Effect of Earnings Quality on the Firm Value of Consumer Goods Manufacturing companies in Nigeria

Olola Olayeye Aduwo[1], Bamikole Samson Fajuyagbe[2],

Ayomikun Elizabeth Aduwo[3]

Abstract: This study examines the effect of earnings quality on the firm value of Nigerian firms that manufacture consumer products using static and dynamic models. Earnings quality was proxied by an accrual-based score, and firm value was proxied by the ratio of share price to book value. From 2012 to 2021, data from the annual reports of a selection of consumer goods manufacturers listed on the Nigerian Group of Exchanges was used as a secondary source of information. In this investigation, panel data regression and panel vector autoregressive are used as estimation methods. According to the static model, earnings quality has a positive but insignificant effect on the value of a company. In addition, the results of the granger causality test demonstrated that earnings quality cannot be used to predict future firm value, and that earnings quality has a negative and insignificant influence on firm value in the short term. Thus, it was determined that earnings quality has no effect on the long-term or short-term firm value. The study concluded that earnings quality has no significant effect on the firm value of Nigerian companies that manufacture consumer products. In light of this, the study recommends that the management of companies that manufacture consumer products use an accrual-based score as a measure of earnings quality for informative earnings management, which will increase firm value.

Keywords: Earnings Quality; Firm value; Panel Regression

JEL Classification: F65; G30

---

[1] PhD, Department of Accounting, Achievers University Owo, Ondo state, Nigeria, Address: 5H9P+5H2, KM 1 ldasen/Uteh Road, 341104, Owo, Ondo, Nigeria, E-mail: aduwooo@achieversuniversity.edu.ng.

[2] PhD, NIMC, Federal University of Technology, Akure, Ondo state, Nigeria, Address: PMB 704, The Federal University of Technology Akure, Ondo State, Nigeria, Corresponding author: kolesamson@gmail.com.

[3] Department of Accounting, Achievers University Owo, Ondo state, Nigeria, Address: 5H9P+5H2, KM 1 ldasen/Uteh Road, 341104, Owo, Ondo, Nigeria, E-mail: ayomikunaduwo@yahoo.com.

1. Introduction

The owners and managers do have different moderating roles in financial practice to guide the business success Azam and Abdullah (2015). Several years ago, the accounting and financial controversies witnessed by major organizations around the world necessitated a renewed interest in the quality of firms' financial statements as prepared by those organizations. This financial scandal cast doubt on the efficacy of the company's management and on whether or not corporations serve the best interests of their shareholders. (Dilger & Graschitz, 2015) These scandals underscored the need for quality financial information and effective control mechanisms in financial reporting to secure the trust that should exist between company managers and their stakeholders. This, however, can result in managerial opportunism if the selection of accounting policies leads to an increase or decrease in company profits (Pramithasari & Yasa, 2016). Thus, earnings management is an alternative action that management can take to accomplish their objectives, despite the fact that this action will produce misleading financial reports. This is consistent with the findings of Aini et al. (2006), who demonstrated that managers are incentivized to manipulate financial statements in order to create a financial image that aligns with their interests. However, earnings management may be effective if it increases the information value of earnings by communicating confidential information to both stockholders and the public (Jiraporn et al., 2008).

In addition, the issue of earnings quality has been a major concern among financial analysts, investors, management, and researchers. This has resulted in numerous empirical studies on earnings quality in relation to other firm-specific factors, such as firm value, corporate governance, etc. Consequently, the majority of these studies concentrated on the static character of the relationship between earnings quality and other firm-specific factors. In light of this, there is a dearth of research on the relationship between earnings equality and other firm-specific variables, such as firm value, over the long term. This study attempts to fill a gap in the literature by examining the static and dynamic relationship between earnings quality and firm value in the context of Nigerian firms that manufacture consumer products. In accordance with this objective, the study poses the following research question: What is the impact of earnings quality on the firm value of Nigerian firms that manufacture consumer goods? The purpose of the following section is to provide an answer to the research question posed in the introduction. The second section of this article provides a literature review on the influence of cost control methods on the expansion of manufacturing enterprises in Nigeria. The methodology of the research

is described in detail in section three. The fourth segment presents the results and a discussion of the findings, while the fifth section provides the conclusion and recommendations.

2. Literature Review

Earnings quality is essential for building investor confidence, attracting capital, and fostering economic growth in Nigeria, as it is in other nations. Consistent profits are deemed to be of high quality (Adeyemi, 2015), as they indicate sustained business operations and are less likely to be affected by cyclical factors or earnings management techniques. The magnitude and volatility of accruals in relation to cash flows can be used to evaluate accrual quality. Lower accruals volatility demonstrates a higher quality of earnings. Discretionary accruals are used to account for the proportion of accruals that management may alter in order to influence the reported profitability. Greater discretionary accruals may indicate earnings management and a decline in earnings quality. On the other hand, firm value, a fundamental concept in finance, represents the market value of a company. It is affected by factors such as financial performance, growth potential, risk profile, and corporate governance. The study documents several studies on the effect of earnings quality on firm value, including, but not limited to, Olaoye and Adewumi's (2020) examination of the effect of corporate governance on earnings quality in Nigerian listed firms. This study was conducted using secondary data obtained from the annual reports of the sampled companies, and the data was analyzed using panel regression on a sample of 37 publicly traded manufacturing companies for the period 2011-2017. Overall, the results indicate that Board size, board independence, and board gender diversity, which are used to measure corporate governance, have a substantial impact on earnings quality. Etim, Umoffong, Inyang, and Umanah (2023) examined the determinants of earnings quality (EQ) for consumer goods firms listed in Nigeria.

This was based on the unprecedented corporate failings and falsified financial statements of numerous global companies. The companies selected were those with the most recent financial information required for the study. The analysis revealed that leverage had a negative and statistically significant effect on earnings quality, that managerial ownership had a positive but not statistically significant effect on earnings quality, and that firm size and liquidity had a positive and statistically significant effect on the earnings quality of listed consumer goods companies in Nigeria during the study period. Based on the findings, it was determined that high

leverage is detrimental to earnings quality, and it was suggested that managers of consumer goods companies limit the use of excessive debts in managing the businesses and pay special attention to liquid assets, as this has a positive impact on EQ. Lateef, Rashid, Mustapha, and Ado (2019) analyzed the effect of earnings management as a measure of financial reporting quality on information asymmetry for listed companies in Nigeria. The relationship between earnings management and information asymmetry is investigated by constructing the theoretical framework underlying earnings management. The research revealed that both real earnings quality and accruals earning quality models are applicable to comprehending financial reports, thereby reducing the information asymmetry problem. In order to make effective portfolio decisions, uninformed consumers of financial reports are encouraged to rely on financial analysts. Also, if the management of publicly traded companies must manipulate earnings, the real earnings manipulation method is recommended over the accrual-based approach.

Latif, Bhatti, and Raheman (2017) investigated the impact of earnings quality on Pakistani firm value. Using panel data of 214 non-financial listed firms in Pakistan from 2003 to 2014 and a one-way random effect estimator for the SUR system, it was determined that corporate governance effectively improves the earnings quality and firm value, which validates the monitoring role. The conclusion is that corporate governance not only increases the firm's value directly, but also indirectly through the earnings quality channel. Olatunji and Juwon (2020) examined the relationship between accrual-based earnings, real-based earnings management, and the firm value of Nigerian manufacturing firms that are publicly traded. The study utilized descriptive, panel least square regression techniques, such as pooled, fixed, and random effect, in conjunction with a number of diagnostic evaluation techniques. The result indicated that accrual-based earnings management, as measured by abnormal discretionary accrual earnings (ADA), was positively associated with the firm's value reflected by the return on equity (ROE) of the publicly traded manufacturing companies and increased it by 38.31%. Individually selected publicly traded manufacturing companies revealed accrual-based earnings management documented by the study, which concluded that the practice of earnings management is advantageous to the manipulator of accounts. It can be emphasized that the simplicity of detecting accrual earnings management can help investors determine whether a company is a good investment.

Tarmidi and Murwaningsari (2019) investigate the impact of earnings management and tax planning on firm value, with audit quality serving as a moderator. Using

multiple regression and moderation analysis, it was discovered that Earnings Management has a positive effect on Firm Value, Tax Planning, and Firm Value. As a moderating variable, Audit Quality substantially reduces the impact of Earnings Management on Firm Value but not the impact of Tax Planning on Firm Value.

Akintoye, Adegbie, Nwaobia, and Kwarbai (2019) used an ex-post facto research design to examine the impact of earnings quality (EQ) on the growth of manufacturing firms in Nigeria from 1996 to 2006. Value Relevance (VALR) and Accounting Conservatism (CONS) had a significant positive impact on firms' Turnover growth, while Accrual Quality (AQUA) had a negligible negative effect. The conclusion of the study is that Earnings quality is beneficial for determining the growth of businesses. Mohammed and Kurawa (2021) investigate the moderating effect of earnings quality on the relationship between corporate board characteristics and the market value of listed insurance companies in Nigeria. The study utilized secondary sources of data collected from 2009 to 2018 annual reports of the sampled corporations. Path analysis employing Structural Equation Modeling was employed, as well as Monte Carlo's test to ascertain the significance of the indirect effect. It was discovered that board size, board meetings, and female directorship have a substantial impact on firm value. It also reveals that board size and independence have a considerable impact on the earnings quality of Nigerian listed insurance companies.

In addition, the study reveals that earnings quality does not substantially mediate the association between board size, board independence, women directors, board meetings, and firm value. Saleh, Abu Afifa, and Alsufy (2020) examined the significance of earnings quality as a performance determinant for companies. Using a sample of all Jordanian industrial public shareholding companies listed on the Amman Stock Exchange (ASE) from 2010 to 2018, the study employs a panel data analysis method. The results indicate that the earnings quality influences Return on Assets (ROA), Return on Equity (ROE), and Earnings Per Share (EPS) as proxies for company performance. In conclusion, this study can serve as a guide for standard setters, security analysts, regulators, and other accounting information consumers to evaluate the relationship between earnings quality and company performance. Almari, Weshab, Saleh, Aldboush, and Basel (2021) examined the effects of earnings management and ownership structure on the value of a business. Between 2015 and 2019, the public companies included in this study were listed on the Amman Stock Exchange. Aside from this, the findings indicate that family ownership has a substantial positive effect on business value. To maximize the firm's

valuation, it is advised that these companies rigorously adhere to the CG mechanism. On the other hand, the function of CG as an independent or moderating variable is still debatable. Oyebamiji (2021) analyzed the impact of ownership structure on the earnings quality of Nigerian financial firms that are publicly traded. The research utilized secondary data. Using pooled ordinary least square, fixed effect, and random effect estimation techniques, collected data were analyzed. Institutional ownership had a statistically significant positive relationship with earnings quality, while ownership concentration had a statistically significant negative relationship with earnings quality.

The study suggests that institutional ownership, which demonstrates a positive correlation with earnings quality, enables listed banks to better their earnings. Potharla, Bhattacharjee, and Samontaray (2021) investigate the effect of real earnings management on the firm's future value and its longevity. The sample for this analysis consists of all publicly traded nonfinancial companies from 2011 to 2018. Real earnings management has been evaluated using three distinct metrics: abnormal operating cash flows, abnormal discretionary expenditure, and abnormal production cost. Tobin's Q is utilized as a valuation metric. The interaction term between real earnings management and Tobin's Q is used to assess the persistence of a company's value. The analysis reveals that, among three measures of real earnings management, only abnormal reduction in discretionary expenditure has a significant negative effect on the persistence of firm value. The majority of studies examining the effect of earnings quality on firm value employed a static model, which justifies the need for this study to fill the gap in the literature, particularly in the Nigerian context, by extending the method of estimation to Panel vector autoregressive. The foundation of this investigation is the theory of information asymmetry.

3. Methodology

The study employed an expo facto research design to examine the effect of earnings quality on the firm value of a sample of Nigerian consumer goods manufacturers. All consumer goods manufacturing companies listed on the Nigerian Group Exchange constitute the study's population. The technique of purposive sampling was utilized to select sixteen consumer goods manufacturing companies that trade frequently on the NGX from 2012 to 2021. This represents 160 observations that are suitable for panel data regression. The information was extracted from the annual

reports of the chosen manufacturing firms. As estimation techniques, panel data regression was utilized in this investigation. Earnings quality was measured using an accrual-based score, consistent with DeAngelo's (1986) proposal for discretionary accruals. The model is given by equation 1

$$fv_{it} = \pi_0 + \lambda_1 lv_{it} + \lambda_2 siz_{it} + \lambda_3 eq_{it} + \lambda_4 gro_{it} + \lambda_5 bsz_{it} + \varepsilon_{it} \tag{1}$$

Where fv stands for firm value, lev stands for leverage, siz stands for firm size, eq stands for earnings equality, gro stands for growth opportunity, and bsz stands for board size. i represents the sampled manufacturing companies, t is the time frame, 0 is the constant, 1-3 are the parameters, and is the error term. In addition, Abrigo and Love's (2015) model was utilized to determine the dynamic impact of earnings quality on firm value using Panel VAR.

4. Result and Discussion

This section discusses the descriptive statistics, interpretation of results, and discussion of findings regarding the effect of earnings quality on the firm value of quoted Nigerian firms that manufacture consumer products. The study presents and describes annual data using statistical measures including mean, maximum values, minimum values, and standard deviation. In addition, pre-estimation experiments and data estimations are conducted for each model specified in section three. This chapter also includes an interpretation of results and a discussion of estimation findings. The outcome is displayed in Table 4.1.

Table 4.1. Descriptive Statistics

Variable	Mean	Std. Dev.	Min	Max
fv	5.079563	9.593027	-3.3	75.57
lev	59.81987	18.949	12.42	150.45
siz	7.574187	.7936869	5.42	8.74
eq	-.0769375	.1657383	-.62	.61
gro	.0527587	.3121595	-.9612258	2.287081
bsz	10.35	2.890453	4	18

Note: fv represents firm value, lev represents leverage, siz represents firm size, eq represents earnings equality, gro represents growth opportunity and bsz represents board size.
Source: Author's Computation, (2023)

The positive mean values of all variables under consideration, with the exception of earnings quality, indicate that all variables have a tendency to increase in value over the period of investigation, with the exception of earnings quality. The minimum

firm value of the listed consumer goods manufacturers is -3.30 and the maximum firm value is 75.57. During the period of investigation, the firm value of the enterprises increased at some points and decreased at other points. Throughout the duration of the investigation, the value of leverage, firm size, and board size continue to rise. During the investigation period, the value of earnings quality and growth opportunity fluctuates, indicating that companies experience both high earnings quality and growth opportunity and low earnings quality and growth opportunity. Despite this, the standard deviation reveals which variable is the most volatile and which is the least volatile. Earnings quality is the least volatile of the variables, while leverage is the most volatile. After describing the data series, the research investigates the multicollinearity between the variables. This is displayed in Table 4.2.

Table 4.2. Correlation Matrix

Variables	lev	siz	eq	gro	bsz
lev	1.0000				
siz	0.1221	1.0000			
eq	-0.0754	0.0237	1.0000		
gro	-0.1149	0.1328	0.1708	1.0000	
bsz	0.0459	0.5908	0.0475	0.1100	1.0000

Source: Author's Computation, (2023)

According to the correlation matrix's result, the first column reveals 0.1221 to be the highest correlation coefficient, indicating a positive association between firm size and leverage. This demonstrates that an increase in firm scale and leverage move in the same direction. On the other hand, the result indicates that the correlation coefficient between growth opportunity and leverage is -0.1149, indicating an inverse relationship. This implies that the growth opportunity moves in the opposite direction of leverage. The second column indicates that 0.5908 is the correlation coefficient with the highest linear association between board size and firm size among the variables. The lowest coefficient value is 0.0237, indicating a positive correlation between earnings quality and firm size. This indicates that earnings quality and firm size are inversely proportional. The correlation coefficient of 0.1708 in the third column is the highest among the variables, indicating that there is a mild positive association between earnings quality and growth opportunity and that the two explanatory variables move in the same linear direction. The fourth column illustrates a linear relationship between board size and development potential. This degree of correlation is modest, given that the correlation coefficient is 0.1100. In accordance with a priori expectations, the aggregate result indicates that the

correlation coefficients between the variables are very weak. Consequently, this demonstrates the absence of a perfect correlation and implies that the assumption of multicollinearity is invalid. Consequently, the multicollinearity is examined using the variance inflation factor. The estimation's results are documented in Table 4.3.

Table 4.3. Multicollinearity

Variable	VIF	1/VIF
siz	1.57	0.635331
bsz	1.54	0.648653
gro	1.06	0.939200
lev	1.04	0.963725
eq	1.03	0.966489
Mean VIF	1.25	

Source: Author's Computation, (2023)

Evidence from the result shows that there is absence of multicollinearity problem because the absence of a multicollinearity problem is demonstrated by the fact that the variance inflation factor is less than 10. Consequently, the research conducts the pre-estimation test to select

Prior to estimating the model, the study conducts the pre-estimation test to determine which of the pooled regression, fixed effects, and random effects models is most appropriate. The inability to simultaneously compute the three models justifies conducting a poolability test to determine which model, between the fixed effect model and pooled regression, is appropriate. The Breusch-Pagan Lagrangian Multiplier (LM) test is performed to determine whether the random effects model or the pooled regression model is preferable. The Hausman test is used to determine whether a fixed effect model or a random effect model is more appropriate. Consequently, the study presented the pre-estimation experiments alongside the model estimation. Thus, Table 4.3 summarized the results of the pre-estimation experiments conducted on the three models outlined in section three.

Table 4.4. Pre-estimation Test

Statistics	Chi-Square	Prob.
Poolability Test	7.06	0.000
LM Test	69.76	0.000
Hausman Test	14.56	0.0124

Note: Figures in () represented the Probability values.
Source: Author's Computation (2023)

The results of the pre-estimation tests in Table 4.4 indicate that the fixed effect model was more applicable than the pooled model, as the p-value for the poolability test was less than 5%. In addition, the LM test demonstrated that the random effect is preferable to the pooled regression, as the P-value was less than 5%. In addition, the Hausman test demonstrates that the fixed effect model is preferable to the random effect model because the associated P-value is less than 5%. The study therefore moved on to interpreting the fixed effect model. Therefore, the model's estimations are presented in Table 4.5.

Table 4.5. Dependent Variable: Firm Value

Variables	Coef.	Std. Err.	t	P>|t|
lev	.12041	.0347553	3.46	0.001
siz	-5.416788	2.84817	-1.90	0.059
eq	.8755224	3.646295	0.24	0.811
gro	-.369583	1.994784	-0.19	0.853
bsz	.1128138	.4316856	0.26	0.794
cons	37.82366	21.4705	1.76	0.080
R-Square	0.1000			
F-Statistics	3.06			
P(F-Statistics)	0.0119			

Source: Author's Computation, (2023)

The estimation results indicate that earnings quality and board size have a positive but insignificant impact on firm value. This indicates that for each unit change in equality earnings and board size, the firm's value increases by 0.87 and 0.11, respectively. In addition, the study demonstrates that leverage has a positive and statistically significant effect on firm value, which means that a change of one unit in leverage will increase the firm's value by 0.12. In addition, the study demonstrates that firm size and growth potential have a negative but significant impact on firm value. This means that a unit change in firm size and growth opportunity results in a decrease in firm value of 5.41 and 0.36, respectively. The coefficient of determination demonstrates a value of 0.10, indicating that approximately 10% of the variation in firm value of manufacturing companies could be explained by explanatory variables (earnings quality, leverage, firm size, board size, and growth opportunity), while the remaining 90% of the variation in firm value could be explained by factors not included in the study. In addition, the model was significant because the probability values associated with the F-statistic were less than 0.05, implying that a valid generalization could be derived from the model estimation. The static regression was then followed by the Panel var analysis, which captured the long-run and short-run effects of earnings quality on firm value. In light of this, the

variables were subjected to a unit root test, and the outcome was presented in Table 4.6.

Test for Panel Unit Roots.

Table 4.6. Panel Unit Root Test

Variables	Statistic	P-value
Fv	-11.0643	0.0000
lev	-27.3656	0.0000
eq	-4.3856	0.0000
siz	-0.9968	0.0194
gro	11.6803	0.0000
bsz	-5.4768	0.0000

Source: Author's Computation, (2023)

The results demonstrated that the respective probability values were less than the alpha value of 5 percent. It indicated that the null hypothesis of the unit root of the panels was refuted with 95 percent certainty. It meant that the panels lacked a unit root and that all variables were stationary at level, so that they could be fitted into a pane vector autoregressive model (PVAR) to estimate the dynamic effect of earnings quality on firm value for consumer goods manufacturers in Nigeria. Since the specifications were dynamic, the optimal lag time or extent had to be determined. This was achieved by employing a modified akaike information criterion, a modified Schwarz information criterion, and a modified Hanna Quinn information criterion. The optimal delay was discovered to be 1 seconds. Thus, the study proceeded to document the output of the Panel VAR. Table 4.7 displays the output of the short-run dynamic.

Table 4.7. Short Run Dynamic Effect of Earnings Quality on Firm Value

fv	Coefficients	Standard Error	Z-Statistics	Probability
fv(-1)	.0722	.0924	0.89	0.373
bsz (-1)	.0400	.0762	0.39	0.693
lv(-1)	.0507	.0094	6.46	0.000
eq (-1)	-.0129	.0081	-0.36	0.718
gro(-1)	-.1171	.0296	-3.61	0.000

Sources: Author's Computation, (2023)

Table 4.7 demonstrates the dynamic effect of earnings quality on the firm value of Nigerian manufacturers of consumer products. The study presents the equation of preference, which reveals that the lag one firm value and board size have a positive but insignificant impact on current firm value, whereas the lag one leverage value has a positive and statistically significant effect. Alternatively, earnings quality at

165

lag one has a negative but insignificant impact on firm value, whereas growth opportunity at lag one has a negative but significant impact on firm value. Using the well-known Granger causality technique, the study investigates the relationship between each pair of variables in the model. Table 4.8 demonstrates the result.

Table 8. Granger Causality between Pair of fv, bsz, lv, eq and gro

fv	chi2	df	Prob > chi2
Bsz	0.155	1	0.693
Lv	41.677	1	0.000
Eq	0.130	1	0.718
Gro	13.051	1	0.000
ALL	169.031	4	0.000

Sources: Author's Computation, (2023)

Results indicate that board size and earnings quality were insignificant at 5%, implying that board size and earnings quality did not granger cause firm value. Conversely, leverage and growth opportunity were significant at 5%, indicating that leverage and growth opportunity granger cause firm value. Therefore, board size and earnings quality cannot be used to foretell the future behavior of a firm's value, whereas leverage and growth opportunity can. Overall, the findings indicated that board size, earnings quality, leverage, and growth opportunity could be utilized to forecast the future behavior of firm value.

4.1. Discussion of Findings

Under the static model, it is evident that earnings quality has a positive but insignificant influence on the firm's value. This partially corroborates the findings of Olatunji and Juwon (2020), who demonstrated that earnings quality has a positive and statistically significant effect on the value of a company. In addition, the results of the granger causality test demonstrated that earnings quality cannot be used to predict future firm value, and that earnings quality has a negative and insignificant influence on firm value in the short term. Thus, it was determined that earnings quality has no effect on the long-term or short-term firm value. The reason for this is that the use of accrual-based score to measure earnings quality was employed as opportunistic earnings management, which resulted in low-quality reported earnings and has no significant impact on firm value. This contradicts the findings of Anderson et al. (2014), who discovered a significant and positive relationship between earnings management and performance.

5. Conclusion

This study examines the effect of earnings quality on the firm value of Nigerian firms that manufacture consumer products using static and dynamic models. Earnings quality was proxied by an accrual-based score, and firm value was proxied by the ratio of share price to book value. As a secondary source of information, annual reports from select consumer goods manufacturing companies listed on the Nigerian Group of Exchanges were consulted. In this investigation, panel data regression and panel vector autoregressive are used as estimation methods. According to the static model, earnings quality has a positive but insignificant impact on the value of a company. In addition, the results of the granger causality test demonstrated that earnings quality cannot be used to predict future firm value, and that earnings quality has a negative and insignificant influence on firm value in the short term. Thus, it was determined that earnings quality has no effect on the long-term or short-term firm value. The study concluded that earnings quality has no significant effect on the firm value of Nigerian companies that manufacture consumer products. In light of this, the study recommends that the management of companies that manufacture consumer products use an accrual-based score as a measure of earnings quality for informative earnings management, which will increase firm value. However, one of the limitations of this study is that it only considers consumer goods manufacturing companies; therefore, additional research should be conducted in this area with a focus on other economic sectors, such as oil and gas, industrial goods, and others.

References

Adeyemi, T. (2015). Earnings quality and firm value in Nigeria: Evidence from the oil and gas sector. *Journal of Accounting and Financial Management*, 1(2), pp. 20-31.

Aini, A.; Iskandar, T.; Pourjalali, H. & Teruya, J. (2006). Earnings management in Malaysia: a study on effects of accounting choices. *Malaysian Accounting Review* 5(2), pp. 185-209.

Akintoye, R. I.; Adegbie, F.F.; Nwaobia, A.N. & Kwarbai, J.D. (2019). Earning quality and growth of listed firms in Nigeria. *International Journal of Research & Methodology in Social Science*, 5 (1), pp. 74-82.

Almari, M. O. S.; Weshah, S. R. S.; Saleh, M. M. A.; Aldboush, H. H. H. & Ali, B. J. A. (2021). Earnings management, ownership structure and the firm value: An empirical analysis. *Journal of management Information and Decision Sciences, 24*(7), pp. 1-14.

Azam, S. M. F. and Abdullah, M. A. (2015). Differential roles between owner and manager in financial practice that contributes to business success: An analysis on Malaysian small business. *Academic Journal of Interdisciplinary Studies*.

Etim, E. O.; Umoffong, N. J.; Inyang, A. B & Umanah, N. (2023). Determinants of Earnings Quality of Listed Consumer Goods Firms in Nigeria. *Asian Journal of Economics and Finance*, 5 (2), pp. 231-248.

Jiraporn, P.; Kim, Y. S.; Davidson, W. N. & Singh, M. (2008). Corporate governance, shareholder rights, and firm diversification: An empirical analysis. *Journal of Banking and Finance,* 30(3), pp. 947−963.

Lateef, S. A.; Rashid, N. N. M.; Mustapha, U. A. & Ado, A. B. (2019). The Impact of Earnings Management as for the Nigerian Listed Firms Financial Reporting Quality on Information Asymmetry. *Jurnal Aplikasi Manajemen, Ekonomi dan Bisnis,* 4(1), pp. 38 – 46

Latif, K.; Bhatti, A. A. & Raheman, A. (2017). Earnings Quality: A Missing Link between Corporate Governance and Firm Value. *Business & Economic Review*, 9 (2), pp. 255-280.

Mohammed, S. & Kurawa, J. M. (2021). Board Attributes and Value of Listed Insurance Companies in Nigeria: The Mediating effect of Earnings Quality. *International Journal of Management Science and Business Administration.8* (1), pp. 7-23.

Olaoye, F. O. & Adewumi, A. A. (2020). Corporate Governance and the Earnings Quality of Nigerian Firms. *International Journal of Financial Research*,11 (5), pp. 161 – 171

Olatunji, O. C & Juwon, A. M. (2020). Accrual earnings management, real earnings management and firms value of quoted manufacturing companies in Nigeria. *EuroEconomica,*9 (3), pp. 119 - 140.

Oyebamiji, O. A. (2021). Ownership Structure and Earnings Quality of Listed Financial Firms in Nigeria. *Journal of Business Administration Research,* (4)2, pp. 21 – 32.

Potharla, S.; Bhattacharjee, K. & Samontaray, D. P. (2021). Real Earnings Management and Persistence of Firm Value: Evidence from India. *Journal of Asian Finance, Economics and Business,* 8(12), pp. 0323–0336.

Pramithasari, A. A. P. K. & Yasa, G. W. (2016). The effect of good corporate governance on earnings management in companies that perform IPO. *The Indonesian Accounting Review*, 6(1), pp. 37–44. https://doi.org/10.14414/tiar.v6i1.851.

Saleh, I.; Abu Afifa, M. & Alsufy, F. (2020). Does Earnings Quality Affect Companies' Performance? New Evidence from the Jordanian Market. *Journal of Asian Finance, Economics and Business,* 7 (11), pp. 33 – 43.

Tarmidi, D. & Murwaningsari, E. (2019). The Influence of Earnings Management and Tax Planning on Firm Value with Audit Quality as Moderating Variable. *Research Journal of Finance and Accounting*, 10 (4), pp. 49 – 58.