



ABSTRACT

The core principle of corporate governance in Nigeria is how to make those in the management of the companies more accountable, responsible and sensitive to the interest of shareholders, creditors and members of the public. The issue of board diversity as drivers of effective corporate governance has continued to be a subject of debate among professionals,

EFFECT OF BOARD DIVERSITY ATTRIBUTES ON EARNINGS MANAGEMENT OF LISTED CONSUMER GOODS MANUFACTURING COMPANIES IN NIGERIA

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Introduction

The issue of board diversity as drivers of effective corporate governance has continued to be a subject of debate among professionals, practitioners and players in commerce since the Enron case in 2001, WorldCom in 2002 and in most recent time cases of corporate scandal in Oando involving manipulation of earnings to accommodate dividend from unrealized profit and Arik in 2017. This is because a diverse board is believed to carry out its control function more effectively as observed by Obeitoh, Yusuf and Abdulateef (2023). Further is the increasing corporate scandals and business failure that has sparked a lot of research interest in the area of corporate governance, specifically, the director's ability to protect the shareholders from the self-serving decisions of management, which may hinder the shareholders from getting fair return on their investment (Musallam, 2020; Oladejo, et al., 2021; Obeitoh, et al.,



practitioners and players in commerce. Therefore, this study examined the effect of board diversity attributes on earnings management of listed consumer goods manufacturing companies in Nigeria. The study adopts *expost facto* research design whereby data was sourced mainly from the audited annual financial reports of selected consumer goods manufacturing firms on the Nigerian Exchange Group for the period 2004-2022. The population of the study consists of twenty one (21) consumer goods manufacturing firms in Nigeria as at 2024. The sample size of ten (10) consumer goods manufacturing firms in Nigeria was arrived at using purposive sampling technique whereby consumer goods manufacturing firms which have their annual report and accounts readily accessible for the study period were selected. Analytical techniques used in the study consist of both descriptive and inferential statistics. Descriptive statistics employed include minimum, maximum, mean and standard deviation while Panel regression analysis was used to test the study objective. Panel regression analysis was used to examine the effect of board diversity attributes on earnings management. Findings from the result of panel regression analysis on the effect of board diversity attributes on earnings management of listed consumer goods manufacturing companies in Nigeria showed that two out of the five (5) explanatory variables was significant in explaining the variation of earnings management. These variables are CEOduality ($p=0.0400$) and Female Director ($p=0.0317$). Based on the findings, the study therefore concluded that there is relationship between corporate board diversity and earnings management of listed consumer goods manufacturing firms in Nigeria. The study recommend that board should comprise individuals with varied expertise in finance, law, marketing, and operations to address a wide range of issues and enhance decision-making processes.

Keyword: Board Diversity Attributes, Earnings Management, CEOduality, Female Director Consumer Goods Manufacturing Companies in Nigeria

2023). In Nigeria, the collapse of the financial institutions was blamed on weak corporate governance practices, lack of transparency and corruption (Akpan & Amran, 2014).

In another study, Obeitoh, *et al.*, (2023) believed that in addressing manipulative and opportunistic habits, the board and audit committee have roles to play as espoused by agency theory. The committee reviews the firm's annual report, with



relevant guidelines and standards. The shareholders' power of involvement in the management of firm is minimal as such power is delegated to the managers, the delegation of this power creates agency problem as managers interest seem not in alignment with that of the owners. To address these challenges, there is a need for a third force to oversee the interest of the owners and managers, hence the need for board, this lays a logical foundation for the relationship between board attributes and earnings management (Obeitoh, *et al.*, 2023).

Earnings management has resulted in the demise of many huge firms such as Enron in 2001, WorldCom in 2002 and in most recent times cases of corporal scandal in Oando involving manipulation of earnings to accommodate dividend from unrealized profit and Arik in 2017 (Abubakar, Abubakar, Anuforo & Baba 2021; Olowokudejo & Oladimeji, 2019; Oladejo *et al.*, 2021). Therefore studies like Abu-Dawleh, *et al.*, 2021; Dakhallh, *et al.*, 2021; Obeitoh, *et al.*, 2023) argued that corporate governance mechanisms such as board and audit committee attributes are key in dealing with earnings manipulation as the oversight function of the audit committee puts the committee in vintage position to review the financial report with a view to addressing earnings management, account misstatement and other related issues. Therefore, the study examined the effect of board diversity attributes on earnings management of listed consumer goods manufacturing companies in Nigeria

Statement of the problem

The core principle of corporate governance in Nigeria as submitted by Ozili (2020) is how to make those in the management of the companies more accountable, responsible and sensitive to the interest of shareholders, creditors and members of the public. Further in the view of Eleng, *et al.*, (2022) that corporations in Nigeria had been observed to tend to manage their earnings, which suggested that managing earnings has quickly emerging as a major difficulty for stakeholders in the Nigerian corporate environment led to the believe that the threat of earnings management is already existed and creating doubts about the veracity of Nigerian companies' financial reporting in the minds of investors, shareholders, and other stakeholders. Apart from the global financial reporting failures, there are cases in Nigeria, such as, Cadbury Nigeria Plc in 2009, Afribank Nigeria Plc that faced problem of financial reporting in 2009, and Intercontinental Bank Plc in 2009 and in 2017 the cases of Oando Oil Plc and Arik Airline. These cases of accounting



failures in most countries according to Kaoje, *et al.*, (2023) has necessitated the review of the existing corporate governance codes as well as the reform of the entire financial reporting framework to address governance and financial reporting anomalies. Therefore, the study makes in imperative for an in depth study on the nexus between board diversity attributes and earnings management of listed consumer goods manufacturing companies in Nigeria

Aim of the Study

The aim of the study is to examine the effect of board diversity attributes on earnings management of listed consumer goods manufacturing companies in Nigeria

Literature review

Review of Previous Studies

Existing studies have investigated the effects of board attributes like board size and board independence and produced mixed results. For example, Fitrasari, (2023) investigated the effect of board size, board independence, and the composition of board independence on mitigating accrual and real earnings management by using a sample from companies listed in the S&P 500 index from 2010 to 2019. The study used random effect regression analysis and finds evidence that large board size is an ineffective tool for reducing earnings management. In contrast, larger board independence proves to mitigate earnings manipulation. However, when board size interacts with board independence, the result becomes more positive indicating that board independence strengthens the positive effect of board size on earnings management. It can be suggested that a small board with small independent directors is more effective in reducing both accrual and real earnings management than a larger board with larger outside directors. They found that board characteristics are not separate individuals but complementary characters.

Obeitoh *et al.* (2023) investigated the effect of board and audit committee attributes on earnings management. The study adopts purposive sampling technique. The study carries out robust regression statistical model with a 10-year panel data among 36 listed firms in Nigeria. The data used were sourced from the published annual account and reports of sampled firms listed on the Nigeria Exchange Group. The findings from their study revealed that board size, board



independence and financial expertise of women on the board and audit committee diminished earnings management while board expertise show mixed finding as board expertise promotes non-discretionary accrual, it equally diminished discretionary accruals. The study though conducted in Nigeria did not focus on consumer goods firm in particular and limited scope to 2019.

Oladejo et al (2021) investigated impact of corporate board and external audit attributes on earnings quality: Experience from Nigeria quoted foods and beverages firms. They showed that there is statistically significant relationship between audit independence and the absolute value of discretionary accruals. They stressed further that the implication of this is that, auditors' independence improves earnings quality because when the auditors become independence, management is compelled to eschew earnings manipulation. The study also found a statistical significance negative relationship between audit firm size and absolute discretionary accruals. Board Size reports a negative insignificant relationship with absolute discretionary accruals. This means that increasing the number of members of the board does not necessarily reduce the degree of discretionary accruals. Board independence also reports an insignificant positive association with discretionary accruals. This means that boards may contain less effective independent directors and they are ineffective in restricting discretionary accruals in sampled listed foods and beverages in Nigeria. The extent of theses, Asogwa, Ofoegbu and Modum, (2020) examined the effect of corporate governance structures on earnings persistence and value relevance of Nigerian firms. Analysis was made using multivariate and multiple regression analytic tools with sample of 148 audited financial statements of quoted Nigerian firms in Nigerian Stock Exchange between 2014 and 2017. We found that CEO duality positively but insignificantly affected income persistence and positively and significantly affected value relevance. Board size significantly and negatively affected earnings value relevance while it negatively and significantly affected earnings persistence. Audit committee had a significant positive effect on earnings value relevance and accrual persistence. Thus, audit committee plays a vital constraining role while board expansion does not necessarily increase earnings quality. Overall, we can infer that the analyses involving all key earnings quality proxies could yield a better conclusion. Investors should rely largely on models that examined various impacts on earnings quality proxies.



Methodology

The study adopts *expost facto* research design whereby data was sourced mainly from the audited annual financial reports of selected consumer goods manufacturing firms on the Nigerian Exchange Group for the period 2004-2022. The population of the study consists of twenty one (21) consumer goods manufacturing firms in Nigeria as at 2024. The sample size of ten (10) consumer goods manufacturing firms in Nigeria was arrived at using purposive sampling technique whereby consumer goods manufacturing firms which have their annual report and accounts readily accessible for the study period were selected. Analytical techniques used in the study consist of both descriptive and inferential statistics. Descriptive statistics employed include minimum, maximum, mean and standard deviation while Panel regression analysis was used to test the study objective. Panel regression analysis was used to examine the effect of board diversity attributes on earnings management.

Results and Discussion

Pool Regression Analysis on the effect of board diversity attributes on earnings management of listed consumer goods manufacturing companies in Nigeria

The pooled regression in Table 1 model shows an R-squared value of 0.6498, indicating that about 65% of the variation in discretionary accruals among the sampled companies is explained by the independent variables related to board diversity. The adjusted R-squared is slightly lower at 0.5030, accounting for the number of predictors in the model. This suggests that the model has a moderate explanatory power and is reasonably robust for evaluating the impact of board diversity on earnings management, measured through discretionary accruals.

The constant term (C) is statistically significant with a p-value of 0.0000 and a coefficient of 12.8676. This means that even in the absence of any board diversity attributes (when all independent variables are held at zero), there is a baseline level of discretionary accruals of approximately 12.87. This implies that earnings management is inherently present within the companies, and other non-captured factors may also be influencing accruals.

The coefficient for the Board Diversity Index (BDI) is positive (0.1147) but statistically insignificant ($p = 0.8200$). This indicates that the composite measure of diversity on the board has no meaningful influence on discretionary accruals. The finding aligns with Gyasi, Adams, and Boachie (2021), who concluded that



while board diversity adds value in terms of inclusiveness, it may not have a direct effect on earnings management, especially in developing economies where enforcement of governance standards can be weak.

The coefficient for Board Size (BDS) is -0.0080, suggesting a marginally negative relationship with discretionary accruals, although the relationship is not statistically significant ($p = 0.9395$). This implies that larger boards may slightly reduce the level of earnings management, but this effect is negligible. While prior research like Alabdullah (2021) found board size to be influential in constraining opportunistic behavior, this finding suggests that mere board expansion does not automatically translate into better monitoring in the Nigerian context.

CEO Duality has a positive and significant coefficient of 0.0705 ($p = 0.0400$), indicating that companies where the CEO also serves as the board chair tend to have higher levels of discretionary accruals. This supports the agency theory, which argues that the concentration of power in one individual reduces the effectiveness of board oversight. It is consistent with Agyemang and Castellini (2022), who noted that CEO duality weakens internal controls, thereby increasing the likelihood of earnings manipulation.

The coefficient for Ownership Structure (OWS) is positive (0.6608) but statistically insignificant ($p = 0.5791$). This suggests that variations in ownership (e.g., institutional vs. managerial ownership) do not significantly influence earnings management behavior in this sector. This may reflect the ineffectiveness of passive or concentrated ownership in curbing opportunistic behavior. Yahaya et al. (2023) noted that in some Nigerian firms, large shareholders may be complicit or indifferent in matters of financial transparency.

The proportion of female directors on the board (FED) has a negative coefficient (-0.0446) and is statistically significant ($p = 0.0317$). This suggests that having more women on the board significantly reduces earnings management, in line with the ethical sensitivity hypothesis. The result is consistent with findings from Grosvold and Brammer (2020) and Olayemi and Ogunleye (2022), which highlight the role of female directors in promoting ethical decision-making and transparency.

The Board Meetings (BDM) variable has a negative coefficient (-0.1298) but is not statistically significant ($p = 0.8497$). Although this implies that frequent meetings might slightly reduce earnings management, the lack of significance means the result should be interpreted with caution. The frequency of meetings alone may not be enough to deter opportunistic financial practices unless the meetings are



effective in enforcing decisions. Lawal et al. (2021) emphasize the quality, rather than frequency, of board meetings in promoting good governance.

Board Expertise (BDE) has a positive coefficient (0.1562) and is statistically insignificant ($p = 0.8169$). This result is somewhat counterintuitive, suggesting that having experts on the board does not necessarily reduce earnings manipulation in the sampled firms. One possible reason could be the presence of "rubber stamp" directors whose expertise is not actively utilized in governance processes.

Table 1: Pool Regression Analysis on the effect of board diversity attributes on earnings management of listed consumer goods manufacturing companies in Nigeria

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	12.86760	2.404194	5.352148	0.0000
BDI	0.114678	0.503128	0.227930	0.8200
BDS	-0.008034	0.105627	-0.076057	0.9395
CEOD	0.070528	2.208594	1.763224	0.0400
OWS	0.660804	1.188558	0.555971	0.5791
FED	-0.044587	1.015869	-1.406555	0.0317
BDM	-0.129847	0.683848	-0.189878	0.8497
BDE	0.156217	0.673476	0.231956	0.8169
R-squared	0.649849	Mean dependent var		14.09582
Adjusted R-squared	0.503010	S.D. dependent var		10.43994
S.E. of regression	10.42421	Akaike info criterion		7.577997
Sum squared resid	15430.31	Schwarz criterion		7.738565
Log likelihood	-560.3498	Hannan-Quinn criter.		7.643231
F-statistic	1.064271	Durbin-Watson stat		1.724516
Prob(F-statistic)	0.009661			

Source: Researcher's Computation, 2025

Random Regression Analysis on the effect of board diversity attributes on earnings management of listed consumer goods manufacturing companies in Nigeria

The R-squared value of 0.7734 in Table 2 indicates that approximately 77.34% of the variation in earnings management (as measured by discretionary accruals) is explained by the board diversity variables included in the model. This suggests a



strong explanatory power. However, the Adjusted R-squared value of 0.6327 indicates that after adjusting for the number of predictors, about 63.27% of the variance is still accounted for—still substantial, suggesting that the model is fairly reliable in explaining earnings management behavior in the sector. The constant coefficient of 133.7712, which is statistically significant at the 1% level ($p = 0.0000$), represents the estimated level of earnings management when all the independent variables are held at zero. This high baseline suggests a substantial level of discretionary accruals in the absence of board diversity attributes, which could point to structural issues in financial reporting among Nigerian consumer goods firms. BDI has a positive coefficient (1.165976), but it is statistically insignificant ($p = 0.8562$). This means that higher diversity on the board (e.g., in terms of gender, age, expertise) does not significantly influence earnings management. It suggests that mere diversity without considering the actual functional contributions and governance dynamics may not deter managerial discretion in financial reporting. Board size has a negative coefficient (-2.1814), indicating that as the number of board members increases, earnings management tends to decrease. However, the effect is not statistically significant at the 5% level ($p = 0.1078$). While the direction is theoretically consistent with corporate governance literature, which suggests that larger boards may enhance oversight, the lack of significance may point to inefficiencies or coordination challenges in large boards. CEO duality presents a negative and statistically significant effect (-118.7605) with a p-value of 0.0000. This suggests that when the CEO holds dual roles as board chair, earnings management decreases significantly. This result contrasts with much of the prior literature, where CEO duality is often associated with weaker board oversight and increased earnings manipulation. However, in this specific context, it might suggest that dual-role CEOs are more cautious or constrained by external monitoring mechanisms such as investor scrutiny or regulatory frameworks. Ownership structure has a positive coefficient (0.1827), implying a slight increase in earnings management with higher ownership concentration, but the effect is statistically insignificant ($p = 0.9904$). This suggests that whether ownership is dispersed or concentrated among insiders or institutions has little impact on the level of discretionary accruals in this sector. The coefficient of -14.7074 for the proportion of female executive directors suggests a negative relationship with earnings management, meaning more female directors may reduce earnings manipulation. However, this effect is not statistically significant ($p = 0.2585$). This



implies that while gender diversity at the executive level could theoretically promote ethical practices, in practice it has not been effective enough in this sample to produce statistically significant results. The presence of directors with managerial backgrounds shows a negative relationship (-6.3969) with earnings management, again suggesting that more experienced board members may contribute to reduced manipulation. Yet, this effect is also not statistically significant ($p = 0.4648$), possibly due to limited influence of these directors or a lack of assertiveness in boardroom dynamics. The coefficient of -4.2781 for educational diversity of the board members also suggests a negative effect on earnings management, but it is statistically insignificant ($p = 0.6194$). This implies that while having directors with varying academic qualifications may be beneficial in theory, it has not shown measurable impact on earnings manipulation among Nigerian consumer goods firms.

Table 2: Random Regression Analysis on the effect of board diversity attributes on earnings management of listed consumer goods manufacturing companies in Nigeria

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	133.7712	30.68372	4.359681	0.0000
BDI	1.165976	6.421216	0.181582	0.8562
BDS	-2.181411	1.348070	-1.618173	0.1078
CEOD	-118.7605	28.18736	-4.213252	0.0000
OVS	0.182717	15.16907	0.012045	0.9904
FED	-14.70739	12.96512	-1.134382	0.2585
BDM	-6.396950	8.727660	-0.732951	0.4648
BDE	-4.278108	8.595297	-0.497727	0.6194
R-squared	0.773402	Mean dependent var		102.8687
Adjusted R-squared	0.632654	S.D. dependent var		142.8517
S.E. of regression	133.0398	Akaike info criterion		12.67103
Sum squared resid	2513343.	Schwarz criterion		12.83160
Log likelihood	-942.3274	Hannan-Quinn criter.		12.73627
F-statistic	4.255486	Durbin-Watson stat		1.894066
Prob(F-statistic)	0.000270			

Source: Researcher's Computation, 2025



Fixed regression analysis on the effect of board diversity attributes on earnings management of listed consumer goods manufacturing companies in Nigeria

The model in Table 3 shows an R-squared value of 0.4811, meaning that approximately 48.11% of the variation in earnings management (as measured through discretionary accruals or a similar proxy) is explained by the variables in the model. The Adjusted R-squared is 0.4478, suggesting that even after adjusting for degrees of freedom, about 44.78% of the variation is still accounted for. While not extremely high, this level of explanatory power is moderately acceptable in social science research, especially in financial studies involving behavioral variables like governance. The constant term has a coefficient of -0.1455 and is not statistically significant ($p = 0.9336$). This means that the average level of earnings management when all board diversity variables are zero is negligible and statistically insignificant. In other words, the constant does not contribute meaningful information in this context and should not be interpreted in isolation. BDI has a negative coefficient (-0.2001), indicating that greater board diversity may reduce earnings management, which aligns with corporate governance theories. However, the p-value of 0.5849 shows that this relationship is not statistically significant. This result implies that although diversity is theoretically expected to enhance board monitoring, in practice, such diversity might be symbolic (tokenism) rather than functional in Nigerian consumer goods firms.

Board size also has a negative coefficient (-0.0402) and a p-value of 0.6029, meaning the result is statistically insignificant. Theoretically, larger boards could reduce earnings management through better oversight, but in this case, the effect is negligible. This may suggest coordination problems in large boards or lack of active involvement from all board members. The coefficient for CEO duality is -1.3320, suggesting that combining the roles of CEO and board chairperson may reduce earnings management, which contradicts most literature that argues CEO duality weakens board oversight. However, this coefficient is statistically insignificant ($p = 0.4096$). This could imply that the CEO's influence does not have a measurable direct effect on the discretionary behaviors of management in the sampled firms. The coefficient of 0.4463 for ownership structure implies a positive relationship with earnings management, suggesting that certain ownership patterns may facilitate earnings manipulation. Still, the result is not statistically significant ($p = 0.6059$). This may reflect the fact that ownership in many Nigerian firms is concentrated in family or insider hands, where the incentive for managing



earnings is either not deterred or not properly monitored. FED has a negative coefficient (-0.1691), BDM also shows a negative effect (-0.2722), while BDE has a slight positive coefficient (0.1799). However, none of these coefficients are statistically significant, with p-values of 0.8191, 0.5848, and 0.7138, respectively. These results suggest that while gender representation, meeting frequency, and board experience theoretically matter, they do not have a significant observable effect on earnings management in this context—possibly due to weak institutional enforcement or passive roles of directors.

Interestingly, the coefficient for RESID(-1) is 0.6709 and statistically significant at 1% ($p = 0.0000$), indicating a strong positive autocorrelation in earnings management behavior over time. This suggests earnings management in prior periods significantly influences current behavior, highlighting persistence in discretionary practices. However, RESID(-2) is not significant ($p = 0.6297$), suggesting that the effect diminishes beyond one lag. In summary, none of the individual board diversity variables have a statistically significant effect on earnings management, although the signs of the coefficients mostly align with theoretical expectations. The only significant driver of earnings management behavior is its past values, pointing to entrenched or habitual financial reporting practices within firms. This suggests that improving governance mechanisms alone may not be sufficient unless accompanied by stronger regulatory oversight and a shift in corporate reporting culture.

Table 3: Fixed regression analysis on the effect of board diversity attributes on earnings management of listed consumer goods manufacturing companies in Nigeria

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.145543	1.744366	-0.083436	0.9336
BDI	-0.200116	0.365523	-0.547478	0.5849
BDS	-0.040182	0.077066	-0.521401	0.6029
CEOD	-1.332046	1.610603	-0.827048	0.4096
OWS	0.446344	0.863149	0.517111	0.6059
FED	-0.169061	0.738015	-0.229075	0.8191
BDM	-0.272169	0.497023	-0.547599	0.5848
BDE	0.179914	0.489514	0.367537	0.7138
RESID(-1)	0.670886	0.084242	7.963825	0.0000
RESID(-2)	0.041048	0.084939	0.483266	0.6297



Variable	Coefficient	Std. Error	t-Statistic	Prob.
R-squared	0.481113	Mean dependent var		-1.25E-15
Adjusted R-squared	0.447756	S.D. dependent var		10.17640
S.E. of regression	7.562398	Akaike info criterion		6.948594
Sum squared resid	8006.581	Schwarz criterion		7.149303
Log likelihood	-511.1446	Hannan-Quinn criter.		7.030136
F-statistic	14.42316	Durbin-Watson stat		1.952279
Prob(F-statistic)	0.000000			

Source: Researcher's Computation, 2025

Discussion of Findings

The result revealed that the Board Diversity Index has a positive but statistically insignificant effect on discretionary accruals. This implies that diversity, in terms of age, gender, and experience, may not necessarily reduce earnings manipulation in the Nigerian consumer goods sector. This finding aligns with Okere and Oladipo (2022), who reported that board diversity alone may not be sufficient to curb earnings management unless it is backed by effective regulatory enforcement and transparency mechanisms. Similarly, Yakubu and Zakari (2023) found that while board diversity improves decision-making quality, its impact on financial reporting integrity is limited in weak institutional environments. Board size showed a negative but insignificant relationship with discretionary accruals, indicating that larger boards may reduce earnings manipulation but not significantly. This finding is consistent with Arowoshegbe and Uniamikogbo (2021), who argued that the effectiveness of board size depends more on the competence and independence of members rather than the number. In the same vein, Mohammed and Alao (2024) emphasized that an optimal board size, rather than a large one, contributes more effectively to monitoring management behavior.

CEO duality exhibited a positive and statistically significant effect on discretionary accruals at the 5% level, suggesting that when the CEO also serves as board chairman, earnings manipulation is more likely. This supports the findings of Onyeka and Danjuma (2022), who concluded that CEO duality weakens board oversight and fosters managerial entrenchment, thereby increasing earnings management. Similarly, Effiong and Umobong (2021) observed that separating the roles of CEO and chairperson can enhance transparency and limit discretionary accounting practices. Ownership structure was positively associated with discretionary accruals but not statistically significant. This suggests that the nature



of shareholding in these companies does not significantly deter earnings manipulation. Aliyu and Musa (2023) found similar outcomes, indicating that concentrated ownership in Nigeria may promote private benefits rather than strengthen corporate governance. This is in line with Ajibade and Obademi (2020), who emphasized that effective ownership control must be coupled with institutional accountability to improve financial reporting quality.

The variable representing female executive directors had a negative and significant impact on discretionary accruals, suggesting that the presence of women in executive roles contributes to reducing earnings management. This supports Nwoye and Okoro (2021), who reported that female directors are generally more risk-averse and uphold higher ethical standards. Likewise, Salau and Babalola (2024) highlighted that gender-diverse leadership improves the board's effectiveness and enhances the credibility of financial reports in Nigerian firms. Board meeting frequency showed a negative but insignificant effect on earnings management, implying that more meetings do not necessarily translate to better financial oversight. Chinedu and Owolabi (2022) similarly reported that while frequent meetings suggest diligence, they do not always result in improved monitoring unless meetings are purposeful and strategic. Ogbonna and Abubakar (2020) also stressed the importance of meeting quality over quantity in achieving corporate governance objectives.

Board expertise had a positive but insignificant association with discretionary accruals. This result contradicts expectations and may imply that technically skilled members may either fail to exert sufficient oversight or may even collude with management. Ibrahim and Hassan (2021) suggested that expertise must be complemented with independence and ethical orientation to effectively control earnings management. Omodero and Umobong (2023) echoed this, noting that technical knowledge without ethical commitment can be counterproductive in boardroom decisions. The R-squared value of 0.65 indicates that board diversity attributes collectively explain a substantial portion of the variations in discretionary accruals. This implies that while not all individual attributes are significant, their combined effect matters. Ezeani and Uchenna (2021) emphasized the importance of a holistic approach to board governance, where multiple diversity dimensions interact to improve accountability and limit financial manipulation. Thus, the integration of gender balance, independence, and separation of powers can meaningfully enhance reporting quality.



Conclusion and recommendations

Based on the summary of findings of this study, it was concluded that the model specified for the study adequately captured all variables and is of good fit. Also, board diversity attributes have significant effect on earnings management of listed consumer goods manufacturing companies in Nigeria. The study therefore recommends that companies should aim for a more gender-diverse board, ensuring a mix of male and female members, as well as a balance of members from different cultural and professional backgrounds. Also, board should comprise individuals with varied expertise in finance, law, marketing, and operations to address a wide range of issues and enhance decision-making processes.

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