

CORPORATE GOVERNANCE, CORPORATE STRATEGY AND CORPORATE PERFORMANCE: EVIDENCE FROM THE FINANCIAL INSTITUTIONS LISTED ON THE NIGERIAN STOCK EXCHANGE

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Abstract

The study aimed at proving that corporate governance structures should work in tandem with other stakeholders of the company to fashion a robust corporate strategy for effective corporate performance. Undoubtedly, in most situations board squabble, ineptitude, inconsistent tenure of office during which members engage in arbitrage opportunities and rent seeking activities constitute the bane of achievement of corporate prime objectives. The study availed itself of the secondary data from Nigerian Stock Exchange Fact book where thirty three (33) out of forty eight (48) financial institutions were selected, tabulated and analyzed using Ordinary Least Squared (OLS) rule. A multiple regression model was applied in the analysis of the data. The result provided sufficient evidence of relationship between corporate governance and firm performance. It concluded that a talented board is a corner stone of an effective corporate governance system.

Key words: Corporate governance, corporate strategy, corporate performance, earnings management.

1.0 Introduction

Corporate governance is a field in managerial economics that describes the way a company is managed, monitored and held accountable (Gilliant and Starks, 1998). Zabihollah (2009), defines corporate governance as the “the process affected by a set of legislative, regulatory, legal, market mechanisms, listing standards, best practices and effort of all corporate participants including auditors and financial advisors which create a system of checks and balances with the goal of creating and enhancing enduring and sustainable value while protecting the interest of external environment.

For the purpose of this article, the writer aligns with the opinion of Al-Faki, (2006), that corporate governance is a system by which business organizations are directed and controlled. According to him, corporate governance structure specifies the distribution of rights and responsibilities among different participants in different organizations such as the board, managers, shareholders and other stakeholders; and spells out the rules and procedures for making decisions on corporate affairs. OECD, (1999) also provides the structure through which the organizational objectives are set and the means of attaining those objectives as well as monitoring and evaluating performance. (Leetham, 2009) opines that corporate governance has significant relationship with corporate performance. According to him, corporate governance is an important concept that relate to the way and manner in which human, material and financial resources available to an organization are judiciously applied to achieve the overall corporate objective. It keeps the organization in business and creates a greater prospect for future opportunities (Young, 2003).

Since the 1970s a growing number of studies have been going on linking corporate policies and performance with governance. While profusely studied within academic circles, these models did not gain a more widespread popularity until very recently. The reason being that, these allegations were not tested and sustained using the corporate governance variables and performance indices. Corporate scandals around the world in recent years contributed to

raising awareness among managers, investors and regulators, and an effort under way in many countries to produce quantitative measures on governance, and estimate their impact on the value and decision – making process of firms.

Hence, financial scandals around the world and the recent collapse of major corporate institutions in the USA, South East Asia, European and Nigeria such as Adelphia, Enron, World Com, Commerce Bank and recently XL Holidays have shaken investors confidence in the capital markets and the efficacy of existing corporate governance practices in promoting transparency and accountability. This has revealed the need for practice of good corporate governance.

This study is a contribution to the on going debate on the examination of the relationship that exists between the corporate governance mechanisms and firms' performance. Using a sample of 452 firms in the annual Forbes magazine rankings of 500 largest public firms in the USA between (1984) and (1991), Yermack, (1996) confirmed that corporations are more valuable when the chief executive officer and the board chairman positions are occupied by different persons. However, Lipton and Lorsh, (1999) do not find a positive relationship between the separation of chief executive officer and the board chairman. And viability in another study finding, Farooq, Omar and Ahmed, (2007) in their investigation on 228 private firms in China, reported that the presence of outside directors is positively associated with higher returns on investment (ROI). Klein, (2003) reported a negative correlation between earnings management and audit committee independence. On a similar finding Anderson and Reeb, (2004) concluded that entirely independent audit committee had lowest debt financing cost.

Other studies carried out by Eisenberg, Sundgerein and Wells, (1998); and Bhattacharya, Daouk and Welker (2003) also reported that small board size is positively related to high firm performance. Black, Bernard and Vikramaditya, (2007) using samples of firms in Malaysia and Singapor find that valuation is higher when board has five directors; a number considered relatively small in those markets.

In Nigeria, (Adenikinju and Ayorinde, 2001), and (Kajola, 2008) have conducted similar studies on the Nigerian business environment, but no known studies have linked corporate governance mechanisms proxied by firms board size, firms board composition, firms executive officer status, firm audit committee to firm performance measured in terms of return on equity (ROE) and net profit margin after tax in financial institutions listed in the Nigerian stock exchange. This scenario is the crux of this research.

1.2 Statement of problem

Strictly speaking, governance of corporation rest with the board of directors which is expected to exhibit ethics, integrity and probity in ensuring that corporate affairs are in line with the corporate objectives. But what appears to be the in thing according to (Kyereboah, 2007) is that financial institutions in developing countries are characterized by instability of tenure of office, ineptitude, share incompetence; inter personal disagreement and hostilities within the board which often lead to polarization of rank and file of staff. Board members and top management staff often take advantage of this scenario to build empires; engage in arbitrage opportunities and rent seeking activities rather than planning for high corporate performance and survival strategies all of which have systematic band wagon negative effect on the organization. The near absence of empirical work on the subject matter in some developing economies and economies in transition arouse the interest of the writer and to fill the gap in knowledge, form a part of the problem of the study.

1.3 Objectives of the study

The broad objective of the study is to examine the extent to which corporate governance impact on corporate strategic decision and by extension the corporate performance. The specific objective includes:

- i. To examine the relationship between the firms corporate governance mechanisms and the return on investment (ROI).
- ii. To ascertain the relationship between profit margin and the firms corporate governance mechanisms.

1.4 Research questions

The study seeks to find answers to the following questions:

- i. To what extent are corporate governance mechanisms related to firm's performance?
- ii. Is there any relationship between return on equity and the firm's board size, the firm's board composition, the firm's executive status and the firm's audit committee?

- iii. What relationship exists between profit margin and the firm's board composition, the firm's executive status, the firm's board and the firm's audit committee?

1.5 Research hypotheses

- i. There is no significant relationship between corporate governance mechanisms and the firm's performance.
- ii. There is no significant relationship between return on investment and the firm's corporate governance mechanisms.
- iii. No significant relationship exists between the profit margin and the firm's corporate governance mechanisms.

2.1 Theoretical framework

The key paradigms that underpin the subject matter includes: the agency theory the stakeholder and the stewardship theories. The years attached to these theories appear extant, but they are very relevant in terms of their contributions to this study. Their contributions are hereby taken in turn.

2.1.1 Agency theory

Florackis and Ozkan, (2004) have acknowledged the fact that the principal-agent theory is generally considered the starting point for any debate on the issue of corporate governance emanating from the classical thesis on the modern corporation and private property of Berle and Means (1932). According to this thesis, the fundamental agency problem in modern firms is primarily due to the separation between finance and management. Firth, Fung and Rui, (2002) assert that modern firms are seen to suffer from separation of ownership and control and therefore are run by professional managers (agents) who cannot be held accountable by dispersed shareholders. In this regard, the fundamental question is how to ensure that managers follow the interests of shareholders in order to reduce cost associated with principal-agent theory? The principals are confronted with two main problems. Apart from facing an adverse selection problem because they are faced with selecting the most capable managers, they are also confronted with a moral hazard problem; they must give agents (managers) the right incentives to make decisions aligned with shareholder interests.

In further discussion of agency relationships and cost Jensen and Meckling, (1976), described agency relationship as a contract under which "one or more persons (principal) engage another person (agent) to perform some service on their behalf, which involves delegating some decision making authority to the agent". In this scenario, there exist a conflict of interest between managers or controlling shareholders, and outside or minority shareholders leading to the tendency that the former may extract "perquisite" (or perks) out of a firm's resource and be less interested to pursue new profitable ventures. Agency costs include monitoring expenditures by the principal such as auditing, budgeting, control and compensation systems, bonding expenditures by the agent and residual loss due to divergence of interest between the principal and the agent. The share price that shareholders (principal) pay reflects such agency costs. Hardwick, Philip, Adams, Mike Zou and Hong, (2003).

To increase firm value, one must therefore reduce agency costs. The following represent the key issues towards addressing opportunistic behavior from managers within the agency theory: (1) composition of board of directors: The board of directors is expected to be made up of more non executive directors for effective control. It is argued that this reduces conflict of interest and ensures a board's independence in monitoring and passing fair and unbiased judgment on management. (2) Chief Executive Officer (CEO) duality: it is expected also that different individual occupy the positions of CEO and board chairperson as this reduces the concentration of power in one individual and thus greatly reduces undue influence of particular management and board members.

2.1.2 Stakeholder theory

According to Donaldson and Preston, (1995), the concept of agency theory is narrow. This is because they identify shareholders as the only interest group of a corporate entity necessitating further exploration. By expanding the spectrum of interested parties, Mitchel, Wood and Agle, (1997) argue that, the stakeholder theory stipulates that, a corporate entity invariably seeks to provide a balance between the interests of its diverse stakeholder in order to ensure that each interest's constituency receives some degree of satisfaction. In separate contribution, Elkington, (2002) corroborate the fact that stakeholder theory therefore appears better in explaining the role of corporate governance than

the agency theory by highlighting the various constituent; employees, banks, governance, relevant stakeholders. Related to the above discussion, Freeman and Evan, (1990) provide a comprehensive review of the stakeholders' theory of corporate governance which points out the presence of many parties with competing interests in the operations of the firm. They also emphasize the role of non-market mechanisms such as the size of the board, committee structure as important to firm performance.

Stakeholder theory has become more prominent because many researchers have recognized that the activities of a corporate entity impact on the external environment requiring accountability of the organization to a wider audience than simply its shareholders. For instance, Savage, Nix, Whitehead and Blair, (1991) proposed that companies are no longer the instrument of shareholder alone but exist within society and therefore, have responsibilities to that society. One must however point out that large recognition of this fact has rather been a recent phenomenon. Indeed, it has been realized that economic value is created by people who voluntarily come together and cooperate to improve everyone's position (Freeman, 2004).

Friedman and Miles (2006) criticized the stakeholder theory for assuming a single-valued objective (gains that accrue to a firm's constituencies). The argument of Friedman and Miles (2006) suggests that the performance of a firm is not and should not be measured only by gains to its stakeholders. Other issues such as flow of information from senior management to lower ranks, inter personal relations, working environment, are all critical issues that should be considered. Some of these other issues provided a platform for other arguments as discussed later. An extension of the theory called an enlighten stakeholder theory was proposed. However, problems relating to empirical testing of the extension have limited its relevance (Roberts and Mahoney, 2004).

2.1.3 Stewardship theory

This theory, arguing against the agency theory posits that managerial opportunism is not relevant (Donaldson, (1990a), Zahra and Pearce, (1989), Esienhardt, 1989,). According to the stewardship theory, a manager's need of achievement and success are satisfied when the firm is performing well. One key distinguishing feature of the theory of stewardship is that it replaces the lack of trust to which agency theory refers with respect for authority and inclination to ethical behavior. Other contributors in this perspective include:

- Rechner and Dalton, (1988). According to them on the issue of Board of Directors, the involvement of non-executive directors is viewed as critical to enhance the effectiveness of the board's activities because executive directors have full knowledge of the firm's operations. Thus, it is believed that the appointment of non-executive directors will enhance decision-making and ensure the sustainability of the business.
- Leadership: contrary to the agency theory, the stewardship theory stipulates that the position of chief executive officer and board chair should be concentrated in the same individual, Williamson, (1985). The reason being that it affords the chief executive officer the opportunity to carry through decision quickly without the hindrance of undue bureaucracy. We must rather point out that this position has been found to create higher agency costs. The argument is that when governance structures are effectively working, there should not be undue bureaucratic delays in any decision making.
- Finally, Sullivan, (1988) argued that small board sizes should be encouraged to promote effective communication and decision-making. However, the theory does not stipulate a role for determining the optimal board size and for that matter what constitutes small?

3.0 Methodology

The researchers adopted a survey design for this study. This was because it sought to explain how corporate governance mechanisms impact on corporate strategic decision making and by extension the overall corporate performance.

The data used for this study were obtained from the audited financial statements of banks and insurance companies listed on the Nigerian Stock Exchange (NSE) fact book of 2010 /2011. The sample of financial institutions

was selected using a combination of purposive and stratified random sampling techniques and later applied the Yaro Yamani formula thus: $n = N / [1 + (Ne^2)]$.

Where:

n = sample size from where we got the 33 sampled financial institutions

N = population

e = the error limit (0.05 on the basis of 95% confidence level).

Subsequently, a total of 18 Banks and 15 insurance companies were finally selected out of 27 insurance companies and 21 banks for the study. This represents 165 firm- year observations.

3.1 Model specification

According to, Nachmias and Nachmias, (2009), Panel data methodology was adopted because it combined time series and cross sectional data analysis. Accordingly the model used in the study is given as:

$$Y = \beta_0 + \beta_1 F_{it} + \beta_2 F_{it} + e_{it}$$

Where:

Y = dependable variable

β_0 = constant

β = coefficient of the explanatory variable

F_{it} = explanatory variable

This research employs two financial ratios (Return on Equity (denoted by ROE) and net profit margin (denoted by NPM) to measure the firms performance (denoted by PERF). For the independent variables, the study examined four corporate governance mechanisms namely: the Board size (B size), Board composition (B COMP), Chief Executive Status (CEO), and Audit committee (AUDCOM).

Consequently, by adopting the economic model as in equation (1) above, the study equation (2) below evolved thus:

$$\text{PERFORMANCE (PERF)} = B_0 + B_1 \text{BSIZE} + B_2 \text{BCOMP} + B_3 \text{CEO} + B_4 \text{AUDCOM} + e_{it} \dots \dots (2)$$

This equation becomes the tool used in the analyses of the data.

In previous studies, Tobin's Q (the market value of equity plus the market value of debt divided by the replacement cost of all assets) has been used extensively as a proxy for measuring firm's performance. It is, however, difficult to get the required information relating to the market value of debt issued by Nigerian firms; since these are not usually disclosed in their financial reports. In order to mitigate this problem, many scholars (see Adenikinju and Ayorinde, 2001, Comin and Mulani, 2005 and Sanda 2005) used modified form of Tobin's Q. This study will not follow their line of assumption, because the various modifications made on the original Tobin's Q are considered to be subjective, and in line with the dictates of the writers and may influence the outcome of the study.

4.0 Data presentation and analysis

[Insert Table 1-4]

Table 1 shows the descriptive statistics of all the variables used in the study. The mean ROE of sampled firms is about 40% and the mean NPM is 35%. The results indicate that the average, for every N100 turnover of the sampled firms, N 3.50 was the profit earned. The average board size of the 33 firms used in this study is 12, while the proportion of outside directors sitting on the board is about 49%. The result also indicates that 100% of the sampled firms have separated person occupying the post of the chief executive and the board chairman. All the firms have audit committees composed of at least (50.22%) of outside members. The Nigerian companies and allied matters Act, 1990 prescribe a

6-member audit committee (3 member representing the shareholders and 3 representing the management/directors). One can therefore infer that half of the boards of the sampled firms are independent.

From Table 2a, using the Pearson correlation, ROE is positively correlated with the firm's board composition (0.105) and is not significant (sig. 0.180). Similar results appear for board size (0.004); (sig. 0.962) and audit committee (0.006), (sig. 0.944). It is also interesting to note that ROE did not correlate with chief executive officer status. This may be due to the fact that there was no variance in the data of the chief executive officer status.

From table 2b, using the Pearson correlations, the NPM result shows variables such as Audit committee (-0.019); (sig. 0.081). Others are board size (-0.102); (sig. 0.192). NPM is positively correlated with board composition (0.036) and is not significant (sig. 0.647). There was no correlation between NPM and chief executive status because there was no variance in the range of data of the chief executive officer status. The data was further analyzed using analysis of variance (ANOVA) in order to show the joint influence of the independent variables on the ROE (see tables 3a and 3b respectively).

Table 3a and 3b show the analysis of the variance (ANOVA) of multiple Regression Analysis for the variables. From the analysis the following results were observed: multiple R value of 0.117 and R-square value of 0.014 (1.4% predictions) with F-value of 0.947 (sig 0.524) and multiple R value of 0.139 and R-square value of 0.019 (1.9% predictions with F-value of 1.064 (sig 0.366) for ROE and NPM as performance proxies' respectively. It clearly shows that there is weak relationship between the dependent variables (ROE and NPM) and the independent variables (the four corporate governance mechanism-board size, board composition, and chief executive status and audit committee) at 1%, 5% and 10% levels.

It was pertinent to check for the levels of influence of each independent variable on ROE and NPM (see tables 4a and 4b respectively).

From the results of table 4a, the independent variable with the greatest contribution on ROE was board composition (t: 1.497; B: 3.694). This was seconded by Board size (t:-0.619; B:-0.033).

The least factor was audit committee (t:-0.230; B:-3.173)

From the results of table 4b, the most influencing independent variable was Boarded component (t: 1.216; B: 0.644). This was seconded by Board size (t:- 1.688; B;- 0.019). The third in order was audit committee (t:-0.280; B:-0.831).

The analysis above shows the ROE is positive correlated with firms' board composition (hypothesis C) through the level of correlation is not significant.

Similarly, the ROE is positively correlated with the firms' board size and audit committee (hypothesis b and e respectively). While there is no correlation between the ROE and the firm chief executive status (hypothesis d which is thus rejected), maybe because there was no variance in the range of data of the chief executive officer status. The analysis further reveals that the other performance proxy NPM, is positively correlated with firms' board composition (hypothesis g) though not significant too. There was no correlation between NPM and the chief executive status (hypothesis h which is status rejected). This too, may be due to the fact that there was no variance in the data of the chief executive officer status. The relationship between NPM and the firms' audit committee (hypothesis I which is thus rejected) as well as that of NPM and the firms' board size (hypothesis I which is thus rejected) is negative.

The data were further analyzed for variance (ANOVA) in order to show or determine the joint influence of the independent variables on the ROE and NPM (see tables 3a and 3b respectively). From the analysis of variance (ANOVA) of multiple Regression analysis for the variables, the following result was observed: multiple R value of 0.117 and r-square value of 0.014 (1.4% predictions) with f-values of 0.947 (sig. 0.524) and multiple R-value of 0.139 and R-square value of 0.019 (1.9% predictions with F-value of 1.064 (sig. 0.3666) for ROE and NPM as performance proxies respectively. It clearly shows that there is a weak relationship between the dependent variables (ROE and independent variables (hypothesis a): the four corporate governance mechanisms board size, board composition, chief executive status and audit committee) at 1%, 5% and 10% levels respectively.

Again, the data was further analyzed to check for the level of influence of each independent variable on ROE and NPM (see tables 4a and 4b respectively) shows that the independent variable with the greatest contribution on ROE was Board composition (t:1.497; B:3.694), then on Audit committee (t:-0.230; B:- 3.173). The next factor was Board size

(t:-0.619; B:- 0.033). While the most influencing independent variable on the NPM was board composition (B: 0.644). Next was Audit committee (t:- 0.280; B:-0.831).

The relationship between board composition and the two performance measures is not statistically significant. The implication of this is that for the sample firms, there is no relationship between the firms' financial performances and the outside directors sitting on the board. This outcome also has the support of Forsberg, (1989), Weisbach, (1991), Bhagat and Black, (2002) and Sanda, (2005).

While the negative relationship between NPM and two corporate governance proxies-Board size and Audit committee, is in line with the findings of Yermack, (1996) and Huther, (1997). The average board size of about 12 as indicated in the descriptive statistics is considered small in the Nigerian context. Also, the positive relationship ROE and the firms' board size reported in this research does not contradict the research findings of Eisenberg, Sundgren and Well, (1998).

Moreover, that there is no relationship between the two performance indices and the chief executive status as shown in this research contradicts previous research finding as reported in Yermack, (1996) and Huther, (1997). However, none of those studies relate to the financial institutions which is one of the most regulated of all the industries in terms of capital adequacy, prudence and supervisory pressure. However, the descriptive statistics shows that 100% of the sample firms have separate person occupying the post of the chief executive and the board chairman. This has influence on the financial performance of the sample firms' and is in line with the tenet of the code of corporate governance best practice of Nigeria.

5.0 Conclusion and recommendations

Writing over a decade ago, Parker, (1990) used a yachting analogy to divide the strategic approach of board into two groups namely: 'day sailors' and 'ocean-racers'. According to him, day sailors follow whatever course the prevailing winds and tide allow, whereas ocean racing teams by contrast, have a definite objective and course to follow, recognize that they have a lot of tough competitors and possess determination to win. Corroborating the view of Parker, Cadbury, (2002) has likened the chairman's role to be the conductor of orchestra. This means that if boards are to fulfill their responsibilities under the code to set the groups strategic aims, there must be ocean racers that can make fundamental policy decisions. In other words, board appointment should be at arm length and not on related party basis.

With regard to future research, efforts should be put at increasing the sample size and the corporate governance variables particularly the inclusion of ownership concentration / characteristics. The need to examine the relationship between firm performance measures when leverage is introduced will make the out come of the research more robust. More importantly, the existing literature indicates a sample selection bias in favor of very big firms. It is suggested that extension should be directed to the study of small and medium scale firms in Nigeria and other developing countries. This is expected because of the developmental role these firms play and the fact that they account for at least 90% of the total number of firms in most developing and developed economies.

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Table 1: Descriptive statistics of the research variables

STATISTICAL PARAMETER	ROE	PM	BSIZE	BCOMP	CEO	ANDCOMP
Mean	.3974	.3543	12.0000	.4963	1.0000	.5022
Median	.1240a	.2660a	11.8000a	.4889a	.a	.5022a
Mode	.06b	.31	8.00b	.05	1.00a	.50
Std. Dev	2.10287	.45253	3.51825	.07635	.00000	.01228
Skewness	8.918	4.472	.196	-.030	.	5.530
Kurtosis	79.632	23.526	-.896	-.620	.	28.937
Range	20.42	3.17	14.00	.33	.00	.07
Minimum	.00	.00	6.00	.33	1.00	.50
Maximum	20.42	3.17	20.00	.67	1.00	.57
Sum	65.58	58.47	1980.00	81.90	165.00	82.86

Table 2a correlations (Pearson)-roe as a firm performance proxy.

VARIABLES	B SIZE	B COMP	CEO	AUDCOM
ROE	.008	.236	.a	.012
BSIZE	1	.454**	.a	.151
B COMP	.454**	1	.a	.241
CEO	.a	.a	.a	.a
AUCOM	.151	.241	.a	1
SIG(2 TAILED)				
ROE	.962	.180	.	.944
N				
ROE	165	165	165	165
B SIZE	165	165	165	165
B COMP	165	165	165	165
CEO	165	165	165	165
AUCOM	165	165	165	165

Table 2b Correlations (Pearson)-npm as a firm performance proxy.

VARIABLES	B SIZE	B COMP	CEO	AUDCOM
NPM	-0.102	.036	.a	-.019
BSIZE	1	.454	.a	.151
B COMP	.454**	1	.a	.241**
CEO	.a	.a	.a	.a
AUCOM SIG TAILED	.151	.241	.a	-.019
NPM	0.192		.	.811
N				
NPM	165	165	165	165
B SIZE	165	165	165	165
B COMP	165	165	165	165
CEO	165	165	165	165
AUDCOM	165	165	165	165

Table 3a Influence of board size, board composition, ceo and audit committee on roe

MODEL	SUM OF SQUARES	DF	MEAN SQUARE	F	SIG.
Regression	9.985	3	3.328	.749	.524
Residual	715.233	161	4.442		
Total	725.218	164			

Multiple R-value = 0.117

R-square = 0.014

A. predictors: (constant), AUOCOM, B-SIZE, B-COMP

B. Dependents Variable: ROE

Table 3b Influence on board size, board composition, ceo and audit committee on npm

MODEL	SUM OF SQUARES	DF	MEAN SQUARE	F	SIG.
Regression	.653	3	.218	1.064	.366a
Residual	32.931	161	.205		
Total	33.984	164			

Multiple R value = 0.139

R-square value = 0.019

C. predictors: (constant), AUOCOM, B-SIZE, B-COMP

d. Dependent variable: NPM

Table 4a Coefficients a estimate of the influence of the independent variables on the roe

MODEL	UNSTANDARDIZED COEFFICIENTS		STANDARDIZED COEFFICIENTS	T	SIG
	B	STD.ERROR	BETA		
1 (constant)	.547	1.450		.469	.640
B-SIZE	-0.33	.011	-.148	-.688	.093
B-COMP	3.694	.529	.109	1.216	.226
AUDCOM	-3.173	2.966	-.023	-.280	.780

Table 4b Coefficientsa estimate of the influence of the independent variables on the npm

MODEL	UNSTANDARDIZED COEFFICIENTS		STANDARDIZED COEFFICIENTS	T	SIG
	B	STD. ERROR	BETA		
1 (Constant)	.681	1.450		.469	.640
B – Size	-.019	.011	-.148	-1.688	.093
B – COMP	.644	529	.109	1.216	.226
AUDCOM	-.831	2.966	-.023	-.280	.780