Global Academic Journal of Economics and Business

Avilable online at https://www.gajrc.com
DOI: 10.36348/gajeb.2020.v02i06.002

OPEN ACCESS

ISSN:2706-9001(P)
ISSN:2707-2584(O)

Research Article

Voluntarily Disclosed General Corporate and Forward-looking Information Effect on Share Prices of Manufacturing Firms in Nigeria

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Article History
Received: 10.12.2020
Accepted: 21.12.2020
Published: 28.12.2020

Abstract: This study examined the effect of voluntarily disclosed general corporate and forward looking information index on share prices of manufacturing firms in Nigeria. *Ex-post facto* research design involving secondary data for the period of 2012 to 2018, gathered from published annual reports of selected manufacturing firms using content analysis approach to generate voluntary information index. The sample of 22 manufacturing firms listed under the consumer goods subsector of the Nigerian Stock Exchange as at 31st December, 2018 were used for the study. Data were analyzed using descriptive statistics, Pearson correlation, t-test, ANOVA, and Multivariate regression. Findings revealed that the sampled manufacturing firms have some extent of voluntary information disclosure and that share prices of these companies are affected by voluntarily disclosed information. The statistic were General Corporate Information (GCI) (β= -295, Std. Error= 117.522, t-value-2.511, p-value= 0.013) Forward looking information (FLI) (β = -270, std. error=136.939, t-value = -1.982, p-value = 0.049) had negative significant effects on share prices of the listed manufacturing firms studied. On the whole, the study findings revealed that voluntarily disclosed information indexes affect share prices of listed manufacturing firms. It was therefore concluded that firms should disclose more of voluntary information as well as realistic and relevant forward-looking information in other to improve the value of the firms.

Keywords: General corporate information, Forward-looking information, voluntary disclosure and firm value.

INTRODUCTION

Corporate entities disclosed information is usually categorized into mandatory and voluntary information. Mandatory information is required by law and must be disclosed in line with the statutory and regulatory framework. Voluntary information is disclosed at the discretion of the management as a means of uplifting the corporate image and reputation; it may be financial and/or non-financial and constitute part of additional disclosures in their annual reports. Such additional disclosure is done at an extra cost to the firm and therefore raises the question of what might be the rationale behind incurring such a cost voluntarily when minimum disclosure requirements would have been enough? Some Scholars have pointed out that the reasons for providing voluntary information are due to a number of potential benefits. These benefits, among others, include providing more explanation of firms potentials to investors, driving the fluidity of Capital markets, guaranteeing more effective allocation of capitals, decreasing capital costs, mitigating uncertainty surrounding firms growth prospects, facilitating share trading, and achieving positive communication with investors [1, 2].

In spite of the presumed potential benefits of Voluntary disclosure, it is also believed that such disclosures can work against an entity as argued by Hossain and Hammani [3] who believe that revealing more information to the public could generate uncertainty about the future prospects of an entity as result of rivals actions. The foregoing argument therefore reveals the need to investigate the extent voluntary information component affect share price of manufacturing firms in Nigeria. The rationale for this argument is premise on the fact that equity investors often consider different dimension of informational level when taking investment decisions.

Voluntarily disclosed information is expected to affect share price because theoretically, share price is deemed to be a product of all available information (Efficient Market Hypothesis). But measuring the effect of voluntary disclosure on share prices has remained a constraint for which research has been ongoing.

In the past few decades, most voluntary disclosure studies have focused on corporate attributes that affect the extent of disclosure of an entity namely, age, size, leverage and performance. Some other studies have considered issues bordering on valuation and cost of capital, the nature and determinants of voluntary disclosure.

Although, results of studies relating to corporate disclosure are mixed with one group concluding that voluntary disclosure leads to an increase in share price and the other group reporting a decrease thereof, most of these studies did not isolate the components of voluntary information to assess the effects on share prices. This study, therefore, investigates how general corporate and forward-looking voluntary information affect share prices of manufacturing firms in Nigeria.

Objectives of the Study

The specific objectives of the study are to:

i. Examine the effect of voluntarily disclosed General Corporate Information (GCI) index on share price of manufacturing firms in Nigeria.
ii. Determine the effect of voluntarily disclosed Forward-Looking Information (FLI) index on share prices of manufacturing firms in Nigeria.

Research Questions

The following research questions are raise for the study:

i. Does voluntarily disclosed General Corporate Information (GCI) affect share prices of manufacturing firms in Nigeria?
ii. What is the effect of voluntarily disclosed Forward-Looking Information (FLI) on the share prices of manufacturing firms in Nigeria?

Hypotheses of the Study

The hypotheses of the study are:

Ho_1: Share prices of manufacturing firms in Nigeria are not significantly affected by voluntarily disclosed general corporate information index.

Ho_2: Voluntarily disclosed forward-looking information index has no significant effect on share price of manufacturing firms in Nigeria.

Significance of the Study

This study would be of significance to investors, stock analysts, corporate managers, potential investors and capital market policy makers in gaining insight on the types of voluntary disclosure which impacts most on share prices. This will enhance the reliability of their investment decisions, analysis and forecasts. Also, researchers and those in the academia would find the outcomes of the study relevant reference materials for further studies and researches, as it would provide additional literature on voluntary information effects on share prices of manufacturing firms.

The rest of the paper is divided into review of related literature, methodology, results and findings, and summary and conclusion.

REVIEW OF RELATED LITERATURE

This section of the paper is devoted to conceptual review, theoretical framework and empirical studies review.

Conceptual Review

The relevant concept of this study is discussed in this section.

Voluntary Information Disclosure

Voluntary disclosure is information that corporate entities publish based on their free-will and decision, whether financial or non-financial [4]. This is in addition to mandatory disclosures which are disclosures stipulated by the requirement of regulatory authorities. Shehata [5] posit that voluntary disclosure is exception information reported over and above what is recommended by law and rules with an intention of raising companies' images, increasing investor confidence and thus avoiding accusation risks. This definition is viewed as capturing the basic ingredients of voluntary disclosure and the motives of such disclosures.

Schuster and O'Connell [6] identified various gaps that exist in the conventional corporate reporting framework which voluntary disclosure is intended to fill as follows:

> "A perception gap exists if the utility of information is perceived differently by the market than by the company. An understanding gap occurs

when the different stakeholders and management assess the data in different ways. An information gap means that key performance data from the perspective of market participants is not communicated to them adequately. In addition, management has to report their business goals to enable investors to draw their own conclusions about whether or not the stated objectives can be realized, and if this requirement is not fulfilled, a reporting gap results. Aquality gap signifies that the information about key performance measures is not as reliable as it should be. Finally the value gap represent the difference between the company's current market values and management's perception of what that value should actually be. In effect, the value gap represents the cumulative impact of all the other gaps and reveals the extent of the communications breakdown between the company and the market", p2.

Investors; current and potential are always desirous of assessing all available information which will be useful in making informed investment decision. In the absence of such information, investors are most likely to obtain and analyze data from other sources which may be at a cost to the firm. Hamrouni, Miloudi and Benkraien [7] opined that lack of adequate information may force investors to lower the price they are willing to pay for a firm's stock. This is the more reason that firms should be motivated to disclose all relevant information to mitigate undervaluation of their shares by the investigating public.

Meek, Roberts and Gray [8] classify voluntary disclosures as strategic, financial and non-financial information. They classify the disclosures depending on what they are intended for and the contents of such disclosed information. The Financial Accounting Standards Board [9] classified voluntary disclosures into six categories, namely: business data (such as breakdown of market share, growth and information on new products), analysis of business data (for example trend analysis and comparisons with competitors), forward-looking information (such as sales forecast breakdown and plans for expansion), information about management and shareholders (for instance information on stockholders and creditors and shareholding breakdown), company background (such as product description and long-term objectives) and information about intangible assets (for example research and development and customer relations).

Barako [4] categorized voluntary disclosure into four groups namely: general and strategic information, financial information, forward looking information and social and board information. For the purpose of this study, we isolate financial data information and social and board information and apply general corporate information and forward-looking information on share prices determination of manufacturing firms in Nigeria.

General Corporate Information

General corporate information means disclosure about a firm's direction, its competitive issues and market growth prospects. The brief history of the company, ownership structure, company values, ethical issues, principal company products and an overview of the general economic outlook are some of the general information that can be disclosed in the annual statements of a company. Information on likely effect of business strategy on current performance as well as information on a firm's contribution to the national economy may prove crucial and position the firm in good light to attract investors. General corporate information provides investment analysts and individual or institutional investor with the basis to evaluate a company's potential for generating value. The information provided under this category is to improve the investment decision process and put users of corporate information in a better position to affect the allocation of economic resources [10].

This category of information may be viewed as very obvious as there may be no firm that would not disclose its vision, mission and similar information in its annual report. However, the fact remains that such information are not mandatory disclosures and a firm will not be penalized if it decides not to disclose them.

Forward-Looking Information

Information published in the annual report can be classified into two categories: "backward-looking information"and "forward-looking information" (FLI) [11]. Backward-looking disclosure is the class of information that refers to past financial results and their related disclosures. Forward-looking disclosure is the class of information that refers to current plans and future forecasts that enable investors and other users to assess a company's future financial performance. FLI refers to a business prediction about the future of the business state of affairs that eventually provide shareholders with useful information about a firm's future prospects. Such information can be found in the chairman's report as contained in the annual report expressed in such terms as 'predicting', 'expecting', 'foreseeing', 'estimating', 'hoping', 'forecasting', 'coming period', and so on. Forward-looking information disclosure includes information about financial forecast of the firms, such as revenue predictions, cash flows and sales volume; it further includes information about non-financial forecast such as factors that may affect the firm's future performance, for instance risk, future business ambiguity, analysis and evaluation, agency relationship, operators, and general relevant information about the firm [12, 13].

Forward-looking information includes factors that may affects future performance, new product/services development, earning per share forecast, sales revenue forecast and profit forecasts [4, 14, 15]. These types of information provide investors with the basis for making informed decisions about their current and potential investment in the firms. How these information affect shares in Nigeria still remains empirically sketchy, hence the need for this study.

The Disclosure Index

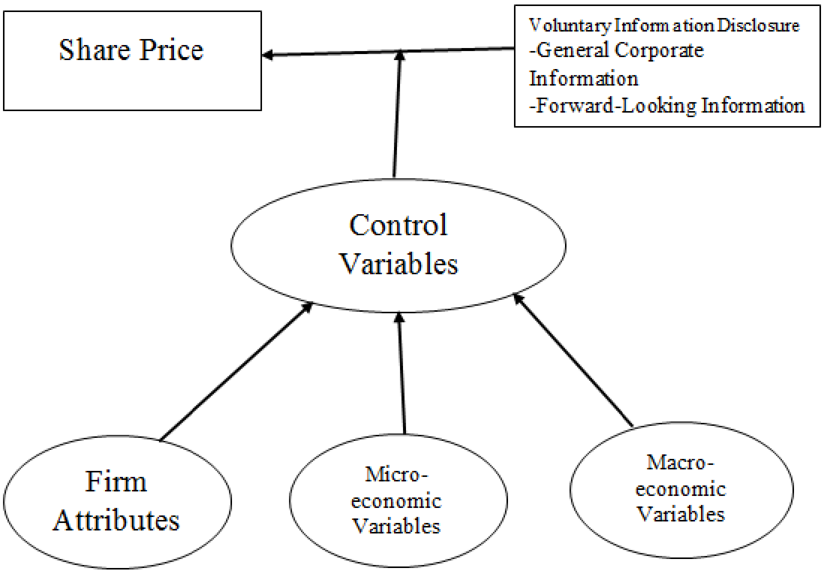
A disclosure index refers to a construct designed to measure the level of information disclosed by a firm during a specified period. Bravo, Abad and Trombetta [16] define disclosure index as a ratio to measure the amount of information disclosed by companies. Measurement of information disclosed in annual reports by firms is a complex task, which has largely been achieved through the construction and use of a disclosure index. The construction of a disclosure index involves the selection of information voluntarily disclosed by firms in their annual reports and matching such information with the expected voluntary disclosure level for a particular firm. A disclosure index could be constructed in either of two ways, namely the weighted disclosure index and the un-weighted index [4]. The weighted disclosure index assumes that information disclosed by management is not viewed equally by stakeholders. Thus, it isexpected that weights are attached by different categories of users to the different types of information disclosed by the firm. The un-weighted index considers all voluntarily disclosed information as possessing the same level of importance. Thus, all disclosures are deemed to be considered in the same light by users [17, 18]. In this study, we adopt a researchers-constructed disclosure index with the use of the binary coding method as is the case in prior empirical studies.

Share Price

A share price is the price of a single share of a number of saleable stocks of a company, derivative or other financial asset [19]. Share prices represent what other investors are willing to pay at the moment, and which share owners are willing to accept, for shares of a company. The share price of public traded company which is determined by the forces of market supply and demand is highly volatile due to its dependent on the expectations of the buyers and dwellers [20]. Investors and economic analysts see share prices as representing the financial health as buyers and sellers must first process information about the company before agreeing to a new higher or lower sales prices. Changes in share prices have their own signification. A rising share price may represent overall industry growth, of value and opportunity for profit, a falling share price may represent a lack of confidence on the part of investor. It is imperative that the determinants of share prices be fully ascertained to aid investment decisions.

Francis and Schipper [21], Sharma, Stephen and Okaro [22], and Fadiran and Olowookere [23] among others have identified factors affecting the price of equity both from the microeconomic and macroeconomic perspectives. These factors include but not limited to government policies, inflation, money supply, industry competition, real GDP, firm measures of performance such as earnings per share, dividend per share, net asset per share, return on equity, return on assets and gearing ratio among others.

From the above, we develop our conceptual research model as follows:



Source: Authors' Conceptualization, 2020

Fig-1: Conceptual Framework

Theoretical Framework

Many theories have been developed on why organizations should disclose information voluntarily. Theories also exist that explain the information content of share prices. For this study, we adopt the signaling theory as the theoretical framework. The signaling theory developed by Michael Spence in 1973, states that the primary objective of corporate disclosure is to inform analysts and investors about the firm quality and value. This suggests that voluntary disclosure decisions lead to the reporting of relevant information about a firm's performance. The theory is rooted in the idea of asymmetric information-a deviation from perfect information, which says that in some economic transactions, inequalities in access to information upset the normal market for the exchange of goods and services.

Signaling theory as further advanced by Ross [24] suggests that if investors are not able to effectively differentiate with certainty between two firms which they perceive to be performing equally well, the firm that performs better will ensure that they provide a 'signal' so as to catch the attention of these investors and enjoy a positive company reputation. They may do this by disclosing additional information to investor and which will positively affect the outlook of the company. Similarly, it should be noted that not disclosing any information at all is also a signals. It is thus assumed that the signaling theory is relevant to this study since 'general corporate information' and 'Forward-looking information' is part of the information required by investors to take informed economic decisions.

Empirical Review

This section is devoted to the review of empirical studies conducted to ascertain the level of voluntary disclosure in the annual report of companies.

Healy, Hutton and Paleu [25] investigated firms benefit from expanded voluntary disclosure by examining changes in capital market factors associated with increases in analyst disclosure ratings for 97 firms in the United Kingdom. The researchers employed the regression model in their analysis and reported that as disclosure improved, sampled firms stock prices rise by 7% in average at the current year; at the second year, Stock price rises by 8% during the current year and the following three years, the number of institutions holding sample firms stock rose by 12%-24% on the average. They further explained that disclosure rating increase was accompanied by increases in sample firms' stock returns, institutional ownership, analyst following, and stock liquidity. They concluded that while it was difficult to draw unambiguous casual conclusions, these results were consistent with disclosure model predictions that expanded disclosure leads investors to revise upward valuations of the sample firms' stock, increases stocks liquidity, and create additional institutional and analyst interest in the stocks.

Aljifri and Hussainey [11] studied the determinants of forward-looking information in annual reports of UAE companies. Theaim of the study was to empirically explore the underlying factors that may affect the extent to which forward-looking information is disclosed. The authors used a list of forward-looking keywords to demonstrate the differences if any, in the level of disclosure among firms and between sectors. The sample included 46 companies listed in either the Dubai financial market or the Abu Dubai securities market as at the end of 2014. Statistical analysis was performed using a backward regression. The results showed that debt ratio and profitability are significantly related with forward looking information. However, sector type, firm's size, and auditor size were found to have insignificant association with the level of forward-looking information disclosed in UAE annual reports. This study did not consider the influence of such disclosures on the share prices of firms studied.

Barako [4] studied the determinants of voluntary disclosure in Kenya companies' annual reports from 1992 to 2001. The goal of the study was to examine factors associated with voluntary disclosure of four types of information –general and strategic, financial, forward-looking and social and board information – in the annual report of Kenya companies. The sample size was 43 companies listed in the Nairobi Securities Exchange. Using a longitudinal examination of voluntary disclosure practice in the annual report of the listed companies, he investigated the extent to which corporate governance attributes, ownership structure and company characteristics influence voluntary disclosure of the various type of information. Data obtained were treated using pooled Ordinary Least Square (OLS) with panel-Corrected Standard Errors (PCSEs). The result of his analysis indicated that disclosure of all types of information is influenced by the variables studied. However, the researcher concentrated on the determinants of the different categories of voluntary disclosure and not on its influence on firms share prices.

Wanjau [26] conducted a study on the effect of voluntary disclosure on the stock returns of Kenyan firms from 2008-2013. The author used Content analysis of audited annual financial reports of companies in the banking, construction and allied industries. The sample size for the study was 16 companies listed on the Nairobi Security Exchange, and the data obtained were analyzed using multiple regression models. The results obtained showed that voluntary disclosure of firms' information has positive impact on stock returns. The findings further revealed that the disclosure of business data, forward-looking information, background about the company and information on intangible assets positively impact on the firms' stock returns. On the other hand, information on management analysis, business data and information about management and shareholder were found to have a negative implication on company's stock return. The study focused on the financial sector which is known for its highly regulated operations. Findings from studies in this area are usually unique and may not be applicable to other sectors.

Damagum and Chima [27] studied the impact of corporate governance on voluntary information disclosure of quoted firms in Nigeria. The objective of the study was to empirically determine the significant difference between voluntary disclosure during pre and post corporate codes era in Nigeria. The sample size for the study was 35 firms quoted on the Nigerian Stock Exchange from 1999 to 2009. A content analysis of the annual reports of the sampled firm was conducted using a disclosure checklist developed by the researchers. Descriptive statistics and inferential statistics were used as the basis for the data analysis. Results showed that corporate governance has significant impact on financial reporting of quoted firms in Nigeria, and that the level of voluntary disclosure has significantly improved after the introduction of corporate governance codes in Nigeria. The study focused on the level of voluntary disclosure in general without showing the effect of such a change on the value of the firms studied.

Fadiran [15] studied quality of information and share price determination on the Nigeria Stock Exchange (NSE) between 2000 and 2011. The researcher assessed the quality of information in annual reports of 72 firms listed on the Nigerian Stock Exchange and the extent to which this influenced share pricedetermination. Using a regression model, and the generalized least squares, the researcher observed that macro-economic conditions especially real GDP and exchange rate, exert significant influence on share price as well as information disclosed in or derived from annual reports of firms. He concluded that accounting and macro-economic information were the major factors that influenced share prices on the NSE. Fadiran's work was a masterpiece but its limitations were that the scope of the study was too narrow and it took a holistic view of voluntary disclosure rather than a disaggregated approach which this present study seeks to address.

Mwangi and Mwiti [28] studied voluntary disclosure and stock market returns of companies in Kenya with a view to determining the effects of voluntary disclosures on Stock market returns of companies listed at the Nairobi Securities Exchange. The study utilized a descriptive research design and a sample of 20 firms from 10 different sectors during the period 2009 to 2013. The result showed that each of the independent variables was positively related to market performance of firms listed at the Nairobi Securities Exchange. The study was a multi-sector study which could facilitate generalization but just like many others, it took a holistic view of voluntary disclosure.

Bravo [29] studied forward-looking disclosure, corporate reputation and stock return volatility in the United State of America. The sample of the study was composed of 73 non-financial companies in Standard and Poor's 100 in the year 2009. The disclosure measure was calculated after reading and analyzing all annual report in 2009. The dependent variable for the study was stock return volatility while information disclosure was the independent variable. Data about daily prices in 2010 were collected since annual reports for the 2009 were published in 2010. The changes in share price immediately after the publication of the annual reports was measured. Stock return volatility was calculated in logarithmic terms as the natural log of one plus the standard deviation of daily stock returns. A maximum of three months of daily return observations was required to calculate stock volatility. The results showed that forward-looking information disclosure by firms of higher reputation has significant effect on stock return volatility. The limitation of this study is the scope of the study.

The empirical literature reviewed shows that most researches have been skewed to the factors that influenced the extent of voluntary disclosure. Others studies [30, 31] revealed a negative and insignificant relationship between voluntary disclosure and firms' share price-stock returns, firms' value. Such results did not show the specific voluntary disclosure type and how they affect the firm's value. This study is aimed at investigating how general corporate and forward-looking information impact share prices of the listed Nigerian manufacturing sector.

METHODOLOGY

The procedure adopted in conducting the study is discussed in this section.

Research Design

The *ex-post facto* research design was employed in the study. This design was considered most appropriate because the study did not involve the researchers' direct control over the independent variables since they have already led to effects which can no more be manipulated.

Population and sample size of the study

The population of the study comprises all the manufacturing firms listed on the Nigerian Stock Exchange under the Consumer Goods Category from 2012 to 2018. At December, 2018 there were 22 of such firms listed on the floor of the Nigerian Stock Exchange. The sample of study is the 22 manufacturing firms listed under the Consumer Goods Category, hence a census study.

Source and Nature of Data

Data for this study are solely obtained from published financial statements of the 22 manufacturing firms for the period 2012 to 2018 using disclosure indexes computed by the researchers from content analysis of the reports. Share prices and data on real GDP were obtained from the websites of the National Bureau of Statistics (NBS) and the Central Bank of Nigeria's Statistical bulletin for various years.

In order to facilitate the identification of voluntary disclosed information by the firms, prior studies were reviewed to identify a wide range of items commonly disclosed voluntarily by firms. In this study, disclosure items relating to general corporate and forward-looking information were filtered out and used for the study (see appendix).

Content Analysis

A content analysis was carried out to analyze the annual reports and to determine the extent of voluntary disclosure in the report. The procedure involved converting the qualitative information in the annual reports into quantitative scores. The content analysis method has been widely used in prior studies and considered as an appropriate method to measure the extent of disclosure.

In this study, un-weighted approach for the scoring of disclosures was adopted based on the assumption that each item of disclosure is equally important. This reduces subjectivity and provides a neutral assessment of items.

The scoring procedure involves awarding a firm a score of 1 if an item was disclosed and 0 if otherwise. A total of 18 items were searched for, the presence of all the items in a particular company's annual report meant that the company has a 100 percent voluntary disclosure index score. A company that discloses, say 10 items out of the 18 items has a Voluntary Disclosure Score of 56 percent (10/18*100). The disclosure index score was computed for each of the two categories of the voluntary disclosure items. The percentage for each category to the total number of expected disclosure items specified on the disclosure checklist, multiplied by 100.

Theoretical and Empirical specification of model

The model specification for this study considers two voluntary disclosure indexes; general corporate information (GCI) index and Forward-looking Information (FLI) index, two control variables; Return on Equity (ROE) for micro-economic variable and Real Gross Domestic Product (RGDP) for macro-economic variables, while share prices is the dependent variable.

Empirically, the model is specified as follows:

$SP_{it} = \beta_0 + \beta_1 GCI_{it} + \beta_2 FLI_{it} + \beta_3 ROE_{it} + \beta_4 RGDP_{it} + \mu$

Where;

SP_{it}= Price of share for firm i at time t

GCI_{it}= General Corporate Information index for firm i at time t

FLI_{it} = Forward-Looking Information index for firm i at time t

ROE_{it} = Return on Equity for firm i at time t

$RGDP_{it}$ = Real Gross Domestic Product at time t

β_0 = Constant

β_1- β_4 = Coefficients of independent and control variables.

However, two of the independent (control) variable, ROE and RGDP are logged in order to ensure stable variance

METHOD OF DATA ANALYSIS

Data obtained are analyzed using descriptive and inferential statistics involving multiple regression analysis. The statistics used in the analysis includes mean, standard deviation, minimum, maximum, skewness, kurtosis, Shapiro-wilk normality test, correlation analysis, Tolerance and Variable Inflation Factor, Durbin-Watson, T-test and F-Statistics. Hypotheses are tested at 5% level of significance.

RESULTS AND DISCUSSION OF FINDINGS

The results of data analyses are presented and discussed in this section.

Data presentation on the level of Voluntary Information Disclosure Index is shown on the table that follows:

Table-1: Level of General Corporate Information (GCI) and Forward-Looking Information (FLI) Disclosure Index of manufacturing firms in Nigeria between 2012 and 2018 for the 22 sampled companies

Manufacturing Firm	General Corporate Information (GCI)		Forward-Looking Information (FLI)	
	Mean	SD	Mean	SD
McNicholes Plc.	0.6043	0.1437	0.3957	0.1437
DN Tyre and Rubber	0.7329	0.1247	0.5100	0.1294
Champion Brew. Plc.	0.6543	0.0990	0.4914	0.0641
Golden Guinea Brewery	0.6843	0.1209	0.5900	0.0860
Guinness Nigeria Plc.	0.7329	0.0588	0.5414	0.0801
International Brewery Plc.	0.7800	0.0898	0.4600	0.1038
Nigerian Brewery Plc.	0.7643	0.0759	0.4929	0.1710
7UP Bottling Co. Plc.	0.7800	0.0898	0.5571	0.1837
Dangote Flour Mill	0.8743	0.1480	0.7014	0.0537
Dangote Sugar Refinery Plc.	0.8743	0.1480	0.7171	0.0588
Flour Mills Nigeria Plc.	0.5900	0.0860	0.5729	0.1032
Honeywell Flour Plc.	0.5714	0.1384	0.5229	0.1097
Multi-Trex Int. food	0.5271	0.1956	0.2829	0.1537
Nascon Allied Ind. Plc.	0.6043	0.1706	0.4757	0.0879
Northern Nigerian Flour mill.	0.5086	0.0641	0.3643	0.1560
Union Dicon Salt Plc.	0.5229	0.1267	0.6543	0.0759
Cadbury Nigeria Plc.	0.9057	0.0990	0.7171	0.0588
Nestle Nigeria Plc.	0.6200	0.2946	0.3329	0.1724
Nigeria Enamerware Plc.	0.3143	0.0990	0.4600	0.1038
Vitafoam Nig. Plc.	0.7014	0.1046	0.4443	0.1847
PZ Cusson Nig. Plc.	0.4600	0.1038	0.4100	0.0860
Unilever Nig. Plc.	0.7800	0.1100	0.5086	0.0641

Source: Authors computation (2020) using SPSS version 20.0

Result in Table 1 presents the level of voluntary information disclosure index for the selected manufacturing companies in Nigeria for the period 2012 to 2018. Results reveal that Cadbury Nigeria Plc secured highest mean score on General Corporate information disclosure (0.9057) and forward-looking information (0.7171). Dangote Flour mill and Dangote Sugar Refinery Plc ranked second with 0.8743. The same applies to forward-looking information disclosure. It thus implies that voluntary information disclosures influenced shares of manufacturing firms in Nigeria with 90.57% for General corporate information (GCI) and 71.71% for Forward-looking information. On the whole, there exists a level of influence of voluntary information disclosure for all firms studied.

Statistical Analyses of Data

The descriptive statistics, correlation matrix, normality test and regression results for test of hypotheses are presented in this section of the paper.

Descriptive Statistics for the Research Variables

The descriptive statistics for the variables of study are shown on Table 2.

Table-2: Descriptive Statistics

Variables	N	Minimum	Maximum	Mean	SD	Skewness		Kurtosis	
						Statistic	Std. error	Statistic	Std. error
GCI	154	0.220	1.000	0.663	0.190	-0.366	0.195	-0.391	0.389
FLI	154	0.110	0.780	0.509	0.160	-0.331	0.195	-0.435	0.389
ROE	154	0.230	93.780	21.828	18.011	1.486	0.195	2.524	0.389
RGDP	154	11.601	11.672	11.649	0.024	-1.140	0.195	-0.141	0.389
Share Price	154	0.200	1555.990	79.448	235.703	4.700	0.195	22.923	0.389

Source: Authors computation (2020) using SPSS version 20.0

Table 2 shows the result of the descriptive statistics for the research variables. The mean values are GCI 0.633, FLI 0.059, ROE 21.828, RGDP 11.649 and Share price 79.448 respectively. The minimum and maximum values are also disclosed. The Skewness values are -0.366, -0.331, 1.486, -1.140 and 4.700 for GCI, FLI, ROE, RGDP and Share Prices respectively. The values are less than 0 except for ROE (1.486) and Share price (4.70) indicating the firms disclosure index were skewed to the left while ROE and share prices were skewed to the right. The Kurtosis values were -0.391, -0.435, 2.524, -0.141 and 22.923 for GCI, FLI, ROE RDGP and Share prices. This indicates a flatter distribution (platykurtic) than that of the normal curve.

Correlation Statistics for the Research Variables

The correlation matrix is presented on Table 3 showing relationship among variables.

Table-3: Correlation matrix for the researches variables

Variables	GCI	FLI	ROE	RGDP	Share Prices
GCI	1.000	0.548	0.167	0.142	0.025
FLI	0.548	1.000	-0.111	0.389	-0.175
ROE	0.167	-0.111	1.000	-0.160	0.507
RGDP	0.412	0.389	-0.160	1.000	0.012
Share Prices	0.025	-0.175	0.507	0.012	1.000

Source: Researches' computation (2020), using SPSS version 20.0

Results reveal that GCI has significant positive relationship with all the selected variables. FLI has negative relationship with ROE and Share prices, and RDGP reveals a negative relationship with ROE. The overall correlation coefficient obtained for other variables are presented on Table 3.

Normality Test

The normality test of the research variables were examined using Shapiro-Wilk's test as shown on Table 4.

Table-4: Summary of Normality Test using Shapiro-Wilk's test

Variables	Shapiro-Wilk		
	Statistic	**Df**	**P-value**
GCI	0.953	154	0.000
FLI	0.941	154	0.000
ROE	0.872	154	0.000
RDGP	0.767	154	0.000
Share Prices	0.343	154	0.000

Source: Researchers' computation (2020) using SPSS version 20.0

Table 4 shows the result of the normality of the research variables. Results reveal that all the research variables have probability values of 0.000 which is less than 0.05 ($p < 0.05$). This result indicates that the distribution of the data obtained from these variables is not normally distributed.

Multiple Regression Results and Evaluation of the Research Model

The results of the regression analyses are presented in this section of the paper and on the tables that follows:

Table-5: Model Summary showing effect of independent variables on dependent variables

Model	R.	R-square (R^2)	Adjusted R^2	Std. Error of the Estimate	Durbin-Watson
1	0.631	0.398	0.370	187.09535	0.629

Source: Authors computation (2020) using SPSS version 20.0

Table 5 presents summary result of the multiple regression analysis showing the effect of GCI, FLI, ROE and RGDP on share price of manufacturing firms in Nigeria. Result on Table reveals coefficient of determination of 0.399 which implies that 39.9% of the variation in share price was accounted for by the independent variables of the model of study. The adjusted coefficient of determination of 0.370 was obtained which indicates that 37.0% of the variation in share price of manufacturing firms was explained by GCI, FLI, ROE and RGDP. The result also revealed Durbin-Watson statistic value of 0.629 which is approximately 1 and less than 3.00 meaning that there is no evidence of autocorrelation.

Table-6: ANOVA Summary of the effect of independent variables on share price

Model	Sum of squares	DF	Mean square	F-cal	F-crit.	P-value
Regression Residual	3389345.453 5110681.892	7 146	484192.208 35004.670	13.882	2.07	0.000
Total	8500027.345	153				

Source: Researchers' computation (2020) using SPSS VERSION 20.0

Table 6 shows the ANOVA statistic obtained from the multiple regression analyses which reveal F-calculated value of 13.882 and p-value of 0.000 as against the F-critical value of 2.07 at 0.05 level of significance, indicating the calculated F-value is greater than the F-critical value, meaning there is a significant regression relationship between the dependent variable (share price of the listed firms) and the independent variables (GCI, FLI, ROE and RGDP).

Table-7: Regression parameters of the regression result.

Model	Unstandardized		t-cal	p-value	collinearity	statistics
	β	Std. Error				
Constant	-12298.71	8930.911	-1.377	0.171		
GCI	-295.098	117.522	-2.511	0.013*	0.460	2.175
FLI	270.109	136.939	-1.982	0.049*	0.476	2.101
RGDP	1014.409	769.494	1.318	0.189	0.687	1.455
ROE	7.062	0.906	7.797	0.000*	0.860	1.163

Source: Researchers' computation (2020), using SPSS version, 20.0.
* Significant at 0.05 level

Test of Hypotheses

The test of hypotheses is carried out using the results of the regression coefficients disclosed on Table 7.

Hypothesis I: Share prices of manufacturing firms in Nigeria are not significantly affected by voluntarily disclosed General corporate information index.

From the regression results shown on Table 7, General Corporate Information (GCI) index have regressioncoefficients of (β = -295, SE = 117.522, t-cal = -2.511, p-value = 0.013, p-value 0.013< 0.05). This implies that GCI has negative effect on the share price of the selected listed manufacturing firms. The implication is that if other variables are held constant, for every 1 unit increase in GCI, the share price of the studied listed firms decreased by 295 value points. The calculated t-value (-2.511), p-value (0.130) is greater than the critical t-value of 1.98 at 0.05 level of significance. It is therefore concluded that, share prices of manufacturing firms in Nigeria are significantly affected by voluntarily disclosed general corporate information index. The null hypothesis is rejected. The findings is at variance with a *priori* expectation but corroborates the findings of Sieberi, Weibenberger, Oberdorster and Baetge [32] who posit that the question of verifiability makes general cooperate information not necessarily credible and therefore its impact is not obvious to investors, who may consider GCI as “cheap talk” and thereby ignoring such information in decision making regarding investments.

Hypothesis II: Voluntarily disclosed forward-looking information index have no significant effect on share prices of manufacturing firms in Nigeria.

The regression results on Table 7 reveals that Forward-looking information index have coefficient of (β=-270, SE=136.936, t-cal=-1.982. P-value=0.049, P-value 0.049<0.05), indicating negative effect of this variable on share prices of the selected listed manufacturing firms in Nigeria. This implies that if other variables are held constant, for every 1 unit increase in voluntary disclosed forward-looking information index, the share prices of manufacturing firms will decrease by 270 value points. The calculated t-value of -1.982 and P-value of 0.049 are statistically significant at 0.05 level. The null hypothesis is rejected. We conclude therefore that, voluntarily disclosed forward-looking information index has a significant negative effect on share prices of manufacturing firms in Nigeria. The result is at variance with a *priori* expectation. The reason for this outcome in the study may be associated with the uncertainty perceived with such information [33, 34]. This situation may be correct for Nigeria due to tax regulations and ineffective law enforcement, which inhibit deterrence, detection, and punishments for disclosure of misleading information as applicable to some developed economies.

SUMMARY AND CONCLUSION

The key objectives of the study was to investigate the effects of voluntarily disclosed general corporate and forward-looking information index on the share prices of listed manufacturing companies in Nigeria. *Ex-post facto* research design involving secondary data collected from published reports was adopted through development of content analysis check list. Results show statistical significance of the variables studied but with negative beta coefficients for the period of study (2012 to 2018).

On the whole, the findings of the study have provided the basis for a conclusion that voluntarily disclosed information in the form of general corporate information index and forward-looking information index affect share prices of manufacturing firms in Nigeria. The study provides a clear direction on the effect of voluntarily disclosed information on share prices.

From the findings, the following is recommended; i) Firms in the manufacturing sub-sector should disclose more general corporate information in their annual reports. The disclosure of such information has a direct influence on share price as explained in the study. ii) Forward-looking information usually disclosed by manufacturing firms is expected to give interested parties the impression about the future performance of such firms. This should be more realistic and relevant to minimize uncertainties in evaluating the future performance of the firms.

Contribution to Knowledge and Suggestion for future research

This study has made both theoretical and empirical contributions to the field of accounting, finance, economics and management. It provides an enhanced literature on the effect of voluntary information disclosure components on share prices and a reference point for future researches. Also, it has provided empirical input to the relevance of voluntarily information disclosure for regulatory and supervisory agencies to crave for more voluntary disclosures by listing companies in Nigeria.

Further studies may use pooled data analysis with either a fixed or random effects on the same sector as well as other sectors of the economy.

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APPENDIX

VOLUNTARY DISCLOSURE CHECKLIST

A) GENERAL CORPORATE INFORMATION

1. Company's mission statement
2. Brief history of the company
3. Description of major goods/services produced/provided
4. Organisational structure /chart
5. Description of marketing networks for finished goods/services
6. Company's contribution to the national economy
7. Company current business strategy
8. Likely effect of business strategy on current performance
9. Discussion about major regional economic developments

B) FORWARD-LOOKING INFORMATION

1. Factors that may affect future performance
2. Likely effect of business strategy on future performance
3. New product / service development
4. Planned capital expenditure
5. Research and Development expenditure
6. Planned advertising and publicity expenditure
7. Earnings per share forecast
8. Sales revenue forecast
9. Profit forecast