

CORPORATE CASH HOLDINGS AND FIRM VALUE

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OCTOBER, 2023

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**BEING A PROJECT SUBMITTED TO THE DEPARTMENT OF ACCOUNTING, FACULTY
OF MANAGEMENT SCIENCES, UNIVERSITY OF BENIN, BENIN CITY IN PARTIAL
FULFILMENT OF THE REQUIREMENTS OF THE AWARD OF BACHELOR OF SCIENCE
(B.Sc.) DEGREE IN ACCOUNTING.**

OCTOBER, 2023

DECLARATION

I, Ebere Irene OKWURIONU, hereby affirm that: this study was undertaken by me in the Department of Accounting, Faculty of Management Sciences, University of Benin, Benin City, under the supervision of Dr. Monye-Emina, H. E. and that this work has not been previously submitted for the award degree elsewhere. Ideas and views are product of my personal research and where the views of others have been expressed, they have been duly acknowledged. Any liability arising from this work should be borne by me alone.

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Date

CERTIFICATION

We, the undersigned certify that this research work, submitted by Ebere Irene OKWURIONU with matriculation number MGS1807663 of the Department of Accounting, University of Benin, Benin City and do approve that it is adequate in scope and quality in partial fulfillment of Bachelor of Science (B.Sc.) degree in Accounting, University of Benin, Benin City.

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DEDICATION

This project is dedicated foremost to God Almighty who preserved me all through the period of my undergraduate study. And to my family, who have been a constant source of support and inspiration throughout the period of my undergraduate study.

ACKNOWLEDGEMENTS

My utmost gratitude is to God Almighty for His unlimited love and grace towards me. I acknowledge my supervisor, Dr. Monye-Emina, H.E. whose continuous guidance, instruction and corrections made this work a reality.

My deep appreciation to my family Late Mr Okwurionu Monday, Mrs Philomena Okwurionu, and my brothers, Kingsley, Louis, Chukwuma, Henry for their prayers and support throughout the course of these study, and particularly to my big brothers- my real sponsors for their support financially, and physically.

And finally, I'm grateful to my friends whose names are too many to mention and all those who assisted me in one way or another in the course of this study, your contributions are acknowledged and appreciated immensely, I owe you my gratitude. God bless you greatly.

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ABSTRACT

The study investigated the effect of corporate cash holdings in firm's value of listed commercial banks in Nigeria Exchange Groups from 2018 to 2022. The used sample size of 13 commercial banks (from NGX website, 2023). The study made use of the secondary data sources from audited annual financial statement of the sample companies. The data were analyzed using descriptive and inferential statistics, employing panel regression and the Hausman test. The finding of this research shows that there is a negative significant relationship between cash holding and firm value. Firm leverage showed an insignificant positive relation with Firm Value, the relationship between firm size and firm value proved to be significantly positive and the study finds a statistically significant relationship between firm profitability and firms value. The study recommends that quoted commercial banks in Nigeria can increase their assets and improve the scope of their operations in order to increase their firms value.

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND TO THE STUDY

Recently, there have been a growing interest in corporate cash holdings in the finance literature. The interest has been especially motivated by the fact that corporations hold significant amount of cash in their position. During the past years, conflicts of interest in the many corporation and confrontation strategies caused the economist to ponder over this issue. Conflicts of interest in corporations can arise from various factors and the strategies employed to address or confront these conflicts have evolved overtime. Some key factors that have contributed to the conflict of interest in recent years include; executive compensation which has often been a source of conflict of interest. In the past, some corporations faced criticism for providing excessive compensation packages to executives, which were not necessarily aligned with the long-term performance or interest of the company and its shareholders. Board independence and governance, related-party transactions, regulatory compliance and ethical practices can also result to conflict of interest in the corporation.

As corporations grow and become more successful, they often accumulate the significant amount of cash reserves. Determining how to spend a company's internal funds is essential in

resolving conflicts between investors and managers. Consequently, the cash reserves of a firm are relevant factors of study and one that affects the corporation's value.

The first studies to focus on this topic looked at the determinant of corporate cash holding (Kim, Mauer & Shermant ,1998; Ozkan & Ozkar, 2004; Garcia Tervel & Murtinez Solano,2008). Most of these papers have considered that target cash level exists, proving that cash decisions follow a partial adjustment model.

Recent papers investigate the marginal value of cash from different perspectives. ("The Marginal value of cash, cash flow sensitivity of cash and Bankruptcy" by Almeida, Campello & Weisbach (2004), " The impact of predation risk on marginal value of cash holdings " by Yang & Zheng (2017)," Over-investment, the marginal value of cash holdings and corporate governance" by Huang, Liao & Chang (2015),"Determinant and Marginal value of corporate cash holdings" by Liu & Chung (2018),they study how valuable or necessary cash is ,by analyzing the increase in shareholders' value associated with one additional dollar held by the firm, splitting the sample into subsamples according to firm specific condition. Specifically, Drobetz, Groninger & Hirschuogl (2009) study the marginal value of cash in connection with firm specific and varying information asymmetry obtaining that information asymmetry decreases the marginal value of cash.

Another group of studies links the value of cash to firm's investment opportunities (Pinkowitz & Williamson, 2007) or to corporate financial policies (Faulkender & Wang 2006). Finally Tong (2004) studies the effect of firm diversification on the value of corporate cash holding by employing Faulkender and Wang (2006) methodology to measure the marginal value of cash holdings. Regarding cash holding, the static model that is, the trade-off model of liquid assets by Miller & Orr (1966) predicts that firms balance the marginal cost of holding cash which would be the opportunity cost of holding no interest-bearing money, versus the benefits of holding cash, mainly argued as protecting future investment from being prevented due to a cash shortage. Optimum cash holding would be set when marginal cost and benefit intersect.

There are several benefits of holding cash. Firstly, for precautionary motive, firms maintain liquidity to meet unexpected contingencies. Secondly, for transactional motives, to meet the need that comes from the firm's normal activities. Thirdly, firm could retain internally generated cash to take advantage of their investment opportunities since the existence of information asymmetry could increase the cost of external finance (Myers & Majluf, 1984).

Thus, a firm's optimal cash holding can be viewed and determined by a trade-off between cash and benefit of holding liquid assets to derive an optimal level, as is predicted by the model developed by Kim et al (1998). The optimal level should be the point where marginal cost of cash just offset the marginal benefit.

Corporate cash holdings are a measure of firm's liquidity and this debate as to whether they are an important factor in determining company's value.

Some argue that a high level of corporate cash holding is indicative of a healthy and stable company (Michael Faulkender & Rong Wang, 2006). This is because a company with ample liquidity can easily purchase assets and pay off debt, which is seen as a sign of a strong financial position. In contrast, a company with low levels of corporate cash holding may be struggling financially and may be unable to make necessary investment or pay off debt. High level of corporate cash holdings is correlated with increased stock prices, this is because investors view a company with ample liquidity as a more stable investment and are therefore more likely to purchase shares.

Moreover, in a financial market, it is interesting to assess how financial and cash policies can affect firm value. The value of a firm formed through a stock market indicator is influenced by investment opportunities. Firm value of a corporation will increase when the share price of certain firm also increase, and the effect of the increased share price is because of increase in corporate cash holding itself. Based on the introductory themes, the study seeks to assess the relationship between corporate cash holding and firm value, the optimal levels of cash holding that maximize firm value and identifying potential strategies to mitigate firm value issue.

1.2 Statement of the Research Problem

Corporate cash holding is a crucial element that is observed not only by investors but also by creditors. Cash holding is becoming one parameter to measure financial Independence and position of corporate organizations.

Previous research in other countries identified the role of cash holding in increasing firm value (Ifade et al, 2020). In Nigeria researchers identify the extent at which cash holding affect financial performance of quoted insurance firm in Nigeria (Ndubusi & Ezechukwu, 2017); the effect of liquidity and size on firm value (Sarakri 2020) .This study will contribute to the literature by analyzing the relationship between corporate cash holding and firm value in the context of the finance sector by investigating factors such as determinant of cash holding, their effect on firm value and the mechanism through which cash is deployed. This research aims to provide insight and empirical evidence on whether there exist a value maximizing level of cash reserves for financial sector in Nigeria. According to Ndubusi (2008) insurance companies do not declare impressive profit due to poor management of their resources. He therefore recommended that in the management of their resources so as to improve their profitability.

Additionally, this study will explore the potential impact of external factors such as financial market conditions to provide a now comprehensive understanding of the problem of corporate cash holding that have effect on the value of the finance sector in Nigeria.

Essentially, this research will address the gap in literature by examining the relationship between corporate cash holding and firms' value, identifying potential strategies to mitigate firm value issue and the optimal levels of cash holding that maximize firm value. Therefore, this study raise the following research question as follows;

What is the relationship between corporate cash holding and firm value?

What is the impact of profitability on firm value?

Does firm size affect firm value?

What is the impact of leverage on firm value?

1.3 Research Objective

The prime purpose of this study is to assess the effect of corporate cash holding of firm's value.

The specific objectives are;

1. To examine the impact of profitability on firm value.
2. To explore the effect of leverage on firm value.
3. To investigate how firm size affect firm value.

1.4 Research Hypotheses

Based on the research questions and objectives, the following hypotheses are proposed:

1. There is a negative relationship between profitability and firm value.
2. Leverage has no significant influence on firm value.
3. Firm size has negative impact on firm value.

1.5 Scope of the Study

The purpose of this study is to investigate the effect of corporate cash holdings in firm's value of quoted finance sector in Nigeria and relationship between corporate cash holdings and firm value of quoted finance sector. This study will limit itself to the annual reports of in banking sector published in the period under review 2018-2022. This study is expected to be completed in 2023.

1.6 Significance of the Study

1. It provides valuable insight into the strategic decision-making process of corporations regarding their cash management policies.
2. It assists managers, investors, and policy makers in making informed decision related to capital allocation, risk management and corporate governance to enhance financial performance and economic growth.

3. It allows the investors of the company to assess the liquidity of cash holding of the firm in order for them to make a profitable investment decision.
4. It entails how information asymmetry could increase the cost of external financing.
5. It entails the significance of managerial optimism on firm value.

CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

This section reviews the literatures on corporate cash holding and firm value. This section shall be in three (3) sections namely; conceptual review, review of previous studies and theoretical review. The conceptual review will discuss concepts related to the subject matter, that is, on corporate cash holdings and firm value. The review of studies will present previous studies, adopted statistical tools and their respective findings while the theoretical review will highlight and briefly discuss relevant theories on corporate cash holdings and firm value.

2.2. CONCEPTUAL REVIEW

2.2.1. Concept of Firm Value

There are a variety of ways to define value. According to Adegbie, Akintoye & Isiaka (2019), the concepts of fair market, fair value, investment, and intrinsic worth are used to describe the notion of value. Investors' willingness to spend more in the pursuit of greater financial rewards is demonstrated by the rising share price. Adegbie, Akintoye & Isiaka (2019). According to Chukwudi, Okonkwo & Asika (2020), the price paid by wealthy investors for the sale of a company is the firm's value, as well as the value perceived by the general public in

terms of business survival. As a result, a firm's value equals its total assets. Equities and debt are included in this calculation. Stock prices, stock returns, EPS, PER, Tobin's Q, and price-to book value (P/BV) are used by investors to gauge the worth of a company (Hidayat, *et al.*, 2019). Firm value is the financial backer's perspective on the organization which is generally connected with stock costs. High stock costs make the worth of the organization likewise high. High organization esteem causes the market to accept that the organization's exhibition is great as well as that the organization has great future possibilities also. Augmenting firm worth means amplifying investor government assistance while accomplishing organization objectives. Firm value is the investor appreciation of the result of the management work in managing the business (Ardi & Murwaningsari, 2018). Accounting-based indicators such return on equity, price to book value, price earnings ratio, and return on asset can be used to determine firm value, whereas the market-valued based indicator commonly uses Tobin's Q (Adegbie, Akintoye, and Isiaka 2019). It is computed in accounting as $(\text{total assets} + \text{market value of common stock} - \text{book value of common stock} - \text{deferred tax}) / \text{total assets}$. Tobin's Q is a statistic used to evaluate how well leaders are managing a company's assets. For example, it is a measure of the company's investment potential or growth opportunities (Hidayat et al, 2019; Adegbie, Akintoye, & Isiaka, 2019). It represents the economic value of all the assets, tangible and intangible, owned by the firm, as well as its future earning potential. Firm value is a vital measurement for different purposes, including; Venture which makes financial backers utilize

firm worth to survey whether an organization's stock is underestimated or exaggerated. A higher firm worth can show a more appealing speculation opportunity, Consolidations and Acquisitions exchanges utilized in understanding an objective organization's firm worth is fundamental at arranging buy costs and deciding the monetary suitability of the arrangement, Monetary Execution empowers firm worth mirrors an organization's capacity to create benefits and make abundance for its investors, Key Dynamic that business chiefs utilize firm worth to assess vital choices, for example, venturing into new business sectors, sending off new items, or making capital speculations, Benchmarking that makes Firms contrast their own worth with rivals or industry friends to measure their general situation on the lookout. Firm value can be estimated using various valuation methods, including the discounted cash flow (DCF) analysis, market comparable, and asset-based approaches. The specific method chosen depends on the industry, the company's financial characteristics, and the purpose of the valuation.

2.2.2. Concept of Cash Holdings

Cash is accepted as legal money for the exchange of products, debts, and services. The valuation of assets that may be instantly turned into cash, as stated by a corporation, is occasionally also included.

Firms may follow their strategic trajectories with little outside influence thanks to cash reserves, which provide them with much-needed financial independence (Bigelli & Sánchez-Vidal, 2012). Additionally, locally generated money is less expensive than money obtained from outside sources. As a result, businesses with enough cash on hand may engage in sound business possibilities at a reasonable cost of capital.

Although fast progress has greatly improved our understanding of the factors influencing businesses' cash holdings, a research by Benoit (2004) found that the literature has paid little attention to whether cash policy actually affects firms' day-to-day operations. A company with plenty of cash on hand might utilize it to fund competitive tactics. The study also discovered that a business might use aggressive pricing to harm the bottom lines and future prospects of competitors by maintaining a solid balance sheet. More generally, a company may utilize its financial reserves to establish a variety of different competitive policies, including where to locate its stores or production facilities, how to build effective distribution networks, how to advertise against competitors, and even how to hire more productive employees. From an alternative angle, the study concluded that a firm's stock of cash can signal the possibility of aggressive behavior, thereby distorting competitor's actions in product market. Accordingly, one can view cash holdings as a preemptive device that may affect, for instance, rivals' entry or capacity expansion decision (Benoit, 2004).

In their empirical study from a sample of publicly traded companies from 1987 to 2000 in the EMU countries, which included Germany, France, the Netherlands, Italy, Spain, Finland, Belgium, Austria, Ireland, Luxemburg, Greece, and Portugal, Ferreira and Vilela (2004) examined the factors that determine corporate cash holdings. The results show that cash holdings are positively impacted by investment opportunity and negatively by asset liquidity, leverage, and size. A positive working relationship with banks helps the corporation to maintain less cash as a precaution because bank debt and cash holdings are inversely connected. The fact that corporations hold less cash in countries with stronger investor protection and more concentrated ownership supports the notion that managerial discretion agency costs are crucial in determining cash levels.

2.2.3. Motives of Holding Cash

Other factors also affect how much cash a company has. The transaction motivation, cautious motive, tax motive, and speculative motive stand out among them in literature the most. These are discussed below.

2.2.3.1 The Transaction Motive

The transaction motive is a well-known theory about the ideal demand for currency, and its main proponents were Kuan, Li, Chu, and others in the 1960s. This driving force is founded on the notion that if a company lacks the cash it needs to pay its obligations or launch profitable

endeavors, it should either approach the financial markets or sell non-cash financial assets to raise the money it needs. The sum required to make these payments is the finest form of demand for money. Sadly, these fundraising activities may be very expensive (Maxwell, 2008; Bates et al., 2009). According to (Saddour, 2006), a corporation can reduce transaction costs in an imperfect market environment by keeping more cash.

2.2.3.2 The Precautionary Motive

If future cash flows are expected to be unpredictable and access to capital markets to be expensive, businesses prefer to hold onto more cash (Bates et al., 2009). According to Pinkowitz, Stulz, & Williamson (2006), businesses may raise their cash holdings as a form of risk management if they anticipate variable future cash flows. In the literature, these distinct cash holdings are referred to as cautious cash holdings. According to (Almeida, Campello, & Weisbach, 2004), financially challenged companies are more likely to benefit from taking precautions than their unstressed counterparts. As a safety measure, companies that foresee future challenges in acquiring capital for investments and operations frequently maintain substantial cash reserves (Al-Najjar & Belghitar, 2011).

2.2.3.3 The Tax Motive

(Foley, Hartzell, Titman, & Twite, 2007) found evidence that repatriation taxes somewhat affected the cash holdings of US transnational corporations. The empirical research has mostly

emphasized transaction motivations and precautionary reasons as the drivers of corporate cash holdings. Although they give tax credits for international taxes paid on the foreign activities, the US levies the profits that local enterprises make from their overseas operations. According to this study's findings (Foley et al. 2007, 2007), US companies with foreign subsidiaries frequently keep the money they have made elsewhere in order to avoid paying taxes when they bring it home. The majority of the earnings from these foreign companies will be maintained as cash reserves, with the remaining being used to invest in projects with a positive NPV.

(Foley, et al. 2007) found that firms exposed to greater tax burdens on repatriated earnings will hold more cash. Although the findings of (Foley et al. 2007) apply to the US and many other countries, the South African tax laws are different.

2.2.3.4 The Speculative Motive

Firms will occasionally build up cash reserves in anticipation of potential lucrative investment possibilities (Kariuki, Namusonge, & Orwa, 2015). Although it was discovered by Yu, Lee, Yi, & Fok (2015) that Chinese enterprises' cash holdings from the prior year increased their speculative actions the following year, the speculative motivation for hoarding cash was also seen to decline when corporate governance levels rose. This is due to the fact that speculative behaviors are often noncore and frequently immoral, as the report indicates. This study hypothesizes that the speculative incentive of keeping cash is disregarded in South African

enterprises because corporate governance is more prominent in South Africa than it is in China as a result of institutional investors' influence (Zhang, 2016). Once more, the challenge of recognizing and quantifying risky behavior prevents the possibility of empirically investigating the speculative motive of cash holdings (Yu, et al. 2015).

2.2.3.5 PRIMARY ISSUES OF CORPORATE CASH HOLDINGS:

Global financial crisis (GFC) of 2008-2009 that had worldwide effect (Asia, Australia, Europe, Americas and Africa) necessitated a critical reassessment of the illiquidity problem. This became necessary given that the GFC was caused by firms inability to maintain adequate liquidity. Depending on the situation, corporate cash holdings can be advantageous or troublesome for a corporation. Although keeping cash on hand might give you financial stability and flexibility, it can also result in a number of major problems; Opportunity cost; opportunity cost of keeping extra wealth is a key expense to consider. A company's accounts holding idle cash produce no profits. The company's resources are not being used to their full potential in order to generate revenues through investments or expansions. Reduced Profitability in the sense that a company's return on assets (ROA) and return on equity (ROE) ratios, which are based on net income and equity, respectively, can be impacted by excessive cash holdings. Ineffective use of funds can result in decreased profitability and reduced shareholder value. Shareholder Dissatisfaction which maintains that Shareholders may become dissatisfied with a company that holds excessive

cash, especially if it does not offer any clear plans for its use. They could prefer to have that money invested in higher-yielding ventures or returned to them as dividends or share buybacks. High levels of cash management might lead to an inefficient capital structure where the firm has too much stock and not enough debt. This may result in an unfavorable cost of capital and possible tax consequences.

Influence on Unwise Investment Decisions: In some situations, business management may feel pressured to invest poorly in order to spend surplus funds, which might result in potentially dangerous or foolish ventures.

Acquisitions and mergers Challenges: A corporation may be a desirable target for mergers and acquisitions if it has sizable cash reserves. Although a merger or acquisition might be a smart move, if the company is unable to find suitable investment opportunities, it might be tempted to engage in merger and acquisition activities that are not in the best long-term interest of the company.

Increased Risk of Takeovers and Inflation: A firm with a lot of cash on hand may be more susceptible to hostile takeovers since the buyer can utilize the money for the purchase. Over time, inflation can reduce the buying power of money. Holding excessive amounts of cash in areas with greater inflation rates might result in decreased actual worth.

Agency issues: When there is too much money, executives of the organization may utilize it for their personal purposes or indulge in wasteful expenditure.

Moreover, Company's must find a balance between keeping enough cash on hand to cover ongoing expenses and potential expansion while actively looking for effective methods to use extra cash. When there are no good investment options available, this might include spending money on R&D, capital projects, acquisitions, or giving cash back to shareholders in the form of dividends or share buybacks.

2.2.4. FIRM VALUE AND CASH HOLDING

The strategic goal of every corporation is to increase firm performance and provide value to shareholders. Any corporation or industry's strategic goal is to provide the organization with a competitive edge over rivals. A company that can establish a competitive edge will require capital to do so.

The usage of high cash levels by businesses and how they affect company value and growth have been experimentally researched by finance researchers. The strategic effects of cash holdings in a company's balance sheet and the success of its competitors' product markets were first experimentally studied by Fresard (2010). Despite demonstrating a strong causal relationship between prior cash holdings and future industry-related market share growth, he stops short of identifying the specific mechanisms which are used to gain market share in the product markets.

Fresard (2010) also points out the difficulty of linking cash to product market behavior, as it is not always clear whether it is endogenous or exogenous portion of cash that explains the market share growth. Cash holding has an effect on firm value if cash owned by a company is sufficient or not excessive (Nguyen & Le, 2016). Corporate cash holding can also have a positive or significant impact on firm value, meaning that holding cash at a high rate is necessary for potential investment opportunities that can be made by the company.

Depending on the type of economy, such as financial crises or financial stability, there might be a difference in the link between corporate cash holdings and business value. Companies may have various difficulties and opportunities at these various times, which can affect how holdings of cash affect their total worth.

Uncertainty and market volatility greatly rise during a financial crisis or economic slump. Due to liquidity and financial safety, which are important factors in these circumstances as access to credit and capital markets may become constrained or expensive during a crisis, the link between corporate cash holdings and business value tends to be more favorable. Companies with sizable cash reserves are better equipped to weather the storm and fulfill their financial commitments, which can support a higher valuation and boost market confidence. Bargain Opportunities; during a crisis, asset prices, including stocks and other investment opportunities, may decline substantially. Companies with ample cash can take advantage of distressed asset purchases or

strategic acquisitions at attractive prices, which can create long-term value for shareholders. Risk Reduction; Holding cash provides a buffer against unexpected risks and adverse economic conditions. It allows companies to maintain financial flexibility and operational continuity even in a challenging business environment. The link between cash holdings and corporate value can be more complex and may differ from what is seen during economic crises in the following ways when the economy is stable: worries about opportunity costs; the opportunity cost of retaining extra cash increases in a stable economic environment. Contrary to using it for successful initiatives or smart investments, cash lying idly in low-yield accounts or investments may not provide significant returns. As a result, owners and investors may voice concerns about how well the company is using its cash reserves to increase firm value. Return on Assets (ROA); having a sizable cash reserve can have a negative impact on a company's ROA. Compared to other profitable investments, cash often produces lesser returns. As a result, a higher cash balance might lead to a lower overall ROA, which could impact the firm's valuation. Shareholder Expectations; during economic stability, shareholders may have higher expectations for the company's performance and growth prospects. If the company holds excess cash without clear plans for its deployment, shareholders may feel dissatisfied and demand more active capital allocation strategies that enhance firm value. Investment and Growth Opportunities: A stable economy could provide businesses with additional prospects for investment and expansion. Using funds for strategic purchases, mergers, R&D, market expansion, or other purposes can add

value to the company and promote future growth. Dividends and share buybacks: In times of economic stability, businesses may think about giving shareholders their extra cash back through dividends or share repurchase plans. By taking these steps, a firm may increase shareholder value and convey trust in its financial stability and future prospects. In times of economic stability, businesses may concentrate on strategically managing their capital structures to find a balance between debt and equity. Companies may efficiently manage financial risks and capital requirements by maintaining a sufficient quantity of cash as part of their entire financial plan. Investor Perception: During periods of economic stability, investors may pay special attention to a company's cash management procedures as a sign of its prudent financial management and well-thought-out business strategy. Investor opinion and trust in the management of the firm may be positively impacted by effective cash management, which includes using extra cash sensibly.

The correlation between cash holdings and corporate value gets more complicated under economic stability, with a larger emphasis on opportunity cost, shareholder expectations, growth opportunities, and strategic capital management. Companies need to strike a balance between maintaining adequate liquidity and deploying excess cash efficiently to generate returns and create value for their shareholders.

Overall, there is a dynamic link between corporate cash holdings and company value that depends on the current state of the economy. Cash offers a vital safety net and possible

opportunity for wealth generation during times of distress. In more stable times, businesses must balance maintaining enough cash for liquidity with seizing growth opportunities to increase shareholder value. In both economic stability and financial crisis, effective cash management methods are still crucial because they can react to shifting economic conditions and increase long-term shareholder value.

2.2.5. Firm value and profitability:

Profit is a metric for how well managers are using the resources at their disposal. Most people see it as a return on the owners' or shareholders' investment. It is the fundamental justification for starting a business. Cash inflows into the business must be greater than cash withdrawals for there to be a profit (Brealey, Myers, & Allen, 2013; Pandey, 2015). Profit is defined by accountants as the difference between total income and total costs. Profitability, on the other hand, refers to a company's or an investment's ability to generate profits. Profitability, therefore, refers to the connection between the company's earnings and the investments that resulted in those profits (Alshatti, 2015). Ratios for profitability and efficiency are also used to measure it. First, it is calculated as the ratio of operational income (the year's profit) and operating assets (the capital utilized). There are several profitability ratios that are related to sales, including the gross profit ratio, net profit ratio (profit for the year ratio), operating profit ratio, operating ratio, and costs ratio. In relation to investment, there are return on capital employed (ROCE), return on

equity / proprietors fund (ROE) and return on asset (ROA) (Nweze, 2016).). An indicator of the rate of return received by the owners or shareholders of the company's investment is the ROE ratio. ROE evaluates the ratio of common stock equity to net income. When a company's ROE is low, the rate of return will be low, whereas a greater ROE indicates a better rate of return on the investment made. Before making an investment decision, a potential investor should review the ROE of the firm in order to determine how much would be made from its holdings. Profitability measures the company's ability to generate profits

The correlation between cash balances and profitability might change based on a number of variables and the particular situation. When weighing liquidity vs. profitability, cash on hand gives a corporation the capacity to satisfy short-term obligations like paying bills and covering unforeseen costs. A lower level of profitability might result from large cash holdings that are not invested or utilized effectively since the money is not being used to create returns. Holding too much cash might have an opportunity cost since it could be used to finance growth initiatives or invest in assets that generate revenue. If the cash is not used productively, this may limit profitability. Risk management might include keeping financial reserves at a manageable level to protect a business. In times of Economic downturns or unforeseen challenges without resorting to debt or equity financing. This can indirectly support profitability by stabilizing operations. Industry and Business Cycle; the relationship between cash holdings and profitability can also be

influenced by the industry in which a company operates and the stage of the business cycle. Some industries require higher cash reserves due to seasonality or cyclicity, which can impact profitability differently. Efficient Capital Allocation; Profitability can be enhanced when a company efficiently allocates its capital, including cash, to high-return projects, acquisitions, or debt reduction. In this sense, cash holdings should be managed strategically to maximize profitability. Shareholder Expectations; Profitability and cash management should align with shareholder expectations. In some cases, shareholders may prefer dividends or share buybacks over hoarding cash, while others may value safety and liquidity. Tax Considerations; Depending on the jurisdiction and tax laws, holding excess cash can have tax implications that affect profitability. It's essential to consider the tax-efficient ways to manage cash.

In conclusion, the connection between cash balances and profitability is nuanced and reliant on the environment. Optimizing profitability requires finding the ideal balance between capital allocation, risk management, and liquidity. Companies should have a distinct cash management plan that fits their unique objectives and situation.

2.2.6. Firm Value and firm size:

According to Shaheen & Malik (2012), the definition of company size is "the quantity and collection of production capability and potential that a firm possesses or the quantity and diversity of services that a firm can make available to its customer." Additionally, Babalola

(2013) emphasizes that larger organizations tend to benefit from economies of scale and outperform smaller firms since they have a greater impact on their shareholders value.

Large corporations often have dispersed organizational structures, and if ownership is scattered broadly, shareholders have less influence over management, preventing them from being forced to release the capital they have amassed in the form of dividends or share buybacks. As a result, the level of cash will be large due to management freedom (Drobotz & Gruninger 2007). Likewise, been seen as an anti-takeover device, size reduces the disciplinary role of takeover bids by limiting their number and contributing to the entrenchment of managers. Firm size has a positive impact on the level of liquid assets holdings.

Large firms frequently have distributed organizational structures, and when ownership is widely dispersed, shareholders have less sway over management, preventing them from being pressured to release the money they have accumulated in the form of dividends or share buybacks. Because of the managerial independence, the level of cash will be high (Drobotz & Gruninger 2007). Similarly, size, which has been viewed as an anti-takeover tool, lessens the disciplinary role of takeover bids by reducing their number and aiding in managers' entrenchment. The amount of liquid asset holdings is positively correlated with firm size. If the company has a large amount of assets, investors will be more confident that the company was developed and managed well.

Depending on a number of variables, including the industry, the state of the market, and the caliber of the management, the connection between company value and firm size might change. However, there are certain broad patterns and hypotheses that might assist in explaining this connection; Positive Correlation: The relationship between company size and firm value is frequently positive. Larger businesses frequently have more assets, market sway, and varied activities, which can raise values. Larger companies may be seen by investors as less risky and more stable. The benefits of scale, Economies of scale may be advantageous to larger businesses, resulting in cheaper production costs and maybe increased profitability. This may increase the worth of the company. Firm size and market capitalization are frequently measured by market capitalization (market cap), which is the total market value of a company's outstanding shares. Higher market cap typically corresponds to higher firm value. Risk and Volatility, Smaller firms are generally considered riskier and more volatile than larger, more established ones. This risk can lead to lower valuations for smaller firms, although they may have higher growth potential. Industry-Specific Factors, The unique traits of the sector can have an impact on the link between business size and value. Due to their specialized knowledge or distinctive goods/services, smaller niche companies may fetch high valuations in several sectors. Management Excellence, No matter the size, good management may increase the value of a company. Smaller, better run businesses may fare better than bigger, less efficient ones. Investor attitude, market dynamics, and market sentiment can all have a big impact. Investor perception of a company's worth may

be impacted by market movements, news, and mood, sometimes regardless of the size of the company. Acquisitions and Mergers Firm size and value may be impacted by M&A activity. While poorly handled mergers can erode value, acquisitions of smaller companies by larger ones can result in value creation.

It's important to remember that while there is a general tendency toward larger organizations being valued higher, specific instances might vary greatly from this pattern. Financial indicators like profits, revenue, and cash flow are also very important in establishing a company's worth.

2.2.7. Firm Value and leverage

Leverage is the company's policy on how much money is borrowed from outside sources. The use of leverage indicates that the corporation places risk on shareholders, which affects stock returns. As a result, adopting leverage can result in both profits and losses for the company. Debt is an external source of funding that businesses utilize to fund their activities. Ahn, Denis, and Denis (2006) discovered that debt increased business value since it would prevent management from using free cash flow excessively for pointless projects. Leverage will rise, sending a good message to the market and raising Price to Book Value.

Financial leverage affects not only the performance of the organization but it also affects the market value of the organization as well. Management of the debt financing is very crucial in the

organization because, companies are using the funds of creditors which have to be returned with interest (Rushld as cited by Black, 2015)

Financial leverage is cost-effective and lowers owners' risk, but it costs money when businesses can't use it effectively. Businesses are required to pay financial fees for the leverage. Because the amount of leverage must be returned with interest expenses, organizations who fail to employ leverage properly must deal with a variety of issues. Leverage is preferred by profitable businesses since it lowers owner risk and results in greater cost savings for company shareholders. Financial leverage has an impact on a company's profitability, which directly affects management effectiveness, capital structure, stock price, shareholder wealth, and all other stakeholders. (Adeyemi & Oboh, 2011). Leverage in finance is the most hazardous side effect of multiplying losses. A corporation that has taken on a lot of debt may not be able to pay it back if times are very tough. Due to the fact that debt situation impacts shareholder returns in both good and bad times, the firm goes bankrupt and shareholders lose all they invested. Early on, the presence of financial leverage in a company's capital structure was seen as a major problem. The allocation of debt and equity in the company's financing is at the heart of the leverage choice. However, in a world where capital may be received through a variety of media, from pure debt instruments to pure equity, how the leverage of a corporation is decided instrument and in which cash flow are uncertain in an unsettled issue (Sajid, 2016).A firm's financial leverage

refers to the mix of its financial liabilities. It has long been an important issue from the strategic management standpoint since it is linked with a firm's ability to meet the demands of various stakeholders (Roy & Minfang, 2000). The two main sources of a company's capital are debt and equity, with debt holders and equity holders reflecting the two different classes of investors in the company. Each of these has varying degrees of danger, advantages, and control. While debt holders—banks, other financiers, and holders of debentures—exert less influence, they nevertheless get a predetermined rate of return on their investment and are covered by contractual commitments. Equity holders are the remaining claimants, carrying the most of the risk and exercising more influence over choices.

The relationship between firm value and leverage can be analyzed through the following; U-Shaped Curve; The relationship between firm value and leverage typically follows a U-shaped curve; initially, as a firm takes on more debt, the tax benefits of interest expense and financial leverage can enhance firm value; this means that a moderate amount of debt can lead to higher firm value. Optimal Capital Structure; There is an optimal level of leverage for each firm, often referred to as the firm's optimal capital structure. This point represents the ideal balance between debt and equity that maximizes firm value. Deviating from this optimal point, either by having too much or too little leverage, can lead to a decrease in firm value. Tax Shields; Debt provides tax shields in the form of interest expense deductions, which can reduce a firm's tax liability and

increase after-tax profits, contributing positively to firm value. Costs of Financial Distress; as a firm takes on more debt, it becomes more susceptible to financial distress and bankruptcy risk. The costs associated with financial distress, including legal fees, lower credit ratings, and potential liquidation, can erode firm value. Therefore, excessively high leverage can be detrimental to firm value. Agency Costs; High levels of debt can lead to conflicts of interest between shareholders and bondholders, resulting in agency costs. These costs can reduce firm value as managers may make decisions that prioritize equity shareholders over bondholders. Market Perception; Investors often react to changes in a firm's leverage. Higher leverage can make a firm appear riskier, leading to a lower valuation. Conversely, lower leverage might be viewed positively by investors, potentially increasing firm value. Industry and Economic Factors; the appropriate level of leverage can vary by industry and economic conditions. Due to their capital-intensive nature, some industries are by nature more indebted, and economic cycles can have an impact on a firm's financing options. Interest rates; the cost of debt, which is impacted by the current interest rates, can have a big influence on a firm's choice to use leverage. Businesses could be more willing to take on debt in an environment with low interest rates, which might increase the value of the company by lowering the cost of financing. Operational Performance: How well a company is able to turn a profit and produce cash flow from its operations is very important. High-performing companies may be able to manage larger levels of leverage without suffering materially unfavorable consequences on their firm value.

In reality, a variety of these elements interact to affect how company value and leverage are related. In order to enhance firms' value, businesses must carefully assess their specific circumstances, financial objectives, and risk tolerance.

2.3. Empirical Review

In order to understand more about the relationship between corporate cash holdings and business value, a variety of scholarly publications have been produced. Ifada, Indriastuti and Hanafi's study from 2020 looks at how cash holdings affected company value growth from 2016 to 2018 in a sample of 141 manufacturing businesses listed on the Indonesia Stock Exchange. They demonstrated a notable increase in business value as a result of keeping cash.

Anabestani & Shourvarzi (2014) from Tehran look at the relationship between cash holdings, company valuation, and corporate governance on a sample of 99 companies over the years 2006–2011. The findings show a considerable beneficial relationship between cash holdings and corporate governance. Cash holdings and the company, however, have not been linked statistically significantly.

The study of Doan (2020) aimed to identify the impact of cash holdings on firm performance on a sample of Vietnam in the period 2008–2018. The study showed the positive

impact of cash holding on firm performance. It provides a reliable basis for financial managers to make appropriate cash holding decisions to improve the firm performance.

In order to determine the effects of financial performance and firm size on firm's value of insurance companies in Nigeria, Hameed conducted a study in 2020 using time series and cross-sectional data of 21 quoted insurance companies in Nigerian stock exchange. According to the descriptive statistics and regression with the aid of STATA 15 version, the results of the study, shows that return on asset, firm size and firm value has a significant negative effect on Tobin's Q, return of equity has an insignificant effect on Tobin's Q. The study recommended that the management of insurance firms in Nigeria should only use return on assets and firm size by increasing the total assets to improve the firm's value.

The size, liquidity of 21 quoted firm in Nigerian economy from 2007-2016 can have a negative or positive impact on the firm's value, according to research by Sarakri from 2020, liquidity decisions is among the important corporate financial decisions in terms of its effect on firm market value. However, he found that firm liquidity has no significant effect on market value per share, and that firm size has a significant effect on firm market value. The study recommended that corporate investors in Nigeria prefer smaller firm's than larger firms.

In order to examine the relationship between agency cost related to managerial discretion and cash holdings by Moroccan companies, Mooline & Saduk (2021) earned out a study. The

made use of data extracted from the financial statements of 38 companies listed on the Casablanca Stock Exchange during the period of 2007-2018. The study's conclusion shows that there is a strong positive relationship between cash holdings and cash flow, and the liquidity of these companies is significantly negatively affected by the debt leverage and the growth opportunities of the company.

An investigation into the connection between capital structure, cash holdings and firm value was done by Ha and Tai (2017). They generated their data from the financial statements of 105 firm's listed in HOSE since 2009-2014, using the generalized least square method and discovered that cash holdings are positively related to firm value; Short-term debt is negatively related to firm value; the impact of long-term debt on firm value is not statistically significant and long-term debt are negatively related to cash holdings.

Ozordi and others, in order to better understand the relationship between corporate dynamism and cash holdings in listed manufacturing firms in Nigeria, (2019) conducted an empirical study. The study used the panel regression model, random sampling technique was employed in the study to arrive at thirty firms out of thirty-seven listed manufacturing firms.

Amahalu and Ezechukwu (2017) looked at the effect of cash holding on financial performance of selected quoted Insurance firms in Nigeria. The accounting data of 16 quoted insurance companies listed in Nigeria Exchange Groups serves as their data source from 2010-

2015. To analyze the data, Pearson co-efficient of correlation and regression method was adopted. Their findings indicate that cash holding has a positive and statistically significant effect on financial performance. The study recommends among others that Insurance companies should adequately manage how they re-invest their resources so as to prevent any form of mismanagement of resource that can guarantee their existence in business.

1745 firm's sample obtained out of 3156 manufacturing firms listed in SSE from 2009-2019 were the subject of a study by Habib et Al (2021). The study examined the impact of cash holding on the firm value of Chinese manufacturing firms', from the evidence, the study shows that a non-linear relationship exists between cash holding and firm value in manufacturing firms of China. The study concluded that managerial optimism influences the firm's cash holding decisions and this is more costly for unconstrained firms.

Between 1995 and 2004, Drobetz & Grüninger (2007) examined the factors that determine cash holdings for a large sample of 156 Swiss non-financial enterprises. They discovered through regression analysis that corporate cash holdings are adversely correlated with both asset tangibility and business size. Operating cash flows and dividend payments have a positive relationship with cash reserves. Additionally, Drobetz & Grüninger discovered a non-significant association between board size and company cash holdings as well as a favorable relationship

between CEO duality and the latter. That is, having a dual CEO results in much higher cash holdings, but a bigger board size has no effect on cash holdings within the company.

2.4 Theoretical Review

Researchers in corporate finance offer three theoretical models to assist identify the factors that affect a company's decision to keep cash. Thus, the tradeoff theory, financial hierarchy theory, and free cash flow theory have all been used to explain the factors that influence corporate cash holding.

2.4.1 The Trade-off Theory

The ideal amount of liquidity, in accordance with trade-off theory, is the outcome of a compromise between the advantages and disadvantages of retaining cash. The biggest advantage that the company may have from retaining cash would be the establishment of a safety cushion, which avoids the cost of external financing or the liquidation of the organization's assets and also enables the corporation to execute its future investment alternatives. However, the corporation pays a price for keeping cash on hand. For monetary costs, there are two categories. First, there are some limitations on the rate of return on liquid assets, which is frequently lower than the cost of the firm's resources. Therefore, the mere existence of cash lowers the company's profitability. Second, shareholders and management may have different opinions on the cost and value of liquidity. To advance their own interests and boost their autonomy, managers in particular would

want to accumulate a lot of cash (Opler et al., 1999). Whether managers optimize shareholder wealth or not will affect these expenses. The only drawback of retaining cash is its lower return compared to other investments carrying the same risk if management make decisions that are in the best interests of shareholders. Managers grow their cash holdings to enhance the assets under their control and thereby their management discretion if they do not maximize shareholder wealth. The cost of cash holdings will rise in this situation and include the agency cost of management discretion. Thus, we apply the idea of trade off Theory to determine the optimal level of cash.

2.4.2 The Perking order theory.

The first foundation for the pecking order hypothesis was laid by Myers & Majluf in 1984. Firms choose which money to employ in a certain sequence when financing investments, according to Myers (1984). First, businesses like using internal resources to finance initiatives. Second, despite the fact that dividends frequently adhere to a sticky policy, they will modify their dividend amounts. Following that, businesses will decide to sell their liquid assets before turning to outside financing as a last option. Firms prefer issuing debt when they need external funding, followed by hybrid instruments like convertible bonds, and ultimately issuing equity (Myers, 1984). This system of financing is based on the principle of asymmetric knowledge, and it should be the managers' goal to reduce the expenses associated with these problems. Here is

because; Managers are better knowledgeable about the net present value of investments and investment demands.

Additionally, it is anticipated that the managers would work to issue new shares at the greatest price in order to protect the interests of the company's present shareholders. The risk premium will be higher for equity investors who are aware of this problem. As a result, this premium is driven by knowledge asymmetry, which raises the price of using additional stock to finance investments. This is the justification given by businesses that choose debt over equity (Myers & Majluf, 1984).

This hypothesis contends that corporations incur significant costs when issuing fresh equity due to knowledge asymmetries. This company uses internal cash, then debt, and lastly equity to finance its investments. When working cash flow are high, firms use them to finance new profitable projects, to repay debts, to pay dividends and finally to accumulate cash. When retained earnings are insufficient to finance new investment, firm's use their cash holdings, and then issue new debt.

2.4.3. The Free cash flow theory:

According to Jensen's (1986) free cash flow theory, managers desire to keep a high level of cash to increase the amount of total assets under their control. Additionally, they made an effort to

influence the funding and investment decisions made by the company. According to Ferreira and Vilela (2004), these strategies could result in overinvestment problems. Furthermore, Ferreira & Vilela (2004) contended that companies operating in nations with greater investor protection and companies with strong bank ties keep smaller cash levels. The existence of manager discretion and agency cost difficulties in liquidity management is supported by these circumstances. Similar to this, Afza & Adnan (2007) discussed the need of having an ideal amount of liquid assets for the efficient operation of businesses.

Although, it can be argued that management may accumulate cash because it does not want to make payouts to the shareholders, and wants to hold these funds within the firm. Drobetz & Grüninger (2007) support this argument and revealed that dividend payments are positively related to cash reserves. This indicates that management may accumulate cash by cutting the dividend or it does not make payouts to shareholders, to keep funds within the firm.

Finally, it might be claimed that management may amass riches because it prefers to keep the money within the company rather than distribute it to the shareholders. This claim is supported by the findings of Drobetz & Grüninger (2007), who found that dividend payments are positively correlated with cash reserves. This suggests that in order to maintain money inside the company, management may assemble cash by reducing the dividend or by forgoing payments to shareholders.

2.5. Conclusion

This study observes that there are conflicting findings on the relationship between the level of cash holdings and business value after conducting an empirical review. More precisely, whereas some studies have shown a negative link, some academics discover a favorable correlation between cash holdings and corporate value. Although little has been done and there is a clear knowledge gap, this study aims to add to the body of knowledge already in existence by identifying the type of association between corporate cash holdings and firm value using the insurance sector and the banking sector in Nigeria as case studies.

CHAPTER THREE

METHODOLOGY

3.1 INTRODUCTION

This chapter presents a full overview of how the research will be carried out, as well as the research methodologies that will be adopted. The chapter is segregated into many areas, including research design, population, sampling data collection, model formulation and operationalization of variables, and data analysis methodologies.

3.2 RESEARCH DESIGN

"Research design is defined as a master plan specifying the methods and procedures for collection and analysis of the necessary information," says William Zickmond.

According to Kassu (2019), the goal of research design is to offer a suitable framework for a study. The research design used in the study is ex post facto. This kind of study is carried out after the fact, using data that has already been collected (Saunders, 2012). The design was chosen because the factors under examination are historical in nature, making it impossible for the study to modify the input and output variables because they have already happened.

3.3 RESEARCH POPULATION

The target population for this research is all the firm's listed in the Nigeria Exchange Group formerly known as Nigeria Stock Exchange (NSE), fact- book and published in the Nigeria Exchange Group website as at December, 2022.

3.4 SAMPLE SIZE AND TECHNIQUE

A sample is a group or a limited number of elements selected from a population. The study sample size will be limited to 13 commercial banks listed in Nigeria Exchange Groups floor (NGX) for a five year period spanning from 2018-2022. The five year period is chosen in order to have a reasonable, reliable, and may be rationalized based on data availability and dependability

3.5 SOURCE OF DATA

To attain a precise research aim, the study will use a quantitative panel data from secondary source. The data were obtained from the annual financial report of the commercial banks filed to the Nigeria Exchange Group. As a result, the significant data will be gathered from the annual report of the chosen corporate firms throughout the research period (2018-2022).

3.6 THEORETICAL FRAMEWORK AND MODEL SPECIFICATION

This study is based on the trade-off theory proposed by Modigliani & Miller (1963). When evaluating the relationship between corporate cash holding and firm value, the trade-off theory provides a useful lens. Corporate cash holdings increases the level of uncertainty and certainty for investors, as it represents a significant potential source of firm value. Therefore, the theory will examine how firms balance the benefits and cost associated with holding cash.

Nguyen & Le state that in 2016, "when there is an investment opportunity, the company can utilize the capital to invest, increasing firm value and sending a positive signal to future investors who will participate.

In line with the aim of this study which is to investigate the relationship between corporate cash holdings and firm Value of listed insurance firm and commercial banks in Nigeria, and to test the hypothesis of the study, the model adopted in the study is given in a functional form as;

$$VLE = f(\text{cash holding} + \text{profitability} + \text{size} + \text{leverage})$$

This can be re-specified in regression form as;

$$\text{FirVLE}_{it} = B_0 + B_1 \text{CASH}_{it} + B_2 \text{firPRO}_{it} + B_3 \text{firSIZ}_{it} + B_4 \text{firLEV}_{it} + E_{it}$$

Where; firVLE= Firm Value

CASH=Cash holding

firLEV= Firm Leverage

firSIZ= Firm Size

firPRO= Firm Profitability

B0= Intercept of the regression Model

B1B2B3B4=Coefficient of independent variables

Eit=Stochastic error term I in period t

The priori signs are; $B1 > 0$, $B2 > 0$, $B3 > 0$, $B4 > 0$.

3.8: MEASUREMENT AND OPERATION OF VARIABLES

The table below shows the variables and measurement of variables:

S/N	VARIABLES	DEFINITION	VARIABLE TYPE	MEASUREMENT	A PRIORI EXPECTATION
1	FirVLE	Firm Value	Dependent	Firm Value is measured by Tobins Q	
2	CASH	Cash holding	Independent	Cash holding is measured	+ or _

				by Cash and Cash equivalent/Net total assets	
3	firPRO	Firm Profitability	Independent	Firm profitability is measured by return on assets	+ or _
4	firSIZ	Firm Size	Independent	Firm Size is measured by natural logarithm of total assets	+ or _
5	firLEV	Firm Leverage	Independent	Firm Leverage is measured by total of long and short term debt/total assets	+ or _

3.8 METHOD OF DATA ANALYSIS:

This research employs both inferential and descriptive analysis. A univariate analytic techniques, descriptive statistics and correlation analysis to understand the central be tendencies and straight forward relationship between cash holding and firm value, while the panel data

regression was utilized to understand how changes in cash holdings correlate with the changes in firm value using the time series data and cross section of be the sample size.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

4.1 Introduction

This chapter explained the presentation and analysis of empirical results obtained from the estimation exercise. Bearing in mind the topic of this study, the data to be analyzed relates to those capturing the effect of corporate cash holding of firm's value. These data which span over the period of five (5) years starting from 2018 – 2022 were obtained mainly from secondary sources such as annual reports/financial statements of selected commercial banks. The Panel Least Square (PLS) estimation method was used in running the regression. Using E-view9.0 regression software package and applying the Panel Least Square (PLS) technique, the following result were obtained.

4.2 Data Analysis

4.2.1 Descriptive Statistics

The results of the descriptive statistics are analyzed in the table below:

Table 4.1: Descriptive Statistics

	FIRVLE	CASH	FIRLEV	FIRSIZ	FIRPRO
Mean	6.272331	0.232669	0.734336	7.044721	5.310240
Median	5.679374	0.108276	0.273531	6.616632	4.768409
Maximum	8.940243	1.737978	6.707357	9.985011	8.046598
Minimum	-0.277854	0.000115	0.000324	5.033231	3.907787
Std. Dev.	1.551915	0.385844	1.442899	1.328981	1.207160
Skewness	-0.602982	2.847105	2.951044	0.553376	0.720318
Kurtosis	6.127319	10.10543	10.69691	2.308994	2.243876
Jarque-Bera	30.42671	224.5512	254.7919	4.610636	7.169375
Probability	0.000000	0.000000	0.000000	0.099727	0.027745
Sum	407.7015	15.12350	47.73185	457.9069	345.1656
Sum Sq. Dev.	154.1401	9.528040	133.2452	113.0362	93.26310
Observations	65	65	65	65	65

E-view 9.0 Output, (2023)

The findings for the descriptive statistics for all the variables are shown in Table 4.1 below. The observed values for the dependent variable Firm Value (firVLE) are 6.272331 for the mean, 5.679374 for the median, and 8.940243 and -0.277854 for the maximum and lowest values, respectively. The mean value and the median value are rather close. The firm value (firVLE) throughout the years did not appear to deviate much from the mean, according to the standard deviation of 1.551915, which is not too high.

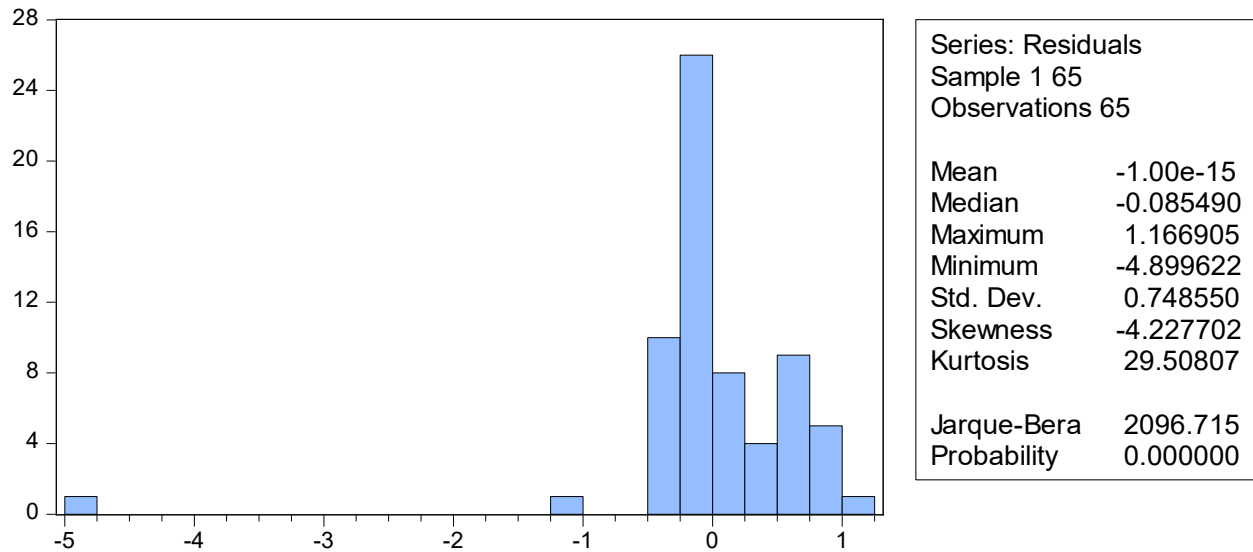
The findings show that Cash holding (CASH) has a mean value of 0.232669, a median value of 0.108276 and a maximum and lowest value of 1.737978 and 0.000115, respectively, for the independent variables. The mean value and the median value are rather close. The standard deviation of 0.385844 is not too high and suggests that Cash holding (CASH) over the years did not exhibit high deviation from the mean.

For the other independent variables, the results indicate that the mean values for Firm Leverage (firLEV), Firm Size (firSIZ) and Firm Profitability (firPRO) are 0.734336, 7.044721, and 5.310240 respectively. The standard deviation for Firm Leverage (firLEV), Firm Size (firSIZ) and Firm Profitability (firPRO) are 1.442899, 1.328981 and 1.207160 respectively. The standard deviations for Firm Leverage (firLEV), Firm Size (firSIZ) and Firm Profitability (firPRO) are not too high. It suggests that Firm Leverage (firLEV), Firm Size (firSIZ) and Firm Profitability (firPRO) over the years did not exhibit high deviation from the mean.

4.2.2 Normality Test

Normality tests are used in statistics to examine if a data set is well-modeled by a normal distribution and to calculate the likelihood that a random variable underlying the data set will be normally distributed.

Figure 4.1: Normality Test



Researchers Computation, (2023)

The above normality test reveals the histogram normality as well as other descriptive statistics of the regression variables. The outcome revealed a mean Jarque-Bera test of 2096.715 and an associated probability value of 0.000000, both of which are noticeably below the 5% mark and

suggest that not all of the series are uniformly distributed. As a result, the problem of endogeneity resulting from the data's heterogeneous character is probably obvious.

4.2.3 Correlation analysis

Bivariate correlation analysis, commonly known as correlation analysis, focuses on establishing if a link between variables exists before figuring out its strength and course of action.

Table 4.2: Correlation Analysis

Covariance Analysis: Ordinary					
Date: 10/15/23 Time: 10:03					
Sample: 1 65					
Included observations: 65					
Correlation					
t-Statistic					
Probability	FIRVLE	CASH	FIRLEV	FIRSIZ	FIRPRO
FIRVLE	1.000000				

CASH	-0.389322	1.000000			
	-3.354844	-----			
	0.0013	-----			
FIRLEV	-0.042576	-0.125278	1.000000		
	-0.338240	-1.002255	-----		
	0.7363	0.3201	-----		
FIRSIZ	0.836779	-0.235834	-0.220574	1.000000	
	12.13012	-1.926209	-1.794960	-----	
	0.0000	0.0586	0.0775	-----	
FIRPRO	0.846766	-0.338187	-0.135861	0.921371	1.000000
	12.63428	-2.852339	-1.088452	18.81513	-----
	0.0000	0.0059	0.2805	0.0000	-----

E-views, 9.0 (2023).

The coefficient of correlation for each variable under investigation is displayed in Table 4.2. The relationship between the dependent variable Firm Value (firVLE) and the explanatory

factors is crucial to the investigation. A negative association between Firm Value (firVLE) and Cash holding (CASH) is seen in the correlation matrix ($r = -0.389322$). The direction of the association and the relatively low coefficient indicate that a rise in cash holdings (CASH) may be linked to a fall in firm value (firVLE).

Firm Value (firVLE) and Firm Leverage (firLEV) have a negative correlation ($r = -0.042576$), which suggests that a decline in Firm Leverage (firLEV) may cause a decline in Firm Value (firVLE).

A positive correlation also exist between Firm Value (firVLE) and Firm Size (firSIZ) ($r = 0.836779$), the coefficient is quite high, but the positive relationship indicating that an increase in Firm Size (firSIZ) may be associated with an increase in Firm Value (firVLE).

And lastly a positive correlation also exist between Firm Value (firVLE) and Firm Profitability (firPRO) ($r = 0.846766$), the coefficient is quite high, but the positive relationship indicating that an increase in Firm Profitability (firPRO) may be associated with an increase in Firm Value (firVLE).

On the association among the independent variables, we can observe that a positive and negative correlation exist between the variables. Virtually all the coefficients are quite low except for Firm Size (firSIZ) and Firm Profitability (firPRO) with high coefficient ($r = 0.836779$ and 0.846766) respectively.

But a simple connection rather than a functioning link is not always implied by correlation analysis. According to the correlation study, several independent variables, such Firm Leverage (firLEV), did not change in the same manner as the dependent variable. Additionally, as none of the correlation coefficients are above 0.90, the problem of high-correlation is not apparent among the variables

4.3 Diagnostic Tests

In this section, some diagnostic tests were conducted to guarantee reliability and validity of the study empirical results. Some of the diagnostic tests conducted in this study are Variance Inflation Factor (VIF), Hereroskedasticity test and Hausman Test. The Variance Inflation Factor (VIF) was conducted to certain if there is the issue of multicollinearity, the Hereroskedasticity was conducted using Breusch-pagan-Godfrey test, while the Hausman Test was conducted to certain the results appropriate for the study between fixed effect and random effect.

Table 3: Variance Inflation Factors

Variance Inflation Factors		
Date: 10/15/23 Time: 16:05		
Sample: 1 65		
Included observations: 65		

	Coefficient	Uncentered	Centered
Variable	Variance	VIF	VIF
CASH	0.075476	1.647559	1.203206
FIRLEV	0.004966	1.398202	1.106997
FIRSIZ	0.038393	214.4786	7.261107
FIRPRO	0.048031	154.7916	7.494825
C	0.355722	38.68597	NA

EvIEWS 9 (2023)

Table 3's variance inflation factor result demonstrates the lack of multicollinearity. The explanatory variables' centered VIF values fall significantly short of the criterion of 10. The explanatory variables for Cash Holding (CASH) revealed a centered VIF of 1.203206; those for Firm Leverage (firLEV), Firm Size (firSIZ), Firm Profitability (firPRO), and Firm Leverage reported centered VIFs of 1.106997, 7.61107, and 7.494825, respectively. All of the model's variables had centered VIFs that were barely different from 1.00 and did not point to a multicollinearity issue.

Table 4.4: Heteroskedasticity Test: Breusch-Pagan-Godfrey

Heteroskedasticity Test: Breusch-Pagan-Godfrey			
F-statistic	2.705648	Prob. F(4,60)	0.0386
Obs*R-squared	9.932825	Prob. Chi-Square(4)	0.0416
Scaled explained SS	120.6386	Prob. Chi-Square(4)	0.0000

Researcher's Compilation (2023)

Table 4.4 provides the heteroskedasticity test. It looks for non-constant variables that might cause a breakdown in the BLUE characteristics, losing the efficiency and consistency features. If the F-statistic values are each larger than the critical values at 5% level, the decision rule states that there is no heteroskedasticity. We infer that heteroskedasticity exists in the absence of this (i.e., if the critical values at 5% are higher than the F-statistic and observed R-square value). The F-statistic values (4.60%) of the matching observed chi-square value are more than 5%, as shown in Table 4. As a result, we accept the null hypothesis of a desirable heteroskedastic error term. This has the connotation that the regression results can be applied reliably.

Table 4.5: Hausman Test Result

Correlated Random Effects - Hausman Test				
Equation: Untitled				
Test period random effects				
Test Summary		Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Period random		5.143959	4	0.2728
Period random effects test comparisons:				
Variable	Fixed	Random	Var(Diff.)	Prob.
CASH	-0.631714	-0.565475	0.003128	0.2363
FIRLEV	0.110435	0.106067	0.000778	0.8755
FIRSIZ	0.560610	0.592489	0.001460	0.4042
FIRPRO	0.475361	0.443703	0.003247	0.5785

Author's Computation (2023)

Null Hypothesis: Random effect model is desirable

Alternative Hypothesis: Random effect model is not desirable.

Decision Rule: Accept null if product is greater than 5%.

Accept alternative if product is less than 5%.

The chi-square statistics has a value of 0.27 based on the Hausman Test result, and the related p-value is higher than 5%. The null hypothesis was therefore accepted. This suggests that, in order to present a thorough summary of the findings, the random effect model is best suitable for the study (see appendix).

4.4 Regression Results toward Testing Hypotheses

Table 4.6: Regression Results

Dependent Variable: FIRVLE		
Method: Panel EGLS (Period random effects)		
Date: 10/15/23 Time: 09:56		
Sample: 2018 2022		
Periods included: 5		
Cross-sections included: 13		
Total panel (balanced) observations: 65		

Swamy and Arora estimator of component variances				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
CASH	-0.565475	0.272146	-2.077834	0.0420
FIRLEV	0.106067	0.069804	1.519490	0.1339
FIRSIZ	0.592489	0.194101	3.052487	0.0034
FIRPRO	0.443703	0.217100	2.043771	0.0454
C	-0.204080	0.590819	-0.345419	0.7310
Effects Specification				
			S.D.	Rho
Period random			3.37E-07	0.0000
Idiosyncratic random			0.765833	1.0000
Weighted Statistics				
R-squared	0.767348	Mean dependent var		6.272331
Adjusted R-squared	0.751838	S.D. dependent var		1.551915
S.E. of regression	0.773099	Sum squared resid		35.86094
F-statistic	49.47411	Durbin-Watson stat		1.622487

Prob(F-statistic)	0.000000		
	Unweighted Statistics		
R-squared	0.767348	Mean dependent var	6.272331
Sum squared resid	35.86094	Durbin-Watson stat	1.622487

E-views, 9.0 (2023).

As shown in 4.6 above, the R2 value is 0.76, and the corrected R2 statistic is similarly 0.75 percent. This suggests that changes in the explanatory variables in the model account for around 75% of systematic fluctuations in Firm Value (firVLE). Similar to the F-statistic, 49.47411 has a probability value of 0.000000 and is statistically significant at the 5% level. These results show that our model passes the statistical test for overall goodness of fit. The absence of autocorrelation is demonstrated by the Durbin-Watson statistic of 1.62. As a result, our econometric model satisfies both statistical and diagnostic requirements, and it serves as a reliable estimator that can guide policy.

In addition to the aforementioned, each PLS regression's model detailed findings for each explanatory variable is provided as followings:

Based on the coefficient of -0.565475 and p-value of 0.0420, cash holding (CASH) was statistically significant and appears to have a negative impact on firm value (firVLE). The

conclusion drawn from this finding is that we should reject the null hypothesis (H₀) posed in Hypothesis One, according to which cash holdings (CASH) significantly affect business value in Nigeria.

Based on the coefficient of 0.106067 and p-value of 0.1339, it was discovered that Firm Leverage (firLEV) had a favorable influence on Firm Value (firVLE), although it was statistically insignificant. This finding shows that we should accept Hypothesis Two's null hypothesis, according to which Firm Leverage (firLEV) has no discernible impact on Firm Value in Nigeria.

Firm Value (firVLE) appears to be positively influenced by Firm Size (firSIZ), according to the statistically significant coefficient of 0.592489 and p-value of 0.0034. This finding implies that the third hypothesis, which states that firm size (firSIZ) has a large impact on company value in Nigeria, should be rejected as the null hypothesis.

Based on a coefficient of 0.443703 and a p-value of 0.0454, Firm Profitability (firPRO) appeared to positively impact Firm Value (firVLE) and was statistically significant. This finding shows that the fourth hypothesis, which states that firm profitability (firPRO) has a large impact on company value in Nigeria, should be rejected null hypothesis.

4.5 Discussion of Findings

The study earlier stated centered on the Effect of corporate cash holding on firms value of Quoted commercial banks in Nigeria, pool data spanning a period of five (5) years (2018-2022) was utilized. The study relied on panel least square regression technique using estimated data sources from annual report and account of thirteen (13) Commercial banks listed on the Nigeria Exchange Groups (NGX). four variables; cash Holding (CASH), firm leverage (firLEV), firm size (firSIZ), firm Profitability (firPRO) were utilized as independent variable while firm Value was used as dependent variable.

The researcher took her decision on the variables having critically examined the estimated coefficient and probability as well as the role played by each variable in the model explaining firm Value (firVLE).

Based on the observation, the researcher uncovered that the coefficient of cash Holding (CASH) has a negative sign, while three independent variable, firm leverage, firm size and firm Profitability examined has a positive sign.

On the significance relationship between the independent variables and the dependent variable, the study observed that;

1. There is a negative statistically significant relationship between cash Holding and firm value. The findings is on agreement with Afifa et al (2021) and the findings is disagreement with be the study carried out by Ahamalu,(2018)which finds that cash holding has a positive and statistical significant effect on firm performance.

2. There is a positive statistically insignificant relationship between firm Value and leverage. The findings is in line with Yinusa et al (2021), Ahn, Denis & Denis (2006), who also found by that leverage has a positive insignificant relationship on the value of a firm.

3. There is a positive statistically significant relationship between firm size and firm Value .The findings is in agreement with Hameed (2020), Asad, & Cheema (2017), Rizky, Nut & Siti (2017), found also that firm size has a positive insignificant relationship with firm Value.

4. There is a positive statistically significant relationship between firm Profitability and firm value. The findings goes in agreement with the study of Sudiyatno et Al 2021, and Data (2018), which finds that firm profitability has a positive statically significance on the firm value.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter summarizes the findings of this research work as well as presents the conclusion and recommendations of the study.

5.2 Summary of Findings

Based on the analysis of data conducted in chapter four, the following findings are articulated:

1. Cash holding (CASH) have significant influence on firm value in Nigeria
2. Firm Leverage (firLEV) have no significant influence on firm value in Nigeria
3. Firm Size (firSIZ) have significant influence on firm value in Nigeria
4. Firm Profitability (firPRO) have significant influence on firm value in Nigeria

5.3 Conclusion

This study examines the effect of corporate cash holding of firm's value in Nigeria. The model was regressed to analyze the existence of significant relationships between the dependent (Firm Value (firVLE)) and independent variables [Cash holding (CASH), Firm Leverage (firLEV), Firm Size (firSIZ) and Firm Profitability (firPRO)]. The study utilized thirteen (13) banks quoted on the Nigerian Exchange Group (NGX) that have maintained 2018 to 2022 annual financial reports. In identifying the possible cash holding attributes that would influence Firm Value (firVLE) of banks in Nigeria; we conducted descriptive statistics, correlation and firm observable estimation of the regression result. Specifically, we studied the impact of Cash holding (CASH), Firm Leverage (firLEV), Firm Size (firSIZ) and Firm Profitability (firPRO) on Firm Value (firVLE) of quoted banks in Nigeria.

The results showed that Cash holding (CASH), Firm Size (firSIZ), Firm Profitability (firPRO) significantly impact firm value among listed banks in Nigeria, while the variables of Firm Leverage (firLEV) have no significant influence on firm value in Nigeria for the period under review.

5.4 Recommendations

Based on the preceding discussions, it is our opinion and recommendation that the following measures should be implemented.

The study recommended that quoted banks in Nigeria can increase their assets and improve the scope of their operations in order to increase their firm value, since firm size positively and significantly contributes to their firm value.

It is recommended that stakeholders interested in the firm value of quoted banks should pay less attention to certain firm-specific attributes, including leverage, which has an insignificant relationship with firm value.

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APPENDIX

Dependent Variable: FIRVLE

Method: Least Squares

Date: 10/15/23 Time: 10:01

Sample: 1 65

Included observations: 65

Variable	Coefficient	Std. Error	t-Statistic	Prob.
CASH	-0.565475	0.274728	-2.058304	0.0439
FIRLEV	0.106067	0.070466	1.505209	0.1375
FIRSIZ	0.592489	0.195942	3.023797	0.0037
FIRPRO	0.443703	0.219160	2.024562	0.0474
C	-0.204080	0.596424	-0.342172	0.7334
R-squared	0.767348	Mean dependent var	6.272331	
Adjusted R-squared	0.751838	S.D. dependent var	1.551915	
S.E. of regression	0.773099	Akaike info criterion	2.396985	
Sum squared resid	35.86094	Schwarz criterion	2.564245	
Log likelihood	-72.90200	Hannan-Quinn criter.	2.462980	

F-statistic 49.47411 Durbin-Watson stat 1.622487
 Prob(F-statistic) 0.000000

	FIRVLE	CASH	FIRLEV	FIRSIZ	FIRPRO
Mean	6.272331	0.232669	0.734336	7.044721	5.310240
Median	5.679374	0.108276	0.273531	6.616632	4.768409
Maximum	8.940243	1.737978	6.707357	9.985011	8.046598
Minimum	-0.277854	0.000115	0.000324	5.033231	3.907787
Std. Dev.	1.551915	0.385844	1.442899	1.328981	1.207160
Skewness	-0.602982	2.847105	2.951044	0.553376	0.720318
Kurtosis	6.127319	10.10543	10.69691	2.308994	2.243876
Jarque-Bera	30.42671	224.5512	254.7919	4.610636	7.169375
Probability	0.000000	0.000000	0.000000	0.099727	0.027745
Sum	407.7015	15.12350	47.73185	457.9069	345.1656
Sum Sq. Dev.	154.1401	9.528040	133.2452	113.0362	93.26310
Observations	65	65	65	65	65

Covariance Analysis: Ordinary

Date: 10/15/23 Time: 10:03

Sample: 1 65

Included observations: 65

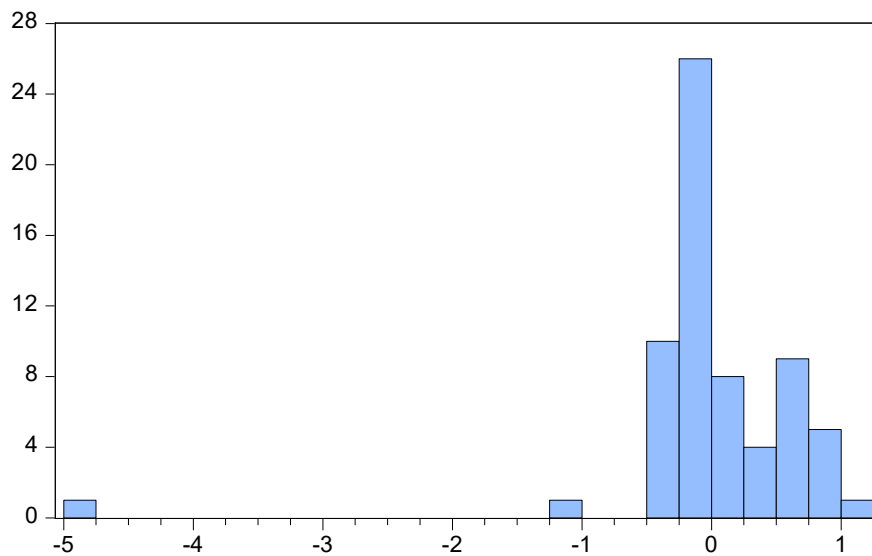
Correlation

t-Statistic

Probability	FIRVLE	CASH	FIRLEV	FIRSIZ	FIRPRO
FIRVLE	1.000000				

CASH	-0.389322	1.000000			
	-3.354844	-----			
	0.0013	-----			
FIRLEV	-0.042576	-0.125278	1.000000		
	-0.338240	-1.002255	-----		
	0.7363	0.3201	-----		

FIRSIZ	0.836779	-0.235834	-0.220574	1.000000	
	12.13012	-1.926209	-1.794960	-----	
	0.0000	0.0586	0.0775	-----	
FIRPRO	0.846766	-0.338187	-0.135861	0.921371	1.000000
	12.63428	-2.852339	-1.088452	18.81513	-----
	0.0000	0.0059	0.2805	0.0000	-----



Series: Residuals	
Sample 1 65	
Observations 65	
Mean	-1.00e-15
Median	-0.085490
Maximum	1.166905
Minimum	-4.899622
Std. Dev.	0.748550
Skewness	-4.227702
Kurtosis	29.50807
Jarque-Bera	2096.715
Probability	0.000000

Heteroskedasticity Test: Breusch-Pagan-Godfrey

F-statistic	2.705648	Prob. F(4,60)	0.0386
Obs*R-squared	9.932825	Prob. Chi-Square(4)	0.0416
Scaled explained SS	120.6386	Prob. Chi-Square(4)	0.0000

Test Equation:

Dependent Variable: RESID^2

Method: Least Squares

Date: 10/15/23 Time: 10:04

Sample: 1 65

Included observations: 65

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.335724	2.177123	-0.154205	0.8780
CASH	3.131283	1.002839	3.122418	0.0028
FIRLEV	0.022506	0.257223	0.087494	0.9306
FIRSIZ	-0.174218	0.715246	-0.243578	0.8084
FIRPRO	0.257930	0.799998	0.322413	0.7483

R-squared	0.152813	Mean dependent var	0.551707
Adjusted R-squared	0.096334	S.D. dependent var	2.968649
S.E. of regression	2.822039	Akaike info criterion	4.986600
Sum squared resid	477.8341	Schwarz criterion	5.153860
Log likelihood	-157.0645	Hannan-Quinn criter.	5.052595
F-statistic	2.705648	Durbin-Watson stat	1.975549
Prob(F-statistic)	0.038580		

Dependent Variable: FIRVLE

Method: Panel Least Squares

Date: 10/15/23 Time: 09:54

Sample: 2018 2022

Periods included: 5

Cross-sections included: 13

Total panel (balanced) observations: 65

Variable	Coefficient	Std. Error	t-Statistic	Prob.
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CASH	-0.577476	0.352481	-1.638316	0.1079
FIRLEV	-0.009517	0.075657	-0.125787	0.9004
FIRSIZ	0.905905	0.410889	2.204747	0.0323
FIRPRO	0.147979	0.320751	0.461353	0.6466
C	-0.753976	1.815018	-0.415409	0.6797

Effects Specification

Cross-section fixed (dummy variables)

R-squared	0.840615	Mean dependent var	6.272331
Adjusted R-squared	0.787487	S.D. dependent var	1.551915
S.E. of regression	0.715419	Akaike info criterion	2.387995
Sum squared resid	24.56759	Schwarz criterion	2.956681
Log likelihood	-60.60983	Hannan-Quinn criter.	2.612378
F-statistic	15.82237	Durbin-Watson stat	2.015501
Prob(F-statistic)	0.000000		

Dependent Variable: FIRVLE

Method: Panel EGLS (Period random effects)

Date: 10/15/23 Time: 09:56

Sample: 2018 2022

Periods included: 5

Cross-sections included: 13

Total panel (balanced) observations: 65

Swamy and Arora estimator of component variances

Variable	Coefficient	Std. Error	t-Statistic	Prob.
CASH	-0.565475	0.272146	-2.077834	0.0420
FIRLEV	0.106067	0.069804	1.519490	0.1339
FIRSIZ	0.592489	0.194101	3.052487	0.0034
FIRPRO	0.443703	0.217100	2.043771	0.0454
C	-0.204080	0.590819	-0.345419	0.7310

Effects Specification

	S.D.	Rho
Period random	3.37E-07	0.0000

Idiosyncratic random 0.765833 1.0000

Weighted Statistics

R-squared	0.767348	Mean dependent var	6.272331
Adjusted R-squared	0.751838	S.D. dependent var	1.551915
S.E. of regression	0.773099	Sum squared resid	35.86094
F-statistic	49.47411	Durbin-Watson stat	1.622487
Prob(F-statistic)	0.000000		

Unweighted Statistics

R-squared	0.767348	Mean dependent var	6.272331
Sum squared resid	35.86094	Durbin-Watson stat	1.622487

Correlated Random Effects - Hausman Test

Equation: Untitled

Test period random effects

Chi-Sq.			
Test Summary	Statistic	Chi-Sq. d.f.	Prob.
Period random	5.143959	4	0.2728

Period random effects test comparisons:

Variable	Fixed	Random	Var(Diff.)	Prob.
CASH	-0.631714	-0.565475	0.003128	0.2363
FIRLEV	0.110435	0.106067	0.000778	0.8755
FIRSIZ	0.560610	0.592489	0.001460	0.4042
FIRPRO	0.475361	0.443703	0.003247	0.5785

Period random effects test equation:

Dependent Variable: FIRVLE

Method: Panel Least Squares

Date: 10/15/23 Time: 09:57

Sample: 2018 2022

Periods included: 5

Cross-sections included: 13

Total panel (balanced) observations: 65

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.135407	0.595215	-0.227493	0.8209
CASH	-0.631714	0.277833	-2.273717	0.0268
FIRLEV	0.110435	0.075169	1.469161	0.1474
FIRSIZ	0.560610	0.197827	2.833843	0.0064
FIRPRO	0.475361	0.224453	2.117865	0.0386

Effects Specification

Period fixed (dummy variables)

R-squared	0.786921	Mean dependent var	6.272331
Adjusted R-squared	0.756481	S.D. dependent var	1.551915
S.E. of regression	0.765833	Akaike info criterion	2.432182
Sum squared resid	32.84401	Schwarz criterion	2.733251

Log likelihood	-70.04592	Hannan-Quinn criter.	2.550973
F-statistic	25.85169	Durbin-Watson stat	1.548461
Prob(F-statistic)	0.000000		

Variance Inflation Factors

Date: 10/15/23 Time: 16:05

Sample: 1 65

Included observations: 65

Variable	Coefficient		
	Uncentered	Centered	
	Variance	VIF	VIF
CASH	0.075476	1.647559	1.203206
FIRLEV	0.004966	1.398202	1.106997
FIRSIZ	0.038393	214.4786	7.261107
FIRPRO	0.048031	154.7916	7.494825
C	0.355722	38.68597	NA
