



**BABCOCK**  
**UNIVERSITY**

ILISHAN-REMO, OGUN STATE, NIGERIA

# COLLEGE OF POSTGRADUATE STUDIES

## 2022/2023 PhD Thesis Abstract

### Department of Accounting

**RFN:** Cletus Oluwadare EBE

**RD:** Accounting

**RS:** Management Sciences

**RE:** clezy4life@yahoo.com

**RP:** 07040000931

**RT:** Internalization and Value Creation in Deposit Money Banks in Selected African Countries

**MS:** Prof. Folajimi F. ADEGBIE

**ME:** adegbief@babcock.edu.ng

**SP:** 08077807714

**CS:** Dr. Ayodeji T. AJIBADE

**CE:** ajibadea@babcock.edu.ng

**CP:** 08162052526

**AB:** Value creation is the primary objective of organizations and of stakeholders' interest. Evidence from literature show that value creation of Deposit Money Banks (DMBs) has been on the decline over the years due to lack of international exposure in their business model. Extant literature exist on internationalization and value creation of DMBs in developed economies but paucity of studies exist in Africa. Therefore, this study investigated the effect of internationalization on value creation (economic value added, market share price, asset growth, earnings per share) of DMBs in selected African countries.

The study adopted an *ex-post facto* research design. The population consisted of 71 DMBs in selected African countries (South Africa, Kenya and Nigeria) as at 31<sup>st</sup> December, 2021. Seventeen DMBs with relevant data from 2007 to 2021 were selected using a purposive sampling technique. Validated data were extracted from published financial statements of the selected DMBs. The reliability of the data was premised on the statutory audit of the financial statements. Descriptive and inferential (multiple regression) statistics were used to analyze the data at 5% level of significance.

The study revealed that internationalization had significant effect on economic value added ( $Adj.R^2 = 0.38$ ,  $F(5, 249) = 75.62$ ,  $p < 0.05$ ), market share price ( $Adj.R^2 = 0.12$ ,  $F(5, 249) = 3.40$ ,  $p < 0.05$ ) asset growth ( $Adj.R^2 = 0.01$ ,  $F(5, 249) = 2.39$ ,  $p < 0.05$ ) and earnings per share ( $Adj.R^2 = 0.01$ ,  $F(5, 249) = 23.54$ ,  $p < 0.05$ ) of DMBs in selected African countries. Exchange

rate significantly controlled the effect of internationalization on economic value-added ( $Adj.R^2 = 0.54$ ,  $F(6, 248) = 244.15$ ,  $p < 0.05$ ), market share price ( $Adj.R^2 = 0.11$ ,  $F(6, 248) = 5.32$ ,  $p < 0.05$ ), asset growth ( $Adj.R^2 = 0.02$ ,  $F(6, 248) = 2.47$ ,  $p < 0.05$ ) and earnings per share ( $Adj.R^2 = 0.03$ ,  $F(6, 248) = 13.14$ ,  $p < 0.05$ ) of DMBs in selected African countries.

The study concluded that internationalization enhanced value creation of deposit money banks in selected African countries. The study recommended that management of DMBs should optimize international banking opportunities and competitiveness in creating value.

**Keywords:** Asset growth, Deposit money banks, Earnings per share, Economic value added, Internationalization, Market share price, Value creation

**Word Count:** 344

**Abbreviations:** *RFN: Researcher's Full Name, RD: Researcher's Department, RS: Researcher's School, RE: Researcher's Email, RAE: Researcher's Alternate Email, RP: Researcher's Phone Contact, RT: Registered Title, MS: Main Supervisor, ME: Main Supervisor's E-mail Address, SP: Main Supervisor's Phone Contact, CS: Co-Supervisor, CE: Co-Supervisor's E-mail Address, CP: Co-Supervisor's Phone Contact, AB: Abstract*

**Suggested Citation:** Ebe, C.O., Adegbe, F.F. & Ajibade, A.T. 2023. Internalization and Value Creation in Deposit Money Banks in Selected African Countries. PhD Thesis Abstract, College of Postgraduate Studies, Babcock University. [https://doi.org/10.61867/pcub.1\(5\).075](https://doi.org/10.61867/pcub.1(5).075)