensen & Meckling (1976) further buttressed this to be a contract under which one or more persons (the principals) engage another person (the agent) to perform some service on their behalf which involves delegating some decision-making authority to the agent leading to the principal incurring certain cost called the agency costs.

This theory addresses the problems inherent in the agent-principal relationship. The theory aims to reduce and eradicate the problem of moral hazards, information asymmetry and conflict of interest, by suggesting the establishment of monitoring devices to perform oversight functions, ensure the relevance, completeness and accuracy of information disclosed by management as well as aligning the interests of management to that of the owners (Jensen & Meckling, 1976). Such monitoring device put forward by this study is the inclusion of institutional investors in the ownership structure of the business and multiple regulations through foreign listing.

Empirical Review

Alhazaimeh, Palaniappan & Almsafir (2014) investigated the relationship between corporate governance and ownership structure on voluntary disclosure, with a particular focus on variables affecting the voluntary disclosure of listed companies in the Amman Stock Exchange (ASE) in Jordan. Using a dynamic panel system GMM estimation for the period 2002-2011, their study sampled 72 non-financial Jordanian firms and found that the listed companies at ASE during 2002-2011 had shown a significant degree of voluntary disclosure in line with greater corporate governance awareness and implementation in Jordan. In particular, they found board activity, foreign ownership, non – executive directors and block holder ownership to be significant in influencing voluntary disclosure and the voluntary disclosure in the annual reports does potentially affect the market capitalization. This finding is also in line with the evidence provided by Hope, Kang & Kim (2013), Lundholm, Rogo & Zhang (2014).

Furthermore, Kolsi (2017) studied factors affecting firm voluntary disclosure policy adopted by a sample of 25 UAE companies listed on Abu Dhabi Stock Exchange for the period 2010-2014. By computing a weighted disclosure index (Botosan, 1997) for a three factor voluntary disclosure items, and using a multivariate regression analysis, found that listing history, governmental sector, firm profitability and foreign listing positively affect the level of voluntary disclosure adopted by ADX listed companies. By contrast, the percentage of shares owned by block holders and industrial sector negatively affect the level of voluntary disclosure by ADX listed firms. Finally, they found that board and firm size, managers' stock options and leverage ratio have no impact on the level of voluntary disclosure adopted by ADX firms.

In addition, Ntim & Elamer (2017) examined Libyan companies' annual reports from 2006 - 2010 in terms of the association between corporate governance characteristics, ownership structure and the extent of disclosure. They developed a disclosure index to measure the level of disclosure. In order to provide a comprehensive picture of corporate reporting in the Libyan context, annual reports of 22 companies were obtained covering three sectors, banks, manufacturing and services. Generally, their results suggest that the corporate governance variables are significant in explaining the extent of corporate disclosure in an annual report and that board size and board composition are found to be negatively related to the overall disclosure level, whilst the frequency of meetings and audit committee have a positive and statistically significant association with the overall disclosure level, the ownership structure variable is found to have no relationship with the overall level of disclosure.

Uwuigbe, Erin, Uwuigbe, Igbinoba & Jafaru (2017) examined the impact of ownership structure on financial disclosure quality of 75 firms listed on the Nigerian Stock Exchange (NSE). The study adopted a cross-sectional method in investigating the impact of institutional ownership on financial disclosure quality of listed firms in Nigeria over a 5-year period (2011-2015) as it relates to companies quoted on the Nigerian Stock Exchange as at 31st December 2015.period 2011-2015. The General Least Square (GLS) regression method was used to estimate the parameters of the model. Findings from the study revealed that there is significant relationship between institutional investors, managerial ownership and quality of financial disclosure. The study recommends that Securities and Exchange Commission (SEC) should make it mandatory that all listed firms in Nigeria should have a proportion of institutional investors in their shareholdings because institutional investors have proved to be of good influence on financial disclosure quality based on the empirical results in this study.

Yusuf, Fodio & Nwala (2018) assessed the nexus between ownership structure and voluntary disclosure of listed financial firms in Nigeria for the period of 10 years from 2008-2017. The study adopted ex-post facto research design, and a sample of 44 out of 57 financial firms listed on the floor of the Nigerian Stock Exchange as at 31st December, 2017. The annual report of these firms was analyzed by means of descriptive statistics, Pearson correlation and probit regression analysis. The findings revealed that institutional and managerial ownership have an insignificant effect on voluntary disclosure, while block ownership has a positive and significant effect on voluntary disclosure of listed financial firms in Nigeria. The control variables (Size and Age) also have a significant effect on voluntary disclosure.

To the extent of empirical findings, there was no evidence showing foreign listing as a determinant of corporate disclosure practices in Nigeria. This is thus one gap this research work attempts to bridge.

Methodology

Method of Data Collection and Analysis

This study employed ex-post facto design. The data were gathered from the annual reports and accounts prepared by the listed Deposit Money Banks. These annual reports were retrieved from the websites of the listed DMBs while the method of data collection used was an adapted Bank disclosure checklist developed by Huang (2006) on encouraged set of voluntary disclosure items. The checklist contained three (3) sections to include the Credit risk items, the market risk items and market discipline items.

The study focused on twelve listed DMBs for eleven years spanning from 2007 to 2017 giving a total number of observations to be One hundred and Thirty-two (132). These twelve DMBs were selected owing to the fact that their shares are traded on the floor of the Nigeria Stock Exchange (NSE) which subjects them to additional regulations both from the Central Bank of Nigeria (CBN), Securities and Exchange Commission (SEC) as well as the Nigeria Stock Exchange (NSE). The focus on 2007-2017 stem from the fact that 2007 was a year after CBN's recapitalization policy which made Nigerian banks more financially sound through mergers and acquisition, (Bello, 2011) while 2017 is the latest year to which the annual reports of this banks were made available for public access. The descriptive statistics of the variables as well as Generalized Linear Regression was carried out to assess the relative predictive power of the independent variables that is foreign listing and institutional shareholding on the dependent variable that is disclosure practice.

Measurement of Variables

Type of Variable	Variables Name	Measurement	Sources
Dependent *AGD*	Corporate disclosure Practice	This is Measured using the Credit risk, Market risk and Market discipline elements of disclosure in the encouraged set of Bank's disclosure index developed by World Bank (2006).	Annual report of banks from 2007 – 2017
DCC	Credit risk disclosure	Bank disclosure index, World Bank (2006).	Annual report of banks from 2007 – 2017
DCD	Market discipline disclosure	Bank disclosure index, World Bank (2006).	Annual report of banks from 2007 – 2017
DCM	Market risk disclosure	Bank disclosure index, World Bank (2006).	Annual report of banks from 2007 – 2017
Independent	Foreign listing *(ForLst)*	Dummy variable, 1 if a bank is cross listed, 0 if otherwise	Allegrini and Greco (2011), Kolsi (2017)
	Institutional investors *(InsOwn)*	Proportion of institutional investors to the total number of shareholders/investors	Ali, Trabelsi and Summa (2014), Alnabsha, Abdou, Ntim and Elamer (2018), Uwuigbe *et al* (2017)
Control	Firm size *(Frms)*	Log of Total assets	Ali, Trabelsi and Summa (2014), Ines (2017), Alnabsha, Abdou, Ntim and Elamer (2018)
	Firm regulation *(FReg)*	Industry regulation guiding the bank	Archambault and Achambault (2003)

Source: Author's Compilation from Literature, (2020)

Model Specification

The model of this research work is an adapted model from Alnabsha, *et al.,* (2018) and it showed the functional relationship between the dependent variable of Disclosure practice and the independent variables of foreign listing and institutional shareholding and is expressed as follows:

$$\mathbf{DISP_{it} = \beta_0 + \beta_1 FORL_{it} + \beta_2 INSD_{it} + FRMS_{it +} \mathit{FREG}_{it} + \quad _{it}}$$

Where;
DISP = Disclosure practice
FORL = Foreign listing
INSD = Institutional shareholding
FRMS = Firm size
FREG = Firm regulation
= Error term

β_1- β_2= Parameters of the regression

Results and Discussion of Findings

This section covers the result of the diagnostic test as well as the Generalized Linear Regression Model.

Descriptive Statistics of Variables

This section shows the descriptive analysis and summary of the data collected through mean, standard deviation, as well as minimum and maximum values to give a snapshot of the data analyzed.

As shown in Table 1, the disclosure practice (DCP) has an average value of 15.601 which when compared to the minimum and maximum values of 0 and 23 represents a good level of information made public by the banks. This implies that the banks have adequate knowledge of what is to be disclosed and they comply at a rate above the average maximum value though with a high rate of dispersion at 4.261. This could be as a result of the high level of variability in both the credit risk, market risk and market discipline disclosure.

Table 1: Descriptive Statistics

Statistics	Mean	Standard deviation	Minimum value	Maximum value
AGD	15.601	4.261	0.000	23.000
INSINV	2.371	2.084	0.000	9.000
FORLST	0.583	0.495	0.000	1.000
FS	7.67157	1.2473	0.732	10.38
FREG	0.5960	0.4917	0.000	1.000

Source: Author's Computation, (2020**)**

The table 1 also reveals that the mean value of institutional investors is 2.371 with minimum and maximum values of 0 and 9 respectively, and standard deviation of 2.084. This implies that the average number of institutional investors of 2.371 on the list of each sampled banks is far less than the maximum observation of 9 causing a close extent of mean variability and suggesting that institutional investor investigated do not exhibit a considerable clustering around the mean. The result in table 1 also reveals that the mean of foreign listing (FORLST) investigated had an average value of 0.583 implying that about 58% of DMB investigated are listed outside the shores of Nigeria with minimum and maximum values of 0 and 1 respectively. The standard deviation of 0.495 which is quite low and below the mean suggests that Foreign Listing investigated exhibit a wide dispersion of about 50% from the mean values.

Preliminary Diagnostic Test

The preliminary tests were conducted prior to the testing of hypotheses in order to test the normality of the data collected.

Correlation Analysis

The bivariate relationship between variables in the model was through the Pearson product moment correlation analysis. It also helped to detect the presence of multicollinearity among the variables in the model.

Table 2: Correlation Matrix for Model Four

	AGD	INSINV	FORLST
AGD	1.000		
INSINV	0.195	1.000	
FORLST	0.455	-0.219	1.000

Source: Author's Computation, (2020**)**

The results of the correlation analysis as presented in Table 2 above shows that the correlation coefficients are mixed with some variables reporting positive coefficients [Corporate Disclosure Practices and Institutional Investor (0.195); Corporate Disclosure Practices and Foreign Listing (0.455)] while others reporting negative coefficients [Institutional Investor and Foreign Listing (-0.219]. The strength of relationship between variables measured by the Pearson product moment correlation showed that the association between the variables is relatively small and was below the threshold of 0.80, suggesting absence of the problem of multicollinearity in the predictor variables (Studenmund, 2000).

Test for Normality

To determine if the data collected were properly distributed, the skewness and kurtosis test was adopted.

Skewness and Kurtosis Test of Normality

The Skewness and Kurtosis in table 3 below shows the extent of departure from normality in the series. The recommended skewness and kurtosis value for a normal distribution in a series is 0 and 3 respectively (Wooldridge, 2000).

Table 3: Normality Table

Statistics	Skewness	Kurtosis	Jaque-Bera	Probability	Observations
DCP	-2.123	8.756	281.317	0.000	132
INSINV	0.632	2.791	9.040	0.011	132
FORLST	-0.338	1.114	22.072	0.000	132

Source: Author's Computation, 2020.

The series skewness and kurtosis shown in table 4 below sharply deviated from the recommended range as the series of data was negatively skewed (skewed to the left) showing a value of -1.073960, and the kurtosis was leptokurtic in nature showing value of 4.818743 which is above the value of 3 recommended by Woodridge (2000). Attempt to further confirm the extent of deviation led to the use of Jarque-Bera test which also gave a higher value 43.5676 indicating a significant departure from normality in the series at 5% level of significance.

Table 4: Normality Table

Series: Standardized Residuals	
Sample 2007 2017	
Observations 132	
Mean	-3.03e-16
Median	0.182932
Maximum	2.010768
Minimum	-2.911244
Std. Dev.	0.980730
Skewness	-1.073960
Kurtosis	4.818743
Jarque-Bera	43.56762
Probability	0.000000

Source: Author's Computation, (2020)

Test for Multicollinearity

To further strengthen the results from correlation matrix on multicollinearity in all models, the variance inflation factor (VIF) test was done. The multicollinearity test shows the relationship between two or more independent variables and shown in table 5 below

Table 5: Test for Multicollinearity

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	0.569	6.203	NA
INSINV	0.030	3.241	1.406
FORLST	0.483	3.071	1.280

Source: Author's Computation, (2020)

From the results as presented in table 5 above, the Variance Inflation Factor (VIF) indicates the impact of other independent variables on the standard error of the regression coefficient. The result showed that there is absence of multi-collinearity problem among the independent variables as indicated by VIF of each variable which is less than as observed in all the centered VIF. This follows the assumptions that when there exists absence of multi-collinearity problem when centered VIF is less than 10 (Studenmund, 2000) as multi-collinearity problem arises when VIF is greater than 10 (Woodridge, 2004).

Test for Serial Correlation

The Breusch-Godfrey serial correlation (LM) test was employed to test the relationship between the null hypothesis and the four models in the study. Result of the serial correlation is shown in the table below:

Table 6: Serial Correlation Test

Model	Test Employed	F-Statistics	P-value
1	Breusch-Godfrey Serial Correlation LM Test	$F(2, 122) = 1.724$	0.170

Source: Author's Computation, (2020)

Table 6 reveals the serial correlation result of the model. The Breusch-Godfrey serial correlation (LM) test was employed where the null hypothesis of no serial correlation was accepted for the model $F(2, 122) = 1.724, p > .05$. Therefore, the model is not serially correlated at 5% level of significance.

Test for Serial Heteroskedacity

Table 7 below shows the constant residual error test (Heteroskedasticity test). The study employed The Harvey and test to determine whether there are constant residual errors in the models.

Table 7: Test for Heteroskedasticity

Model	Test Employed	F-Statistics	P-value
1	Harvey	$F(5,126) = 1.890$	0.101

Source: Author's Computation, (2020)

The result of the analysis revealed the absence of heteroskedasticity in all models of the study, $F(5,126) = 1.890$, $p > .05$. This implies that residual error is constant in the series at 5% level of significance (Studenmund, 2000).

Generalized Linear Regression Analysis

This section deals with the result of the Generalized Linear Model Regression (GLM) to show the model employed in the study which was subsequently used to test hypotheses stated earlier in the study.

The table 8 below revealed the linear relationship between the two independent variables and corporate disclosure practices of listed deposit money banks in Nigeria for the periods 2007 – 2017. The result of the disclosure practice in the table below indicates that the model is fitted as evidenced by (LR Statistic = 70.24, p-value < 0.001). the model show fit less than 1% and 5% level of significance. Following the fitness of the model, testing of hypotheses was carried out and beta coefficients were utilized.

Table 8: Generalized Linear Model Regression Summary

S/N	Regressors	*Model - DCP* *Disclosure practice* **Z statistics (p value)**	S/N	Regressors	*Model - DCP* *Disclosure practice* **Z statistics (p value)**
1	Intercept	13.430 (0.000)***	4	FS	2.780 (0.040) **
2	FORLST	5.508 (0.000)***	5	FREG	5.616 (0.041) **
3	INSINV	3.233 (0.001)***	**LR Statistics**	70.235	**Prob (LR Statistics) 0.000**

*** Significant at both 1% and 5%; ** Significant at 5%
Number of Observation - 132
Source: Author's Computation, (2020)

Discussion of Findings

This section discusses the major findings with respect to the research objectives of the study. The study revealed that foreign listing has significant and positive influence on the corporate disclosure practice of listed DMBs in Nigeria (z= 5.508, p-value < 0.01). Implying that for a company to be listed on a foreign equity market, such a company must comply with the listing requirements of the regulatory agency in the foreign market. This thereby subjects the company to both national and international monitoring and compliance to disclose relevant information. The result supports the prediction of signaling theory that when a company performs better in the national market, such a company will signal their good performance to the international investors through voluntary disclosure just to attract foreign capital. The result likewise corroborates the *a-priori* expectation as the researcher expects that foreign listing would increase the quality and quantity of corporate disclosure practices of listed DMBs in Nigeria. This significant positive finding is in line with the results of Hope, *et al.* (2013); Lundholm, *et al.* (2014); Chen, *et al* (2017) and Kolsi (2017) who opined that one way an entity signals their performance to the international investors is to get enlisted in foreign markets. This is to say that, the more the number of foreign markets a company is listed, the more the corporate information disclosed to the diverse investors.

Specifically, the study found out that institutional investors have significant positive influence on the quality and level of corporate disclosure practices of listed DMBs in Nigeria, as indicated by (z= 3.233, p-value <0.01). This is in line with the prediction of the agency theory that the presence of institutional investors as monitoring mechanism will reduce information asymmetry because these investors have financially competent and experienced team to safeguard the investment of their companies in Nigerian banks. This implies that when an entity has institutional investors, these investors will make use of their experience and technical expertise to influence the appointment of agents who will act in the best interest of the owners and thus impose the management to disclose sufficient voluntary information. Especially, information relating to credit risk disclosure, market discipline disclosure and market risk disclosure. The result supports the *a-priori* expectation as the researcher expects that institutional investors would lead to an increase in the level of corporate information disclosed by listed DMBs. The finding of this study corroborates with the findings of Ali, *et al.* (2014); Boone and White (2014); Ebrahim & Abdel (2015); Hsu, *et al.* (2015); Khilf, *et al.* (2016); Bird & Karolyi (2016); Uwuigbe, *et al.* (2017); Cheng, *et al.* (2018) where they found significant positive relationship between institutional investors and corporate disclosure practices.

More so, the study found out that bank size has significant positive impact on the level of corporate disclosure practices of listed DMBs in Nigeria as indicated by (z= 2.780, p-value < 0.05). This implies that the larger the bank, the greater the level of disclosure presented. This signifies that larger banks do not conceal information by engaging in information asymmetry. This result supports the *a-priori* expectation of the study. Similarly, bank regulation has significant positive influence on the level of corporate disclosure practices made by the banks as evidenced (z = 5.616, p-value < 0.05). This implies that the mandatory regulations of the Central Bank and Nigeria Stock Exchange adhered to by the banks are a good determinant of corporate disclosure practices and supports the *a-priori* expectation of the study.

Conclusion and Recommendations

Based on the discussion of findings above, the study concludes that both foreign listing and institutional investors are significant factors that influence the disclosure practices of listed DMBs in Nigeria. This assures the stakeholders that the financial statements reported by the listed DMBs in Nigeria during the years under review can be relied upon as showing complete and accurate corporate information of the business.

The study also concluded that bank size and industry regulation positively influence the disclosure practice of listed DMBs. This implies that the larger the banks grow in structure and number, the more likely they are to disclose relevant and sufficient information. Similarly, banks have the tendency to disclose more information when there are stringent regulations and monitoring by relevant agencies. On the contrary, bank liquidity does not constitute a significant influence on disclosure practice of listed DMBs implying that, regardless of a bank's liquidity position, it does not guarantee disclosure of sufficient.

The following recommendations are made based on the empirical findings from this study in order to improve the disclosure practice listed DMBs in Nigeria:

Based on other findings, foreign listing positively influences corporate disclosure practice of listed DMBs. The study recommends that the Securities and Exchange Commission (SEC) should put in place stringent regulation that will encourage the enlistment of financially stable Nigeria banks on the floor of other international markets.

Based on the findings which show that institutional investors have significant positive influence on corporate disclosure practices in the listed DMBs, this study recommends that the Securities and Exchange Commission (SEC) should make it mandatory for all listed Deposit Money Banks (DMBs) to have a fairly high proportion of institutional investors in their shareholding above individual investors because institutional investors possess necessary prowess to influence the bank's corporate disclosure practice.

Finally, future researchers should improve and expand on the model to inculcate more determinants as well as use a larger sample size perhaps considering other sectors alongside the banking sector.

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