PENGARUH KEBERAGAMAN GENDER DAN USIA DEWAN DIREKSI TERHADAP KINERJA BANK DEPOSITO DI NIGERIA

EFFECT OF GENDER DIVERSITY AND THE AGE OF BOARD MEMBERS ON THE PERFORMANCE OF DEPOSIT MONEY BANKS IN NIGERIA

Abass Adekunle Adewale*
abassadewale96@gmail.com
Department of Finance, Federal University Oye-Ekiti, Nigeria

Abass Adedolapo Adeyemo
abass.adeyemo@uniosun.edu.ng
Department of Banking and Finance, Osun State University, Nigeria

Joseph Adeyinka Adewole
joseph.adewole@uniosun.edu.ng
Department of Banking and Finance, Osun State University, Nigeria

Saheed Akande Shittu
shittusa1212@gmail.com
Department of Accountancy, Oyo State, Nigeria

ABSTRACT

The study investigates the impact of gender diversity and the age of board members on the performance of Deposit Money Banks in Nigeria. Its primary objective is to discern how these factors influence bank performance, with specific aims including analyzing the effect of gender diversity and board member age on return on assets. Employing a descriptive research design, secondary data from 2013 to 2022 was collected from three selected banks: FCMB, Access Bank, and Zenith Bank. The analysis, conducted using econometric software (EVIEWS), involved regression analysis to test hypotheses. Results demonstrated significant effects of both gender diversity and board age on bank performance, underscoring their importance for Deposit Money Banks. The findings suggest that banks can enhance performance by fostering gender diversity and ensuring equitable opportunities for leadership roles. This study underscores the relevance of these variables for bank management and suggests avenues for improving financial performance through inclusive practices.

Keywords: Age of The Board; Deposit Money Banks; Gender Diversity; Return on Assets

**Corresponding Author*

ABSTRACT

Studi ini meneliti pengaruh keragaman gender dan usia anggota dewan direksi terhadap kinerja Bank Simpanan di Nigeria. Tujuan utamanya adalah untuk memahami bagaimana faktor-faktor ini memengaruhi kinerja bank, dengan tujuan khusus termasuk menganalisis pengaruh keragaman gender dan usia anggota dewan terhadap imbal hasil aset. Dengan menggunakan desain penelitian deskriptif, data sekunder dari tahun 2013 hingga 2022 dikumpulkan dari tiga bank terpilih: FCMB, Access Bank, dan Zenith Bank. Analisis yang dilakukan menggunakan perangkat lunak ekonometrika (EVIEWS) melibatkan analisis regresi untuk menguji hipotesis. Hasil penelitian menunjukkan pengaruh signifikan dari keragaman gender dan usia anggota dewan terhadap kinerja bank, yang menggarisbawahi pentingnya hal tersebut bagi Bank Simpanan. Temuan ini menunjukkan bahwa bank dapat meningkatkan kinerja dengan mendorong keragaman gender dan memastikan kesempatan yang setara untuk peran kepemimpinan. Studi ini menggarisbawahi relevansi variabel-variabel ini bagi manajemen bank dan menyarankan cara untuk meningkatkan kinerja keuangan melalui praktik-praktik inklusif.

Kata Kunci: Usia Direksi; Bank Simpanan; Keragaman Gender; Return on Assets

1. INTRODUCTION

The issue of gender equality in publicly traded companies has drawn attention from boards, investors, and regulators worldwide. Women are fighting for greater representation in both public and commercial institutions, and Nigeria is no exception. In a sample of 138 organizations, Deloitte Nigeria discovered in 2018 that women occupied 5,8% of chairperson roles and 17,4% of board positions. The question of whether diversity in education and gender enhances board oversight roles is still up for dispute. Boards are criticized for frequently failing to adequately oversee management choices. But as internal governance structures, boards primarily serve to safeguard investors' interests and uphold manager discipline (Wellalage, 2019).

Board diversification may help to lessen financial crises, according to studies. Fidanoski, F., Simeonovski, K., & Mateska, (2019), for instance, discovered that companies with educated board members typically have higher market ratings and are more profitable. Furthermore, Ntim & Soobaroyen, (2013) contended that companies with female directors' benefit from higher firm values as a result of improved oversight, which lowers agency issues.

Even yet, it's still unclear how educational attainment and board gender diversity quotas affect business performance while some nations with mandatory board gender quotas exhibit no discernible impact on business performance, others with optional quotas indicate improved performance (Adewale *et al.,* 2024). The multidisciplinary field of corporate governance includes economics, law, management, corporate finance, accounting, and ethics (Roziq & Danurwenda, 2015). One important element that controls the interaction between management and shareholders is the board of directors (Prihati & Khabibah, 2022). The effect of board composition on performance and effectiveness has been investigated by

researchers such as Hermalin & Weisbach, (2019). Age, gender, tenure, and area of expertise are examples of demographic characteristics that affect decision-making and support diversity on boards (Marimuthu, M., & Kolaindasamy, 2019 ; McIntyre, R. S., Murphy, P. R., & Mitchell, 2007).

The growing representation of women on corporate boards in Nigeria has spurred debate on how this affects the success of the company. The purpose of research is to examine how gender diversity affects the profitability of Nigeria's banking industry. In Pakistan, for example, where only 25% of listed businesses have a woman on their board, women still face obstacles in the corporate sector (Fachmi *et al.,* 2021).

According to Adewale *et al.,* (2023), Age plays a key role in the selection of board members since it offers perspective and experience, for the demands of stakeholders to be reflected, board age balance is crucial. The subject of gender diversity on boards has attracted attention from governments, firms, academia, and the public, especially after corporate scandals like Enron and WorldCom. The relationship between female representation and company performance is still unclear and complicated, despite calls for greater diversity (Carter *et al.,* 2003).

Globally, the number of women serving on boards is rising, and some nations have laws requiring women to serve as directors. Norway, for instance, mandates a minimum of 40% female presence on boards. Turkey has also tackled gender parity in boardrooms in an effort to form more capable boards that safeguard the interests of shareholders. The association between board gender diversity and company financial success has gained attention as a result of these developments (Pathan & Faff, 2013; Rahayu & Wahjudi, 2021; Carter *et al.,* 2010).

The main objective of this study is to determine the effect of gender diversity and age of board member on performance of banks in Nigeria. The specific objectives of the study are to determine the effect of gender diversity of the board on return on asset of banks in Nigeria, and to determine the effect of age of board member on return on asset of banks in Nigeria. The performance of Nigerian banks is significantly impacted by the age and gender diversity of their boards, as this section makes clear. The goal of the study is to help shareholders make better judgments when choosing directors in order to optimize company performance. The efficacy of boards as instruments of internal governance can differ according on their diversity. For the benefit of all parties involved, professional associations might use the findings to help shape financial reporting guidelines pertaining to board diversity. Crucially, having a diverse board can result in a diversified team that can serve a wider range of clients and increase the value of the company. Furthermore, rather than just enacting foreign policies, regulatory bodies and legislators can gain from the study by putting policies on board diversity that are based on scholarly research into practice. This would assist them in creating corporate board structure-related policies that work.

2. LITERATURE REVIEW

Board Gender Diversity

Board diversity pertains to the variation in the composition of corporate boards with respect to structural elements such as board model, size, demographic diversity and leadership structure, (Srivastava *et al.,* 2018). Gender, age, nationality, and less obvious characteristics like professional experience, technical abilities, and educational background

are examples of demographic diversity (Adewale *et al.,* 2023). The demographic features of board members, such as age, education, gender and experience, directly impact board functioning. It is vital to evaluate how demographic diversity effects firm performance (Kagzi & Guha, 2018).

Gender Diversity

In the wake of corporate crises such as Enron and WorldCom, prior research has emphasized the growing significance of monitoring roles and corporate governance (Adewale *et al.,* 2023). Although new laws have been introduced, such as the Sarbanes Oxley Act (SOX) in 2002, they do not expressly target gender diversity. Instead, they establish guidelines for board composition, audit committees, and corporate governance standards (Kuncaratrah *et al.,* 2019). However, it is considered that SOX and listing exchanges indirectly impact the roles and responsibilities of women on boards, contributing to business performance (Fitzsimmons, 2012).

Executive Directorship and Firm Performance

According to agency and resource dependency theories, non-executive directors are essential to the provision of resources and control within businesses. According to agency theory, independent directors are successful in monitoring managers due to their status in the directorship arena Fama & Jensen, (1983). Pearce & Zahra, (1992) also suggest that non-executive directors can strengthen the credibility and external connections of a company. Empirical research, however, has produced contradictory findings about the influence of executive directors on business performance.

Age of the Board Member

According to Ismail, R., & Manaf, (2016), a board member's age might vary greatly based on the organization and its unique requirements. Typically, the selection of board members is based on their credentials, experience, and knowledge in related sectors. Although there isn't a set age restriction for board membership, boards frequently look for a wide mix of ages to guarantee a diversity of viewpoints.

Board members are sometimes chosen based on their vast experience and leadership qualities, which are frequently linked to older people who have amassed a substantial body of work experience over the years (Adewale *et al.,* 2024). These people provide the company with invaluable industry contacts, strategic insights, and knowledge. Because of their years of expertise, their advanced age may be an asset while handling challenging situations (Adewale *et al.,* 2023).

Financial Performance

Financial performance, according to Barney *et al.,* (2007) is the use of an organization's resources to meet goals and make money. It is used to evaluate the financial potential of a business and to compare the long-term performance of other enterprises. Financial performance as the monetary evaluation of an organization's plans and operations, including resource returns, profits, and other valuations (Adewale *et al.,* 2023). It displays the ability of an organization to make money from its main business activities and its general financial stability. A company's ability to generate income through the efficient use of its resources is

demonstrated by its financial performance (Adewale *et al.,* 2024). It also shows how financially sound a business has been overall during a given time period and how financially stable it is to maintain operations going forward.

Theoretical Review

Social Identity Theory

A social psychological theory called social identity theory is applied in workplaces to improve worker performance. It sheds light on the effects of group divides and group dynamics within organizations. According to Tajfel, (1981), this theory broadens our comprehension of the relationships, attitudes, and group behaviors that occur within organizations. Tajfel claims that the idea, which emphasizes that people are members of particular groups inside the organization, aids in the management of groups within an institution. According to the hypothesis, people pick up social traits from their environment, which affects how other people see and label them. A number of characteristics, including race, class, nationality, sex, religion, and occupation, can form the basis for these social groups. Intergroup behavior, socialization, and communication are all impacted by social categorization. People's interactions in the workplace are influenced by these socially constructed individual traits, which have an effect on their attitudes, communication styles, and behaviors.

Social Identity Theory makes a distinction between traits that define an individual and those that belong to a group, emphasizing how psychological processes like cohesiveness, discrimination, and group norms affect group behavior. It highlights how opinions within groups are reflected in thinking, with dominant groups having greater sway and even having the ability to impose their values on subordinate groups. This may result in prejudice and have an impact on workplace dynamics. This theory also affects intergroup dynamics, such as collaboration, communication, stereotypes, and loyalty. Social Identity Theory describes how decision-making and cohesion can be impacted by factors such as gender, race, and educational attainment, all of which have an impact on organizational performance even though it does not directly address this issue. As such, it offers a framework for comprehending workplace diversity and the effects it has on businesses.

Empirical Review

Adewale, Shittu, and Adewole (2023) used an ex-post facto study approach and panel data analysis from 2015 to 2021 to examine the impact of bank size and age on the financial performance of deposit money banks (DMBs) in Nigeria. The study's primary performance metrics were return on equity (ROE) and return on assets (ROA). The findings demonstrated a substantial and positive relationship between age and bank size and ROA and ROE, suggesting that older and larger banks generally had better financial outcomes. In order to expand their size and improve their performance, the authors suggested that DMBs implement strategic expansion initiatives. They also suggested that more companies and analytical models be included in future studies to support their conclusions.

Adewale, Adeyemo, and Lawal (2024) explored the relationship between employee satisfaction and performance in selected microfinance banks in Osun State, Nigeria. The study used regression analysis and descriptive statistics with data from 40 employees and purposive sampling. The results showed that bank performance and employee happiness

were strongly positively correlated. Job security, fringe perks, and timely wage payment were important factors in determining satisfaction. The study underlined how proactive HR strategies that focus on these elements can boost institutional efficacy and employee engagement. It came to the conclusion that in order to create a more sustainable and productive banking environment, microfinance banks need to put employee well-being first. This study contributes to accumulating evidence that internal organizational issues greatly influence financial service delivery in developing nations.

Onyekwere *et al.,* (2019) looked at the connection between the financial performance of a company and the diversity of its board of directors. They focused on gender, non-executive directorship, and board size in relation to resource rate of return and value rate of return using annual reports from 2006 to 2017. According to their investigation, non-executive directorship and board size had no discernible impact on financial performance, while gender diversity had a substantial impact. To improve financial performance, they suggested having more women on bank boards.

In Nigeria, Aifuwa & Saidu, (2020) investigated the relationship between intellectual diversity on boards and company performance. They employed the least squares method, and their investigation encompassed the years 2013 through 2018. They discovered that diversity in schooling had a detrimental effect on market performance, whereas diversity in individuals and the workforce had a beneficial effect. They recommended that Nigerian enterprises should have a higher percentage of board directors who hold graduate degrees.

The effect of diversity and board compensation on the financial performance of Nigerian banks was studied by Osemwegie, O. O., & Ugbogbo, (2019). Their study, which covered 15 banks between 2009 and 2017, concentrated on gender, identity, and ethnic diversity. Regression analysis, variable iteration tests, and Pearson correlation were employed. According to their findings, financial performance was positively impacted by board remuneration, gender diversity, and ethnic diversity, but negatively by board identity diversity. To lessen disagreements between board members and investors, they suggested paying board members fairly.

The effect of gender diversity on the financial performance of Nigerian banks was examined by (Bukar, A. A., Musa, I. O., & Ahmed, 2020). They employed a variety of studies and their investigation covered 16 banks between 2011 and 2015. They discovered that while gender diversity had no appreciable impact on return on equity (ROE), it had a favorable impact on return on assets (ROA). They recommended putting more women on bank boards.

The business and financial performance of Nigeria's listed conglomerates was investigated by Musa, (2019). Their research used random effects regression to examine six businesses between 2008 and 2017. They discovered that while ownership and makeup of the board had detrimental effects, board size had a favorable impact on financial success. They recommended that boards add more non-executive directors and carry out their responsibilities more efficiently.

Hypotheses

In order to achieve the stated objectives, the following hypotheses were formulated.

H_1 : Board gender diversity has no effect on performance of Deposit Banks in Nigeria.

H_2 : Age of board member has no effect on performance of Deposit Banks in Nigeria

3. RESEARCH METHOD

This study used a descriptive research design, which collects data to characterize the situation and identify any correlations between variables. Methods including observations, library research, and interviews can be used in descriptive investigations. Because of its capacity to characterize the issue under investigation, this design was selected. Baridam, (1995) defines research design as "the structure or plan used to guide the collection and analysis of data for a study." It establishes the foundation for inferring conclusions from the research data and provides a logical framework for comparing and analyzing people or units.

The process of choosing a representative number of objects from the population according to specific criteria is known as sampling. For the period of 2013 to 2022, this study selected three banks (FCMB, Access Bank, and Zenith Bank) using selective sampling and secondary data. The researchers investigated the financial statements of these institutions from 2009 to 2018.

A variety of publications, including reports and annual financial statements, provided the researchers with pertinent secondary data. These provided the framework for acquiring empirical data to answer the study questions. Because of its verifiability, consistency, simplicity of reference, and flexibility in expressing viewpoints, document analysis was selected as the data gathering technique.

The financial statements of Zenith Bank, Access Bank, and FCMB for the time period under consideration served as the source of secondary data for this investigation. The study employed econometric views software (EVIEWS) to do regression analysis in order to evaluate the influence of variables and test its hypotheses.

Model Specification.

The model for this study is specified in both functional and econometric form as:

$ROA = f(GD, ABM)$……(1)

$ROA = \beta_0 + \beta_1 GD + \beta_2 ABM + \varepsilon$……(2)

where:
GD is the gender diversity
ABM is the age of the board
ROA is the Return on assets
β_0 is the constant
β_1 and β_2 is the coefficient of explanatory variables
ε is the error

4. RESULT AND DISCUSSION

Table 1. Descriptive statistics

	GD	ABM	ROA
Mean	0,146399	0,783767	3,510667
Median	0,122200	0,780000	3,430000
Maximum	0,244000	0,927000	5,600000
Minimum	0,093528	0,640000	2,030000

	GD	ABM	ROA
Std. Dev.	0,047767	0,087608	0,966265
Skewness	0,913742	-0,213194	0,343037
Kurtosis	2,223310	1,742156	2,601188
Jarque-Bera	4,928682	2,204973	0,787186
Probability	0,085065	0,332044	0,674628
Sum	4,391974	23,51300	105,3200
Sum Sq. Dev.	0,066168	0,222577	27,07639
Observations	30	30	30

Source: Researcher's Computation, (2025)

Table 1 displays the average Gender Diversity (GD) of the selected Deposit Money Banks (DMBs) over the study years, which was 0,146399, ranging from 0,093528 to 0,244000, with a standard deviation of 0,047767. The Kurtosis and skewness coefficients were 2,223310 and 0,913742, respectively, indicating a positively skewed distribution with a tiny tail. At a significance level of 5%, the Jarque-Bera (JB) statistic of 4,928682 and accompanying p-value of 0,085065 indicate that GD is regularly distributed. The average Age Diversity (ABM) of the selected DMBs throughout the study period was 0,783767, ranging from 0,640000 to 0,927000, with a standard deviation of 0.087608. Kurtosis and skewness coefficients were -0,213194 and 1,742156, respectively, suggesting a distribution that was light-tailed and negatively skewed. With a probability value of 0,332 and a JB statistic of 2,204973, ABM appears to be regularly distributed.

Throughout the study period, the average Return on Assets (ROA) of the chosen DMBs was 3,510667, with a standard deviation of 0,966265 and a range of 2,030000 to 5,6000. With respect to skewness and Kurtosis coefficients, the distribution was favorably skewed and had a light tail (0,343037 and 2,601188, respectively). With a probability value of 0,674628 and a JB statistic of 0,787186, ROA is normally distributed. Overall, the findings demonstrate that every variable under study satisfies the normalcy condition.

Correlation Analysis

Table 2. Correlation Matrix

Variable	ROA	GD	ABM
ROA	1		
GD	0,446554	1	
ABM	0,327608	0,434758	1

Source: Researcher's Computation, (2025)

Table 2 exhibits the correlation coefficients between Return on Assets (ROA), Gender Diversity (GD), and Age Diversity (ABM) for the selected (DMBs) in Nigeria. The correlation coefficient between ROA and GD was 0,4465546, showing a positive link on. This indicates that for the chosen banks, higher ROA is correlated with more gender diversity.

A favorable link was also shown by the correlation coefficient of 0,327608, which was found between ROA and ABM. This implies that ROA for the chosen banks rises in tandem

with Age Diversity. There is a positive association between the age and gender diversity of the board in the chosen banks, as indicated by the correlation coefficient of 0,4347583 between GD and ABM.

Nevertheless, there is no sign of strong correlation between the explanatory variables, as indicated by the correlation coefficient between them being less than 0,7. As a result, employing them in a regression model would not cause problems with multicollinearity.

Hypotheses Testing

Hypothesis One

H_1: Board gender diversity has no effect on performance of deposit money banks in Nigeria.

Table 3. Hausman Test for Hypothesis One

Test Summary	Chi-Sq. Statistic	Prob.
Period random	0,040644	0,8402

Source: Researcher's Computation, (2025)

A Hausman test was performed, and the results are displayed in table 3, to ascertain whether a fixed or random effects model is more suitable. The probability value was 0,8402 and the Chi-square statistic was 0,040644. It is not possible to reject the null hypothesis that the random effects model is appropriate at the 5% significance level. Thus, a random effects model is used to test hypothesis 1.

Table 4. Random effect model for Hypothesis One

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2,188206	0,563782	3,881295	0,000600
GD	9,033255	3,666935	2,463435	0,020200
R-squared	0,599411	Mean dependent var		3,510667
Adjusted R-squared	0,560819	S.D. dependent var		0,966265
S.E. of regression	0,879875	Sum squared resid		21,67706
F-statistic	11,74251	Durbin-Watson stat		1,982617
Prob(F-statistic)	0,013372			

Source: Researcher's Computation, (2025)

Table 4 displays the results of the random effects model for the association between Gender Diversity (GD) and Return on Assets (ROA) in the selected Deposit Money Banks (DMBs) in Nigeria. With an R-squared of 0,599411, GD accounts for about 59.9% of the variation in ROA overall, with other variables outside the model accounting for the remaining 40.1%. With an Adjusted R-squared of 0,560819, the model appears to have a reasonably good ability to predict outcomes. There is a positive correlation between GD and ROA, as indicated by the coefficient of 9,033255. The statistical significance of this association is demonstrated by the t-value of 2,463435 and the probability value of 0,0202. The F-statistic of 11,74251 with a p-value of 0,013372 also supports the importance of the model.

According to the decision rule, the F-probability of the estimated random effect model (0,013372) is less than 0,05, meaning that the null hypothesis should be rejected if the p-

value is less than the level of significance. The null hypothesis, which holds that gender diversity on the Board has no bearing on the performance of Nigerian deposit money institutions, ought to be disproved. This implies that the performance of Deposit Money Banks in Nigeria is significantly impacted by the gender diversity of the board. The model has serial correlation, as indicated by the Durbin-Watson score of 1,982617. The calculated random model for hypothesis one is nevertheless regarded as trustworthy.

Hypothesis Two

H_2: Age of board member has no effect on performance of deposit money banks in Nigeria.

Table 5. Hausman Test

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Period random	2,561648	1	0,1095

Source: Researcher's Computation, (2025)

The Hausman test findings for hypothesis two are shown in table 5. The Chi-square statistic was 2,561648, with a probability value of 0,1095. It is not possible to reject the null hypothesis that the random effects model is appropriate at the 5% significance level. Thus, a random effects model is used to evaluate hypothesis two.

Table 6. Random Effect Model for Hypothesis Two

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1,760796	0,737938	2,386104	0,027600
ABM	5,212084	2,140914	2,434514	0,024900
R-squared	0,557327	Mean dependent var		3,510667
Adjusted R-squared	0,515446	S.D. dependent var		0,966265
S.E. of regression	0,929100	Sum squared resid		24,17035
F-statistic	9,366477	Durbin-Watson stat		1,941360
Prob(F-statistic)	0,027182			

Source: Researcher's Computation, (2025)

According to table 6, R-squared was 0,557327, which explains roughly 55.7% of the variation in the ROA of particular Nigerian deposit money institutions. Other factors that were left out of the model could account for the remaining 45.3% of the variation in ROA. With an Adjusted R-squared of 0,515446, the random effect model appears to have a modest level of predictive ability. ABM and the ROA of particular deposit money institutions in Nigeria have a positive correlation, as indicated by the coefficient of determination (GD) of 5,212084. The statistical significance of this link is indicated by a t-value of 2,434514 and a p-value of 0,0242. 9,366477 is the F-statistic, and the p-value is 0,027182.

According to the decision rule, the null hypothesis should be accepted if the p-value is less than the level of significance. If not, it should be rejected. The null hypothesis, which states that the age of board members has no bearing on the performance of deposit money institutions in Nigeria, should be rejected because the estimated random effect model's F-probability is 0,013372, which is less than 0,05. As a result, the performance of Deposit Money Banks in Nigeria is statistically significantly impacted by the age of the board

members. The estimated random model for hypothesis one is dependable since the Durbin-Watson score of 1,941360 indicates that the model has serial correlation.

Effect of Gender Diversity and Age of Board on Performance of Deposit Money Banks

Table 7. Effects - Hausman Test

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Period random	0,286033	2	0,8667

Source: Researcher's Computation, (2025)

A Chi-square statistic of 0,286033 with a probability value of 0,8667 is shown in table 7. The random effect is the best model, and there is enough data to support the null hypothesis at a 5% significance level. Consequently, it is decided that the random effect model is suitable.

Table 8. Random Effect Model for Effect of Gender Divert and Age of Board on Performance of Deposit Money Banks

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0,349624	1,597050	0,218919	0,828400
GD	9,185454	3,489289	2,632472	0,013800
ABM	9,366407	3,922856	2,387650	0,028100
R-squared	0,784035	Mean dependent var		3,510667
Adjusted R-squared	0,731000	S.D. dependent var		0,966265
S.E. of regression	0,847343	Sum squared resid		19,38575
F-statistic	15,35566	Durbin-Watson stat		1,897893
Prob(F-statistic)	0,000991			

Source: Researcher's Computation, (2025)

The findings of the estimated panel regression model (Random Effect Model) examining the impact of Age of the Board (ABM) and Gender Diversity (GD) on Deposit Money Banks (DMBs') performance are shown in table 8. With an R-square value of 0,784035, it can be inferred that the two explanatory factors under consideration explain around 78.4% of the variation in Return on Assets (ROA) of the chosen DMBs. Other variables not included in the model account for the remaining 21.6% of the variation in ROA. At a 5% significance level, the F-statistics value of 15,35566 and the probability value of 0,000991 indicate that all the explanatory variables in the estimated model jointly and significantly affect the ROA of the chosen DMBs.

Further analysis of the model reveals that the coefficient of gender diversity (GD) is 9,185454 and has a probability value of 0,0138, suggesting a statistically significant positive association between GD and ROA. Likewise, at a 5% significance level, the Age of the Board (ABM) coefficient is 9,366407, with a probability value of 0,0281, suggesting a positive and significant relationship between ABM and the ROA of the chosen DMBs over the study period. According to the Durbin-Watson statistic value of 1,897893, serial correlation is not present in the calculated model.

Discussion of Findings

In discussing the findings regarding the impact of gender diversity and board member age on the return on assets (ROA) of selected Deposit Money Banks (DMBs) in Nigeria, it's essential to link these findings to relevant theories. The social identity theory provides a valuable framework for understanding how group dynamics, including gender diversity and age, influence organizational performance.

The significant and positive correlation found between gender diversity and ROA aligns with the predictions of social identity theory. According to Tajfel, (1981), individuals derive their identity from their group memberships, which can include characteristics such as gender. Research by Low *et al.,* (2015) and Onyekwere *et al.,* (2019) has shown that increased gender diversity on corporate boards can enhance business performance. This supports the notion that diverse perspectives within groups lead to better decision-making and innovation, as individuals from different social groups bring unique insights and experiences to the table.

Conversely, the significant influence of board member age on bank performance, as noted in the study and supported by Ismail, R., & Manaf, (2016), also relates to social identity theory. Age can be another factor contributing to group dynamics within organizations. Older board members may bring wisdom and experience, contributing to the overall effectiveness of the board. However, it's important to note that the impact of age on performance may vary depending on contextual factors and the specific characteristics of the organization.

Overall, these findings underscore the relevance of social identity theory in understanding how group dynamics, including gender diversity and age, influence organizational performance. By recognizing the importance of diversity in decision-making processes and acknowledging the value of different perspectives within groups, organizations can leverage social identity theory to enhance their performance and promote inclusivity.

5. CONCLUSION

The study comes to the conclusion that certain Nigerian Deposit Money Banks financial performance is highly impacted by the age and gender diversity of its board members. As a result, the financial performance of DMB in Nigeria is probably going to improve with more women and younger board members.

The study also indicates that a diverse board, with a high proportion of women and younger members, can contribute a greater variety of experiences and new viewpoints to board meetings and decision-making. The varied perspectives and proficiencies within the group can result in enhanced tactics, superior risk mitigation, and eventually better financial outcomes for Nigerian Deposit Money Banks. The study also suggests that a board comprising a variety of ages and genders could be better able to comprehend and address the various demands of the bank's stakeholders, such as clients, staff, and investors.

According to this study, Deposit Money Bank ought to have a larger female board membership. By tackling gender inequities and advancing equality, this will benefit banks as well as society at large. Increasing the participation of women in decision-making is crucial to enhancing economic success. Compared to elder members, younger board members under 40 should be more prevalent in banks since they are more eager to take chances and explore novel approaches (David, P., Rothwell, G., & Macpherson, 2018). To increase financial performance through gender diversity, banks should avoid tokenism and recruit women

based on their skills and qualifications. It's critical to appreciate what they've contributed. Banks ought to provide female board members with avenues for involvement, like joining important committees and participating in planning. If not, they might pass on insightful viewpoints.

REFERENCES

Adewale, A. A., Adeyemo, A. A., & Lawal, S. B. (2024). Effect of employee's satisfaction on performance of Nigerian microfinance banks. *The Journal of VN Karazin Kharkiv National University. Series: International Relations. Economics. Country Studies. Tourism*, (19), 36-46.

Adewale A. A., Shittu S. A. & Adewole J. A. (2023). Effect of bank's sizes and age on the financial performance of deposit money banks in Nigeria. *The Journal of V. N. Karazin Kharkiv National University. Series: International Relations. Economics. Country Studies. Tourism*, (18), P. 32–40.

Aifuwa, H. O., & Saidu, M. (2020). Board cognitive diversity and firm performance nexus: Evidence from Nigeria. *International Journal of Management, Innovation & Entrepreneurial Research*, *6*(2), 88–99. https://doi.org/http://dx.doi.org/10.18510/ijmier.2020.629

Baridam, D. M. (1995). *Research methodology: A guide for novice researchers*. Port Harcourt: Clarion Books.

Barney, J.B., Mackey, T. B., & Tyson, W. (2007). The impact of gender diversity on boards of directors: A business performance perspective. *University of Michigan Business School*.

Bukar, A. A., Musa, I. O., & Ahmed, H. (2020). Gender diversity and financial performance of Nigerian listed cash banks. *International Journal of Economics, Commerce and Management*, *8(5)*, 136–146.

Carter, D. A., D'Souza, F., Simkins, B. J., & Simpson, W. G. (2010). The gender and ethnic diversity of US boards and board committees and firm financial performance. *Corporate Governance: An International Review*, *18*(5), 396–414. https://doi.org/https://doi.org/10.1111/j.1467-8683.2010.00809.x

Carter, D. A., Simkins, B. J., & Simpson, W. G. (2003). Corporate governance, board diversity, and firm value. *Financial Review*, *38*(1), 33–53. https://doi.org/https://doi.org/10.1111/1540-6288.00034

David, P., Rothwell, G., & Macpherson, A. (2018). The interplay of age, diversification and internationalization on the financial performance of Canadian firms. *Management International Review*, *58(1)*, 85–112.

Fachmi, A. H. N., Puspita, D. A., & Prasetyo, W. (2021). Analisis Komparasi Manajemen Laba, Profitabilitas, Dan Nilai Perusahaan Sebelum Dan Sesudah Implementasi Psak 69. *Jurnal Akuntansi Universitas Jember*, *18*(2), 73–86. https://doi.org/https://doi.org/10.19184/jauj.v18i2.18495

Fama, E. F., & Jensen, M. C. (1983). Separation of ownership and control. *The Journal of Law and Economics*, *26*(2), 301–325. https://doi.org/https://doi.org/10.1086/467037

Fidanoski, F., Simeonovski, K., & Mateska, V. (2019). Board education and firm performance: A comprehensive analysis of firms listed on the Macedonian stock exchange. *South East European Journal of Economics and Business*, *14(2)*, 39–51.

Fitzsimmons, S. R. (2012). Women on boards of directors: Why skirts in seats aren't enough. *Elsevier Inc.*, 557–566. https://doi.org/http://dx.doi.org/10.1016/j.bushor.2012.07.003

Hermalin, B. E., & Weisbach, M. S. (2019). Understanding corporate governance through learning models of managerial competence. *Asia-Pacific Journal of Financial Studies*, *48*(1), 7–29. https://doi.org/https://doi.org/10.1111/ajfs.12243

Ismail, R., & Manaf, N. A. (2016). The impact of board characteristics on bank performance: Evidence from Malaysia. *International Journal of Economics, Commerce and Management*, *4(2)*, 13–24.

Kagzi, M., & Guha, M. (2018). Does board demographic diversity influence firm performance? Evidence from Indian-knowledge intensive firms. *Benchmarking: An International Journal*, *25*(3), 1028–1058. https://doi.org/https://doi.org/10.1108/BIJ-07-2017-0203

Kuncaratrah, H. J., Widyastuti, T., & Wiratno, A. (2019). Faktor-faktor penentu audit delay di Indonesia. *Jurnal Akuntansi Universitas Jember*, *17*(1), 49–67.

Low, D. C. M., Roberts, H., & Whiting, R. H. (2015). Board gender diversity and firm performance: Empirical evidence from Hong Kong, South Korea, Malaysia and Singapore. *Pacific-Basin Finance Journal*, *35*, 381–401. https://doi.org/https://doi.org/10.1016/j.pacfin.2015.02.008

Marimuthu, M., & Kolaindasamy, I. (2019). Demographic factors and decision making of directors: Empirical evidence from Malaysia. *Journal of Economics, Business, and Management*, *7(2)*, 60–66.

McIntyre, R. S., Murphy, P. R., & Mitchell, F. (2007). Corporate governance and firm diversification. *Corporate Governance: An International Review*, *5(6)*, 1103–1113.

Musa, I. O. (2019). Corporate governance and financial performance of listed aggregates in Nigeria. *Journal of Economics and Sustainable Development*, *10(2)*, 147–154.

Ntim, C. G., & Soobaroyen, T. (2013). Black economic empowerment disclosures by South African listed corporations: The influence of ownership and board characteristics. *Journal of Business Ethics*, *116*, 121–138. https://doi.org/https://doi.org/10.1007/s10551-012-1446-8

Onyekwere, S. C., Wesiah, S., & Danbatta, S. N. (2019). The relationship between board diversity and corporate financial performance: Empirical evidence from five selected commercial banks in Nigeria. *International Journal of Finance and Banking Research*, *5*(4), 76–90. https://doi.org/http://dx.doi.org/10.11648/j.ijfbr.20190504.13

Osemwegie, O. O., & Ugbogbo, O. R. (2019). Board compensation and diversity and financial performance of Nigerian quoted banks. *International Journal of Economics, Commerce and Management*, *7(3)*, 166–178.

Pathan, S., & Faff, R. (2013). Does board structure in banks really affect their performance? *Journal of Banking & Finance*, *37*(5), 1573–1589. https://doi.org/https://doi.org/10.1016/j.jbankfin.2012.12.016

Pearce, J. A., & Zahra, S. A. (1992). Board composition from a strategic contingency perspective. *Journal of Management Studies*, *29*(4), 411–438. https://doi.org/https://doi.org/10.1111/j.1467-6486.1992.tb00672.x

Prihati, A., & Khabibah, N. A. (2022). Studi Literatur: Pengaruh Mekanisme Good Corporate Governance Terhadap Financial Distress. *Jurnal Akuntansi Universitas Jember*, *20*(2), 125–135. https://doi.org/https://doi.org/10.19184/jauj.v20i2.34692

Rahayu, D. D., & Wahjudi, E. (2021). Pengaruh Corporate Social Responsibility, ROA, Leverage, Size terhadap Agresivitas Pajak. *Jurnal Akuntansi Universitas Jember*, *19*(2), 92–107. https://doi.org/https://doi.org/10.19184/jauj.v19i2.24430

Roziq, A., & Danurwenda, H. N. (2015). Pengaruh good corporate governance terhadap corporate social responsibility melalui risiko bisnis dan kinerja keuangan pada bank umum syariah di Indonesia. *Jurnal Akuntansi Universitas Jember*, *10*(1), 90–109. https://doi.org/https://doi.org/10.19184/jauj.v10i1.1248

Srivastava, V., Das, N., & Pattanayak, J. K. (2018). Women on boards in India: a need or tokenism? *Management Decision*, *56*(8), 1769–1786. https://doi.org/https://doi.org/10.1108/MD-07-2017-0690

Tajfel, H. (1981). *Human Groups and Categories: Studies in Social Psychology*. Cambridge University Press. https://doi.org/https://doi.org/10.1111/j.2044-8309.1982.tb00540.x

Wellalage, N. H. (2019). Board diversity and corporate performance: Evidence from listed insurance firms in Sri Lanka. *Corporate Ownership & Control*, *17(4-3)*, 256–266.

DATA

Year	Bank	Code	GD	ABM	ROA
2013	FCMB	1	0,1221	0,64	3,7
2014	FCMB	1	0,1119	0,76	3
2015	FCMB	1	0,2156	0,75	4,2
2016	FCMB	1	0,244	0,77	5,6
2017	FCMB	1	0,2233	0,78	5,6
2018	FCMB	1	0,2122	0,82	4,63
2019	FCMB	1	0,22	0,67	2,51
2020	FCMB	1	0,127856	0,75	2,74
2021	FCMB	1	0,13099	0,79	2,1
2022	FCMB	1	0,10321	0,84	3,7
2013	Access	2	0,106705	0,87	3,7
2014	Access	2	0,093528	0,65	3,7
2015	Access	2	0,1123	0,65	2,7
2016	Access	2	0,1223	0,68	3
2017	Access	2	0,1434	0,69	3,4
2018	Access	2	0,1432	0,69	3,3
2019	Access	2	0,1002	0,854	3,4
2020	Access	2	0,1653	0,754	3,1
2021	Access	2	0,2232	0,78	3,46
2022	Access	2	0,23452	0,875	3,96
2013	Zenith	3	0,1132	0,754	2,07
2014	Zenith	3	0,11232	0,876	2,03
2015	Zenith	3	0,1223	0,875	2,18
2016	Zenith	3	0,1103	0,654	2,4
2017	Zenith	3	0,1211	0,927	4,34
2018	Zenith	3	0,109343	0,857	4,29
2019	Zenith	3	0,119848	0,889	4,71
2020	Zenith	3	0,120992	0,887	4,5
2021	Zenith	3	0,18554	0,857	4
2022	Zenith	3	0,121223	0,874	3,3