FIRM CHARACTERISTICS AND PERFORMANCE DISCLOSURE OF FOOD MANUFACTURING COMPANIES IN NIGERIA USING BALANCE SCORECARD

AJIBOLA, Oluwafunmilayo Olubukola[1], IDOWU, Oluwatobi[2], TOMOMEWO, Amos Olafusi[3]

[1] *Department of Accounting, Faculty of Humanities,Social and management sciences, Anchor University Lagos, Nigeria*

*email:*oajibola@aul.edu.ng Phone No: +2348034368526

[2]*Department of Accounting, Faculty of Humanities,Social and management sciences, Anchor University Lagos, Nigeria*

email:oluwatobi.idowu@student.aul.edu.ng Phone No: +2348034368526

[2]*Department of Accounting, Faculty of management sciences, Babcock University, Ilishan-Remo, Nigeria*

email:(tomomewoamos@gmail.com) Phone No: +2348034368526

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Abstract

This study aimed to examine the influence of four firm characteristics (Firm Size, Leverage, Liquidity, and Sales Growth) on the extent of performance disclosures by Nigerian food manufacturing companies using the Balanced Scorecard (BSC) Model. The research focused on a population of food manufacturing companies in Nigeria, which consist of 21 companies. A sample of 10 companies was randomly selected, and their annual reports from 2017 to 2021 were content analyzed using a adapted checklist. Descriptive statistics and Inferential statistics, such as the Kolmogorov-Smirnov test of normality and one-way Analysis of Variance (ANOVA), were utilized for further analysis. The findings indicated significant variations in financial performance disclosure among food manufacturing organizations, particularly concerning leverage and sales growth. However, no significant differences were observed in non-financial performance disclosure, specifically in the areas of customer, internal business, and learning and growth perspectives. Furthermore, the study highlights the need for improved disclosure of non-financial performance measures to ensure the interests of relevant stakeholders, such as customers and employees, are adequately considered.

Keywords: Firm Characteristics, Performance Disclosure, Financial Performance, Non- Financial Performance, Balance Scorecard.

1 INTRODUCTION

The ability to consume, absorb, synthesize, and eliminate food is one of the traits of the human population, hence food consumption is essential for everyone's life. The majority of Nigeria's

manufacturers of consumer products that support human existence are food and beverage companies. Food and beverage production continues to be the industry's largest sector since it accounts for 22.5% of Nigeria's manufacturing sector and 66% of all consumer spending, according to academics and practitioners (Nwulu, Chinyere & Nwokah, Gladson, 2018). Environmental protection is becoming a necessary condition of industrial development, particularly the businesses that produce food and beverages. Businesses are blatantly accountable for environmental degradation through the production and release of hazardous substances, fluids, noises, and carbon emissions. The most disadvantaged and marginalized members of society have suffered greatly as a result of unregulated, unlawful economic operations and pollution-producing activities. In order to achieve sustainable development, business must acknowledge its obligations to the environment and society and rise to the challenge of incorporating fresh business conditions into the way it operates (Chowdhury, Dey & Abedin, 2020). On the other hand, a company's capacity to perform well and maintain competitiveness in Nigeria's manufacturing industry's food and beverage sub-sector depends largely on the adoption of workable customer service administration practices that enable survival in both domestic and international markets. Customer service management is now primarily concerned with the efficient coordination of operations in order to satisfy the needs of consumers, and it is recognized as a significant factor in a company's competitiveness.

A performance measurement system must be developed in order to track and guarantee the performance of these industries not only to the shareholders but also to its customer , its environments and other stakeholders. Systems for measuring performance are essential for formulating strategy and assessing the accomplishment of corporate goals and objectives (Adamu Bahamman & Ibrahim, 2015).

Thus current business climate does not lend itself to traditional performance evaluation techniques, which only include financial indicators (Umar and Olatunde, 2011). As a result, in order for the firm to prosper, both performance measures in terms of financial and non financial must be applied (Kaplan and Norton, 1996).

According to Ataollah, Wan, and Veeri (2011), readers of performance reports place higher weight on non-financial disclosures than on financial metrics. The three primary financial statements that users are frequently exposed to and deliberately familiar with are the statement of cash flow, the statement of financial position, the statement of financial performance. This is why financial measures are preferred over non-financial measures. It is acknowledged and supported that the disclosure of performance indicators (whether financial or non-financial) that will satisfy the information needs of those who use financial statements is important, even though the goal of this study is not to add to the discussion on the advantages of non-financial performance measures over financial measures and vice versa, or the impact of non-financial performance measures on the financial performance. The balanced scorecard (BSC), created by Norton and Kaplan in 1992, is a well-known assessment technique that considers both financial and non-financial elements.

Food manufacturing companies in Nigeria has a lot of impact on their environment, the impact which might not be fully, sufficiently and adequately disclosed in financial terms. Hence a need for non-financial disclosure of these information.

Moreover, according on the research work done so far, the significance of non-financial disclosure has not been fully researched on in Nigeria, especially in the food manufacturing companies which has an estimate of 22% of the manufacturing industry value in Nigeria. The food manufacturing companies is locally and internationally regulated and as such there is a need for non-financial disclosure to be regularly disclosed in their annual reports to provide a holistic information about the performance of firms in the industry to all stakeholders especially the ones who are more concerned about their performance in terms of compliance with rules and regulations and sustainability to the environment in which they operate.

This research work is different from previous research works carried out by other researchers in that it focuses on firm characteristics and performance disclosure of food manufacturing companies in Nigeria using balanced scorecard(BSC) which encompasses both financial and non-financial performance disclosure. Previous research work has been focused on the manufacturing industry in Nigeria as a whole and without the use of BSC (Osazefua, 2019; Monday, Akinola, Ologbenla & Aladeraji, 2015; Ademola, Moses & Ucheagwu, 2016; Abioro, 2013; Ben-Caleb, Olubukunola & Uwuigbe 2013; Oaya, Ogbu & Remilekun 2017; Akintoye, Adegbie & Onyeka-Iheme, 2020; Iheduru & Chukwuma, 2019). However, this research work focuses on Food manufacturing companies as a part of the manufacturing industry in Nigeria and will adopt BSC as a means examining the effect of firm characteristics on the performance disclosure of some selected Food manufacturing companies.

This study's primary goal is to determine how firm characteristics affect quality of performance disclosure in Nigerian food manufacturing companies. Secondarily to examine whether food manufacturing companies differs significantly in their performance disclosure on the account of organizational characteristics using the balance scorecard variables (financial, customer-perspective, internal business process, learning and growth performance). The work is organized into five sections: the introduction, a review of the literature, a discussion of the approach, and a conclusion. Results and debate were the main topics of Section 4, and Section 5 concluded the essay and provided usage advice.

2 LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1 Conceptual Review

2.1.1 Overview of Food Manufacturing Companies in Nigeria

Based on data from the World Trade Organisation (WTO), Nigeria holds the distinction of being the largest in Africa for foodstuff market, characterized by significant investments in the local industry and a substantial level of imports. Nigeria stands as the leading consumer of rice on the African continent and holds the second-largest global position. Fisheries also play a significant

role, accounting for 3-4% of the GDP, although 60% of the consumed fish is imported, as reported by the FAO. 22.5% of the overall manufacturing industry performance is contributed by the food and beverage companies, generating up to 1.5 million jobs and constituting 4.6% of the country's GDP. Lagos State serves as the headquarters for Nigeria's top food and beverage companies, while manufacturing sites are increasingly being established in Ogun State, Osun State, and Oyo State, all located in the South-West region. In 2017, it was estimated that Nigerians spend up to $44 billion on food.

2.1.2 Firm characteristics

Firm characteristics have been considered important factors that may influence the business activities. Corporate characteristics also known as corporate attributes may also have ties to the corporate disclosure of financial reporting (Hasan, Omar, Rahman & Hossain, 2016). Firm characteristics are the firm attributes expected of an organisation such as Total asset, Liquidity, Leverage, sales growth, firm age and firm size.

2.1.3 The Concept of Performance Measurement

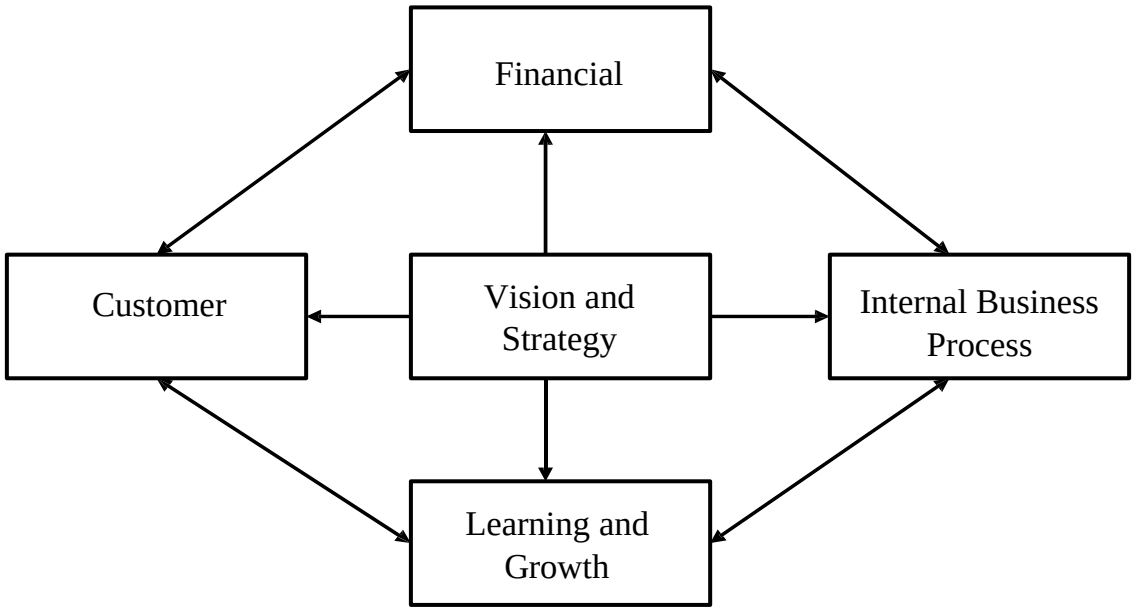
This is the process for acquiring, assessing, and/or sharing information about a person, group, organization, system, or component's effectiveness. The purpose for measuring performance is frequently reliant on principles of performance measurement (wikipedia). This might also be referred to as the system through which a company monitors its operations and determines if its goals are being met. Given the aforementioned definitions, it can be deduced that performance measurement is multidimensional and consists of the ways and methods by which an organisation's operations are monitored and assessed over time in order to ascertain whether the organisation is meeting its objectives in terms of value delivery to customers and other stakeholders (Ibrahim & Murtala, 2017). In this research, the method of assessing the performance of the banks is through balanced scorecard. This is discussed in details below.With the help of the aforementioned definitions, it is possible to conclude that performance measurement is multifaceted and entails the techniques used to track and evaluate an organization's operations over time in order to determine whether it is succeeding in its goals for providing value for clients and other stakeholders (Ibrahim & Murtala, 2017). In this study, a balanced scorecard is used to evaluate the performance of the institutions. Below, we go into more depth about this.

2.1.4 Balance scorecard (BSC)

Kaplan and Norton created the Balanced Scorecard (BSC) model in 1992 in response to their findings following a year-long analysis of the performance measurement systems of 12 organizations at the vanguard of performance evaluation (Etim & Agbara 2011). The method, according to Kaplan and Norton (1992), enables managers to look at the business from four important perspectives in order to address four questions: (i) From a financial standpoint, how do we appear to our shareholders? (ii) From the standpoint of our clients, how do they see us? What must we excel at from the standpoint of internal business processes? Can we keep becoming better

and adding value (learning and growth)? Kaplan and Norton (1992) present the above perspectives in a diagram titled "The Balanced Scorecard Links Performance Measurement".

The balanced scorecard: A framework that translate strategy into operational terms.



Source: Kaplan. R and Norton, D (1996, p .76). The Balanced Scorecard, Boston Massachusetts, Harvard Business School Press.

2.2 The Stakeholder Theory.

The Stakeholder Theory of corporate ethics and organisational management, which tackles morals and values in company management, was first presented by Edward Freeman in 1984. Employees, suppliers, creditors, and other groups that are influenced by business organisations are all taken into consideration under the stakeholder hypothesis. It is an organisational management and business ethics theory. The concept shows that a firm should provide value for all stakeholders, not only shareholders. The notion holds that a stakeholder is any business or individual whose success affects another. Thus, a relationship exists between the firm and its stakeholders (Ohaka & Akani, 2017).

Taking into account the fact that a balanced scorecard assesses a company's performance from the perspectives of finances, customers, internal business processes, and learning & growth in order to assist all companies in meeting their stakeholders' objectives. Stakeholders are vital to an organisation because they have a thorough grasp of its operations, aims, and ambitions, necessitating the need for businesses to be socially responsible. Balance scorecard gives the stakeholders the evaluation of the firm performance from the financial and non financial perspectives. This gives a holistic view of an organisation's activities and performance in relation to the various stakeholders.

3 METHODOLOGY

The population under study is the twenty one food manufacturing companies in Nigeria, in which a sample of 10 companies with the highest revenue were selected for the purpose of this study. The sample companies include: Nestle Nigeria Plc, Unilever Nigeria Plc, Flourmills Nigeria Plc, Dangote Sugar Refinery Plc, Honeywell Plc, Cadbury Nigeria Plc, UAC Foods Ltd, FrieslandCampina WAMCO Nigeria Plc, Guinness Nigeria Plc and Nigerian Breweries Plc. Using a well designed disclosure checklist adapted from Ajibolade and Oyewo (2017), the annual reports of the ten (10) selected food manufacturing companies in Nigeria for five (5) years (2017 – 2021) making a total of 50 annual reports and were content analysed for disclosures on the four (4) BSC perspectives.

In order to ensure that performance disclosures were "balanced" or "equal" across the four perspectives, the raw scores for each food manufacturing company over the course of the five (5) years from content-analyzing the annual reports using the disclosure checklist were scaled by applying an equal weighting of 25% (25 for each of the four perspectives, making a total of 100). The overall score a firm received on each perspective was divided by the total score obtainable from that perceptive over the prior five (5) years, and added up to 25, in order to equalize the score among the four views. The maximum scores that could be attained for each perspective over a five-year period were as follows: financial - 80 (with a maximum of 16 items per year), customer - 40 (with a maximum of 8 items per year), internal business - 25 (with a maximum of 5 items per year), and learning and growth - 25 (with a maximum of 5 items per year). The index for each perspective was calculated using Equations (1) through (5).

Financial Perspective Index (FP1): $(Y1/80) \times 25$ …… (1)

Customer Perspective Index (CPI): $(Y2/40) \times 25$ …… (2)

Internal Business Perspective Index (IBPI): $(Y1/25) \times 25$ …….. (3)

Learning and Growth Perspective Index (LGPI): $(Y1/25) \times 25$ …….. (4)

Balanced Scorecard Performance Index (BSCPI): Σ(FP1, CPI, IBPI, LGPI) … (5)

Let Y1, Y2, Y3, and Y4 represent the actual scores obtained by companies for the internal business, financial, customer, and learning and growth perspectives, in that order.

The scores from each perspective in equations (1) to (4) were added up to create the total BSCPI for each firm, which was calculated using a scale of 100 (equation 5). The financial perspective consisted of 16 items, , the internal business perspective had 5 items, the customer perspective had 8 items, and the learning and growth perspective had 5 items. In total, there were 34 items assessed each year. Over the 5-year period, a total of 1,700 observations were collected and processed for analysis, encompassing the data from 10 food manufacturing companies.

4 ANALYSIS.

Table 4.1 Tests of Normality

Source: Researchers, 2023.

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Financial Perspective	0.390	10	0.003	0.743	10	0.003
Customer Perspective	0.249	10	0.080	0.868	10	0.093
Internal Business Perspective	0.364	10	0.000	0.710	10	0.001
Leaning and Growth Perspective	0.227	10	0.155	0.817	10	0.023
Balanced Scorecard	0.188	10	0.200*	0.925	10	0.399

The Kolmogorov-Smirnov test was utilised to establish normality prior to making the choice between parametric and non-parametric statistics for inferential analysis. Parametric inferential statistics are suitable for analysing normally distributed data, but not data that violate the normality assumption, as indicated by Gupta (1999). The sample distribution is taken to be normal if it does not significantly changed from a normal distribution (p >.05 on the Kolmogorov-Smirnov test; Gupta, 1999; Landau & Everitt, 2004). Noting that the p-values for all five components are greater than .05 (Customer, p =.080; Learning and Growth, p =.155; Balance Scorecard Performance Index, p =.200). The results of the financial (p =.003) and internal business process (p =.000) analyses were inconclusive. Parametric statistical methods (one-way ANOVA) were used for inferential analysis because three of the five tests were not statistically significant.

ANOVA Result and Hypothesis Testing

H_{01}: Food manufacturing companies do not differ significantly in their financial performance disclosures on the account of organizational characteristics

Table 4.2 One Way ANOVA – Financial Perspective

		Sum of Squares	df	Mean Square	F	Sig.
Firm Size	Between Groups	0.786	2	0.393	0.740	0.511
	Within Groups	3.714	7	0.531		
	Total	4.500	9			
Liquidity	Between Groups	0.671	2	0.336	0.685	0.535
	Within Groups	3.429	7	0.490		
	Total	4.100	9			
Leverage	Between Groups	4.971	2	2.486	9.022	0.012
	Within Groups	1.929	7	0.276		
	Total	6.900	9			
Sales Growth	Between Groups	9.386	2	4.693	5.286	0.040
	Within Groups	6.214	7	0.888		
	Total	15.600	9			

Source: Researchers, 2023.

Table 2 reveals that with regard to financial performance, firm size reveals a p-value = .511 > .05; liquidity p-value = .535 > .05; leverage p-value = .012 < .05; and sale growth p-value = .040 < .05. Since two variables are significant at less than 5%. The study rejects the null hypothesis one that Firms do differ significantly in their financial performance disclosures on the account of organizational characteristics.

H_{02}: Food manufacturing companies do not differ significantly in their customer-perspective performance disclosures on the account of organizational characteristics

Table 4.3 One Way ANOVA – Customers Perspectives

		Sum of Squares	df	Mean Square	F	Sig.
Firm Size	Between Groups	3.833	6	0.639	2.875	0.207
	Within Groups	0.667	3	0.222		
	Total	4.500	9			

Liquidity	Between Groups	3.600	6	0.600	3.600	0.160
	Within Groups	0.500	3	0.167		
	Total	4.100	9			
Leverage	Between Groups	5.733	6	0.956	2.457	0.246
	Within Groups	1.167	3	0.389		
	Total	6.900	9			
Sales Growth	Between Groups	11.600	6	1.933	1.450	0.409
	Within Groups	4.000	3	1.333		
	Total	15.600	9			

Source: Researchers, 2023.

Table 3 reveals that with regard to customers perspectives, firm size reveals a p-value = .207 > .05; liquidity p-value = .160 > .05; leverage p-value = .246 > .05; and sale growth p-value = .409 > .05. Since all the variable are not significant at 5%. The study fails to rejects the null hypothesis two that food manufacturing companies do not differ significantly in their customer-perspective performance disclosures on the account of organizational characteristics.

H_{03}: Food manufacturing companies do not differ significantly in their internal business process perspective performance disclosures on the account of organizational characteristics.

Table 4.4 One Way ANOVA – Internal Business Perspectives

		Sum of Squares	df	Mean Square	F	Sig.
Firm Size	Between Groups	1.167	3	0.389	0.700	0.586
	Within Groups	3.333	6	0.556		
	Total	4.500	9			
Liquidity	Between Groups	1.267	3	0.422	0.894	0.497
	Within Groups	2.833	6	0.472		
	Total	4.100	9			
Leverage	Between Groups	1.067	3	0.356	0.366	0.781
	Within Groups	5.833	6	0.972		

	Total	6.900	9			
Sales Growth	Between Groups	4.100	3	1.367	0.713	0.579
	Within Groups	11.500	6	1.917		
	Total	15.600	9			

Source: Researchers, 2023.

Table 4 reveals that with regard to internal business perspective, firm size reveals a p-value = .586 > .05; liquidity p-value = .497 > .05; leverage p-value = .781 > .05; and sale growth p-value = .579 > .05. Since all the variable are not significant at 5%. The study retained the null hypothesis three that food manufacturing companies do not differ significantly in their internal business process perspective performance disclosures on the account of organizational characteristics.

H_{04}: Food manufacturing companies do not differ significantly in their learning-and-growth-perspective performance disclosures on the account of organizational characteristics

Table 4.5 One Way ANOVA – Learning and Growth Perspectives

		Sum of Squares	df	Mean Square	F	Sig.
Firm Size	Between Groups	4.000	4	1.000	10.000	0.013
	Within Groups	.500	5	0.100		
	Total	4.500	9			
Liquidity	Between Groups	2.433	4	0.608	1.825	0.262
	Within Groups	1.667	5	0.333		
	Total	4.100	9			
Leverage	Between Groups	1.733	4	0.433	0.419	0.790
	Within Groups	5.167	5	1.033		
	Total	6.900	9			
Sales Growth	Between Groups	8.600	4	2.150	1.536	0.321
	Within Groups	7.000	5	1.400		
	Total	15.600	9			

Source: Researchers, 2023.

Table 5 reveals that with regard to learning and growth perspective, firm size reveals a p-value = .013 < .05; liquidity p-value = .262 > .05; leverage p-value = .790 > .05; and sale growth p-value = .321 > .05. Only firm size is significant at 5%. Thus, the study retained the null hypothesis three that food manufacturing companies do not differ significantly in their learning-and-growth-perspective performance disclosures on the account of organizational characteristics

Table 4.6 Summary of results on Hypotheses-testing

	Proposition	Corporate Characteristic	P-value	Decision at 5% sig.
H_{01}	Food manufacturing companies do not differ significantly in their financial performance disclosures on the account of organizational characteristics	Firm size	0.511	Reject
		Liquidity	0.535	
		Leverage	0.012	
		Sales growth	0.040	
H_{02}	Food manufacturing companies do not differ significantly in their customer-perspective performance disclosures on the account of organizational characteristics	Firm size	0.207	Failed to reject
		Liquidity	0.160	
		Leverage	0.246	
		Sales growth	0.409	
H_{03}	Food manufacturing companies do not differ significantly in their internal business process perspective performance disclosures on the account of organizational characteristics.	Firm size	0.586	Failed to reject
		Liquidity	0.497	
		Leverage	0.781	
		Sales growth	0.579	
H_{04}	Food manufacturing companies do not differ significantly in their learning-and-growth-perspective performance disclosures on the account of organizational characteristics	Firm size	0.013	Failed to reject
		Liquidity	0.262	
		Leverage	0.790	
		Sales growth	0.321	

Source: Researchers, 2023.

5 DISCUSSION

Organizational Characteristics variables and financial performance disclosure

Table 2 and 6 revealed that leverage and sales growth do differ significantly in their financial performance disclosures evidence by a significant p-value of 0.012 and 0.040 respective. While

liquidity and firm size do not differ significantly in their financial performance disclosures. The significant p-value of leverage and sales growth are in line with contingency theory. Alani and Akinwumi (2020) discovered that leverage and sales growth were significantly associated with the financial performance variable (Return on Asset). Nzioka (2013) found that firm size influence financial performance. The finding is contrary to Abubakar, Sulaiman and Haruna (2021) who discovered that liquidity affect financial performance. It is also contrary to the findings of Solabami and Oyewo (2017) who discovered that firm size does not significant differ in the financial performance perspectives of the balance scorecard.

Organizational Characteristics variables and customers performance disclosure

Table 3 and 6 revealed that all the organizational characteristic variables have insignificant P-values at 5%. This suggests that food manufacturing companies do not differ significantly in their customer perspective performance disclosures on the account of organizational characteristics. These findings imply that customers may not consider firm size, leverage, sales growth, and liquidity as critical factors when evaluating a company's performance or making decisions based on customer-perspective performance disclosures. This is contrary to contingency theory but the finding is supported by the result of Solabami and Oyewo (2017) who found evidence that Firms do not differ significantly in their customer-perspective performance disclosures on the account of organizational characteristics.

Organizational Characteristics variables and internal business performance disclosure

Table 4 and 6 shown that with respect to internal business performance perspective, all the organizational characteristic variables have insignificant P-values at 5%. This suggests that food manufacturing companies do not differ significantly in their internal business process perspective performance disclosures on the account of organizational characteristics. The findings indicate that firm size, leverage, sales growth, and liquidity do not differ significantly in their influence on internal business process perspective performance disclosures. The findings suggest that firm size does not impact significantly, internal business process perspective performance disclosures. This implies that companies, regardless of their size, may provide similar levels of information about their internal operations and processes.

The study found that leverage does not affect significantly internal business process perspective performance disclosures. This suggests that companies may not disclose different levels of information about their internal processes based on their debt levels. Surprisingly, the findings suggest that sales growth does not affect significantly internal business process perspective performance disclosures. This implies that companies may not disclose varying levels of information about their internal processes based on their sales growth rates. Also, Liquidity, representing the ability of a company to meet short term obligations, is relevant to the efficiency of internal processes and working capital management. However, the study found that liquidity does not differ significantly in its impact on internal business process perspective performance

disclosures. This suggests that companies may provide similar levels of information about their internal processes regardless of their liquidity positions.

This is contrary to contingency theory but the finding is in conformity with the study by Solabami and Oyewo (2017) who found evidence that Firms do not differ significantly in their internal business process perspective performance disclosures on the account of organizational characteristics.

Organizational Characteristics Variables and Learning and Growth Perspective Disclosure

Table 5 and 6 shown that with regard to learning and growth performance perspective, all the organizational characteristic variables have insignificant P-values at 5% except for firm size which is significant at 5% (0.012). The findings indicate that leverage, sales growth, and liquidity do not differs significantly on how they influence internal business process perspective performance disclosures while firm size do differ significantlyentiate in their influence on internal business process perspective performance disclosures. The finding on the three (leverage, sales growth, and liquidity) is contrary to contingency theory.

The study indicates that firm size has a notable impact on learning and growth perspective performance disclosures. Larger firms tend to disclose more information about their efforts in learning and growth compared to smaller firms. This finding suggests that larger companies may have more resources and capabilities to invest in employee training programs, research and development activities, and technological advancements. Consequently, this information are more likely to be shared with stakeholders through performance disclosures. However, it is contrary to Solabami and Oyewo (2017) who found evidence that Firms do not differ significantly in their internal business process perspective performance disclosures on the account of organizational characteristics.

6 CONCLUSION AND IMPLICATIONS

The Balanced Scorecard approach complements the traditional focus on financial measurements by providing a balanced representation of performance that includes both financial and non-financial measures. This approach incorporates three additional non-financial perspectives, namely the customer, internal business process, and learning and growth perspectives. By utilizing these perspectives, managers can gain a comprehensive understanding of their organization's performance. They can then disclose relevant information to stakeholders accordingly.

The study demonstrates that food manufacturing organizations differ significantly in their disclosure of financial performance, particularly in areas such as leverage and sales growth. However, the study also reveals that these organizations do not exhibit significant differences in their disclosure of non-financial performance measures, such as those related to customers, internal business processes, and learning and growth. It is imperative to acknowledge that while some Balanced Scorecard measures may not be disclosed in published annual reports, a disclosure self-developed and designed checklist was used to extract information from the Annual Reports with

the intention of ensuring that items that aligned with the Balanced Scorecard perspective are captured. This observation has been noted by Debusk and Crabtree (2006) as well as Wang et al. (2013).

Therefore, the study concludes that food manufacturing does not differ significantly in their performance disclosure for the customer, internal business, and learning and growth perspectives.

Manufacturer's association of Nigeria and other policy makers are to ensure the following recommendation:

Considering the importance of annual reports as a significant medium for disclosing performance information to the public, it is advisable for those responsible for preparing such documents to ensure comprehensive disclosure of both financial and non-financial performance measures. This practice will not only improve the foundation for assessing organizational performance, but it will also address the information asymmetry between report preparers and users, promoting transparency and understanding.

Furthermore, the current lack of sufficient disclosure regarding non-financial performance aspects means that the interests of certain stakeholders, such as customers and employees, are not adequately considered in the reported information utilized for analysis purposes. Therefore, annual reports should be prepared with the interests of all relevant stakeholders in mind, and they should include appropriate and comprehensive information on both financial and non-financial aspects. This approach will help meet the expectations of stakeholders who rely on annual reports as a valuable means of sourcing for information.

7 LIMITATIONS AND FURTHER STUDIES

The study was unable to encompass all food manufacturing companies in Nigeria. Thus, future research could address this gap by including a broader sample of companies within the industry. Additionally, it would be valuable to conduct similar comparative studies across other sectors of the Nigerian economy.

Furthermore, extending the analysis to include food manufacturing companies from neighboring countries within the same region could provide insightful cross-country comparisons. By exploring these avenues, an holistic understanding of the subject matter can be attained.

DECLARATION

We hereby declare that this paper titled 'Firm characteristics and performance disclosure of food manufacturing companies in Nigeria using Balance scorecard' is a product of our research work, the data utilized for this study will be made available upon reasonable request and there is also no conflict of interest.

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