TAX PLANNING MIX AND EMPLOYEE COMPENSATION IN LISTED CONSUMER GOODS FIRMS IN NIGERIA

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A DISSERTATION WRITTEN IN THE DEPARTMENT OF ACCOUNTING, FACULTY OF SOCIAL AND MANAGEMENT SCIENCES AND SUBMITTED TO THE SCHOOL OF POSTGRADUATE STUDIES IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF MASTER OF SCIENCE (M.Sc.) DEGREE IN ACCOUNTING OF BENSON IDAHOSA UNIVERSITY, BENIN CITY, EDO STATE, NIGERIA

DECEMBER, 2025

DECLARATION

I, KWAGHKULE, Philip do hereby declare that this dissertation **"TAX PLANNING MIX AND EMPLOYEE COMPENSATION IN LISTED CONSUMER GOODS FIRMS IN NIGERIA"** is entirely my own work and composition. The work embodied in the dissertation has not been submitted for any degree and is not currently being submitted for any other degree. All references made to the works of other persons have been duly acknowledged

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CERTIFICATION

We certify that this dissertation was carried out by KWAGHKULE, Philip with Matriculation Number PG/ACC/240061 in the Department of Accounting, Faculty of Social and Management Sciences, Benson Idahosa University, Benin City.

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DEDICATION

This dissertation is dedicated to God Almighty

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ABSTRACT

The study examined tax planning mix and employee compensation of listed consumer goods firms in Nigeria. The objective of the study was to examine the effect of tax planning mix (debt tax shield, non-debt tax shield, tax avoidance and deferred taxation) on employee compensation while controlling for capital intensity and firm leverage. The population of the study consists of twenty-one (21) listed consumer goods firms in the Nigerian Exchange Group (NGX) and a sample of sixteen (16) listed consumer goods firms that have consistently published their annual audited financial report and accounts for the period of 2018 to 2024 were used. The study adopted longitudinal research design. The data collected were secondary and analyzed using descriptive statistics, correlation analysis and static panel least square regressions technique. The regression results showed that debt tax shield, non-debt tax shield, tax avoidance and deferred taxation have a positive and a significant effect on employee compensation of listed consumer goods firms in Nigeria. The study recommended that stakeholders of listed consumer goods manufacturing companies in Nigeria should continue to explore debt tax shield and non-debt tax shield as a tax savings approach that leads to high level of employee compensation.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Globally, employee compensation is a key driver of organizational performance, competitiveness, and sustainability, especially in knowledge-intensive and competitive industries. Well-structured compensation packages, including base pay, bonuses, and performance incentives, enhance employee engagement, productivity, and overall value creation. In Nigeria, firms face the challenge of balancing cost control with the need to motivate and retain skilled employees in a dynamic business environment. Effective and fair compensation frameworks are therefore essential for improving workforce performance, productivity, and long-term shareholder wealth.

It is important to note that an effective employee compensation scheme implemented by consumer goods manufacturing companies can positively influence their tax planning process. Tax planning refers to the strategic use of available tax law provisions to minimize tax liability. This may involve structuring income to benefit from lower-taxed categories, such as capital gains, or utilizing allowable exemptions and untaxed fringe benefits instead of relying solely on fully taxed wages and salaries. By designing compensation packages that take advantage of these provisions, firms can legally reduce their tax burden while still providing competitive benefits to employees. Kimea, *et al.* (2023) argued that tax as a concept deals with the inflow of government revenue and outflow of revenue to firms. Hence, the firm specific tax-mix that affects performance activities of firms has gained more consideration among management, shareholders, policymakers and researchers. Tax charge is one of the most

essential business expenses incurred by the corporation which influences the wealth of shareholders.

Tax planning involves arranging the flow of deductions that must be made in a rationale way and ensuring these deductions are fully disclosed to the authorities. Consumer goods companies are indeed motivated to engage tax planning that would lead to a reduced tax liability (Payne & Raiborn, 2015). This practice is seen as an acceptable and rational corporate behaviour which justifies the use of a number of strategies that might either be subtle or aggressive. However, the study will explore the following tax planning mix such as tax shield, non-tax shield, tax savings and deferred tax. Tax planning also weakens the regulatory authority by starving the government and its regulatory agencies of revenue from taxes. The work of experts in tax planning creates distrust between regulators and those being supervised and usually leads to high transaction cost being imposed on the firms as a consequence of the complications resulting from the regulators. Tax planning, if not properly managed, can weaken the structural and financial integrity of a company (Njogu *et al*., 2017; Onuorah *et al*., 2019). Firms that engage excessively in aggressive tax practices often develop a culture that disregards rules and compliance requirements. Considering these concerns, this study examines the relationship between the tax planning mix and employee compensation in listed consumer goods firms in Nigeria

1.2 Statement of the Research Problem

Employee compensation is a core element of Human Resource Accounting and a critical determinant of employee motivation, productivity, retention, and overall organisational performance. In Nigerian listed consumer and industrial goods firms, it extends beyond basic

salaries to include bonuses, allowances, pension contributions, training and development opportunities, health benefits, and other welfare packages that support employee well-being and efficiency. The level and sustainability of these compensation packages are closely linked to a firm's financial position, which is significantly influenced by its tax planning practices. Tax planning, as a strategic aspect of tax management, involves the use of lawful procedures and decisions to minimize tax liabilities and maximize after-tax income, thereby potentially increasing the resources available for employee-related expenditures (Boussiadi & Hamed-Sidhom, 2020). However, when tax planning becomes overly aggressive or poorly managed, it can expose firms to financial and regulatory risks, weaken corporate stability, and negatively affect their ability to maintain or improve employee compensation and welfare. This highlights a direct and significant link between tax planning strategies and the quality of employee compensation systems within organisations.

The issue of tax planning, which in some jurisdictions is viewed as tax aggressiveness, has long posed challenges to tax legislation. This challenge appears to persist in virtually every society where taxes are imposed (Uadiale *et al*., 2010). This menace occurs mainly among corporate tax payers given the magnitude of the company income taxes these companies are burdened with. Consequently, companies around the world employ the services of accountants to find loopholes in the tax system to exploit in an attempt to pay less tax (Boussiadi & Hamed-Sidhom, 2020).

Tax planning if not properly managed can erode the structure of the company and it will affect the compensation of the employee (Bird & Davis-Nozemack, 2016). Mouna and Maha (2018) argued that poor compensation packages given to employees by companies has been the shortcomings experienced in order to strengthen the financial positions and meet the risks

associated with the presence of globalization in relation to tax planning mix. Employee of every firm is likely to perform to his full potential if happy with the level of compensation offered to him; an employee earning a high salary feels motivated to do a good job to please his employer and in turn retain his job, the level of appreciation he feels can have a direct impact on his overall performance (Woods, 2019 cited in Timothy, *et al.,* 2020).

Past researchers have focused on the relationship between tax planning, performance and firm value in Nigeria. For example, Paul, *et al.* (2025) examined the effect of tax savings on financial performance of listed non-financial firms in Nigeria, Godwin and Iyoha (2024) studied corporate tax mix, firm attributes and firm performance in Nigeria, Igbinovia and Usman (2024) studied the influence of tax avoidance, tax planning strategies on firm value, Samuel, *et al.* (2023) focused on the effect of tax shield on firm value, Olade, *et al.* (2023) investigated the influence of debt tax shield, non-debt tax shield, and effective tax rate on share price performance, Nnamdi and Amissah (2022) carried out a comparative analysis on corporate tax savings strategies on the financial performance, Ibrahim and Abena (2022) investigated the relationship between corporate tax planning and the financial performance and Amadi (2021) studied the effect of tax planning strategies on financial performance. However, only the study of Timothy, *et al.* (2020) on the moderating effect of firm value on the relationship between corporate tax planning and board compensation that was closely related to the subject matter.

Although studies in Nigeria have investigated the relationship between tax planning and financial performance, profitability, and firm value, they largely overlook employee-focused outcomes, particularly employee compensation. Existing research such as Paul *et al*. (2025), Godwin and Iyoha (2024), Igbinovia and Usman (2024), Samuel *et al.* (2023), and Olade *et*

al. (2023) primarily examined tax planning in relation to firm-level financial metrics. Even Timothy *et al*. (2020), whose work appears closest to the current study, focused on the moderating role of firm value in the relationship between tax planning and board compensation, thereby neglecting broader employee compensation. Thus, a clear variable gap emerges, as employee compensation has not been examined as an outcome variable in the tax planning literature in Nigeria, despite evidence that tax strategies directly influence corporate cost structures, remuneration decisions, and employee welfare.

To the best of our knowledge, limited empirical research has examined the relationship between the tax planning mix and employee compensation in Nigeria, and none has specifically focused on listed consumer goods firms in Nigeria. The identified gap in the literature relates to the limited empirical examination of the effect of tax planning mix on employee compensation in Nigeria. While prior studies have explored aspects of tax planning and employee compensation separately, few have investigated their interrelationship, particularly using robust quantitative methods. To address these gap, the current study employed panel data methodology to empirically analyze the effect of tax planning mix including debt tax shield, non-debt tax shield, tax avoidance, and deferred tax on employee compensation. The study also incorporates control variables such as capital intensity and firm leverage, focusing on quoted consumer goods firms in Nigeria over the period 2018 to 2024, thereby providing a comprehensive and contemporary assessment of how corporate tax strategies influence workforce remuneration.

1.3 Research Questions

The general research question was to find out the effect of tax planning mix on employee compensation in listed consumer goods firms in Nigeria. Based on the above, the following research questions were raised to guide the study under investigation:

(i) Does debt tax shield affects employee compensation in listed consumer goods firms of Nigeria?

(ii) How does non-debt tax shield influence employee compensation of listed consumer goods firms in Nigeria?

(iii) To what extent does tax avoidance affects employee compensation of listed consumer goods firms in Nigeria?

(iv) What is the effect of deferred tax on employee compensation of listed consumer goods firms in Nigeria?

1.4 Objectives of the Study

The broad objective of the study was to examine the effect of tax planning mix on employee compensation in listed consumer goods firms in Nigeria. The specific objectives were to:

(i) examine the effect of debt tax shield on employee compensation of listed consumer goods firms in Nigeria.

(ii) determine the effect of non-debt tax shield on employee compensation of listed consumer goods firms in Nigeria.

(iii) evaluate the effect of tax avoidance on employee compensation of listed consumer goods firms in Nigeria.

(iv) ascertain the effect of deferred tax on employee compensation of listed consumer goods firms in Nigeria.

1.5 Research Hypotheses

The research objective was achieved by testing the following research hypotheses in a null form;

H_{O1}: Debt tax shield has no significant effect on employee compensation of listed consumer goods firms in Nigeria

H_{O2}: Non-debt tax has no significant effect on employee compensation of listed consumer goods firms in Nigeria

H_{O3}: Tax avoidance has no significant effect on employee compensation of listed consumer goods firms in Nigeria

H_{O4}: Deferred tax has no significant effect on employee compensation of listed consumer goods firms in Nigeria

1.6 Scope of the Study

The study focused on the effect of the tax planning mix on employee compensation in listed consumer goods firms in Nigeria, covering the period 2018–2024. This time frame was deliberately chosen to ensure that the analysis reflects recent and relevant trends in corporate tax strategies, workforce management, and employee remuneration. By starting from 2018, the study captures post-2017 regulatory and economic developments in Nigeria, including

changes in tax policy, corporate governance reforms, and shifts in labor cost management. The period ends in 2024 because audited financial statements for 2025 were not yet available, ensuring data reliability and completeness. This seven-year span also provides sufficient temporal depth to observe consistent patterns and relationships between tax planning practices and employee compensation among consumer goods firms, enhancing the robustness and relevance of the study's findings.

1.7 Significance of the Study

The study was beneficial to the following groups.

Management: The outcome of the study helps human resource managers to forecast the best compensation indicators and reduce the probability of stagnation or being pushed out of the market due to job dissatisfaction. Good performance in the consumer goods companies in the manufacturing sector is a signal to employees' compensation plan in place.

Employees: The findings of the study were very useful in educating employees of the negative consequences of poor compensation practices in business organisations. Management have to be encouraged to engage in activities that will accentuate positive attitude to work amongst employees from time to time in order to enhance job satisfaction of the employees'.

Investors: The outcome of the study will be of immense benefit to investors who endeavour to put their funds in firms that are doing well in relation to effective tax planning. This study in this direction will provide compensations scheme that investors need to watch out for in taking the best investment decisions regarding tax planning mix.

Stakeholders: It was assist the stakeholders in evaluating the compensation policies of the organisation and its ability to maximise wealth. Furthermore, it assesses the ability of the firm to create value and objectively assess whether firm tax planning mix has been created over time.

Tax Regulators: Tax authorities have the responsibility to continuously review and update existing tax codes to eliminate loopholes that enable companies to shift profits across jurisdictions solely for tax advantages. It is also essential for corporate management to uphold their social contract with society by paying the appropriate amount of taxes. Compliance ensures that the government has sufficient resources to provide public goods and services, which ultimately support the business environment and the daily operations of companies.

Researchers and Academia: The study was also be relevant to researchers, academia, students of accounting and allied disciplines, as it would provide them relevant data to carry out further studies in this area or similar areas if they so wish.

1.8 Limitations to the Study

The study encountered some limitations, primarily in terms of sectoral scope and variable selection. It was restricted to listed consumer goods firms on the Nigerian Exchange Group (NGX), as only companies with published and accessible annual reports for the study period (2018–2024) could be included. While this narrowed the generalizability of the findings to other sectors, it improved data consistency and comparability by focusing on firms operating within a similar regulatory and operational environment. In addition, the study was limited to selected tax planning mix variables; debt tax shield, non-debt tax shield, tax avoidance, and deferred tax along with capital intensity and firm leverage as control variables. This limitation

was addressed by selecting variables that are well established in the literature and closely related to both tax planning and employee compensation, thereby reducing omitted-variable bias. Furthermore, the use of panel data analysis helped to capture both cross-sectional and time-based variations, strengthening the robustness of the findings. Overall, although the scope and variables were limited, these constraints were deliberately managed to enhance internal validity, with recommendations for future studies to expand across other sectors and incorporate additional organisational and macroeconomic variables.

1.9 Operational Definition of Terms

Employee Compensation

Employee compensation is operationally seen as a form of employment packages offered by management to employees in a work place in relation to salaries, bonuses, incentives, allowances, promotion and recognition.

Tax Planning

Tax planning is operationally seen as the various strategies explore by tax payers to indulge in tax avoidance for the purpose of reducing firm's tax liability. It is usually perceived as a form of tax avoidance.

Tax Avoidance

Tax avoidance refers to the lawful actions undertaken by taxpayers to minimize their tax liabilities as reported in the audited annual financial statements submitted to tax authorities. It involves the strategic use of loopholes, exemptions, deductions, and reliefs permitted within the tax laws to reduce the overall tax burden without violating legal provisions.

Debt Tax Shield

The Debt Tax Shield refers to the tax-saving advantage a company gains from being able to deduct interest payments on debt from its taxable income.

Non-Debt Tax Shield

The Non-Debt Tax Shield refers to tax-deductible expenses that are not related to interest payments on debt. These deductions reduce a company's taxable income just like the debt tax shield but they come from non-financing activities, such as depreciation, amortization, or investment tax credits.

Deferred Tax

The Deferred Tax concept arises from temporary differences between accounting income (reported in financial statements) and taxable income (reported to tax authorities). It represents future tax payments or savings that result from these timing differences.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter focused on conceptual review, theoretical review and empirical review. The literature was based on employee compensation, tax planning mix, debt tax shield, non-debt tax shield, tax avoidance and deferred tax.

2.2 Conceptual Review

2.2.1 Employee Compensation

Employee compensation is a concept that encapsulates staff costs within accounting and management literature. Researchers and scholars have commonly measured employee compensation as the ratio of staff cost to sales revenue (Akindayomi & Ogunmakin, 2015; Han *et al.*, 2021). Compensation serves as a strategic platform in business organizations to attract, motivate, and retain talented employees, thereby enhancing performance and promoting higher levels of job satisfaction.

According to Kathumbe et al. (2018), employee compensation is a function of ability and motivation, where ability comprises the skills, training, and resources required to perform specific tasks. Han et al. (2021) further emphasized that salary distribution within corporate organizations is influenced by internal pay gaps between executives and ordinary employees. Similarly, Nabi et al. (2017) asserted that compensation encompasses the financial rewards, tangible services, and benefits employees receive as part of their employment relationship. Employee compensation is a tool for driving job effectiveness through the offering of non-monetary rewards such as job security, flexible working hours, career growth opportunity,

praise and recognition, task enjoyment and friendships an employee receives from his/her employer (Shah, *et al.,* 2018). Compensation comprises of claims on goods and services offered to employee on the basis of monetary terms (Nel, *et al.,* 2011). However, compensation can also be viewed in its total form, which refers to the overall rewards offered to an employee in exchange for work performed or services rendered.

Onyeka, *et al.* (2018) posited that financial mangers use cash management practices for companies operating in the manufacturing sector in order to satisfy the diverse interests of stakeholders as well as employee compensation. Tulsian (2015) stressed that management measures the efficiency of business operation in relation to the productivity of capital employed with more concentration on compensation policies. Asaju and Emmanuel (2017) affirmed that intrinsically motivated rewards comprise the chance to showcase expertise and abilities, receive gratitude, good recognition, freedom, responsibility and mutual respect. Extrinsic reward also signifies those that are external to the task of the job, such as pay, work condition, fringe benefits, security, promotion, contract of service, the work condition and environment. Osibanjo, *et al.* (2014) compensation offered to employees' in every business organisation can either be direct compensation or indirect compensation for improving the performance of the organisation. Meanwhile, wages, salaries, bonuses, commissions, overtime work, and holiday premium are mainly the direct compensation. Garnero, *et al.* (2018) stressed that the payment of good wages and salaries instigate employees for efficient business operation and higher productivity. Therefore, the basic salary is the basic wage in form of salary; fringe benefits are supplementary compensation awarded to employers over and above the basic wage or salary. Payment of salary to employees by the employer is mandatory by law and not just for the fun of it and must be noted that such salary paid is an

instrument of motivation or ‘driver’ for the workforce to keep the body and soul together and possibly make them a stakeholder in the organization (Sule, *et al.*, 2015).

2.2.2 Tax Planning Mix

Tax planning is synonymous with tax avoidance and tax aggressiveness in management related research (Lietz, 2013). This concept has the same meaning as tax avoidance, tax aggressiveness and tax shelters in terms that they meet the legal and ethical provisions established by the tax authorities. The extreme level of tax aggressiveness is tax avoidance. Tax avoidance or tax aggressiveness is defined as the legal utilization of the tax regime to own advantage, to reduce the amount of tax that is payable by means that are within the law. Abdul Wahab, *et al.* (2016) defined tax planning as the various tax-avoidance strategies that are used to reduce the tax liability a firm ought to face. Tax planning involves the application of processes within the law or legal framework aimed at reducing the tax liability due.

The tax planning mix is the various tax components that may influence corporate organisations different dimension in relation to tax obligations (Monday, *et al.*, 2025). Tax planning is widely used by corporations in managing their tax by structuring their affairs towards meeting this end. Tax evasion as against tax planning is not just illegal but also ethically wrong as it mostly involves deceiving the tax officials and concealing documents that would have provided a clearer picture of the situation. According to Chen, *et al.* (2010), tax planning is the downward management of taxable income through tax-avoidance activities within the legal limit. This suggests that tax planning has to be carried out without contravening the existing laws.

Tax planning mix is seen as the combination of different tax liabilities that every corporation has to manage in the area of profit-based taxes and non-profit-based taxes (Sebastian & Costel, 2018). Tax planning is the implementation of such strategies to reduce the tax base allows the generation high potential non-tax cost that arises from agency conflicts or tax-authority, such as penalties and rent extraction (Boussiadi & Hamed-Sidhom, 2020). Tax avoidance is a tax incentive tool which enables consumer goods companies to achieve permanent tax savings or temporary tax savings (Paul, *et al.,* 2025). The study used the following tax planning mix (tax shield, non-tax shield, tax avoidance and deferred tax) that may influence employee compensation.

2.2.2.1 Debt Tax Shield

Tax shield is a vital tax planning mix or strategies explore by the taxpayers to legally minimize the amount of tax payable through the computation of tax payable especially corporate organisations (Samuel, *et al.,* 2023). Income taxes reduction that results from taking an allowable deduction from taxable income is known as a tax shield. The application of debt provides a tax shield because interest on debt is deductible. A tax shelter raises the value of a company because it saves cash flows, and it is a vital part of business valuation (Lopes, 2015). The tax shield is the product of a reduction in taxable income for a person or company due to the deductibility of business expenses and the use of permissible deductions like amortization, mortgage interest, depreciation, charitable contributions, and medical expenses.

From initial definition it follows that tax shields source (also known as tax advantage or benefits) is the various type of business expenses. Interest and other deductions are the most significant source of expenses; thus tax shields are splinted into interest and non-interest tax

shield. Tax payer's taxable income is reduced by this deduction into future years. Tax shields reduce the total amount of taxes owed by business firms or individual taxpayer. According to Lei (2020), tax shield whether debt tax shields and non-debt tax shields is debt financing strategy adopted by corporate organisation to minimize the effect of tax obligation. Tax savings is the capability of consumer goods manufacturing companies to reduce the level of tax expense reported financial statements (Akintoye, *et al.,* 2020). Brealey, *et al.* (2012) argued that interest tax shield as savings that came from deductibility of interest payments. Damodaran (2010) defined interest tax shield as interest that is tax-deductible, and the resulting tax savings that reduce borrowing cost to firms. Those paid directly by the company can be classified to those on income and the ones on activities of the company. Taxes on dividend to owners and on emolument of workers are deducted on behalf of relevant tax authorities and remitted by the companies. The benefits received by tax payers from the government are not related to or based upon their being tax payers. A tax is a generalized exaction, which may be levied on one or more criteria upon individuals, groups or individuals, or the legal entities.

Paul, *et al.* (2025) put tax savings as the capability of the tax payers' to reduce tax liability by exploring different legal means as a measure of tax shield. Therefore, tax can be saved through the process of tax deferrals, roll over relief and tax timing. Tax savings may adversely influence firm value and thereby affects employee compensation. Meanwhile, tax savings is seen as the difference between statutory tax rate and effective tax rate in corporate organisations. The tax shield approach was first developed by Modigliani and Miller (1958) whom created the first generally accepted theory of capital structure. The model assumes no income tax, risk-free rate, real asset and perfect capital market. The model assumes perfect

capital market, risk-free interest rate and zero taxation of corporate income. More importantly, when a firm tends to gain optimum tax benefit through increase in debt level, it thereby increases bankruptcy risk. Generally, risk is defined as something indefinite, unstable which is associated with phenomenon course and disturbs its behaviour. The debt tax shield is an important policy tool that can be used to reduce the loss of corporate tax revenue due to lower statutory corporate tax rates.

Buganova and Hudakova, (2012) perceived that risk as the state of incomplete knowledge or information when decision-maker knows the different possible consequences of his decision and is able to quantify the degree of probability that this or that result may occur. Firms are confronted with different kind of risk. It is imperative to consider not only expected return but also the risk associated with such returns. Aleksanyan and Huiban (2016) asserted that risk of bankruptcy happens at all stages of the firm's life cycle. Its possibility is tied to manager's objectives activities that are conditioned by vagueness of surroundings and firms insufficient resources. Bankruptcy risk is greater in the face of little or no cash flow by individual or firm or when it poorly manages its assets.

Tranchard (2018) suggested that risk is the influence of uncertainty on objectives. Risk is the probability that actual results will be different from expected results, in both direct and inverse manner. The firm condition were liability surpass assets is term bankruptcy. It is caused generally by insufficient cash maintenance, under capitalisation, poor and inefficient management, inappropriate utilization of sources, deterioration of market situation and sales decline. Default in payment or debtor firm inability to re-pay its debts result to bankruptcy. Bankruptcy form part of market selection process which is perceive as the penalty of firm's inability to withstand market competition. This might entail series of damaging repercussions,

destruction of productive and asset base and job losses. It was measured by the ratio of income tax to debt.

2.2.2.2 Non-Debt Tax Shield

The concept of non-debt tax shield is a precarious situation where a company's experience high level of debt in its capital structure bringing about financial risk and potential tax implications (Paul, *et al.,* 2025). The practice of tax planning lead to high debt levels which might adversely affects profitability and financial performance with low level of employee compensation. Osei and Okonkwo (2023) added that poor compensation offer to employees is due to high levels of debt caused by improved financial leverage and interest expenses.

The non-debt tax shield is a form of tax system that strongly influence capital structure of consumer goods companies in Nigeria. De Vito and Jacob (2021) affirmed that tax payers exploring the strategies of tax avoidance/tax sheltering as a legal law for reducing tax liabilities in relation to non-debt tax deductions. Armstrong, *et al.* (2013) cited Samuel, *et al.* (2023) argued that tax shield is a meaningful decision taken by management of corporate organisations in order to enhance shareholders value. This invariably means that maximisation of shareholders value will create funds for the compensation of employees. The mechanism of claiming allowable by corporate organsiations are through mortgage interest, medical expenses, charitable donations, amortization and depreciation for the purpose of reducing tax liability is seen as tax shield (Samuel, *et al*, 2023).

A tax shield application by corporate organsiation is the process of using tax laws to tax expenses. In other words, consumer goods companies with higher debts tax shield are usually associated with companies with high level of non-debt tax shields. The non-debt tax shield is a

principle of witnessing low level of debt usage by consumer goods companies. The presence of tax shields improves the level of cash flow for keeping more money in the companies for employee compensation (Kliestik & Michalkova, 2018). Teja (2019) affirmed that non-debt tax shield is a debt financing option used by companies to minimise the incidence of firm tax obligation.

2.2.2.3 Tax Avoidance

Tax avoidance has increased focus on the justification by managers on the application of various corporate tax strategies that are geared towards reducing the corporation's tax liability to the barest minimum (Antonetti & Anesa, 2017). Tax avoidance is seen as the taxpayers taking advantage of the provisions of the tax laws to reduce their tax liability, such as arranging to take income in the form of lightly taxed capital gains or untaxed fringe benefits rather than as fully taxed wages and salaries (Anggraini, et al., 2024). Tax avoidance can be seen as a trigger in tax management activities that is used for tax planning and have an arrival point for tax evasion. It is simply a strategy deployed by managers, a set of processes, practices, resources and choices whose objective is to maximize income after all companys liabilities owed to the state and other stakeholders (Boussaidi, & Hamed-Sidhom, 2020).

Tax avoidance is a legal means explore by tax payers to reduce the amount of income tax paid to the government at all levels (Devi & Muhyarsyah, 2021). The firms effective tax rate (ETR) is one of the measures of tax avoidance employed by scholars and researchers in accounting and management studies (Anggraini, et al., 2024). Effective tax rate defined as some measure of tax liability divided by income. It has been used in the literature as a measure of active tax planning. It is a mechanism used to detect tax avoidance by the effective tax rate ETR. Several

authors (Antonetti & Anesa, 2017; Anggraini, et al., 2024) had considered the measure "ETR" as the most relevant measure of the ability of the company to optimize its tax burden. Taxes that affects a company can be classified to those paid directly by the company and those paid by the company. Total tax expense reflects the tax expenses over the tax benefits that are attributable to pre-tax book income but that are not reflected in current tax expense of the period.

Tax avoidance falls within the ambit of the law through the payment of little tax as possible (Vivek, 2025). Driya and Etty (2023) added that tax payers aim of using tax avoidance as a tax loophole is to minimize one's tax liability. It is a process of exploring the legal framework to minimize tax obligations. According to Nafti, *et al.* (2020), the leverage of tax shelters and incentives provided by legislation (pioneer status recognition, asset acquisition allowances, and rural area investment benefits) are some of the strategies by companies to reduce tax liabilities. Management of quoted consumer goods manufacturing companies in Nigeria explore the measures of tax savings for financial planning as well as making financial decisions to cushion the tax liability and improve employee compensation through better financial performance (Udeme, *et al.*, 2025 cited in Paul, *et al.*, 2025).

2.2.2.4 Deferred Tax

Deferred tax accounting is based on the foundation of the matching concept of accounting that recognise the tax consequences of an item reported in the current financial statements in an accounting period as against a future measurement and recognition on the same item (Ogbodo, *et al.*, 2017). According to Ogundajo and Onakoya (2016), deferred tax is a self-evident and seamless part of current financial reporting system in Nigeria that possesses certain history,

development and experience which is said to be impracticable in reality. Nwaorgu, *et al.* (2019) opined that deferred tax is seen as the tax consequences of items and business transactions that have been recognized differently in the income statement than in the tax report in the future. Tax should be recognized as expense or income, and included in the profit and loss account of the period, as a separate line item (IAS 12). In addition, the changes in deferred tax assets are based on income tax expense which directly affecting net income; deferred tax assets may be an attractive account to manage earnings. Therefore, research on recognition of deferred tax assets has primarily focused on whether discretion in recognition is used for earnings management purposes (Christensen, *et al.,* 2008).

Deferred tax is recognised in respect of temporary difference between the carrying amounts of asset for financial reporting and for tax purposes. Therefore, deferred tax is not recognized for the initial recognition of the assets in a transaction that is not a business combination and that affects neither accounting or taxable profit or loss and differences relating to investment in subsidiaries, jointly controlled entities and goodwill to the extent that it is probable that they will not reverse in the foreseeable future (Nwaorgu, *et al.*, 2019). Meanwhile, deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse based on the laws that have been enacted or substantively enacted by the reporting date. A deferred tax is recognized for unused tax losses, tax credits and deductible against which they can be utilized. Gugl and Zodrow (2006) added that investment tax credit as a recognized measured of deferred tax asset is only earned in the year that the property was actually acquired, and only applies to new properties in a company. The investment tax credit in form of deferred tax asset earned in any particular year is then used to reduce federal income tax due in that year for the company. The deferred tax asset of investment tax credit

help to increase profit prospects of new company and enables firms to recover capital costs more quickly in the going concern business organisations.

Taxes that affects a company can be classified to those paid directly by the company and those paid by the company. Those paid directly by the company can be classified to those on income and the ones on activities of the company. Therefore, deferred tax liability is not recognised for the initial recognition of the assets in a transaction that is not a business combination and that affects neither accounting or taxable profit or loss and differences relating to investment in subsidiaries, jointly controlled entities and goodwill to the extent that it is probable that they will not reverse in the foreseeable future (Haskins & Simko, 2011). Meanwhile, deferred tax liability is measured at the tax rates that are expected to be applied to temporary differences when they reverse based on the laws that have been enacted or substantively enacted by the reporting date.

Nwaorgu, *et al.,* (2019) affirmed that deferred tax items connote the book-tax differences that arise between tax law and accounting principles automatically. Savka and Radojko (2013) added that deferred tax liability can only be recognised when the temporary differences that will result to taxable amounts in future accounting periods. However, temporary difference is a tax situation that occurs between the amount reported and the tax basis of an installment sale receivable if, for tax purposes. The IAS 37 treats temporary book-tax differences in provisions that reflect fixed differences in tax law versus accounting principles arises Provisions, Contingent Liabilities and Contingent Assets.

2.2.3 Control Variables

The control variables for the study are capital intensity and firm leverage.

2.2.3.1 Capital Intensity

Capital intensity served as a control variable in this study. Capital intensity was conceptualized and measured by researchers as the ratio of fixed assets to total assets which was applied to describe the proportion of a company's fixed assets to the total assets owned by the company (Marlinda, *et al.* 2020; Bianca & Einde, 2024). Capital intensity affects employee compensation through its impact on profitability and operational efficiency. Firms with higher capital intensity can generate more revenue from their tangible assets, enabling them to offer higher salaries, bonuses, and benefits. Employees in such firms may also require specialized skills, further justifying better compensation. Additionally, investments in fixed assets can reduce taxable income, freeing resources that can be allocated to employee remuneration.

Capital intensity reflects a company's investment in tangible assets used to generate income rather than for resale (Musah *et al*., 2019). Firms with higher capital intensity typically have greater capacity to invest and expand, although they hold fewer liquid assets for immediate use. Capital intensity can also reduce tax liability through legal tax planning strategies (Christin & Naniek, 2021). It represents the level of confidence a company places in its assets and capital investments (Winarta *et al*., 2024) and indicates the extent of investment in fixed assets, inventory, and stock (Bianca & Einde, 2024). For consumer goods companies, higher investment in fixed assets can increase profitability, which in turn supports higher employee compensation (Astri *et al*., 2023).

2.2.3.2 Firm Leverage

Firm leverage served as control variable in this study. Firm leverage is defined as the proportion of a company's debt relative to its total assets or equity. It reflects the extent to which a firm relies on external financing to fund operations, investments, and expansion (Kalbuana *et al.*, 2022; Musila & Yiheyis, 2015). The level of leverage directly affects a firm's financial flexibility, which in turn influences its capacity to allocate resources for employee compensation. High leverage increases fixed financial obligations, such as interest and principal repayments, which can constrain spending on salaries, bonuses, training, and welfare programmes, potentially reducing employee motivation, retention, and overall productivity. Conversely, moderate or optimally managed leverage allows firms to use debt strategically to fund growth while maintaining or enhancing compensation packages, offering performance incentives, and investing in human capital.

Leverage also interacts with tax planning strategies, particularly the use of debt-related tax shields. By utilising interest on debt as a deductible expense, firms can reduce taxable income and increase after-tax profits (Samuel *et al*., 2023). This increased financial capacity can then be utilized for employee compensation, including wages, bonuses, and welfare programmes. Therefore, firms with optimal leverage and effective tax planning are better positioned to reward employees, enhance human capital, and maintain workforce stability. In contrast, highly leveraged firms with aggressive debt structures may adopt conservative or performance-based compensation schemes to manage financial risk and meet debt obligations, limiting discretionary spending on employee benefits.

Summarily, firm leverage affects employee compensation both directly, through financial constraints and risk management, and indirectly, through tax planning mechanisms that free resources for human capital investment. Optimal leverage, combined with effective tax planning, enhances the firm's ability to provide competitive compensation, while excessive leverage can constrain employee rewards and reduce overall employee satisfaction and performance.

2.4 Empirical Review

The empirical review covers a range of studies conducted in Nigeria and other countries, focusing on the relationship between the tax planning mix and employee compensation.

2.4.1 Debt Tax Shield and Employee Compensation

Godwin and Iyoha (2024) carried out a study on corporate tax mix, firm attributes and firm performance in Nigeria. They employed panel research design to sample 36 non-financial companies listed on NGX from the time frame of 2015 to 2022, the descriptive and panel least squares regression to test the formulated hypotheses. The empirical results showed that company income tax and debt tax shield (leverage) exert a significant positive effect on firm performance and firm size exerts a negative effect whereas effective tax rate, tangibility and firm age exert no significant effect on firm performance. Samuel, *et al.* (2023) carried out a study in Nigeria on the effect of tax shield on firm value. The aim of the study is to investigate the effect of debt tax shield, depreciation tax shield and charitable donation tax shield on firm value proxied by Tobins Q. The ex post facto design is adopted for the collected of secondary data from a sample of 21 manufacturing companies in NGX from 2012 to 2021 through purposive sampling technique, and analysed with descriptive statistics and OLS regression

technique. The empirical results showed that debt tax shield, depreciation tax shield and charitable donation tax shield exhibit significant effect on market value.

Olade *et al.* (2023) investigated the influence of debt tax shield, non-debt tax shield, and effective tax rate on share price performance in Nigeria. The study used longitudinal research design to sample 12 industrial goods companies in NGX through purposive sampling technique, and the OLS regression technique to analysed the data. The study reported that debt tax shield, non-debt tax shield and effective tax rate has a significant influence on share price performance. Osei and Okonkwo (2023) did an empirical study on the influence of corporate tax planning on financial performance in Ghana. They used longitudinal research design to sample 120 non-financial companies from the period of 2019 to 2022. The data were analysed using descriptive statistics, correlation and regression method. They found out that debt tax shield exhibit a significant influence on financial performance.

Nnamdi and Amissah (2022) carried out a comparative analysis on corporate tax savings strategies on financial performance in Nigeria, Secondary data were collected from a sample of 150 non-financial companies in NGX from the period of 2016 to 2021, and analysed using ANOVA and t-test methods. The study established that corporate tax savings strategies exhibit a significant difference on financial performance and employee compensation. Iyoha, *et al.* (2022) examined the dynamics and determinants of target capital structures. The longitudinal research design and simple random technique to sampled 42 manufacturing firms listed on the Nigeria Stock Exchange during the period from 2012 to 2021t while the Generalized Method of Moments adopted to test the formulated hypothesis. The result revealed that manufacturing firms confirms the application of dynamic trade-off theory and adjust to a target capital structure with a high speed of 72%. The result also revealed that profitability, firm size, and

asset tangibility are significant determinants of target CS (Speed of Adjustment) while growth and tax shield had insignificant influence.

Osamor *et al.* (2022) did a study on the effects of thin capitalisation on financial performance of multinational companies in Nigeria. The study made use of secondary data collected from listed multinational companies. The data were analysed using descriptive statistics and OLS regression. It would be revealed from the regression result that debt tax shield exerts no significant positive on financial performance and compensation.

Gregova, *et al.* (2021) conducted a study on the influence of the tax shield and earnings management on corporate capital structure in Czech Republic. The study used panel research design to sample 10627 companies from Visegrad-4 countries covering 2014 to 2017, and the panel data estimation for the analysis of data. The results revealed that non-debt tax shield has a significant negative influence on debt while a negative relationship between debt tax shield and earnings management. Shevlin *et al.* (2020) did an empirical study on the connection between corporate tax avoidance and debt costs in US. The study sample secondary data collected from some listed firms in US, and the regression method was use to analyse the data. The result showed that debt tax shield strongly promotes cash flow volatility and high level of employee compensations. This implies that increases in financial risk default would lead to increase in cash flow volatility.

Lei (2020) employed panel research design to sample 224 listed companies in China from 2002 to 2017 to examine the effect of corporate income tax shield on corporate capital structure in China. The empirical evidence from the random effect results reveal that the debt tax shield has a significant positive effect on corporate capital structure while non-debt tax

shield has a significant negative effect on corporate capital structure. Chi, *et al.* (2017) conducted a study the influence of CEO inside debt incentives on corporate tax sheltering in China. Firms from Chinese Stock Market were sample for the gathering of secondary data and the regression analysis method was employed to verify the hypotheses. The result showed that CEO compensation exerts a significant positive influence on debt-based instruments. This indicates that unit change in CEO compensation would lead to the presence of debt holdings, tax avoidance and increase the volatility and uncertainty of future cash flow. Inaya and Ekwueme (2016) carried out a study on the effect of corporate borrowing on tax shield in Nigeria. Secondary data were collected from listed companies and analysed using OLS regression method. The results showed that tangibility, size, total debts, short-term debt and long-term debt exert a significant positive effect on tax shield.

2.4.2 Non-Debt Tax Shield and Employee Compensation

Kodzo (2024) conducted a study in Ghana on the effect of tax planning implication on financial performance. A cross-sectional research design was employed to commercial banks listed on GSE covering the period of 2012 to 2021, and the panel estimation method for the data analysis. The empirical results showed that non-debt tax shield exhibits no significant effect on financial performance measured by ROI, ROA and ROE. This indicates that that non-debt tax shield has no effect on employee compensation. Gabrielli (2023) carried out a systematic literature review on the relationship between debt and non-debt tax shields in Italy. A library research was adopted for the collection of secondary data from 46 empirical literatures and analysed using descriptive statistics. The systematic analysis revealed that there is a negative relationship between debt and non-debt tax shields.

Anindita, *et al.* (2022) did a study in Indonesia on the impact of tax avoidance and capital structure on the thin capitalization regulations. The study used secondary data to gather data from listed companies in IDX from 2013 to 2018 through purposive sampling. Panel data regression technique was employed to analyse the data. The result shows that there is a significant relationship between debt equity ratios and thin capitalization restrictions. De Vito and Jacob (2021) carried out a study in Italy on the influence of creditor rights protection systems on tax avoidance. The study sample Italian and European firms for the collection of data and analysed using regression techniques. The findings revealed that non-debt shield exerts a significant negative relationship with tax avoidance.

Lewellen *et al*. (2021) carried an empirical study on the influence of tax haven incorporation on the cost of capital in Australia. It would be revealed from the regression results that tax haven has a significant positive influence on cost of equity capital. This therefore means that shareholders perception of tax aggressiveness or tax avoidance might affect the employee compensation given the level of shareholders returns.

Abimbola and Antwi (2021) studied the relationship between corporate tax savings strategies and financial performance in Nigeria. The study aimed to examine the relationship between tax inversion strategies, tax expenditure efficiency and financial performance. Secondary data were collected from a sample of 130 non-financial companies in NGX and analysed using ANCOVA and multivariate regressions methods. The findings revealed that corporate tax savings strategies (inversion strategies, tax expenditure efficiency) exert a significant relationship with financial performance. Karpavičius and Yu (2019) investigated the relationship between external growth opportunities and firm's financing policy in Indonesia. Secondary data were collected from listed firms, and the descriptive statistics, correlation and

multivariate regressions to analyse the data. The regression result revealed that non-debt tax shield exhibits a significant positive relationship with external growth opportunities leading higher employee compensation. This indicates that increase in growth opportunity would lead to increase in borrowing capacity.

Heitzman and Ogneva (2019) examined the relationship between industry tax planning and stock returns. The study made used of secondary data collected from listed firms and the regression analysis adopted to test the hypotheses. The study reported that industry tax planning exhibit a significant positive relationship with shareholder's returns. This implies that the presence of non-debt shield strongly influence employee compensation given the evidence of shareholder's returns. Teja (2019) conducted a study on the relationship between tax rate, firm debt tax shield and non-debt tax shield (NDTS) in Indonesia. Secondary data were collected from a sample of 73 Indonesia firms covering the period of 2008 to 2010 and the descriptive statistics, correlation and multivariate regressions to analyse the data. The regression result showed that there is a significant negative relationship between tax rates and non-debt tax shield usage. This implies that decrease in tax rates would lead to increase in non-debt tax shield usage whereas debt level has a significant relationship with firm non-debt tax shield usage. Cole and Sokolyk (2018) examined the relationship between debt financing, survival and growth of firms in Indonesia. Secondary data were collected from listed firms, and the descriptive statistics, correlation and multivariate regressions to analyse the data. The regression result showed that a significant relationship between non-debt tax shield, growth sales, and asset size.

In US economy, Seidman and Stomberg (2017) did a study on the relationship between equity compensation and tax avoidance. The study sample some listed firms in US stock market for

data collection. The data was analysed using regression technique. The results showed that debt and tax avoidance exhibit a significant negative relationship with equity compensation. Gao (2016) conducted a study in Indonesia on the influence of non-debt tax shield on the choice of corporate debt levels. Secondary data were collected from listed firms, and the descriptive statistics, correlation and multivariate regressions to analyse the data. The regression result showed that non-debt tax shield exerts a significant positive influence on corporate debt levels.

2.4.3 Tax Avoidance and Employee Compensation

Adeleke and Mensah (2023) employed the longitudinal research design to investigate the effect of corporate tax savings strategies on the financial performance in Nigeria. Secondary data were collected from a sample of 100 non-financial companies in NGX from the period of 2017 to 2022, and analysed using multiple regressions. The study results showed that corporate tax savings strategies exhibit a significant positive effect on the financial performance with improved employee compensation.

Amadi (2021) studied the effect of tax planning strategies on financial performance in Nigeria. The study made use of cross-sectional design to sample 80 non-financial companies for the period of 2018 to 2020. The descriptive statistics and panel regression method were adopted for the data analysis. The empirical findings showed that tax planning strategies exhibit a positive and significant relationship with the financial performance. Undie, *et al.* (2020) conducted a study on the influence of tax planning and tax incentives on profitability of companies in the free trade zones in Nigeria. The study made use of primary data collected through personal interviews with various executives of tax authorities, Nigerian port authority,

free trade zone authorities while ex-post facto research method and simple random sampling technique for the gathering of secondary data. The data were analysed using multiple regression technique. The results revealed that tax incentives had a significant positive influence on corporate performances. This indicates increase in tax incentives would increase investments and employee compensation.

Nallareddy, *et al.* (2018) studied the effects of corporate tax changes on income inequality based on compensation. The study made use of data from the IRS Statistics of income to explore the mechanism behind the rise in compensation and income inequality while robust regression is used in the analysis of data. The results show that there is no significant effect of tax increases on compensation as well as income inequality at the state level. The result also show that the presence of tax cuts brings about higher reported capital income and a fall in compensation level of the employees' (wage and salary income). Lazăr and Istrate (2018) conducted a study in Romania on the influence of corporate tax mix on firm performance. A secondary data were collected from listed Romanian firms, and regression technique for the data analysis. The results showed that tax avoidance (effective tax rate) exhibits a significant negative influence on performance of firm. This implies that changes in tax avoidance would adversely affect compensation and performance.

Haa and Quyenba (2017) carried an empirical examination of the relationship between state ownership and tax avoidance level in Vietnamese firms. The study adopted longitudinal research design to draw data from 460 enterprises listed on Vietnam Stock Exchange market from 2009 to 2015 and use the Feasible Generalized Least Squares (FGLS) for the analysis of data. The result from the Feasible Generalized Least Squares (FGLS) showed that the level of

state ownership had a negative relationship with tax avoidance behaviour of corporate on compensation.

2.4.4 Deferred Tax and Employee Compensation

Ibrahim and Abena (2022) used a cross-sectional analysis to investigate the relationship between corporate tax planning and the financial performance in Nigeria. The study aimed to investigate the relationship between tax deferral utilisation, tax loss harvesting and financial performance. The study sampled 100 non-financial companies in NGX for the period of 2018 to 2021 for the gathering secondary data and analysed using hierarchical regression. The study documented that there is a significant relationship between tax deferral utilisation, tax loss harvesting and financial performance.

Han, *et al.* (2021) did a study in China on the effect of corporate tax avoidance on employee remuneration. The study made use of cross-section data collected from Chinese publicly listed companies. The data were analysed using descriptive statistics and regression technique. The empirical evidence showed that there corporate tax avoidance exerts a significant positive effect on employee remuneration. Also, current life cycle, realized pay and short-term investment strategy would significantly influence the relationship between corporate tax avoidance and employee remuneration gap. This indicates that changes in tax avoidance would strongly increase employee average pay level.

Timothy, *et al.* (2020) conducted a study in Nigeria on the moderating effect of firm value on the relationship between corporate tax planning and board compensation. Longitudinal research design was used to sample 71 non-financial listed on NGX from the period of 2008 to 2015 while the descriptive statistics, correlation and Generalised Least Square (GLS)

regression for the data analysis. The study reported that firm value has a no significant moderating relationship between deferred tax and board compensations. The result also revealed that a significant positive relationship exists between firm value, deferred tax and board compensations whereas firm size has a significant positive effect on the firm value and leverage has a significant effect.

Nwaorgu, *et al.* (2019) studied the effect of deferred tax accounting on financial performance in Nigeria. The ex post facto research design was employed to 4 listed agricultural firms for the period of 2011 to 2017, and analyzed using descriptive statistics and simple linear regression. The study reported that deferred tax accounting exhibits a significant positive effect on profitability and no significant effect on cash flow and earnings per share. This indicates that increase in deferred tax would lead to increase in employee compensation through improved financial performance.

Omoregie and Kelikume (2017) conducted a study on the effect of executive compensation on performance in Nigeria. The study made use of secondary data collected from a sample of listed financial companies in NGX and analysed using regression results. The results showed that board compensation has a significant negative effect on performance and deferred tax. Chee *et al.* (2017) studied the impact of CEO compensation incentives on corporate tax avoidance. The study made use of secondary data and analysed using OLS regression technique. The empirical result showed that CEOs compensation incentives exhibit a significant impact on deferred tax as a tax planning strategies. Ogundajo and Onakoya (2016) investigated the effect of tax planning on financial performance in Nigeria. The study made use of secondary data collected from a sample of listed manufacturing companies in NGX and

analyzed using regression results. The results showed that deferred tax has no significant effect on financial performance.

2.5 Theoretical Review

Several theories have been employed in prior studies to explain the relationship between tax planning mix and employee compensation. Among these are the Hoffman Tax Planning Theory, Stakeholder Theory, and Equity Theory. However, this study was anchored on Equity Theory.

2.5.1 Equity Theory

Equity Theory was developed by Adams in 1965 and focuses on employee motivation in the workplace. The theory posits that employees are motivated not only by the absolute level of compensation they receive but also by the perceived fairness of the balance between their efforts, performance, and rewards. Employees evaluate this balance by comparing their own input-output ratio with that of others, and perceived inequities can influence their satisfaction, performance, and overall workplace behaviour (Adams, 1965).

Perry, *et a*l. (2006) opined that the level of compensation increases the level of employees' satisfaction only when these compensation packages are valued and perceived as equitable by the employees. The employees in a work place needs to feel that their contributions and work performance are being compensation with a given level of pay. Equity theory further identifies four mechanisms for job satisfaction (dissatisfaction) as follows: employee's seek to maximize their outcomes (compensations minus outcomes); groups can maximize collective rewards by developing accepted systems for equitably apportioning rewards and costs among members (that is, systems of equity will evolve within groups, and members will attempt to induce other

members to accept and adhere to these systems); when employee's find themselves participating in inequitable relationships, they become dissatisfied or distressed (theory explains that in this situation, both the person who gets 'too much' and the person who gets 'too little' feel dissatisfied). The theory is relevant to this study in the sense that compensation is keen to the progress and survival of any business organisations. The theory provides a framework for management to motivate employees, emphasizing that motivation is not based solely on compensation but also on the perceived balance between an employee's efforts, performance, and rewards, which are evaluated in comparison to those of others.

2.5.2 Hoffman Tax Planning Theory

The Hoffman tax planning theory was developed and popularised by Hoffman in 1961. The theory postulates that tax planning process under taken by corporate organisations serve as tax incentive to the tax payers. According to Paul, *et al.* (2025), proper tax planning and effective implementation process would minimise the incidence of tax avoidance thereby having enough for employee compensation. Lisowsky (2010) argued that tax avoidance forms a part of the corporate strategy in relation to the shortcomings of the tax law and the legal provisions to decrease the level of the corporate payable income tax. Tax avoidance is legal in comparing with tax evasion which is law violations, and it could be punished by administrative sanctions or prosecution.

However, the assumptions of the theory of Hoffman tax planning is premised on tax obligations in relation to taxable income rather than accounting income. Hoffman stressed that corporate organisations should engage in legal means of reducing tax liabilities without necessary falsifying the accounting profit. This indicates that effective tax planning strongly

promotes financial performance of corporate organisations thereby making more funds available for the compensation of the employees. Moreover, corporate organisations should pursue effective tax planning by ensuring that the tax benefits have to exceed the tax costs (Hoffman, 1961).

This theory is relevant to the study under examination because tax saving is one of the vital mix of tax planning which might increase the after-tax returns. However, prior studies had used the theory such as Paul, *et al.* (2025) on the effect of tax savings on financial performance of listed non-financial firms in Nigeria that depreciation tax shield strongly promotes financial performance and employee compensation, and Osei and Okonkwo (2023) on the influence of corporate tax planning on financial performance in Ghana that debt tax shield contributes financial performance and employee compensation.

2.5.3 Stakeholders Theory

The stakeholder theory was formulated by Freeman (1984). The theory proposition is tied to the stakeholders of a firm and they are identified based on their interests in the firm. As such, stakeholders include shareholders, suppliers, customers, employees, and even the public. Therefore, firms from this perspective are expected to engage in a responsible manner towards this group of persons while acknowledging a duty of care. Stakeholder theory suggests that the needs of shareholders and stakeholders of an organization should be met side by side with consideration being given to both sides. He revisited the theory and re-defined stakeholders as any individual or group who has an interest in the firm because he/she can influence or can be influence by the firms' activities as well.

Eneisik, *et al.* (2023) argued that the connection between tax planning and stakeholder is tied to the rudiment of exploring legal means of minimising tax liabilities thereby reducing government revenue and accumulating funds for the compensation of employees. Moreover, governments explore tax policies on the area of rate adjustments, tax credits, and allowances to cushion corporate net investment. The theory stressed that stakeholders are those upon which the organisation depends for its survival (customers, shareholders, government and employees) and secondary stakeholders are those who have an interest in the organization or the organisations activities, though the organisation may not depend on these groups for its survival. The theory postulates that there are integrative social contract between externalities to the business and its internal workings. Thus, an organisation can be seen to be fair towards its externals by carrying out activities that advance their development and are not seen to be harmful towards this group. This includes, refraining from tax aggressive behaviour or tax avoidance.

2.6 Summary of Empirical Studies

The summary of empirical studies from developing and developed countries is represented in Table 2.1 below.

Table 2.1: Summarized Recent Empirical Studies

S/N	Author(s)	Topic/Objective(s)	Methodology/ Data	Major finding(s)
1	Okoye & Martins (2025)	Analyzed the link between non-debt tax shields and employee welfare in listed firms	Correlation and regression analysis	Non-debt tax shields significantly enhanced firms' ability to improve employee compensation
2	Godwin & Iyoha (2025)	Investigated the relationship between corporate tax strategies and human resource investment	Ex-post facto research design, multiple regression analysis	Firms that efficiently managed tax obligations invested more in staff welfare and compensation

S/N	Author(s)	Topic/Objective(s)	Methodology/ Data	Major finding(s)
3	Adebayo & Kanu (2025)	Examined leverage, tax planning and their effect on organisational productivity	Quantitative method using annual reports of manufacturing firms	Moderate leverage and effective tax planning improved firm performance and employee benefits
4	Paul, *et al*. (2025)	Effect of tax savings on financial performance in Nigeria	Ex-post facto research design and robust least squares regression	The results showed that capitalization and depreciation tax shield has a significant positive effect on financial performance at 1% level of significance, and capital intensity has a significant positive at 5% level of significance while effective tax rate no significant negative effect
5	Bello, Eze & Ahmad (2025)	Studied the impact of deferred tax management on financial stability and staff remuneration	Panel regression analysis, secondary data	Deferred taxation improved liquidity, allowing higher staff remuneration and welfare benefits
6	Godwin & Iyoha (2024)	Corporate tax mix, firm attributes and firm performance in Nigeria	Panel research design, descriptive and panel least squares regression	The empirical results showed that company income tax and debt tax shield (leverage) exert a significant positive effect on firm performance and firm size exerts a negative effect whereas effective tax rate, tangibility and firm age exert no significant effect on firm performance.
7	Kodzo (2024)	Effect of tax planning implication on financial performance in Ghana.	A cross-sectional research design and panel estimation method	The empirical results showed that non-debt tax shield exhibits no significant effect on financial performance measured by ROI, ROA and ROE

S/N	Author(s)	Topic/Objective(s)	Methodology/ Data	Major finding(s)
8	Igbinovia & Usman (2024)	Influence of tax avoidance, tax planning strategies on firm value in Nigeria	Secondary data and panel regression method	The empirical evidence revealed that non-debt tax shield and book tax difference exert a significant positive influence on firm value at 5% level while tax savings and capital intensity exert a significant negative influence on firm value at 5% level
9	Adeleke & Mensah (2023)	To investigate the effect of corporate tax savings strategies on the financial performance in Nigeria	Secondary data and multiple regressions	The study results showed that corporate tax savings strategies exhibit a significant positive effect on the financial performance with improved employee compensation
10	Gabrielli (2023)	The relationship between debt and non-debt tax shields in Italy	A library research and descriptive statistics	The systematic analysis revealed that there is a negative relationship between debt and non-debt tax shields
11	Samuel, *et al.* (2023)	The effect of tax shield on firm value in Nigeria	Ex post facto design, purposive sampling technique, descriptive statistics and OLS regression technique	The empirical results showed that debt tax shield, depreciation tax shield and charitable donation tax shield exhibit significant effect on market value
12	Olade *et al.* (2023)	To investigate the influence of debt tax shield, non-debt tax shield, and effective tax rate on share price performance in Nigeria	Longitudinal research design, purposive sampling technique, and the OLS regression technique	The study reported that debt tax shield, non-debt tax shield and effective tax rate has a significant influence on share price performance
13	Osei & Okonkwo (2023)	To examine the influence of corporate tax planning on financial performance in Ghana	Longitudinal research design, descriptive statistics, correlation and regression method	They found out that debt tax shield exhibit a significant influence on financial performance

S/N	Author(s)	Topic/Objective(s)	Methodology/ Data	Major finding(s)
14	Iyoha, *et al.* (2022)	Examined the dynamics and determinants of target capital structures in Nigeria	Longitudinal research design, simple random technique and Generalized Method of Moments	The result revealed that tax shield had no significant influence on growth
15	Nnamdi & Amissah (2022)	Comparative analysis on corporate tax savings strategies on the financial performance in Nigeria.	Secondary data, ANOVA and t-test method	The study established that corporate tax savings strategies exhibit a significant difference on financial performance and employee compensation
16	Ibrahim & Abena (2022)	The relationship between corporate tax planning and the financial performance in Nigeria	Secondary data and hierarchical regression	The study documented that there is a significant relationship between tax deferral utilisation, tax loss harvesting and financial performance
17	Emmanuel & Olusesan (2022)	Relationship between tax incentives and financial performance of SMEs in Nigeria	Ex-post facto research design, secondary data and regression analysis	The results revealed that capital allowance incentives and pioneer status incentives exert a significant positive relationship with financial performance
18	Anindita, *et al* (2022)	Impact of tax avoidance and capital structure on the thin capitalization regulations in Indonesia	Secondary data and panel data regression technique	The result shows that there is a significant relationship between debt equity ratios and thin capitalization restrictions
19	Osamor *et al.* (2022)	Effects of thin capitalisation on financial performance of multinational companies in Nigeria	Secondary data, descriptive statistics and OLS regression	It would be revealed from the regression result that debt tax shield exerts no significant positive on financial performance and compensation
20	Amadi (2021)	Effect of tax planning strategies on financial performance in Nigeria	Cross-sectional design, descriptive statistics and panel regression method	The empirical findings showed that tax planning strategies exhibit a positive and significant relationship with the financial performance

S/N	Author(s)	Topic/Objective(s)	Methodology/ Data	Major finding(s)
21	Gregova, *et al.* (2021)	Influence of the tax shield and earnings management on corporate capital structure in Czech Republic	Secondary data and panel data estimation	The results revealed that non-debt tax shield has a significant negative influence on debt while a negative relationship between debt tax shield and earnings management
22	De Vito & Jacob (2021)	The influence of creditor rights protection systems on tax avoidance in Italy	Secondary data and regression techniques	The findings revealed that non-debt shield exerts a significant negative relationship with tax avoidance
23	Lewellen *et al.* (2021)	Influence of tax haven incorporation on the cost of capital in Australia	Secondary data and regression techniques	The results show that tax haven has a significant positive influence on cost of equity capital
24	Abimbola & Antwi (2021)	Relationship between corporate tax savings strategies and financial performance in Nigeria	Secondary data, ANCOVA and multivariate regressions methods	The findings revealed that corporate tax savings strategies (inversion strategies, tax expenditure efficiency) exert a significant relationship with financial performance
25	Han, *et al.* (2021)	Effect of corporate tax avoidance on employee remuneration in China.	Cross-section data, descriptive statistics and regression technique	The empirical evidence showed that there corporate tax avoidance exerts a significant positive effect on employee remuneration
26	Timothy, *et al.* (2020)	Moderating effect of firm value on the relationship between corporate tax planning and board compensation in Nigeria	Longitudinal research design, descriptive statistics, correlation and Generalised Least Square (GLS) regression	The study reported that firm value has a no significant moderating relationship between deferred tax and board compensations
27	Undie, *et al.* (2020)	Impact of tax planning and tax incentives on profitability of companies in the free trade zones in Nigeria	Primary and secondary data and multiple regression technique	The results revealed that tax incentives had a significant positive influence on corporate performances

S/N	Author(s)	Topic/Objective(s)	Methodology/ Data	Major finding(s)
28	Shevlin *et al.* (2020)	The connection between corporate tax avoidance and debt costs in US	Secondary data and the regression method	The result showed that debt tax shield strongly promotes cash flow volatility and high level of employee compensations
29	Lei (2020)	Effect of corporate income tax shield on corporate capital structure in China	Secondary data and the regression method	The empirical evidence from the random effect results reveal that the debt tax shield has a significant positive effect on corporate capital structure while non-debt tax shield has a significant negative effect on corporate capital structure
30	Karpavičius & Yu (2019)	Relationship between external growth opportunities and firm's financing policy in Indonesia	Secondary data, descriptive statistics, correlation and multivariate regressions	The regression result revealed that non-debt tax shield exhibits a significant positive relationship with external growth opportunities leading higher employee compensation
31	Heitzman & Ogneva (2019)	To examine the relationship between industry tax planning and stock returns in Australia.	Secondary data and regression method	The study reported that industry tax planning exhibit a significant positive relationship with shareholder's returns
32	Teja (2019)	Evaluated the relationship between tax rate, firm debt tax shield and non-debt tax shield in Indonesia	Secondary data, descriptive statistics, correlation and multivariate regressions	The regression result showed that there is a significant negative relationship between tax rates and non-debt tax shield usage
33	Nwaorgu, *et al.* (2019)	To investigate the effect of deferred tax accounting on financial performance in Nigeria	Ex post facto research design, descriptive statistics and simple linear regression	The study reported that deferred tax accounting exhibits a significant positive effect on profitability and no significant effect on cash flow and earnings per share. This indicates that increase in deferred tax would lead to increase in employee compensation through improved financial performance

S/N	Author(s)	Topic/Objective(s)	Methodology/ Data	Major finding(s)
34	Cole & Sokolyk (2018)	Examined the relationship between debt financing, survival and growth of firms in Indonesia	Secondary data, descriptive statistics, correlation and multivariate regressions	The regression result showed that a significant relationship between non-debt tax shield, growth sales, and asset size
35	Nallaredd y, *et al.* (2018)	Effects of corporate tax changes on income inequality based on compensation in Indonesia	Secondary data and robust regression	The results show that there is no significant effect of tax increases on compensation as well as income inequality at the state level. The result also show that the presence of tax cuts brings about higher reported capital income and a fall in compensation level of the employees' (wage and salary income)
36	Lazăr and Istrate (2018)	Influence of corporate tax mix on firm performance in Romania	Secondary data and regression technique	The results showed that tax saving and effective tax rate exhibit a significant negative influence on performance of firm
37	Omoregie & Kelikume (2017)	To investigate the effect of executive compensation on performance in Nigeria	Secondary data and robust regression	The results showed that board compensation has a significant negative effect on performance and deferred tax
38	Chee *et al.* (2017)	Impact of CEO compensation incentives on corporate tax avoidance in China.	Secondary data and OLS regression technique	The empirical result showed that CEOs compensation incentives exhibit a significant impact on deferred tax as a tax planning strategies
39	Haa & Quyenba (2017)	Empirical examination of the relationship between state ownership and tax avoidance level in Vietnam	Longitudinal research design and use the Feasible Generalized Least Squares	The result from the Feasible Generalized Least Squares (FGLS) showed that the level of state ownership had a negative relationship with tax avoidance behaviour of corporate on compensation

S/N	Author(s)	Topic/Objective(s)	Methodology/ Data	Major finding(s)
40	Seidman & Stomberg (2017)	Relationship between equity compensation and tax avoidance in US.	Secondary data and OLS regression technique	The results showed that debt and tax avoidance exhibit a significant negative relationship with equity compensation
41	Chi, *et al.* (2017)	Influence of CEO inside debt incentives on corporate tax sheltering in China	Secondary data and regression analysis	The result showed that CEO compensation exerts a significant positive influence on debt-based instruments
42	Inaya & Ekwueme (2016	To evaluate the effect of corporate borrowing on tax shield in Nigeria	Secondary data and OLS regression method.	The results showed that tangibility, size, total debts, short-term debt and long-term debt exert a significant positive effect on tax shield
43	Gao (2016)	To assess the influence of non-debt tax shield on the choice of corporate debt levels in Indonesia	Secondary data, descriptive statistics, correlation and multivariate regressions	The regression result showed that non-debt tax shield exerts a significant positive influence on corporate debt levels
44	Ogundajo & Onakoya (2016)	To examine the effect of tax planning on financial performance in Nigeria	Secondary data, and OLS regressions	The results showed that deferred tax has no significant effect on financial performance

2.6.1 Summary and Gap Identification

This study examined the effect of the tax planning mix on employee compensation in Nigeria. A review of forty-four (44) empirical studies presented in Table 2.6 shows that none specifically investigated the relationship between the tax planning mix and employee compensation within the Nigerian context. Previous empirical works have largely focused on tax planning in relation to firm performance, profitability, or firm value (Paul et al., 2025; Godwin & Iyoha, 2025; Igbinovia & Usman, 2024; Samuel et al., 2023; Olade et al., 2023;

Nnamdi & Amissah, 2022; Ibrahim & Abena, 2022). However, no known study has examined how the tax planning mix influences employee compensation, particularly within listed consumer goods companies in Nigeria. This presents a clear knowledge gap, as employee compensation serves as a critical internal outcome that can be directly affected by tax planning strategies adopted by firms.

To address this gap, the current study empirically investigates the effect of key tax planning components; debt tax shield, non-debt tax shield, tax savings, and deferred tax on employee compensation, while focusing on quoted consumer goods companies from 2018 to 2024. By adopting panel data methodology, the study provides new empirical insights into how tax planning decisions translate into compensation outcomes for employees. Thus, the research fills an important gap in literature by linking tax planning activities to employee compensation, offering both theoretical and practical contributions to tax policy, corporate governance, and compensation management in Nigeria.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter presents the methodology employed in the study. The chapter is presented in sub-sections covering the research design, population, sample size and sample technique, model specification, estimation technique, variable definitions and measurement.

3.2 Research Design

The research design adopted in this study was longitudinal research design. This design is adopted so as to pool together various consumer goods firms in the manufacturing sector on the Nigerian Exchange Group (NGX). The justification for choosing longitudinal is that the data for this study were collected on different variables at different points in time without any attempt on the part of the researcher to influence the data.

3.3 Population of the Study

The population of the study comprise of consumer goods firms quoted on the floor of the Nigerian Exchange Group (NGX). As at 31st December 2024, there are twenty-one (21) companies quoted on the (NGX, 2024).

3.4 Sample Size and Sample Technique

A census sampling technique was adopted for this study due to the relatively small population of consumer goods firms listed on the Nigerian Exchange Group (NGX). However, some companies had issues with data availability; therefore, only firms with complete annual reports and accounts for the period 2018 to 2024 were included. Based on these criteria, sixteen (16) companies from the consumer goods sector qualified for the study: Honeywell Flour, Guinness Nigeria, Flour Mills of Nigeria, Unilever, Nestle Nigeria, Cadbury Nigeria, Vita

Foam, PZ Cussons, Dangote Sugar, Nigeria Brewery, Nigerian Enamelware Plc, National Salt, International Breweries, Northern Nigeria Flour Mills, Micholis Plc, and Champion Brewery Plc. These firms were selected because they are actively traded, well-known, and regularly publish comprehensive financial statements. Companies without complete data, such as Dangote Flour Plc, Vono Products Plc, Dangote Salt Plc, Bua Foods Plc, and Union Dicon Salt Plc, were excluded from the sample.

3.5 Sources of Data

Secondary data was used for this study. The data were retrieved from the corporate annual reports of the quoted consumer goods companies on the NGX for the period of 2018 of 2024 financial years. The researcher utilised only corporate annual reports because they are readily available, accessible and provide a greater potential for comparability of results.

3.6 Method of Data Analysis

Generally, there are legal differences, defined in terms of corporate policies and specificities in the way companies do business. Considering the study objectives and the corresponding hypotheses, the study used inferential and descriptive statistical techniques. Generally, the descriptive analysis of the data was used to obtain the sample characteristics in respect to the selected variables. However, the panel least square regression technique was used for the purpose of achieving the stated objectives. Other conventional diagnostic tests such as “Panel Model Test (Hausman Test), normality, multicollinearity and heteroskedasticity test was conducted to ascertain some basic underlying regression analysis assumptions. EViews 9.0 econometrics software package was used for the data analyses.

3.6.1 Descriptive Statistics

The descriptive statistics was used to show the description of the mean, standard deviation and normality test of the variables of interest.

3.6.2 Correlation Analysis

Pearson correlation analysis was used to examine the direction and magnitude of linear associations between the dependent and independent variables.

3.6.3 Panel Analysis Model

Panel analysis model was conducted based on time and cross sectional attributes of the sample companies. This help to examine the relationship between tax planning mix and employee compensation among quoted firms in Nigeria over time (time series) as well as across the sampled quoted companies (cross-section). The regression result provides better results since it increases sample size and reduces the problem of degree of freedom, and the use of panel regression avoids the problem of multicolinearity, aggregation bias and endogeneity problems. In testing the significant relationship between the dependent and independent variables, the two widely used balanced panel data regression models (fixed effect and random effect panel data estimation techniques) were estimated. The difference in these models was based on the assumptions made about the explanatory variables and cross-sectional error term. The Hausman test is used to choose between fixed effect and random effect that is preferable for the study. Hence, if the probability value is not significant, the null hypothesis would be accepted, thereby the random effect relation is appropriate and explained, however, if the probability value is significant, the null hypothesis is rejected, and the fixed effect estimation accepted.

3.6.3.1 Fixed Effect Model (FEM)

This model assumes that, over time, the characteristics of each individual are different but not correlated. This difference is reflected by the value of the intercept in the estimation model, which is different for each individual. The fixed effects model could be costly in degrees of

freedom because it is equivalent to the use of a dummy variable for every listed consumer goods manufacturing firms.

3.6.3.2 Random Effect Model (REM)

The random effect model also assumes that over time, the characteristics of each independent variable are different. However, the difference is reflected by the error of the model. The Random effects model assumes the independence between the error terms and the independent variables.

3.6.4 Post Diagnostic Tests

The following robustness tests were conducted to verify the validity of the regression result.

Multicollinearity Test: The Variance Inflation Factor (VIF) was used to detect the presence of multicollinearity among the explanatory variables. VIF values exceeding 10 suggest problematic multicollinearity, which may necessitate remedial measures such as variable transformation or exclusion.

Heteroscedasticity Test: The Breusch-Pagan/Cook-Weisberg test was employed to test for heteroscedasticity. Where heteroscedasticity is present, the RLS technique compensates by applying heteroscedasticity-consistent standard errors, ensuring unbiased inference.

Normality Test: The Jarque-Bera (JB) test was conducted to evaluate whether the residuals follow a normal distribution, thereby validating the assumptions underlying large-sample inference and hypothesis testing.

Model Specification Test: The Ramsey Regression Equation Specification Error Test (RESET) was implemented to detect potential functional form misspecification or omitted variable bias. A significant result indicates that additional explanatory variables or transformation of existing variables may be necessary.

3.7 Model Specification

To examine the effect of tax planning mix on employee compensation, a panel data multiple regression models will be specified. However, panel data multiple regression model is one that seeks to explain change or variation in the value of one variable called the dependent variable on the basis of changes in other variables known as the independent or explanatory variables using pooled data. The model assumes that the dependent variable is a linear function of the independent variables with consideration to the heterogeneity in the pooled companies. The pooled regression model assumes that there is no difference in the pooled companies while panel regression model assumes "cross sectional heterogeneity (Cross section fixed effect) and period heterogeneity (Time fixed effect). In specifying our panel regression model, we included cross sections (companies) and year dummies (2018 - 2024) in the panel regression models.

The panel regression model of Samuel, *et al.* (2023) on tax shield and firms value of quoted manufacturing companies in Nigeria was adapted and it was represented below:

$FV_{it} = \beta_0 + \beta_1 DTS_{it} + \beta_2 CDTS_{it} + \beta_3 DEPTS_{it} + \beta_4 FS_{it} + \mu_{it}$……..……..

(3.1)

Where;

FV=Firm value

DTS= Debt tax shield

CDTS= Charitable donation tax shield

DEPTS = Depreciation tax shield

FS= Firm size

it = (i no of cross section and t = time periods)

μ = Stochastic term

The panel regression model of Samuel *et al.* (2023) was re-modified to suit the objectives of this study by incorporating employee compensation, deferred taxation, non-debt tax shield, and tax avoidance. The inclusion of these variables enhances the explanatory power of the model by capturing labour cost dynamics, tax-related effects, and strategic financial decisions across firms and over time. The panel regression technique accommodates both time-series and cross-sectional variations inherent in the data. It is assumed that the dependent variable is a linear function of the independent variables. Accordingly, the functional form of the model is specified as follows:

EMPC $= f$ (DTS, NDTS, TAXS, DTAX, CINT, FLEV)…….…….…. (3.2)

While the explicit model in econometric form is given as tax planning mix proxies represented in equation 3.2 below:

$EMPC_{it}=\beta_0+\beta_1 DTS_{it}+\beta_2 NDTS_{it}+\beta_3 TAXA_{it}+\beta_4 DTAX_{it}+C_1 CINT_{it}+C_2 FLEV_{it}+\varepsilon_{it}$ ……. (3.3)

Where;

EMPC=Employee compensation

DTS= Debt tax shield

NDTS= Non-debt tax shield

TAXA = Tax avoidance

DTAX= Deferred tax

CINT= Capital intensity

FLEV= Firm leverage

β_1- β_4 = Coefficient of the independent variables

C_1- C_2 = Coefficient of the control variables

Z_{it} = (i no of cross section and t = time periods)

e_t = Error term

Apriori expectation: $\beta_1, \beta_2, \beta_3, \beta_4, C_1, C_2 > 0$

3.8 Measurement of Variables

The list of the variables used in this study and their sundry measures are presented in Table 3.1 below.

Table 3.1 Variable Definition, Measurement and Source

Variable	Definition	Measurement	Source	Apriori sign
EMPC	Employee compensation (Dependent variable)	It was measured by ratio of staff cost to sales revenue	Akindayomi & Ogunmakin (2015).	
DTS	Debt tax shields (Independent variable)	It was measured by the ratio of income tax to debt*100	Gregova, et al. (2021).	+
NDTS	Non-debt tax shields (Independent variable)	It was measured by the ratio of depreciation and amortization to total assets*100	Teja (2019); Lei (2020).	+
TAXA	Tax avoidance (Independent variable)	It was measured by the effective tax rate (Current year tax liability divided by pre-tax accounting income/profit before tax) *100	Igbinovia & Usman (2024); Anggraini, *et al.*, (2024).	+
DTAX	Deferred tax (Independent variable)	It was measured by log of deferred tax liability	Nwaorgu, et al. (2019)	+

CINT	Capital intensity (Control variable)	It was measured by the ratio of fixed asset to total asset.	Anggraini, *et al*., (2024).	
FLEV	Firm leverage (Control variable)	It was measured by the ratio of long-term debt to total asset.	Emmaculate, *et al*. (2024)	

Source: Researcher's compilation (2025)

Decision Rule

The hypotheses of the study were tested at 5% (0.05) of significance. Accept the null hypothesis when the $p > 0.05$ and reject the null hypothesis when $p < 0.05$.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

4.0 Introduction

This section focuses on the presentation and interpretation of the outcome of the study's analysis. The study employed secondary data collected from quoted consumer goods manufacturing companies in the Nigerian Exchange Group (NGX) for the periods of 2018 to 2024, and the preliminary analysis was conducted using descriptive statistics.

4.1 Data Presentation

The raw data collected from the quoted consumer goods manufacturing companies in the Nigerian Exchange Group (NGX) for the period spanning 2018 to 2024 were presented in appendix 2.

4.2 Descriptive Statistics

The descriptive statistics shows the description of the mean, standard deviation and normality test. The table below shows the descriptive statistics of quoted consumer goods manufacturing companies for the period of 2018 to 2024.

Table 4.1: Descriptive Statistics

	EMPC	DTS	NDTS	TAXA	DTAX	CINT	FLEV
Mean	0.0806	-2.6707	4.0295	-38.4045	6.3570	39.7846	66.83297
Median	0.0673	-1.5097	3.1106	-30.7199	6.6157	38.9559	62.24855
Maximum	1.0028	17.4308	18.8232	471.5152	8.0108	82.6772	271.3114
Minimum	0.0103	-22.7581	0.2034	-1597.64	4.0025	2.6098	20.59240
Std. Dev.	0.0956	6.5386	3.2180	157.8493	0.9956	18.7214	31.66682
Skewness	8.1152	-0.3936	1.5118	-8.40513	-0.5902	0.3199	3.192370
Kurtosis	78.4824	4.3369	6.7701	87.5506	2.4517	2.3355	19.53764
Jarque-Bera	27818.11	11.2340	108.9941	34679.85	7.9064	3.9706	1466.539
Probability	0.0000	0.0036	0.0000	0.0000	0.0191	0.1373	0.000000
Sum	9.0328	-299.1229	451.3056	-4301.30	711.9929	4455.87	7485.293
Sum Sq. Dev.	1.0163	4745.72	1149.53	2765720.0	110.0410	38904.49	111309.4
Observations	112	112	112	112	112	112	112

Source: EViews 9.0 Output (2025)

Table 4.1 indicates the mean which is the (average) for each of the variables alongside their standard deviations and normality test using Jarque-Bera (JB) statistics. Employee compensation (EMPC) on the average was 0.0806 and standard deviation of 0.0956. This means that the standard deviation value of 0.0956 is very close to the mean which implies that there is going to be low level of employee compensation.

Debt tax shield (DTS) has an average value of -2.6707 with a corresponding standard deviation of 0.5386. This indicates that the standard deviation value of 0.5386 is too far from the mean which implies that there is the probability of having more DTS. Non-Debt tax shield (NDTS) has an average value of 4.0295 with a corresponding standard deviation of 3.2180. This indicates that the standard deviation value of 3.2180 is not too far from the mean which implies that there is the probability of experiencing less NDTS.

Tax avoidance (TAXA) has an average value of -38.4045 with a corresponding standard deviation of 157.84. Given the standard deviation value of 157.84 which implies that there is probability of witnessing high tax avoidance because the value it is far from the mean.

On the average, deferred taxation (DTAX) was 6.35 with a corresponding standard deviation value of 0.9956. This implies that standard deviation of 0.99 is too far from the mean, and then there is probability of having more deferred taxation.

The control variables, capital intensity (CINT) has an average value of 39.78 with a corresponding standard deviation value of 18.72 and firm leverage (FLEV) has an average of 66.83 and a standard deviation value of 31.66. Looking at the skewness of the data, EMPC, NDTS, CINT and FLEV were skewed to the right while DTS, TAXA and DTAX were skewed to the left. The Kurtosis values depict that the leptokurtic and platykurtic nature of the

data. EMPC, DTS, NDTS, TAXA and FLEV behaviour of the data were leptokurtic because it exceeded the threshold of 3 while DTAX and CINT behaviour of the data were platykurtic because it did not exceed the threshold of 3. Lastly, the Jarque-Bera (JB) statistics showed that CINT was normally distributed while EMPC, DTS, NDTS, TAXA, DTAX and FLEV were not normally distributed with 112 statistical observations.

4.3 Correlation Analysis

The correlation analysis was used to measure the degree of correlation between the dependent variables and independent variables. The correlation result is presented in table 4.2 below.

Table 4.2: Correlation Analysis

	EMPC	DTS	NDTS	TAXA	DTAX	CINT	FLEV
EMPC	1.0000	0.0231	0.1258	0.0544	0.0057	0.2742	-0.1297
DTS	0.0231	1.0000	-0.1108	-0.0161	0.1352	0.1371	0.2805
NDTS	0.1258	-0.1108	1.0000	0.1059	-0.0529	0.4073	-0.2674
TAXA	0.0544	-0.0161	0.1059	1.0000	-0.1146	0.1024	-0.0384
DTAX	0.0057	0.1352	-0.0529	-0.1146	1.0000	0.0448	0.2464
CINT	0.2742	0.1371	0.4073	0.1024	0.0448	1.0000	-0.2246
FLEV	-0.1297	0.2805	-0.2674	-0.0384	0.2464	-0.2246	1.0000

Source: EViews 9.0 Output (2025)

It was observed from Table 4.2 above that debt tax shield (DTS) was positively and weakly correlated with employee compensation (EMPC= 0.0231). Non-debt tax shield (NDTS) was positively and moderately correlated with employee compensation (EMPC= 0.1258). Tax avoidance (TAXA) was positively and weakly correlated with employee compensation (EMPC= 0.0544). In the case of deferred taxation (DTAX), the variable was positively and weakly correlated with employee compensation (EMPC= 0.0057). Furthermore, the coefficient of the control variables showed that capital intensity (CINT) was positively and moderately correlated with employee compensation (EMPC= 0.2742) while firm leverage was

negatively and moderately correlated with employee compensation (EMPC= -0.1297). Looking at the coefficient of the independent variables none of the variable was perfectly correlated which implies there is unlikely possibility of multicolinearity among the independent variables.

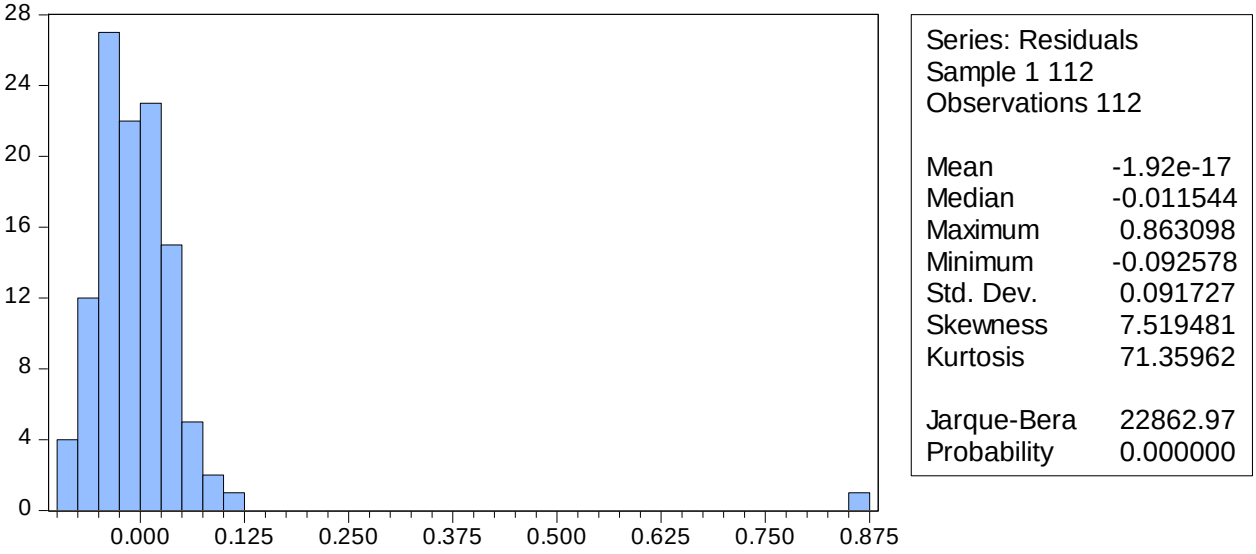
4.4 Post Diagnostic Test

The following diagnostic tests were conducted in this study.

4.4.1 Normality Test

The normality test graph was presented in Figure 4.1 below.

Figure 4.1: Normality Test



As observed from Figure 4.1, not all the variables were normally distributed when tested individually using the Jargue-Bera value of the descriptive statistics result. However, when the entire data were pooled together, the above result presented in Figure 4.1 was achieved. The assumption is that the histogram should reflect a bell-shaped curve, which would mean that the data were normally distributed. The following hypotheses were applicable to the test:

- Null Hypothesis (Ho): Residuals (u) are not normally distributed

- Alternate Hypothesis (H_1): Residuals are normally distributed

The decision Rule is accept the null hypothesis when the p-value is greater than 0.05 (5%).

As shown in the result of Figure 4.1, the histogram is near bell-shaped symmetrically, indicating that not all the data in the distribution fitted into a normal bell-curve. However, the overall skewness coefficient of 7.51 is far from '0' (zero) which signifies a symmetrical (positively skewed) data set. The kurtosis coefficient, which measures the combined weight of the tails relative to the rest of the distribution, is neither leptokurtic nor platykurtic. The observed value of 71.35 implies that the overall data is leptokurtic in nature as it exceeded the threshold of 3. Also, the Jargue-Bera statistic stood at 22862.97 with a corresponding probability value of less than 0.05. Based on the decision rule, the alternative hypothesis states that the population residual (u) is normally distributed and fit into bell shape.

4.4.2: Variance Inflation Factors

To check for the possibility of multicollinearity problem, a Variance Inflation Factor (VIF) was conducted and the result is presented in table 4.3 below:

Table 4.3: Variance Inflation Factors

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	0.004071	51.25968	NA
DTS	2.17E-06	1.355002	1.159770
NDTS	9.86E-06	3.291544	1.274811
TAXA	3.31E-09	1.091859	1.030320
DTAX	8.85E-05	46.14016	1.095136
CINT	3.01E-07	7.324681	1.318176
FLEV	1.02E-07	6.981859	1.270733

Aggregate value Centered VIF = 1.1867

Source: EViews 9.0 Output (2025)

From table 4.3 above, it is shown that the mean VIF is 1.1867. It is however, the rule of VIF to place a benchmark mean of 10 for acceptance level. Hence it is assumed that any result that produces mean VIF above 10 has a case of high correlation of the independent variables. Since our result is 1.1867, which is far lesser than the acceptable level of 10, we conclude that there is no possibility of multicollinearity among the explanatory variables.

4.4.3 Heteroscedasticity Test

The variance of error term is expected to be constant for each observation or a range of observations known as homoscedasticity. Whenever this occurs, there is a change in the variance which tends to reduce the precision of the estimation in ordinary least square (OLS) linear regression. Hence, the study used the Breusch-Pagan-Godfrey test for the heteroscedasticity of the residuals as presented in table 4.4 below:

Table 4.4: Heteroskedasticity Test: Breusch-Pagan-Godfrey

F-statistic	1.441370	Prob. F(6,105)	0.2059
Obs*R-squared	8.522798	Prob. Chi-Square(6)	0.2022
Scaled explained SS	263.5228	Prob. Chi-Square(6)	0.0000

Source: EViews 9.0 Output (2025)

The heteroscedasticity test has a decision rule that there is no heteroscedasticity if the probability of the F-statistics value is greater than the critical value at 5% level. Table 4.4 above indicates that the probability value of 0.2059 is greater than the critical value of 0.05. Therefore, we conclude that there is no possibility of heteroscedasticity, which means there is a constant variance.

4.4.4 Regression Equation Specification Error Test (RESET)

This test is based on checking whether non-linear combinations of the fitted values actually helped in explaining the response variable. The idea behind this test is to understand if the non-linear combinations of explanatory variables have any power, whatsoever, in explaining the response variable. The model is miss-specified in the sense that the data-generating process might be better approximated by polynomials or another non-linear functional form. The study employed Ramsey RESET test to check for the presence of non-linear independent variable combinations as presented in table 4.5 below:

Table 4.5: Ramsey RESET test

	Value	Df	Probability
F-statistic	20.67534	(3, 102)	0.0000
Likelihood ratio	53.20585	3	0.0000

Source: EViews 9.0 Output (2025)

Table 4.5 above is the result of the test for miss-specification or omitted variables done with the help of the Ramsey RESET Test. The probability value of the t-statistic (0.0000) < 0.05 implies that there is a non-linear combination of the fitted values.

4.5 Panel Least Square Results

The study utilized static panel regression analysis to test the formulated hypotheses in order to examine the relationship between tax planning mix and employee compensation among listed consumer goods manufacturing companies in Nigeria. The panel least square regressions result was presented in Table 4.6 below.

Table 4.6: Panel Least Square Results

Variable	Fixed Effect Model	Random Effect Model	Robust Random Effect Model
C	-0.0530 (-0.3176) {0.7515}	0.0350 (0.5050) {0.6146}	0.0610 (23.4260) {0.0000}
DTS	-0.0004 (-0.2206) {0.8259}	1.76E-05 (0.0116) {0.9907}	0.0003 (5.0693) {0.0000}
NDTS	-0.0038 (-0.8091) {0.4207}	-0.0004 (-0.1323) {0.8950}	0.0049 (38.2593) {0.0000}
TAXA	-4.35E-05 (-0.6909) {0.4915}	8.13E-06 (0.1415) {0.8877}	1.12E-05 (4.7610) {0.0000}
DTAX	0.0112 (0.4953) {0.6216}	0.0010 (0.1054) {0.9162}	0.0008 (2.1373) {0.0326}
CINT	0.0022 (1.6531) {0.1020}	0.0014 (2.3923) {0.0185}	-9.09E-05 (-4.0499) {0.0001}
FLEV	-0.0002 (-0.6195) {0.5372}	-0.0002 (-0.6940) {0.4892}	-0.0001 (-11.8755) {0.0000}
R-squared	0.2867	0.0759	0.1614
Adjusted R^2	0.0574	0.0231	0.1135
F-statistic	1.2506	1.4379	2161.15
Prob(F-stat.)	0.2182	0.2071	0.0000
Hausman test	5.98 (0.4260)		

Source: EViews 9.0 Output (2025)

The Hausman test was used to verify which of the panel models (fixed effect and random effect model) that best explained the relationship between tax planning mix and employee compensation of listed consumer goods manufacturing companies in Nigeria. The probability value of 0.4260 which was not significant at p-value > 0.05 level of significance. This suggests that the random effect panel regression is preferable.

The random panel regression results in Table 4.6 above shows that R^2 value of 0.0759 implies that about 8% of the systematic variations in employee compensation which was explained by

tax planning mix variables. This was supported by adjusted R-squared value of 2%. The F-statistic value of 1.4379 with probability value (0.2071) > 0.05 showed that the random effect panel regression fitted is not valid and acceptable for investigating the relationship between employee compensation and tax planning mix variables. This suggests that there is no linear relationship between the variables. However, this shortcoming was overcome by running robust panel least square regression.

The robust random effect panel regression results in Table 4.6 above shows that R^2 value of 0.1614 implies that about 16% of the systematic variations in employee compensation which was explained by tax planning mix variables. This was supported by adjusted R-squared value of 11%. The Rn-squared statistic value of 2161.15 with probability value (0.0000) < 0.05 showed that the robust random effect panel regression fitted is well valid and acceptable for examining the significant effect of tax planning mix on employee compensation. This suggests that there is a significant linear relationship exists between the variables.

Specifically, debt tax shield (DTS) had a positive coefficient value of 0.0003 and a p-value of 0.0000. This implies that debt tax shield had a significant effect on employee compensation of listed consumer goods manufacturing companies in Nigeria (EMPC) at a p-value < 0.05 level of significance. This suggests that changes in debt tax shield would lead to an increase in employee compensation but statistically significant. This suggests there is a significant effect because the variable passed z-test at p-value < 0.05 level of significance.

However, non-debt tax shield (NDTS) had a positive coefficient value of 0.0049 and a p-value of 0.0000. This implies that non-debt tax shield had a significant effect on employee compensation of listed consumer goods manufacturing companies in Nigeria (EMPC) at a p-

value < 0.05 level of significance. This therefore means that changes in non-debt tax shield would lead to an increase in employee compensation but statistically significant. This implies that there is a significant effect because the variable passed z-test at p-value < 0.05 level of significance.

Tax avoidance (TAXA) had a positive coefficient value of 1.12 and a p-value of 0.0000. This implies that tax avoidance had a significant effect on employee compensation of listed consumer goods manufacturing companies in Nigeria (EMPC) at a p-value < 0.05 level of significance. This indicates that changes in tax avoidance would lead to a high level of employee compensation but statistically significant. This therefore means that the significant effect is because the variable passed z-test at p-value < 0.05 level of significance.

Deferred taxation (DTAX) had a positive coefficient value of 0.0008 and a p-value of 0.0326. This suggests that deferred taxation had a significant effect on employee compensation of listed consumer goods manufacturing companies in Nigeria (EMPC) at a p-value < 0.05 level of significance. This implies that increase in deferred taxation would lead to an increase in employee compensation but statistically significant. This suggests that there is a significant effect is because the variable passed t-test at p-value < 0.05 level of significance.

In the case of the control variables, capital intensity (CINT) has a negative coefficient value of -0.0001 and a p-value of 0.0001. This means that capital intensity has a significant effect on employee compensation at p-value < 0.05 level of significance. Firm leverage (FLEV) had a negative coefficient value of -0.0001 and a p-value of 0.0000. This suggests that firm leverage has a significant effect on employee compensation at p-value < 0.05 level of significance.

4.6 Test of Hypotheses

The result of robust random effect model best explained the effect of tax planning mix on employee compensation in Nigeria. Hence, the result was used to test the formulated hypotheses.

Hypothesis 1: Tax shield has no significant effect on employee compensation in Nigeria.

The regression result reveals that debt tax shield (DTS) has a positive and statistically significant effect on employee compensation of listed consumer goods manufacturing companies in Nigeria. This is evidenced by a t-statistic of 5.0693 and a p-value of 0.0000, which is significant at the 5% level ($p < 0.05$). This implies that increases in debt tax shield significantly enhance employee compensation. Accordingly, the null hypothesis was rejected, indicating that debt tax shield has a positive and significant effect on employee compensation

Hypothesis 2: Non-tax shield has no significant effect on employee compensation in Nigeria.

The result shows that non-debt tax shield (NDTS) exerts a positive and statistically significant influence on employee compensation. The variable recorded a t-statistic of 38.2593 with a corresponding p-value of 0.0000, which is statistically significant at the 5% level. This suggests that changes in non-debt tax shield significantly lead to improvements in employee compensation. Thus, the null hypothesis was rejected, confirming that non-debt tax shield significantly affects employee compensation.

Hypothesis 3: Tax avoidance has no significant effect on employee compensation in Nigeria.

The empirical evidence indicates that tax avoidance (TAXA) has a positive and statistically significant effect on employee compensation among listed consumer goods manufacturing

firms. This is supported by a t-statistic of 4.7610 and a p-value of 0.0000, which is significant at the 5% level. This finding implies that effective tax avoidance strategies are associated with higher employee compensation. Therefore, the null hypothesis was rejected, indicating a significant positive relationship between tax avoidance and employee compensation

Hypothesis 4: Deferred taxation has no significant effect on employee compensation in Nigeria.

The regression result demonstrates that deferred taxation (DTAX) has a positive and statistically significant effect on employee compensation. The variable recorded a t-statistic of 2.1373 and a p-value of 0.0326, which is significant at the 5% level. This suggests that increases in deferred taxation significantly influence employee compensation. Consequently, the null hypothesis was rejected, confirming that deferred taxation has a significant effect on employee compensation.

4.7 Discussion of Findings

The discussion of findings was based on the objectives of the study.

Debt Tax Shield and Employee Compensation

The study found that debt tax shield has a positive and significant effect on employee compensation, with a p-value of 0.0000, which is statistically significant at the 0.05 level. This indicates that increases in debt tax shield lead to higher employee compensation. The result aligns with previous studies by Godwin and Iyoha (2024), Samuel *et al.* (2023), Olade *et al*. (2023), Osei and Okonkwo (2023), and Shevlin *et al*. (2020), who similarly reported that the debt tax shield positively influences employee remuneration. The underlying mechanism is

that interest expenses on debt are tax-deductible, thereby reducing taxable income and freeing up additional financial resources that firms can allocate to employee wages, bonuses, and welfare programmes. By reducing the firm's tax burden, debt tax shields effectively increase post-tax profits, which can then be invested in human capital to enhance employee satisfaction, retention, and productivity. However, this finding contrasts with Osamor *et al*. (2022), who reported no significant effect of debt tax shield on employee compensation. The discrepancy may arise from variations in firm characteristics, debt management strategies, or sectoral differences in Nigeria.

Non-Debt Tax Shield and Employee Compensation

Non-debt tax shields were also found to positively and significantly affect employee compensation, with a p-value of 0.0049. Non-debt tax shields include deductions from depreciation, amortization, and investment-related allowances that reduce taxable income without relying on debt financing. Firms that utilize these deductions can preserve internal funds for employee-related expenditures. The result is consistent with Karpavičius and Yu (2019) and Cole and Sokolyk (2018), who reported that non-debt tax shields enhance a firm's capacity to invest in employees. These findings indicate that strategic tax management using non-debt avenues provides firms with financial flexibility to improve compensation, fund training programmes, and enhance employee welfare. Contrastingly, Kodzo (2024) found no significant effect, suggesting that the impact of non-debt tax shields may depend on how effectively firms integrate accounting practices with human resource planning

Tax Avoidance and Employee Compensation

The study further found that tax avoidance exerts a positive and significant effect on employee compensation, with a p-value of 0.0000. This suggests that firms engaging in legal tax avoidance strategies such as claiming allowable deductions, credits, and incentives can increase after-tax profits and channel these additional resources to employees. The result corroborates studies by Adeleke and Mensah (2023), Lewellen *et al*. (2021), Undie *et al*. (2020), and Lazăr and Istrate (2018), which similarly observed that corporate tax avoidance positively affects employee remuneration. Han *et al*. (2021) also reported that tax avoidance increases corporate resources available for employee compensation. The mechanism here is that effective tax avoidance reduces the overall tax burden, allowing firms to retain more cash and improve wages, benefits, and other incentives. However, this result contradicts Nallareddy *et al*. (2018), who found no significant effect, indicating that the relationship may vary depending on corporate governance quality, regulatory compliance, and sector-specific financial practices.

Deferred Taxation and Employee Compensation

Deferred taxation was also found to have a positive and significant effect on employee compensation, with a p-value of 0.00326. Deferred tax allows firms to postpone tax payments to future periods, thereby temporarily increasing available cash flow. This additional liquidity can be used to fund employee wages, bonuses, and welfare programmes in the current period. The finding aligns with Ibrahim and Abena (2022) and Nwaorgu *et al*. (2019), who found that deferred taxation enhances the financial capacity of firms to support employee compensation. Omoregie and Kelikume (2017) further noted that deferred tax mechanisms affect executive

and board-level compensation, supporting the argument that tax deferrals can free resources for remuneration purposes. In contrast, Timothy *et al*. (2020) reported no significant effect, suggesting that the effectiveness of deferred taxation in enhancing employee compensation may depend on firm-specific policies, financial management practices, and the sectoral context.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This chapter presents the summary of findings, conclusion, recommendations, contribution to knowledge as well as the implications for further study with respect to tax planning mix and employee compensation of listed consumer goods manufacturing companies in Nigeria.

5.1 Summary of Findings

The findings of the study are summarized as follows:

(i) Debt tax shield had a positive and a significant effect on employee compensation of listed consumer goods manufacturing companies in Nigeria.

(ii) Non-debt tax shield had a positive and a significant effect on employee compensation of listed consumer goods manufacturing companies in Nigeria.

(iii) Tax avoidance had a positive and a significant effect on employee compensation of listed consumer goods manufacturing companies in Nigeria.

(iv) Deferred taxation had a positive and a significant effect on employee compensation of listed consumer goods manufacturing companies in Nigeria.

5.2 Conclusion

The study empirically examined the effect of tax planning mix and employee compensation of listed consumer goods manufacturing companies in Nigeria. The dependent variable of the

study was employee compensation and the independent variables were debt tax shield, non-debt tax shield, tax avoidance and deferred taxation while controlling for capital intensity and firm leverage. The data were analyzed using descriptive statistics, correlation and panel regression techniques.

The results of the descriptive statistics indicate that employee compensation and the independent variables of debt tax shield, non-debt tax shield, tax avoidance, deferred taxation and firm leverage were not normally distributed as applied by Jarque-Bera (JB) statistics result while capital intensity was normally distributed. This implies that most of the variables showed a sign of non-normality. Also, the results from the correlation analysis revealed that debt tax shield, non-debt tax shield, tax avoidance, deferred taxation and capital intensity were positively associated with employee compensation while firm leverage was negatively associated with employee compensation. The study concludes thus, debt tax shield had a positive and a significant effect on employee compensation of listed consumer goods manufacturing companies in Nigeria, non-debt tax shield had a positive and a significant effect on employee compensation of listed consumer goods manufacturing companies in Nigeria, tax avoidance had a positive and a significant effect on employee compensation of listed consumer goods manufacturing companies in Nigeria, deferred taxation had a positive and a significant effect on employee compensation of listed consumer goods manufacturing companies in Nigeria while the control variables capital intensity and firm leverage capital intensity had a significant effect on employee compensation.

5.3 Recommendations

The following are the recommendations of the study:

(i) Stakeholders of listed consumer goods manufacturing companies in Nigeria should continue to explore debt tax shield as a tax savings approach that lead to high level of employee compensation.

(ii) Since non-debt tax shield is positive, management should ensure that there is a tax savings strategy of tax planning mix because it strongly increases employee compensation among the listed consumer goods manufacturing companies in Nigeria.

(iii) Given the significant and positive effect of tax avoidance, management of the listed consumer goods manufacturing companies in Nigeria should continue to explore the legal means to reduce its tax liability for the purpose of increasing employee compensation.

(iv) The management of the listed consumer goods manufacturing companies in Nigeria should implement a deferred tax system in order to increase the level of employee compensation since the variable is positive and significant.

5.4 Contribution to Knowledge

This study contributes to the body of knowledge by discovering that:

i. Unlike previous studies that primarily focused on tax planning and firm-level financial performance, this study is among the first to examine employee compensation as a key outcome of tax planning strategies in Nigerian listed consumer goods firms companies. This introduces a new perspective by linking tax strategies directly to human capital investment.

ii. The study provides empirical evidence on the relationship between tax planning mix and employee compensation specifically within Nigerian listed consumer goods firms, a sector and context that has been largely overlooked in the literature. Previous research focused on financial performance or firm value, leaving a gap in understanding how tax planning impacts employee welfare.

iii. By simultaneously examining debt tax shield, non-debt tax shield, tax avoidance, and deferred taxation in relation to employee compensation, this study develops a more comprehensive framework that integrates corporate tax planning strategies with human resource accounting, thereby extending existing theoretical and empirical knowledge.

iv. The study employs panel data from 2018 to 2024, providing longitudinal evidence of the effect of tax planning on employee compensation, which enhances the robustness of insights and contributes methodologically to the literature on tax planning and human capital outcomes.

v. By demonstrating that effective tax planning can enhance employee compensation, the study provides practical contributions for managers and policymakers, suggesting that tax strategies can be aligned with human resource objectives to improve workforce motivation, retention, and organisational performance.

5.5 Suggestions for Further Studies

The study suggests that further studies on tax planning mix and employee compensation in Nigeria should sample the entire listed manufacturing companies in Nigerian Exchange Group (NGX).

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APPENDIX 1: RESULTS

Descriptive Statistics

	EMPC	DTS	NDTS	TAXA	DTAX	CINT	FLEV
Mean	0.080650	-2.670740	4.029514	-38.40453	6.357079	39.78461	66.83297
Median	0.067300	-1.509700	3.110600	-30.71990	6.615750	38.95590	62.24855
Maximum	1.002800	17.43080	18.82320	471.5152	8.010800	82.67720	271.3114
Minimum	0.010300	-22.75810	0.203400	-1597.648	4.002500	2.609800	20.59240
Std. Dev.	0.095687	6.538675	3.218096	157.8493	0.995671	18.72140	31.66682
Skewness	8.115207	-0.393676	1.511800	-8.405134	-0.590260	0.319933	3.192370
Kurtosis	78.48243	4.336922	6.770110	87.55064	2.451723	2.335595	19.53764
Jarque-Bera	27818.11	11.23400	108.9941	34679.85	7.906425	3.970695	1466.539
Probability	0.000000	0.003636	0.000000	0.000000	0.019193	0.137333	0.000000
Sum	9.032800	-299.1229	451.3056	-4301.307	711.9929	4455.876	7485.293
Sum Sq. Dev.	1.016319	4745.723	1149.532	2765720.	110.0410	38904.49	111309.4
Observations	112	112	112	112	112	112	112

Correlations

	EMPC	DTS	NDTS	TAXA	DTAX	CINT	FLEV
EMPC	1.000000	0.023199	0.125823	0.054438	0.005734	0.274242	-0.129733
DTS	0.023199	1.000000	-0.110812	-0.016195	0.135297	0.137125	0.280580
NDTS	0.125823	-0.110812	1.000000	0.105983	-0.052917	0.407303	-0.267403
TAXA	0.054438	-0.016195	0.105983	1.000000	-0.114655	0.102419	-0.038448
DTAX	0.005734	0.135297	-0.052917	-0.114655	1.000000	0.044801	0.246449
CINT	0.274242	0.137125	0.407303	0.102419	0.044801	1.000000	-0.224645
FLEV	-0.129733	0.280580	-0.267403	-0.038448	0.246449	-0.224645	1.000000

Panel Analysis Model
Fixed Effect Model (REM)

Dependent Variable: EMPC
Method: Panel Least Squares
Date: 10/04/25 Time: 13:07
Sample: 2018 2024
Periods included: 7
Cross-sections included: 16
Total panel (balanced) observations: 112

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.053088	0.167128	-0.317651	0.7515
DTS	-0.000421	0.001908	-0.220659	0.8259
NDTS	-0.003862	0.004773	-0.809157	0.4207
TAXA	-4.35E-05	6.30E-05	-0.690957	0.4915
DTAX	0.011211	0.022633	0.495347	0.6216
CINT	0.002278	0.001378	1.653153	0.1020
FLEV	-0.000230	0.000371	-0.619566	0.5372

Effects Specification

Cross-section fixed (dummy variables)
Period fixed (dummy variables)

R-squared	0.286730	Mean dependent var	0.080650
Adjusted R-squared	0.057465	S.D. dependent var	0.095687
S.E. of regression	0.092897	Akaike info criterion	-1.702329
Sum squared resid	0.724910	Schwarz criterion	-1.022705
Log likelihood	123.3305	Hannan-Quinn criter.	-1.426584
F-statistic	1.250646	Durbin-Watson stat	1.450881
Prob(F-statistic)	0.218238		

Random Effect Model (RAM)

Dependent Variable: EMPC
Method: Panel EGLS (Cross-section random effects)
Date: 10/04/25 Time: 13:10
Sample: 2018 2024
Periods included: 7
Cross-sections included: 16
Total panel (balanced) observations: 112
Swamy and Arora estimator of component variances

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.035022	0.069348	0.505022	0.6146
DTS	1.76E-05	0.001504	0.011691	0.9907
NDTS	-0.000434	0.003281	-0.132352	0.8950
TAXA	8.13E-06	5.75E-05	0.141559	0.8877
DTAX	0.001073	0.010172	0.105494	0.9162
CINT	0.001403	0.000586	2.392317	0.0185
FLEV	-0.000223	0.000321	-0.694059	0.4892

Effects Specification

	S.D.	Rho
Cross-section random	0.018823	0.0395
Idiosyncratic random	0.092776	0.9605

Weighted Statistics

R-squared	0.075928	Mean dependent var	0.071060
Adjusted R-squared	0.023124	S.D. dependent var	0.093857
S.E. of regression	0.092765	Sum squared resid	0.903563
F-statistic	1.437923	Durbin-Watson stat	1.234190
Prob(F-statistic)	0.207130		

Unweighted Statistics

R-squared	0.080413	Mean dependent var	0.080650
Sum squared resid	0.934594	Durbin-Watson stat	1.193212

Hausman Test

Correlated Random Effects - Hausman Test
Equation: Untitled
Test cross-section random effects

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	5.975139	6	0.4260

Cross-section random effects test comparisons:

Variable	Fixed	Random	Var(Diff.)	Prob.
DTS	-0.000914	0.000018	0.000001	0.3623
NDTS	-0.004542	-0.000434	0.000011	0.2121
TAXA	-0.000040	0.000008	0.000000	0.0272
DTAX	0.009344	0.001073	0.000395	0.6772
CINT	0.002897	0.001403	0.000001	0.1015
FLEV	-0.000120	-0.000223	0.000000	0.5431

Ramsey RESET Test

Equation: UNTITLED
Specification: EMPC C DTS NDTS TAXA DTAX CINT FLEV
Omitted Variables: Powers of fitted values from 2 to 4

	Value	df	Probability
F-statistic	20.67534	(3, 102)	0.0000
Likelihood ratio	53.20585	3	0.0000

F-test summary:

	Sum of Sq.	df	Mean Squares
Test SSR	0.353168	3	0.117723
Restricted SSR	0.933944	105	0.008895
Unrestricted SSR	0.580775	102	0.005694

LR test summary:

	Value	df
Restricted LogL	109.1418	105
Unrestricted LogL	135.7447	102

Robust Random Panel Regression

Dependent Variable: EMPC
Method: Robust Least Squares
Date: 10/04/25 Time: 13:19
Sample: 2018 2024
Included observations: 112
Method: M-estimation
M settings: weight=Welsch, tuning=2.985, scale=MAD (median centered)
Huber Type I Standard Errors & Covariance

Variable	Coefficient	Std. Error	z-Statistic	Prob.
C	0.061097	0.002608	23.42605	0.0000
DTS	0.000306	6.03E-05	5.069372	0.0000
NDTS	0.004912	0.000128	38.25935	0.0000
TAXA	1.12E-05	2.35E-06	4.761067	0.0000
DTAX	0.000822	0.000385	2.137386	0.0326
CINT	-9.09E-05	2.24E-05	-4.049957	0.0001
FLEV	-0.000155	1.30E-05	-11.87557	0.0000

Robust Statistics

R-squared	0.161472	Adjusted R-squared	0.113556
Rw-squared	0.224020	Adjust Rw-squared	0.224020
Akaike info criterion	105.9144	Schwarz criterion	137.6040
Deviance	0.113581	Scale	0.032956
Rn-squared statistic	2161.152	Prob(Rn-squared stat.)	0.000000

Non-robust Statistics

Mean dependent var	0.080650	S.D. dependent var	0.095687
S.E. of regression	0.098081	Sum squared resid	1.010088

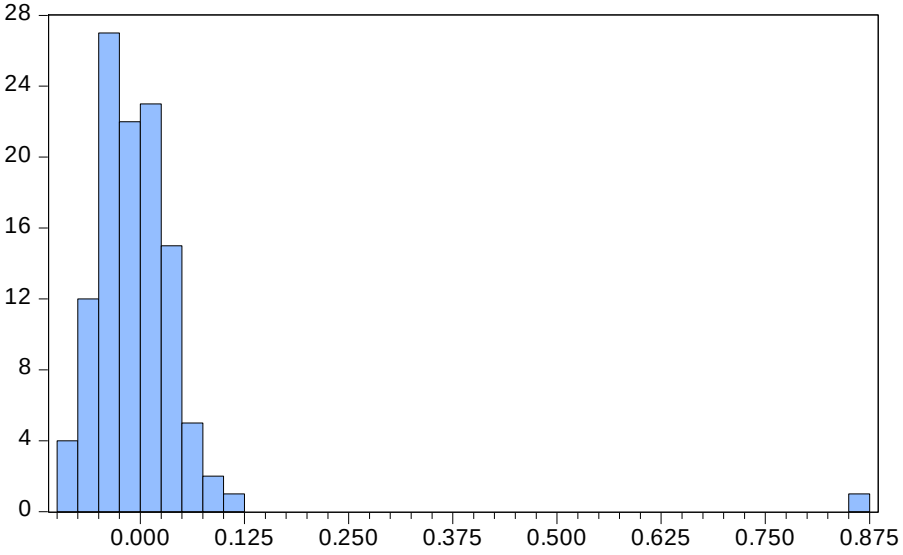
Post Estimation results

Variance Inflation Factors (VIF)

Date: 10/04/25 Time: 13:33
Sample: 1 112
Included observations: 112

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	0.004071	51.25968	NA
DTS	2.17E-06	1.355002	1.159770
NDTS	9.86E-06	3.291544	1.274811
TAXA	3.31E-09	1.091859	1.030320
DTAX	8.85E-05	46.14016	1.095136
CINT	3.01E-07	7.324681	1.318176
FLEV	1.02E-07	6.981859	1.270733

Normality Test



Series: Residuals
Sample 1 112
Observations 112

Mean	-1.92e-17
Median	-0.011544
Maximum	0.863098
Minimum	-0.092578
Std. Dev.	0.091727
Skewness	7.519481
Kurtosis	71.35962
Jarque-Bera	22862.97
Probability	0.000000

Heteroskedasticity Test: Breusch-Pagan-Godfrey

F-statistic	1.441370	Prob. F(6,105)	0.2059
Obs*R-squared	8.522798	Prob. Chi-Square(6)	0.2022
Scaled explained SS	263.5228	Prob. Chi-Square(6)	0.0000

Test Equation:
Dependent Variable: RESID^2
Method: Least Squares
Date: 10/04/25 Time: 13:36
Sample: 1 112
Included observations: 112

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.022623	0.046975	-0.481585	0.6311
DTS	-0.000255	0.001085	-0.235087	0.8146
NDTS	-0.003945	0.002312	-1.705987	0.0910
TAXA	5.16E-06	4.24E-05	0.121748	0.9033
DTAX	0.000690	0.006927	0.099656	0.9208
CINT	0.001111	0.000404	2.747661	0.0071
FLEV	-3.29E-05	0.000235	-0.140164	0.8888

R-squared	0.076096	Mean dependent var	0.008339
Adjusted R-squared	0.023302	S.D. dependent var	0.070261
S.E. of regression	0.069437	Akaike info criterion	-2.436327
Sum squared resid	0.506260	Schwarz criterion	-2.266421
Log likelihood	143.4343	Hannan-Quinn criter.	-2.367390
F-statistic	1.441370	Durbin-Watson stat	2.036027
Prob(F-statistic)	0.205862		

APPENDIX 2: DATA REGRESSION

SN	COMPANY	YEAR	EMPC	DTS	NDTS	TAXA	DTAX	CINT	FLEV
1	Cadbury Nig	2018	0.1480	-2.6915	5.2241	-32.6902	5.8659	48.2822	53.9519
	Cadbury Nig	2019	0.1382	-3.0719	5.1609	-30.4139	5.9469	46.8142	52.8982
	Cadbury Nig	2020	0.1644	2.6639	4.5267	128.3526	5.3388	38.4195	59.2013
	Cadbury Nig	2021	0.0886	-2.1569	3.0302	-59.0395	5.8798	29.7982	68.7872
	Cadbury Nig	2022	0.1051	-1.5412	2.4486	-55.0904	6.0385	23.5641	77.7226
	Cadbury Nig	2023	0.0821	14.0202	2.5600	-30.4054	6.9737	22.9608	110.2689
	Cadbury Nig	2024	0.0577	8.9641	2.6077	-21.5396	7.2113	23.0608	93.9551
2	Champion Breweries	2018	0.1915	-0.3282	6.7770	3.2784	5.9537	71.8377	24.3299
	Champion Breweries	2019	0.1265	-1.2907	8.3125	-18.4289	5.9550	70.5048	26.8599
	Champion Breweries	2020	0.1485	-7.7994	9.2134	-62.0261	5.8823	77.3948	29.2520
	Champion Breweries	2021	0.1131	-18.0162	8.9416	-41.7324	4.1374	69.7476	31.6396
	Champion Breweries	2022	0.1453	-14.6048	9.5714	-29.4779	5.6841	66.6437	29.3726
	Champion Breweries	2023	0.1321	-0.7991	9.3579	-16.7917	5.7671	73.5524	45.5298
	Champion Breweries	2024	0.1011	-4.9204	9.6458	-35.8743	4.1672	64.7767	43.5185
3	Dangote Sugar	2018	0.0460	-16.5804	2.9915	-36.4861	7.0963	20.5847	43.4804
	Dangote Sugar	2019	0.0422	-8.7171	3.0726	-25.0136	7.1892	42.8471	44.1749
	Dangote Sugar	2020	0.0388	-10.3359	2.7692	-34.7354	6.9496	36.5905	55.1449
	Dangote Sugar	2021	0.0324	-5.1842	2.5791	-35.1808	7.0184	40.2436	64.2200
	Dangote Sugar	2022	0.0266	-8.5803	1.9762	-33.4869	7.1218	32.0371	65.2286
	Dangote Sugar	2023	0.0287	6.7419	1.7091	-32.2816	7.5204	27.8105	86.8097
	Dangote Sugar	2024	0.0268	-8.6490	0.8537	31.8852	8.0108	24.5004	109.0620
4	Flour Mills Of Nigeria	2018	0.0382	-1.0793	0.6862	-16.9643	7.2734	53.3617	63.1156
	Flour Mills Of Nigeria	2019	0.0481	-1.6259	0.3670	-59.7921	7.1629	53.1319	87.7712
	Flour Mills Of Nigeria	2020	0.0510	-2.1243	0.4662	-34.0616	7.1883	50.1534	63.9712
	Flour Mills Of Nigeria	2021	0.0434	-3.1255	0.2961	-31.0259	7.3277	41.6425	67.9450
	Flour Mills Of Nigeria	2022	0.0340	-2.3775	0.3032	-28.5610	7.4437	50.4897	70.6295
	Flour Mills Of Nigeria	2023	0.0353	-1.1785	0.3734	-25.8362	7.4910	31.0557	79.4764
	Flour Mills Of Nigeria	2024	0.0273	0.3004	0.2726	-1597.6480	7.6474	22.8109	84.3449
5	Guinness Nig	2018	0.0671	-4.9120	5.7907	-32.4400	7.1335	63.6860	42.8481
	Guinness Nig	2019	0.0667	-2.2583	6.0541	-22.8038	7.1399	62.6901	44.6116
	Guinness Nig	2020	0.0999	6.3212	7.1755	-26.3261	6.9301	61.6870	49.3303
	Guinness Nig	2021	0.0707	-4.7458	4.7955	-78.2419	7.0365	55.6277	56.1489
	Guinness Nig	2022	0.0667	-6.3835	3.9253	-33.8884	7.0188	45.2961	58.2772
	Guinness Nig	2023	0.0722	2.1425	3.8303	-17.9350	5.6805	41.0252	76.6598
	Guinness Nig	2024	0.0602	8.4445	4.3690	-25.6693	7.3147	44.8067	99.0441
6	Honywell Flour Mill	2018	1.0028	-0.6506	2.3139	-9.1397	6.6492	82.6772	54.8270
	Honywell Flour Mill	2019	0.0382	-0.6673	1.9960	-93.7926	6.6604	77.5591	58.8024
	Honywell Flour Mill	2020	0.0361	-0.7293	2.7302	-48.7871	6.6713	74.0376	59.7320

SN	COMPANY	YEAR	EMPC	DTS	NDTS	TAXA	DTAX	CINT	FLEV
	Honywell Flour Mill	2021	0.0419	-0.5041	3.1643	-28.5922	6.6938	68.7414	60.6711
	Honywell Flour Mill	2022	0.0359	-0.8687	3.4907	471.5152	6.6938	64.7642	62.3473
	Honywell Flour Mill	2023	0.0468	7.4167	3.3614	-102.6858	6.5823	51.4906	80.0144
	Honywell Flour Mill	2024	0.0293	-1.2063	3.9620	17.6925	6.7278	54.3859	84.6566
7	International Breweries	2018	0.0733	1.5204	5.4429	-51.9673	5.2779	78.4371	88.6680
	International Breweries	2019	0.0844	2.3418	7.9549	-23.1600	6.9655	74.2606	97.9560
	International Breweries	2020	0.0830	5.6620	8.1955	-50.2873	7.3531	68.0765	59.2821
	International Breweries	2021	0.0552	0.6514	9.1385	-10.9888	7.4093	52.1733	71.2091
	International Breweries	2022	0.0586	1.4222	8.4776	-19.4385	7.5134	52.0538	75.7708
	International Breweries	2023	0.0618	4.4765	5.4380	-28.0067	7.7923	34.5541	83.0071
	International Breweries	2024	0.0397	-0.6432	5.3834	1.6047	7.8044	39.5099	38.3252
8	Mcnichols Consolidated	2018	0.0474	-0.6824	6.2347	-7.8893	4.3489	45.9062	59.6514
	Mcnichols Consolidated	2019	0.0471	-0.4361	6.4776	-8.7383	4.2843	46.5739	52.0541
	Mcnichols Consolidated	2020	0.0421	-0.5831	6.2629	-10.5133	4.3200	49.2363	50.3157
	Mcnichols Consolidated	2021	0.0432	-1.0145	7.1856	-19.2389	4.3211	46.7760	48.1374
	Mcnichols Consolidated	2022	0.0381	-3.7562	5.6099	-40.1463	4.0025	42.9854	41.8043
	Mcnichols Consolidated	2023	0.0291	-2.1520	2.8573	-22.1558	4.3541	29.9677	44.6359
	Mcnichols Consolidated	2024	0.0103	-5.5100	4.4045	-23.6945	4.6407	29.7247	49.6325
9	Nascon Allied	2018	0.0677	-11.0419	6.5029	-31.4630	6.3121	38.6690	60.7092
	Nascon Allied	2019	0.0675	-3.3497	5.9460	-33.3626	6.3187	39.2428	71.3224
	Nascon Allied	2020	0.0739	-3.8507	6.6271	-31.1363	6.3882	37.6858	71.2929
	Nascon Allied	2021	0.0680	-4.8939	6.3380	-29.8973	6.3723	34.7062	63.8939
	Nascon Allied	2022	0.0405	-7.9613	0.7976	-34.6892	6.3275	22.4539	65.7084
	Nascon Allied	2023	0.0466	-12.2236	0.5174	-33.3194	6.3811	14.4720	67.1358
	Nascon Allied	2024	0.0394	-22.7581	0.6855	-34.1092	6.7349	15.7193	45.1540
10	Nestle Nig	2018	0.0883	-14.9338	6.9947	-28.0211	7.0559	45.1941	69.0636
	Nestle Nig	2019	0.0913	-17.2110	3.8530	-35.7696	7.0954	41.0570	76.4407
	Nestle Nig	2020	0.0926	-9.8790	3.1486	-35.3347	7.0786	35.4473	88.0996
	Nestle Nig	2021	0.0854	-7.5601	2.7106	-35.2936	7.0999	31.8994	93.1091
	Nestle Nig	2022	0.0779	-5.7554	2.3498	-31.1406	7.1718	28.1270	92.7017
	Nestle Nig	2023	0.0746	3.7210	2.0064	-23.6016	7.6673	28.4275	113.4133
	Nestle Nig	2024	0.0586	5.9931	3.3703	-25.7204	7.8477	49.0457	110.7477
11	Nigeria Breweries	2018	0.1211	-4.5088	7.5977	-33.9339	7.3901	52.4111	57.0321
	Nigeria Breweries	2019	0.1233	-3.3697	8.2038	-31.0291	7.3649	52.7480	56.1756
	Nigeria Breweries	2020	0.1216	-1.4782	8.8657	-36.3509	7.2517	47.8656	63.8496
	Nigeria Breweries	2021	0.1134	-3.5168	8.1927	-46.5344	7.3670	52.9774	64.5923
	Nigeria Breweries	2022	0.0932	-0.9441	6.1355	-23.9542	7.2650	57.9084	70.9764
	Nigeria Breweries	2023	0.0925	5.3122	5.8291	-26.7977	7.3749	66.2182	92.0484
	Nigeria Breweries	2024	0.0631	5.6402	4.7014	-20.7930	7.8240	31.0356	59.2415
12	Nigerian Enamelware	2018	0.0164	0.1633	1.0550	-60.7050	5.3932	20.7568	68.8867
	Nigerian Enamelware	2019	0.0218	-0.0842	1.1019	1.1275	5.3979	20.5763	73.0204

SN	COMPANY	YEAR	EMPC	DTS	NDTS	TAXA	DTAX	CINT	FLEV
	Nigerian Enamelware	2020	0.0526	-0.2135	1.0370	2.5959	5.4089	18.4208	83.3325
	Nigerian Enamelware	2021	0.0797	1.4575	1.1190	-4.7907	5.3847	18.7711	20.5924
	Nigerian Enamelware	2022	0.0649	0.2961	1.1717	-2.8447	5.3587	18.4958	96.7169
	Nigerian Enamelware	2023	0.1043	-21.0466	0.8557	-34.4291	4.9877	5.9060	69.6744
	Nigerian Enamelware	2024	0.0191	-1.0177	1.6354	1.2884	4.9454	12.6111	129.7375
13	Nigerian Northen Flour Mill	2018	0.0804	1.5470	0.2034	-46.1175	4.9648	35.6509	57.0213
	Nigerian Northen Flour Mill	2019	0.0630	0.7180	0.2070	-39.5265	5.0494	41.9441	57.7884
	Nigerian Northen Flour Mill	2020	0.0384	-0.9792	2.3352	-46.4388	4.7344	43.9578	67.3929
	Nigerian Northen Flour Mill	2021	0.0402	-1.4075	2.8201	-47.9560	5.0205	48.5021	62.1498
	Nigerian Northen Flour Mill	2022	0.0324	-0.9929	1.7416	-56.2839	5.3044	28.8987	78.5622
	Nigerian Northen Flour Mill	2023	0.0350	-1.6824	1.6578	-40.9556	5.8823	42.4446	63.0938
	Nigerian Northen Flour Mill	2024	0.0331	-7.9292	1.6871	-33.8483	5.9453	41.6213	54.9345
14	Pz Cussons	2018	0.1133	-0.8881	2.8857	-16.7014	6.3841	32.0826	49.0965
	Pz Cussons	2019	0.1049	-2.3010	3.1823	-40.4951	6.5072	34.2031	42.7644
	Pz Cussons	2020	0.1142	1.6978	3.4292	-9.3325	6.7299	33.3841	55.9472
	Pz Cussons	2021	0.0812	-2.6745	2.9717	-44.2372	6.8325	28.2445	60.4378
	Pz Cussons	2022	0.0757	-4.6125	2.1283	-33.0605	6.7514	15.0632	65.5258
	Pz Cussons	2023	0.0703	-5.1823	1.1747	-29.8841	6.6638	9.3171	70.9315
	Pz Cussons	2024	0.0588	17.4308	1.1171	-29.7346	7.4740	9.5357	117.5136
15	Unilever Nig	2018	0.1048	-7.1141	2.2221	-27.6484	6.5625	22.5097	37.2061
	Unilever Nig	2019	0.1759	7.1395	4.3291	-26.3332	5.9516	30.8239	35.8315
	Unilever Nig	2020	0.1784	2.6428	5.6118	-16.3764	5.2125	29.9075	32.1123
	Unilever Nig	2021	0.1308	-2.7992	3.2648	-63.3644	6.0267	20.6636	39.2718
	Unilever Nig	2022	0.0990	-5.7844	1.9302	-42.8170	6.1683	17.1390	46.1163
	Unilever Nig	2023	0.0969	-13.1059	18.8232	-25.0203	6.6880	16.1398	35.9350
	Unilever Nig	2024	0.0831	-13.2761	15.9902	-33.1415	5.9744	15.7976	39.9167
16	Vitafoam Nig	2018	0.0720	-0.8881	2.3736	-16.7014	6.3841	16.1124	271.3114
	Vitafoam Nig	2019	0.0814	-2.3010	0.3281	-40.4951	6.5072	2.6098	30.0334
	Vitafoam Nig	2020	0.0804	1.6978	3.0353	-9.3325	6.7299	25.6090	202.8640
	Vitafoam Nig	2021	0.0681	-14.5575	1.6440	-37.3846	5.8277	20.4797	59.3085
	Vitafoam Nig	2022	0.0570	-11.3263	0.8687	-37.3156	5.8504	15.9112	60.2695
	Vitafoam Nig	2023	0.0514	-5.0540	0.9064	-27.1506	5.4381	14.1089	64.9503
	Vitafoam Nig	2024	0.0446	-0.7338	0.9713	-16.8628	5.2993	31.0373	51.2548