Relationship Between Intellectual Capital Reporting and Financial Performance of Listed Consumer Goods Companies in Nigeria in the Covid-19 Pandemic Era

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Abstract:- The aim of this study is to investigate the relationship between Intellectual Capital Reporting (ICR) and Financial Performance of listed consumer goods companied in Nigeria in the Covid-19 Pandemic era. The study deployed ex-post facto research design as data were sourced from published accounts and annual reports of fifteen (15) listed consumer goods companies in Nigeria from 2012-2019. OLS regression was used to analyze the data with the aid of STATA version 14.2. Results revealed that ICR components that is HCR, SCR and RCR have significant relationships with financial performance proxied by Tobin's Q. The study therefore concluded that there is a strong relationship between ICR and financial performance of listed consumer goods companies in Nigeria. The study made a policy recommendation among other things that, management should invest more aggressively in human capital development in order to enhance value and competitiveness of their companies in the post Covid-19 pandemic era.

Keywords:- Financial Performance, Human Capital, Intellectual Capital Reporting, Relational Capital and. Structural Capital.

I. INTRODUCTION

The dawning of the new economy age has ushered the world industrial community into knowledge-based economy. In this new economic order, the traditional factors of production such as land, labour and capital are replaced by knowledge. This has become the most needful strategic resources an organization needs for longevity and competition (Ayodeji & Okunade, 2019). Whilst these traditional factors of production are controlled by the law of diminishing returns, on the contrary additional unit of knowledge consumed results to increased performance (Sheilii, 2015). Apparently, the success of today's business environment is often attributed to the face that utilization of additional unit of knowledge based products or services would lead to increase in marginal returns (Kalyani, Mathur, & Gupta, 2019).

Nonetheless, just as not every form of labour and material are required for production activities in every organization, same is applicable to the type of knowledge needed by each organization in carrying out its unique and distinct production activities, in accordance to its specific unique characteristics. As such, for efficient and effective utilization of an organization's knowledge asset as a factor of production, it's imperative for each organization to identify and accumulate those knowledge-assets that are peculiar to its operation. These knowledge-based assets are in other words termed 'Intellectual Capital'(IC) (Ciftci, Tatoglu, Wood, Demirbag, & Zaim, 2019).

Several business stakeholders today subscribe to the view that intellectual capital reporting is needed for several strategic purposes. Amongst these are the wide acceptance that Intellectual Capital constitutes strategic essential value for future profitability and survival growth of the organization. Traditionally, several business organizations have measured economic, financial and operational performance with little or no regard on their intellectual capital (Shah, & Khan, 2017; Sheidu & Yusuf, 2015). Organizations who fail to report on their intellectual competencies observed that their statement of financial position is not considered as an indicator of the corporate worth of the organization. This is due to the fact that the value presented in the organization's statement of financial position have been underestimated (Zorn, Sexton, Bhussar, & Lamont, 2017); hence the need for a paradigm shift in corporate financial reporting which encompasses intellectual capital becomes pungent in this regard.

Currently, organizations which are excelling or successful are those that constantly undergo innovation and take advantage of new invention, utilizing skills, talents and potentials of employees maximally and not those that concentrate more on their physical assets. Consequently, financial analysts, creditors, shareholders and customer are gaining awareness of the importance of certain knowledge assets that are not enshrined in the traditional financial statement. Users of financial statements need detail and reliable information such as management qualities, expertise, experience, integrity, customer relations and other personal competencies. All these are factors related to

intellectual capital since they are considered relevant for the company's ability to generate value. (Shah, & Khan, 2017).

In no doubt, the devastating effect of the novel Covid-19 pandemic on global economy can never be overemphasized, as the economy of many nations struggle to survive and that of our nation Nigeria has dived into recession. The lifeblood of any nation lies not in the natural resources or physical assets, but knowledge based assets (Intellectual Capital). This therefore implies that knowledge must be seen as the most important factor of production in this new economy faced with global challenge of Covid-19 pandemic. To circumvent from the menace, it becomes imperative for organizations most especially in Nigeria to identify, utilize, measure and disclose in their annual reports their intellectual capital competences due to the fact that intellectual capital constitute strategic important elements for future profitability and survival of companies (Joia & Sanz, 2009; Nielsen, 2009). As such, enhancing the quality of decision making by stakeholders and other users of financial report, which will serve as a base for increased financial performance and survival in the Post Covid-19 pandemic era.

Currently the accounting body is faced with the challenge to reinvent itself. This move emanates from the inherent deficiencies of the conventional accounting system which has failed to recognize and report on knowledge based assets acquired by organizations as non-current assets in financial statements. Thus, there is need for an elaborate platform of financial reporting that could capture knowledge assets and other intellectual capital components in qualitative form for informed economic decision making. The non-inclusion of intellectual capital components in financial statements implies that the great intangible values and investments by firms in acquiring and developing these intellectual assets is neglected. (Onyekwelu & Ubesie, 2016).

It is therefore in line with the above background that this study seeks to examine the relationship between intellectual capital reporting and financial performance of listed consumer goods companies in Nigeria in the Covid-19 pandemic era. Towards actualizing this, some problems observed both in time past, present and possibly in the future in which birthed this study and called for investigation are identified.

Problem Statement
Owing to the present Covid-19 pandemic era, most organizations are faced with the challenge of reflecting the value of their firm by reporting the value created by the intellectual assets for competitive advantage. As such, the accounting profession is currently faced with the challenge to reinvent itself from the inherent deficiencies of the conventional accounting which has failed to recognize the intellectual assets acquired by organizations as non-current assets. Several studies have been conducted on intellectual capital reporting but mostly in the Asian countries. However, minimal studies have been conducted in this area in other climes including Nigeria. More so, most of the

studies conducted were done in time past as only a handful of the studies on Intellectual Capital reporting are conducted in recent time when it is most needed. Examples of studies on intellectual capital reporting in different countries are: China (Yi & Davey, 2010); Spain (Olivers, Gowthorpe, Kaperskaya & Perramon, 2008); Sri Lanka (Abeysekera & Guthrie, 2005; and Oliveras, Rodgriques & Craig, 2006); USA (Abdolmohammadi, 2005); Australia (Guthrie & Petty, 2000); and Canada (Bontis, 2003) just to mention few. These studies provide evidence on the awareness and importance of intellectual capital reporting on the performance of a reporting organization.

However, to say the least, only few studies of the widely published IC reporting researches are conducted in Nigeria, notable amongst them is Salman and Dandago (2013). A review of the studies in this area revealed differences in design, sector of study, sample size, time investigated and variables used in the studies. Of great concern also is the state of several industries in the developing countries, and Nigeria in particular, which suddenly decided for mergers and/or downsizing as measures to mitigate losses occasioned by the outburst of the Covid-19 pandemic, and strive for survival. Therefore, to address the problems identified above, this study seeks to investigate the relationship between intellectual capital reporting and financial performance of listed consumer goods companies in Nigeria, evaluating its relationship in the era of Covid-19 pandemic in line with some specific set objectives.

Objectives
The main objective of this study is to investigate the relationship between intellectual capital reporting and financial performance of listed consumer goods companies in Nigeria in the Covid-19 pandemic era. To achieve this broad objective, the study identified some specific objectives which are to;
i. Assess the relationship between Human Capital Reporting (HCR) and financial performance of listed consumer goods companies in Nigeria.
ii. Examine the relationship between Structural Capital Reporting (SCR) and financial performance of listed consumer goods companies in Nigeria.
iii. Evaluate the relationship between Relational Capital Reporting (RCR) and financial performance of listed consumer goods companies in Nigeria.

Hypotheses
In order to translate the objectives into testable forms, the following null hypotheses are formulated;
HO₁ Human Capital Reporting (HCR) has no significant relationship with financial performance of listed consumer goods companies in Nigeria.
HO₂ Structural Capital Reporting (SCR) has no significant relationship with financial performance of listed consumer goods companies in Nigeria.
HO₃ Relational Capital Reporting (RCR) has no significant relationship with financial performance of listed consumer goods companies in Nigeria.

II. LITERATURE REVIEW

Concept of Intellectual Capital

Generally, there is yet to emerge a standard universally acceptable definition of intellectual capital. Intangible assets are typically described as goods or assets without physical existence but has economic value (Gerpoth, Thomas & Hoffman, 2008). These intangible assets are otherwise called Intellectual capital or knowledge assets (Lev, 2001). Intellectual capital is defined as a claim to future benefit that does not have a physical or financial (a stock or a bond) embodiment". Some have defined it by its drivers. This set of assets as research and development (R&D), Advertising, information technology (IT) and Human Resource (Gu & Lev, 2001)

Intellectual capital is viewed as intellectual material, knowledge information, intellectual property and experience that can be put to use to create wealth (Stewart, 1997). Intellectual capital has also been defined as the ideas or understanding which an entity possesses that is used to take effective action to achieve the entity's goals (Denning, 2000). Thus this definition emphasizes that IC is specific to the specific needs of an organization that creates it. (Tongo, 2013).

As reasonable as these definitions may sound, no widely accepted definition of intellectual capital has emerged. However, there is a consensus agreement that IC covers three main covers three main areas which are; Human Capital (HC), Structural Capital (SC), and Relational Capital (RC) (Gerpoth, 2008). In line with the above submissions, intellectual capital can be seen as knowledge based assets that can be explored for some wealth creation or other economic benefits, upon which the value of physical assets can be appreciated.

Despite the economic value possessed by intellectual capital, it is not yet fully captured or reported in the traditional financial reports of many organizations. In contrast with tangible resources, the payoff and value of investments in an enterprise's current stock of intellectual capital will not appear in the financial accounting until later on. Therefore, for these reasons, knowledge based resources must be identified, reported, and analyzed (Lytras & Ordonez de Pablos, 2009).

Components of Intellectual Capital

The components of intellectual capital include the following: Human Capital (HC), Structural Capital (SC), and Relational Capital (RC) (Lytras & Ordonez de Pablos, 2009).

Concept of Human Capital (HC)

Human Capital (HC) refers to the value of all the employees in the organization and the rewards that are attached to their value utilization such as skills, experience, talents, competencies and capabilities that employees take with them when they leave the organization. Human capital simply refers to as knowledge, experience, training,

creativity, capabilities and core competencies contained in human resources of an organization (Mahamad & Salman, 2011). Other group of people view human capital as what people acquire from learning, experience and skills, on the other hand, other group while another group explained it as human capabilities that are directly linked to work. However, several organizations invest huge resources in developing human resources that does not belong to the organization but owned by the employees, though it is a source of wealth for organization and its ability to be innovative. (Ahangar, 2011).

In summary, human capital is the combined knowledge, expertise, experience, innovativeness, skills competencies loyalty, training and education therefore, human capital is the combined knowledge, expertise, skills, experience, competence, attitude, problem solving ability and ability of individuals to realize organizational tasks and goals. It also includes wisdom, experience, intuition, and even spirituality of organizational members.

Concept of Structural Capital (SC)

Structural Capital (SC) refers to process, systems, procedure and practices of an organization used by the employees in achieving the set goals and objectives of the organization. The components of structural capital according to Maheran and Khairu (2009) are competitive intelligence, formulas, information systems, patents, and policies amongst others which resulted from the products or systems the company has created over time. It is a supportive infrastructure for human capital. Unlike human capital, structural capital is owned by the company which can be traded, reproduced and shared by and within the organization (Ahangar, 2011).

According to Lytras and Ordenez de Pablos (2009), structural capital can be further broken down into technological capital and organizational capital. Technological capital represents industrial and technical knowledge, such as results from research and development and process engineering. Organizational capital includes all aspects that are related to the organization of the company and its decision making capabilities, processes, patents, licenses, and trademarks amongst others, (Hormiga, 2011; Longo, Mariani, & Mura, 2009). Structural capital belongs to the organization as a whole and can be reported and shared (Cohen & Kaimenakis, 2009).

Concept of Relational Capital (RC)

Relational Capital (RC) is defined as an intellectual capital developed, maintained and nurtured by an organization in other to sustain its external relationship that influences corporate performance. Thus, it is the strength and networking of an organization through its customers and external factors that develop this important capital. Relational capital is sometimes called Customer capital (Eugstrom, Westnes & Westnes, 2003).

Relational capital constitutes the value of organizational relationships. In general it has been accepted that these relationships are mainly focused on parties that

are external to the organization. This includes customers, suppliers, shareholders (Ordonez de Pablos, 2009). Nevertheless, it must be appreciated that the relationship of a company with its employees creates value. So for this strategic reason it is necessary to put them in mind. Therefore, to advance in the study of relational capital, it is convenient to differentiate between internal relational capital and external relational capital. The internal relational capital deals with the relationship between management and employees within the organization while external relation deals with the relationship between the organization and its customers.

Concept of Intellectual Capital Reporting

Reporting intellectual capital as resources and practices in transformation and connectivity can be considered to result in reporting that covers soft values. Reporting of soft values pose a challenge regarding how it should be done. In particular, with Intellectual Capital contesting boundaries, distinct organization boundaries are questioned, which reflects boundaries of the reporting unit being contested. However, it is not only boundaries of the reporting unit that are contested, so too are the boundaries of reporting. Considerations on what should be included and how Intellectual Capital should be measured are issues that are still under consideration (Roslender & Stevenson, 2009; Mårtensson, 2009)

A distinction in intellectual capital reporting can be made between a requests for some kind of generic reporting, or common reporting and reporting oriented towards management communication. This is not to suggest that a common approach would not be possible to use for management to communicate. It is rather a matter of the possibility of management adapting reporting to suit the firm's specific situation in the second approach whereas in the first approach of a generic reporting, common design issues to which the firms operations ought to fit receive more attention. However, what the distinction of approaches also relates to is whether the reporting should be regulated or not, that is, if it is to be mandatory or voluntary (Nielsen & Madsen, 2009)

Concept Financial Performance

Financial performance which assesses the fulfillment of a firm's economic goals has long been issue of interest in managerial researches. It is a general measure of a firm's overall financial health over a given period of time, and can be used to compare similar firms across the same industry or to compare industries or sectors in aggregation. It is the general measure of how well a firm uses its resources to generate profits. There are many different ways to measure Company's financial performance. This may be reflected in the firm's Return on Investment (ROCE), Return on Assets (ROA), Return on Equity (ROE), Valued Added, and Tobin's Quotient among others and is a subjective measure of how a firm can use assets from primary mode of business and generate revenues (Mishkin, 2007 in Kinyua, Gakure, Gekara & Orwa, 2015). Nevertheless, Tobin's Q is the measure used in this paper.

Concept of Intellectual Capital Reporting and Financial Performance

Apparently, the nexus between intellectual capital reporting and company's financial performance cannot be overemphasized. Most organizations gives importance in reporting their physical assets and fail to report on their Intellectual Capital competencies, this can reduce the effectiveness of their physical assets leading to low financial performance. The disclosure of intellectual capital will boost confidence of stakeholders in the organization and as well enhance quality decision making and woo new investors, therefore increasing financial performance. The more a company measures and discloses its intellectual capital capabilities, the more it becomes competitive and the more it retains the confidence of its stakeholders (especially investors and creditors) thereby improving their financial performance indicators of the firm such as return on asset, equity, investment and net profit margin amongst others.. (Andrikopoulos, 2005; Kim & Kumar, 2009; Nazari & Herremans, 2007).

Theoretical Framework

This study employs stakeholder theory, in which it is anchored, to explain the motivation for Intellectual Capital reporting.

Stakeholder Theory

Stakeholder theory propounded by Freeman (1984), asserts that a firm can only exist through the interaction, transactions and exchanges carried on with various members of its relational capital (stakeholders). In the long run the firm must operate in such a way that each stakeholder is satisfied. The primary goal of the firm is survival: the more dissatisfied the main members of its relational capital are, the more certain it is that the company's activities will cease (Carroll, 1989; Freeman, 1984; Nasi, 1982).

Stakeholder theory argues that the organization would prefer a voluntary basis disclosure of information related to intellectual capital competencies, exceeding their obligations because the company has interrelated connection with the stakeholders. Thus investors, creditors, and government and so on are the right parties related to the company with power for a company. The company's overall effort to meet the expectations of stakeholders requires companies to disclose the company's nonfinancial and financial information. In which one of the non-financial information in the form of intangible information is Intellectual Capital (IC).

III. METHODOLOGY

This study has employed the *ex-post facto* research design. The population of the study comprises all the twenty (20) listed consumer goods companies on the Nigerian Stock Exchange as at 1st January, 2020. However, 15 companies were sampled for the study using judgmental sampling techniques. The data obtained from the sampled companies were tabulated and processed into various ratios that are relevant to this study using Microsoft Excel, after

which the OLS regression was conducted with the aid of STATA 14.2, a statistical software for analysis.

In determining the value of intellectual capital reporting, the Intangible Asset Monitor developed by Sveiby (1997), modified by Guthrie (1999) and replicated by Guthrie and Petty (2000) was used as a guide for the content analysis to capture and codify intellectual capital items disclosed by the sampled companies, adopting Yi and Davey (2010) IC framework.

Model Specification
In an attempt to ascertain the nexus between Intellectual Capital Reporting and financial Performance of listed consumer goods companies in Nigeria, the study specifies the following econometric model:

$$FP = f(ICR) - - - \text{(i)}$$
$$FP_{it} = \beta_0 + \beta_1 ICR_{it} + \mu - - - \text{(ii)}$$

FP is represented by; Tobin's Q
$$ICR = HCR + SCR + RCR$$
Where;
FP = Financial Performance
ICR = Intellectual Capital Reporting
Thus, the models for the study are as follows;
Functional form;
$$\text{Tobin's Q} = f(HCR + SCR + RCR) \quad \text{(iii)}$$
Equation Form;
$$\text{Tobin's Q}_{it} = \beta_0 + \beta_1 HCR_{it} + \beta_2 SCR_{it} + \beta_2 RCR_{it} + \mu \quad \text{(iv)}$$

Where:
HCR = Human Capital Reporting
SCR = Structural Capital Reporting
RCR = Relational Capital Reporting
β_0 = Constant
$\beta_1, - \beta_4$ = Regression coefficients;
μ = Error term

Result Presentation and Analysis
The table below shows the descriptive statistics of the sample make up.

Table 1:
Descriptive statistics

Variables	N	Mean	S.D.	Min	Max
Tobin Q	120	17.93	23.46	-74.46	111.92
HCR	120	2.442	0.332	2	3
SCR	120	7.20	1.419	4.62	31
RCR	120	1.822	3.249	0.06	32.48

Source: STATA (Version 14.2) Output

From table 1, the Tobin's Quotient (Tobin's Q) has a value of 17.93% among the companies sampled for this study. The standard deviation is high at 23.46% which shows the variations or vulnerability of obtaining the mean score. The dependent variable Tobin's Q has high mean implying the good financial status of the sampled companies with respect to the intellectual capital indicators. The independent variables, which are Human Capital Reporting (HCR), Structural Capital Reporting (SCR) and Relational

Capital Reporting (RCR) have means of 2.442, 7.20, and 1.822% respectively with low standard deviations of 0.33, 1.42 and 3.25% respectively. This implies that there is high likelihood of obtaining the means among the sampled companies in this study.

Regression Result
Table 2:
Regression Result for Tobin's Q

Variables	Coefficient	t-values	p-values
HCR	0.3533	4.49	0.000
SCR	0.3241	5.19	0.000
RCR	0.3031	2.44	0.016
-cons	4.7324	2.65	0.009
R^2	0.6523		
Adj. R^2	0.6433		
F-Statistics	72.55		
Prob>F	0.0000		
N	120		

Source: STATA (version 14.2)

The result of the data obtained and presented in table 2 shows the relationship between Intellectual Capital Reporting (ICR) and financial performance of listed consumer goods companies in Nigeria. Data was collected from 15 companies for a period of 8 years, giving total number of 120 observations for the analysis. The result showed an above average relationship between Intellectual Capital Reporting and financial performance with the R-Square of 0.6523, and an adjusted R- Square of 0.6433. The value of the R- Square indicates that about 65.23% variations in financial performance are caused by the variables used in this study (Human Capital, Structural Capital and Relational Capital), while 34.77% of the variation in the financial performance is determined by other variables not included in the model. The F- statistics (72.55) signifies that the overall equation is significant at 0.0000% (below 1%) level, indicating that the model is fit to be used for interpretation.

The result shows that HCR has a positive coefficient of 0.3533. This indicates that additional increase in Human Capital Reporting (HCR) will significantly increase financial performance of the sampled firms by 35.33%. The result also revealed that SCR also has a positive coefficient of 0.3241, indicating that an increase in Structural Capital Reporting (SCR) will increase financial performance of the sampled firms by 32.41%. The result finally showed that RCR has a positive coefficient of 0.3031 indicating that any increase in Relational Capital Reporting (RCR) will increase financial performance of the sampled firms by 30.31%.

All things being equal, the result revealed that if the variables used in the study are held constant, there exist a significant relationship between Intellectual Capital Reporting (ICR) and financial performance of the sampled firms with a coefficient of 4.7324, indicating that increase in the variables used in this study will increase financial

performance significantly, having a *t*-value of 2.65 > ± 1.96 and p-value of 0.009.

Test of hypotheses

Decision Criterion: accept the null hypothesis if the calculated significant value is greater than the accepted significant value of 0.05. The critical value of *t*-statistics is ±1.96 at 95% confidence level.

HO₁: Human Capital Reporting (HCR) has no significant relationship with financial performance of listed consumer goods companies in Nigeria.

The result in table 1 shows that HCR has a *t*-value of 4.49 > ± 1.96 threshold and the associated *p*-values of 0.000 < 0.05 level of significance. This led to the rejection of the null hypothesis and the study concludes that there exist a significant relationship between HCR and financial performance of the sampled consumer goods companies in Nigeria.

HO₂ Structural Capital Reporting (SCR) has no significant relationship with financial performance of listed consumer goods companies in Nigeria.

The result in table 2 further shows that SCR has a *t*-value of 5.19 > ± 1.96 threshold and the associated *p*-values of 0.000 < 0.05 level of significance. This led to the rejection of the null hypothesis and as such, the study concludes that there exist a significant relationship between SCR and financial performance of the sampled consumer goods companies in Nigeria.

HO₃ Relational Capital Reporting (RCR) reporting has no significant relationship with financial performance of listed consumer goods companies in Nigeria.

Finally, the result in table 2 shows that RCR has a *t*-value of 2.44 > ± 1.96 threshold and the associated *p*-values of 0.016 < 0.05 level of significance. This also led to the rejection of the null hypothesis and the study concludes that there exist a significant relationship between RCR and financial performance of the sampled consumer goods companies in Nigeria.

Discussion of Results

The result of the test of hypothesis one revealed that HCR has a positive and significant relationship with Tobin's Q. Tobin's Q is positively significant at 4.49. This indicates that an increase in HCR will positively affect Tobin's Q of the sampled companies and the effect will be significant. This result coincides with that of Nwaiwu and Aliyu (2018); Ofurum, Onuoha and Nwaekpe (2018) but however disagrees with the result of work done by Sharabati, Nour and Eddin (2013) who found an insignificant relationship between HCR and corporate performance in their studies.

For hypothesis two, the result showed that statistically, SCR has a significant positive relationship with Tobin's Q. Here, Tobin's Q is significant at 5.19. This shows that an increase in SCR has the capability to significantly increase

Tobin's Q of the sampled companies. This result agrees with that of Kateb (2012), but however is in disagreement with those of Boujelbene and Affes (2013)

Lastly, hypothesis three result indicated that RCR has a significant and positive relationship with Tobin's Q. This relationship is statistically revealed as 2.44. This points to the fact that an increase in RCR will positively relate with the Tobin's Q of the sampled companies and the relationship will be significant. This finding is in concordance with that of Schiemann, Richter, and Guenther (2015), but contrasts with that of Okoye, Aron, and Egbunike (2015)

IV. CONCLUSION AND POLICY RECOMMENDATIONS

Following from the above findings, the study therefore concludes that there is a strong relationship between intellectual capital reporting and financial performance of listed consumer goods companies in Nigeria. This is because three out of three (i.e. 100%) of the intellectual capital components (HCR, SCR and RCR) have shown significant relationship with financial performance. Consequently, intellectual capital reporting is a major determinant of financial performance of these companies. Based on the conclusion of this study, the following policy recommendations are therefore made;

1. Management of these companies should invest aggressively in human capital development in order to enhance value and competitiveness of their companies. This can be done through training and retraining of the workforce by organizing workshops, seminars, symposia, conferences and sponsoring staff to schools to acquire higher qualifications. Staff should also be encouraged to acquire professional qualifications.
2. Management of organizations should institutionalize research and development in order to continuously and aggressively pursue creativity and innovativeness.
3. Nobody is an island, and as such one cannot always do it alone. Consequently, the managers of these companies should strive to improve their organizational relationship with first and foremost their owners (shareholders), suppliers and customers. Above all, good and cordial relationship with the government in power and the host community should be taken seriously.

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APPENDIX

Result Output

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   ___   ____  ____   ____   ____ (R)
  /__    /    /___/   /    ___/
 ___/   /   /___/    /    /___/    14.2    Copyright 1985-2015 StataCorp LP
   Statistics/Data Analysis       StataCorp
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Notes:
      1.  Unicode is supported; see help unicode_advice.
      2.  Maximum number of variables is set to 5000; see help set_maxvar.

. *(8 variables, 120 observations pasted into data editor)


. reg tobinq hcr scr rcr
```

Source	SS	df	MS			
Model	47454.311	3	15818.1037	Number of obs	=	120
Residual	25290.9719	116	218.02562	F(3, 116)	=	72.55
				Prob > F	=	0.0000
				R-squared	=	0.6523
Total	72745.283	119	611.304899	Adj R-squared	=	0.6433
				Root MSE	=	14.766

tobinq	Coef.	Std. Err.	t	P>|t|	[95% Conf. Interval]	
hcr	.3532839	.0786267	4.49	0.000	.1975539	.509014
scr	.3240962	.0624715	5.19	0.000	.2003636	.4478287
rcr	.3030746	.1239731	2.44	0.016	.0575303	.548619
_cons	4.732408	1.786669	2.65	0.009	1.193684	8.271131